



FEDERATED STATES OF MICRONESIA

Office of The National Public Auditor

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Tuesday, October 20, 2020

Excellency FSM President
Honorable State Governors

Dear President and Governors:

This is the current status report for the FY 2019 Single Audits and it is as of September 30, 2020. The status report is based on information received from Deloitte & Touche (DT), our contracted CPA firm. We will continue to send you status reports until all the Single Audits for FY 2019 are completed. The audit deadline has been extended to December 31, 2020 because of the COVID19, otherwise the original due date was June 30, 2020.

FSM NATIONAL GOVERNMENT AND COMPONENT UNITS:

1. FSM National Government:

1.1. DT has commenced year-end substantive testing, and compliance testing. DT is about 90% complete with respect to planning and year-end substantive tests and 70% complete with respect to compliance tests. A final Trial Balance with an accounting system run date of March 10, 2020 was received. However, Division of Treasury & Accounting has made several adjustments/changes to the TB and has also indicated that they will be making additional adjustments to the provided TB. Therefore, final internal financial statements have yet to be finalized and provided us.

2. College of Micronesia-FSM:

2.1 DT has provided a draft audit report and is awaiting the Management Discussion & Analysis (MD&A) and Planned Corrective Actions.

3. FSM Telecommunications Corporation: Final audit reports were issued on December 20, 2019 and can be accessed at the ONPA website www.fsmopa.fm.

4. FSM Telecommunications Cable Corporation:

4.1. DT has commenced the audit, which is 90% complete with respect to audit planning, and 30% complete with respect to substantive testing.

5. FSM Petroleum Corporation: Final audit reports were issued on June 25, 2020 and can be accessed at the ONPA website www.fsmopa.fm.

6. National Fisheries Corporation:

6.1. DT has commenced audit planning and DT is about 90% complete with respect to planning. NFC continues to record adjustments to its financial statements.

7. FSMNG Employees' Health Insurance Plan (MiCare Plan, Inc): Final reports were issued on July 8, 2020 and can be accessed at the ONPA website www.fsmopa.fm.

8. FSM Development Bank: Final audit reports were issued on May 26, 2020 and can be accessed at the ONPA website www.fsmopa.fm.
9. FSM Social Security Administration:
 - 9.1. DT has commenced the audit and is about 90% complete with respect to planning and 80% for year-end substantive testing
10. Caroline Islands Air:
 - 10.1. DT received the trial balance in August 13, 2020. DT has commenced audit planning and is about 70% complete with respect to planning. DT will commence substantive test upon receipt of requests for detail testing.

CHUUK STATE GOVERNMENT AND COMPONENT UNITS:

1. Chuuk State Government:
 - 1.1. DT commenced audit planning, year-end substantive testing, and federal compliance tests. DT is about 90% complete with respect to planning and substantive tests and 70% with respect to compliance testing. A final Trial Balance with an accounting system run date of April 7, 2020 was received in April.
2. Chuuk Public Utility Corporation: Final audit reports were issued on June 30, 2020 and can be accessed at the ONPA website at www.fsmopa.fm.
3. Chuuk State Health Care Plan:
 - 3.1. Final audit reports were issued on October 5, 2020 and can be accessed at the ONPA website at www.fsmopa.fm.
4. Chuuk Housing Authority:
 - 4.1. DT received the final trial balance and commenced audit planning and substantive tests of year-end balances.

POHNPEI STATE GOVERNMENT AND COMPONENT UNITS:

1. Pohnpei State Government:
 - 1.1. DT has commenced the audit and is about 95% complete with respect to planning and year-end substantive tests and about 75% complete with respect to compliance tests. A final trial balance with an accounting system run date of May 22, 2020 was received on May 22, 2020. Pohnpei State Finance has made numerous adjustments and continues to make adjustments to that final trial balance, and therefore, a final trial balance and internal financial statements have yet to be provided to DT
2. Pohnpei State Housing Authority:
 - 2.1. Management has indicated that they require the outside help of an accountant to compile the general ledger and trial balance as of 9/30/19. PSHA provided a TB on 10/08/2020.
3. Pohnpei Utilities Corporation:
 - 3.1. DT has commenced the audit and is about 95% complete with respect to planning and 90% for year-end substantive testing. Audit work is on-going and PUC continues to send scanned copies of requested samples.
4. Pohnpei Port Authority: Final audit reports were issued on June 22, 2020 and can be accessed at the ONPA website www.fsmopa.fm.

KOSRAE STATE GOVERNMENT AND COMPONENT UNITS:

1. Kosrae State Government:
 - 1.1 DT commenced audit planning, year-end substantive testing, and federal compliance tests. DT is about 80% complete with respect to planning, substantive and compliance testing. Kosrae State Government has yet to hire a financial advisor.
2. Kosrae Utilities Authority: The final audit reports were issued on June 2, 2020 and can be accessed at the ONPA website www.fsmopa.fm.
3. Kosrae Port Authority:
 - 3.1 DT has completed substantive procedures. Kosrae Port Authority is in the process of finalizing the MD&A.
4. Kosrae Housing Authority:
 - 4.1 DT has commenced audit planning and is about 90% complete with respect to planning.

YAP STATE GOVERNMENT AND COMPONENT UNITS:

1. Yap State Government:
 - 1.1 DT has commenced the audit and is about 70% complete with respect to planning (including the single audit-related works) and 35% for year-end substantive testing. Audit work is on-going and YSG continues to send scanned copies of requested samples for testing.
2. Yap State Public Service Corporation: Final audit reports were issued on January 28, 2020 and can be accessed at the ONPA website www.fsmopa.fm
3. Yap Visitors Bureau:
 - 3.1 DT will commence audit work upon the receipt of the final trial balance and related schedules.
4. The Diving Seagull, Inc.:
 - 4.1 DT has completed substantive procedures. A draft report has been provided for reference in preparation of the MD&A.

A copy of this status report will be uploaded to the FSM Public Auditor's website at www.fsmopa.fm. Let me know if you have questions about this report.

Respectfully Submitted,



Haser Hainrick
National Public Auditor

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cc: FSM Vice President
Speaker, FSM Congress