



## OFFICE OF THE FSM NATIONAL PUBLIC AUDITOR

### PRESS RELEASE #2022-02

#### ONPA RELEASES INSPECTION REPORT ON CFSM-POHNPEI PUBLIC PROJECTS FOR SOKEHS MUNICIPALITY

The Office of the National Public Auditor (ONPA) announces the release of Inspection Report No. 2022-01, titled "**VALUE FOR MONEY AND THE INTENTION OF THE LAW ARE NOT ACHIEVED DUE TO NON-COMPLIANCE AND INEFFECTIVE OVERSIGHT OVER CFSM PUBLIC PROJECTS AT SOKEHS MUNICIPALITY**"

Below are the two (2) FSM Congress funded public projects that we inspected:

##### 1. **Sokehs Municipal Government Retaining Wall**

- a. Public Law 20-125 of September 22, 2018 to appropriate, among others, \$54,500 for the above project; [*Allottee: Secretary, FSM Department of Transportation, Communication & Infrastructure*]
- b. Public Law 20-178 of April 11, 2019 to appropriate, among others, an additional \$40,000 for the same project above; [*Allottee: President, FSM*]

##### 2. **Sokehs Municipal Government Community Water Projects**

- a. Public Law 20-141, of October 26, 2018 to appropriate, among others, \$20,000 for the above project. [*Allottee: Chief Magistrate, Sokehs Municipal Government*]

The FSM Department of Finance & Administration (DoFA) was responsible for the allotment of funds and processing of disbursements.

ONPA carried out this inspection following a written request from the Honorable Speaker Albert Johnny, 10<sup>th</sup> Sokehs Municipal Council who expressed his concerns on the unsatisfactory completion of the two projects. We found funds being wasted and/or subjected to issues of oversight and compliance, which led to the abandoned Water System Project in Pohras, Sokehs and the tilted Retaining Wall situated next to the Sokehs local Municipal Government compound. Below is the summary of our findings:

- (i) Incomplete planning and changing orders for the Sokehs Retaining Wall Project resulted in the increase of an initial contract award of \$48,392.80 to \$94,500;
- (ii) Questioned costs of \$17,824.61 is due to lack of proper planning and oversight for the Community Water Project; and
- (iii) Payment requests for the Sokehs Retaining Wall project were not authorized by the Allottee as required by the FMR.

Our inspection was conducted in accordance with the *Quality Standards for Inspections and Evaluations issued by the Council of the Inspector Generals on Integrity and Efficiency (CIGIE)* in the US federal government.

To view the full report, click here [INSPECTION OF SOKEHS MUNICIPAL PUBLIC PROJECTS](#). Printed copies are also available at the ONPA office in Palikir, Pohnpei.

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