



COLLEGE OF MICRONESIA –FSM

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Office of the President

April 20, 2011

Mr. Fabian S. Nimea
Director SBOC
Government of the Federated States of Micronesia
Palikir, Pohnpei FM 96941

Dear Mr. Nimea:

Ref: College of Micronesia – FSM Concerns/Issues with SBOC LTFF
Request to place COM-FSM's Long Term Financial Plan directly in
the main FSM LTFF.

The college has reviewed a copy of the FSM Long Term Financial Framework and has concerns over portions related to the college and its long term effort to ensure sustainability and assist the nation in meeting its economic and social development goals.

The college has developed a Long Term Financial Plan as a component of its overall Master Plan. We do appreciate its inclusion in the appendix of the LTFF. However, we note that the section on the college in the body of the SBOC report does not reflect the position of the college and its Board of Regents. Of special concern to the college is the section included regarding consolidation of campuses that is not aligned with the college's position or our BOR policy.

During meetings with SBOC personnel and consultants on the LTFF, the college indicated concern with SBOC's approach of arbitrarily cutting personnel and services. As part of best practices and accreditation standards, resource allocation at the college must be based on planning and evaluation. As shown in the college's Long Term Financial Plan and other components of the college's master plan, the college is using planning and program evaluation to address revenue and resource allocation. Currently, the college is seeking to broaden its revenue streams, creating cost savings through improved effectiveness and efficiency of



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Office of the President

April 20, 2011

Mr. Fabian S. Nimes
Director SBOC
Government of the Federated States of Micronesia
Palikir, Pohnpei FM 96941

Dear Mr. Nimes:

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programs and services, and developing alternate schemes for financing higher education in a small island developing nation. Decisions, changes, and reductions are based on broad evaluation of programs and services and evaluating programs and services at the college for impact and need.

As an example of this approach, in a comprehensive and ongoing job audit and streamlining efforts, the college has revised its organizational structure to better fit its performance needs. Further, the college is implementing a work planning and performance evaluation models that is linked to specific improvement criteria. Another aspect of the job audit also identified 17 regular positions that were deemed redundant or unnecessary and 7 special contracts for non renewal. Subsequently, people in these positions were laid off and the college expects to realize approximately \$217,000 annual saving.

The college would request the section on the college in the FSM LTFF be replaced with the college Long Term Financial Plan.

Specific concerns/issues with the plan are attached. We would appreciate your review of these.

If there questions, please do not hesitate to contact my office.

Sincerely,



Ringleh Ringleh
Interim President

cc: Vice Presidents
Campus Directors
BOR Chair

College of Micronesia – FSM Major Concerns/Issues with FSM LTFF:

- Campus consolidation – SBOC included in the decrement plan a section on campus consolidation that is out of line with college planning based on directions of its Board of Regents and discussions with critical FSM stakeholders. The college is committed to maintaining a presence in all FSM states as indicated by the Instructional component of the college's master plan that lays out instructional programs to be delivered and new approaches to meeting short term (non degree) training for workforce developed of both public and private sectors. The college's long term financial plan is included as an appendix but the section on higher education included in the body of the report contradicts the stated plan of the college. The college's complete master plan (including Instructional, Facilities, Technology and Financial components) is designed to prepare the college to address long term needs of the FSM and how the college is to address major challenges. Some major issues included in the planning:
 - Increased emphasis on meeting workforce development and continuous training needs across the FSM through:
 - Continued college presence in all states.
 - Improved stakeholder management for design and delivery of non degree short term training for continuous improvement of both public and private sector work forces.
 - Constant review of programs and services (included expanded stakeholder input) to ensure programs and services meet the needs of individual states and the nation as a whole.
 - Expanded delivery methods for programs through distance education and other media.
 - Developing alternate schemes for financing short term and non credit programs in the FSM.
 - The college is also interested in the reference to "a number of studies" included in the FSM LTFF.
 - Developing alternate streams of financing higher education in the FSM as a small island developing nation based on research from ADB, World Bank and UNESCO.
 - Including cost benefit analysis and total cost of ownership concepts into facilities and program planning decision making.
- The college expressed concern to SBOC staff and consultant with the approach in the LTFF toward cutting positions without consideration and without regard to impact in ensuring quality of programs and services.

- o The college's approach is based on linking planning, program evaluation and resource allocation as required by accreditation standards and best practices in higher education and organizational management.



- Ensuring quality of programs and services has to be based on program evaluation and not an arbitrary series of cuts and reductions in personnel and other cost categories as seen in the LTFP.
 - o The college's ongoing job audit and streamlining is an example of the college's approach where in-depth analysis of programs and positions are conducted and reduction proposed that do not impact the ability of the college to provide quality services to students and the college community.
 - Reductions in staffing are occurring at the college with the largest impact seen at the national campus and in system wide offices.
 - o Meeting and keeping accreditation status is dependent on providing quality programs and services as per the college's mission.
 - o Vacant positions need to be reviewed closely regarding:
 - Why are they vacant? Are they hard to fill positions such as instructional staff where the college's salary structure is not competitive against regional standards and dramatically below US standards?

- What is the impact of removing the position on programs and service delivery?
 - The ongoing job audit and streamlining has been addressing these issues.
- In addition to the college's concern about arbitrary reductions in personnel and other cost categories, a number of the recommendations included by SBOC in the LTFP were based on faulty assumptions:
 - Strategic Planning funded under the president's office is a major component of the college's continuous improvement cycle to link planning, evaluation and resource allocation and has been cited by the accreditation visiting teams as a good practice for the college.
 - Information Technology
 - The college does not use ADSL at its campuses but rather T1 lines at its State Campuses and is moving to direct fiber connection at the national campus. Additionally, a number of the state campuses are also not in range of the ADSL implementation plan.
 - Second, college bandwidth needs to expand to meet changing educational needs such as delivery of programs and courses via distance education and improved access to materials and research sites for students, faculty and staff to support student learning and ensure continuous improvement of programs and services.
 - Strategic Planning funds under the president's office are not for developing a strategic plan. A major component of the college's continuous improvement cycle is a President's Retreat that assists the college in annually linking planning, evaluation and resource allocation and has been cited by the accreditation visiting teams as a good practice for the college.

STREAMLINING ORGANIZATIONAL CHARTS

Descriptive Summary of the New Organizational Structure

President's Office Administration:

The President's office reports directly to the Board of Regents of the College of Micronesia-FSM. The Board is composed of five (5) members one representing each state and one from the FSM National Government. Currently, Mr. Kasio Mida is the Chairman of the Board, Regent Lyndon Cornelious is the Vice Chairman, Regent Mary Figir is the Secretary/Treasurer, and Regents Graceful Enlet and Churchill Edward are Board members.

With the restructuring, the President's office (which has direct supervision of all four Vice Presidents) will now include the five Campus Directors including two additional offices, the Community Relations Office (DCR) and the Institutional Research & Planning Office (IRPO). Please note that there is a dotted line between the President, the Executive Director of Land Grant and the Vice President for Cooperative Research, and Extension Services. This denotes a dual reporting for the VPCRE, and whilst supervised by the COM-FSM President, the Executive Director of Land Grant has responsibility for the funding of all CRE services.

The intent of the above is to improve communications among all offices and campuses. By having the Campus Directors reinstated as members of the cabinet, they will be more actively involved in strategic and operational decisions affecting the College. The Campus Directors, in conjunction with the President and Vice President's will also play a greater role in stakeholder management in the ongoing drive to enhance the range of educational programs and services. With both the DCR and IRPO offices now under the purview of the President further support is provided in the decision making process, planning, budget, enrollment, and other matters.

Department of Administrative Services:

The Vice President of Administrative Services will have direct supervision over the following: Business Office including Bookstore (BO), Human Resources Office (HRO), Information Technology Office (ITO), and Maintenance and Security (M&SO). As outlined earlier, the Community Relations Office (DCR) and the Institutional Research & Planning Office (IRPO) will now report to the President. As an internal service provider the Department of Administrative Services will have system-wide responsibility (through the respective Director) in supervising staff at each of the state campuses. This change in reporting is consistent with the structural changes being made that will see more time available for the Campus Directors to be involved in stakeholder management duties.

The cafeteria at the National Campus has been placed under the Vice President of Student Services although the provision of food services at FSM-FMI will continue to be supervised by the FMI Director.

Department of Instructional Affairs:

The Vice President of Instructional Affairs office will have direct supervision over the following : Director of Academic Programs, Director of Vocational, Community and Continuing Education, Director of the Learning Resource Center, Assessment Coordinator and Distance Learning Coordinator.

Reporting to the Director of Academic Programs will be Academic Chairs based at the National Campus who will oversee the following academic divisions : Business, Education, Language & Literature, Maths and Natural Science, Social Science and Health Science divisions. Also reporting to the Director of Academic Programs will be Academic Coordinators based at Chuuk, Kosrae and Yap Campuses.

Reporting to the Director of Vocational, Community and Continuing Education will be Vocational Chairs (based at the National Campus) including Vocational Coordinators based at Pohnpei, Chuuk, Kosrae, Yap and FMI Campuses.

Please note that the Academic and Vocational Coordinators will also act as Chairs thereby eliminating the need for additional academic / vocational chairs at each campus.

Department of Student Services:

The Vice President for Student Services Office will have direct responsibility over the following : Admissions & Records Office (A&RO), Financial Aid Office (FAO), Counseling Office (CO), Peer Counseling Office (PCO), Student Life Office (SLO), Food Services (FS) including Student Service Coordinators at Pohnpei, Chuuk, Kosrae, Yap, and FMI. As a service provider the Department of Student Services will have system-wide responsibility (through the respective Director) in supervising staff at each of the state campuses.

Cooperative Research & Extension Services:

The Vice President of Cooperative Research & Extension will have direct responsibility over the following : CRE Program Coordinator, Research Assistant, CRE administrative staff (national Campus) including the CRE Coordinators based at Pohnpei, Chuuk, Kosrae, and Yap Campuses.

Conclusion :

Please see the attached organizational charts and streamlining matrix for more detailed information on the above.

In summary, one of the significant changes resulting from the restructuring is the transfer of selected programs from Pohnpei Campus to the National Campus and vice versa. This avoids any duplication of services while providing the opportunity to expand the development of vocational / short term training courses at Pohnpei Campus. e.g. the ACE program at Pohnpei Campus will be relocated to the National campus while the Nursing and the Public Health Programs will be relocated to Pohnpei Campus. The purpose for moving the Public Health and Nursing Programs to Pohnpei Campus is due to the proximity of the Pohnpei Campus to Public Health Clinics and facilities in town. The administration and supervision of these two programs will be under the Division of Health at the National Campus. Transfer of the ACE (remedial program) to the National Campus is still to be determined (once classroom space has been identified) although it is likely that a new classroom will need to be built at the National Campus in order to accommodate this change.

In terms of facilities construction, the facilities master plan has revealed that the College still needs to build : a multipurpose building at Pohnpei Campus, a Student Services Building at the National Campus, a multipurpose building at Kosrae Campus including further preparation of the site at Nantaku, Chuuk's new Campus including construction of one building for agricultural purposes. With due consideration to the above, all construction is based on the cost of ownership and cost benefits to the College.

As a result of the restructuring, a total of 24 employees (17 full-time and 7 on special service contracts) will be placed on layoff status. The majority of those affected employees are from the National Campus. Lay-off notices will be released March 31, 2011. Teaching positions are not affected. The administration is currently trying to fill all new and current vacancies (at all campuses) by May 2011.

Finally, a new performance management system will be implemented to cover all employees including a specific tool for faculty. The emphasis here will be on improving work planning including the link to both performance pay and training and development.