

Agenda item No. 11.a.

FY2018 Operations Budgets

Recommended Directive:

The following proposed operations budget for FY2018 of \$12,975,134 is hereby approved.

Discussion:

Management was tasked with the development of the College's operations budget for FY2018 in accordance with the budget guidelines approved by the board. Campus and office directors/heads prepared the budgets in coordination with staff/faculty and in consultation respective vice-president to ensure that the development of budgets is in accordance with institutional priorities. The Vice President for Administrative Services and the Comptroller were tasked to lead the process of budget development.

General Highlights:

- The operations budget consists of the Office of the President (Office of the President and subsidy to CRE), Institutional Advancement Office, 4 state campuses (Pohnpei, Chuuk, Kosrae, and Yap), Institutional Effectiveness and Quality Assurance Department (Office of VPIEQA, IRPO, ITO), Instructional Affairs Department (Office of VPIA, Social Science, Education, Business, Math & Science, Lang & Lit, Health Science divisions and LRC), Administrative Services Department (Office of VPAS, HRO, Business Office, Maintenance), and Enrollment Management and Student Services Department (Office of VPEMSS, OAR, FAO, Counselling, Sports, Health, Student Life, and Residence Hall).
- The level of FY 2018 budget of \$12,975,134 is 2% higher compared with prior year budget of \$12,749,169.
- The budget is projected to serve 5,255 students for three semesters:

		Fall	Spring	Sum	Total
○ National campus	-	948	885	428	2,261
○ Pohnpei campus	-	642	543	251	1,436
○ Chuuk campus	-	249	232	127	608
○ Kosrae campus	-	205	178	124	507
○ Yap campus	-	<u>176</u>	<u>178</u>	<u>89</u>	<u>443</u>
Total		<u>2,220</u>	<u>2,016</u>	<u>1,019</u>	<u>5,255</u>

Revenue:

- The projected revenue consists of the following:
 - Tuition
 - National campus - \$ 3,673,097
 - Pohnpei campus - 2,132,187
 - Chuuk campus - 945,639
 - Kosrae campus - 697,611
 - Yap campus - 650,559 \$ 8,099,093
 - Student Activity / Health / Registration 262,750
 - Facility 713,291

○ Residence Hall	100,000
○ FSM – ESG	1,000,000
○ FSM – General Fund	<u>2,800,000</u>
Total	<u>\$12,975,134</u>

- The tuition and fees are based on the following assumptions:
 - The projected number of students for National, Pohnpei, Kosrae and Yap campuses were based on actual 3 yrs. average (2014-2016).
 - The projected average credit was based on the college catalogue for the full-time students and 10% increase FTE for part-time students.
- Tuition Fee - \$135 per credit
- Student Activity / Health / Registration - \$50 per student
- Facility Fee is calculated based on FY2016 actual percentage of full time and part time students.

Expenditures:

- The revenue of \$12,975,134 is allocated as follows:

○ Pohnpei campus	-	\$1,725,803	or	13.30%
○ Chuuk campus	-	1,529,161	or	11.79%
○ Kosrae campus	-	917,463	or	7.07%
○ Yap campus	-	794,795	or	6.13%
○ Office of the President	-	626,807	or	4.83%
○ IEQA	-	900,371	or	6.94%
○ Instructional Affairs	-	3,284,942	or	25.32%
○ Administrative Services	-	2,010,360	or	15.49%
○ Student Services	-	1,185,432	or	9.14%
- The breakdown of the expenditure budget according to the nature of expenditures are as follows:

○ Salaries and benefits	-	\$9,010,676	or	69.45%
○ Travel and site visits	-	379,213	or	2.92%
○ Contractual services	-	579,072	or	4.46%
○ Consumables	-	2,761,073	or	21.28%
○ Fixed assets	-	245,100	or	1.89%

Attached are details of revenue and expenditures for FY2018.

ACTION TAKEN:

- _____ Approved
 _____ Approved with modifications
 _____ Deferred to a later meeting
 _____ Disapproved

VOTE:

- _____aye _____nay _____abstain

