

STANDING COMMITTEE REPORT NO. 17-10

RE: P.C. NO. 16-369/H&SA

SUBJECT: FY 2012 BUDGET/HEALTH SECTOR GRANTS

MAY 27, 2011

The Honorable Isaac V. Figir
Speaker, Seventeenth Congress
Federated States of Micronesia
First Regular Session, 2011

Dear Mr. Speaker:

Your Committee on Health and Social Affairs, to which was jointly referred the National Government's proposed FY2012 budget, begs leave to report as follows:

The communication, P.C. No. 16-369 is the National Government's proposed budget for fiscal year 2012 as set forth in a publication entitled National Government FY 2012 Proposed Budget (Budget Book). Pursuant to rule 7, section 7(b), of the Official Rules of Procedure of the Seventeenth Congress of the Federated States of Micronesia, your Committee has limited its jurisdiction to the review of those portions of the budget under its jurisdiction. Your Committee at this time has further limited its review to only compact health sector grant budget items. These are:

1. Department of Health and Social Affairs
 - a. Office of the Secretary
 - b. Division of Health System Support
 - c. Division of Environmental Health Services
2. Capital and Human Resources Development
 - a. Pathologist
 - b. Water and Food Laboratory

This report, and all previous and subsequent reports of your Committee, should be treated as reflecting policies of the Federated States of Micronesia, as defined by the Congress. It is the intent of your Committee that any commentary found in this

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report should be treated as policy for the guidance of the department, agencies and entities.

Your Committee on Health and Social Affairs held two public hearings in Palikir on May 18, 2011, and May 20, 2011. Present at these hearings were representatives from the Department of Health and Social Affairs, the Office of Personnel, the Office of Statistics, Budget, Overseas Development Assistance, and Compact Management (SBOC) and the President's Office.

During these two hearings your Committee heard testimony regarding all health sector grant funded budget items under its jurisdiction. The tables below summarize the items discussed and the amounts approved and are accompanied by a narrative of the relevant testimony.

1. DEPARTMENT OF HEALTH AND SOCIAL AFFAIRS

a. Administration - Office of the Secretary

	FY11 amounts	FY12 EBRC	Sector	Committee Recommends	Sector
Personnel	\$70,054	\$75,007	\$35,007	\$74,499	\$50,516
Travel	\$36,292	\$32,662	\$3,357	\$32,662	\$18,240
Contractual	\$0	\$0	\$0	\$0	\$0
OCE	\$20,340	\$20,340	\$0	\$20,340	\$0
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total	\$126,686	\$128,009	\$38,364	\$128,009	\$68,756
employees	3	3		3	

Your Committee carefully considered the budget for the Office of the Secretary and has decided to make few changes further than the EBRC already has. The Committee did however inquire with the Personnel Office as to the correct salaries for all Department employees. With this information your Committee corrected the personnel amount to total \$74,499. This gives a net decrease of \$507 from the health sector. The Executive Secretary's salary was adjusted to \$11,033 while the grade and salary for the vacant Administrative Officer position was adjusted to 36/4 and \$19,066.

In addition your Committee recommends increasing the health sector grant funding of the Office of the Secretary. This does not change the totals for the Office but only the split of fund source. Health sector funding for personnel increases to \$50,516 and health sector funding for travel increases to \$18,240.

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b. Division of Health System Support

	FY11 amounts	FY12 EBRC	Sector	Committee Recommends	Sector
Personnel	\$142,643	\$141,011	\$141,011	\$145,870	\$145,870
Travel	\$0	\$0	\$0	\$0	\$0
Contractual	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000
OCE	\$60,563	\$60,560	\$60,560	\$60,560	\$60,560
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total	\$333,206	\$331,571	\$331,571	\$336,430	\$336,430
employees	8	8		8	

For the Division of Health System Support your Committee has left the budget intact as recommended by the EBRC. This is except for the personnel amount, which was recalculated to reflect the correct salary levels as recorded in the records of the Office of Personnel. The personnel amount recommended increased by \$4,859. This increase in health sector funds is offset by the decrease in personnel for the division below.

c. Environmental Health Services

	FY11 amounts	FY12 EBRC	Sector	Committee Recommends	Sector
Personnel	\$168,907	\$198,435	\$198,435	\$163,184	\$163,184
Travel	\$11,342	\$29,880	\$29,880	\$29,880	\$29,880
Contractual	\$8,000	\$18,000	\$18,000	\$18,000	\$18,000
OCE	\$17,000	\$36,500	\$36,500	\$36,500	\$36,500
Fixed Assets	\$60,000	\$26,000	\$26,000	\$26,000	\$26,000
Total	\$265,249	\$308,815	\$308,815	\$273,564	\$273,564
employees	9	11		9	

For this Division your Committee has chosen not to fund the two new positions of National Food Inspector. Your Committee otherwise approves the EBRC budget figures with only minor changes to the personnel amounts based on actual salary amounts acquired from the Personnel Office. For this division, health sector funding is decreased by \$35,251, which is a decrease in only the personnel figure. This decrease consists of the salaries of the two new National Food Inspector positions as well as a decrease of \$7,137 due to recalculating the salaries based on Personnel's records.

2. CAPITAL AND HUMAN RESOURCE DEVELOPMENT

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	FY11 amounts	FY12 EBRC	Sector	Committee Recommend	Sector
Pathologist	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Food and Water Lab Testing	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
TOTAL	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
SOURCE	Compact				

Your Committee wishes to support the two programs under Capital and Human Resource Development in the requested amount of \$200,000 sourced from the compact health sector grant. Your Committee wishes to note that there is another line item under its jurisdiction in the capital and human resource development category funded by domestic revenues. That item is the sports facility contribution of \$600,000, your Committee wishes to wait until a later date to act upon this budget item. This note is to avoid confusion and to preempt the conclusion that the sports facility funding has been denied. A decision on the sports facility funding has been deferred until a later date.

3. CONCLUSION

After careful consideration of the compact funded budget items of the Department of Health and Social Affairs, your Committee recommends approval of a total amount from the health sector grant for fiscal year 2012 of \$878,750.

