A RESOLUTION

Requesting that the Speaker of the Sixteenth Congress of the Federated States of Micronesia establish a Special Committee for the purpose of investigating apparent violations by the Executive Branch of the Financial Management Act and the National Public Service System Act.

- 1 WHEREAS, Congress has become aware that the Executive Branch
- 2 has expended funds and hired staff during Fiscal Year 2010 in
- 3 apparent violation of the Financial Management Act, 55 F.S.M.C.
- 4 201, et seq., and the National Public Service System Act, 52
- 5 F.S.M.C. 111 et seq.; and
- 6 WHEREAS, Congress has heard testimony and otherwise received
- 7 information indicating, inter alia, that the Registrar of
- 8 Corporations reclassified staff positions without adequate
- 9 funding; that the Division of Immigration and the National Police
- 10 made overtime payments with monies allocated to regular salaries;
- 11 that the National Department of Education spent funds that had not
- 12 been appropriated; that grant funds were spend without
- 13 Congressional authorization; that the Department of Finance issued
- 14 payroll checks for the National Department of Education despite no
- 15 funds being available in the relevant personnel budget; and that
- 16 the position of Chief of the National Police was filled without
- 17 being recruited by advertisement; and

18

19

20

21 WHEREAS, such actions are in apparent violation of the

- 1 Financial Management Act's prohibition on authorizing or making
- 2 any expenditure in excess of the sum made available by law, or in
- 3 advance of the availability of funds, or for purposes other than
- 4 those for which an allotment has been made, 55 F.S.M.C. 221, and
- 5 of the National Public Service System Act's requirement that
- 6 positions be recruited by advertisement for the period and by the
- 7 media which are appropriate in the circumstances, 52 F.S.M.C. 32;
- 8 and
- 9 WHEREAS, on September 22, 2010, Congress passed Resolution
- 10 No. 16-129, expressing its profound concern at such violations of
- 11 the Financial Management Act and the National Public Service
- 12 System Act; now, therefore,
- BE IT RESOLVED by the Sixteenth Congress of the Federated
- 14 States of Micronesia, Fifth Regular Session, 2010, that Congress
- 15 hereby requests that the Speaker establish a Special Committee for
- 16 the purpose of investigating alleged violations of the Financial
- 17 Management Act and the National Public Service System Act by the
- 18 Executive Branch; and
- 19 BE IT FURTHER RESOLVED that the Special Committee shall have
- 20 the authority to retain outside counsel to act as Special Counsel
- 21 to the Committee; and

22

23

24

25 BE IT FURTHER RESOLVED that the Special Committee shall

2 of 3

```
1 report its findings to Congress and make recommendations for
 2 further action including, if warranted, the appointment of a
 3 Special Prosecutor; and
        BE IT FURTHER RESOLVED that that certified copies of this
 5 resolution be transmitted to the President of the Federated States
 6 of Micronesia.
7
 8 Date: <u>9/25/10</u>
                   Introduced by: <u>/s/ Paliknoa K. Welly</u>
                                             Paliknoa K. Welly
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
```

3 of 3