

**COLLEGE OF MICRONESIA-FSM BOARD OF REGENTS**  
**Minutes of the September 9, 2022, Meeting**  
**Zoom Meeting**

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- Present:** Regent Suzanne Gallen from Pohnpei (chair); Regent Jesse Salalu from Yap (vice chairman) was not available at the meeting; Regent Pelma J. Mingii representing the National Government (secretary/treasurer); Regent Tulensru Waguk, PhD, from Kosrae; Regent Jeffrey Arnold from Chuuk; and Interim President Manny Mori (*ex officio member*)
- Resources:** Vice President for Administrative Services Joseph Habuchmai; Vice President for Enrollment Management and Student Services Joey Oducado; Acting Vice President for Institutional Effectiveness and Quality Assurance Shaun Suliol; Acting Vice President for Instructional Affairs Jennifer Helieisar; Dean of Chuuk Campus Kind Kanto; Dean of Kosrae Campus Nena Mike; Acting Dean of Career and Technical Education Center Phyllis Silbanuz; Dean of FSM FMI Tioti Teburea; Director of Cooperative Research and Extension Steven Young-Uhk; Comptroller Roselle Togonon, and HR Director Rencelly Nelson.
- Guests:** Dr. David Newnham, Board Development Consultant and Jason Miyashita and Amanda Gima from Raymond James.

**1. CALL TO ORDER – 10:02 AM**

Madam Chair Gallen called the meeting to order and requested a moment of silence.

**2. READING OF MISSION STATEMENT**

Everyone recited the mission statement.

**3. ROLL CALL**

Roll was called with Regent Mingii, Regent Waguk and Arnold present; a quorum was declared.

**4. REVIEW OF AGENDA**

Waguk/Mingii

*Moved to accept the agenda with change to the time and addition of Raymond James quarterly report presentation to the Board at 11:00 am.*

CARRIED

**5. APPROVAL OF MINUTES – June 17, 2022**

Waguk/Mingii

*Motion to adopt the minutes of June 17, 2022 with corrections to typo.*

CARRIED

**6. COMMUNICATIONS**

## 7. REGENTS' REPORTS

- a. **Regent Mingii** President Panuelo departed Pohnpei for Honolulu to join the PICL Pacific Island Conference of Leaders and will go on to attend the UN General Assembly in Washington, D.C.; President Panuelo signed an executive order establishing a public education task force on the proposed constitutional amendments adopted by the Fourth Constitutional Convention; Task force is chaired by Secretary of Justice; People's Republic of China donated 200,000 to FSM for COVID relief; Jane Chigiya named new Chief of Staff. She was the FSM permanent representative to UN for 10 years, served under Presidents Mori, Christian, and Panuelo; Congress is in session now.
- b. **Regent Gallen** reported on some significant events since last meeting; With COVID in Pohnpei state, guidelines for emergency lockdown came in handy; 23 deaths for Pohnpei state alone from last statistics; Guidelines for COVID should continue with new strain of Influenza A going around; Recognize new Interim President Mori for taking on the role of leader for the college for the next few months.
- c. **Regent Waguk** reported that Kosrae have recovered from COVID. All schools for new school year are open, but run on special schedule, half students come in on Mondays and Tuesdays and the other half Thursdays and Fridays; Mask mandate removed, but still advised to be vigilant of possible second wave; Vaccination still mandatory for government employees; Kosrae DOE has seen most number of teachers leaving profession from 2020- 2022 out to Hawaii and US Mainland; Kosrae DOE fortunate to recruit new teachers who graduated from COM-FSM in summer, helps little bit with the shortage of teachers in Kosrae; Regent Waguk met with Kosrae state govt and already submitted name for replacement to Board of Regents.
- d. **Regent Arnold** Table report until later in the agenda:

## 8. PRESIDENT'S REPORT

- a. **Interim President Mori** reported on the progress of the mandates given to the administration by the Board to accomplish while being the Interim President for the college. IP Mori delegated some of approval authorities and processes; Focus on digitizing the college and explore ways to speed up the recruitment process without losing control; With the current Strategic Plan ending in 2023, a new one has to kick in; The college can improve on the previous plans, but not reinvent; IP Mori has tasked Acting VPIEQA to assess viability of digitizing operations and instruction with a cost analysis and benefits that Board will be able to support; Find ways on how the college can intensify promotion of programs and its image; Intensify ability to access grants for top core functions/programs of the college.
  - i. **Review of certain college benefits:**
    - i. **Maternity Leave**

Dean Kind – Limitation on leave pending certification from doctor;  
Regent Gallen – Working mothers need more than 10 working days of maternity leave to recover from childbirth and caring for their

newborns.

**ii. Annual Leave**

Dean Kind – Departing employees don't get much from their leaves and lose whatever is the remaining balance; Regent Mingii – Supervisors monitor staff leaves and encourage to take leave

**iii. Frozen Salaries**

Regent Arnold - Put into a comprehensive plan for the college; Dean Kind – Consider rising cost of living and provide support for faithful employees who are on ceiling; Regent Mingii – Faithful employees on ceiling, while there are a few still getting yearly increments

**iv. 401K - Retirement**

Consider increasing college share of 3% for employees enrolled in Retirement Plan; VPAS - Budget is the main issue for increasing retirement; Needs to be assessed for sustainability; All depends on revenues, tuition, fees

**v. Working Remotely**

**vi. Mental Healthcare Access**

**ii. Strategic Plan 2023 -2027**

**i. Employee and Salary scale survey**

- VPAS Habuchmai- Salary scale needs to be conducted and needs to be tied to budget.

**ii. Staff Development and Succession Plan**

**iii. Organizational Review Chart**

**Chair Gallen** – With the exception of maternity leave & mental health, all other issues were concerns staff shared with the Board to review and see if improvements can be made; Those with no policies, e.g. working remotely, the college could formulate a policy and introduce for adoption; The college should consider the aging workforce and review and look into creative ways to benefit the employees of the college; Opportune time to conduct a new job audit with the last one having been done 10 or more years ago while ensuring that what we do are characterized by continuous improvement and best practices. Concerns tie into the new Strategic Plan.

**Regent Arnold** – It's time for the college administration to look into these concerns again now that the border is open after COVID.

- b. VPAS Habuchmai** opened his report to request guidance from the Board in regards to agenda item 8.a.i Review of college benefits; Reported on the FY2024 budget guidelines and the development of the college operation, FMI, BOR, Auxiliary Enterprise's, and SEG budget for Teacher Corp, Student Assistance, and work-study; Reported that new director for PPMO Mr. Mario Ignacio was hired; Director of Facilities and Maintenance

Francisco Mendiola returned to work after his medical referral; CTEC technical building planned to be completed in August 2023; National Campus student center re-advertised for bidding; Teaching clinic funded by HEERF in the amount of \$5.6 million to be completed by 2024; Fencing around campuses in different phases of completion; Generators arrived for Yap, Kosrae, and CTEC; Human resources data on retention and attrition provided;

- i. **Financial Status Report: Comptroller Togonon** reported the endowment fund decreased by \$709K or 7% due to an unrealized market loss of \$1.219M and additional investment of \$510K as of August 31, 2022. College budget: current spending for FY2022 higher compared to last fiscal year. FY2022 spending is 3% lower; Emphasize FY2022 lowest budget for past years because budget was formulated at the peak of the pandemic; Budget balance almost back to normal and the college is financially fluid; Updated on USDOE COVID-19 funds as of September 2022 and the audit report as the status was good and the rating of the College of Micronesia-FSM is being placed on a low-risk auditee institution; Board budget remaining balance is \$13K.
- ii. **Raymond James** representatives Jason and Amanda provided a quick overview of the market and the college's endowment fund. Jason reported that APAFS conference is in Manila on November 17-18; Stocks and bonds down almost double digits; Service and travel markets recovering; Inflation with gas prices up and now back down; Interest rates gone up; Going into 2022-2023 anticipating more normalized returns. Amanda updated on the endowment fund and reserves as of Sept 2, 2022.

Investment Manager	Investment Style Benchmark Index	Market Value		Period Return		Asset Allocation		AA Difference		
		06/30/22	09/02/22	\$	%	IPS	Actual	%	\$	
U.S. Equity	Aristotle Capital Management	Large Value S&P 500	\$ 2,215,699.00	\$ 2,278,550.93	\$ 62,852	2.84% 3.56%	23%	25%	2%	\$ 159,521
	ClearBridge Investments	Large Growth - ESG Russell 1000 Growth	\$ 1,105,552.00	\$ 1,156,838.69	\$ 51,287	4.64% 5.12%	12%	13%	1%	\$ 51,258
	iShares	Small Mid Core Russell 2500	\$ 438,321.00	\$ 458,864.65	\$ 20,544	4.69% 5.04%	5%	5%	0%	\$ (1,794)
	Lazard Asset Management	Large Value MSCI EAFE	\$ 1,321,912.00	\$ 1,292,554.94	\$ (29,357)	-2.22% -2.43%	15%	14%	-1%	\$ (89,421)
Non-U.S. Equity	Lazard Asset Management	Emerging Markets MSCI Emerging Markets	\$ 489,117.00	\$ 483,654.25	\$ (5,463)	-1.12% -2.72%	5%	5%	0%	\$ 22,996
	Pacific Income Advisors	U.S. Core Barclays Aggregate US	\$ 1,842,385.00	\$ 1,810,733.12	\$ (31,652)	-1.72% 1.66%	20%	20%	0%	\$ (31,901)
Fixed Income	BlackRock iShares	Non - U.S. - ETF FTSE WGBI Non-US	\$ 439,968.00	\$ 436,623.69	\$ (3,344)	-0.76% -0.83%	5%	5%	0%	\$ (24,035)
	Lazard Asset Management	Global Infrastructure DJ Global Infrastructure	\$ 604,657.00	\$ 605,905.95	\$ 1,249	0.21% 1.04%	5%	7%	2%	\$ 145,247
Alternatives	Adelante Capital Management	REITs DJ REIT	\$ 651,750.00	\$ 668,194.95	\$ 16,445	2.52% 2.08%	5%	7%	2%	\$ 207,536
	Blackstone VIII	Private Markets HFRI FOF	\$ 21,250.00	\$ 21,250.37	\$ 0	0.00% -0.80%	5%	0%	-5%	\$ (439,408)
TOTAL FUND - FQTD		POLICY INDEX	\$ 9,130,611.00	\$ 9,213,171.54	\$ 82,561	0.90% 1.07%	100%	100%	0%	\$ 0
TOTAL FUND - FYTD		POLICY INDEX	\$ 10,541,238.00	\$ 9,213,171.54	\$ (1,328,066)	-12.60% -11.42%	<b>RAYMOND JAMES®</b>			

- c. **VPEMSS** Oducado reported fall 2022 student enrollment of 1,997 college wide;

highest headcount fall enrollment college has reported since 2018; 1,997 students carried 22,749 credits equivalent to 1,896 full time equivalent (FTE); FTE enrollment 5% lower than headcount; Compared to fall 2021 enrollment, college has seen an increase in its headcount and credit enrollment by 2.62% and .82% respectively; Compared to enrollment target for fall, college has surpassed its headcount target by 3.36%; Achieved 99.83% of its credit target, just below 1%; Past three academic years, for academic year fall 2021, spring 2022, and summer 2022 increase in enrollment in both headcount and registered credits by 16% compared to prior academic year; Increase in returning students because of distance learning; In collaboration with Instructional Affairs, offer transition program encouraging new students to start as early as summer instead of fall with flexible scheduling; Financial Aid reported that for summer 2022, awarded \$1.7 million to 100% of Pell eligible students; 93 students received SEG in the amount of \$71,268.

- d. **Acting VPIEQA Suliol** reported that community Wi-Fi still moving forward waiting on networking and solar equipment to help power them in Kosrae, two sites in Chuuk, and one community location in Yap; Continuing with free laptops for students with another shipment of 700 laptops will arrive next week and 300 more shortly after; Out of OIE began the next IPEDS data collection for next cycle; Challenges are vacancies for IEQA, IT Director to be vacated by the end of the month, and a recent departure of one IT staff at National campus. Suliol thanked the Board and administration and staff and faculty of the college as this will be his last Board meeting. He has tendered his resignation from the college.
- e. **Acting VPIA** shared a couple of highlights from her report; Bachelor of science in business administration with an emphasis in accounting was well received with 63 students enrolled for fall 2022; Twenty-two vacant faculty positions were turned into HR for advertisement in May 2022 with eight positions having to be re-advertised and fourteen at some point in the hiring process; Concern was shared by faculty that students were not prepared to use Canvas effectively to access their course materials for their online classes; Director of ISLET is addressing the concern by providing Canvas support. Campus deans were asked to report on their campuses and programs.
  - i. **Chuuk Campus Dean Kanto** provided a short summary of dual enrollment program with Chuuk High School where students who passed the COMET enroll in Math and English courses at the college. Early contact with students in high schools tend to remain with the college; Starting in spring 2019 to fall 2022, out of 31 students participated and out of those students, 24 students returned the following fall.
  - i. **Kosrae Campus Dean Mike** reported that a multi-semester commencement exercise was held in July with the approval of Kosrae COVID task force; Twenty-six graduates participated in the ceremony; Received hydroponic green house materials in July; Seek assistance from National campus to set up power house for generator; Dean Nena and Renton Isaac received three-year certification for completing the Strategic Pay 10 Job Evaluation Training with support provided by VPIA office.

- ii. **Acting CTEC Dean** reported challenges to getting a nurse to assist with the influenza affecting campus personnel and students; modify student hall for students to study or rest and eat by the end of September; upgrade facilities, HTM building done, and hope by October 27<sup>th</sup>, be ready to serve a limited number of customers; Need to upgrade equipment for carpentry and cabinet making; Teachers on technology and telecommunications are being certified every two years; Trying to align all carpentry, cabinet making, RAC (refrigeration and air conditioning), and construction electricity so students can go straight into the building technology degree program; Low enrollment, but still offering classes online to other campuses.
- iii. **FSM FMI Dean** Teburea reported total new cadets of 14 with none from Chuuk due to pandemic; Summer instructors went to Pohnpei, invited by Norma to conduct basic safety training; Pandemic in Yap affecting FMI, pulled out students from the ship because tested positive.

## 9. OLD BUSINESS

- a. **Presidential Search.** Regent Gallen reported that the presidential search committee has effectively ended their terms of reference; Committee work is done and a report will be given to Board during executive session; further activities to take place within the next few weeks with the hope that a new president will be on board by the end of the fall semester; Will be issuing a press release on three finalists in the next week or two for public information.
- b. **Chuuk Campus.** Board will request Regent Arnold for a written update to include in the minutes.

## 10. NEW BUSINESS

- a. **Board Liaison Officer.** Board is in initial discussions with Interim President to consider this possible new position to assist with communications between Board and Interim President.

- b. **Budget Guidelines.** Madam Chair opens the discussion on where the college stands in the budget process from the National Government; Comptroller reported that the FY2023 final budget has not been received from the National Government. VPAS reported that the budget guidelines have been completed. Remaining budget for the Board suggested to be transferred to the endowment through a directive to be developed and signed by Board.

## 11. MISCELLANEOUS

- a. **Digitizing.** Dr. David Newnham recommended Interim President to check with College of Marshall Islands on their attempts to digitize everything at their college.
- b. **Concerns. Direct Deposits** – Transition salary payments to direct deposits for all faculty and staff;
- c. **Boardable.** VP Suliol updated Board members on Boardable, a software that centralizes and manages board activities. One on one training with the Board needed. A person to be identified to run and manage Boardable would be a good start.
- d. **FMI Class 4.** Dean requests for potential FMI instructors to study abroad to get training, but seek support for funding. Madame Chair suggested that Dean discuss with VPAS and IA to come up with suggestions to handle the request. VPAS suggested that FMI Dean insert the budget for the training needs for FMI instructors in the budget development.
- e. **Regent Waguk** expressed his thanks to everyone for participating in the meeting; ask that we continue to work together for our college and nation; thank Interim President for accepting the work temporarily until new president comes on board; to learn from Dr. Newnham for his training with the Board members.
- f. **Regent Mingii** expressed her thanks also to IP Mori for taking up the challenge, Dr. Newnham as well as those in acting positions; Farewell to Suliol from the college; Thank college community for all the work they do
- g. **Regent Gallen** thank ALO/Acting VPIA for accreditation work and campus tour for Board consultant Dr. Newnham; thanks to Hadi for stepping in for Norma; meeting would not be successful without Hadi's work.

## 12. NEXT MEETING

The next board meeting is tentatively scheduled for the week of November 21<sup>st</sup> following APAFS in Guam with Raymond James.

## 13. ADJOURNMENT – September 9, 2022

After words of appreciation for the successful meeting, the meeting adjourned at 4:35 PM.

Minutes of the COM-FSM Board of Regents meeting of September 9, 2022, approved this xx<sup>th</sup> day of November 2022.