

Management Letter

**Science is Fun and Awesome Learning Academy
Charter School**

(A Non-Profit Organization)

Year ended September 30, 2020





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January 26, 2021

Management and the Board of Trustees
Science is Fun and Awesome Learning Academy Charter School

In planning and performing our audit of the financial statements of the Science is Fun and Awesome Learning Academy Charter School (SiFA) as of and for the year ended September 30, 2020, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered its internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of SiFA's internal control. Accordingly, we do not express an opinion on the effectiveness of SiFA's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

During our audit, we noted the following deficiencies in internal control (as described above):

Student Registration Documents

Observation:

During our testing of the validity of SiFA's monthly student enrollment reports submitted with the allotment requests, we noted that eight (8) out of twenty five (25) students did not submit all of the required registration documents. We further noted that SiFA currently allows the submission of the remaining required documents at a later time. SiFA's student enrollment policy requires that complete registration documents must be submitted for a student to be enrolled into the school. Students were allowed to enroll into the school with incomplete registration documents.

Student Registration Documents, continued

Recommendation:

To ensure that all required registration documents are submitted, we recommend that SiFA consistently apply and enforce its student enrollment policy.

Human Resource Employee Listing

Observation:

During our testing on payroll expense, we noted that two (2) individuals were excluded from the employee listing managed by the Human Resource department. It is our understanding that the employees were erroneously excluded in the listing as they are not actively employed. One employee is on-call and the second employee resigned at the earlier part of the fiscal year. Nevertheless, the employee listing should include current and former employees who worked for SiFA during the fiscal year.

Recommendation:

To ensure the completeness and accuracy of employee documents, we recommend for the Human Resource department to perform a periodic review of the employee listing.

This communication is intended solely for the information and use of management, the Board of Trustees and others within SiFA and is not intended to be and should not be used by anyone other than these specified parties.

We would be pleased to discuss the above matters or to respond to any questions, at your convenience.

Very truly yours,

Ernst + Young LLP