

Capacity Assessment Questionnaire

SECTION 1. GENERAL AND CONTACT INFORMATION

This section must be completed with all relevant information as outlined below.

1.1 Full Legal Name of Organization

College of Micronesia-FSM (COM-FSM)

1.2 Type of organization

Institution of higher education.

1.3 Organization size and location

Please provide:

- i) Number of staff / employees
 - ii) Amount of organization Assets as per your latest balance sheet (where applicable)
 - iii) Location(s) of local and/or international offices – global geographical presence
- i) Number of staff / employees – 382 full-time employees as of November 6th 2020.
- ii) \$15.693 million in [fiscal year 2019](#)
- iii) Location(s) of local and/or international offices – global geographical presence

National Campus

P.O. Box 159
Kolonias, Pohnpei FM 96941
Phone: (691) 320-2480
Fax: (691) 320-2479
E-Mail: national@comfsm.fm

Kosrae Campus

P.O. Box 37
Tofol, Kosrae FM 96944
Phone: (691) 370-3191
Fax: (691) 370-3193
E-Mail: kosrae@comfsm.fm

CTEC Campus

P.O. Box 614
Kolonias, Pohnpei FM 96941
Phone: (691) 320-3795
Fax: (691) 320-3799
E-Mail: pohnpei@comfsm.fm

Chuuk Campus

P.O. Box 879
Weno, Chuuk FM 96942
Phone: (691) 330-2689
Fax: (691) 330-2740
E-Mail: chuuk@comfsm.fm

Yap Campus

P.O. Box 286
Colonia, Yap FM 96943
Phone: (691) 350-2296
Fax: (691) 350-5150
E-Mail: yap@comfsm.fm

FSM-FMI Campus

P.O. Box 1056
Colonia, Yap FM 96943
Phone: (691) 350-3544
Fax: (691) 350-3545
E-Mail: fmi@comfsm.fm

1.4 Full registered address (and if different, Address of Principal Place of Business)

National Campus, PO Box 159, Kolonias, Pohnpei
FM 96941
Federated States of Micronesia

1.5 Contact person/Official Designation

Ms. Karen Simion / Interim President

1.6 Contact details (e.g. telephone, email, mailing address, fax)

ksimion@comfsm.fm
(691) 320-2480

SECTION 2. LEGAL FRAMEWORK

This section outlines details on the organization's legal framework and status, and should be substantiated by the organization's founding legal document, such as a constitution, charter, memorandum of incorporation, etc.

2.1 What is the legal status of the organization (e.g. government ministry/department, limited liability company)?

Public corporation

2.2 Please provide a copy of the organization's founding legal document (if applicable)

<http://fsmlaw.org/fsm/code/code2014/FSMCode2014Tit40Chap07.html>

In 1992, the Seventh Congress of the Federated States of Micronesia passed Public Law No. 7-79 establishing the College of Micronesia-FSM as a public corporation under its own Board of Regents. On April 1, 1993, the College of Micronesia-FSM became the federation's national college.

2.3 Does the organization have the necessary registrations, mandate, and approvals to undertake the planned activities?

YES

Under public law 7-79, purposes of the College of Micronesia-FSM include:

(5) Develop and conduct outreach programs where there is an established need and available funding.

(6) Serve as an instruction, research and extension site for Land Grant Programss for COM and/or COMFSM, be eligible to receive funding, endowments and interest available to Land Grant institutions, and provide instruction, training, coordination, assistance and financial and other support for Land Grant Programs.

(9) Conduct and support research relevant to the needs of the States and the National Government of the Federated States of Micronesia to the degree funding is available particularly as relevant to assessing ongoing training, educational, and technological needs

(14) Provide other post-secondary and adult education related activities as determined by the Board and as financially feasible.

COM-FSM's mission is: 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.

The work of the college follows the Integrated Education Master Plan and the Strategic Plan 2018-2023. The two Strategic Directions are 1. Innovate academic quality to ensure student success and 2. Strengthen resources to meet current and future needs.

SECTION 3. COUNTERPARTY DUE DILIGENCE

This section outlines details on the organization's beneficial ownership and control structure, AML/CFT internal control framework, Ethical policies etc

3.1 List the names, titles and countries of residence of the Organisation's Senior Management and Board of Directors (or equivalent) where applicable.

Name	Title	Country of Residence
------	-------	----------------------

Suzanne Gallen	Board of Regents: Chairperson Pohnpei State	FSM – Pohnpei State
Jesse Salalu	Board of Regents: Vice-Chairman Yap State	FSM – Yap State
Pelma Mingii	Board of Regents: Secretary Treasurer National Government	FSM – Pohnpei State
Johannes Berdon	Board of Regents: Member Chuuk State	FSM – Chuuk State
Karen Simion	Interim President / CEO	FSM – Pohnpei State

3.2 Where applicable, list the names of all beneficial owners¹ in the table below and their ownership interest. Please also provide supporting documentation (e.g. extract from commercial registry, certificate of incorporation etc.). Attach overall ownership structure chart, if no single party holds an interest of 25% or greater.

Beneficial Owners / Beneficiaries / Shareholders' Name and Domicile	Ownership interest (≥25%)	Country of Residence
NA		

3.3 Please indicate if the organization is controlled by Politically Exposed Person (PEP)². If yes, please indicate the name(s) and position(s).

No

3.4 Provide a copy of the organization's Anti-Money Laundering / Countering Financing of Terrorism Policy (if applicable), and other related policies (such as, Fraud, Corruption etc)

All policies related to fiscal affairs are online. <http://www.comfsm.fm/?q=policy-fiscal-affairs>

¹ A "beneficial owner" means the natural person(s) who ultimately owns or controls a customer and/or the natural person on whose behalf transaction is being conducted. It also includes those persons who exercise ultimate effective control over a legal person or arrangement.

² A politically exposed person (PEP) is an individual who is or has been entrusted with a prominent public function; this includes their family member(s) or close associate(s). For example, Heads of State or of government, senior politicians, senior government, judicial or military officials, senior executives of state owned corporations, important political party officials, members of senior management of international organisations and their equivalents. Family members are individuals who are related to a PEP either directly (consanguinity) or through marriage or similar (civil) forms of partnership. Close associates are individuals who are closely connected to a PEP, either socially or professionally.

3.5 Name of person/office responsible for AML/CFT

COM-FSM Vice President for Administrative Affairs – Joseph Habuchmai

SECTION 4. STRUCTURE AND CULTURE

This section covers the organization's institutional/corporate structure and provides an outline of its composition, as well as the measures to ensure sound management of human and financial resources.

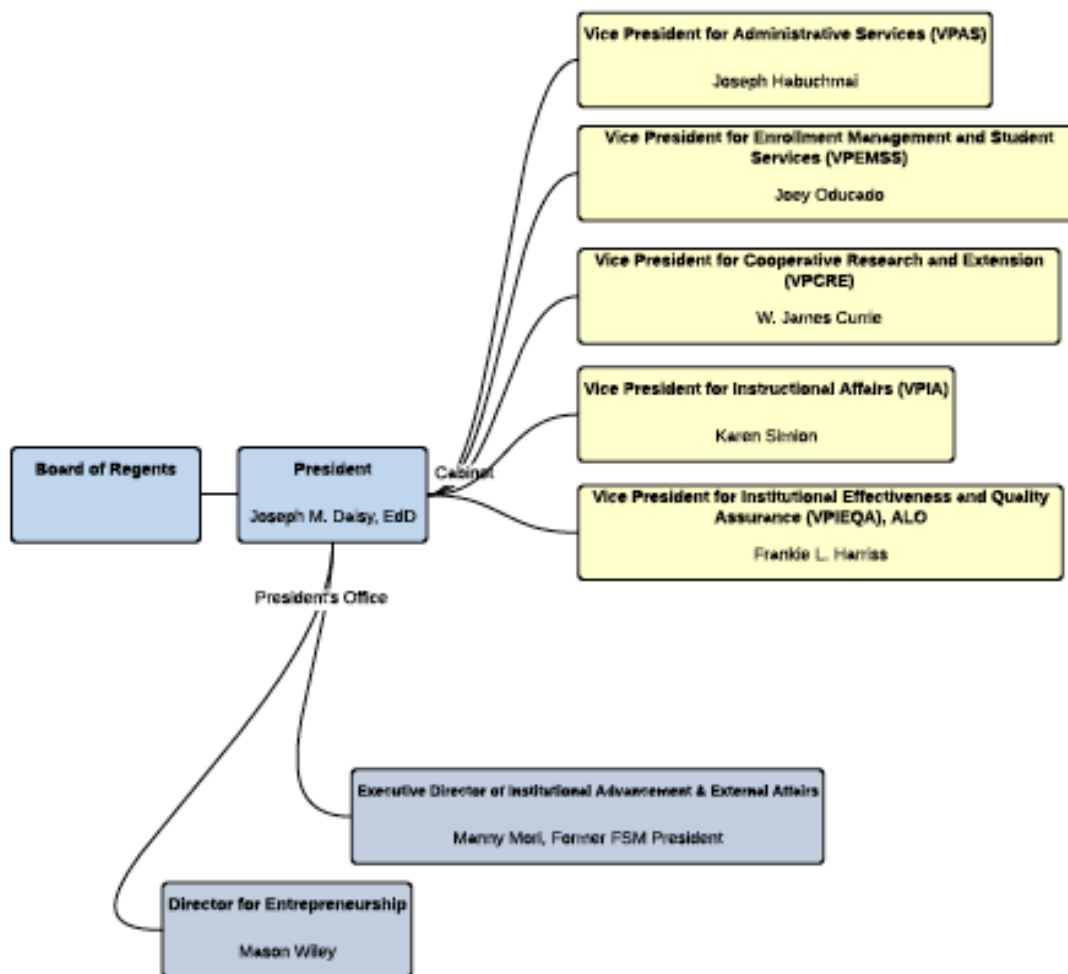
4.1 Describe the scope of business operations of the organization.

College of Micronesia-FSM (COM-FSM) is a two-year, English speaking institution of higher education offering 32 certificates and degrees. COM-FSM serves the developing nation of the Federated States of Micronesia (FSM).

4.2 Provide an organizational chart of the administrative structure, e.g. finance, administration, support services, procurement, compliance, risk management, and other services. Please describe how these divisions are placed within the organization.

Refer to page 43-50 of the [Institutional Self-Evaluation Report](#) for the complete organizational charts of the college, its departments, and each of its campuses. A screenshot extract is provided here as an example.

Cabinet and President's Office



4.3 Provide a copy of the organization's employee code of conduct and conflict of interest policy.

[Board Policy No. 6029](#) – Code of Ethics and [Administrative Procedure No. 6029](#)

Conflict of Interest is subsumed under [Board Policy No. 6023](#) – Outside Employment and Activities and [Administrative Procedure AP6022](#).

All COM-FSM policies are regularly updated and available [online](#).

4.4 Was your institution ever subject to any fiduciary standard assessment by an international organization (e.g. UN, multilateral development bank, European Commission, etc.) or local regulatory authority? If yes, please provide the following details

a. When was it done?

b. Provide the outcome of the same and subsequent contract with the organization(s).

c. Were there any violations by the entity against those fiduciary standards and what actions were taken thereafter?

COM-FSM is accredited by the Western Association of Schools and Colleges Accrediting Commission for Community and Junior Colleges (ACCJC). [ACCJC](#) is recognized by the US Department of Education as a reliable authority regarding the quality of education offered by the institutions that they accredit in keeping with the Higher Education Act of 1965.

ACCJC's Standard IIID focuses on Financial Resources and assures quality planning, fiscal responsibility and stability, and liabilities.

COM-FSM completes annual audits by an independent auditor. Audit reports and financial statements from 2006 until present are [available online](#).

SECTION 5. FINANCIAL MANAGEMENT

This section contains information regarding accounting and internal control systems. It requests important details and documentation that are necessary to assess the organization's ability to safeguard financial resources and ensure its systems and policies are designed to prevent, or minimize, the risk of corruption and fraud.

5.1 Outline the accounting standards (Generally Accepted Accounting Principles (GAAP)) followed by the organization.

GAAP United States of America

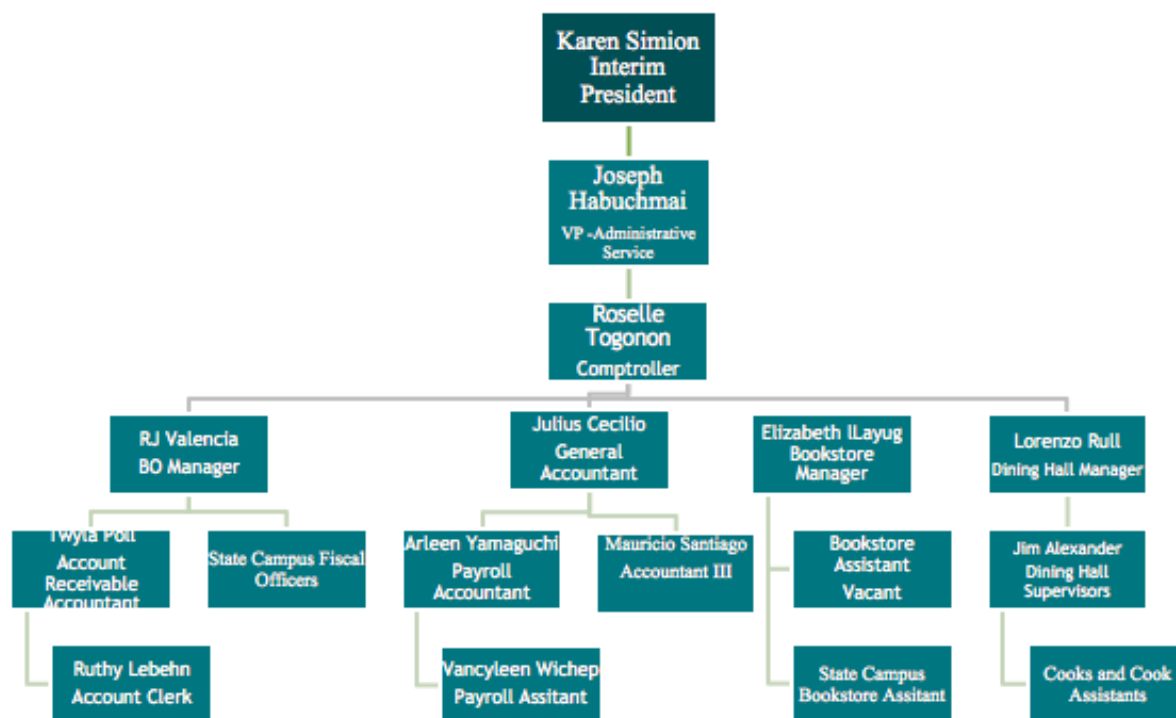
5.2 Name the accounting software used by your organization.

MIP by Abila

5.3 Specify the position of the controller (or person responsible for financial management and financial oversight) within the organization.

Comptroller – manage Business Office and auxiliary services
-reporting to Vice President Administrative Services

5.4 Describe the composition (i.e. number and qualifications) of key staff in the area of financial management.



5.5 Describe the organization's accounting system including the internal control framework (e.g. refer to key policies, where applicable, is highly recommended).
http://www.comfsm.fm/?q=policy-fiscal-affairs
5.6 Provide a description of the internal audit function and a schedule of the audits performed in the last 2 years. If internal auditing is outsourced, provide the name of the firm and describe the functional arrangement and scope. If the internal audit function is carried out inhouse, kindly provide the same as well as the qualifications and experience of key staff involved. Include copies of last 3 reports.
No internal audit
5.7 Provide audited financial statements for the last 2 years (where applicable). Please provide: <ul style="list-style-type: none"> i) Balance sheet; ii) Profit and loss statement; iii) Main accounting policies relating to (e.g. depreciation and amortization, intangible assets, asset impairments, foreign currency transactions, income taxes, etc.); iv) Cash flow statement. v) Audit management letters.
http://www.comfsm.fm/?q=businessoffice-reports
5.8 Name of the organization responsible for external auditing and specify how the audit recommendations are followed up.
Deloitte and Touche, LLP (see attached audit plan) . Any audit recommendations are presented to the Board of Regents and followed up with CEO/President quarterly. Additionally, audit recommendations are assessed regularly for internal control and to comply with ACCJC's standards as regulated by the US. Department of Education.
5.9 Describe how the organization ensures that resources are only spent for their stated and agreed purposes (e.g. using a separate bank account, cost recovery via reimbursement, internal control mechanism etc). Please provide procedures for overseeing and verifying the use of proceeds etc.
The college sets up different restricted account for different funding sources.
5.10 Describe how the organization ensures zero tolerance for fraud, financial mismanagement and other prohibited practices ³ by staff members, consultants, contractors, etc. Please attach/refer to relevant policies and audits if applicable. Describe how the organization handled occurrences of non-compliance, if they have occurred.
The college has a system of detecting fraud and procedures followed in case of non-compliance.

SECTION 6. PROCUREMENT

This section gives an assessment of how procurement is handled by the organization and the overall approach employed in the selection of consultants and the acquisition of goods and services. This is important to ensure procurement is conducted in a manner that optimises value for money and protects the interests of both the organization, supplier and the donor.

6.1 Outline the procurement procedures including procurement methods for selection of consultants and procurement of goods and services.
COM-FSM's Procurement and Property Management Office procures products, services, & equipment, and manages property for communities within the College of Micronesia-FSM. We apply best practices while sustaining compliance with applicable laws, regulations, policies and procedures.

³ As per the GCF's Interim Policy on Prohibited Practices, these include Money Laundering and Terrorist Financing

<p>Board Policy No. 5301 – Procurement Policy and Administrative Procedure No. 5301</p>
<p>6.2 Levels of endorsing and approving authority. Please specify:</p> <ul style="list-style-type: none"> i) Procurement guidelines or standards including composition and role of procurement committee; and ii) Procedures for overseeing the procurement function
<p>Public Procurement and Property Management Office reports quarterly to the Vice President for Administrative Services. Goods or services exceeding the value of \$2000 must receive three separate quotations and may go through review by the appropriate committee in COM-FSM's governance structure: Committee < Executive Committee < Board of Regents.</p>
<p>6.3 How does the organization's procurement policy detect and address fraud, corruption etc.</p>
<p>Administrative Procedure No. 5303 – Processing of Purchase Orders and Other Equivalent Documents, and Processing of Payments</p>
<p>6.4 Provide/ list down the eligibility criteria for vendor selection. For example, if your organisation does not support certain industries or has an exclusion list, please provide this information.</p>
<p>6.5 Describe the criteria used to evaluate goods and service providers.</p>

SECTION 7. PROJECT MANAGEMENT

This section details how the organization manages its projects and project-related operations. It covers the overall management process including monitoring and evaluating performance.

7.1 Describe the parts of the organization that will be directly involved in the GCF-related activity. Specify number of staff and the division(s) involved.

There are two main parts of the organization directly involved in the GCF-related activity the Cooperative Research Extension (CRE) and the Center for Entrepreneurship.

The **Cooperative Research and Extension** (CRE) is an affiliate of the College of Micronesia Land Grant Program. The CRE focuses on developing and assisting a well-informed populace to ensure wise and judicious management of the limited human and natural resources needed to support a viable FSM economy. Its mission and activities are centered on a 5- Year Plan of Work which is an integrated approach to critical issues of strategic importance to the entire Micronesian region. The objectives are addressed through interdisciplinary community level research, extension and education programs embodied in the Plan of Work. Interdisciplinary efforts in research, extension and education require not only input of researchers but also extension agents, stakeholders, and community members. In the current plan, CRE identified 6 Critical Issues of national and regional importance, including Lack of Local Crop Production and Food Insecurity (Critical Issue #1) and Climate Change Challenges in Micronesia (Critical Issue #4). Within COM-FSM, CRE is under the departmental oversight of the Vice President for Instructional Affairs.

CRE – Staff for GCF work

CRE Director and four CRE Coordinators for administrative functions, three researchers, and four agriculture extension agents. Total of 12 CRE staff.

The **Center For Entrepreneurship's** mission is to recognize and foster entrepreneurial spirit and innovation within the FSM in order to stimulate economic growth.

It pursues a vision to seek sustainable regional economy driven by innovative local entrepreneurs and competitive start-up businesses.

Center for Entrepreneurship - Strategic directions

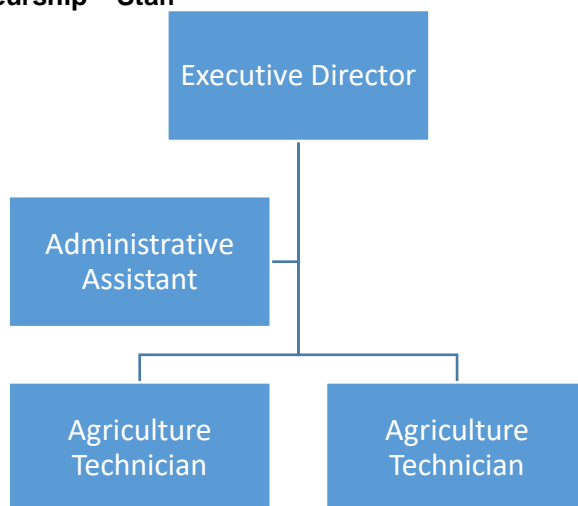
The Center focuses its operation on the following four strategic directions:

- Creation of innovative and sustainable student operated start-up businesses.
- Encourage and support local entrepreneurship.
- Facilitating local industry growth through research and development.
- Specialized business services to existing SMEs and start-ups.

Center for Entrepreneurship - Management

The Center operates under the College's office of the Vice President for Student Services and Enrollment Management. Its current staffing load comprises of an executive director, an administrative assistant and two agriculture technicians

Center for Entrepreneurship – Staff



7.2 Provide examples of recent projects/programmes that received funding from multilateral development banks and bilateral donors. Please include project description/title, country / region, total project cost in US dollars, and duration (years or months), purpose and the role your organisation in the project, outcomes achieved.

CRE Projects

Project description: Climate adaptive agriculture and resilience.

Cooperative Research and Extension Program College of Micronesia-FSM helped community of outer island settlements on Yap Island to grow high-nutrient vegetables even on degraded land. The COM-FSM adopted a three-pronged adaptation model, consisting of soil management, water conservation and management, and livelihood enhancement.

Country: FSM, Yap State

Funding: \$391,163 from Pacific-American Climate Fund (PACAM)

Project Duration: 36 months (April 1st 2015 – March 31st 2018)

CRE Staff Involvement: 9 – Yap CRE

Project description: Adaptive Community Transformation in Yap, Phase I.

ACT on Yap aimed to increase the capacity of vulnerable communities to prepare for and recover from climate-related disasters. The project engaged communities to build capacity on emergency preparedness planning and early warning systems, establishing a functioning system at higher levels and creating demand and awareness at lower levels.

Country: FSM, Yap State

Funding: \$145,000 from USAID (OFDA) / CRS

Project Duration: 2 years (2017 – 2019)

Results: A total of 62 socially disadvantaged farmers (29 females, 33 males) benefited from this project thru outreach and technical support on vegetable gardening, swine and poultry farming.

Center for Entrepreneurship

The Center for Entrepreneurship (Center) was established in 2014 after MRA provided a \$250,000 gift to COM-FSM over a five-year period. The Center's mission is to identify and foster entrepreneurship and innovation within the College and thus consequently amongst its students and staffs.

Over the past five years, the Center has promulgated a culture, of innovativeness and dedication, aimed at exploring a range of practical and entrepreneurial solutions geared at emancipating our surrounding community. Although the Center is primarily educational, its reputation has led to several partnerships within the local. Last year, the Center's achievements were recognized by the Pacific Island Small Business Development Center (PISBDCN) of United States Small Business Administration (U.S SBA) and asked the College to host the first Pohnpei Small Business Development Center (SBDC). In January of this year, the Center hosted the Pohnpei SBDC and is now a part of the PISBDCN. The Center has arguably become one of the most important organizations leading in the promotion of private sector growth in the Federated States of Micronesia (FSM).

Yearly Outcomes Achieved

Student related Outcomes

- Six (6) Roundtables that feature business leaders, business experts, or other inspirational figures to encourage students to take up entrepreneurship. At least fifteen (15) students attend each event.
- Three (3) competitions that ask students to create a business pitch, come up with innovative solutions to problems, write business plans, or other activities related to entrepreneurship. Each competition will have at least twenty (20) competitors.

Community related Outcomes

- Twenty-four (24) workshops that teach skills related to entrepreneurship.
- Fifteen (15) new clients for one on one confidential business counselling sessions.
- Two (2) large events within the community center that showcases business start-ups and gives entrepreneurs an opportunity to market their products.

7.3 Briefly describe the organization's monitoring and evaluation system of project goals. Kindly describe corrective actions implemented in cases where objectives were not fully achieved as originally forecasted.

CRE

The Director submits quarterly reports to the Vice President for Instructional Affairs and presents to the Board of Regents.

Center for Entrepreneurship

The director submits triannual reports to M.R.A and quarterly reports to the Vice President for Enrolment Management and Student Services. In addition to the reports, data is inputted in an online data management system called Tracdat twice a year. Improvement plans are developed for each outcome not achieved.

- ***Monitoring and Evaluation System for the Pohnpei SBDC***

The director regularly records counselling sessions and workshop in an online data management system called NEOSERRA. In addition to the reports the director submits semi-annual report to the PISBDCN lead office.

7.4 If any projects have been formally reviewed or evaluated, provide a copy of the relevant review, evaluation or assessment report.

CRE - Final report on ACT project PDF attached, filename: ACT on Yap Final Report

Center for Entrepreneurship – assessment report PDF attached, filename Center_Internal Monitoring

SECTION 7. OTHER INFORMATION

This section is intended to capture other information that the organization deems relevant and important for the Capacity Assessment and includes voluntary provision of information by the organization in the interest of full disclosure.

As of December 10th 2020, FSM is one of nine countries in the world with no reported cases of COVID-19. Excluding North Korea and Turkmenistan, all of the countries without COVID-19 are small island developing states in the Pacific – those at the frontline of climate change.

Implementation of this project relies upon local human resources and develops the capacity of those leading and benefitting from the project. While FSM's borders remain closed to international travel, without reliance on external consultants, COM-FSM is confident that we can contribute to successfully implementing this work.

Supporting documents checklist	Attached (Please mark with an "X")
Document of legal registration and founding legal document http://fsmLaw.org/fsm/code/code2014/FSMCode2014Tit40Chap07.html	X
Evidence on beneficial ownership structure, such as company/shareholder register, trust deed etc	
Beneficial Ownership Structure Chart	
Organizational chart describing the hierarchical structure of the organization Page 43-50 of the Institutional Self-Evaluation Report	X
Chart describing organization's administrative structure Page 43-50 of the Institutional Self-Evaluation Report	X
Employee code of conduct Board Policy No. 6029 – Code of Ethics and Administrative Procedure No. 6029	X
Conflict of Interest Policy – Board Policy No. 6023 – Outside Employment and Activities and Administrative Procedure AP6022 .	X
Three latest internal audit reports	n/a
Annual financial statements of the previous 2 years (including auditor's opinion and respective audit management letters) where applicable http://www.comfsm.fm/?q=businessoffice-reports	X
Procurement policies and procedures Board Policy No. 5301 – Procurement Policy and Administrative Procedure No. 5301	X
Institutional publications/communications products that help provide a comprehensive understanding or presentation of the organization (e.g. annual reports, links to relevant website, web pages, etc.) http://www.comfsm.fm/ - College Website http://www.comfsm.fm/bor/notebook/12-2020/12-3-2020 BOR-Report-For-Upload.pdf - Board of Regents report, December 3 rd 2020. http://www.comfsm.fm/accreditation/archive/2018_05_24-College-of-Micronesia-FSM-Certificate-of-Accreditation.pdf - Certification of ACCJC accreditation	X
Anti-Money Laundering/Counter Financing of Terrorism Policy and other policies on prohibited practices, such as Fraud, Anti-Corruption etc.	
Documents related to past projects the organization has managed and executed: for example project implementation plan, project expenditures vs project budget, monitoring and evaluation report, etc.	X

CRE - Final report on ACT project PDF attached, filename: ACT on Yap Final Report Center for Entrepreneurship – assessment report PDF attached, filename Center_Internal Monitoring	
--	--