



**OFFICE OF THE NATIONAL PUBLIC AUDITOR**

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ONPA Releases Its Final Report on the Inspection of Revenue Collections and Deposits by the FSM Postal Services in Kosrae State for the Months of October 2020 to January 2021

This is to announce the issuance of our new inspection report on the FSM Postal Services, Kosrae Branch Office covering its revenue collections and deposits for the months from October 2020 through January 2021. This inspection was initiated based on a request by the Acting Postmaster General who had concerns of potential violations of the Financial Management Regulations (FMR 2019 version), which requires the deposit of revenue collections no later than the next business day. This inspection was conducted in accordance with the *Quality Standards for Inspections and Evaluations* issued by the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

Based on our inspection, we found that the revenue collections for the FSM Postal Office located in Kosrae State were not deposited on time as required by the FMR. We also found some instances of missing records of collections within the period of our inspection scope under the management of the former Acting Postmaster for the FSM Postal Office in Kosrae, who voluntarily resigned prior to the start of this inspection. Our inspection also revealed the need to strengthen and improve the monitoring and oversight function by the Headquarters over the operations of the FSM Postal Office in Kosrae State.

The inspection disclosed the following findings:

1. The FSM Post Office in Kosrae did not comply with the FMR pertaining to the requirements for depositing the daily collections on the next business day; and
2. Effective oversight by the Headquarters is necessary to ensure compliance to laws and regulations and to prevent any financial losses to the FSM Postal Service.

To view the full report, click the link here [Inspection Report](#). Printed copies are also available at the ONPA located in Palikir, Pohnpei.

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