

A RESOLUTION

Requesting the President of the Federated States of Micronesia to appoint a task force to work on the issues raised by the Uniform Guidance pertaining to the U.S. financial regulations.

1 WHEREAS, on July 13, 2017, The FSM's Auditor Deloitte held
2 an exit meeting with members of Congress; and

3 WHEREAS at that meeting Deloitte informed members of
4 certain changes in U.S accounting rules known as the "Uniform
5 Guidance" that have recently become applicable; and

6 WHEREAS under the new rules, the National Government will
7 become accountable for any accounting problems of the states,
8 including but not limited to questioned costs and payments due to
9 the grantors; and

10 WHEREAS such rules will apply to the amended Compact and
11 federal grants recipients; and

12 WHEREAS, the new rules thereby impact the relationship
13 between the national and state governments; now, therefore,

14 BE IT RESOLVED that the President of the FSM is promptly
15 requested to appoint a working group to discuss the impact of the
16 new Uniform Guidance rules on the structure of the FSM and the
17 relationship between the states and the National Government; and

18 BE IT FURTHER RESOLVED, that the working group should
19 present its conclusions to the next State-National Leadership
20 Conference; and

1 BE IT FURTHER RESOLVED that certified copies of this resolution
2 shall be transmitted to the President of the Federated States of
3 Micronesia, the Governors and Speakers of each state of the nation
4 and the President of the Chuuk State Senate.

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6 Date: _____ Introduced by: _____
Wesley W. Simina

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