

April 16, 2007

Mr. Wilson Hess  
President  
College of the Marshall Islands:

Dear Mr. Hess:

In planning and performing our audit of the financial statements of the College of the Marshall Islands (the College) for the year ended September 30, 2006, on which we have issued our report dated April 16, 2007, we developed the following recommendations concerning certain matters related to the College's internal control and certain observations and recommendations on other accounting, administrative and operating matters. Our principal recommendations are summarized below:

(1) Tuition receivables

Of twenty-two tuition and fees receivable accounts tested, four (student ID#s 088190, 208023, 220760 and 470753) included charges for which copies of invoices and registration forms held on file were not signed by the students to evidence permission to charge their accounts. We recommend that management ensure that invoices and registration forms processed are signed by the students and maintained on file to ensure validity and accuracy. This matter was discussed in our previous letter dated March 20, 2006.

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

We would like to thank the accounting staff and management for their assistance during the course of our audit. Should you have any questions regarding the matters discussed herein, please contact our office at your convenience.

Very truly yours,

