

College of Micronesia – FSM Budget 2015 Timeline

The following timeline for developing the FY 2015 budget is based on the College Budget development Handbook prepared earlier for the college to follow. The development is also greatly affected by the decision of JEMCO to reduce Compact Education Sector Grant (ESG) funding by \$2.8 million over four years. The (ESG) funding for 2015 will be at the level of \$1.7 million. The BOR approved the increase of tuition to \$125 per credit effective Fall of 2014.

Date	Action	Responsible	Comments
8/22-9/27	Training by IRPO faculty, ICs, VPs on the worksheets for the performance budgeting and line item budget .	IRPO Office	Training for Pohnpei and National faculty will be on _____. Other dates to be established.
Base projections due 8/30 for committee review Committee review by 9/13 Finalize by 9/27	Revenue Projections for the 2015 Budget Based cost should be established for each year - TCO	IRPO Comptroller Financial Aid OAR VPs	
10/11	Determine resource allocations based on program assessment – reviewing revenue projections and program needs, integrated educational master plan and institutional priorities	VPs and Program Heads	Based on revision of FY 14 budget and FY 15 projections
10/18	Resource allocations be reviewed by PRC and Finance Committee	PRC Finance Committee	Use Consolidated Educational Master plan as source of reference.
10/24 due from divisions and offices 10/31 review completed by VPs	Budget Worksheets are completed	Department Campus Units	
11/15	Compilation of the 2015 budget	IRPO	
12/31	Input College budget into FSM	VPs, Campus Deans, IRPO	

Date	Action	Responsible	Comments
	PBD system		
12 (first week?)	2015 College Budget presented to BOR	President	Approved performance and figures
1/15/14	College 2015 presented to FSM President	President	

Budget Guidelines for Developing The FY 2015 Budget

General

- The 2015 budget will align with lines of authority through departments and campuses.
- The 2015 budget will address priority issues from the college's new Educational Master Plan and its individual components (instructional, long term financial, facilities, human resources and technology).
- The 2015 budget will ensure adequate funding to support accreditation.
- The 2015 budget aligns to support strategic goals/broad educational purposes and objectives linked to SLOs to ensure continuous improvement of the college.

Budget Process

- Timelines for developing the 2015 budget will be established by the VPAS, IRPO, VPIEQA in coordination with PRC and approved by the President.
- The VPAS will lead the development of the 2015 budget.
- Using assessment results and priorities from the Tracdat and Educational Master Plan to develop the 2015 goals, objectives, strategies, and action steps. IRPO is responsible for training and compiling budget information through the VPs and Campus Deans.
- The 2015 budget will be developed using the Budget Preparation System (BPS) of the FSM National Government. IRPO will coordinate the inputting of the budget information.
- The respective office directors/division heads will develop the budget by preparing the budget worksheets to be provided by IRPO.
- Vice – presidents are responsible in conducting budget hearings with their respective offices to ensure the accuracy of the proposed budgets and its linkage with the objectives of performance items.
- The vice – presidents will be responsible in balancing the budget and communicate the recommended budget to the respective offices.

- The balanced budget will be presented to Planning and Resources Committee and Cabinet for review, discussions, adjustments and recommendation.
- The President will transmit the budget to the board for action December 2013 board meeting.
- Upon approval by the board, the President will transmit the budget to FSM National Government on or before January 2014.

Revenue Projections

- The instructional department and campuses will recommend the number of projected enrollment.
- IRPO Office will provide relevant data for the revenue projections.
- The FTE of 12/12/5.5 will be used in the revenue projection.
- The college will raise tuition fee by \$10 per credit, from \$115 to \$125 effective Fall 2014 and capture the same level of enrollment despite the tuition increase.
- The college will change the policy on indirect cost to generate additional funding for the college.
- The college will consider the \$2.1k support from FSM National Government's domestic revenue for 2013,2014, and 2015.
- The college will reflect the decrement of funding support from ESG from \$2.4M to \$1.7M for 2015.

Resource Allocation

- The allocation of resources will be determined based on the existing structure and assessment and review of programs and services.
- Any increase of resource allocation from FY 2014 budget must be justified in details.
- Any new positions must be approved as per college procedures for creating new positions.
- Positions that have not been filled – up for 2 years and more must be reviewed carefully.
- The allocation of resources for the total cost of ownership will be based on the facility plan and the Space Utilization and Energy Study outcomes.

FSM – FMI

The results of the review of the MOU and the restructuring will be used for the development of the FY15 budget.

IDP

The outcome of the space utilization and energy study will be used for planning and allocations of TCO in the 2015 operations budgets.

BOR BUDGET

The BOR Budget will be transmitted to FSM National Government along with the Operations Budget.

SEG and Assistance to FSM Students

SEG budget will be developed by Office of Financial Aid and Division of Education with assistance from VPAS Office. The SEG budget will be transmitted to FSM National Government together with the Operations Budget.

Agenda Item 10.c

FY 2013 Budget Development Guidelines

Recommended Directive: The FY 2013 Budget Guidelines are hereby approved.

Discussion: The Budget Guidelines for FY 2013 are designed to assist the college with meeting accreditation concerns and implementation of the college master plan and its individual components to promote continuous improvement at the college. *It needs to be noted that the budget guidelines were developed prior to receipt of the proposed JEMCO resolution on reductions in the Education Sector Grant of \$2,800,000 over four years beginning with FY 2013. If the proposed resolution is adopted at the JEMCO meeting in Honolulu the first week of September 2011, there will be significant changes in the revenue structure of the college. However, the college must still meet accreditation concerns and implementation of major planning for the college.*

Budget Guidelines for Developing The FY 2013 Budget

General

- The 2013 budget will align with the college's revised organizational structure that focuses on lines of authority through departments.
- The 2013 budget will address priority issues from the college's plans including its master plan and its individual components (instructional, long term financial, facilities and technology), communication plan and other relevant plans and priorities of the college.
- The 2013 budget will ensure adequate funding to address specifics of accreditation concerns.
- The FY 2013 budget will take into account the JEMCO resolution regarding long term financial planning in preparation for the new financial reality in FY 2023.
- The 2013 budget will relate funds to strategic goals and objectives to allow performance reporting to internal and external stakeholders.
- The 2013 budget will link planning, evaluation and resource allocation and support continuous improvement of the college.
- The balanced FY 2013 budget will be presented to the Board at their December 2011 meeting for its review and consideration.

Budget Process

- The President and Vice Presidents will oversee their respective budget development in coordination with campus directors, office/division heads, and instructional and student services coordinators and other appropriate faculty and staff. Budget will include both performance and line item detail necessary for inclusion in the FSM BPS format (or other format as required by the FSM SBOC) based on worksheets to be provided.
- IRPO/VPAS will work with FSM SBOC regarding developing a flexible FSM BPS data entry system with multiple access points for the college to allow direct entry by departments in the BPS. Training assistance will be requested from FSM SBOC in use of the BPS system (or other system used for budget development by the national government).
- Timelines for developing the 2013 budget will be established by the Planning and Resources committee and included in supervisors work planning forms for the 1st and 2nd quarters FY 2012.
- The BOR approved budget will be transferred into the FSM BPS for submission to the FSM National Government in January 2012.

Revenue Issues

Planning and Resources committee will generate comprehensive revenue projections for FY 2013 and expenditure analysis for FY 2011:

- Enrollment trends including associated credits
- Tuition Associated rates of student debt
- Retention and persistence rates
- Graduation rates (length of time for students to complete a program of study)
- Expenditure patterns against budgets
- Fees generated by the college
- Funds the college receives from:
- Contacts & training
- Indirect costs
- Sponsored programs projections
- Amount of national and state support with emphasis on the Education Sector Grant (ESG) which was \$3,800,000 in FY2012. An analysis also needs to be prepared as the possible reduction in the ESG and conditions that might trigger a reduction.
- Amount of funding from the Supplemental Education Grant (SEG). FY 2012 funding was \$684,107.
- Other revenue sources of the college.

Resource Allocation

The Planning and Resources Committee will recommend revenue allocations by Departments based on consideration of program assessment and review, college plans and evaluation, accreditation concerns and other factors to be identified by the PRC.

- The President and Vice Presidents will recommend allocations among their respective offices, divisions and campus after consultation with appropriate college faculty and staff based on consideration of program assessment and review, college plans and evaluation, accreditation concerns and other factors to be identified by the department.
- New positions must be approved as per college procedures for creating new positions.
- Budgeting for total cost of ownership and fixed costs must be realistic and reflect the needs for the complete fiscal year.
- The President will be notified of any positions that have not been filled for a complete fiscal year. Determination of whether or not to include the unfilled positions will reside with the President.

FSM – FMI

FMI budget is to be maintained at FY 2012 level unless a higher level is recommended by the FSM National Government prior to submission of the college's balanced budget to the BOR in December 2011. The FMI budget must be balanced against FSM National Government allocations.

IDP, SEG and Assistance to FSM Students

The capital improvement budget is to follow the facilities master plan and incorporate findings of the instructional master plan and long term financial plan. Funding for total cost of ownership will be identified as part of the IDP development process.

SEG budget will be developed by Office of Financial Aid and Division of Education with assistance from IRPO in compilation for review by the Planning and Resources Committee and other appropriate standing committees prior to submission to the FSM President.