



FEDERATED STATES OF MICRONESIA

Office of The National Public Auditor

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Thursday, September 11, 2025

Excellency Wesley W. Simina
President
Office of the President
Federated States of Micronesia
Palikir, Pohnpei FM 96941

Excellency President Simina:

This is our status report for the 2023 single audits as of August 31 to September 11, 2025, respectively. This report is based on information received from our contracted auditors, Ernst & Young LLP and Burger Comer Magliari CPAs (BCM). It covers the progress of audits for the FSM National Government, States of Chuuk, Kosrae, Pohnpei, and Yap, including their respective component units.

No.	Entity	Audit Phase & Percentage Completed	Outstanding Items to be provided by Entities
FSM National Government and Component Units			
1	FSM National Government	<ul style="list-style-type: none">• <i>EY expects to disclaim on over the opinion on grant assistance fund and render a qualified opinion over the government activities</i>• <i>Draft financial statement report has been provided to client for review.</i>• <i>EY team has communicated with client on the samples required for the 3 major programs we will audit and their related "direct and material" compliance requirements</i>	<ul style="list-style-type: none">• Compliance samples for testing

No.	Entity	Audit Phase & Percentage Completed	Outstanding Items to be provided by Entities
		<ul style="list-style-type: none"> EY team will continue to perform audit procedures as samples become available. 	
2	Caroline Islands Air, Inc		Audit completed and issued on August 8, 2025.
3	College of Micronesia, FSM		Audit completed and issued on June 16, 2025
4	FSM Development Bank		Audit completed and issued on May 13, 2024.
5	MiCare Plan		Audit completed and issued on April 28, 2025.
6	National Fisheries Corporation		Audit completed and issued on September 5, 2025.
7	FSM Petroleum Corporation (FSMPC) & Vital (VEI)		Audit completed and issued on August 5, 2025.
8	FSM Social Security Administration		Audit completed and issued on September 30, 2024.
9	Telecommunication Cable Corporation		Audit completed and issued on April 16, 2025.
10	FSM Telecommunication Corporation		Audit completed and issued on July 29, 2024
11	Telecommunication Regulation Authority		Audit completed and issued on October 31, 2024
Chuuk State Government and Component Units			
1	Chuuk State Government	<ul style="list-style-type: none"> Draft financial statements report and compliance report have been provided to Chuuk State. 	
2	Chuuk Public Utilities Corporation		Audit completed and issued on October 18, 2024
3	Chuuk State Health Care Plan		Audit completed and issued on October 18, 2024
4	Chuuk State Housing		Audit completed and issued on May 15, 2025.
Kosrae State Government and Component Units			
1	Kosrae State Government		Audit completed and issued on August 6, 2025

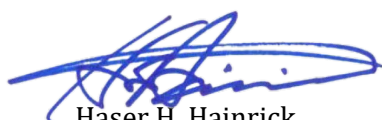
No.	Entity	Audit Phase & Percentage Completed	Outstanding Items to be provided by Entities
2	Kosrae Port Authority		Audit completed and issued on April 30, 2025.
3	Kosrae State Housing Authority		Audit completed and issued on September 2, 2025
4	Kosrae Utilities Authority		Audit completed and issued on July 17, 2024
Pohnpei State Government and Component Units			
1.	Pohnpei State Government	<ul style="list-style-type: none"> Accumulating passed adjustments for tentative proposed posting to management. Ongoing finalization of adjustments for major accounts. Reviewing Single Audit supporting documentation for cash management, reporting, and payroll provided since last ONPA Zoom meeting. Preparing draft financial statements for submission to management for the preparation of the MD&A. <p>Drafting SAS findings for management review.</p>	
2	Pohnpei State Housing Authority		Audit completed and issued on March 17, 2025
3	Pohnpei State Port Authority		Audit completed and issued on March 04, 2025
4	Pohnpei Utilities Corporation	<ul style="list-style-type: none"> Accumulating passed adjustments for tentative proposed posting to management. Finalizing adjustments for all major accounts. Reviewing management responses received to determine the valuation of WIP and a donated vehicle and other responses received 09/10/2025. Reviewing documentation received from management 	

No.	Entity	Audit Phase & Percentage Completed	Outstanding Items to be provided by Entities
		<i>to evaluate and determine cost basis of Generators #4 and #5.</i> <ul style="list-style-type: none"> • <i>Updating draft financial statements for submission on 9/12/2025 to prepare the MD&A.</i> • <i>Preparing draft report/SAS findings for management review.</i> 	
Yap State Government and Component Units			
1	Yap State Government	<ul style="list-style-type: none"> • <i>As more documents are uploaded, the potential findings are being cleared. Our lead auditor on the YSG engagement is actively working on the draft financial statements, and shared. The target completion of the draft financial statements on September 12, 2025. The BCM will provide the draft to YSG to develop the MD&A.</i> 	
2	Yap Diving Seagull, Inc.		Audit completed and issued on December 10, 2024.
3	Yap State Public Service Corporation		Audit completed and issued on May 2, 2025.
4	Yap Visitors Bureau	<ul style="list-style-type: none"> • <i>Draft financial statements provided to YVB.</i> 	<ul style="list-style-type: none"> • 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.

Sincerely,



Haser H. Hainrick
National Public Auditor

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cc: FSM Vice President
Speaker, FSM Congress
All State Governors
Heads of all FSM & States Audit Entities
State Public Auditors