



# FEDERATED STATES OF MICRONESIA

## Office of The National Public Auditor

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Wednesday, August 24, 2022

Excellency David W. Panuelo  
President  
Office of the President  
Federated States of Micronesia  
Palikir, Pohnpei FM 96941

Excellency President Panuelo:






This is the status report for the FY2020 and FY2021 single audits and it is as of July 31, 2022. This report is based on information received from Deloitte & Touche LLP, our contracted auditor.

### **FY2020:**

- Final audit report for one (1) component unit yet to be issued – (Yap Visitors Bureau).

### **FY2021:**

- Internal financial statements for one (1) primary government and five (5) component units are still outstanding for submission to Deloitte. The audits will commence when the internal financial statements and other documents such as the Schedule of Expenditure of Federal Awards (SEFA) and related schedules are submitted. However, even though the FSM National Government is yet to submit the required documents, Deloitte has commenced with the audit planning and year-end account balance testing procedures.
- Twenty-one (21) audits currently on-going with two (2) audits on the reporting stage, while the rest are either on planning or planning/substantive stages.
- Final audit report for one (1) component unit have been issued.
- For easy references, we have color coded the audit phases to summarize the ongoing efforts on the FY2021 single audit.

|   |  |   |   |  |
|---|--|---|---|--|
|  pending documents |  planning commenced |  Substantive test procedures commenced |  Drafting of reports |  Final Reports Issued |
|---|--|---|---|--|

| No.   | Entity                                     | Submission of internal financial statement to Deloitte & Touche LLP |   | Audit phases |
|---|--|---|---|--------------|
|   |  | Documents submitted as of July 31, 2022                             | Documents yet to be submitted as of July 31, 2022 |              |
| <b>FSM National Government and Component Units</b>  |  |   |   |              |
| 1   | FSM National Government                    |   | ✓   | ●            |
| 2   | College of Micronesia – FSM                | ✓   |   | ● ●          |
| 3   | FSM Telecommunication Corporation          | ✓   |   | ●            |
| 4   | FSM Telecommunications Cable Corporation   | ✓   |   | ● ●          |
| 5   | FSM Petroleum Corporation                  | ✓   |   | ● ●          |
| 6   | National Fisheries Corporation             |   | ✓   | ● ●          |
| 7   | FSM MiCare Plan, Inc                       | ✓   |   | ● ●          |
| 8   | FSM Development Bank                       | ✓   |   | ● ●          |
| 9   | FSM Social Security Administration         | ✓   |   | ● ● ●        |
| 10  | Caroline Islands Air                       |   | ✓   | ● ●          |
| 11  | Telecommunication Regulation Authority     | ✓   |   | ● ●          |
| <b>Chuuk State Government and Component Units</b>   |  |   |   |              |
| 12  | Chuuk State Government                     | ✓   |   | ● ●          |
| 13  | Chuuk Public Utilities Corporation         | ✓   |   | ● ●          |
| 14  | Chuuk State Health Care Plan               |   | ✓   | ● ●          |
| 15  | Chuuk Housing Authority                    | ✓   |   | ●            |
| <b>Pohnpei State Government and Component Units</b> |  |   |   |              |
| 16  | Pohnpei State Government                   | ✓   |   | ●            |
| 17  | Pohnpei State Housing Authority            | ✓   |   | ● ●          |
| 18  | Pohnpei Utilities Corporation <sup>1</sup> | ✓   |   | ●            |
| 19  | Pohnpei Port Authority                     | ✓   |   | ●            |
| <b>Kosrae State Government and Component Units</b>  |  |   |   |              |
| 20  | Kosrae State Government                    | ✓   |   | ● ●          |
| 21  | Kosrae Utilities Authority                 | ✓   |   | ● ●          |
| 22  | Kosrae Port Authority                      | ✓   |   | ●            |
| 23  | Kosrae Housing Authority                   | ✓   |   | ●            |
| <b>Yap State Government and Component Units</b>     |  |   |   |              |
| 24  | Yap State Government                       | ✓   |   | ●            |
| 25  | Yap State Public Service Corporation       | ✓   |   | ● ●          |
| 26  | Yap Visitors Bureau                        |   | ✓   | ● ●          |
| 27  | The Diving Seagull, Inc                    |   | ✓   | ● ●          |

Our records shows that five (5) component units submitted the trial balance by February 28, 2021<sup>2</sup> which are: FSM Telecommunication Corporation, FSM Development Bank, Chuuk Public Utilities, Pohnpei Port Authority and Yap State Public Service Corporation.

<sup>1</sup> According to PUC documents have already been provided to Deloitte in March and June 2022.

<sup>2</sup> As per the contract agreement, each Government entity shall provide a complete trial balance no later than February 28, 2022 for fiscal year 2021. If a Government entity is unable to meet the February 28<sup>th</sup> deadline, that entity shall immediately notify the National Public Audit and provided a revised schedule to submit a completed trial balance.

On August 09, 2022, the United States Department of the Interior approved the extension of the completion timeline for the FY2021 Single Audit from June 30, 2022 to October 31, 2022. The extension was communicated to the Heads of Finance for all Primary Governments on August 10-11, 2022.

A copy of this status report will be uploaded to the FSM Public Auditor's website at [www.fsmopa.fm](http://www.fsmopa.fm). The final audit reports for FY2020 and FY2021 can also be accessed from our website.

Let me know if you have questions about this report.

Sincerely,



Haser Hainrick  
National Public Auditor

cc: FSM Vice President  
Speaker, FSM Congress  
All State Governors  
Heads of all FSM Audit Entities  
Secretary & Directors, National and State Finance Departments  
State Public Auditors