

**College of Micronesia – FSM
Minutes of Meeting**

Committee or Working Group:	Finance Committee
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Date: October 21-23, 2008	Time: 9:00 am to 5:00 pm	Location: MITC Room
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Members Present: 12	Members Absent: 2, 1 unfilled
<ul style="list-style-type: none"> ▪ Danny D, Comptroller ▪ Joe H, VPA ▪ Jean T, VPIA ▪ Ringlen R, VPSS ▪ Jim C, VPCRE ▪ Pelma P, BO Manager ▪ Jojo P., Chk, Director ▪ Kalwin K, Ksa Director ▪ Matthias E, FMI Director ▪ Rencelly N. HRO Director 	<ul style="list-style-type: none"> ▪ Penny W, Pni Director ▪ Lourdes R, Yap Director ▪ Eddie H, FAO Director ▪ Rafael P, Bus. Div. Rep. ▪ Kimberly A, Student Rep. ▪ Jay P. Student Rep.
	<ul style="list-style-type: none"> ▪ Jimmy H, IRPO Director ▪ Debra P, SC Faculty Rep ▪ Vacant, SC Accountant

Additional Attendees:	Directors/Office Heads of all Departments (Administrative Services, Student Services and Instructional Affairs), Chuuk and FMI Fiscal Officers
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<p>Agenda : Development and Budget Hearings for COM-FSM FY 2010 Budgets</p> <p>FIRST DAY : 21 October 2008 (9:00 am to 5:00 pm)</p> <ol style="list-style-type: none"> 1. Welcoming Remarks from Chair to all Finance Committee members and other attendees. 2. Opening Remarks from COMFSM President – The President welcomed all members of FC and other attendees. He stated that Compact II funding is decreasing and reminded everyone to be mindful of the enrollment projections. The overall enrollment for Fall 2008 is way behind the projection. President advised to consider other funding source to balance revenue and expenditure budgets. He also stated that we also have to be mindful of the college’s accreditation issues. 3. <u>Chair Introduction and presentations:</u> <p>The Chair provided a power point presentations of the following:</p> <ul style="list-style-type: none"> ▪ Stages of Budget process ▪ COM-FSM Budget ▪ Budget Hearing Agenda ▪ Operations Revenue Budget ▪ Operations Expenditure Budget ▪ Operations Budget As Submitted ▪ FSM-FMI Budget ▪ Auxiliary Enterprise Budget ▪ Infrastructure Development Project ▪ Land Grant Project ▪ SEG Project ▪ US – DOE TRIO Programs’ Budget

13. Budgets for Instructional Affairs were presented by VPIA and Division Chairs,
- Office of the VPIA - \$ 366,099 (FY'09 - \$358,252)
 - Social Science Div - \$ 146,431 (FY'09 - \$ 140,487)
 - Education Division - \$ 360,025 (FY'09 - \$ 360,483)
 - Business Division - \$ 241,595 (FY'09 - \$ 233,352)
 - Math and Science - \$ 564,777 (FY'09 - \$ 574,888)
 - Language and literature - \$ 476,497 (FY'09 - \$ 498,503)
 - Agriculture - \$ 60,124 (FY'09 - \$ 52,077)
 - ESS - \$ 42,265 (FY'09 \$ 44,065)
 - LRC/MITC - \$ 419,863 (FY'09 - \$ 412,787)

14. Budgets for Administrative Services were presented by VPA Joe Habuchmai and Directors/Comptroller of each office:
- Office of the VPA - \$ 73,245 (FY'09 - \$73,007)
 - Business Office - \$ 391,525 (FY'09 - \$ 391,485)
 - DCR - \$ 76,700 (FY'09 - \$ 66,376)
 - HR - \$ 358,375 (FY'09 - \$ 261,619)
 - IRPO - \$ 132,576 (FY'09 - \$ 126,026)
 - IT - \$ 389,700 (FY'09 - \$ 314,197)
 - Facilities and Security - \$ 1,226,005 (FY'09 - \$ 960,925)
 - Bookstore - \$ 102,202 (FY'09 \$ 101,185)
 - Cafeteria - \$ 702,329 (FY'09 - \$ 588,811)

15. Infrastructure Development Projects (IDP) were discussed with Facility and Maintenance Director Francisco Mendiola. All existing IDP were reviewed vis-à-vis appropriated IDP funds from FY 2005 to 2009 in considering the level of IDP fund to be requested for FY 2010. The Committee agreed to request the remaining balance of \$500k to complete the LRC Vocational and \$2 Million for Phase I of Chuuk Campus permanent site. It was noted that appropriation law for FY 2009 has not been received. Please refer to the IDP worksheet developed during the meeting.

16. Balancing of FY 2010 Budget:

- Alternative I - Submitted budget less detailed budget cuts per office
- Alternative II
 - Base Budget + Increment according to priorities
 - Increase in revenue from tuition fee
 - FSM appropriation to be allocated to campuses including instructions at National campus based on percentage of fund balance deficit after increasing tuition
- The Committee agreed to use alternative II. Summary of Alternative II are as follows:

Total Deficit of Campuses (excluding system support budgets)	\$ 1,618,319
Less : Allocation of excess from 3.9M	<u>557,682</u>
Deficit after allocation	\$1,060,637
Budgets to be funded from tuition increase	<u>723,400</u>
Unfunded FY 2010 submitted budgets	<u>\$ 342,974</u>

Breakdown of unfunded submitted budgets:

National - \$ 160,520
Pohnpei - \$ 51,176
Chuuk - \$ 22,067
Kosrae - \$ 71,884
Yap - \$ 37,307

Total - \$ 342,974

- Items for consideration in the balancing of budget:
 - Salary increments for step increases will be provided in consideration of the existing policy of the college.
 - State Campuses to provide a new position for Security Supervisor. Shift Supervisor at National campus is not to be provided for FY 2010.
 - Two new positions, Webmaster and Programmer were recommended.
 - Benefits should be based on actual (SSS, Insurance, health and retirement).
 - Budgets for increments in utilities to be fully provided for.
 - Provision for housing will only be for faculty and staff with existing housing. Housing for vacant and unfilled positions will be categorized as another line item. Housing budget will not be used for reprogramming.
 - Accreditation expenses to be provided for.
 - Supplies, contracts and travel will be based at FY 2009 level. Travel budget may provide for car rental.
 - Computers and IT equipments will be funded from IT fund.
 - Washing machine for dormitory students to be considered in FY 2010 budget.

Handouts/Documents for the Meeting:

1. Submitted budget for FY 2010 by all Offices
2. Institutional Priorities

Prepared by:

Date Distributed:

Adoption of Minutes by FC & Responses: