



POHNPEI TRANSPORTATION AUTHORITY



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*UAA
5-30-02*

19m 5.30.02

May 30, 2002

**Ms. Ursula S. Abalos
Acting State Auditor
Office of the Public Auditor
Pohnpei State Government
Kolonia Pohnpei FM 96941**

Dear Ms. Abalos

Submitted herewith are our comments on the findings on the FY2000 audit. By this communication, I would like to extend to you and your staff our great appreciation for the valuable assistance rendered during the course of the work. I will be working closely with my staff to implement changes as recommended in the draft report. That hopefully by the time the audit for the FY2002 rolls around, these issues would have been resolved and or rectified.

Again thank you for your valuable help.

Sincerely


Vincent Rosario

UAW
5-30-02

Responds for the following findings of fiscal year 2000

Finding No. 00-001 Deficit

-The management is in full agreement with the finding. Immediate correction actions will be taken to resolve the issue. The management has over the ensuing years after the audit period instituted very stringent controls on overtime work and reductions in the labor work force.

Finding No. 00-002 Conflict of Interest

-The management concurs with the recommendations on this finding.

Finding No. 00-003 Basis of Accounting

-We Concur

Finding No. 00-004 Employment Contract

-We Concur

Finding No. 00-005 Dual Compensation.

-We Concur

Finding No. 00-006 Allowances Paid With Neither Minutes of Meeting Nor Roster of Attendance.

-We Concur

Finding No. 00-007 Payroll Documents.

-We Concur

Finding No. 00-008 Inventory Cut off.

-We Concur

Finding No. 00-009 Asphalt Cement.

-While we agree that better control be instituted insofar as procurement are concerned, the case in point is solely the result of errors made by the State Department of Treasury and Administration and should not be construed in any reflect on PTA.

Finding No. 00-010 Overstatement of Inventory

-We Concur

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Finding No. 00-011 Belt Conveyors

-Conveyors in question remain the property of the Vendor. All vendors (both local and overseas) are aware the every purchase must be certified and approved by the Director of Treasury to be binding. Vendors are also aware that every sizeable purchase by the Government is let out for bids.

Finding No. 00-012 Verbal Agreements

-We Concur

Finding No. 00-013 Advances to Vendor

-We concur

Finding No. 00-014 Accounts Payable

-We Concur

Finding No. 00-015 Dump trucks Rental

-We Concur

Finding No. 00-016 Invoice

-We Concur

Finding No. 00-017 Employees Accounts

-We Concur

Finding No. 00-018 Telephones

-We Concur

Finding No. 00-019 Offset of Accounts

-We Concur

Finding No. 00-020 Travel

-We Concur

Finding No. 00-021 Cash Refund

-We Concur

Finding No. 00-022 Prior Year Findings

-We Concur