

OFFICE OF THE NATIONAL PUBLIC AUDITOR
FEDERATED STATES OF MICRONESIA



**FSM Faces Challenges in Meeting Teacher Certification
Mandates and Goals**

REPORT NO. 2026-04





FEDERATED STATES OF MICRONESIA

Office of The National Public Auditor

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January 12, 2026

His Excellency President Wesley W. Simina
Honorable Members of the 24th Congress
Secretary of the Department of Education
Federated States of Micronesia

RE: Audit on Teacher Certification Performance Evaluation

We have completed the above performance audit, which included our review of the resources and controls in place to ensure compliance with the provisions and requirements of Teacher Certification in the Federated States of Micronesia (FSM) and to achieve the strategic goals of the National Department of Education (NDOE).

We conducted this audit in accordance with (Generally Accepted Governmental Auditing Standards (GAGAS). We concluded that improvements are needed to comply with the FSM Teacher Certification Law and achieve NDOE's strategic goals. Our findings showed noncompliance and unmet goals due to financial constraints, misuse of the teacher certification project funds, and weak internal controls. These issues impacted the implementation of certification activities, the validity of data, and the timely reconciliation of accounts supporting the Division of Quality and Effectiveness (Q&E) in its operations and services. The objectives of this audit were:

1. To determine whether the NDOE complies with the requirements of the FSM Code, Title 40, Section 105, and the Teacher Certification Policy (TCP) in administering the professional standardized teacher certifications in the FSM.
2. To determine whether the NDOE fully implements the requirements of the Teacher Certification Law (TCL), TCP, and FSM Association of Chief State School Officers (FACSSO) directives by putting in place proper mechanisms to ensure compliance with requirements?
3. To determine if the NDOE has adequate financial resources allocated to fund teacher certification operations and activities, given its minimal performance over the years as compared to its planned yearly targets and its goals as stipulated in the strategic plans and the Teacher Certification laws and regulations.

The findings and recommendations were discussed with the Acting Secretary of NDOE and key staff from the department. We requested a written management response, which is

included in this final report. The audit covered financial and service delivery operations relating to the objectives listed above for fiscal year 2022-2025 mainly on the Teacher Certification.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Haser H. Hainrick".

Haser H. Hainrick
National Public Auditor

cc: Acting Secretary, NDOE

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Abbreviations

AOA	Advice of Allotment
DOE	Directors of Education
DoFA	Department of Finance and Administration
FACSSO	FSM Association of Chief State School Officers
FedEMIS	Federated States of Micronesia Education Management Information System
FedSIS	Federated States of Micronesia Student Information System
FSM	Federated States of Micronesia
FY	Fiscal Year
GAGAS	Generally Accepted Governmental Auditing Standards
IPQRS	Integrated Plan and Quarterly Reporting System
NDOE	National Department of Education
NMCT	National Minimum Competency Test
NSTT	National Standardized Teacher Test
NTC	National Teacher Certificate
ONPA	Office of the National Public Auditor
PCD	Project Control Document
PDOE	Pohnpei Department of Education
PICS	Pohnpei Island Central School
SDOE	State Directors of Education
SOPs	Standard Operating Procedures
TC	Teacher Certification
TCL	Teacher Certification Law
TCP	Teacher Certification Policy
Q&E	Quality and Effectiveness

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1.0. INTRODUCTION

1.1. Reason for the Assignment

On an annual basis, the Office of the National Public Auditor (ONPA) identifies and documents the engagements to be conducted for each fiscal year based on risk assessment of its audit universe. As a result of this assessment, the Teacher Certification Program was identified as a high-priority area requiring review in fiscal year (FY)2025, marking the first audit of this program.

1.2. Background

Teaching plays a crucial role in shaping people and future generations by providing the academic instruction and support necessary for students to acquire the knowledge and skills essential for them to contribute to their communities and the global society.

According to the FSM Code Title 40 Chapter 1 Section 101, the purpose of education in the Federated States of Micronesia shall be to develop its citizens to prepare them to fully participate in self-government and economic and social development; to function as a unifying agent; to bring to the people a knowledge of their islands, the economy, the government, and the people who inhabit the islands; to preserve Micronesian culture and traditions; to convey essential information concerning health, safety, and protection of the island environment; and to provide its citizens with the social, political, professional and vocational skills required to develop the Nation.

In line with this mission, the FSM national government has established specific requirements for teacher certification, including issuing certificates to preschool, elementary, and secondary school instructors who meet the minimum qualifications outlined in Section 105 of Title 40 of the FSM Code, Chapter 1.

The FSM Teacher Certification Program, administered by the Q&E Division of the NDOE, was designed to promote teaching excellence and to foster the professional growth and development of educators. By establishing and enforcing minimum standards, the program aimed to ensure that students in the FSM receive a high-quality education, equipping them for success in their academic and professional careers.

As part of this effort, teachers may be issued one of the six types of National Teacher Certificates (NTCs)-Temporary, Basic, Intermediate, Advanced Level 1, Advanced Level 2, and Special, upon meeting two required qualifications. These requirements, set jointly by the NDOE and State Department of Education (SDOE), include holding at least an Associate of Arts (AA) or Associate of Science (AS) degree and passing the NSTT. The NSTT consists of four components that assess teachers' knowledge in language arts, mathematics, and science, as well as their teaching competencies.

1.3. Regulatory Requirement under TCL

The FSM TCL established the legal framework to ensure that all teachers in the FSM are appropriately certified and that the education system in the FSM maintains high professional standards for teachers. They provide the legal foundation for monitoring compliance,

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promoting quality teachers, and upholding the integrity of the NDOE's institutional objectives, which closely align with the purposes of this audit.

Certificate Required. No person shall serve as a teacher in any elementary or secondary school within the Federated States of Micronesia, except at the post-secondary level, for a period exceeding 90 days without first having obtained an NTC from the Department. The certificate shall be issued to the teacher at no cost, in such form as the Secretary determines. The qualification requirements for such certification shall be established by the Secretary in cooperation and consultation with the state Directors of Education. Upon a finding of good cause shown, the Secretary of Education may, on an individual basis, issue a temporary waiver of the certification requirement herein, but in no case shall such waiver exceed a period of one year.

Existing certificates remain in effect. Notwithstanding any other provision of law to the contrary, certificates issued to teachers in the Federated States of Micronesia pursuant to laws in effect prior to the effective date of this act shall remain in effect until they expire, at which time the provisions of this act and regulations promulgated pursuant thereto, shall control.

Revocation or suspension. Any certificate issued pursuant to this chapter may be revoked or suspended by the Secretary if he determines that the teacher is not in compliance with the requirements of this chapter. Such revocation or suspension proceedings shall comply with the procedures for agency action set forth in sections 108 through 110 of title 17 of this code, or with such other administrative procedures as may be provided by subsequent enactment.

Assurance and Penalty. Each SDOE shall ensure that all teachers, at both public and private schools in the Federated States of Micronesia, shall be appropriately certified and in possession of a valid teacher certificate as required. Upon finding, after notice and a hearing conducted consistently with the provisions of section 109 of title 17 of this code, that any person has served as a teacher without a valid certificate issued under this chapter, the FSM Secretary of Education may withhold or withdraw accreditation, under section 108 of this chapter, from the school where such a person has served.

2.0. OBJECTIVES, SCOPE, METHODOLOGY

2.1. Objectives

Objective 1: To determine whether the NDOE complies with the requirements of the FSM Code, Title 40, Section 108, and the Teacher Certification Policy in administering the Professional Standardized for teacher certifications in the FSM:

- **Sub-Objective 1:** To determine if the mandates of the TCL relating to Certificate Required, Revocation and Suspension, and Assurance and Penalty were implemented.
- **Sub-Objective 2:** To determine if the mandates of the TCL relating to Accreditation Withdrawal were complied with.
- **Sub-Objective 3:** To determine if the NDOE Strategic Goal relating to retraining and increasing teacher certification percentage is complied with.

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Objective 2: To determine whether the NDOE fully implemented the requirements of the TCL, TCP, and FACSSO directives by putting proper mechanisms and systems in place to ensure full compliance with the requirements.

- **Sub-Objective 1:** There exist standard operating procedures (SOPs) or manuals to guide the implementation of operations or activities.
- **Sub-Objective 2:** There exist monitoring mechanisms that track the implementation of operational activities, validate data accurately, and report reliable data.
- **Sub-Objective 3:** The NDOE organization is structured to promote financial stability, accountability, and consistency in reporting lines.

Objective 3: To determine if the NDOE has adequate financial resources allocated to fund teacher certification operation and activities, given its minimal performance over the years as compared to its planned yearly targets and its goals as stipulated in the strategic plans and the TC laws and regulations:

- **Sub-Objective 1:** To ascertain that financial resources allocated to fund teacher certification personnel and program operations were allocated accordingly, and their use was strictly limited to teacher certification activities.
- **Sub-Objective 2:** To ascertain that the teacher certification program funds were used in accordance with the laws and/or Project Control Document (PCD) requirements.

2.2. Scope

This audit covered the teacher certification (TC) requirements in Section 105 of Title 40 of the Code, and the NDOE's implementation of the mandates. It covered the funds that financed TC program personnel and service delivery operations for FY 2022-FY2025, and addressed the objectives outlined above.

2.3. Methodology

We conducted this performance audit in accordance with *Generally Accepted Governmental Auditing Standards*. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. The evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives.

The audit fieldwork was carried out at the NDOE Office, the Pohnpei Department of Education (PDOE) Office, and Pohnpei Island Central School (PICS) in Kolonia. The team also coordinated with the FSM Department of Finance and Administration (DoFA) to review TC program payments. To meet the audit objectives, the team reviewed relevant documents, administered surveys with teachers, and interviewed key staff.

3.0. LEGAL MANDATES/STANDARDS

We conducted this performance audit pursuant to the authority vested in the National Public Auditor (NPA) as codified under Chapter 5, Title 55 of the FSM Code, which states in part the following:

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"The Public Auditor shall inspect and audit transactions, accounts, books and other financial records of every branch, department, office, agency, board, commission, bureau, and statutory authority of the National Government and of other public legal entities, including, but not limited to, States, subdivisions thereof, and nonprofit organizations receiving public funds from the National Government."

4.0. PRIOR AUDIT COVERAGE

This is the first engagement conducted by ONPA on matters relating to Teacher Certification Performance Evaluation.

5.0. CONCLUSION

Our audit found instances of noncompliance and unmet goals due to financial constraints, misuse of the teacher certification funds, and weak internal controls. These issues impacted the implementation of certification activities, the accuracy of data, and the timely reconciliation of accounts, thereby affecting the Division of Quality and Effectiveness's operations and services.

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6.0. FINDINGS AND RECOMMENDATIONS

6.1 Finding No.1 Noncompliance with the TCL Mandates

Criteria(s)

The FSM Code Title 40, Chapter 1, Section 105, Subsection 1, ***Certificate Required*** mandated that, “No person shall serve as a teacher in any elementary or secondary school within the FSM except at the post-secondary level for a period exceeding 90 days without first obtaining a NTC from the NDOE”. The NDOE is responsible for establishing teacher qualification requirements in consultation with SDOEs.

The FSM Code Title 40, Chapter 1, Section 105, Subsection 4, ***Assurance and Penalty*** mandated that, “Each State Director of Education shall ensure that all teachers, in both public and private schools, possess a valid teacher certificate as required”. Upon finding that any person has served as a teacher without a valid certificate, the FSM Secretary of Education may withhold or withdraw accreditation under Section 108 of this Chapter from the school where such a person has served.

Condition (s):

Our Audit of the NDOE’s teacher certification revealed that for over 30 years, the FSM teacher certification did not comply with the requirements of FSCMC 40, Chapter 1, Section 105. Our review of the centralized FSM Education Management Information System (FedEMIS), FY 2020-2024 NDOE Strategic Development plans, and supporting documents obtained from NDOE and PDOE staff revealed that two TCL mandates, ***Certificate Required and Assurance and Penalty***, were not complied with.

Under the ***Certificate Required*** mandate, the NDOE did not ensure that all teachers providing teaching services beyond the 90-day limit obtained an NTC as required. Per data reviewed on the NDOE’s database, there were 1,593 teachers providing teaching services in FY2022, 1,513 in FY2023, 1,549 in FY2024, and 1,642 in FY2025. As shown in Figure 1, only approximately 34% of teachers across the FSM were certified in FY2022, 36% in FY2023, 34% in FY2024, and 35% in FY2025.

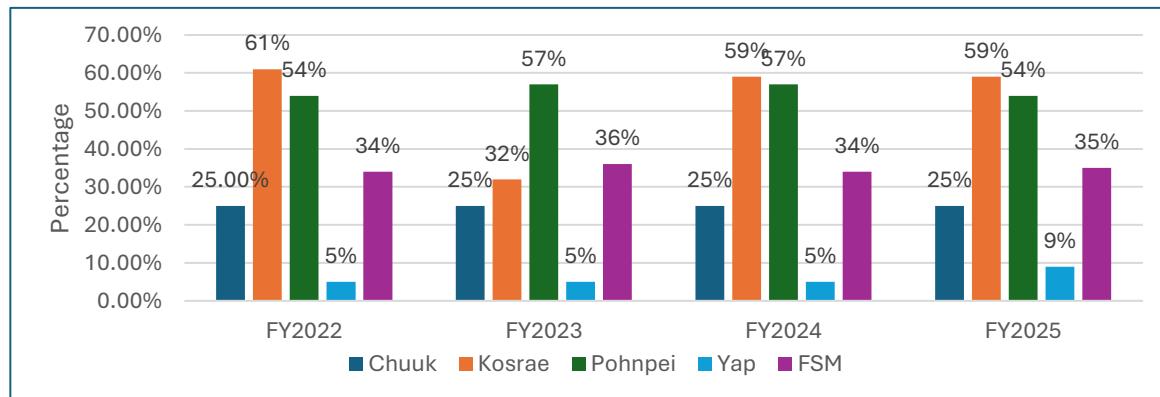


Figure 1: Percentage of teacher certification FY 2022 to FY 2025. Source: NDOE FedEMIS Database

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In addition, under the **Assurance and Penalty** mandate, there was no evidence that the Secretary of NDOE and Directors of SDOEs enforced sanctions or withdrew school accreditation for employing uncertified teachers, as required by law. The lack of enforcement further contributed to non-compliance with requirements.

Effect(s):

The TCL Certificate Required and Assurance and Penalty mandates and future NDOE strategic development goals to retrain and certify teachers will continue not to be complied with if the NDOE does not carefully consider addressing the root causes of noncompliance and implement the recommendations of this finding.

Cause(s):

We have identified the causes of noncompliance that prevent NDOE from meeting its certification and PCD requirements. These contributing factors include:

- Division of Q&E did not receive adequate funding. NDOE requested \$4.7 million for teacher certification-related activities, but only \$1.91 million was appropriated, which was further divided among five program units. Limited resources hindered program implementation, monitoring, and the ability to conduct costly National Standardized Test for Teachers (NSTT) activities, particularly in the outer islands. Table 1 showed the cuts made in the Division of Q&E's proposed to allocated amounts.

Fiscal Year	NDOE IP Budget Proposed	Budget Book Proposed	Budget Book Recommended	Budget Book Approved	AOA
FY2022	2,526,926.31	399,9500.00	399,9500.00	337,140.00	500,637
FY2023	1,358,870.02	549,956.00	396,724.00	417,709.00	0.00
FY2024	486,622.36	690,732.00	500,618.00	490,281.00	0.00
FY2025	418,464.00	662,178.00	584,722.00	1,413,922.00	1,413,922.00
Total	\$4,790,882.69	\$2,302,816.00	\$1,882,014.00	\$2,659,052.00	\$1,914,559.00

Table 1: Budget decrease. Source: FY 2022-2025 NDOE IP Budget Plans, Budget Book Recommended and Approved, AOAs.

- The 90-day limit and the assurance and penalty mandates required by law were not enforced because they are not practical to implement. According to discussions with both the Teacher Certification and Accreditation Specialists, strict enforcement of the two TCL mandates would result in an insufficient number of available teachers to provide teaching services. The requirement has not been consistently applied.

Recommendation(s):

We recommend the NDOE to:

- Propose to FSM leadership to reassess and strengthen the teacher certification framework under the FSMC Title 40, Section 105.
- Propose to FSM leadership to revise the law to eliminate the 90-day limit requirement that has been unfeasible for over 30 years since its enactment.

6.2 Finding No. 2: Weak internal controls in ensuring completeness and reliability of data and financial accountability.

Criteria(s):

In accordance with audit best practices, the following criteria established the standards and requirements against which the NDOE's Certification program was assessed. These authoritative sources defined the expectations for effective internal control, program management, and proper use of funds:

- **Green Book (2014), Standards for Internal Control in the Federal Government Principle 12. Implement Control Activities.** Management should document and communicate policies and procedures necessary to achieve operational objectives, address risks, ensure effective design, implementation, and monitoring of control activities.
- **COSO Internal Control Integrated Framework (2013).** Effective internal control requires a strong control environment supported by risk assessment, control activities, information and communication, and monitoring.

Condition(s):

Our review identified internal control weaknesses affecting both the completeness and reliability of TC data and the financial accountability of the Division of Q&E's FY2022 to FY2025 accounts.

- **Data completeness, accuracy, and reliability.**
NSTT data lacked completeness, accuracy, and reliability due to weak administration and oversight. Of the 927 NSTT answer sheets reviewed, 197(21%) were recorded on the incorrect forms because of NSTT form shortages and 68 (over 7%) lacked required test identification information. In addition, delays in updating the FedEMIS database led to inconsistent teacher certification rates for Pohnpei during FY 2023 reported by NDOE (57%) and PDOE (63%).
- **Accountability of Division of Q&E's FY2022-2025 accounts.**
Our review disclosed that the NDOE, through the Division of Q&E, exhibited weak internal control practices in financial management, reporting processes, and account reconciliation, hindering the NDOE's ability to meet its FY2020-2024 strategic financial projections. The team reviewed all five of the Q&E's accounts; of these, one account was not reconciled and lacked sufficient supporting documentation, as illustrated in Tables 2 below. Operations account reflected a remaining balance of \$116,130.72 with a lapse date of September 30, 2022, and showed apparent overspending in the travel cost category, suggesting possible unapproved reprogramming from the contractual costs.

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Division of Q&E Operations (SEG)	Personnel	Travel	OCE	Contractual	Fixed Asset	Total
A1-15-60-61-15120-22	147,480	24,460	31,426	91,998	-	295,364
<i>NDOE Ledger Approved</i>	147,480	24,460	31,426	91,998	-	295,364
Breakdown Amounts						
Assistant Secretary Certification	No Breakdown 5,000	15,000 2,907	-	-	-	17,907 5,000
Assessment	No Breakdown 36,835	27,157 2,907	-	-	-	30,064 39,742
Accreditation	No Breakdown 7,000	36,835 2,907	-	-	-	9,907 9,980
Bridging the Gap	No Breakdown 9,980	-	-	-	-	9,980
IT & Data Management	89,300	100,972	11,629	-	-	201,901
Expenditures						
Assistant Secretary Certification	No Breakdown -	5,137 -	4,468 -	-	-	9,605 -
Assessment	No Breakdown 11,095	19,935 1,439	-	-	-	21,374 12,580
Accreditation	No Breakdown -	11,095 2,000	-	-	-	2,000
Bridging the Gap	No Breakdown -	-	-	-	-	-
IT & Data Management	No Breakdown -	-	-	-	-	-
Total Expenses	89,300.00	36,166	9,393	-	-	134,860
Remaining Balance	58,180.00	54,826	3,125	-	-	116,131
Total Expenses & Remaining Balance	147,480	90,992	12,518	-	-	250,990
Over/Short (AOA against Ledger)	\$ -	(66,532)	18,908	91,998	-	44,374

Table 2: Account Reconciliation. Source: AOA and Division of Q&E FY2022 Ledger

Effect(s):

The absence of adequate control activities and monitoring processes can lead to:

- Inaccurate and unreliable NSTT data that can undermine teacher certification decisions.
- Inability to provide reliable, timely, and consistent reporting to internal and external stakeholders.
- Reduction of the financial resources available for intended program outcomes.
- Weak accountability and transparency in financial operations.

Cause(s):

These control weaknesses resulted from a combination of the following contributing factors:

- Lack of documented SOPs across NDOE divisions, particularly for NSTT administration, teacher certification, and financial management of its operation.
- Inadequate updating and monitoring process for the systems (FedEMIS and IQPRS). The systems were not designed to validate the progress of implementation or data integrity for NSTT administration.
- Weak oversight and internal review processes over expenditure approvals and account reconciliations.

Recommendation(s):

We recommend that the Secretary of NDOE:

1. Develop and implement SOPs covering NSTT administration and other teacher certification processes to ensure efficient and effective coordination and implementation of the program.
2. Enhance the FedEMIS and IQPRS systems to include mechanisms to track NSTT implementation progress, validate data accuracy, and integrate the systems to align program performance with financial accountability.

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3. Strengthen the internal reconciliation process to ensure timeliness, proper documentation, and review for accuracy.

6.3 Finding No.3. Inappropriate Use of TC Funds

Criteria(s)

PL 22-42 appropriated \$205k for the Teacher Certification Project. This funding will be used until it is exhausted. According to the PCD Part IIC. Project Description and Expected Outputs Requirements were to assist and supplement the teacher certification program in ensuring that:

- Teachers were trained in both the content and competency components of the National Standardized Test for teachers (NSTT).
- Teachers administered both components of the NSTT.
- Assisted in the training of trainers for Central Staff Specialists.
- Supplement supplies needed during training and administration of NSTT (workshops/training, testing materials).
- Procure computers for NSTT online testing in each state.

Condition (s):

Our audit found inappropriate use of the TC Project funds. Our review of the teacher certification account showed that **\$13,123.59** was spent on activities unrelated to the project's intended purposes. As shown in Table 3, these expenditures did not comply with **the PCD Part II-C: Project Description and Expected Outputs requirements**, reducing the resources available for NSTT training, testing, and teacher certification activities.

The unrelated expenditures included:

- Travel to attend meetings and conferences
- Communication costs for hosting the Federated States of Micronesia Student Information System (FedSIS) and the Integrated Plan Quarterly Reporting System (IPQRS) outside the country until the FSM Telecommunications Corporation (FSMTC) servers become available.
- Catering services for FACSSO meetings and receptions in Chuuk.
- Office supplies purchased as NDOE gifts for the MTEC event in Kosrae and Microsoft Office 2021 Home and Business.
- Petroleum, Oil, and Lubricants (POL).

Effect (s):

- \$13,123.59 of TC Project funds was spent on activities unrelated to NSTT training and certification, reducing the resources available for TC project objectives.
- The inappropriate use of TC funds undermines project accountability and limits the effectiveness of teacher development initiatives.

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Cause(s):

The NDOE lacked adequate oversight and monitoring mechanisms to ensure that TC Project funds were used solely for their intended purposes, which led to expenditures on activities outside the project scope.

Additionally, the TC program shared costs with five units: Accreditation, Assessment & Research, Bridging Gap, IT, and Data Management. The Division of Q&E used teacher certification project funding to finance its other operations, resulting in PCD noncompliance.

Recommendation (s): We recommend that the Secretary of NDOE should strengthen enforcement of existing financial policies and controls to ensure TC Project funds are used exclusively for teacher certification activities as appropriated and in full compliance with FSMSA Title 40 and PCD requirements.

6.4 Finding No.4. Operational Challenges Affecting Teacher Certification Success

Criteria(s):

FSM Teacher Certification Policy 2016, Part 11(1). Restrictions and Penalties states that "Each State Director of Education shall ensure that teachers at both public and private schools in the FSM, shall be appropriately certified as required.

NDOE Strategic Development Goal for FY2020-2024- G2.S6.A8. 1 Retrain and certify teachers under the provisions of Title 40 of the FSM Code (or equivalent). Indicators- % of classroom teachers certified, except those under the 90-day exception period, increases from a baseline of 35% in 2020 to 50% (2021), 65% (2022), 75% (2023), and 85% (2024).

Condition (s):

Despite ongoing efforts under the TCL mandates, TC rates remain low. Certified teacher attrition averaged 9% per year across FSM from FY2022 to FY2025. Our analysis indicated that, even with the average attrition rates included, the NDOE still fell short of its strategic goals for retraining and certifying teachers for FY2022-FY2024, as shown in Table 3.

Fiscal Year	NDOE Strategic Goals	Certified Percentage in FSM	NDOE Attrition Average Percentage	ONPA Analysis
FY2022	65%	34%	9%	43%
FY2023	75%	36%	9%	45%
FY 2024	85%	34%	9%	43%

Table 3 ONPA Analysis of Certified Percentages Against NDOE Strategic Goals for FY2022-FY2024.

Source: NDOE 2020- 2024 Strategic Goals, FedEMIS & Data Management Specialist

Also, teachers received only one week of summer training on NSTT contents. A survey of 53 uncertified teachers revealed that all considered the one-week training inadequate. 22 of the 53 (41.5%) teachers surveyed further agreed NSTT content difficulty as a significant barrier

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to certification. Additional contributing factors included the recruitment of individuals without educational backgrounds and low teacher salaries, which further hindered progress toward TC goals.

Effect (s):

These operational challenges reduced the effectiveness of the TC program, limiting teachers' preparedness for the NSTT and slowing overall progress toward achieving mandated certification targets.

Cause(s):

The following operational and systematic challenges have hindered the success of teacher certification efforts.

- NDOE's annual plans prioritized training-of-trainers rather than direct content training for teachers.
- NSTT study guides and survey feedback indicate that **test content is challenging**, requiring more intensive preparation than currently provided.
- **High teacher turnover** and insufficient recruitment and compensation strategies hindered program continuity and certification progress.
- NDOE did not use actual performance data to make informed decisions during the planning of expected outputs.

Recommendation (s):

We recommend that the Secretary of the NDOE to:

1. Expand NSTT content and competency training for teachers beyond one-week summer sessions.
2. Align teacher training programs with professional development best practices to improve teacher readiness for NSTT administration.
3. Incorporate retention-focused measures into the teacher recruitment process, such as offering competitive salaries, career development opportunities, and a clear pathway for advancement.
4. Use actual performance data to make informed planning decisions.

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7.0. MANAGEMENT RESPONSE



**FEDERATED STATES OF MICRONESIA
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January 8, 2026

Mr. Haser Hainrick
Public Auditor
FSM National Government
Palikir, Pohnpei FM 96941

SUBJECT: NDOE Response on Audit Findings for the FSM Teacher Certification Program

Happy New Year Mr. Hainrick!

On behalf of the Department of Education, I wish to extend our greatest appreciation to your office for the comprehensive performance audit review on the Teacher Certification Program. The outcomes of this audit work provide invaluable information on how the department can improve this program for the betterment of teachers in our nation.

The following are NDOE's responses on each of the findings:

Finding No. 1: Noncompliance with the TCL Mandates

Response: NDOE concurs with this finding and appreciates the recommendations.

Finding No. 2: Weak international controls in ensuring completeness and reliability of data and financial accountability.

Response: NDOE concurs with the finding on the financial accountability and seeks OPA's guidance on whether this specific issue should be folded under Finding No.3 since both relate to financial management.

With regards to data reliability, the department maintains its great concern on the possibility for the public to question the accuracy and reliability of the entire TC assessment. We believe that any misunderstanding from the public, especially teachers, on how TC assessment is administered will have great implications on the program. The department does recognize that our administration practices are sometimes inconsistent and we are committed to ensuring that all necessary improvements are addressed. Therefore, the department kindly requests that the discussions of the answer sheet reviews be omitted from this report and that this finding focuses on the delayed updating of TC data on the FedEMIS.

Finding No. 3: Inappropriate Use of TC Funds

Response: NDOE concurs with this finding and appreciates the recommendations.

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Finding No. 4: Operational Challenges Affecting Teacher Certification Success

Response: While NDOE appreciates the substantial revisions made on this finding, we felt that the language of this revised finding is related to Finding No.1 whereby the premise of both findings focuses on ensuring that all teachers are to be certified. Furthermore, we believe the that the intent of Figure 1 and Table 4 is the same, which is to highlight the low number of certified teachers.

Your kind attention to this communication is greatly appreciated.

Respectfully yours,



Arthur Albert
Acting Secretary

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8.0. ONPA EVALUATION OF MANAGEMENT RESPONSE

The ONPA appreciates the NDOE's cooperation and professionalism throughout the audit of TC Program and its thoughtful consideration of the audit results. ONPA recognizes NDOE's commitment to enhancing program administration and strengthening outcomes for teachers. The following responses are provided to clarify audit positions and to support NDOE's ongoing improvement efforts.

Finding No. 1: Noncompliance with the TCL Mandates

Auditor's Response: ONPA acknowledges NDOE's concurrence with this finding and appreciates management's commitment to implementing the recommendations. Timely corrective actions will be important in ensuring compliance with statutory requirements and promoting consistent teacher certification practices.

Finding No. 2: Weak Internal Controls in Ensuring Completeness and Reliability of Data and Financial Accountability

Auditor's Response: ONPA acknowledges NDOE's concurrence with the financial accountability concerns identified and appreciates the department's engagement on these matters. While ONPA believes this finding should remain separate from Finding No. 3 due to its focus on internal control and data reliability, ONPA recognizes NDOE's interest in strengthening overall financial management.

ONPA also acknowledges NDOE's concerns regarding public confidence in the Teacher Certification assessment process. The discussion of answer sheet reviews was included to identify opportunities for improving data integrity and internal controls. Addressing the recommendations associated with this finding will help enhance the reliability of certification data, improve transparency, and reinforce public trust in the program.

Finding No. 3: Inappropriate Use of TC Funds

Auditor's Response: ONPA acknowledges NDOE's concurrence with this finding and appreciates management's willingness to implement the recommendations. Strengthening financial oversight and adherence to program requirements will support more effective use of TC funds and contribute to program sustainability.

Finding No. 4: Operational Challenges Affecting Teacher Certification Success

Auditor's Response: ONPA acknowledges NDOE's comments and recognizes the close relationship between operational challenges and statutory compliance. While this finding addresses issues distinct from Finding No. 1, implementation of the recommendations in both findings will be mutually reinforcing and support NDOE's efforts to improve teacher certification outcomes. The data presented in Figure 1 and Table 4 is intended to provide context to assist management in prioritizing and addressing these challenges.

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The ONPA extends its sincere appreciation to NDOE leadership and staff for their cooperation, responsiveness, and valuable assistance throughout the audit engagement. Their professionalism and collaboration were instrumental in the successful completion of this audit.

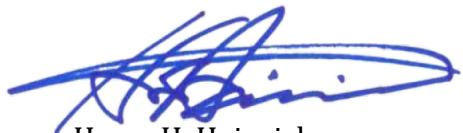
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9.0. NATIONAL PUBLIC AUDITOR COMMENTS

We express our gratitude and appreciation to the Secretary of NDOE, Acting Secretary, the Division of Q& E management, and key staff for their assistance and cooperation during the audit. We anticipate positive implementation results when we carry out a follow-up of this audit.

We have provided copies of the final report to the President and Members of the (24th) FSM Congress. Furthermore, the report is made available to the public through our official website and upon request.

If there are any questions or concerns regarding this report, please do not hesitate to contact our Office. Contact information for the Office can be found on the last page of this report, along with the names of the National Public Auditor (NPA) and the staff members who contributed to this report.



Haser H. Hainrick
National Public Auditor

January 12, 2026

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10.0. ONPA CONTACT AND STAFF ACKNOWLEDGEMENTS

ONPA CONTACT

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ACKNOWLEDGEMENTS

In addition to the contact named above, the following staff made key contributions to this report during the period specified:

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Gillian Doone, Audit Supervisor
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Brenda Carl, Staff Auditor
Markenney Alfons, Staff Auditor

ONPA MISSION

We conduct quality audits and investigations to improve good governance and to prevent and deter fraud, waste, and abuse for the benefit of stakeholders.

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