

ADMINISTRATIVE PROCEDURE No. 5001

Budget Preparation and Approval

Date Adopted: 16 June 2005

Date Revised:

Date Reviewed: 22-24 March 2014

References: Budget Guidelines for Fiscal Year 2008
Terms of Reference of Finance Committee adopted in June 16, 2005

1. Starting April, the Finance Committee shall develop the Budget Guidelines for the ensuing year for approval of the Board. The Budget Guidelines shall contain among others the following:
 - Statement of the general direction of the College
 - The process flow as regards to the budget preparation and the parties involved in the consolidation including timeline
 - Guidelines in estimating expenses for the year
 - Revenue Projection/Assumption, including the assumed budget that will be provided by the FSM government
 - Resource Allocation
2. The Budget Guidelines prepared by the Finance Committee shall be reviewed by the Cabinet and presented to the Board of Regents for final approval.
3. All divisions of the College, including the campuses, shall then prepare their own budgets and submit them to their respective Vice Presidents. The Vice Presidents shall conduct its own hearings to evaluate the budgets submitted.
4. The consolidated budgets for each group shall be submitted to the Finance Committee for final review and consolidation. The Finance Committee shall ensure that the Guidelines issued were followed.
5. The COM-FSM Budget after passing thru the review process of the Finance Committee, shall be forwarded to the Cabinet for review and approval and finally to the COM-FSM Board of Regents.
6. The approved budget is then forwarded to the FSM President for review of the President's Budget Review Committee and for submission to the FSM Congress as part of the FSM National Government budget.