



FEDERATED STATES OF MICRONESIA

Office of The National Public Auditor

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Wednesday, March 15, 2023

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 February 28, 2023. 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*:

- On-going - Seven (7) audits (4 - Reporting and 3 - either on planning or planning/substantive stages)
- Finalized & Issued - Twenty (20) audits

Table 1 - Monthly Status Update as of February 28, 2023		
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	●
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"> Three (3) component units year-end substantive procedures are still in progress.
2	Caroline Islands Air, Inc.	<ul style="list-style-type: none"> Detailed ledgers and account reconciliations. Drafting of final report with a disclaimer opinion.
3	Chuuk State Health Care Plan	<ul style="list-style-type: none"> Various minutes and responses are outstanding supporting certain transactions of interest. Such requested information is not forthcoming so a current draft report is based on that representation.
4	Pohnpei State Government	<ul style="list-style-type: none"> Draft report is going through Engagement Quality Control Review. Process awaiting retesting of prior year findings and questioned costs which commenced on 2/28/23.
5	Pohnpei Utilities Corporation	<ul style="list-style-type: none"> The open matters relate to the major program requirements Schedule of Prior Audit Findings (SPAF) and Corrective Action Plan (CAP).
6	Pohnpei Port Authority	<ul style="list-style-type: none"> Availability of MD&A.

Our records shows that five (5) component units submitted the trial balance by February 28, 2021 which are: FSM Telecommunication Corporation, FSM Development Bank, Chuuk Public Utilities, Pohnpei Port Authority and Yap State Public Service Corporation.

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

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.

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. The Office of Insular Affairs (OIA) further approved the extension of the audit completion timeline from October 31, 2022 to December 16, 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,

A handwritten signature in blue ink, appearing to read 'Haser Hanrick', written over a horizontal line.

Haser Hanrick
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