

## **JEMFAC FY2005 Grant Funding Allocations**

JEMFAC resolves to approve the following amounts for use of 2005 Compact grant funding:

\$11,141,921	Education
6,355,960	Health
14,618,982	Infrastructure
361,943	Private Sector Development
103,514	Public-Sector Capacity-Building
202,360	Environment
202,360	Kwaj Environmental Impact
1,922,420	Kwaj landowners Special Needs
<u>200,000</u>	Disaster Assistance Emergency Fund
\$35,109,460	

### **Policy Issue: Conducting Meetings of the Joint Economic Management Committee**

JEMFAC resolves to adopt the following rules which will take effect for any specially convened meeting in FY05, and which will apply thereafter to all meetings held in preparation for and during subsequent fiscal years that the Fiscal Procedures Agreement (FPA) remains in force, unless otherwise amended:

#### **Section 1. Rules for Conducting Meetings of the Committee (Rules)**

These Rules are adopted to implement Article III of the FPA. In the event of any conflict between these rules and the FPA, the FPA governs.

#### **Section 2. Meetings of the Committee**

1. The Committee will hold at least one regular annual meeting no later than 30 days before the beginning of each Fiscal Year. Within this framework, unless otherwise determined by the Committee, the annual meeting will be held the last full week in August.
2. Special meetings may be called at any time at the concurrence of no fewer than two Committee members.
3. With the concurrence of no fewer than two Committee members, meetings may be in person, via videoconference, or by other technological means.
4. Decisions on the venues for meetings will take into account the shared desire to minimize expenses.

### Section 3. Notice of Meetings

1. The Chairman, after consultation with the other members, will notify the Committee members, in writing, of the time and place of each meeting at least 30 days before the regular annual meeting.
2. The Chairman, after consultation with the other members, will notify the Committee members, in writing, at least ten days before the date of any specially convened meeting.

### Section 4. Meeting Attendance

1. The Chairman, with the concurrence of the other members, may invite observers to attend meetings of the Committee. Except as otherwise provided herein, attendance is limited to those so invited.
2. Other U.S. grantor agencies may send representatives to the Committee meetings, as observers.
3. The RMI may invite members of its government to be observers at the Committee meetings.
4. Each government shall provide the necessary staff support to its representatives on the Committee.
5. Observers may participate in the meetings to answer questions or provide information, but only as requested by the Committee.
6. The U.S. Chief of Mission to the RMI may attend all meetings of the Committee.

### Section 5. Meeting Agenda

1. The Chairman will prepare the proposed agenda and send it to each Committee member for review and concurrence at least ten days before the meeting date.
2. Additional subjects may be placed on the agenda by any member, provided the Chairman is notified within seven days of the meeting. In special circumstances, any member may include additional agenda items at any time, but, in so doing, will notify each Committee member as soon as possible.
3. The Chairman will make all meeting arrangements, except as otherwise agreed by the Committee.

## Section 6. Selection of Chairman

The Chairman will be selected in accordance with Article III of the FPA.

## Section 7. Meeting Record

The Committee will keep a summary record of its proceedings that will be made available to all members. The members of the Committee shall have an opportunity to review the record for accuracy before it is finalized.

## Section 8. Quorum

The presence of no fewer than five members or alternates shall constitute a quorum for the Committee to conduct business at a meeting.

## Section 9. Voting

The division of annual grant assistance among the sectors identified in Section 211 subsections (a) and (d) of the amended Compact and the division of the grant assistance specified under Section 211 subsection (b)(1) of the amended Compact among those same sectors, shall require an affirmative vote of all five Committee members. Except as noted in Section 12 of these Rules, all other Committee decisions will be made by at least three votes. All decisions of the Committee, whether formal or not, will be recorded in the summary proceedings of the meeting.

## Section 10. Proxies

Members may not vote by proxy or any other method than in person. A member may, however, designate a temporary alternate if that member is unable to be present at any Committee meeting. Such an alternate shall be deemed to be a member while serving as an alternate.

## Section 11. Terms of Service

Members will serve according to the policy of their respective governments, in accordance with Article III of the FPA.

## Section 12. Amendments to the Rules

Amendments to Section 9 and 12 of these Rules shall require an affirmative vote of all five Committee members. Otherwise, these Rules may be amended by majority vote of the Committee at any meeting.

### **Policy Issue: Publishing RFPs and IRBs on OIA's Website**

JEMFAC resolves that, in addition to advertising bids in accordance with RMI procedures, rules, and regulations, absent special circumstances as described in such procedures, rules and regulations, the RMI shall advertise bids on the free web service of the Office of Insular Affairs for procurement in excess of \$100,000 that is funded under the Compact.

### **Critical Information Issue: Compliance**

1. JEMFAC resolves that the U.S. and RMI grant administrators and grant managers should meet, as soon as possible, to discuss and resolve budgeting, financial and performance reporting discrepancies and hold a structured instructional workshop.
2. JEMFAC resolves that it reaffirms the critical importance of grant administration, financial management, monitoring, and remedy requirements and procedures that are set forth in the FPA.
3. JEMFAC reaffirms that the Government of the RMI is responsible for ensuring compliance by all of its sub-grantees and for taking appropriate steps to remedy instances of non-compliance.

### **Special Issue: Carry-Over Funds**

1. JEMFAC resolves that any unobligated FY04 "carry-over" balances in the education sector grant shall be applied to maintaining accreditation at the College of the Marshall Islands.
2. JEMFAC resolves that a maximum of \$100,000 of unobligated FY04 "carry-over" balances in the health sector grant shall be used to continue technical assistance in performance budgeting and measurement.

### **Kwajalein Special Needs Grant**

Section 211(b)(1) of the amended Compact requires that \$3.1 million, adjusted for inflation, shall be set aside for Kwajalein special needs. The RMI has not formally indicated how this requirement is being met, although it appears that more than the required level has been set aside for health and public sector infrastructure.

1. JEMFAC resolves that the RMI must formally identify how it is meeting the requirements of Section 211(b)(1) before any sector grants are offered.

Section 211(b)(2) of the amended Compact sets aside \$1.9 million, adjusted for inflation, for grants to address the special needs of the communities on Kwajalein atoll with emphasis on the Kwajalein landowners. Due to the continuing difficulties regarding the Land Use Agreement, the grant was not requested in FY 2004, and is not a part of the FY 2005 sector grants proposal of the RMI.

2. JEMFAC resolves that no funds provided for under Section 211(b)(2) shall be granted until the RMI Government submits a grant proposal and JEMFAC approves it.

### **Education Sector Grant**

JEMFAC resolves that the RMI shall submit to the Office of Insular Affairs one copy of all educational studies, surveys, and performance evaluations completed with Education Sector Grant or Supplemental Education Grant funds.

### **Supplemental Education Grant (SEG)**

JEMFAC resolves that the Government of the RMI must submit a SEG performance plan to the Office of Insular Affairs no later than September 30, 2004. The performance plan shall include a description of how FY'05 program funds and SEG funds will be managed and reported separately. Until the SEG budget and performance plan are approved, FY'05 SEG funds will not be released.

### **Health Sector Grant**

JEMFAC resolves that health sector funds shall not be used by agencies outside the health sector or for general administrative costs (including the RMI Auditor General's Office), unless specifically justified and pre-approved by JEMFAC.

### **Public-Sector Capacity-Building Grant**

JEMFAC resolves that the Government of the RMI must submit to the Office of Insular Affairs adequate performance measures and baseline data related to the Auditor General's Office by November 30, 2004.

### **Private-Sector Development Sector Grant**

JEMFAC resolves that the Government of the RMI must submit to the Office of Insular Affairs adequate performance measures and baseline data related to private-sector development grant activities by November 30, 2004.

### **Environment Sector Grant**

JEMFAC resolves that the Government of the RMI must submit to the Office of Insular Affairs adequate performance measures and baseline data related to environment sector grant activities by November 30, 2004.

### **Public Infrastructure Sector Grant**

JEMFAC resolves that the RMI Government shall formulate a project development plan consistent with the IDMP format for the project entitled, "Ebeye Hospital Repair."

### **Resolution of Gratitude for the Contributions of the RMI on the Global War on Terrorism**

JEMFAC expresses its deep gratitude to the citizens and soldiers of the RMI who have contributed to the global war on terror. JEMFAC recognizes the special sacrifices of citizens and soldiers of both our countries who have been wounded or given their lives to our joint cause. These heroes advance our shared aspirations for a safer world where freedom and democracy flourishes.

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