

AGENDA ITEM NO. 11.a.

FY2017 Operations Budgets

RECOMMENDED DIRECTIVE:

The following proposed operations budget for FY2017 of \$13,524,169 is hereby approved.

DISCUSSION: Management was tasked with the development of the College's operations budget for FY2017 in accordance with the budget guidelines approved by the board. Campus and office directors/heads prepared the budgets in coordination with staff/faculty and in consultation respective vice-president to ensure that the development of budgets is in accordance with institutional priorities. The Vice President for Administrative Services and the Comptroller were tasked to lead the process of budget development.

General Highlights:

- The operations budget consists of the Office of the President (Office of the President and subsidy to CRE), Institutional Advancement Office, 4 state campuses (Pohnpei, Chuuk, Kosrae, and Yap), Institutional Effectiveness and Quality Assurance Department (Office of VPIEQA, IRPO, ITO), Instructional Affairs Department (Office of VPIA, Social Science, Education, Business, Math & Science, Lang & Lit, Health Science divisions and LRC), Administrative Services Department (Office of VPAS, HRO, Business Office, Maintenance), and Enrollment Management and Student Services Department (Office of VPEMSS, OAR, FAO, Counselling, Sports, Health, Student Life, and Residence Hall).
- The level of FY 2017 budget of \$13,524,169 is 9% higher compared with prior year budget of \$12,422,086.
- The budget is projected to serve 5,579 students for three semesters:

		Fall	Spring	Sum	Total
○ National campus	-	978	855	392	2,225
○ Pohnpei campus	-	710	610	322	1,642
○ Chuuk campus	-	265	240	132	637
○ Kosrae campus	-	225	220	169	614
○ Yap campus	-	<u>190</u>	<u>194</u>	<u>77</u>	<u>461</u>
Total		<u>2,368</u>	<u>2,119</u>	<u>1,092</u>	<u>5,579</u>

Revenue:

- The projected revenue consists of the following:
 - Tuition
 - National campus - \$ 3,427,490
 - Pohnpei campus - 2,125,063
 - Chuuk campus - 920,320
 - Kosrae campus - 685,537
 - Yap campus - 595,122 \$ 7,753,531
 - Student Activity / Health / Registration 278,962
 - Facility 820,676
 - Residence Hall 96,000

○ FSM – ESG	1,000,000
○ FSM – General Fund	<u>3,575,000</u>
Total	<u>\$13,524,169</u>

- The tuition and fees are based on the following assumptions:
 - The projected number of students for National, Pohnpei, Kosrae and Yap campuses were based on FY 2015 enrollment plus 1% increase which is equivalent to 55 students.
 - The projected average credit was based on the FY2015 actual average credit plus 10% increase.
- Tuition Fee - \$135 per credit
- Student Activity / Health / Registration - \$50 per student
- Facility Fee is calculated based on FY2015 actual percentage of full time and part time students plus 20% increase in full time students.

Expenditures:

- The revenue of \$13,524,69 is allocated as follows:

○ Pohnpei campus	-	\$1,681,004	or	12.43%
○ Chuuk campus	-	1,455,482	or	10.76%
○ Kosrae campus	-	837,105	or	6.19%
○ Yap campus	-	765,049	or	5.66%
○ Office of the President	-	530,961	or	3.93%
○ IAO	-	140,791	or	1.04%
○ IEQA	-	1,191,542	or	8.81%
○ Instructional Affairs	-	3,339,813	or	24.7%
○ Administrative Services	-	2,379,134	or	17.59%
○ Student Services	-	1,203,288	or	8.90%
- The breakdown of the expenditure budget according to the nature of expenditures are as follows:

○ Salaries and benefits	-	\$9,037,446	or	66.82%
○ Travel and site visits	-	375,013	or	2.77%
○ Contractual services	-	452,931	or	3.35%
○ Consumables	-	3,339,979	or	24.70%
○ Fixed assets	-	318,800	or	2.36%

Attached are details of revenue and expenditures for FY2017.

ACTION TAKEN:

- _____ Approved
- _____ Approved with modifications
- _____ Deferred to a later meeting
- _____ Disapproved

VOTE:

_____aye _____nay _____abstain

Date: _____