**College of Micronesia – FSM**

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| **Committee Minutes Reporting Form** | | | | | | | | | | | |
| **Committee or Working Group** | | | | | ***Finance Committee*** | | | | | | |
| **Date: 10/14/11** | | | | **Time:** | | | | **Location:** | | | |
|  | | | | 4:00 p.m. | | | | President’s Conference Room | | | |
| |  |  |  |  | | --- | --- | --- | --- | | **Members Present** |  |  |  | | **Titles/Reps** | **Name** | **Present** | **Absent** | | Committee Chair | Marian Medalla | X |  | | Committee Vice-Chair | John Ranahan | X |  | | Secretary |  |  |  | | National Faculty Rep. | Aleili Dumo | X |  | | National Faculty Rep. | John Haglegam |  | X | | National Faculty Rep. | Spensin James | X |  | | National Staff Rep. | Eugene Edmund | X |  | | National Staff Rep. | Sylvia Henry | X |  | | National Staff Rep. | Josephine Kostka | X |  | | National Faculty Rep. | Juan Paolo Santos | X |  | | Pohnpei Campus Faculty Rep | Phyllis Silbanuz |  | X | | Pohnpei Campus Staff Rep | Twyla Poll | X |  | | Pohnpei Campus Faculty Rep | Adleen Shed | X |  | | Chuuk Campus Faculty Rep | Kind Kanto | X |  | | Yap Staff Rep | Clotilda Dugwen |  | X | | Yap Staff Rep | Rosemary Manna | X |  | | CRE Rep | Sonny Padock | X |  | | Kosrae | Alik J. Phillip | X |  | |  |  |  |  | |  |  |  |  | |  |  |  |  | |  |  |  |  | |  |  |  |  | |  |  |  |  | |  |  |  |  | |  |  |  |  | | | | | | | | | | | |
| **Additional Attendees:** | | VPAS, Joe Habuchmai  Comptroller, Danny Dumantay  ALO, Frankie Harriss, new addition to committee | | | | | | | | | |
| A**genda/Major Topics of Discussion:** | | | | | | | | | | | |
| 1. **New Business –** 2. **Election of New Secretary** 3. **Action on Requests from VP Joe Habuchmai** 4. **Other** | | | | | | | | | | | |
| **Discussion of Agenda/Information Sharing:** | | | | | | | | | | | |
| **I. New Business –**   1. **Election of New Secretary**   Josephine Kostka nominated **Adleen Shed**, who then declined her nomination.  Adleen Shed nominated **Josephine Kostka**, who then declined her nomination.  There were no other nominations.  ALO, Frankie Harriss, volunteered to be the secretary until someone else could feel a bit more confidence to assume the role.  Unusually, though both nominees declined their nomination, they were included in a regular vote. However, because both nominees had said they declined the nomination, Frankie Harriss received the majority vote, and will serve as temporary secretary until the committee has nominees who will accept a nomination and accept election/service as the Finance committee Secretary.   1. **Action on Requests from VP Joe Habuchmai**   VPAS, Joe Habuchmai, presented a request to utilize the fund balance to effect building repairs. Normally, the money for this work comes from compact funds, provided to the College through the FSM government. However, due to recent JEMCO resolutions freezing infrastructure funds through 2016, there is a need to obtain these funds from our positive fund balance. These repairs are deemed necessary to meet accreditation standards in regard to our facilities.  National Campus Request:   1. Painting building C-Administration Building $8,000 2. Building F2-New Faculty Building $8,000 3. Painting Building D –Boys Dormitory $10,000 4. Painting Building E – Girls Dormitory $10,000   Total $36,000  FSM FMI Request:  1. Computer lab floor $20,000  2. Electrical system evaluation $10,000  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Total $30,000  Pohnpei Campus Request:  1. Walkway improvement $12,000  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Kosrae Campus Request:  1. Renovation of donated DOE classroom building to house the library $100,000  \*already approved without finance committee  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Chuuk Campus Request:  1. Library exterior painting $17,000  2. Computer lab $13,000  Total $30,000  National Campus Student’s Cultural Hut (4) $2,000  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Total of individual requests $110,000  **VPAS urged discussion and action on this ASAP.**  The Comptroller, **Danny Dumantay**, referred the committee to the finance policy (see Fiscal Policy 1.04: Use of Positive Fund Balance, below) allowing use of the positive fund balance for approval of expenditures that fall below $50,000 or less, and constitute rare and exceptional needs, by the Finance Committee. Danny Dumantay explained the JEMCO infrastructure freeze and the pressing accreditation concerns did actually qualify this request as acceptable use of the fund balance, and acknowledged that we had sufficient cash flow in the fund balance. The Comptroller answered questions regarding the current status of the COM-FSM fund balance and did state we are able to cover this request, and it seems logical to fund the request at this time, given the pressing nature of our accreditation status.  ***“FISCAL POLICY 1.04: USE OF POSITIVE FUND BALANCE***  ***Policy :***  *A positive fund balance at COM-FSM can be utilized for a special expenditure only in the case of rare and exceptional needs and only depending on the availability of cash to cover the expenditure. Any such special funding item must be approved on an individual basis by the College's Finance Committee and the Cabinet and approved as follows:*   * *$50.000 and less - President* * *More than $50,000 - Board of Regents through the President”*   **Spensin James** made a motion to approve all the requests, as presented. **John Ranahan** seconded the motion. The committee voted:  **Twelve yes votes and One Abstain**  **The request was approved by the Finance Committee**  **c. Other**  **Facilities in Chuuk:**  **Kind Kanto** explained that he abstained from this vote because he doesn’t feel painting the buildings in Chuuk will address the more important problems with their buildings. Mr. Kanto elaborated that the library and the computer lab have roof leaks (leading to even more damage), the library is infested with termites, a ceiling currently has holes in it and will likely fall down by the time the visiting accreditation team would arrive, the computer lab has no AC, classrooms have lights and fans that are broken and live wires exposed, inadequate lighting in classrooms and the computer lab—all far more pressing than an exterior paint job. And, all more likely to have us cited for failing accreditation standards.  **Approving Requests**  There was some concern expressed by the **Comptroller** on how the Finance Committee is to receive requests and how those requests are specifically to be processed, as he is no longer the chair. The Finance Committee members agreed that the Comptroller should dialogue with the VPAS and determine the best process/procedure for incorporation into the new TORs, and that the Finance Committee would then be happy to comply. It seems that matter is above the authority level of Finance Committee members to determine.  **Spensin James** mentioned that previously, all committee minutes were approved by the College President, before being available for circulation to the entire College Community. The ALO agreed that what Mr. James stated is true, but clarified that because committee structure and membership has changed, such that administrators are no longer chairing committees, the committee minutes do not reflect fully approved action requests—recommendations must be written in memos and be passed through the administration chain of command, instead. Committees merely make recommendations that go through directors and VPs, then with support, on to the President.  Also, the President is not in the committee meetings, and so can’t verify whether minutes are accurate, or not, thus making approval of the minutes seem unnecessary and time consuming for the President. Moreover, the College has been cited endlessly for the administration’s inability to communicate effectively with the college community, so minutes need to get out in a timely manner to keep the entire College informed, not merely the President. Further, the President now meets on a monthly basis with the committee chairs (who are faculty and staff) for the purposes of remaining informed in a face-to-face manner, rather than simply by less effective written communications.  **Pressure by administration**  The committee expressed concern at being presented a decision to make, by the VPAS, without having had a chance to review more specific details, such as the actual details of our current fund balance and the justifications from maintenance as to why these particular repairs are to be done, and how the costs for these repairs/maintenance were determined.  The committee will, for the future, only make informed decisions and not feel pressured to make a potentially detrimental or less prudent decision because an item is urgent. If the item is urgent, then the supporting details, justifications, and documents need to be presented, or individuals brought in to provide details and answer questions. The Committee will work directly with the Comptroller to be sure the necessary details are provided to him firstly, and then the Committee by requesting offices.  **Committee members specifically requested a current copy of our fund balance.**  Chair, Marian Medalla, stated that there are other proposals the committee soon needs to review, and felt the committee should meet again, soon. However, an exact date wasn’t selected and will be announced, soon. | | | | | | | | | | | |
| **Handouts/Documents Referenced:** | | | | | | | | | | | |
| 1. Memorandum from VPAS: Supplemental fund for Renovation of buildings at all sites | | | | | | | | | | | |
| **College Web Site Link:** | | | | | | | | | | | |
| **Prepared by:** | ***Frankie Harriss*** | | | | | **Date Distributed: 19OCT11** | | | |  | |
| **Approval of Minutes Process & Responses:** | | | | | | | | | | | |
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| **Submitted by:** | | |  | | | | **Date Submitted:** | |  | | |
| **Summary Decisions/Recommendations/Action Steps/Motions with Timeline & Responsibilities**   1. Election of temporary secretary, Frankie Harriss. 2. Approval of Supplemental fund for Renovation of buildings at all sites, as presented, by VPAS, Joe Habuchmai. 3. Request for current copy of the fund balance. 4. Request for Comptroller and VPAS to work out the preferred procedure for submitting business to the Finance Committee and for the Finance Committee to return approved/rejected requests. | | | | | | | | | | | |