

COLLEGE OF MICRONESIA-FSM BOARD OF REGENTS
Minutes of the August 6, 2020, Meeting
Special Zoom Meeting

Present: Regent Tulensru Waguk, PhD, from Kosrae (chairman); Regent Pelma J. Mingii representing the National Government (secretary/treasurer); Regent Johannes Berdon from Chuuk; Regent Suzanne Gallen from Pohnpei; and Acting President & CEO Karen Simion (*ex officio member*)

Absent: Regent Jesse Salalu from Yap (vice chairman);

Resources: Vice President for Administrative Services Joseph Habuchmai; Vice President for Institutional Effectiveness and Quality Assurance Caroline Kocel; Vice President for Instructional Affairs Karen Simion; and Comptroller Roselle Togonon.

Guests: Amanda Gima and Jason Miyashita from Raymond James

1. CALL TO ORDER – 3:10 PM

Secretary-Treasurer Mingii called the meeting to order and asked for a moment of silence. The mission statement was recited by all.

2. ROLL CALL

Roll was called; present were Regents Berdon, Gallen, and Mingii. Chair Waguk joined the meeting later. Regent Salalu could not attend. A quorum was declared..

3. Update from Interim President

Interim President Simion reported summer enrollment higher than projected considering COVID-19; summer survey of students and faculty mostly positive with feedback for improvement; training provided to faculty to address some areas; early registration for fall already met new projection; no response yet from Congress on our request for \$1.5 million to offset decline in summer and fall enrollment; budget for next year approved – budget hearing probably later this month or next; Congress reduced FSM-FMI budget by \$300,000 without notice; fortunately left over funds from last year is still available to cover essential expenses; college received \$1.8 million from CARES Act – used to facilitate on-line learning; fall semester a combination of online classes and in-person classes; wearing ID and mask now required on campus; and efforts to be in compliance COVID-19 guidelines. Comptroller Togonon reported on the financial status of the college; while a \$1.5 million shortfall is projected, the college is still liquid with enough cash in the bank to cover expenses.

4. NEW BUSINESS

a. Replacement of U.S. Large Growth Strategy Manager

During the last meeting Dan Roland recommended due to underperformance of Renaissance Investment Management replacing them as the U.S. Large Growth Manager. Amanda Gima from went over the statistics for the three options recommended; two of which focus on ESG factors. While Brown Advisory shows better results, RJ already works with ClearBridge Investments and knows the people there.
Waguk/Berdon

Moved to replace Renaissance Investment Manager with ClearBridge Investments as the U.S. Large Growth Manager **Carried (SG abstained)**

b. Replacement of Non-U.S. Fixed Income Manager

Also at the last meeting Dan Roland recommended, based on the continuing underperformance of the actively managed Templeton Global Bond Fund international bonds mutual fund be replaced by the passively managed iShares Core International Aggregate Bond. This change should alleviate continue underperformance relative to its performance benchmark; continue the main benefit of the asset class, a low correlation to US> fixed income; reduce annual investment fees; and allow for considering active strategies in the future. Amanda went over the historical performance comparison and iShares fact sheet.

Gallen/Mingii

Moved to replace Templeton Global Bond Fund (TGBF) with iShares Core International Aggregate Bond ETF (ETF) as global bond manager. **Carried**

c. Live Town Hall Investment Ebinar

Information on a new live virtual meeting was shared featuring the president and CEO of Raymond James & Associated and their chief investment officer. Amanda will sent the link for those who want to register for it.

5. ANNOUNCEMENTS

a. Chuuk Campus – Regent Berdon asked for an update on Chuuk Campus and stressed the need to keep it a priority.

b. Search Committee –Regent Gallen, chairman of the committee, reported that an update will be submitted to the steering committee within the next week. She then asked for an executive session to further brief the board on the process.

6. NEXT MEETING

The date for the next regular meeting was moved back to the week of September 21 to give the steering committee ample time to do their part.

7. ADJOURNMENT – June 30, 2020

The public meeting closed around 4:00 PM so the board could go into executive session.

Minutes of the COM-FSM Board of Regents August 6, 2020, meeting was approved this __ day of _ 2020.