



**GOVERNMENT OF KOSRAE**  
**Office of the Governor**  
**Kosrae State**  
**Post Office Box 158**  
**Tofol, Kosrae FM 96944**  
**Telephone (691) 370-3002/3003/3009**

June 21<sup>st</sup>, 2023

The Honorable Semeon J. Phillip  
Speaker  
13<sup>th</sup> Kosrae State Legislature  
Tofol, Kosrae FM 96944

Dear Mr. Speaker,

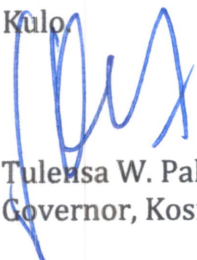
Kulo kaksakin God ke moul lasr kewa. Pain kom ac Honorable Members ke Sroasr Masap kewa.

Nga engan in akkeyela L.B. No. 13-46, nuke pusren masap suc orella State Law No. 13-20 suc title kac an fahk oinge:

**"TO APPROPRIATE THE AMOUNT OF \$25,000.00 FROM THE FOREIGN AASISTANCE FUND OF THE KOSRAE STATE TREASURY TO PROVIDE FUNDING FOR MICRONESIA CONSERVATION TRUST (MCT) PROTECTED AREA NETWORK/BLUE PROSPERITY MICRONESIA COORDINATOR IN THE STATE OF KOSRAE; AND FOR OTHER PURPOSES."**

Copy ke masap se inge pa attached nuke letter u.

Kulo,

  
Tulensa W. Palik  
Governor, Kosrae State

**RECEIVED**  
**JUN 21 2023**

BY: *KSL/Kuta @ 3:19p*



THIRTEENTH KOSRAE STATE LEGISLATURE  
P.O. BOX 187  
TOFOL, KOSRAE STATE  
FEDERATED STATES OF MICRONESIA 96944  
TELEPHONE: (691) 370-3019/3177

Semeon J. Phillip  
SPEAKER

Salpasr E. Tilfas  
VICE SPEAKER

Andy J. Andrew  
FLOOR LEADER

LELU:  
Alik S. Isaac  
Bob H. Skilling  
Moses M. Thomson  
Salpasr E. Tilfas  
Yoshiro L. Abraham

TAFUNSAK:  
Lyndon H. Jackson  
Nena C. Ned  
Ramsey S. George  
Ruthsina R. Jonah

MALEM:  
Artson S. Talley  
Sasaki L. George  
Semeon J. Phillip

UTWE:  
Andy J. Andrew  
Yamado A. Melander

June 20, 2023

The Honorable Tulensa W. Palik  
Governor  
State of Kosrae  
Kosrae, FSM 96944

Dear Governor Palik,

I have the honor to transmit herewith for your consideration and action **L.B. No. 13-46, TO APPROPRIATE THE AMOUNT OF \$25,000.00 FROM THE FOREIGN ASSISTANCE FUND OF THE KOSRAE STATE TREASURY TO PROVIDE FUNDING FOR MICRONESIA CONSERVATION TRUST (MCT) PROTECTED AREA NETWORK/BLUE PROSPERITY MICRONESIA COORDINATOR IN THE STATE OF KOSRAE; AND FOR OTHER PURPOSES.**, which passed the Legislature, Third Special Session, by two-thirds of the members of the Legislature, a quorum being present.

Respectfully yours,

  
Martha B. Talley  
Chief Clerk  
Thirteenth Kosrae State Legislature

Enclosures



THIRTEENTH KOSRAE STATE LEGISLATURE  
THIRD SPECIAL SESSION  
KOSRAE, FM 96944

A BILL FOR AN ACT

TO APPROPRIATE THE AMOUNT OF \$25,000.00 FROM THE FOREIGN ASSISTANCE FUND OF THE KOSRAE STATE TREASURY TO PROVIDE FUNDING FOR MICRONESIA CONSERVATION TRUST (MCT) PROTECTED AREA NETWORK/BLUE PROSPERITY MICRONESIA COORDINATOR IN THE STATE OF KOSRAE; AND FOR OTHER PURPOSES.

INTRODUCED BY: Floor Leader Andy J. Andrew (By Request)

DATE: June 15, 2023

ACTION BY THE LEGISLATURE

PASSED FIRST READING: June 15, 2023

REFERRING TO: S.C.R. No. 13-42 – Adopted on June 12, 2023

PASSED SECOND READING: June 19, 2023

  
\_\_\_\_\_  
Martha B. Talley  
Chief Clerk  
13<sup>th</sup> Kosrae State Legislature



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Semeon J. Phillip

**UTWE:**  
Andy J. Andrew  
Yamado A. Melander

LEGISLATIVE BILL NO. 13-46

We hereby certify that the foregoing Bill has passed Second and Final Readings in the Legislature, Third Special Session, 2023, by two thirds of the members of the Thirteenth Kosrae State Legislature, a quorum being present.

Semeon J. Phillip  
Speaker  
13<sup>th</sup> Kosrae State Legislature

Martha B. Talley  
Chief Clerk  
13<sup>th</sup> Kosrae State Legislature

THIRTEENTH KOSRAE STATE LEGISLATURE

THIRD SPECIAL SESSION, JUNE 2023

L.B. No. 13-46

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A BILL FOR AN ACT

To appropriate the amount of \$25,000.00 from the Foreign Assistance Fund of the Kosrae State Treasury to provide funding for Micronesia Conservation Trust (MCT) Protected Area Network/Blue Prosperity Micronesia Coordinator in the State of Kosrae; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

1           Section 1. Appropriation. The amount of \$25,000.00 is hereby appropriated from the Foreign  
2 Assistance Fund of the Kosrae State Treasury for the purpose of funding Micronesia Conservation  
3 Trust (MCT) Protected Area Network/Blue Prosperity Micronesia Coordinator in the State of Kosrae

4           Section 2. Allottee and Lapse Date. All funds appropriated by this act shall be allotted,  
5 managed, administered and accounted for in accordance with applicable laws. The allottee of the  
6 funds appropriated shall be the Governor of the State of Kosrae, who shall be responsible for  
7 ensuring that these funds, or so much thereof as may be necessary, are used for the purpose for  
8 which are appropriated and that no obligations are incurred in excess of the sum appropriated. The  
9 authority of the allottee to obligate funds appropriated by this act shall lapse on May 31<sup>st</sup>, 2024.

10           Section 3. Effective Date. This act shall become law upon approval by the Governor or upon  
11 its becoming law without such approval.

12 PASSED BY THE 13<sup>TH</sup> KOSRAE STATE LEGISLATURE ON THE 19<sup>TH</sup> DAY OF JUNE, 2023.

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16 Semeon J. Phillip   
Speaker, 13<sup>th</sup> Kosrae State Legislature

THIRTEENTH KOSRAE STATE LEGISLATURE

THIRD SPECIAL SESSION, JUNE 2023

L.B. No. 13-46

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Attested by:

  
\_\_\_\_\_  
Chief Clerk

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Tulensa W. Palik  
Governor, State of Kosrae

Date: 6-21-23

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COPY



**Contract No: MCT1092WAI202334**

**Contract between: Micronesia Conservation Trust and State Government of Kosrae**

**Supported Position: State Protected Area Network/Blue Prosperity Micronesia Coordinator**

**Project period: June 1st, 2023 – May 31st, 2024 (12 months)**

**Introduction:** This Contract originated in the Federated States of Micronesia (FSM), state of Kosrae between the Micronesia Conservation Trust (hereafter called MCT), the Waitt Institute and the State Government of Kosrae, Department of Resources and Development and Department of Treasury (hereafter called Kosrae State). This Contract shall be supported by funding MCT received from the Waitt Institute on behalf of the Blue Prosperity Micronesia Program. The State Protected Area Network/Blue Prosperity Coordinator (hereafter called the PAN BPM Coordinator) shall carry out the activities under the Terms of Reference (Annex I). MCT will provide one year of salary, fringe benefits **(\$21,153.00)** and contribution to operating costs including internet, office space, fuel costs, etc. **(\$3,847.00)** for this position for a total of **\$25,000**. The administration of this position and funding shall be the responsibility of the State.

1. **Subject of Contract:** The subject of this Contract is to define the organization of this partnership by defining the rights and obligations of MCT as Blue Prosperity Micronesia fiscal sponsor and the Waitt Institute as the donor in order to successfully implement the above-mentioned project.
  - 1.1. The Services Agreement signed between MCT and the Waitt Institute on September 26<sup>th</sup>, 2022 is the guiding document for this Contract, and takes precedence over all other agreements. In more detail, all terms and conditions, articles, annexes and guidelines stated in the Service Agreement for this project are part of this Contract. MCT and Kosrae State shall be bound to this Contract and the Services Agreement for this project. This includes any further amendments to the Services Agreement as approved by Waitt Institute.
  - 1.2. On the basis of this Contract, MCT and Kosrae State shall contribute to the achievement of the requirements of the Services Agreement together with other partnering agencies performing project activities in accordance with the terms and conditions as stated in this Contract. The parties to this Contract shall carry out the work in accordance with the timetable using their best efforts to achieve the results specified therein. They shall carry out all of their responsibilities under this Contract in accordance with recognized professional standards.
2. **Fund Disbursement and Conditions:** On the basis of the budget agreed upon between MCT and Kosrae State, and as specified in the Introduction of this Contract, MCT will provide funding to support the position of the State PAN/BPM Coordinator for no more than **\$25,000 for 1 year**.
  - 2.1. MCT will transfer 50% of the total funds to the State upon full execution of the contract, 40% transfer upon receipt and approval of report (financial and narrative reports) on the 3<sup>rd</sup> quarterly report project and the final 10% upon receipt and approval of the Final Report (Financial and narrative).

2.2. The funds shall be transferred to Kosrae State in accordance with its process or procedure of receiving outside funding support as specified in Kosrae State's Financial Management Regulations.

2.3. Kosrae State shall keep a separate account for these funds. The banking details shall be provided to MCT upon acceptance and signing of the Contract by Kosrae State.

2.4. The funds shall be paid into the following bank account:

Receiver's name: Kosrae State Government  
Bank Account Name: Kosrae Sweep account  
Bank Account No: 601-107-2292  
Bank Name: Bank of FSM - Kosrae Branch  
Account Type: Savings

2.5. Kosrae State shall use the funds exclusively for the purposes defined by the Project and in accordance with the terms and provisions of this Contract and the Grant Agreement.

2.6. Kosrae State shall not either reprogram or commingle funds with other funds.

#### **Legal Provisions:**

3.1. If any disputes arise between the parties relating to this Contract, the parties shall attempt to resolve the dispute through good faith discussions between the parties. Should such discussion fail, the parties should agree on a mutually acceptable arbitration process.

3.2. MCT may take action during the project term against Kosrae State in case of willful and/or fraudulent behavior to put a stop to dishonest actions and reclaim all the money spent fraudulently. MCT may sue Kosrae State in the appropriate court if necessary to recuperate any amount of money that may have been spent improperly or not used by Kosrae State on receipt of MCT's notification of termination that Kosrae State refuses to give back to MCT.

3.3. Any modifications to this Contract must be in writing and signed by an authorized representative of the Parties designated to act on their behalf under this Contract.

3.4. Compliance with anti-terrorism laws: Kosrae State agrees that it will use any funds received under this Contract in compliance with all applicable antiterrorist financing and asset control laws, regulations, rules and executive orders including, but not limited to the USA Patriot Act of 2001 and Executive Order 13224.

4. **Specific obligations of MCT, the Waitt Institute and the Blue Prosperity Micronesia:** MCT shall take all the steps needed to properly manage the project in accordance with the funding approved by the Waitt Institute. In addition, MCT shall:

- Ensure communications are open and transparent between all parties
- Inform Kosrae State of any essential issues connected to the project implementation without any delay.
- Be responsible for the verification that the expenditure declared by Kosrae State has been incurred only for the purpose of implementing the project and corresponds to the activities listed in the TOR.
- Transfer funds to Kosrae State in three installments.



5. **Specific obligations of the State:** Kosrae State shall respect all rules and obligations set forth in the Services Agreement. In addition, the Kosrae State shall:

- Commit to supporting the State PAN/BPM Coordinator in carrying out the activities specified in the Terms of Reference and foster the implementation of the project;
- Provide the State PAN/BPM Coordinator the facilities, equipment and material necessary to perform the project activities;
- Ensure that the State PAN/BPM Coordinator communicates to BPM on a regular basis through monthly updates via email, phone call or in person meetings;
- Ensure continuous interaction between Kosrae State and other partnering agencies;
- Provide MCT both narrative and financial report on a quarterly basis;
- Inform MCT, Waitt and BPM immediately about any delays in the performance of the activities or any circumstance that could lead to a temporary or final discontinuation of the project at the state level;
- Inform MCT, Waitt and BPM about any change in personnel, tasks or procedures of its project team;
- Maintain a sound accounting code for all transactions relating to the project;
- Provide to MCT the bank account details to transfer the funds;
- Keep separate and accurate financial records of the funds provided for the salary of the State PAN/BPM Coordinator;
- Provide to MCT necessary supporting documents relating to the project upon request.

6. **Correspondence and Notice**

6.1. The State will direct all correspondence, activity reports, and financial reports to **Drinnette James, Grants Officer and Tamara Greenstone-Alefaio Conservation Program Manager**. The individual authorized to sign modifications on behalf of MCT is **William Kostka, Executive Director**.

6.2. The person authorized to sign modifications on behalf of the State of Kosrae, **Steven Palik, Administrator, Kosrae Island Resource Management Authority**.

6.3. Correspondence and Notices shall be addressed as follows:

6.3.1. To MCT

**Drinnette James**  
**Tamara Greenstone-Alefaio**  
**Micronesia Conservation Trust**  
**P.O BOX 2177 Kolonia**  
**Pohnpei, FM 96941**  
**Tel (691) 320-5670/8903**  
**e-mail:**

6.3.2. To State

**Steven Palik**  
**Director**  
**480 Tofol Main Street**  
**Tel: (691)370-3646**  
**Email: s.asupalik@gmail.com**

7. **Prohibition Ineligibility or Suspension:** In accepting this Contract, Kosrae State's signature on this Contract certifies that neither Kosrae State nor any of its officers or managers have been convicted by a court of law of any offence, criminal or otherwise or are currently involved in such a process.

8. **Business Ethics**

8.1. Both MCT, Waitt and BPM and the State shall uphold the highest standards of business ethics in the performance of this Contract.

8.2. Neither Party shall knowingly involve itself in any business in connection with, or use information arising from this Contract, in a manner with conflicts with the interests of the other party

8.3 MCT shall ensure that its employees and the State shall participate in the Anti-fraud, Bribery and Corruption; other ethical and compliance; governance and accounting internal controls; procurement; supply chain management and other training and instruction sessions and programs provided by MCT from time to time aimed to assist the State to build its capacity within FSM and demonstrate compliance with the anti-corruption provisions.

9. **Order of Precedence:** Any inconsistency in this Contract shall be resolved by giving precedence in the following order: (a) The agreement between MCT and the Waitt Institute; (b) This Contract Document

By their execution below, MCT and Kosrae State have agreed to all the terms and conditions of this Contract, including all referenced Attachments that are hereby incorporated into and made a part of this Contract. This Contract represents the entire Agreement between the parties on this subject matter. All modifications to this Contract must be in writing and signed by persons designated to act on behalf of the parties.

To acknowledge acceptance of the terms and conditions of this Contract, including the terms and conditions of all attachments hereto, please sign in the space indicated below and return one signed original to the Executive Director of MCT. Please retain one original and the set of attachments for your records.

10. **Signature and Date**

I/We hereby agree to the terms and conditions of this Contract.

Signature

Steven Palik

Title

Director

William N. Kostka

Executive Director

Date

5-25-23

05/29/2023

For

Kosrae Island  
Resource  
Management  
Authority

Micronesia Conservation Trust

Tulieka W. Paik

Title

Governor

Lipa L. George

Director

Date

5-26-23

5-26-23

For

Kosrae State  
Government

Kosrae State Finance  
& Treasury

Johnson Asher

Attorney General

Title

Kathryn Mengennik

Executive Director

Date

06 / 05 / 2023

For





The Waitt Insitute



5/24/23

Title PAN BPM Coordinator State Contract Kosrae State\_05292023  
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Status Signed

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-  **06 / 02 / 2023**  
SENT 21:25:06 UTC Sent for signature to Kathryn Mengerink (mengerink@waittinstitute.org) from tamara@waittfoundation.org IP: 98.176.8.106
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-  **06 / 05 / 2023**  
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-  **06 / 05 / 2023**  
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**Telephone (691) 370-3002/3003/3009**

June 19, 2023

**MEMORANDUM**

**TO :** All Department/Office Directors  
Agency Heads

**FROM :** Governor, Kosrae State 

**SUBJECT :** DELEGATION OF AUTHORITY

Pursuant to Article V, Section 8 of the Kosrae State Constitution, during my absence from the State beginning June 20<sup>th</sup>, 2023 and until further notice, The Honorable Arthy G. Nena is hereby designated the Acting Governor.

Everyone's cooperation and support to this designation is requested and will be appreciated.

Kulo.

**xc :** Lt. Governor Nena  
Speaker, 13<sup>th</sup> KSL  
Acting Chief Justice, KSC  
Municipal Mayors

**"TUKENI OREKMA IN AKWOYE MWET LASR A AN SESR KOSRAE"**  
**"WORKING TOGETHER FOR THE WELLBEING OF OUR PEOPLE AND KOSRAE"**