

Joint Economic Management and Financial Accountability Committee
August 2007 – Adopted Resolutions

Resolution JEMFAC 2007-01

Special Grant Terms and Conditions

RESOLVED, the following special grant terms and conditions shall be added to the Fiscal Year 2008 Sector Grants:

Education

1. The RMI shall report all 20 indicators of educational progress by July 1, 2008 based upon available data as of July 1, 2008.
2. The RMI shall provide an update on textbook purchases by July 1, 2008.

Health

None

Public Sector Capacity Building

1. The RMI shall submit a detailed plan and timetable for transferring consultant-based knowledge and skills in performance based budgeting to all Ministries no later than the end of FY 2012. The intent of this transfer is self-sufficiency in budget formulation, performance monitoring, reporting metrics, and evaluation of effectiveness. Consideration must be given to the development of benchmarks of satisfactory progress by the Ministries when consultant time is incrementally decreased. The plan and timetable shall be submitted to the Office of Insular Affairs on or before January 31, 2008, in conjunction with the quarterly performance report from the Office of Compact Implementation.

Public Sector Infrastructure

1. The RMI shall submit a plan which includes scopes of work and a timetable for implementation of projects funded under the Infrastructure Maintenance Fund (IMF). The RMI shall also, as part of the plan, include a deposit schedule of matching funds to the IMF. The plan shall be submitted to the Office of Insular Affairs no later than November 1, 2007.

David B. Cohen, Chairman, JEMFAC
C. Steven McGann, JEMFAC
William R. Steiger, JEMFAC
Gerald M. Zackios, Vice Chairman, JEMFAC
Brenson S. Wase, JEMFAC

Status: Unanimously passed

Resolution JEMFAC 2007-02

Fiscal Year 2008 Grant Funding Allocation

RESOLVED, the following amounts are approved for use of Fiscal Year 2008 Compact of Free Association grant funding, subject to the terms and conditions of Resolution JEMFAC 2007-01:

\$11,336,978	Education
\$ 6,512,349	Health
\$11,855,213	Infrastructure
\$ 300,000	Public Sector Capacity Building
\$ 3,345,830	Ebeye Special Needs (Section 211 b.1)
\$ 2,050,670	Kwajalein Impact Fund (Section 211 b.2)
\$ 215,860	Kwajalein Environmental Impact (Section 211 b.3)
<u>\$ 215,860</u>	Disaster Assistance Emergency Fund
\$35,832,760	

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Status: Unanimously passed

Resolution JEMFAC 2007-03

Section 215 Report for FY 2006

Recalling Section 215 of the Compact as amended, the RMI Government “shall report annually to the President of the United States on the use of United States sector grant assistance and other assistance and progress in meeting mutually agreed program and economic goals. The Joint Economic Management and Financial Accountability Committee shall review and comment on the report and make appropriate recommendations based thereon.”

RESOLVED, that GRMI should present the FY 2006 report to the JEMFAC, without delay but in any event, no later than January 15, 2008 for their review and comment before submission to the President of the United States.

The GRMI shall ensure that the Section 215 Report contains the following information:

1. A review of economic developments in the RMI
Economic growth, sectoral developments, and the structure of the economy and income distribution
Employment and wages
Inflationary data
Balance of payments and external debt
Fiscal developments
Prospects
Short-run prospects
Medium-term to long-term outlook
Policy developments
Policy developments, including changes to the regulatory and legal environment
Challenges for the amended Compact
2. Financial Report
 - 2.1 The FY06 Budget Submission
 - 2.2 FY06 Financial Outcome. Overall fiscal position; a picture of total revenues and expenditures
 - 2.3 Compact Sector Grant Usage
 - 2.3.1. Fund usage and expenditure
 - 2.4 Federal Programs
 - 2.4.1. List of federal programs and funds received by the government and discussion of fund usage and benefits derived.
3. Sector Grant Usage and Performance
Performance report for each department/office/agency

- Strategic Goals: progress in achievement of strategic goals. List of strategic goals and associated outcome performance measures if specified in FY06 budget and their rationale.
- Discussion of Outcomes: table of benchmarks (FY03 levels, targets specified in FY06 budget and attainment by year end.
- Financial Performance: table of budget allocations agreed by JEMFAC and actual expenditures detailed by strategic goal, activities. Discussion of financial performance – problems with disbursement, under performance, capacity constraints, cost overruns, etc.
- Service Delivery: table of budgeted outputs compared with outputs delivered broken down by strategic goal and activity. Discussion of success, problems encountered, lessons learned and future actions,

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Status: Unanimously passed

Resolution JEMFAC 2007-04

Section 215 Report for FY 2007

Recalling Section 215 of the Compact as amended, the RMI Government “shall report annually to the President of the United States on the use of United States sector grant assistance and other assistance and progress in meeting mutually agreed program and economic goals. The Joint Economic Management and Financial Accountability Committee shall review and comment on the report and make appropriate recommendations based thereon.”

RESOLVED, that GRMI should present the FY 2007 report to the JEMFAC, without delay but in any event, no later than January 15, 2008 for their review and comment before submission to the President of the United States during February 2008.

The JEMFAC recommends that the Section 215 Report contains the following information:

1. A review of economic developments in the RMI
 - Economic growth, sectoral developments, and the structure of the economy and income distribution
 - Employment and wages
 - Inflationary data
 - Balance of payments and external debt
 - Fiscal developments
 - Prospects
 - Short-run prospects
 - Medium-term to long-term outlook
 - Policy developments
 - Policy developments, including changes to the regulatory and legal environment
 - Challenges for the amended Compact
2. Financial Report
 - 2.1 The FY07 Budget Submission
 - 2.2 FY07 Financial Outcome. Overall fiscal position; a picture of total revenues and expenditures
 - 2.3 Compact Sector Grant Usage
 - 2.3.1. Fund usage and expenditure
 - 2.4 Federal Programs
 - 2.4.1. List of federal programs and funds received by the government and discussion of fund usage and benefits derived.
3. Sector Grant Usage and Performance
 - Performance report for each department/office/agency

- Strategic Goals: progress in achievement of strategic goals. List of strategic goals and associated outcome performance measures if specified in FY07 budget and their rationale.
- Discussion of Outcomes: table of benchmarks (FY03 levels, targets specified in FY07 budget and attainment by year end.
- Financial Performance: table of budget allocations agreed by JEMFAC and actual expenditures detailed by strategic goal, activities. Discussion of financial performance – problems with disbursement, under performance, capacity constraints, cost overruns, etc.
- Service Delivery: table of budgeted outputs compared with outputs delivered broken down by strategic goal and activity. Discussion of success, problems encountered, lessons learned and future actions,

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