



College of Micronesia-FSM

Budget Procedures Handbook

Revised February 14, 2020





COM-FSM Budget Procedures Handbook

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Revised on February 14, 2020, by the College of Micronesia-FSM. This handbook provides an update to earlier work done in 2013 by Rafael Pulmano, Marian Medalla, and Debra Perman.

**Glossary**

Acronyms and Key Budget Terminologies

**Acronyms**

ACCJC	Accrediting Commission for Community and Junior Colleges
ALO	Accreditation Liaison Officer
BOR	Board of Regents
BPS	Budget Preparation System
CEO	Chief Executive Officer
EC	Executive Committee
ESG	Education Sector Grant
FAO	Financial Aid Office
FC	Finance Committee
FSM	Federated States of Micronesia
FTE	Full-Time Equivalent
FY	Fiscal Year. The college's Fiscal Year begins on October 1, and ends on September 30 of the following year.
IC	Instructional Coordinator
IEMP	Integrated Educational Master Plan
JEMCO	Joint Economic Management Committee. This committee was established to strengthen the management and accountability of economic assistance provided under the Amended Compact.
OARR	Office of Admissions, Records and Retention
OIE	Office of Institutional Effectiveness
PBD	Performance Budget Development
DFA	Department of Finance and Administration, Division of Budget
SLO	Student Learning Outcome
TCO	Total Cost of Ownership
VP	Vice Presidents
VPAS	Vice President for Administrative Services
VPEMSS	Vice President for Enrollment Management and Student Services
VPIA	Vice President for Instructional Affairs
VPIEQA	Vice President for Institutional Effectiveness and Quality Assurance

**Key Budget Terminologies****Auxiliary Services**

These are services offered by the college which are self-supporting, such as the Dining Hall and the Bookstore.

Base Costs

Also referred to as core costs or fixed costs, these costs are determined and included in the budget in advance to ensure that they are fully-budgeted. They include, but by no means not limited to, personnel costs, utility and maintenance costs, and communication costs.

Budget

A financial plan for the future based on a single level of activity; a quantitative expression of a company's commitment to planned activities and resource acquisition and use.

Budget Preparation System (BPS)

A computer application used by the FSM government in its budget preparation. The FSM Department of Finance & Administration, Division of Budget, requires the college to use this application, and has provided it with a BPS template (ready for data entry) based on its budget structure.

Budget Structure

COM-FSM's organization structure as basis for budget data entry. Any change in this structure necessitates adjustment in the BPS template.

Budgeting

The process of formalizing plans and translating qualitative narratives into documented, quantitative format.

Compact Funds

Funding assistance from the US Federal Government as part of the agreement under the Compact of Free Association entered into by and between the Federated states of Micronesia (FSM).

Core Costs

See Base Costs.

Dean

Office title or designation of heads of COM-FSM State Campuses and the Office of Academic Programs at the National Campus.

Director

Official title or designation of heads of various offices at the college, such as but by no means not limited to Human Resources Office; Financial Aid Office; Property & Procurement Management Office; Office of Maintenance & Facilities; Information Technology Office; Learning Resources Center; Cooperative Research & Extension; and others.

Environmental Scan Report

A report that reflects careful monitoring of the college's internal and external environments for detecting early signs of opportunities and threats that may influence its current and future plans. This report is prepared by the Office of Institutional Effectiveness, Department for Institutional Effectiveness & Quality Assurance, for use by the college in formulating strategic plans and preparing budgets.

Federal Pell Grant

US grant providing financial assistance to help COM-FSM students pay the cost of postsecondary education.

Fees

Amount, other than tuition, collected by the college from the students for their use of various services and facilities. These include registration, health, student activity, residence halls, facilities, and other fees.

Fixed Costs

See Base or Core Costs.

Indirect Cost Revenue

Revenue generated by divisions/departments overseeing/managing special projects with outside funding.

Strengthen resources to meet current and future needs through revenue diversification, efficient use, innovation, effective allocation, conservation, infrastructure upgrades, and investment in human capital.

Integrated Educational Master Plan

Document developed by COM-FSM in order to adequately address external impacts that the college has identified and to provide an operational plan to move the college toward mission fulfillment and vision. It integrates all aspects of the college's operations into specific, measurable actions that each area is set to accomplish over the next five years.

Line-Item Budget

A type of budget which holds agencies accountable only for what they spend on inputs. The traditional line-item budget, which specified allowable spendings on inputs (salaries, supplies, travel) was first developed to guard against misuse of public funds.

Non-Direct Operations

Revenue category that includes FSM-FMI General Fund, Technology Fee, and Supplemental Education Grant (SEG).

Performance-Based Budget

A type of budget which is intended to hold agencies accountable for what they achieve.

Sponsored Programs

Education-related programs, such as Upward Bound (UB), Talent Search Program (TSP), and Cooperative Research & Extension (CRE), which are also sources of additional revenues for the college.

Statement of Assumptions

A listing or narrative of circumstances taken for granted, or things that are accepted as true or certain to happen, without proof. They serve as basis for making estimates of uncertain variables that are used as inputs into a financial model, normally for the purpose of making projections and developing budgets.

Total Cost of Ownership

A calculation designed to help people make more informed financial decisions by looking at the complete cost of an asset from purchase to disposal. It adds to the initial purchase price other costs expected to be incurred during the life of the product, such as service, repair, insurance, training of personnel, and upgrades.



Student Success Is Our Success



Introduction

Primary Goal, Budget Components, and Lead Role of VPAS



Primary Goal

The primary goal of this manual is to provide clear step-by-step procedures in the preparation of COM-FSM's budget that has "a high degree of credibility and accuracy, and reflects appropriate allocation and use of financial resources to support student learning programs and services" (ACCJC Standard III.D.6).

To achieve this goal, the college is committed to the following principles in planning and preparing its budget: Open communication and transparency, dialogue and discussion, participatory governance, data-driven decisions, and clearly stated outcomes.



Budget Components

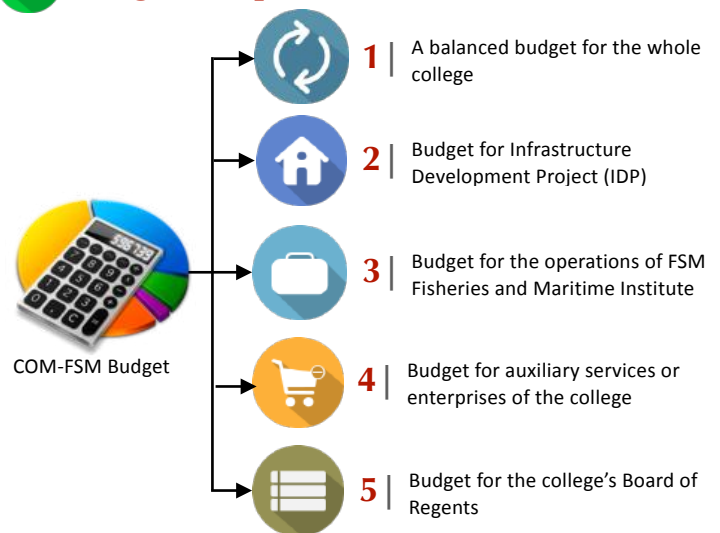


Figure 1.0. The five components of the college's operations budget



Lead Role of the VPAS

The Vice President for Administrative Services (VPAS) leads the development of the annual budget.

The budget process starts in April with the development of the guidelines, and ends in December with the balanced budget approved by the Board of Regents (BOR) and transmitted to the FSM government.

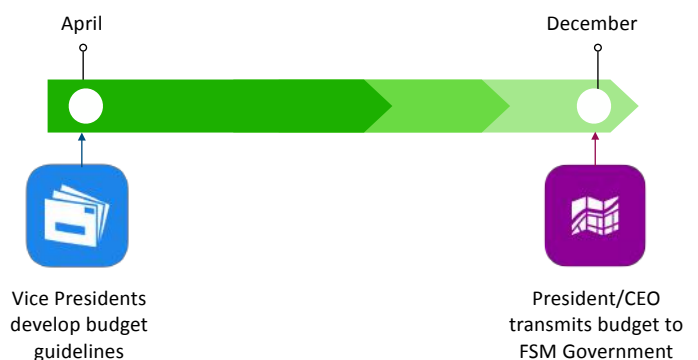
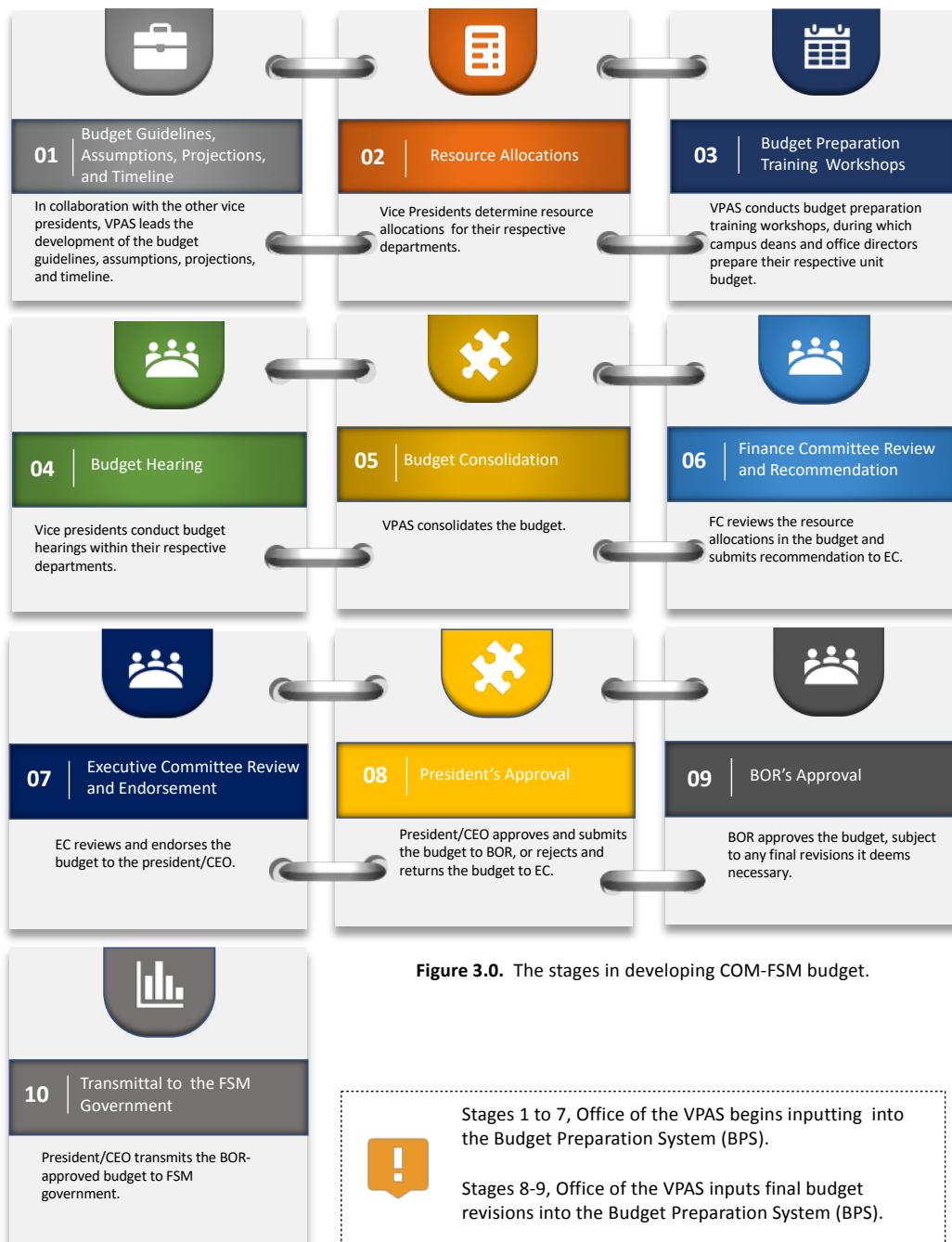


Figure 2.0. The beginning and end stages of developing the college's Operations Budget



Stages of Budget Preparation



College of Micronesia-FSM 2018-2023 Strategic Directions

I. Innovate academic quality to ensure student success

Ensure student success by decreasing time to completion and increasing student satisfaction, persistence, retention, and graduation rates by innovating academic quality and enhancing student support services.

Measures of Success

- ▶ All five CCSSE Benchmarks are exceeded
- ▶ Institution-set standards are met
- ▶ 80% of total students are enrolled full-time
- ▶ Average student semester credits earned at 12.
- ▶ Persistence rate** (fall to spring) is 95%
- ▶ Persistence rate** (fall to fall) is 80%
- ▶ Graduation rate** 100% is 12%
- ▶ Graduation rate** 150% is 29%
- ▶ Graduation rate** 200% is 35%

**First time, full time

II. Strengthen resources to meet current and future needs.

Strengthen resources to meet current and future needs through revenue diversification, efficient use, innovation, effective allocation, conservation, infrastructure upgrades, and investment in human capital.

Measures of Success

- ▶ Operating costs reduced by 5% by innovating and streamlining services and processes.
- ▶ Balanced budget maintained.
- ▶ Enrollment increased by 5%.
- ▶ Reserved maintained at 40%.
- ▶ Current levels of government financial support are annually maintained or exceeded.
- ▶ Aggressive energy conservation measures in place reducing total annual cost by 20%.
- ▶ Infrastructure upgraded in accordance with Phase I of the Facilities Master Plan.
- ▶ Invest in employee development and capacity building to improve practices.
- ▶ Average college employee attrition rate is less than 5% annually.
- ▶ Employee job satisfaction survey yields overall 85% satisfaction rate.
- ▶ Employee recruitment process is revamped to significantly reduce time from recruitment to hiring.



Budget Procedures



Stage 1.

Budget Guidelines, Assumptions, Projections, and Timeline

In collaboration with the other vice presidents, VPAS leads the development of the budget guidelines, assumptions, projections and timeline.

1.1. VPAS requests latest Environmental Scan Report from the Office of Institutional Effectiveness (OIE).

1.2. Vice Presidents review of relevant documents, such as but by no means limited to: (a) latest Environmental Scan Report; (b) budget(s) from prior year(s); (c) priorities set forth in the college's Integrated Educational Master Plan (IEMP); (d) applicable accreditation guidelines; and (e) assessment results.

1.3. Vice Presidents draft budget guidelines, which shall cover, among others: (a) statement of general guidelines in the development of budgets; (b) the process flow, if different from that presented in the college's Budget Procedures Handbook; (c) guidelines in budgeting expenditures for the year; (d) guidelines in revenue projections, including level of support by the FSM government; and (e) assessment results.

College of Micronesia-FSM
Budget Guidelines for Developing the FY 2021 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 2021 budget process will adhere to the COM-FSM Budget Procedure Handbook on the college website.
- The 2021 budget will be aligned with the lines of authority through departments and campuses with IC roles in managing division's budgets.
- The 2021 budget will address priority issues from the college's Integrated Educational Master Plan(IEMP) and its individual components assessment plans outcomes.
- The 2021 budget will ensure adequate funding to support ongoing accreditation activities.

Figure 4.0. A sample of the Guidelines for Budget Development from FY 2021 Budget.

1.4. VPAS leads discussion with other vice presidents on the following areas to consider at least three possible scenario (optimistic, moderate, and pessimistic), and make a list or statement of budget assumptions under each of the possible scenario.

Revenue Projections

- ▶ Tuition. Projected enrollment, full-time equivalent (FTE) basis for projection, tuition fees increases, if any, and Pell regulations.
- ▶ Fees
- ▶ Indirect Cost Revenue
- ▶ Non-Direct Operations
- ▶ Expected level of support from FSM government
- ▶ Expected JEMCO funding support

Expenditure Projections

- ▶ Base Cost (must be approved by the president/CEO)
- ▶ All other costs, from respective units including those of the offices of BOR and the president/CEO.

MISSION STATEMENT

The College of Micronesia-FSM is a learner-centered institution of higher education that is committed to the success of the Federated States of Micronesia by providing academic and career & technical educational programs characterized by continuous improvement and best practices.

College of Micronesia - FSM FY 2021 Revenue Projection				
Assumptions:				
1. Based on three-year average actual enrollment in headcounts & credits, plus 4% increase				
2. Average credits during regular semesters (fall & spring) are 15 credits for all campuses				
3. Average credit during summer session for all campuses is 6 credits.				
Revision No. 1	2018	2019	2020	2021
Tuition	8,099,093	8,601,614	8,601,614	7,982,589
Registration/Health/Student Activity	262,750	265,378	265,378	246,341
Facility fee	713,291	771,512	771,512	819,069
	9,075,134	9,638,503	9,638,503	9,048,000
Residence Hall	100,000	100,000	100,000	120,000
FSM-ESG	1,000,000	1,000,000	1,000,000	1,000,000
FSM-Gen Fund	2,800,000	2,800,000	2,800,000	2,800,000
Recovery of IC				
	12,975,134	13,538,503	13,538,503	12,968,000
Number of Students				
Campus	Fall	Spring	Summer	Total
National	969	857	486	2,312
CTEC	501	408	234	1,143
Chuuk	270	232	170	672
Kosrae	149	129	105	384
Yap	163	139	113	416
Total	2,053	1,765	1,109	4,927
Average Credit				
Campus	Fall	Spring	Summer	
National	15.0	15.0	6.0	
CTEC	15.0	15.0	6.0	
Chuuk	15.0	15.0	6.0	
Kosrae	15.0	15.0	6.0	
Yap	15.0	15.0	6.0	
Average	15.0	15.0	6.0	

Figure 5.0. A sample of list or statement of assumptions and revenue projection based on a possible scenario.

1.5. VPAS leads discussion with other vice presidents to select or choose the most likely scenario, and to develop timeline based on budget guidelines, assumptions and revenue projections.

The Budget Timeline

Aug 08, 2014	- Board approves the budget guidelines.
Aug 11 – 20, 2014	- VPAS completes the preparation of assumptions, alternatives for the revenue projections, budget timeline and budget worksheets.
Aug 18 – 29, 2014	- VPs discuss and approve assumptions, alternatives, budget timeline and development of budget worksheets by offices.
	- VPAS and Comptroller disseminate budget guidelines, assumptions, timeline and budget worksheets to offices/campuses.
	- VPAS and Comptroller present budget process, timeline, assumptions and budget worksheets to FC.
Sep 01 – 19, 2014	- Offices and campuses develop the respective office/campus expenditure budget. The development of budget should address priorities of the IEMP and linked with the assessment outcomes.
	- VPIA, Academic Program Director and deans coordinate with VPAS on the revenue projections.
	- Offices/Campuses submit budget worksheets to VP, and VPs hold budget

Figure 6.0. Screenshot of the timeline for developing FY 2014 budget.

1.6. VPAS transmits budget guidelines, statement of assumptions and revenue projections under the selected possible scenario to the president/CEO for approval.

1.7. Upon president's approval, VPAS issues **memorandum**, *Subject: Guidelines for Developing FY__ Budget, including statement of assumptions, projections, and timelines*, to the vice presidents with cc: to president/CEO, FC chair, and EC chair.

1.8. Office of the VPAS provides vice presidents, campus deans, and office directors or heads, college's prescribed budget template.

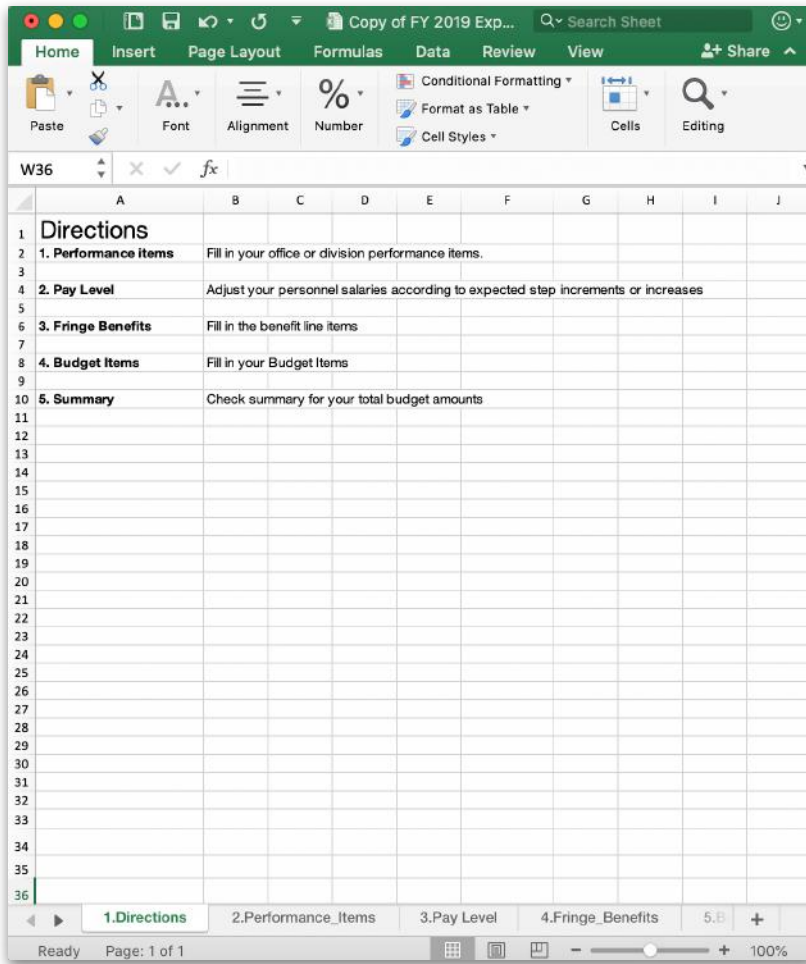


Figure 7.0. Screenshot of the Directions worksheet of the college-prescribed budget template. The template has eight parts or worksheets: (a) directions; (b) performance items; (c) pay level; (d) fringe benefits; (e) budget items; (f) activity costs; (g) line items; and (h) justifications.

Stage 2. Resource Allocations

Vice Presidents determine resource allocations for their respective departments.

2.1. Vice Presidents review the following:

- ▶ Existing budget structure
- ▶ Most recent reports on assessment and review of programs and services relevant to the department
- ▶ Positions that have not been filled — for up to two years and more — and decide if such positions are still needed
- ▶ Total Cost of Ownership (TCO) based on the facility plan, if applicable to the department

Assessment: Administrative Unit Four Column

C - administrative - President's Office

Mission Statement: The Office of the President provides the leadership and direction for achieving the mission of the college and is responsible for the quality, integrity and success of the college.

Administrative Unit Outcomes	Assessment Strategies	Results	Improvements
PO_AU01 2018-19 - To be fully accredited and without major recommendations from ACCJC/WASC AUO Status: Active AUO Assessment Cycle: 2018 - 2019	Descriptive Statistics - 1.1 - Institutionalize the self study process Target: 1.1.1 - To remain fully accredited 1.1.2. New and revised policies and procedures include consideration of accreditation standards and requirement	Reporting Period: 2018 - 2019 Target Met: Yes The college has institutionalized a unique self-evaluation process by utilizing its existing administrative and participatory governance structures. The process involved everyone at the college: administrators, faculty and staff, and students. Specifically, it engaged as many employees as possible for learning, professional development, and institutional improvement; and strengthened institutional knowledge, institutional best practices, and proactive accreditation compliance. There were writing teams for each of the four Association of	Improvement: College continues to maintain accreditation with the Association of Community and Junior Colleges (ACJC), Western Association of Schools and Colleges (WASC), (09/25/2019)

Figure 8.0. A screenshot of an administrative unit's annual assessment in four-column report format from the TracDat.

2.2. If applicable, vice presidents submit any new positions for approval in accordance with the college's procedures for new positions.

2.3. Vice Presidents determine resource allocation for the different offices and/or campuses under their departments, and require campus deans or office directors/heads under their departments details to justify any request for increase from immediately preceding FY budget.



Stage 3. Budget Preparation Training Workshops

VPAS conducts budget preparation training workshops, during which deans and office directors prepare their respective unit budgets.

3.1. Office of the VPAS schedules and conducts budget preparation training workshops. In scheduling and conducting training workshops, sufficient time should be set aside allowing training combined with working sessions in order to reduce budget development time. A training for trainers for vice presidents and campus deans should likewise be considered as a separate training activity.

Training workshops

- ▶ Review and consider previous year's budget development and include in the training:
 - What are the basic steps in the process?
 - What's new in this budget development process?
 - What went well in the budget development process the previous year?
 - What could be improved?
- ▶ Review demographics, college data and potential revenues (tuition, fees, etc., increasing, decreasing).
- ▶ Review budget guidelines for the year for potential changes in process or issues to emphasize.
- ▶ Review budget assumptions and revenue projections background data.
- ▶ Discuss terminology that may need to be clarified.
- ▶ Explain the decision making process.
- ▶ Discuss the timeline

3.2. Campus deans and office directors or heads participate in budget preparation training workshops. During the workshops, they will prepare their campus or unit budgets by completing the college-prescribed budget template.

3.2.1. Fill in the campus or office performance items. Note that the Performance items Worksheet of the college-prescribed budget template, requires campuses or offices to provide the following:

- ▶ Campus or Office name
- ▶ Campus or Office mission statement
- ▶ Strategic direction (see COM-FSM Strategic Plan and Directions)
- ▶ Administrative Unit Outcomes or Objectives
- ▶ Strategies and action steps for each of Administrative Unit Outcome or Objective
- ▶ Targets or outputs for each of the strategies and action steps

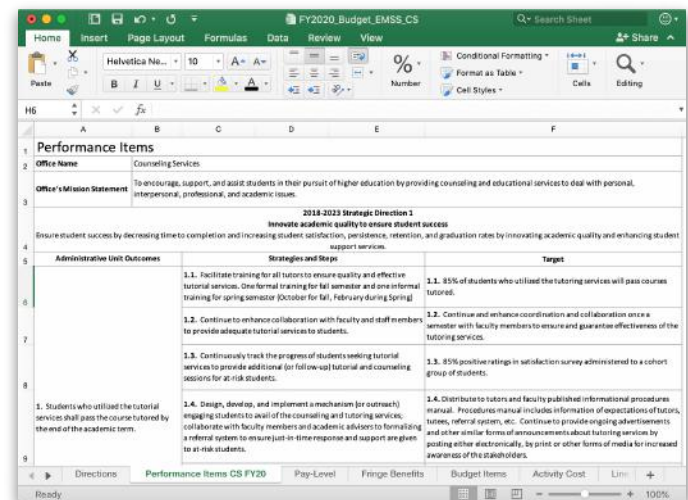
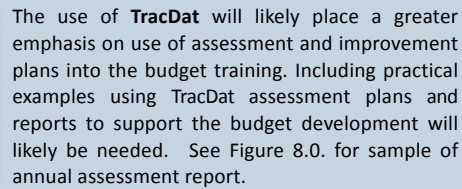


Figure 9.0. Screenshot of completed Performance Items worksheet of the college-prescribed budget template.

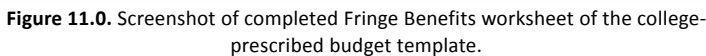


The screenshot shows the Microsoft Excel application window with the title bar 'FY2020_Budget_EMSS_C6'. The ribbon is set to 'Formulas', and the 'Merge & Center' button is highlighted. The spreadsheet displays a budget table for FY2019 and FY2020, with columns for Name, Position, Pay-Level, Salary, New Salary, Last Step Increase, Next Step Increase, PP_Currented, PP_Merited, Current, New, and Total. The table includes data for various positions and a total row.

	A	B	C	D	E	F	G	H	I	J	K	L	M
	Name	Position	FY 2019 Pay-Level	Salary	FY 2020 Pay-Level	New Salary	Last Step Increase	Next Step Increase	PP_Currented	PP_Merited	Current	New	Total
2				28,150	30,000	33,432							
3				18,622	21,088	23,546	4/8/2018	4/8/2019	12	14	6,867	10,548	19,233
4				19,327	21,844	24,302	5/13/2018	5/13/2019	11	15	8,173	11,188	19,369
5		Total		\$ 66,389		\$ 87,480					\$ 33,110	\$ 46,885	\$ 79,995

The status bar at the bottom shows 'Ready' and 'Performance Items C6 FY20'.

3.2.3. Fill in the Fringe Benefits worksheet of the college-prescribed budget template.



FY2020_Budget_EMS3_CS														Q P Q R S T U V W X										
Special Contracts-Tutors																								
Personnel Listing																								
Personnel	Current Salary	Adjusted Salary Rise + Step Increase	Salary + Benefits	Activity 1.1		Activity 1.6		Activity 2.1		Activity 2.2		Activity 2.3		Total									Cost	
				N/Time	Cost	N/Time	Cost	N/Time	Cost	N/Time	Cost	N/Time	Cost	N/Time	Cost									
	\$ 28,150	\$ 28,399	\$ 31,099	5%	\$ 8,097	5%	\$ 1,855	5%	\$ 1,881	5%	\$ 8,601	5%	\$ 1,600	5%	\$ 1,600								\$ 28,000	
	18,802	19,213	21,213	5%	1,116	5%	1,116	30%	6,494	20%	4,463	20%	4,463	100%	5	22,113								\$ 22,113
	19,317	19,560	21,792	5%	1,190	5%	1,190	30%	7,137	24%	4,758	20%	4,758	100%	5	23,762								\$ 23,762
Total	\$ 66,289	\$ 66,591	\$ 72,001		\$ 12,234		\$ 3,960		\$ 15,486		\$ 18,876		\$ 18,876		\$ 75,792								\$ 75,792	
Contractual																								
Type	Remarks			Activity 1.1		Activity 1.6		Activity 2.1		Activity 2.2		Activity 2.3		Total									Total	
Special Contracts-Tutors	Refers to personnel performing special time-based, nonregular work			\$	60,000	15%	\$ 9,000	5%	3,000	0%	0%	0%	0%	0%	100%	\$ 60,000								\$ 60,000
Total				\$	60,000		\$ 9,000		\$ 3,000		\$ -		\$ -		\$ 60,000								\$ 60,000	
Other Current Expenses (OCEs)																								
Type	Remarks			Activity 1.1		Activity 1.6		Activity 2.1		Activity 2.2		Activity 2.3		Total									Total	
Reference Materials-Tutorial Services	Refers to reference and other instructional materials needed for tutorial services			\$	15,000	10%	\$ 2,250	20%	\$ 8,000	0%	0%	0%	0%	100%	\$ 15,000								\$ 15,000	
Supplies	Office supplies, \$500.00 per FY 19 contract			1,500	5%	75	5%	75	20%	300	20%	450	100%	5	1,500								\$ 1,500	
Membership	Membership, American Counseling Association (ACA) and others			1,000	10%	100	10%	100	10%	100	10%	100	100%	5	1,0									

File Home Insert Page Layout Formulas Data Review View Help

Formulas

Conditional Formatting

Format as Table

Cell Styles

Font

Alignment

Number

Cells

Editing

J18

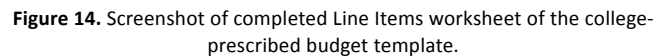
	A	B	C	D	E	F	G	H
	Activities	Personnel	Travel	Contractual	OCs	Fixed Assets	Total	Unit Cost
1	1.1	\$ 12,234	\$ -	\$ 9,000	\$ 2,625	\$ -	\$ 23,859	15%
2	1.2	7,269	-	12,000	3,375	-	22,644	14%
3	1.3	7,269	-	18,000	2,625	-	27,894	18%
4	1.4	5,615	-	12,000	2,625	-	20,240	13%
5	1.5	5,615	-	6,000	2,625	-	14,240	9%
6	1.6	3,960	-	3,000	3,375	-	10,335	7%
7	2.1	15,486	-	-	600	-	16,086	10%
8	2.2	10,876	-	-	600	-	11,476	7%
9	2.3	10,876	-	-	1,050	-	11,926	8%
10	Total	\$ 79,200	\$ -	\$ 60,000	\$ 19,500	\$ -	\$ 158,700	100%

Ready

Directions Performance Items CS FY20 Pay-Level Fringe Benefits Budget Items +

100%

3.2.6. Fill the Line Items worksheet of the college-prescribed budget template.



3.2.7. Fill the Justification worksheet of the college-prescribed budget template.

Strategic Goal	Objective	Strategy/Activity	Amount	Justifications
1. Promote strategic enrollment management for the College. 2. Become more student-centered in the development of specific college system policies and procedures. 3. Promote timely college tenure and graduation of students with mastery of array of core learning objectives, including civic-mindedness and self-value. 4. Develop a student-friendly campus environment that encourages and enables students to be health conscious	1. Award more than 160% of COM-FSM Pell eligible student's by the end of the school year, as measured at the end of each semester. Conduct Financial Aid Outreach to high school seniors from selected schools, one public high school and one private high school in each state. For the national campus and CTEC, Pohnpei Island Central School 9H(CS), Our Lady of Mercy High School (OLMHS) and Seven-Day Adventist High School (SDA) were selected. Provide financial aid presentation to new students during the college orientation and where necessary also do the presentation to transfer students and returning students.	1.1	13,963	
		1.2	9,867	
		1.3	8,244	
		1.4	3,281	
		1.5	17,220	
2. Students shall demonstrate knowledge and/or awareness about available financial aid programs and services including requirements for and processes involved in availing them.		2.1	7,906	
		2.2	32,434	
		2.3	9,613	
3. Students who participate in the SEG Work-Study Program will exhibit acquired and/or transferred job skills and experience.		3.1	15,736	
		3.2	12,396	
		3.3	11,001	

Figure 15.0. Screenshot of completed Justifications worksheet of the college-prescribed budget template.



Stage 4. Budget Hearings

Vice presidents hold budget hearings with their respective departments.

- 4.1. Make sure that everyone involved complies with established budget timeline.
- 4.2. Check completed budget worksheets for accuracy and linkages with the objectives of performance items.
- 4.3. Consolidate budget figures from the worksheets and make adjustments to come up with a balanced budget for the department.
- 4.4. Communicate the resulting balanced budget to the respective offices and solicit reactions/feedback.
- 4.5. Conduct budget hearings within the department to make further adjustments and finalize details of the balanced departmental budget.
- 4.6. Issue a **memorandum** (Subject: Balanced Budget of ____ Department for FY __) to VPAS, with cc: to office directors and/or campus deans as the case may be. Attach final budget worksheets.



Stage 5. Budget Consolidation

Vice President for Administrative Services consolidates the budget.

- 5.1. VPAS receives completed budget worksheets from VPAS.
- 5.2. VPAS designates the Comptroller to consolidate all worksheets into a single budget document for the entire college.
- 5.3. VPAS issues **memorandum** (Subject: Consolidated Budget for FY __) to FC and EC chairs, attached the budget document.

Department	Health	Travel	Supplies	Medical supplies	Printing	Reference, library books	Testing materials	Communication	Advertisement	Postage	Possible Cut
College of Micronesia - FSM	1,847	49,064	16,992	15,113	15,184	10,981	40,190	25,345	28,418	245,176	235,547
Consolidated Budget	4,248	20,070	15,872	6,930	6,973	4,522	24,582	15,567	13,708	112,242	111,443
Health	1,847	20,070	25,808	17,842	14,283	4,488	47,423	21,879	21,814	201,219	184,276
Travel	32,400	134,800	136,800	43,300	57,600	20,800	288,800	28,800	64,800	617,200	615,000
Supplies	15,000	73,300	55,953	42,500	22,800	13,000	76,300	67,305	453,138	453,747	
Medical supplies	4,600	1,000	7,300	9,000	1,900	10,900	5,400	15,900	50,900	74,600	
Printing	7,000	15,000	5,000	5,000	1,000	40,500	18,000	111,000	111,000	114,500	
Testing materials											
Communication		1,000									
Advertisement											
Postage											

Figure 16.0. Sample of a consolidated budget for the entire college.



At this stage, designated personnel of all units concerned will start inputting their respective budget data into the Budget Preparation System (BPS).



Stage 6. Finance Committee Review and Recommendation

Finance Committee (FC) reviews the resource allocations in the budget and submit recommendation to the Executive Committee (EC).

- 6.1. FC chair acknowledges receipt of VPAS' memorandum and budget document, and schedules committee meeting(s) to review resource allocations in the budget.
- 6.2. FC chair distributes agenda and electronic copies of the budget and other pertinent documents to committee members two weeks prior to the meeting, and requests that committee members:
 - ▶ Review or study the budget prior to the scheduled meeting.
 - ▶ Review and discuss to ensure that budget reflects appropriate allocation and use of financial resources to support student learning programs and services.
 - ▶ Discuss resource allocations with their respective constituents to solicit feedback.
 - ▶ Email or post to appropriate wiki their initial questions, comments, recommendations or feedback, ahead of the meeting date.
- 6.3. FC chair issues **committee recommendation** (Subject: FC Recommended Budget for FY ____) to VPAS.



Questions to ask: *Are resource allocations —*

- Consistent with the college's institutional priorities?
- Aligned with strategies in the Integrated Educational Master Plan (IEMP)?
- Based on program assessments?
- Responsive to program needs?
- Adequately documented and linked to clearly defined, student-centered, measurable outcomes?



Stage 7.

Executive Committee Review and Endorsement

Executive Committee reviews and endorses the budget to the president/CEO.

7.1. EC chair acknowledges receipt of FC's memorandum and budget document, and task EC committee's recorder to send notice of meeting to committee members.

7.2. EC chair tasks EC committee's recorder to distribute agenda and electronic copies of the budget and other pertinent documents to committee members one weeks prior to the meeting.

7.3. During the meeting, EC reviews of the budget (see side note on Questions to Ask, Stage 6), evaluates justifications cited in the FC's recommendation vis-a-vis EC's review of the budget, and formulates recommendation.

7.4. EC endorses to the president/CEO, through a **memorandum** (Subject: EC Recommended Budget FY___).



Stage 8.

President's Approval

President/CEO approves and submit the budget to the Board of Regents, or rejects and returns the budget to EC.

9.1. Board of Regents tables budget for discussion and action in its December meeting.

9.2. During the meeting, Board of Regents deliberates on the budget and make final revisions, if any.

9.3. Board of Regents approves the budget, and issues **directive** to the president/CEO to transmit budget to FSM government.



At this stage, VPAS sees to it that any final revisions are inputted into the BPS. Final budget version is saved to disc, and hard copies are printed and bound for distribution to offices concerned. VPAS also prepares a transmittal letter addressed to the FSM President.



Stage 9.

Board's Approval

Board of Regents approves the budget, subject to any final revisions it deems necessary.

9.1. Board of Regents tables budget for discussion and action in its December meeting.

9.2. During the meeting, Board of Regents deliberates on the budget and make final revisions, if any.

9.3. Board of Regents approves the budget, and issues **directive** to the president/CEO to transmit budget to FSM government.

Questions to ask: *Are resource allocations —*



- Consistent with the college's institutional priorities?
- Aligned with strategies in the Integrated Educational Master Plan (IEMP)?
- Based on program assessments?
- Responsive to program needs?
- Adequately documented and linked to clearly defined, student-centered, measurable outcomes?



Stage 10.

Budget Transmittal to FSM Government

President/CEO transmits the BOR-approved budget to FSM government.

10.1. President/CEO signs the **transmittal letter**.

10.2. President/CEO transmits to FSM president electronic copy and printed copy of budget documents.

10.3. College provides electronic copy and printed copy of the budget documents to Division of Budget, FSM Department of Finance and Administration.

