

College of Micronesia – FSM
Committee (Working Group) Minutes Reporting Form

Committee or Working Group: College-wide Budget Development/Fiscal Year 2022

Date: September 29, 2020 Time: 3:00 p.m. Location: via ZOOM

Members Present: Members Absent:

▪ Interim President, Karen Simion	▪ VPIEQA Caroline Kocel	
▪ VPEMSS Joey Oducado	▪ Comptroller Roselle Togonon	
▪ VPAS Joe Habuchmai	▪ Sinobu Lebehn, Recorder	

State Campuses: CD Kind Kando/CC; CD Grilly Jack/CTEC, CD Nena Mike/KC, CD Lourdes Roboman/YC

Agenda/Major Topics of Discussion

Call Meeting to Order –This is a planning meeting of the leadership to brainstorm ideas and strategies to help resolve the differences between the consolidated proposed budget to the projected revenue levels. VPAS called the meeting at 3:00p.m.

Comptroller started with a quick review of the FY22 Revenue Projection approved during the last meeting. It was approved that auxiliaries (\$113,786.48) will also be included in FY2022 budget revenue projection. Comptroller presented the consolidated budget at a total of **\$12,799,287**. Consolidated budget surpassed the approved projected revenue of **\$11,286,866.29** with a discrepancy of \$1.5 million.

- ✓ Personnel is at 80.94%
- ✓ Travel is at 0.78%
- ✓ Contractual Services is at 3.22%
- ✓ Consumable Goods is at 22.05%
- ✓ Fixed Assets is at 0.94%

Personnel expenses are expanding annually thus the group recommended ways to curtail the growth of the personnel budget level. Group reviewed the consolidated budget by campuses and by performance and line items. Each member reported on their proposed budget submissions and approaches and plans used in their respective areas. Vice President Habuchmai introduced five options the group to consider in balancing the budget:

1. Continue to cut where it can be done without jeopardizing standards of services
2. Revisit the enrollment and FTE revenue projections and allow the College to challenge itself to achieve it.
3. Revisit the policy on step increases. Now it is automatic steps every year, while employees like it, the College may not be able to sustain that in the long run.
4. Review the level of personnel that are still vacant and consider delaying positions that can wait until the next fiscal yearFY2023, keeping in mind
5. Request additional subsidy from the FSM National about standards of accreditation and services. Government like additional 1.0 million

The group had a lengthy deliberation on over the 5 options presented and shared inputs/strategies and ways to address the balancing of the budget. Major topics discussed:

- ✓ Inclusion of other activity fees to the budget revenue projections
- ✓ Cost saving on support services (fuels, vehicles, utilities, office equipment, etc.) ways to reduce costs of support services
- ✓ Status on faculty overload and faculty conduct hour updates from Interim President Simion
- ✓ Considering only 4 days of work and one day off for home improvements per week
- ✓ Accomplished programs that as other added costs- (BA degree programs in Education and soon to be launched of another BA degree program in Business Administration
- ✓ Updates on status and challenges of online class delivery

Vice President Oducado suggested the group to analyze balancing the budget using the 5 options mentioned at stages to wit:

- a. Start at "Option 1" (Continue to cut where it can be done without jeopardizing standards of services)
- b. "Option 3" Revisit the policy on step increases.
- c. "Option 4" Review the level of personnel that are still vacant and consider delay in hiring keeping in mind about standards of accreditation and services.
- d. If still not balanced go to "Option 2" Revisit the revenue projections and allow the College to challenge itself to achieve it
- e. "Option 5" to be the last scenario " Request additional subsidy from the National Government

Vice President Kocel and Interim President Simion to work on justification to support "option 5" should there be need to use that option.

Each member to go back and revisit proposed budgets within their respective areas and continue to cut where it can be done without jeopardizing standards of services.

Information Sharing (Vice President Admin Services):

Technology fee is set up as a revolving fund under the Tech fee policy. The college has used portion of the fund to help resolve its annual budget. It was originally set up for computer lab turn over in the 1990s but technology has involved with the use of internet, schoology, helpdesk, and more for students use.

Next meeting is scheduled on October 5, 2020 at 3pm. Interim President Simion will set up ZOOM meeting and send out invitations to the all the members.

Meeting adjourned at 4:30pm

Prepared by Sinobu Lebehm