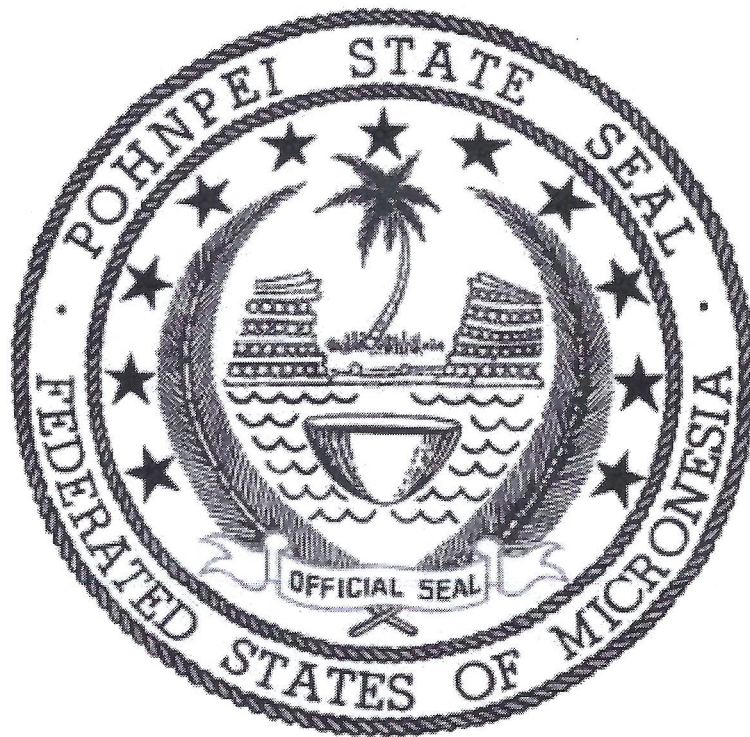


# **Strategic Management Operational Plan (SMOP) Fiscal Years 2024 - 2028**

---

## **Office of the Public Auditor State of Pohnpei**



---

State Public Auditor  
P.O Box 370  
Kolonias, Pohnpei, FM 96941

Phone: 320-2638  
Hotline: (691) 320-8497 (24/7)  
Website: [www.opapni.fm](http://www.opapni.fm)

# Strategic Management Operational Plan (SMOP)

Fiscal Years 2024 - 2028

---

Table of Contents		Page No
1	<b>FOREWORD</b> .....	1
2	<b>ABOUT US</b> .....	2
2.1	Who we are .....	2
2.2	What we do .....	2
2.3	Our Vision .....	3
2.4	Our Mission .....	3
2.5	Our Core Values.....	3
3	<b>STRATEGIC PRIORITIES AND OBJECTIVES</b> .....	4
3.1	Strengthen Legal Framework.....	4
3.2	Improve the Quality and Timeliness of Audit and Investigation Services.....	5
3.3	Develop and Maintain Professional Competency of Staffs).....	6
3.4	Use of Computer Assisted Audit Techniques (CAATs) in the Audit Process.....	7
4	<b>IMPLEMENTING OUR STRATEGIC PLAN</b> .....	7
5	<b>MONITORING AND EVALUATION FRAMEWORK</b> .....	7

# Strategic Management Operational Plan (SMOP)

Fiscal Years 2024 - 2028

---

## 1 FOREWORD



The core mission of the Pohnpei Office of the Public Auditor (POPA) is to provide the Governor, Speaker, Auditees, Other Authorities and the Citizens of Pohnpei with objective and independent information on the management of public resources.

In order to live up to the aforementioned and for the purpose of making a positive change in the citizens' lives, I have approved the Strategic Management and Operational Plan (SMOP) for fiscal years 2024-2028. Each goal, objective and activity has been carefully selected taking into account the level of implementation. All POPA employees are expected to review and become familiar with the SMOP (long-term or annual) to ensure better understanding and proper implementation.

The POPA has been built upon solid legal and institutional grounds and it has competent and dedicated staff, as well as clear mechanisms and procedures to ensure compliance with applicable auditing standards including international standards and best practice.

Thank you all members of POPA staff for contributing to the formulation of our SMOP. Feedbacks or inputs were carefully considered while bearing in mind our resource capacity and the working environment within which we operate. I am satisfied that the strategies, outputs and the related activities defined in the SMOP will enable us to maintain our relevance to the people of Pohnpei through increased impact of our work and services.

I also extend a warm gratitude and appreciation to the INTOSAI Development Initiative (IDI), the Pacific Association of Supreme Audit Institutions (PASAI), the European Union (EU) for their support and assistance that they provided during the development of the SMOP.

Our SMOP is a living document and your ongoing review and feedback is welcome. We will be monitoring and reporting on our progress as we go and returning periodically to make sure that we continue to focus and remain on the right track.

  
Ihlen K. Joseph  
State Public Auditor  
Pohnpei

## 2 ABOUT US

### 2.1 Who we are

The Pohnpei Office of the Public Auditor (POPA) is the Supreme Audit Institution (SAI) of Pohnpei State. It is an independent office that was established by the Pohnpei Constitution Article 11 Section 8. The State Public Auditor has complete discretion in the performance of the functions of POPA. Moreover, POPA is independent of the administrative control of the Government of Pohnpei. Due to its role and mandated responsibilities, POPA is seen as the “watchdog” of public funds.

Collaboration with stakeholders is a strategic objective of POPA and we have created good cooperation relations through engagement with strategic partners, as well as stakeholders. These include the Governor, Legislature, Local Governments, Donors and Citizens of Pohnpei. At international level, POPA is a full-rights member of the Pacific Association of Supreme Audit Institutions (PASAI). At the regional level, POPA is a member of the Association of the Pacific Islands Public Auditors (APIPA) and has established sound cooperation with counterpart institutions and other partners in providing training and conducting peer reviews of other SAIs within the region.

### What we do

The Pohnpei Office of the Public Auditor (POPA) is responsible for:



Conducting audits of all financial transactions and of all accounts kept by or for all departments, offices, agencies and instrumentalities of the Government of Pohnpei and of the Local Governments. All the audits are carried out in accordance with applicable laws, Generally Accepted Government Auditing Standards of the United States of America and best practice.



Undertaking wide-ranging performance audits to ensure there are adequate controls within the State and Local Government Entities, compliance with relevant legislation, and most importantly, efficiency and effectiveness of operations or programs.



Conducting financial and administrative investigation and reporting & liaising with relevant Government Agencies and/or Offices.



Reporting the audit results. The reports of the POPA directly promote accountability and provide a sustainable basis for holding government managers of any budget organization/s to account. The reports are directly submitted to the Legislature, Governor and Auditees in an objective, competent, insightful and timely manner.



Providing technical consultancy advice to public sector organizations.

# Strategic Management Operational Plan (SMOP)

## Fiscal Years 2024 - 2028

---

### 2.2 Our Vision

Our vision is to be a reliable audit institution that improves governance in the public sector, in the interest of citizens, and through quality audit, strengthens accountability in public administration for the effective, efficient and economical use of public resources.

### 2.3 Our Mission

Our mission is to conduct and produce quality and timely high impact audit and investigation to enable our government leaders, those charged with governance and citizens to make well informed decisions to promote accountability, transparency, integrity and good governance for the benefit of the citizens of Pohnpei.

### 2.4 Our Core Values



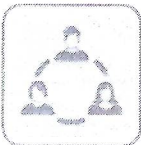
**Independence** – Independence means that the whole audit process being subject to professional standards’ requirements only and free from influence by third parties. Independence is the key element for obtaining the public trust and Legislator of the State of Pohnpei, by providing them with reliable and unbiased information.



**Professionalism** – In conducting its audit activities, POPA applies International Auditing professional standards, Generally Accepted Government Auditing Standards of United States of America and best practice.



**Integrity** – POPA is engaged in embedding best ethical, moral and professional values. The audit activity is carried out without any conflict of interest.



**Transparency** – POPA is an open organization and will publish all its important activities. It will also provide the general public with information obtained from the audit in line with regulations and professional standards. POPA will engage in promoting transparency as an element of good governance.



**Pohnpei wahu** – POPA respects the value of “Pohnpei wahu”.

# Strategic Management Operational Plan (SMOP)

Fiscal Years 2024 - 2028

## 3 STRATEGIC PRIORITIES AND OBJECTIVES

This strategic plan outlines the strategic direction of the Pohnpei Office of the Public Auditor (POPA) for the five years period, fiscal years 2024 – 2028. It sets the priority issue areas we will focus on and exert efforts to ensure we achieve the desired outcomes. We have also included the activities we will carry out to achieve our goals.

Our SMOP identifies four strategic priorities and related objectives that we will address during the planned period. The strategic priorities were identified based on the results of our consultation with key stakeholders, internal and external assessments, external peer review 2023, and the Performance Measurement Framework Assessment for Supreme Audit Institutions or (SAI PMF).

The strategic priorities are outlined below:



Strategic Priorities	Strategic Objectives	Strategic Sub-objective	Key Performance Indicator
3.1 Strengthen Legal Framework	Strengthen audit law to provide whistle blower protection and POPA financial independence	Propose amendments to POPA legal framework	(i) Prepare and transmit legislation to amend audit law (ii) Attend legislature hearings and justify amendments (iii) Obtain advocacy support and assistance from partners (e.g., PASAI, EU Advisor) (iv) Meet with Legislature’s committee on Finance and other stakeholders to justify and lobby for the amendments to POPA law
		Advocate and justify for POPA’s financial independence	(i) Work with AG to draft amendments (ii) Seek assistance from the Attorney General for the legal process and amending legislation (iii) Identify and summarize issues cited in the SAI PMF assessment report and as a result of PASAI Legal Counsel review

## Strategic Management Operational Plan (SMOP)

**Fiscal Years 2024 - 2028**

Strategic Priorities	Strategic Objectives	Strategic Sub-objective	Key Performance Indicator
<p><b>3.2 Improve the Quality and Timeliness of Audit and Investigation Services.</b></p>	<p>Ensure that Quality Audit Reports are issued and on a timely basis</p>	<p>Comply with applicable standards (e.g., GAS, CIGIE)</p>	<p>(i) Pass external peer review with satisfactory rating                      (ii) At least 75% of all audits completed go through a “mock peer review”                      (iii) 100% of all completed audits underwent Internal Quality Control &amp; Assurance Review (evidenced by a completed checklist) prior to issuance of audit report                      (iv) 100% of all completed investigations contain an investigation plan, record of work and interviews, supervisory review and a summary report closing the case and/or referral to Attorney General for possible prosecution.                      (v) Provide in-house training (or other form of training) on GAS, CIGIE, or audit subject, etc.                      (vi) .</p>
		<p>Improve timeliness of audit</p>	<p>(i) At least 75% of all audit reports are issued no later than 30 days after exit conference unless longer time is justified and approved by the Public Auditor.                      (ii) 100% of all audits are monitored through Project Progress Control Checklist.                      (iii) 80% of all audit meet deadline in the Audit Plan approved by Public Auditor. (Change of Audit Project deadline requires Public Auditor’s approval)                      (iv) 100% of all audits have Accumulated Time and Budget Control form to control/monitor actual time to stay within budgeted hours.                      (v) All audit projects should have at least an audit supervisor, auditor-in-charge and staff auditor.</p>
		<p>Enhance supervisory and quality control and assurance</p>	<p>(i) 100% of all completed audits underwent QCAR before issuance of audit report                      (ii) 100% of QCAR results were reviewed by a supervisor (Senior Auditor or Audit Manager)                      (iii) QCAR of all completed audit projects finds no significant issue and no more than 5 insignificant issues in the workpaper files.                      (iv) 100% of all completed audits contain Audit Supervisory Review Checklist signed by AIC, Audit Supervisor or Audit Manager.</p>

## Strategic Management Operational Plan (SMOP)

**Fiscal Years 2024 - 2028**

Strategic Priorities	Strategic Objectives	Strategic Sub-objective	Key Performance Indicator
			(v) Supervisory and internal quality control review process and checklists are reviewed, improved/updated (as necessary) (vi) Perform timely review of staff auditors' work and workpaper files (vii) Provide guidance, on the job training to staff auditors, and conduct bi-weekly team meetings during the engagement
		Perform timely audit follow-ups	(i) At least 40% of recommendations are implemented. (ii) 100% of all significant outstanding audit findings are followed up for resolution no later than 1 year from the date of auditee response (or report issuance date). (iii) 100% of all significant outstanding audit findings are followed up for progress of resolution no later than 6 months from the date of auditee response.
3.3 Develop and Maintain Professional Competency of Staffs).	Enhance and maintain the skill set up-to date for staff.	Develop staff capabilities and competencies	(i) At least 1 staff is certified in relevant field (ii) Enroll at least 1 staff annually in certification program (iii) Provide appropriate education and training based on IDP (iv) Develop individual development plan for the 5 new staff (v) Assess skills and knowledge for all new staff
		Maintain Professional Competency of Staff	(i) 100% of audit staff attain at least 80 CPE hours every 2 years (ii) Provide at least 1 appropriate training yearly to enhance skills/knowledge (iii) Provide at least 2 on the job training
3.4 Use of Computer Assisted Audit Techniques (CAATs) in the Audit Process	Enhance the Audit Process which is more automated	Strengthen Audit Process	(i) Explore the audit processes that could be automated (ii) Research on the types of Computer Assisted Audit Techniques (CAATs) that are available (iii) Liaise with Auditees with a view of obtaining their transaction data (iv) Train staff on the use of CAATs and data analytics.



## **Strategic Management Operational Plan (SMOP)**

**Fiscal Years 2024 - 2028**

---

### **4 IMPLEMENTING OUR STRATEGIC PLAN**

We have developed our operational plan for the fiscal year 2024 (October 1, 2023 – September 30, 2024). The operation plan consists of initiatives that drives the implementation of our strategic plan. The initiatives have been transformed into actionable tasks and can be easily followed and implemented moving toward our long-term goals.

### **5 MONITORING AND EVALUATION FRAMEWORK**

We have developed a strategic monitoring and evaluation framework to be used in assessing and measuring our performance in implementing our plan. The monitoring and evaluation framework will enable us to evaluate the results so that appropriate corrective actions can be taken. The evaluation results will give us information and feedback that we can use to create opportunities to learn, grow and or improve.