

College of Micronesia-FSM

Budget Guidelines for Developing the FY 2023 Budget

General

The college's budget has five components:

- A balanced operation budget for the whole college
- Budget for the operations of Fisheries and Maritime Institute(FMI)
- Budget for the Auxiliary Enterprises of the college.
- Budget for the Board of Regents
- Supplemental Educational Grants

Specific Guidelines:

- The 2023 budget process will adhere to the revised COM-FSM Budget Procedure Handbook in 2020.
- The 2023 budget will be aligned with the lines of authority through departments and campuses with Instructors Coordinators and heads of offices and programs managing their respective budgets.
- The 2023 budget will address priority issues associated with the COVID-19 Pandemic and from the college's Integrated Educational Master Plan(IEMP) and its individual components assessment plans outcomes.
- The 2023 budget will ensure adequate funding to support ongoing accreditation activities.
- The 2023 budget will allocate funding to replace furniture for classrooms and Residence Halls.
- The 2023 budget will fund additional IT hardware and software pertaining to faculty use for online program deliveries and students' access to the learning materials.
- The 2023 budget aligns to support strategic goals/broad educational purposes and objectives linked to SLOs and measures of success to ensure continuous improvement of the college.
- The 2023 budget will be aligned to the approved Five Year Financial Plan- FY2018-2022 with modifications to address COVID-19 related expenses.
- The 2023 budget will be developed with broader participation by all college stakeholders.

Budget Process

- The 2023 budget's procedures and timeline will be consistent with the Budget Handbook and the FY2022 budget development.
- The VPAS and the Comptroller will lead the development of the 2023 budget with support from VPAS Executive Secretary and AS department staff.
- Using assessment results from each respective unit assessment plan, the Tracdat and priorities from the Integrated Educational Master Plan, goals, objectives, strategies, and action steps will be formulated by the VPs.
- The 2023 budget will be converted to the Budget Preparation System (BPS) of the FSM National Government. VPAS along with trained staff on the use of the BPS system will compile the budget to align with the FSM format.
- The respective office directors/division heads/instructional coordinators will develop the budget by preparing the budget worksheets to be provided by VPAS Office.

- Vice presidents will determine department units' resource allocation for each department to be followed. All departments will strictly adhere to the resource allocations. Any budget increase will have to be compensated by a decrease from another unit.
- Vice – presidents are responsible for conducting budget hearings with their respective offices to ensure the accuracy of the proposed budgets and their linkage with the objectives of performance items.
- The budget will be submitted according to the set department allocations.
- The balanced budget will be presented to Finance Committee, Cabinet for review, Executive Committee discussions, adjustments, and recommendations.
- The Interim President will transmit the budget to the board for action in the December 2021 Board of Regents meeting.
- Upon approval by the board, the President will transmit the budget to FSM National Government on or before January 15, 2022.

Revenue Projections

- The instructional department and campuses will recommend the number of projected enrollments.
- EMSS/OIE will provide relevant data for the revenue projections.
- The FTE of 12.6/12.5/5.6 credits will be used in the revenue projection for National Campus and State campus's own FTE.
- The college tuition will be at the level of \$135 and capture a reasonable level of enrollment based on the VPs planning meeting.
- The indirect cost of programs implemented by the college will not be used for the revenue calculation. The College formula for IC will apply.
- The college will consider the \$2.8 million support from the FSM National Government's general fund and \$1.0 million from the sector grant to a total of \$3.8 million.
- The FSM pledge of \$285,000 to the endowment as an annual payment will be part of the budget submission.
- The college seeks the FSM National Government support for the Dentist and Doctors for Tomorrow fund for \$250,000.

Resource Allocation

- The allocation of resources will be determined based on the existing structure and assessment and review of programs and services.
- Any increase in resource allocation from FY 2022 budget must be justified in detail.
- Any new positions must be approved as per college procedures for creating new positions.
- Positions that have not been filled for 2 years and more must be reviewed carefully.
- The allocations will be determined by ensuring all fixed costs are being addressed followed by individual program priorities.

FSM – FMI

The budget for FMI will be based on the 2022 proposed Budget level with a 5 percent increase to accommodate employees' fringe benefits. Facilities upgrades must be calculated and be part of the budget to accommodate infrastructure development for the Institute.

IDP

The Space Utilization and Facilities Master Plan's first phase will be followed to determine projects for FY2023. The five-year phase plan will be the basis of allocation for the FY2023 IDP Budget.

BOR BUDGET

The BOR Budget will be transmitted to FSM National Government along with the Operations Budget at the level determined by the BOR.

SEG and Assistance to FSM Students

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

The Budget Development Process and Timeline

- August 5, 2021 - VPs review the budget guidelines, Assumptions, and budget timelines for inputs.
- August 24, 2021 - Revenue projections using enrollment data will be formulated.
- September 2, 2021 - VPs planning on budget allocations.
- September 3, 2021 - VPAS disseminates the budget worksheets, budget allocations to VPs and Office Heads.
- September 6, 2021 - Budget development training by VPAS Executive Secretary to campuses and Offices by request.
- September 6, 2021- Offices and campuses develop the respective office/campus expenditure budget.
- September 17, 2021 - Comptroller meet with Finance Committee to update the committee on Budget 2023 development and allocations.
- September 24, 2021 - Offices/Campuses submit budget worksheets to respective VP.
- October 4, 2021 - VPs hold budget hearings and budget adjustments within their respective department.
- October 18, 2021 - VPs submit the respective office budgets to VPAS for consolidation.
- October 22, 2021 - VPAS/Comptroller consolidates the submitted budget.

November 1, 2021- VPAS/Comptroller transmits budgets to Cabinet, Finance Committee (FC), and Executive Committee for review and endorsement.

November 8, 2021 - Budget conversion to FSM Performance Budget System(PBS).

December 2021 - Board of Regents Approves the budget

January 15, 2022 - The COM-FSM operation, FMI, BOR, and SEG Budgets transmit to FSM President.