

COLLEGE OF MICRONESIA-FSM
BOARD OF REGENTS

**MINUTES OF THE MARCH 12-13, 2013, MEETING
GUAM**

CALL TO ORDER

Chairman Kasio Mida called the special meeting of the College of Micronesia-FSM Board of Regents to order at 9:10 a.m. on Tuesday, March 12, 2013, in the conference room at the FSM Consulate Office in Guam. The chairman asked for a moment of silent prayer.

MISSION STATEMENT

Regent Figir read the mission statement.

ROLL CALL

Secretary/Treasurer Figir called roll. With Regents Churchill Edward from Pohnpei State, Graceful Enlet from Chuuk State, Mary Figir from Yap State, and Kasio Mida representing the National Government present, the chairman declared a quorum. Regent Lyndon Cornelius joined the meeting later.

Also present for all or part of the meeting were Joseph Daisy, President/Chief Executive Officer and *ex officio* member of the Board; Mariana Ben Dereas, Vice President for Instructional Affairs; Frankie Harriss, Vice President for Institutional Effectiveness and Quality Assurance; Joseph Habuchmai, Vice President for Administrative Services; Jason Miyashita from Asia Pacific Group at Morgan Stanley; and Norma Edwin, Executive Assistant to the President and meeting recorder.

REVIEW OF AGENDA

President Daisy asked to move agenda items 8.d., 9.a., and 10.f.-k. to the next day to allow VP Harriss to make her presentations when the full board is present. **Regent Edward moved and Regent Figir seconded that the agenda be adopted with the proposed changes.**

APPROVAL OF MINUTES

The Board discussed the need to follow through on their decisions (the President will provide updates on/assessment of decisions in his reports to the Board) and for a

structure for shorter and meaningful minutes (with guidance from the legal counsel, the President will propose a structure at the next meeting). Regent Enlet reworded his report. **Regent Enlet moved and Regent Edward seconded that the minutes of the January 7 & 9, 2013, meeting as amended be adopted. The motion passed unanimously.**

COMMUNICATIONS

Communications included in the notebook are indicative of partnership initiatives that have benefits to the FSM and the college: letter from Dr. Dacanay, Chair of the Division of Health Sciences, on the formation of a Health Profession Program Advisory Council; invitation from the Dean of College of Medicine, Nursing & Health Sciences at the Fiji National University to become part of a WHO initiative to develop Health Policy and Systems Research; letter from FSM Secretary of Education regarding joint meeting between his office and college to discuss the process of teacher certification and teacher training needs of FSM teachers; and an invitation to be a speaker at the Annual Teachers Forum to which he was glad to do but due to the preliminary budget meeting with JEMCO was not able to (Sue Moses stepped in for him).

The college has also been invited to participate in an OIM grant which would provide the college with the opportunity to move in several directions and has the potential to develop into something larger. Collaboration with NORMA continues with plans to make FSM FMI the training center for the region; first training session will be held in June. With newly found confidence in the college's ability to deliver, new opportunities are becoming available.

REGENTS' REPORTS

Regent Figir stressed the need to find opportunities for fundraising and efficiencies at the college.

Regent Enlet reported a possible change in leadership in Chuuk State. Due to the unsettled political environment, he was not able to meet with the state leadership; only the senate leadership was available. When things settle down after the election, he will meet with the leadership on issues facing the college, especially the permanent site.

Regent Edward reported that he was reconfirmed as a Regent during the last session; has stepped down as Chief of Staff; presented at Pohnpei Campus Staff Development Day on ways to improve management staff relations; and sat through the Governor's state of the state address during which the Governor mentioned the college enrollment rate. The college should be ready to explain to the public what college readiness is and be prepared for the impact of Pohnpei State reaching 100% teacher certification.

Regent Mida reported that during their reflection, the Board took up two items: 1) took action on the recommendations in the Board Self-Assessment Survey Summary Report

and 2) decided to offer President Daisy an extension on his contract to be negotiated up to an additional 18 months, through July 2015.

PRESIDENT'S REPORT

Investment Report Jason Miyashita from Asia Pacific Group at Morgan Stanley provided an overview of capital markets; reported on the performance of the college's endowment fund; gave an update on asset allocation optimization; and informed about due diligence of Asia Pacific Group at Morgan Stanley. He also presented recommendations to update the expected rate of return and risk in Investment Policy Statement; to select a global fixed income investment manager; to select an alternatives asset class (commodities) investment manager; to change the U.S. large cap value equity investment manager; and to change the emerging markets equity investment manager.

President's Office. President Daisy spoke of the importance of the combined mid-term and follow-up report and the herculean undertaking to document progress and demonstrate compliance to accreditation standards under ALO Harriss' direction. He reported on VP Habuchmai holding hearings at the campuses on tuition increase and the new facilities use fee; increased capacity to model best practices and engage in proactive constructive engagement; the status of the space utilization study; his presentations around planning and the budget; letter of support for FY 2014 budget from President Mori to Dr. Beno; range of policies that will be presented for their consideration; completion of the Integrated Educational Master Plan narrative; electronic board meeting notebook (Norma to track cost savings); and the analysis on and recommendation for student services and implementation of the recommendations.

At the next board meeting presentations will be made on assessment of the administrative change of deans reporting to VPIA; update on the job audit; and new evaluation forms with key performance indicators. A joint meeting with the foundation board is planned for May. By then, filing of corporation should be further along.

Administrative Services: VP Habuchmai reported on: 30 students graduating from the San Diego State University masters program; installation of fire alarm system in the residence halls and procurement of water pump for Chuuk Campus; site visit to Chuuk Campus and plans to visit Yap Campus; availability of generators for residential halls by end of month; and financial report on operations for the three months ending December 31, 2013, cash balance, accounts receivable from students, financial audit for FY 2012; the endowment fund; fundraising receipts; and update on travel accounts.

The Board inquired and or further discussed total cost of ownership; facilities use fee; the solar structure; efforts to reduce utility costs; cost to graduate a student; and faculty salaries.

Instructional Affairs. VP Dereas highlighted the following: initiative to reach out to the public schools and the National Department of Education to improve training and

certification; a comprehensive plan proposal from the Division of Education for training modules to be used in the field; efforts to showcase our programs; use of under loaded faculty as tutors; and reworking technical and career course outlines to make students more employable.

The board also inquired about and or discussed the school to work program; and Pell eligibility for FMI students.

Student Services. In addition to the report from the Acting VPSS in the notebook, the President highlighted the impact of changes in Pell regulations; fall and spring enrollment; budget implication of not meeting enrollment projections; need to do a better job tracking our students; shift in thinking about student services and student life; and implementation of recommendations from the assessment of student services.

Cooperative Research and Extension. President Daisy reported that some initiatives that were delayed are now back on track (solar energy for CRE and installation of satellites); grants are up for renewal; CRE stakeholder meeting; connecting with high schools; and a portion of CariPac scholarships reserved to help our students during the summer .

The National Scholarship Board is willing to dedicate a portion (50%) of their funds to the college. The college must develop criteria for eligibility. This will help address no Pell during the summer.

Faculty Staff Senate. Report from the FSS is in the notebook. Relationship with the administration is very positive.

Student Body Association. President Daisy praised the national campus SBA president who participates in all campus meetings and Executive Committee meetings; students are now engaged in participatory governance. The SBA is reviewing their bylaws; asking for accreditation workshop; and communicating with SBAs from the other campuses. Several new student groups have been established.

NEW BUSINESS

Recommendations from Investment Consultant:

Regent Edward moved and Regent Figir seconded that the Investment Policy Statement be revised to update the expected return to a nominal rate of 7.1% and risk tolerance to losses not to exceed 11.9% per year, based on a statistical confidence of 95%, for COM-FSM investment portfolio going forward. The motion passed unanimously.

Regent Edward moved and Regent Enlet seconded that Templeton Global Bond be selected as the non-U.S. fixed income investment manager. The motion passed unanimously.

Regent Edward moved and Regent Enlet seconded that PIMCO Commodity be selected as the alternative asset class investment manager. The motion passed unanimously.

Regent Figir moved and Regent Edward seconded that Metropolitan West Capital Management be selected to replace Cambiar Investors as the large cap value investment manager. The motion carried. Regent Mida recused himself.

Regent Enlet moved and Regent Edward seconded that Lazard Asset Management be selected to replace Newgate Capital as the emerging market investment manager. The motion passed unanimously.

Human Resources Record Access and Confidentiality Policy. This is a new policy tied to accreditation requirement and provides protection as to what goes into and who has access to human resources records. **Regent Edward moved and Regent Figir seconded that Policy 008 Human Resources Record Access and Confidentiality Policy be approved for immediate implementation. The motion passed unanimously.**

Academic Freedom and Responsibility Policy for Students. The college has an academic freedom and responsibility policy for faculty, but not for students which is an accreditation requirement. **Regent Figir moved and Regent Edward seconded that Policy on Academic Freedom and Responsibility for Students be approved effective immediately. The motion passed unanimously.**

Revised Communications Policy. This policy was revised following discussions and assessment of the last communication plan from which it was evident why the commission has retained Recommendation One as it reflects hierarchical governance and is an orphan document. The revised policy will guide our behavior in what we do, support broad based participation in decision making; and serve to embed communication in what we do. **Regent Edward moved and Regent Enlet seconded that the revised Policy on Communication be approved for immediate implementation. The motion passed unanimously.**

Revised Academic Program Review Policy. The Academic Program Review Policy was established in 2001 and has not been evaluated until the recent academic program prioritization process during which gaps were realized. The policy serves to align the entire process of assessment of student learning outcomes, program review, program prioritization, continuous improvement efforts, and purposeful dialogue about student learning, planning and resource allocation. **Regent Enlet moved and Regent Edward seconded that the revised Policy on Academic Program Review be approved effective fall 2013 semester. The motion passed unanimously.**

Textbook Adoption Policy. This is a new policy which establishes a set of criteria on how to select a new textbook and provides for consistency and broad participation across all sites. This is different from the bookstore policy on acquiring textbooks.

Regent Edward moved and Regent Enlet seconded that the Textbook Adoption Policy be approved for immediate implementation. The motion passed unanimously

Integrated Educational Master Plan Narrative. The Board had earlier approved the matrix for the Integrated Educational Master Plan (IEMP). The narrative serves as an introduction and explains how the matrix ties the various plans together. **Regent Figir moved and Regent Edward seconded that the board endorses the narrative for the Integrated Educational Master Plan. The motion passed unanimously.**

Rescind Policy on Board's Confirmation of Positions Reporting to the President. The administration requested that the board rescind a policy dating back to 1993 in which the board required its confirmation to hire personnel for positions reporting to the President. Floyd Takeuchi was consulted on the matter and confirmed that it is in conflict with accreditation standard. When the Board rescinds the policy, the college will report it to the commission as part of its due diligence. **Regent Edward moved and Regent Enlet seconded that the policy requiring board confirmation for hiring of positions reporting to the President be rescinded. The motion passed unanimously.**

Confirmation of Director for the Friends of the COM-FSM Foundation. At the last meeting the Board approved a slate of people for the Board of Directors for the Friends of COM-FSM Foundation. Soon after, Mark Heath was persuaded to join the Board which needs board confirmation. Chairman Mida recused himself because Mr. Heath is his employer. **Regent Edward moved and Regent Enlet seconded that Mr. Mark Heath be confirmed as a member of the Board of Directors of the Friends of the College of Micronesia-FSM Foundation. The motion carried.**

PRESIDENT'S REPORT – continued

Institutional Effectiveness and Quality Assurance. VP Harriss reported ACCJC is impressed with and would like to highlight the translation into Pohnpeian of the on-line basic accreditation course for non-English proficient employees. They also inquired about college having 100% completion of the online basics course. While that is our goal, only Yap, Chuuk, FMI, and Kosrae campuses have 100% completion.

Five reports are due to the commission around the same time. A Student Learning Outcomes Report is required this year to substantiate that we are at the proficiency level on the student learning outcomes rubric. VP Harriss went through the report explaining the process involved to substantiate the information. The report was sent March 5, ten days in advance of the deadline.

OLD BUSINESS

Accreditation Mid-term and Follow-up Report. The second and third reports are the

mid-term report and follow-up report which will be submitted together. VP Harriss explained that the mid-term report must describe what the college has done during the past three years to address the 15 recommendations from the previous comprehensive evaluation; the report must also report on the status of plans to address the weaknesses identified in the 2009 self study. The follow-up report must describe progress since the last report on the four recommendation for which the college is on sanction. Since there is no guideline for doing a combined report, VP Harriss showed how the report was laid out as she presented the report. Each recommendation is highlighted in a shaded box with the status of the recommendation followed by the major conclusions from the Evaluation Team Report from the 2010 comprehensive evaluation, and as applicable, highlights from the COM-FSM 2011 Follow-up Report, major conclusions from team Evaluation Report from 2011 Follow-up Report, highlights from the COM-FSM 2012 Follow-up Report; highlights from the COM-FSM May 2012 Supplemental Report; June Commission hearing highlights; and ending with the current Follow-up Report and list of evidence for that recommendation. The format shows evolution of the institution with the follow up report highlighted for ease of location. She also described some of the challenges, and President Daisy mentioned plans for a master calendar.

On March 31st, the fourth and fifth reports – an annual report and financial report – are due. She will provide the board with copies of those reports at the next meeting.

The Board endorsed the combined COM-FSM Mid-Term and Follow-Up Report for submission to the Accrediting Commission for Community and Junior Colleges of the Western Association of Schools and Colleges.

NEW BUSINESS – continued

Strategic Plan. Following the visioning summit at each campus during which broad based participants reviewed existing planning documents, a strategic plan working group was tasked to take information from the summits and put ideas together, do a SWOT analysis of the mission statement, draft mission statement, and put together initial ideas for the Strategic Plan 2013-2017. To provide more time for dialogue on the existing and proposed vision and to be clear on strategic direction, completion of the strategic plan was pushed back to the May board meeting. VP Harriss presented the existing vision and the proposed six strategic directions for the college's vision of where the college should go as an organization over the next five years; the existing mission and problematic terms, and several options for a new mission statement; current values, suggestion to rename them core values, and proposed core values of things we, including students, believe in rather than listing behaviors which all should exhibit; existing and proposed institutional student learning outcomes; and existing and proposed strategic goals to support the strategic directions. She stressed that the goals should be written in measurable terms to be able to measure success; a key piece missing in the past. The board's endorsement was sought to provide guidance to finish the plan by May.

The Board expressed support for the direction the college is taking toward the revision of the mission statement, and development of the six strategic directives, ten core values, seven institutional student learning outcomes in measurable terms, and eight strategic goals as presented. The Board directed the college to continue to develop the mission statement and strategic plan as guided by their support for the work completed to date.

NEXT MEETING

The next meeting is regular meeting which is scheduled for the third Monday in May. It will be held in Pohnpei due to the Congressional budget hearings.

ADJOURNMENT

Regent Edward moved and Regent Enlet seconded that the meeting be adjourned. The meeting adjourned on March 13, 2013.

Minutes of the COM-FSM Board of Regents meeting of March 12-13, 2013, approved this 6th day of May 2013.

By: _____
Kasio E. Mida, Chairman of the Board