



June 24, 2010

Matthew J. Rector, President and  
Executive Board Members  
Guam Federation of Teachers  
P.O. Box 2301  
Hagatna, Guam 96932-2301

Dear President Rector and Executive Board Members:

The American Federation of Teachers (AFT) is in receipt of the Guam Federation of Teacher's (GFT) audits for the fiscal years ending June 30, 2009 and June 30, 2008. The audits were performed by the accounting firm of Deloitte & Touche, LLP. You have indicated that the audits have been made available to the membership via the local's web site. These audits satisfy the AFT requirements as found in the AFT bylaws Article IX, Affiliate Audit and Financial Review Requirements, Section 1.

The auditor's responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with the auditor's oversight are "fairly presented, in all material respects, in conformity with accrual basis accounting principles". With the exception of Note 2, which explains that GFT has chosen to list their land and building at market value rather than at cost in conformity with accounting principles generally accepted in the United States of America, the auditors state that "such financial statements present fairly, in all material respects, the financial position of the Guam Federation of Teachers as of September 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America".

I reviewed Appendix I and Appendix IV. Appendix I includes other matters and best practices. I would recommend that you institute any recommendations made by your auditors in an effort to better ensure that proper best practices and internal controls are in place.

The bottom line is that Deloitte, & Touche, LLP, with the exception of Note 2, has issued an unqualified or clean opinion on the audits for the fiscal years ending June 30, 2008 and 2009.

Sincerely,

John J. Feldman III, CPA as  
Deputy General Manager for Finance

cc: Sol Smith, AFT Regional Director

American Federation  
of Teachers, AFL-CIO

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AFT Teachers  
AFT PSRP  
AFT Higher Education  
AFT Public Employees  
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