



FEDERATED STATES OF MICRONESIA

Office of The National Public Auditor

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Friday, May 05, 2008

His Excellency Manny Mori, FSM President
Honorable Robert Weilbacher, Governor of Kosrae State
Honorable John Ehsa, Governor of Pohnpei State
Honorable Wesley Simina, Governor of Chuuk State
Honorable Sebastian Anefal, Governor of Yap State

Dear Mr. President and Mr. Governors:

The following is the report on the status of the 2007 Single Audit for FSM as of April 30, 2008 based on information received from Deloitte & Touche (DT).

YAP STATE

- Yap State Government: The audit is in the same status as previously reported at March 31st. No change in the status has occurred on this audit since the last report.
- Diving Seagull Inc: The audit ran into some reconciliation issues and the Yap Public Auditor is currently assisting in an attempt to obtain requisite final reconciliations.
- Yap Visitor's Bureau: This audit has commenced and detailed work has begun.

POHNPEI STATE

- Pohnpei State Government- The fieldwork is about 85% complete.
- Pohnpei Fisheries Corporation: A final draft including MD & A has been provided so this is in the process of finalization.
- Pohnpei Housing Authority – The fieldwork is about 85-90% complete.
- Pohnpei Utilities Corporation – The audit is approximately 50% complete.

FSM NATIONAL GOVERNMENT

- National Government: The audit is approximately 80% completed. There are still several schedules and inquiries pending to be submitted.
- FSM Development Bank – DT is in the process of finalizing the draft report.
- National Fisheries Corporation – The fieldwork is about 80% complete.
- COM-FSM- DT is in the process of finalizing the draft report.
- FSM Coconut Development Authority- DT is in the process of finalizing this report. The MD& A has been provided.

- FSM Social Security Administration – The report has been drafted and DT is awaiting the MD&A to finalize.

KOSRAE STATE

- Kosrae State Government: The audit is approximately 85% complete with a report draft in process.
- KUA- The audit report should be finalized shortly.
- MPC- The draft has been provided approximately a month ago and DT is awaiting the MD & A.

CHUUK STATE

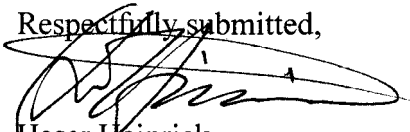
- Chuuk State Government- DT audits are currently in Chuuk to commence fieldwork.
- Chuuk Health Care Plan – DT has obtained the Trial Balance and have provided a detailed list of audit requirements and are awaiting notification of their availability and then fieldwork will commence
- Chuuk Housing Authority – DT is still awaiting the Trial Balance to be submitted and will then commence the audit.
- Chuuk Public Utility Corporation- DT has obtained the Trial Balance and has provided a detailed list of audit requirements and is awaiting notification of their availability and then field work will commence.

The FY'07 audits for the following entities have been completed:

- FSM Telecommunications Corporation
- Yap State Public Services Corporation
- Pohnpei Port Authority
- MiCare Plan, Inc.

The finished audits reports can be accessed at the FSM Public Auditor's website at www.fsmpublicauditor.fm. Let me know if you have questions about this report.

Respectfully submitted,



Haser Hainrick
National Public Auditor

CE

xc: FSM Vice President
Speaker of FSM Congress
Speaker of Pohnpei State Legislature
Speaker and President of Chuuk Senate & House of Representative
Speaker of Yap State Legislature

Speaker of Kosrae State Legislature

Director, Office of SBOC

All Finance Secretary/Directors (F. Perman, P. Thomas, M. Laaw, G. Doone, T. Reynolds)

All State Auditors (G. Gootinan, A. Leben, M. Tosie)