



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 Hot Line: (691) 320-6768; E-mail: FSMOPA@mail.fm

Wednesday, April 02, 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 March 31, 2007 based on information received from Deloitte & Touche (DT).

YAP STATE

1. Yap State Government: No change in the status has occurred on this audit since the last report. A consultant/accountant has been sent to assist in the closing process.
2. Diving Seagull Inc: Fieldwork has been completed and the file is being finalized.
3. Yap Visitor's Bureau: DT has obtained requested preliminary information and is scheduling fieldwork.

POHNPEI STATE

1. Pohnpei State Government- The audit is approximately 75% complete.
2. Pohnpei Fisheries Corporation: The audit has been drafted and is going through the closing process.
3. Pohnpei Housing Authority – The audit is approximately 65% completed. Major open items are bank reconciliations, loan documents, attorney replies, MD&A and subsequent events procedures.
4. Pohnpei Utilities Corporation – The audit is approximately 40% complete.

FSM NATIONAL GOVERNMENT

1. National Government: The audit is approximately 72% completed. There are still several schedules and inquiries pending to be submitted.
2. FSM Development Bank – Fieldwork has been substantially completed and the file is being finalized.
3. National Fisheries Corporation – The audit is 60% complete.

4. COM-FSM: This audit has been drafted and is going through the closing process pending return of the Comptroller.
5. MiCare: The audit should be released this week.
6. FSM Coconut Development Authority: The audit has been drafted and is going through the closing process.
7. FSM Social Security Administration – This audit has been drafted and is going through the closing process.

KOSRAE STATE

1. Kosrae State Government: The audit is approximately 80% complete. There are still several schedules and inquiries pending to be submitted.
2. KUA- Field work has been completed and the file is being finalized.
3. MPC- Field work has been completed and the file is being finalized.

CHUUK STATE

1. Chuuk State Government- DT is awaiting word as to the closing of the books and will then commence fieldwork.
2. Chuuk Health Care Plan – DT has submitted the preliminary requests and will then commence fieldwork.
3. Chuuk Housing Authority – DT is awaiting word as to the closing of the books and will then commence fieldwork.
4. Chuuk Public Utility Corporation- DT has submitted the preliminary requests and upon CPUC's receipt, DT will then commence fieldwork.

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

1. FSM Telecommunications Corporation
2. Yap State Public Services Corporation
3. Pohnpei Port Authority

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 H. 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

Secretary, SBOC

All Finance Secretary/Directors (Acting A. Joseph, M. Laaw, G. Doone, T. Reynolds)

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