



DEPARTMENT FOR ADMINISTRATIVE SERVICES

AS REPORT TO THE Board of Regents

BUSINESS OFFICE | MAINTENANCE & FACILITY | PROCUREMENT & PROPERTY MANAGEMENT

ACCESS | INNOVATION | RESILIENCE

April 14-19, 2024, Meeting, Weno, Chuuk

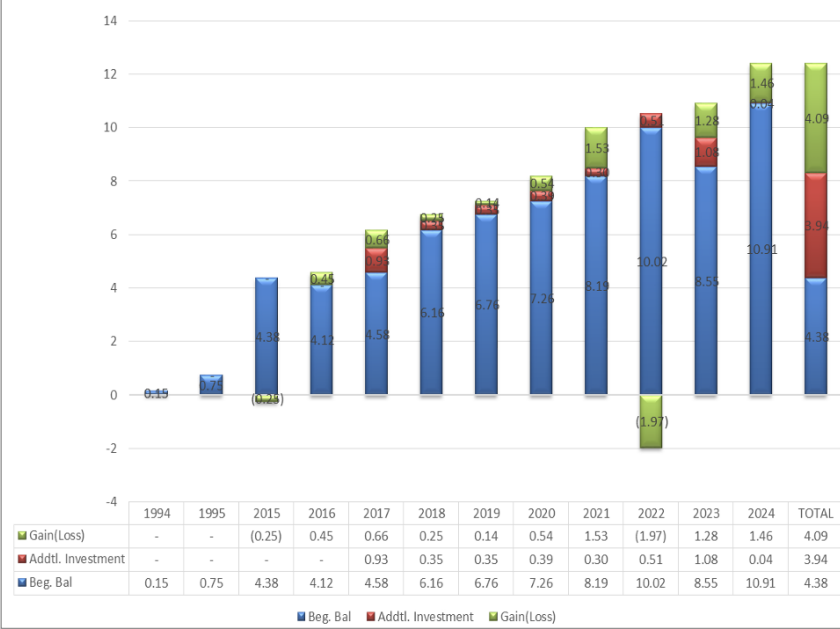
BUSINESS OFFICE | **UPDATES**



COLLEGE ENDOWMENT FUND SEES \$1.5M INCREASE: UNREALIZED MARKET GAINS AND NEW INVESTMENTS DRIVE 14% GROWTH

Since October 1, 2023, the endowment fund has seen a notable increase, rising by 14%, equivalent to \$1.5 million. This growth primarily stems from an unrealized market gain of \$1.46 million, coupled with an additional \$40,000 in investments.

Endowment Fund (USD in millions) as of February 29, 2024

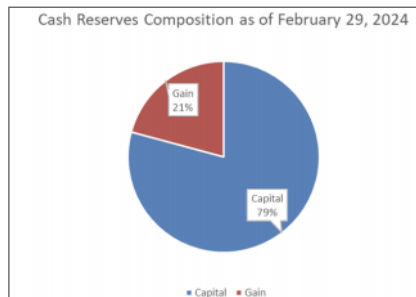
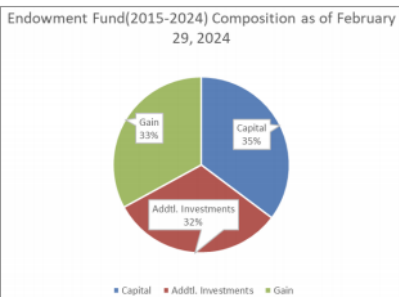


FINANCIAL GROWTH: CASH RESERVES AND INVESTMENTS SURGE SINCE OCTOBER 2023

The cash reserves fund experienced a 9% increase, totaling \$317K, credited to unrealized market gains since October 1, 2023. Furthermore, the overall investment portfolio soared by 13%, reaching \$1.81M. This surge was fueled by unrealized market gains of \$1.77M along with an additional investment infusion of \$40K since the aforementioned date.

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INVESTMENT COMPOSITION AS OF FEBRUARY 29, 2024: ENDOWMENT FUNDS, RESERVES, AND TOTAL INVESTMENT



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OFFICE OF THE VPAS UPDATES

Joseph Habuchmai
Vice President for Administrative Services

Credit Card Transfer Progress. The credit card transfer from Joseph Habuchmai to Dr. Theresa Koroivulaono is still in progress. We have fulfilled all the necessary requirements with the Bank of Guam, and we are currently awaiting the final release of the transfer to us.

ATM Machine Installation. We have successfully secured the installation of an ATM machine at the National Campus through the Bank of Guam. The machine is expected to arrive from Guam soon. Once it arrives, it will be placed inside the back of the Library with an access door. It will be enclosed with air conditioning and equipped with 24/7 security cameras inside and outside, ensuring safety for both the college and the community.

Chuuk Campus Snack Canteen Operation. The Chuuk Campus Snack Canteen remains operational.

CTEC Blue Plate: Student Snack Arrangement. CTEC Blue Plate has devised a plan for student clubs holding yellow cards to prepare and serve food and snacks to students. Dean Silbanuz is collaborating with the fiscal officer to implement a similar arrangement to those at the National and Kosrae campuses, allowing students to open accounts at the campus bookstore for purchasing snacks or opting for takeout during lunch.

Support for Kosrae Campus. Director Mendiola, Project Manager Olter, and Ricky recently traveled to the Kosrae campus to provide support for ongoing work on the generator housing, rewiring, and hookups.

New Maintenance Carpenter Hire. In collaboration with the Dean of Kosrae Campus, the college has hired a new Maintenance Carpenter. This individual will work alongside the existing staff at the Kosrae campus to continue progress on the Veranda project.



UPDATES FROM THE PROCUREMENT & PROPERTY MANAGEMENT OFFICE

Fabricated Container RFP Posting. The Fabricated Container Request for Proposal (RFP) has been successfully posted on the college website.

Denyo Generators for Chuuk and Pohnpei. Denyo Generators were procured for Chuuk on February 10, 2024, and for Pohnpei on February 19, 2024.

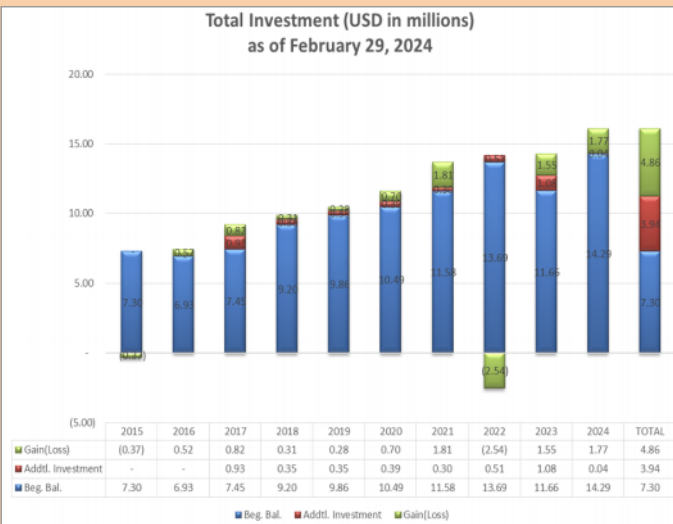
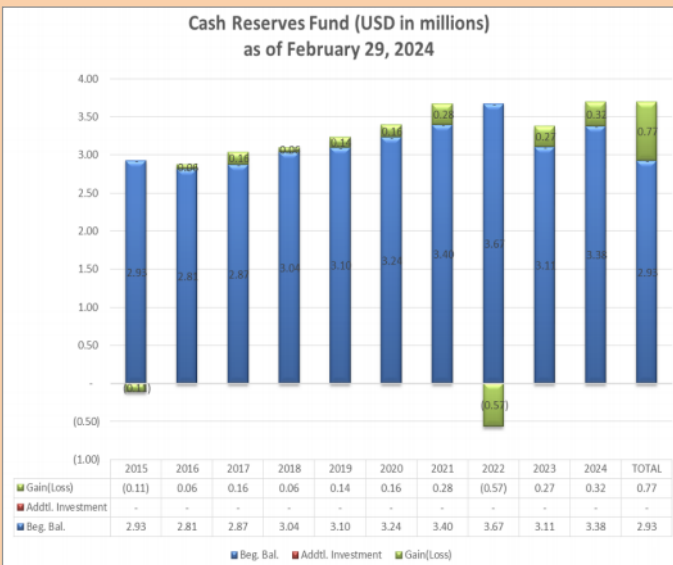
New Vans and Signage Installation. Three brand new vans have been received, and COM-FSM signage has been installed on all three vehicles. Two vans are allocated for instructional affairs at the National Campus, while one van is designated for CTEC.

COM-FSM Signage on National Campus Buses. Three National Campus buses have been installed with COM-FSM signage, with one bus remaining to undergo the installation process.

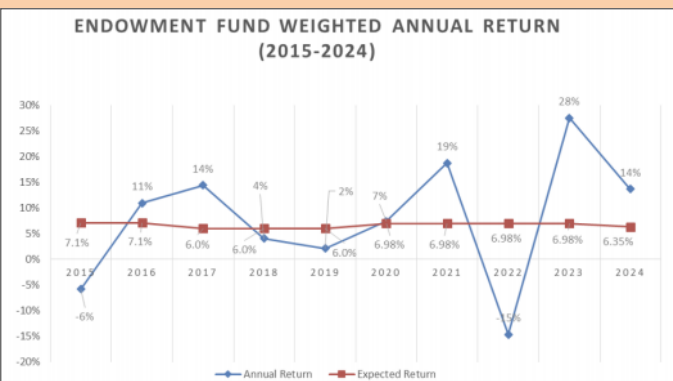
Upcoming Van Deliveries. Three brand new vans are currently on order for National, Yap, and Kosrae campuses. These vans are expected to arrive at each location soon. The van assigned to the National Campus will specifically serve Enrollment Management and Student Services.

Soil Purchase Request for RMI. The Republic of the Marshall Islands has requested the purchase of 50 cubic yards of soil for the baseball field. This procurement is intended to prepare for the upcoming Micro Games.

FINANCIAL GROWTH ... from page 1.

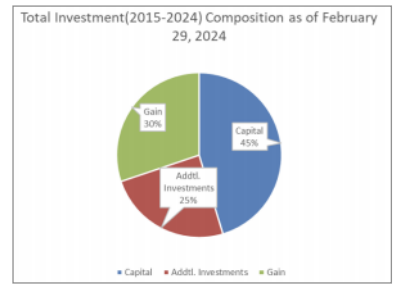
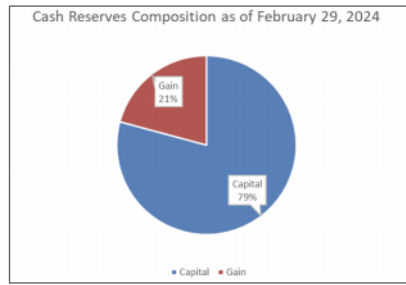


ENDOWMENT FUND | WEIGHTED ANNUAL RETURN



PROGRESSING TOWARDS COMPLETION: ROOF STEEL STRUCTURE INSTALLATION UNDERWAY AT THE CTC MULTI PURPOSE TECHNICAL BUILDING.

INVESTMENT COMPOSITION ... from page 1.



FY 2022 COM-FSM FINANCIAL STATEMENT

Based on the Preliminary Audit Report, March 22, 2024

COLLEGE OF MICRONESIA-FSM (A COMPONENT UNIT OF THE FSM NATIONAL GOVERNMENT)			
Statements of Net Assets			
September 30, 2023 and 2022 (Preliminary as of March 20, 2024)			
	2022	2021	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 3,543,055.00	\$ 4,085,434.00	
Time certificate of deposits	-	18	
Investments	3,106,558	3,595,468	
Due from FSM National Government	760,401	973,809	
Tuition receivable, net	4,585,805	4,676,095	
Grants and contracts receivable, net	1,006,532	997,251	
Other receivables, net	100,996	172,782	
Inventory	1,228,098	1,230,074	
Prepaid expenses	2,424,682	402,101	
Total current assets	16,756,127	16,133,032	
Noncurrent assets:			
Endowment Investments	8,554,945	10,019,802	
Capital assets:			
Non-depreciable capital assets	1,455,685	1,455,685	
Capital assets, net of accumulated depreciation	4,465,249	4,919,906	
Total noncurrent assets	14,475,879	16,395,393	
Total assets	\$ 31,232,006.12	\$ 32,528,424.92	
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable	\$ 703,407.00	\$ 296,079.00	
Accrued liabilities	635,607	610,498	
Accrued annual leave	323,686	365,364	
Unearned Revenue	2,414,102	2,236,752	
Other current liabilities	748,979	929,634	
Total current liabilities	4,825,781	4,438,327	
Noncurrent liabilities:			
Long-term portion of accrued annual leave	538,151	521,054	
Total liabilities	5,363,932	4,959,381	
Commitments and contingencies			
Net assets:			
Invested in capital assets	5,920,934	6,375,591	
Restricted:			
Non-expendable	165,000	165,000	
Expendable	750,000	750,000	
Unrestricted	19,032,140	20,278,453	
Total net assets	25,868,074	27,569,044	
Total liabilities and net assets	\$ 31,232,005.83	\$ 32,528,424.92	

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UPDATES FROM THE MAINTENANCE AND FACILITY OFFICE

VPAS and Director of Maintenance Participate in Infrastructure Workshop. On March 13, 2024, the Vice President for Administration and Services (VPAS) (VPAS) along with the Director of Maintenance & Facility participated in the Infrastructure Workshop held at the FSM Capital.

The primary objective of this workshop was to enhance the planning and execution of Infrastructure projects across the Federated States of Micronesia (FSM).

Key Points Discussed:

- **FSM's Share of Compact Funding.** The FSM's allocation of Compact funding constitutes 10% of the total \$140 million, amounting to \$14.0 million.
- **Allocation Breakdown.** Within this share, 35% (\$4.9 million) is designated for infrastructure projects, while the remaining 65% (\$9.1 million) is allocated for Health and Education Operations.



BUILDING THE FOUNDATION: COLUMNS AND FOUNDATION WALLS RISING TO THE FLOOR LINE AT THE NATIONAL CAMPUS STUDENT CENTER, CAPTURED FROM THE EAST END.



COUNTDOWN TO PROGRESS: THE NATIONAL CAMPUS TEACHING CLINIC GEARS UP FOR POURING THE SECOND FLOOR SLAB, SET FOR COMPLETION BY THE THIRD WEEK OF APRIL.



POWERING UP PROGRESS: WITNESS THE ONGOING CONSTRUCTION OF THE GENERATOR HOUSE FOR KOSRAE CAMPUS, LAYING THE GROUNDWORK FOR FUTURE ENERGY RESILIENCE.

FY 2022 COM-FSM ... from page 2.

COLLEGE OF MICRONESIA-FSM		
(A COMPONENT UNIT OF THE FSM NATIONAL GOVERNMENT)		
Statement of Revenues, Expenses and changes in net Position - College Only		
September 30, 2021 and 2020		
(Preliminary as of March 20, 2024)		
	2022	2021
Operating revenues:		
Students tuition and fees	8,355,581	\$ 7,193,819
Less: Scholarship discounts and allowances	<u>(7,519,069)</u>	<u>(6,473,616)</u>
	836,512	720,203
Federal grants and contracts	23,947,757	16,823,757
Government grants and contracts	5,325,398	3,918,337
Sales and services of auxiliary enterprises	2,052,329	2,084,546
Other revenues	<u>432,841</u>	<u>290,466</u>
Total operating revenues	32,594,837	23,837,309
Less bad debts	<u>(1,170,205)</u>	<u>(327,095)</u>
Net operating revenues	31,424,632	23,510,214
Operating expense:		
Institutional support	14,840,588	8,065,529
Instruction	7,845,391	6,904,655
Student financial assistance	2,649,194	2,284,154
Student services	1,454,460	1,482,433
Depreciation	983,530	956,338
Auxiliary enterprises	2,383,577	1,910,406
Academic support	664,005	880,485
Operating and maintenance plant	<u>264,073</u>	<u>348,374</u>
Total operating expenses	<u>31,084,818</u>	<u>22,832,374</u>
Operating earnings (loss)	339,814	677,840
Nonoperating revenues (expense):		
Government Contributions to the Endowment Fund	500,000	285,000
Net investment income (loss)	<u>(2,540,784)</u>	<u>1,809,983</u>
Total non-operating (expense) revenues	<u>(2,040,784)</u>	<u>2,094,983</u>
Change in Net Position	<u>(1,700,970)</u>	<u>2,772,823</u>
Net Position		
Beginning of the Year	27,569,044	24,796,221
End of the Year	<u>25,868,074</u>	<u>27,569,044</u>

CHALLENGES

- FY 2023 Audit
- FSM Government Funding

KOSRAE CAMPUS IMPROVEMENTS

WHILE AWAITING KUA TO INSTALL SECONDARY CABLES CONNECTING THE GENERATOR TO THE BUILDINGS, PROJECT MANAGER OLTOR AND SCOTT FROM THE NATIONAL CAMPUS ASSIST KOSRAE CAMPUS STAFF IN INSTALLING WATER CATCHMENT TANKS, RAIN GUTTERS, AND WALKWAY IMPROVEMENTS.

