



FEDERATED STATES OF MICRONESIA

Office of The National Public Auditor

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Friday, October 14, 2022

Excellency David W. Panuelo
 President
 Office of the President
 Federated States of Micronesia
 Palikir, Pohnpei FM 96941

Excellency President Panuelo:

This is the status report for the FY2021 single audits and it is as of September 30, 2022. This report is based on information received from Deloitte & Touche LLP, our contracted auditor.

For easy references, we have color coded the audit phases to show the ongoing efforts on the FY2021 single audit. In addition, we have summarized below the information on *Table 1*:

- Yet to Commence - Two (2) audits as the Internal Financial Statements and other related documents are yet to be submitted to the auditors.
- On-going - Twenty-one (21) audits (4 - Reporting and 17 - either on planning or planning/substantive stages)
- Finalized & Issued -Four (4) audits

Table 1 - Monthly Status Update as of September 30, 2022		
No.	Entity	Audit phases
● Audit Not started ● Planning ● Substantive Tests ● Drafting Reports ● Report Issued		
FSM National Government and Component Units		
1	FSM National Government	●
2	College of Micronesia – FSM	●
3	FSM Telecommunication Corporation	●
4	FSM Telecommunications Cable Corporation	●
5	FSM Petroleum Corporation	●
6	National Fisheries Corporation	●
7	FSM MiCare Plan, Inc	● ●
8	FSM Development Bank	●
9	FSM Social Security Administration	●
10	Caroline Islands Air	●
11	Telecommunication Regulation Authority	●
Chuuk State Government and Component Units		
12	Chuuk State Government	● ●
13	Chuuk Public Utilities Corporation	●
















Table 1 – Monthly Status Update as of September 30, 2022		
No.	Entity	Audit phases
		
14	Chuuk State Health Care Plan	
15	Chuuk Housing Authority	
Pohnpei State Government and Component Units		
16	Pohnpei State Government	
17	Pohnpei State Housing Authority	
18	Pohnpei Utilities Corporation ¹	
19	Pohnpei Port Authority	
Kosrae State Government and Component Units		
20	Kosrae State Government	
21	Kosrae Utilities Authority	
22	Kosrae Port Authority	
23	Kosrae Housing Authority	
Yap State Government and Component Units		
24	Yap State Government	
25	Yap State Public Service Corporation	
26	Yap Visitors Bureau	
27	The Diving Seagull, Inc	

Table 2 provides the details of documents yet to be provided by the Entities for the successful completion of respective audits.

Table 2 – Listing of Outstanding Documents to be provided to Deloitte		
No.	Entity	List of Documents
1	FSM National Government	<ul style="list-style-type: none"> • Copy of unaudited financial report • Final budgetary statements for the general fund with details such as continuing operations • Open items from General Funds substantive testing regarding purchase of real estate
2	FSM Telecommunications Cable Corporations	<ul style="list-style-type: none"> • Certain detailed documentation requests • Scrutinization of DoFA subsequent reimbursements (FY2022) that pertain to FY2021
3	National Fisheries Corporation	<ul style="list-style-type: none"> • Final bank reconciliation reports
4	Caroline Islands Air, Inc	<ul style="list-style-type: none"> • Final internal financial statements and related schedules
5	Chuuk Public Utility Corporation	<ul style="list-style-type: none"> • WIP – Progress Reports • Revenue (Water) – Report for which accounts were newly active/reconnected and disconnected in FY2021
6	Pohnpei State Housing Authority	<ul style="list-style-type: none"> • USDA confirmation of loan guarantees for FS disclosures purposes
7	Pohnpei Port Authority	<ul style="list-style-type: none"> • Schedule of plan assets applicable for FY2021 (from Oct. 1, 2020 to Sept. 30, 2021)

¹ According to PUC documents have already been provided to Deloitte in March and June 2022.

Table 2 - Listing of Outstanding Documents to be provided to Deloitte		
No.	Entity	List of Documents
		<ul style="list-style-type: none"> • Scanned copies of board meeting minutes from October 2020 until present • Listing of PPA board members and titles in FY2021 until present (including new members and the date membership became effective) • Status of prior year's (FY2020) audit findings 2020-001 • Updated Trial Balance & GL Details (Missing accounts reconciliation) • Understanding Entity- Level Controls Inquiries • Cash Samples • Fixed Assets (Existence, Additions, Disposals) Samples • A/R Sa
8	Yap Visitors Bureau	Final internal financial statement and related schedules

Our records shows that five (5) component units submitted the trial balance by February 28, 2021² which are: FSM Telecommunication Corporation, FSM Development Bank, Chuuk Public Utilities, Pohnpei Port Authority and Yap State Public Service Corporation.

On August 09, 2022, the United States Department of the Interior approved the extension of the completion timeline for the FY2021 Single Audit from June 30, 2022 to October 31, 2022. The extension was communicated to the Heads of Finance for all Primary Governments on August 10-11, 2022.

A copy of this status report will be uploaded to the FSM Public Auditor's website at www.fsmopa.fm. The final audit reports that have been issued for FY2021 can also be accessed from our website.

Let me know if you have questions about this report.

Sincerely,


Haser Hainrick
National Public Auditor

cc: FSM Vice President
Speaker, FSM Congress
All State Governors
Heads of all FSM Audit Entities
Secretary & Directors, National and State Finance Departments
State Public Auditors

² As per the contract agreement, each Government entity shall provide a complete trial balance no later than February 28, 2022 for fiscal year 2021. If a Government entity is unable to meet the February 28th deadline, that entity shall immediately notify the National Public Audit and provided a revised schedule to submit a completed trial balance.