

**College of Micronesia – FSM**

**Committee Minutes Reporting Form**

<b>Committee or Working Group</b>		<i>Finance Committee</i>	
<b>Date:</b>	<b>Time:</b>	<b>Location:</b>	
<b>May, 2014</b>	<b>4:00 p.m.</b>	<b>Board Conference Room</b>	
<b>Members Present</b>			
<b>Titles/Reps</b>	<b>Name</b>	<b>Present</b>	<b>Absent</b>
Committee Chair	Richard Womack	x	
Committee Vice-Chair	Doman Daoas		x
Secretary	Phyllis Silbanuz	x	
National Staff Rep.	Eugene Edmund		x
National Staff Rep.			
National Faculty Rep. (Lang/Lit)	Monty Vierra	x	
National Faculty Rep. (AG)	Kiyoshi Phillip		x
National Faculty Rep (SS)	John Haglelgam		x
Pohnpei Campus Faculty Rep			
Pohnpei Campus Faculty Rep			
Pohnpei Campus Staff Rep (Bus. Office)	Twyla Poll	x	
Pohnpei Campus Staff Rep (IC Ofc)	Adleen Shed	x	
Chuuk Campus Faculty Rep	Roger Arnold/Ben	x	
FMI Staff Rep	Clotilda Dugwen	x	
Yap Staff Rep	Rosemary Manna	x	
CRE Rep	Sonny Padock		x
Kosrae Staff Rep	Alik J. Phillip		x
Ex Officio Member	Danny Dumantay	x	
National Staff Rep (Business Office)	Juvilen Mariano		x
National Staff Rep (Business Office)			
National Staff Rep (Business Office)			
SBA Rep	Sebastian Tairuwetairuwepiy		x
<b>Additional Attendees:</b>	<b>President Joseph Daisy, Controller Danny Dumantay</b>		
<b>Agenda/Major Topics of Discussion:</b>			
<p><b>I. Council of Chairs Update from Chair Womack</b>  <b>II. Comments from President Daisy</b>  <b>III. Report on Analysis of FY 2014 – Results of Operations by Danny Dumantay</b></p>			
<b>Discussion of Agenda/Information Sharing:</b>			

I. Council of Chairs Update from Chair Womack

- a. Summarized handout from Chair
- b. Participatory Governance Policy
- c. Members feel left out, decisions' reasoning sometimes not clear, attendance not stellar in committees, etc.
- d. Work closer with administrative counterparts for efficiency
- e. Training of officers and committees
- f. Comptroller and Administration as ex-officio
- g. Meeting in two weeks
  - i. TOR
  - ii. Self-Analysis
  - iii. Others

II. President Daisy

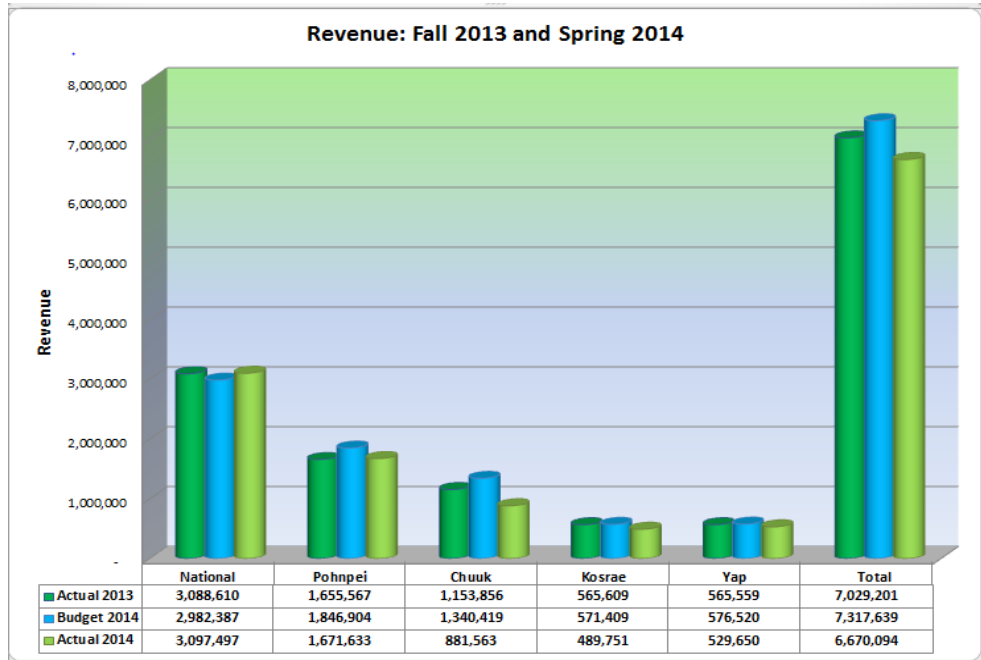
- a. Purpose of Presentation is to FC members update on 2014 Budget and projections for end of year
- b. Freeze unfilled positions;
- c. Enrollment shortfalls – value of realizing unfilled positions had potential to realize a balanced budget end of year and modest surplus
- d. Asked VPA and Comptroller to do analysis and where we will end the year.

III. Danny Dumantay report on FY 2014 – Data below from Danny's PowerPoint Presentation

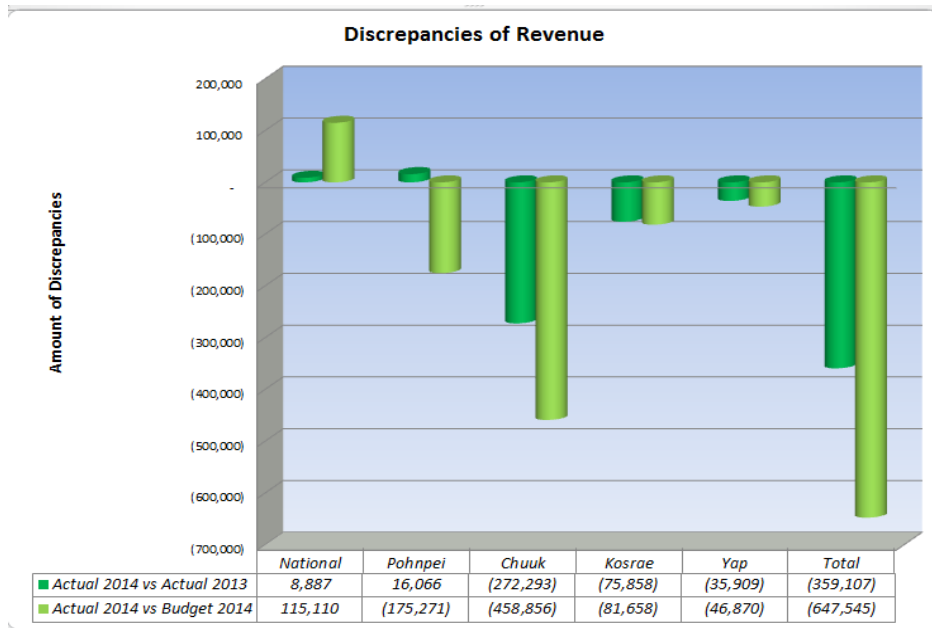
- a. Objective: To determine the projected results of operations at the end of FY 2014 (as of September 30, 2014) based on financial records and assumptions.
  - Results of operations is a function of revenue and expenditures
- b. Financial Records:
  - Actual revenue for fall 2013 and spring 2014
  - Actual expenditures as of January 31, 2014
  - FY 2014 revenue and expenditure budgets
- c. Assumptions
  - Summer 2014 revenue
  - Supplemental budgets
  - Unfilled positions
  - Reprogramming
- d. Comparative Analysis of Revenue Fall 2013 and Spring 2014

Campus	Budget 2014	Actual 2014	Difference
National	2,982,387	3,097,497	115,110
Pohnpei	1,846,904	1,671,633	(175,271)
Chuuk	1,340,419	881,563	(458,856)
Kosrae	571,409	489,751	(81,658)
Yap	576,520	529,650	(46,870)
Total	<b>7,317,639</b>	<b>6,670,094</b>	<b>(647,545)</b>
➤ %			<b>-8.85%</b>

e. Comparative Analysis of Revenue for Fall and Spring Actual 2013, Budget 2014 and Actual 2014



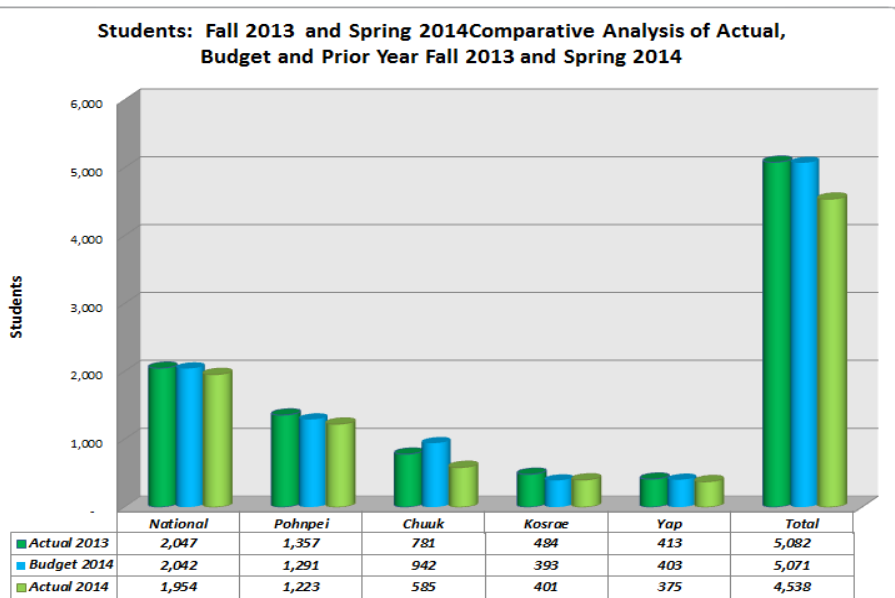
f. Discrepancies of the Comparison on Revenue Actual 2013, Budget 2014 and Actual 2014



g. Comparative Analysis of Students Fall 2013 and Spring 2014

Campus	Budget 2014	Actual 2014	Difference
National	2,042	1,954	(88)
Pohnpei	1,291	1,223	(68)
Chuuk	942	585	(357)
Kosrae	393	401	8
Yap	403	375	(28)
<b>Total</b>	<b>5,071</b>	<b>4,538</b>	<b>(533)</b>
➤ %			<b>-10.51%</b>

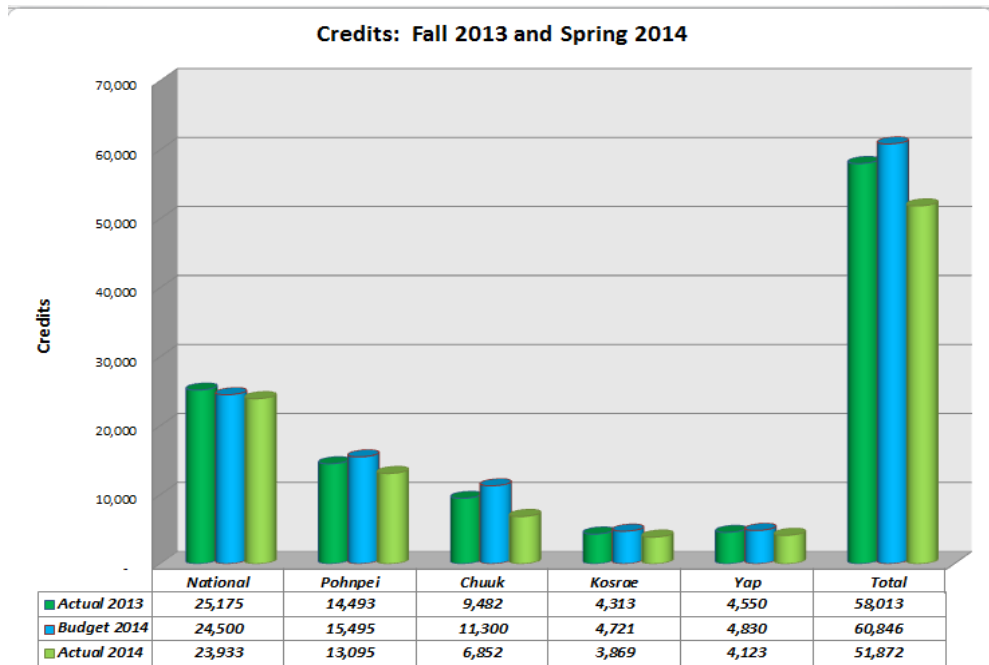
h. Comparative Analysis of Students for Fall and Spring Actual 2013, Budget 2014 and Actual 2014



i. Comparative Analysis of Credits Fall 2013 and Spring 2014

Campus	Budget 2014	Actual 2014	Difference
National	24,500	23,933	(567)
Pohnpei	15,495	13,095	(2,400)
Chuuk	11,300	6,852	(4,448)
Kosrae	4,721	3,869	(852)
Yap	4,830	4,123	(707)
<b>Total</b>	<b>60,846</b>	<b>51,872</b>	<b>(8,974)</b>
			<b>-14.75%</b>

j. Comparative Analysis of Credits for Fall and Spring Actual 2013, Budget 2014 and Actual 2014



k. Analysis of Revenue, Students and Credits

	Budget 2014	Actual 2014	Difference	Percentage
Revenue	7,317,639	6,670,094	(647,545)	-8.85%
Students	5,071	4,538	(533)	-10.51%
Credits	60,846	51,872	(8,974)	-14.75%

I. Average Credit

<b>Average Credit: Budget 2014</b>			
<b>Campus</b>	<b>Students</b>	<b>Credits</b>	<b>Average</b>
National	2,042	24,500	12.0
Pohnpei	1,291	15,495	12.0
Chuuk	942	11,300	12.0
Kosrae	393	4,721	12.0
Yap	403	4,830	12.0
<b>Total</b>	<b>5,071</b>	<b>60,846</b>	<b>12.0</b>

<b>Average Credit: Actual 2014</b>			
<b>Campus</b>	<b>Students</b>	<b>Credits</b>	<b>Average</b>
National	1,954	23,933	12.2
Pohnpei	1,223	13,095	10.7
Chuuk	585	6,852	11.7
Kosrae	401	3,869	9.6
Yap	375	4,123	11.0
<b>Total</b>	<b>4,538</b>	<b>51,872</b>	<b>11.4</b>

m. Expenditures and Encumbrances as of Jan. 31, 2014

	<b>Budget</b>	<b>Expenditures</b>	<b>Enc.</b>	<b>Total</b>	<b>Balance</b>
<b>Office of the President</b>	335,174	100,185	11,659	111,844	223,330
<b>CRE</b>	74,000	-	-	-	74,000
<b>IEQA</b>	1,014,446	234,685	16,567	251,251	763,195
<b>Instructions</b>					
National	2,803,118	761,615	211,041	972,655	1,830,463
Pohnpei	1,676,193	488,695	62,656	551,351	1,124,842
Chuuk	1,395,310	499,233	45,088	544,321	850,989
Kosrae	831,345	256,602	74,070	330,672	500,673
Yap	721,536	216,215	50,442	266,657	454,879
	<u>7,427,502</u>	<u>2,222,360</u>	<u>443,297</u>	<u>2,665,657</u>	<u>4,761,845</u>
<b>Administrative Services</b>	2,301,823	635,218	124,401	759,619	1,542,204
<b>Student Services</b>	<u>866,579</u>	<u>267,005</u>	<u>87,082</u>	<u>354,088</u>	<u>512,491</u>
<b>Total</b>	<u>12,019,524</u>	<u>3,459,452</u>	<u>683,007</u>	<u>4,142,459</u>	<u>7,877,065</u>

n. Projected Results of FY 2014 Operations Best Case Scenario

**Revenue:**

Tuition and fees: Fall 2013 and Spring 2014	\$	6,670,093
Tuition and fees: Projected for Summer		977,826
FSM General Fund		1,400,000
ESG		2,400,000
Recovery of IC		100,000
		<u>11,547,919</u>

**Expenditures:**

Expenditures/encumbrances as of January 31, 2014		4,142,459
Unused budget		7,877,065
Less: Budget savings from unfilled positions		
National campus	384,020	
State campus	362,817	746,837
		<u>7,130,228</u>
		<u>11,272,687</u>

➤ **Fund Balance Change** \$ 275,232

**Note: The projected results represent cash operating activities and does not include non – cash expenditures (depreciation, bad debts) and use of fund balance.**

a. Projected Results of FY 2014 Operations Conservative Case Scenario

**Revenue:**

Tuition and fees: Fall 2013 and Spring 2014	\$	6,670,093
Tuition and fees: Projected for Summer (at 80%)		780,000
FSM General Fund		1,400,000
ESG		2,400,000
Recovery of IC		100,000
		<u>11,350,093</u>

**Expenditures:**

Expenditures/encumbrances as of January 31, 2014		4,142,459
Unused budget		7,877,065
Less: Budget savings from unfilled positions (at 50%)		
National campus	192,010	
State campus	181,408	373,418
		<u>7,503,647</u>
		<u>11,646,106</u>

➤ **Fund Balance Change** \$ (296,013)

**Note: The projected results represent cash operating activities and does not include non – cash expenditures (depreciation, bad debts) and use of fund balance.**

IV. President Daisy: Criteria for cutting unfilled positions

- A. How long has position been vacant (related to health and safety)
- B. Function can be achieved with existing staff
- C. Presentation highlights number of credits and the importance of retention efforts

V. Danny - Cabinet asked Danny about summer enrollment, probably not at 100% but 80%. At last

- early registration OAR is at 60% so probably okay
- a. 50% of unfilled positions not likely to be filled.
  - b. Might scrape by in 2014 and be okay but really close.
  - c. Pell grant not re-instated this year but most likely next year for whole year.

VI. Questions

- a. Monty – why lower than 12 credits?
  - i. President Daisy-Function of advising, etc.
  - ii. By Richard - Catalog already scheduled so should be already
  - iii. Danny – why are courses not available
  - iv. Phyllis – cohorts for students that fail and fall out of sync
  - v. President - Some students has to carry more to offset short fall of others
  - vi. Monty - Lang/Lit – proposal to eliminate supervisor from lang/lit and math/science and hire administrator; why lay off division that is critical to institution, took one year to find out things are not being carried out the right way; question of overtime pay in relation to hiring one more teacher
  - vii. President – offer evening or weekend classes
  - viii. Womack – art class on weekend because there is no teacher

VII. Adjournment: Monty moved and second by Phyllis so meeting adjourned at 5:07

**Handouts/Documents Referenced:**

**1. Comptroller's 2014 Presentation**

**College Web Site Link:**

<b>Prepared by:</b>	<i>Phyllis Silbanuz</i>	<b>Date Distributed:</b>	<i>5/5/2014</i>
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**Approval of Minutes Process & Responses:**

Approved online.

<b>Submitted by:</b>	<i>Phyllis Silbanuz</i>	<b>Date Submitted:</b>	<i>05/28/2014</i>
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**Summary Decisions/Recommendations/Action Steps/Motions with Timeline & Responsibilities**