

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT

SINGLE AUDIT REPORTS
YEAR ENDED SEPTEMBER 30, 1988

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT

AUDITOR'S REPORT ON

SUPPLEMENTARY SCHEDULE OF FEDERAL

FINANCIAL ASSISTANCE

AND

REPORT ON INTERNAL (ACCOUNTING AND

ADMINISTRATIVE) CONTROLS

AND

REPORT ON COMPLIANCE WITH LAWS
AND REGULATIONS

FOR THE YEAR ENDED SEPTEMBER 30, 1988

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Auditor's Report on Supplementary Schedules
of Federal Financial Assistance
and on Compliance

Honorable John Haglelgam
President
Federated States of Micronesia National Government

We have audited the general purpose financial statements of the Federated States of Micronesia National Government for the year ending September 30, 1988, and have issued our report thereon dated January 25, 1989. These general purpose financial statements are the responsibility of the Federated States of Micronesia National Government's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions issued by the U.S. General Accounting Office; the Single Audit Act of 1984; and the provisions of OMB Circular A-128, Audits of State and Local Governments. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements and whether management has complied with laws and regulations and has established and maintained a system of internal controls. An audit in accordance with these standards includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements and compliance with laws and regulations. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the Federated States of Micronesia National Government, taken as a whole. The accompanying schedules of expenditures and questioned costs and budgetary position by grantor are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. The information in those schedules has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole. However, with respect to the expenditures of subrecipients, as set forth in the accompanying schedules of expenditures, the audit reports on certain of the subrecipients stated material concerns that prevented the auditors from either expressing an opinion on certain subrecipient general purpose financial statements or on related schedules of federal financial assistance or that caused qualification of those reports. We therefore are not able to express an opinion on the 1988 subrecipient financial data set

forth in the accompanying schedules of expenditures of federal financial assistance.

The management of the National Government, is responsible for the National Government's compliance with laws and regulations. In connection with the audit referred to above, we selected and tested transactions and records from each major federal financial assistance program and certain nonmajor federal financial assistance programs. The purpose of our testing of transactions and records from those federal assistance programs was to obtain reasonable assurance that the National Government, had, in all material respects, administered its major programs, and executed the tested nonmajor program transactions, in compliance with laws and regulations, including those pertaining to financial reports and claims for advances and reimbursements, noncompliance with which we believe could have a material effect on the allowability of program expenditures.

Our testing of transactions and records selected from major federal financial assistance programs disclosed instances of noncompliance with those laws and regulations. All instances of noncompliance that we found and the programs to which they relate are identified in the accompanying schedules of findings and questioned costs, the ultimate resolution of which cannot presently be determined. Accordingly, no provision for any liability that may result upon resolution has been made to the federal financial assistance programs to which they relate.

In our opinion, for the year ended September 30, 1988, the National Government administered each of its major federal financial assistance programs in compliance, in all material respects, with laws and regulations including those pertaining to financial reports and claims for advances and reimbursements noncompliance with which we believe could have a material effect on the allowability of program expenditures.

The results of our testing of transactions and records selected from nonmajor federal financial assistance programs indicate that for the transactions and records tested the National Government complied with those laws and regulations referred to above, except as noted in the accompanying schedules of findings and questioned costs. Our testing was more limited than would be necessary to express an opinion on whether the National Government, administered those programs in compliance in all material respects with those laws and regulations noncompliance with which we believe could have a material effect on the allowability of program expenditures; however, with respect to the transactions and records that were not tested by us, nothing came to our attention to indicate that the National Government, had not complied with laws and regulations other than those laws and regulations for which we noted violations in our testing referred to above.

January 25, 1989



Certified Public Accountants

Auditor's Report on Internal
(Accounting and Administrative) Controls

Honorable John Haglelgam
President
Federated States of Micronesia National Government:

We have audited the general purpose financial statements of the National Government of the Federated States of Micronesia as of and for the year ended September 30, 1988, and have issued our report thereon dated January 25, 1989. These general purpose financial statements are the responsibility of the National Government's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions issued by the U.S. General Accounting Office; the Single Audit Act of 1984; and the provisions of OMB Circular A-128, Audits of State and Local Governments. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements and whether management has complied with laws and regulations and has established and maintained a system of internal controls. An audit in accordance with these standards includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements and compliance with laws and regulations. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

For the purpose of this report, we have classified the significant internal accounting and administrative controls used in administering federal financial assistance programs into the following categories:

A. Accounting Controls - Cycles of Activities

- . Treasury/Cash Management
- . Revenues/Receipts
- . Purchase/Disbursements
- . Payroll
- . External Financial Reporting

B. Administrative Controls

General Requirements:

- . Cash Management
- . Federal Financial Reports

Specific Requirements:

- . Types of Services
- . Reporting
- . Monitoring subrecipients

The management of the National Government is responsible for establishing and maintaining internal control systems used in administering federal financial assistance programs. In fulfilling that responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of internal control systems used in administering federal financial assistance programs are to provide management with reasonable, but not absolute, assurance that with respect to federal financial assistance programs, resource use is consistent with laws, regulations, and policies; resources are safeguarded against waste, loss, and misuse; and reliable data are obtained, maintained, and fairly disclosed in reports.

Because of inherent limitations in any system of internal accounting and administrative controls used in administering federal financial assistance programs, errors or irregularities may nevertheless occur and not be detected. Also projection of any evaluation of the systems to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study included all of the applicable control categories listed above. During the year ended September 30, 1988, the National Government, expended 89.2% of its total federal financial assistance under major federal financial assistance programs. With respect to internal control systems used in administering major federal financial assistance programs, our study and evaluation included considering the type of errors and irregularities that could occur, determining the internal control procedures that should prevent or detect such errors and irregularities, determining whether the necessary procedures are prescribed and are being followed satisfactorily, and evaluating any weaknesses.

With respect to the internal control systems used solely in administering the nonmajor federal financial assistance programs of the National Government, our study and evaluation was limited to a preliminary review of the systems to obtain an understanding of the control environment and the flow of transactions through the accounting system. Our study and evaluation of the internal control systems used solely in administering the nonmajor federal financial assistance programs of the National Government, did not extend beyond this preliminary review phase.

Our study and evaluation was more limited than would be necessary to express an opinion on the internal control systems used in administering the federal financial assistance programs of the National Government. Accordingly, we do not express an opinion on the internal control systems used in administering the major and nonmajor federal financial assistance programs of the National Government. Further, we do not express an opinion on the internal control systems used in administering the major federal financial assistance programs of the National Government.

Auditor's Report on Compliance Based
on an Audit of the General Purpose
Financial Statements Performed
in Accordance with the Standards for Audit Issued by the GAO

Honorable John Haglelgam
President
Federated States of Micronesia National Government:

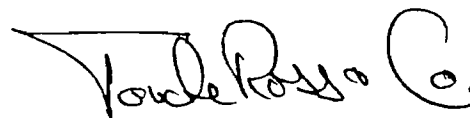
We have audited the general purpose financial statements of the National Government of the Federated States of Micronesia, as of and for the year ended September 30, 1988, and have issued our report thereon dated January 25, 1989. These general purpose financial statements are the responsibility of the National Government's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions issued by the U.S. General Accounting Office; the Single Audit Act of 1984; and the provisions of OMB Circular A-128, Audits of National and Local Governments. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements and whether management has complied with laws and regulations and has established and maintained a system of internal controls. An audit in accordance with these standards includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements and compliance with laws and regulations. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The management of the National Government, is also responsible for the National Government's compliance with laws and regulations. In connection with the audit referred to above, we selected and tested transactions and records to determine the National Government's compliance with laws and regulations noncompliance with which could have a material effect on the general purpose financial statements of the National Government.

The results of our tests indicate that for the transactions tested, the National Government, complied with those laws and regulations referred to above, except as described in the accompanying pages. Those instances of noncompliance were considered by us in evaluating whether the general purpose financial statements are presented fairly in conformity with generally accepted accounting principles, with respect to the transactions not tested, nothing came to our attention to indicate that the National Government, had not complied with laws and regulations for which we noted violations in our testing referred to above.

January 25, 1989



Certified Public Accountants
Touche Ross International

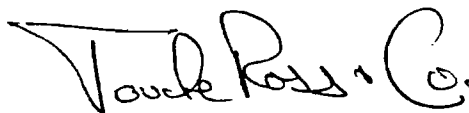
Also, our audit, made in accordance with the standards mentioned above, would not necessarily disclose material weaknesses in the internal control systems used solely in administering nonmajor federal financial assistance programs. However, our study and evaluation and our audit disclosed the following condition that we believe results in more than a relatively low risk that errors or irregularities program may occur and not be detected within a timely period.

The National Government is the primary grant recipient for substantially all federal programs received by the Federated States of Micronesia. In turn, the National Government subgrants the majority of its federal funding to its four component States. Individual audits of the State subrecipients have found substantial problems with respect to the administration of federal financial assistance. The National Government has not taken effective corrective action to ensure that its subrecipients have corrected the noted problems and deficiencies. This matter is discussed in greater detail in the following pages.

This condition was considered in determining the nature, timing, and extent of the audit tests to be applied in (1) our audit of the 1988 financial statements and (2) our audit and review of the National Government's compliance with laws and regulations noncompliance with which we believe could have a material effect on the allowability of program expenditures for each major federal financial assistance program and nonmajor federal financial assistance programs. This report does not affect our reports on the general purpose financial statements and on the National Government's compliance with laws and regulations dated January 25, 1989.

This report is intended solely for the use of the National Government, and the cognizant audit and other federal agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which upon acceptance by the National Government is matter of public record.

January 25, 1989



Certified Public Accountants

Introduction to Compact of Free Association
Funding, Federal and Other Assistance Funds

For the year ended September 30, 1988

Compact Funds

The FSM National Government and the Government of the United States implemented the Compact of Free Association during fiscal year 1987. The Compact funding replaced the Department of the Interior funding for general operations received through the TTPI Government in previous fiscal years. Based on the terms of the Compact agreement, the FSM National Government will receive funding in five year increments over a fifteen year period. The Compact funding is to be received in four different account classifications; current operations, capital projects, block grants, and inflation adjustments. A mutually agreed upon financial institution was selected as the trustee of the Compact funding to facilitate the FSM National Governments' and its four State entities' drawdown requirements. During fiscal year 1988, the FSM National Government submitted quarterly allocation requests for itself and the four State entities to the trustee. The current operation funds were transferred to the designated banking institutions based on the quarterly allocation requests. The capital project funds, which must comprise at least 40 percent of the total annual allocation, remain with the trustee institution and are drawdown upon request by the National Government. Capital account funds are transferred in their annual base amounts on the first day of the fiscal year. Block grant funding was transferred with the initial quarterly current account allocation request and these funds were then appropriated by the FSM National Congress in accordance with the guidelines of the Compact. The United States Government will annually adjust Compact account funding for inflation.

Pursuant to section 233 of the Compact of Free Association and paragraph 1(d), Article IV of the Agreement Concerning Procedures for the Implementation of U.S. Economic Assistance, Programs, and Services provided in the Compact of Free Association between the Government of the U.S. and the Government of the FSM, audits of Compact funding shall be performed in compliance with Standards for Audits of Governmental Organizations, Programs, Activities and Functions, published by the Comptroller General of the U.S., and the Single Audit Act of 1984. The above states that audits shall be performed in accordance with Circular A-128, but compliance testing of Compact funding shall not include specific federal guidelines applicable to federal program assistance grants, but rather shall be in conformance with local laws and regulations and the program intent as provided in the Compact of Free Association.

Special Revenue and Capital Projects Funds

Receipt and use of monetary assistance from sources outside the general fund are accounted for in the following funds:

- . Transition Fund
- . Federal and Direct Assistance Fund
- . Compact of Free Association, Special Revenue Grant Funds:
 - . Communications Annual
 - . Communications One-Time
 - . Marine Surveillance Annual
 - . Marine Surveillance One-Time
 - . Post Secondary Education
 - . Health and Medical
 - . Special Block Grant
 - . Energy
- . OTIA Technical Assistance and Operations and Maintenance (O & M) Grants Fund
- . TTPI Capital Projects Fund
- . Compact of Free Association Capital Projects Fund

As mentioned earlier, the Compact Funds are administered under the guidelines of the Compact of Free Association. With the exception of a few foreign source grants in the Other Federal and Direct Assistance Fund, the revenue of the remaining Special Revenue and Capital Projects Funds is derived through allotments from U.S. grantor agencies for specific purposes.

Framework of Compact of Free Association and Federal Grant Accountability

Fiscal year 1988 marked the first full operational year that the National Government functioned as the primary grant recipient of U.S. federal assistance programs and assumed the responsibility of administering the programs to the designated subrecipients, the FSM State entities.

During fiscal year 1988, the FSM National Government utilized an automated accounting system for the special revenue and capital projects funds. Direct expenditure transactions were authorized by the administering agencies of the National Government and were reviewed and approved by the National Government's Department of Finance. Disbursements and receipts were made and accounting documentation was maintained by the Department of Finance.

Other expenditures consist of drawdown transfers made to State governments for sub-allotted grants. Transaction balances are supported by allotment (fund status) reports provided by the States to the National Government. Revenues are recorded and recognized on the basis of expenditures. Drawdowns typically occur after expenditures are recorded.

With respect to grant drawdowns of federally assisted programs, the FSM initially funds its expenditures, and on a periodic basis draws down funds directly from the Office of Territorial and International Affairs, or other grantor agencies, based on program expenditures. The FSM National Government, as the primary grantee for federally assisted grant programs, has the ultimate authority and responsibility to ensure that drawdowns from grantor agencies and federal financial reports are made in an accurate and timely manner.

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT
U.S. FEDERAL ASSISTANCE FUNDS

SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
AND BUDGETARY POSITION BY GRANTOR
YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs	
						Subrecipients	National Government			Amount	Detailed at Page
U.S. Dept. of Education	84.151		Consolidated Grant M00860890F:								
		3001	Yap	\$ 505,726	\$222,558	\$ 279,513	\$ -	\$ 502,071	\$ 3,655	\$ -	
		3003	Kosrae	370,085	55,386	254,319	-	309,705	60,380	-	
		3005	Pohnpei	744,429	-	251,644	-	251,644	492,785	-	
		3006	Pohnpei	608,641	425	303,095	-	303,520	305,121	-	
		3007	Truk	2,649,424	182,143	1,251,812	-	1,433,955	1,215,469	-	
		3009	National Government	60,848	12,416	-	36,369	48,785	12,063	-	
			Program Total	4,939,153	472,928	2,340,383	36,369	2,849,680	2,089,473	-	
	84.161		Client Assistance '87 F00878196X:								
		3011	Yap	800	199	-	-	199	601	-	
		3012	Kosrae	3,074	2,442	-	-	2,442	632	-	
		3013	Truk	800	-	-	-	-	800	-	
		3014	Pohnpei	800	180	-	-	180	620	-	
		3015	National Government	3,525	2,696	-	-	2,696	829	-	
			Unallotted	4,725	-	-	-	-	4,725	-	
			Program Total	13,724	5,517	-	-	5,517	8,207	-	
	84.126		Vocational Rehab. '87 E008740960:								
		3017	Yap	100,615	91,553	643	-	92,196	8,419	-	
		3018	Kosrae	79,502	58,743	4,307	-	63,050	16,452	-	
		3019	Pohnpei	36,015	8,623	214	-	8,837	27,178	-	
		3020	Truk	272,355	154,664	-	-	154,664	117,691	-	
		3021	National Government	28,018	28,018	-	135	28,153	(135)	-	
		3022	Pohnpei	88,067	18,765	-	-	18,765	69,302	-	
			Unallotted	319,636	-	-	-	-	319,636	-	
			Program Total	924,208	360,366	5,164	135	365,665	558,543	-	
			Balance forwarded	5,877,085	838,811	2,345,547	36,504	3,220,862	2,656,223	-	

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT
U.S. FEDERAL ASSISTANCE FUNDS

SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
AND BUDGETARY POSITION BY GRANTOR
YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orign. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs Amount at Page
						Subrecipients	National Government			
U.S. Dept. of Education Balance forwarded				\$5,877,085	\$838,811	\$2,345,547	\$36,504	\$3,220,862	\$2,656,223	\$ -
Client Assistance '88 - H161A83960:										
84.161			Yap	1,208	-	-	-	-	1,208	-
	3027		Kosrae	3,502	-	351	-	351	3,151	-
	3028		Pohnpei	2,358	-	95	-	95	2,263	-
	3029		Truk	1,282	-	464	-	464	818	-
	3030		National Government	7,650	-	-	1,815	1,815	5,835	-
	3031									
			Program Total	16,000	-	910	1,815	2,725	13,275	-
Consolidated Grant - H00850890F:										
84.151			Yap	51,022	30,642	19,434	-	50,076	946	-
	3033		Yap	71,852	42,238	-	-	42,238	29,614	-
	3034		Yap	7,885	5,970	1,900	-	7,870	15	-
	3035		Yap	2,736	2,466	-	-	2,466	270	-
	3036		Yap	4,162	3,300	-	-	3,300	862	-
	3037		Kosrae	10,000	-	-	-	-	10,000	-
	3038		Kosrae	8,489	(2,643)	18	-	(2,625)	11,114	-
	3039		Kosrae	24,636	12,907	2,981	-	15,888	8,748	-
	3040		Kosrae	3,068	2,333	(44)	-	2,289	779	-
	3041		Kosrae	5,000	-	-	-	-	5,000	-
	3042		Pohnpei	245,559	80,393	-	-	80,393	165,176	-
	3043		Pohnpei	395,821	165,639	-	-	165,639	230,182	-
	3044		Pohnpei	43,365	20,383	-	-	20,383	22,982	-
	3045		Pohnpei	2,136	2,136	-	-	2,136	-	-
	3046		Pohnpei	7,563	-	-	-	-	7,563	-
	3047		Truk	303,690	27,322	-	-	27,322	276,368	-
	3048		Truk	312,645	312,645	-	-	312,645	-	-
	3049		Truk	2,000	-	-	-	-	2,000	-
	3050		Truk	9,052	2,440	-	-	2,440	6,612	-
	3051		National Government	1,027	-	-	-	-	1,027	-
	3052		National Government	208	-	-	-	-	208	-
	3053		National Government	10,000	-	-	-	-	10,000	-
	3054									
			Program Total	1,521,916	708,161	24,289	-	732,450	789,466	-
			Balance forwarded	7,415,001	1,546,972	2,370,746	38,319	3,956,037	3,458,964	-

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT
U.S. FEDERAL ASSISTANCE FUNDS

SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
AND BUDGETARY POSITION BY GRANTOR
YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs	
						Subrecipients	National Government			Amount	Detailed at Page
U.S. Dept. of Education Balance forwarded				\$7,415,001	\$1,546,972	\$2,370,746	\$38,319	\$3,956,037	\$3,458,964	\$	-
84.124 Teacher Training '87- W00860007:											
	3056	Yap		59,659	34,268	79	-	34,347	25,312	-	-
	3057	Kosrae		64,559	38,247	22,377	-	60,624	3,935	-	-
	3058	Pohnpei		138,368	110,870	-	-	110,870	27,498	-	-
	3059	Truk		254,120	99,905	-	-	99,905	154,215	-	-
	3060	National Government		2,110	-	-	-	-	2,110	-	-
		Program Total		518,816	283,290	22,456	-	305,746	213,070	-	-
N/A Consolidated Grant - M00860890F:											
	3062	Yap		46,465	17,617	28,233	-	45,850	615	-	-
	3063	Kosrae		268	(210)	-	-	(210)	478	-	-
	3064	Kosrae		62,278	11,413	7,253	-	18,666	43,612	-	-
	3065	Pohnpei		124,360	124,360	-	-	124,360	-	-	-
	3066	Pohnpei		6,423	-	-	-	-	6,423	-	-
	3067	Pohnpei		207,224	173,790	36,765	-	210,555	(3,331)	-	-
	3068	Pohnpei		9,666	-	-	-	-	9,666	-	-
	3069	Pohnpei		20,000	15,052	-	-	15,052	4,948	-	-
	3070	Truk		238,055	5,034	233,020	-	238,054	1	-	-
	3061/3076	Truk		377,827	14,398	244,445	-	258,843	118,984	-	-
	3077	Truk		9,052	-	-	-	-	9,052	-	-
	3078	National Government		20,829	-	-	2,403	2,403	18,426	-	-
	3079	National Government		90,000	-	-	30,000	30,000	60,000	-	-
		Program Total		1,212,447	361,454	549,716	32,403	943,573	268,874	-	-
84.124 Teacher Training '88 - G008710702:											
	3072	Yap		48,546	-	43,336	-	43,336	5,210	-	-
	3073	Kosrae		125,711	-	78,150	-	78,150	47,561	-	-
	3074	Pohnpei		109,997	-	87,749	-	87,749	22,248	-	-
	3075	Truk		214,756	-	239,136	-	239,136	(24,380)	-	-
	3076	National Government		20,990	-	8,213	-	8,213	12,777	-	-
		Program Total		520,000	-	456,584	-	456,584	63,416	-	-
		Balance forwarded		9,666,264	2,191,716	3,399,502	70,722	5,661,940	4,004,324	-	-

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT
U.S. FEDERAL ASSISTANCE FUNDS

SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
AND BUDGETARY POSITION BY GRANTOR
YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs	
						Subrecipients	National Government			Amount	Detailed at Page
U.S. Dept. of Education			Balance forwarded	\$ 9,666,264	\$2,191,716	\$3,399,502	\$ 70,722	\$5,661,940	\$4,004,324	\$ -	
Dept. of Education		3023	HCEEP - G008609001: Yap Unallotted	68,160 5,078	18,266 -	36,765 -	- -	55,031 -	13,129 5,078	- -	
			Program Total	73,238	18,266	36,765	-	55,031	18,207	-	
			Vocational Rehab. '88 - H126A81960:								
84.126	3081		Yap	22,082	-	24,286	-	24,286	(2,204)	-	
	3082		Yap	43,920	-	44,184	-	44,184	(264)	-	
	3083		Kosrae	31,760	-	36,555	-	36,555	(4,795)	-	
	3084		Kosrae	48,160	-	54,180	-	54,180	(6,020)	-	
	3085		Pohnpei	36,660	-	33,291	-	33,291	3,369	-	
	3086		Pohnpei	67,340	-	49,515	-	49,515	17,825	-	
	3087		Truk	68,625	-	52,792	-	52,792	15,833	-	
	3088		Truk	131,375	-	86,047	-	86,047	45,328	-	
	3089		National Government Unallotted	80,000 15,828	- -	- -	42,182 -	42,182 -	37,818 15,828	- -	
			Program Total	545,750	-	380,850	42,182	423,032	122,718	-	
			Educational Transition - M00870890F:								
N/A	3100		Yap	382,059	-	51,594	-	51,594	330,465	-	
	3101		Yap	277,433	-	-	-	-	277,433	-	
	3102		Yap	22,711	-	-	-	-	22,711	-	
	3103		Kosrae	320,862	-	235,749	-	235,749	85,113	-	
	3104		Pohnpei	951,994	-	509,300	-	509,300	442,694	-	
	3105		Pohnpei	717,508	-	347,459	-	347,459	370,049	-	
	3106		Truk	1,925,621	-	1,497,385	-	1,497,385	428,236	-	
	3107		Truk	1,011,560	-	396,790	-	396,790	614,770	-	
	3108		National Government Unallotted	149,913 1,643,406	- -	- -	57,057 -	57,057 -	92,856 1,643,406	- -	
			Program Total	7,403,067	-	3,038,277	57,057	3,095,334	4,307,733	-	
			Total U.S. Dept. of Education	\$17,688,319	\$2,209,982	\$6,855,394	\$169,961	\$9,235,337	\$8,452,982	\$ -	

FEDERATED STATES OF MICRONESIA
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SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
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YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orign. No.	Grant Title Grant I.D. No.	Total Authori- zations	Prior Expend- itures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs Amount	National Government Questioned Costs Detailed at Page
						Subreci- pients	National Government				
U.S. Dept. of Housing and Urban Development	14.219	NA	CDBG'80/B-80-ST-64-0001								
			Unallotted	\$ 2,775	\$ -	\$ -	\$ -	\$ -	\$ 2,775	\$ -	
				Sub Total	2,775	-	-	-	2,775	-	
	14.219			CDBG'81/B-81-ST-64-0001							
				3168 Kosrae	35,564	-	-	-	-	35,564	-
				3169 Pohnpei	31,672	-	-	-	-	31,672	-
				3170 Truk	1,854	-	-	-	-	1,854	-
				3171 Truk	27,775	-	-	-	-	27,775	-
				3172 National Government Unallotted	1,535	-	-	-	-	1,535	-
				4	-	-	-	-	4	-	
				Sub Total	98,404	-	-	-	98,404	-	
	14.219			CDBG'82/B-82-ST-64-0001							
				3174 Truk	3,164	-	-	-	-	3,164	-
				3175 Truk	6,400	-	-	-	-	6,400	-
				3176 Truk	12,855	-	-	-	-	12,855	-
				Sub Total	22,419	-	-	-	22,419	-	
	14.219			CDBG'83/B-83-ST-64-0001							
				3179 Pohnpei	57,770	16,782	-	-	16,782	40,988	-
				3180 Pohnpei	24,567	4,912	-	-	4,912	19,655	-
				3181 Pohnpei	33,370	33,370	61,329	-	94,699	(61,329)	-
3182 Pohnpei				16,764	-	18,739	-	18,739	(1,975)	-	
3183 Truk				12,122	(177)	-	-	(177)	12,299	-	
3184 Truk				645	-	-	-	-	645	-	
3185 Truk				3,103	27	-	-	27	3,076	-	
3186 Truk				2,241	-	-	-	-	2,241	-	
						Sub Total	150,582	54,914	80,068	-	134,982
			Balance forwarded	274,180	54,914	80,068	-	134,982	139,198	-	

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 YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs	
						Subrecipients	National Government			Amount	Detailed at Page
U.S. Dept. of HUD			Balance forwarded	\$ 274,180	\$ 54,914	\$ 80,068	\$ -	\$ 134,982	\$ 139,198	\$ -	
14.219			CDBG'84/B-84-ST-64-0001								
	3151		National Government	9,750	7,247	-	-	7,247	2,503	-	
	3156		Pohnpei	90,725	2,725	-	-	2,725	88,000	-	
	3156		Pohnpei	11,238	2,290	-	-	2,290	8,948	-	
	3156		Pohnpei	53,450	-	32,006	-	32,006	21,444	-	
	3156		Pohnpei	21,460	-	-	-	-	21,460	-	
	3156		Pohnpei	20,000	3,693	-	-	3,693	16,307	-	
	3156		Pohnpei	119,725	-	-	-	-	119,725	-	
	3157		Truk	4,599	-	-	-	-	4,599	-	
	3157		Truk	32,865	6,714	2,080	-	8,794	24,071	-	
	3157		Truk	6,042	6,042	-	-	6,042	-	-	
	3157		Truk	11,125	-	-	-	-	11,125	-	
	3157		Truk	22,966	4	-	-	4	22,962	-	
	3159		Kosrae	436	-	-	-	-	436	-	
	3159		Kosrae	28,628	20,294	8,334	-	28,628	-	-	
	3159		Kosrae	544	-	(58)	-	(58)	602	-	
	3159		Kosrae	20,000	2,602	-	-	2,602	17,398	-	
			Unallotted	3,880	-	-	-	-	3,880	-	
			Sub Total	457,433	51,611	42,362	-	93,973	363,460	-	
14.219			CDBG'85/B-85-ST-64-0001								
	3151		National Government	47,000	-	-	28,606	20,616	10,314	-	
	3152		Yap	12,000	-	-	-	-	12,000	-	
	3153		Kosrae	70,505	13,655	18,255	-	31,910	38,595	-	
	3159		Kosrae	71,751	89	67,289	-	67,378	4,373	-	
	3156		Pohnpei	30,899	7,111	3,854	-	10,965	19,934	-	
	3156		Pohnpei	45,248	-	-	-	-	45,248	-	
	3156		Pohnpei	47,680	16,754	10,384	-	27,138	20,542	-	
	3156		Pohnpei	55,964	5,227	6,815	-	12,042	43,922	-	
	3156		Pohnpei	85,000	-	22,136	-	22,136	62,864	-	
	3157		Truk	4,192	-	4,240	-	4,240	(48)	-	
			Unallotted	37,352	-	-	-	-	37,352	-	
			Sub Total	507,591	42,836	132,973	28,686	204,495	303,096	-	
			Balance forwarded	1,239,204	149,361	255,403	28,686	433,450	805,754	-	

FEDERATED STATES OF MICRONESIA
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YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs	
						Subrecipients	National Government			Amount	Detailed at Page
U.S Dept. of HUD			Balance forwarded	\$1,239,204	\$149,361	\$255,403	\$28,686	\$ 433,450	\$ 805,754	\$ -	
14.219			CDBG'86/B-86-ST-64-0001								
	3161		Truk	275,000	268,000	21,257	-	289,257	(14,257)	-	
	3162		Kosrae	291,000	-	-	-	-	291,000	-	
	3163		Kosrae	24,000	14,268	-	-	14,268	9,732	-	
	3165		Yap	325,000	-	325,000	-	325,000	-	-	
			Unalloted	19,503	-	-	-	-	19,503	-	
				<u>934,503</u>	<u>282,268</u>	<u>346,257</u>	<u>-</u>	<u>628,525</u>	<u>305,978</u>	<u>-</u>	
14.219	NA		CDBG'87/B-87-ST-64-0001								
			Unalloted	686,500	-	-	-	-	686,500	-	
14.219	NA		CDBG'88/B-88-ST-64-0001								
			Unalloted	457,500	-	-	-	-	457,500	-	
			Total U.S. Dept. of HUD	<u>\$3,317,707</u>	<u>\$431,629</u>	<u>\$601,660</u>	<u>\$ 28,686</u>	<u>\$1,061,975</u>	<u>\$2,255,732</u>	<u>\$ -</u>	

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SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
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YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orign. No.	Grant Title Grant I.D. No.	Total Authori- zations	Prior Expend- itures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs	
						Subreci- pients	National Government			Amount	Detailed at Page
U.S. Dept. of Labor		3212	'86 Title IV Yap	\$ -	\$ -	\$ 20	\$ -	\$ 20	\$ (20)	\$ -	
		3219	'82 JTPA Yap	-	-	241	-	241	(241)	-	
17.250			JTPA '87/PATS-NOO #64-04:								
		3223	National Government	74,523	32,350	-	36,742	69,092	5,431	-	
		3324	Yap	5,113	-	2,366	-	2,366	2,747	-	
		3225	Kosrae	15,003	-	14,527	-	14,527	476	-	
		3226	Pohnpei	13,867	-	-	-	-	13,867	-	
		3227	Truk	23,587	17,204	-	-	17,204	6,383	-	
			JTPA '87 - NOO #64-04								
		3201	Yap	67,616	5,211	73,694	-	78,905	(11,289)	-	
		3202	Kosrae	90,052	23,281	52,668	-	75,949	14,103	-	
		3203	Pohnpei	366,526	-	353,788	-	353,788	12,738	-	
		3204	Truk	692,235	76,106	487,403	-	563,509	128,726	-	
		3205	National Government	83,231	2,880	66,383	63,503	132,766	(49,535)	-	
			Unalloted	350,103	-	-	-	-	350,103	-	
			Program Total	<u>1,781,856</u>	<u>157,032</u>	<u>1,051,090</u>	<u>100,245</u>	<u>1,308,367</u>	<u>473,489</u>	<u>-</u>	
17.235			Title V SCSEP '87 - 99-7-3409-11-251-02:								
		3207	Yap	36,600	-	36,548	-	36,548	52	-	
		3208	Kosrae	21,099	-	16,312	-	16,312	4,787	-	
		3209	Pohnpei	64,335	-	62,435	-	62,435	1,900	-	
		3210	Truk	95,158	-	67,574	-	67,574	27,584	-	
		3211	National Government	53,776	-	-	18,202	18,202	35,574	-	
			Unalloted	6,599	-	-	-	-	6,599	-	
			Program Total	<u>277,567</u>	<u>-</u>	<u>182,869</u>	<u>18,202</u>	<u>201,071</u>	<u>76,496</u>	<u>-</u>	
17.235			Title V SCSEP '88 - 99-8-3409-11-063-02:								
		3229	Yap	25,258	-	-	-	-	25,258	-	
		3230	Kosrae	14,561	-	71	-	71	14,490	-	
		3231	Pohnpei	43,088	-	4,088	-	4,088	39,000	-	
		3233	National government	22,202	-	-	-	-	22,202	-	
			Unalloted	65,672	-	-	-	-	65,672	-	
			Program Total	<u>170,781</u>	<u>-</u>	<u>4,159</u>	<u>-</u>	<u>4,159</u>	<u>166,622</u>	<u>-</u>	
17.250			JTPA'88 - NOO #64-05:								
		3243	National Government	24,900	-	-	6,566	6,566	18,334	-	
			Unalloted	1,253,799	-	-	-	-	1,253,799	-	
			Program Total	<u>1,278,699</u>	<u>-</u>	<u>-</u>	<u>6,566</u>	<u>6,566</u>	<u>1,272,133</u>	<u>-</u>	
			Total U.S. Dept. of Labor	<u>\$3,508,903</u>	<u>\$157,032</u>	<u>\$1,238,118</u>	<u>\$125,013</u>	<u>\$1,520,163</u>	<u>\$1,988,740</u>	<u>\$ -</u>	

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YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs	
						Subrecipients	National Government			Amount	Detailed at Page
U.S. Dept of Agriculture	10.664		Forestry Services '87 - 05-86-03:								
		3301	Yap	\$ 11,202	\$ 4,279	\$ 2,240	\$ -	\$ 6,519	\$ 4,683	\$ -	
		3302	Kosrae	6,807	1,156	-	-	1,156	5,651	-	
		3303	Pohnpei	16,603	10,804	-	-	10,804	5,799	-	
		3304	Truk	10,338	7,030	-	-	7,030	3,308	-	
		3305	National Government	20,000	12,453	-	572	13,025	6,975	-	
			Program Total	64,950	35,722	2,240	572	38,534	26,416	-	
	10.553/555		Food Services Reimburse-ments '87 - 12-35-7565:								
		3308	Kosrae	4,516	1,446	(1,446)	-	-	4,516	-	
		3309	Pohnpei	7,500	-	558	-	558	6,942	-	
		3310	Truk	6,800	6,800	89	-	6,889	(89)	-	
		3311	National Government	660,017	-	-	464,683	464,683	195,334	-	
			Program Total	678,833	8,246	(799)	464,683	472,130	206,703	-	
	10.560		Food Services Adminis-tration '87 /12-35-7565								
		3312	Yap	49,700	9,115	43,309	-	52,424	(2,724)	-	
		3313	Kosrae	270,200	-	257,605	-	257,605	12,595	-	
		3314	Pohnpei	831,837	12,130	672,356	-	694,486	147,351	-	
		3315	Truk	1,813,792	1,498	1,719,668	-	1,721,166	92,626	-	
		3316	National Government	64,300	5,234	-	43,388	48,622	15,758	-	
			Program Total	3,029,909	27,977	2,692,938	43,388	2,764,303	265,606	-	
	N/A	3324	Elderly Feeding - F87214: National Government	19,866	-	-	-	-	19,866	-	
	10.560		Food Nutrition - F87311 Amendment 06:								
		3328	Yap	70,000	-	-	-	-	70,000	-	
		3329	Kosrae	140,000	-	3,691	-	3,691	136,309	-	
		3330	Pohnpei	700,000	-	90,736	-	90,736	609,264	-	
		3331	Truk	1,334,260	-	118,192	-	118,192	1,216,068	-	
		3332	National Government	1,338,110	-	-	-	-	1,338,110	-	
			Program Total	3,582,370	-	212,619	-	212,619	3,369,751	-	
			Balance forwarded	7,375,928	71,945	2,906,998	508,643	3,487,586	3,888,342	-	

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						Subrecipients	National Government				
U.S. Dept. of the Agriculture			Balance forwarded	\$7,375,928	\$ 71,945	\$2,906,998	\$508,643	\$3,487,586	\$3,888,342	\$ -	
			Child Nutrition - F87045:								
	3335		Kosrae	7,313	-	2,929	-	2,929	4,384	-	
	3336		Pohnpei	9,605	-	13,692	-	13,692	(4,087)	-	
			Program Total	16,918	-	16,621	-	16,621	297	-	
10.664			Forestry Services '87 5-87-13:								
	3340		Yap	2,000	-	-	-	-	2,000	-	
	3341		Kosrae	8,950	-	428	-	428	8,522	-	
	3342		Pohnpei	17,950	-	9,650	-	9,650	8,300	-	
	3343		Truk	12,750	-	2,240	-	2,240	10,510	-	
			Program Total	41,650	-	12,318	-	12,318	29,332	-	
10.664			Forestry Services 5-88-12:								
	3345		Yap	2,650	-	-	-	-	2,650	-	
	3346		Kosrae	2,650	-	-	-	-	2,650	-	
	3347		Pohnpei	2,650	-	-	-	-	2,650	-	
	3348		Truk	2,650	-	-	-	-	2,650	-	
			Program Total	10,600	-	-	-	-	10,600	-	
			Total U.S. Dept. of Agriculture	\$7,445,096	\$ 71,945	\$2,935,937	\$508,643	\$3,516,525	\$3,928,571	\$ -	
U.S. Dept. of Commerce	11.407		Regional Catch Data - NA-87-ABD-00216:								
	3401		National government	\$ 31,000	\$ -	\$ -	\$ 6,819	\$ 6,819	\$ 24,181	\$ -	
			Total U.S. Dept. of Commerce	\$ 31,000	\$ -	\$ -	\$ 6,819	\$ 6,819	\$ 24,181	\$ -	

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Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs Amount	National Government Questioned Costs Detailed at Page
						Subrecipients	National Government				
U.S. Dept of the Interior											
15.904			Historical Preservation '86 - 75-FSM860								
	3451		Yap	\$ 8,600	\$ -	\$ 8,600	\$ -	\$ 8,600	\$ -	\$ -	
	3452		Kosrae	22,200	4,411	6,553	-	10,964	11,236	-	
	3453		Pohnpei	10,655	469	5,314	-	5,783	4,872	-	
	3455		Truk	11,854	4,494	65	-	4,559	7,295	-	
			Program Total	53,309	9,374	20,532	-	29,906	23,403	-	
15.904			Historical Preserva. '87 64-87-20140								
	3458		Yap	26,350	-	26,350	-	26,350	-	-	
	3459		Kosrae	25,950	23,609	11,415	-	35,024	(9,074)	-	
	3460		Pohnpei	18,545	-	12,301	-	12,301	6,244	-	
	3461		Truk	18,545	-	24,127	-	24,127	(5,582)	-	
			Program Total	89,390	23,609	74,193	-	97,802	(8,412)	-	
15.904			Hist. Preservation '88 64-88-30067:								
	3511		Yap	23,000	-	-	-	-	23,000	-	
	3515		National Government	12,800	-	-	5	5	12,795	-	
			Unallotted	87,470	-	-	-	-	87,470	-	
			Program Total	123,270	-	-	5	5	123,265	-	
			Total U.S. Dept. of the Interior	\$265,969	\$32,983	\$94,725	\$ 5	\$127,713	\$138,256	\$ -	

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AND BUDGETARY POSITION BY GRANTOR
YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs Amount	National Government Questioned Costs Detailed at Page	
						Subrecipients	National Government					
U.S. Environmental Protection Agency (EPA)	66.600	Consolidated EPA Grant '87 - M009431-87-0:										
		3561	Yap	\$ 28,690	\$ 12,687	\$ 1,821	\$ -	\$ 14,508	\$ 14,182	\$ -	-	
		3562	Kosrae	21,350	12,703	13,856	-	26,559	(5,209)	-	-	
		3563	Pohnpei	28,000	16,224	-	-	16,224	11,776	-	-	
		3564	Truk	56,100	991	-	-	991	55,109	-	-	
		3565	National Government	15,586	5,303	-	-	5,303	10,283	-	-	
			Program Total		149,726	47,908	15,677	-	63,585	86,141	-	-
			Consolidated EPA Grant '88 - M009431-88-0									
		3566	Yap	44,227	-	35,352	-	35,352	8,875	-	-	
		3567	Kosrae	49,415	-	25,274	-	25,274	24,141	-	-	
		3568	Pohnpei	59,200	-	45,890	-	45,890	13,310	-	-	
		3569	Truk	62,381	-	50,936	-	50,936	11,445	-	-	
		3570	National Government	41,382	-	-	21,682	21,682	19,700	-	-	
			Program Total		256,605	-	157,452	21,682	179,134	77,471	-	-
		66.418	3573	Truk South Field C64002-01-0	785,000	-	-	10,665	10,665	774,335	-	-
66.418	3575	Sokehs Deh Waste Water C750008-03-0	221,000	-	-	-	-	221,000	-	-		
66.418	3576	Kolonia Sewer C640001-03-3	378,830	-	-	202,294	202,294	176,536	-	-		
66.418	3577/3578	Pohnpei RSP, Phase II C640001-01-3	300,000	-	-	40,866	40,866	259,134	-	-		
66.418	3582	Yap Sewer Conn. C640003-02-0	547,068	92,912	176,763	-	269,675	277,393	-	-		
66.418	3583/3584/3585	Kosrae Waste Water C640004-01-0	4,100,000	-	-	-	-	4,100,000	-	-		
	Program Total		6,331,898	92,912	176,763	253,825	523,500	5,808,398	-	-		
	Total U.S. EPA		\$6,738,229	\$ 140,820	\$349,892	\$275,507	\$766,219	\$5,972,010	\$ -	-		

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT
U.S. FEDERAL ASSISTANCE FUNDS

SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
AND BUDGETARY POSITION BY GRANTOR
YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs	
						Subrecipients	National Government			Amount	Detailed at Page
U.S. Dept. of Energy											
Consolidated Energy Grant '87											
DE-FG03-87SF17038:											
81.041/81.050	3601		National Government	\$ 41,958	\$ 9,038	\$ -	\$ -	\$ 9,038	\$ 32,920	\$ -	-
	3602		National Government	2,438	100	-	-	100	2,338	-	-
	3603		Kosrae	3,000	3,300	-	-	3,300	-	-	-
	3604		Kosrae	3,300	2,924	-	-	2,924	76	-	-
	3605		Kosrae	3,100	3,100	-	-	3,100	-	-	-
	3606		Yap	9,500	9,409	-	-	9,409	91	-	-
	3607		Yap	6,484	5,600	-	-	5,600	884	-	-
	3608		Yap	3,102	2,898	-	-	2,898	204	-	-
	3610		Truk	9,750	-	-	-	-	9,750	-	-
	3611		Truk	5,000	-	-	-	-	5,000	-	-
	3612		Truk	5,500	-	-	-	-	5,500	-	-
	3613		Pohnpei	5,000	-	-	-	-	5,000	-	-
	3614		Pohnpei	4,966	-	-	-	-	4,966	-	-
	3615		Pohnpei	5,310	-	-	-	-	5,310	-	-
	3616		Pohnpei	32	-	-	-	-	32	-	-
			Program Total	<u>108,440</u>	<u>36,369</u>	<u>-</u>	<u>-</u>	<u>36,369</u>	<u>72,071</u>	<u>-</u>	<u>-</u>
Consolidated Energy Grant '88 -											
DE-FG03-87SF17038:											
81.041/81.050	3618		National Government	39,800	-	-	19,670	19,670	20,130	-	-
			Total U.S. Dept. of Energy	<u>\$148,240</u>	<u>\$36,369</u>	<u>\$ -</u>	<u>\$19,670</u>	<u>\$56,039</u>	<u>\$92,201</u>	<u>\$ -</u>	<u>-</u>

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT
U.S. FEDERAL ASSISTANCE FUNDS

SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
AND BUDGETARY POSITION BY GRANTOR
YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs Amount	National Government Questioned Costs Detailed at Page	
						Subrecipients	National Government					
U.S. Dept. of Health & Human Serv.	13.110	3652 3653	FY-88 SPRANS - MCH753881-01-0:									
			National Government	\$ 94,583	\$ -	\$ -	\$50,683	\$ 50,683	\$ 43,900	\$ -		
			Truk	13,787	-	3,942	-	3,942	9,845	-		
			Program Total	108,370	-	3,942	50,683	54,625	53,745	-		
	13.110	3654 3655	FY-87 SPRANS - MCH753924-01-1:									
			Truk	14,000	5,203	4,989	-	10,192	3,808	-		
			National Government	62,000	16,147	16,848	701	33,696	28,304	-		
			Program Total	76,000	21,350	21,837	701	43,888	32,112	-		
	13.217	3662 3663 3664 3665	FY-87 Family Planning - 09-H-001777-01-0:									
			Yap	13,577	9,116	-	-	9,116	4,461	-		
			Kosrae	11,447	4,756	-	-	4,756	6,691	-		
			Pohnpei	19,819	11,219	4,317	-	15,536	4,283	-		
			Truk	21,157	18,753	-	-	18,753	2,404	-		
			Program Total	66,000	43,844	4,317	-	48,161	17,839	-		
	13.217	3668 3669 3669 3671 3672	FY-88 Family Planning - 09-H-001777-02-1:									
Yap			10,660	2,129	8,394	-	10,523	137	-			
Kosrae			10,759	1,065	6,488	-	7,553	3,206	-			
Pohnpei			23,277	-	17,740	-	17,740	5,537	-			
Truk			24,602	-	24,190	-	24,190	412	-			
		National Government	6,000	-	-	4,759	4,759	1,241	-			
		Program Total	75,298	3,194	56,812	4,759	64,765	10,533	-			
13.118	3674 3675	AIDS Program '87 U62/CCU902703-01:										
		National Government	9,252	-	-	9,068	9,068	184	-			
		National Government	32,924	216	-	258	474	32,450	-			
		Unallotted	2,985	-	-	-	-	2,985	-			
		Program Total	45,161	216	-	9,326	9,542	35,619	-			
		Balance forwarded	370,829	68,604	86,908	65,469	220,981	149,848	-			

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT
U.S. FEDERAL ASSISTANCE FUNDS

SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
AND BUDGETARY POSITION BY GRANTOR
YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs Amount	National Government Questioned Costs Detailed at Page
						Subrecipients	National Government				
U.S. Dept. of HHS Balance forwarded				\$370,829	\$ 68,604	\$ 86,908	\$ 65,469	\$220,981	\$149,848	\$ -	
13.268	3682		Childhood Immunization '87 - 09H-001789-01 National Government	24,583	13,184	-	2,813	15,997	8,586	-	
			Program Total	24,583	13,184	-	2,813	15,997	8,586	-	
13.268	3752 3791 3792		Childhood Immunization '88/09H-001789-02-1: National Government Pohnpei Truk Unalloted	21,403 3,000 7,663 800	- - - -	- 764 51 -	7,539 - - -	7,539 764 51 -	13,864 2,236 7,612 800	- - - -	
			Program Total	32,866	-	815	7,539	8,354	24,512	-	
13.224	3689 3690		Community Health Centers '87 09H-001789-02-0: National Government Pohnpei Unalloted	56,802 43,525 49,673	20,124 24,892 -	- 22,719 -	21,631 - -	41,755 47,611 -	15,047 (4,086) 49,673	- - -	
			Program Total	150,000	45,016	22,719	21,631	89,366	60,634	-	
13.224	3757 3758		FY'88 Community Health 09H-001774-03-0: National Government Pohnpei	66,329 74,821	- -	- 73,565	56,658 -	56,658 73,565	9,671 1,256	- -	
			Program Total	141,150	-	73,565	56,658	130,223	10,927	-	
13.977	3701		Sexually Transmitted - Dise. '87/09-H001792-01-0 National Government	24,897	8,865	-	11,237	20,102	4,795	-	
			Program Total	24,897	8,865	-	11,237	20,102	4,795	-	
13.997	3754 3755 3753		Sexually Transmitted Disea. '88-09H-001792-02-0: National Government Pohnpei Unalloted	27,893 3,882 -	- - -	- 737 -	19,517 - 628	19,517 737 628	8,376 3,145 (628)	- - -	
			Program total	31,775	-	737	20,145	20,882	10,893	-	
			Balance forwarded	776,100	135,669	184,744	185,492	505,905	270,195	-	

FEDERATED STATES OF MICRONESIA
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SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
 AND BUDGETARY POSITION BY GRANTOR
 YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authori- zations	Prior Expend- itures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs Amount	National Government Questioned Costs Detailed at Page
						Subreci- pients	National Government				
U.S. Dept. of HHS			Balance forwarded	\$ 776,100	\$135,669	\$184,744	\$185,492	\$ 505,905	\$270,195	\$ -	
13.633			Supportive Serv. Title 3 '87								
	3707		National Government	20,917	1,567	-	4,483	6,050	14,867	-	
	3705		National Government	27,688	-	-	27,000	27,000	688	-	
	3708		Yap	44,700	5,397	26,695	-	32,092	12,608	-	
	3704		Yap	63,675	63,675	-	-	63,675	-	-	
	3709		Kosrae	68,475	19,364	47,454	-	66,818	1,657	-	
	3710		Pohnpei	184,875	34,493	122,819	-	157,312	27,563	-	
	3711		Truk	281,775	35,314	223,222	-	258,536	23,239	-	
13.633			Supportive Serv. Title 3 '88								
	3772		Yap	33,306	-	-	-	-	33,306	-	
	3773		Yap	12,324	-	-	-	-	12,324	-	
	3774		Kosrae	49,270	-	2,363	-	2,363	46,907	-	
	3775		Pohnpei	127,320	-	6,278	-	6,278	121,042	-	
	3776		Truk	187,850	-	1,503	-	1,503	186,347	-	
	3777		National Government	20,000	-	-	11,801	11,801	8,199	-	
	3778		National Government	31,333	-	-	-	-	31,333	-	
			Program Total	<u>1,153,508</u>	<u>159,810</u>	<u>430,334</u>	<u>43,284</u>	<u>633,428</u>	<u>520,080</u>	<u>-</u>	
13.668			Aging Title IV- -Training/09AT0077/01: National Government	7,811	-	-	8,254	8,254	(443)	-	
			Program Total	<u>7,811</u>	<u>-</u>	<u>-</u>	<u>8,254</u>	<u>8,254</u>	<u>(443)</u>	<u>-</u>	
			Balance forwarded	1,937,419	295,479	615,078	237,030	1,147,587	789,832	-	

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT
U.S. FEDERAL ASSISTANCE FUNDS

SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
AND BUDGETARY POSITION BY GRANTOR
YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs Amount	National Government Questioned Costs Detailed at Page
						Subrecipients	National Government				
U.S. Dept. of HHS Balance forwarded				\$1,937,419	\$295,479	\$615,078	\$237,030	\$1,147,587	\$ 789,832	\$ -	
13.994			Maternal & Child Health '87/87 BIFMCHS-05:								
	3715		Yap	46,080	-	42,575	-	42,575	3,505	-	
	3716		Kosrae	25,930	-	23,372	-	23,372	2,558	-	
	3717		Pohnpei	78,521	-	72,015	-	72,015	6,506	-	
	3718		Truk	75,820	-	57,275	-	57,275	18,545	-	
	3719		National Government	63,003	14,411	-	30,592	45,003	18,000	-	
	3720		National Government	96,452	-	-	94,461	94,461	1,991	-	
	3740		National Government	14,074	-	-	2,490	2,490	11,584	-	
			Program Total	399,880	14,411	195,237	127,543	337,191	62,689	-	
13.994			Maternal & Child Health '88/88 BIFMCHS-02								
	3744		Yap	52,133	-	-	-	-	52,133	-	
	3745		Kosrae	29,534	-	351	-	351	29,183	-	
	3746		Pohnpei	85,746	-	587	-	587	85,159	-	
	3747		Truk	90,159	-	-	-	-	90,159	-	
	3748		National Government	49,964	-	-	6,140	6,140	43,824	-	
	3749		National Government	102,512	-	-	10,203	10,203	92,309	-	
			Unallotted	12,000	-	-	-	-	12,000	-	
			Program Total	422,048	-	938	16,343	17,281	404,767	-	
13.991			Preventive Health Ser. 87-81-FM-PRVS-06:								
	3722		Yap	35,520	-	18,357	-	18,357	17,163	-	
	3723		Kosrae	37,020	-	35,248	-	35,248	1,772	-	
	3724		Pohnpei	41,323	-	39,009	-	39,009	2,314	-	
	3725		Truk	21,105	-	13,069	-	13,069	8,036	-	
	3726		National Government	45,873	2,957	-	40,203	43,160	2,713	-	
	3659		National Government	1,120	-	-	759	759	361	-	
	3660		National Government	41,539	-	-	3,638	3,638	37,901	-	
	3721		National Government	-	-	-	31	31	(31)	-	
			Program Total	223,500	2,957	105,683	44,631	153,271	70,229	-	
			Balance forwarded	2,982,847	312,847	916,936	425,547	1,655,330	1,327,517	-	

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT
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SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
AND BUDGETARY POSITION BY GRANTOR
YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs	
						Subrecipients	National Government			Amount	Detailed at Page
U.S. Dept. of HHS			Balance forwarded	\$2,982,847	\$312,847	\$ 916,936	\$425,547	\$1,655,330	\$1,327,517	\$ -	
13.994			86 MCH/86 BIFMCHS-01								
	3728		Yap	11,534	3,739	974	-	4,713	6,821	-	
	3729		Kosrae	9,629	1,008	365	-	1,373	8,256	-	
	3730		Pohnpei	20,800	20,800	-	-	20,800	-	-	
	3731		Truk	16,615	16,096	-	-	16,096	519	-	
	3732		National Government	5,284	-	5,318	-	5,318	(34)	-	
	3733		National Government	16,000	-	11,880	-	11,880	4,120	-	
			Program Total	79,862	41,643	18,537	-	60,180	19,682	-	
13.359			CE for Nurses - 1 D10 NU29188-01:								
	3735		Yap	8,950	-	852	-	852	8,098	-	
	3736		Kosrae	16,680	-	7,160	-	7,160	9,520	-	
	3737		Truk	14,125	-	296	-	296	13,829	-	
	3738		Pohnpei	17,862	-	211	-	211	17,651	-	
	3739		National Government	21,570	-	-	3,194	3,194	18,376	-	
			Program Total	79,187	-	8,519	3,194	11,713	67,474	-	
N/A	3742		CAA Audit Grant	13,929	-	-	9,859	9,859	4,070	-	
			Program Total	13,929	-	-	9,859	9,859	4,070	-	
N/A			Pacific Health Initiative CSH 757001-01-1:								
	3760		National Government	83,000	-	-	35,125	35,125	47,875	-	
			Unallotted	161,500	-	-	-	-	161,500	-	
			Program Total	244,500	-	-	35,125	35,125	209,375	-	
13.665			CSBG Grants G8881MCCOSR								
	3761		National Government	15,000	-	-	-	-	15,000	-	
	3766		Yap	48,253	-	46,804	-	46,804	1,449	-	
	3767		Kosrae	27,837	-	15,732	-	15,732	12,105	-	
	3768		Pohnpei	53,820	-	-	-	-	53,820	-	
	3769		Truk	55,676	-	41,797	-	41,797	13,879	-	
	3770		National Government	40,000	-	-	14,418	14,418	25,582	-	
			Unallotted	152,381	-	-	-	-	152,381	-	
			Program Total	392,967	-	104,333	14,418	118,751	274,216	-	
N/A	2059		Venereal Disease	1,199	-	-	1,199	1,199	-	-	
			Balance forwarded	3,794,491	354,490	1,048,325	489,342	1,892,157	1,902,334	-	

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT
U.S. FEDERAL ASSISTANCE FUNDS

SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
AND BUDGETARY POSITION BY GRANTOR
YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs	
						Subrecipients	National Government			Amount	Detailed at Page
U.S. Dept. of HHS Balance forwarded				\$3,794,491	\$354,490	\$1,048,325	\$489,342	\$1,892,157	\$1,902,334	\$	-
Aids '88 - U62/CCU902703-02:											
N/A		3780	Yap	2,091	-	-	-	-	2,091	-	-
		3781	Kosrae	2,091	-	817	-	817	1,274	-	-
		3782	Pohnpei	5,284	-	-	-	-	5,284	-	-
		3783	Truk	2,091	-	-	-	-	2,091	-	-
		3784	National Government	22,703	-	-	9,547	9,547	13,156	-	-
			Program Total	34,260	-	817	9,547	10,364	23,896	-	-
Preventive Health Ser. - 09H-001777-03-0:											
13.991		3786	Yap	9,746	-	1,558	-	1,558	8,188	-	-
		3787	Kosrae	8,816	-	1,364	-	1,143	7,452	-	-
		3788	Pohnpei	14,039	-	698	-	698	13,341	-	-
		3789	Truk	20,934	-	-	-	-	20,934	-	-
		3790	National Government Unalloted	13,582	-	-	-	-	13,582	-	-
			Program Total	67,117	-	3,620	-	3,620	63,497	-	-
			Total U.S. Dept. of Health & Human Services	\$3,895,868	\$354,490	\$1,052,762	\$498,889	\$1,906,141	\$1,909,727	\$	-
U.S. Federal Emergency Management Agency											
83.516		3805	Typhoon Orchid Yap	358,964	118,078	250,818	-	368,896	(9,932)	-	-
		3810	Typhoon Nina Truk	2,000,000	-	3,435,901	-	3,435,901	(1,435,901)	-	-
		3811	Truk	9,600,000	-	-	-	-	9,600,000	-	-
83.505		3814	Disaster Preparedness '88/EMF-88-K-0299 National Government	25,000	-	-	6,949	6,949	18,051	-	-
			Total U.S. Federal Emergency Mgmt Agency	\$11,983,964	\$118,078	\$3,686,719	\$ 6,949	\$3,811,746	\$8,172,218	\$	-

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT
OTHER DIRECT ASSISTANCE FUNDS

SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
AND BUDGETARY POSITION BY GRANTOR
YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs Amount	National Government Questioned Costs Detailed at Page
						Subrecipients	National Government				
Other Direct Assistance											
Australian Government Grants											
	N/A		South Pacific Small Grants								
		3933	National Government	\$ 2,695	\$ -	\$ 2,359	\$ -	\$ 2,359	\$ 336	\$ -	
		3928	Kosrae	30,000	-	-	-	-	30,000	-	
		3929	Pohnpei	10,000	-	10,000	-	10,000	-	-	
		3930	Pohnpei	10,008	-	8,753	-	8,753	1,255	-	
		3931	Pohnpei	5,600	-	-	-	-	5,600	-	
		3932	Truk	8,032	-	-	-	-	8,032	-	
			Sub Total	66,335	-	21,112	-	21,112	45,223	-	
			South Pacific Com. (SPC)								
		3921	Algae of Yap								
			Yap	3,190	3,190	(5,000)	-	(1,810)	5,000	-	
		3922	Trochus Seeding Project								
			Yap	1,000	1,028	(42)	-	986	14	-	
		3926	Out-of-School Trng in Community Work								
			Pohnpei	2,500	-	-	-	-	2,500	-	
			Observation/Study Training for Youth Coordinator								
			Yap	1,500	-	-	-	-	1,500	-	
			Sub Total	8,190	4,218	(5,042)	-	(824)	9,014	-	
United Nations											
	N/A		Population Education in the pacific (UNESCO)								
		3995	National Government	23,397	-	2,811	-	2,811	20,576	-	
		3991	Yap	20,647	-	6,454	-	6,454	14,193	-	
		3992	Kosrae	15,016	-	4,195	-	4,195	10,821	-	
		3994	Truk	18,221	-	7,389	-	7,389	10,832	-	
			Sub Total	77,271	-	20,849	-	20,849	56,422	-	
			Family Planning (UNFPA)								
		3915	National Government	7,970	-	-	15,438	15,438	(7,468)	-	
		3911	Yap	3,832	-	2,050	-	2,050	1,782	-	
		3913	Pohnpei	97,348	-	-	-	-	97,348	-	
			Sub Total	109,150	-	2,050	15,438	17,488	91,662	-	
			Regional Livestock Development								
		3951	Yap	3,141	-	20	-	20	3,121	-	
		3923	Computing Techniques								
			Yap	6,742	-	-	5,271	5,271	1,471	-	
		3966	Household Survey								
			National Government	5,000	-	-	4,705	4,705	295	-	
		3953	Population Census								
			National Government	23,000	5,500	-	16,565	22,065	935	-	
		3961	FSM Nutrition Survey								
			National Government	27,272	22,513	-	19,549	42,062	(14,790)	-	
			Sub Total	65,155	28,013	20	46,090	74,123	(8,968)	-	
			Balance forwarded	326,101	32,231	38,989	61,528	132,748	193,353	-	

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT
OTHER DIRECT ASSISTANCE FUNDS



SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
AND BUDGETARY POSITION BY GRANTOR
YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Cost Amount	National Government Cost Detailed at Page
						Subrecipients	National Government				
			United Nations Balance forwarded	\$ 326,101	\$ 32,231	\$ 38,989	\$ 61,528	\$ 132,748	193,353	\$ -	
	N/A		Family Food Production and Nutrition National Government	28,868	-	-	245	245	28,623	-	
		3981	Agricultural Regener. Pohnpei	25,353	-	-	-	-	25,353	-	
		3963	Repair of Mokil Airstrip Pohnpei	24,647	-	-	-	-	24,647	-	
		3964	Sub Total	78,868	-	-	245	245	78,623	-	
World Health Organization (WHO)	N/A		Family Health Program National Government	29,594	-	-	3,570	3,570	26,024	-	
		3919	Yap	8,380	-	-	-	-	8,380	-	
		3917	Pohnpei	1,386	-	2,642	-	2,642	(1,256)	-	
		3918	Sub Total	39,360	-	2,642	3,570	6,212	33,148	-	
		3916	Primary health Care National Government	18,101	-	-	-	-	18,101	-	
		3971	Workshop on ICD & Lay Reporting System National Government	14,310	-	-	12,685	12,685	1,625	-	
		3901	Leprosy Control Prog. '87 National Government	33,900	33,787	-	651	34,438	(538)	-	
		3903	Leprosy Con. Prog. '88 National Government	10,000	-	-	6,738	6,738	3,262	-	
		3093	Immunization Workshop National Government	2,795	-	-	-	-	2,795	-	
		3907	Middle Mgmt Workshops National Government	6,500	-	-	-	-	6,500	-	
			Sub Total	85,606	33,787	-	20,074	53,861	31,745	-	
South Pacific Nations	N/A	3941	Truk Typhoon Relief National Government	88,918	-	-	43,081	43,081	45,837	-	
			Total Other Direct Assistance	\$ 618,853	\$ 66,018	\$ 41,631	\$ 128,498	\$ 236,147	\$ 382,706	-	
			Total U.S. and Other Direct Assistance, All Grantors	\$55,642,148	\$3,619,346	\$16,856,838	\$1,768,640	\$22,244,824	\$33,397,324	\$ -	

OTIA TECHNICAL ASSISTANCE AND
OPERATIONS AND MAINTENANCE (O & M) GRANTS FUND
DEPARTMENT OF THE INTERIOR

SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
AND BUDGETARY POSITION BY GRANTOR
YEAR ENDED SEPTEMBER 30, 1988

Grantor	Grant I.D. No.	FSM Orgn. No.	Grant Title	Total Authori- zations	Prior Year Expend- itures	1988 Fiscal Year Expenditures	Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs	
									Amount	Detailed at Page
<u>OTIA TECHNICAL ASSISTANCE:</u>										
<u>CFDA No. 15.875</u>										
	MOU FSM-01	3464	Media/Broadcast Train.	\$ 15,000	\$ 1,530	\$ 3,492	\$ 5,022	\$ 9,978	\$ -	
	MOU FSM-02	3465	Financial Advisor	35,000	-	-	-	35,000	-	
	MOU FSM-05	3468	Dev. Plann./Spec.	50,000	-	-	-	50,000	-	
	MOU FSM-06	3469	Comm. Specialists	100,000	-	3,246	3,246	96,754	-	
	MOU FSM-07	3470	Finance Advisor EDP	90,000	22,198	-	22,198	67,802	-	
	MOU FSM-08	3471	Small Bus. Dev. Demo	50,000	-	-	-	50,000	-	
	MOU FSM-09	3472	Marketing Development	25,000	-	-	-	25,000	-	
	MOU FSM-10	3473	Budget/Finance Proced.	25,000	6,376	7,121	13,497	11,503	-	
	MOU FSM-11	3474	Financial Advisor Kosrae	70,000	77,794	(2,686)	75,108	(5,108)	-	
	MOU FSM-12	3475	Tax and Revenue Adminis.	80,000	81,877	-	81,877	(1,877)	-	
	MOU FSM-13	3476	Medical Referral Coord.	20,000	-	-	-	20,000	-	
	MOU FSM-14	3477	Truk St. Power System	25,000	-	-	-	25,000	-	
	MOU FSM-16	3479	Trop. Horticultur./Yap	25,000	-	22,100	22,100	2,900	-	
	MOU FSM-17	3480	Health Insur. Prog./FSM	40,000	-	-	-	40,000	-	
	MOU FSM-18	3481	Power Plant Project	125,000	43,739	-	43,739	81,261	-	
	MOU FSM-19	3482	Kosrae Mini-Hydro	10,000	-	10,000	10,000	-	-	
	MOU FSM-20	3483	Financial System Review	18,000	-	-	-	18,000	-	
	MOU FSM-21	3484	Economic Newsletter	50,000	-	-	-	50,000	-	
	MOU FSM-22	3485	Federal Prog. Assess.	60,000	52,535	1,997	54,532	5,468	-	
	MOU FSM-23	3486	Census Training	15,000	-	-	-	15,000	-	
	MOU FSM-24	3487	Automated Land Record System	80,000	43,814	5,238	49,052	30,948	-	
	MOU FSM-25	3488	Financial Advisor	80,000	35,160	15,287	50,447	29,553	-	
			Balance forwarded	1,088,000	365,023	65,795	430,818	657,182	-	

FEDERATED STATES OF MICRONESIA
 NATIONAL GOVERNMENT
 OTIA TECHNICAL ASSISTANCE AND
 OPERATIONS AND MAINTENANCE (O & M) GRANTS FUND
 DEPARTMENT OF THE INTERIOR



SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
 AND BUDGETARY POSITION BY GRANTOR
 YEAR ENDED SEPTEMBER 30, 1988

Grantor	Grant I.D. No.	FSM Orign. No.	Grant Title	Total Authorizations	Prior Year Expenditures	1988 Fiscal Year Expenditures	Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government	
									Questioned Costs Amount	Detailed at Page
			Balance forwarded	\$1,088,000	\$365,023	\$ 65,795	\$ 430,818	\$ 657,182	\$ -	
OTIA TECHNICAL ASSISTANCE: CFDA No. 15.875										
	MOU FSM-26	3489	Micronesian Maricultural	6,000	5,988	-	5,988	12	-	
	N/A	3500	Power Upgrade	-	-	(5,000)	(5,000)	5,000	-	
	MOU FSM-27	3490	Maricultural Development Planning Session COM	3,000	3,000	-	3,000	-	-	
	MOU FSM-28	3491	FSM Pharmacist	45,000	-	-	-	45,000	-	
	MOU FSM-29	3492	General Manager EDA/PNI	50,000	-	7,500	7,500	42,500	-	
	MOU FSM-30	3493	Marketing Study for FSM Product	35,000	-	-	-	35,000	-	
	MOU FSM-31	N/A	Install/Financial Mgmt. System	60,000	-	-	-	60,000	-	
	MOU FSM-32	3495	ALCO Power Plant Train.	6,000	-	-	-	6,000	-	
	MOU FSM-33	3496	Privatization Conference	5,000	3,294	1,116	4,410	590	-	
	MOU FSM-34	3497	Public Safety Training	140,000	110,073	9,024	119,097	20,903	-	
	MOU FSM-35	3511	National Health Care Plan	75,000	-	-	-	75,000	-	
	MOU FSM-36	3503	Nat'l Conf./Privatization	2,000	-	-	-	2,000	-	
	MOU FSM-37	3504	Financial Advisor/Truk	40,000	-	-	-	40,000	-	
	MOU FSM-38	3505	Economic Newsletter	50,000	-	-	-	50,000	-	
	MOU FSM-41	3507	Facsimile Machine	2,500	-	-	-	2,500	-	
	MOU FSM-42	3508	Budget Training/Yap	6,250	-	-	-	6,250	-	
	MOU FSM-43		Privatization of Gov't Functions	30,000	-	-	-	30,000	-	
	N/A	3499	FSM Power Completion of TTPI/FM	951,000	194,724	17,181	211,905	739,095	-	
	N/A	3509	Transition	408,556	-	-	-	408,556	-	
	MOU FSM-39	3510	Workshop	3,000	-	1,755	1,755	1,245	-	
	N/A	3506	Single Audit'87	340,000	-	217,661	217,661	122,339	-	
	N/A	3512	Single Audit'88	375,000	-	-	-	375,000	-	
			Total OTIA/ O & M Grants	<u>\$3,721,306</u>	<u>\$682,102</u>	<u>\$315,032</u>	<u>\$ 997,134</u>	<u>\$2,724,172</u>	<u>\$ -</u>	

Note: The above grants are received directly from the abovementioned grantor.

FEDERATED STATES OF MICRONESIA
 NATIONAL GOVERNMENT
 SUBRECIPIENT OPERATION & MAINTENANCE (O&M) GRANT FUNDS
 DEPARTMENT OF THE INTERIOR



SCHEDULE OF EXPENDITURES AND QUESTIONED COSTS
 AND BUDGETARY POSITION BY GRANTOR
 YEAR ENDED SEPTEMBER 30, 1988

Grantor	Grant ID No.	FSM Orgn. No.	Grant Title.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs	
						Subrecipients	National Government			Amount	Detailed at Page
OTIA Special O&M											
CFDA No. 15.875	Various		Yap O&M - 1,3	\$1,550,000	\$ -	\$254,389	\$ -	\$254,389	\$1,295,611	\$ -	-
	Various		Kosrae O&M - 1,2	1,480,000	-	-	-	-	1,480,000	-	-
	Various		Pohnpei O&M 1,2,3, 5,7	2,065,000	-	134,517	-	134,517	1,930,483	-	-
	Various		Truk O&M - 1,2	1,960,000	-	110,898	-	110,898	1,849,102	-	-
			Total O&M	\$7,055,000	\$ -	\$499,804	\$ -	\$499,804	\$6,555,196	\$ -	-

Note: Because of inadequacies in the reporting procedures of the subrecipients, a comprehensive schedule of grant status for O&M programs cannot be prepared by the National Government.

FEDERATED STATES OF MICRONESIA
 NATIONAL GOVERNMENT
 CFSM AND OTIA/TTPI CAPITAL PROJECTS FUNDS

SCHEDULE OF EXPENDITURES, QUESTIONED COSTS
 AND BUDGETARY POSITION BY FUND
 YEAR ENDED SEPTEMBER 30, 1988

FSM Orgn. No.	Grant Title	Total Authori- zations	Prior Year Expend- itures	1988 Fiscal Year Expenditures	Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	Questioned Co- Detail Amount at P
6304	Pohnpei Airport Terminal Design & Construction	\$ -	\$ 2,006	\$ -	\$ 2,006	\$ (2,006)	\$ -
6305	Kolonia Water System Improvement Project	-	207,849	232,538	440,387	(440,387)	-
6312	Supply Warehouse	38,087	8,219	-	8,219	29,868	-
6303	FSM Capitol Construction	13,320,000	4,951,621	5,132,141	10,083,762	3,236,238	-
NA	President House Renova- tion	250,000	11,151	-	11,151	238,849	-
6308	Pohnpei Rural Sanitation	277,500	126,480	115,119	241,599	35,901	-
6324	Kolonia House Sewer Connection	373,800	17,000	-	17,000	356,800	-
6325	Kolonia Sanitary Facilities	189,000	12,905	106,131	119,036	69,964	-
NA	Capital Wells	39,213	-	-	-	39,213	-
6311	Kolonia Roadside Drainage	500,000	-	116,866	116,866	383,134	-
Total CFSM & OTIA/TTPI Capital Projects Funds		<u>\$14,987,600</u>	<u>\$5,337,231</u>	<u>\$5,702,795</u>	<u>\$11,040,026</u>	<u>\$3,947,574</u>	<u>\$ -</u>

FEDERATED STATES OF MICRONESIA
 NATIONAL GOVERNMENT
 COMPACT SPECIAL REVENUE FUNDS
 DEPARTMENT OF THE INTERIOR



SCHEDULE OF EXPENDITURES AND BUDGETARY
 POSITION BY FUND
 YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs	
						Subrecipients	National Government			Amount	Detailed at Page
U.S. Office of Territorial and International Affairs											
Telecom	15.875	2230	Communications - Annual/ Section, 215 (a)(2)	\$ 751,800	\$ -	\$ 751,800	\$ -	\$ 751,800	\$ -	\$ -	
			Communications - One-Time Sec., 215 (b)(2):								
	15.875	2235	Architectural	313,495	-	33,948	-	33,948	279,547	-	
		2236	Work/Equip	318,288	-	334,319	-	334,319	(16,031)	-	
		2237	HUB Building	1,630,217	-	-	-	-	1,630,217	-	
		2238	Comsat Buyout	2,280,000	-	1,900,000	-	1,900,000	380,000	-	
		2239	Digital Switches	1,978,000	-	1,549,849	-	1,549,849	428,151	-	
		2990	Telephone System	800,000	-	372,473	-	372,473	427,527	-	
				<u>7,320,000</u>	<u>-</u>	<u>4,190,589</u>	<u>-</u>	<u>4,190,589</u>	<u>3,129,411</u>	<u>-</u>	
	15.875	2240	Marine Surveillance, Section 216 (a)	214,072	59,405	-	139,724	199,129	14,943	-	
			Health and Medical Sec. 216 (a) (2)								
	15.875	2295	Health & Medical Prog.	251,960	-	-	57,091	57,091	194,869	-	
			Balance forwarded	8,537,832	59,405	4,942,389	196,815	5,198,609	3,339,223	-	

Note: The National Government's subrecipient of the 215(a)(2) and 215(b)(2) funds is the FSM Telecommunications Corporation (Telecom). These funds are received by the National Government and are then transferred out to Telecom.

FEDERATED STATES OF MICRONESIA
 NATIONAL GOVERNMENT
 COMPACT SPECIAL REVENUE FUNDS
 DEPARTMENT OF THE INTERIOR

SCHEDULE OF EXPENDITURES AND BUDGETARY
 POSITION BY FUND
 YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs Amount Detailed at Page
						Subrecipients	National Government			
Compact Funds Balance forwarded				\$ 8,537,832	\$ 59,405	\$ 4,942,309	\$ 196,815	\$ 5,190,609	\$ 3,339,223	\$ -
<u>Post Secondary Educ. Section 216(a)(3)</u>										
15.875	2549		COM Operations	\$ 900,000	\$ -	\$ 900,000	\$ -	\$ 900,000	\$ -	\$ -
	2580		Scholarship - Pohnpei 88	431,228	-	-	-	-	431,228	-
	2631		Scholarship - Kosrae 87	155,900	-	155,900	-	155,900	-	-
	2679		Scholarship - Pohnpei 87	349,783	-	300,000	-	300,000	49,783	-
	2641		Scholarship - Yap 87	194,828	-	194,828	-	194,828	-	-
	2610		Scholarship - Truk 87	499,448	-	499,488	-	499,488	(40)	-
	2641		Scholarship - Yap 88	240,179	-	240,179	-	240,179	-	-
	2649		Scholarship - FSM 87	200,000	200,000	-	-	200,000	-	-
	2650		Scholarship - Kosrae 88	192,181	-	-	-	-	192,181	-
	2611		Scholarship - Truk 88	615,852	-	101,518	-	101,518	514,334	-
				<u>3,779,399</u>	<u>200,000</u>	<u>2,391,913</u>	<u>-</u>	<u>2,591,913</u>	<u>1,187,486</u>	<u>-</u>
15.875	N/A		Marine Surveillance, One-Time, Sec.216 b	-	-	-	-	-	-	-
<u>Special Block Grant, Section 221 b</u>										
15.875	2051		Hansen's Disease	36,800	-	-	14,038	14,038	22,762	-
	2052		Family Health Project	22,000	-	-	14,829	14,829	7,171	-
	2053		Mental Health Services	28,000	-	-	11,095	11,095	16,905	-
	2054		Maternal & Child Health	35,400	-	-	24,160	24,160	11,240	-
	2055		Health Planning Agency	39,100	-	-	20,629	20,629	18,471	-
	2056		Preventive Health	49,400	-	-	22,487	22,487	26,913	-
	2057		EPA Sanitation	10,000	-	-	2,002	2,002	7,998	-
	2058		Dev. Statistical Data	5,000	-	-	4,668	4,668	332	-
	2060		Childhood Immunization	5,000	-	-	-	-	5,000	-
	N/A		Pre. Health V.D.	5,000	-	-	-	-	5,000	-
	2101		National Curriculum.	12,900	-	-	10,250	10,250	2,650	-
	N/A		Vocational Educ. Prog.	150,000	-	-	-	-	150,000	-
	N/A		Youth Activities Prog.	25,000	-	-	-	-	25,000	-
Section Total				<u>423,600</u>	<u>-</u>	<u>-</u>	<u>124,158</u>	<u>124,158</u>	<u>299,442</u>	<u>-</u>
<u>Energy Sec. 214(b)</u>										
15.875	2771		Power Distribution	248,000	-	-	200,000	200,000	48,000	-
Balance forwarded				12,988,831	259,405	7,334,302	520,973	8,114,630	4,874,151	-

FEDERATED STATES OF MICRONESIA
 NATIONAL GOVERNMENT
 OTHER COMPACT ACCOUNTS
 DEPARTMENT OF THE INTERIOR
 CFDA # 15.875



SCHEDULE OF EXPENDITURES, QUESTIONED COSTS
 AND BUDGETARY POSITION BY FUND
 YEAR ENDED SEPTEMBER 30, 1988

Grantor	CFDA No.	FSM Orgn. No.	Grant Title Grant I.D. No.	Total Authorizations	Prior Expenditures	1988 Fiscal year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	National Government Questioned Costs Amount	National Government Questioned Costs Detailed at Page
						Subrecipients	National Government				
			Compact Funds Balance forwarded	\$12,988,831	\$259,405	\$7,334,302	\$520,973	\$8,114,680	\$4,874,151	\$ -	
15.875			<u>Compact Capital Account - Capital Project Funds</u>								
			6001 Kosrae PD Office	-	-	-	22,898	22,898	(22,898)	-	
			6002 Wash. D.C. Staff Office	125,000	-	-	125,000	125,000	-	-	
			6003 Pest & Disease Survey	45,000	698	-	1,899	2,597	42,403	-	
			6004 Livestock Project	25,000	916	-	16,371	17,317	7,683	-	
			6005 M.L.S.C Office Bldg.	60,000	1,200	-	54,730	55,930	4,070	-	
			6006 Local Catch Stats.	45,000	37,280	-	7,670	44,950	50	-	
			6007 Fish Poisoning	10,000	4,832	-	1,880	6,712	3,288	-	
			6008 Investment Development	5,000	2,522	-	5,091	7,613	(2,613)	-	
			6009 Coop & Credit Union	-	-	-	108	108	(108)	-	
			6022 Yap Outer Island H.S.	100,000	-	-	37,258	37,258	62,742	-	
			6011 Investment Development	61,000	-	-	-	-	61,000	-	
			6013 FSM Development Bank	3,000,000	-	3,000,000	-	3,000,000	-	-	
			6014 Tuna Transhipment Feas.	12,000	-	-	11,245	11,245	755	-	
			6015 Commercial Fish Posters	14,000	-	-	1,066	1,066	12,934	-	
			6016 Marine Poison Invest.	42,000	-	-	8,080	8,080	33,920	-	
			6017 Proj. Planning & Develop.	354,540	-	-	128,028	128,028	226,512	-	
			6018 Coconut Charcoal Dev.	15,000	-	-	-	-	15,000	-	
			N/A Maritime Boundry	5,000	-	-	-	-	5,000	-	
			N/A Lehnnesi River Hydro	45,000	-	-	-	-	45,000	-	
			N/A Supreme Court Building	100,000	60,000	-	-	60,000	40,000	-	
			N/A Truk Cold Storage	50,000	-	-	-	-	50,000	-	
			N/A Truk Court House Const.	202,000	-	-	-	-	202,000	-	
			N/A CDA Copra Price Subsidy	200,000	200,000	-	-	200,000	-	-	
			<u>Total Compact Capital Projects Fund</u>	<u>4,515,540</u>	<u>307,478</u>	<u>3,000,000</u>	<u>421,324</u>	<u>3,728,802</u>	<u>786,738</u>	<u>-</u>	
			<u>Compact Current Account General Fund</u>								
15.875			Title II, Article I, Section 211(a) current account	6,508,512	-	-	6,508,512	6,508,512	-	-	
			<u>Compact Special Development Fund (Section III)</u>								
15.875	2152		Development Fund	12,000,000	-	-	-	-	12,000,000	-	
			<u>Total Compact Funding</u>	<u>\$36,012,883</u>	<u>\$566,883</u>	<u>\$10,334,302</u>	<u>\$7,450,809</u>	<u>\$18,351,994</u>	<u>\$17,660,889</u>	<u>\$ -</u>	

Note: The \$3,000,000 transfer of Compact Capital Account funds was made by the National Government to the National Development Bank, an FSM National Government enterprise fund.

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT AND SUBRECIPIENTS
COMPACT FUNDING SUMMARY CFDA #15.875

SCHEDULE OF EXPENDITURES, AND BUDGETARY
POSITION BY COMPACT SECTION
YEAR ENDED SEPTEMBER 30, 1988

Grant Title	Government	Base Grant	Section 217 Inflation Adjustment	Total Cumulative Apportionment	Prior Year Expenditures and Transfers	1988 Fiscal Year Expenditures		Total Program Expenditures and Transfers	Excess (Deficit) Apportionment Over Program Expenditures
						Subrecipients	National Government		
Section 211(a) Current Account									
National Government		\$10,497,600	\$ 2,414,448	\$12,912,048	\$ 6,403,536	\$ -	\$ 6,508,512	\$12,912,048	\$ -
Truk		26,448,000	6,083,040	32,531,040	16,133,280	16,397,760	-	32,531,040	-
Pohnpei		16,956,000	3,899,933	20,855,933	10,343,213	10,512,720	-	20,855,933	-
Yap		11,529,600	2,576,865	14,106,465	6,958,113	7,148,352	-	14,106,465	-
Kosrae		6,568,800	1,510,824	8,079,624	4,006,968	4,072,656	-	8,079,624	-
Sub Total		<u>72,000,000</u>	<u>16,485,110</u>	<u>88,485,110</u>	<u>43,845,110</u>	<u>38,131,488</u>	<u>6,508,512</u>	<u>88,485,110</u>	<u>-</u>
Section 211(a) Capital Account									
National Government		4,502,400	1,035,552	5,537,952	307,479	-	3,421,324	3,728,803	1,809,149
Truk		18,432,000	4,239,360	22,671,360	1,999,161	2,742,690	-	4,741,851	17,929,509
Pohnpei		12,216,000	2,809,680	15,025,680	641,470	2,489,520	-	3,130,990	11,894,690
Yap		7,094,400	1,585,599	8,679,999	1,330,839	718,100	-	2,048,939	6,631,060
Kosrae		5,755,200	1,323,696	7,078,896	1,061,328	1,460,411	-	2,521,739	4,557,157
Sub Total		<u>48,000,000</u>	<u>10,993,887</u>	<u>58,993,887</u>	<u>5,340,277</u>	<u>7,410,721</u>	<u>3,421,324</u>	<u>16,172,322</u>	<u>42,821,565</u>
Sub Total Major Block Grant		<u>\$120,000,000</u>	<u>\$27,478,997</u>	<u>\$147,478,997</u>	<u>\$49,185,387</u>	<u>\$45,542,209</u>	<u>\$ 9,929,836</u>	<u>\$104,657,432</u>	<u>\$42,821,565</u>
Section 213 (b) Yap Coast Guard Station									
Yap		<u>\$ 160,000</u>	<u>\$ -</u>	<u>\$ 160,000</u>	<u>\$ 70,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,000</u>	<u>\$ 90,000</u>

FEDERATED STATES OF MICRONESIA
 NATIONAL GOVERNMENT AND SUBRECIPIENTS
 COMPACT FUNDING SUMMARY OF DA #15.875



SCHEDULE OF EXPENDITURES, AND BUDGETARY
 POSITION BY COMPACT SECTION
 YEAR ENDED SEPTEMBER 30, 1999

Grant Title	Government	Base Grant	Section 217 Inflation Adjustment	Total Cumulative Apportionment	Prior Year Expenditures and Transfers	1998 Fiscal Year Expenditures		Total Program Expenditures and Transfers	Excess (Deficit) Apportionment Over Program Expenditures
						Subrecipients	National Government		
Section 214									
Energy Grant									
	National Government	\$ 200,100	\$ 48,024	\$ 248,124	\$ -	\$ -	\$ 200,000	\$ 200,000	\$ 48,124
	Truk	949,800	227,952	1,177,752	-	892,644	-	892,644	285,108
	Pohnpei	750,000	180,000	930,000	-	795,612	-	795,612	134,388
	Yap	650,100	156,024	806,124	-	651,464	-	651,464	154,660
	Kosrae	450,000	108,000	558,000	-	453,914	-	453,914	104,086
	Total Section 214	3,000,000	720,000	3,720,000	-	2,793,634	200,000	2,993,634	726,366
Section 215 (a)(2)									
Communications									
Annual									
	National Government	1,200,000	276,000	1,476,000	724,200	-	751,800	1,476,000	-
Section 215 (b)(2)									
Communication									
One Time									
	National Government	6,000,000	1,320,000	7,320,000	-	-	4,190,589	4,190,589	3,129,411
Section 216 (a)(1)									
Marine Surveillance									
Annual									
	National Government	1,038,000	-	1,038,000	59,405	-	139,724	199,129	838,871
Section 216 (b)									
Marine Surveillance									
One Time									
	National Government	666,600	-	666,600	-	-	-	-	666,600

(Continued)

FEDERATED STATES OF MICRONESIA
 NATIONAL GOVERNMENT AND SUBRECIPIENTS
 COMPACT FUNDING SUMMARY CFDA #15.875



SCHEDULE OF EXPENDITURES, AND BUDGETARY
 POSITION BY COMPACT SECTION, CONTINUED
 YEAR ENDED SEPTEMBER 30, 1988

Grant Title	Government	Base Grant	Section 217 Inflation Adjustment	Total Cumulative Apportionment	Prior Year Expenditures and Transfers	1988 Fiscal Year Expenditures		Total Program Expenditures and Transfers	Excess (Deficit) Apportionment Over Program Expenditures
						Subrecipients	National Government		
Section 216 (a)(2) Health and Medical Referral									
National Government	\$	251,960	\$ -	\$ 251,960	\$ -	\$ -	\$ 57,091	\$ 57,091	\$ 194,869
Truk		922,174	-	922,174	267,986	577,404	-	845,390	76,784
Pohnpei		715,566	-	715,566	644,853	247,549	-	892,402	(176,836)
Yap		405,656	-	405,656	73,564	203,261	-	276,825	128,831
Kosrae		224,244	-	224,244	352,926	166,136	-	519,062	(294,818)
Sub total		2,519,600	-	2,519,600	1,339,329	1,194,350	57,091	2,590,770	(71,170)
Section 216 (a)(3) Scholarship									
National Government		3,779,400	-	3,779,400	200,000	2,391,913	-	2,591,913	1,187,487
Section 221(b) Special Block Grant									
National Government		630,000	-	630,000	-	-	124,158	124,158	505,842
Truk		5,460,000	-	5,460,000	2,048,037	2,048,214	-	4,096,251	1,363,749
Pohnpei		3,780,000	-	3,780,000	31,042	1,512,836	-	1,543,878	2,236,122
Yap		2,380,000	-	2,380,000	463,728	1,423,687	-	1,887,415	492,585
Kosrae		1,750,000	-	1,750,000	632,431	802,458	-	1,434,889	315,111
Sub Total		14,000,000	-	14,000,000	3,175,238	5,787,195	124,158	9,086,591	4,913,409
Section 111 (b)(1) Special Development Fund									
National Government		12,000,000	-	12,000,000	-	-	-	-	12,000,000
Truk		-	60,000	60,000	-	18,900	-	18,900	41,100
Pohnpei		-	60,000	60,000	-	-	-	-	60,000
Yap		-	60,000	60,000	-	-	-	-	60,000
Kosrae		-	60,000	-	-	-	-	-	60,000
Sub Total		12,000,000	240,000	12,240,000	-	18,900	-	18,900	12,221,100
Total Funding for initial two years of Compact Agreement									
		\$164,363,600	\$30,034,997	\$194,398,597	\$51,753,559	\$55,336,288	\$17,785,111	\$127,874,958	\$66,523,639

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT

SCHEDULE OF PROGRAMS
SELECTED FOR AUDIT IN ACCORDANCE WITH
OMB CIRCULAR A-128
YEAR ENDED SEPTEMBER 30, 1988

<u>Grantor</u>	<u>CFDA No.</u>	<u>Description</u>	<u>Amount of 1988 Expenditures</u>
U.S. Dept. of the Interior:	15.875		
Compact of Free Association:			
Capital account related			\$ 421,324
Current account related			6,508,512
Program account related:			
221-B Block Grant			124,158
Marine Surveillance annual			139,724
Health and Medical			57,091
Energy Programs			200,000
Federal grants fund			<u>283,122</u>
		Total CFDA # 15.875	7,733,931
U.S. Dept of the Interior		FSM Capitol relocation and COM Campus	<u>5,132,141</u>
		Total programs selected	<u>\$12,866,072</u>
		Total U.S. Federal Program expendi- tures	<u>\$15,108,778</u>
		% of Total U.S. Federal expendi- tures covered by major programs	<u>84.4%</u>

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT

SUMMARY OF FEDERAL PROGRAM EXPENDITURES
YEAR ENDED SEPTEMBER 30, 1988

<u>Grantor</u>	<u>Amount</u>	<u>Page</u>
U.S. Department of Education	\$169,961	13
U.S. Department of Housing and Urban Development	28,686	16
U.S. Department of Labor	125,013	17
U.S. Department of Agriculture	508,643	19
U.S. Department of Commerce	6,819	19
U.S. Environmental Protection Agency	275,507	21
U.S. Department of Energy	19,670	22
U.S. Department of Health and Human Services	498,889	28
U.S. Federal Emergency Management Agency	6,949	28
U.S. Department of the Interior:		
Various Program Grants	5	20
OTIA Technical Assistance	315,032	33
Capital Projects Funds	5,702,795	35
Compact of Free Association Funding	7,450,809	38
	<u>\$15,108,778</u>	
	=====	

For the administration of federal funds, the FSM National Government uses a centralized system for all billings and financial reporting, which is performed by the Finance Department, and a decentralized system for compliance and program performance which is performed by each of the Departments which receive and administer federal funds. The following findings are the result of an administrative controls review which has been performed on the federal funds system and relates to the FSM National Government as a whole. These matters are not necessarily related to the responsibility of any one individual department.

Reporting by CFDA Number

1. CRITERIA: The National Government should provide CFDA numbers to the FSM State subrecipients. These numbers are needed for financial statement presentation and reporting to the U.S. federal government.

CONDITION: Review of federal grant administration at both the National Government and the State Governments revealed the CFDA numbers were not being used by or provided anyone to assist in requisite external financial reporting.

CAUSE: Because FY88 was the first full fiscal year the National Government has been responsible for administering direct grant programs, management was not aware of the importance of tracking federal programs by CFDA number.

EFFECT: All grant funds received should be tracked by CFDA number. Failure to do so can result in noncompliance with federal regulations. When programs are subgranted to the States, subgrant documentation provided the States should specify the CFDA number.

RECOMMENDATION: We recommend that to ensure all CFDA numbers are tracked for all federal funds, no funds be certified for release by the Federal Grants Co-ordinator until CFDA numbers have been supplied by the individual department.

AUDITEE RESPONSE: We recognize the deficiency and effective 07/07/89 we requested all allotment advices to reflect the CFDA number which we will incorporate into the Management Accounting System.

Inventory of Federal Programs

2. CRITERIA: The FSM National Government should maintain a complete inventory of U.S. Federal programs received and utilized during each fiscal year.

CONDITION: A complete inventory of all U.S. Federal programs awarded to the FSM Government for fiscal year 1988 was not available at the time of audit field work.

CAUSE: This problem has not been a consideration in prior years as the FSM National Government administered federal programs substantially in a subrecipient capacity.

EFFECT: The lack of a complete inventory of federal programs by CFDA numbers hinders the ability to report on federal programs by CFDA number for financial statement purposes which is in noncompliance with federal regulations.

RECOMMENDATION: We are aware that a federal program inventory was being compiled near the end of our audit field work. We recommend that an inventory be compiled at the beginning of the fiscal year and modified for any changes during the year.

AUDITEE RESPONSE: See response to finding #1, page 43.

3. CRITERIA: All subrecipients of federal funds should be subject to monitoring to ensure that program funding is expended within designated provisions.

CONDITION: Our review of federal grant administrative controls revealed that, other than monitoring submitted expenditure reports from the subrecipients for spending authorization compliance, no other significant monitoring procedures are being performed to ensure that funds are disbursed by subrecipients in a correct manner. In addition, terms and conditions of the grant awards are not being passed on to the subrecipients.

CAUSE: Being the initial year of administrative control over direct federal program funding, the National Government has yet to develop a specific subrecipient monitoring program.

EFFECT: Failure to monitor subrecipients may result in funds not being disbursed in accordance with the terms of the grants.

RECOMMENDATION We recommend that all subrecipients be subject to monitoring. Such monitoring would include required compliance audits of subrecipient funding and review of periodic financial statements depicting the use of these funds. This monitoring is in accordance with the concepts supporting the Single Audit Act, and A-128 and A-110/A-133. Also, copies of terms and conditions of grant awards should be passed on to subrecipients.

AUDITEE RESPONSE: We recognize the current deficiency and the Office of Budget is currently working on a Grants Management Division handbook which delineates monitoring responsibilities. The target date for the new grants management system to be fully operational is 10/01/89.

4. CRITERIA: The FSM National Government should maintain a system of accounting in accordance with federal property standards for fixed assets acquired with federal funds and ensure that subrecipients are doing the same.

CONDITION: Based on our review of the National Government's accounting for the General Fixed Asset Account Group, it appears that a conscientious effort has been made by the Division of Supply personnel to utilize an automated sub-program for recording fixed assets during fiscal year 1988. However, the dissemination of fixed assets, procured with federal program funds has yet to be performed. This finding exists at the State subrecipient level also.

CAUSE: It has taken Division of Supply Personnel time to obtain a level of proficiency on the automated system. They have not yet achieved a sufficient level of accounting efficiency to be in compliance with federal property standards.

EFFECT: The FSM National Government is not in compliance with federal property standards.

RECOMMENDATION: The National Government should ensure that its assets are properly incorporated into the accounting system and that it is in compliance with applicable federal property rules and regulations.

AUDITEE RESPONSE: The Fixed Asset System is currently being worked on and the target date for it to be fully operational is 10/01/89.

5. CRITERIA: The National Government should provide a breakdown of reimbursements to the State subrecipients by program CFDA number and grant number and should provide detail of any disallowances so that the subrecipients may properly follow up on the specified problems.

CONDITION: Reimbursements to State subrecipients were made by bank transfer or lump sum check without supporting detail indicating which expenditures were being reimbursed.

CAUSE: The National Government had not previously administered direct federal programs and therefore adequate systems have not been implemented to ensure that State subrecipients are provided with detailed breakdowns of reimbursed expenditures and disallowances.

EFFECT: The National Government's disbursements for reimburseable expenditures to the State subrecipients do not provide sufficient detail to enable the states to properly account for the reimbursements on a program basis.

RECOMMENDATION: Reimbursements or disallowances resulting from State drawdown requests should be sufficiently detailed to enable the States to account for the programs on an individual basis.

AUDITEE RESPONSE: See response to finding #1, page 43.

Documented Guidelines for Administration

6. CRITERIA: A clear outline of the responsibilities and duties of each level within the federal program area of the FSM National Government should exist. This should be in a written format with copies distributed to each level.

CONDITION: Our review of the administrative controls in the area of communication of authority and responsibility revealed there is no documentation of duties and responsibilities for the levels involved in the administration of federal programs.

CAUSE: This function has not been a consideration in prior years as the National Government administered federal programs substantially in a subgrantee capacity.

EFFECT: Failure to clearly document responsibilities and duties for each level of the National Government and its subrecipients may result in confusion as to responsibilities and may disrupt work flow.

RECOMMENDATION: We recommend that the responsibilities and duties of each level within the federal grants area of the National Government be reduced to writing and copies be distributed to applicable personnel at all levels.

AUDITEE RESPONSE: See response under #3. The new Grants Management System should be operational by 10/01/89.

7. CRITERIA: Financial Status Reports (FSR's) should be submitted in accordance with the grant conditions.

CONDITION: The fourth quarter FSR has not been submitted by the date of our report for the majority of federal programs.

CAUSE: It appears that the FSR has been held until the final audit report is submitted.

EFFECT: Noncompliance with grant conditions occurs.

RECOMMENDATION: Required Financial Status Reports should be submitted in a timely manner.

AUDITEE RESPONSE: We agree with the recommendation made by Touche Ross. We waited for the final 9/30/88 reports from the FSM States which caused the delay in submission of our 4th quarter FSRs. To comply with the grant condition for FY 89, a tentative FSR will be submitted and will be followed by a final report when the audit is completed.

Subrecipient Audits

8. CRITERIA: The primary U.S. Federal Assistance Program recipient assumes the responsibility of monitoring all program subrecipients to ensure their compliance with program awards and OMB regulations.

CONDITIONS: Disbursements of Community Service Block Grant (CSBG) funds are made to the respective State Community Action Agencies (CAA's) which are not part of the State government units. Therefore, it is the primary program recipient's responsibility to ensure that the CAA sub-recipients conduct an independent audit of their operations to monitor the expending of the CSBG funds. This was not done.

CAUSE: Unknown

EFFECT: The effect is noncompliance with A-128 requirements by the National Government as the primary recipient.

RECOMMENDATION: We recommend that the National Government ensure that the State CAA's conduct an independent audit of their operations.

AUDITEE RESPONSE: The Office of Planning and Statistics is now working with the Office of the Public Auditor on a Request for Proposals to solicit bids for auditing the subrecipients. Target date for soliciting bids is September 10, 1989.

RESOLUTIONS TO PRIOR YEARS' QUESTIONED COSTS
 YEAR ENDED SEPTEMBER 30, 1988

The following questioned costs, per the September 30, 1985 audit report, have been resolved as follows:

Questioned costs resolved by the Trust Territory of the Pacific Islands Headquarters:

<u>Org. No.</u>	<u>Program Title</u>	<u>Amount</u>
6145	Food Services FY85	\$ 606
Total FY85 unresolved questioned costs at September 30, 1987		<u>7,063</u>
Unresolved 1985 questioned costs at September 30, 1988		\$ 6,457 =====

The following questioned costs, per the September 30, 1986 audit report, have been resolved as follows:

Questioned costs resulting from improperly charged expenditures have been resolved as FSM subsequently corrected the errors:

3004	Middle Mgmt. Workshop	\$ 819
3006	Leprosy Control Program	75
Questioned costs for the Kolonia Town Water System resolved by Director, Budget and Technical Assistance, Office of Territorial and International Affairs, U.S. Department of the Interior.		<u>51,620</u>
Total questioned costs resolved		52,514
Total unresolved 1986 questioned costs at September 30, 1987		<u>52,514</u>
Unresolved 1986 questioned costs at September 30, 1988		\$ - =====

RESOLUTIONS TO PRIOR YEARS' QUESTIONED COSTS
 YEAR ENDED SEPTEMBER 30, 1988

The following questioned costs, per the September 30, 1984 audit report, have been resolved as follows:

Questioned costs resolved by the Department of the Interior as the grantor agency

<u>Org. No.</u>	<u>Program Title</u>	<u>Amount</u>
Various	Transition Grants	\$ 10,721
Various	OTIA Direct Grants	<u>46,922</u>

Questioned costs resolved	57,643
Total unresolved 1984 questioned costs at September 30, 1987	<u>57,643</u>
Unresolved 1984 questioned costs at September 30, 1988	\$ - =====

The following questioned costs, per the September 30, 1987 audit report, have been resolved as follows:

Questioned costs for the Kolonia Town Water System resolved by Director, Budget and Technical Assistance, Office of Territorial and International Affairs, U.S. Department of the Interior.

71,430

Questioned costs for financial advisor disallowed by Director of Budget and Technical Assistance, Office of Territorial and International Affairs, U.S. Department of the Interior, and absorbed by the General Fund Via JV90065.

1,877

Questioned costs resolved	73,307
Total unresolved 1987 questioned costs at September 30, 1987	<u>73,810</u>
Unresolved 1987 questioned costs at September 30, 1988	\$ 503 =====

FEDERATED STATES OF MICRONESIA
NATIONAL GOVERNMENT

RESOLUTIONS TO PRIOR YEARS' QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 1988

Questioned costs summary:

Unresolved Federal Assistance 1984 questioned costs	\$ -
Unresolved Federal Assistance 1985 questioned costs	6,457
Unresolved Federal Assistance 1986 questioned costs	-
Unresolved Federal Assistance 1987 questioned costs	<u>503</u>
Total prior year unresolved Federal Assistance questioned costs	6,960
FY 1988 Federal Assistance questioned costs	<u>-</u>
Total Federal Assistance outstanding questioned costs	\$ 6,960 =====
Unresolved Local Compliance 1987 questioned costs	<u>\$ 23,000</u>
Total outstanding Local Compliance questioned costs	\$ 23,000 =====