



# FEDERATED STATES OF MICRONESIA

## Office of The National Public Auditor

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Wednesday, March 05, 2008

His Excellency Manny Mori, FSM President  
Honorable John Ehsa, Governor of Pohnpei  
Honorable Wesley Simina, Governor of Chuuk  
Honorable Sebastian Anefal, Governor of Yap  
Honorable Robert Weilbacher, Governor of Kosrae

Dear Mr. President and Mr. Governors:

The following is the report on the status of the 2007 Single Audit for FSM as of February 29, 2008 based on information received from Deloitte & Touche (DT).

### YAP STATE

1. Yap State Government: As reported previously, Yap State is still in the process of reconciling its accounts and DT is awaiting advice as to when this process will be sufficient to return on site.
2. Diving Seagull Inc: The audit is approximately 90% complete.
3. Yap Visitor's Bureau: DT is awaiting receipt of the rest of the requested schedules and will perform the audit upon receipt of the information.

### POHNPEI STATE

1. Pohnpei State Government- The audit is approximately 70% complete.
2. Pohnpei Fisheries Corporation: DT has commenced year end fieldwork.
3. Pohnpei Housing Authority – DT has commenced year end fieldwork.
4. Pohnpei Utilities Corporation – DT has commenced year end fieldwork.

### FSM NATIONAL GOVERNMENT

1. National Government: As reported previously, DT is still waiting for numerous pending requested items to be provided by Department of Finance & Administration.
2. FSM Development Bank – The audit of this December 31st year end entity has continued and DT is still engaged in the fieldwork.
3. National Fisheries Corporation - DT has received a trial balance and fieldwork has commenced.
4. COM-FSM: DT is approximately 80% complete with the audit fieldwork.
5. MiCare: The financial statements have been drafted and are in the process of being finalized.

6. FSM Coconut Development Authority: DT has commenced fieldwork of this entity and it is approximately 90% complete.

#### KOSRAE STATE

1. Kosrae State Government: As reported previously, DT is still waiting for numerous pending items to be provided from the Department of Administrative Services including the fraud risk questionnaire provided.
2. KUA- Audit fieldwork will commence at the end of this week.
3. MPC- Audit fieldwork will commence at the end of this week.

#### CHUUK STATE

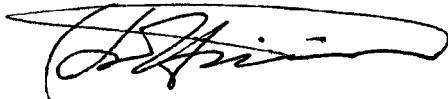
1. Chuuk State Government- In conjunction with the ongoing computer system conversion and data clean-up in the State, management has advised that the audit should commence in early April.
2. Chuuk Health Care Plan – Entity is still closing out its books for FY'07.
3. Chuuk Housing Authority – The State has hired personnel to assist this entity close out its books for FY'07.
4. Chuuk Public Utility Corporation- Entity is still closing out its books for FY'07.

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

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

The finished audits reports can be accessed at the FSM Public Auditor's website at [www.fsmpublicauditor.fm](http://www.fsmpublicauditor.fm). Let me know if you have questions about this report.

Respectfully submitted,



Haser H. Hainrick  
National Public Auditor

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xc: FSM Vice President  
Speaker of FSM Congress  
Speaker of Pohnpei State Legislature  
Speaker and President of Chuuk Senate & House of Representative  
Speaker of Yap State Legislature  
Speaker of Kosrae State Legislature  
Secretary, SBOC  
All Finance Secretary/Directors (F. Perman, Acting A. Joseph, M. Laaw, G. Doone, T. Reynolds)  
All State Auditors (G.Gootinan, A. Leben, & M. Tosie)