

**Office of Chuuk State
Public Auditor
Annual Operational Plan
FY 2024**

Approved By :



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Strategic Priority: 1. Toughen Independence
Strategic Objective: 1.1. Protect organizational independence
KPMs:

- 1.1.1. Continuously engage with openness and transparency with leaders both from the legislature and the Executive for purposes of adopting amendments to public auditor’s act
- 1.1.2. 100% Legislative appropriations to OCPA’s budget request. (Baseline: 74% of requested FY 2023 OCPA Budget was approved)

The following proposed amendments to the law are adopted:

- 1.1.3. All members of the OCPA are immune to any prosecution for any act that results in the discharge of their duties
- 1.1.4. The OCPA submits its annual budget and plans to Budget Review Committee for consolidation but forwards them without deduction to the Legislature for review and approval.
- 1.1.5. The OCPA Head to decide, in coordination with the Personnel Service Commission (PSC), on all human resource matters - recruitment, salary adjustments, promotion, and others
- 1.1.6. The Public Auditor to contract specialists and experts (such as lawyer, engineer and outsource audits) when necessary

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output Indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
1.1.a Plan and schedule at least four engagements per year to solicit support for the amendments to Public Auditor's Act	Nov-23	Approved Engagement Plan for the Year	R: Administrative Officer (AO) A: Public Auditor (PA) ACC: AO	8	None	
1.1.a.1 Hold meetings (note: continuous activity during the year)	Based on quarterly schedule	File of Record of Discussion	R: PA A: PA ACC: PA	16	No positive response	H
1.1.a.2 Send follow up letter to confirm the required actions from the meeting (note: continuous activity during the year)	After every meeting	File of Follow up Letter File of Responses to the Letter Proposed Amendments to Public Auditor's Act are adopted	R: Administrative Officer A: PA ACC: Administrative Officer	16	No response	M
1.1.b Prepare yearly budget and operational plan and submit them to Budget Review Committee (BRC)	May-24	File of yearly Proposed Budget and Operational Plan File of approved or appropriated Budget	R: AO A: Public Auditor (PA) ACC: AO	24	None	
1.1.b.1 Defend the yearly budget and operational plan during the House and the Senate budget hearing on budget	July' 2024 (House), July' 2024 (Senate)	Record of Discussion (ROD) Approved Budget and Plan	R: PA A: PA ACC: PA	8	Budget for manpower and training not approved	H

Strategic Priority: 1. Toughen Independence
Strategic Objective: 1.2. Advocate for a clearer mandate
KPMs:

The following proposed amendments to the law are adopted:

- 1.2.1. The law explicitly provides that the OCPA may conduct engagement, financial audit, performance audit, audit of program results, inspection & evaluation, and investigation and others
- 1.2.2. The law requires auditees to implement action plans on audit recommendation
- 1.2.3 The law requires the use of standards during the conduct of audit, inspection and investigation.
- 1.2.4 The law provides for a six-year term of office and not a four-year term for Public Auditor to make it consistent with the term of office for the said position in the constitution.
- 1.2.5 The law broadens the existing provision regarding access to all documents not only within the scope of financial audit but to all types of audits that would be conducted and all parts of the public auditor’s mandate
- 1.2.6 The law provides that the Public Auditor may request assistance of, and assist, the FSM National Public Auditor in relation to any audit, inspection, or compliance examination.

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output Indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
1.2.a Covered by 1.1.a.1 & 1.1.a.2 above	10/03/2023-9/30/2024	File of Follow up Letter File of Responses to the follow up Letter Proposed Amendments to Public Auditor's Act are adopted	R: AO A: PA ACC: PA	16	No positive response	H

Strategic Priority: 2. Strengthen Internal Governance
Strategic Objective: 2.1. Update and Implement the Strategic Plan and Annual Operational Plan
KPM:

2.1.1. 100% of the Key Performance Metrics (KPMs) are achieved.

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output Indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
2.1.a Develop and periodically update the manual for strategic planning	Nov-23	Approved manual for strategic planning	R: Strategic Team (3 manpower) A: PA ACC: Strategic Team	280	None	
2.1.b Develop and periodically update the Strategic Plan, the Operation Plan, the KPM and the KPM Monitoring and Evaluation Framework	done	Approved Strategic Plan Approved Operational Plan, Approved KPM Approved KPM Monitoring and Evaluation Framework	R: Strategic Team A: PA ACC: Strategic Team	0.00	N/A, done	
2.1.c Implement a log to monitor KPM Accomplishments	10/03/2023-9/30/2024	KPM Accomplishment Log Binder of KPM accomplishments	R: PA A: PA ACC: PA	40	None	
2.1.d Evaluate KPM Accomplishments	Aug-24	KPM Evaluation Report	R: AO A: PA ACC: AO	24	Lack of analytical & evaluative skills	H

Strategic Priority: 2. Strengthen Internal Governance
Strategic Objective: 2.2. Develop and Periodically Update a Manual on Internal Control System

KPMs:

2.2.1. Internal Control Assessments are done as per approved cycle of assessment

2.2.2. 90% reduction of identified weakness in internal control assessment results compared to previous year’s results.

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output Indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
2.2.a Develop and periodically update the manual of policies & procedures for OCPA Internal Control System	Jan-24	Approved Manual of policies and procedures for Internal Control System Internal Control Assessment Checklist	R: PA A: PA ACC: PA	80		
2.2.b Periodically monitor the performance of internal control system	twice a year	Plan for periodic self-assessment of Internal Control System Assessment Report on Internal Control System reviewed by the PA	R: Auditor who will be assigned A: PA ACC: Auditor who will be assigned	40	None	
2.2.c Take corrective action on identified control deficiencies	continuous	Corrective action taken on on identified conrol deficiencies in internal control	R: PA A: PA ACC:PA	16	None	

Strategic Priority: 2. Strengthen Internal Governance
Strategic Objective: 2.3. Establish and periodically update the management systems for support services.

KPMs:

2.3.1. Periodically (semi-annual) assesses the adequacy of administrative support services.

2.3.2. 90% reduction of identified weakness in administrative support services assessment results compared to previous year’s results

2.3.3 Maintaining a fully functional audit application software (e.g., team mate)

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output Indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
2.3.a Develop and periodically update a manual for Management Systems for support services	Feb-24	Approved Manual of Management Systems for support services Management Systems for Support Services Assessment Checklist	R: PA A: PA ACC: PA	80		H
2.3.b Periodically monitor the performance of management systems for support services	twice a year	Assessment Report on Support Services Management System reviewed by the PA	R: Assigned Auditor A: PA ACC: Assigned Auditor	40	None	
2.3.c Take corrective action on identified control deficiencies	continuous	Approved Plan of Action on noted eaknesses in Management Systems for support services Corrective action taken on on identified conrol deficiencies	R: PA A: PA ACC: PA	24	None	

Strategic Priority: 3. Deliver Quality and Timely Audit and Investigation
Strategic Objective: 3.1. Employ Sufficient Staff And Remunerate them Adequately

KPI:

- 3.1.1. All approved positions are filled
- 3.1.2. 95% of staff required are in position as per needs assessment
- 3.1.3. 90% of the employees obtain at least a performance rating of “Satisfactory” in performance evaluation
- 3.1.4. 90% of approved projects are completed as per project requirements
- 3.1.5. All staff have competitive salaries compared to other audit staff in the FSM State audit offices.

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
3.1.a Conduct human resource needs assessment	Oct-23	Human Resource Needs Assessment Report	R: PA A: PA ACC: PA	40	None	
3.1.b Hire new employees based on approved budget	10 2023 & 11 2023	Job Vacancy Announcement Shortlisted Candidates for Interview Approved Personnel Action Form (4 new employees)	R: AO A: PA ACC: AO	80	Lack of college-degree applicants in Chuuk State Hiring delays	H
3.1.c Conduct employee performance evaluation after each engagement	Apr-04	Approved Employee Performance Evaluation	R: Staff-in-Charge A: PA ACC: Staff-in-Charge	12	None	
3.1.d Promote employee considering length of service and based on capacity & performance evaluation	Apr-24	Approved Personnel Action Form (promotion)	R: PA A: PA ACC: PA	16	None	
3.1.e Research on other states' local employee salaries	Jan-24	Comparative analysis of employee salaries	R: AO A: PA ACC: AO	40	None	
3.1.f Request for salary upgrade of local employee salaries not competitive	Apr-24	Approved salary upgrade of local employee salaries not competitive	R: PA A: PA ACC: PA	16	Lack of funding	H
3.1.g Monitor and report the completion of planned projects for the year	Note: moved to 3.4.c below					

Strategic Priority: 3. Deliver Quality and Timely Audit and Investigation

Strategic Objective: 3.2. Strengthen staff capabilities

KPI:

3.2.1 All staff attends various trainings on performance auditing, financial auditing, compliance auditing, inspection and evaluation and support services training.

3.2.2 The staff is on track with Employee Development Plans (EDP) and scheduled training

3.2.3. Conduct staff's needs assessment to determine the focus of staff development

3.2.4 All audit staff and investigators earned the required 40 hours of Continuing Professional Education (CPE) every year

3.2.5 At least two staff gets professional certifications (CPA, CFE, CIA, CGAP, etc.) (note: target for 2027 & 2028)

3.2.6 At least one staff attends a leadership program (note: target for 2028)

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
3.2.a Require each staff to prepare 'Employee Development Plan' (EDP)	Oct 2023 and as the staff is hired	Approved Employee Development Plan	R: All staff A: PA ACC: PA	112	None	
3.2.b Perform needs assessment to determine the staff development & immediate training needs	Oct 2023 and as the staff is hired	Results of needs assessment Approved Training and Development Plan	R: Senior Auditor A: PA ACC: Senior Auditor	40	None	
3.2.c Attend training courses and conferences	APIPA conference is held in August. Others to be scheduled based on availability of programs	Excel file summarizing 80 hours CPE in every 2-year period. File of certificate of training attendance File of certificates on Continuing Professional Education (CPE)	R: all staff A: PA ACC: all staff	800	Lack of budget support for staff training (note: getting yearly 40 hours Continuing Professional Education (CPE) is a must for auditors/investigators)	H

Strategic Priority: 3. Deliver Quality and Timely Audit and Investigation
Strategic Objective: 3.3. Periodically Update the Internal Operating Standards, Processes and Tools to Guide Auditing and Investigation Work.

- KPI:**
 3.3.1. Manual for Financial and Attestation Audit is in place and periodically updated for new audit standards (Note: New GAGAS Revision - 2025)
 3.3.2. Manual for Performance Audit is in place and periodically updated for new audit standards (Note: New GAGAS Revision - 2026)
 3.3.3. Manual for Compliance Audit is in place and periodically updated for new audit standards. (note: Compliance Audit under GAGAS is considered a Performance type of Audit)
 3.3.4. Manual for Inspection and Investigation is in place and periodically updated for new audit standards. (Note: no news yet on new revision of the standard)

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output Indicator	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
No activity on updating of manuals for 2024 based on the notes above						

Strategic Priority: 3. Deliver Quality and Timely Audit and Investigation
Strategic Objective: 3.4. Enhance the Engagement Planning and Control

- KPI:**
 3.4.1. Based on approved schedule for the implementation of all audits and control, there are no critical issue related to non-achievement of tasks
 3.4.2. 90% of the approved audits and investigations are completed within timeframe

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
3.4.a Develop the process guide for developing, approving, implementing & monitoring the overall audit plan/control program	Nov-23	Approved Manual on the process for developing the overall audit plan/control program	R: Senior Auditor A: PA ACC: Senior Auditor	160	None	
3.4.b Prepare and implement a risk-based audit plan/control program	Oct-23	Approved Overall Audit Plan/Control Program	R: Senior Auditor A: PA ACC: Senior Auditor	40	None	
3.4.c Implenent a tracking tool to monitor the completion of planned projects for the year. Prepare a monitoring report	continuous	Approved tracking tool to monitor the progress and completion of planned projects for the year Audit Assessment and Accomplishment Report	R: Senior Auditor A: PA ACC: Senior Auditor	80	None	

Strategic Priority: 3. Deliver Quality and Timely Audit and Investigation
Strategic Objective: 3.5 Develop and periodically update the Quality Control and Assurance System for audits and investigations

KPIs:

3.5.1. Manual for Quality Control and Assurance Systems is in place and periodically updated for new requirements

3.5.2. Implemented Internal Assessment Quality Control Checklist Per Engagement Shows 90% Compliance

3.5.3. Based on scheduled external assessment, the OCPA is getting a rating of “pass” in APIPA Peer Review which means that the internal quality control system of the office is adequately designed and operating effectively to provide reasonable assurance of compliance with the US Government Auditing Standards

3.5.4. Maintaining at least a score of three out of four against Supreme Audit Institution Performance Management Framework Assessment (SAI PMF Assessment) indicators on SAI 1, 2, 3, 4, 6, 7, 8, 9, 12, 13, 14, 15, 16, 17, 21, 23, 24 & 25.

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
3.5.a Periodically update the manual on the process for Quality Control and Assurance Systems, when necessary.	Jan 2024 or as the needs arises	Approved updated manual on the process for Quality Control and Assurance Systems	R: Senior Auditor A: PA ACC: Senior Auditor	40	None	
Internal Assessment of Compliance with Manual & Standards						
3.5.b Implement Quality Control & Assurance Checklist per engagement (note: the time for this activity is part of the time estimated to complete an audit, refer to 3.6.a)	continuous	All audit working paper binders contain filled-up self-assessment Quality Control & Assurance Checklist	R: Senior Auditor A: PA ACC: Staff-in-charge per team	0	None	
External peer review of the OCPA internal quality control system - APIPA						
3.5.c Prepare for external peer review	Mar-24	Signed Peer Review Agreement Travel arrangements made All requirements of the Peer Review Team submitted	R: AO A: AO ACC: AO	80	None	
3.5.d Peer review the OCPA's quality control system	Mar-24	Final Peer Review Report with OCPA management response and acknowledgement Acknowledged transmittal slip for the distribution of Peer Review Report	R: Team Leader A: PA ACC: Team Leader	80	None	
3.5.e Distribute and publicize the peer review report	Mar-24	Transmittal Slip Peer Review Report posted to website/social media	R: AO A: PA ACC: AO	8	None	
3.5.f Implement corrective action on deficiencies noted by peer reviewer. Monitor the progress of implementation.	continuous	Plan for Corrective Action on Peer Review Deficiencies Peer Review Deficiencies Monitoring Tool	R: Senior Auditor A: PA ACC: Senior Auditor	8	None	
Improve deficiencies noted on 2021 Supreme Audit Institution Performance Management Framework (SAI-PMF) Assessment						

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
3.5.g Implement corrective actions on deficiencies noted in 2021 SAI-PMF Assessment to get a score of 3 out of 4 for five indicators. (Note: refer to KPM 3.5.4)	continuous	Action Plan on Improving Deficiencies on five indicators: SAI-3, SAI-4, SAI-6, SAI-7 & SAI-17	R: PA A: PA ACC: PA	80	None	
3.5.h Implement a tool to track the improvements on deficiencies noted in 2021 SAI-PMF Assessment report.	continuous	SAI-PMF Deficiencies Tracking Tool Score of at least 3 for five indicators SAI-3, SAI-4, SAI-6, SAI-7 & SAI-17	R: Senior Auditor A: PA ACC: Senior Auditor	40	None	

OCPA OPERATIONAL PLAN FY 2024 (October 1, 2023 to September 30, 2024) [FY 2024]

Strategic Priority: 3. Deliver Quality and Timely Audit and Investigation
Strategic Objective: 3.6 Deliver adequate number of impactful audits and investigations each year
KPIs:

- 3.6.1. Completed and published six audits and investigations per year that contributes to operational improvement and helps in promoting sound financial management.
- 3.6.2. At least 70% of the structured feedback indicates the key stakeholders’ satisfaction with OCPA’s communication of audit report
- 3.6.3. At least 80% of the intended recipients send the completed feedback instrument back to OCPA
- 3.6.4. At least 75% of audit recommendations are resolved.

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
3.6.a Conduct six audits based on approved overall audit plan/control program in 3.4.b (Assumption - six auditors on board)	10/03/2023-9/30/2024	Six audits completed and published	R: Senior Auditor/ Auditor II A: PA ACC: Audit Teams (3 teams of 2 auditors per team)	9,330	Lack of manpower Staff retention Unfocused attention to audit job Slow learning curve	H
3.6.b Conduct two follow up audits. (Assumption - six auditors on board)	10/03/2023-9/30/2024	Two follow-up audits completed and published	R: Senior Auditor A: PA ACC: Audit Teams (3 teams of 2 auditors per team)			
Feedback from Stakeholders						
3.6.c Design a survey form to obtain feedback from stakeholders regarding the work of the OCPA	Jul-24	Approved data gathering Survey Form	R: AO A: PA ACC: AO	40	None	

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
3.6. d Implement the survey (email, personal distribution, letter) and analyze the results	Aug-24	Summary of Responses from the Survey Approved analysis of feedback results from stakeholders' responses	R: AO A: PA ACC: AO	56	None	
Resolution of audit recommendations						
3.6.e Implement a web-based audit recommendations tracking tool in operation	Nov-23	Web-based audit recommendation tracking tool in operation (note: IT application is ready for installation and user training was done by a representative of UNDP)	R: Auditor II A: PA ACC: Auditor II	80	None	
3.6.f Generate report on resolved and unresolved audit recommendations	at every end of the quarter	Generate a report on resolved and unresolved audit recommendations	R: Auditor II A: PA ACC: Auditor II	8	None	

OCPA OPERATIONAL PLAN FY 2024 (October 1, 2023 to September 30, 2024) [FY 2024]

Strategic Priority: 4. Foster Engagement with External Stakeholders
Strategic Objective: 4.1 Develop and Periodically Update Strategies, Policies, and Procedures for Engagement with External Stakeholders
KPIs:

4.1.1. Manual for Strategies, Policies, and Procedures for Engagement with External Stakeholders is in place

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
4.1.a Develop and periodically update the manual for strategies, policies and procedures for engagement with stakeholders	Oct & Dec 2023	Approved Manual for strategies, policies and procedures for engagement with stakeholders Communication and Messaging Strategies	R: PA A: PA ACC: PA	160		

Stakeholders - Legislature especially committee responsible for budget and oversight; Executive including department, agency and commission heads; audited entities; Judiciary and/or prosecuting and investigating agencies; the media; citizens/general public; special interest groups, including Civil Society Organizations and development partners; and Academics

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
OCPA OPERATIONAL PLAN FY 2024 (October 1, 2023 to September 30, 2024)						[FY 2024]

Strategic Priority: 4. Foster Engagement with External Stakeholders
Strategic Objective: 4.2 Fortify Engagement and Professional Relationship with External Stakeholders

KPIs:

- 4.2.1. At least 90% of formally planned meetings are held.
- 4.2.2. At least 70% of the structured feedback received indicates satisfaction with OCPA and a desire to continue cooperation
- 4.2.3. At least 80% of approved OCPA reports are covered by media
- 4.2.4. At least 75% of audit recommendations are resolved

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
4.2.a Monitor the implementation of communications strategies	10/03/2023-9/30/2024	Approved Monitoring Tool for Communication Strategies	R: AO A: PA ACC: AO	76	None	
4.2.b Develop a plan to initiate awareness program for each group of stakeholders as planned	Dec-23	Approved Awareness Program Plan for the year	R: AO A: PA ACC: AO	16	None	
4.2.c Conduct an awareness program for each group of stakeholders based on the plan	Jul-24	Awareness Program Materials Attendance Record	R: AssignedTeam A: PA ACC: Assigned Team	32	Lack of funding for this activity	High
4.2.d Assess whether stakeholders believe that the SAI is communicating effectively.	Jul-24	Awareness Program Assessment Report	R: AO A: PA ACC: AO	16	None	
4.2.e Prepare an annual OCPA performance report that identifies themes, findings, trends, root casuses and reccommendations. Distribute and publicize the report.	Sep-24	Approved Annual OCPA Performance Report Published annual preformance report	R:Senior Auditor A: PA ACC:Senior Auditor	40	None	
Media						
4.2.f Engage with media to disseminate the audit reports.	Nov-23	Records of Discussion (ROD) with media	R: PA A: PA ACC: PA	48	Lack of budget to personally engage with mainstream media representative which is based in another state, Pohnpei	High

Strategic Initiative (SI)	Timeline (Start & End Month & Year)	Output indicators	SI Responsibility, Authority, and Accountability	Staff Hours	Threats	Risk level (L/M/H)
4.2.g Issue press release for issued report	during the fiscal year immediately after an audit report is issued	File copies of press releases Newspaper articles Evidence of radio coverage	R: AO A: PA ACC: AO	8	None	
4.2.h Implement a tracking tool to monitor the media's coverage of the SAI audit reports and activities	during the fiscal year immediately after an audit report is issued	Approved Tracking Tool to monitor the media coverage	R: AO A: PA ACC: AO	8	None	
Citizens and Civil Society Organizations						
4.2.i Establish contacts with relevant civil society organizations	Oct-23	List of civil society organizations contacts (CSO) Communciations made with CSO	R: AO A: PA ACC: AO	24	None	
4.2.j Publish audit reports	during the fiscal year immediately after an audit report is issued	List of published Audit Reports	R: AO A: PA ACC: AO	8	None	
4.2.k Publish summary of audit reports both in english and in local language (ctitizen's report)	during the fiscal year immediately after an audit report is issued	Approved a year-end summary of audit reports (english and local language)	R: AO A: PA ACC: AO	2	None	
Survey						
4.2.l Design a survey instrument to gather feedback from stakeholders	Jun-24	Approved survey instrument	R: AO A: PA ACC: AO	32	Lack of experience in designing a survey instrument	H
4.2.m Deploy the survey	Aug-24	Approved Recipients List	R: AO A: PA ACC: AO	24	Lack of budget	M
4.2.n Analyze the results of the survey.	Sep-24	Approved Analysis of the results of the stakehoders' survey	R: AO A: PA ACC: AO	16	Lack of analytical & evaluative skills	H