

Directives of the Board of Regents Meeting  
October 17, 2014  
University of Guam  
Mangilao, Guam

The following directives approved by the College of Micronesia (COM) Board of Regents (BOR) are hereby issued for implementation as appropriate:

1. The Board, hereby, approves a continuing spending authorization for Micronesia Land Grant funds for fiscal year 2015 based on fy14 budget levels until Dec. 31, 2014 or until the Board approves the FY15 Budget.
2. The Board wishes to express its appreciation to COM-FSM President Dr. Joseph Daisy for his taking the time to meet with the Board in connection with his request for additional financial assistance in support of accreditation-related activities and efforts. The Board also wishes to express its continuing commitment to assist COM Land Grant's partner colleges, COM-FSM, PCC and CMI, whenever funding is needed.

However, as a result of the recent heavy loss in the financial market, which has also caused COM Endowment Fund's market value to lose over 4% in the last two weeks, the Board asks for understanding and patience as it tries to address such heavy loss to the Fund's market value.

The Board hereby approves a financial assistance of \$75,000 for COM-FSM as the Board cannot afford at this time to provide the full amount that the President is requesting. Disbursement of this funding assistance would be spread out over the fiscal year in order to minimize the realization of the Fund's market value loss. It is recommended that \$25,000 will be made available as soon as the Endowment Fund's market value has restored some of its recent loss; with the remaining \$50,000 to be released based on additional gains in the market value of the Fund.

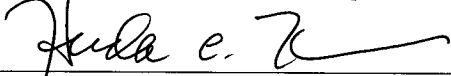
The Board would be willing to entertain requests from PCC and CMI in the amount not to exceed \$75,000 as needed in support of accreditation-related activities and efforts. The Board recommends that justification and budget be developed and presented to the Board for future Endowment Fund's income requests. The Board also requests both CMI and PCC to prepare a short summary on how last year's Endowment Fund's income support was used in support of accreditation.

The Board also wishes to notify COM Land Grant partner colleges (PCC, CMI and COM-FSM) that in light of the Board's plan to "grow" the Fund to \$7 million in the next couple of years, the Board will not be able to entertain new requests for income from the Endowment Fund starting in fy16 until further notice.

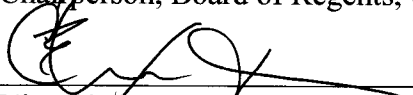
Lastly, the Board directs the Executive Director to review the previous spending policy with the Investment Advisors in order to determine whether or not some guidelines regarding the amount of Endowment Fund's income that could be withdrawn at any given year could be developed for Board consideration. Such information will be provided to the Board prior to the next meeting.

3. The next Board meeting will be held in Guam on December 15-16, 2014.

Adopted this 17<sup>th</sup> day, Oct. 2014 in Mangilao, Guam.



Chairperson, Board of Regents, College of Micronesia



Vice Chair, Board of Regents



Secretary/Treasurer, Board of Regents