



FEDERATED STATES OF MICRONESIA

Office of The National Public Auditor

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March 8, 2013

His Excellency Manny Mori, FSM President
All State Governors

Dear Mr. President and Mr. Governors:

This is the third status report for the FY 2012 Single Audits and it is as of February 28, 2013. We will continue to send you status reports every month until all the Single Audits for FY 2012 are completed. The status reports are based on information received from Deloitte & Touche (DT), our contracted CPA firm. The official completion deadline is June 30, 2013.

FSM NATIONAL GOVERNMENT AND COMPONENT UNITS:

1. FSM National Government: The final trial balance was provided to DT on February 15, 2013. DT has commenced testing of major programs.
2. College of Micronesia-FSM: DT is approximately 60% complete with the audit planning.
3. FSM Telecommunications Corporation: Final audit report completed. A copy of the report can be accessed at the ONPA website www.fsmopa.fm.
4. FSM Petroleum Corporation: There is no change from previous status report. DT is approximately 40% completed with fieldwork. The December 31, 2012 trial balance has yet to be provided.
5. National Fisheries Corporation: DT is approximately 90% complete with fieldwork. The MD&A is in the process of being drafted.
6. MiCare Plan, Inc.: DT is approximately 70% complete with fieldwork.
7. FSM Coconut Development Authority: There is no change from previous status report. DT received the trial balance on December 27, 2012, and has started planning activities. However, certain accounts still need to be reconciled, so fieldwork will commence once reconciliation is completed.
8. FSM Development Bank: DT is approximately 90% complete with fieldwork.

9. FSM Social Security Administration: DT received the trial balance on March 1, 2013. Planning and sample selection will be performed during the second week of March.
10. Caroline Islands Air: DT is approximately 90% complete with fieldwork. DT will provide the draft reports to CIA for its MD&A draft shortly.

CHUUK STATE GOVERNMENT AND COMPONENT UNITS:

1. Chuuk State Government: DT has commenced planning activities, year-end substantive testing and compliance testing, and is 65% complete with such.
2. Chuuk Public Utility Corporation: DT has commenced planning activities as well as worked on sample selections for schedules/information provided to date. However, DT has received about 10% of their audit schedule requests. In regards to compliance, DT received the SEFA as of March 2, 2013.
3. Chuuk State Health Care Plan: DT received the trial balance on January 29, 2013. Some audit schedules were received as of March 4, 2013. DT is currently working on sample selections for the schedules/information provided.
4. Chuuk Housing Authority: DT has commenced year-end testing.

POHNPEI STATE GOVERNMENT AND COMPONENT UNITS:

1. Pohnpei State Government: DT has commenced compliance testing and is approximately 50% complete with such. DT has commenced year-end balance testing and is approximately 50% complete with such.
2. Pohnpei State Housing Authority: DT is approximately 95% complete with fieldwork.
3. Pohnpei Utilities Corporation: DT received the trial balance on February 20, 2013. DT has done planning/set up work and is currently working on detailed requests. Fieldwork is to start the week of March 18, 2013.
4. Pohnpei Port Authority: DT received the trial balance on February 14, 2013. Planning activities have been started.

KOSRAE STATE GOVERNMENT AND COMPONENT UNITS:

1. Kosrae State Government: DT has commenced planning activities, compliance and year-end substantive testing and is approximately 75% complete.
2. Kosrae Utilities Authority: DT is approximately 80% complete with fieldwork.

3. Kosrae Port Authority: There is no change from previous status report. DT will commence fieldwork upon receipt of the final trial balance and related schedules.

YAP STATE GOVERNMENT AND COMPONENT UNITS:

1. Yap State Government: There is no change from previous status report. DT held a planning meeting with Yap State management and received the trial balance and some supporting schedules.
2. Yap State Public Service Corporation: There is no change from previous status report. DT is approximately 65% complete with fieldwork.
3. Yap Visitors Bureau: Authorization has not been given to DT to commence the audit on YVB due to pending open items.
4. The Diving Seagull, Inc.: There is no change from previous status report. DT is waiting for the final trial balance but has held planning discussions with entity management.

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

Respectfully Submitted,



Haser Hainrick
National Public Auditor

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cc: FSM Vice President
Speaker, FSM Congress
Director, SBOC
Finance Secretary/State Directors
All State Auditors