

## Arthur Albert

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**From:** Arthur Albert  
**Sent:** Tuesday, September 22, 2009 2:50 PM  
**To:** 'Ansina Kony'; 'Henry Phillip'; 'John Bugulrow'; Likiaksa Elesha  
**Cc:** Sanfio Sony; Joseph Villazon (jvillazon@pohnpeidoe.fm); 'Margaret Margou'; 'paul hadik'; Casiano Shoniber  
**Subject:** Procurement & Travel Bidding

Dear Special Education Coordinator;

This is another guidance for your review for implementation on Procurement Documentation including Travel.

As a recipient of funds under IDEA, Part B, provisions within EDGAR require you to comply with U.S. Federal program requirements and to have internal controls to ensure that adequate competitive procurement documentation is on file. Please ensure that you follow all required procedures for obtaining bids and quotations for all procurements including travel. Please be advised that all travel beyond Hawaii or Guam absolutely requires documentation of three bids being obtained to ensure the lowest fare.

Compliance with requirements to ensure competitive bidding for all procurements will be part of the CIMS Annual On-Site Verification Monitoring visit for your program. I have attached copies of FSM national government Memorandums of the requirements for your information.

If any additional information is needed in this matter, please let me know.

Sincerely,

Arthur F. Albert  
Chief, Division of Special Services  
Department of Education  
FSM National Government

Ph.(691)320.8982/1055  
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Secretary of Finance  
&  
Administration

GOVERNMENT OF THE  
FEDERATED STATES OF MICRONESIA  
Department of Finance and Administration

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September 13, 2006

Memorandum

To : All Department and Agency Heads

From : Secretary, Finance and Administration

Subject: Procurement

Over the past several years, we have been repeatedly cited by our external auditors for non-compliance to the procurement requirements of the Compact sector grants and other US Federal Program grants. The allottees of these program grants are ultimately responsible for ensuring that grant conditions and terms are properly complied with. Our employees responsible for procurement and fund certification within the Division of National Treasury are equally obligated to make sure that program expenditures are properly documented and supported in accordance with the grants' conditions and requirements prior to disbursing grant funds.

Accordingly, starting on October 01, 2006, all Compact sector and federal program grants expenditures will be prepared and processed in accordance with the guidelines indicated below:

Requesting Department/Agency

1. Initiate and prepare obligation/expenditure documents (i.e. purchase requisitions, travel authorizations, job orders, MS payments and or contracts).
2. Procurement of personal properties amounting to \$50,000 and over and construction related projects requiring \$20,000 and above is subject to the open competitive bidding laws and requirements, unless properly waived by the President. The appropriate obligating documents (purchase requisition or contract) must be prepared and submitted to Finance for fund certification and payment along with the following documents:

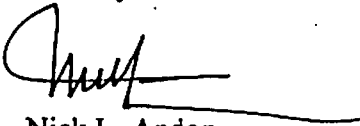
- a. A copy of the bidding announcement or waiver
- b. Written justification describing the selection criteria
- c. A copy each of at least three responding bidder proposal
- d. Written justification on sole supplier selection.
- e. Original invoice for payment

3. All other purchases, regardless of the amount will be prepared and submitted on the appropriate form (TA, Purchase Requisitions, MS payment, Job Orders, etc.) to Finance for fund certification and payment supported by the following documents:

- a. A copy each of at least three responding supplier or vendor price quotations.
- b. Written justification on sole supplier selection or waiver.
- c. Original invoice for payment

It is important that the procuring department or agency solicits and obtains price quotations from at least three vendors or suppliers, including travel transportation costs to expedite processing of purchase requisitions. All TAs will be submitted with transportation costs quotations from no less than two travel agents or travel service providers. The National Treasury employees responsible for processing the procurement requisitions must reconfirm prices before the final obligation/expenditure documents are issued.

Thank you.



Nick L. Andon

xc: The President  
Speaker, FSM Congress  
Chief Justice, FSM Supreme Court  
Public Auditor, FSM



FEDERATED STATES OF MICRONESIA  
Department of Finance and Administration

Secretary of Finance  
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JH*

June 25, 2007

MEMORANDUM

TO : All Department and Agency Heads

From : Acting Secretary

Subject: Airfare Quotation

In January 1, 2007 we have suspended our policy requiring air transportation price quotations from at least two travel providers for official travel because of the minimal price differences for air transportation quotations received from the local travel providers. The comparative price analysis focused within the FSM States and travel to Guam and to Hawaii where only one airline is serving. However, there was no comparative analysis made for travel that extends beyond Guam and Hawaii.

In view of this, effective today, for federal program and amended Compact travel expenditures, any travel that extends beyond Guam or Hawaii should be subjected to price quotations as alternative airlines service are available beyond those destinations. Travel expenditures within the Federated States of Micronesia, Guam and Hawaii do not require price quotations.

Thank you.

*[Signature]*  
Thlen K. Joseph  
Acting Secretary