



# FEDERATED STATES OF MICRONESIA

## Office of The National Public Auditor

P.O. Box PS-05, Palikir, Pohnpei FSM 96941

Tel: (691) 320-2862/2863 Fax: (691) 320-5482

CID Hotline: (691) 320-6768; Website: [www.fsmopa.fm](http://www.fsmopa.fm)

Facebook: FSM Office of the National Public Auditor; E-mail: [info@fsmopa.fm](mailto:info@fsmopa.fm)

Friday, November 14, 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 2024 single audits as of October 31, 2025. This report is based on information received from our contracted auditors, Ernst & Young LLP, Burger Comer Magliari CPAs (BCM), and Shinoda CPA. 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"><li>EY will prepare and submit engagement letter for review and approval. Audit commencement date to be determined after completion of the FY23 audit.</li></ul>	
2	Caroline Islands Air, Inc	<ul style="list-style-type: none"><li>Management communicated that it will target to provide preliminary trial balance end of November/beginning of December.</li><li>Audit commencement date to be determined upon receipt of the information.</li></ul>	

No.	Entity	Audit Phase & Percentage Completed	Outstanding Items to be provided by Entities
3	College of Micronesia, FSM	<ul style="list-style-type: none"> <li>• <i>entity submitted the updated trial balance and SEFA on August 18, 2025.</i></li> <li>• <i>Planning meeting with management was held on September 15, 2025.</i></li> <li>• <i>Audit team planning commenced on September 2, 2025.</i></li> <li>• <i>Audit fieldwork began on September 29, 2025.</i></li> <li>• <i>Both financial statements (FS) and Uniform Guidance (UG) audits are progressing to date with completion percentages of 65% (FS) and 30%(UG).</i></li> <li>• <i>The audit is planned to conclude on the first week of December 2025.</i></li> </ul>	
4	<b>FSM Development Bank</b>		<b>Audit completed and issued on May 12, 2025.</b>
5	MiCare Plan	<ul style="list-style-type: none"> <li>• Signed engagement letter received on April 28, 2025.</li> <li>• Preliminary TB and GL report received on June 17, 2025.</li> <li>• Preliminary audit request submitted on July 2, 2025.</li> <li>• Entrance meeting was held on August 13, 2025.</li> <li>• Per follow up on audit requests on September 29, 2025 and October 28, 2025, MiCare is still working on the audit request.</li> </ul>	<ul style="list-style-type: none"> <li>• Preliminary audit requests</li> </ul>
6	National Fisheries Corporation	<ul style="list-style-type: none"> <li>• <i>Preliminary audit request submitted on September 22, 2025.</i></li> <li>• <i>Preliminary trial balance was received on October 31, 2025.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Preliminary audit requests</li> </ul>

No.	Entity	Audit Phase & Percentage Completed	Outstanding Items to be provided by Entities
		<ul style="list-style-type: none"> <li>Audit planning procedures to be commenced when substantial requests are provided.</li> </ul>	
7	FSM Petroleum Corporation (FSMPC) & Vital (VEI)	<ul style="list-style-type: none"> <li>Preliminary TB was received on August 18, 2025.</li> <li>Preliminary audit requests submitted on August 25, 2025.</li> <li>Audit planning procedures commenced, and audit fieldwork will begin when substantial preliminary requests are provided.</li> </ul>	<ul style="list-style-type: none"> <li>Preliminary audit requests</li> </ul>
8	FSM Social Security Administration	<ul style="list-style-type: none"> <li>Preliminary TB was received on April 15, 2025.</li> <li>Audit commenced in May 2025 and is currently in progress.</li> <li>Entrance meeting was held on August 13, 2025.</li> <li>Audit samples were requested on September 9, 2025.</li> <li>Fieldwork commenced on October 20, 2025 and currently wrapping up audit procedures.</li> </ul>	
9	Telecommunication Cable Corporation	<ul style="list-style-type: none"> <li>Audit has been substantially completed.</li> <li>Final MD&amp;A was received on October 30, 2025.</li> <li>Currently working on updating draft and audit wrap up procedures with target to finalize and issue by end of November 2025.</li> </ul>	
10	FSM Telecommunication Corporation		Audit completed and issued on January 8, 2025

No.	Entity	Audit Phase & Percentage Completed	Outstanding Items to be provided by Entities
<b>11</b>	<b>Telecommunication Regulation Authority</b>		<b>Audit completed and issued on September 30, 2025</b>
<b>Chuuk State Government and Component Units</b>			
1	Chuuk State Government	<ul style="list-style-type: none"> <li>EY will prepare and submit engagement letter for review and approval audit commencement date to be determined upon receipt of FY24 TB and SEFA</li> </ul>	
2	Chuuk Public Utilities Corporation	<ul style="list-style-type: none"> <li>Final list of audit adjustments was provided to CPUC for review.</li> </ul>	
3	Chuuk State Health Care Plan	<ul style="list-style-type: none"> <li>Prior year audit adjustments have not yet been booked in the FY2023 records.</li> <li>CSHCP plan to begin closing the FY2024 book once that is completed.</li> <li>An update on the expected timeline for FY2024 closing has been requested and yet any financial information has been received.</li> </ul>	
4	Chuuk State Housing	<ul style="list-style-type: none"> <li>Audit commencement date to be determined</li> </ul>	
<b>Kosrae State Government and Component Units</b>			
1	Kosrae State Government	<ul style="list-style-type: none"> <li>TB has been received.</li> <li>All items were requested on October 19, 2025.</li> <li>Many items were received on October 20, however some of the schedules were just the general ledger details for the fiscal year.</li> <li>The general ledger details do not provide a proper schedule of accounts receivable or accounts payable.</li> <li>More schedules were received on October 22</li> </ul>	

No.	Entity	Audit Phase & Percentage Completed	Outstanding Items to be provided by Entities
		<i>and still more on October 27.</i>	
2	Kosrae Port Authority	<ul style="list-style-type: none"> <li>• <i>BCA is yet to receive the trial balance or any schedules.</i></li> </ul>	
3	Kosrae State Housing Authority	<ul style="list-style-type: none"> <li>• <i>Audit information is yet to be provided</i></li> </ul>	
4	Kosrae Utilities Authority	<ul style="list-style-type: none"> <li>• <i>BCA is yet to receive the trial balance.</i></li> <li>• <i>BCA received several of the schedules requested.</i></li> <li>• <i>A list of the items has been received.</i></li> </ul>	
<b>Pohnpei State Government and Component Units</b>			
1	Pohnpei State Government	<ul style="list-style-type: none"> <li>• <i>Commencement pending the receipt of the FY2024 TB and related SEFA</i></li> </ul>	<ul style="list-style-type: none"> <li>• TB &amp; SEFA</li> </ul>
2	Pohnpei State Housing Authority	<ul style="list-style-type: none"> <li>• <i>TB was requested and has not been prepared or provided.</i></li> </ul>	
3	Pohnpei State Port Authority	<ul style="list-style-type: none"> <li>• <i>TB accounts were uploaded</i></li> <li>• <i>Verified that all FY2024 audit adjustments were properly posted to the general ledger.</i></li> <li>• <i>Analytical review procedures are ongoing.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Preliminary schedules and documentation for sampling</li> </ul>
4	Pohnpei Utilities Corporation	<ul style="list-style-type: none"> <li>• <i>Commencement pending the receipt of the FY2024 TB and related SEFA</i></li> </ul>	<ul style="list-style-type: none"> <li>• TB &amp; SEFA</li> </ul>
<b>Yap State Government and Component Units</b>			
1	Yap State Government	<ul style="list-style-type: none"> <li>• <i>BCA will be sending the necessary entries for FY2023 in the next 1-2 days. This will affect the beginning balances for FY2024, as well as transactions for FY2024. Once the FY2023 audit adjustments are finalized, YSG staff can enter the adjustments and produce a trial balance. Accordingly, audit fieldwork on</i></li> </ul>	

No.	Entity	Audit Phase & Percentage Completed	Outstanding Items to be provided by Entities
		<i>FY2024 has not yet started.</i>	
2	Yap Diving Seagull Inc.	<ul style="list-style-type: none"> <li><i>There are two areas needing to be completed, which are property and equipment, and investments. Once that testing is completed, the FY2024 report will be drafted. BCA did receive an email from Julian at Diving Seagull that it looks like they will be placed in receivership.</i></li> </ul>	
3	Yap State Public Service Corporation	<ul style="list-style-type: none"> <li><i>TB and the general ledger postings have been provided. As soon as BCA issue the YSG audit for FY2023, since it has an impact on YSPSC, BCA will commence with FY2024 fieldwork.</i></li> </ul>	
4	Yap Visitors Bureau	<ul style="list-style-type: none"> <li><i>No work has started on the FY2024 audit. The FY2023 audit is ready to be released as soon as BCA receives a management representation letter.</i></li> <li><i>There will be no changes to any figures or footnotes or MD&amp;A, so the issuance of a trial balance for FY2024 should not be delayed.</i></li> </ul>	

A copy of this status report will be uploaded to the FSM Public Auditor's website at [www.fsmopa.fm](http://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