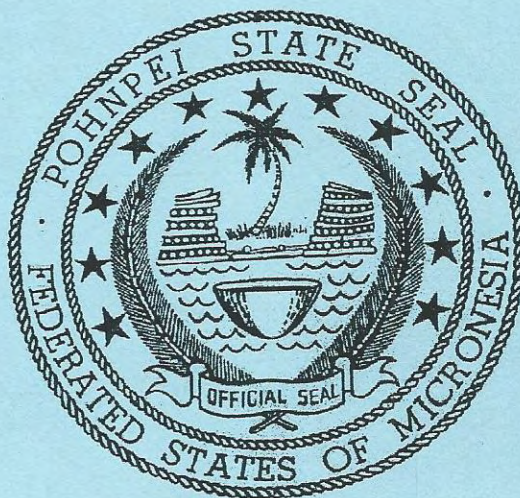


POHNPEI ENVIRONMENTAL PROTECTION AGENCY  
*Safe Drinking Water and Water Quality Monitoring  
Program*

AUDIT REPORT NO. 03-11

FOR FISCAL YEAR ENDED SEPTEMBER 30, 2010



OFFICE OF THE PUBLIC AUDITOR

Pohnpei State Government  
P. O. Box 370  
Kolonia, Pohnpei 96941  
Federated States of Micronesia

**POHNPEI ENVIRONMENTAL PROTECTION AGENCY  
SAFE DRINKING WATER AND WATER QUALITY MONITORING  
PROGRAM  
AUDIT REPORT NO. 003-11  
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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June 29, 2012

The Honorable John Ehsa, Governor, Pohnpei State  
The Honorable Peter M. Lohn, Speaker, Pohnpei State Legislature  
The Honorable Members of the Pohnpei State Legislature  
Mr. Albert Roby, Executive Officer, Environmental Protection Agency

### EXECUTIVE SUMMARY

We respectfully submit the audit report of the Pohnpei Environmental Agency (EPA) Safe Drinking Water and Water Quality Monitoring Program for fiscal year ended September 30, 2010. The performance audit was conducted pursuant to Article 11, Section 8 (2) of the Pohnpei State Constitution and Pohnpei State Law Nos. 1L-10-79 and 5L-08-00, and such other laws promulgated thereafter. The audit was also conducted, as applicable, in accordance with the auditing standards generally accepted in the United States of America and the *Government Auditing Standards* issued by the Comptroller General of the United States. In addition, OPA is also responsible to ensure that Pohnpei State implement and enforce the fiscal procedures in the Agreement Concerning Procedures for the Implementation of United States Environmental Assistance Provided in the Compact of Free Association, as amended Between the Government of the United States of America and the Government of the Federated States of Micronesia.

The objectives of our audit were to determine whether (1) (EPA) Safe Drinking Water and Water Quality Monitoring Program is being managed effectively to attain the goals and objectives of the program; (2) effective controls are in place to ensure compliance to applicable standards of Safe Drinking Water and Water Quality Monitoring.

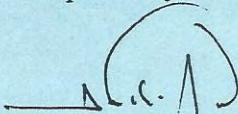
The audit identified four (4) management control weaknesses on the (EPA) Safe Drinking Water and Water Quality Monitoring Program which are described in detail in the Schedule of Findings and Recommendations on pages 5 through 11.

A brief summary of the weaknesses identified by our audit along with our recommendations which we believe will help improve the Program if implemented is presented on the next page:

An addendum to the enabling act that created the Office of the Public Auditor (OPA), SL No.05-08-00, requires that the Pohnpei Environmental Protection Authority, Safe Drinking Water and Water Quality Monitoring should submit to the Office of the Public Auditor (OPA) a monthly report indicating its progress in the resolution of the findings cited in the audit report. The resolution of the findings shall not exceed six (6) months.

In closing, we wish to express our sincere appreciation to the management and staffs of the Pohnpei Environmental Protection Agency, Safe Drinking Water and Water Quality Monitoring as well as staffs from other departments for their assistance extended to us during the course of our audit.

Respectfully submitted, I am,

  
Iso, Ihlen K. Joseph  
State Public Auditor

**Pohnpei Environmental Protection Agency  
Safe Drinking Water and Water Quality Monitoring Program  
Audit Report  
Fiscal Year Ended September 30, 2010**

**INTRODUCTION**

The Pohnpei Environmental Protection Agency (EPA), an agency within the Pohnpei State Government was created by Public Law No. SL 3L-26-92. The agency was created as ....” A means of protecting the air, land and water resources of Pohnpei in order to ensure that such resources are available to future generations...”

There are seven (7) main sections of the agency which *Safe Drinking Water and Water Quality Monitoring* is one. This section is responsible for analyzing, sampling and monitoring safe drinking water and recreational areas.

**BACKGROUND**

*Organization*

The Agency is headed by an Executive Officer, who is directly under a seven (7) member Board of Directors. The Safe Drinking Water and Water Quality Monitoring section is under the direct supervision of an Environmental Specialist I and two (2) support staffs.

*Funding Source*

The program is funded by the Compact Environmental Sector Grant. For fiscal year 2010, a total of \$40,887 was allotted to fund the sections activities.

**Audit Objectives, Scope, and Methodology**

The objectives of our audit were to determine whether:

- a. *(EPA) Safe Drinking Water and Water Quality Monitoring is being managed effectively and efficiently to attain its goals and objectives; and*
- b. *effective controls are in place to ensure compliance to applicable standards of Safe Drinking Water and Water Quality Monitoring.*

**Pohnpei Environmental Protection Agency  
Safe Drinking Water and Water Quality Monitoring Program  
Audit Report  
Fiscal Year Ended September 30, 2010**

**AUDIT CONCLUSIONS**

As a result of our audit, we conclude that:

1. No reasonable assurance that indicates that the Program is being managed efficiently and effectively to attain the goals and objectives of the program. Not all of the activities planned for the year were performed nor accomplished.
2. The Program is not in compliance with the frequency of tests for water quality as required by their standards.

The audit identified four (4) management control weaknesses on the (EPA) Clean Drinking Water and Water Quality Monitoring Program. We recommend EPA management to review these findings give priority consideration to implementing appropriate corrective measures immediately.

**FINDINGS AND RECOMMENDATIONS**

**Summary of Findings**

1. The program did not accomplish all the activities scheduled for the year. Additionally, there is lack of documentation.
2. The program did not duly follow the frequency of tests for water quality as specified by their schedule.
3. The programs system of control over information/communication, and monitoring was ineffective.
4. There is limited and inadequate public education and awareness along with lenient enforcement of laws and regulations regarding environmental protection of marine and fresh water.

**Pohnpei Environmental Protection Agency  
Clean Drinking Water and Water Quality Monitoring Program  
Schedule of Findings and Recommendations  
Performance Audit of Fiscal Year ended September 30, 2010**

**Finding No. 01- 11 Program Goals and Objectives Accomplishment and Reporting**

**Criteria:** (EPA) Clean Drinking Water and Water Quality Monitoring Program has the following activities scheduled to be accomplished for fiscal year 2010.

| <b>Activity</b>                         | <b>Frequency</b>                  | <b>Outputs</b> |
|---|-----------------------------------|----------------|
| 1. City Water Systems (PUC)             | Chlorine: daily; bacteria: weekly | 1000           |
| 2. Community/School Water testing       | 34 cnt; quarterly                 | 52             |
| 3. Individual Water System              | Upon request                      | 12             |
| 4. Recreational Waters (Surface/Marine) | Every two(2) months               | 60             |
| 5. Public Water System Survey           | Annually                          | 24             |
| 6. Water Construction Plans Review      | Depending on submission           |                |
| 7. Public Announcement of test results  | Quarterly                         | 4              |
| 8. Laboratory Certification             | Every two (2) yrs                 |                |
| 9. Lab Tech Certification               | Every two (2) yrs                 |                |
| 10. Maintenance of Laboratory Equip     | Monthly                           |                |
| 11. Equipment temperature checks        | Daily                             |                |
| 12. Local Bottled Water Companies Cert. | Monthly                           |                |
| 13. Outer Island Water Systems          | Annually                          |                |

**Condition:** We conducted a review of all the activities for the program and found that nine (9) activities were accomplished. One (1) activity did not meet the targeted budget output, and three (3) of the activities lacked documentation to support that the activities were ever performed.

**Cause:** The above condition happened because management tried to implement a schedule of activities that was beyond their resource capability. Additionally, there is a weakness in documentation.

**Effect:** As a result, there is deficiency in the program performance and accomplishment for the year.

**Recommendation:** We recommend that management prepares a work schedule that is realistic, implementable, and appropriate within its resource capability to ensure sustainable water quality and monitoring system.

**Pohnpei Environmental Protection Agency  
Clean Drinking Water and Water Quality Monitoring Program  
Schedule of Findings and Recommendations  
Performance Audit of Fiscal Year ended September 30, 2010**

**Finding No.02-11 Noncompliance to Testing standards continued**

**Cause:** The reason why the above happened is because of deficient management's budget output data. The output data presented in the budget did not jive with the test points and frequency of test scheduled per (EPA) Clean Drinking Water ...listing.

**Effect:** The above resulted to non compliance to the test frequency schedule required by EPA . Moreover, this non compliance could also result in people using unclean water.

**Recommendation:** We recommend that EPA complies with the required test schedule. Management should prepare and adhere to a realistic budget to ensure sustainable clean and safe recreation water system in Pohnpei.



**Pohnpei Environmental Protection Agency  
Clean Drinking Water and Water Quality Monitoring Program  
Schedule of Findings and Recommendations  
Performance Audit of Fiscal Year ended September 30, 2010**

**Finding No. 05-11 Non Compliance to Water Quality Regulations for Marine and Fresh Waters.**

**Criteria:** Pohnpei EPA Water Quality Regulations for Recreational Waters clearly states that all waters shall be capable of supporting desirable aquatic life, and be suitable for recreation in and on the water. Specifically, Class A, B, & 2: Fecal coli form content shall not exceed an arithmetic mean of 200 per 100ml for ten (10) consecutive samples nor shall any single sample exceed 400 per 100 ml.

Additionally, (EPA) Water Quality Monitoring requires that all recreational areas should be tested every two months.

**Condition:** EPA's test results in certain months for particular recreational sites confirm presence of E-Coli exceeding the suitable level for aquatic life or for recreational activities, as shown in the table below.

| Item No. | Rec. Area          | ACTUAL MPN COUNT / 100 ML |     |     |       |     |      |
|----------|--------------------|---------------------------|-----|-----|-------|-----|------|
|          |                    | Dec                       | Jan | Jun | Jul   | Aug | Sept |
| 1        | Nahlap Resort      |                           |     |     | 0     |     |      |
| 2        | Meitik River       |                           |     |     |       |     |      |
| 3        | Nett Point         |                           |     |     | 0     |     |      |
| 4        | Nihco Marine Park  |                           |     |     | 0     |     |      |
| 5        | Pehleng River      |                           |     |     | 12000 |     |      |
| 6        | Lehn Mesí River    |                           |     |     | 210   |     |      |
| 7        | Nanipil River      | 230                       | 190 | 210 | 620   | 610 | 460  |
| 8        | Mand Bridge        |                           | 380 |     | 7300  |     |      |
| 9        | Kahmar Bridge      | 320                       | 350 | 720 | 2800  | 840 | 870  |
| 10       | Paieke             |                           | 70  |     | 0     |     |      |
| 11       | Misko Beach        |                           | 40  |     | 40    |     |      |
| 12       | Kepirohi Waterfall |                           |     |     |       |     |      |
| 13       | Sounkroun River    |                           |     |     | 910   |     |      |
| 14       | Below Hydro Plant  | 320                       | 290 |     | 570   | 420 | 410  |

*Note: the table above shows total E-Coli found in each sample*

**Pohnpei Environmental Protection Agency  
Clean Drinking Water and Water Quality Monitoring Program  
Schedule of Findings and Recommendations  
Performance Audit of Fiscal Year ended September 30, 2010**

**Finding No. 5-11 Non Compliance to Water Quality Regulations for Marine and Fresh Waters.**  
**Continued.**

**Recommendation:** We recommend that EPA put more efforts on its public education to promote public awareness regarding marine and fresh water protection. We also recommend management to take the initiative necessary to enforce the requirement of S.L. No. 3L-26-92 and start imposing fine to those that do not conform.

Additionally, we recommend management to conduct the water quality tests timely and consistently so any remedial and/or follow up actions required can be performed to ensure public protection.

# Appendix 1



# Pohnpei Environmental Protection Agency

POHNPEI, FM 96941

FEDERATED STATES OF MICRONESIA

Tel: (691) 320-2927 Fax: (691) 320-5265

E-mail: [pniepalab@mail.fm](mailto:pniepalab@mail.fm)

**RECEIVED**  
Office of the Public Auditor  
Pohnpei State Government  
Date: 7/23/12  
By: *[Signature]*

July 23, 2012

## BOARD OF DIRECTORS

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### VICE CHAIRMAN

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### MEMBERS

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Frank Panuelo

### Executive Officer

Albert Roby

*[Handwritten signature]*  
7/23/12

## Memorandum

To: Iso Ihlen K. Joseph  
Public Auditor  
Pohnpei State Government  
Peilapalap, Pohnpei, FM 96941

Re: Response letter for the Audit Report for EPA Safe Drinking Water & Water Quality Monitoring program

From: Albert Roby  
Executive Officer  
Pohnpei Environmental Protection Agency  
Pohnpei State Government

Followings are the EPA's comments or inputs in regards to the recent audit report by your respective office.

### **I. Audit report Finding No. 01-11 (Program Goals and Objectives Accomplishment and Reporting):**

Condition: 13 activities, 1 did not meet the targeted budget output and 3 lacked documentation to support that the activities were ever performed.

Response: Transportation/Fuel issues are also affected the targeted output and realistic schedule will be prepared the end of this month and managed accordingly. Will be prepare at the end of this month taking in account the existing resources/ capabilities.  
Modify lab forms to document taken

Realistic schedule will be prepared and provided and managed accordingly.

**V. Audit report finding No: 05-11 (Noncompliance to water quality regulations for Marine and Freshwater**

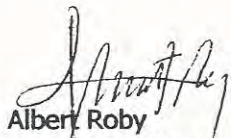
Response

Every 2 months all the recreational sites will be updated in the EPA Recreational site billboards stations and will be posted in the EPA Quarterly Newsletter

Amendment of the existing Marine and Fresh Water quality standard is in process to ensure that enforcement of these standards is in line with the regulation.

Kalangan en Kupwur. If you have any comments or questions on the above, please do not hesitate to contact our office.

Ni Wahu.



Albert Roby  
Executive Officer  
Pohnpei Environmental Protection Agency  
Pohnpei State Government

# **Exhibit A**



Pigpen at Paliais, Nett near Dausokele estuary



Pit Latrines near Dausokele waterway

### Drinking Water Samplings & Testing Process

