



OFFICE OF THE NATIONAL PUBLIC AUDITOR

PRESS RELEASE 2022-07

The Office of the National Public Auditor (ONPA) announces the release of Inspection Report No.2022-05 titled, “STRONGER INTERNAL CONTROLS NEEDED AT THE DEPARTMENT OF TRANSPORTATION, COMMUNICATION & INFRASTRUCTURE TO PREVENT LOSS OF FUNDS ON DELAYED & INCOMPLETE PUBLIC PROJECTS.”

We have completed the inspection of the CFMS Kitti Road Projects (Salapwuk & Mwoakot) under Public Laws 20-141 and 21-53. The overall appropriation for both projects was \$150,000.000.

We concluded the following based on our inspection findings:

- There were ineffective and insufficient controls in relation to inspection reports or certifications used for the release of funds to contractors;
- There was non-compliance to the key terms and conditions of the construction contract agreement; and;
- There were existing gaps in the process of evaluating bids and selecting the contractor at the FSM Department of Transportation, Communication and Infrastructure (DTC&I).

We identified a great need for improvement at the DTC&I whose officials are key players in the administration of public projects appropriated by the FSM Congress. There are also capacity needs to ensure adequate officials are available to handle the increasing projects and they are performing their work for the best interest of the Government and the people.

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

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