COM-FSM

Budget Procedures Handbook

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Lead Authors:
Rafael Pulmano
Associate Professor, Business Division
Marian Medalla
Associate Professor, Business Division
Debra Perman
Associate Professor, HTM & Business Division

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Glossary of Key Budget Terms and Abbreviations

Abbreviations

BOR	Board of Regents
BPS	Budget Preparation System
EC	Executive Committee
ESG	Education Sector Grant
FC	Finance Committee
FAO	Financial Aid Office
FTE	Full-Time Equivalent
FY	Fiscal Year
	COM-FSM'S fiscal year begins on October 1 and ends on September 30 of the following year.
IC	Instructional coordinator
IEMP	Integrated Educational Master Plan
IRPO	Institutional Research and Planning Office
JEMCO	Joint Economic Management Committee
	JEMCO was established to strengthen the management and accountability of economic assistance provided under the Amended Compact. In 2012, JEMCO issued a resolution reducing college funding from ESG by $2.8 million over 4 years, beginning FY2013.
OARR	Office of Admissions, Records and Retention
PBD	Performance Budget Development
PRC	Planning and Resources Committee
SBOC	FSM Office of Statistics, Budget, Overseas Development and Compact Management
TCO	Total cost of ownership
VP	Vice president
VPAS	Vice president for administrative services
VPIA	Vice president for instructional affairs
VPIEQA	Vice president for institutional effectiveness and quality assurance

Key Budget Terms

Auxiliary Services	These are other services offered by the College which are self-supporting, such as cafeteria and bookstore.
Base Costs	Also referred to as **core costs** or **fixed costs**, (starting with FY2014 budget) these costs were determined and included in the budget in advance to insure that they were fully budgeted. They include personnel costs (from Human Resources Office); utility costs and maintenance costs (from Maintenance Office), and communication costs, from Information Technology Office.
Budget	A financial plan for the future based on a single level of activity; the quantitative expression of a company's commitment to planned activities and resource acquisition and use.
Budget Preparation System (BPS)	A computer program used by the FSM government in its budget preparation. The FSM Budget Office requires COM-FSM to use this software, and has provided the college with a BPS template (ready for data entry) based on the college's budget structure.
Budget Structure	COM-FSM's organizational structure as basis for budget data entry. Any change in this structure necessitates adjustment in the BPS template. For example, the FY 2013 budget was based on functions (budget for Business Office for all campuses) but the FY 2014 reverted back to the unified campus budget. As a result, change was necessary in the BPS template for FY2014.
Budgeting	The process of formalizing plans and translating qualitative narratives into a documented, quantitative format.
Compact Funds	Funding assistance from the U.S. Federal Government as part of the agreement under the Compact of Free Association entered into by and between the Federated States.
Core Costs	See **Base Costs**.
Dean	Official title or designation of heads of COM-FSM state campuses and National Campus office of academic programs.
Director	Official title or designation of heads of various offices at COM-FSM, such as HRO, FAO, OARR, IRPO, etc.

Environmental Scan Report	A report that reflects careful monitoring of COM-FSM'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 yearly by the IRPO for use by the college in formulating strategic plans and preparing budgets.
Federal Pell Grant	U.S. grant providing financial assistance to help COM-FSM students pay the cost of postsecondary education.
Fees	Amounts, other than tuition, collected by the college from the students for their use of various services and facilities. These include Registration, Health, Student Activity, Dormitory, Facilities, and other fees.
Fixed Costs	See **Base Costs**.
Indirect Cost Revenue	Revenue generated by divisions/departments overseeing/managing special projects with outside funding.
Integrated Educational Master Plan (IEMP)	Document developed by the College of Micronesia-FSM in order to adequately address external impacts that the college has identified and to provide an operational plan to move the college forward 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 5 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 spending on inputs (salaries, supplies, travel), was first developed to guard against misuse of public funds.
Non-Direct Operations	Revenue category that includes FMI General Fund, Technology, and Supplementary 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 UB, GEAR UP, and 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.

Introduction

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." *(WASC Standard IV)*

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

The college's budget has five components:

1. A balanced budget for the whole college
2. Budget for Infrastructure Development Project (IDP)
3. Budget for the operations of Fisheries and Maritime Institute (FMI)
4. Budgets for auxiliary enterprises of the college
5. Budget for the board of regents

Lead role of VPAS

The vice president for administrative services (VPAS) leads the development of the annual budget. The budget process starts in April with the VPAS preparing the budget guidelines and ends in December with the balanced budget approved by the Board of Regents (BOR) and transmitted to the FSM government.

Table 1. The Beginning and End Stages of Developing the COM-FSM Operations Budget

April ⟶ December

VPAS Issues Budget
Preparation Guidelines

President Transmits Budget
To FSM Government
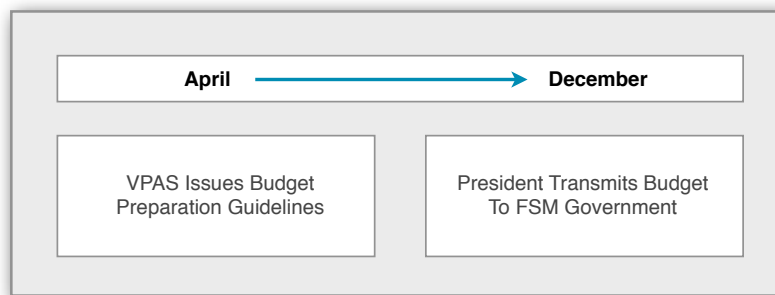
Stages in budget preparation

There are twelve stages in the preparation of the budget:

Stage 1: VPAS prepares the budget guidelines.

Guidelines
Assumptions
Projections
Timelines

Stage 2: VPAS, in coordination with other vice presidents (VPs), makes a list or statement of assumptions and revenue projections.

Stage 3: VPAS, in coordination with other VPs, develops the budget timeline based on the guidelines, assumptions and revenue projections in Stages 1 and 2.

Resource allocations

Stage 4: VPs determine resource allocations for their respective departments.

Stage 5: IRPO (or other designated unit supervisor) conducts budget preparation training workshops, during which campus deans and office directors prepare their respective unit budgets.

Training
Budget preparation
Hearings
Consolidation

Stage 6: VPs hold budget hearings within their respective departments.

Stage 7: VPAS consolidates the budget.

Stage 8: Planning & Resource Committee (PRC) and Finance Committee (FC) jointly review the resource allocations in the budget and submit recommendation to Executive Committee (EC).

Review
Recommendation
Approval

Stage 9: EC reviews and endorses the budget to the president.

Stage 10: President approves and submits the budget to BOR, or rejects and returns the budget to EC.

Stage 11: BOR approves the budget, subject to any final revisions it deems necessary.

Transmittal

Stage 12: President transmits the BOR-approved budget to FSM government.

Figure 1 below shows the budget process flow chart involving these twelve stages.

1. VPAS – Prepare Budget Guidelines.	2. VPAS w/ other VPs – Compile Assumptions and Project Revenues.	3. VPAS w/ other VPs – Develop Timeline.
4. VPs – Allocate Resources.	5. IRPO, Deans & Directors – Conduct Training and Prepare Budget.	6. VPs – Conduct Departmental Budget Hearings.
7. VPAS – Perform Budget Consolidation.	8. PRC & FC – Review Allocations and Make Recommendations.	9. EC – Review & Endorse Budget.

Stage 7–10: Begin Inputting Budget into BPS.

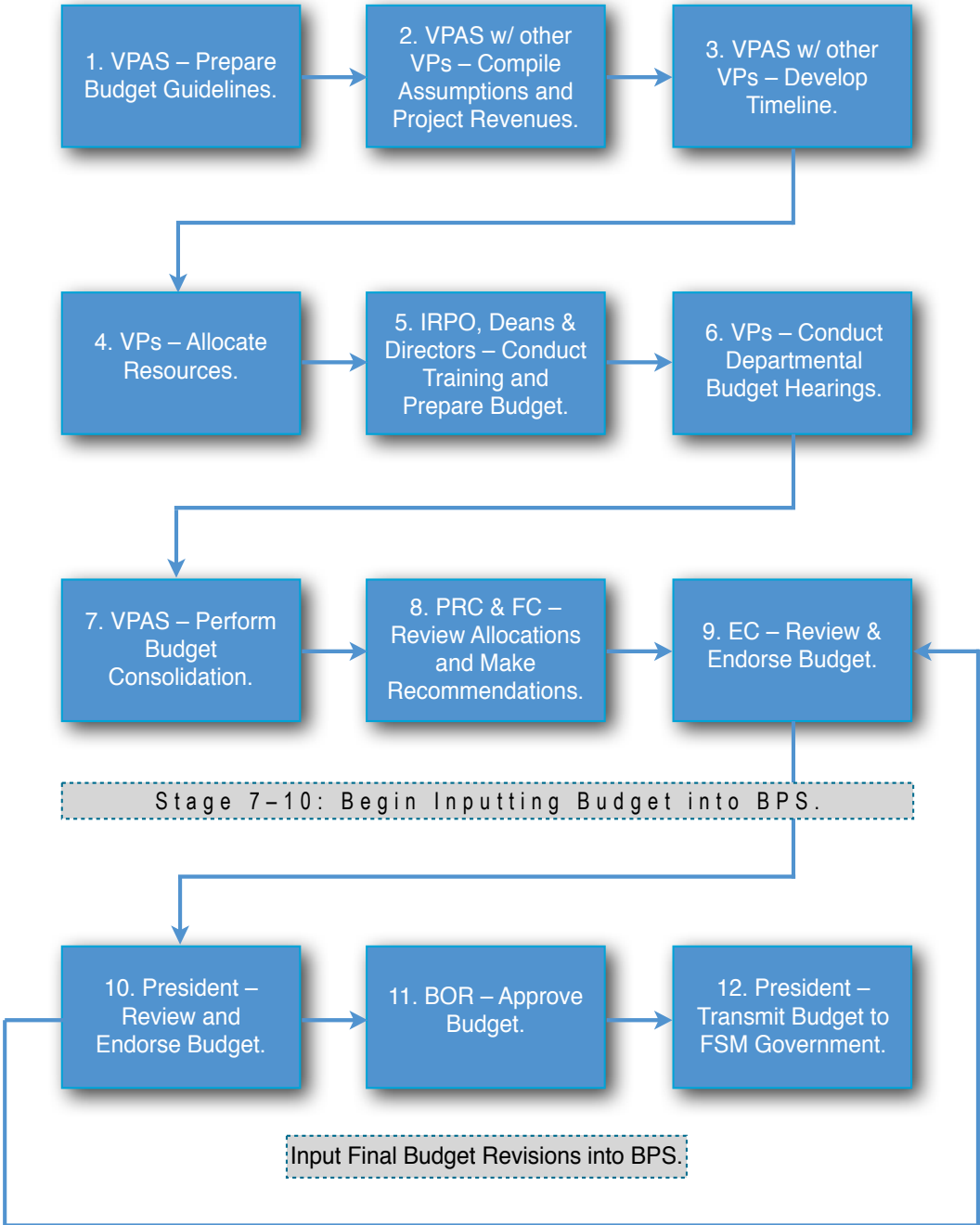|		
10. President – Review and Endorse Budget.	11. BOR – Approve Budget.	12. President – Transmit Budget to FSM Government.

Input Final Budget Revisions into BPS.

Figure 1. Stages in Developing the COM-FSM Budget

Budget Procedures

Stage 1 ▶ VPAS prepares the budget guidelines.

1.1   Request latest Environmental Scan Report from IRPO.

1.2   Review relevant documents:
    1.2.1 Budget(s) from prior year(s).
    1.2.2 Priorities set forth in the college's Integrated Educational Master Plan (IEMP).
    1.2.3 Applicable accreditation guidelines.

1.3   Prepare draft of budget guidelines, which shall cover, among others:
    1.3.1 Statement of general guidelines in the development of budgets
    1.3.2 The process flow, if different from that presented in this manual.
    1.3.3 Guidelines in budgeting expenditures for the year
    1.3.4 Guidelines in revenue projections, including the level of support by the FSM government

WHO *will request, review, prepare, transmit, issue memorandum, and upload pdf copy?*

Stage 1 ▶ VPAS

1.4   Transmit draft of budget guidelines to President for approval.

See sample budget guidelines document (Figure 2) on next page.

OUTPUT

1.5.   Upon President's approval, issue **memorandum** *(Subject: Guidelines for Developing FY ____ Budget)* to VPs with cc: to president, PRC chair, FC chair, and EC chair.

1.6   Upload pdf copy of the memorandum to the VPAS website where other members of the college community may gain ready access by logging in, using their college email user name and password.

Budget Guidelines for Developing The FY 2014 Budget

General

- The 2014 budget will align with lines of authority through departments and campuses.
- The 2014 budget will address priority issues from the college's new Educational Master Plan and its individual components (instructional, long term financial, facilities, human resources and technology).
- The 2014 budget will ensure adequate funding to support accreditation.
- The 2014 budget aligns to support strategic goals/broad educational purposes and objectives linked to SLOs to ensure continuous improvement of the college.

Budget Process

- Timelines for developing the 2014 budget will be established by the VPAS, IRPO, VPIEQA in coordination with PRC and approved by the President.
- The VPAS will lead the development of the 2014 budget.
- Using assessment results and priorities from the Educational Master Plan to develop the 2014 goals, objectives, strategies, and action steps. IRPO is responsible for training and compiling budget information through the VPs and Campus Deans.
- The 2014 budget will be developed using the Budget Preparation System (BPS) of the FSM National Government. IRPO will coordinate the inputting of the budget information.
- The respective office directors/division heads will develop the budget by preparing the budget worksheets to be provided by IRPO.
- Vice – presidents are responsible in conducting budget hearings with their respective offices to ensure the accuracy of the proposed budgets and its linkage with the objectives of performance items.
- The vice – presidents will be responsible in balancing the budget and communicate the recommended budget to the respective offices.
- The balanced budget will be presented to Planning and Resources Committee and Cabinet for review, discussions, adjustments and recommendation.
- Presi... ...nsmit t... ...to th... ...acti... ...12 board me...

Figure 2. Sample Guidelines for Budget Development (From FY 2014 Budget)

Stage 2 ▶ VPAS, in coordination with other VPs, makes a list or statement of assumptions and revenue projections.

2.1   Request and schedule meeting(s) with other VPs.

2.2   Invite PRC and FC chairs in the first (and if necessary, subsequent) meeting(s) to get broad comment on budget assumptions and revenue projections in the budget development process.

2.3 During the meeting, discuss relevant options and possible scenarios in the following areas:

Revenue Projections
- Tuition – Projected enrollment (from instructional department and campuses), FTE basis for projection, Tuition fee 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 costs (must be approved by the president)
- All other costs, from respective units (including those of the offices of BOR and the president)

2.4 For revenue projections, consider at least three possible scenarios – optimistic, moderate, and pessimistic.

2.5 Make a list or statement of budget assumptions under each of each possible scenario.

See sample statement of assumptions documents under two different scenarios (Figure 3) on next page.

2.6 Choose the expected or most likely scenario.

2.7 Ensure that resulting statement of assumptions *and* the selection of expected or most likely scenario are acceptable to all VPs present.
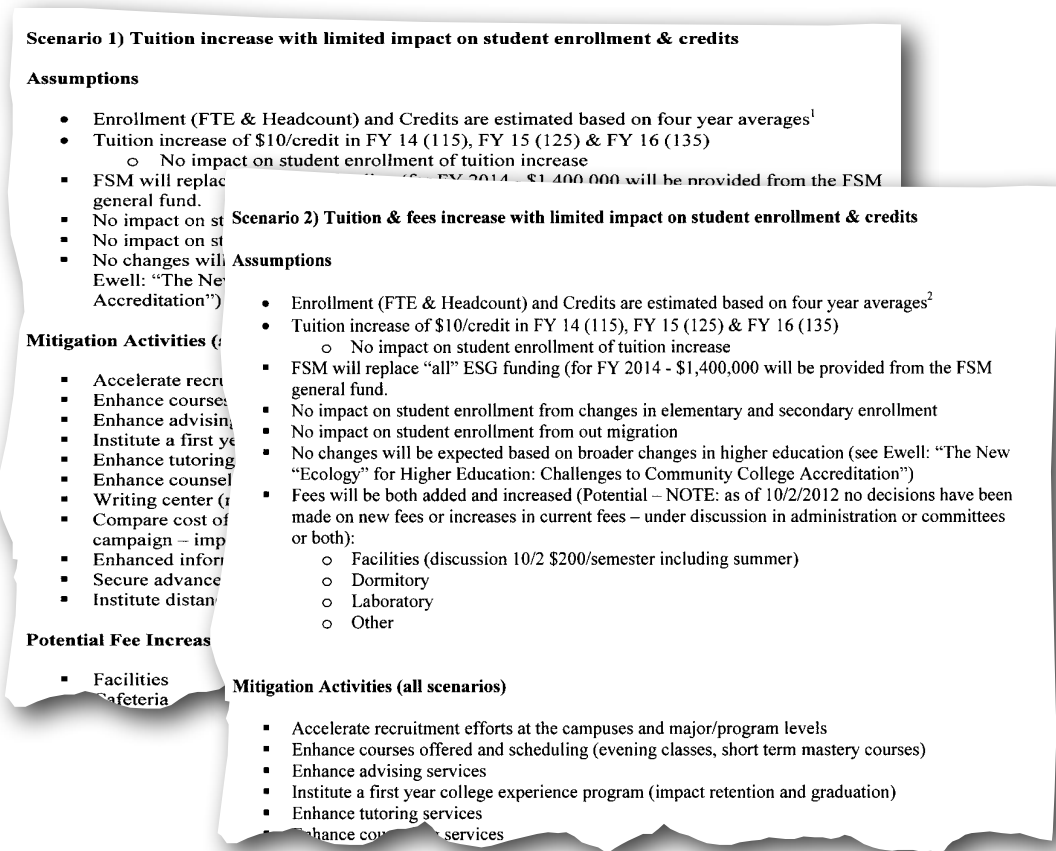
OUTPUT

2.8 Issue **memorandum** *(Subject: Budget Assumptions and Revenue Projections for FY____)* to VPs with cc: to president, PRC chair, FC chair, and EC chair.

2.9 Upload pdf copy of the memorandum to the VPAS website where other members of the college community may gain ready access by logging in, using their college email user name and password.

Scenario 1) Tuition increase with limited impact on student enrollment & credits

Assumptions

- Enrollment (FTE & Headcount) and Credits are estimated based on four year averages[1]
- Tuition increase of $10/credit in FY 14 (115), FY 15 (125) & FY 16 (135)
  - No impact on student enrollment of tuition increase
- FSM will replace ~~"all" ESG funding (for~~ FY 2014 - $1,400,000 will be provided from the FSM general fund.
- No impact on st
- No impact on st
- No changes will Ewell: "The Nev Accreditation")

Mitigation Activities (

- Accelerate recru
- Enhance courses
- Enhance advising
- Institute a first ye
- Enhance tutoring
- Enhance counsel
- Writing center (
- Compare cost of campaign – imp
- Enhanced inforr
- Secure advance
- Institute distan

Potential Fee Increas

- Facilities
- Cafeteria

Scenario 2) Tuition & fees increase with limited impact on student enrollment & credits

Assumptions

- Enrollment (FTE & Headcount) and Credits are estimated based on four year averages[2]
- Tuition increase of $10/credit in FY 14 (115), FY 15 (125) & FY 16 (135)
  - No impact on student enrollment of tuition increase
- FSM will replace "all" ESG funding (for FY 2014 - $1,400,000 will be provided from the FSM general fund.
- No impact on student enrollment from changes in elementary and secondary enrollment
- No impact on student enrollment from out migration
- No changes will be expected based on broader changes in higher education (see Ewell: "The New "Ecology" for Higher Education: Challenges to Community College Accreditation")
- Fees will be both added and increased (Potential – NOTE: as of 10/2/2012 no decisions have been made on new fees or increases in current fees – under discussion in administration or committees or both):
  - Facilities (discussion 10/2 $200/semester including summer)
  - Dormitory
  - Laboratory
  - Other

Mitigation Activities (all scenarios)

- Accelerate recruitment efforts at the campuses and major/program levels
- Enhance courses offered and scheduling (evening classes, short term mastery courses)
- Enhance advising services
- Institute a first year college experience program (impact retention and graduation)
- Enhance tutoring services
- Enhance counseling services

**Figure 3. Sample Statement of Assumptions Document
Considering Two Possible Scenarios
(From FY 2014 Budget)**

MAY

Stage 3 ▶ VPAS, in coordination with other VPs, develops the budget timeline based on the guidelines, assumptions and revenue projections in Stages 1 and 2.

3.1 Request and schedule meeting(s) with other VPs.
NOTE: Other affected personnel may be invited to this meeting as deemed necessary.

3.2 During the meeting, discuss options and develop budget timeline.

See budget timeline document (Figure 4) on next page.

College of Micronesia – FSM Budget 2014 Timeline

The following timeline for developing the FY 2014 budget is based on the 2014 budget guidelines prepared earlier for the college to follow. development is also greatly affected by the decision of JEMCO to reduce Compact Education Sector Grant (ESG) funding by $2.8 million ove years (resolution attached).   The (ESG) funding for 2014 will be at the level of $2.4 million.   The BOR approved the increase of tuition to $ per credit effective Spring of 2013.

Date	Action	Responsible	Comments
July 30-August 3, 2012	Structure of the BPS Budget established and communicated to SPOC	VPAS	
2nd Week of August 10 –August 24, 2012	Training by IRPO faculty, ICs, VPs on the worksheets for the performance budgeting and line item budget .	IRPO Office	Training for Pohnpei and National faculty on August 10, 2012. Other dates to be established.
August 1 - September 28, 2012	Revenue Projections for the 2014 Budget Based cost should be established for each year - TCO	IRPO Comptroller Financial Aid OAR VPs	
October 1-19, 2012	Determine resource allocations based on program assessment – reviewing revenue projections and eeds integrat	VPs and Program Heads	

Figure 4. Sample Budget Timeline Document
(From FY 2014 Budget)

3.4   Ensure that resulting timeline is acceptable to all VPs present.

OUTPUT

3.5   Issue **memorandum** *(Subject: Budget Timeline for FY____)* to VPs with cc: to President, PRC chair, and FC chair, and EC chair.

3.6   Upload copy of the memorandum to the VPAS website where other members of the college community may gain ready access by logging in, using their college email user name and password.

SUGGESTIONS IN DEVELOPING AND PRESENTING TIMELINES

- *List activities to be covered in the timelines.*
- *Ascertain which activities need to be done first.*
- *Determine how long each activity will take.*
- *Determine when each activity is to begin.*
- *Determine when the activity should be finished, repeated, or in place.*
- *Establish what kind of time frame (i.e., days, weeks, months, or inclusive dates) is to be used.*
- *Determine how to put items 1 through 6 above into picture form so they can be studied, reviewed, and tracked to see whether activities are ahead of schedule, on schedule, or behind schedule.*

JUNE
Calendar

Stage 4 ▶ VPs determine resource allocations for their respective departments.

4.1   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 2 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.

4.2   Submit any new positions for approval in accordance with college procedures for creating new positions.

4.3   Determine resource allocations for the different offices and/or campuses under the department.

4.4   Provide details to justify any request for increase in resource allocation from immediately preceding FY budget.

4.5   Using college-prescribed template, create a worksheet for each office and/or campus under the department. Enter allocated figures in the appropriate sections of the worksheet.

OUTPUT

4.6   Give a copy of the **partially filled-in budget worksheets** to VPAS. (*See Figure 5 below for sample worksheet*).

College of Micronesia - FSM									
213 - Business Division									
Expenditure Budget Justifications									
Fiscal Year _____									
1	Salaries							xxx,xxx	xxx
	Justification: The amount request is to cover cost of 8 positions, namely Instructor 1 (Chair)								
	Instructor 2, Instructor 3, Instructor 4, Instructor 5								
	and three vacant positions								
	Reference: Please refer to worksheet "ws3_salaries"								xxx
	for new instructors, course materials in case of textbook delays, brochures								
13	Membership Dues								xxx
	Justification: The amount requested is to cover the cost of membership fee ($xxx per								
	faculty member) for instructors who belong/will belong to professional associations.								
	Total Expenidure Budget								xxx,xxx

Figure 5. Sample Partially filled-in worksheet

JUNE-JULY

Stage 5 ▶ IRPO (or other designated unit supervisor) conducts budget preparation training workshops, during which Campus Deans and Office Directors prepare their respective unit budgets.

5.1   **IRPO (or other designated unit supervisor)** –

5.1.1   Obtain copies of partially filled-in campus and office budget worksheets from VPAS.

5.1.2   Prepare slide presentations, which should:
- Address the overall budgeting process.
- Emphasize specific issues of interest or new items for the specific year
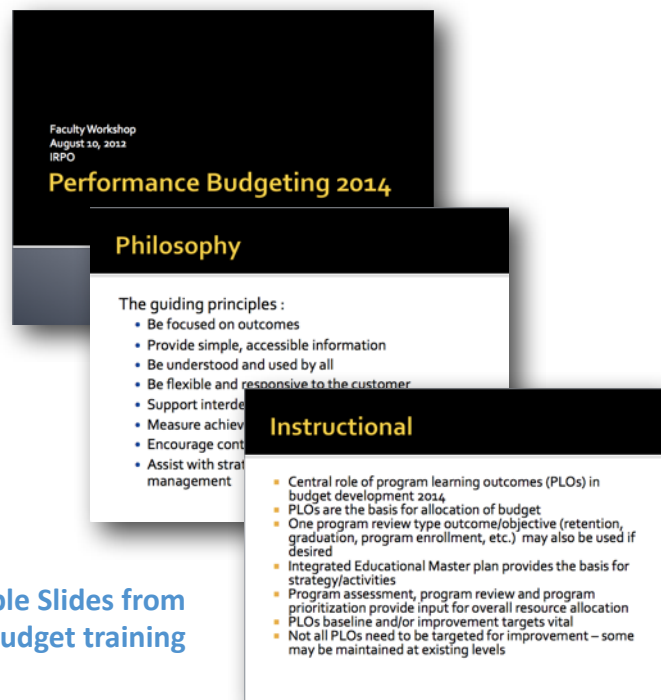
Figure 6. Sample Slides from FY2014 Budget training

5.1.3   Schedule training workshops.
- Set aside sufficient time for training combined with working sessions to reduce budget development time.
- Consider a training of trainers for vice presidents and deans as a separate training activity.

(NOTE: VPs and Deans would likely need to place a greater organizing and review role for development of program and office budgets under their department or campus.)

5.1.4   Conduct training workshops.
- Review/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? (such as including Total Cost of Ownership in 2014)
    - 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.

*For FY 2015 the use of **TracDat** will likely place a greater emphasis on use of assessment and improvement plans into the budget training. Including practical examples using TracDat assessment plans and reports to support the budget development will likely be needed.*

5.2   Campus Deans and Office Directors –

5.2.1   Participate in budget training workshops.

5.2.2   During workshops, prepare unit budgets by completing the partially filled-in budget worksheets provided by IRPO. In the budget worksheet –
▶ PAGE 2: Fill in office or division performance items.

See sample budget worksheet filled in with Performance Items (Figure 7b) on page 13.

▶ PAGE 3: Adjust personnel salaries according to expected step increments or increases.

▶ PAGE 4: Fill in the benefit line items.

▶ PAGE 5: Fill in Budget Items.

▶ PAGE 6: Check summary for Performance activity allocation.

▶ PAGE 7: Check summary for Line Item Breakdown allocation.

5.2.3 In completing the worksheets,
- Consult own superior (VP) and subordinates (faculty or staff).
- Make sure that the budget –
  - Reflects the college's strategic plan.
  - Is based on assessment information.
  - Is aligned with the college's strategic goals and objectives to allow performance reporting for BOR and FSM and US governments.

OUTPUT

5.2.4 Submit **completed budget worksheets** to respective VPs.

Figure 7a. Budget Template, with page 2 of the worksheet shown

Performance Items		
Office/Division Name:		Department for Institutional Effectiveness & Quality Assurance
Mission Statement:		Institutional Effectiveness & Quality Assurance assesses and supports the capacity and extent to which the college fulfill fostering and embedding a college culture of sustainable continuous quality improvement at all institutional levels. At t quality improvement is a focus on student learning and student success. Leadership and guidance are provided to the c accountability as accreditation and regulatory standards are understood and met, and/or exceeded at all times.
Strategic Goals	4 & 9	Foster Effective Communication & Provide for continuous improvement of programs, services and college environment
AUO	1	The Accreditation Liaison Officer (ALO) provides comprehensive, useful information, in a user-friendly manner, to the c activities on the accreditation process and COM-FSM accreditation status.
Strategy/Activity	1.1	ALO designs and provides training sessions with outcomes.
Strategy/Activity	1.2	Training sessions and successful delivery of outcomes will be evaluated by participants through a participant survey. Ta outcomes were met. 95% of participants will indicate the accreditation information was presented in a user friendly m the information provided in the training was useful.
Strategy/Activity	1.3	ALO encourages all college employees with English proficiency to take the ACCJC *Online Accreditation Basics Course* an presenting the ALO with a certificate of completion as issued by ACCJC. Target: 80% of English proficient college-wide completion certificate.
Output	1.1.1	Accreditation training: 8 total training sessions (4 faculty trainings and 4 staff trainings for Chuuk, Kosrae, Pohnpei, an
Output	1.2.1	Survey results with gap analysis and recommendations for improvement.
Output	1.3.1	ACCJC Certificates of Completion Received
Objective	2	IEQA assesses institutional capacity and processes to identify gaps towards moving to, and remaining on, the "sustaina stage on all three of the ACCJC/WASC *Rubrics for Evaluating Institutional Effectiveness*.
Strategy/Activity	2.1	IEQA will administer Rubric Surveys to college employees. Targets: At least 70% of college employees will complete t rubric statement and Likert scale will be used with respondants indicating "yes," "sometimes," "no," or "I don't know. results will be circulated in a report. Targets: 96% of the scores for each item under "awareness" and "development" the scores for each item under "proficiency" on all three rubrics will be "yes." 90% of the scores for each item under " improvement" on rubrics I and II for program review and planning, respectively, will be "yes." 90% of the scores for ea quality improvement" rubric III for student learning outcomes will be "yes."
Strategy/Activity	2.2	ALO will facilitate campus-wide discussion on survey results for the identification of gaps and improvement planning.
Output	2.1.1	College-wide ACCJC Institutonal Effectiveness Rubric Survey and Rubric Survey Report.
Output	2.2.1	Campus dialogue reflected in committee minutes, improvement plan.
Objective	3	The ALO provides training to increase college employees' awareness of the college mission, values, and strategic plan g examples of application within their respective areas of responsibility.
Strategy/Activity	3.1	The ALO will design and provide training sessions with learning outcomes for employees to demonstrate by the end of
Strategy/Activity	3.2	Participants will be given the first part of a 2-part formative assessment at the outset of the training session to assess e college mission, values, and strategic plan goals, and whether or not the participant can describe their role towards ful core values, and/or supporing the strategic plan goals. The second part of the 2-part formative assessment will be give session to demonstrate employee learning.
Output	3.1.1	Mission, values, and strategic plan goals employee training -- 8 training sessions (4 faculty trainings and 4 staff trainings
Output	3.2.1	Formative assessment of employee learning with identification of gaps.
Objective	4	Accreditation
Strategy/Activity	4.1	Facilitates reports to the Commision and maintains relationship with Commission. Editing consultation for reports, if Commission, if necessary.
Strategy/Activity	4.2	Training for ALO/VPIEQA.
Strategy/Activity		ncourages "campus culture that relies on research and data analysis to plan and implement improvements to institu ctiveness" (A C 2012).

Figure 7b. Page 2 of Budget Worksheet Filled in with Performance Items (From FY 2014 Budget – IEQA Department)

JULY or AUGUST

Stage 6 ▶ VPs hold budget hearings within their respective departments.

6.1   Make sure that everyone involved complies with established budget timeline.

6.2   Check completed budget worksheets for accuracy and linkages with the objectives of performance items.

6.3   Consolidate budget figures from the worksheets and make adjustments to come up with a balanced budget for the department.

6.4   Communicate the resulting balanced budget to the respective offices and solicit reactions/feedback.

6.5   Conduct budget hearings within the department to make further adjustments and finalize details of the balanced departmental budget.

OUTPUT

6.6   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.

SEPTEMBER

Stage 7 ▶ VPAS consolidates the budget.

7.1   Receive completed budget worksheets from VPs.

OUTPUT

7.2   Consolidate all worksheets into a **single budget document** for the entire college.

OUTPUT

7.3   Issue **memorandum** *(Subject: Consolidated Budget for FY___)* to PRC and FC chairs. Attach the budget document.

7.4   Upload pdf copy of the memorandum and the budget document to the VPAS website where other members of the college community may gain ready access by logging in, using their college email user name and password.

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

OCTOBER

Stage 8 ▶ PRC and FC jointly review the resource allocations in the budget and submit recommendation to EC.

8.1   Acknowledge receipt of VPAS' memorandum and budget document.

8.2   Schedule joint committee meeting(s) to review resource allocations in the budget.

8.3   Distribute agenda and electronic copies of the budget and other pertinent documents to committee members two to three weeks prior to the meeting.

    8.3.1   Request members to study/review the budget prior to the scheduled meeting(s).

    8.3.2   Encourage committee members to discuss resource allocations with their respective constituents to solicit feedback.

    8.3.3   Request committee members to email or post to appropriate wiki their initial questions, comments, recommendations or feedback, ahead of the meeting date.

8.4   During committee discussions and review process, make sure that budget reflects appropriate allocation and use of financial resources to support student learning programs and services.

OUTPUT

8.5   Issue a joint committee **memorandum** *(Subject: PRC-FC Recommended Budget for FY____)* to VPAS.

8.6   Request VPAS to upload copy of the memorandum to the VPAS website where other members of the college community may gain ready access by logging in, using their college email user name and password.

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?*

OCTOBER or NOVEMBER

Stage 9 ▶ EC reviews and endorses the budget to the president.

9.1 Acknowledge receipt of joint PRC-FC memorandum and budget document.

9.2 Send notice of meeting to committee members.

9.3 Distribute agenda and electronic copies of the budget and other pertinent documents to committee members at least one week prior to the meeting.

9.4 During the meeting, conduct own review of the budget. *(See side note* **QUESTIONS TO ASK** *in Stage 8.)*

9.5 Evaluate justifications cited in the joint PRC-FC recommendation versus its own review of the budget.

OUTPUT

9.6 Formulate recommendation and endorse budget to the president, through a **memorandum** *(Subject: EC Recommended Budget for FY____).*

NOVEMBER

Stage 10 ▶ President approves and submits the budget to BOR, or rejects and returns the budget to EC.

10.1 Review and approve, or reject, budget.

10.2 If rejected, return budget to EC for further discussion/revision.

OUTPUT

10.3 If approved, submit budget to BOR with **memorandum** *(Subject: COM-FSM FY_____ Budget)*

DECEMBER

Stage 11 ▶ BOR approves the budget, subject to any final revisions it deems necessary.

11.1 Table budget for discussion and action in its December meeting.

11.2 During the meeting, deliberate on the budget and make final revisions, if any.

11.3 Approve budget.

OUTPUT

11.4   Issue **directive** to the president to transmit budget to FSM government.

> At this stage, VPAS sees to it that any final revisions are inputed 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.

DECEMBER
Calendar

Stage 12 ▶ President transmits the BOR-approved budget to FSM government.

12.1   Sign **transmittal letter**.

12.2   Transmit to FSM president electronic copy (on CD), and printed copy, of budget documents.

12.3   Give to SBOC electronic copy (on CD), and printed copy, of budget documents.

(NOTE: By law, COM-FSM budget must be transmitted to the FSM government no later than the 15th of January, 5:00 PM.)