



# 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; E-mail: hhainrick@fsmopa.fm

June 2, 2011

Excellency Manny Mori, FSM President  
Honorable John Ehsa, Governor of Pohnpei State  
Honorable Wesley Simina, Governor of Chuuk State  
Honorable Sebastian Anefal, Governor of Yap State  
Honorable Lyndon H. Jackson, Governor of Kosrae State

Dear Mr. President and Mr. Governors:

The following is the report on the status of the 2011 Single Audit for FSM as of May 31, 2011 based on information received from Deloitte & Touche (DT) and Fortenberry & Ballard (FB).

### **FSM NATIONAL GOVERNMENT AND COMPONENT UNITS:**

1. FSM National Government: Field work is currently ongoing and is about 92% complete. A preliminary list of pending items was provided around the end of April and clearing of such is still ongoing. Draft preparation is currently ongoing. DT is also awaiting final determination and/or concurrence by the Grantor agency as to whether CFDA 93.959 and 93.958 will be audited as major programs. These two programs are Type B federal programs; however, such were requested by the Grantor Agency to be audited as major programs. DT is also waiting for the completion status report of certain construction-in-progress including, but not limited to, applicable project engineer's certification.
2. College of Micronesia-FSM: DT has substantially completed field work and is drafting the audit report.
3. FSM Petroleum Corporation: Final reports were issued on May 18, 2011.
4. National Fisheries Corporation: DT is in the process of drafting the audit report.
5. Caroline Islands Air 2010 (CIA): The audit of Caroline Islands Airline is 100% complete. The report is being mailed.

**CHUUK STATE GOVERNMENT AND COMPONENT UNITS:**

1. Chuuk State Government: DT is in the process of drafting the audit report.
2. Chuuk Public Utility Corporation: DT has received the MD & A and is updating and clarifying the Attorney response. The report may be released thereafter.
3. Chuuk State Health Care Plan: DT substantially completed field work and has started drafting the report.
4. Chuuk Housing Authority: DT is waiting for the supporting schedules of the trial balance.

**POHNPEI STATE GOVERNMENT AND COMPONENT UNITS:**

1. Pohnpei State Government: DT is in the process of drafting the audit report.
2. Pohnpei State Housing Authority: Final reports were issued on May 12, 2011.
3. Pohnpei Port Authority: DT is in the process of drafting the audit report.

**KOSRAE STATE GOVERNMENT AND COMPONENT UNITS:**

1. Kosrae State Government: DT is in the process of drafting the audit report.
2. Kosrae Port Authority: DT is waiting for KPA's MD&A to incorporate into the draft audit report.

**YAP STATE GOVERNMENT AND COMPONENT UNITS:**

1. Yap State 2010: The Audit of Yap State is 90% complete. Field work is complete and the draft report is being reviewed.
2. Yap State Public Service Corporation 2010 (YSPSC): The audit of Yap State Public Service Corporation is 100% complete. The report has been mailed.
3. Yap Visitors Bureau 2010 (YVB): The audit of Yap Visitors Bureau is 100% complete. The report has been mailed.
4. The Diving Seagull 2010: The audit of The Diving Seagull is 100% complete. The report is being mailed.

A copy of this status report and all completed audit reports are on the FSM Public Auditor's website at [www.fsmopa.fm](http://www.fsmopa.fm). Let me know if you have questions about this report.

Respectfully submitted,



Haser Hainrick  
National Public Auditor

NY

cc: FSM Vice President  
Speaker of FSM Congress  
Speaker of Pohnpei State Legislature  
Speaker and President of Chuuk Senate & House of Representatives  
Speaker of Yap State Legislature  
Speaker of Kosrae State Legislature  
Director, SBOC  
All Finance Secretary/Directors (R.Nakanaga – Acting, T.Pablo, M.Laaw, J.Mori, T.Reynold)  
All State Auditors (R.Yow, A.Leben, S.Taulung)