



FEDERATED STATES OF MICRONESIA

Office of The National Public Auditor

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February 13, 2013

His Excellency Manny Mori, FSM President
All State Governors

Dear Mr. President and Mr. Governors:

This is the second status report for the FY 2012 Single Audits and it is as of January 31, 2013. We will continue to send you status reports every month until all the Single Audits for FY 2012 are completed. The status reports are based on information received from Deloitte & Touche (DT), our contracted CPA firm. The official completion deadline is June 30, 2013.

FSM NATIONAL GOVERNMENT AND COMPONENT UNITS:

1. FSM National Government: DT has commenced planning, and preliminary trial balance has been provided. Samples on certain major programs have been communicated to Finance.
2. College of Micronesia-FSM: The trial balance was received by DT on January 31, 2013.
3. FSM Telecommunications Corporation: Final audit report completed. A copy of the report can be accessed at the ONPA website www.fsmopa.fm.
4. FSM Petroleum Corporation: DT is approximately 40% completed with fieldwork.
5. National Fisheries Corporation: DT is currently performing substantive procedures.
6. MiCare Plan, Inc.: Some audit schedules have been received as of January 19, 2013. Certain testing has already been set up and fieldwork will commence during the first or second week of February.
7. FSM Coconut Development Authority: There is no change from previous status report. DT received the trial balance on December 27, 2012, and has started planning activities. However, certain accounts still need to be reconciled, so fieldwork will commence once reconciliation is completed.

8. FSM Development Bank: DT has received the preliminary trial balance and started on some planning procedures. However, the trial balance is not yet closed or final. DT will schedule fieldwork once they receive a closed trial balance.
9. FSM Social Security Administration: There is no change from previous status report. Since this entity's fiscal year ends on December 31, significant audit procedures have yet to commence.
10. Caroline Islands Air: DT is currently performing substantive procedures.

CHUUK STATE GOVERNMENT AND COMPONENT UNITS:

1. Chuuk State Government: DT has commenced planning activities, year-end substantive testing and compliance testing, and is 50% complete with such.
2. Chuuk Public Utility Corporation: DT is working on the sample selections for the schedules/information provided as of today. A follow-up has also been made to CPUC regarding compliance requests.
3. Chuuk State Health Care Plan: DT received the trial balance on January 29, 2013.
4. Chuuk Housing Authority: There has been no change from previous status report. DT will commence fieldwork upon the receipt of the final trial balance and related schedules.

POHNPEI STATE GOVERNMENT AND COMPONENT UNITS:

1. Pohnpei State Government: DT has commenced compliance testing and is approximately 35% complete with such. DT has commenced year-end balance testing and is approximately 40% complete with such.
2. Pohnpei State Housing Authority: There is no change from the previous status report. DT received the trial balance on December 21, 2012, and has started planning activities. A request list was also sent to PSHA. Fieldwork will commence during first week of February.
3. Pohnpei Utilities Corporation: DT received a preliminary trial balance during the last week of January but not all closing adjustments have been done/accounts reconciled. DT is still waiting for the closed trial balance.
4. Pohnpei Port Authority: Authorization to commence audit on PPA was given to DT on February 12, 2013.

KOSRAE STATE GOVERNMENT AND COMPONENT UNITS:

1. Kosrae State Government: DT has commenced planning activities, compliance and year-end substantive testing and is approximately 65% complete.
2. Kosrae Utilities Authority: DT has received a preliminary trial balance and related schedules. Planning is substantially completed.
3. Kosrae Port Authority: There is no change from previous status report. DT will commence fieldwork upon receipt of the final trial balance and related schedules.

YAP STATE GOVERNMENT AND COMPONENT UNITS:

1. Yap State Government: DT held a planning meeting with Yap State management and received the trial balance last week.
2. Yap State Public Service Corporation: DT is approximately 65% complete with fieldwork.
3. Yap Visitors Bureau: Authorization has not been given to DT to commence the audit on YVB due to pending open items.
4. The Diving Seagull, Inc.: DT is waiting for the final trial balance but has held planning discussions with entity management.

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
Director, SBOC
Finance Secretary/State Directors
All State Auditors