



JUDICIARY OF GUAM
HUIHIFLAT GUAHAN
Financial Management Division
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ROBERT J. TORRES
Chief Justice

ALBERTO C. LAMORENA III
Presiding Judge

PERRY C. TAITANO
Administrator of the Courts

ANTHONY A. MENO
Controller

August 12, 2008

Memorandum

To: Administrative Director of the Courts
From: Controller
Subject: Accounts Receivable for AG's and Public Defender

Our financial records are currently carrying a balance of \$ 3,962,312.26 for AG's Office and \$1,891,466.28 for Public Defender for a combined total of \$5,853,778.54. This accounts receivable balance dates back to 1999 when both tenants were unable to make rent payments to the Judiciary. These balances have remained on the Judiciary's financial record for the last nine years.

In our recent audit for FY07, the audit firm of Deloitte and Touche reiterated prior year financial conditions and noted that recorded rent receivables should be supported by attempted collection efforts. Unfortunately during the audit, they were unable to verify collection attempts relating to the lease agreement.

Although collection efforts have been made which led to the eviction of the Office of the Attorney General from the Judicial Center and the Public Defender Corp obtaining a new lease agreement, there has been no further effort this past year to collect the balance.

We are therefore recommending that the two uncollectible receivables for Public Defender and the Attorney General's Rental balances be written-off for this fiscal year ending September 30, 2008.

Your approval to write off these uncollectible rentals would improve internal controls and the financial position of the Judiciary of Guam.

Thank you for your consideration of this matter.


Anthony A. Meno

APPROVED

PERRY C. TAITANO
Administrator of the Courts

Superior Court of Guam
Rental Receivables
As Of Sept. 2007
#330-64-196

AGENCY 130-10-121		FY	# MOS	MO. Rental	TOTAL A/R
Public Defender	1997	12	\$ 19,702.78	\$ 236,433.36	
	1998	12	19,702.78	236,433.36	
	1999	12	19,702.78	236,433.36	
	2000	12	19,702.78	236,433.36	
	2001	12	19,702.78	236,433.36	
	2002	12	19,702.78	236,433.36	
	2003	12	19,702.78	236,433.36	
	2004	12	19,702.78	236,433.36	
				<u>\$ 1,891,466.88</u>	
AG's Office 130-10-122	1996	3	\$ 42,942.93	\$ 128,828.79	
	1997	12	42,942.93	515,315.16	
	1998	12	42,942.93	515,315.16	
	1999	12	36,400.69	436,808.28	
	2000	12	36,400.69	436,808.28	
	2001	12	36,400.69	436,808.28	
	2002	12	36,400.69	436,808.28	
	2003	12	36,400.69	436,808.28	
	2004	12	36,400.69	436,808.28	
	2005	5	36,400.69	182,003.45	
				<u>\$ 3,962,312.24</u>	

GRAND TOTAL **\$ 5,853,779.12**

Note: Pymt for June 1996 Rental for AG's Office (Ck # 937897)
received on Sept. 8, 1998.