

JOINT ECONOMIC MANAGEMENT AND FINANCIAL ACCOUNTABILITY COMMITTEE
ANNUAL MEETING

AUGUST 29, 2017

ADOPTED RESOLUTIONS

Resolution JEMFAC 2017-1 Mid-Corridor Housing Project

JEMFAC recognizes the Kwajalein Development Funds (section 211(b)(2)) are permanently appropriated funds, and it endorses in principle the ongoing efforts of the GRMI to structure a financing arrangement with financial institutions to implement its Mid-Corridor Housing Project using such funds. The JEMFAC is not representing that the U.S. Government will serve as a guarantor for any financial arrangements made between the GRMI and a financial institution for such project. Any financial arrangement for the use of Compact funds for the Mid-Corridor Housing Project will be based on specific proposals presented by the GRMI to JEMFAC for its concurrence.

Resolution JEMFAC 2017-2: Support of Education Institutional Strengthening

JEMFAC resolves to make available Compact sector financial assistance for the Government of the RMI to commission a professional independent review, in collaboration with the Public School System (PSS), of the RMI's accreditation policy and to contract an independent qualified third party [or parties] to help conduct accreditation visits and validate accreditation results annually. The results of the review, and the progress made towards independent verification of accreditation results, should be presented to the JEMFAC no later than the 2018 annual meeting. In support of the RMI PSS's strategic planning and financial decrement planning efforts, JEMFAC further resolves, to make available Compact sector financial assistance for PSS to contract a qualified third party to conduct a program review of the education system and present the results of this review and recommendations, if any, arising from such review, to the JEMFAC at its annual meeting in 2018. Such review should include but not be limited to:

- 1) Identifying the legal mandates of PSS, its stated goals and objectives, and assessing PSS' consistency with its mandates and success in the achievement of its stated goals and objectives described in the PSS Strategic Development Plan.
- 2) Identifying all programs within PSS and evaluating the effectiveness of the implementation of these programs and their contribution to helping PSS achieve its overarching goals described in the PSS Strategic Development Plan.
- 3) Considering the overall fiscal framework of the GRMI and declining level of Compact sector financial assistance, review PSS' spending priorities in terms of program funding levels and their alignment with overarching goals. Review and provide recommendations on how PSS may improve organizational efficiency and reprioritize allocation of funding to meet its goals.

JEMFAC further resolves that the following grant condition shall be applied to the FY 2018 Education Sector, Supplemental Education Grant, and Ebeye Special Needs Grants:

In furtherance of the progress made under JEMFAC Resolution 2015-MT-2, all personnel funded from the aforementioned fund sources are required to undergo an annual performance evaluation and such evaluation shall be maintained as part of the personnel files and made available when requested for purposes of grant oversight or audits.

Resolution JEMFAC 2017-3: Infrastructure Projects – Professional Design and Engineering

JEMFAC resolves that for all infrastructure projects with an estimated construction cost of \$1,000,000 or more under Public Infrastructure Sector (211(d)), Ebeye Special Needs Capital (211(b)(1)), or the Kwajalein Development Fund (211(b)(2)), subject to consultations with the RMI Program Management Unit, such projects shall be supported by a Project Development Plan and documents submitted to the Office of Insular Affairs demonstrating the project was designed by a professional engineering and design firm, with appropriate qualifications and experience, prior to the issuance of grant funds for construction.

Resolution JEMFAC 2017-4: Fiscal Year 2018 Resolutions

JEMFAC resolves that the following amounts are allocated for Fiscal Year 2018 Compact of Free Association, as Amended, Grant assistance, subject to the terms and conditions of JEMFAC Resolution 2017-2 and 2017-3:

\$11,022,660	Education
\$ 6,869,099	Health
\$ 2,647,699	Ebeye Special Needs – Education
\$ 1,957,635	Ebeye Special Needs – Health
\$ 1,484,556	Ebeye Special Needs – Capital
\$ 180,766	Environment
\$ 2,050,000	Public Sector Infrastructure
\$ 240,780	Kwajalein Environmental Impact
\$ 2,287,410	Kwajalein Development Fund

JEMFAC further resolves that the following amounts are allocated from prior year unexpended Section 211(b)(1) and Section 211(b)(2) Compact of Free Association, as Amended, Grant assistance:

\$ 500,000	Ebeye Special Needs – Capital (Section 211(b)(1))- Ebeye Sea Wall Project
\$ 1,126,250	Ebeye Special Needs (Section 211(b)(1)) – EWSSP Phase 3
\$ 462,000	Kwajalein Development Fund (Section 211(b)(2)) – Power Generation Support