

COLLEGE OF MICRONESIA-FSM
BOARD OF REGENTS

**MINUTES OF THE DECEMBER 9-11, 2009, MEETING
YAP STATE**

CALL TO ORDER

Chairman Graceful Enlet called the regular meeting of the College of Micronesia-FSM Board of Regents to order at 12:05 p.m. on Wednesday, December 9, 2009, in the Yap Small Business Center conference room. FSM FMI Student Services Coordinator Kasiano Paul gave the opening prayer.

MISSION STATEMENT

Regent Mary B. Figir read the mission statement.

ROLL CALL

The Secretary/Treasurer called roll. Regents Graceful Enlet from Chuuk State, Lyndon Cornelius from Kosrae State, Mary B. Figir from Yap State, and Kasio Mida representing the National Government were present; a quorum was declared. Regent Isamo Welles from Pohnpei State was absent. On the second day of the meeting, it was announced that Churchill Edward, Lt. Governor of Pohnpei State, had been confirmed by FSM Congress as the new Regent from Pohnpei.

Also present for all or part of the meeting were Spensin James, President and *ex officio* member of the Board; Jean Thoulag, Vice President for Instructional Affairs; Joe Habuchmai, Vice President for Administrative Services; Jim Currie, Vice President for Cooperative Research and Extension; Kalwin Kephas, Director of Kosrae Campus; Penny Weilbacher, Director of Pohnpei Campus; Joakim Peter, Director of Chuuk Campus; Lourdes Roboman, Director of Yap Campus; Matthias Ewarmai, Director of FSM FMI; Danny Dumantay, Comptroller; Jimmy Hicks, Director of Institutional Research and Planning; Kasiano Paul, FSM FMI Student Services Coordinator; Benjamin James, FSM FMI practical navigation instructor; Cecilia Dibay, Yap Campus Student Services Coordinator; Dr. Murukesan, Yap AES Researcher; Stan Fal'mngar, Yap Campus Cooperative Research and Extension Coordinator; Teresa Filepin, Yap Campus UB Director; Jerry Fagolimul, Yap Campus UB staff; other staff from FSM FMI and Yap Campus, and Norma Edwin, Executive Assistant to the President and meeting recorder.

ELECTION OF OFFICERS

The following were elected as Board officers for 2010:

Graceful Enlet	Chairman
Lyndon Cornelius	Vice Chairman
Mary B. Figir	Secretary/Treasurer

APPROVAL OF MINUTES

The minutes of the August 2009 special meeting were reviewed. **Regent Cornelius moved and Regent Mida seconded that the minutes of the August 25-27, 2009, special meeting be adopted. The motion passed unanimously.**

COMMUNICATIONS

President James briefly went over the communiqué in the meeting notebook which included: letter from the accrediting commission regarding appointment of the team chair for the March accreditation visit; letter of appreciation from the “Tuna Commission” for use of our facility for their meeting; letter from Secretary Skilling regarding the five-year strategic prevention framework state incentive grant; letter from Bank of FSM regarding service improvements; and the JEMCO Resolution Compendium which includes resolution of IMF.

REGENTS' REPORTS

Regent Mida reported on his meeting while in Guam with the Counsel General and their discussion on fundraising for our Endowment. The Counsel General is willing to help and asked for solicitation letters. Regent Mida asked for clarification on protocol for dissemination of solicitation letters.

Regent Mida also mentioned that the college currently receives the FSM government's share of IDP funds. Some at the national government are rethinking that practice. He urged the college to work quickly with its IDP needs.

Regent Cornelius applauded Regent Mida's fundraising efforts. He has been talking with businesses in Kosrae and received a \$50 donation from Dollar Up Enterprises in Kosrae. Many heads of businesses are graduates of CCM or COM-FSM and are willing to assist. He also urged jumpstarting an alumni organization in Kosrae. He also requested solicitation letters.

Regent Figir attended the fiduciary conference in the Philippines and rang the bell at the Exchange. While in Pohnpei, she made arrangements for the Chinese ambassador's wife to tour the National Campus.

Regent Enlet reported on two new private colleges opening in Chuuk. While they are mostly religious courses, the college should be cognizant of the competition.

PRESIDENT'S REPORT

President's Office. In addition to his report in the meeting notebook, the President highlighted the following: funding assistance from PPEC for staff to attend an assessment workshop in California and the assessment and preparation for the accreditation review workshop in Guam; his meeting with VP Alik regarding supplemental funding; update on sustainability of power for Chuuk Campus; substance abuse grant; AHEC grant; our investments; FACSSO meeting and collaborative efforts with regards to their technology plan, teacher training, and bridging the gap; review panel for the MOU with COM; boardmanship training in January in Saipan; and status of job audit project.

The Board inquired about the grant writing position and asked for clarification of the teacher certification law and testing requirements. The validity of the NSTT was discussed, and the Board asked for data on how our graduates fare on the test.

Instructional Affairs. In addition to her detailed report in the meeting notebook, the VPIA updated the Board on the following: the nursing program, including WASC approval of the subchange proposal; other current and possible health related programs and support for those programs; certification of 16 faculty and staff as distance learning instructors or facilitators; Tokyo Marine University vessel visit and possible collaboration; our graduates in the arboreal culture program in Hilo; graduation next Thursday; and her campus visits to Chuuk and Yap;

The Board asked for clarification or more information on the difference between course offerings and course sections, data reporting from the college and from SBOC; modes of teaching; and subsidies for college employees in the SDSU masters program.

Student Services. The President provided the following highlights from the VPSS's written report: retention workshops; election of SBA officers at all campuses; streamlining committee; World Aid's Day activities; Diabetes Awareness Week activities; finalizing rubrics for analyzing SS outcomes; retirement of Henry Wilson, long time counselor; data from counselors and nurse; and FAO statistics.

Inquiry was made regarding the reasons for incomplete Pell applications and the effectiveness of the drug free policy.

Cooperative Research and Extension. The VPCRE reported on the following: directives from the Land Grant Board meeting; CariPac grant activities including plans

for student to travel to Palau and Guam for learning exchange; communication system meeting in Fiji; database for scientific journals for the library; participation in World Foods Day; and personnel update. He also extended an invitation to the participants to visit Dr. Muru's projects.

Administrative Services. The VPAS reported that during this reporting period the focus for his department was balancing the FY 2009 and 2010 budgets and the closing the 2009 fiscal year.

He also briefly reported on the following activities from the offices reporting to him.

Development and Community Relations: fundraising function not doing well; Alumni Association formed, however inactive; director's a hectic schedule due to the self study; and initiation of press releases on college activities.

Maintenance and Security: completion of physical master plans for all sites, except for FSM FMI; need to complete an education master plan; availability of funding for design of FY 2005-2011 IDP projects; seeking additional funding for Chuuk Campus power needs and backup generator for the National Campus dormitories, cafeteria, and gym; power conservation efforts to stay within budget; and status of the IMF funds.

Human Resources: ongoing pre-audit work and update on professional development.

Information Communication Technology: network issues; problem with T1 line; faculty now able to access SIS; and availability of fiber optic by March.

Institutional Research and Planning: ongoing data collection and generation of useful data for streamlining.

Business Office: The Comptroller reported on the fiscal year ended September 30, 2009: fund balance change per campus - positive for National and Pohnpei Campuses and negative for the others - unrestricted and restricted funds; breakdown of receivables per campus for June 09 and September 09 and by semester; preparation for FY 2009 audit; asset reallocation completed by investment consultant per Board directive in March; market value of the endowment fund; and shortage in annual fundraising goal.

The Board inquired about the shortage and activities planned to meet the goal.

Campuses in the States:

Chuuk Campus Director provided updates on: staff development; Faichuk teacher training; new generator; and preparations for the accreditation visit.

The Board Inquired about the adequacy of fuel for the generator and reason for the delay in securing the lease in Faichuk.

FSM FMI Director reported on: internal audit as part of the STCW Convention and in preparation for the accreditation visit; recruitment in all states assisted by local alumni; shipboard training on Yap field trip ship; status of students on international ships; and completion of course assessment for 2nd year courses.

The Board inquired about the marketability of students, drop out numbers, and shipboard training and wondered if some training could be funded under Land Grant. Clarification was made regarding FMI accreditation.

Kosrae Campus Director reported on: value of exercise to determine IMF priority; IT improvements; public hearing on technology fee increase; personnel updates; World Aids Day; and their tutoring program.

The Board inquired about data from the public hearing, distribution formula for work study slots; and when IMF needs exceed amount available. Regent Cornelius directed that record and data be kept on public hearings so decisions cannot be challenged.

Pohnpei Campus Director provided highlights and updates on the following: availability of a refrigerant recovery and recycling machine for reconditioning dysfunctional refrigerant units; using most experienced teachers to teach developmental courses; retention efforts by many areas; collaborative efforts with Pohnpei DOE; efforts to increase participation in committee work; Rural Development funding for PSBDC; Technical and Trade Advisory Council meeting; quarterly meeting with Governor Ehsa; curriculum improvements for the various programs; renovation and maintenance plans during the break; PSBDC personnel requisition; endowment collection shortage; personnel update; and urgent need for a van or a bus.

The Board inquired about the distribution formula for IMF funds; amount raised for the endowment; and World Teach teachers at all campuses. The Board pointed out the inconsistent reporting period of the reports and requested that they be consistent.

Yap Campus Director reported: offering an art class (art work displayed in meeting room); closing the loop for 2009 assessment and beginning the 2010 cycle; fall COMET testing; early registration; completing job audit questionnaire; visitors to Yap Campus; general assemblies (Berger reporting on assessment and accreditation visit preparation workshop in Guam and public hearing on technology fee increase); fun night event for Yap and FMI campuses; Yangerluo finishing thesis; small poultry project; and graduation plans.

The Board inquired about work study slots and retention efforts at Yap Campus.

Faculty Staff Senate. The President conveyed several concerns and requests from the Faculty Staff Senate: faculty salary; job security; employees frozen at the end of the pay scale; incentive strategies – cashing in on annual leaves for staff and sick leave for faculty; and Senate representation at Board meetings. The Board discussed these concerns and requests. The Board will wait until the job audit is done to see if the

concerns regarding faculty salary and frozen employees are addressed. Regarding the college's non-renewal clause, HR researched and learned that the National and Pohnpei State governments have the same clause. However, that should not prevent the administration from reviewing the matter further. The Senate report contained a false statement that excess annual leave is lost at the end of fiscal year; accrued annual leave is carried over into the new fiscal year. The merits of taking annual leave were mentioned, and supervisors are to encourage employees to use their annual leave. It was also noted that cashing in of accrued leave is not possible during the college's current fiscal situation. It was suggested that when the Senate at all campuses are networked, the local Senate rep could attend the Board meetings. Policy already provides for participation.

Student Body Association. The President of the National Campus SBA provided a report for the meeting notebook.

Accreditation. The ALO's report in the notebook included a timeline for completing the self study report. The Board has to review and approve the report prior to submission. The Board will discuss the best approach to do that. The ALO is also preparing a report on COM-FSM for the PPEC rep on the accrediting commission for their January meeting.

OLD BUSINESS

Status of FY 2009 budget. At the last Board meeting administration estimated a \$921k shortfall and solicited the Board's approval to implement several actions to reduce the deficit or achieve a balanced or even a positive ending budget. The implementation of these actions provided significant reduction of expenditures by \$1.172M.

Revision of FY 2010 operating expenditure budget. The Board approved budget for FY 2010 included a \$3.9M subsidy from FSM. However, only \$3.8M was appropriated making it necessary to adjust the expenditure budget. It was recommended that several new positions, totaling \$105,300, be cut to revise the operating budget to \$11,578,826 for FY 2010. Director Weilbacher requested that funding be cut but not positions.

Regent Cornelius moved and Regent Figir seconded that the expenditure budget for FY 2010 be revised to \$11, 578,826 to reflect the reduction of FSM appropriation by \$100,000. The motion passed unanimously.

Update on balancing the FY 2010 budget. Comparison of actual revenue against projected revenue for Fall 2009 indicates a shortfall of \$263,175. All campuses except Pohnpei Campus did not meet projection. Finance Committee determined budget savings from unfilled positions and continued the policy of freezing reprogramming to address the shortfall. Additional measures were discussed should revenue in the Spring also drop. The administration is taking a proactive stance to avoid facing a huge deficit at the end of the fiscal year.

Revised MOU with COM. At its last meeting the Board directed a panel to review the current MOU with the College of Micronesia. The panel, comprised of Regent Mida, President James, VPCRE Currie, VPAS Habuchmai, and legal counsel Finnen, reviewed the MOU and recommended changes which Mr. Finnen incorporated into the MOU. President James provided Dr. Singeo a copy hoping the COM Board would act on it. It was distributed at their recent meeting, however, the MOU was deferred to a committee to review. A concern is that the current MOU is standard with the three colleges, so they would have to review it also. **Regent Cornelius moved and Regent Figir seconded that action be deferred until COM reviews the MOU. The motion passed unanimously.**

Funding the job audit. At the March 2009 Board meeting the administration was tasked to look into the feasibility of conducting a job audit, and at the August 2009 meeting the Board approved the job audit plan of action for implementation. The firm Alan Searle & Associates Limited was selected. His price for doing the same thing at GCC was \$210,000; the college will try to negotiate a better price. To fund this project the President submitted a request to the Finance Committee for \$150,000 from the interest generated from our bank accounts. However, the committee endorsed the amount from the fund balance since FY 2009 yielded a positive fund balance and the same is anticipated for FY 2010. The price is not yet known, but funding must be identified to start the negotiation. Supplemental funding will be sought later if needed. **Regent Cornelius moved and Regent Mida seconded that \$150,000 from the fund balance be approved for the job audit. The motion passed unanimously.**

NEW BUSINESS

FY 2011 operations budget. With the directive that the college must comply with FSM performance budgeting requirements, the college overhauled how it prepared and did the college's FY 2011 budget by setting accountability for use of funds and linking planning, assessment and resource allocation. Performance outcomes and decisions are to be data driven with the focus on accomplishment of outcomes not output.

The Director of IRP did a presentation on FY 2011 Budget Development, Data Report & Development Process. The Board discussed the process and agreed that the process is a self assessment tool and would enable aligning activities with priorities and make it easier for the Board to review accomplishments. **Regent Cornelius moved and Regent Figir seconded that the proposed balanced performance (operations) budget in the amount of \$10,940,015 be approved with a request for \$3,800,000 appropriation for submission to the FSM National Government. The motion passed unanimously.**

FY 2011 FSM FMI budget. FSM FMI was asked to re-do its budget submission to reflect prior year level. Director Ewarmai explained where cuts were made. He also explained that prior year level is not indicative of needs as they resorted to supplemental funding from the fund balance last year. **Regent Cornelius moved and**

Regent Mida seconded that the proposed balanced budget in the amount of \$655,110 for FY 2011 for FSM FMI be approved for submission to the FSM National Government. The motion passed unanimously.

The need to explore supplemental funding source to help students was discussed.

FY 2011 auxiliary enterprises budgets. The proposed FY 2011 operating budgets for the bookstore and cafeteria are at the same level as FY 2010 with minor increase for annual salary increments. The bookstore and cafeteria are auxiliary enterprises and are expected to perform a self-reliant operation. The bookstore operation is centralized with a bookstore at each campus. The cafeteria budget is only for the National Campus cafeteria. **Regent Cornelius moved and Regent Figir seconded that the FY 1011 operating budgets for auxiliary enterprises be approved as follows:**

Bookstore	\$104,110
Cafeteria	182,422

The motion passed unanimously.

FY 2011 Board of Regents budget. The Board reflected on its FY 2011 budget needs and determined that travel for vice president and campus directors and legal fees come from the operations budget. The operations budget already pays for legal fees and travel for vice presidents; campus directors still need assistance since they do not have travel in their budgets. Suggestion was made to use FY 2010 as a transition year and have them include travel in their budgets the next year. However, the operations budget for FY 2011 has been prepared and approved by the Board, so campus directors are to include travel in their FY 2012 budgets. The Board's budget will include travel for five regents, the president, and staff; fundraising, and OCE; the breakdown to be determined. **Regent Cornelius moved and Regent Figir seconded that the Board of Regents' FY 2011 budget in the amount of \$81,000 be approved for submission to the FSM National Government. The motion passed unanimously.**

FY 2011 IDP budget. The college's approved long range IDP plan for FY 2004-2012 needs to be modified due to JEMCO moving up some projects slated for FY 2011 and 2012 to FY 2010. The administration proposed that extension of the LRC and MITC, extension of the bookstore, and a cooperative research and extension building be placed under the FY 2011 IDP budget request. **Regent Figir moved and Regent Mida seconded that the FY 2011 Infrastructure Development Project budget in the amount of \$2,235,000 be approved as follows:**

Extension of LRC and MITC	\$1,500,000
Extension of bookstore	370,000
CRE building	365,000

The motion passed unanimously.

Increase in technology fee. The demands from usage of the network, the need to increase the bandwidth, the need to fund future replacement of computers in the computer labs, and the need to also replace equipment for the network prompted the Technology Advisory Committee to suggest increasing the technology fee from \$50 to \$100. The committee also felt that improvement of the network equipment and increase in bandwidth at all campuses will help resolve the accreditation recommendation on improving communication at the college. Public hearings were conducted at each campus to explain the reasons for the proposed increase. While there were some questions, participants seem to understand the rationale and were generally in favor. Regent Cornelius further questioned the nature of the hearing and whether parents also attended the meetings. He objected to the statement that parents supported the proposal when none showed up to the hearings. Other possible sources of funding to improve technology were discussed. **Regent Figir moved and Regent Mida seconded that the proposed increase in technology fee by \$50 be approved for implementation beginning Spring Semester 2010. The motion passed with three ayes and one nay.** Regent Cornelius said he was not opposed to the amount or to improving the system, but was opposed to faulty information. He stated that should not happen again.

Self study report. The Regents were still reading the report with the understanding that it was still a draft. They planned to meet the next day to discuss it.

NEXT MEETING

The Board switched the venue for the December 2009 meeting with the venue for the March 2010 meeting because of the accreditation visit March 8-11. The dates for the Board meeting will be determined after the scheduling for the visit is received.

ADJOURNMENT

Director Ewarmai announced that a fishing trip has been arranged for tomorrow for those interested.

In closing the Board expressed appreciation to the FSM FMI for hosting the meeting and to both FMI and Yap Campus for their hospitality. **The general meeting closed on December 11, 2009, at 4:15 p.m.** The Board scheduled an executive session in the morning.

Minutes of the COM-FSM Board of Regents meeting of December 9-11, 2009, approved this 17th day of March, 2010.

By: _____
Lyndon Cornelius, Vice Chairman of the Board