



OFFICE OF THE NATIONAL PUBLIC AUDITOR

PRESS RELEASE 2022-06

ONPA releases its final audit on the FSM Petro-Corp entitled “Deficiencies Noted Reflect the Need to Improve Enterprise-Wide Risk Management.”

This is to announce that we have completed the performance audit on the FSMPC (the Corporation) covering fiscal years 2019 to 2021. The audit primarily focused on processes of governance, internal controls, risk management and selected operations of the Corporation. This report presents the results of our audit, which was conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS).

Based on our audit, we found the following issues that the management should address:

1. Outdated risk management procedure and no central monitoring of enterprise-wide risks;
2. Procurement Manual remains in draft since 2018 & does not contain procedures for procuring fuel & lubricants; and
3. Inconsistent documentation of minutes of meetings of the Board Committee for Risk and Audit.

To view the full report, you can access it by visiting our website at www.fsmopa.fm, or by clicking the link here [Report 2022-04](#) . Printed copies are also available at the ONPA located in Palikir, Pohnpei.

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Office of the National Pubic Auditor

P.O Box PS-05

Palikir Pohnpei, FM 96941