

BURGER & COMER, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

To the Participants
Government of Guam 457 Deferred Compensation Plan

In planning and performing our audit of the financial statements of the Government of Guam 457 Deferred Compensation Plan (the "Plan"), as of and for the year ended December 31, 2021 we considered the Plan's internal control over financial reporting 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 its internal control over financial reporting.

A *control deficiency* 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

A separate report dated April 20, 2022 contains our report on reportable conditions in its internal control. This letter does not affect our report dated April 20, 2022, on the financial statements of the Government of Guam 457 Deferred Compensation Plan.

The following comments and recommendations are intended solely for the information and use of the participants and should not be used by anyone other than these specified parties.

457 Deferred Compensation Plan Participant Files

Observation

Plan participant files, which are maintained by a third-party administrator (TPA), are not consistent with respect to form and content. Participant files do not contain an index, which would help to standardize the files and make document location more efficient. Additionally, not all documents are mounted and secured, so they could easily be misplaced or drop out of the files. Some files seem to lack relevant documents. Certain files have become bulky and unmanageable over time.

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Recommendation:

The Plan and the TPA should create an index which establishes the minimum requirements for form and content of the participant files.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various Plan personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Burg & Comer, P.C.

Tamuning, Guam
April 20, 2022