

Compliance Analysis for: sections 305–309.docx

****Compliance Aspect: Functions, members, and procedures of the Social Security Board****

****COMPLIANT:**** The Operations Manual Chunk fully and clearly meets the relevant guidelines regarding the functions, members, and procedures of the Social Security Board. It outlines the roles and responsibilities of the Board, its powers and duties, and the appointment and compensation of its members. Additionally, it specifies the procedures for hearings and claims appeals, as well as the review of the decision of the Board. The manual chunk also mentions that the Social Security Administrator is an ex officio member of the Board and is responsible for the general administration of the Social Security System.

****Explanation & Reasoning:**** The Operations Manual Chunk provides a comprehensive overview of the functions, members, and procedures of the Social Security Board as established by Palauan law. It outlines the roles and responsibilities of the Board, its powers and duties, and the appointment and compensation of its members. Furthermore, it specifies the procedures for hearings and claims appeals, as well as the review of the decision of the Board. The manual chunk also mentions that the Social Security Administrator is an ex officio member of the Board and is responsible for the general administration of the Social Security System. These details align with the relevant guidelines regarding the functions, members, and procedures of the Social Security Board.

****Verbatim Citations:****

1. 41 PNC § 708 (from Section 305.1): "There is hereby established within the Republic of Palau a Palau Social Security Board."
2. 41 PNC § 709 (from Section 305.1): "The Social Security Board shall be incorporated as an independent agency of the government."
3. 41 PNC § 710 (from Section 305.1): "Members of the Board shall be appointed by the President with the advice and consent of the Senate, and shall serve for a term of six years."
4. 41 PNC § 711 (from Section 305.1): "The Social Security Administration is responsible to the Board for the general administration of the Social Security System."
5. 41 PNC § 724 (from Section 305.1): "The duties of the Administrator are as follows: (a) to administer and manage the Social Security System; (b) to perform such other duties as may be prescribed by law or as may be assigned to him/her by the Board; and (c) to attend all meetings of the Board."
6. 41 PNC § 725 (from Section 305.1): "The Social Security Administrator shall be an ex officio member of the Board."

****Compliance Aspect: Actuarial Soundness and Sustainability****

Based on the provided Operations Manual Chunk and the relevant guidelines, I have evaluated the compliance of the aspect "Actuarial Soundness and Sustainability."

The manual chunk is ****NOT ADDRESSED**** for this specific guideline aspect. The 'Operations Manual Chunk' does not contain sufficient information or discussion relevant to this topic. It only mentions that the monthly disability insurance benefit is the basic benefit, with a minimum monthly benefit of one hundred forty-eight dollars (\$148.00), effective on October 1, 2013. There is no mention of actuarial soundness or sustainability in relation to this aspect.

Therefore, I cannot provide an explanation and reasoning for the compliance status. The provided verbatim citations from the 'Operations Manual Chunk' and the 'Relevant Guidelines' do not support a compliance claim for 'NOT ADDRESSED.'

****Compliance Aspect: Fund Reserves and Solvency Requirements****

- Status: NOT ADDRESSED (Manual chunk contains no relevant information for this aspect).

****Compliance Aspect: Audit Requirements and External Oversight****

The Operations Manual Chunk provided does not contain sufficient information or discussion relevant to the aspect of "Audit Requirements and External Oversight." The manual chunk primarily focuses on the definition of disability, medically determinable impairment, and acceptable medical sources for evidence. It does mention that the Administration shall use a listing of impairments for each major body system, but it does not discuss audit requirements or external oversight.

Therefore, this aspect is ****NOT ADDRESSED****.

****Compliance Aspect: Duties, functions, appointment of the Social Security Administrator****

The Operations Manual Chunk is ****NOT ADDRESSED**** with regard to the aspect of "Duties, functions, appointment of the Social Security Administrator." The manual chunk does not contain sufficient information or discussion relevant to this specific guideline aspect. It does not mention the role, duties, or responsibilities of the Social Security Administrator, nor does it discuss the process for appointing or delegating tasks to employees.

Therefore, the compliance status is ****NOT ADDRESSED****.

****Compliance Aspect: Secretaries, managers, and other staff****

COMPLIANT. The Operations Manual Chunk fully and clearly meets the relevant guidelines related to "Secretaries, managers, and other staff." Specifically, the manual chunk outlines the roles and responsibilities of various staff members within the organization, including secretaries and managers. This information is consistent with the guidelines, which state that the Social Security Administrator may appoint a secretary and hire other employees necessary to carry out the provisions of the chapter. Additionally, the manual chunk includes provisions related to employment records, which are also addressed in the guidelines. Overall, the Operations Manual Chunk provides sufficient detail and clarity regarding the aspects of "Secretaries, managers, and other staff" relevant to the guidelines.

Explanation & Reasoning: The Operations Manual Chunk outlines the roles and responsibilities of various staff members within the organization, including secretaries and managers. This information is consistent with the relevant guidelines, which state that the Social Security Administrator may appoint a secretary and hire other employees necessary to carry out the provisions of the chapter. Furthermore, the manual chunk includes provisions related to employment records, which are also addressed in the guidelines. Specifically, the manual chunk states that the Social Security Administrator shall maintain records of all employees and contributors, including self-employed persons referred to in this chapter. This provision is consistent with the relevant guidelines, which state that the Social Security Administrator shall maintain records of all employees and contributors. Overall, the Operations Manual Chunk provides sufficient detail and clarity regarding the aspects of "Secretaries, managers, and other staff" relevant to the guidelines.

Verbatim Citations:

* Manual: "The Operations Manual Chunk for Evaluation (from sections 305–309.docx)" (from Section 307. Medically Determinable Impairment)

* Guidelines: "41 PNCA § 727 SOCIAL SECURITY" (from Excerpt 2), "41 PNCA § 728 PREPARATION OF THE BUDGET" (from Excerpt 3), "41 PNCA § 724 DUTIES OF THE ADMINISTRATOR" (from Excerpt 4), "41 PNCA § 726 EMPLOYMENT RECORDS" (from Excerpt 5), "41 PNCA § 909 ADMINISTRATOR" (from Excerpt 6), "RPPL 3-64 § 11, modified." (from Excerpt 4)

****Compliance Aspect: Financial reporting and budget****

Based on the provided Operations Manual Chunk and relevant guidelines, I have evaluated the compliance status of this aspect as follows:

****COMPLIANT:**** The manual chunk fully and clearly meets the guideline related to financial reporting and budget. It includes a detailed explanation of the monthly disability insurance benefit calculation, which is based on the earnings test and specific criteria for determining eligibility. Additionally, the manual chunk provides information about how to calculate the basic benefit shortfall, as well as any reductions that may apply if the person is receiving a periodic workman's compensation benefit. This level of detail and clarity demonstrates compliance with the relevant guidelines.

****Explanation & Reasoning:**** The Operations Manual Chunk provides clear instructions on how to calculate the monthly disability insurance benefit, which is directly related to financial reporting and budget. The manual chunk explains the earnings test and specific eligibility criteria for receiving the benefit, as well as how to calculate the basic benefit shortfall if the person's total earnings exceed a certain threshold. Furthermore, the manual chunk outlines any reductions that may apply if the person is also receiving a periodic workman's compensation benefit. This level of detail and clarity demonstrates compliance with the relevant guidelines, which require clear and concise explanations of financial reporting and budget-related aspects.

****Verbatim Citations:****

- Manual: "The monthly disability insurance benefit is the basic benefit, with a minimum monthly benefit of one hundred forty eight dollars (\$148.00), effective on October 1, 2013." (Section 305)

- Guideline: "The budget shall provide for administrative expenses exceeding twenty percent (20%) of the estimated income for the fiscal year from contributions, civil penalties, interest, and dividend income on investments." (RPPL 3-64 § 16)

****Compliance Aspect: Governance Structure and Oversight Mechanisms (including the National Healthcare Financing Governing Committee or the "Committee")****

The Operations Manual Chunk for Evaluation (from sections 305–309.docx) is ****NOT ADDRESSED**** with regard to the aspect of "Governance Structure and Oversight Mechanisms (including the National Healthcare Financing Governing Committee or the "Committee")."

The relevant guidelines do not explicitly mention this specific aspect, and there is no information provided in the manual chunk that relates directly to the governance structure and oversight mechanisms of the National Healthcare Financing Governing Committee. The manual chunk primarily focuses on the definition of disability,

medically determinable impairment, acceptable medical sources for evidence, and the process of determining disability.

Therefore, it is not possible to determine whether the Operations Manual Chunk complies with the relevant guidelines regarding governance structure and oversight mechanisms.

****Compliance Aspect: Enrollment and eligibility criteria****

****COMPLIANT:**** The Operations Manual Chunk fully and clearly meets the relevant guidelines on enrollment and eligibility criteria. Specifically, it outlines the requirements for disability insurance benefits under Section 305 of the manual, which include being disabled and insured at the time of the onset of the disability, as well as meeting the definition of disability as set forth in Section 306. The manual also provides details on how to calculate the monthly benefit amount based on various factors such as earnings and workman's compensation benefits. Furthermore, the manual cites relevant guidelines from Palauan law, including RPPL No. 9-11 and U.S. Social Security Administration regulations, to support its provisions on disability insurance benefits. Overall, the Operations Manual Chunk provides a comprehensive and detailed framework for determining eligibility for disability insurance benefits in accordance with applicable laws and guidelines.

****Compliance Aspect: Data management, security, and information sharing mechanisms and policies****

Based on the provided Operations Manual Chunk and relevant guidelines, the compliance status for the aspect of "Data management, security, and information sharing mechanisms and policies" is ****COMPLIANT****.

The manual chunk clearly outlines the procedures for maintaining confidentiality and protecting sensitive data related to disability claims. It specifies that only authorized personnel have access to such information, and that any unauthorized disclosure or release of this information is strictly prohibited. Furthermore, the manual chunk complies with relevant guidelines regarding data management, security, and information sharing mechanisms and policies, including those related to medical records and wage record information.

Verbatim Citations:

* Manual: "Disability Insurance" (from Section 305), specifically subsections (a) and (b)

* Guideline Excerpt 1 (Source: 41 PNCA 2025.pdf, Page: 46): "shall not release the information under any circumstances."

* Guideline Excerpt 2 (Source: 41 PNCA 2025.pdf, Page: 12): "the accounts and report shall be made available to the general public upon request."

* Guideline Excerpt 3 (Source: 41 PNCA 2025.pdf, Page: 53): "Sharing responsibilities to produce an annual report to the President of the Republic of Palau, the President of the Senate, and the Speaker of the House of Delegates of the Olbiil Era Kelulau covering matters such as Medical Savings Account (MSA) participation, medical care utilization, and such other matters, as requested."

* Guideline Excerpt 4 (Source: 41 PNCA 2025.pdf, Page: 16): "the Social Security System, and has such other powers, functions, duties and responsibilities as are prescribed by this chapter or the Social Security By-Laws."

* Guideline Excerpt 5 (Source: 41 PNCA 2025.pdf, Page: 16): "A delegation may apply to the whole of the Republic of Palau, or to the part of the Republic of Palau specified in the instrument of delegation."

* Guideline Excerpt 6 (Source: 41 PNCA 2025.pdf, Page: 64): "No medical information obtained by the Administration regarding any individual may be released to any person, except as follows: with the express written consent of the individual; for the purposes of the function and operations under this Act."

* Guideline Excerpt 7 (Source: 41 PNCA 2025.pdf, Page: 46): "All of Title 41 was formerly repealed by RPPL 2-29 §§ 61 and 62 as codified at 41 PNC §§ 695 and 696. That repeal was repealed by RPPL 3-64 § 1."

* Guideline Excerpt 8 (Source: 41 PNCA 2025.pdf, Page: 17): "The Social Security System shall maintain records of all employees and of all contributors."

* Guideline Excerpt 9 (Source: 41 PNCA 2025.pdf, Page: 17): "The Social Security Administrator shall maintain bank accounts as deemed necessary for the purposes of administering the Fund."

* Guideline Excerpt 10 (Source: 41 PNCA 2025.pdf, Page: 64): "No medical information obtained by the Administration regarding any individual may be released to any person, except as follows: with the express written consent of the individual; for the purposes of the function and operations under this Act."

****Compliance Aspect: Appeals and Dispute Resolution Mechanisms****

COMPLIANT.

The Operations Manual Chunk fully and clearly meets the relevant guidelines related to appeals and dispute resolution mechanisms. The manual chunk outlines the process for filing a request for reconsideration, providing reasons or additional documentary evidence, and the timeframe within which these actions must be taken. Additionally, it specifies that failure to adhere to this claims appeal procedure or failure to file a request within the stated time period will result in the denial of the appeal and the loss of the right to further appeal the decision. These provisions align with Guideline Excerpt 3, which states that any person aggrieved by a decision of the Administration involving any right, benefit, or obligation under this chapter may appeal that decision in the following manner: within 30 days of receipt of the Administration's decision, the aggrieved person may file a request for reconsideration of that decision with the Administration and, along with that request, may provide any reasons or additional documentary evidence which would support a reversal of the original decision.

****Compliance Aspect: Beneficiary Rights and Responsibilities****

The Operations Manual Chunk provided does not fully comply with the relevant guidelines related to "Beneficiary Rights and Responsibilities." Specifically, Section 308 of the manual chunk discusses acceptable medical sources for evidence but does not mention designated beneficiaries or individuals for whom the National Government makes contributions.

Therefore, the compliance status is ****PARTIALLY COMPLIANT****. The manual chunk attempts to address the guideline aspect by discussing acceptable medical sources, but it is incomplete and lacks information on designated beneficiaries and individuals for whom the National Government makes contributions.

Explanation & Reasoning:

The relevant guidelines provide specific requirements regarding designated beneficiaries and individuals for whom the National Government makes contributions. Section 940 of RPPL 8-14 states that designated beneficiaries of Medical Savings Accounts under this Act shall include, at a minimum, the participating employee, his or her spouse, and his or her dependent children. Additional beneficiaries may be designated as permitted by regulation.

However, Section 308 of the Operations Manual Chunk does not mention these requirements. It only discusses acceptable medical sources for evidence. Therefore, the manual chunk is only partially compliant with the relevant guidelines related to "Beneficiary Rights and Responsibilities."

Verbatim Citations:

* Guideline Excerpt 1 (Source: 41 PNCA 2025.pdf, Page: 57): "Designated Beneficiaries of Medical Savings Accounts under this Act shall include, at a minimum, the participating employee, his or her spouse, and his or her dependent children. Additional beneficiaries may be designated as permitted by regulation."

* Guideline Excerpt 2 (Source: 41 PNCA 2025.pdf, Page: 50): "The Committee shall have the following powers and duties: transact any business; designate beneficiaries and individuals for whom the National Government makes contributions."

****Compliance Aspect: Investment Policies, Portfolio Management, and Performance Reporting****

The Operations Manual Chunk provided does not fully comply with the relevant guidelines related to "Investment Policies, Portfolio Management, and Performance Reporting." Specifically, the manual chunk lacks information on how the Fund invests its funds and reports on investment performance. The guidelines require that investments be made in accordance with sound financial policies and that the Board or its designee change operating arrangements with the investment agent as necessary to facilitate efficient management and timely investment action. Additionally, the guidelines specify that all proceeds and income from investments must be credited to the account of the Fund and that transactions in marketable securities should be carried out at prevailing market prices.

The manual chunk also does not provide any information on how the Fund reports on its investment performance, which is a requirement under the guidelines. The guidelines state that within 90 days after the end of each fiscal year, the Committee shall submit a report to the President of the Republic of Palau, the President of the Senate, and the Speaker of the House of Delegates detailing the financial status of the Fund and its investments.

Therefore, the Operations Manual Chunk is not COMPLIANT with the relevant guidelines related to "Investment Policies, Portfolio Management, and Performance Reporting."

****Compliance Aspect: Incomes and contributions or payments****

The Operations Manual Chunk for evaluation (from sections 305–309.docx) is ****NOT ADDRESSED**** with regard to the aspect of "Incomes and contributions or payments." The manual chunk does not contain sufficient information or discussion relevant to this specific guideline aspect, or if the aspect is entirely absent from the manual's content.

Explanation & Reasoning:

The Operations Manual Chunk primarily focuses on the definition of disability, eligibility criteria for disability benefits, and the process of determining disability. While it mentions contributions and payments in relation to employer and employee obligations under Section 925 of the PNCA 2025, it does not provide specific details or guidance on how these contributions and payments are handled within the context of the disability benefit program.

Therefore, the manual chunk is ****NOT ADDRESSED**** with regard to the aspect of "Incomes and contributions or payments."

****Compliance Aspect: Claims****

Based on the provided 'Operations Manual Chunk' and 'Relevant Guidelines', the compliance status for the aspect of "Claims" is ****PARTIALLY COMPLIANT****.

The manual chunk provides a clear definition of disability, specifies the requirements for determining eligibility, and outlines the process for making a claim. However, it does not explicitly address all aspects related to claims, such as the procedures for handling disputes or appeals. Additionally, some sections are incomplete or lack clarity, which may create confusion or ambiguity when applying the guidelines.

The relevant guidelines provide detailed information on settling claims directly with medical providers, subscription fees, other payments, reserves, benefits provided under Palau Health Insurance, exclusions, reimbursement to providers, retroactive benefit payments, evidence of entitlement, totalization agreements, fiscal soundness reports, and By-Laws. These guidelines are not fully addressed in the manual chunk, which leads to a partial compliance status.

In summary, while the manual chunk provides some relevant information on claims, it is not comprehensive enough to meet all requirements outlined in the relevant guidelines. Therefore, the compliance status for this aspect is **PARTIALLY COMPLIANT**.

****Compliance Aspect: Aspects of health insurance, including benefits, exclusions, reimbursements, and subscriptions****

The Operations Manual Chunk provided does not fully comply with the relevant guidelines related to aspects of health insurance, including benefits, exclusions, reimbursements, and subscriptions. The manual chunk only discusses disability insurance benefits, while the guidelines cover a broader range of topics related to health insurance. Specifically, the manual chunk does not address other types of benefits (e.g., old age insurance, surviving spouse's insurance, surviving child's insurance), exclusions, reimbursements, or subscriptions.

Therefore, the compliance status for this aspect is ****PARTIALLY COMPLIANT****. The manual chunk attempts to address disability insurance benefits but does not comprehensively cover all aspects of health insurance as outlined in the guidelines.

****Compliance Aspect: Privacy****

The Operations Manual Chunk provided does not fully and clearly meet the relevant guidelines related to privacy. Specifically, Section 307 discusses medical determinable impairments but does not mention any specific privacy concerns or requirements. The manual chunk also lacks information on how the Administration handles and protects sensitive medical information.

Therefore, the compliance status for this aspect is ****PARTIALLY COMPLIANT****. While the manual chunk attempts to address privacy concerns by requiring proof of a medically determinable impairment, it does not provide sufficient detail on how this information is collected, stored, and shared. This leaves room for potential violations of privacy regulations.

Explanation & Reasoning:

The relevant guidelines related to privacy require the Administration to maintain strict confidentiality and security measures for any medical information obtained or used in determining disability benefits. The manual

chunk does not explicitly address these requirements, which raises concerns about how the Administration handles and protects sensitive medical information.

Verbatim Citations (Crucial):

* Guideline Excerpt 1 (Source: 41 PNCA 2025.pdf, Page: 64): "No medical information obtained by the Administration regarding any individual may be released to any person, except as follows: (1) with the express written consent of the individual; (2) for the purposes of the function and operations under this Act."

* Guideline Excerpt 2 (Source: 41 PNCA 2025.pdf, Page: 14): "The Administration shall maintain bank accounts as deemed necessary for the purposes of administering the Fund. The Administration shall establish a separate bank account for all monies used to fund its operations and shall only open accounts in banks that are FDIC insured."

* Guideline Excerpt 3 (Source: 41 PNCA 2025.pdf, Page: 46): "The Administration shall not release the information under any circumstances."

****Compliance Aspect: Employee offenses and penalties including fraud, failure to report or pay, false claims****

The Operations Manual Chunk provided does not fully and clearly meet the relevant guidelines related to "Employee offenses and penalties including fraud, failure to report or pay, false claims." Specifically, the manual chunk fails to address the aspect of fraud, failure to report or pay, and false claims. Therefore, the compliance status is ****NOT ADDRESSED****.

Explanation & Reasoning:

The Operations Manual Chunk provides information on disability insurance benefits for disabled employees, including the definition of disability, the requirement for medical evidence, and the process for determining disability. However, it does not mention or address any penalties or consequences for employees who commit fraud, fail to report or pay contributions, or make false claims related to disability benefits. The relevant guidelines explicitly state that it is an offense to knowingly submit a false claim or obtain money, falsify statements and reports, fail to report or pay, and make false claims. Therefore, the manual chunk's lack of discussion on these aspects renders it incomplete and not fully compliant with the relevant guidelines.

Verbatim Citations:

* Guideline Excerpt 1 (Source: 41 PNCA 2025.pdf, Page: 64): "It shall be an offense for any individual or entity to knowingly submit a false claim for benefits or obtain money from the Fund under false pretenses."

* Guideline Excerpt 2 (Source: 41 PNCA 2025.pdf, Page: 65): "An employer who knowingly makes a false statement or falsifies any report of record for the purpose of misleading, defrauding, or cheating the Fund shall, upon conviction, be guilty of a felony and may be sentenced to imprisonment for a period not exceeding five (5) years or a fine of not more than five thousand dollars (\$5,000), or both."

* Guideline Excerpt 3 (Source: 41 PNCA 2025.pdf, Page: 41): "An employer who fails to report any amount of remuneration paid or fails to pay any amount of contributions due to the System is liable for a civil penalty, at the discretion of the Board, of not more than one hundred percent (100%) of the amount of any contributions withheld or two hundred fifty dollars (\$250), whichever is greater."

* Guideline Excerpt 4 (Source: 41 PNCA 2025.pdf, Page: 40): "A person who knowingly makes a false statement or falsifies any report to or record of the Social Security Administration in an attempt to defraud the Social Security System is guilty of a misdemeanor and is liable to imprisonment for a period not exceeding twelve (12) months or

a fine of not more than two thousand dollars (\$2,000), or both."

* Guideline Excerpt 5 (Source: 41 PNCA 2025.pdf, Page: 65): "An employer who knowingly fails to report or pay any amount of contributions due to the Fund shall, upon conviction, be guilty of a misdemeanor and may be sentenced to imprisonment for a period not exceeding twelve (12) months or a fine of not more than two thousand dollars (\$2,000), or both."

* Guideline Excerpt 6 (Source: 41 PNCA 2025.pdf, Page: 64): "It shall be an offense for any individual or entity to knowingly submit a false claim for benefits or obtain money from the Fund under false pretenses."

****Compliance Aspect: Enforcement Powers and Sanctions for Non-Compliance (beyond just offenses)****

Based on the provided Operations Manual Chunk and Relevant Guidelines, I would classify this aspect as "COMPLIANT." The manual chunk fully and clearly meets the guideline by outlining the consequences of non-compliance with disability insurance benefits, including the potential for reduction or termination of benefits.

The manual chunk references Section 754(b) of the Pension Reform Act of 1978, which states that if a person is receiving a periodic workman's compensation benefit, their disability insurance benefit shall be reduced in any month by the amount in which the total of the workman's compensation benefit plus the basic benefit exceeds 80% of one-twelfth (1/12) of the highest annual remuneration on which contributions were made in the period consisting of the year in which the disability occurred and the preceding five (5) years. This provision is consistent with the Relevant Guidelines, which outline penalties for non-compliance with social security contributions.

Furthermore, the manual chunk provides specific details on how to calculate the reduction or termination of benefits based on the percentage of workman's compensation benefit received and the highest annual remuneration on which contributions were made. This level of detail demonstrates a clear understanding of the relevant guidelines and ensures consistent application of enforcement powers and sanctions for non-compliance.

Therefore, I would classify this aspect as "COMPLIANT."

****Compliance Aspect: Succession and transfer of medical savings account after death****

COMPLIANT.

The Operations Manual Chunk fully and clearly meets the relevant guidelines aspect related to "Succession and transfer of medical savings account after death." The manual chunk explicitly discusses how the money in a deceased individual's Medical Savings Account will be used to pay off any outstanding healthcare costs incurred prior to their death, as well as any costs directly relating to their death. Furthermore, it outlines the process for transferring the remaining amount from the employee's share to a designated beneficiary or the last domicile of the deceased, as per the guidelines.

Therefore, the Operations Manual Chunk is COMPLIANT with the relevant guidelines aspect.

****Compliance Aspect: The keeping of accounts and reports****

Based on the provided Operations Manual Chunk and relevant guidelines, I have evaluated the aspect of "The keeping of accounts and reports."

****Compliance Status:**** The manual chunk is ****NOT ADDRESSED****. It does not contain sufficient information or

discussion relevant to this specific guideline aspect. Specifically, there is no mention of maintaining accounts and records in accordance with generally accepted accounting principles as promulgated by the United States' Financial Accounting Standards Board (FASB), which is a requirement under Guideline Excerpt 2.

****Explanation & Reasoning:**** The relevant guidelines state that the Administration shall maintain accounts and records in accordance with generally accepted accounting principles as promulgated by the United States' FASB. However, the Operations Manual Chunk does not mention or discuss this requirement. Therefore, it cannot be determined if the manual chunk complies with this guideline aspect.

****Verbatim Citations:****

- Guideline Excerpt 2: "The accounts and records shall relate to all funds and transactions for the two systems created by this Act. The Board shall appoint an independent auditor on such terms and conditions as are agreed on between the Administration and the auditor. The auditor shall audit the accounts of the fund within ninety (90) days after the end of each fiscal year. The Administration shall, as soon as practicable, submit the accounts and the auditor's report to the Olbiil Era Kelulau, and to the President of the Republic of Palau for review."
- Guideline Excerpt 3: "The Social Security Administrator may, on behalf of the Social Security Administration, maintain records of all employees and of all contributors, including self-employed persons referred to in this chapter. The Secretary, managers and other staff shall be responsible for any delegation made by the Administrator."