

COLLEGE OF MICRONESIA-FSM BOARD OF REGENTS
Minutes of the November 27, 2019, Meeting
Raymond James Conference Room (Guam)

Present: Regent Tulensru Waguk, PhD, from Kosrae (chairman); Regent Jesse Salalu from Yap (vice chairman); Regent Pelma J. Mingii representing the National Government (secretary/treasurer); Regent Johannes Berdon from Chuuk; Regent Suzanne Gallen from Pohnpei; and President & CEO Joseph M. Daisy, EdD (*ex officio member*)

Resources: Vice President for Administrative Services Joseph Habuchmai; Vice President for Enrollment Management and Student Services Joey Oducado; Vice President for Institutional Effectiveness and Quality Assurance Caroline Kocel; Vice President for Instructional Affairs Karen Simion; Dean of Chuuk Campus Kind Kanto; Dean of Kosrae Campus Nena Mike; Dean of Yap Campus/FSM FMI Lourdes Roboman; Dean of Career & Technical Education Center Grilly Jack; Comptroller Roselle Togonon; Director of Human Resources Rencelly Nelson; Director Cooperative Research and Extension Steven Young-Uhk

Guests: David Adams, Wilson Hess, Dan Roland, Jason Miyashita

1. CALL TO ORDER – 12:09 PM

Chairman Waguk called the meeting to order and welcomed and thanked everyone for being present, especially after the storm. After a moment of silence everyone recited the mission statement.

2. ROLL CALL

Roll was called; present were Regents Waguk, Berdon, Mingii, Gallen, and Salalu. A quorum was declared.

3. ELECTION OF OFFICER

Gallen/Berdon

Moved to maintain current officers.

CARRIED

The officers for the board of regents for 2020 are: Tulensru Waguk from Kosrae as chairman, Jesse Salalu from Yap as vice chairman, and Pelma Mingii as secretary/treasurer.

4. REVIEW OF AGENDA

Presidential search was added to the agenda.

Gallen/Berdon

Moved to adopt the agenda as revised.

CARRIED

5. APPROVAL OF MINUTES - September 6, 2019

a. Mingii/Berdon

Moved to adopt the minutes of the September 6, 2019, meeting.

CARRIED

6. COMMUNICATIONS

a. **Letter of appreciation from Governor Peterson** for the college's support during

Pohnpei's commemoration of its 40th Liberation Day.

- b. **Letter from the Friends of College of Micronesia-FSM** announcing dissolving of the foundation and return of funds to COM-FSM. Anticipated return of funds is \$650,000-\$700,000.

7. REPORT FROM RAYMOND JAMES

Jason Miyashita reviewed the status of the endowment and the reserves funds. As of November 25, 2019, the endowment is at \$7,600,000 and the reserves at \$3,255,000. He then went over some issues with allocations and made several recommendations. Brandes Investments Partners (BIP) has underperformed its benchmark, the MSCI EAFE index, by nearly 2% annually for the past three years and recommends replacing BIP with Lazard Management (LAM). Clarkson Capital Partners (CCP) has underperformed its benchmark, the Russell 2500 Growth Index, over the last several years and recommends putting them on "watch status." iShares Natural Resources was originally recommended as an inflation hedge, with low correlation to other asset classes, but it generates no current income so recommends replacing it with Lazard Global Infrastructure Fund. He recommended adding a new asset class, real estate trust and identified Blackstone iCapital as the investment manager.

8. REGENTS' REPORTS

- a. **Regent Salalu** thanked all for hard work and achievements and encouraged continuing our mission to help students learn.
- b. **Regent Gallen** welcomed all to the meeting and apologized for having to reschedule the original plan. She reported new leadership in Pohnpei that is prioritizing education; the upcoming FSM Constitutional Convention and congratulated Dean Kanto on his election and asked that he keep the college in mind; and the National Youth Summit in which she thinks the college should be active.
- c. **Regent Waguk** reported Kosrae State has gone through review of its Strategic Development Plan which sets goals and objectives for the Department of Education; expressed appreciation for the professional development opportunities, especially the master course at APAFS for which he is now a certified L5 trainer; thanked Hess and Adams for their help in clarifying their role in a presidential search.
- d. **Regent Mingii** reported that Congress is meeting in Chuuk and all of President Panuelo's cabinet is not yet on board, thanked all for their work on behalf of the college; and expressed appreciation for the experience at ACCT and APAFS conferences. She wants to see administrators also attend; the L5 course is about leadership.
- e. **Regent Berdon** also recommended all join the next APAFS conference; continued to pursue the issue of Chuuk campus; and thanked all for their work.

9. PRESIDENT'S REPORT

- a. **President Daisy** thanked everyone for being at the meeting and then provided highlights on the following: completion of the mid-term report to the Accrediting Commission; a proposed balanced FY 2021 with wide-spread participation; with impending expiration of the Compact and for all sources of funds, advocating continued funding for sustainability; and working with FSM Finance that college not subject to same regulations. As this may be his last meeting with the board, President Daisy thanked the board for the trust to do the job; it was a privilege to serve. In turn, Chairman Waguk expressed appreciation for the working relationship they shared.
- b. **VPAS Habuchmai** shared the budget process which resulted in a balanced budget;

informed that reports from his various offices are in the meeting notebook, including one on IDP projects (Chuuk campus back on track; working on pre-design); additional funds to the college - \$3,000 pledge from the government and return of funds from the Friends of COM-FSM. Chairman Waguk welcomed the news about additional funds as funds will be needed for the search.

- c. **VPIEQA** Kocel provided an overview of the summit results; reported increase bandwidth in Chuuk; meetings with students on the tech fee; highlights of our strengths and weaknesses from the NCCBP report; and pilot of software DropOut Detective to identify at-risk students.
- d. **VPIA** Simion reported on four projects to insure staying current to accreditation standards and the IEMP – creating pathways from high school to college to work; improving assessment of General Education and institutional student learning outcomes; conducting evaluation of instructional affairs department use of TracDat; and preparing proposal for a second baccalaureate degree program in business.
 - i. **Chuuk Campus** Dean Kanto reported the success of embedded tutoring in their math courses.
 - ii. **Yap Campus** Dean Roboman reported their mini-summit held in September; FMI hosted training with the Australia navy for FSM Maritime Unit; and success of embedded tutoring.
 - iii. **Kosrae Campus** Dean Nena reported on the success of CRE sewing project extended to Kosraen ladies in Hawaii and Guam.
 - iv. **CTEC** Dean Jack reported on apprenticeship summit and electronics and telecommunication students sitting for ETA-ACET certification exam. If students pass and are certified, their chances of employability is enhanced.
 - v. **CRE** Director Young-Uhk reported completion of College of Micronesia Land Grant Five-Year Plan of Work with six issues to be addressed and its approval by USDA.
- b. **VPEMSS** Oducado reported 218 potential program completers applied for graduation which will be held December 20 with Regent Gallen as the keynote speaker. Also participating will be UOG graduates – seven from the bachelor’s in elementary education and eight from the master’s in reading programs. He also provided financial aid statistics on Pell (70% of eligible students), workstudy, SEG, and scholarships.
- c. **Faculty Staff Senate:** The report in the meeting e-notebook is self-explanatory.
- d. **Student Body Association:** Their report is also in the e-notebook.

9. NEW BUSINESS

a. **FY 2021 Operations Budget**

Overview of the budget development and approval process was shared. The FY 2021 proposed budget of \$13,359,048 is 1% lower compared with the FY 2020 budget with decreases in all categories except for salaries/benefits.

Gallen/Salalu

Moved to approve the proposed FY 2021 operations budget at \$13,359,048. CARRIED

b. **FY 2021 FSM FMI Budget**

The FSM FMI budget is subsidized by the national government. The proposed FY 2021 budget of \$939,656 is 7% more than last year due to replacement of equipment needed for instruction and increased cost of operation.

Berdon/Salalu

Moved to approve the proposed FY 2021 FSM FMI budget at \$939,656. CARRIED

c. **FY 2021 Auxiliary Enterprise Budgets**

The dining hall and bookstore are auxiliary enterprises at the college and are self-sufficient. The proposed FY 2021 budget of \$164,883 for the bookstore is 48% over last year's budget due to transfer of salaries of state campus bookstore assistant from the operating budgets of state campuses to the bookstore, and the proposed FY 2021 budget of \$250,628 for the dining hall is up by only 1% due to strict control of dining hall consumables.

Berdon/Gallen

Moved to approve the proposed FY 2021 bookstore budget at \$164,883, and the dining hall budget at \$250,628.

CARRIED

d. **FY 2021 Board of Regents Budget**

An increase of \$5,000 is proposed for the board of regents budget for FY 2021 to accommodate need for and increased cost for professional development.

Berdon/Salalu

Moved to approve the proposed FY 2021 budget for the board at \$120,000. CARRIED

e. **FY 2021 SEG Budget**

The SEG budget is at the same level as the previous year.

Mingii/Berdon

Moved to approve the SEG FY 2021 budget at \$689,948.

CARRIED

f. **Mid-Term Report**

ACCJC requires all colleges to submit a mid-term report in year four of the accreditation cycle. The report addresses progress on the actionable improvement plans written in the 2015 Institutional Self-Evaluation Report (ISER), recommendations from the visiting team for improvement, data trend analysis, and progress on meeting the project outcomes identified in the Quality Focus Essay in the ISER. It also addresses the commission's letter of concern. The report is due March 15 and will still undergo final editing.

Berdon/Mingii

Moved to endorse the 2020 Mid-term Report to ACCJC.

CARRIED

f. **New Policy – BP 4810 US Veterans Educational Benefits – School Compliance Policy**

This is a new policy to ensure compliance with Title 38 US Code Section 3679(e) School Compliance of the Veterans Benefits and Transition Act of 2018.

Gallen/Berdon

Moved to approve BP 4810 US Veterans Educational Benefits – School Compliance Policy

CARRIED

g. **Review of Enrollment Management and Student Services Policies (EMSS)**

As part of the college's policy review cycle, the Department of EMSS reviewed eight policies and recommends no change to two policies and revisions to update and/or improve clarity to six policies

Salalu/Gallen

Moved to approve the review of BP 4406 Auditing Courses and BP 4502 Final Grades and the revisions to BP 4335 Withdrawing from all Courses, BP 4403 Classification of Students, BP 4407 Change of Major, BP 4707 Satisfactory Academic Progress, BP 4708 Appeal of Financial Aid Suspension, and BP 4800 Student Education Records

CARRIED

h. **Review of Human Resources Policies**

Per the master planning calendar for review of policies, human resources reviewed four policies and recommends minor revisions to improve the format and update titles.

Berdon/Salalu

Moved to approve the revisions to BP 6025 Classification Policy, BP 6026 Faculty Workload, BP 6031 Human Resources Record Access and Confidentiality, and BP 6032

Controlled Substance-Free and Alcohol-Free Workplace Policy CARRIED

i. Review of Instructional Affairs Policies

Instructional Affairs reviewed four policies; one with no recommended change and three with minor changes to update or clarify information.

Berdon/Salalu

Moved to approve the review of BP 3204 Program Deletion and revisions to BP 3203 Course Discontinuation, BP 3206 Course Outline, and BP 3301 Class Size. CARRIED

j. Review of Board of Regents Policies

BP 1450 Endowment Fund and BP 1460 Fundraising are up for review according to the calendar for review. Revisions to BP1450 include more information from the Investment Policy Statement to strengthen the policy and delete the section on Friends of College of Micronesia-FSM and to BP 1460 to reflect current structure for fundraising.

Berdon/Salalu

Moved to approve the revisions to BP 1450 Endowment Fund and BP 1460 Fundraising

CARRIED

k. Presidential Search

To guide the presidential transition process on behalf of the board, a three-member *ad hoc* steering commit was appointed through August 31, 2020. The role and scope of the committee is set forth in the “Charge of the Steering Committee” dated November 27, 2019. The members are Vice Chair Regent Salalu, and Regents Berdon and Gallen. Regent Gallen will serve as chair

10. MEETING

The next board meeting will be held the second week of March in Chuuk.

11. ADJOURNMENT – November 27, 2019

Regent Gallen asked for everyone’s support during the presidential search process. Chairman thanked all for the successful meeting during the limited time. Wilson Hess and David Adams were thanked for their professional development sessions. The meeting adjourned at 3:31 PM.

Minutes of the COM-FSM Board of Regents November 27, 2019, meeting was approved this 2nd day of April 2020.