



COLLEGE OF MICRONESIA-FSM

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Board of Regents Updates Department of Administrative Services December 2-4, 2013 Chuuk State

The Department of Administrative Services is made up of the Office of the Vice President of Administrative Services, Maintenance and Security, the Business Office, and the Human Resources Office all are having functions college wide.

VPAS OFFICE:

The VPAS office oversees the development of the 2015 Budget following the new college Budget Manual. Executive Committee, Planning and Resources Committee, and Finance Committee provided support in terms of planning and strategies to get the budget balanced. As the Vice Presidents discussed budget strategies and allocations in cabinet and special meetings, we kept minutes of our meetings and posted them on the website. We feel that for the first time, the process we used to handle the 2015 budget development is widely shared among staff and faculty. Two all campus meetings were called and budget information was communicated to all to be informed.

Maintenance and Security Report:

Beca Space Utilization and Master Plan Study:

The draft report was submitted to the Project Control Group (PCG) on October 31, 2013 for review and comment. A meeting has been scheduled on Friday Nov. 22, to discuss the report.

National Campus Residence Halls:

Emergency exit doors for the residence halls have been replaced with metal doors and are equipped with alarm system. This was initiated to improve residence student safety.

National Campus Water Supply:

Water supply to the National Campus has improved after connecting the well pump to the classroom generator.

Student Transportation:

A 25 passenger bus has been purchased and arrived Pohnpei on Nov. 15. The bus will replace the campus shuttle bus while the campus shuttle bus will replace the residence hall bus. The new bus will begin operation by Monday Nov. 25.

Residence Hall Generator:

Attempts to repair the generator for the residence hall is still in progress however, due the age and increasing cost to repair and maintain the unit, it is recommended that a new 100 Kilo Watt generator is purchased to replace this unit. Price quotations for a new unit have been received and will be submitted for processing.

Excavator and Front Loader for the College:

Pohnpei Campus Director Grilly Jack have coordinated a training for heavy equipment operator beginning Nov. 23. Students in the field of construction along with maintenance staff will participate in the training.

Campus Security:

System wide Campus Security reports including annual crime statistics and campus security reports have been completed and submitted online to US Department of Education Crime Survey office. These reports are required for institutions under Title IV receiving federal program financial aid.

Kosrae Campus Fire Drill:

Kosrae Campus maintenance and security staff conducted a their first fire drill and activated the fire hose and fire hydrant to test its water pressure and hose capacity.

COM-FSM FINANCIAL STATUS REPORT:**1. Statement of Revenue and Expenditures for the Year Ended September 30, 2013**

- The results of operations for unrestricted and restricted funds for the year ended September 30, 2013 indicate a break even operation with slight positive fund balance (FB) change of \$62k.

- The breakdown of FB change per campus are as follows:

Unrestricted:

• National campus	-	\$ 81k	
• Pohnpei campus	-	(56k)	
• Chuuk campus	-	56k	
• Kosrae campus	-	47k	
• Yap campus	-	1k	
• FMI	-	<u>13k</u>	
		\$ 142k	
Restricted		<u>(80k)</u>	
Net fund balance change		<u>\$ 62k</u>	

Refer to Attachment 1 for details.

- The beginning fund balance for fiscal year 2013 will be reduced by the expenditures funded by fund balance amounting to \$786k, and by the non-cash item from depreciation estimated at \$900k, or a total of \$1.686 Million.
- Based on the above tentative statement of revenue and expenditures for the year ended September 30, 2013, expenditures from fund balance and estimated depreciation for the year 2013, the fund balance will drop by \$1.624 Million:

Unrestricted net assets (fund balance), beginning	-	\$9.186 Million	
FY 2013 operations:			
Results of operations	-	\$ 62k	
Use of fund balance	-	(786k)	
Estimated depreciation	-	<u>(900k)</u>	<u>(1.624</u>
Million)			
Unrestricted net assets (fund balance), end		<u>\$7.562</u> Million	

2. Comparison of actual number of students and credits with the projection for fiscal year 2013

Number of Students:

	<u>Actual</u>	<u>Projection</u>	<u>Difference</u>
National	2,595	2,428	167
Pohnpei	1,564	1,555	9
Chuuk	985	1,139	(154)
Kosrae	634	551	83

Yap	<u>524</u>	<u>594</u>	(<u>70</u>)
Total	<u>6,302</u>	<u>6,267</u>	<u>35</u>

Number of Credits:

	<u>Actual</u>	<u>Projection</u>	<u>Difference</u>
National	28,041	26,179	1,862
Pohnpei	15,458	16,259	(801)
Chuuk	10,640	12,279	(1,639)
Kosrae	5,128	5,343	(215)
Yap	<u>5,148</u>	<u>5,699</u>	(<u>551</u>)
Total	<u>64,415</u>	<u>65,759</u>	<u>(1,344)</u>

Difference of the Average Credit: Actual vs. Projection

	<u>Fall 12</u>	<u>Spring 13</u>	<u>Summer 13</u>
National	0.1	(0.1)	(0.3)
Pohnpei	(0.8)	(1.3)	(0.4)
Chuuk	0.9	0.2	(0.2)
Kosrae	(1.4)	(2.5)	0.5
Yap	<u>(0.9)</u>	<u>0.6</u>	<u>(0.3)</u>
Total	<u>(0.3)</u>	<u>(0.5)</u>	<u>(0.2)</u>

Though the actual number of students is higher than the projection, the projected number of credits was not achieved. Students are taking lesser number of credits particularly in Kosrae and Pohnpei campuses.

3. Financial and Single Audit for FY 2013

- The financial and single audit will again be conducted by Deloitte and Touche.
- Business office is in the process of performing reconciliation and analyses of accounts, preparation of audit schedules and inputting the year – end closing and adjusting entries.
- Business office has conducted physical inventory and reconciliation of fixed assets, and training in the implementation of the strengthened internal control on fixed assets to resolve the 2012 audit findings.

4. Endowment Fund

- The current market value of endowment fund as of September 30, 2013 is \$3.934 Million or an increment by \$237k or by 6% compared with the previous quarter of \$3.697 Million as of June 30, 2013.
- The breakdown of the market value per money manager as of September 30, 2013 are as follows:

<u>Allocation</u>	<u>Money Manager</u>		<u>Market</u>	<u>Value</u>
– Aristotle (LC Value)	-	\$	912k	23.2%
– Renaissance (LC Growth)	-		486k	
12.3%				
– TCW (S/M Cap Growth)	-		219k	
5.6%				
– SEIX (Fixed Income, U.S.)	-		629k	
16.0%				
– Templeton Global (Fixed Income, Non U.S.)	-		269k	6.8%
– Brandes (Mature market, Non U.S.)	-		825k	21.0%
– Lazard (Emerging, Non U.S.)	-		399k	10.1%
– iShares ETF	-		195k	5.0%
Total			<u>\$ 3.934k</u>	
<u>100.0%</u>				

The above asset allocations are in accordance with the investment policy.

5. Fund Raising

- The total fund raising receipts for the fiscal year 2013 was \$68k.
- The amount raised for the year is short by \$32k or by 32% compared with the fund raising target of \$100k per annum.

HUMAN RESOURCES BOR UPDATES:

Recruitment

1. 15 hires; 2 are instructors, 1 agent, 2 system specialists, and 10 are in the area of maintenance and clerical support.

Retention Rate

Campus	# of Personnel	Retention Rate	Departure Rate
National Campus	169	99.4%	.06% [1]
Pohnpei Campus	77	96.2%	3.8% [3]
Chuuk Campus	45	97.8%	2.2% [1]
Kosrea Campus	35	100%	
Yap	31	100%	
FMI	21	100%	
TOTAL	378	98.7%	1.3% [5]