



# FEDERATED STATES OF MICRONESIA

## Office of The National Public Auditor

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

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

CID Hotline: (691) 320-6768; E-mail: [hhainrick@fsmopa.fm](mailto:hhainrick@fsmopa.fm)

Tuesday, August 25, 2020

Excellency FSM President  
Honorable State Governors

Dear President and Governors:

This is the current status report for the FY 2019 Single Audits and it is as of July 31, 2020. The status report is based on information received from Deloitte & Touche (DT), our contracted CPA firm. We will continue to send you status reports until all the Single Audits for FY 2019 are completed. The audit deadline has been extended to December 31, 2020 because of the COVID19 otherwise the original due date was June 30, 2020.

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

1. FSM National Government: DT has commenced year-end substantive testing, and compliance testing. DT is about 80% complete with respect to planning and year-end substantive testing and 60% complete with respect to compliance testing. A final trial balance with an accounting system run date of March 10, 2020 was received. However, Division of Treasury & Accounting has made several adjustments/changes to the TB and has also indicated that they will be making additional adjustments to the provided Trial Balance.
2. College of Micronesia-FSM: DT has commenced the audit and is 100% complete with audit planning, 97% complete with respect to substantive testing and 50% complete with respect to the reporting section.
3. FSM Telecommunications Corporation: Final audit reports were issued on December 20, 2019 and can be accessed at the ONPA website [www.fsmopa.fm](http://www.fsmopa.fm).
4. FSM Telecommunications Cable Corporation: DT will commence on-site audit work upon the receipt of the final trial balance and related schedules.
5. FSM Petroleum Corporation: Final audit reports were issued on June 25, 2020 and can be accessed at the ONPA website [www.fsmopa.fm](http://www.fsmopa.fm).
6. National Fisheries Corporation: DT has commenced audit planning and DT is about 90% complete with respect to planning. NFC continues to record adjustments to its financial statements.
7. FSMNG Employees' Health Insurance Plan (MiCare Plan, Inc): Final reports were issued on July 8, 2020 and can be accessed at the ONPA website [www.fsmopa.fm](http://www.fsmopa.fm).

8. FSM Development Bank: Final audit reports were issued on May 26, 2020 and can be accessed at the ONPA website [www.fsmopa.fm](http://www.fsmopa.fm).
9. FSM Social Security Administration: DT has commenced the audit and is about 90% complete with respect to planning and 70% for year-end substantive testing.
10. Caroline Islands Air: DT will commence on-site audit work upon receipt of the final trial balance and related schedules.

#### **CHUUK STATE GOVERNMENT AND COMPONENT UNITS:**

1. Chuuk State Government: DT has commenced audit planning, year-end substantive testing, and federal compliance tests. DT is about 80% complete with respect to planning and substantive and 60% with respect to compliance testing. A final trial balance with an accounting system run date of April 7, 2020 was received in April.
2. Chuuk Public Utility Corporation: Final audit reports were issued on June 30, 2020 and can be accessed at the ONPA website at [www.fsmopa.fm](http://www.fsmopa.fm).
3. Chuuk State Health Care Plan: DT has commenced the audit and is about 85% complete with respect to planning, substantive tests and reporting.
4. Chuuk Housing Authority: DT has received the final trial balance and commenced audit planning and substantive tests of year-end balances.

#### **POHNPEI STATE GOVERNMENT AND COMPONENT UNITS:**

1. Pohnpei State Government: DT has commenced the audit and is about 85% complete with respect to planning and year-end substantive tests and about 64% complete with respect to compliance tests. A final trial balance with an accounting system run date of May 22, 2020 was received on May 22, 2020. Pohnpei State Finance has made numerous adjustments and continues to make adjustments to that final Trial Balance.
2. Pohnpei State Housing Authority: Management has indicated that they need outside help of an accountant to compile the general ledger and trial balance as of 9/30/2019.
3. Pohnpei Utilities Corporation: PUC provided a final Trial Balance and GL details and major schedules such as fixed asset register, final inventory listing, prepayments, and AR Aging on July 31, 2020. Audit work is on-going and PUC continues to send scanned copies of requested samples to test.
4. Pohnpei Port Authority: Final audit reports were issued on June 22, 2020 and can be accessed at the ONPA website [www.fsmopa.fm](http://www.fsmopa.fm).

#### **KOSRAE STATE GOVERNMENT AND COMPONENT UNITS:**

1. Kosrae State Government: DT has commenced audit planning, year-end substantive testing, and federal compliance tests. DT is about 75% complete with respect to planning,

substantive and compliance testing. Kosrae State Government has yet to hire a financial advisor.

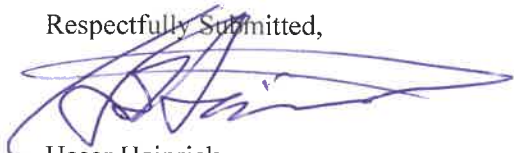
2. Kosrae Utilities Authority: The final audit reports were issued on June 2, 2020 and can be accessed at the ONPA website [www.fsmopa.fm](http://www.fsmopa.fm).
3. Kosrae Port Authority: DT has commenced audit fieldwork and is about 90% complete.
4. Kosrae Housing Authority: DT will commence audit work upon the receipt of the final trial balance and related schedules.

**YAP STATE GOVERNMENT AND COMPONENT UNITS:**

1. Yap State Government: DT received the final trial balance on July 16, 2020 and audit tests have commenced.
2. Yap State Public Service Corporation: Final audit reports were issued on January 28, 2020 and can be accessed at the ONPA website [www.fsmopa.fm](http://www.fsmopa.fm)
3. Yap Visitors Bureau: DT will commence audit work upon the receipt of the final trial balance and related schedules.
4. The Diving Seagull, Inc.: The audit is 60% complete with an estimated completion date of 8/31/2020.

A copy of this status report will be uploaded to the FSM Public Auditor's website at [www.fsmopa.fm](http://www.fsmopa.fm). Let me know if you have questions about this report.

Respectfully Submitted,



Haser Hainrick  
National Public Auditor

JP

cc: FSM Vice President  
Speaker, FSM Congress