

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**

**REPORT ON THE AUDIT OF  
FINANCIAL STATEMENTS IN ACCORDANCE  
WITH OMB CIRCULAR A-128**

**YEAR ENDED SEPTEMBER 30, 1994**

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
FOR THE YEAR ENDED SEPTEMBER 30, 1994**

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**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**

**INDEPENDENT AUDITORS' REPORT,  
GENERAL-PURPOSE FINANCIAL STATEMENTS  
AND ADDITIONAL INFORMATION**

**YEAR ENDED SEPTEMBER 30, 1994**

**INDEPENDENT AUDITORS' REPORT**

Honorable Bailey Olter  
President  
Federated States of Micronesia:

We have audited the accompanying general-purpose financial statements of the Federated States of Micronesia (FSM) National Government, as set forth in Section II of the foregoing table of contents, as of September 30, 1994, and for the year then ended. These general-purpose financial statements are the responsibility of the FSM National Government's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit. We did not audit the financial statements of the College of Micronesia-FSM, which are shown as the Component Units - Higher Education Fund. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Component Unit - Higher Education Fund, is based solely on the report of the other auditors.

Except as discussed in the following paragraphs, we conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinion.

The College of Micronesia-FSM, which comprises the Component Units - Higher Education Fund, has not adequately updated its Plant Fund, nor has it depreciated all of its plant assets as required by generally accepted accounting principles.



We were unable to obtain audited financial statements supporting the National Fisheries Corporation's (NFC) investment in certain corporations stated at \$2,001,985 in the Component Units - Proprietary Funds. NFC has not adjusted the investments to reflect its equity in earnings/losses of the investees. We were not able to satisfy ourselves as to the carrying value of the investments or the equity in earnings/losses by other auditing procedures. NFC is included within the Component Units - Proprietary Funds and represents 67% of the equity investments of the Component Units - Proprietary Funds.

In our opinion, based on our audit and the report of other auditors, except for the effects on the general-purpose financial statements of such adjustments, if any, as might have been determined to be necessary had we been able to assure ourselves as to the propriety of fixed assets of the Component Units - Higher Education Fund and had the propriety of investments of the Component Units - Proprietary Funds been determinable, as discussed in the third and fourth paragraphs above, the accompanying general-purpose financial statements, as set forth in Section II of the table of contents, present fairly, in all material respects, the financial position of the FSM National Government as of September 30, 1994, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated January 31, 1995, on our consideration of the FSM National Government's (primary Government only) internal control structure and a report dated January 31, 1995 on its compliance with laws and regulations.

*Deloitte & Touche*

January 31, 1995

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
**Combined Balance Sheet – All Fund Types, Account Groups and Discretely Presented Component Units**  
**September 30, 1994**  
(With Comparative Totals as of September 30, 1993)

	Governmental Fund Types			Proprietary	Fiduciary Fund Type		Account Groups		Totals	Component Units			Totals	Reporting	
				Fund Type			General	General	Primary					Entity	
	General	Special	Capital	Internal	Expendable		Fixed	Long-Term	Government	Higher	Governmental	Proprietary		(Memorandum Only)	
		Revenue	Projects	Service	Trust		Assets	Debt	(Memorandum Only)	Education				1994	1993
<b>Assets</b>															
Cash and equivalents (Note 1M, 2 and 9)	\$ 8,039,710	\$ 582,215	\$ 73,339	\$ —	\$ 1,042,043	\$ —	\$ —	\$ —	\$ 9,737,307	\$ 628,324	\$ 2,530,706	\$ 11,812,309	\$ 24,708,646	\$ 29,214,052	
Time certificates and other term deposits (Note 2)	4,553,839	—	—	—	—	—	—	—	4,553,839	—	—	—	4,553,839	3,375,040	
Investments (Notes 1L, 2 and 9)	27,661,066	10,044,913	3,883,523	—	—	—	—	—	41,589,502	—	15,145,254	12,015,950	68,730,706	72,331,361	
Equity investments (Note 2)	1,500,000	—	3,544,711	—	—	—	—	—	5,044,711	—	—	3,001,985	8,046,696	8,090,125	
Receivables from other governments and agencies, net	404,163	5,097,289	—	—	—	—	—	—	5,501,452	16,688	—	—	5,518,140	2,927,126	
Receivables from TTPI/OTIA	—	326,871	513,009	—	—	—	—	—	839,880	—	—	—	839,880	2,109,732	
General receivables, net (Note 1E)	17,308	—	—	—	1,013,562	—	—	—	1,030,870	1,242,179	13,507	2,778,110	5,064,666	2,324,686	
Loans receivable, net (Notes 1E and 8)	3,100,000	—	3,750,000	—	—	—	—	—	6,850,000	—	—	10,962,600	17,812,600	27,873,748	
Advances	1,178,405	2,563	1,412	—	—	—	—	—	1,182,380	—	1,535	60,983	1,244,898	1,179,363	
Due from other funds (Note 6)	35,645,152	3,983,482	78,822	18,954	690,441	—	—	—	40,416,851	—	—	—	40,416,851	29,367,095	
Interest and other receivables	185,786	56,878	27,888	—	—	—	—	—	270,552	—	—	—	270,552	978,830	
Deferred charges	—	—	—	—	—	—	—	—	—	—	—	—	—	4,445,675	
Inventory	—	—	—	129,416	—	—	—	—	129,416	—	—	577,986	707,402	407,640	
Restricted assets (Note 12)	—	—	—	—	—	—	—	—	—	365,652	—	34,686,336	35,051,988	—	
Amount to be provided for retirement of long-term debt	—	—	—	—	—	—	—	5,186,917	5,186,917	—	—	—	5,186,917	5,186,918	
Prepaid expenses	—	—	—	—	—	—	—	—	—	23,990	15,560	637,747	677,297	—	
Fixed assets, net (Note 1)	—	—	—	—	—	—	27,598,360	—	27,598,360	1,661,311	—	64,877,562	94,137,233	70,313,456	
<b>Total assets</b>	<b>\$ 82,285,429</b>	<b>\$ 20,094,211</b>	<b>\$ 11,872,704</b>	<b>\$ 148,370</b>	<b>\$ 2,746,046</b>	<b>\$ 27,598,360</b>	<b>\$ 5,186,917</b>	<b>\$ 149,932,037</b>	<b>\$ 3,938,144</b>	<b>\$ 17,706,562</b>	<b>\$ 141,411,588</b>	<b>\$ 312,988,311</b>	<b>\$ 260,124,847</b>		

See accompanying notes to financial statements.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Combined Balance Sheet – All Fund Types, Account Groups and Discretely Presented Component Units  
September 30, 1994  
(With Comparative Totals as of September 30, 1993)

								Totals						Totals
	Governmental Fund Types			Proprietary	Account Groups		Primary	Component Units			Reporting			
				Fund Type			Fiduciary Fund Type				General	General	Entity	
	General	Special	Capital	Internal	Expendable	Fixed	Long-Term	Government	Higher	Governmental	Proprietary	(Memorandum Only)		
	Revenue	Projects	Service	Trust	Assets	Debt	(Memorandum Only)	Education			1994	1993		
<u>Liabilities and Fund Equity</u>														
Liabilities:														
Bank overdraft	\$ 1,963,547	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,963,547	\$ -	\$ -	\$ -	\$ 1,963,547	\$ -	
Accounts payable	835,368	729,465	187,681	4,416	1,135,227	-	-	2,892,157	47,096	60,501	2,607,890	5,607,644	2,783,695	
Accrued payroll and others	361,013	1,981	-	-	-	-	-	362,994	241,740	9,491	3,842,602	4,456,827	5,166,520	
Tax refunds payable	306,224	-	-	-	-	-	-	306,224	-	-	-	306,224	380,933	
Due to other funds (Note 6)	29,703,607	9,659,240	1,054,004	-	-	-	-	40,416,851	-	-	-	40,416,851	29,367,095	
Due to FSM State governments	2,141,752	3,657,101	34,455	-	-	-	-	5,833,308	-	-	-	5,833,308	5,210,499	
Deferred revenues	399,246	1,063,131	75,338	-	-	-	-	1,537,735	1,231,043	-	-	2,768,778	1,324,595	
Vacation leave accrual	-	-	-	-	-	-	598,411	598,411	-	-	-	598,411	598,412	
Advances from DOI, TTPI, OTLA and other	-	192,655	-	-	-	-	-	192,655	-	-	-	192,655	192,655	
Notes payable (Note 7)	-	-	-	-	-	-	4,588,506	4,588,506	-	-	51,838,555	56,427,061	47,695,267	
Other liabilities	654,816	-	-	-	-	-	-	654,816	1,776,034	-	2,354,551	4,785,401	244,284	
Total liabilities	36,365,573	15,303,573	1,351,498	4,416	1,135,227	-	5,186,917	59,347,204	3,295,913	69,992	60,643,598	123,356,707	92,963,955	
Commitments and contingencies (note 3)														
Fund equity:														
Investment in general fixed assets	-	-	-	-	-	27,598,360	-	27,598,360	1,661,311	-	-	29,259,671	26,076,031	
Contributed capital	-	-	-	129,416	-	-	-	129,416	-	-	40,139,825	40,269,241	54,605,930	
Retained earnings unreserved	-	-	-	14,538	-	-	-	14,538	-	-	37,213,359	37,227,897	12,742,274	
Retained earnings reserved for minority interest	-	-	-	-	-	-	-	-	-	-	3,414,786	3,414,786	-	
Fund balances:														
Reserved for:														
Benefits	-	-	-	-	1,610,819	-	-	1,610,819	-	17,636,570	-	19,247,389	18,204,166	
Loans (Notes 1E and 8)	3,100,000	-	3,750,000	-	-	-	-	6,850,000	-	-	-	6,850,000	6,850,000	
Related assets (Note 1J)	3,970,828	-	3,544,711	-	-	-	-	7,515,539	-	-	-	7,515,539	7,723,932	
Encumbrances	3,409,533	2,046,977	5,294,641	-	-	-	-	10,751,151	-	-	-	10,751,151	9,139,273	
Continuing appropriations (Note 4)	21,623,131	2,822,205	3,131,541	-	-	-	-	27,576,877	-	-	-	27,576,877	20,717,327	
Unreserved	13,816,364	(78,544)	(5,199,687)	-	-	-	-	8,538,133	(1,019,080)	-	-	7,519,053	11,101,959	
Total fund equity	45,919,856	4,790,638	10,521,206	143,954	1,610,819	27,598,360	-	90,584,833	642,231	17,636,570	80,767,970	189,631,604	167,160,892	
Total liabilities and fund equity	\$ 82,285,429	\$ 20,094,211	\$ 11,872,704	\$ 148,370	\$ 2,746,046	\$ 27,598,360	\$ 5,186,917	\$ 149,932,037	\$ 3,938,144	\$ 17,706,562	\$ 141,411,568	\$ 312,988,311	\$ 260,124,847	

See accompanying notes to financial statements.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balances**  
**All Governmental Fund Types, Expendable Trust Funds and Discretely Presented Component Units**  
**Year Ended September 30, 1994**  
(With comparative totals for the year ended September 30, 1993)

	Governmental Fund Types			Fiduciary	Totals	Component Units		Totals	
	General	Special	Capital	Fund Type	Primary	Higher	Governmental	Reporting	
		Revenue	Projects	Expendable	Government	Education		Entity	
				Trust	(Memorandum			(Memorandum Only)	
					Only)			1994	1993
<b>Revenues:</b>									
Federal contributions	\$ -	\$ 2,819,194	\$ 1,673,545	\$ -	\$ 4,492,739	\$ -	\$ -	\$ 4,492,739	\$ 3,295,187
Compact grants	2,104,531	4,001,824	7,075,469	-	13,181,824	-	-	13,181,824	12,966,571
Other	33,044,184	415,941	-	1,807,772	35,267,897	5,506,192	6,306,205	47,080,294	40,633,168
<b>Total revenues</b>	<b>35,148,715</b>	<b>7,236,959</b>	<b>8,749,014</b>	<b>1,807,772</b>	<b>52,942,460</b>	<b>5,506,192</b>	<b>6,306,205</b>	<b>64,754,857</b>	<b>56,894,926</b>
<b>Expenditures:</b>									
Executive branch	11,614,487	6,893,934	2,683,284	1,386,605	22,578,310	-	-	22,578,310	21,684,980
Judicial branch	784,392	-	-	-	784,392	-	-	784,392	729,869
Boards and commissions	1,001,401	-	-	-	1,001,401	-	-	1,001,401	1,129,823
Legislative branch	2,540,720	-	-	-	2,540,720	-	-	2,540,720	2,386,212
Office of the Public Auditor	457,051	-	-	-	457,051	-	-	457,051	351,436
Other National Government programs	3,174,121	-	-	-	3,174,121	-	-	3,174,121	2,295,877
Other legislative appropriations	8,269,563	-	-	-	8,269,563	-	-	8,269,563	6,267,014
Other	-	-	-	-	-	6,466,541	5,684,149	12,150,690	5,451,706
<b>Total expenditures</b>	<b>27,841,735</b>	<b>6,893,934</b>	<b>2,683,284</b>	<b>1,386,605</b>	<b>38,805,558</b>	<b>6,466,541</b>	<b>5,684,149</b>	<b>50,956,248</b>	<b>40,296,917</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>7,306,980</b>	<b>343,025</b>	<b>6,065,730</b>	<b>421,167</b>	<b>14,136,902</b>	<b>(960,349)</b>	<b>622,056</b>	<b>13,798,609</b>	<b>16,598,009</b>
<b>Other financing sources (uses):</b>									
Operating transfers (out) in, net (Note 5)	(1,552,695)	(1,452,382)	(3,286,449)	-	(6,291,526)	1,217,971	-	(5,073,555)	(6,785,826)
Miscellaneous income	-	-	-	-	-	-	-	-	1,500,000
Equity investment income	-	-	-	-	-	-	-	-	279,893
MTN loan and interest payments	-	-	-	-	-	-	-	-	(1,148,125)
<b>Total other financing (uses) sources, net</b>	<b>(1,552,695)</b>	<b>(1,452,382)</b>	<b>(3,286,449)</b>	<b>-</b>	<b>(6,291,526)</b>	<b>1,217,971</b>	<b>-</b>	<b>(5,073,555)</b>	<b>(6,154,058)</b>
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>5,754,285</b>	<b>(1,109,357)</b>	<b>2,779,281</b>	<b>421,167</b>	<b>7,845,376</b>	<b>257,622</b>	<b>622,056</b>	<b>8,725,054</b>	<b>10,443,951</b>
<b>Fund balances, beginning of year</b>	<b>40,165,571</b>	<b>5,899,995</b>	<b>9,466,925</b>	<b>1,189,652</b>	<b>56,722,143</b>	<b>384,609</b>	<b>17,014,514</b>	<b>74,121,266</b>	<b>63,292,706</b>
<b>Equity contribution (Note 11)</b>	<b>-</b>	<b>-</b>	<b>(1,725,000)</b>	<b>-</b>	<b>(1,725,000)</b>	<b>-</b>	<b>-</b>	<b>(1,725,000)</b>	<b>-</b>
<b>Fund balances, end of year</b>	<b>\$ 45,919,856</b>	<b>\$ 4,790,638</b>	<b>\$ 10,521,206</b>	<b>\$ 1,610,819</b>	<b>\$ 62,842,519</b>	<b>\$ 642,231</b>	<b>\$ 17,636,570</b>	<b>\$ 81,121,320</b>	<b>\$ 73,736,657</b>

See accompanying notes to financial statements.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
GENERAL FUND**

Statement of Revenues, Expenditures and Changes in Fund  
Balance – Budget and Actual, Budgetary Basis  
Year Ended September 30, 1994

	Budget	Actual	Variance
<b>Revenues:</b>			
Compact	\$ 6,290,687	\$ 2,104,531	\$ (4,186,156)
Local taxes	7,450,000	8,047,520	597,520
Fishing rights fees	11,000,000	21,256,218	10,256,218
Fishing violation fines	300,000	87,500	(212,500)
Postal revenues	500,000	513,164	13,164
Interest on investments	1,900,000	2,746,207	846,207
Business fees, fines, penalties, and interest on delinquent taxes	—	209,005	209,005
Other	—	292,737	292,737
<b>Total revenues</b>	<u>27,440,687</u>	<u>35,256,882</u>	<u>7,816,195</u>
<b>Expenditures:</b>			
Executive branch	12,297,018	11,934,743	362,275
Judicial branch	829,986	786,818	43,168
Boards and commissions	1,067,373	1,020,408	46,965
Legislative branch	2,892,405	2,631,200	261,205
Office of the Public Auditor	504,420	468,671	35,749
Other National Government programs	4,383,083	3,281,018	1,102,065
Other legislative appropriations	23,316,929	8,165,933	15,150,996
<b>Total expenditures</b>	<u>45,291,214</u>	<u>28,288,791</u>	<u>17,002,423</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(17,850,527)</u>	<u>6,968,091</u>	<u>24,818,618</u>
<b>Other financing sources (uses):</b>			
Operating transfers in (out), net	(1,567,889)	(1,550,930)	16,959
<b>Total other financing sources (uses), net</b>	<u>(1,567,889)</u>	<u>(1,550,930)</u>	<u>16,959</u>
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>(19,418,416)</u>	<u>5,417,161</u>	<u>24,835,577</u>
<b>Unreserved fund balance, beginning of year</b>	16,075,142	16,075,142	—
<b>Other changes in unreserved fund balance:</b>			
Increase in reserve for related assets	—	473,212	473,212
Increase in reserve for continuing appropriations	—	(8,149,151)	(8,149,151)
<b>Unreserved fund balance, end of year</b>	<u>\$ (3,343,274)</u>	<u>\$ 13,816,364</u>	<u>\$ 17,159,638</u>

See accompanying notes to financial statements.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
**Combined Statement of Revenues, Expenses and Changes in Fund Equity –**  
**All Proprietary Fund Types and Discretely Presented Component Units**  
**Year Ended September 30, 1994**  
(With comparative totals for the year ended September 30, 1993)

	Proprietary Fund Type Internal Service	Totals Primary Government (Memorandum Only)	Component Units Proprietary	Totals Reporting Entity (Memorandum Only)	
				1994	1993
Operating revenues:					
Charges for goods and services	\$ 42,925	42,925	\$ 8,907,604	\$ 8,950,529	\$ 7,312,885
Rental income/interest income	—	—	1,989,633	1,989,633	1,785,326
Other	—	—	506,962	506,962	122,957
Total operating revenues	42,925	42,925	11,404,199	11,447,124	9,221,168
Operating expenses:					
Personnel services	—	—	3,201,862	3,201,862	727,750
Supplies and materials	48,329	48,329	117,370	165,699	54,880
Other	—	—	3,956,590	3,956,590	2,267,548
Depreciation	—	—	2,239,946	2,239,946	327,939
Cost of sales	—	—	1,249,141	1,249,141	7,585,946
Total operating expenses	48,329	48,329	10,764,909	10,813,238	10,964,063
Operating income (loss)	(5,404)	(5,404)	639,290	633,886	(1,742,895)
Nonoperating revenues (expenses):					
Interest income (expense)	—	—	(512,112)	(512,112)	500,174
Transfers in from General Fund and other sources	—	—	2,437,106	2,437,106	1,725,000
Miscellaneous	—	—	(165,903)	(165,903)	(449,784)
Loss on guaranteed commitment	—	—	—	—	(3,571,022)
Loss on equity in subsidiary	—	—	—	—	(18,395)
Other expenses	—	—	(227,549)	(227,549)	—
Total nonoperating revenues (expense), net	—	—	1,531,542	1,531,542	(1,814,027)
Net income (loss)	(5,404)	(5,404)	2,170,832	2,165,428	(3,556,922)
Add depreciation on fixed assets acquired by grants that reduces contributed capital	—	—	376,450	376,450	189,702
Increase (decrease) in retained earnings	(5,404)	(5,404)	2,547,282	2,541,878	(3,367,220)
Retained earnings, beginning of year	19,942	19,942	34,549,692	34,569,634	11,511,083
Increase in reserve for minority interest	—	—	(137,868)	(137,868)	—
Adjustment of retained earnings, beginning of year (Note 10B)	—	—	254,253	254,253	4,598,411
Retained earnings, end of year	14,538	14,538	37,213,359	37,227,897	12,742,274
Contributed capital, beginning of year	113,639	113,639	30,750,374	30,864,013	54,155,506
Current year additions	15,777	15,777	9,765,901	9,781,678	2,524,736
Adjustments	—	—	(376,450)	(376,450)	(2,074,312)
Contributed capital, end of year	129,416	129,416	40,139,825	40,269,241	54,605,930
Total fund equity	\$ 143,954	\$ 143,954	\$ 77,353,184	\$ 77,497,138	\$ 67,348,204

See accompanying notes to financial statements.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Combined Statement of Cash Flows  
All Proprietary Fund Types and Discretely Presented Component Units  
Year Ended September 30, 1994  
(With comparative totals for the year ended September 30, 1993)

	Proprietary Fund Type	Totals Primary Government (Memorandum Only)	Component Units	Totals Reporting Entity (Memorandum Only)	
	Internal Service		Proprietary	1994	1993
<b>Increase (Decrease) in Cash and Equivalents:</b>					
Cash flows from operating activities:					
Operating income (loss)	\$ (5,404)	(5,404)	\$ 409,242	\$ 403,838	\$ (1,742,895)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	—	—	2,239,946	2,239,946	1,879,314
Bad debts	—	—	164,567	164,567	1,783,596
Prior period adjustment	—	—	—	—	543,824
Others	—	—	61,531	61,531	—
	<u>(5,404)</u>	<u>(5,404)</u>	<u>2,875,286</u>	<u>2,869,882</u>	<u>2,463,839</u>
<b>Changes in assets and liabilities:</b>					
Cash advance	—	—	3,886	3,886	1,105
Travel advances	—	—	(24,289)	(24,289)	36,177
Interest receivable	—	—	(161,399)	(161,399)	88,375
Accounts receivable trade	—	—	(616,160)	(616,160)	(495,043)
Unbilled accounts receivable	—	—	—	—	(27,577)
Accounts receivable other	—	—	49,776	49,776	176,260
Materials and supplies inventory	—	—	(259,200)	(259,200)	7,002
Inventory trade	—	—	(24,785)	(24,785)	(181,224)
Prepaid expenses	—	—	4,863	4,863	51,548
Accrued earnings	—	—	—	—	(167,241)
Deferred charges	—	—	—	—	(2,311,102)
Loans receivable	—	—	(2,999,276)	(2,999,276)	(8,945,799)
Accounts payable	(8,255)	(8,255)	2,155,724	2,147,469	1,831,307
Due from other funds	13,659	13,659	(1,062)	12,597	(34,480)
Accrued payroll	—	—	1,062	1,062	33,934
Accrued payroll taxes and benefits	—	—	—	—	94,943
Credit life insurance premium	—	—	—	—	(28,413)
Accrued leave payable	—	—	23,165	23,165	—
Deferred revenue	—	—	260,726	260,726	(12,580)
Accrued expenses, other	—	—	(137,796)	(137,796)	(133,248)
Deferred credits	—	—	—	—	(29,300)
	<u>5,404</u>	<u>5,404</u>	<u>(1,724,765)</u>	<u>(1,719,361)</u>	<u>(10,045,356)</u>
<b>Net cash flows provided by (used for) operating activities</b>	<u>—</u>	<u>—</u>	<u>1,150,521</u>	<u>1,150,521</u>	<u>(7,581,517)</u>

See accompanying notes to financial statements.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Combined Statement of Cash Flows, Continued  
All Proprietary Fund Types and Discretely Presented Component Units  
Year Ended September 30, 1994  
(With comparative totals for the year ended September 30, 1993)

	Proprietary Fund Type Internal Service	Totals Primary Government (Memorandum Only)	Component Units Proprietary	Totals Reporting Entity (Memorandum Only)	
				1994	1993
Noncapital financing activities:					
CFSM appropriations received	\$ -	\$ -	\$ 2,437,106	\$ 2,437,106	\$ 921,000
Contribution paid to COM-FSM	-	-	-	-	(150,000)
Loan participations sold	-	-	538,985	538,985	-
Proceeds from borrowing	-	-	1,230,035	1,230,035	-
Contributed capital received and other funding	-	-	9,592,532	9,592,532	5,285,978
Net cash provided by noncapital financing activities	-	-	13,798,658	13,798,658	6,056,978
Cash flows from capital and related financing activities:					
Proceeds from notes payable	-	-	5,880,402	5,880,402	14,595,523
Note repayments	-	-	-	-	(304,075)
Over statement of fixed assets	-	-	-	-	(836,344)
Acquisition of fixed assets	-	-	(14,004,745)	(14,004,745)	(67,668)
Disposals of fixed assets	-	-	(62,862)	(62,862)	21,127
Project under construction	-	-	-	-	(13,268,269)
Plant in service additions	-	-	-	-	(2,354,768)
Interest expense	-	-	(1,156,350)	(1,156,350)	-
Restricted cash	-	-	(480,075)	(480,075)	-
Net cash used for capital and related financing activities	-	-	(9,823,630)	(9,823,630)	(2,214,474)
Cash flows from investing activities:					
Notes receivable	-	-	140,283	140,283	-
Investment in joint venture	-	-	-	-	(670,731)
Investment in securities	-	-	(7,867,645)	(7,867,645)	1,123,505
Escrow fund	-	-	(308,028)	(308,028)	(152,825)
Interest income received	-	-	723,348	723,348	507,023
Net cash (used for) provided by investing activities	-	-	(7,312,042)	(7,312,042)	806,972
Net decrease in cash and equivalents	-	-	(2,186,493)	(2,186,493)	(2,932,041)
Cash and equivalents, beginning of year	-	-	13,998,802	13,998,802	17,603,577
Cash and equivalents, end of year	\$ -	\$ -	\$ 11,812,309	\$ 11,812,309	\$ 14,671,536

See accompanying notes to financial statements.



**NATIONAL GOVERNMENT**  
**FEDERATED STATES OF MICRONESIA**  
Statement of Changes in General Fixed Assets Account Group  
Year Ended September 30, 1994  
 (With comparative totals for the year ended September 30, 1993)

	<u>1994</u>	<u>1993</u>
Balance, beginning of year	\$ 26,076,031	\$ 26,076,031
Current year additions	1,664,134	—
Current year deletions	<u>(141,805)</u>	<u>—</u>
Balance, end of year	<u>\$ 27,598,360</u>	<u>\$ 26,076,031</u>

See accompanying notes to financial statements.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
Notes to Financial Statements  
September 30, 1994**

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The general-purpose financial statements of the Federated States of Micronesia (FSM) National Government have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing government accounting and financial reporting principles. The more significant of the FSM National Government's accounting policies are described below.

A. Reporting Entity

As required by generally accepted accounting principles, the general-purpose financial statements of the FSM National Government present the government and its component units; entities for which the government is considered to be financially accountable. Discretely presented component units are reported in separate columns in the general-purpose financial statements to emphasize that they are legally separate from the government. Each discretely presented component unit has a September 30 year end except for the FSM Development Bank which has a December 31 year end and the FSM Social Security Administration which has a March 31 year end.

Discretely Presented Component Units

Governmental Fund - FSM Social Security Administration

The FSM Social Security Administration has been included in the FSM National Government's general-purpose financial statements as a component unit. This component unit has been presented on a discrete basis as it is administered separately and apart from other funds. The Component Unit's principal income may be expended in the course of its designated operations, and accordingly, the component unit is accounted for in essentially the same manner as a governmental fund. The financial statements of the component unit are presented under the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when they become both measurable and available to finance expenditures of the current period and expenditures are generally recognized when the related liability is incurred. Due to a difference in the reporting period from the rest of the FSM National Government, financial statements for the FSM Social Security Administration are included as of March 31, 1994 and for the year then ended.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

A. Reporting Entity, Continued

Discretely Presented Component Units, Continued

Higher Education Fund - College of Micronesia-FSM

The Higher Education Fund consists of the College of Micronesia-FSM (COM-FSM) which is included in the FSM National Government's general-purpose financial statements based on the criteria for inclusion of component units. This component unit is presented on a discrete basis as it is administered separately.

COM-FSM was established by the FSM Public Law 7-79 on September 25, 1993 as a FSM public corporation to serve the varied post-secondary and adult educational needs of the Federated States of Micronesia. It is under the general management and control of a seven member Board of Regents, appointed by the FSM President with the advice and consent of the Congress. The term for all the board members is three years.

Proprietary Funds

Coconut Development Authority

The Federated States of Micronesia Coconut Development Authority of the Federated States of Micronesia (the Authority) was established in 1981 by Public Law 1-145, as amended by Public Law 2-8, and incorporated as Chapter Two, Title 22 of the Code of the Federated States of Micronesia. The purpose of the Authority is to manufacture, process, buy, collect, market, sell, export, inspect, improve the quality, and deal with, in general, all products derived from the coconut tree. The Authority has the additional responsibility to establish prices to producers or sellers of coconut products in the Federated States of Micronesia, to collect and receive all monies derived from the sales of coconut products, and to stabilize the price of these products. The Authority is a component unit of the Federated States of Micronesia National Government.

The affairs of the Authority are managed by a five-member board, consisting of representatives of the four FSM states and the FSM National Government. Daily operation of the Authority is delegated to a general manager, who is hired by and serves at the pleasure of the Board.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
Notes to Financial Statements, Continued  
September 30, 1994**

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

A. Reporting Entity, Continued

Discretely Presented Component Units, Continued

Proprietary Funds, Continued

Coconut Development Authority, Continued

The operation of the Authority is funded by annual appropriations from the FSM Congress. The purchase of coconut products is funded by copra subsidy appropriations from the FSM Congress and revenues generated through sales of copra.

FSM Telecommunications Corporation

The Telecommunications Corporation of the Federated States of Micronesia (the Corporation) was established as a public corporation under the laws of the Federated States of Micronesia, the purpose of which is to provide telecommunications services, except radio and television broadcasting, throughout the FSM and to points outside the FSM. The Corporation began its operations on October 1, 1983.

Additional funding was made available under Section 215(a) and Section 215 (b) of the Compact of Free Association, and loan funds from the USDA Rural Electrification Administration.

FSM Development Bank

The Federated States of Micronesia Development Bank (FSMDB) was created in 1979 by Public Law 11-37 of the First Congress of the Federated States of Micronesia. The FSM Development Bank began its operations on October 1, 1980. The FSMDB was reorganized in January of 1994 by Public Law 8-47 of the Eighth Congress of the Federated States of Micronesia. The purpose of the FSM Development Bank is to provide loans for the economic development of the FSM at below market rates.

The FSMDB was not presented on the same accounting basis as in prior years and the prior year financial presentation was not reformatted. Therefore, differences between ending balances of the 1993 totals and beginning balances of the 1994 presentation of component units - proprietary funds are attributable to this condition.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

A. Reporting Entity, Continued

Discretely Presented Component Units, Continued

Proprietary Fund, Continued

FSM Development Bank, Continued

The Investment Development Fund (IDF), which provides funds for loans made by the FSMDB, was established by Public Law 5-122 in January 1989. The purpose of the IDF is to finance projects which will (1) have their operations primarily located within the FSM; (2) improve the balance of payments position of the FSM; (3) increase the value of visible and invisible exports or result in import substitutions; (4) demonstrate positive economic returns; (5) contribute to the furtherance of close economic relations with the USA.

The Pohnpei Development Loan fund and the Yap Development Loan Fund are administered by the FSMDB in a Trust capacity. All loan decisions are made by executives of the respective state governments.

National Fisheries Corporation

The National Fisheries Corporation (the Corporation) was established on July 13, 1983 by FSM Public Law No. 3-14. The component unit is directed by a board composed of seven members. The purpose of the Corporation is to engage in activities dealing with the development of fisheries in the Federated States of Micronesia.

B. Fund Accounting

The FSM National Government uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain FSM National Government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position and are not involved with measurement of results of operations.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

B. Fund Accounting, Continued

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of general fixed assets (capital projects funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). The proprietary fund type of the FSM National Government is comprised of an internal service fund which is the Supply Stock Revolving Fund created by Public Law No. 4-74 for the government to benefit from discounted prices of supplies and other items available from volume purchasing.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the FSM National Government. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, a nonexpendable trust fund or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the FSM National Government is under an obligation to maintain the trust principal.

There are two account groups. The General Fixed Assets Account Group is used to account for fixed assets not accounted for in proprietary funds. The General Long-Term Debt Account Group is used to account for general long-term debt and certain other long-term liabilities that are not specific liabilities of proprietary funds.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

C. Basis of Presentation

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types and expendable trust funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means that the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Those revenues susceptible to accrual are FSM local taxes, charges for services, leases and interest revenue. Fines and permit revenues are not susceptible to accrual because they are generally not measurable until received in cash.

The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
Notes to Financial Statements, Continued  
September 30, 1994

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

D. Budgetary Process

The Congress of the Federated States of Micronesia (CFSM) enacts the budget through passage of specific departmental appropriations. Before signing the Appropriations Act, the President may veto or reduce any specific appropriation, subject to Congressional override. Under the Compact of Free Association, which went into effect November 3, 1986, approval of all CFSM Laws is vested with the President of the Federated States of Micronesia.

During fiscal year 1994, supplemental appropriations were also made for both operating and capital purposes, to reflect the evolving priorities of the FSM National Government.

Budgetary control is maintained at the departmental level. Budget revisions during the year, reflecting program changes, may be effected by CFSM approval.

Encumbrance accounting is utilized for budgetary control purposes. Encumbrances outstanding at year-end are reported as reservations of fund balance and will be funded as expenditures in the ensuing year. Encumbrances remain reservations of fund balance until becoming expended or cancelled. If an encumbrance is subsequently cancelled, the funds revert to the applicable unreserved fund balance unless otherwise required by law.

Budgetary expenditures, which are on a basis other than generally accepted accounting principles, represent current charges against appropriations; current charges consist of all current year liquidated and unliquidated encumbrances. Budgetary expenditures are therefore determined by subtracting both current year liquidations of prior year encumbrances and unliquidated prior year encumbrances from the combined total of current year. When reviewed in relation to respective budgets, budgetary expenditures provide the principal means of evaluating current year operating performance and management stewardship. Amounts included on the Statement of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual, Budgetary Basis - General Fund (which are presented on a non-GAAP budgetary basis) are reconciled to unreserved fund balance of the Combined Balance Sheet with the other changes in unreserved fund balance section of that statement.



**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

E. Receivables

Receivables in the FSM National Government's governmental and fiduciary fund types primarily consist of taxes and federal revenues. Since few governmental fund revenues are susceptible to accrual prior to receipt, most taxes, licenses, fees, permits and similar revenues are recognized primarily on the cash basis.

At September 30, 1994, the FSM National Government had rendered tax assessments of an unknown amount for delinquent taxes. If collected, one-half of these receivables will accrue as revenue to the FSM National Government; the other one-half will accrue to the collecting State Government. However, due to the uncertainty of collection, these amounts have not been reflected within the accompanying general-purpose financial statements.

Additionally, for the general fund general receivables, the amount stated on the accompanying combined balance sheet is net of an allowance for doubtful accounts of \$1,561,409 in 1994 (\$1,578,759 in 1993).

The General Fund includes a loan receivable from the National Fisheries Corporation (a Component Unit - Proprietary Fund) in the amount of \$3,100,000. This loan is fully reserved for in fund balance due to the terms of the loan.

For the Student Loan Fund, a Fiduciary Fund Type - Expendable Trust Fund, the policy of the FSM National Government is to reserve all loans until collection occurs since applicable loan terms are such that it is difficult to estimate when repayments may occur. As of September 30, 1994, \$1,606,953 was the outstanding balance of loans, the sum total of which was fully reserved.

The Compact Capital Improvement Project Fund includes a loan receivable of \$3,750,000 from Caroline Fisheries Corporation. This outstanding loan balance has been fully reserved for in fund balance. (Also refer Note 8B).

F. Interfund Transactions

The National Government has two potential types of interfund transactions, as follows:

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

F. Interfund Transactions, Continued

1. Operating appropriations/subsidies are accounted for as operating transfers in the funds involved.
2. Equity contributions are accounted for as equity transfers (additions to or deductions from beginning governmental fund balances or proprietary fund contributed capital).

G. Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets), are accounted for in the General Fixed Assets Account Group rather than in governmental funds. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. It is the FSM National Government's policy to not capitalize infrastructure costs. Depreciation is not charged against the General Fixed Assets Account Group. Substantially all fixed assets of the FSM National Government are equipment, furniture and fixtures and vehicles.

H. Inventories

Inventories of materials and supplies are determined by physical count and are valued at the lower of cost (principally average cost) or market.

I. Actual Expenditures Contrasted With Budgetary Expenditures

1. Actual expenditures are charges which represent the total of all current year liabilities incurred which were attributable to operations; such liabilities may represent liquidations of either current or prior year encumbrances.
2. In contrast, budgetary expenditures represent current charges against appropriations; current charges consist of all current year liquidated and unliquidated encumbrances.

**NATIONAL GOVERNMENT**  
**FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

J. Fund Balance Reserves and Designations.

The FSM National Government's fund balance reserves represent those portions of fund balance (1) not appropriable for expenditure or (2) legally segregated for a specific future use. In the accompanying combined balance sheet, reserves for related assets such as imprest funds and petty cash are examples of the former. Reserves for encumbrances, contracts, and continuing appropriations are examples of the latter.

Reserves for related assets for the general fund as of September 30, 1994, are as follows:

IMF securities	\$1,149,850
Imprest cash fund	147,231
Petty cash fund	4,061
Revolving Funds - FSM States	587,182
Other receivables	545,482
Equity investment, UMDA	1,500,000
Restricted assets	<u>37,022</u>
 Total	 <u>\$3,970,828</u>

Reserves for related assets of the capital projects funds relate to equity investments of those funds.

K. Totals - Memorandum Only

The "Totals - Memorandum Only" columns represent an aggregate of the individual combined financial statements. The total column is presented for overview informational purposes and does not represent consolidated financial information.

L. Investments

Investments are generally carried at the lower of cost or market. Investments in the equity of companies are carried at cost if less than twenty percent of the companies' total equity, on the equity method if greater than twenty percent and less than fifty percent and on a consolidated basis if greater than fifty percent.

M. Cash and Equivalents

For purposes of the Combined Balance Sheet and the Combined Statement of Cash Flows, cash and equivalents are defined as cash on deposit in banks including time certificates of deposit with an initial maturity of ninety days or less.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
Notes to Financial Statements, Continued  
September 30, 1994**

(2) CASH AND EQUIVALENTS AND INVESTMENTS

I. Compact Funds

Public Law No. 4-77, which approved the "Internal Budget and Finance Procedures Under the Compact of Free Association", established and designated the Federated Development Authority (FDA) as the agency under which Compact funds available for investment are obligated and placed. This law also provides that all FDA investment funds shall be managed by the FSM Secretary of Finance for the FDA.

The FSM National Government and each of the individual States of the Federated States of Micronesia channel their investments into combined investment pool accounts.

The investment managers and the trustee report on the investment pool accounts; the trustee also reports on each government-participant's total investments, showing the individual investments in the long-term and short-term accounts and each participant's balance which remains with the trustee.

Ownership or share in the long-term and short-term investment pools are accounted for in terms of units purchased at the time of investment or redeemed at the time of withdrawal. Purchase and redemption of units are made on the first working day of the month at the current market value of the units. Shares of the participants in the reinvested earnings and accrued income (net of management fees and miscellaneous expenses) in the long-term investment account (interest, dividends, realized gains/losses on sales of stocks) and in the short-term account (interest and realized gains/losses on sales of securities) are based on the outstanding units held.

The investment managers are given authority to buy and sell securities as follows:

- A. Investment managers may invest in stocks, bonds and cash equivalents. Minimum standards of quality for investments at the time of purchase shall be:
  - 1. Stocks - A "B" rating by a national rating service. Non-rated stocks such as banks or insurance companies must be equal in quality or higher.
  - 2. Bonds - Confined to issues rated "A" or higher by a national rating service, except in the case of U.S. Treasury or Agency Securities which are not rated.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
Notes to Financial Statements, Continued  
September 30, 1994**

(2) CASH AND EQUIVALENTS AND INVESTMENTS, CONTINUED

I. Compact Funds, Continued

3. Cash equivalents - The manager may engage in all normally accepted short-term investment practices including, but not limited to: U.S. Treasury and Agency securities, bankers' acceptances, certificates of deposit, commercial paper and repurchase agreements using any of the foregoing as collateral. The following restrictions apply:

a. Commercial paper must be rated A-1/P-1 or higher by Standard and Poors Corporation and Moodys Investor Services.

b. Certificates of deposit must be from FDIC insured banks or FSLIC insured savings and loan associations, both of which must have assets in excess of two billion dollars. Deposits in smaller institutions are acceptable, but must not exceed the amount of the insurance unless collateralized by U.S. Treasury Securities at 102%.

B. The equity portfolio shall be diversified among issues and industry classifications. No more than 25% of the equity portfolio may be invested in any single classification, as described by the Standard and Poors 500 Index, unless prior approval is received from the Secretary of Finance.

C. No investment may be made in a single corporate entity which exceeds 5% of the total assets of the fund at the time of purchase without prior approval by the Secretary of Finance.

II. Other Funds

Other invested funds include the fishing rights fees and health insurance proceeds.

As of September 30, 1994, fishing rights fees of \$23,221,199, including reinvested earnings, are held with Hawaiian Trust Company, Ltd. \$5,607,570 of the balance is invested in short-term deposits and the remainder in long-term securities.

The Health Insurance Fund, an Expendable Trust Fund, has cash deposits of \$1,042,043 with Hawaiian Trust Company, Ltd. at September 30, 1994.

NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
Notes to Financial Statements, Continued  
September 30, 1994

(2) CASH AND EQUIVALENTS AND INVESTMENTS, CONTINUED

III. Investment Management

The administration of the initial Compact Investment Development Fund of \$12 million received under Section 111(b)(1) of the Compact agreement in October 1987 was transferred to the FSM Development Bank, a Component Unit - Proprietary Fund, together with all cumulative earnings in March 1989 pursuant to Public Law 5-122. The second installment of \$8 million received under this section of the Compact was received by the FSM National Government during fiscal year 1991, and was transferred to the FSM Development Bank together with all cumulative earnings on February 22, 1994, pursuant to Public Law 6-109.

As of September 30, 1994, the details of the FSM National Government's Governmental and Fiduciary fund type cash and equivalents and investments are as follows:

	<u>Carrying Amount</u>	<u>Market Value</u>
<u>Compact Funds:</u>		
<u>Cash and equivalents</u>		
Commercial paper, Treasury notes, HTCo. Automated Cash Management (ACM) [Market value approximates cost]	\$ 678,725	\$ 678,725
<u>Investments</u>		
Pooled investment securities	<u>20,368,326</u>	<u>19,747,308</u>
Total Compact Funds	<u>21,047,051</u>	<u>20,426,033</u>
<u>Other Funds:</u>		
<u>Cash and equivalents</u>		
Banker's acceptances, corporate and bank notes, TCD's and money market accounts	11,205,515	11,205,515
<u>Investments</u>		
Common Stock	<u>16,139,230</u>	<u>16,077,879</u>
Total Other Funds	<u>27,344,745</u>	<u>27,283,394</u>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(2) CASH AND EQUIVALENTS AND INVESTMENTS, CONTINUED

III. Investment Management, Continued

	<u>Carrying Amount</u>	<u>Market Value</u>
Total cash and investments		
Governmental and		
Fiduciary fund types	48,391,796	47,709,427
Reconciliation of cash and		
investments to combined		
balance sheet (Cost		
approximates market):		
Other cash in bank,		
General Fund, net	<u>7,488,852</u>	<u>7,488,852</u>
Total cash and investments,		
Governmental and		
Fiduciary Fund Types	<u>\$55,880,648</u>	<u>\$55,198,279</u>

The above total does not include FSM Social Security Administration which is shown separately at Note 9.

IV. Investment Valuation

At September 30, 1994, the FSM National Government had deposits as follows:

General Fund

Cash and deposits with Hawaiian Trust Co., ACM	\$ 1,309,727
All other cash and deposit held in FDIC insured banks	<u>6,729,983</u>
Total cash and equivalents	<u>\$ 8,039,710</u>
Securities with IMF	\$ 1,149,850
Time certificates of deposit with FDIC insured banks	<u>3,403,989</u>
	<u>\$ 4,553,839</u>

Special Revenue Funds

Cash on deposit with Hawaiian Trust Co. ACM	<u>\$ 582,215</u>
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Expendable Trust Funds

Cash on deposit with Hawaiian Trust Co. ACM	<u>\$ 1,042,043</u>
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**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(2) CASH AND EQUIVALENTS AND INVESTMENTS, CONTINUED

IV. Investment Valuation, Continued

Capital Projects Fund

Cash on deposit with Hawaiian Trust  
Co. ACM

\$ 73,339

The FSM National Government and its component units, do not require collateralization of its cash accounts. Therefore, cash and equivalents are substantially uncollateralized.

For cash and investments of the FSM Social Security Administration, refer to Note 9.

V. Investment Categorization

Governmental Accounting Standards Board Statement (GASB) No. 3 requires government entities to categorize investments to give an indication of the level of risk assumed by the entity at year end.

Category 1 - Insured or registered, or securities held by the FSM National Government or its agent in the FSM National Government's name.

Category 2 - Uninsured and unregistered, or securities held by a party other than the FSM National Government or its agent, but in the FSM National Government's name.

Category 3 - Uninsured and unregistered, with securities held by a party other than the FSM National Government and not in the FSM National Government's name.

The FSM National Government's demand and time deposits are non-categorized investments in accordance with GASB Statement # 3. Compact of Free Association funds held by the designated trustee have been classified as category 2 investments as all Compact investments are held in the name of the Federated Development Authority. Other fund investments are classified as category 1 investments as investments are either registered or held in the agency's name. All other investments are classified as category 2 investments as they are held by the designated trustee in the FSM National Government's name.



**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(2) CASH AND EQUIVALENTS AND INVESTMENTS, CONTINUED

VI. Equity Investment

The FSM National Government owns 300,000 shares of the stock of a commercial bank incorporated within the FSM. The principal investment of \$3,000,000 is accounted for on the equity method since the investment constitutes a 32% ownership share. The investment is recorded in the Capital Projects Fund and is reserved for as a related asset within that fund (\$3,544,711 as of September 30, 1994).

The FSM National Government also owns 50,000 shares of the stock of a commercial enterprise located in the Commonwealth of the Northern Marianas. The investment of \$1,500,000 resulted from a contribution and is accounted for in the General Fund at cost since the investment constitutes a .05% ownership share. This investment is reserved for as a related asset in the general fund.

VII. Component Units

The FSMDB, a component unit - proprietary fund, owns 100,000 shares of the stock of a commercial bank incorporated within the FSM. The investment of \$1,000,000 is accounted for on the cost method since the investment constitutes a 10.81% ownership share.

The FSM National Fisheries Corporation has recorded investments in various for profit fishing corporation and ventures which are recorded at a cost of \$2,001,985.

(3) COMMITMENTS AND CONTINGENCIES

1. Sick Leave. It is the policy of the FSM National Government to record sick leave when leave is actually taken and a liability is actually incurred. The accumulated estimated amount of unused sick leave at September 30, 1994, was \$1,300,000.
2. Litigation. The FSM National Government is party to several legal proceedings arising from governmental operations. Claims are filed with the FSM Attorney General. Approved claims are paid from appropriations to the affected government agency. At September 30, 1994, there existed several unapproved claims. The Attorney General of the FSM National Government represents that the ultimate resolution of these claims is undeterminable, but should not have a material impact on the accompanying general-purpose financial statements.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(3) COMMITMENTS AND CONTINGENCIES, CONTINUED

3. Leases. The FSM National Government has entered into house lease agreements varying from one to five years. The aggregate amount of future lease payments has not been accumulated as renewal is subject to annual appropriation.

4. Authorization for Appropriations As of September 30, 1994, the following authorizations for appropriations from the general fund were outstanding:

Public Law 6-69

Loan to National Fisheries Corporation	<u>\$4,649,000</u>
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Public Law 7-101

Asian Development Bank Loan	<u>\$6,500,000</u>
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These items have not been included in the reserve for continuing appropriations as of September 30, 1994, as an additional appropriation law must be passed by Congress or a drawdown of loan proceeds must occur before the above balances can be allotted.

5. Federal Program Questioned Costs

The National Government participates in a number of U.S. federally assisted grant programs. These programs are subject to financial and compliance audits to ascertain if Federal laws and guidelines have been followed.

Additionally, \$10,701,306 of questioned costs exists from the four States of the Federated States of Micronesia which receive federal funds in a subrecipient capacity. If these questioned costs are sustained, such will be funded by State resources.

Pursuant to Title I, Section 105 of United States Public Law 99-290, the Government of the Federated States of Micronesia (FSM) is no longer liable for debts to U.S. federal agencies arising prior to the date of the implementation of the Compact of Free Association. This matter has not yet been officially resolved with the U.S. Government. Accordingly, the States have made no adjustment to the above questioned costs for amounts which were incurred prior to the implementation of the Compact of Free Association.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(4) CONTINUING APPROPRIATIONS

General Fund

At September 30, 1994, the General Fund reflected the following as continuing appropriations:

Chuuk State Projects	\$ 5,170,831
Pohnpei State Projects	7,470,222
Yap State Projects	2,904,875
Kosrae State Projects	2,515,170
National Marketing Specialist	40,000
ADB Membership	891,364
Continental Scholarships	812
Asia Pacific Telecommunity	540
Staff Upgrading/IMF	202,452
FSM-wide census	123,954
Chuuk Typhoon Relief	4,986
NFC Outer Bank Survey	574
Maritime Training	13,000
Printing of Convention Journal	24,055
Political Education	51,755
FSM National Olympic	21,288
FSM Olympic	572,000
Fuel Analyst	40,000
Presidential Task Force	33,232
Student Transportation	4,839
COM-FSM Palikir Campus	91,077
ADB Loan Specialist	47,885
Local Counterpart	48,000
Center for Continuing Education	1,300,000
National Board of Nursing	28,200
Palikir Water System	<u>22,020</u>
Total	<u>\$21,623,131</u>

NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
Notes to Financial Statements, Continued  
September 30, 1994

(4) CONTINUING APPROPRIATIONS, CONTINUED

Capital Project Funds

Continuing appropriations for the Capital Projects Funds as of September 30, 1994, are as follows:

Compact Capital Projects Funds

Public Law No.	5-75	\$	4,328
	6-4		53,789
	6-7		70,478
	5-86		16,160
	6-19		27,777
	5-115		75,900
	5-118		90,984
	6-10		237,271
	6-91		338,653
	7-19		213,028
	7-78		667
	7-107		425,000
	8-018		<u>1,509,559</u>

Sub-Total	<u>3,063,594</u>
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CFSM Capital Projects Funds

Staff housing	3,283
Finance warehouse	27,680
Capitol wells	<u>36,984</u>
	<u>67,947</u>

Total Capital Projects Funds	<u><u>\$3,131,541</u></u>
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Special Revenue Funds

Continuing appropriations for Special Revenue Funds as of September 30, 1994, are as follows:

Scholarship Grants:

Pohnpei	\$	64,118
Chuuk		67,495
Kosrae		430,517
Graduate Scholarship		100,400
College of Micronesia		<u>96,923</u>
Total		<u>759,453</u>

NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
Notes to Financial Statements, Continued  
September 30, 1994

(4) CONTINUING APPROPRIATIONS, CONTINUED

Communications One-Time (PL 5-3):

FSM Telecommunications Corp. - Building	1,824
FSM Telecommunications Corp. - Switch and others	177,413
FSM Telecommunications Corp. - Telephone System	<u>103,888</u>
	<u>283,125</u>

Energy

Kosrae Projects	41,656
Chuuk Projects	<u>135,522</u>
	<u>177,178</u>

Special Block Grant

Leptospirosis, Dengue Fever and Cholera	3,679
Yap Continuing Education (PL-7-96)	<u>37,000</u>
	<u>40,679</u>

Total Compact Special Revenue Funds	<u>1,260,435</u>
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Disaster Revolving Fund	<u>428,508</u>
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Asian Development Bank Loan Fund	<u>1,133,262</u>
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Total Special Revenue Funds	<u><u>\$ 2,822,205</u></u>
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(5) TRANSFERS OUT/IN

Net transfers for the year ended September 30, 1994, consist of the following:

General Fund transfers out:

Coconut Development Authority	\$ 95,156
Maritime Operations Revolving Fund	493,036
FSM Development Bank	250,000
National Fisheries Corporation	511,950
COM-FSM	310,720
Passport Revolving Fund	<u>(108,167)</u>

Net General Fund transfers out	<u><u>\$ 1,552,695</u></u>
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Compact Capital Projects Fund transfers out:

FSM Development Bank	\$ 3,000,000
NFC-YFC	<u>286,449</u>

Net Compact Capital Projects Fund transfers out	<u><u>\$ 3,286,449</u></u>
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**NATIONAL GOVERNMENT**  
**FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(5) TRANSFERS OUT/IN, CONTINUED

Special Revenue Funds transfers out/(in):	
Passport Revolving Fund	\$ 108,167
Higher Education Fund-COM-FSM	907,251
One-Time & Annual Communications transfer out to FSM Telecommunications Fund	930,000
Maritime Operations Revolving Fund	<u>(493,036)</u>
Net Special Revenue Funds transfers out	<u>\$ 1,452,382</u>

(6) INTERFUND RECEIVABLES AND PAYABLES

As of September 30, 1994, interfund receivables and payables that resulted from various interfund transactions were as follows:

	<u>Due To</u> <u>Other Funds</u>	<u>Due From</u> <u>Other Funds</u>
General Fund	\$29,703,607	\$35,645,152
Special Revenue Funds:		
Transition	36,936	-
Federal grants direct	1,324,236	1,908,868
OTIA	580,022	-
Maritime Operations	-	353,362
Passport	-	48,659
Disaster Relief	-	454,334
Fisheries Revolving Fund	-	51,554
Substance Abuse Revolving Fund	2,591	-
Asian Development Loan Fund	-	1,133,262
Section 214	455,083	-
Section 215 (a)	922,162	-
Section 215 (b)	692,151	-
Section 216 (a)(1)	1,195,104	-
Section 216 (a)(2)	142,847	-
Section 216 (a)(3)	3,303,376	-
Section 216 (b)	870,743	-
Section 221 (b)	133,989	-
Special Development Fund	-	33,443
Capital Projects Funds:		
Compact	800,426	-
OTIA/TTPI	253,578	-
CFSM	-	78,822
Expendable Trust Funds:		
Health insurance	-	219,096
Student loan fund	-	471,345
Internal Service Fund	<u>-</u>	<u>18,954</u>
Total	<u>\$40,416,851</u>	<u>\$40,416,851</u>

NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
Notes to Financial Statements, Continued  
September 30, 1994

(7) NOTES PAYABLE

During fiscal year 1994, the FSM National Government became members of both the International Monetary Fund and the World Bank Group. Membership required the FSM to issue demand notes totaling \$4,588,506. The demand notes are recorded in the General Long-Term Debt Account Group as management is of the opinion that such does not represent an expected use of current resources.

As of fiscal year 1994, FSM Telecommunications Corporation (FSMTC) (a component unit-proprietary fund) had drawn down a total of \$39,585,186 from U.S. Department of Agriculture Rural Electrification Administration as part of a \$41 million loan package to be used for telephone network expansion in the FSM. \$6 million was invested in an escrow fund and the remaining \$33,585,186 was earmarked for network expansion.

The following summarizes the FSMTC debt service requirements for the next five years and thereafter:

<u>Year</u>	<u>Principal</u>
1995	\$ 576,833
1996	602,308
1997	612,220
1998	589,797
1999	619,287
2000 and thereafter	<u>35,668,830</u>
	<u>\$38,669,275</u>

Notes payable of the National Fisheries Corporation (NFC) (a component unit-proprietary fund) are as follows:

Various notes payable to the FSM National Government	\$ 3,100,000
Various loans payable to the FSM Development Bank	7,121,563
Other loans	<u>2,947,717</u>
	<u>\$13,169,280</u>

Due to the absence of audited financial statements from investees of NFC, a five year and thereafter maturity schedule is not available.

NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
Notes to Financial Statements, Continued  
September 30, 1994

(7) NOTES PAYABLE, CONTINUED

The following is the total component units-proprietary funds future debt payments (excluding elements of NFC except for the above \$3,100,000) for subsequent years:

<u>Year</u>	<u>Principal</u>
1995	\$ 767,364
1996	792,839
1997	802,751
1998	780,328
1999	809,818
2000 and thereafter	<u>37,816,175</u>
	<u>\$41,769,275</u>

(8) LOANS RECEIVABLE

A. General Fund

As of September 30, 1994, an amount of \$3,100,000 was outstanding from the National Fisheries Corporation (a component unit-proprietary fund). The first three notes were used for the purchase of common and preferred stock of Yap Fishing Corporation and two longline fishing boats, including initial working capital.

The additional four notes were used for longline training activities, purchase of common stock of Yap Fresh Tuna, and business joint ventures:

<u>Date</u>	<u>Principal</u>	<u>Annual Installments</u>	<u>First Payment Date</u>	<u>Term</u>
3/29/91	\$ 750,640	\$44,155	3/29/94	20 years
7/11/91	1,212,940	86,639	7/11/94	17 years
9/27/91	397,176	23,363	9/27/94	20 years
10/1/91	500,000	29,412	10/18/94	17 years
4/2/92	100,000	5,000	4/30/95	23 years
4/2/92	39,244	1,962	4/30/95	23 years
11/1/91	<u>100,000</u>	-	-	-
	<u>\$3,100,000</u>			

Pursuant to Public Law 6-69, no interest is payable on these loans. Additionally, no terms currently exist for the last listed loan of \$100,000.



**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(8) LOANS RECEIVABLE, CONTINUED

B. Compact Capital Projects Fund

As of September 30, 1994, an amount of \$3,750,000 was outstanding from the Caroline Fisheries Corporation (CFC), a joint venture between the National Fisheries Corporation (NFC) (a component unit-proprietary fund), Pohnpei State Economic Development Authority and the Australian-owned Tuna Development Company, Pty. Ltd. (TDC). The loan matures on October 15, 1997, with interest being paid semi-annually at rates ranging from 9.19% to 9.44% per annum.

Five annual principal payments of \$750,000 are to occur commencing on October 15, 1993. However, CFC has defaulted on all installments due. Collateral for the loan is in the form of mortgages over CFC's fishing vessels and guarantees by NFC, Pohnpei State Economic Development Authority and TDC.

C. Loans Receivable - FSM Development Bank (FSMDB)

The FSMDB's policy is to report loans receivable net of an allowance for uncollectible loans. Following is a schedule of loan fund balances and the respective allowances:

<u>December 31, 1994</u>	<u>Loan Balance</u>	<u>Allowance for D/A</u>	<u>Net</u>
FSM Development Bank	\$12,013,916	\$ 1,167,522	\$10,846,394
State Development			
Fund (Pohnpei & Yap)	1,067,727	-	1,067,727
IDF	<u>17,771,733</u>	<u>-</u>	<u>17,771,733</u>
Total	<u>\$30,853,376</u>	<u>\$1,167,522</u>	<u>\$29,685,854</u>

As of September 30, 1994, the Bank has eight loans of \$223,610 to employees and spouses of employees of the Bank. The above loans for IDF and State Development Fund are classified in restricted assets (Note 12).

(9) FSM SOCIAL SECURITY ADMINISTRATION

The Social Security Administration of the Federated States of Micronesia National Government was established by Public Law 2-74, passed on February 8, 1983, and began operations on October 1, 1987, for the purpose of providing retirement, disability and death benefits to qualified individuals and their survivors. The Administration is administered under the authority of a six-member board appointed by the President of the Federated States of Micronesia (FSM).

NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
Notes to Financial Statements, Continued  
September 30, 1994

(9) FSM SOCIAL SECURITY ADMINISTRATION, CONTINUED

A. Basis of Accounting

For the year ended March 31, 1994, the FSM Social Security Administration has prepared financial statements using the modified accrual basis of accounting (refer Note 1C). Accounting for the Social Security system does not strictly follow pension fund accounting and accordingly the present value of the liability of prospective benefit payments and the present value of future contributions are not recorded. However, investments are recorded at market value in accordance with pension fund accounting guidelines.

B. Investments

Securities are stated at market value. Gains or losses on securities sold or disposed of are computed on the basis of specific identification.

Generally, the FSM Social Security Administration can invest in bonds and other evidence of indebtedness of the FSM or U.S.; or of any State of the FSM and U.S.; in bonds, debentures, notes, and other evidence of indebtedness issued or assumed by FSM or U.S. institutions, and in common stock on a U.S. stock exchange.

All investments are registered or held by the Hawaiian Trust Company in the name of the FSM Social Security Administration.

As of March 31, 1994, the details of the FSM Social Security Administration's cash and investments are as follows:

Cash and equivalents

Cash on deposit with Hawaiian Trust Company ACM	\$1,234,940
All other cash on deposit with FDIC insured banks	<u>1,295,766</u>
Total cash and equivalents	<u><u>\$2,530,706</u></u>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(9) FSM SOCIAL SECURITY ADMINISTRATION, CONTINUED

B. Investments, Continued

<u>Investments</u>	<u>Cost</u>	<u>Market</u>
Common stock	\$ 8,075,898	\$ 8,931,806
U.S. government obligations	3,018,239	2,929,772
Government agencies	787,971	800,611
Corporate bonds	<u>2,515,723</u>	<u>2,483,065</u>
Total investments	<u>\$14,397,831</u>	<u>\$15,145,254</u>

The FSM Social Security Administration's demand and time deposits are non-categorized investments in accordance with Governmental Accounting Standard Board (GASB) Statement No. 3. All other investments held by the Administration have been classified as category 1 investments in accordance with GASB No. 3 as all investments are held in the name of the FSM Social Security Administration by the Hawaiian Trust Co., the trustee.

GASB Statement No. 3 requires government entities to categorize investments in the following categories to give an indication of the level of risk assumed by the entity at year end.

Category 1 - Insured or registered, or securities held by the FSM Social Security Administration or its agent in the Administration's name.

Category 2 - Uninsured and unregistered, or securities held by a party other than the FSM Social Security Administration or its agent, in the Administration's name.

Category 3 - Uninsured and unregistered, with securities held by a party other than the FSM Social Security Administration and not in the Administration's name.

C. Fixed Assets

Fixed assets are accounted for in the General Fixed Assets Account Group rather than in governmental funds. During the fiscal year ended March 31, 1994, net investment in fixed assets of \$ 93,867 was accounted for in the Administration's General Fixed Assets Account Group. Fixed assets consist of furniture, fixtures and equipment and are recorded at cost. Depreciation is provided over the estimated useful lives of the assets by the straight-line method.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(9) FSM SOCIAL SECURITY ADMINISTRATION, CONTINUED

C. Fixed Assets, Continued

This account group is not a "fund." It is concerned only with the measurement of financial position and is not involved with measurement of results of operations.

(10) COMPONENT UNITS

A. Financial Overview

Key financial data for material component units - proprietary funds, as of and for the year ended September 30, 1994, is as follows:

	FSM Telecom- munications Corporation	FSM Development Bank	FSM Coconut Development Authority	National Fisheries Corporation
Total assets	<u>\$64,390,191</u>	<u>\$54,445,559</u>	<u>\$ 764,880</u>	<u>\$21,810,938</u>
Total equity	<u>\$22,440,627</u>	<u>\$51,112,565</u>	<u>\$ 742,721</u>	<u>\$ 3,057,271</u>
1994 net earnings (loss)	<u>\$ 1,701,696</u>	<u>\$ 350,408</u>	<u>\$ 62,503</u>	<u>\$ 56,225</u>
Operating subsidy	<u>\$ 930,000</u>	<u>\$ 250,000</u>	<u>\$ 295,156</u>	<u>\$ 961,950</u>
Cumulative capital contributions	<u>\$ 7,047,164</u>	<u>\$22,938,835</u>	<u>\$ 646,616</u>	<u>\$ 9,507,210</u>
Receivables, net (including restricted assets)	<u>\$ 1,576,722</u>	<u>\$29,685,854</u>	<u>\$ 50,645</u>	<u>\$ 1,057,996</u>
Allowance for doubtful accounts	<u>\$ 946,369</u>	<u>\$ 1,167,522</u>	<u>\$ 3,388</u>	<u>\$ 44,469</u>
Operating revenue	<u>\$ 7,654,705</u>	<u>\$ 2,035,836</u>	<u>\$ 160,825</u>	<u>\$ 1,552,833</u>
Notes payable	<u>\$38,669,275</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$13,169,280</u>
Depreciation and amortization	<u>\$ 1,612,297</u>	<u>\$ 54,590</u>	<u>\$ 19,418</u>	<u>\$ 553,641</u>
Operating income (loss)	<u>\$ 1,476,971</u>	<u>\$ 361,276</u>	<u>\$ (238,379)</u>	<u>\$ (960,578)</u>
Additions to fixed assets	<u>\$ 4,069,832</u>	<u>\$ 69,443</u>	<u>\$ 5,901</u>	<u>\$ 9,854,569</u>
Disposals of fixed assets	<u>\$ 62,862</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Notes to Financial Statements, Continued  
September 30, 1994

(10) COMPONENT UNITS, CONTINUED

B. Restatement of Beginning Retained Earnings

During the year, the FSM Development Bank re-evaluated its fiscal year 1993 financial statements and found them to be misstated. Therefore an adjustment to the beginning retained earnings balance was necessary to correct the misstatement.

C. Fixed Assets - Component Units-Proprietary Funds

Fixed assets of the component units-proprietary funds as of September 30, 1994, are as follows:

	FSM Telecom- communications Corporation	FSM Development Bank	FSM Coconut Development Authority	National Fisheries Corporation	Total
Building and leasehold improvement	\$ -	\$ -	\$243,956	\$ -	\$ 243,956
Furniture and fixtures	-	139,675	33,981	274,457	448,113
Vehicles	-	73,122	24,036	-	97,158
Equipment and machinery	-	98,014	3,489	8,017,549	8,119,052
General support assets	10,997,875	-	-	-	10,997,875
Central office assets	7,690,706	-	-	-	7,690,706
Terminal equipment cable and wiring facilities	33,408,906	-	-	-	33,408,906
Less accumulated depreciation	(6,483,651)	(237,815)	(77,934)	(1,265,344)	(8,064,744)
Construction in progress	<u>1,762,930</u>	<u>-</u>	<u>-</u>	<u>10,173,610</u>	<u>11,936,540</u>
	<u>\$47,376,766</u>	<u>\$ 72,996</u>	<u>\$227,528</u>	<u>\$17,200,272</u>	<u>\$64,877,562</u>

During the year ending September 30, 1994, interest charges on the amounts of funds received from REA, by the FSM Telecommunication Corporation, in the amount of \$701,329 were capitalized.

D. MATERIAL FUND DEFICIT

The following fund reflects a material fund deficit as of September 30, 1994.

National Fisheries Corporation	<u>\$ 6,449,939</u>
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However, the above deficit retained earnings are offset by contributed capital of \$9,507,210.

NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
Notes to Financial Statements, Continued  
September 30, 1994

(11) EQUITY CONTRIBUTION

The following reflects equity contributions made during the year for Yap State and Kosrae State as stipulated by public law 7-107.

<u>Compact Capital Fund</u>	<u>Equity Contribution</u>
General Fund	\$ 425,000
Compact CIP	<u>1,300,000</u>
	<u>\$1,725,000</u>

(12) RESTRICTED ASSETS

Component Units - Proprietary Funds - Restricted assets at September 30, 1994, are primarily comprised of the following:

FSM Telecommunications Corporation - Restricted assets are \$6,983,983 in U.S. Treasury notes and bills and in money market funds which collateralize loans received from the USDA Rural Electrification Administration and \$219,807 in cash which is restricted for construction projects.

FSM Development Bank - Restricted assets are related to various funds which are administered substantially in a trust capacity on behalf of the FSM National Government, Pohnpei State and Yap State. These restricted assets include, among others, approximately \$7,110,110 of U.S. Government obligations and loans receivable of \$18,839,460.

**INDEPENDENT AUDITORS' REPORT ON ADDITIONAL INFORMATION**

Honorable Bailey Olter  
President  
Federated States of Micronesia:

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The combining and individual fund financial statements and schedules listed in Section III of the foregoing table of contents, which are also the responsibility of the management of the Federated States of Micronesia National Government, are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the Federated States of Micronesia National Government. Such additional information has been subjected to the auditing procedures applied in our audit of the general-purpose financial statements and, except for the matters specified in our report dated January 31, 1995, in our opinion, is fairly presented in all material respects when considered in relation to the general-purpose financial statements taken as a whole.

*Deloitte & Touche*

January 31, 1995

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**  
Combined Schedule of Expenditures by Account –  
All Governmental Fund Types and Expendable Trust Funds  
Year Ended September 30, 1994  
(With comparative totals for the year ended September 30, 1993)

	Governmental Fund Types			Fiduciary	Totals	
	General	Special Revenue	Capital Projects	Fund Type	(Memorandum Only)	
				Expendable Trust	1994	1993
Expenditures:						
Personnel	\$ 9,462,720	\$ 815,827	\$ 77,006	\$ —	\$ 10,355,553	\$ 10,005,610
Travel	2,259,666	208,670	65,954	—	2,534,290	2,590,367
Contractual services, contributions and subsidies	2,505,475	224,782	4,608	—	2,734,865	5,561,043
Capital asset purchases	2,614,324	91,283	17,481	—	2,723,088	1,749,004
Communications	569,790	—	—	—	569,790	741,987
Supplies and materials	2,297,875	—	—	—	2,297,875	2,378,055
Office/house rent/lease	776,196	—	—	—	776,196	1,441,072
Bad debts	—	—	—	—	—	337,391
Construction	58,218	—	1,799,437	—	1,857,655	1,228,801
Scholarships	—	1,448,902	—	—	1,448,902	892,401
National Government direct assistance	—	2,999,447	—	—	2,999,447	2,513,049
Other	7,297,471	1,105,023	718,798	1,386,605	10,507,897	10,858,137
Total expenditures	\$ 27,841,735	\$ 6,893,934	\$ 2,683,284	\$ 1,386,605	\$ 38,805,558	\$ 40,296,917



**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
GENERAL FUND**

Schedule of Revenues and Transfers In  
Year Ended September 30, 1994

(With comparative totals for the year ended September 30, 1993)

	<u>1994</u>	<u>1993</u>
<b>Compact funding current:</b>		
Base amount	\$ 1,461,480	\$ -
Inflation adjustment	643,051	-
	<u>2,104,531</u>	<u>-</u>
<b>Local taxes:</b>		
Import	2,105,453	2,290,530
Fuel	174,170	91,167
Income tax, individuals, net of tax refunds	2,747,310	2,732,537
Gross receipts tax, businesses	3,020,587	3,036,278
	<u>8,047,520</u>	<u>8,150,512</u>
<b>Investment income:</b>		
Realized gain on sale of equities	1,656,446	1,602,553
Realized loss on sale of equities	(980,287)	(234,724)
Dividends and interest income	2,070,048	1,731,681
	<u>2,746,207</u>	<u>3,099,510</u>
<b>Fees, licenses, and other income:</b>		
Fishing rights fees	21,256,218	18,126,644
Fishing violation fines	87,500	183,798
Postal collections	513,164	434,706
Penalties and interest on delinquent taxes	158,707	589,227
Business license and firearms fees	50,298	36,081
Other income	184,570	178,133
	<u>22,250,457</u>	<u>19,548,589</u>
<b>Other sources:</b>		
Transfer in	108,167	-
<b>Total revenues and transfers in</b>	<u>\$ 35,256,882</u>	<u>\$ 30,798,611</u>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
GENERAL FUND**  
Schedule of Expenditures by Function and Department  
Year Ended September 30, 1994  
(With comparative totals for the year ended September 30, 1993)

	<u>1994</u>	<u>1993</u>
<b>Executive Branch:</b>		
President's Office	\$ 631,260	\$ 613,262
Office of the Public Defender	557,361	513,540
Department of Human Resources	453,632	496,036
Department of Resources and Development	501,471	517,908
Office of the Attorney General	1,859,190	1,886,120
Department of Finance	1,786,737	1,471,431
Office of Administrative Services	1,014,085	1,306,210
Office of Planning and Statistics	688,046	468,154
Budget Office	255,268	243,771
Department of External Affairs and LNO's	3,506,238	3,202,324
Department of Transportation	361,199	389,090
<b>Total Executive Branch</b>	<u>11,614,487</u>	<u>11,107,846</u>
<b>Judicial Branch</b>	<u>784,392</u>	<u>729,869</u>
<b>Boards and Commissions:</b>		
Micronesia Maritime Authority	328,116	320,429
FSM Postmaster Postal Services	648,285	652,331
College of Micronesia Board of Regents	25,000	157,063
<b>Total Boards and Commissions</b>	<u>1,001,401</u>	<u>1,129,823</u>
<b>Legislative Branch:</b>		
Office of the Speaker	675,202	696,962
Congress staff	1,245,172	1,129,408
Delegation offices	116,596	167,513
Legislature conference	400	-
Official representation	210,230	196,917
Members travel and expense allowance	293,120	195,412
<b>Total Legislative Branch</b>	<u>2,540,720</u>	<u>2,386,212</u>
<b>Office of the Public Auditor</b>	<u>457,051</u>	<u>351,436</u>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
GENERAL FUND**

Schedule of Expenditures by Function and Department, Continued  
Year Ended September 30, 1994

(With comparative totals for the year ended September 30, 1993)

	1994	1993
Other National Government programs:		
Aids to non—public schools	\$ 300,000	\$ 300,000
Contributions	827,033	531,280
World Health Organization	37,000	42,985
State judiciary	232,235	259,976
T—3 program	209,321	247,984
Special grants to President	—	431
Congressional elections	—	258,961
1991 National election	—	17,954
FSM Olympic Games	1,152	—
Aquaculture Center Program	100,418	123,155
Travel by non—government rep	2,586	—
Micro Regional Tourism	—	4,575
Judgment Funds	48,291	—
Joint law enforcement	337,971	336,316
Air Continental scholarship	47,065	62,623
Student Financial Aid	300,450	—
ICAO membership fee	31,839	55,742
Constitutional convention — Kosrae	1,794	1,725
ADB membership and technical assistance	—	27,143
Second National Dev. Plan	—	325
ADB Fisheries Loan	1,115	—
Pohnpei Medical Supplies	60,215	—
Staff Upgrade Program	86,314	—
Presidential Task Force	10,023	—
FSM Student Education — Palau	292,860	—
Student Transportation	42,661	—
State Police Officers	6,000	—
Travel for Government Officials	34,022	—
Printing of ConCon Journal	458	—
COM—FSM Palikir Construction	8,923	—
FSM census	154,375	24,702
Total Other National Government programs	3,174,121	2,295,877
Other Legislative Appropriations:		
State projects:		
Chuuk	4,634,568	2,466,038
Pohnpei	2,364,364	1,802,445
Yap	472,921	331,409
Kosrae	797,710	754,768
FSM membership IMF	—	911,234
Political education	—	1,120
Total other legislative appropriations	8,269,563	6,267,014
Other expenditures:		
Bad debts	—	337,391
Total other expenditures	—	337,391
Total General Fund expenditures before operating transfers	\$ 27,841,735	\$ 24,605,468

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
GENERAL FUND**  
Statement of Revenues, Expenditures and Changes in Fund Balance –  
Budget and Actual, Budgetary Basis  
Year Ended September 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Compact	\$ 6,290,687	\$ 2,104,531	\$ (4,186,156)
Local taxes	7,450,000	8,047,520	597,520
Fishing right fees	11,000,000	21,256,218	10,256,218
Fishing violation fines	300,000	87,500	(212,500)
Postal revenues	500,000	513,164	13,164
Investment earnings	1,900,000	2,746,207	846,207
Business fees, penalties and interest on delinquent taxes	–	209,005	209,005
Other	–	292,737	292,737
<b>Total revenues</b>	<b>27,440,687</b>	<b>35,256,882</b>	<b>7,816,195</b>
Expenditures—budgetary basis by department:			
Executive Branch:			
Office of the President	494,121	486,829	7,292
Disaster Office	23,200	24,962	(1,762)
Public Information	125,000	127,762	(2,762)
Contingency Fund	–	(316)	316
<b>Total</b>	<b>642,321</b>	<b>639,237</b>	<b>3,084</b>
Department of External Affairs:			
Administrative	300,605	291,830	8,775
International affairs	190,800	170,584	20,216
U.S. Relations	64,100	48,641	15,459
FSM Consulate – Guam	331,400	324,745	6,655
FSM Consulate – Honolulu	292,675	288,943	3,732
FSM Embassy – Tokyo	967,460	1,049,944	(82,484)
FSM Embassy – Washington D.C.	571,650	536,345	35,305
FSM Embassy – Fiji	246,317	247,156	(839)
FSM Permanent Mission – New York	517,700	587,720	(70,020)
<b>Total</b>	<b>3,482,707</b>	<b>3,545,908</b>	<b>(63,201)</b>
Department of Health:			
Administration	305,100	295,006	10,094
<b>Total</b>	<b>305,100</b>	<b>295,006</b>	<b>10,094</b>
Department of Education:			
Administration	206,126	171,729	34,397
<b>Total</b>	<b>206,126</b>	<b>171,729</b>	<b>34,397</b>
Department of Resources and Development:			
Administration	172,519	189,033	(16,514)
Commerce and Industry	112,800	103,499	9,301
Agriculture	98,200	94,758	3,442
Marine Resources	84,150	76,074	8,076
Labor	81,443	80,586	857
<b>Total</b>	<b>549,112</b>	<b>543,950</b>	<b>5,162</b>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
GENERAL FUND**

Statement of Revenues, Expenditures and Changes in Fund Balance –  
Budget and Actual, Budgetary Basis, Continued  
Year Ended September 30, 1994

	Budget	Actual	Variance
Department of Transportation:			
Administration	\$ 125,694	\$ 123,783	\$ 1,911
Marine	112,980	110,548	2,432
Aviation	92,414	89,102	3,312
Communication	56,100	53,406	2,694
Total	387,188	376,839	10,349
Department of Finance:			
Administration	252,900	251,999	901
ADP	153,800	147,566	6,234
Investment Management	133,878	114,893	18,985
Accounting	359,670	512,497	(152,827)
Revenue	466,940	392,749	74,191
Customs	319,400	290,000	29,400
Property and Supply	86,750	77,950	8,800
Total	1,773,338	1,787,654	(14,316)
Office of the Attorney General:			
Administration – Attorney General	430,841	426,145	4,696
Immigration	301,800	299,497	2,303
Law	126,850	124,239	2,611
Litigation	95,200	91,874	3,326
DSI administration	422,950	345,095	77,855
International Law	83,200	62,553	20,647
Marine Surveillance	762,111	606,143	155,968
Total	2,222,952	1,955,546	267,406
Office of the Public Defender	576,600	555,668	20,932
Office of Budget:			
Administration	111,700	111,318	382
Management	41,300	30,863	10,437
Budget preparation	66,200	56,735	9,465
Grant management	46,600	45,905	695
Total	265,800	244,821	20,979
Office of Planning and Statistics:			
Administration	103,650	103,292	358
Planning	98,700	74,190	24,510
Statistics	157,400	149,433	7,967
Construction review	166,500	148,604	17,896
Maintenance	292,840	294,867	(2,027)
Total	819,090	770,386	48,704

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
GENERAL FUND**

Statement of Revenues, Expenditures and Changes in Fund Balance –  
Budget and Actual, Budgetary Basis, Continued  
Year Ended September 30, 1994

	Budget	Actual	Variance
Office of Administrative Services:			
Administration	\$ 65,567	\$ 63,588	\$ 1,979
Personnel	70,000	64,573	5,427
Archives and Historic Preservation	75,200	68,378	6,822
Training	52,700	51,837	863
Recruitment/repatriation	139,320	138,972	348
Housing allowance	663,897	660,651	3,246
Total	1,066,684	1,047,999	18,685
Total Executive Branch	12,297,018	11,934,743	362,275
Judicial Branch	829,986	786,818	43,168
Board and Commissions:			
Micronesia Maritime Authority	364,000	339,324	24,676
College of Micronesia Board of Regents	25,000	25,000	–
Postal services	678,373	656,084	22,289
Total Boards and Commissions	1,067,373	1,020,408	46,965
Legislative Branch:			
Office of the Speaker	700,500	677,227	23,273
Congress staff	1,426,805	1,301,730	125,075
Delegation offices	130,100	130,085	15
Members official representation	314,000	316,047	(2,047)
Members' travel fund	236,000	201,396	34,604
Parliamentary visit	80,000	–	80,000
Legislature committees	5,000	4,715	285
Total Legislative Branch	2,892,405	2,631,200	261,205
Office of the Public Auditor	504,420	468,671	35,749
Other National Government Programs:			
Aid to non–public schools	300,000	300,000	–
Contributions	883,399	837,033	46,366
World Health Organization	37,000	37,000	–
State Judiciary	466,458	251,508	214,950
Presidential task force	45,000	11,768	33,232
FSM students in Palau	292,860	292,860	–
Student transportation	47,500	42,662	4,838
T–3 program	279,100	213,032	66,068
FSM olympics	23,000	1,712	21,288
Travel by non–government officials	50,000	5,281	44,719
Aquaculture Center Program	111,300	101,335	9,965
Travel for government officials	50,000	34,022	15,978
State police officers	6,000	6,000	–
Printint of ConCon journal	24,513	458	24,055
COM–FSM Palikir campus	100,000	8,923	91,077
Student financial aid	300,000	300,450	(450)
Pohnpei medical supplies	150,000	60,215	89,785
Sub–total Other National Government Programs	3,166,130	2,504,259	661,871

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
GENERAL FUND**  
**Statement of Revenues, Expenditures and Changes in Fund Balance –  
Budget and Actual, Budgetary Basis, Continued**  
**Year Ended September 30, 1994**

	Budget	Actual	Variance
Balance Forwarded Other National Government Programs \$	3,166,130	\$ 2,504,259	\$ 661,871
Joint Law Enforcement Program	460,000	394,557	65,443
Air Continental Scholarship	47,877	47,065	812
ICAO Membership	31,839	31,839	–
ADB Fisheries	49,000	1,115	47,885
IMF	288,766	86,314	202,452
FSM Census	291,180	167,578	123,602
Judgment funds	48,291	48,291	–
Total Other National Government Programs	4,383,083	3,281,018	1,102,065
Other Legislative Appropriations:			
Public projects – Kosrae	3,200,252	418,372	2,781,880
Public projects – Pohnpei	8,623,269	2,246,183	6,377,086
Public projects – Chuuk	8,030,220	5,031,224	2,998,996
Public projects – Yap	3,463,188	470,154	2,993,034
Total Other Legislative Appropriations	23,316,929	8,165,933	15,150,996
Total expenditures	45,291,214	28,288,791	17,002,423
Excess (deficiency) of revenues over (under) expenditures	(17,850,527)	6,968,091	24,818,618
Other financing sources (uses):			
Coconut Development Authority	(110,350)	(93,391)	16,959
COM–FSM	(310,720)	(310,720)	–
Sea Transportation Fund	(493,036)	(493,036)	–
FSM National Fisheries	(511,950)	(511,950)	–
FSM Development Bank	(250,000)	(250,000)	–
Passport Revolving Fund	108,167	108,167	–
Total other financing sources (uses), net	(1,567,889)	(1,550,930)	16,959
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(19,418,416)	5,417,161	24,835,577
Unreserved fund balance, beginning of year	16,075,142	16,075,142	–
Other changes in unreserved fund balance:			
Increase in reserve for related assets	–	473,212	473,212
Increase in reserve for continuing appropriations	–	(8,149,151)	(8,149,151)
Unreserved fund balance, end of year	\$ (3,343,274)	\$ 13,816,364	\$ 17,159,638

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
SPECIAL REVENUE FUNDS  
SEPTEMBER 30, 1994**

Specific revenues that are legally restricted to expenditures for particular purposes are accounted for in the Special Revenue Funds. The special revenue funds as of September 30, 1994 are discussed below.

**Non-Compact Related Special Revenue Funds:**

**Disaster Relief Fund** - This fund was established by the Congress of the Federated States of Micronesia Public Law 2-64 to provide funds for emergency disaster relief.

**Transition Grants, and OTIA Technical Assistance and Operation and Maintenance Funds** - These funds account for special appropriations made by the U.S. Department of the Interior which are to be used for specific purposes and remain available until expended. Expenditures against these grants are on a reimbursable basis.

**U.S. Federal Assistance and Other Direct Assistance Funds** - These funds account for drawdowns and disbursements related to the grants awarded to the National Government as a primary grantee of U.S. federal assistance programs and direct assistance from other agencies and foreign entities.

**Maritime Operations Revolving Fund** - This fund was established by the Congress of the Federated States of Micronesia P. L. 3-8. All revenues generated through the conduct of ship operations and all appropriations from the Congress for funding ship repair, maintenance and operations are accounted for in this fund.

**Passport Revolving Fund** - This fund was established by the Congress of the Federated States of Micronesia Public Law 4-68 to account for the costs and revenues associated with the issuance and renewal of passports. Any funds exceeding a \$40,000 limit are transferred to the General Fund.

**Fisheries Revolving Fund** - This fund accounts for the use of certain fisheries related collections.

**Substance Abuse Revolving Fund** - This fund was established by Public Law No. 7-81 to provide an ongoing revolving fund for the receipt and disbursement of funds associated with the purchase and sale of controlled substances for the health care systems of the FSM.

**Asian Development Bank Loan Fund** - The Asian Development Bank Loan Fund was established by Public Law No. 7-101 mainly to carry out the purpose of the Fisheries Development Project Loan Agreement of 1992 between the Government of the Federated States of Micronesia and the Asian Development Bank, and the Technical Assistance Agreement of 1992 for Institutional Strengthening for Marine Resource Management and Conservation between the FSM and ADB.



**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
SPECIAL REVENUE FUNDS, CONTINUED  
SEPTEMBER 30, 1994**

Compact Grants

Compact grant funds account for special assistance given by the United States Government to the Federated States of Micronesia under the "Compact of Free Association Act of 1985" per United States Public Law 99-239.

A. Section 214 - The energy grant is a contribution aimed at aiding the FSM Government in achieving increased self-sufficiency in energy production.

B. Section 215

1. (a) 2 - Communications Annual is a contribution for the current operations and maintenance of communication systems. The FSM Government receives \$600,000 annually from the United States for fifteen years commencing on the effective date of the Compact.

2. b (2) - Communications One Time Contribution is restricted for the purpose of acquiring communications hardware and for such other current or capital account activity as may be selected.

C. Section 216

1. (a) 1 - Marine Surveillance Annual Contribution is restricted for the surveillance and enforcement of the FSM Maritime Zone. The FSM National Government receives \$519,000 annually through the year 2002.

2. (a) 2 - Health and Medical Contribution is restricted for health and medical programs including referrals to hospital and treatment centers. The National Government received \$125,980 in 1994, and will receive \$125,980 annually.

3. (a) 3 - Post Secondary Education Contribution is restricted for scholarship funds or funds to support the post secondary education of FSM citizens. The FSM Government received \$1,889,700 in fiscal year 1994, and will receive \$1,889,700 annually.

4. (b) - Marine Surveillance One Time Contribution is restricted for the surveillance and enforcement of the Maritime Zone.

D. Section 221

1. (b) - Special Block Grants Fund is restricted for education and health care. The National Government received \$315,000 in 1994, and will receive \$315,000 annually.

E. Special Development Fund Section 111 (b) (1) - This contribution is to assist in funding special economic development projects within the FSM. The FSM Government received \$12 million during the first full fiscal year following the effective date of the Compact and \$8 million during the third full fiscal year following the effective date of the Compact.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
SPECIAL REVENUE FUNDS**  
Combining Balance Sheet  
September 30, 1994  
(With comparative totals as of September 30, 1993)

<u>Assets</u>	<u>Non-Compact</u>	<u>Compact</u>	<u>Totals</u>	
			<u>1994</u>	<u>1993</u>
Cash and equivalents	\$ —	\$ 582,215	\$ 582,215	\$ 1,225,040
Investments	—	10,044,913	10,044,913	9,962,971
Receivables from:				
U.S. Department of the Interior (DOI)	1,703,104	—	1,703,104	1,386,251
Federal agencies, TTPI	326,871	—	326,871	326,871
Federal agencies, direct	3,394,185	—	3,394,185	2,495,729
Due from other funds	3,950,039	33,443	3,983,482	3,823,210
Advances	2,563	—	2,563	—
Interest receivable	—	53,776	53,776	62,989
Other receivables	3,102	—	3,102	4,180
<b>Total assets</b>	<b>\$ 9,379,864</b>	<b>\$ 10,714,347</b>	<b>\$ 20,094,211</b>	<b>\$ 19,287,241</b>
 <u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 612,512	\$ 116,953	\$ 729,465	\$ 874,875
Accrued payroll and others	1,837	144	1,981	22,639
Due to other funds	1,943,785	7,715,455	9,659,240	8,273,170
Due to FSM State governments	3,553,850	103,251	3,657,101	3,174,558
Deferred revenues	1,063,131	—	1,063,131	849,349
Advances from DOI/TTPI/Other	192,655	—	192,655	192,655
<b>Total liabilities</b>	<b>7,367,770</b>	<b>7,935,803</b>	<b>15,303,573</b>	<b>13,387,246</b>
Fund balances:				
Reserved for encumbrances	1,427,561	619,416	2,046,977	1,490,843
Reserved for continuing appropriations	1,561,770	1,260,435	2,822,205	3,751,903
Unreserved	(977,237)	898,693	(78,544)	657,249
<b>Total fund balances</b>	<b>2,012,094</b>	<b>2,778,544</b>	<b>4,790,638</b>	<b>5,899,995</b>
<b>Total liabilities and fund balances</b>	<b>\$ 9,379,864</b>	<b>\$ 10,714,347</b>	<b>\$ 20,094,211</b>	<b>\$ 19,287,241</b>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
SPECIAL REVENUE FUNDS**  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended September 30, 1994  
(With comparative totals for the year ended September 30, 1993)

			<u>Totals</u>	
	<u>Non-Compact</u>	<u>Compact</u>	<u>1994</u>	<u>1993</u>
Revenues:				
U.S. Department of the Interior grants	\$ 1,088,372	\$ —	\$ 1,088,372	\$ 730,248
Federal contributions	1,730,822	—	1,730,822	1,527,422
Compact grants:				
Base amount	—	3,649,780	3,649,780	3,649,780
Inflation adjustment	—	352,044	352,044	328,041
Other contributions	180,253	—	180,253	255,379
Sales of goods and services	235,688	—	235,688	242,264
Total revenues	<u>3,235,135</u>	<u>4,001,824</u>	<u>7,236,959</u>	<u>6,733,134</u>
Expenditures:				
Executive branch	<u>3,717,337</u>	<u>3,176,597</u>	<u>6,893,934</u>	<u>5,504,149</u>
Total expenditures	<u>3,717,337</u>	<u>3,176,597</u>	<u>6,893,934</u>	<u>5,504,149</u>
Excess (deficiency) of revenues over (under) expenditures	(482,202)	825,227	343,025	1,228,985
Other financing sources (uses):				
Operating and other transfers, net	<u>384,869</u>	<u>(1,837,251)</u>	<u>(1,452,382)</u>	<u>(214,064)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(97,333)	(1,012,024)	(1,109,357)	1,014,921
Fund balances, beginning of year	<u>2,109,427</u>	<u>3,790,568</u>	<u>5,899,995</u>	<u>4,885,074</u>
Fund balances, end of year	<u>\$ 2,012,094</u>	<u>\$ 2,778,544</u>	<u>\$ 4,790,638</u>	<u>\$ 5,899,995</u>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
SPECIAL REVENUE FUNDS**

Combining Statement of Revenues, Expenditures by Account and Changes in Fund Balances

Year Ended September 30, 1994

(With comparative totals for the year ended September 30, 1993)

			<u>Totals</u>	
	<u>Non – Compact</u>	<u>Compact</u>	<u>1994</u>	<u>1993</u>
<b>Revenues:</b>				
U.S. Department of the Interior grants	\$ 1,088,372	\$ –	\$ 1,088,372	\$ 730,248
Federal contributions	1,730,822	–	1,730,822	1,527,422
Compact grants:				
Base amount	–	3,649,780	3,649,780	3,649,780
Inflation adjustment	–	352,044	352,044	328,041
Other contributions	180,253	–	180,253	255,379
Sales of goods and services	235,688	–	235,688	242,264
<b>Total revenues</b>	<u>3,235,135</u>	<u>4,001,824</u>	<u>7,236,959</u>	<u>6,733,134</u>
<b>Expenditures:</b>				
Personnel	213,867	601,960	815,827	231,611
Travel	63,823	144,847	208,670	263,142
Contractual services, contributions and subsidies	148,459	76,323	224,782	440,306
Capital asset purchases	7,039	84,244	91,283	53,306
Scholarships	–	1,448,902	1,448,902	817,278
National Government direct assistance	2,999,447	–	2,999,447	2,513,049
Other	284,702	820,321	1,105,023	1,185,457
<b>Total expenditures</b>	<u>3,717,337</u>	<u>3,176,597</u>	<u>6,893,934</u>	<u>5,504,149</u>
Excess (deficiency) of revenues over (under) expenditures	(482,202)	825,227	343,025	1,228,985
<b>Other financing sources (uses):</b>				
Operating and other transfers, net	384,869	(1,837,251)	(1,452,382)	(214,064)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(97,333)	(1,012,024)	(1,109,357)	1,014,921
<b>Fund balances, beginning of year</b>	<u>2,109,427</u>	<u>3,790,568</u>	<u>5,899,995</u>	<u>4,885,074</u>
<b>Fund balances, end of year</b>	<u>\$ 2,012,094</u>	<u>\$ 2,778,544</u>	<u>\$ 4,790,638</u>	<u>\$ 5,899,995</u>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
SPECIAL REVENUE FUNDS – NON-COMPACT  
Combining Balance Sheet  
September 30, 1994  
(With comparative totals as of September 30, 1993)**

<u>Assets</u>	OTIA									<u>Totals</u>	
	<u>Transition</u>	<u>Maritime Operations Revolving</u>	<u>Disaster Relief</u>	<u>Federal and Other Direct Assistance</u>	<u>Technical Assistance &amp; Operations &amp; Maintenance</u>	<u>Passport Revolving</u>	<u>Fisheries Revolving</u>	<u>Substance Abuse Revolving</u>	<u>Asian Development Bank Loan</u>	<u>1994</u>	<u>1993</u>
Receivables from:											
U.S. Department of the											
Interior (DOI)	\$ 229,591	\$ -	\$ -	\$ -	\$ 1,473,513	\$ -	\$ -	\$ -	\$ -	\$ 1,703,104	\$ 1,386,251
Federal agencies, TTPI	-	-	-	326,871	-	-	-	-	-	326,871	326,871
Federal agencies, direct	-	-	-	3,394,185	-	-	-	-	-	3,394,185	2,495,729
Advances	-	-	-	2,563	-	-	-	-	-	2,563	-
Due from other funds	-	353,362	454,334	1,908,868	-	48,659	51,554	-	1,133,262	3,950,039	3,789,767
Other receivables	-	3,102	-	-	-	-	-	-	-	3,102	4,180
<b>Total assets</b>	<b>\$ 229,591</b>	<b>\$ 356,464</b>	<b>\$ 454,334</b>	<b>\$ 5,632,487</b>	<b>\$ 1,473,513</b>	<b>\$ 48,659</b>	<b>\$ 51,554</b>	<b>\$ -</b>	<b>\$ 1,133,262</b>	<b>\$ 9,379,864</b>	<b>\$ 8,002,798</b>
<u>Liabilities and Fund Balances</u>											
Liabilities:											
Account payable	\$ -	\$ 19,850	\$ (2,469)	\$ 415,070	\$ 169,506	\$ 8,479	\$ 2,076	\$ -	\$ -	\$ 612,512	\$ 515,812
Accrued payroll and others	-	1,652	-	185	-	-	-	-	-	1,837	21,955
Due to other funds	36,936	-	-	1,324,236	580,022	-	-	2,591	-	1,943,785	1,199,165
Deferred revenues	-	-	-	1,063,131	-	-	-	-	-	1,063,131	849,349
Due to State governments	-	-	-	2,829,865	723,985	-	-	-	-	3,553,850	3,114,435
Advances from DOI											
TTPI/Other	192,655	-	-	-	-	-	-	-	-	192,655	192,655
<b>Total liabilities</b>	<b>229,591</b>	<b>21,502</b>	<b>(2,469)</b>	<b>5,632,487</b>	<b>1,473,513</b>	<b>8,479</b>	<b>2,076</b>	<b>2,591</b>	<b>-</b>	<b>7,367,770</b>	<b>5,893,371</b>
Fund balances:											
Reserved for											
encumbrances	-	204,199	34,262	965,966	188,388	254	32,097	2,395	-	1,427,561	944,493
Reserved for continuing											
appropriations	-	-	428,508	-	-	-	-	-	1,133,262	1,561,770	1,665,789
Unreserved	-	130,763	(5,967)	(965,966)	(188,388)	39,926	17,381	(4,986)	-	(977,237)	(500,855)
<b>Total fund balances</b>	<b>-</b>	<b>334,962</b>	<b>456,803</b>	<b>-</b>	<b>-</b>	<b>40,180</b>	<b>49,478</b>	<b>(2,591)</b>	<b>1,133,262</b>	<b>2,012,094</b>	<b>2,109,427</b>
<b>Total liabilities and fund balances</b>	<b>\$ 229,591</b>	<b>\$ 356,464</b>	<b>\$ 454,334</b>	<b>\$ 5,632,487</b>	<b>\$ 1,473,513</b>	<b>\$ 48,659</b>	<b>\$ 51,554</b>	<b>\$ -</b>	<b>\$ 1,133,262</b>	<b>\$ 9,379,864</b>	<b>\$ 8,002,798</b>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
SPECIAL REVENUE FUNDS – NON–COMPACT**  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)  
Year Ended September 30, 1994  
(With comparative totals for the year ended September 30, 1993)

	OTIA									Totals	
	Maritime		Disaster	Technical		Passport	Fisheries	Substance	Asian		
	Operations	Relief		Federal and	Assistance &						
	Transition	Revolving	Assistance	Other Direct	Operations & Maintenance	Revolving	Revolving	Abuse	Development Bank Loan	1994	1993
Revenues:											
U.S. Department of the											
Interior grants	\$ -	\$ -	\$ -	\$ -	\$ 1,088,372	\$ -	\$ -	\$ -	\$ -	\$ 1,088,372	\$ 730,248
Federal contributions	-	-	-	1,730,822	-	-	-	-	-	1,730,822	1,527,422
Other contributions	-	-	-	180,253	-	-	-	-	-	180,253	255,379
Sales of goods and services	-	42,214	-	-	-	87,398	106,076	-	-	235,688	242,264
Total revenues	-	42,214	-	1,911,075	1,088,372	87,398	106,076	-	-	3,235,135	2,755,313
Expenditures:											
Executive Branch	-	457,460	90,130	1,911,075	1,088,372	60,920	98,199	372	10,809	3,717,337	3,315,921
Total expenditures	-	457,460	90,130	1,911,075	1,088,372	60,920	98,199	372	10,809	3,717,337	3,315,921
Excess (deficiency) of revenues over (under) expenditures	-	(415,246)	(90,130)	-	-	26,478	7,877	(372)	(10,809)	(482,202)	(560,608)
Other financing sources (uses):											
Operating and other transfers, net	-	493,036	-	-	-	(108,167)	-	-	-	384,869	1,700,762
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	77,790	(90,130)	-	-	(81,689)	7,877	(372)	(10,809)	(97,333)	1,140,154
Fund balances (deficit), beginning of year											
	-	257,172	546,933	-	-	121,869	41,601	(2,219)	1,144,071	2,109,427	969,273
Fund balances (deficit), end of year	\$ -	\$ 334,962	\$ 456,803	\$ -	\$ -	\$ 40,180	\$ 49,478	\$ (2,591)	\$ 1,133,262	\$ 2,012,094	\$ 2,109,427

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
SPECIAL REVENUE FUNDS – NON–COMPACT**  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)  
Year Ended September 30, 1994  
(With comparative totals for the year ended September 30, 1993)

	OTIA									Totals	
	Transition	Maritime Operations Revolving	Disaster Relief	Federal and Other Direct Assistance	Technical Assistance & Operations & Maintenance	Passport Revolving	Fisheries Revolving	Substance Abuse Revolving	Asian Development Bank Loan	1994	1993
<b>Revenues:</b>											
U.S. Department of the											
Interior grants	\$ -	\$ -	\$ -	\$ -	\$ 1,088,372	\$ -	\$ -	\$ -	\$ -	\$ 1,088,372	\$ 730,248
Federal contributions	-	-	-	1,730,822	-	-	-	-	-	1,730,822	1,527,422
Other contributions	-	-	-	180,253	-	-	-	-	-	180,253	255,379
Sales of goods and services	-	42,214	-	-	-	87,398	106,076	-	-	235,688	242,264
<b>Total revenues</b>	-	42,214	-	1,911,075	1,088,372	87,398	106,076	-	-	3,235,135	2,755,313
<b>Expenditures:</b>											
Personnel	-	203,668	-	-	-	-	34	-	10,165	213,867	213,897
Travel	-	8,173	1,496	-	-	-	54,154	-	-	63,823	55,865
Contractual services,											
contributions and subsidies	-	55,300	50,176	-	-	-	42,983	-	-	148,459	204,779
Capital asset purchases	-	6,395	-	-	-	-	-	-	644	7,039	5,264
National Government											
direct assistance	-	-	-	1,911,075	1,088,372	-	-	-	-	2,999,447	2,513,049
Other	-	183,924	38,458	-	-	60,920	1,028	372	-	284,702	323,067
<b>Total expenditures</b>	-	457,460	90,130	1,911,075	1,088,372	60,920	98,199	372	10,809	3,717,337	3,315,921
<b>Excess (deficiency) of</b>											
<b>revenues over (under)</b>	-	(415,246)	(90,130)	-	-	26,478	7,877	(372)	(10,809)	(482,202)	(560,608)
<b>expenditures</b>											
<b>Other financing sources (uses):</b>											
Operating and other	-	493,036	-	-	-	(108,167)	-	-	-	384,869	1,700,762
transfers, net											
<b>Excess (deficiency) of</b>											
<b>revenues and other financing</b>											
<b>sources over (under)</b>	-	77,790	(90,130)	-	-	(81,689)	7,877	(372)	(10,809)	(97,333)	1,140,154
<b>expenditures and other</b>											
<b>financing uses</b>											
<b>Fund balances (deficit),</b>											
<b>beginning of year</b>	-	257,172	546,933	-	-	121,869	41,601	(2,219)	1,144,071	2,109,427	969,273
<b>Fund balances (deficit), end of year</b>	\$ -	\$ 334,962	\$ 456,803	\$ -	\$ -	\$ 40,180	\$ 49,478	\$ (2,591)	\$ 1,133,262	\$ 2,012,094	\$ 2,109,427

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
SPECIAL REVENUE FUNDS – COMPACT**  
Combining Balance Sheet  
September 30, 1994

	Communications	Communications	Marine	Marine	Post	Health and	Special	Energy	Special	
	Annual	One Time	Surveillance	Surveillance	Secondary	Medical	Block Grant	Compact	Development	
<u>Assets</u>	<u>Section 215(a)2</u>	<u>Section 215(b)2</u>	<u>Section 216(a)1</u>	<u>Section 216(b)</u>	<u>Section 216(a)3</u>	<u>Section 216(a)2</u>	<u>Section 221(b)</u>	<u>Section 214</u>	<u>Fund</u>	<u>Totals</u>
Cash and equivalents	\$ 15,998	\$ 810	\$ (15,717)	\$ 55	\$ 20,316	\$ 1,239	\$ 788,741	\$ (231,893)	\$ 2,666	\$ 582,215
Investments	939,034	973,477	1,559,494	1,067,456	3,736,170	639,482	89,610	1,035,593	4,597	10,044,913
Due from other funds	-	-	-	-	-	-	-	-	33,443	33,443
Interest receivable	3,130	1,264	7,064	5,683	11,841	5,279	857	18,658	-	53,776
<b>Total assets</b>	<b>\$ 958,162</b>	<b>\$ 975,551</b>	<b>\$ 1,550,841</b>	<b>\$ 1,073,194</b>	<b>\$ 3,768,327</b>	<b>\$ 646,000</b>	<b>\$ 879,208</b>	<b>\$ 822,358</b>	<b>\$ 40,706</b>	<b>\$ 10,714,347</b>
<u>Liabilities and</u>										
<u>Fund Balances</u>										
<b>Liabilities:</b>										
Accounts payable	\$ -	\$ 275	\$ 36,174	\$ 92	\$ 20,500	\$ 1,476	\$ 11,573	\$ 6,157	\$ 40,706	\$ 116,953
Due to State governments	-	-	-	-	-	-	70,832	32,419	-	103,251
Due to other funds	922,162	692,151	1,195,104	870,743	3,303,376	142,847	133,989	455,083	-	7,715,455
Accrued payroll and others	-	-	-	-	-	-	144	-	-	144
<b>Total liabilities</b>	<b>922,162</b>	<b>692,426</b>	<b>1,231,278</b>	<b>870,835</b>	<b>3,323,876</b>	<b>144,323</b>	<b>216,538</b>	<b>493,659</b>	<b>40,706</b>	<b>7,935,808</b>
<b>Fund balances:</b>										
Reserved for encumbrances	-	-	202,064	34,182	-	41,908	294,531	46,731	-	619,416
Reserved for continuing appropriations	-	283,125	-	-	759,453	-	40,679	177,178	-	1,260,435
Unreserved	36,000	-	117,499	168,177	(315,002)	459,769	327,460	104,790	-	898,693
<b>Total fund balances</b>	<b>36,000</b>	<b>283,125</b>	<b>319,563</b>	<b>202,359</b>	<b>444,451</b>	<b>501,677</b>	<b>662,670</b>	<b>328,699</b>	<b>-</b>	<b>2,778,544</b>
<b>Total liabilities and fund balances</b>	<b>\$ 958,162</b>	<b>\$ 975,551</b>	<b>\$ 1,550,841</b>	<b>\$ 1,073,194</b>	<b>\$ 3,768,327</b>	<b>\$ 646,000</b>	<b>\$ 879,208</b>	<b>\$ 822,358</b>	<b>\$ 40,706</b>	<b>\$ 10,714,347</b>



**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
SPECIAL REVENUE FUNDS – COMPACT**  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended September 30, 1994

	Communications Annual Section 215(a)2	Communications One Time Section 215(b)2	Marine Surveillance Annual Section 216(a)1	Marine Surveillance One Time Section 216(b)	Post Secondary Education Section 216(a)3	Health and Medical Section 216(a)2	Special Block Grant Section 221(b)	Energy Compact Section 214	Special Development Fund	Totals
<b>Revenues:</b>										
<b>Compact grants:</b>										
Base amount	\$ 600,000	\$ -	\$ 519,000	-	\$ 1,889,700	\$ 125,980	\$ 315,000	\$ 200,100	\$ -	\$ 3,649,780
Inflation adjustment	264,000	-	-	-	-	-	-	88,044	-	352,044
<b>Total revenues</b>	<u>864,000</u>	<u>-</u>	<u>519,000</u>	<u>-</u>	<u>1,889,700</u>	<u>125,980</u>	<u>315,000</u>	<u>288,144</u>	<u>-</u>	<u>4,001,824</u>
<b>Expenditures:</b>										
Executive branch	-	21,312	558,871	43,347	1,448,902	30,910	607,419	465,836	-	3,176,597
<b>Total expenditures</b>	<u>-</u>	<u>21,312</u>	<u>558,871</u>	<u>43,347</u>	<u>1,448,902</u>	<u>30,910</u>	<u>607,419</u>	<u>465,836</u>	<u>-</u>	<u>3,176,597</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	864,000	(21,312)	(39,871)	(43,347)	440,798	95,070	(292,419)	(177,692)	-	825,227
<b>Other financing sources (uses):</b>										
Transfers out	(930,000)	-	-	-	(907,251)	-	-	-	-	(1,837,251)
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</b>	(66,000)	(21,312)	(39,871)	(43,347)	(466,453)	95,070	(292,419)	(177,692)	-	(1,012,024)
<b>Fund balances, beginning of year</b>	102,000	304,437	359,434	245,706	910,904	406,607	955,089	506,391	-	3,790,568
<b>Fund balances, end of year</b>	<u>\$ 36,000</u>	<u>\$ 283,125</u>	<u>\$ 319,563</u>	<u>\$ 202,359</u>	<u>\$ 444,451</u>	<u>\$ 501,677</u>	<u>\$ 662,670</u>	<u>\$ 328,699</u>	<u>\$ -</u>	<u>\$ 2,778,544</u>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
SPECIAL REVENUE FUNDS – COMPACT**  
Combining Statement of Revenues, Expenditures by Account and Changes in Fund Balances  
Year Ended September 30, 1994

	Communications	Communications	Marine	Marine	Post	Health and	Special	Energy	Special	
	Annual	One Time	Surveillance	Surveillance	Secondary	Medical	Block Grant	Compact	Development	
	Section 215(a)2	Section 215(b)2	Section 216(a)1	Section 216(b)	Section 216(a)3	Section 216(a)2	Section 221(b)	Section 214	Fund	Totals
<b>Revenues:</b>										
Compact grants :										
Base amount	\$ 600,000	\$ -	\$ 519,000	-	\$ 1,889,700	\$ 125,980	\$ 315,000	\$ 200,100	\$ -	\$ 3,649,780
Inflation adjustment	264,000	-	-	-	-	-	-	88,044	-	352,044
Total revenues	864,000	-	519,000	-	1,889,700	125,980	315,000	288,144	-	4,001,824
<b>Expenditures:</b>										
Personnel	-	-	513,486	-	-	-	88,474	-	-	601,960
Travel	-	-	1,606	2,200	-	2,470	138,571	-	-	144,847
Capital asset purchases	-	-	712	7,508	-	-	76,024	-	-	84,244
Contractual services, contributions and subsidies	-	21,312	-	33,639	-	12,136	9,236	-	-	76,323
Other	-	-	43,067	-	-	16,304	295,114	465,836	-	820,321
Scholarships	-	-	-	-	1,448,902	-	-	-	-	1,448,902
Total expenditures	-	21,312	558,871	43,347	1,448,902	30,910	607,419	465,836	-	3,176,597
<b>Excess (deficiency) of revenues over (under) expenditures</b>	864,000	(21,312)	(39,871)	(43,347)	440,798	95,070	(292,419)	(177,692)	-	825,227
<b>Other financing sources (uses):</b>										
Transfers out	(930,000)	-	-	-	(907,251)	-	-	-	-	(1,837,251)
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</b>	(66,000)	(21,312)	(39,871)	(43,347)	(466,453)	95,070	(292,419)	(177,692)	-	(1,012,024)
<b>Fund balances, beginning of year</b>	102,000	304,437	359,434	245,706	910,904	406,607	955,089	506,391	-	3,790,568
<b>Fund balances, end of year</b>	<u>\$ 36,000</u>	<u>\$ 283,125</u>	<u>\$ 319,563</u>	<u>\$ 202,359</u>	<u>\$ 444,451</u>	<u>\$ 501,677</u>	<u>\$ 662,670</u>	<u>\$ 328,699</u>	<u>\$ -</u>	<u>\$ 2,778,544</u>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
CAPITAL PROJECTS FUNDS  
SEPTEMBER 30, 1994**

The acquisition and construction of major capital facilities, other than those financed by proprietary and trust funds, are accounted for in the Capital Projects Funds. The Capital Projects Funds within the National Government are described below:

OTIA/TTPI Capital Projects Fund - This fund is used to account for the expenditures of construction grants from the Trust Territory Government or from the U.S. Department of the Interior, Office of Territorial and International Affairs. These grants originated from U.S. Congressional appropriations to the U. S. Department of the Interior.

CFSM Capital Projects Fund - This fund is used to account for the expenditure of appropriations from the Congress of the Federated States of Micronesia for improvement and betterment projects within the National Government.

Compact Capital Projects Fund - This fund is used to account for various capital projects funded by the Compact of Free Association with the United States, Title Two, Article I, Section 211.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
CAPITAL PROJECTS FUNDS**

Combining Balance Sheet

September 30, 1994

(With comparative totals as of September 30, 1993)

	Compact Capital Projects	OTIA/TTPI Capital Projects	CFSM Capital Projects	Totals	
				1994	1993
<u>Assets</u>					
Cash and equivalents	\$ 73,339	\$ —	\$ —	\$ 73,339	\$ 41,826
Investments	3,883,523	—	—	3,883,523	2,241,533
Equity investments	3,544,711	—	—	3,544,711	3,279,893
Receivables from TTPI / OTIA	—	513,009	—	513,009	396,610
Loan receivable, net	3,750,000	—	—	3,750,000	3,750,000
Advances	1,412	—	—	1,412	1,413
Interest and other receivables	27,888	—	—	27,888	22,320
Due from other funds	—	—	78,822	78,822	170,237
Total assets	<u>\$ 11,280,873</u>	<u>\$ 513,009</u>	<u>\$ 78,822</u>	<u>\$ 11,872,704</u>	<u>\$ 9,903,832</u>
<u>Liabilities and Fund Balances</u>					
Liabilities:					
Accounts payable	\$ 3,608	\$ 184,073	\$ —	\$ 187,681	\$ 188,472
Accrued payroll and others	—	—	—	—	1,441
Deferred revenues	—	75,358	—	75,358	75,358
Due to FSM State governments	34,455	—	—	34,455	34,457
Due to other funds	800,426	253,578	—	1,054,004	137,179
Total liabilities	<u>838,489</u>	<u>513,009</u>	<u>—</u>	<u>1,351,498</u>	<u>436,907</u>
Fund balances:					
Reserved for:					
Loans	3,750,000	—	—	3,750,000	3,750,000
Related assets	3,544,711	—	—	3,544,711	3,279,893
Encumbrances	252,062	5,042,579	—	5,294,641	4,576,018
Continuing appropriations	3,063,594	—	67,947	3,131,541	3,491,446
Unreserved	<u>(167,983)</u>	<u>(5,042,579)</u>	<u>10,875</u>	<u>(5,199,687)</u>	<u>(5,630,432)</u>
Total fund balances	<u>10,442,384</u>	<u>—</u>	<u>78,822</u>	<u>10,521,206</u>	<u>9,466,925</u>
Total liabilities and fund balances	<u>\$ 11,280,873</u>	<u>\$ 513,009</u>	<u>\$ 78,822</u>	<u>\$ 11,872,704</u>	<u>\$ 9,903,832</u>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
CAPITAL PROJECTS FUNDS**  
Combining Statement of Revenues, Expenditures And Changes in Fund Balances  
Year Ended September 30, 1994  
(With comparative totals for the year ended September 30, 1993)

	Compact Capital Projects	OTIA/TTPI Capital Projects	CFSM Capital Projects	Totals	
				1994	1993
<b>Revenues:</b>					
U.S. Department of the Interior grants \$	—	\$ 1,673,545	\$ —	\$ 1,673,545	\$ 1,037,517
Compact Capital grants:					
Base amount	4,913,520	—	—	4,913,520	6,375,000
Inflation adjustment	2,161,949	—	—	2,161,949	2,613,750
Total revenues	7,075,469	1,673,545	—	8,749,014	10,026,267
<b>Expenditures:</b>					
Executive branch	1,009,739	1,673,545	—	2,683,284	3,189,478
Total expenditures	1,009,739	1,673,545	—	2,683,284	3,189,478
Excess of revenues over expenditures	6,065,730	—	—	6,065,730	6,836,789
<b>Other financing sources (uses):</b>					
Equity investment income	—	—	—	—	279,893
Operating transfers out	(3,286,449)	—	—	(3,286,449)	(3,150,000)
Loans repayment	—	—	—	—	(1,100,000)
Interest expense	—	—	—	—	(48,125)
Total other financing sources (uses), net	(3,286,449)	—	—	(3,286,449)	(4,018,232)
Excess of revenues and other financing sources over expenditures and other financing uses	2,779,281	—	—	2,779,281	2,818,557
Fund balances, beginning of year	9,388,103	—	78,822	9,466,925	6,648,368
Equity contribution	(1,725,000)	—	—	(1,725,000)	—
Fund balances, end of year	\$ 10,442,384	\$ —	\$ 78,822	\$ 10,521,206	\$ 9,466,925

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
CAPITAL PROJECTS FUNDS**

Combining Statement of Revenues, Expenditures by Account And Changes in Fund Balances

Year Ended September 30, 1994

(With comparative totals for the year ended September 30, 1993)

	Compact Capital Projects	OTIA/TTPI Capital Projects	CFSM Capital Projects	Totals	
				1994	1993
<b>Revenues:</b>					
U.S. Department of the Interior grants	\$ —	\$ 1,673,545	\$ —	\$ 1,673,545	\$ 1,037,517
Compact Capital grants:					
Base amount	4,913,520	—	—	4,913,520	6,375,000
Inflation adjustment	2,161,949	—	—	2,161,949	2,613,750
<b>Total revenues</b>	<b>7,075,469</b>	<b>1,673,545</b>	<b>—</b>	<b>8,749,014</b>	<b>10,026,267</b>
<b>Expenditures:</b>					
Personnel	77,006	—	—	77,006	50,944
Travel	65,954	—	—	65,954	1,614
Capital asset purchases	17,481	—	—	17,481	4,500
Contractual services, contributions and subsidies	4,608	—	—	4,608	1,720,869
Other	718,798	—	—	718,798	259,949
Construction in progress	125,892	1,673,545	—	1,799,437	1,151,602
<b>Total expenditures</b>	<b>1,009,739</b>	<b>1,673,545</b>	<b>—</b>	<b>2,683,284</b>	<b>3,189,478</b>
<b>Excess of revenues over expenditures</b>	<b>6,065,730</b>	<b>—</b>	<b>—</b>	<b>6,065,730</b>	<b>6,836,789</b>
<b>Other financing sources (uses):</b>					
Equity investment income	—	—	—	—	279,893
Operating transfers out	(3,286,449)	—	—	(3,286,449)	(3,150,000)
Loans repayment	—	—	—	—	(1,100,000)
Interest expense	—	—	—	—	(48,125)
<b>Total other financing sources (uses), net</b>	<b>(3,286,449)</b>	<b>—</b>	<b>—</b>	<b>(3,286,449)</b>	<b>(4,018,232)</b>
<b>Excess of revenues and other financing sources over expenditures and other financing uses</b>	<b>2,779,281</b>	<b>—</b>	<b>—</b>	<b>2,779,281</b>	<b>2,818,557</b>
<b>Fund balances, beginning of year</b>	<b>9,388,103</b>	<b>—</b>	<b>78,822</b>	<b>9,466,925</b>	<b>6,648,368</b>
<b>Equity contribution</b>	<b>(1,725,000)</b>	<b>—</b>	<b>—</b>	<b>(1,725,000)</b>	<b>—</b>
<b>Fund balances, end of year</b>	<b>\$ 10,442,384</b>	<b>\$ —</b>	<b>\$ 78,822</b>	<b>\$ 10,521,206</b>	<b>\$ 9,466,925</b>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
COMPONENT UNITS  
SEPTEMBER 30, 1994**

Component units - proprietary funds are legally separate organizations for which the elected officials of the FSM National Government are financially accountable. Proprietary funds are used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the government's business and quasi-business activities - where net income and capital maintenance are measured - are accounted for through proprietary funds. The generally accepted accounting principles here are generally those applicable to similar businesses in the private sector; the measurement focus is on determination of net income, financial position and cash flows. The National Government's component units' - proprietary funds are described below:

FSM Coconut Development Authority was established by the FSM Congress to assist in the development and marketing of the copra industry within the Federated States of Micronesia.

FSM Telecommunications Corporation - The Telecommunications Corporation of the Federated States of Micronesia (the Corporation) was established by Chapter Two, Title 21 of the Code of the Federated States of Micronesia. By law, it is an independent government corporation. Its Board of Directors consist of appointees by the President and the Governors of each state. The Vice-President of the Federated States of Micronesia and the General Manager, who is the chief executive officer of the Corporation, are also members of the Board.

The purpose of the Corporation is to provide telecommunications services, except radio and television broadcasting, throughout the FSM and to points outside the FSM. The Corporation began operations on October 1, 1983. Funding of corporate operations is through charges for services and various governmental subsidies, including appropriations from the FSM Government.

FSM Development Bank - Under FSM law, the Bank is an independent government corporation. Its Board consists of appointees by the President of the FSM, with the advice and consent of the Congress. The debts and obligations of the Bank shall not be an obligation of the Government of the FSM except as specifically authorized by the President of the FSM and as enacted into law.

The FSM Development Bank began operations on October 1, 1980. The purpose of the Bank is to provide loans for the economic development of the FSM. Loans are offered at below market rates, currently limited to five percent.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
COMPONENT UNITS, CONTINUED  
SEPTEMBER 30, 1994**

FSM Development Bank, Continued

Funding for the Bank has come primarily from the FSM Congress, the prior Trust Territory Economic Development Loan Fund, and Section 111 (b)(1) of the Compact of Free Association.

National Fisheries Corporation - The National Fisheries Corporation was created on July 13, 1983 by FSM Public Law No. 3-14.



NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
COMPONENT UNITS – PROPRIETARY FUNDS  
Combining Balance Sheet  
September 30, 1994  
(With comparative totals as of September 30, 1993)

<u>Assets</u>	FSM Tele- Communication Corporation	FSM Development Bank	FSM Coconut Development Authority	National Fisheries Corporation	<u>Totals</u>	
					1994	1993
Cash and equivalents	\$ 6,777,983	\$ 3,862,114	\$ 235,211	\$ 937,001	\$ 11,812,309	\$ 14,671,536
Investments	910,114	11,105,836	—	—	12,015,950	28,096,236
Equity investments	—	1,000,000	—	2,001,985	3,001,985	—
General receivables, net	1,576,722	252,728	50,645	898,015	2,778,110	1,829,359
Loans receivables, net	—	10,846,394	—	116,206	10,962,600	21,023,748
Prepaid expenses	161,595	120,463	2,273	353,416	637,747	810,326
Deferred charges	—	—	—	—	—	4,445,675
Advances	6,418	—	10,790	43,775	60,983	57,147
Restricted assets	7,203,790	27,185,028	37,250	260,268	34,686,336	—
Inventory	376,803	—	201,183	—	577,986	294,001
Fixed assets, net	47,376,766	72,996	227,528	17,200,272	64,877,562	44,237,425
Total assets	<u>\$ 64,390,191</u>	<u>\$ 54,445,559</u>	<u>\$ 764,880</u>	<u>\$ 21,810,938</u>	<u>\$ 141,411,568</u>	<u>\$ 115,465,453</u>
<u>Liabilities and Fund Equity</u>						
Liabilities:						
Accounts payable	\$ 1,429,496	\$ 69,505	\$ 19,886	\$ 1,089,003	\$ 2,607,890	\$ 466,628
Accrued payroll and others	461,480	3,263,489	2,273	115,360	3,842,602	3,939,752
Deferred credits	33,305	—	—	—	33,305	—
Interest payable	—	—	—	965,238	965,238	737,689
Contract retention payable	1,356,008	—	—	—	1,356,008	—
Notes payable	38,669,275	—	—	13,169,280	51,838,555	43,106,761
Total liabilities	<u>41,949,564</u>	<u>3,332,994</u>	<u>22,159</u>	<u>15,338,881</u>	<u>60,643,598</u>	<u>48,250,830</u>
Fund equity:						
Contributed capital	7,047,164	22,938,835	646,616	9,507,210	40,139,825	54,492,291
Retained earnings (deficit)	15,393,463	28,173,730	96,105	(6,449,939)	37,213,359	12,722,332
Reserve for minority interest	—	—	—	3,414,786	3,414,786	—
Total fund equity	<u>22,440,627</u>	<u>51,112,565</u>	<u>742,721</u>	<u>6,472,057</u>	<u>80,767,970</u>	<u>67,214,623</u>
Total liabilities and fund equity	<u>\$ 64,390,191</u>	<u>\$ 54,445,559</u>	<u>\$ 764,880</u>	<u>\$ 21,810,938</u>	<u>\$ 141,411,568</u>	<u>\$ 115,465,453</u>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
COMPONENT UNITS – PROPRIETARY FUNDS**  
**Combining Statement of Revenues, Expenses and Changes in Fund Equity**  
**Year Ended September 30, 1994**  
**(With comparative totals for the year ended September 30, 1993)**

	FSM Tele- Communication Corporation	FSM Development Bank	FSM Coconut Development Authority	National Fisheries Corporation	Totals	
					1994	1993
Operating revenues:						
Charges for goods and services	\$ 7,549,811	\$ —	\$ 160,825	\$ 1,196,968	\$ 8,907,604	\$ 7,259,342
Rental income/interest income	—	1,989,633	—	—	1,989,633	1,785,326
Other	104,894	46,203	—	355,865	506,962	122,957
Total operating revenues	7,654,705	2,035,836	160,825	1,552,833	11,404,199	9,167,625
Operating expenses:						
Personnel services	2,083,739	589,360	46,435	482,328	3,201,862	727,750
Supplies and materials	83,495	15,798	10,786	7,291	117,370	30,879
Other	2,398,203	1,014,812	137,525	406,050	3,956,590	2,267,548
Depreciation	1,612,297	54,590	19,418	553,641	2,239,946	327,939
Cost of sales	—	—	185,040	1,064,101	1,249,141	7,585,946
Total operating expenses	6,177,734	1,674,560	399,204	2,513,411	10,764,909	10,940,062
Operating income (loss)	1,476,971	361,276	(238,379)	(960,578)	639,290	(1,772,437)
Nonoperating revenues (expenses) :						
Loss on equity in subsidiaries	—	—	—	—	—	(18,395)
Loss on guaranteed commitment	—	—	—	—	—	(3,571,022)
Transfers in	930,000	250,000	295,156	961,950	2,437,106	1,725,000
Miscellaneous	(81,678)	(260,868)	5,726	170,917	(165,903)	(449,784)
Interest income (expense)	(623,597)	—	—	111,485	(512,112)	500,174
Other expenses	—	—	—	(227,549)	(227,549)	—
Total nonoperating revenues (expense), net	224,725	(10,868)	300,882	1,016,803	1,531,542	(1,814,027)
Net income (loss)	1,701,696	350,408	62,503	56,225	2,170,832	(3,586,464)
Add depreciation on fixed assets acquired by grants that reduces contributed capital	—	—	—	376,450	376,450	189,702
Increase (decrease) in retained earnings(deficit)	1,701,696	350,408	62,503	432,675	2,547,282	(3,396,762)
Retained earnings (deficit), beginning of year	13,691,767	27,569,069	33,602	(6,744,746)	34,549,692	11,517,627
Increase in reserve for minority interest	—	—	—	(137,868)	(137,868)	—
Adjustment of retained earnings, beginning of year	—	254,253	—	—	254,253	4,601,467
Retained earnings (deficit), end of year	15,393,463	28,173,730	96,105	(6,449,939)	37,213,359	12,722,332
Contributed capital, beginning of year	7,015,564	16,938,835	646,616	6,149,359	30,750,374	54,044,923
Additions	31,600	6,000,000	—	3,734,301	9,765,901	2,521,680
Less depreciation on contributed fixed assets	—	—	—	(376,450)	(376,450)	(2,074,312)
Contributed capital, end of year	7,047,164	22,938,835	646,616	9,507,210	40,139,825	54,492,291
Total fund equity	\$ 22,440,627	\$ 51,112,565	\$ 742,721	\$ 3,057,271	\$ 77,353,184	\$ 67,214,623

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
COMPONENT UNITS – PROPRIETARY FUNDS  
Combining Statement of Cash Flows  
Year Ended September 30, 1994**

(With comparative totals for the year ended September 30, 1993)

	FSM Tele- Communication Corporation	FSM Development Bank	FSM Coconut Development Authority	National Fisheries Corporation	Totals	
					1994	1993
Increase (Decrease) in Cash and Equivalents:						
Cash flows from operating activities:						
Operating income (loss)	\$ 1,476,971	\$ 131,228	\$ (238,379)	\$ (960,578)	\$ 409,242	\$ (1,772,437)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation	1,612,297	54,590	19,418	553,641	2,239,946	1,879,314
Bad debts	-	164,567	-	-	164,567	1,783,596
Prior period adjustment	-	-	-	-	-	543,824
Others	(96,303)	152,108	5,726	-	61,531	-
	<u>2,992,965</u>	<u>502,493</u>	<u>(213,235)</u>	<u>(406,937)</u>	<u>2,875,286</u>	<u>2,434,297</u>
Change in assets and liabilities:						
Cash advances	3,886	-	-	-	3,886	1,105
Travel advances	-	-	(4,068)	(20,221)	(24,289)	36,177
Interest receivable	33,648	(195,197)	150	-	(161,399)	88,375
Accounts receivable trade	270,934	7,131	(20,155)	(874,070)	(616,160)	(495,043)
Unbilled accounts receivable	-	-	-	-	-	(27,577)
Accounts receivable other	(16,328)	-	-	66,104	49,776	176,260
Materials and supplies inventory	(245,784)	-	(13,416)	-	(259,200)	7,002
Inventory trade	-	-	(24,785)	-	(24,785)	(178,159)
Prepaid expenses	-	(114,359)	-	119,222	4,863	51,548
Accrued earnings	-	-	-	-	-	(167,241)
Deferred charges	-	-	-	-	-	(2,311,102)
Loans receivable	-	(2,999,276)	-	-	(2,999,276)	(8,945,799)
Accounts payable	1,274,847	(33,772)	1,470	913,179	2,155,724	1,824,515
Due from other funds	-	-	(1,062)	-	(1,062)	(1,211)
Accrued payroll	-	-	1,062	-	1,062	33,934
Accrued payroll taxes and benefits	-	-	-	-	-	94,943
Credit life insurance premium	-	-	-	-	-	(28,413)
Accrued leave payable	23,165	-	-	-	23,165	-
Deferred revenue	10,726	250,000	-	-	260,726	(12,580)
Accrued expenses, other	(1,463,221)	1,230,035	-	95,390	(137,796)	(133,248)
Deferred credits	-	-	-	-	-	(29,300)
	<u>(108,127)</u>	<u>(1,855,438)</u>	<u>(60,804)</u>	<u>299,604</u>	<u>(1,724,765)</u>	<u>(10,015,814)</u>
Net cash provided by (used for) operating activities	<u>2,884,838</u>	<u>(1,352,945)</u>	<u>(274,039)</u>	<u>(107,333)</u>	<u>1,150,521</u>	<u>(7,581,517)</u>

NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
COMPONENT UNITS – PROPRIETARY FUNDS  
Combining Statement of Cash Flows, Continued  
Year Ended September 30, 1994  
(With comparative totals for the year ended September 30, 1993)

	FSM Tele- Communication Corporation	FSM Development Bank	FSM Coconut Development Authority	National Fisheries Corporation	Totals	
					1994	1993
Cash flows from noncapital financing activities:						
CFSM appropriation received	930,000	250,000	295,156	961,950	2,437,106	921,000
Loan participations sold	-	538,985	-	-	538,985	-
Proceeds from borrowing	-	1,230,035	-	-	1,230,035	(150,000)
Contributed capital received and other funding	31,600	6,000,000	-	3,560,932	9,592,532	5,285,978
Net cash provided by noncapital financing activities	961,600	8,019,020	295,156	4,522,882	13,798,658	6,056,978
Cash flows from capital and related financing activities:						
Overstatement of fixed assets	-	-	-	-	-	(836,344)
Proceeds from note payable	1,668,587	-	-	4,211,815	5,880,402	14,595,523
Note repayments	-	-	-	-	-	(304,075)
Acquisition of fixed assets	(4,069,832)	(69,443)	(5,901)	(9,859,569)	(14,004,745)	(67,668)
Disposals of fixed assets	(62,862)	-	-	-	(62,862)	21,127
Project under construction	-	-	-	-	-	(13,268,269)
Plant in service additions	-	-	-	-	-	(2,354,768)
Interest expense	(1,086,463)	-	-	(69,887)	(1,156,350)	-
Restricted cash	(219,807)	-	-	(260,268)	(480,075)	-
Net cash used for capital and related financing activities	(3,770,377)	(69,443)	(5,901)	(5,977,909)	(9,823,630)	(2,214,474)
Cash flows from investing activities:						
Notes receivable	-	-	-	140,283	140,283	-
Investment in joint ventures	-	-	-	-	-	(670,731)
Investment in securities	-	(7,867,645)	-	-	(7,867,645)	1,123,505
Escrow fund	(308,028)	-	-	-	(308,028)	(152,825)
Interest income received	462,866	-	-	260,482	723,348	507,023
Cash provided by (used for) investing activities	154,838	(7,867,645)	-	400,765	(7,312,042)	806,972
Net increase (decrease) in cash and equivalents	230,899	(1,271,013)	15,216	(1,161,595)	(2,186,493)	(2,932,041)
Cash and equivalents, beginning of year	6,547,084	5,133,127	219,995	2,098,596	13,998,802	17,603,577
Cash and equivalents, end of year	\$ 6,777,983	\$ 3,862,114	\$ 235,211	\$ 937,001	\$ 11,812,309	\$ 14,671,536

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
EXPENDABLE TRUST FUNDS  
SEPTEMBER 30, 1994**

Expendable trust funds are used to account for assets held by a government unit in a trustee capacity for individuals, private organizations, or other governmental units, whose resources, including both principal and earnings, may be expended. Expendable trust funds are accounted for in essentially the same manner as governmental funds. The expendable trust funds which the National Government bears responsibility for at September 30, 1994, are as follows:

Health Insurance Fund - Employees of the Federated States of Micronesia contribute to the fund to provide for payment of certain eligible medical expenses. The State Governments of the FSM also pay in contributions to the Fund on behalf of State employee participants. This fund essentially operates as an insurer ultimately underwritten by the respective governments of the Federated States.

Student Loan Fund - The Fund was established through Congressional appropriations per Public Law 2-50 to assist in providing funds to eligible students pursuing college degrees. Loans are restricted to \$4,000 per annum and \$16,000 in total to an undergraduate (\$32,000 for a professional or graduate student). Loans bear interest at 4%. The standard loan term is ten years and nine months after the completion of school or the early withdrawal therefrom.

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
EXPENDABLE TRUST FUNDS  
Combining Balance Sheet  
September 30, 1994  
(With comparative totals as of September 30, 1993)**

<u>Assets</u>	Health Insurance Fund	Student Loan Fund	<u>Totals</u>	
			1994	1993
Cash and equivalents	\$ 1,042,043	\$ —	\$ 1,042,043	\$ 1,016,821
General receivables, net	1,013,562	—	1,013,562	399,150
Due from other funds	219,096	471,345	690,441	474,278
Loans receivable	—	1,606,953	1,606,953	1,606,953
Allowance for loan reserves	—	(1,606,953)	(1,606,953)	(1,606,953)
 Total assets	 <u>\$ 2,274,701</u>	 <u>\$ 471,345</u>	 <u>\$ 2,746,046</u>	 <u>\$ 1,890,249</u>

**Liabilities and Fund Balances**

<b>Liabilities:</b>				
Accounts payable	\$ 1,135,227	\$ —	\$ 1,135,227	\$ 697,517
Accrued payroll and others	—	—	—	3,080
 Total liabilities	 <u>1,135,227</u>	 <u>—</u>	 <u>1,135,227</u>	 <u>700,597</u>
 Fund balances reserved for benefits	 <u>1,139,474</u>	 <u>471,345</u>	 <u>1,610,819</u>	 <u>1,189,652</u>
 Total liabilities and fund balances	 <u>\$ 2,274,701</u>	 <u>\$ 471,345</u>	 <u>\$ 2,746,046</u>	 <u>\$ 1,890,249</u>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
EXPENDABLE TRUST FUNDS**  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Year Ended September 30, 1994  
(With comparative totals for the year ended September 30, 1993)

	Health Insurance Fund	Student Loan Fund	<u>Totals</u>	
			<u>1994</u>	<u>1993</u>
Revenues:				
Interest income	\$ 32,065	\$ —	\$ 32,065	\$ 416,391
Member's contributions	1,721,350	—	1,721,350	1,494,112
Loan repayments	<u>—</u>	<u>54,357</u>	<u>54,357</u>	<u>69,733</u>
Total revenues	<u>1,753,415</u>	<u>54,357</u>	<u>1,807,772</u>	<u>1,980,236</u>
Expenditures:				
Insurance claims	1,238,627	—	1,238,627	1,751,046
Administrative expense	<u>147,978</u>	<u>—</u>	<u>147,978</u>	<u>132,461</u>
Total expenditures	<u>1,386,605</u>	<u>—</u>	<u>1,386,605</u>	<u>1,883,507</u>
Excess of revenues over expenditures	366,810	54,357	421,167	96,729
Fund balances, beginning of year	<u>772,664</u>	<u>416,988</u>	<u>1,189,652</u>	<u>1,092,923</u>
Fund balances, end of year	<u>\$ 1,139,474</u>	<u>\$ 471,345</u>	<u>\$ 1,610,819</u>	<u>\$ 1,189,652</u>

**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA  
INDEPENDENT AUDITORS' REPORTS ON  
COMPLIANCE WITH LAWS AND REGULATIONS  
YEAR ENDED SEPTEMBER 30, 1994**





**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE**  
**BASED ON AN AUDIT OF GENERAL-PURPOSE FINANCIAL STATEMENTS**  
**PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Bailey Olter  
President  
Federated States of Micronesia:

We have audited the general-purpose financial statements of the Federated States of Micronesia (FSM) National Government as of and for the year ended September 30, 1994, and have issued our report thereon dated January 31, 1995. Our report on the audit of the general-purpose financial statements was modified due to our inability to determine the proprietary of fixed assets of the Component Units - Higher Education Fund or of investments of the Component Units - Proprietary Funds.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the FSM National Government is the responsibility of the FSM National Government's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the FSM National Government's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general-purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under Government Auditing Standards.

We noted certain immaterial instances of noncompliance that we have reported to the management of the FSM National Government, which are described in the accompanying Schedule of Findings and Questioned Costs (pages 187 through 238) in Federal Findings 1-3 and Local Findings 1-4.

This report is intended for the information of the FSM National Government and the cognizant audit and other federal agencies. However, this report is a matter of public record and its distribution is not limited.

*Deloitte & Touche*

January 31, 1995



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE**  
**WITH SPECIFIC REQUIREMENTS APPLICABLE**  
**TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

Honorable Bailey Olter  
President  
Federated States of Micronesia:

We have audited the general-purpose financial statements of the Federated States of Micronesia (FSM) National Government as of and for the year ended September 30, 1994, and have issued our report thereon dated January 31, 1995. Our report on the audit of the general-purpose financial statements was modified due to our inability to determine the propriety of fixed assets of the Component Units - Higher Education Fund or of investments of the Component Units - Proprietary Funds.

We have also audited the FSM National Government's compliance with the requirements governing the Compact of Free Association and monitoring subrecipients that are applicable to its one major federal financial assistance program, which is identified in the accompanying Schedule of Federal Financial Assistance (pages 88 through 177), for the year ended September 30, 1994. The management of the FSM National Government is responsible for the FSM National Government's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with these requirements in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the FSM National Government's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying Schedule of Findings and Questioned Costs (pages 187 through 238) in Federal Finding No. 1. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, the FSM National Government complied, in all material respects, with the requirements governing the Compact of Free Association that are applicable to its major federal financial assistance program for the year ended September 30, 1994.

This report is intended for the information of the FSM National Government and the cognizant audit and other federal agencies. However, this report is a matter of public record and its distribution is not limited.

*Deloitte & Touche*

January 31, 1995



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
WITH THE GENERAL REQUIREMENTS APPLICABLE TO  
FEDERAL FINANCIAL ASSISTANCE**

Honorable Bailey Olter  
President  
Federated States of Micronesia:

We have audited the general-purpose financial statements of the Federated States of Micronesia (FSM) National Government as of and for the year ended September 30, 1994, and have issued our report thereon dated January 31, 1995. Our report on the audit of the general-purpose financial statements was modified due to our inability to determine the proprietary of fixed assets of the Component Units - Higher Education Fund or of investments of the Component Units - Proprietary Funds. We have also audited the FSM National Government's compliance applicable to requirements of major federal financial assistance programs and have issued our report thereon dated January 31, 1995.

We have applied procedures to test the FSM National Government's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance (pages 88 through 177), for the year ended September 30, 1994: cash management, federal financial reports, allowable costs/cost principles, Drug-Free Workplace Act, and administrative requirements.

The requirements of political activity, Davis-Bacon Act, civil rights, and relocation assistance and real property acquisition are not applicable to the federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance.

Our procedures were limited to the applicable procedures described in Office of Management and Budget's Compliance Supplement for Single Audits of State and Local Governments. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the FSM National Government's compliance with the requirements listed in the second paragraph of this report. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the FSM National Government had not complied, in all material respects, with those requirements. However, the results of our procedures disclosed immaterial instances of noncompliance with those requirements, which are described in the accompanying Schedule of Findings and Questioned Costs (pages 187 through 238) in Federal Finding No. 3.

We also noted matters involving compliance with laws and regulations related to our audit of the general-purpose financial statements and with requirements related to major and nonmajor federal financial assistance programs which we reported to the management of the FSM National Government in our reports dated January 31, 1995.

This report is intended for the information of the FSM National Government and the cognizant audit and other federal agencies. However, this report is a matter of public record and its distribution is not limited.

*Deloitte & Touche*

January 31, 1995



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE**  
**WITH REQUIREMENTS APPLICABLE TO NONMAJOR**  
**FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS**

Honorable Bailey Olter  
President  
Federated States of Micronesia:

We have audited the general-purpose financial statements of the Federated States of Micronesia (FSM) National Government as of and for the year ended September 30, 1994, and have issued our report thereon dated January 31, 1995. Our report on the audit of the general-purpose financial statements was modified due to our inability to determine the proprietary of fixed assets of the Component Units - Higher Education Fund or of investments of the Component Units - Proprietary Funds. We have also audited the FSM National Government's compliance applicable to requirements of major federal financial assistance programs and applied procedures to test compliance with general requirements applicable to federal financial assistance programs and have issued our reports thereon dated January 31, 1995.

In connection with our audit of the 1994 general-purpose financial statements of the FSM National Government and with our consideration of the FSM National Government's control structure used to administer federal financial assistance programs, and assessment of control risk as required by Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments", we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended September 30, 1994.

As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting and monitoring subrecipients that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the FSM National Government's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, except as described in the accompanying Schedule of Findings and Questioned Costs (pages 187 through 238) in the subrecipient findings concerning monitoring of subrecipients set forth in pages 194 to 238, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, except as described in the preceding sentence, nothing came to our attention that caused us to believe that the FSM National Government had not complied, in all material respects, with those requirements. The results of our procedures also disclosed an immaterial instance of noncompliance with those requirements, which is also described in the accompanying Schedule of Findings and Questioned Costs in Federal Finding No. 2.

This report is intended for the information of the FSM National Government and the cognizant audit and other federal agencies. However, this report is a matter of public record and its distribution is not limited.

*Deloitte + Touche*

January 31, 1995





**INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL  
STRUCTURE USED IN ADMINISTERING  
FEDERAL FINANCIAL ASSISTANCE**

Honorable Bailey Olter  
President  
Federated States of Micronesia:

We have audited the general-purpose financial statements of the Federated States of Micronesia (FSM) National Government as of and for the year ended September 30, 1994, and have issued our report thereon dated January 31, 1995. Our report on the audit of the general-purpose financial statements was modified due to our inability to determine the proprietary of fixed assets of the Component Units - Higher Education Fund or of investments of the Component Units - Proprietary Funds. We have also audited the FSM National Government's compliance with requirements applicable to major federal financial assistance programs and have issued our report thereon dated January 31, 1995.

We conducted our audits in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular A-128 require that we plan and perform the audits to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement and about whether the FSM National Government complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended September 30, 1994, we considered the FSM National Government's internal control structure and assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinions on the FSM National Government's general-purpose financial statements and on its compliance with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general-purpose financial statements in a separate report dated January 31, 1995.

The management of the FSM National Government is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general-purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Controls Used in Administering Federal Programs

General Requirements

- Cash management
- Federal financial reports
- Allowable costs/cost principles
- Drug-Free Workplace Act
- Administrative requirements

Specific Requirements

- Compact of Free Association
- Types of services allowed or unallowed
- Eligibility
- Matching, level of effort, or earmarking
- Reporting
- Monitoring subrecipients

Claims for Advances and Reimbursements

Amounts Claimed or Used for Matching

Accounting Controls

- Revenue and receipt cycle
- Purchases and disbursement cycle
- Payroll and personnel cycle
- External financial reporting

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended September 30, 1994, the FSM National Government expended 81.9% of its total federal financial assistance under one major federal financial assistance program listed on page 185.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements and general requirements that are applicable to the FSM National Government's one major federal financial assistance program, which is identified in the accompanying Schedule of Federal Financial Assistance (pages 88 through 177). Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. These matters are set forth in Federal Findings 1-3 and in the monitoring of subrecipient findings set forth on pages 194 to 238. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the FSM National Government's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe none of the reportable conditions described above is a material weakness.

We also noted matters involving the internal control structure and its operation based on our audit of the general-purpose financial statements which we reported to the management of the FSM National Government in a report dated January 31, 1995.

This report is intended for the information of the FSM National Government and the cognizant audit and other federal agencies. However, this report is a matter of public record and its distribution is not limited.

*Deloitte & Touche*

January 31, 1995



**INDEPENDENT AUDITORS' REPORT ON THE SUPPLEMENTARY  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

Honorable Bailey Olter  
President  
Federated States of Micronesia:

We have audited the general-purpose financial statements of the Federated States of Micronesia (FSM) National Government as of and for the year ended September 30, 1994, and have issued our report thereon dated January 31, 1995. Our report on the audit of the general-purpose financial statements was modified due to our inability to determine the propriety of fixed assets of the Component Units - Higher Education Fund or of investments of the Component Units - Proprietary Funds. These general-purpose financial statements are the responsibility of the FSM National Government's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements of the FSM National Government taken as a whole. The accompanying Schedule of Federal Financial Assistance (pages 88 through 177) for the year ended September 30, 1994, which is also the responsibility of the management of the FSM National Government, is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.

This report is intended for the information of the FSM National Government and the cognizant audit and other federal agencies. However, this report is a matter of public record and its distribution is not limited.

*DeLoe, He & Touche*

January 31, 1995

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Department of Education									
	84.151		Consolidated Grant M00860890F:						
		3001	Yap	\$ 505,726	\$ 506,049	\$ -	\$ -	\$ 506,049	\$ (323)
		3003	Kosrae	370,085	330,089	-	-	330,089	39,996
		3005	Pohnpei	744,429	545,048	-	-	545,048	199,381
		3006	Pohnpei	608,641	408,505	-	-	408,505	200,136
		3007	Chuuk	2,649,424	1,671,973	-	-	1,671,973	977,451
		3009	National Government	60,848	57,076	-	-	57,076	3,772
			Program Total	4,939,153	3,518,740	-	-	3,518,740	1,420,413
	84.161		Client Assistance '87 F00878196X:						
		3011	Yap	800	199	-	-	199	601
		3012	Kosrae	3,074	2,442	-	-	2,442	632
		3013	Chuuk	800	-	-	-	-	800
		3014	Pohnpei	800	180	-	-	180	620
		3015	National Government	3,525	2,696	-	-	2,696	829
			Unalloted	4,725	-	-	-	-	4,725
			Program Total	13,724	5,517	-	-	5,517	8,207
	84.126		Vocational Rehab '87 E008740960:						
		3017	Yap	100,615	92,196	-	-	92,196	8,419
		3018	Kosrae	79,502	63,155	-	-	63,155	16,347
		3019	Pohnpei	36,015	8,837	-	-	8,837	27,178
		3020	Chuuk	272,355	154,664	-	-	154,664	117,691
		3021	National Government	28,018	28,018	-	-	28,018	-
		3022	Pohnpei	88,067	18,765	-	-	18,765	69,302
			Unalloted	319,636	-	-	-	-	319,636
			Program Total	924,208	365,635	-	-	365,635	558,573
			Balance forward	5,877,085	3,889,892	-	-	3,889,892	1,987,193

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED**  
**BY GRANTOR**  
**YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Education balance forwarded				\$ 5,877,085	\$ 3,889,892	\$ -	\$ -	\$ 3,889,892	\$ 1,987,193
	84.161		Client Assistance '88 H161A83960:						
		3027	Yap	1,208	100	-	-	100	1,108
		3028	Kosrae	3,502	1,015	-	-	1,015	2,487
		3029	Pohnpei	2,358	95	-	-	95	2,263
		3030	Chuuk	1,282	314	-	-	314	968
		3031	National Government	7,650	1,815	-	-	1,815	5,835
			Program Total	16,000	3,339	-	-	3,339	12,661
	84.124		Teacher Training '87 W008600007:						
		3056	Yap	59,659	55,714	-	-	55,714	3,945
		3057	Kosrae	64,559	61,663	-	-	61,663	2,896
		3058	Pohnpei	138,368	132,067	-	-	132,067	6,301
		3059	Chuuk	254,120	99,905	-	-	99,905	154,215
		3060	National Government	2,110	-	-	-	-	2,110
			Program Total	518,816	349,349	-	-	349,349	169,467
	84.124		Teacher Training '88 G008710702:						
		3072	Yap	48,546	43,560	-	-	43,560	4,986
		3073	Kosrae	125,711	126,190	-	-	126,190	(479)
		3074	Pohnpei	109,997	111,103	-	-	111,103	(1,106)
		3075	Chuuk	214,756	239,136	-	-	239,136	(24,380)
		3076	National Government	20,990	16,144	-	-	16,144	4,846
			Program Total	520,000	536,133	-	-	536,133	(16,133)
			Balance forward	6,931,901	4,778,713	-	-	4,778,713	2,153,188

See accompanying notes to schedule of federal financial assistance.



**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Education balance forwarded				\$ 6,931,901	\$ 4,778,713	\$ -	\$ -	\$ 4,778,713	\$ 2,153,188
	84.151		Consolidated Grant H00850890F:						
		3033	Yap	51,022	50,076	-	-	50,076	946
		3034	Yap	71,852	42,238	-	-	42,238	29,614
		3035	Yap	7,885	7,870	-	-	7,870	15
		3036	Yap	2,736	2,466	-	-	2,466	270
		3037	Yap	4,162	3,300	-	-	3,300	862
		3038	Kosrae	10,000	-	-	-	-	10,000
		3039	Kosrae	8,489	(2,625)	-	-	(2,625)	11,114
		3040	Kosrae	24,636	15,888	-	-	15,888	8,748
		3041	Kosrae	3,068	2,289	-	-	2,289	779
		3042	Pohnpei	5,000	-	-	-	-	5,000
		3043	Pohnpei	245,559	80,383	-	-	80,383	165,176
		3044	Pohnpei	395,821	165,639	-	-	165,639	230,182
		3045	Pohnpei	43,365	20,383	-	-	20,383	22,982
		3046	Pohnpei	2,136	2,136	-	-	2,136	-
		3047	Pohnpei	7,563	-	-	-	-	7,563
		3048	Chuuk	303,690	27,322	-	-	27,322	276,368
		3049	Chuuk	312,645	312,645	-	-	312,645	-
		3050	Chuuk	2,000	-	-	-	-	2,000
		3051	Chuuk	9,052	2,440	-	-	2,440	6,612
		3052	National Government	1,027	-	-	-	-	1,027
		3053	National Government	208	-	-	-	-	208
		3054	National Government	10,000	10,000	-	-	10,000	-
			Program Total	1,521,916	742,450	-	-	742,450	779,466
			Balance forward	8,453,817	5,521,163	-	-	5,521,163	2,932,654

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED**  
**BY GRANTOR**  
**YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Education balance forwarded				\$ 8,453,817	\$ 5,521,163	\$ -	\$ -	\$ 5,521,163	\$ 2,932,654
Consolidated Grant M00860890F:									
84.151	3062	Yap	46,465	47,605	-	-	47,605	(1,140)	
	3063	Kosrae	268	(210)	-	-	(210)	478	
	3064	Kosrae	62,278	43,954	-	-	43,954	18,324	
	3065	Pohnpei	124,360	141,888	-	-	141,888	(17,528)	
	3066	Pohnpei	6,423	-	-	-	-	6,423	
	3067	Pohnpei	207,224	210,555	-	-	210,555	(3,331)	
	3068	Pohnpei	9,666	-	-	-	-	9,666	
	3069	Pohnpei	20,000	15,052	-	-	15,052	4,948	
	3070	Chuuk	238,055	238,054	-	-	238,054	1	
	3061	Chuuk	377,827	258,843	-	-	258,843	118,984	
	3077	Chuuk	9,052	-	-	-	-	9,052	
	3078	National Government	20,829	14,559	-	-	14,559	6,270	
	3079	National Government	90,000	90,000	-	-	90,000	-	
Program Total			1,212,447	1,060,300	-	-	1,060,300	152,147	
HCEEP – G008609001:									
84.024	3023	Yap	68,160	55,031	-	-	55,031	13,129	
		Unalloted	5,078	-	-	-	-	5,078	
Program Total			73,238	55,031	-	-	55,031	18,207	
Balance forward			9,739,502	6,636,494	-	-	6,636,494	3,103,008	

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures	
						Subrecipient	National Government			
U.S. Federal Direct Assistance Fund										
U.S. Dept. of Education balance forwarded				\$ 9,739,502	\$ 6,636,494	\$ —	\$ —	\$ 6,636,494	\$ 3,103,008	
84.126			Vocational Rehab '88 H126A81960:							
	3081		Yap	22,082	24,086	—	—	24,086	(2,004)	
	3082		Yap	43,920	45,928	—	—	45,928	(2,008)	
	3083		Kosrae	31,760	39,621	—	—	39,621	(7,861)	
	3084		Kosrae	48,160	56,305	—	—	56,305	(8,145)	
	3085		Pohnpei	36,660	34,438	—	—	34,438	2,222	
	3086		Pohnpei	67,340	52,534	—	—	52,534	14,806	
	3087		Chuuk	68,625	71,612	—	—	71,612	(2,987)	
	3088		Chuuk	164,219	159,959	—	—	159,959	4,260	
	3089		National Government	80,000	65,502	—	—	65,502	14,498	
			Unalloted	15,828	—	—	—	—	15,828	
			Program Total	578,594	549,985	—	—	549,985	28,609	
	84.998			Educational Transition M00870890F:						
		3100		Yap	423,188	359,860	—	—	359,860	63,328
		3100		Yap	365,169	326,234	—	—	326,234	38,935
		3102		Yap	22,711	19,358	—	—	19,358	3,353
		3103		Kosrae	527,531	468,220	—	—	468,220	59,311
		3104		Pohnpei	1,130,279	1,000,440	—	—	1,000,440	129,839
		3105		Pohnpei	768,205	695,103	—	—	695,103	73,102
		3106		Chuuk	2,390,635	2,214,960	—	—	2,214,960	175,675
3107			Chuuk	1,278,255	1,233,250	—	—	1,233,250	45,005	
3108			National Government	459,893	257,533	—	—	257,533	202,360	
3109			Yap	30,000	17,996	—	—	17,996	12,004	
3110			Pohnpei	30,000	22,510	—	—	22,510	7,490	
		Program Total	7,425,866	6,615,464	—	—	6,615,464	810,402		
		Balance forward	17,743,962	13,801,943	—	—	13,801,943	3,942,019		

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Education balance forwarded				\$ 17,743,962	\$ 13,801,943	\$ -	\$ -	\$ 13,801,943	\$ 3,942,019
	84.151		88 Consolidated Grant 89/90						
		3111	Unallotted	18,000	-	-	-	-	18,000
		3112	Yap	214,860	209,087	-	-	209,087	5,773
		3113	Yap	307,786	267,042	-	-	267,042	40,744
		3115	Kosrae	341,315	222,695	-	-	222,695	118,620
		3116	Pohnpei	720,198	685,344	-	-	685,344	34,854
		3117	Pohnpei	531,247	540,060	-	-	540,060	(8,813)
		3118	Chuuk	1,674,565	1,597,168	480	-	1,597,648	76,917
		3119	Chuuk	771,497	585,460	-	-	585,460	186,037
		3120	National Government	199,947	164,180	-	-	164,180	35,767
			Program Total	4,779,415	4,271,036	480	-	4,271,516	507,899
	84.124		89 Teacher Training						
		3135	Yap	32,364	18,707	-	-	18,707	13,657
		3136	Kosrae	85,381	41,788	-	-	41,788	43,593
		3137	Pohnpei	74,872	-	-	-	-	74,872
		3138	Chuuk	143,170	180,649	-	-	180,649	(37,479)
		3139	National Government	11,213	8,695	-	-	8,695	2,518
			Program Total	347,000	249,839	-	-	249,839	97,161
	84.998		89 Chap. I & Chap. II						
		3146	National Government	146,004	139,944	-	-	139,944	6,060
		3147	Chuuk	1,176,415	1,084,297	882	-	1,085,179	91,236
		3147	Yap	187,602	179,216	-	-	179,216	8,386
		3147	Pohnpei	507,418	532,402	-	-	532,402	(24,984)
		3148	Chuuk	332,935	232,477	-	-	232,477	100,458
		3148	Yap	107,206	93,561	-	-	93,561	13,645
		3148	Pohnpei	336,565	275,455	-	-	275,455	61,110
		3148	Kosrae	216,629	199,012	-	-	199,012	17,617
			Program Total	3,010,774	2,736,364	882	-	2,737,246	273,528
			Balance forward	25,881,151	21,059,182	1,362	-	21,060,544	4,820,607

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Education balance forwarded				\$ 25,881,151	\$ 21,059,182	\$ 1,362	\$ -	\$ 21,060,544	\$ 4,820,607
	84.124		92 Teacher Training R124A20001						
		3002	National Government	13,025	6,058	-	4,875	10,933	2,092
		3025	Pohnpei	62,127	62,127	-	-	62,127	-
		3025	Chuuk	64,744	48,179	15,891	-	64,070	674
		3025	Yap	57,727	56,386	-	-	56,386	1,341
		3025	Kosrae	53,885	41,064	-	-	41,064	12,821
			Program Total	251,508	213,814	15,891	4,875	234,580	16,928
	84.027		93 Special Education H027A30009						
		7731	National Government	398,469	155,396	-	205,437	360,833	37,636
		7732	Pohnpei	1,187,041	639,745	474,040	-	1,113,785	73,256
		7732	Chuuk	1,301,430	361,510	520,100	-	881,610	419,820
		7732	Yap	491,683	28,407	183,341	-	211,748	279,935
		7732	Kosrae	606,074	306,198	237,491	-	543,689	62,385
			Program Total	3,984,697	1,491,256	1,414,972	205,437	3,111,665	873,032
	84.027		94 Special Education H027A40007						
		7741	Unallotted	678,369	-	-	-	-	678,369
		7742	National Government	367,632	-	-	121,690	121,690	245,942
		7743	Pohnpei	1,116,000	-	417,255	-	417,255	698,745
		7743	Chuuk	1,336,476	-	177,261	-	177,261	1,159,215
		7743	Kosrae	640,750	-	119,826	-	119,826	520,924
			Program Total	4,139,227	-	714,342	121,690	836,032	3,303,195
			Balance forward	34,256,583	22,764,252	2,146,567	332,002	25,242,821	9,013,762

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Education balance forwarded				\$ 34,256,583	\$ 22,764,252	\$ 2,146,567	\$ 332,002	\$ 25,242,821	\$ 9,013,762
	84.002		93 Adult Education V002A30001						
		7737	National Government	100,000	4,413	—	52,752	57,165	42,835
	84.002		94 Adult Education V002A40002						
		7739	National Government	100,000	—	—	20,589	20,589	79,411
	84.002		95 Adult Education V002A40057						
		7727	Unallotted	100,000	—	—	—	—	100,000
	84.124		93 Teacher Training R124A20001—93						
		7745	National Government	13,389	—	—	9,141	9,141	4,248
		7746	Pohnpei	58,135	—	57,410	—	57,410	725
		7746	Chuuk	66,810	—	61,882	—	61,882	4,928
		7746	Yap	54,424	—	54,072	—	54,072	352
		7746	Kosrae	54,750	—	51,938	—	51,938	2,812
			Program Total	247,508	—	225,302	9,141	234,443	13,065
	84.185		Robert C. Byrd Scholarship P185A40059						
		7748	National Government	15,000	—	—	15,000	15,000	—
	84.256	N/A	FY94 TFAS						
			Kosrae	—	—	210,162	—	210,162	(210,162)
			Chuuk	—	—	217,793	—	217,793	(217,793)
			Yap	—	—	121,655	—	121,655	(121,655)
				—	—	549,610	—	549,610	(549,610)
Total U.S. Dept. of Education				\$ 34,819,091	\$ 22,768,665	\$ 2,921,479	\$ 429,484	\$ 26,119,628	\$ 8,699,463

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Housing and Urban Development	14.219		CDBG:						
			80/B-80-ST-64-0001						
			81/B-81-ST-64-0001						
			82/B-82-ST-64-0001						
			83/B-83-ST-64-0001						
			84/B-84-ST-64-0001						
			85/B-85-ST-64-0001						
			86/B-86-ST-64-0001						
			87/B-87-ST-64-0001						
			88/B-88-ST-64-0001						
			89/B-89-ST-64-0001						
			Kosrae	\$ 729,313	\$ 662,847	\$ -	\$ -	\$ 662,847	\$ 66,466
			Pohnpei	1,048,783	893,658	-	-	893,658	155,125
			Chuuk	899,663	884,854	-	-	884,854	14,809
			Yap	548,308	448,756	-	-	448,756	99,552
		3151	National Government	61,905	57,204	-	-	57,204	4,701
		3160	National Government	3,880	3,780	-	-	3,780	100
		3172	National Government	2,539	1,104	-	-	1,104	1,435
		3195	National Government	2,775	2,775	-	-	2,775	-
		3196	National Government	2,186	2,093	-	-	2,093	93
		3360	National Government	68,600	54,789	-	-	54,789	13,811
		3398	National Government	22,410	6,351	-	-	6,351	16,059
		3359	Chuuk	50,653	-	-	-	-	50,653
		3369	Chuuk	22,875	-	-	-	-	22,875
		3368	Pohnpei	86,000	9,509	-	-	9,509	76,491
			Total U.S. Dept. of Housing and Urban Development	\$ 3,549,890	\$ 3,027,720	\$ -	\$ -	\$ 3,027,720	\$ 522,170

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Labor	17.250		JTPA '87 N00 #64-04						
		3201	Yap	\$ 149,160	\$ 149,160	\$ -	\$ -	\$ 149,160	\$ -
		3202	Kosrae	90,625	76,399	-	-	76,399	14,226
		3203	Pohnpei	404,477	358,013	-	-	358,013	46,464
		3204	Chuuk	688,016	679,344	-	-	679,344	8,672
		3205	National Government	89,093	74,743	-	-	74,743	14,350
		3217	Kosrae	106,911	67,623	-	-	67,623	39,288
		3233	National Government	27,734	21,039	-	-	21,039	6,695
		3233	National Government	114,814	113,420	-	-	113,420	1,394
		3224	Yap	5,113	2,838	-	-	2,838	2,275
		3225	Kosrae	15,003	14,561	-	-	14,561	442
		3226	Pohnpei	13,867	-	-	-	-	13,867
		3227	National Government	23,587	18,204	-	-	18,204	5,383
		3284	National Government	8,195	7,300	-	-	7,300	895
		3285	Pohnpei	30,811	29,201	-	-	29,201	1,610
		3286	Kosrae	14,450	4,574	-	-	4,574	9,876
			Program Total	1,781,856	1,616,419	-	-	1,616,419	165,437
	17.250		64-01/64-02/64-03/04 JTPA 87/Tech Assist						
		3217	National Government	106,911	627	-	-	627	106,284
		3208	Kosrae	21,099	16,335	-	-	16,335	4,764
		3209	Pohnpei	64,335	62,435	-	-	62,435	1,900
		3210	Chuuk	95,158	63,560	-	-	63,560	31,598
		3211	National Government	23,776	18,202	-	-	18,202	5,574
			Unallotted	6,599	-	-	-	-	6,599
			Program Total	317,878	161,159	-	-	161,159	156,719
			Balance forward	2,099,734	1,777,578	-	-	1,777,578	322,156

See accompanying notes to schedule of federal financial assistance.



**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subreceptient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Labor balance forwarded:				\$ 2,099,734	\$ 1,777,578	\$ -	\$ -	\$ 1,777,578	\$ 322,156
Title V SCSEP '88									
17.235 99-8-3409-11-063-02:									
	3229		Yap	25,258	30,870	-	-	30,870	(5,612)
	3230		Kosrae	14,561	17,419	-	-	17,419	(2,858)
	3231		Pohnpei	53,812	52,216	-	-	52,216	1,596
	3232		Chuuk	45,976	16,155	-	-	16,155	29,821
	3223		National Government	22,202	17,875	-	-	17,875	4,327
			Unalloted	8,972	-	-	-	-	8,972
Program Total				170,781	134,535	-	-	134,535	36,246
17.250 JTPA '88									
N00 #64-05:									
	3235		Yap	17,209	16,979	-	-	16,979	230
	3236		Yap	97,521	96,015	-	-	96,015	1,506
	3239		Kosrae	11,783	22,553	-	-	22,553	(10,770)
	3240		Kosrae	66,771	84,991	-	-	84,991	(18,220)
	3241		Kosrae	11,353	12,778	-	-	12,778	(1,425)
	3243		National Government	66,256	63,427	-	-	63,427	2,829
	3244		Pohnpei	46,667	26,766	-	-	26,766	19,901
	3245		Pohnpei	264,445	38,707	-	-	38,707	225,738
	3246		Pohnpei	24,209	24,092	-	-	24,092	117
	3248		Chuuk	79,380	79,275	-	-	79,275	105
	3249		Chuuk	449,823	26,766	-	-	26,766	423,057
	3254		National Government	84,808	84,724	-	-	84,724	84
	3255		National Government	4,192	1,618	-	-	1,618	2,574
	3256		National Government	79,508	74,050	-	-	74,050	5,458
	3257		National Government	21,202	19,228	-	-	19,228	1,974
Program Total				1,325,127	671,969	-	-	671,969	653,158
Balance forward				3,595,642	2,584,082	-	-	2,584,082	1,011,560

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Labor balance forwarded:				\$ 3,595,642	\$ 2,584,082	\$ —	\$ —	\$ 2,584,082	\$ 1,011,560
17.250 99-9-3409Title IV: JTPA '89									
	3260		Yap	13,597	8,053	—	—	8,053	5,544
	3260		Kosrae	12,256	10,646	—	—	10,646	1,610
	3260		Pohnpei	48,010	51,994	—	—	51,994	(3,984)
	3264		National Government	11,528	10,289	—	—	10,289	1,239
			Program Total	85,391	80,982	—	—	80,982	4,409
17.250 64-07/64-08/64-09 JTPA '89									
	3265		Yap	64	24	—	—	24	40
	3266		Yap	16,590	22,667	—	—	22,667	(6,077)
	3267		Yap	56,408	49,502	—	—	49,502	6,906
	3268		Yap	42,443	42,443	—	—	42,443	0
	3269		Kosrae	11,856	12,050	—	—	12,050	(194)
	3270		Kosrae	38,623	47,408	—	—	47,408	(8,785)
	3271		Kosrae	28,563	17,483	—	—	17,483	11,080
	3272		Pohnpei	45,527	62,884	—	—	62,884	(17,357)
	3273		Pohnpei	152,962	144,048	—	—	144,048	8,914
	3274		Pohnpei	115,099	189,070	—	—	189,070	(73,971)
	3275		Chuuk	79,872	89,751	—	—	89,751	(9,879)
	3276		Chuuk	260,187	245,136	—	—	245,136	15,051
	3277		Chuuk	192,422	177,378	—	—	177,378	15,044
	3278		National Government	80,019	69,181	—	—	69,181	10,838
	3279		National Government	58,344	39,118	—	—	39,118	19,226
	3281		National Government	77,644	71,513	—	—	71,513	6,131
	3282		National Government	20,205	16,373	—	—	16,373	3,832
	3291		Kosrae	32,650	22,476	—	—	22,476	10,174
	3292		Kosrae	6,171	4,773	—	—	4,773	1,398
	3296		Chuuk	24,280	16,089	289	—	16,378	7,902
			Program Total	1,339,929	1,339,367	289	—	1,339,656	273
			Balance forward	5,020,962	4,004,431	289	—	4,004,720	1,016,242

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Labor balance forwarded:				\$ 5,020,962	\$ 4,004,431	\$ 289	\$ -	\$ 4,004,720	\$ 1,016,242
	17.250	Cont.	64-10/64-JTPA '90						
		3287	National Government	84,434	80,637	-	-	80,637	3,797
		3288	National Government	87,150	86,874	-	-	86,874	276
		3293	Chuuk	95,130	112,193	-	-	112,193	(17,063)
		3294	Chuuk	312,339	308,987	-	-	308,987	3,352
		3295	Chuuk	226,736	232,607	-	-	232,607	(5,871)
		3293	Pohnpei	53,673	34,839	-	-	34,839	18,834
		3294	Pohnpei	183,954	146,586	-	-	146,586	37,368
		3295	Pohnpei	135,216	135,009	-	-	135,009	207
		3293	Kosrae	14,121	13,636	-	-	13,636	485
		3294	Kosrae	46,364	45,360	-	-	45,360	1,004
		3295	Kosrae	33,656	30,908	-	-	30,908	2,748
		3293	Yap	20,624	2,977	-	-	2,977	17,647
		3294	Yap	67,714	51,903	-	-	51,903	15,811
		3295	Yap	49,155	49,140	-	-	49,140	15
		3297	Yap	2,000	-	-	-	-	2,000
		3297	Pohnpei	40,000	36,808	163	-	36,971	3,029
		3289	Unallotted	217	-	-	-	-	217
			Program Total	1,452,483	1,368,464	163	-	1,368,627	83,856
			Balance forward	6,473,445	5,372,895	452	-	5,373,347	1,100,098

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Labor balance forwarded:				\$ 6,473,445	\$ 5,372,895	\$ 452	\$ —	\$ 5,373,347	\$ 1,100,098
	17.250		64—13 JTPA '91						
		3261	Pohnpei	58,342	56,213	3,581	—	59,794	(1,452)
		3261	Chuuk	100,870	112,959	—	—	112,959	(12,089)
		3261	Kosrae	15,370	18,909	—	—	18,909	(3,539)
		3261	Yap	22,557	21,570	1,067	—	22,637	(80)
		3262	Pohnpei	158,077	136,390	(2,242)	—	134,148	23,929
		3262	Chuuk	268,889	270,661	—	—	270,661	(1,772)
		3262	Kosrae	38,368	38,367	—	—	38,367	1
		3262	Yap	60,406	58,344	935	—	59,279	1,127
		3263	Pohnpei	137,789	149,595	(15,785)	—	133,810	3,979
		3263	Chuuk	206,671	215,751	—	—	215,751	(9,080)
		3263	Kosrae	37,533	35,408	794	—	36,202	1,331
		3263	Yap	46,600	30,589	7,557	—	38,146	8,454
		3280	Pohnpei	56,456	64,939	(4,370)	—	60,569	(4,113)
		3280	Chuuk	96,032	89,070	—	—	89,070	6,962
		3280	Kosrae	15,800	15,799	—	—	15,799	1
		3280	Yap	20,819	20,819	—	—	20,819	—
		3283	National Government	92,465	92,366	—	928	93,294	(829)
		3290	National Government	63,915	37,854	—	23,911	61,765	2,150
		3298	Kosrae	14,980	12,156	2,743	—	14,899	81
		3298	Yap	29,152	2,076	23,911	—	25,987	3,165
			Program Total	1,541,091	1,479,835	18,191	24,839	1,522,865	18,226
			Balance forward	8,014,536	6,852,730	18,643	24,839	6,896,212	1,118,324

See accompanying notes to schedule of federal financial assistance.

FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
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Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Labor balance forwarded:				\$ 8,014,536	\$ 6,852,730	\$ 18,643	\$ 24,839	\$ 6,896,212	\$ 1,118,324
	17.250		64-016 - JTPA '92						
		3416	National Government	88,329	86,351	-	1,954	88,305	24
		3417	National Government	26,167	22,711	-	3,395	26,106	61
		3418	National Government	50,188	39,792	-	12,323	52,115	(1,927)
		3420	Chuuk	88,137	96,349	2,421	-	98,770	(10,633)
		3420	Kosrae	11,908	27,226	525	-	27,751	(15,843)
		3420	Pohnpei	56,141	59,341	(1,416)	-	57,925	(1,784)
		3420	Yap	18,713	19,297	-	-	19,297	(584)
		3421	Kosrae	33,344	31,569	3,435	-	35,004	(1,660)
		3421	Yap	52,397	31,219	5,704	-	36,923	15,474
		3421	Chuuk	257,461	264,239	810	-	265,049	(7,588)
		3421	Pohnpei	157,193	139,868	7,063	-	146,931	10,262
		3422	Pohnpei	104,795	60,137	17,963	-	78,100	26,695
		3422	Kosrae	22,229	23,604	(224)	-	23,380	(1,151)
		3422	Yap	34,932	27,715	3,933	-	31,648	3,284
		3422	Chuuk	155,605	164,265	-	-	164,265	(8,660)
		3423	Pohnpei	67,946	56,025	8,548	-	64,573	3,373
		3423	Chuuk	83,360	82,025	1,013	-	83,038	322
		3423	Kosrae	11,908	11,908	842	-	12,750	(842)
		3423	Yap	18,713	17,297	-	-	17,297	1,416
		3425	Pohnpei	38,793	7,543	32,013	-	39,556	(763)
		3424	Chuuk	47,000	30,234	289	-	30,523	16,477
		3424	Kosrae	22,167	16,323	964	-	17,287	4,880
		3424	Yap	25,099	6,611	1,215	-	7,826	17,273
		3424	Chuuk	-	11,994	-	-	11,994	(11,994)
		3415	Unallotted	347	-	-	-	-	347
			Program Total	1,472,872	1,333,643	85,098	17,672	1,436,413	36,459
			Balance forward	9,487,408	8,186,373	103,741	42,511	8,332,625	1,154,783

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED**  
**BY GRANTOR**  
**YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Labor balance forwarded:				\$ 9,487,408	\$ 8,186,373	\$ 103,741	\$ 42,511	\$ 8,332,625	\$ 1,154,783
	17.250		<u>93 JTPA Program</u>						
		3426	Unallotted	64,522	—	—	—	—	64,522
		3427	National Government	79,685	—	—	77,865	77,865	1,820
		3428	National Government	24,156	—	—	23,972	23,972	184
		3430	Pohnpei	68,175	—	55,857	—	55,857	12,318
		3430	Chuuk	105,496	—	117,119	—	117,119	(11,623)
		3430	Kosrae	14,639	—	22,456	—	22,456	(7,817)
		3430	Yap	22,244	—	22,275	—	22,275	(31)
		3431	Pohnpei	104,569	—	56,849	—	56,849	47,720
		3431	Chuuk	145,921	—	139,719	—	139,719	6,202
		3431	Kosrae	29,444	—	39,049	—	39,049	(9,605)
		3431	Yap	42,376	—	14,047	—	14,047	28,329
		3432	Pohnpei	110,602	—	89,001	—	89,001	21,601
		3432	Chuuk	181,308	—	179,032	—	179,032	2,276
		3432	Kosrae	25,297	—	33,842	—	33,842	(8,545)
		3432	Yap	28,250	—	12,982	—	12,982	15,268
		3433	Pohnpei	57,530	—	41,349	—	41,349	16,181
		3433	Chuuk	94,752	—	97,705	—	97,705	(2,953)
		3433	Kosrae	9,935	—	22,612	—	22,612	(12,677)
		3433	Yap	15,000	—	11,930	—	11,930	3,070
		3434	Pohnpei	11,887	—	10,976	—	10,976	911
		3434	Chuuk	36,972	—	12,508	—	12,508	24,464
		3434	Kosrae	21,431	—	9,950	—	9,950	11,481
		3435	Chuuk	20,000	—	20,000	—	20,000	—
		3435	Kosrae	13,895	—	10,587	—	10,587	3,308
			Program Total	1,328,086	—	1,019,845	101,837	1,121,682	206,404
			Balance forward	10,815,494	8,186,373	1,123,586	144,348	9,454,307	1,361,187

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED**  
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Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Labor balance forwarded:				\$ 10,815,494	\$ 8,186,373	\$ 1,123,586	\$ 144,348	\$ 9,454,307	\$ 1,361,187
	17.250		<u>94 JTPA Program</u>						
			<u>64-94-01/64-94-02</u>						
	3436		Unallotted	1,429,115	-	-	-	-	1,429,115
	3437		National Government	115,497	-	-	5,263	5,263	110,234
	3440		Chuuk	26,092	-	25,559	-	25,559	533
	3445		Kosrae	16,000	-	-	-	-	16,000
			Program Total	<u>1,586,704</u>	<u>-</u>	<u>25,559</u>	<u>5,263</u>	<u>30,822</u>	<u>1,555,882</u>
			Total U.S. Dept. of Labor	<u>\$ 12,402,198</u>	<u>\$ 8,186,373</u>	<u>\$ 1,149,145</u>	<u>\$ 149,611</u>	<u>\$ 9,485,129</u>	<u>\$ 2,917,069</u>

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Agriculture									
	10.664		Forestry Services '87 05-86-03:						
		3301	Kosrae	\$ 11,202	\$ 10,767	\$ -	\$ -	\$ 10,767	\$ 435
		3302	Yap	6,807	13,066	7,171	-	20,237	(13,430)
		3303	Pohnpei	16,603	17,075	-	-	17,075	(472)
		3304	Chuuk	10,338	7,030	-	-	7,030	3,308
		3305	National Government	13,686	13,025	-	-	13,025	661
			Unallotted	6,314	-	-	-	-	6,314
			Program Total	64,950	60,963	7,171	-	68,134	(3,184)
	10.555		Food Services Reimbursements '87 12-35-7565:						
		3308	Kosrae	4,516	-	-	-	-	4,516
		3309	Pohnpei	7,500	558	-	-	558	6,942
		3310	Chuuk	6,800	10,914	-	-	10,914	(4,114)
		3311	National Government	650,017	516,083	-	-	516,083	133,934
			Program Total	668,833	527,555	-	-	527,555	141,278
	10.560		Food Services Administration '87 12-35-7565:						
		3312	Yap	59,700	58,572	-	-	58,572	1,128
		3313	Kosrae	270,200	258,282	-	-	258,282	11,918
		3314	Pohnpei	831,837	761,409	-	-	761,409	70,428
		3315	Chuuk	1,813,792	1,749,863	-	-	1,749,863	63,929
		3316	National Government	64,380	64,380	-	-	64,380	-
			Program Total	3,039,909	2,892,506	-	-	2,892,506	147,403
			Balance forward	3,773,692	3,481,024	7,171	-	3,488,195	285,497

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Agriculture balance forwarded				\$ 3,773,692	\$ 3,481,024	\$ 7,171	\$ -	\$ 3,488,195	\$ 285,497
	10.570	3324	Elderly Feeding/F87214: National Government	19,866	19,855	-	-	19,855	11
			Program Total	19,866	19,855	-	-	19,855	11
	10.560		Food Nutrition F87311 Amendment 06:						
		3328	Yap	70,000	68,222	-	-	68,222	1,778
		3329	Kosrae	261,223	268,451	-	-	268,451	(7,228)
		3330	Pohnpei	876,371	866,638	-	-	866,638	9,733
		3331	Chuuk	2,464,420	2,455,764	-	-	2,455,764	8,656
		3332	National Government	159,496	158,845	-	-	158,845	651
			Program Total	3,831,510	3,817,920	-	-	3,817,920	13,590
	10.560		Child Nutrition – F87045:						
		3335	Kosrae	7,313	2,929	-	-	2,929	4,384
		3336	Pohnpei	9,605	13,692	-	-	13,692	(4,087)
			Program Total	16,918	16,621	-	-	16,621	297
	10.560		Nutrition Education F97190:						
		3338	National	57,886	29,975	-	3,317	33,292	24,594
			Program Total	57,886	29,975	-	3,317	33,292	24,594
			Balance forward	7,699,872	7,365,395	7,171	3,317	7,375,883	323,989

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
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YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subreceptient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Agriculture balance forwarded				\$ 7,699,872	\$ 7,365,395	\$ 7,171	\$ 3,317	\$ 7,375,883	\$ 323,989
	10.664		Forestry Service '87 5-87-13:						
		3340	Yap	2,000	517	-	-	517	1,483
		3341	Kosrae	8,950	428	-	-	428	8,522
		3342	Pohnpei	17,950	14,571	-	-	14,571	3,379
		3343	Chuuk	12,750	4,020	-	-	4,020	8,730
		7701	Chuuk	4,200	5,982	-	-	5,982	(1,782)
		7701	Pohnpei	4,200	3,528	-	-	3,528	672
		7701	Yap	4,392	3,772	-	-	3,772	620
		7701	Kosrae	4,200	4,080	-	-	4,080	120
			Unallotted	150	-	-	-	-	150
			Program Total	58,792	36,898	-	-	36,898	21,894
	10.664		Forestry 88/5-88-12:						
		3345	Yap	2,650	-	-	-	-	2,650
		3346	Kosrae	2,650	2,138	-	-	2,138	512
		3347	Pohnpei	2,650	-	-	-	-	2,650
		3348	Chuuk	2,650	-	-	-	-	2,650
		7702	Yap	6,634	6,634	-	-	6,634	-
			Program Total	17,234	8,772	-	-	8,772	8,462
	10.555		Food Service 89 F97081						
		3388	Yap	206,873	119,207	17,032	-	136,239	70,634
		3388	Kosrae	169,775	166,881	-	-	166,881	2,894
		3388	Pohnpei	500,674	355,981	85,167	-	441,148	59,526
		3388	Chuuk	905,068	1,012,290	-	-	1,012,290	(107,222)
		3389	National Government	141,824	83,909	-	44,175	128,084	13,740
			Program Total	1,924,214	1,738,268	102,199	44,175	1,884,642	39,572
			Balance forward	9,700,112	9,149,333	109,370	47,492	9,306,195	393,917

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
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YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subreceptient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Agriculture balance forwarded				\$ 9,700,112	\$ 9,149,333	\$ 109,370	\$ 47,492	\$ 9,306,195	\$ 393,917
	10.560		F92190						
		3390	National Government	28,943	24,720	—	861	25,581	3,362
			Program Total	28,943	24,720	—	861	25,581	3,362
	10.560		F92190						
		3391	National Government	9,933	9,012	—	—	9,012	921
			Program Total	9,933	9,012	—	—	9,012	921
	10.664		Forestry 89 5—89—10						
		7703	Chuuk	5,333	5,321	—	—	5,321	12
		7703	Kosrae	5,334	5,334	—	—	5,334	—
		7703	Pohnpei	5,333	1,925	—	—	1,925	3,408
			Program Total	16,000	12,580	—	—	12,580	3,420
	10.664		Forestry 91 5—91—05						
		3326	Pohnpei	38,200	35,942	—	—	35,942	2,258
		3326	Yap	16,000	13,498	—	—	13,498	2,502
		3326	Kosrae	9,700	3,821	117	—	3,938	5,762
		3329	National Government	6,700	1,019	—	—	1,019	5,681
			Program Total	70,600	54,280	117	—	54,397	16,203
			Balance forward	9,825,588	9,249,925	109,487	48,353	9,407,765	417,823

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Agriculture balance forwarded				\$ 9,825,588	\$ 9,249,925	\$ 109,487	\$ 48,353	\$ 9,407,765	\$ 417,823
	10.664		Forestry 92 5-92-06						
		7705	Pohnpei	7,500	1,843	4,293	-	6,136	1,364
		7705	Chuuk	5,000	5,256	-	-	5,256	(256)
		7705	Yap	5,000	33	2,200	-	2,233	2,767
		7705	Kosrae	5,000	2,536	-	-	2,536	2,464
			Program Total	22,500	9,668	6,493	-	16,161	6,339
	10.664		Forestry 92 05-92-10						
		7706	Pohnpei	29,900	30,317	674	-	30,991	(1,091)
	10.664		Forestry 93 05-93-13						
		7707	Unallotted	5,400	-	-	-	-	5,400
		7708	Pohnpei	68,470	4,591	43,236	-	47,827	20,643
		7708	Chuuk	12,200	2,979	4,024	-	7,003	5,197
		7708	Kosrae	7,000	-	4,794	-	4,794	2,206
		7708	Yap	7,000	-	-	-	-	7,000
			Program Total	100,070	7,570	52,054	-	59,624	40,446
	10.664		94 Forestry G-5-94-20-035						
		7714	Pohnpei	12,000	-	1,282	-	1,282	10,718
		7714	Chuuk	2,900	-	-	-	-	2,900
		7714	Yap	500	-	-	-	-	500
		7714	Kosrae	2,200	-	-	-	-	2,200
			Program Total	17,600	-	1,282	-	1,282	16,318
			Balance forward	9,995,658	9,297,480	169,990	48,353	9,515,823	479,835

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Agriculture balance forwarded				\$ 9,995,658	\$ 9,297,480	\$ 169,990	\$ 48,353	\$ 9,515,823	\$ 479,835
			G-5-93-20-043						
	7711		National Government	3,500	-	-	3,056	3,056	444
	7712		Pohnpei	5,000	-	3,392	-	3,392	1,608
	7712		Chuuk	3,500	-	-	-	-	3,500
	7712		Yap	5,000	-	-	-	-	5,000
	7712		Kosrae	3,000	-	-	-	-	3,000
			Program Total	20,000	-	3,392	3,056	6,448	13,552
			Total U.S. Dept. of Agriculture	<u>\$ 10,015,658</u>	<u>\$ 9,297,480</u>	<u>\$ 173,382</u>	<u>\$ 51,409</u>	<u>\$ 9,522,271</u>	<u>\$ 493,387</u>

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Justice									
	16.540	7635	85-JF-CX-0464 Pohnpei	\$ 307	\$ -	\$ -	\$ -	\$ -	\$ 307
		7635	Kosrae	5,500	5,488	-	-	5,488	12
		7636	Kosrae	4,200	3,973	-	-	3,973	227
			Program Total	10,007	9,461	-	-	9,461	546
	16.540	7638	86-JF-CX-0464 Pohnpei	5,000	4,986	-	-	4,986	14
		7639	Pohnpei	188	4,101	-	-	4,101	(3,913)
		7639	Pohnpei	20,000	19,586	-	-	19,586	414
		7639	Pohnpei	7,693	-	-	-	-	7,693
			Program Total	32,881	28,673	-	-	28,673	4,208
	16.540	3374	88-JF-CX-1764 /87-JS-CX-0764 Yap	16,150	16,150	-	-	16,150	-
		3375	Kosrae	8,000	5,999	-	-	5,999	2,001
		3376	Pohnpei	5,900	12,681	-	-	12,681	(6,781)
		3377	Chuuk	28,565	28,565	-	-	28,565	-
		3378	National Government	14,411	14,406	-	-	14,406	5
		3385	Pohnpei	27,476	27,474	-	-	27,474	2
			Program Total	100,502	105,275	-	-	105,275	(4,773)
			Balance forward	143,390	143,409	-	-	143,409	(19)

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Justice balance forwarded				\$ 143,390	\$ 143,409	\$ -	\$ -	\$ 143,409	\$ (19)
			88-JF-CX-0064 /88-JS-CX-1064						
	16.540	3380	Yap	1,518	-	-	-	-	1,518
		3381	Kosrae	17,000	14,904	-	-	14,904	2,096
		3382	Pohnpei	14,308	20,161	-	-	20,161	(5,853)
		3383	Pohnpei	8,237	2,391	-	-	2,391	5,846
		3383	Pohnpei	2,400	-	-	-	-	2,400
		3383	Yap	6,238	-	-	-	-	6,238
		3384	National Government	17,300	17,098	-	-	17,098	202
			Program Total	67,001	54,554	-	-	54,554	12,447
	16.540	7645	National Government	2,002	2,002	-	-	2,002	-
		7644	Pohnpei	10,000	7,911	-	-	7,911	2,089
		7646	Pohnpei	11,255	2,202	-	-	2,202	9,053
		7644	Yap	1,806	-	-	-	-	1,806
			Program Total	25,063	12,115	-	-	12,115	12,948
			90-JF-CX-0064						
	16.540	7641	Chuuk	7,000	7,000	-	-	7,000	-
		7641	Yap	1,438	-	-	-	-	1,438
			Program Total	8,438	7,000	-	-	7,000	1,438
			89-VA-GX-0064						
	16.575	3372	Yap	5,661	-	-	-	-	5,661
		3372	Kosrae	5,457	-	-	-	-	5,457
		3372	Pohnpei	6,681	1,054	-	-	1,054	5,627
		3372	Chuuk	7,701	-	-	-	-	7,701
			Program Total	25,500	1,054	-	-	1,054	24,446
Total U.S. Dept. of Justice				\$ 269,392	\$ 218,132	\$ -	\$ -	\$ 218,132	\$ 51,260

See accompanying notes to schedule of federal financial assistance.

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NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subreceptient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Commerce									
	11.407		Regional Catch Data 87-ABD-00216: 84-ABD-00209:						
		3401	National Government	\$ 31,000	\$ 30,503	\$ -	\$ -	\$ 30,503	\$ 497
		3402	National Government	3,780	3,780	-	-	3,780	-
			Program Total	34,780	34,283	-	-	34,283	497
	11.407		NA16D0225-01						
		3402	Unallotted	40	-	-	-	-	40
		3403	National Government	23,860	20,795	-	-	20,795	3,065
			Program Total	23,900	20,795	-	-	20,795	3,105
	11.407		NA26FD0165-01						
		3405	National	54,890	34,804	-	-	34,804	20,086
			Program Total	54,890	34,804	-	-	34,804	20,086
	11.300	N/A	Yap State Trochus Reseeding	-	11,151	-	-	11,151	(11,151)
	11.300	N/A	Yap Fishing Authority	-	4,910	-	-	4,910	(4,910)
	11.300	N/A	Pohnpei Rd. Paving Matching	1,000,000	981,330	-	-	981,330	18,670
			Total U.S. Dept. of Commerce	\$ 1,113,570	\$ 1,087,273	\$ -	\$ -	\$ 1,087,273	\$ 26,297

See accompanying notes to schedule of federal financial assistance.



**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subreceptient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of the Interior									
	15.904		Historic Preservation 86 75—FSM860						
		3451	Yap	\$ 8,600	\$ 8,600	\$ —	\$ —	\$ 8,600	\$ —
		3452	Kosrae	22,200	13,865	—	—	13,865	8,335
		3453	Pohnpei	10,655	10,174	—	—	10,174	481
		3455	Chuuk	11,854	4,559	—	—	4,559	7,295
			Program Total	53,309	37,198	—	—	37,198	16,111
	15.904		Historic Preservation 87 64—87—20140						
		3458	Yap	26,350	26,350	—	—	26,350	—
		3459	Kosrae	25,950	40,726	—	—	40,726	(14,776)
		3460	Pohnpei	18,545	18,502	—	—	18,502	43
		3461	Chuuk	18,545	25,780	—	—	25,780	(7,235)
			Program Total	89,390	111,358	—	—	111,358	(21,968)
	15.904		Historic Preservation '88						
		7501	Yap	31,000	29,910	—	—	29,910	1,090
		7502	Kosrae	28,970	10,437	—	—	10,437	18,533
		7503	Pohnpei	22,300	17,910	—	—	17,910	4,390
		7504	Chuuk	18,000	23,022	—	—	23,022	(5,022)
		7505	National Government	23,000	14,613	—	—	14,613	8,387
			Program Total	123,270	95,892	—	—	95,892	27,378
			Balance forward	265,969	244,448	—	—	244,448	21,521

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of the Interior balance forwarded				\$ 265,969	\$ 244,448	\$ -	\$ -	\$ 244,448	\$ 21,521
	15.904		Historic Preservation						
		7523	Yap	30,252	25,365	-	-	25,365	4,887
		7524	Kosrae	35,899	171	-	-	171	35,728
		7525	Pohnpei	27,429	23,663	-	-	23,663	3,766
		7526	Chuuk	27,429	27,059	-	-	27,059	370
		7527	National Government	21,354	19,942	-	-	19,942	1,412
			Program Total	142,363	96,200	-	-	96,200	46,163
	15.904		64-88-LH-64:						
		7528	Unalloted	5,000	-	-	-	-	5,000
		7529	Chuuk	5,000	-	-	-	-	5,000
			Program Total	10,000	-	-	-	-	10,000
	15.904		64-89-LH-64:						
		7520	Yap	5,000	5,000	-	-	5,000	-
		7520	Pohnpei	5,000	-	-	-	-	5,000
			Program Total	10,000	5,000	-	-	5,000	5,000
	15.904		Historic Preservation '90 64-90-50165						
		7666	National Government	23,548	23,548	-	-	23,548	-
		7667	Pohnpei	33,357	26,152	-	-	26,152	7,205
		7667	Chuuk	33,357	33,500	-	-	33,500	(143)
		7667	Yap	33,357	33,357	-	-	33,357	-
		7667	Kosrae	33,357	33,181	-	-	33,181	176
			Program Total	156,976	149,738	-	-	149,738	7,238
			Balance forward	585,308	495,386	-	-	495,386	89,922

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of the Interior balance forwarded				\$ 585,308	\$ 495,386	\$ —	\$ —	\$ 495,386	\$ 89,922
	15.904		Historic Preservation '91 64-91-60017						
		7861	National Government	83,205	79,470	—	3,734	83,204	1
		7862	Pohnpei	42,771	41,392	3,113	—	44,505	(1,734)
		7862	Chuuk	36,000	30,472	—	—	30,472	5,528
		7862	Kosrae	39,000	34,723	2,432	—	37,155	1,845
		7862	Yap	36,000	36,000	—	—	36,000	—
			Program Total	236,976	222,057	5,545	3,734	231,336	5,640
	15.904		Historic Preservation '92 64-92-70067						
		7876	National Government	91,468	87,218	—	2,140	89,358	2,110
		7877	Pohnpei	37,508	34,150	3,322	—	37,472	36
		7877	Chuuk	36,000	30,285	4,837	—	35,122	878
		7877	Yap	36,000	21,146	14,854	—	36,000	—
		7877	Kosrae	36,000	35,415	43	—	35,458	542
			Program Total	236,976	208,214	23,056	2,140	233,410	3,566
	15.904		Historic Preservation '93 64-93-80110						
		7302	National Government	93,151	—	—	85,587	85,587	7,564
		7303	Pohnpei	36,250	260	35,234	—	35,494	756
		7303	Chuuk	36,250	—	30,112	—	30,112	6,138
		7303	Yap	36,250	—	35,656	—	35,656	594
		7303	Kosrae	36,250	—	30,210	—	30,210	6,040
			Program Total	238,151	260	131,212	85,587	217,059	21,092
			Balance forward	1,297,411	925,917	159,813	91,461	1,177,191	120,220

**FEDERATED STATES OF MICRONESIA  
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BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of the Interior balance forwarded				\$ 1,297,411	\$ 925,917	\$ 159,813	\$ 91,461	\$ 1,177,191	\$ 120,220
	15.904		94 Historic Preservation 64-94-90036						
		7325	National Government	112,787	-	-	16,507	16,507	96,280
		7326	Pohnpei	43,450	-	2,978	-	2,978	40,472
		7326	Chuuk	36,250	-	498	-	498	35,752
		7326	Yap	36,250	-	10,630	-	10,630	25,620
		7326	Kosrae	43,550	-	6,334	-	6,334	37,216
			Program Total	272,287	-	20,440	16,507	36,947	235,340
			Total U.S. Dept. of the Interior	\$ 1,569,698	\$ 925,917	\$ 180,253	\$ 107,968	\$ 1,214,138	\$ 355,560

See accompanying notes to schedule of federal financial assistance.

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Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Environmental Protection Agency									
	66.600		Consolidated EPA Grant '87 M009431-87-0:						
		3561	Yap	\$ 28,690	\$ 14,508	\$ -	\$ -	\$ 14,508	\$ 14,182
		3562	Kosrae	21,350	26,727	-	-	26,727	(5,377)
		3563	Pohnpei	28,000	16,224	-	-	16,224	11,776
		3564	Chuuk	56,100	991	-	-	991	55,109
		3565	National Government	15,586	5,303	-	-	5,303	10,283
			Program Total	149,726	63,753	-	-	63,753	85,973
	66.600		Consolidated EPA Grant '88 M009431-88-0						
		3567	Yap	44,227	35,093	-	-	35,093	9,134
		3568	Kosrae	49,415	31,938	-	-	31,938	17,477
		3569	Pohnpei	59,200	49,998	-	-	49,998	9,202
		3571	Chuuk	62,381	67,626	-	-	67,626	(5,245)
		3570	National Government	41,382	22,902	-	-	22,902	18,480
			Unalloted	31,210	-	-	-	-	31,210
			Program Total	287,815	207,557	-	-	207,557	80,258
	66.600		Consolidated EPA Grant '89 M009431-89						
		3594	Unalloted	10,761	-	-	-	-	10,761
		3595	Yap	32,230	29,494	-	-	29,494	2,736
		3596	Kosrae	26,450	20,847	-	-	20,847	5,603
		3597	Pohnpei	45,600	41,140	-	-	41,140	4,460
		3598	Chuuk	43,240	31,002	-	-	31,002	12,238
		3599	National Government	39,820	30,632	-	-	30,632	9,188
			Program Total	198,101	153,115	-	-	153,115	44,986
			Balance forward	635,642	424,425	-	-	424,425	211,217

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Environmental Protection Agency balance forwarded				\$ 635,642	\$ 424,425	\$ -	\$ -	\$ 424,425	\$ 211,217
	66.418		C64002-01-0:						
		3523	Chuuk South Field	785,000	683,054	-	-	683,054	101,946
		3572	Chuuk SF/West Pou Sewer	726,130	68,887	-	-	68,887	657,243
		3573	National Government	58,870	15,133	-	142	15,275	43,595
			Program Total	1,570,000	767,074	-	142	767,216	802,784
	66.418		C750008-03-0:						
			Sokehs Pah Waste Water	115,368	114,730	-	-	114,730	638
	66.418		C640001-03-3:						
		3576	Kolonia Sewer	373,830	356,826	-	-	356,826	17,004
		3579	Unalloted	5,000	-	-	-	-	5,000
			Program Total	378,830	356,826	-	-	356,826	22,004
	66.418		C640001-01-3:						
		3577	Pohnpei RSP, Phase II	281,100	287,560	-	-	287,560	(6,460)
		3578	Pohnpei RSP Administration	18,900	12,706	-	-	12,706	6,194
		3589	National Admin. PRSP-3	13,500	12,986	-	593	13,579	(79)
		3592	Pohnpei RSP	736,500	275,563	-	80,364	355,927	380,573
			Program Total	1,050,000	588,815	-	80,957	669,772	380,228
	66.418	3582	Yap Sewer Connection	531,134	470,546	-	-	470,546	60,588
		3581	Yap Sewer Connection/Admin.	15,934	15,067	-	400	15,467	467
		3580	Yap Water Treatment/Admin.	16,000	16,000	-	-	16,000	-
		3591	Chuuk House Sewer/Admin.	5,000	-	-	4,743	4,743	257
			Program Total	568,068	501,613	-	5,143	506,756	61,312
			Balance forward	4,317,908	2,753,483	-	86,242	2,839,725	1,478,183

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Environmental Protection Agency balance forwarded				\$ 4,317,908	\$ 2,753,483	\$ -	\$ 86,242	\$ 2,839,725	\$ 1,478,183
	66.418		C640004--01--0:						
		3583	Kosrae Waste Water	1,413,041	5,297	-	-	5,297	1,407,744
		3584	Kosrae Waste Water	64,500	46,027	-	9,863	55,890	8,610
		3585	Kosrae Waste Water	4,175,005	2,872,467	724,243	-	3,596,710	578,295
			Program Total	5,652,546	2,923,791	724,243	9,863	3,657,897	1,994,649
	66.418		Ulithi Sewer System Dev.						
		3593	Yap Government	209,000	154,069	-	-	154,069	54,931
		3590	Ulithi Sewer/Admin	18,000	8,109	-	12,836	20,945	(2,945)
			Program Total	227,000	162,178	-	12,836	175,014	51,986
	66.418		Chuuk Rural Sanitary Program						
		7576	Chuuk	200,000	368,529	22,247	-	390,776	(190,776)
		7580	Chuuk	182,777	-	-	-	-	182,777
		3588	Chuuk RSP/Admin.	17,400	8,932	-	572	9,504	7,896
			Unallotted	32,223	-	-	-	-	32,223
			Program Total	432,400	377,461	22,247	572	400,280	32,120
	66.418	7581	Pohnpei Rural Sanitary Pohnpei	95,000	62,008	-	27,228	89,236	5,764
			Environmental Management Specialist						
	66.418	7890	Pohnpei	-	-	21,121	-	21,121	(21,121)
			Balance forward	10,724,854	6,278,921	767,611	136,741	7,183,273	3,541,581

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Environmental Protection Agency balance forwarded				\$ 10,724,854	\$ 6,278,921	\$ 767,611	\$ 136,741	\$ 7,183,273	\$ 3,541,581
	66.418	7582	Yap Site Sewer System Yap	39,650	—	—	—	—	39,650
		7351	93 Climate Change Study CX822560-01-0 National Government	200,000	—	—	36,132	36,132	163,868
			Total U.S. EPA	<u>\$ 10,964,504</u>	<u>\$ 6,278,921</u>	<u>\$ 767,611</u>	<u>\$ 172,873</u>	<u>\$ 7,219,405</u>	<u>\$ 3,745,099</u>

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Energy									
	81.050		Consolidated Energy Grant '87 DE-FG03-87SF17038:						
		3601	National Government	\$ 41,958	\$ 9,038	\$ -	\$ -	\$ 9,038	\$ 32,920
		3602	National Government	2,438	100	-	-	100	2,338
		3603	Kosrae	3,300	3,300	-	-	3,300	-
		3604	Kosrae	3,000	2,924	-	-	2,924	76
		3605	Kosrae	3,100	3,100	-	-	3,100	-
		3606	Yap	9,500	9,409	-	-	9,409	91
		3607	Yap	6,484	5,600	-	-	5,600	884
		3608	Yap	3,102	2,898	-	-	2,898	204
		3610	Chuuk	9,750	-	-	-	-	9,750
		3611	Chuuk	5,000	-	-	-	-	5,000
		3612	Chuuk	5,500	-	-	-	-	5,500
		3613	Pohnpei	5,000	-	-	-	-	5,000
		3614	Pohnpei	4,966	-	-	-	-	4,966
		3615	Pohnpei	5,310	-	-	-	-	5,310
		3616	Pohnpei	32	-	-	-	-	32
			Program Total	108,440	36,369	-	-	36,369	72,071
			Consolidated Energy Grant '88 DE-FGO3-87SF17038:						
	81.050	3618	National Government	39,800	19,670	-	-	19,670	20,130
			Program Total	39,800	19,670	-	-	19,670	20,130
			DEFGO3-87SF17038:						
	81.050	3620	National Government	116,234	106,932	-	-	106,932	9,302
			Program Total	116,234	106,932	-	-	106,932	9,302
			Total U.S. Dept. of Energy	\$ 264,474	\$ 162,971	\$ -	\$ -	\$ 162,971	\$ 101,503

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NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecepient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Dept. of Health and Human Services (DHHS)									
	13.110		FY-88 SPRANS MCH753881-01-0:						
		3652	National Government	\$ 94,583	\$ 68,059	\$ -	\$ -	\$ 68,059	\$ 26,524
		3653	Chuuk	13,787	4,543	-	-	4,543	9,244
			Program Total	108,370	72,602	-	-	72,602	35,768
	13.110		FY-87 SPRANS MCH753924-01-1:						
		3654	Chuuk	14,000	10,342	-	-	10,342	3,658
		3655	National Government	62,000	34,194	-	-	34,194	27,806
			Program Total	76,000	44,536	-	-	44,536	31,464
	13.110		FY-90 SPRANS MCJ-75388-03:						
		7587	National Government	58,066	36,559	-	-	36,559	21,507
		7588	Chuuk	63,213	58,883	-	-	58,883	4,330
		7586	Unallotted	22,005	-	-	-	-	22,005
			Program Total	143,284	95,442	-	-	95,442	47,842
	13.110		MCJ-753881-02						
		3657	Chuuk	49,850	40,693	-	-	40,693	9,157
		3658	National Government	58,520	37,348	-	-	37,348	21,172
			Program Total	108,370	78,041	-	-	78,041	30,329
			Balance forward	436,024	290,621	-	-	290,621	145,403

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
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YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 436,024	\$ 290,621	\$ -	\$ -	\$ 290,621	\$ 145,403
	13.217		FY-87 Family Planning 09-H-001777-01-0:						
		3662	Yap	13,577	9,116	-	-	9,116	4,461
		3663	Kosrae	11,447	4,756	-	-	4,756	6,691
		3664	Pohnpei	19,819	15,536	-	-	15,536	4,283
		3665	Chuuk	21,157	18,753	-	-	18,753	2,404
			Program Total	66,000	48,161	-	-	48,161	17,839
	13.217		FY-88 Family Planning 09-H-001777-02-1:						
		3668	Yap	10,660	10,523	-	-	10,523	137
		3669	Kosrae	10,759	7,880	-	-	7,880	2,879
		3670	Pohnpei	23,277	23,277	-	-	23,277	0
		3671	Chuuk	24,602	24,811	-	-	24,811	(209)
		3672	National Government	6,000	4,759	-	-	4,759	1,241
			Program Total	75,298	71,250	-	-	71,250	4,048
	13.118		AIDS Program '87 U62/CCU9027031:-0						
		3674	National Government	9,252	9,252	-	-	9,252	-
		3675	National Government	7,212	497	-	-	497	6,715
			Unalloted	2,985	-	-	-	-	2,985
			Program Total	19,449	9,749	-	-	9,749	9,700
	13.171	3677	89-B1-FSM-CYAP-01 National Government	9,000	8,386	-	-	8,386	614
			Balance forward	605,771	428,167	-	-	428,167	177,604

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 605,771	\$ 428,167	\$ -	\$ -	\$ 428,167	\$ 177,604
	13.268		Childhood Immunization '87 09H-001789-01						
		3682	National Government	24,583	16,650	-	-	16,650	7,933
	13.224		CSH-901-774-04:						
		3684	National Government	49,785	41,748	-	-	41,748	8,037
		3685	Pohnpei	95,705	95,705	-	-	95,705	-
			Program Total	145,490	137,453	-	-	137,453	8,037
	13.613		PHI-CSH007571-02:						
		3679	National Government	179,444	136,328	-	710	137,038	42,406
		3680	Chuuk	20,000	20,000	-	-	20,000	-
		3678	Unallotted	269	-	-	-	-	269
			Program Total	199,713	156,328	-	710	157,038	42,675
	13.268		Childhood Immunization '88 09H-001789-02-1:						
		3752	National Government	22,203	15,018	-	-	15,018	7,185
		3791	Pohnpei	3,000	1,445	-	-	1,445	1,555
		3792	Chuuk	7,663	2,568	-	-	2,568	5,095
			Program Total	32,866	19,031	-	-	19,031	13,835
			Balance forward	1,008,423	757,629	-	710	758,339	250,084

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 1,008,423	\$ 757,629	\$ -	\$ 710	\$ 758,339	\$ 250,084
	13.268		Childhood Immunization '89 09H-001792-03:						
		7531	Yap	3,228	3,186	-	-	3,186	42
		7532	Kosrae	2,478	419	-	-	419	2,059
		7533	Pohnpei	4,158	4,039	-	-	4,039	119
		7534	Chuuk	8,265	2,465	-	-	2,465	5,800
		7535	National Government	29,251	27,582	-	-	27,582	1,669
			Program Total	47,380	37,691	-	-	37,691	9,689
	13.665		CSBG-G89B1T2CSR:						
			National Government	22,002	19,472	-	-	19,472	2,530
		7592	Kosrae	28,327	-	-	-	-	28,327
		7592	Chuuk	54,878	10,844	-	-	10,844	44,034
		7592	Yap	29,700	17,896	-	-	17,896	11,804
		7592	Pohnpei	41,796	41,019	-	-	41,019	777
		7593	National Government	17,614	9,932	-	-	9,932	7,682
			Program Total	194,317	99,163	-	-	99,163	95,154
	13.224		Community Health Centers '87 09H-001789-02-0:						
		3689	National Government	51,085	41,755	-	-	41,755	9,330
		3690	Pohnpei	49,242	50,812	-	-	50,812	(1,570)
			Program Total	100,327	92,567	-	-	92,567	7,760
	13.224		MCH-64502MCHIPS '89						
		3692	National Government	84,549	42,014	-	-	42,014	42,535
			Balance forward	1,434,996	1,029,064	-	710	1,029,774	405,222

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 1,434,996	\$ 1,029,064	\$ -	\$ 710	\$ 1,029,774	\$ 405,222
	13.110	7597	MCJ-645029-02: National Governmenet	67,549	26,976	-	-	26,976	40,573
		3694	CSH-647002-01: Yap	14,082	1,706	-	-	1,706	12,376
	13.997		09H-001792-03:						
		3696	National Government	36,303	29,979	-	-	29,979	6,324
		3697	Pohnpei	5,158	2,103	-	-	2,103	3,055
			Program Total	41,461	32,082	-	-	32,082	9,379
	13.668	3699	09AT0098-01: National Government	6,030	5,024	-	-	5,024	1,006
	13.224		FY'88 Community Health						
		3757	09H-001774-03-0: National Government	66,329	65,770	-	-	65,770	559
		3758	Pohnpei	74,821	74,820	-	-	74,820	1
			Program Total	141,150	140,590	-	-	140,590	560
	13.977		Sexually Transmitted Diseases 87						
		3701	-09-H001792-01-0 National Government	22,697	20,485	-	-	20,485	2,212
		3702	Pohnpei	2,200	20,485	-	-	20,485	(18,285)
			Program Total	24,897	40,970	-	-	40,970	(16,073)
			Balance forward	1,730,165	1,276,412	-	710	1,277,122	453,043

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**FEDERATED STATES OF MICRONESIA  
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YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 1,730,165	\$ 1,276,412	\$ -	\$ 710	\$ 1,277,122	\$ 453,043
	13.997		Sexually Transmitted Diseases '88 -09H-001792-02-0:						
		3754	National Government	27,893	23,610	-	-	23,610	4,283
		3755	Pohnpei	3,882	1,318	-	-	1,318	2,564
		3753	Unallotted	-	628	-	-	628	(628)
			Program total	31,775	25,556	-	-	25,556	6,219
	13.633		Supportive Services Title 3 '87						
		3707	National Government	20,917	12,728	-	-	12,728	8,189
		3705	National Government	27,688	27,000	-	-	27,000	688
		3708	Yap	44,700	42,917	-	-	42,917	1,783
		3704	Yap	63,675	63,675	-	-	63,675	-
		3709	Kosrae	68,475	66,852	-	-	66,852	1,623
		3710	Pohnpei	184,875	160,809	-	-	160,809	24,066
		3711	Chuuk	281,775	269,271	-	-	269,271	12,504
			Program Total	692,105	643,252	-	-	643,252	48,853
	13.633		Supportive Service Title 3 '88						
		3772	Yap	33,306	28,069	-	-	28,069	5,237
		3773	Yap	12,324	11,583	-	-	11,583	741
		3774	Kosrae	49,270	44,137	-	-	44,137	5,133
		3775	Pohnpei	127,320	127,320	-	-	127,320	-
		3776	Chuuk	187,850	142,179	-	-	142,179	45,671
		3777	National Government	20,000	14,317	-	-	14,317	5,683
		3778	National Government	31,333	-	-	-	-	31,333
			Program Total	461,403	367,605	-	-	367,605	93,798
			Balance forward	2,915,448	2,312,825	-	710	2,313,535	601,913

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 2,915,448	\$ 2,312,825	\$ -	\$ 710	\$ 2,313,535	\$ 601,913
	13.633		Supportive Service '89 01-89-AA-FM-1320:						
		7555	Yap	18,062	16,815	-	-	16,815	1,247
		7556	Yap	18,062	14,857	-	-	14,857	3,205
		7557	Kosrae	20,825	17,502	-	-	17,502	3,323
		7558	Pohnpei	61,625	61,626	-	-	61,626	(1)
		7559	Chuuk	93,924	54,944	-	-	54,944	38,980
		7560	National Government	11,535	11,266	-	-	11,266	269
		7561	National Government	6,667	-	-	-	-	6,667
			Program Total	230,700	177,010	-	-	177,010	53,690
	13.158	7563	MHP7K3400-88: National Government	51,786	20,821	-	-	20,821	30,965
	13.158	7578	MHX7K3400-89: National Government	74,212	74,193	-	-	74,193	19
	13.668		Aging Title IV-Training 09AT0077/01:						
		3687	Title IV/A Training	7,658	433	-	-	433	7,225
		3713	National Government	7,811	7,821	-	-	7,821	(10)
			Program Total	15,469	8,254	-	-	8,254	7,215
			Balance forward	3,287,615	2,593,103	-	710	2,593,813	693,802

See accompanying notes to schedule of federal financial assistance.



**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 3,287,615	\$ 2,593,103	\$ -	\$ 710	\$ 2,593,813	\$ 693,802
	13.994		Maternal & Child Health '87 87 B1FMMCHS-05						
		3716	Kosrae	25,930	23,938	-	-	23,938	1,992
		3717	Pohnpei	78,521	71,837	-	-	71,837	6,684
		3718	Chuuk	75,820	58,216	-	-	58,216	17,604
		3719	National Government	63,003	59,695	-	-	59,695	3,308
		3720	National Government	96,452	94,289	-	-	94,289	2,163
		3740	National Government	14,074	13,490	-	-	13,490	584
			Program Total	353,800	321,465	-	-	321,465	32,335
	13.994		Maternal & Child Health '88 88 B1FMMCHS-02						
		3744	Yap	52,133	38,785	-	-	38,785	13,348
		3727	Yap	2,210	1,392	-	-	1,392	818
		3745	Kosrae	29,534	24,777	-	-	24,777	4,757
		3745	Kosrae	1,920	-	-	-	-	1,920
		3746	Pohnpei	85,746	82,624	-	-	82,624	3,122
		3746	Pohnpei	3,600	2,491	-	-	2,491	1,109
		3747	Chuuk	90,159	67,832	-	-	67,832	22,327
		3747	Chuuk	4,290	-	-	-	-	4,290
		3748	National Government	49,964	48,284	-	-	48,284	1,680
		3749	National Government	102,512	90,580	-	-	90,580	11,932
			Program Total	422,068	356,765	-	-	356,765	65,303
			Balance forward	4,063,483	3,271,333	-	710	3,272,043	791,440

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 4,063,483	\$ 3,271,333	\$ —	\$ 710	\$ 3,272,043	\$ 791,440
	13.994		Maternal & Child Health '89 89BIFMMCHS:						
		7537	Yap	61,725	49,235	—	—	49,235	12,490
		7538	Yap	3,700	1,527	—	—	1,527	2,173
		7538	Kosrae	1,900	1,287	—	—	1,287	613
		7538	Pohnpei	5,381	1,760	—	—	1,760	3,621
		7538	Chuuk	7,700	4,759	—	—	4,759	2,941
		7539	Kosrae	27,055	4,171	—	—	4,171	22,884
		7541	Pohnpei	75,564	75,564	—	—	75,564	—
		7543	Chuuk	87,460	70,780	—	—	70,780	16,680
		7545	National Government	91,190	83,132	—	—	83,132	8,058
		7546	National Government	80,354	71,358	—	—	71,358	8,996
			Program Total	442,029	363,573	—	—	363,573	78,456
	13.994		Maternal & Child Health '90 90B1FMMCHS:						
		7599	National Government	85,626	68,758	—	—	68,758	16,868
		7600	National Government	106,000	94,126	—	—	94,126	11,874
		7601	Pohnpei	87,006	80,398	—	—	80,398	6,608
		7601	Yap	48,844	47,375	—	—	47,375	1,469
		7601	Kosrae	27,455	21,709	—	—	21,709	5,746
		7601	Chuuk	90,762	93,795	—	—	93,795	(3,033)
			Unallotted	1,361	—	—	—	—	1,361
			Program Total	447,054	406,161	—	—	406,161	40,893
			Balance forward	4,952,566	4,041,067	—	710	4,041,777	910,789

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 4,952,566	\$ 4,041,067	\$ -	\$ 710	\$ 4,041,777	\$ 910,789
	13.994		91-B1-FM-MCHS						
		7642	Pohnpei	7,255	5,384	-	-	5,384	1,871
		7642	Chuuk	1,200	-	-	-	-	1,200
		7642	Kosrae	1,000	498	-	-	498	502
		7642	Yap	8,000	4,413	-	-	4,413	3,587
		7649	Unallotted	25,644	-	-	-	-	25,644
		7661	National Government	59,186	37,852	-	12,195	50,047	9,139
		7662	National Government	88,218	38,937	-	-	38,937	49,281
		7663	Pohnpei	77,442	66,771	-	-	66,771	10,671
		7663	Chuuk	80,216	64,812	-	-	64,812	15,404
		7663	Kosrae	23,836	15,187	-	-	15,187	8,649
		7663	Yap	43,844	38,869	-	-	38,869	4,975
		7664	Pohnpei	24,200	18,055	-	-	18,055	6,145
		7664	Chuuk	13,440	5,599	-	-	5,599	7,841
		7664	Kosrae	8,030	4,373	-	-	4,373	3,657
		7664	Yap	12,736	11,036	-	-	11,036	1,700
			Program Total	474,247	311,786	-	12,195	323,981	150,266
	13.991		Preventive Health Services 87-B1-FM-PRVS-06:						
		3722	Yap	35,520	19,300	-	-	19,300	16,220
		3723	Kosrae	37,020	49,250	-	-	49,250	(12,230)
		3724	Pohnpei	41,323	41,323	-	-	41,323	-
		3725	Chuuk	21,105	13,429	-	-	13,429	7,676
		3726	National Government	45,873	46,219	-	-	46,219	(346)
		3659	National Government	1,120	777	-	-	777	343
		3660	National Government	41,539	41,539	-	-	41,539	-
		3721	National Government	-	62	-	-	62	(62)
			Program Total	223,500	211,899	-	-	211,899	11,601
			Balance forward	5,650,313	4,564,752	-	12,905	4,577,657	1,072,656

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 5,650,313	\$ 4,564,752	\$ -	\$ 12,905	\$ 4,577,657	\$ 1,072,656
	13.994		86 MCH/86 B1FMMCHS-01						
		3728	Yap	11,534	4,613	-	-	4,613	6,921
		3729	Kosrae	9,629	1,373	-	-	1,373	8,256
		3730	Pohnpei	20,800	20,800	-	-	20,800	-
		3731	Chuuk	16,615	16,096	-	-	16,096	519
		3732	National Government	5,284	5,284	-	-	5,284	-
		3733	National Government	16,000	11,880	-	-	11,880	4,120
			Program Total	79,862	60,046	-	-	60,046	19,816
	13.359		CE for Nurses - 1 D10 NU29188-01:						
		3735	Yap	8,950	8,180	-	-	8,180	770
		3736	Kosrae	16,880	15,439	-	-	15,439	1,441
		3737	Chuuk	14,125	10,551	-	-	10,551	3,574
		3738	Pohnpei	17,862	16,756	-	-	16,756	1,106
		3739	National Government	21,570	16,155	-	-	16,155	5,415
			Program Total	79,387	67,081	-	-	67,081	12,306
	13.359		CE For Nurses 89 5D10NU29188-02						
		7565	Yap	6,950	7,076	-	-	7,076	(126)
		7566	Kosrae	15,130	3,075	-	-	3,075	12,055
		7567	Pohnpei	16,862	16,629	-	-	16,629	233
		7568	Chuuk	8,690	3,621	-	-	3,621	5,069
		7569	National Government	17,523	12,078	-	-	12,078	5,445
			Program Total	65,155	42,479	-	-	42,479	22,676
			Balance forward	5,874,717	4,734,358	-	12,905	4,747,263	1,127,454

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 5,874,717	\$ 4,734,358	\$ —	\$ 12,905	\$ 4,747,263	\$ 1,127,454
	13.665	3742	CAA Audit Grant	13,929	13,928	—	—	13,928	1
	93.163		Pacific Health Initiative CSH 757001—01—1:						
		3760	National Government	218,100	200,556	—	—	200,556	17,544
		3761	Pohnpei	26,400	24,400	—	—	24,400	2,000
			Program Total	244,500	224,956	—	—	224,956	19,544
	13.665		CSBG Grants G88B1MCCOSR						
		3763	Chuuk	76,492	—	—	—	—	76,492
		3766	Yap	66,917	64,947	—	—	64,947	1,970
		3767	Kosrae	61,510	62,879	—	—	62,879	(1,369)
		3768	Pohnpei	91,251	44,436	—	—	44,436	46,815
		3769	Chuuk	41,797	41,797	—	—	41,797	—
		3770	National Government	55,000	52,920	—	—	52,920	2,080
			Program Total	392,967	266,979	—	—	266,979	125,988
	13.217		Aids '88 — U62/CCU902703—02:						
		3781	Kosrae	2,091	8,496	—	—	8,496	(6,405)
		3782	Pohnpei	791	791	—	—	791	—
		3783	National Government	17,672	15,674	—	—	15,674	1,998
			Program Total	20,554	24,961	—	—	24,961	(4,407)
			Balance forward	6,546,667	5,265,182	—	12,905	5,278,087	1,268,580

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 6,546,667	\$ 5,265,182	\$ -	\$ 12,905	\$ 5,278,087	\$ 1,268,580
	13.217		Aids Prevention 89 U62-CCU902703:						
		7548	Yap	9,499	4,101	-	-	4,101	5,398
		7549	Kosrae	9,019	8,166	-	-	8,166	853
		7550	Pohnpei	8,961	8,961	-	-	8,961	-
		7551	Chuuk	9,499	3,664	-	-	3,664	5,835
		7552	National Government	8,092	5,299	-	-	5,299	2,793
		7553	National Government	28,903	30,552	-	-	30,552	(1,649)
			Program Total	73,973	60,743	-	-	60,743	13,230
	13.217		Family Planning 89 09H-001777-03-0:						
		3786	Yap	9,746	10,535	-	-	10,535	(789)
		3787	Kosrae	8,816	8,731	-	-	8,731	85
		3788	Pohnpei	14,039	13,284	-	-	13,284	755
		3789	Chuuk	20,934	15,351	-	-	15,351	5,583
		3790	National Government	13,582	10,870	-	-	10,870	2,712
			Program Total	67,117	58,771	-	-	58,771	8,346
	13.217		Family Planning 90 09H-001777-04:						
		7571	Yap	13,947	9,534	-	-	9,534	4,413
		7572	Kosrae	11,642	10,529	-	-	10,529	1,113
		7573	Pohnpei	19,255	13,839	-	-	13,839	5,416
		7574	Chuuk	20,931	18,238	-	-	18,238	2,693
		7575	National Government	10,000	8,710	-	-	8,710	1,290
			Program Total	75,775	60,850	-	-	60,850	14,925
			Balance forward	6,763,532	5,445,546	-	12,905	5,458,451	1,305,081

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 6,763,532	\$ 5,445,546	\$ -	\$ 12,905	\$ 5,458,451	\$ 1,305,081
	13.217		Family Planning 91 09-001777-05:						
		7629	Chuuk	25,704	22,140	-	-	22,140	3,564
		7629	Pohnpei	23,646	22,926	-	-	22,926	720
		7629	Kosrae	14,297	12,304	-	-	12,304	1,993
		7629	Yap	17,128	11,032	-	-	11,032	6,096
			Program Total	80,775	68,402	-	-	68,402	12,373
	13.217		09H-001777-07-0 Family Planning 93						
		7768	Pohnpei	25,931	22,738	-	-	22,738	3,193
		7768	Chuuk	30,716	30,191	4,078	-	34,269	(3,553)
		7768	Kosrae	14,832	14,472	-	-	14,472	360
		7768	Yap	18,809	10,684	-	-	10,684	8,125
			Program Total	90,288	78,085	4,078	-	82,163	8,125
	13.217		09-H-001777-06-0 Family Planning 92						
		7673	Pohnpei	20,981	21,593	-	-	21,593	(612)
		7673	Chuuk	25,704	25,559	-	-	25,559	145
		7673	Yap	17,398	13,125	-	-	13,125	4,273
		7673	Kosrae	14,297	12,314	-	-	12,314	1,983
		7673	National Government	2,665	2,115	-	-	2,115	550
		7672	Unallotted	2,730	-	-	-	-	2,730
			Program Total	83,775	74,706	-	-	74,706	9,069
			Balance forward	7,018,370	5,666,739	4,078	12,905	5,683,722	1,334,648

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 7,018,370	\$ 5,666,739	\$ 4,078	\$ 12,905	\$ 5,683,722	\$ 1,334,648
	13.991		Preventive Health '88 88B1 – FM – PRVS:						
		3791	Unallotted	424	–	–	–	–	424
		3793	Kosrae	22,061	–	–	–	–	22,061
		3794	Pohnpei	44,061	35,338	–	–	35,338	8,723
		3795	Chuuk	28,075	15,595	–	–	15,595	12,480
		3796	National Government	45,215	42,303	–	–	42,303	2,912
		3797	National Government	1,113	585	–	–	585	528
		3798	Yap	21,020	6,942	–	–	6,942	14,078
			Program Total	161,969	100,763	–	–	100,763	61,206
	13.991		Preventive Health '90 90 – B1 – FM – PRVS:						
		7605	Chuuk	14,141	24,273	–	–	24,273	(10,132)
		7605	Pohnpei	12,000	12,735	–	–	12,735	(735)
		7605	Yap	9,000	10,005	–	–	10,005	(1,005)
		7605	Kosrae	8,500	2,531	–	–	2,531	5,969
		7606	National Government	109,000	99,072	–	–	99,072	9,928
		7607	National Government	1,361	–	–	–	–	1,361
		7604	National Government	11,900	11,524	–	–	11,524	376
		7608	Kosrae	29,885	27,446	–	–	27,446	2,439
		7603	Unallotted	8,855	–	–	–	–	8,855
		7608	Yap	40,400	33,960	–	–	33,960	6,440
		7608	Pohnpei	87,060	89,622	–	–	89,622	(2,562)
		7608	Chuuk	65,800	88,620	–	–	88,620	(22,820)
			Program Total	397,902	399,788	–	–	399,788	(1,886)
			Balance forward	7,578,241	6,167,290	4,078	12,905	6,184,273	1,393,968

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 7,578,241	\$ 6,167,290	\$ 4,078	\$ 12,905	\$ 6,184,273	\$ 1,393,968
	13.991		89B1 – FM – PRVS						
		7584	National Government	10,000	10,000	–	–	10,000	–
		7589	Kosrae	10,000	10,000	–	–	10,000	–
		7589	Pohnpei	10,000	10,000	–	–	10,000	–
		7589	Chuuk	10,000	10,000	–	–	10,000	–
		7589	Yap	10,000	10,000	–	–	10,000	–
		7594	National Government	10,000	10,000	–	–	10,000	–
		7595	National Government	30,918	30,429	–	–	30,429	489
		7623	National Government	135	135	–	–	135	–
		7583	Unalloted	13,563	–	–	–	–	13,563
		7585	Yap	9,700	8,636	–	–	8,636	1,064
		7585	Kosrae	8,500	5,489	–	–	5,489	3,011
		7585	Pohnpei	16,785	16,785	–	–	16,785	–
		7585	Chuuk	11,570	9,899	–	–	9,899	1,671
			Program Total	151,171	131,373	–	–	131,373	19,798
	13.224		CSH –901774–05:						
		7610	National Government	74,025	67,592	–	–	67,592	6,433
		7611	Pohnpei	128,591	120,805	–	–	120,805	7,786
			Program Total	202,616	188,397	–	–	188,397	14,219
	13.947		H25/CCH904363–01:						
		7613	National Government	25,775	21,658	–	–	21,658	4,117
		7614	Pohnpei	5,225	2,820	–	–	2,820	2,405
			Program Total	31,000	24,478	–	–	24,478	6,522
			Balance forward	7,963,028	6,511,538	4,078	12,905	6,528,521	1,434,507

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 7,963,028	\$ 6,511,538	\$ 4,078	\$ 12,905	\$ 6,528,521	\$ 1,434,507
	13.268		H23/CCH904426-01: Childhood Immunization Program						
		7616	National Government	64,581	68,020	-	-	68,020	(3,439)
		7617	Chuuk	5,255	10,183	-	-	10,183	(4,928)
		7617	Kosrae	357	19	-	-	19	338
		7617	Pohnpei	3,168	3,298	-	-	3,298	(130)
		7615	Unallotted	2,000	-	-	-	-	2,000
			Program Total	75,361	81,520	-	-	81,520	(6,159)
	13.118		FY 90 AIDS U62-CCH902703-04:						
		7619	National Government	11,216	9,123	-	-	9,123	2,093
		7620	National Government	26,679	29,787	-	-	29,787	(3,108)
		7621	Chuuk	3,805	12,512	-	-	12,512	(8,707)
		7621	Pohnpei	7,296	7,919	-	-	7,919	(623)
			Program Total	48,996	59,341	-	-	59,341	(10,345)
	13.110		MCJ-645029-02:						
		7622	National Government	67,549	-	-	-	-	67,549
		7622	Kosrae	3,000	2,562	-	-	2,562	438
		7622	Chuuk	5,700	640	-	-	640	5,060
		7622	Unallotted	8,300	-	-	-	-	8,300
			Program Total	84,549	3,202	-	-	3,202	81,347
	13.171		90-B1-FM-CYAP-01:						
		7625	National Government	11,900	9,111	-	-	9,111	2,789
			Balance forward	8,183,834	6,664,712	4,078	12,905	6,681,695	1,502,139

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 8,183,834	\$ 6,664,712	\$ 4,078	\$ 12,905	\$ 6,681,695	\$ 1,502,139
	93.118	7657	U62/CCU906251-01: National Government	5,400	5,309	-	-	5,309	91
	93.198	7694	AIDS Surveillance U62/CCU0906251-02 National Government	9,214	8,748	-	-	8,748	466
	93.118	7659	AIDS Prevention U62/CCU902703-05 National Government	38,636	36,094	-	-	36,094	2,542
		7660	Pohnpei	6,460	5,478	-	-	5,478	982
		7660	Chuuk	8,062	3,784	-	-	3,784	4,278
		7660	Kosrae	5,608	4,955	-	-	4,955	653
			Program Total	58,766	50,311	-	-	50,311	8,455
	93.118		Aids Prevention '92 U62/CCU902703-06						
		7758	National Government	16,889	14,528	-	-	14,528	2,361
		7759	Pohnpei	6,077	3,672	-	-	3,672	2,405
		7759	Chuuk	9,197	2,342	-	-	2,342	6,855
		7759	Kosrae	9,370	9,311	-	-	9,311	59
		7759	Yap	6,076	3,215	-	-	3,215	2,861
			Program Total	47,609	33,068	-	-	33,068	14,541
			Balance forward	8,304,823	6,762,148	4,078	12,905	6,779,131	1,525,692

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 8,304,823	\$ 6,762,148	\$ 4,078	\$ 12,905	\$ 6,779,131	\$ 1,525,692
	13.110		MCJ-645029-03-0						
		7647	National Government	69,349	60,626	-	2,110	62,736	6,613
		7648	Chuuk	11,400	10,935	2,911	-	13,846	(2,446)
		7648	Kosrae	3,600	3,254	-	-	3,254	346
		7646	Unallotted	200	-	-	-	-	200
			Program Total	84,549	74,815	2,911	2,110	79,836	4,713
	13.902		1H87 TI00054-0100						
		7633	National Government	136,513	131,113	-	(1,500)	129,613	6,900
	13.902		5H87 TI00054-02						
		7681	National Government	112,500	103,465	-	-	103,465	9,035
		7680	Unallotted	2,250	-	-	-	-	2,250
			Program Total	114,750	103,465	-	-	103,465	11,285
	13.902		1-87 TI000257-0100						
		7683	National Government	77,436	77,436	-	-	77,436	-
		7682	Unallotted	1,549	-	-	-	-	1,549
			Program Total	78,985	77,436	-	-	77,436	1,549
			Balance forward	8,719,620	7,148,977	6,989	13,515	7,169,481	1,550,139

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subreceptient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 8,719,620	\$ 7,148,977	\$ 6,989	\$ 13,515	\$ 7,169,481	\$ 1,550,139
	93.991		91-1-FM-PRVS						
		7675	National Government	14,377	13,635	-	-	13,635	742
		7676	National Government	112,000	95,385	-	2,005	97,390	14,610
		7678	Pohnpei	13,865	12,688	-	-	12,688	1,177
		7679	Pohnpei	96,634	81,421	-	-	81,421	15,213
		7678	Chuuk	14,992	236	-	-	236	14,756
		7679	Chuuk	95,000	53,038	-	-	53,038	41,962
		7678	Yap	9,800	9,310	-	-	9,310	490
		7679	Yap	40,400	24,664	-	-	24,664	15,736
		7678	Kosrae	9,200	8,234	-	-	8,234	966
		7679	Kosrae	25,700	19,283	-	-	19,283	6,417
		7674	Unallotted	1,266	-	-	-	-	1,266
			Program Total	433,234	317,894	-	2,005	319,899	113,335
	93.991		92-B1-FM-PRVS						
		7763	Unallotted	23,218	802	-	-	802	22,416
		7764	National Government	36,858	34,881	-	-	34,881	1,977
		7766	Pohnpei	16,402	14,249	336	-	14,585	1,817
		7766	Chuuk	16,500	17,461	592	-	18,053	(1,553)
		7766	Kosrae	8,338	9,420	-	-	9,420	(1,082)
		7766	Yap	9,500	11,311	411	-	11,722	(2,222)
			Program Total	110,816	88,124	1,339	-	89,463	21,353
	13.146		BRX-FM0054-90-0						
		7671	National Government	30,000	29,870	-	-	29,870	130
	13.163		CSH006472-02						
		7631	Yap	7,309	-	-	-	-	7,309
			Balance forward	9,300,979	7,584,865	8,328	15,520	7,608,713	1,692,266

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 9,300,979	\$ 7,584,865	\$ 8,328	\$ 15,520	\$ 7,608,713	\$ 1,692,266
	93.163		CSH006473/4/5-01						
		7684	Unallotted	2,400	-	-	-	-	2,400
		7685	National Government	16,354	15,119	-	-	15,119	1,235
		7686	Yap	18,655	12,749	-	-	12,749	5,906
		7687	Pohnpei	38,392	23,985	-	-	23,985	14,407
			Program Total	75,801	51,853	-	-	51,853	23,948
	93.110		MCJ-64B024-01						
		7689	National Government	20,000	10,200	-	-	10,200	9,800
	93.224		CSH-901774-06 CHC 91						
		7542	National Government	16,899	15,424	-	-	15,424	1,475
		7544	Pohnpei	132,955	128,826	-	-	128,826	4,129
			Program Total	149,854	144,250	-	-	144,250	5,604
	93.224		CSH901774-07-0 CHC 92						
		3762	Pohnpei	149,800	144,792	-	-	144,792	5,008
		7698	Unallotted	54	-	-	-	-	54
			Program Total	149,854	144,792	-	-	144,792	5,062
	93.997		H25/CCH904363-02 STD						
		7654	National Government	30,829	22,701	-	-	22,701	8,128
		7655	Pohnpei	5,271	3,380	-	-	3,380	1,891
			Program Total	36,100	26,081	-	-	26,081	10,019
			Balance forward	9,732,588	7,962,041	8,328	15,520	7,985,889	1,746,699

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subreceptient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 9,732,588	\$ 7,962,041	\$ 8,328	\$ 15,520	\$ 7,985,889	\$ 1,746,699
	93.997		93 STD H25/CCH904363-03						
		7695	Unallotted	210	-	-	-	-	210
		7696	National Government	51,772	8,986	-	602	9,588	42,184
		7697	Pohnpei	13,395	3,296	-	-	3,296	10,099
			Program Total	65,377	12,282	-	602	12,884	52,493
	93.268		H23/CH904426-02 Immunization 91						
		7651	National Government	124,514	104,826	-	1,273	106,099	18,415
		7652	Pohnpei	10,810	9,295	-	-	9,295	1,515
		7652	Chuuk	13,305	3,375	-	-	3,375	9,930
		7652	Yap	350	-	-	-	-	350
		7652	Kosrae	150	-	-	-	-	150
			Program Total	149,129	117,496	-	1,273	118,769	30,360
	93.268		H23/CCH904426-03 Immunization 92						
		7691	National Government	179,636	135,386	-	10,608	145,994	33,642
		7692	Pohnpei	9,471	9,470	-	-	9,470	1
		7692	Chuuk	19,319	20,463	-	-	20,463	(1,144)
		7692	Kosrae	141	141	-	-	141	-
		7692	Yap	716	1,340	-	-	1,340	(624)
			Program Total	209,283	166,800	-	10,608	177,408	31,875
			Balance forward	10,156,377	8,258,619	8,328	28,003	8,294,950	1,861,427

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 10,156,377	\$ 8,258,619	\$ 8,328	\$ 28,003	\$ 8,294,950	\$ 1,861,427
	93.992		92-B1-FM-ADMS						
		7770	National Government	150,044	98,350	-	7,450	105,800	44,244
		7771	Chuuk	94,000	83,521	977	-	84,498	9,502
		7771	Kosrae	22,500	12,982	-	-	12,982	9,518
		7771	Yap	15,300	10,179	1,559	-	11,738	3,562
		7771	Yap	38,500	27,150	673	-	27,823	10,677
		7771	Pohnpei	80,656	80,338	308	-	80,646	10
			Program Total	401,000	312,520	3,517	7,450	323,487	77,513
	93.994		92 MCH						
			92-B1-FM-MCHS						
		7751	Unallotted	42,259	-	-	-	-	42,259
		7752	National Government	47,425	43,325	-	-	43,325	4,100
		7753	National Government	143,168	86,755	-	-	86,755	56,413
		7754	Pohnpei	89,519	76,852	-	-	76,852	12,667
		7754	Chuuk	91,909	85,751	335	-	86,086	5,823
		7754	Yap	52,823	37,653	75	-	37,728	15,095
		7754	Kosrae	39,875	32,458	3,539	-	35,997	3,878
		7756	Yap	7,000	-	-	-	-	7,000
		7756	Kosrae	5,750	4,528	-	-	4,528	1,222
			Program Total	519,728	367,322	3,949	-	371,271	148,457
	93.171		91 CYAP						
			91-B1-FM-CYAP-01						
		7669	National Government	12,101	7,028	-	482	7,510	4,591
			Balance forward	11,089,206	8,945,489	15,794	35,935	8,997,218	2,091,988

See accompanying notes to schedule of federal financial assistance.



**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 11,089,206	\$ 8,945,489	\$ 15,794	\$ 35,935	\$ 8,997,218	\$ 2,091,988
	93.116	7761	92 Tuberculosis Prog U52/CCU907874-01 National	45,228	17,664	-	-	17,664	27,564
			Program Total	45,228	17,664	-	-	17,664	27,564
	93.242	7776	93 MHIS 1 G19 MH50914-01 Unallotted	26,750	-	-	-	-	26,750
		7777	National Government	47,905	28,572	-	-	28,572	19,333
			Program Total	74,655	28,572	-	-	28,572	46,083
	93.977	7695	92 STD H25/CCH904363-03-1 Unallotted	210	-	-	-	-	210
		7696	National Government	26,214	29,890	-	-	29,890	(3,676)
		7697	Pohnpei	6,805	6,091	1,305	-	7,396	(591)
			Program Total	33,229	35,981	1,305	-	37,286	(4,057)
	93.268	7792	93 Immunization H23/CCH904426-04 National Government	190,424	50,403	-	92,923	143,326	47,098
		7793	Pohnpei	31,645	13,432	11,504	-	24,936	6,709
		7793	Chuuk	42,696	44,279	4,818	-	49,097	(6,401)
		7793	Yap	11,400	3,674	1,921	-	5,595	5,805
		7793	Kosrae	9,280	-	573	-	573	8,707
			Program Total	285,445	111,788	18,816	92,923	223,527	61,918
			Balance forward	11,527,763	9,139,494	35,915	128,858	9,304,267	2,223,496

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 11,527,763	\$ 9,139,494	\$ 35,915	\$ 128,858	\$ 9,304,267	\$ 2,223,496
	93.116	7795	93 Tuberculosis Program U52/CCU907874-02 National Government	83,138	19,627	-	52,085	71,712	11,426
	93.994		93 MCH 93B1FMMCHS						
		7451	Unallotted	38,846	-	-	-	-	38,846
		7452	National Government	53,003	2,254	-	43,446	45,700	7,303
		7453	National Government	113,920	446	-	80,357	80,803	33,117
		7454	Pohnpei	98,914	14,769	85,282	-	100,051	(1,137)
		7454	Chuuk	99,981	-	85,154	-	85,154	14,827
		7454	Kosrae	40,312	-	33,773	-	33,773	6,539
		7454	Yap	55,646	-	48,738	-	48,738	6,908
		7455	Pohnpei	6,000	-	176	-	176	5,824
		7455	Chuuk	5,500	-	5,453	-	5,453	47
		7455	Kosrae	7,200	-	6,800	-	6,800	400
		7456	Kosrae	6,200	-	4,320	-	4,320	1,880
		7455	Yap	4,500	-	117	-	117	4,383
			Program Total	530,022	17,469	269,813	123,803	411,085	118,937
	93.283	7799	93 Data Mgmt. Capacity H1G/CCH908215-01 National Government	26,975	7,344	-	14,621	21,965	5,010
	93.118		93 AIDS Prevention U62/CCU902703-07						
		7458	National Government	15,170	12,515	-	1,746	14,261	909
		7459	Pohnpei	9,866	9,024	1,218	-	10,242	(376)
		7459	Chuuk	6,919	6,289	2,161	-	8,450	(1,531)
		7459	Kosrae	4,608	4,608	-	-	4,608	-
			Program Total	36,563	32,436	3,379	1,746	37,561	(998)
			Balance forward	12,204,461	9,216,370	309,107	321,113	9,846,590	2,357,871

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 12,204,461	\$ 9,216,370	\$ 309,107	\$ 321,113	\$ 9,846,590	\$ 2,357,871
	93.118	7787	93 AIDS Surveillance U62/CCU906251-03 National Government	11,703	8,913	-	1,432	10,345	1,358
	93.217		94 Family Planning 09H-001777-8-0						
		7463	Pohnpei	37,229	4,400	25,859	-	30,259	6,970
		7463	Chuuk	38,197	-	31,611	-	31,611	6,586
		7463	Kosrae	18,925	-	16,918	-	16,918	2,007
		7463	Yap	25,159	2,400	14,300	-	16,700	8,459
		7360	National Government	20,014	-	-	-	-	20,014
			Program Total	139,524	6,800	88,688	-	95,488	44,036
	93.902		93 Subst. Abuse/Juven 5 HS2 TI00257-03						
		7475	National Government	82,933	-	-	20,000	20,000	62,933
	93.959		93 Subs. Abuse Preven 93 B1 FM SAPT-02						
		7464	National Government	138,185	-	-	97,449	97,449	40,736
		7465	Pohnpei	65,000	1,323	60,023	-	61,346	3,654
		7473	Chuuk	121,000	-	113,086	-	113,086	7,914
		7473	Yap	30,800	-	14,531	-	14,531	16,269
		7473	Yap	36,400	-	28,204	-	28,204	8,196
		7473	Kosrae	18,000	-	16,923	-	16,923	1,077
			Program Total	409,385	1,323	232,767	97,449	331,539	77,846
	93.924		93 CHC CSH901774-08						
		7785	Pohnpei	142,362	112,256	41,942	-	154,198	(11,836)
			Balance forward	12,990,368	9,345,662	672,504	439,994	10,458,160	2,532,208

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 12,990,368	\$ 9,345,662	\$ 672,504	\$ 439,994	\$ 10,458,160	\$ 2,532,208
	93.630		93 Dev. Disability G-9301-FMBS84						
		7466	Unallotted	68,613	-	-	-	-	68,613
		7467	National Government	152,137	49,022	-	70,767	119,789	32,348
			Program Total	220,750	49,022	-	70,767	119,789	100,961
	93.958		93 Comm. Mental Health 93 B1 FM CMHS-01						
		7469	National Government	72,056	612	-	47,998	48,610	23,446
			Program Total	72,056	612	-	47,998	48,610	23,446
	93.991		93 Preventive Health 93-B1-FM-PRVS						
			Unallotted	18,372	-	-	-	-	18,372
		7471	National Government	19,650	-	-	11,127	11,127	8,523
		7472	Pohnpei	17,918	-	17,174	-	17,174	744
		7472	Chuuk	19,292	-	15,180	-	15,180	4,112
		7472	Kosrae	10,000	-	9,111	-	9,111	889
		7472	Yap	12,572	-	12,516	-	12,516	56
			Program Total	97,804	-	53,981	11,127	65,108	32,696
	93.163		Safe Water Component CSH006479-01-0						
		7460	Kosrae	48,735	-	47,775	-	47,775	960
	93.163		92 Biomedical Services CSH006478-01-0						
		7782	National Government	91,117	59,120	-	-	59,120	31,997
			Balance forward	13,520,830	9,454,416	774,260	569,886	10,798,562	2,722,268

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 13,520,830	\$ 9,454,416	\$ 774,260	\$ 569,886	\$ 10,798,562	\$ 2,722,268
	93.163		92 Regional Dental CSH006477-01-0						
		7797	National Government	105,797	61,294	—	34,805	96,099	9,698
			Program Total	105,797	61,294	—	34,805	96,099	9,698
	93.163		92 Nurse Practice Act CSH006473-02-0						
		7781	National Government	40,328	38,308	—	—	38,308	2,020
	93.171		92 CYAP 92 B1 FM CYAP-01						
		7461	National Government	5,922	4,696	—	—	4,696	1,226
	93.902		92 Subs. Abuse/Juv 5 H87 TI00257-02						
		7773	National Government	78,985	39,492	—	—	39,492	39,493
	93.902		92 Critical Population 5 H87 TI00054-03						
		7775	National Government	65,801	61,677	—	4,124	65,801	—
		7779	Pohnpei	49,866	29,960	10,814	—	40,774	9,092
			Program Total	115,667	91,637	10,814	4,124	106,575	9,092
			Balance forward	13,867,529	9,689,843	785,074	608,815	11,083,732	2,783,797

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 13,867,529	\$ 9,689,843	\$ 785,074	\$ 608,815	\$ 11,083,732	\$ 2,783,797
	93.268		94 Immunization Program H23/CCH904426-05						
		7492	Unallotted	50,000	-	-	-	-	50,000
		7493	National Government	257,985	-	-	135,374	135,374	122,611
		7494	Pohnpei	41,982	-	20,241	-	20,241	21,741
		7494	Chuuk	55,830	-	41,871	-	41,871	13,959
		7494	Kosrae	12,077	-	7,505	-	7,505	4,572
		7494	Yap	13,077	-	3,927	-	3,927	9,150
			Program Total	430,951	-	73,544	135,374	208,918	222,033
	93.630		94 Development Disabilities G-9401-FMBS84						
		7373	Unallotted	96,610	-	-	-	-	96,610
		7374	National Government	30,000	-	-	-	-	30,000
			Program Total	126,610	-	-	-	-	126,610
	93.940		94 AIDS Prevention U62/CCU902703-08						
		7498	National Government	46,545	-	-	20,856	20,856	25,689
		7499	Pohnpei	9,833	-	8,456	-	8,456	1,377
		7499	Chuuk	7,441	-	2,669	-	2,669	4,772
		7499	Kosrae	10,481	-	7,800	-	7,800	2,681
			Program Total	74,300	-	18,925	20,856	39,781	34,519
	93.118		94 AIDS Surveillance U62/CCU906251-04						
		7495	Unallotted	2,894	-	-	-	-	2,894
		7496	National Government	7,967	-	-	3,638	3,638	4,329
			Program Total	10,861	-	-	3,638	3,638	7,223
			Balance forward	14,510,251	9,689,843	877,543	768,683	11,336,069	3,174,182

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 14,510,251	\$ 9,689,843	\$ 877,543	\$ 768,683	\$ 11,336,069	\$ 3,174,182
	93.224		94 CHC CSH901774-09-0						
		7358	Unallotted	2,653	-	-	-	-	2,653
		7359	Pohnpei	139,709	-	87,876	-	87,876	51,833
			Program Total	142,362	-	87,876	-	87,876	54,486
	93.958		94 Comm. Mental Health 94 B1 FM CMHS-01						
		7366	Unallotted	11,000	-	-	-	-	11,000
		7367	National Government	69,062	-	-	-	-	69,062
			Program Total	80,062	-	-	-	-	80,062
	93.217		95 Family Planning 09H-001777-09-1						
		7364	Unallotted	17,472	-	-	-	-	17,472
		7365	Pohnpei	36,841	-	7,596	-	7,596	29,245
		7365	Chuuk	44,625	-	2,443	-	2,443	42,182
		7365	Kosrae	15,591	-	-	-	-	15,591
		7365	Yap	17,066	-	2,729	-	2,729	14,337
			Program Total	131,595	-	12,768	-	12,768	118,827
	93.128		94 MHIS 5 HR1 SM50914-02						
		7476	Unallotted	19,010	-	-	-	-	19,010
		7477	National Government	50,580	-	-	33,211	33,211	17,369
		7478	Chuuk	4,740	-	1,329	-	1,329	3,411
			Program Total	74,330	-	1,329	33,211	34,540	39,790
			Balance forward	14,938,600	9,689,843	979,516	801,894	11,471,253	3,467,347

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 14,938,600	\$ 9,689,843	\$ 979,516	\$ 801,894	\$ 11,471,253	\$ 3,467,347
	93.119		95 MHIS 5 HR1 SM50914-03						
		7370	Unallotted	17,550	-	-	-	-	17,550
		7371	National Government	44,780	-	-	1,933	1,933	42,847
		7372	Pohnpei	7,200	-	-	-	-	7,200
			Program Total	69,530	-	-	1,933	1,933	67,597
	93.994		94 MCH 94B1FMMCHS						
		7486	Unallotted	163,746	-	-	-	-	163,746
		7487	National Government	54,582	-	-	5,469	5,469	49,113
		7489	Pohnpei	103,665	-	-	-	-	103,665
		7489	Chuuk	107,322	-	12,000	-	12,000	95,322
		7489	Kosrae	52,093	-	-	-	-	52,093
		7489	Yap	64,412	-	-	-	-	64,412
			Program Total	545,820	-	12,000	5,469	17,469	528,351
	93.163		93 PBI/Nurse Practice CSH006473-03-0						
		7483	National Government	50,339	-	-	25,906	25,906	24,433
			93 PBI/Biomedical Services CSH006478-02-0						
		7484	National Government	70,000	-	-	-	-	70,000
			93 PBI/Comm. Base Health CSH064710-01-0						
		7485	Pohnpei	40,000	-	13,920	-	13,920	26,080
			Balance forward	15,714,289	9,689,843	1,005,436	835,202	11,530,481	4,183,808

See accompanying notes to schedule of federal financial assistance.



**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 15,714,289	\$ 9,689,843	\$ 1,005,436	\$ 835,202	\$ 11,530,481	\$ 4,183,808
	93.991		94 PH & PH 94-B1-FM-PRVS						
		7352	Unallotted	103,690	-	-	-	-	103,690
	93.977		94 STD H25/CCH904363-04						
		7356	National Government	30,649	-	-	16,342	16,342	14,307
		7357	Pohnpei	7,325	-	4,878	-	4,878	2,447
			Program Total	37,974	-	4,878	16,342	21,220	16,754
	93.116		94 Tuberculosis Control U52/CCU907874-03						
		7361	Unallotted	488	-	-	-	-	488
		7362	National Government	89,985	-	-	51,038	51,038	38,947
		7363	Pohnpei	17,520	-	4,029	-	4,029	13,491
		7363	Chuuk	19,060	-	12,809	-	12,809	6,251
		7363	Kosrae	8,100	-	6,220	-	6,220	1,880
		7363	Yap	15,470	-	1,230	-	1,230	14,240
			Program Total	150,623	-	24,288	51,038	75,326	75,297
	93.988		94 State-Base Diabetes U32/CCU910641-01						
		7369	National Government	70,290	-	-	2,124	2,124	68,166
			Balance forward	16,076,866	9,689,843	1,034,602	904,706	11,629,151	4,447,715

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. DHHS balance forwarded				\$ 16,076,866	\$ 9,689,843	\$ 1,034,602	\$ 904,706	\$ 11,629,151	\$ 4,447,715
	93.110		94 State Sys. Develop. Initiative 1 MCJ-64T046-01-0						
		7479	Unallotted	60	-	-	-	-	60
		7480	National Government	13,000	-	-	2,072	2,072	10,928
		7481	Pohnpei	21,350	-	16,306	-	16,306	5,044
		7481	Chuuk	24,040	-	18,532	-	18,532	5,508
		7481	Kosrae	21,358	-	11,894	-	11,894	9,464
		7481	Yap	20,000	-	400	-	400	19,600
			Program Total	99,808	-	47,132	2,072	49,204	50,604
	93.902		94 Subs. Abuse/Juveniles 5 HS2 TI00257-04						
		7376	National Government	82,933	-	-	-	-	82,933
			Total U.S. Dept. of Health and Human Services	\$ 16,259,607	\$ 9,689,843	\$ 1,081,734	\$ 906,778	\$ 11,678,355	\$ 4,581,252

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED**  
**BY GRANTOR**  
**YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund  Federal Emergency Management Agency (FEMA)	83.516	3805	Typhoon Orchid	\$ 358,964	\$ 446,749	\$ -	\$ -	\$ 446,749	\$ (87,785)
		3810	Typhoon Nina	2,000,000	3,435,901	-	-	3,435,901	(1,435,901)
		3811	Typhoon Nina	9,600,000	-	-	-	-	9,600,000
			Program Total	11,958,964	3,882,650	-	-	3,882,650	8,076,314
	83.505		Disaster Preparedness 88/EMF-88-K-0299						
		3814	National Government	25,000	6,949	-	-	6,949	18,051
		3816	EMF-89-K-0328	26,700	23,609	-	-	23,609	3,091
			Program Total	51,700	30,558	-	-	30,558	21,142
	83.505		EMF-909-K-0337						
		3817	Unalloted	20,300	-	-	-	-	20,300
		3818	National Government	29,700	15,524	-	-	15,524	14,176
			Program Total	50,000	15,524	-	-	15,524	34,476
	83.516		FEMA-934-DR-FSM Typhoon Axel PA						
		3837	Pohnpei	560,569	216,829	-	-	216,829	343,740
		3837	Kosrae	36,184	36,675	-	-	36,675	(491)
			Program Total	596,753	253,504	-	-	253,504	343,249
			Balance forward	12,657,417	4,182,236	-	-	4,182,236	8,475,181

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED**  
**BY GRANTOR**  
**YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
FEMA balance forwarded				\$ 12,657,417	\$ 4,182,236	\$ -	\$ -	\$ 4,182,236	\$ 8,475,181
	83.516		FEMA -934-DR-FSM Typhoon Axel Admin. National Government	13,313	6,247	-	-	6,247	7,066
		3842							
	83.516		FEMA -886-DR-FSM Typhoon Owen IFG						
		3826	Chuuk	6,200,000	6,188,383	-	-	6,188,383	11,617
		3825	Unallotted	900,000	-	-	-	-	900,000
			Program Total	7,100,000	6,188,383	-	-	6,188,383	911,617
	83.516		FEMA -886-DR-FSM Typhoon Owen Admin. National	33,472	14,004	-	5,876	19,880	13,592
		3831							
			Program Total	33,472	14,004	-	5,876	19,880	13,592
	83.516		FEMA -886-DR-FSM Typhoon Owen PA						
		3824	National Government	40,771	34,083	-	-	34,083	6,688
		3820	Chuuk	1,659,395	2,017,962	10,801	-	2,028,763	(369,368)
		3821	Chuuk	3,000	19,110	-	-	19,110	(16,110)
		3826	Chuuk	206,904	75,176	-	-	75,176	131,728
		3821	Yap	822,353	301,829	-	-	301,829	520,524
		3830	National Government	33,472	-	-	-	-	33,472
			Program Total	2,765,895	2,448,160	10,801	-	2,458,961	306,934
			Balance forward	22,570,097	12,839,030	10,801	5,876	12,855,707	9,714,390

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
FEMA balance forwarded				\$ 22,570,097	\$ 12,839,030	\$ 10,801	\$ 5,876	\$ 12,855,707	\$ 9,714,390
	83.516		FEMA-892-FSM Typhoon Russ PA						
		3823	Pohnpei	324,200	547,787	-	-	547,787	(223,587)
		3829	National	8,213	-	-	-	-	8,213
			Program Total	332,413	547,787	-	-	547,787	(215,374)
	83.516		FEMA-892-DR-FSM Typhoon Russ IFG						
		3828	Pohnpei	129,401	123,481	-	-	123,481	5,920
	83.516		FEMA-926-DR-FSM Typhoon Russ Admin.						
		3832	National Government	8,213	2,424	-	-	2,424	5,789
		3834	Pohnpei	238,260	15,732	-	-	15,732	222,528
			Program Total	246,473	18,156	-	-	18,156	228,317
	83.516		FEMA-926-DR-FSM Typhoon Yuri Admin.						
		3841	National Government	3,484	1,660	-	-	1,660	1,824
	83.516		FEMA-926-DR-FSM Typhoon Yuri PA						
		3843	National Government	-	-	-	671	671	(671)
			Pohnpei	-	181,587	89,254	-	270,841	(270,841)
			Program Total	-	181,587	89,254	671	271,512	(271,512)
	83.516		FEMA-926-FSM Typhoon Yuri IFG						
		3830	Pohnpei	375,000	454,879	-	-	454,879	(79,879)
			Balance forward	23,656,868	14,166,580	100,055	6,547	14,273,182	9,383,686

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
FEMA balance forwarded				\$ 23,656,868	\$ 14,166,580	\$ 100,055	\$ 6,547	\$ 14,273,182	\$ 9,383,686
	83.505		EMF-92-K-0399						
		3839	National Government	50,000	37,270	-	-	37,270	12,730
	83.505		93 Disaster Preparedness						
			EMF-93-K-0405						
		3845	National Government	50,000	22,119	-	8,272	30,391	19,609
	83.516	N/A	Yap Typhoon Owen	761,314	698,359	-	-	698,359	62,955
	83.505		94 Disaster Preparedness						
			EMF-94-K-0435						
		3866	National Government	25,000	-	-	5,830	5,830	19,170
	83.519		Hazard Mitigation						
			FEMA-886- FSM						
		3846	Unallotted	4,944	-	-	-	-	4,944
		3847	National Government	10,536	-	-	-	-	10,536
		3854	Chuuk	80,000	-	-	-	-	80,000
		3855	Yap	17,984	-	6,221	-	6,221	11,763
		3856	Yap	313,716	-	31,862	-	31,862	281,854
		3857	Yap	112,385	-	64,620	-	64,620	47,765
			Program Total	539,565	-	102,703	-	102,703	436,862
	83.519		Hazard Mitigation						
			FEMA-892- FSM						
		3848	National Government	394	-	-	-	-	394
		3852	Pohnpei	12,398	-	1,798	-	1,798	10,600
			Program Total	12,792	-	1,798	-	1,798	10,994
			Balance forward	25,095,539	14,924,328	204,556	20,649	15,149,533	9,946,006

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**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
FEMA balance forwarded				\$ 25,095,539	\$ 14,924,328	\$ 204,556	\$ 20,649	\$ 15,149,533	\$ 9,946,006
	83.519		Hazard Mitigation FEMA-926- FSM						
		3849	National Government	7,224	-	-	-	-	7,224
		3851	Pohnpei	9,308	-	5,608	-	5,608	3,700
		3858	Pohnpei	23,202	-	23,202	-	23,202	-
		3859	Pohnpei	207,700	-	46,057	-	46,057	161,643
			Program Total	247,434	-	74,867	-	74,867	172,567
	83.519		Hazard Mitigation FEMA-934- FSM						
		3850	National Government	1,846	-	-	-	-	1,846
		3860	Kosrae	3,329	-	-	-	-	3,329
		3861	Kosrae	58,216	-	-	-	-	58,216
			Program Total	63,391	-	-	-	-	63,391
	83.519		Hazard Management Cost FEMA-886- 934						
		3862	Unallotted	12,000	-	-	-	-	12,000
		3864	Chuuk	36,000	-	4,980	-	4,980	31,020
		3864	Yap	32,000	-	9,624	-	9,624	22,376
			Program Total	80,000	-	14,604	-	14,604	65,396
			Total Federal Emergency Management Agency	\$ 25,486,364	\$ 14,924,328	\$ 294,027	\$ 20,649	\$ 15,239,004	\$ 10,247,360

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED**  
**BY GRANTOR**  
**YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
U.S. Federal Direct Assistance Fund									
U.S. Department of Transportation – Federal Aviation Administration	20.106	N/A	Chuuk International Airport	\$ 721,000	\$ 580,131	\$ 103,285	\$ –	\$ 683,416	\$ 37,584
			Total U.S. Federal Aviation Administration	\$ 721,000	\$ 580,131	\$ 103,285	\$ –	\$ 683,416	\$ 37,584
National Oceanic and Atmospheric Admin.	11.460	N/A	National Government	\$ 2,004,481	\$ 1,212,264	\$ –	\$ –	\$ 1,212,264	\$ 792,217
			Total National Oceanic and Atmospheric Administration	\$ 2,004,481	\$ 1,212,264	\$ –	\$ –	\$ 1,212,264	\$ 792,217
			Total U.S. Federal Direct Assistance	\$ 117,435,446	\$ 77,147,754	\$ 6,670,916	\$ 1,838,772	\$ 85,657,442	\$ 31,778,004

See accompanying notes to schedule of federal financial assistance.



**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
**SCHEDULE OF NON U.S. DIRECT ASSISTANCE GRANTS**  
**STATEMENT OF EXPENDITURES BY GRANTOR**  
**YEAR ENDED SEPTEMBER 30, 1994**

<u>Grantor</u>	<u>Org. No.</u>	<u>Grantor Title</u>	<u>1994 Fiscal Year Expenditures National Government</u>
Other Direct Assistance Fund:			
Australian Government Grants			
	3948	FSM Leptospirosis	\$ 1,362
	7808	Micronesia Patient Admin.	5,573
	7827	Environmental Management	2,236
	7412	Data Mgmt Capacity Building	4,607
	7848	Epin Water Supply System	2,496
			<u>16,274</u>
ILO Assistance	7422	Small Enterprise & Ent. Development	<u>8,245</u>
Japan Foreign Assistance	3935	Hansen's Disease	<u>2</u>
United Nations			
	3955	Population Education	790
	7834	TCP/Nutrition Workshop	14,461
	7401	Vitamin A Proj.	1,229
	7404	FFP&N	13,992
			<u>30,472</u>
SPREP	7411	Sanitation Booklet Proj.	<u>8,004</u>
SPC/SPEC	7826	Purchase of Computer	<u>360</u>
World Health Organization			
	3905	Primary Health/Support	8,627
	3915	Family Plan Administration	6,612
	3976	FY89 Leprosy	13,371
	3978	Primary Hlth Care	20
	7838	Family Health	18,110
	7803	AIDS Prevention Control	16,418
	7409	AI & Drug Related Problem	779
	7413	Tuberculosis Control Prog.	850
	7416	Drinking Water Prog.	2,999
	7419	Non-Communicable Disease Workshop	4,609
			<u>72,395</u>
		Balance forward	<u>135,752</u>

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF NON U.S. DIRECT ASSISTANCE GRANTS  
STATEMENT OF EXPENDITURES BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	Org. No.	Grantor Title	1994 Fiscal Year Expenditures National Government
Other Direct Assistance Fund, Balance Forwarded			\$ 135,752
South Pacific Nations	7813	Env. Manage. Sust	<u>(2,236)</u>
Forum Fisheries Agency			
	7824	FSM Port Sampling	28,623
	7845	PeaceSat Com Off	<u>5,786</u>
			<u>34,409</u>
International Labor Organ.	7811	National Manpower Survey	<u>907</u>
Asian Development Bank	7407	ADB Financial Resource Management	<u>1,365</u>
Fiji	7847	National Women's Interest Program	<u>1,595</u>
Forum Secretariat—South Pacific	7408	Energy Sector Training	<u>8,479</u>
		Total Non—U.S. Grants	<u>\$ 180,271</u>
		Total U.S. Federal Direct Assistance and Non—U.S. Grants Expenditures	<u>\$ 2,019,043</u>
Reconciliation to general—purpose financial statements			
		Balance per the above	\$ 2,019,043
		Less amounts which relate to foreign grants	<u>(180,271)</u>
		Net federal share	<u>\$ 1,838,772</u>
		Amount per general—purpose financial statements	\$ 1,911,075
		Add current included in financials which relate to OTIA (page 166)	<u>107,968</u>
			<u>\$ 2,019,043</u>

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
<u>OTIA TECHNICAL ASSISTANCE:</u>									
	15.875								
		3487	MOU FSM-24						
			Automated Land Record System	\$ 43,866	\$ 50,840	\$ -	\$ -	\$ 50,840	\$ (6,974)
		3488	MOU FSM-25/NH5625						
			Financial Advisor	133,000	126,987	-	-	126,987	6,013
		3505	Economic Newsletter	200,020	147,954	10,617	-	158,571	41,449
		3506	Single Audit	340,000	16,231	-	-	16,231	323,769
		3511	MOU FSM-35						
			National Health Care Plan	22,900	16,827	-	-	16,827	6,073
		3512	Single Audit 88	375,000	366,699	-	-	366,699	8,301
		3513	Financial Management System	252,655	237,495	-	-	237,495	15,160
		7507	MOU FSM-44						
			Anti-Drug Training	28,170	10,615	-	-	10,615	17,555
		7508	Comprehensive Needs	379,450	378,322	-	-	378,322	1,128
		7509	Procurement Management Training	13,600	12,054	-	-	12,054	1,546
		7510	Single Audit '89	350,000	348,915	-	-	348,915	1,085
		7512	Cash Management Study	45,000	35,000	-	-	35,000	10,000
		7514	Improvement of Radiology	14,200	14,200	-	-	14,200	-
		7515	Custom Advisor	96,000	84,165	-	-	84,165	11,835
		7516	Single Audit 90	350,000	328,347	-	-	328,347	21,653
		7517	Intercensal Survey	4,000	4,000	-	-	4,000	-
		7518	Material Man. Works	6,000	4,979	-	-	4,979	1,021
		7852	FSM MOU 54						
			Kosrae Sec. Dev. Plan	50,000	25,000	-	-	25,000	25,000
		7853	Vital Statistics	24,576	21,725	-	1,095	22,820	1,756
		7854	Tourism Educ. Video	32,000	11,852	-	14,499	26,351	5,649
		7855	Short-Term Health	40,000	31,000	-	-	31,000	9,000
		7856	PUC	110,000	77,500	-	-	77,500	32,500
		7857	FY-91 Single Audit	355,000	353,105	-	-	353,105	1,895
		7859	Road Maintenance	61,360	8,029	-	23,145	31,174	30,186
		7863	IMPS	5,200	4,569	-	-	4,569	631
		7864	PUC	430,250	281,327	141,440	-	422,767	7,483
		7866	Detector Dog Prog.	45,000	30,469	-	1,131	31,600	13,400
		7867	On-Island Anti-Substance Abuse	25,000	15,039	-	703	15,742	9,258
			Balance forward	3,832,247	3,043,245	152,057	40,573	3,235,875	596,372

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED**  
**BY GRANTOR**  
**YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
OTIA Technical Assistance balance forwarded				\$ 3,832,247	\$ 3,043,245	\$ 152,057	\$ 40,573	\$ 3,235,875	\$ 596,372
		7868	PIRAAP Conference	15,000	3,704	—	3,218	6,922	8,078
		7869	PIRAAP Ranger Train.	4,000	2,892	—	—	2,892	1,108
		7870	ONDCP Conference	3,000	1,180	—	—	1,180	1,820
		7871	FBI Regional Training	5,000	—	—	4,727	4,727	273
		7872	Kosrae School Maintenance	75,000	71,134	—	—	71,134	3,866
		7873	Kosrae Vocational Education	25,000	10,474	—	—	10,474	14,526
		7874	Public Works reorganization	65,000	—	90,862	—	90,862	(25,862)
		7882	FY—92 Single Audit	365,000	336,519	—	22,122	358,641	6,359
		3482	Computer Training	—	110	—	—	110	(110)
		N/A	Budget Advisor	—	15,385	5,627	—	21,012	(21,012)
		3488	Computer Advisor	19,000	—	—	—	—	19,000
		3493	Marketing Study	35,000	15,603	—	731	16,334	18,666
		7513	Hospital Lab mgm't imp	25,800	20,017	—	—	20,017	5,783
FSM—60		7885	93 Census Workshop	3,600	2,864	—	—	2,864	736
FSM—61		7886	Economic Newsletter	84,250	84,250	—	—	84,250	—
FSM—64		7896	Tourism Master Plan	85,596	—	—	55,037	55,037	30,559
FSM—24		7888	Land Survey Record	30,000	—	21,460	—	21,460	8,540
FSM—25—III		3488	Computer Advisor	53,000	12,818	15,447	—	28,265	24,735
FSM—63		7890	Envir. Mgmt Spec.	30,500	9,708	21,121	—	30,829	(329)
FSM—47—I		7515	Custom Advisor	46,000	—	—	9,690	9,690	36,310
FSM—62		7887	Supply & Pharmacy	9,440	7,534	—	—	7,534	1,906
FSM—66		7304	Firearms Training	33,000	—	—	19,889	19,889	13,111
PIRRAP		7899	FBI Reg. Train	3,000	—	—	988	988	2,012
		7881	DUI Breathalyzer	25,200	—	—	4,827	4,827	20,373
		7897	Secure Faxnet System	12,000	—	—	11,500	11,500	500
		7898	Anti—Drug Youth	60,000	180	—	5,041	5,221	54,779
		7884	Comm. Base Trainer	79,000	16,731	—	39,032	55,763	23,237
		7883	Cook Support Proj.	12,000	2,275	—	831	3,106	8,894
OMIP		7894	Dept. Ed. O&M	180,137	—	5,168	—	5,168	174,969
		7893	Road Disp. Repair	259,863	—	—	—	—	259,863
		7892	Power System O&M	23,200	1,582	32,123	—	33,705	(10,505)
		7874	Reorgan. PUC	26,000	—	—	—	—	26,000
		7889	Kosrae Util. Auth.	101,500	6,914	72,645	—	79,559	21,941
FSM—68		7305	Yap Historic Preserv	13,000	—	10,630	—	10,630	2,370
Balance forward				5,639,333	3,665,119	427,140	218,206	4,310,465	1,328,868

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subreceptient	National Government		
OTIA Technical Assistance balance forwarded				\$ 5,639,333	\$ 3,665,119	\$ 427,140	\$ 218,206	\$ 4,310,465	\$ 1,328,868
		7307	Statistics Workshop	6,800	—	—	4,443	4,443	2,357
FSM—69		7329	Micro. Invest Qrtly	84,250	—	—	21,250	21,250	63,000
FSM—70		7318	US/FSM Econ. Cons.	20,000	—	—	19,826	19,826	174
FSM—72		7322	Pharmac. Workshop	6,000	—	—	3,469	3,469	2,531
FSM—74		7328	Med. Epidem. Train	13,232	—	—	—	—	13,232
		7300	FY—93 Single Audit	404,000	—	—	397,381	397,381	6,619
		7319	FSM National Census	500,000	—	—	260,159	260,159	239,841
PIR/91—11—FSM		7884	Comm. State Base MH	26,500	—	—	—	—	26,500
PIR/93—24—FSM		7309	On—Is. Anti—Sub Conf.	25,000	—	—	18,291	18,291	6,709
PIR/93—25—FSM		7310	PIRAAP Rev. Meet.	25,000	—	—	10,586	10,586	14,414
PIR/93—26—FSM		7311	DOI/US Army Training	20,000	—	—	—	—	20,000
PIR/93—27—FSM		7312	FBI Pac. Training	11,000	—	—	8,575	8,575	2,425
PIR/93—28—FSM		7313	Anti—Sub. Abuse PSA	10,000	—	—	1,630	1,630	8,370
PIR/93—30—FSM		7314	Altern. Youth Actv.	60,000	—	—	—	—	60,000
PIR/93—34—FSM		7315	Kos. Anti—Sub. Abuse	150,000	—	—	—	—	150,000
PIR/93—35—FSM		7327	DARE Training	30,000	—	—	16,588	16,588	13,412
OMIP—POHN—93—2		7306	Water, Sewer Develop	810,000	—	426,266	—	426,266	383,734
OMIP—POHN—93—3		7317	Elect. Utility Dev.	273,468	—	97,000	—	97,000	176,468
OMIP—POHN—91—5		7323	Hosp. Maint. Imprv	140,420	—	—	—	—	140,420
OMIP—CHUUK—91—1		7895	Water & Sewer O&M	50,000	—	24,020	—	24,020	25,980
		7316	Public Util. Corp	140,000	—	10,616	—	10,616	129,384
OMIP—KOS—91—1		7321	Elec. & Power Sys.	108,000	—	—	—	—	108,000
OMIP—KOS—91—2		7891	Maint. Repr Hosp.	20,000	—	—	—	—	20,000
OMIP—KOS—93—1		7320	School Maint. Prog	125,000	—	—	—	—	125,000
		N/A	Multiagency Antifraud	—	—	48,495	—	48,495	(48,495)
Total OTIA Technical Assistance Grants				<u>\$ 8,698,003</u>	<u>\$ 3,665,119</u>	<u>\$ 1,033,537</u>	<u>\$ 980,404</u>	<u>\$ 5,679,060</u>	<u>\$ 3,018,943</u>
Amount per general—purpose financial statements					\$ 1,088,372				
Less amounts whihc are classified in U.S. Direct Assistance Fund (See page 163)					(107,968)				
					<u>\$ 980,404</u>				

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED**  
**BY GRANTOR**  
**YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
<u>Subrecipient</u>									
<u>OTIA Special O&amp;M</u>									
	15.875								
			Yap O&M – 1,3	\$ 1,550,000	\$ 610,957	\$ –	\$ –	\$ 610,957	\$ 939,043
			Kosrae O&M – 1,2,3	1,500,000	284,189	–	–	284,189	1,215,811
			Pohnpei O&M 1,2,3,4,5,6,7,8	2,185,000	1,010,684	–	–	1,010,684	1,174,316
			Chuuk O&M – 1,2,3	2,070,000	592,939	–	–	592,939	1,477,061
			Total O&M	<u>\$ 7,305,000</u>	<u>\$ 2,498,769</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 2,498,769</u>	<u>\$ 4,806,231</u>
<u>CFSM and OTIA/TTPI</u>									
<u>Capital Project Funds:</u>									
		6303	FSM Capitol Construction	\$ 13,320,000	\$ 13,317,773	\$ –	\$ –	\$ 13,317,773	\$ 2,227
		6304	Pohnpei Airport Terminal						
			Design and Constructions	438,544	152,917	–	–	152,917	285,627
		6305	Kolonia Water Sewer						
			Improvement Project	2,007,000	1,678,671	–	–	1,678,671	328,329
		6306	Staff House Renovation	250,000	246,767	–	–	246,767	3,233
		6307	COM – Palikir Campus Proj.	3,979,040	1,032,899	–	231,853	1,264,752	2,714,288
		6308	Pohnpei Rural Sanitation	277,500	245,511	–	–	245,511	31,989
		6309	Pohnpei Circumferential Road	1,775,000	234,361	–	–	234,361	1,540,639
		6311	Kolonia Roadside Drainage	485,000	450,756	–	–	450,756	34,244
		6312	Supply Warehouse	38,087	–	–	–	–	38,087
		6313	COM – Palikir Compus Proj		–		1,441,693	1,441,693	(1,441,693)
		6314	Capital Complex & Road	40,760	20,888	–	–	20,888	19,872
		6315	CIP Administration – OPS	93,149	25,342	–	–	25,342	67,807
		6324	Kolonia House Sewer Connection	373,800	17,000	–	–	17,000	356,800
		6325	Kolonia Sanitary Facilities	189,000	189,001	–	–	189,001	(1)
		N/A	Capital Wells	39,213	–	–	–	–	39,213
			Total CFSM & OTIA/TTPI Capital Projects Funds	<u>\$ 23,306,093</u>	<u>\$ 17,611,886</u>	<u>\$ –</u>	<u>\$ 1,673,546</u>	<u>\$ 19,285,432</u>	<u>\$ 4,020,661</u>

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
<u>Compact of Free Association Funding:</u>									
U.S. Office of Territorial and International Affairs (OTIA) 15.875									
		2232	<u>Communications – Annual Section 215(a)(2)</u>	\$ 930,000	\$ 804,000	\$ –	\$ 930,000	\$ 1,734,000	\$ (804,000)
			<u>Communications – One Time, Section 215 (b)(2):</u>						
		2235	Architectural	313,495	311,671	–	–	311,671	1,824
		2236	Work/Equip	334,319	334,319	–	–	334,319	–
		2237	HUB Building	1,610,217	1,610,217	–	–	1,610,217	–
		2238	Comsat Buyout	1,900,000	1,900,000	–	–	1,900,000	–
		2239	Digital Switches	2,361,969	2,184,557	–	–	2,184,557	177,412
		2990	Telephone System	800,000	674,799	–	21,312	696,111	103,889
			Total Communications–One Time	7,320,000	7,015,563	–	21,312	7,036,875	283,125
		2286	<u>Marine Surveillance, Section 216(a)(1)</u>	546,389	532,813	–	558,871	1,091,684	(545,295)
			<u>Health and Medical, Section 216(a)(2)</u>						
		2501	Local Capabilities	34,000	–	–	15,680	15,680	18,320
		2502	Health Team Visit	36,000	–	–	15,230	15,230	20,770
		2503	Canvasback Mission	20,000	25,000	–	–	25,000	(5,000)
			Total Health and Medical	90,000	25,000	–	30,910	55,910	34,090
		2287	<u>Marine Surveillance, Section 216 (b)</u>	288,472	152,223	–	43,347	195,570	92,902
			Balance forward	9,174,861	8,529,599	–	1,584,440	10,114,039	(939,178)

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED**  
**BY GRANTOR**  
**YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
Compact Funding balance forwarded				\$ 9,174,861	\$ 8,529,599	\$ —	\$ 1,584,440	\$ 10,114,039	\$ (939,178)
<u>Special Block Grant, Section 221(b)</u>									
	2005		Leptosporosis/O/Ch	10,000	5,598	—	—	5,598	4,402
	2012		Lep/Den/Cholera Program	20,000	2,788	—	197	2,985	17,015
	2013		C.E. for Nurses	51,000	(1,859)	—	1,859	—	51,000
	2014		Pharmacy Service	4,700	—	—	7,458	7,458	(2,758)
	2015		Home Based Record	15,000	3,183	—	—	3,183	11,817
	2017		Lep/Denguel/Cholera	90,000	32,986	—	—	32,986	57,014
	2018		Lep/Denguel/Cholera	10,000	—	—	—	—	10,000
	2019		Lep/Denguel/Cholera	20,000	481	—	303	784	19,216
	2901		AIDS Surveillance	30,300	749	—	—	749	29,551
	2106		Teacher Training	200,000	133,535	—	9,737	143,272	56,728
	2101		National Curriculum	20,426	15,974	—	3,150	19,124	1,302
	2107		Vocational Educ.	35,236	25,121	—	1,530	26,651	8,585
	2102		National Standard.	20,000	—	—	23,139	23,139	(3,139)
	2105		Education Statis.	8,681	6,876	—	—	6,876	1,805
	2058		Vital Statistics	10,000	—	—	11,716	11,716	(1,716)
	2020		Biomedical Serv.	14,800	—	—	4,545	4,545	10,255
	2057		EPA	116,400	—	—	70,776	70,776	45,624
	2055		Health Planning	5,000	4,946	—	—	4,946	54
	2002		Nutrition Serv.	25,000	—	—	7,807	7,807	17,193
	2902		Chronic Disease	10,000	—	—	9,106	9,106	894
	2903		Health Education	3,000	—	—	479	479	2,521
	2904		Elemen. Secon. Educ.	400,000	10,283	—	267,110	277,393	122,607
	2905		Continuing Educ.	50,000	—	—	13,000	13,000	37,000
	2906		St. Mary School	50,000	—	—	50,000	50,000	0
	2907		Comm. Disease & Pre	17300	—	—	12,861	12,861	4,439
	2900		Nat. Womens Intr.	17300	—	—	12,553	12,553	4,747
	2053		Mental Health Serv.	28000	—	—	22,882	22,882	5,118
	2908		Child Abuse & Neg.	31450	—	—	21,981	21,981	9,469
	2104		Youth Activities	28456	—	—	21,876	21,876	6,580
	2143		VEIP/Truk	—	—	—	33,354	33,354	(33,354)
Total Special Block Grant				1,342,049	240,661	—	607,419	848,080	493,969
Balance forward				10,516,910	8,770,260	—	2,191,859	10,962,119	(445,209)

See accompanying notes to schedule of federal financial assistance.



**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
Compact Funding balance forwarded				\$ 10,516,910	\$ 8,770,260	\$ -	\$ 2,191,859	\$ 10,962,119	\$ (445,209)
<u>Post Secondary Education</u>									
<u>Section 216(a)(3):</u>									
	2549		FSM Post Secondary Education	800,000	800,000	-	-	800,000	-
	2549		College of Micronesia '92	800,000	800,000	-	-	800,000	-
	2580		Scholarship - Pohnpei 88	431,228	431,228	-	-	431,228	-
	2581		Scholarship - Pohnpei 90	288,003	288,003	-	-	288,003	-
	2582		Scholarship - Pohnpei 91	288,003	-	-	-	-	288,003
	2582		Scholarship - Pohnpei 92	288,003	-	-	-	-	288,003
	2611		Scholarship - Chuuk 88	615,852	615,812	-	-	615,812	40
	2612		Scholarship - Chuuk 89	411,676	411,716	-	-	411,716	(40)
	2613		Scholarship - Chuuk 90	411,716	411,716	-	48,442	460,158	(48,442)
	2614		Scholarship - Chuuk 91	411,716	411,716	-	-	411,716	-
	2613		Scholarship - Chuuk 92	1,235,148	774,990	-	-	774,990	460,158
	2642		Scholarship - Yap 91	161,321	161,321	-	-	161,321	-
	2644		Scholarship - Yap 92	161,320	161,320	-	-	161,320	-
	2650		Scholarship - Kosrae 88	192,181	192,181	-	163,442	355,623	(163,442)
	2651		Scholarship - Kosrae 89	128,661	37,418	-	115,749	153,167	(24,506)
	2652		Scholarship - Kosrae 90	128,661	-	-	125,285	125,285	3,376
	2653		Scholarship - Kosrae 91	128,661	108,164	-	(54,923)	53,241	75,420
	2653		Scholarship - Kosrae 92	128,661	-	-	-	-	128,661
	2675		Grad Student Scholarship	200,000	149,100	-	50,500	199,600	400
	2679		Scholarship - Pohnpei 87	349,783	349,783	-	-	349,783	-
	2681		Scholarship - Pohnpei 89	288,003	288,003	-	-	288,003	-
	2549		COM	400,000	400,000	-	-	400,000	-
	2550		COM-FSM	-	710,826	-	-	710,826	(710,826)
	2582		93 Pohnpei Scholarship	288,003	-	-	288,003	288,003	-
	2613		93 Chuuk Scholarship	411,716	-	-	344,221	344,221	67,495
	2653		93 Kosrae Scholarship	128,661	-	-	-	-	128,661
	2644		93 Yap Scholarship	161,320	132,820	-	28,500	161,320	-
	2550		94 COM-FSM	457500	-	-	457,500	457,500	-
	2551		Cont. Education	115000	-	-	115,000	115,000	-
	2552		Asst. COM Students	50000	-	-	42,251	42,251	7,749
	2553		COM-FSM Operation	292500	-	-	292,500	292,500	-
	2582		94 Pohnpei Scholar	288003	-	-	223,885	223,885	64,118
Subtotal post secondary education				10,441,300	7,636,117	-	2,240,355	9,876,472	564,828
Balance forward				10,516,910	8,770,260	-	2,191,859	10,962,119	(445,209)

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED**  
**BY GRANTOR**  
**YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
Compact Funding balance forwarded				\$ 10,516,910	\$ 8,770,260	\$ -	\$ 2,191,859	\$ 10,962,119	\$ (445,209)
Post Secondary Education balance forwarded				10,441,300	7,636,117	-	2,240,355	9,876,472	564,828
	2631	87	Kosrae	-	-	-	(45,522)	(45,522)	45,522
	2613	94	Chuuk Scholar	411716	-	-	-	-	411,716
	2676	94	Kosrae Scholar	128661	-	-	-	-	128,661
	2644	94	Yap Scholarship	161320	-	-	161,320	161,320	-
	2675	94	Grad. Scholar	50000	-	-	-	-	50,000
Total Post Secondary Education				11,192,997	7,636,117	-	2,356,153	9,992,270	1,200,727
<u>Compact Energy, Section 214</u>									
	2782		Chuuk Energy	150,000	14,479	-	-	14,479	135,521
	2802		Malem Hydro Plant	50,000	612	-	-	612	49,388
	2760		FY-93 Energy	269,000	261,946	-	-	261,946	7,054
	2760		94 Energy	478000	-	-	465,836	465,836	12,164
Total Compact Energy				947,000	277,037	-	465,836	742,873	204,127
<u>Compact Capital Account</u>									
<u>Capital Project Funds:</u>									
	5870		Piggery Production Project	-	3,840	-	-	3,840	(3,840)
	6000		MTN Program	1,148,125	1,148,125	-	-	1,148,125	-
	6001		Kosrae PD Office	23,000	22,898	-	-	22,898	102
	6003		Pest & Disease Survey	45,000	43,907	-	-	43,907	1,093
	6004		Livestock Project	25,000	17,381	-	-	17,381	7,619
	6005		MLSC Office Building	60,000	55,930	-	-	55,930	4,070
	6006		Local Catch Stats.	45,000	44,950	-	-	44,950	50
	6007		Fish Poisoning	10,000	6,712	-	-	6,712	3,288
	6009		Consumer Price Index	10,000	108	-	21,870	21,978	(11,978)
	6010		Supreme Court Building	100,000	82,910	-	-	82,910	17,090
	6008		Investment Development	61,000	54,303	-	-	54,303	6,697
	6014		Tuna Transshipment Fees	12,000	11,495	-	-	11,495	505
	6015		Commercial Fish Posters	14,000	11,066	-	-	11,066	2,934
	6016		Marine Poison Investigation	42,000	8,080	-	-	8,080	33,920
Compact Capital Account Subtotal				1,595,125	1,511,705	-	21,870	1,533,575	61,550
Balance forward				22,656,907	16,683,414	-	5,013,848	21,697,262	959,645

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
Compact Funding balance forwarded				\$ 22,656,907	\$ 16,683,414	\$ -	\$ 5,013,848	\$ 21,697,262	\$ 959,645
Subtotal Compact Capital Account balance forwarded				1,595,125	1,511,705	-	21,870	1,533,575	61,550
	6017		Project Planning & Development	354,540	128,028	-	-	128,028	226,512
	6021		Hemodialysis Project	50,000	48,224	-	-	48,224	1,776
	6022		Yap Outer Island High School	100,000	97,751	-	-	97,751	2,249
	6024		Livestock Dev. Broiler	140,000	137,769	-	-	137,769	2,231
	6025		Technical Assistance	350,000	341,566	-	-	341,566	8,434
	6026		Chuuk Broiler Project	140,000	105,910	-	-	105,910	34,090
	6027		Chuuk Survey	15,000	14,520	-	-	14,520	480
	6028		FSM Manpower Survey	50,000	43,085	-	-	43,085	6,915
	6029		Ulul Airstrip	40,000	39,444	-	-	39,444	556
	6032		Fish Aggregation Device	20,000	16,915	-	-	16,915	3,085
	6033		Chuuk Court House Construction	202,000	202,000	-	-	202,000	-
	6034		Kitti Road Development	-	8,333	-	-	8,333	(8,333)
	6047		CCM Repair & Renov.	-	270	-	-	270	(270)
	6048		Res. Assesment in Outer Bank	75,000	49,400	-	-	49,400	25,600
	6049		Yap PD Office Renov.	-	18,944	-	-	18,944	(18,944)
			National Social & Economic Survey	18,000	11,715	-	-	11,715	6,285
	6051		National Staff Upgrade	75,000	80,069	-	8,970	89,039	(14,039)
	6052		FSM Acquaculture Center	150,000	124,016	-	-	124,016	25,984
	6053		Development Loan Fund	2,200,000	2,200,000	-	-	2,200,000	-
	6054		A&E CCM Campus	1,100,000	736,624	-	217,677	954,301	145,699
	6055		Maritime Boundary	5,000	14,721	-	10,246	24,967	(19,967)
	6056		Copra Warehouse Pohnpei	71,500	71,196	-	-	71,196	304
	6058		Pohnpei PD Office Construction	38,000	34,204	-	-	34,204	3,796
	6060		Business & Tourism Promotion	35,000	34,678	-	-	34,678	322
	N/A		Lehnmese River Hydro	45,000	-	-	-	-	45,000
	N/A		Chuuk Cold Storage	50,000	-	-	-	-	50,000
	6083		Development Loan Fund	2,000,000	2,000,000	-	-	2,000,000	-
	N/A		FSM Ambassador's Residence	175,000	-	-	-	-	175,000
	6090		MS Drydocking	-	-	-	547,953	547,953	(547,953)
	6091		National Board	80,000	-	-	35,039	35,039	44,961
	6288		Yap Hospital Maintenance	70,000	64,038	-	-	64,038	5,962
	6227		Fumigation of Citrus	20,000	7,604	-	-	7,604	12,396
	6228		Ext. Tafweyat Section Road	-	6,412	-	-	6,412	(6,412)
Compact Capital Account Subtotal				6,429,500	5,681,139	-	841,755	6,501,024	(71,524)
Balance forward				22,656,907	16,683,414	-	5,013,848	21,697,262	959,645

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED**  
**BY GRANTOR**  
**YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
Compact Funding balance forwarded				\$ 22,656,907	\$ 16,683,414	\$ —	\$ 5,013,848	\$ 21,697,262	\$ 959,645
Subtotal Compact Capital Account balance forwarded				6,429,500	5,681,139	—	841,755	6,501,024	(71,524)
	6285		Micro Spirit Des. Equip.	45,000	45,000	—	—	45,000	—
	6901		Iohl Road	—	10,698	—	—	10,698	(10,698)
	6902		Nat'l Staff Upgrading	100,000	80,372	—	11,500	91,872	8,128
	6903		Nat'l Staff Upgrading	—	52,907	—	7,140	60,047	(60,047)
	6904		Purchase of shares/FSM Bank	3,000,000	3,000,000	—	—	3,000,000	—
	6905		Caroline Fisheries Corp. subsidy	1,700,000	1,700,000	—	—	1,700,000	—
	6907		Coastal Resources Atlas	—	110,000	—	60,000	170,000	(170,000)
	6916		Water Treatment Assessment	—	345,493	—	—	345,493	(345,493)
	6917		Bus. Dev. Loan Fund	2,500,000	2,500,000	—	—	2,500,000	—
	6920		Nat'l and State CIP	—	10,000	—	—	10,000	(10,000)
	6921		Chuuk Fresh Tuna	—	1,100,000	—	—	1,100,000	(1,100,000)
	6922		Kosrae Sea Venture Inc.	—	50,000	—	—	50,000	(50,000)
	6228		Ext. Tafweyat Sec. Road	—	2,634	—	—	2,634	(2,634)
	6956		Relocation of Schoolroom	30,000	25,000	—	—	25,000	5,000
	6918		Iohl Road	—	41,900	—	—	41,900	(41,900)
	6908		Oneop Ice—plant	—	—	—	10,000	10,000	(10,000)
	6925		Tuna Cannery Feasibility	—	—	—	17,203	17,203	(17,203)
	6926		Business Development Loan Fund	—	—	—	3,000,000	3,000,000	(3,000,000)
	6927		FSM Staff Upgrade	—	—	—	60,966	60,966	(60,966)
	6929		Postal Services Headquarters	—	—	—	1,175	1,175	(1,175)
	6924		Kosrae Sea Venture	—	—	—	425,000	425,000	(425,000)
	6923		YFII Equipment Purchase	—	—	—	1,300,000	1,300,000	(1,300,000)
	6928		Yap Fishing Corporation	—	—	—	286,449	286,449	(286,449)
Total Compact Capital Account				13,804,500	14,755,143	—	6,021,188	20,754,461	(6,949,961)
Compact Current Account									
General Fund:									
Title II, Article I, Section 211(a)				2,104,531	—	—	2,104,531	2,104,531	—
Balance forward				38,565,938	31,438,557	—	13,139,567	44,556,254	(5,990,316)

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED  
BY GRANTOR  
YEAR ENDED SEPTEMBER 30, 1994**

Grantor	CFDA No.	FSM Org. No.	Grant Title Grant I.D. No.	Total Authorization	Prior Expenditures	1994 Fiscal Year Expenditures		Total Program Expenditures	Excess (Deficit) Authorizations Over Program Expenditures
						Subrecipient	National Government		
Compact Funding balance forwarded				\$ 38,565,938	\$ 31,438,557	\$ —	\$ 13,139,567	\$ 44,556,254	\$ (5,990,316)
		2153	Compact Special Development Fund, Section III National	1,000,000	—	—	—	—	1,000,000
			Total Compact Funding	<u>\$ 39,565,938</u>	<u>\$ 31,438,557</u>	<u>\$ —</u>	<u>\$ 13,139,567</u>	<u>\$ 44,556,254</u>	<u>\$ (4,990,316)</u>

Note: The National Government's subrecipient of the 215(a)(2) and 215(b)(2) funds is the FSM Telecommunications Corporation (Telecom). These funds are received by the National Government and are then transferred out to Telecom.

Note: The \$2,000,000 transfer of Compact Capital Account funds (Org. # 6083) was made by the National Government to the FSM Development Bank, a component unit — proprietary fund, pursuant to a Congress of the FSM appropriation and an authorization of the Federated Development Authority.

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA NATIONAL GOVERNMENT AND SUBRECIPIENTS**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED**  
**COMPACT FUNDING SUMMARY CFDA # 15.875**  
**SUMMARY OF EXPENDITURES, AND BUDGETARY**  
**POSITION BY COMPACT SECTION**  
**YEAR ENDED SEPTEMBER 30, 1994**

Grant Title	Government	Base Grant	Section 217 Inflation Adjustment	Total Cumulative Apportionment	Prior Year Expenditures and Transfers	Fiscal Year 1994		Total Program Expenditures and Transfers	Excess (Deficit) Apportionment Over Program Expenditures
						Expenditures & Transfers			
						Subrecipients	National Government		
Section 211(a), Current Account									
	National Government	\$ 27,905,480	\$ 7,934,218	\$ 35,839,698	\$ 35,839,698	\$ —	\$ 2,104,531	\$ 37,944,229	\$ (2,104,531)
	Chuuk	88,600,800	28,996,796	117,597,596	117,597,596	16,186,176	—	133,783,772	(16,186,176)
	Pohnpei	56,802,600	17,307,890	74,110,490	74,110,490	10,377,072	—	84,487,562	(10,377,072)
	Yap	38,624,160	11,693,896	50,318,056	50,318,056	7,056,115	—	57,374,171	(7,056,115)
	Kosrae	22,005,480	6,705,103	28,710,583	28,710,583	4,395,343	—	33,105,926	(4,395,343)
	Subtotal	233,938,520	72,637,903	306,576,423	306,576,423	38,014,706	2,104,531	346,695,660	(40,119,237)
Section 211(a), Capital Account									
	National Government	22,344,520	7,377,032	29,721,552	27,643,342	—	6,021,188	33,664,530	(3,942,978)
	Chuuk	61,747,200	16,814,464	78,561,664	58,090,784	13,381,891	—	71,472,675	7,088,989
	Pohnpei	40,823,600	12,469,482	53,293,082	67,722,412	7,816,599	—	75,539,011	(22,245,929)
	Yap	23,766,240	7,195,496	30,961,736	23,195,315	5,684,529	—	28,879,844	2,081,892
	Kosrae	19,279,920	5,874,621	25,154,541	25,275,591	4,220,174	—	29,495,765	(4,341,224)
	Sub Total	167,961,480	49,731,095	217,692,575	201,927,444	31,103,193	6,021,188	239,051,825	(21,359,250)
	Subtotal Major Block Grant	401,900,000	122,368,998	524,268,998	508,503,867	69,117,899	8,125,719	585,747,485	(61,478,487)
Section 213 (b), Yap Coast Guard Station									
	Yap	160,000	—	160,000	160,000	—	—	160,000	—
Section 214, Energy Grant									
	National Government	1,200,600	388,194	1,588,794	1,082,402	—	465,836	1,548,238	40,556
	Chuuk	5,698,800	1,842,612	7,541,412	7,216,974	1,186,073	—	8,403,047	(861,635)
	Pohnpei	4,500,000	1,455,000	5,955,000	5,808,708	962,262	—	6,770,970	(815,970)
	Yap	3,900,600	1,261,194	5,161,794	5,277,164	777,551	—	6,054,715	(892,921)
	Kosrae	2,700,000	873,000	3,573,000	3,354,326	596,568	—	3,950,894	(377,894)
	Total Section 214	18,000,000	5,820,000	23,820,000	22,739,574	3,522,454	465,836	26,727,864	(2,907,864)
	Balance forward	420,060,000	128,188,998	548,248,998	531,403,441	72,640,353	8,591,555	612,635,349	(64,386,351)

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA NATIONAL GOVERNMENT AND SUBRECIPIENTS**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED**  
**COMPACT FUNDING SUMMARY CFDA # 15.875**  
**SUMMARY OF EXPENDITURES, AND BUDGETARY**  
**POSITION BY COMPACT SECTION**  
**YEAR ENDED SEPTEMBER 30, 1994**

Grant Title	Government	Base Grant	Section 217 Inflation Adjustment	Total Cumulative Apportionment	Prior Year Expenditures and Transfers	Fiscal Year 1994 Expenditures & Transfers		Total Program Expenditures and Transfers	Excess (Deficit) Apportionment Over Program Expenditures
						Subrecipients	National Government		
Compact Funding Summary balance forwarded		\$ 420,060,000	\$ 128,188,998	\$ 548,248,998	\$ 531,403,441	\$ 72,640,353	\$ 8,591,555	\$ 612,635,349	\$ (64,386,351)
Section 215 (a)(2), Communications—Annual	National Government	4,200,000	1,290,000	5,490,000	5,394,000	—	930,000	6,324,000	(834,000)
Section 215 (b)(2), Communication—One Time	National Government	6,000,000	1,320,000	7,320,000	7,015,563	—	21,312	7,036,875	283,125
Section 216 (a)(1), Marine Surveillance—Annual	National Government	3,633,000	—	3,633,000	3,273,567	—	558,871	3,832,438	(199,438)
Section 216 (b) Marine Surveillance—One Time	National Government	666,600	—	666,600	420,894	—	43,347	464,241	202,359
Section 216 (a)(2) Health and Medical Referral	National Government	881,860	—	881,860	475,253	—	30,910	506,163	375,697
	Chuuk	3,227,609	—	3,227,609	3,190,150	504,416	—	3,694,566	(466,957)
	Pohnpei	2,504,481	—	2,504,481	2,793,209	374,346	—	3,167,555	(663,074)
	Yap	1,419,796	—	1,419,796	1,187,405	193,051	—	1,380,456	39,340
	Kosrae	784,854	—	784,854	1,057,841	58,515	—	1,116,356	(331,502)
	Total section 216 (a)(2)	8,818,600	—	8,818,600	8,703,858	1,130,328	30,910	9,865,096	(1,046,496)
Balance forward		443,378,200	130,798,998	574,177,198	556,211,323	73,770,681	10,175,995	640,157,999	(65,980,801)

See accompanying notes to schedule of federal financial assistance.

**FEDERATED STATES OF MICRONESIA NATIONAL GOVERNMENT AND SUBRECIPIENTS**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE, CONTINUED**  
**COMPACT FUNDING SUMMARY CFDA # 15.875**  
**SUMMARY OF EXPENDITURES, AND BUDGETARY**  
**POSITION BY COMPACT SECTION**  
**YEAR ENDED SEPTEMBER 30, 1994**

Grant Title	Government	Base Grant	Section 217 Inflation Adjustment	Total Cumulative Apportionment	Prior Year Expenditures and Transfers	Fiscal Year 1994 Expenditures & Transfers		Total Program Expenditures and Transfers	Excess (Deficit) Apportionment Over Program Expenditures
						Subrecipients	National Government		
Compact Funding Summary balance forwarded		\$ 443,378,200	\$ 130,798,998	\$ 574,177,198	\$ 556,211,323	\$ 73,770,681	\$ 10,175,995	\$ 640,157,999	\$ (65,980,801)
Section 216 (A)(3), Post Secondary Education									
	National Government	13,227,900	—	13,227,900	12,316,996	—	2,356,153	14,673,149	(1,445,249)
	Chuuk	—	—	—	—	433,063	—	433,063	(433,063)
	Pohnpei	—	—	—	—	270,459	—	270,459	(270,459)
	Yap	—	—	—	—	163,820	—	163,820	(163,820)
	Kosrae	—	—	—	—	217,328	—	217,328	(217,328)
		13,227,900	—	13,227,900	12,316,996	1,084,670	2,356,153	15,757,819	(2,529,919)
Section 221(b), Special Block Grant									
	National Government	2,205,000	—	2,205,000	1,249,810	—	607,419	1,857,229	347,771
	Chuuk	19,110,000	—	19,110,000	18,866,364	2,600,898	—	21,467,262	(2,357,262)
	Pohnpei	13,230,000	—	13,230,000	12,935,311	1,588,511	—	14,523,822	(1,293,822)
	Yap	8,330,000	—	8,330,000	7,702,944	779,301	—	8,482,245	(152,245)
	Kosrae	6,125,000	—	6,125,000	6,247,529	911,029	—	7,158,558	(1,033,558)
		49,000,000	—	49,000,000	47,001,958	5,879,739	607,419	53,489,116	(4,489,116)
Section 111 (b)(1) Special Development Fund									
	National Government	20,000,000	—	20,000,000	20,828,989	—	—	20,828,989	(828,989)
Section 212, Special Development									
	Chuuk	750,000	382,500	1,132,500	1,084,292	347,534	—	1,431,826	(299,326)
	Pohnpei	750,000	382,500	1,132,500	1,146,471	780,509	—	1,926,980	(794,480)
	Yap	750,000	382,500	1,132,500	638,941	3,302	—	642,243	490,257
	Kosrae	750,000	382,500	1,132,500	1,024,501	314,663	—	1,339,164	(206,664)
		3,000,000	1,530,000	4,530,000	3,894,205	1,446,008	—	5,340,213	(810,213)
Total Funding		\$ 528,606,100	\$ 132,328,998	\$ 660,935,098	\$ 640,253,471	\$ 82,181,098	\$ 13,139,567	\$ 735,574,136	\$ (74,639,038)

See accompanying notes to schedule of federal financial assistance.



**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Notes to Schedule of Federal Financial Assistance  
Year Ended September 30, 1994

1. Scope of Review

The Federated States of Micronesia (FSM) is a governmental entity governed by its own Constitution. All significant operations of the FSM are included in the scope of the OMB Circular A-128 audit (the "Single Audit"). The U.S. Department of the Interior has been designated as the FSM's cognizant agency for Single Audit.

a. Programs Subject to Single Audit

- . U.S. Department of Agriculture
- . U.S. Department of Commerce
- . U.S. Department of Education
- . U.S. Department of Energy
- . U.S. Department of Health and Human Services
- . U.S. Department of Housing and Urban Development
- . U.S. Department of the Interior
- . U.S. Department of Justice
- . U.S. Department of Labor
- . U.S. Department of Transportation
- . U.S. Environmental Protection Agency
- . U.S. Federal Emergency Management Agency

2. Summary of Significant Accounting Policies

A. Basis of Accounting

For purposes of this report, certain accounting procedures were followed which help illustrate the expenditures of the individual programs. All expenses and capital outlays are reported as expenditures.

B. Reporting Entity

The FSM National Government, for purposes of the general purpose financial statements, includes all of the funds of the primary government as defined by Governmental Accounting Standards Board (GASB) Statement 14, "The Financial Reporting Entity."

C. Indirect Cost Allocation

The FSM National Government does not receive any indirect cost allocation and does not charge indirect costs against federal programs.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Notes to Schedule of Federal Financial Assistance, Continued  
Year Ended September 30, 1994

2. Summary of Significant Accounting Policies, Continued

D. Subgrantees

Certain program funds are passed through the FSM National Government to subrecipients. The Schedule of Federal Financial Assistance does not contain separate schedules disclosing how all subgrantees outside of the National Government's control utilize these funds. However, the National Government's primary subrecipients are its four component states. The federal expenditures of these entities are incorporated in the accompanying Schedule of Federal Financial Assistance. The four states have certain subrecipients to whom funds are also passed through. The National Government's component units - proprietary funds and the State's subrecipients with attendant schedules of federal financial assistance as presented in the respective individual Single Audit reports, are as follows:

National Government Subgrantees

Federated States of Micronesia Development Bank

The Bank receives funds in a subrecipient capacity through the FSM National Government. The loan portfolio established through Section 111 of the Compact of Free Association and the loan portfolio established through Section 211 of the Compact of Free Association were selected for detailed compliance testing in accordance with applicable OMB Circular A-128 requirements. The following sets forth these contributions, by Sections, which are administered by the Bank.

Section 211

Compact Capital	Total funding received through December 31, 1994	<u>\$17,900,000</u>
	Amount received during the fifteen months ended December 31, 1994	<u>\$ 6,000,000</u>

Section 111 IDF

Funds	Total funding available through September 30, 1993	\$25,698,625
	Amount earned during fifteen months ended December 31, 1994	<u>34,690</u>
	Fund balance as of December 31, 1994	<u>\$25,733,315</u>

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT**  
Notes to Schedule of Federal Financial Assistance, Continued  
Year Ended September 30, 1994

2. Summary of Significant Accounting Policies, Continued

D. Subgrantees, Continued

National Government Subgrantees

FSM Telecommunications Corporations

	<u>Received</u>	<u>Expended</u>	<u>Over Funds Expended</u>
Compact Section 215(a)(2) for operating assistance	\$930,000	\$930,000	\$ -
Compact Section 215(b)(2) for equipment and services necessary for telecommunications	<u>31,600</u>	<u>31,600</u>	<u>-</u>
	<u>\$961,600</u>	<u>\$961,000</u>	<u>\$ -</u>

The above programs bear CFDA #15.875 and the grantor agency is the U.S. Department of the Interior. The above funds are received initially by the National Government of the Federated States of Micronesia and are then passed to the FSM Telecommunications Corporation in a subrecipient capacity.

REA Electrification Administration Loan Funding (CFDA #10.850)

<u>Loan Proceeds Approved As of October 1, 1993</u>	<u>Received During FY 1994</u>	<u>Disbursed During FY 1994</u>
<u>\$40,366,015</u>	<u>\$ 219,807</u>	<u>\$ 2,684,743</u>

State Subgrantees

Chuuk Housing Authority

The Chuuk Housing Authority, a component unit-proprietary fund, receives federal funding and separately satisfies its OMB Circular A-128 audit requirements. The audit report of the Chuuk Housing Authority did not note the presence of any questioned costs or material noncompliance during the year ended September 30, 1994. Chuuk Housing Authority's audit report included the following Schedule of Federal Financial Assistance:

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT**  
Notes to Schedule of Federal Financial Assistance, Continued  
Year Ended September 30, 1994

2. Summary of Significant Accounting Policies, Continued

D. Subgrantees, Continued

State Subgrantees, Continued

Chuuk Housing Authority, Continued

<u>Grant Title</u>	<u>Grantor Agency</u>	<u>CFDA No.</u>	<u>1994 Expenditures</u>
Section 8 Housing Assistance Program	HUD	14.156	\$ <u>36,926</u>
Total U.S. Department of Housing and Urban Development			\$ <u>36,926</u>

This funding was received in a direct capacity.

As of September 30, 1994, \$1,037,671 of loans made out of U.S. federal financial assistance, CFDA #14.219, were outstanding. The assistance was provided by the U.S. Department of Urban Development was made to the State of Chuuk and passed through to the Authority.

Additionally, as of September 30, 1994, the Authority administered a loan program consisting of funds provided by the Department of the Interior, CFDA #15.875, which funds were received by the State of Chuuk and were passed through to the Authority. As of September 30, 1994, \$644,749 of loans were outstanding under this program.

Kosrae Utilities Authority

The Kosrae Utilities Authority, a component unit - proprietary fund of the State of Kosrae separately satisfies the requirements of OMB Circular A-128. Kosrae Utilities Authority's Schedule of Federal Financial Assistance, as extracted from its audited report dated February 13, 1995, is as follows:

<u>Grantor Agency/Program</u>	<u>CFDA#</u>	<u>Fiscal Year 1994 Expenditures</u>
U.S. Department of the Interior:		
Compact of Free Association:		
Energy (214B)	15.875	\$ 426,722
Capital Account (211A)	15.875	261,534
Operations and Maintenance Improvement Programs (OMIP)	15.875	<u>104,768</u>
Total expenditures		<u>\$ 793,024</u>

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Notes to Schedule of Federal Financial Assistance, Continued  
Year Ended September 30, 1994

2. Summary of Significant Accounting Policies, Continued

D. Subgrantees, Continued

State Subgrantees, Continued

Kosrae Utilities Authority, Continued

The programs are received from the State of Kosrae in a subrecipient capacity. The aforementioned audit did not specify the existence of any questioned costs pertinent to the above expenditures. Funds passed through to the Kosrae Utilities Authority are included within the Schedule of Federal Financial Assistance of Kosrae State.

Kosrae Community Action Program

The Kosrae Community Action Program, a component unit - governmental fund has not separately satisfied audit requirements of OMB Circular A-128 or A-133. Kosrae State is considered to have responsibility for any questioned costs that could result from Single Audits of this entity.

Pohnpei Utilities Corporation

The Pohnpei Utilities Corporation, a component unit - proprietary fund, is the recipient of various pass-through funds from Pohnpei State. Pohnpei Utilities Corporation, per its audit reports dated December 12, 1994, indicated the existence of no questioned costs or material noncompliance (material weaknesses or reportable conditions) with federal program administration requirements. The following is the Pohnpei Utilities Corporation's Schedule of Federal Financial Assistance, as extracted from the abovementioned audit reports:

(refer to page 183)

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
NOTES TO SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
YEAR ENDED SEPTEMBER 30, 1994

**POHNPEI UTILITIES CORPORATION**  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

Grantor/Program Title	CFDA No.	Total Authorizations	Prior Years' Expenditures	Expenditures for the Year Ended Sept. 30, 1994	Total Program Expenditures	Authorization Over Program Expenditures
<u>U.S. Department of the Interior:</u>						
<u>Office of Territorial and</u>						
<u>International Affairs:</u>						
<u>Compact of Free Association:</u>						
Energy Program funds, Section 214(B)	15.875	\$ 2,120,000	\$ 1,642,904	\$ 525,000	\$ 2,167,904	\$ (47,904)
Capital Account funds, Section 211(A)	15.875	322,250	236,173	59,947	296,120	26,130
OMIP—First Year Electrical Match		1,428,250	—	1,003,919	1,003,919	424,331
OMIP—First Year Water and Sewer Match		492,500	492,500	—	492,500	—
Power Hook—Ups		33,119	—	33,119	33,119	—
Kolonia Sewer						
		2,276,119	728,673	1,096,985	1,825,658	450,461
<u>Operations and Maintenance Improvement</u>						
<u>Programs (OMIP):</u>	15.815					
Initialization of the PUC		430,250	281,327	141,440	422,767	7,483
Pohnpei Water, Sewerage and Solid Waste						
Utilities Development, First—Year		810,000	—	549,627	549,627	260,373
Pohnpei Power Generation and Distribution						
Second—Year		273,468	—	218,351	218,351	55,117
		1,513,718	281,327	909,418	1,190,745	322,973
<u>Technical Assistance:</u>						
	15.875					
PUC FSM—58		110,000	77,500	32,500	110,000	—
ALCO Repairs		25,000	—	25,000	25,000	—
		135,000	77,500	57,500	135,000	—
Meter Calibration/Facility Inventory	15.875	100,000	100,000	—	100,000	—
Overhaul ALCO Generators—Pohnpei State	15.875	100,000	100,000	—	100,000	—
Audit Grant	15.875	12,000	—	12,000	12,000	—
		212,000	200,000	12,000	212,000	—
<u>Trust Territory of the Pacific Islands (TTPI):</u>						
<u>Deficiency Funding:</u>	15.875					
Pohnpei Power		328,271	328,271	—	328,271	—
Kolonia Sewer		610,328	—	53,459	53,459	556,869
		938,599	328,271	53,459	381,730	556,869
Kolonia Water Improvements	15.875	290,700	—	290,700	290,700	—
		\$ 7,486,136	\$ 3,258,675	\$ 2,945,062	\$ 6,203,737	\$ 1,282,399

Note: The above programs are passed through Pohnpei State to the Pohnpei Utilities Corporation

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Notes to Schedule of Federal Financial Assistance, Continued  
Year Ended September 30, 1994

2. Summary of Significant Accounting Policies, Continued

D. Subgrantees, Continued

Kosrae Utilities Authority

Pohnpei State Housing Authority

The Pohnpei State Housing Authority, a component unit - proprietary fund, is a subrecipient of various pass-through funds as explained hereunder. The following Schedule of Federal Financial Assistance is extracted from the Authority's audit reports dated March 28, 1995.

<u>Grant Title</u>	<u>Grantor Agency</u>	<u>CFDA No.</u>	<u>Loans Outstanding as of Sept. 30, 1994</u>
Compact of Free Association:	DOI-OTIA	15.875	
Capital Account Funds			
-Capital Projects, Section 211(A)			<u>\$ 3,950,894</u>
Total U.S. Department of the Interior			<u>\$ 3,950,894</u>
 Farmers Home Administration:			
Housing Preservation Grant	USDA	10.433	<u>\$ 191,372</u>
Total U.S. Department of Agriculture			<u>\$ 191,372</u>

Note: The Compact of Free Association funds are disbursed through the U.S. Department of the Interior (DOI), Office of Territorial and International Affairs (OTIA), to the FSM National Government which reallots such to the component states. Pohnpei State subsequently passed certain of these funds through to the Pohnpei State Housing Authority (PSHA). The Housing Preservation Grant (HPG) funds are received in a subgrantee capacity through the Pohnpei Farmers Home Administration Office.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Programs  
Selected for audit in accordance with  
OMB Circular A-128  
Year Ended September 30, 1994

<u>Grantor</u>	<u>Description</u>	<u>CFDA No.</u>	<u>Amount of 1994 Expenditures</u>
U.S. Dept. of the Interior:		15.875	
	Compact of Free Association:		
	Program account related:		
	211(a) Capital Account		\$ 6,021,188
	221(B) Block Grant		607,419
	Marine Surveillance annual		558,871
	Communications annual		930,000
	Communications onetime		21,312
	Post Secondary Education		2,356,153
	Energy Programs		465,836
	Health & Medical		30,910
	Marine Surveillance one-time		<u>43,347</u>
	Total CFDA # 15.875 excluding Compact Section 211(a) Current Account		11,035,036
U.S. DOI Capital Projects Fund			
COM-Palikir Campus Project		15.875	<u>1,673,545</u>
	Total program expenditures selected excluding Compact Section 211(a) Current Account		<u>\$12,708,581</u>
	Total U.S. Federal Program expenditures excluding Compact Section 211(a) Current Account		<u>\$15,507,757</u>
	% of Total U.S. Federal expenditures covered by major programs excluding Compact Section 211(a) Current Account		<u>81.9%</u>



**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Summary of U.S. Federal Program Expenditures  
Year Ended September 30, 1994

<u>Grantor</u>	<u>Amount</u>
U.S. Department of Education	\$ 429,484
U.S. Department of Labor	149,611
U.S. Department of Agriculture	51,409
U.S. Environmental Protection Agency	152,875
U.S. Department of Health and Human Services	906,778
U.S. Federal Emergency Management Agency	20,649
U.S. Department of the Interior:	
Historical Preservation Grants	107,966
OTIA Technical Assistance	980,404
Capital Projects Funds	1,673,546
Compact of Free Association Funding excluding Section 211(a) Current Account	<u>11,035,036</u>
Total U.S. Federal Assistance excluding Section 211(a) Current Account	15,507,757
Section 211(a) Current Account	<u>2,104,531</u>
	<u>\$17,612,288</u>

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs  
Year Ended September 30, 1994

**Federal Findings - Previous Years' Findings - FSM National Government**

1. Criteria: Findings from prior audit reports should be resolved in a timely manner.

Condition: The following findings from previous years' Single Audit Reports remain unresolved.

<u>Page No.</u>	<u>Description</u>
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**FISCAL YEAR 1989**

62	Resolution of Pre-Compact Liabilities
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Cause: The cause of the above condition is unknown.

Effect: Lack of timely resolution of audit findings hinders the effectiveness of the National Government's administrative controls over federal financial assistance.

Recommendation: Administrative control findings from previous Single Audit Reports should be satisfactorily resolved in a timely manner.

**Auditee Response and Corrective Action Plan:**

It is the position of the National Government that resolution of the medical liabilities is the responsibility of the U.S. Government. The independent auditors completed audit adjustments during FY 1988 and FY 1989 in the States' books which removed the liabilities from the States' Financial Statements. The liabilities are footnoted as "contingent."

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings - Expenditures - FSM National Government,**  
**Continued**

2. Criteria: The FSM National Government should determine if program income generated from U.S. Block Grant programs should be tracked and reported to the grantor agencies.

Condition: The FSM National Government has not determined if program income generated from Block Grant programs during the year should be reported to grantor agencies. Program income generated from sales of newspaper publications under the logo of the U.S. JTPA program has not been reported to the grantor agency.

Cause: The cause of the above condition is unknown.

Effect: Potential noncompliance with federal guidelines could result from this condition.

Recommendation: We recommend that FSM National Government contact the respective grantor agencies to determine if program income is to be reported to grantor agencies.

Auditee Response: We concur with this finding.

Corrective Action Plan: We are attempting to contact JTPA in San Francisco for resolution of this matter.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings - Fixed Assets - FSM National Government,**  
**Continued**

3. Criteria: The FSM National Government should ensure that it complies with federal grant guidelines with respect to fixed assets.

Condition: The FSM National Government has not modified its fixed assets ledgers to include the sources of the assets and the percentage of federal participation in the cost of each asset.

Cause: The cause of the above condition is unknown.

Effect: Noncompliance with federal guidelines relative to the management of fixed assets could result.

Recommendation: We recommend that the FSM National Government comply with federal guidelines concerning equipment management and ensure similar compliance by its subrecipients.

Auditee Response: All fixed assets are recorded by acquiring org. number. Each org. number is assigned a grant, therefore, the system enables us to provide sources of assets and percentage participation.

Corrective Action Plan: None seen until further explanation from Deloitte & Touche.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Local Findings - Employment Ceiling - FSM National Government

1. Criteria: The FSM National Government should comply with employment ceilings stated in the comprehensive budget act for the fiscal year ended September 30, 1994.

Condition: The Office of Planning & Statistics, Resources & Development, and National Postal Services exceeded approved employment ceilings as set by law.

Cause: The cause of the above condition is unknown.

Effect: Noncompliance with local law and regulation results from this condition.

Recommendation: We recommend that the Office of Administrative Services monitor and ensure compliance with the employment ceiling requirement.

Auditee Response and Corrective Action Plan: OPS exceeded the ceiling because there were several limited term positions under maintenance division and special projects such as the Census and CIP project monitoring. These were limited term and temporary contracts that were needed to carry out the scope of the projects. The positions expired upon completion of projects.

For R&D and PS they exceeded the ceiling but marginal. Again there were limited term positions hired for specific jobs. They were supposed to be terminated when the jobs are completed.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Local Findings - Overtime Ceiling - FSM National Government**

2. Criteria: The FSM National Government should comply with the overtime ceiling stated in the comprehensive budget act for the fiscal year ended September 30, 1994.

Condition: The following offices exceeded the overtime limit set by law:

U.N. Mission  
Office of Budget-Administration  
Office of Budget-Administration Management  
Customs  
Marine Resources  
Congress  
DSI  
National Judiciary

Cause: The cause of the above condition is unknown.

Effect: Noncompliance with local laws and regulation results from the above condition.

Recommendation: We recommend that the FSM National Government ensure that it establishes a review mechanism to ensure compliance with laws.

Auditee Response: The Office of Budget-Administration agrees with this finding and will ensure that this will not happen again. However, Finance should also be responsible for authorizing disbursements of all the overtime requests in excess of the authorized ceilings.

Corrective Action Plan: See Auditee Response.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Local Findings - Use of Compact Capital Funds - FSM National Government**

3. Criteria: The FSM National Government should comply with the intent of the Compact of Free Association.

Condition: \$547,953 of expenditure (org 6090 MS Micro Docking) were for the dry docking of MV Caroline Islands. These expenditures were of a general maintenance nature.

Cause: The cause of the above condition is unknown.

Effect: Potential noncompliance with the intent of the Compact could result from this condition.

Recommendation: It is recommended that the FSM National Government ensure that compliance with the intent of the Compact of Free Association occurs.

Auditee Response: According to the Compact Fiscal Procedures Agreement, Compact Capital funds can be used for the major repair of infrastructure and special maintenance programs. We feel that the dry docking of MV Caroline Islands is a major repair, therefore, the costs are qualified for funding under the Capital Account.

Corrective Action Plan: See Auditee Response.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Local Findings - Use of Compact Energy Funds - FSM National Government**

4. Criteria: The Budget Act for fiscal year 1994 specifically states that funds appropriated under the Compact Energy Section should be used for the operation of the generator at Palikir.

Condition: Payments to the Pohnpei Utilities Corporation for utility bills were charged to this appropriation.

Cause: The cause of the condition is unknown.

Effect: Noncompliance with local laws and regulations appears to result from this condition.

Recommendation: We recommend that the FSM National Government resolve this matter to ensure compliance with the Budget Act for fiscal year 1994.

Auditee Response: In the fiscal year 1994 Budget Act, the Energy Funds were appropriated for the operations of the generator at Palikir. Although the payment of the utility bills was not specifically indicated in the Budget Act, it was included in the detailed budget for the Energy Funds which was submitted and approved by the FSM Congress.

Corrective Action Plan: See Auditee Response.



**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Chuuk**

<u>Program</u>	<u>Reason for Questioned Cost</u>	<u>Questioned Costs</u>																																	
1. U.S. Dept. of Labor/Job Training Partnership Act/CFDA #17.250	<p><u>Criteria:</u> Per OMB Circular A-87, Attachment A, Section A, paragraph 2(b), the grantee assumes the responsibility for ensuring that federally assisted program funds have been expended and accounted for consistently with underlying agreements and program objectives.</p> <p><u>Condition:</u> In fiscal year 1994, the following expenditures were incurred for summer training by JTPA. We are unable to determine if this project meets JTPA program objectives. Additionally, adequate supporting documentation could not be provided for the listed transactions:</p> <table> <tr> <th><u>ORG. NO.</u></th><th><u>APV NO.</u></th><th></th></tr> <tr> <td>3432</td><td>940343</td><td>\$ 19,800</td></tr> <tr> <td>3432</td><td>940346</td><td>14,236</td></tr> <tr> <td>3432</td><td>940345</td><td>12,690</td></tr> <tr> <td>3431</td><td>940511</td><td>14,700</td></tr> <tr> <td>3432</td><td>940341</td><td>19,500</td></tr> <tr> <td>3432</td><td>940347</td><td>19,800</td></tr> <tr> <td>3432</td><td>942573</td><td>18,050</td></tr> <tr> <td>3432</td><td>940342</td><td>19,650</td></tr> <tr> <td>3432</td><td>940344</td><td>19,150</td></tr> <tr> <td colspan="2"></td><td><u>157,576</u></td></tr> </table>	<u>ORG. NO.</u>	<u>APV NO.</u>		3432	940343	\$ 19,800	3432	940346	14,236	3432	940345	12,690	3431	940511	14,700	3432	940341	19,500	3432	940347	19,800	3432	942573	18,050	3432	940342	19,650	3432	940344	19,150			<u>157,576</u>	
<u>ORG. NO.</u>	<u>APV NO.</u>																																		
3432	940343	\$ 19,800																																	
3432	940346	14,236																																	
3432	940345	12,690																																	
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3432	942573	18,050																																	
3432	940342	19,650																																	
3432	940344	19,150																																	
		<u>157,576</u>																																	

(The above is drawn from a sample of 25 items aggregating \$207,133 out of total program expenditures aggregating \$484,459, \$107,760 of which relates to payroll.)

Cause: The cause of the above condition is a lack of control over follow-up procedures dealing with cash advances to JTPA participants for expected expenses.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Chuuk, Continued**

<u>Program</u>	<u>Reason for Questioned Cost</u>	<u>Questioned Costs</u>
1. U.S. Dept. of Labor/Job Training Partnership Act/CFDA #17.250, Continued	<p><u>Effect:</u> The effect of the above condition is questioned costs.</p> <p><u>Recommendation:</u> We recommend policies and procedures surrounding source documentation be upgraded to ensure documentation for expenditures is retained and properly filed.</p> <p><u>Auditee Response:</u> See corrective action plan.</p> <p><u>Corrective Action Plan:</u> This finding will be resolved by the grantor agency through FSM National JTPA Office.</p>	

FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Chuuk, Continued**

Program	Reason for Questioned Cost	Questioned Costs				
2. U.S. Dept. of Labor/Job Training Partnership Act/CFDA # 17.250	<p><u>Criteria:</u> Per OMB Circular A-87, Attachment A, Section A, paragraph 2(b), the grantee assumes the responsibility for ensuring that federally assisted program funds have been expended and accounted for consistently with underlying agreements and program objectives.</p> <p><u>Condition:</u> We noted no supporting source documents for the following contractual services payment:</p> <div style="margin-left: 100px; margin-top: 20px;"> <table border="0" style="border-collapse: collapse;"> <tr> <td style="text-align: center; padding-right: 20px;"><u>ORG. NO.</u></td> <td style="text-align: center;"><u>APV NO.</u></td> </tr> <tr> <td style="text-align: center; padding-right: 20px;">3431</td> <td style="text-align: center;">940665</td> </tr> </table> </div>	<u>ORG. NO.</u>	<u>APV NO.</u>	3431	940665	\$ 7,204
<u>ORG. NO.</u>	<u>APV NO.</u>					
3431	940665					

(Refer sample size and universe on page 195)

Cause: The cause of the above condition is a lack of control over source documentation and a lack of administrative control over expenditures charged to federal grants.

Effect: The effect of the above condition is a possible liability to the grantor agency.

Recommendation: We recommend that policies and procedures surrounding sources documentation be upgraded to ensure documentation for expenditures is retained and properly filed.

Auditee Response: See corrective action plan.

Corrective Action Plan: This finding will be resolved by the Chuuk JTPA Office with the grantor agency through the FSM National JTPA Office.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Chuuk, Continued**

<u>Program</u>	<u>Reason for Questioned Costs</u>	<u>Questioned Costs</u>						
3. U.S. Dept. of Labor/Job Training Partnership Act/CFDA # 17.250	<p><u>Criteria:</u> Per OMB Circular A-87, Attachment A, Section A, paragraph 2(b), the grantee assumes the responsibility for ensuring that federally assisted program funds have been expended and accounted for consistently with underlying agreements and program objectives.</p> <p><u>Condition:</u> We noted no supporting source documents for equipment purchased under the following contractual services payment:</p> <table> <tr> <td><u>ORG. NO.</u></td><td><u>APV NO.</u></td><td></td></tr> <tr> <td>3431</td><td>940955</td><td>\$ 971</td></tr> </table> <p>(Refer sample size and universe on page 195)</p> <p><u>Cause:</u> The cause of the above condition is a lack of control over source documentation and a lack of administrative control over expenditures charged to federal grants.</p> <p><u>Effect:</u> The effect of the above condition is a possible liability to the grantor agency.</p> <p><u>Recommendation:</u> We recommend policies and procedures surrounding source documentation be upgraded to ensure documentation for expenditures is retained and properly filed.</p> <p><u>Auditee Response:</u> See corrective action plan.</p> <p><u>Corrective Action Plan:</u> This finding will be resolved by the Chuuk JTPA Office with the grantor agency through the FSM National JTPA Office.</p>	<u>ORG. NO.</u>	<u>APV NO.</u>		3431	940955	\$ 971	
<u>ORG. NO.</u>	<u>APV NO.</u>							
3431	940955	\$ 971						
Total U.S. Department of Labor Questioned Costs		<u>\$165,751</u>						

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT**

Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Federal Findings and Questioned Costs - Monitoring Subrecipients  
- Subrecipient - Chuuk, Continued

<u>Program</u>	<u>Reason for Questioned Cost</u>	<u>Questioned Costs</u>
4. U.S. Dept. of Education/ Education of the Handicapped /CFDA #84.027	<u>Criteria:</u> Per OMB Circular A-87, Attachment A, Section A, paragraph 2(b), the grantee assumes the responsibility for ensuring that federally assisted program funds have been expended and accounted for consistent with underlying program objectives.	

Condition: Adequate supporting documentation could not be obtained to determine if the following travel and training related expenditures meet program objectives:

<u>Org. No.</u>	<u>APV No.</u>	
7732	40342	\$ 2,684
7732	40688	3,112
7743	42188	2,317
7732	946055	<u>4,575</u>

12,688

(The above is drawn from a sample of 25 items aggregating \$159,750 out of total program expenditures aggregating \$622,831, \$124,404 of which relate to payroll.)

Cause: The cause of this condition is unknown.

Effect: The effect of the above condition is questioned costs.

Recommendation: We recommend that complete supporting documentation be obtained to support the above transactions. We also recommend that travel advance requests not be allowed until complete documentation is obtained.

Auditee Response: The above expenditures relate to training which is approved in the Special Education program proposal.

Corrective Action Plan: See Auditee Response.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Chuuk, Continued**

<u>Program</u>	<u>Reason for Questioned Cost</u>	<u>Questioned Costs</u>		
5. U.S. Dept. of Education/ Education of the Handicapped /CFDA #84.027	<p><u>Criteria:</u> Per OMB Circular A-87, Attachment A, Section A, paragraph 2(b), the grantee assumes the responsibility for ensuring that federally assisted program funds have been expended and accounted for consistent with the underlying program objectives.</p> <p><u>Condition:</u> Adequate supporting documentation could not be obtained to determine if the following expenditure to repair a vehicle meets program objectives:</p> <table><tr><td><u>Org. No.</u> 7732</td><td><u>APV No.</u> 947054</td></tr></table> <p>(Refer sample size and universe on page 198)</p> <p><u>Cause:</u> The cause of this condition is unknown.</p> <p><u>Effect:</u> The effect of the above condition is the possibility of disallowed costs.</p> <p><u>Recommendation:</u> We recommend that complete supporting documentation be obtained. We also recommend that payment requests not be allowed until complete documentation is obtained.</p> <p><u>Auditee Response:</u> The above pertains to expenditures related to repair and maintenance of Special Education vehicles, under the object class for repair and maintenance of special education vehicles, a lump sum amount was earmarked for that specific purpose and the amount allocated for that in the FY94 proposal was \$15,000. The amount was set aside taking into consideration the number of vehicles the Special Education program has depreciation on them.</p>	<u>Org. No.</u> 7732	<u>APV No.</u> 947054	<p><u>\$ 5,000</u></p>
<u>Org. No.</u> 7732	<u>APV No.</u> 947054			

FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Federal Findings and Questioned Costs - Monitoring Subrecipients  
- Subrecipient - Chuuk, Continued

<u>Program</u>	<u>Reason for Questioned Cost</u>	<u>Questioned Costs</u>
5. U.S. Dept. of Education/ Education of the Handicapped /CFDA #84.027, Continued	<u>Corrective Action Plan:</u> See Auditee Response.	

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Chuuk, Continued**

<u>Program</u>	<u>Reason for Questioned Cost</u>	<u>Questioned Costs</u>						
6. U.S. Dept. of Education/ Education of the Handicapped /CFDA #84.027	<p><u>Criteria:</u> Per OMB Circular A-87, Attachment A, Section A, paragraph 2(b), the grantee assumes the responsibility for ensuring that federally assisted program funds have been expended and accounted for consistent with underlying program objectives.</p> <p><u>Condition:</u> Adequate supporting documentation could not be obtained to determine if the following expenditure to purchase a sport fishing boat meets program objectives:</p> <table> <tr> <td><u>Org. No.</u></td><td><u>APV No.</u></td><td></td></tr> <tr> <td>7732</td><td>940730</td><td><u>\$ 25,000</u></td></tr> </table> <p>(Refer sample size and universe on page 198)</p> <p><u>Cause:</u> The cause of this condition is unknown.</p> <p><u>Effect:</u> The effect of the above condition is the possibility of disallowed costs.</p> <p><u>Recommendation:</u> We recommend that complete supporting documentation be obtained. We also recommend that payment requests not be allowed until complete documentation is obtained.</p>	<u>Org. No.</u>	<u>APV No.</u>		7732	940730	<u>\$ 25,000</u>	
<u>Org. No.</u>	<u>APV No.</u>							
7732	940730	<u>\$ 25,000</u>						



FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Federal Findings and Questioned Costs - Monitoring Subrecipients  
- Subrecipient - Chuuk, Continued

<u>Program</u>	<u>Reason for Questioned Cost</u>	<u>Questioned Costs</u>
<p>6. U.S. Dept. of Education/ Education of the Handicapped /CFDA #84.027, Continued</p>	<p><u>Auditee Response:</u> APV #940730 in the amount of \$25,000 was for a boat purchased for the Special Education program. This particular item was requested in FY93 and FY94 proposal for the purpose of evaluation of and/or monitoring of programs to ensure conformity with program rules and regulations. Even though the boat maybe called a "sport fishing" boat it certainly is not used for fishing or sport. It serves the specific purpose of going to the schools on the islands in the lagoon.</p> <p><u>Corrective Action Plan:</u> See Auditee Response.</p>	

Total U.S. Department of Education Questioned Costs	<u>\$ 42,688</u>
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**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Chuuk, Continued**

**Previous Years' Findings**

7. Criteria: Findings from prior audit reports should be resolved.

Condition: The following findings from previous years' Single Audit Reports remain unresolved.

<u>Finding</u>		
<u>No.</u>	<u>Page No.</u>	<u>Description</u>

**FISCAL YEAR 1993**

**Local Finding**

1	91	Use of Compact Capital Fund
2	92	Municipalities
3	93	Use of Compact Capital Fund

**Federal Findings**

1	89	Reimbursement in excess of expenditures (CFDA # 84.003)
2	90	Reimbursement in excess of expenditures (CFDA # 10.560)

**FISCAL YEAR 1992**

**Federal Findings**

2	88	Subrecipient Audits - JTPA
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**FISCAL YEAR 1991**

**Local Findings**

1	87	Residual Inventory
2	92	Acquisition of Fixed Assets
3	93	Proper Monitoring of subrecipient
5	96	Improper Classification of Expenditures
6	99	Code of Federal Regulations
7	100	Scholarship Application

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Chuuk, Continued**

**7. Previous Years' Findings, continued**

**FISCAL YEAR 1991, CONTINUED**

**Federal Findings**

5	95	Training Programs for JTPA
8	103	Job Placement Requirement - JTPA
9	104	Course and Instructor Evaluations - JTPA
10	105	Drug-Free Workplace
11	107	Matching - Chapter I

**FISCAL YEAR 1990**

**Local Findings**

**Accounting**

1	80	Fixed Assets
2	80	Compliance

**Administrative**

1	81	Expenditures/Disbursements
2	81	Expenditures/Disbursements
5	82	Budget

**Cause:** Unknown.

**Effect:** Lack of timely resolution of audit findings hinders the effectiveness of the Chuuk State's administrative controls over federal financial assistance.

**Recommendation:** Administrative control findings from previous Single Audit Reports should be satisfactorily resolved in a timely manner.

**Auditee Response:** See corrective action plan.

**Corrective Action Plan:** For the unresolved findings, the State is maximizing its efforts to resolve them. No specific time frame can be given but resolution of some findings can be expected every fiscal year end.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Chuuk, Continued**

Program  
8. U.S. Dept.  
of Education/  
Education of the  
Handicapped  
/CFDA #84.027

Criteria: Adequate records should be maintained by the grantee to support the number of handicapped recipients of the Education for the Handicapped program.

Condition: Records maintained by Special Education only support the eligibility of 245 of the 1,700 recipients reported to the grantor agency.

Cause: The cause of this condition is unknown.

Effect: Noncompliance with program requirements could be the result of this finding.

Recommendation: We recommend that documentation be obtained to properly support the eligibility of the 1,700 program recipients.

Auditee Response: See corrective action plan.

Corrective Action Plan: This finding will be resolved by the Chuuk State Special Education administration with the grantor agency through the FSM National Government.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Chuuk, Continued**

Program

9. U.S. Dept. of Education/  
CFDA #84.003      Criteria: All recipient files should contain adequate documentation to support eligibility requirements of the Special Education program.

Condition: Of twenty recipient files reviewed, adequate documentation could not be found to determine the eligibility of seven participants.

Cause: The cause of this condition is unknown.

Effect: The effect of the above condition is unknown.

Recommendation: We recommend that documentation supporting recipient eligibility be properly documented in the files.

Auditee Response: See corrective action plan.

Corrective Action Plan: This finding will be resolved by the Chuuk State Special Education administration with the grantor agency through the FSM National Government.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients -**  
**Subrecipient - Chuuk, Continued**

Program

10. U.S. Criteria: All Individualized Education Programs  
Dept. of (IEP's) should contain projected dates for  
Education initiation of services under the program and the  
/CFDA # 84.003 anticipated duration of these services.

Condition: Of twenty files reviewed, we noted  
that none of the files contained the above  
information.

Cause: The cause of this condition is unknown.

Effect: Possible noncompliance with program  
requirements could be the result of this finding.

Recommendation: We recommend that all IEP's be  
updated to include all the information required  
under the Special Education Program.

Auditee Response: See corrective action plan.

Corrective Action Plan: This finding will be  
resolved by the Chuuk State Special Education  
administration with the grantor agency through  
the FSM National Government.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients -**  
**Subrecipient - Kosrae**

**Federal Property Standards**

1. Criteria: The State of Kosrae should maintain an accounting system in accordance with federal property standards for fixed assets acquired with federal funds.

Condition: Based on our review of the State's accounting for the General Fixed Assets Account Group, no detailed accounting of these fixed assets by funding source is being performed.

Cause: The Division of Property management has not obtained a level of proficiency on the automated system which allows them to achieve a sufficient level of accounting efficiency to be in compliance with federal property standards.

Effect: The State of Kosrae is not in compliance with federal property standards.

Recommendation: The State of Kosrae should ensure that its assets are properly incorporated into the accounting system and that it is in compliance with applicable federal property rules and regulations.

Prior Year Status: Not complying with the federal property standards was reported as a finding in the Single Audits of Kosrae State for fiscal years 1988 through 1993.

Auditee Response and Corrective Action Plan: We will work with the FSM National Government to create a system to ensure that assets are accounted for in compliance with the applicable federal property standards and regulations.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients -**  
**Subrecipient - Kosrae, Continued**

**General Requirement - Drug Free Workplace Act**

2. Criteria: All grantees receiving U.S. Federal Assistance must comply with the Drug-Free Workplace Act. In order to satisfy the above requirement, the following procedures must be performed:
- a) Publish a policy statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - b) Establishing an ongoing drug-free awareness program to inform employees about:
    - . The dangers of drug abuse in the workplace;
    - . The grantee's policy of maintaining a drug-free workplace;
    - . Any available drug counseling, rehabilitation, and employee assistance programs; and,
    - . The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - c) making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
  - d) notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:
    - . Abide by the terms of the statement; and
    - . Notify the employer in writing of any criminal drug statute conviction for a violation occurring in the workplace no later than five calendar days after such conviction;
  - e) Notifying the agency in writing within ten calendars days after receiving notice under subparagraph (d) (2) from an employee or otherwise receiving actual notice of such conviction;



**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Kosrae, Continued**

**General Requirement - Drug Free Workplace Act, Continued**

f) taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d) (2), with respect to any employee who is so convicted:

- . Taking appropriate personnel action against such an employee, up to and including termination; or
- . Required such employees to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.

Condition: We found that the State of Kosrae has not fully implemented the Drug-Free Workplace Act.

Cause: The cause of this condition is unknown.

Effect: The effect is that the State of Kosrae may not be eligible to receive U.S. federal financial assistance.

Recommendation: We recommend that the State implement the Drug-Free Workplace Act.

Prior Year Status: Not complying with the Drug-Free Workplace Act general requirement was reported as a finding in the Single Audits of Kosrae State for fiscal years 1991 through 1993.

Auditee Response: Directives from the Governor to all department heads on such action was made during fiscal year 1994.

Corrective Action Plan: If this needs to be a State law, we will look into establishing one. We have all departments receiving federal grants to post signs to indicate a Drug-Free workplace.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Kosrae, Continued**

**User Charge System (CFDA # 66.418)**

3. **Criteria:** EPA grantees should develop and implement a user charge system (UCS) to cover the cost of operating, maintaining, and replacing treatment works.

**Condition:** To date, Kosrae State has not developed or implemented a UCS for their wastewater facilities being constructed.

**Cause:** The cause of this condition is unknown.

**Effect:** The effect is potential noncompliance with the grant award and OMB specific requirements.

**Recommendation:** We recommended that Kosrae State develop and implements a UCS to help cover the future costs of operating, maintaining, and the eventual upgrading and /or replacement of the wastewater facilities currently being constructed.

**Prior Year Status:** Not complying with the U.S. EPA grant's specific requirement was reported as a finding in the Single Audits of Kosrae State for fiscal years 1990 through 1993.

**Auditee Response and Corrective Action Plan:** The State has plans to create a board which shall monitor and have management control over wastewater facilities. This board will have the authority to develop user rates for wastewater usage.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Kosrae, Continued**

**Special Education - State Grants (CFDA # 84.027)**

4. Criteria: Kosrae State should maintain procurement documentation in a manner envisioned by the Common Rule.

Condition: Kosrae State does not maintain documentation supporting whether competitive procurements have been maximized and whether expenditures are relevant to the program. No costs have been questioned as Kosrae State was subsequently able to provide documentation supporting the transactions selected. However it is evident that:

- Kosrae State is not documenting its informal procurement method of soliciting procurements from a representative number of vendors.

- Sole source procurements, primarily in the area of providing training to special education instructors, has not been documented. For example, certain teachers obtained instruction at the College of Micronesia - FSM. However, there was no documentation on file indicating whether consideration of other regional colleges or universities had been made.

Cause: It appears that Kosrae State management are not sufficiently familiar with federal procurement rules and regulations. Additionally, it does not appear as if the FSM National Government, as grantee, is providing sufficient review of program expenditures to ensure that corrective action is occurring in a timely manner.

Effect: The effect of this condition is that program transactions are not being executed in a manner which is in conformity with federal guidelines.

Recommendation: Kosrae State management should review applicable federal requirements with respect to procurement and should ensure compliance with those requirements.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Federal Findings and Questioned Costs - Monitoring Subrecipients  
- Subrecipient - Kosrae, Continued

Special Education - State Grants (CFDA # 84.027), Continued

4. Auditee Response: a) The process in which we procure supplies and other materials from local vendors or outside vendors is the same. We acquire price quotations from the vendors and compare and cut purchase order for the cheapest among two or three vendors. Sometimes we have no alternative but buy from a vendor because it is the only place that have it in stock at the time.

b) In regards to the training aspect namely the Related Services Assistance (RSA) Training, the training was negotiated through the FSM National Government whereby announcement was made and bids were submitted to them. The National Government arranged so that training should be provided at the College of Micronesia through the monitoring of the University of Hawaii. Other training that was provided for the Special Education staff or teachers were summer institute and on island summer training that offers IDP (Individual Degree Plan) for teacher certification. These programs were in place prior to the reinstatements of the Special education program. The staff who enrolled in these programs were in the program prior to the initial funding year.

Corrective Action Plan: a) Prior to cutting any purchase order management will hunt around for price quotations and purchase from the lowest quotation. Documentation of vendor contracted will be made on each purchase order made. Other items requiring bidding will be handled according to Federal requirements.

b) Kosrae State Special Education program will ensure that all training activities will be related to the Special Education Comprehensive System of Personnel Development Plan in the Annual State Plan. The portion of the CSPD will be forwarded to the IHE through the region to solicit quotation on each training activities.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Federal Findings and Questioned Costs - Monitoring Subrecipients  
- Subrecipient - Kosrae, Continued

Special Education - State Grants (CFDA # 84.027)

5. Criteria: Files should be maintained supporting each student's eligibility for the program, treatment plans, parent notification and acceptance and periodic progress reports among other matters which are relevant to the program.

Condition: Files, selected at random, were maintained in a very inconsistent manner. Various files lacked parent notification, progress reports etc. It is evident from discussions with program management that they are aware that their files are deficient.

Cause: It does not appear as if checklists are maintained and reviewed. The files appear to be disbursed to the various schools and little follow-up is made to ensure that the files are updated.

Effect: Kosrae State will have difficulty in ensuring that program compliance is occurring.

Recommendation: We recommended that the grantor agency (the FSM National Government) require Kosrae State to review all files pertinent to enrollees in the 1994 program and ensure that complete documentation is obtained for each student. The FSM National Government should then document its review of all files to ensure that such are complete.

Auditee Response: We agree to the above finding.

Corrective Action Plan: It is true that some of the files for the children being identified and served in the program are not complete. Actions has been taken to correct the discrepancies in the files. Each area supervisor was assigned to review individual files and check the contents to ensure that each file has all the required forms and information will be attached to each child's folder to indicate the presence. Upon reviewing, date of review and person reviewing needs to document finding and changes made.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Kosrae, Continued**

**Education Improvement (CFDA # 84.256A)**

6. Criteria: Procurements should be made in a manner consistent with the requirements set forth in the Common Rule.

Condition: Various consulting contracts were entered into during the year. We were unable to obtain documentation indicating how the contracts evidenced compliance with the Common Rule procurement regulations.

Cause: It is evident that Kosrae State management are unfamiliar with federal requirements.

Effect: Noncompliance with federal rules can result which may result in questioned costs and reimbursements due to the grantor.

Recommendation: Kosrae State management must ensure that adequate documentation exists supporting its procurements as contemplated by the Common Rule.

Auditee Response and Corrective Action Plan: The department wished to maintain continuity in its improvement plan. The evaluation of teaching activities in the classroom has been a long time policy in the department. The concept has been taught to generations of teaching staff during the past decade. For this reason, the department felt it was proper to continue to seek consultation from the agent that is most familiar with the Kosrae's classroom without seeking a new firm who would need to learn about the niche beforehand. We do not have documents for bidding of contract.

FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Federal Findings and Questioned Costs - Monitoring Subrecipients  
- Subrecipient - Kosrae, Continued

Administrative Requirements - All Programs

7. Criteria: Kosrae State should ensure that it conforms to administrative requirements set forth in the Common Rule.

Condition: Kosrae State is not in compliance with the following administrative compliance requirements:

- Kosrae does not maintain detail records of its fixed assets and has not met the management requirements set forth in the Common Rule.

- Kosrae State is not in compliance with Common Rule procurement standards. Documentation of informal bids does not appear to be maintained, sole source procurements are made without adequate documentation, a written code of standards of conduct governing the performance of employees engaged in procurement has not been prepared, protest procedures have not been developed to handle and resolve disputes relating to procurements and contracts do not contain all required provisions as set forth in the Common Rule.

Cause: Kosrae State management does not appear to be aware of the above requirements.

Effect: The effect of this condition is that Kosrae State is not in compliance with federal requirements, a condition that can result in questioned costs or in the loss of future awards to the State.

Recommendation: Kosrae State must implement systems to ensure conformity with the requirements set forth in the Common Rule.

Auditee Response: We agree to the above finding.

Corrective Action Plan: The Director of the Department of Administration will ensure that the above federal compliance requirements are implemented in fiscal year 1996.

FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Federal Findings and Questioned Costs - Monitoring Subrecipients  
- Subrecipient - Kosrae,  
Continued

Education Improvement (CFDA # 84.256A) - A Direct Grant

<u>Program</u>	<u>Reason for Questioned Cost</u>	<u>Questioned Costs</u>
8 . U . S . Dept . of Education/ Education Improvement (CFDA # 84.256A)	<p><u>Criteria:</u> Program expenditures should be made in a manner which bears a relationship to the program funding those expenditures.</p> <p><u>Condition:</u> This program represents the first direct U.S. program received. Normally, grants are passed through to Kosrae State through the FSM National Government. Travel costs were charged to this program for two State employees, the Chairman of the Scholarship Board and the State Student Services Coordinator, to travel to various cities in the United States to meet with and to interview post secondary students. We could not determine how this trip appeared to relate to the grant purpose. (From a sample of thirteen item aggregating \$36,326.)</p> <p><u>Cause:</u> The cause of this condition is unknown.</p> <p><u>Effect:</u> Questioned costs in the amount of \$5,446 have occurred which may have to be refunded to the grantor agency.</p> <p><u>Recommendation:</u> All travel should be clearly related to grant purposes. If any questions exist as to whether certain travel is eligible, the grantor agency should be requested in writing to make such a determination.</p> <p><u>Auditee Response and Corrective Action Plan:</u> One of the components of TFAS is counseling. The objective is to develop programs that would help students adjust to post secondary education. Problems and needs of post secondary students were collected and used as core data during this trip.</p>	<p><u>\$ 5,446</u></p>



**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Kosrae, Continued**

<u>Program</u>	<u>Reason for Questioned Cost</u>	<u>Questioned Costs</u>
9. Compact Energy Fund ( C F D A # 15.875)	<p><u>Criteria:</u> Expenditures should be allowable/chargeable to the program.</p> <p><u>Condition:</u> We found that Compact Energy funds have been used to acquire forms used in billings for power usage. Such does not appear to be an appropriate use of Compact Energy funds.</p> <p style="text-align:center"><u>Check Number</u></p> <p style="text-align:center">47992</p> <p><u>Cause:</u> The cause of this condition is unknown.</p> <p><u>Effect:</u> Noncompliance with the Compact of Free Association results.</p> <p><u>Recommendation:</u> We recommend that the State resolve this finding through the National Government and the grantor Agency.</p> <p><u>Auditee Response:</u> We agree with the above finding.</p> <p><u>Corrective Action Plan:</u> The Director of Department of Administration will resolve this finding with the FSM National government in fiscal year 1996.</p>	<p style="text-align:right"><u>\$ 2,800</u></p> <p style="text-align:right"><u>\$ 8,246</u></p>
TOTAL QUESTIONED COSTS		<u>\$ 8,246</u>

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Yap**

**Drug-Free Workplace Act**

1. Criteria: Per the Office of Management and Budget Compliance Supplement, grantees are required to provide employees a drug-free workplace. In order to satisfy the above requirement, the following procedures must be performed:
  - a) Publishing a policy statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - b) Establishing an ongoing drug-free awareness program to inform employees about:
    - . The dangers of drug abuse in the workplace;
    - . The grantee's policy of maintaining a drug-free workplace;
    - . Any available drug counseling, rehabilitation, and employee assistance programs, and,
    - . The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
  - d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:
    - . Abide by the terms of the statement; and
    - . Notify the employer in writing of any criminal drug statute conviction for a violation occurring in the workplace no later than five calendar days after such conviction;
  - e) Notifying the agency in writing within ten calendar days after receiving notice under subparagraph (d) (2) from an employee or otherwise receiving actual notice of such conviction;

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients  
- Subrecipient - Yap, Continued**

**Federal Finding No. 1 - Drug-Free Workplace Act, Continued**

Criteria, continued:

- f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d) (2), with respect to any employee who is so convicted:
- . Taking appropriate personnel action against such an employee, up to and including termination; or
  - . Requiring such employees to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.

Condition: Per our inquiries, we noted the State of Yap has not complied with the above required procedures.

Cause: Yap State has been waiting for the FSM National Government to take a lead on this finding as it also relates to the FSM in general.

Effect: The effect is noncompliance with the Drug-Free Workplace Act.

Recommendation: We recommend that in addition to issuing a policy statement in compliance with the Drug-Free Workplace Act, procedures be implemented to document that employees engaged in the performance of federal grants are aware of the policy statement.

Prior Year Status: Noncompliance with the Drug-Free Workplace Act was reported as a finding in the Single Audits of the Yap State Government for fiscal years 1992 and 1993.

Auditee Response and Corrective Action Plan: The Personnel Division has been assigned the responsibility to establish policy and procedures to accomplish the required compliance by June 30, 1996.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients  
- Subrecipient - Yap, Continued**

**Allowable Costs/Cost Principles - JTPA (CFDA #17.250)**

2. **Criteria:** Supporting documentation for expenditures under federal programs should be complete and accurate.

**Condition:** We noted situations where a project had been extended, but the paperwork for the extension had not been filed; a timesheet filed for support was not signed as being properly authorized; and the files we reviewed had no documentation of progress reports and follow-up reports being performed.

**Cause:** The cause appears to be a lack of complete and accurate filing and adequacy of supporting documentation.

**Effect:** The effect is possible future questioned costs related to the lack of documentation.

**Recommendation:** We recommend that files supporting expenditures under federal programs be complete and accurate.

**Prior Year Status:** Incomplete and inaccurate supporting documents for JTPA program expenditures was reported as a finding in the Single Audits of the Yap State Government for fiscal years 1992 and 1993.

**Auditee Response and Corrective Action Plan:** The JTPA Section of the Manpower and Training Division has been instructed to properly complete their operating files.

FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Federal Findings and Questioned Costs - Monitoring Subrecipients  
- Subrecipient - Yap, Continued

Administrative Requirements - Equipment Management

3. Criteria: The Common Rule for Uniform Administrative Requirements for Federal Grants, Section 33 (d) (2) requires that a physical inventory of property acquired with federal funds be performed at least every two years and that the inventory be reconciled to property records.

Condition: A physical inventory of property has not been performed in over two years.

Cause: The cause of this condition is unknown.

Effect: The effect is noncompliance with the Administrative Requirements over federal grants.

Recommendation: We recommend that a physical inventory of property be taken and the results reconciled to the property records at least once every two years.

Auditee Response and Corrective Action Plan: The Real and Personal Property Management Division has been instructed to accomplish a physical inventory of property by December 31, 1995.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Yap, Continued**

**Administrative Requirements - Equipment Management, Continued**

4. **Criteria:** An updated property ledger by funding source should be maintained for all of Yap State Government.

**Condition:** The Division of Real and Personal Property Management (RPPM) maintains property cards. However, these records have not been updated in the accounting system.

**Cause:** The off-site terminal used by RPPM no longer works and no manual ledgers appear to have been prepared.

**Effect:** The effect is noncompliance with the Administrative Requirements over federal grants due to not being able to test the accuracy of fixed asset inventory ledgers.

**Recommendation:** We recommend that property ledgers be maintained on a timely basis by funding source in the General Fixed Assets Account Group.

**Auditee Response and Corrective Action Plan:** The RPPM Division has been instructed to bring the records up to date by June 30, 1996.

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Yap, Continued**

**Administrative Requirements - Procurement**

5. Criteria: The Common Rule for Uniform Administrative Requirements for Federal Grants, Section 36 (b) (12) requires grantees and subgrantees have written protest procedures to handle and resolve disputes relating to their procurements.

Condition: We noted no written procedures regarding protests over procurement procedures.

Cause: The cause of this condition is unknown.

Effect: The effect is noncompliance with the Administrative Requirements over federal grants.

Recommendation: We recommend that a written policy be adopted and added to the regulations regarding procedures to handle and resolve disputes relating to procurement procedures.

Auditee Response and Corrective Action Plan: The Central Supply and Procurement Division has been instructed to prepare a proposed revision to the appropriate regulations by December 31, 1995.

FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Federal Findings and Questioned Costs - Monitoring Subrecipients  
- Subrecipient - Yap, Continued

Administrative Requirements - Subawards to Debarred  
and Suspended Parties

6. Criteria: The Common Rule for Uniform Administrative Requirements for Federal Grants, Section 35 requires that grantees and subgrantees not award or permit any award to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal Assistance programs.

Condition: We noted that Yap State did not have a copy of the Lists of Parties Excluded from Federal Procurement or Nonprocurement Programs, issued by the General Services Administration (GSA). Additionally, Yap State does not require that recipients of contracts, subcontracts, or subgrants certify that the organization and its principals are not suspended or debarred.

Cause: The cause of this condition is unknown.

Effect: The effect is noncompliance with the Administrative Requirements over federal grants.

Recommendation: We recommend that Yap State obtain copies of the GSA lists and require certification for their contracts and subgrants greater than \$25,000 that the organization and its principals are not suspended or debarred.

Auditee Response and Corrective Action Plan: The Central Supply and Procurement Division has been instructed to obtain the GSA lists and the Office of Planning and Budget has been instructed to include the required certification in future MOU's on contracts under Federal Grants.



**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Yap, Continued**

**Allowable Costs/Cost Principles**

7. **Criteria:** Office of Management and Budget (OMB) Circular A-87 covering cost principles for State and Local Governments over federal grants should be incorporated into Yap's policies and procedures over procurements.

**Condition:** The individual in the Division of Finance responsible for screening procurements for compliance with OMB Circular A-87 has a copy and is familiar with the criteria; however, some program coordinators do not appear to be aware of the criteria.

**Cause:** The cause of this condition is unknown.

**Effect:** We noted no material effect due to the review by the responsible individual in Finance. However, if that employee is gone, noncompliance may occur.

**Recommendation:** We recommend that OMB Circular A-87 requirements be incorporated into Yap's policies and procedures for more complete control and documentation over these requirements.

**Auditee Response and Corrective Action Plan:** The Central Supply and Procurement Division has been instructed to prepare proposed revisions to the appropriate regulations by December 31, 1995.

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients  
- Subrecipient - Yap, Continued**

**Cash Management - FEMA (CFDA # 83.516)**

8. Criteria: Compliance Supplement cash management requirements require recipients to minimize the time between receiving grant funds and the related disbursement.

Condition: Per the Program Coordinator for the Federal Emergency Management Agency (FEMA) Public Assistance Program - Typhoon Owen, the program was completed in December 1993. The Coordinator was under the impression all of the funds had been expended. Therefore, the remaining advanced funds of \$18,388 has been reclassified from Deferred Revenue to Due to Grantor as of September 30, 1994.

Cause: This appears to be due to lack of coordination between the program administrators and the Division of Finance in closing out the program.

Effect: The effect is noncompliance with cash management requirements and possible future questioned costs if the funds are improperly disbursed.

Recommendation: We recommend that the remaining advanced funds be investigated to determine whether they are to be properly applied to the program or to be returned to the grantor. If the funds are to be applied to the program, proper supportive documentation should be thoroughly reviewed and copies maintained by the Division of Finance.

Auditee Response and Corrective Action Plan: The Program Coordinator for FEMA is currently in the process of accomplishing this recommendation which should be completed by September 30, 1995.

**Federal Findings and Questioned Costs - Monitoring Subrecipients**  
**- Subrecipient - Pohnpei**

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FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Federal Findings and Questioned Costs - Monitoring Subrecipients -  
Subrecipient - Pohnpei, Continued

Prior Year Outstanding Findings

2. Criteria: Prior year findings should be resolved in a timely manner by State management.

Condition: It appears that the following prior year findings remain unresolved:

<u>Finding No.</u>	<u>Page No.</u>	<u>Description</u>
<u>Fiscal Year 1990</u>		
4	94	Federal Grant Administration
<u>Fiscal Year 1992</u>		
1	103	Drug-Free Workplace Act
6	107	Matching Documentation
10	110	Equipment Control

Cause: The cause of this condition is unknown.

Effect: The non-resolution of these prior year findings will have the same impact in fiscal year 1994 as in fiscal year 1993, and will continue to hinder the effective maintenance of the State's compliance with federal financial assistance programs.

Recommendation: It is recommended that the State management resolve prior year administrative control findings appropriately.

Auditee Response and Corrective Action Plan: We agree to the finding. The State is maximizing efforts to resolve the above prior year findings and believes that such will occur in 1995/1996

**FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients -  
Subrecipient - Pohnpei, Continued**

<u>Program</u>	<u>Reason for Questioned Costs</u>	<u>Questioned Costs</u>				
3. Compact Capital Projects Fund-CFDA # 15.875-Compact of Free Association	<p><u>Criteria:</u> Compact capital funds should be expended in accordance with local laws and regulations.</p> <p><u>Condition:</u> The CIP administrative cost organization (6250) reveals \$4,614.75 in travel, per diem and transportation costs incurred for a government official to travel to Australia for matters involving lawsuits related to Caroline Fisheries Corporation, a private corporation established under the laws of FSM. Costs incurred for such activity are not valid CIP administration costs and should not have been charged to the CIP administrative cost account.</p> <table><tr><td><u>Org. No.</u></td><td><u>TA No.</u></td></tr><tr><td>6250</td><td>40769</td></tr></table>	<u>Org. No.</u>	<u>TA No.</u>	6250	40769	<p><u>\$4,615</u></p>
<u>Org. No.</u>	<u>TA No.</u>					
6250	40769					
	<p><u>Cause:</u> The cause of this condition is unknown.</p>					
	<p><u>Effect:</u> Questioned costs may result from improper use of Compact CIP funds.</p>					
	<p><u>Recommendation:</u> It is recommended that Pohnpei State Government either establish an account receivable from the traveler or charge the amount incurred as an unappropriated expenditure of the general fund.</p>					
	<p><u>Auditee Response and Corrective Action Plan:</u> We agree to the above finding. We will adopt your recommendation and the Chief of Finance is responsible for preparing the journal voucher in fiscal year 1995.</p>					

FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients - Subrecipient - Pohnpei, Continued**

<u>Program</u>	<u>Reason for Questioned Costs</u>	<u>Questioned Costs</u>
4. Compact of Free Association (CFDA # 15.875) Health and Medical Referral Funds	<p><u>Criteria:</u> Pohnpei State should ensure that it complies with Compact intent.</p> <p><u>Condition:</u> Expenditures incurred under org. 2356 for \$2,967 were paid to a funeral home for embalming. This does not appear to be an allowable Health &amp; Medical expenditure.</p> <p><u>Cause:</u> The cause of this condition is unknown.</p> <p><u>Effect:</u> Noncompliance with the intent of the Compact could result from this finding.</p> <p><u>Recommendation:</u> We recommended that Pohnpei State Government resolve this finding.</p> <p><u>Auditee Response and Corrective Action Plan:</u> We agree to the above finding. The Chief of Finance is responsible for the resolution of this questioned cost in fiscal year 1995.</p>	\$ 2,967
Total Compact of Free Association Questioned Costs		<u>\$ 7,582</u>

FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Federal Findings and Questioned Costs - Monitoring Subrecipients -  
Subrecipient - Pohnpei, Continued

<u>Program</u>	<u>Reason for Questioned Costs</u>	<u>Questioned Costs</u>
5. Pohnpei State Housing Authority (subrecipient) #10.433	<p><u>Criteria:</u> The Housing Preservation Grant (HPG) Activities approved by Farmers Home Administration shall commence on July 20, 1992 and be completed on September 30, 1994.</p> <p><u>Condition:</u> There is no documented extension of the completion date. However, some \$27,000 of the HPG loans were released to loanees after the stated completion date of September 30, 1994.</p> <p><u>Cause:</u> Management approved the release of HPG loans after September 30, 1994 because there is a verbal understanding that the completion date of the program will be extended.</p> <p><u>Effect:</u> The effect is noncompliance with the stated completion date of the program.</p> <p><u>Recommendation:</u> We recommend that the Authority seek from Farmers Home Administration documentation on the extension of the completion date, if any.</p>	

FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Federal Findings and Questioned Costs - Monitoring Subrecipients -  
Subrecipient - Pohnpei, Continued

<u>Program</u>	<u>Reason for Questioned Costs</u>	<u>Questioned Costs</u>
5. Pohnpei State Housing Authority (subrecipient) usda, Farmers Home Admin- istration CFDA #10.433	<u>Auditee Response and Corrective Action Plan:</u> This is in reference to the Housing Preservation Grant program which was delayed due mostly to logistical requirements of getting the construction supplies to the project sites. Since most of the HPG was applied to the outer islands of Mwokilloa and Pingelap, the shipping of construction supplies had to depend on the schedule of ships to these islands, hence the delays in the shipment of construction materials. Furthermore, the delays were documented in requested program extensions submitted and approved by the RECDS, the program funding source.	



FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients - Subrecipient - Pohnpei, Continued**

<u>Program</u>	<u>Reason for Questioned Costs</u>	<u>Questioned Costs</u>
6. Pohnpei Authority (subrecipient) to usda, Farmers Home Administration CFDA #10.433	<p><u>Criteria:</u> Part B, No. 9 of the HPG State Housing Agreement states that the grantee shall provide satisfactory evidence to Farmers Home Administration that all officers of the grantee organization authorized to receive and/or disburse Federal funds are covered by fidelity bonds.</p> <p><u>Condition:</u> Officers and employees engaged in the disbursement of the Housing Preservation Grant are not covered by a fidelity bond.</p> <p><u>Cause:</u> The Authority is not aware that there is a fidelity bond requirement, and there appears to be no insurance agency on the island that accepts fidelity bond coverage.</p> <p><u>Effect:</u> The effect is noncompliance with HPG Agreement requiring fidelity bond coverage for all officers authorized to receive and/or disburse the grant.</p> <p><u>Recommendation:</u> We recommend that the Authority discuss this matter with the Farmers Home Administration and secure a documented exception for this provision due to non-availability of fidelity bond coverage in Micronesia.</p> <p><u>Auditee Response and Corrective Action Plan:</u> The absence of a Fidelity Bond company here on the island made it difficult for the agency to fulfill this requirement. We have agreed to work with the local RECDS office to either do away with this requirement or to replace it with a more appropriate alternative.</p>	

FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Federal Findings and Questioned Costs - Monitoring Subrecipients -  
Subrecipient - Pohnpei, Continued

<u>Program</u>	<u>Reason for Questioned Costs</u>	<u>Questioned Costs</u>
7. Pohnpei State Housing Authority (subrecipient) usda, Farmers Home Administration CFDA #10.433	<p><u>Criteria:</u> Part B, No. 9 of the HPG Agreement stated that the grantee submit a quarterly "Financial Status Report".</p> <p><u>Condition:</u> The Financial Status Report is not prepared quarterly and only one report was prepared covering the period September 30, 1993 to December 31, 1994.</p> <p><u>Cause:</u> The Authority is not aware of the details and frequency of the financial report that need to be provided to Farmers Home Administration.</p> <p><u>Effect:</u> The effect is noncompliance with the reporting requirements per HPG Agreement.</p> <p><u>Recommendation:</u> We recommend that the Authority comply with the submission of the required performance and financial reports stated in the aforementioned criteria.</p>	

FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Federal Findings and Questioned Costs - Monitoring Subrecipients -  
Subrecipient - Pohnpei, Continued

<u>Program</u>	<u>Reason for Questioned Costs</u>	<u>Questioned Costs</u>
7. Pohnpei State Housing Authority (subrecipient) usda, Farmers Home Admin- istration CFDA #10.433	<u>Auditee Response and Corrective Action Plan:</u> According to our records there were eight quarterly performance reports submitted to the local RECDS office of the required signatories and eventual submission to the responsible offices. Because of the procedures involved, we had to prepare reports and submit to the local RECDS office for their signatures before submission. As such, final copies of the reports were to be returned to us via RECDS local office. We have had difficulties in obtaining copies of the same. We are however, in the process of clearing with the local RECDS office and securing the copies of the reports submitted.	

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

**Federal Findings and Questioned Costs - Monitoring Subrecipients -**  
**Subrecipient - Pohnpei, Continued**

<u>Program</u>	<u>Reason for Questioned Costs</u>	<u>Questioned Costs</u>
8. Pohnpei State Housing Authority (subrecipient) Compact Capital Account Funds CFDA #15.875	<u>Criteria:</u> Compact capital funds received in a subrecipient capacity should be expended in accordance with local laws and regulations.  <u>Condition:</u> We found a transfer of compact capital funds for \$47,518 from Housing Loan Fund to Warehouse Fund which was used for administrative expenses in the current year. The funds were expended as follows:	
	Advances	\$17,683
	Office equipment and tools	5,229
	Personnel services	5,029
	Travel	6,267
	Repairs and maintenance	5,887
	Office supplies	3,878
	Others	<u>3,545</u>
		47,518

Cause: Management approved the above noted expenditures.

Effect: The effect is potential noncompliance with the intent of the Compact of Free Association.

Recommendation: We recommend that this issue of expending Compact capital loan fund for administrative expenses be immediately resolved by the management and Board of the Authority, Pohnpei State Legislature and Attorney General's office.

FEDERATED STATES OF MICRONESIA  
NATIONAL GOVERNMENT  
Schedule of Findings and Questioned Costs, Continued  
Year Ended September 30, 1994

Federal Findings and Questioned Costs - Monitoring Subrecipients -  
Subrecipient - Pohnpei, Continued

<u>Program</u>	<u>Reason for Questioned Costs</u>	<u>Questioned Costs</u>
8. Pohnpei State Housing Authority (subrecipient) USDA, Farmers Home Administration CFDA #10.433	<u>Auditee Response and Corrective Action Plan:</u> Management's reply to the issue when raised during the previous year's audit, which has been cited herein, should have included some facts mentioned about the Housing Preservation Grant (HPG) program which was added to the regular Pohnpei State Housing Authority programs without funding for its administration thereof. The State matching contribution for the administration of the HPG program was to be \$50,000. Whereas in-kind contributions were accepted, the State share then came out of the funding for the regular programming, in order to extend additional assistance (\$200,000) to more families.	<hr/>
Total Questioned Costs For Pohnpei State		<hr/> <u>\$ 55,375</u>

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
**RESOLUTIONS OF PRIOR YEARS' QUESTIONED COSTS**  
**YEAR ENDED SEPTEMBER 30, 1994**

The following is a summary of unresolved federal questioned costs for the National Government's subrecipients.

State of Chuuk

Unresolved 1984 questioned costs	\$ 221,836
Unresolved 1985 questioned costs	193,164
Unresolved 1986 questioned costs	685,713
Unresolved 1987 questioned costs	833,896
Unresolved 1988 questioned costs	4,350,427
Unresolved 1989 questioned costs	779,850
Unresolved 1990 questioned costs	1,337,063
Unresolved 1991 questioned costs	167,352
Unresolved 1992 questioned costs	39,367
Unresolved 1994 questioned costs	<u>208,439</u>

Total Chuuk State unresolved questioned costs	<u>8,817,107</u>
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State of Kosrae

FY85 unresolved questioned costs	12,838
FY88 unresolved questioned costs	215,383
FY94 unresolved questioned costs	<u>8,246</u>

Total State of Kosrae unresolved questioned costs	<u>236,467</u>
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State of Pohnpei

FY85 unresolved questioned costs	227,940
FY86 unresolved questioned costs	171,686
FY88 unresolved questioned costs	393,372
FY89 unresolved questioned costs	271,650
FY90 unresolved questioned costs	87,296
FY91 unresolved questioned costs	62,193
FY92 unresolved questioned costs	118,431
FY93 unresolved questioned costs	43,509
FY94 unresolved questioned costs	<u>55,375</u>

Total State of Pohnpei unresolved questioned costs	<u>1,431,452</u>
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**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
RESOLUTIONS OF PRIOR YEARS' QUESTIONED COSTS, CONTINUED  
YEAR ENDED SEPTEMBER 30, 1994

State of Yap

FY84 unresolved questioned costs	\$ 28,904
FY85 unresolved questioned costs	16,364
FY86 unresolved questioned costs	168,555
FY92 unresolved questioned costs	216
FY93 unresolved questioned costs	<u>2,241</u>

Total State of Yap unresolved questioned costs	<u>216,280</u>
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Total unresolved subrecipient questioned costs	<u><u>\$10,701,306</u></u>
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**NATIONAL GOVERNMENT  
FEDERATED STATES OF MICRONESIA**

**INDEPENDENT AUDITORS' REPORT  
ON INTERNAL CONTROL STRUCTURE**

**YEAR ENDED SEPTEMBER 30, 1994**





**INDEPENDENT AUDITORS' REPORT ON**  
**THE INTERNAL CONTROL STRUCTURE BASED ON**  
**AN AUDIT OF GENERAL-PURPOSE FINANCIAL STATEMENTS**  
**PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Bailey Olter  
President  
Federated States of Micronesia:

We have audited the general-purpose financial statements of the Federated States of Micronesia (FSM) National Government as of and for the year ended September 30, 1994, and have issued our report thereon dated January 31, 1995. Our report on the audit of the general-purpose financial statements was modified due to our inability to determine the propriety of fixed assets of the Component Units - Higher Education Fund or of investments of the Component Units - Proprietary Funds.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement.

The management of the FSM National Government, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general-purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general-purpose financial statements of the FSM National Government for the year ended September 30, 1994, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted certain matters, which are presented in the accompanying Schedule of Internal Control Findings (page 244) in Finding 1, involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the FSM National Government's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general-purpose financial statements.

A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe none of the reportable conditions described above is a material weakness.

This report is intended for the information of the FSM National Government and the cognizant audit and other federal agencies. However, this report is a matter of public record and its distribution is not limited.

*Deloitte & Touche*

January 31, 1995

**FEDERATED STATES OF MICRONESIA**  
**NATIONAL GOVERNMENT**  
Schedule of Internal Control Findings  
For the Year Ended September 30, 1994

**Prior Year Outstanding Findings**

**Finding No. 1**

**Criteria:** Findings and recommendations reported in the Schedule of Internal Control Findings of prior years should be adequately resolved.

**Condition:** The following findings and recommendations remain unresolved from prior years Schedule of Internal Control Findings.

<u>Finding No.</u>	<u>Description</u>	<u>Page No.</u>
<b>Fiscal Year 1991</b>		
4	Taxes, Service Fees, and other Local Revenues	152
<b>Fiscal Year 1992</b>		
9	Employee's Health Insurance Plan Fund	192

**Cause:** The cause of this condition is unknown.

**Effect:** The unresolved findings continue to have the same effect on the National Government's record keeping systems as noted in the prior years.

**Recommendation:** Findings and recommendations reported in prior year reports should be resolved.

**Auditee Response and Corrective Action Plan:** Responses are contained within the FSM Public Auditor's audit report dated March 28, 1994.

