

COLLEGE OF MICRONESIA-FSM
BOARD OF REGENTS

**MINUTES OF THE SEPTEMBER 28-30 to OCTOBER 1, 2010, MEETING
National Campus**

CALL TO ORDER

Chairman Graceful Enlet called the regular meeting of the College of Micronesia-FSM Board of Regents to order at 10:12 a.m. on Tuesday, September 28, 2010, in the MITC at the National Campus. Mr. Luciano Mathias gave the opening prayer.

MISSION STATEMENT

Regent Churchill Edward read the mission statement.

ROLL CALL

The Secretary/Treasurer called roll. Regents Lyndon Cornelius from Kosrae State, Churchill Edward from Pohnpei State, Graceful Enlet from Chuuk State, Mary B. Figir from Yap State, and Kasio Mida representing the National Government were present; a quorum was declared.

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; Jim Currie, Vice President for Cooperative Research and Extension; Joseph Habuchmai, Vice President for Administrative Services; Ringlen Ringlen, Vice President for Student Services; Joakim Peter, Director of Chuuk Campus; Matthias Ewarmai, Director of FSM FMI; Kalwin Kephass, Director of Kosrae Campus; Penny Weilbacher, Director of Pohnpei Campus; Lourdes Roboman, Director of Yap Campus; Joseph Saimon, Director of Development and Community Relations and Accreditation Liaison Officer; Danny Dumantay, Comptroller; Rencelly Nelson, Director of Human Resources; Jimmy Hicks, Director of Institutional Research and Planning; Francisco Mendiola, Director of Facilities and Security; Gordon Segal, Director of Information Technology; Grilly Jack, Director of Vocational, Community and Continuing Education; Faustino Yarofaisug, President of National Campus Faculty Staff Senate and social sciences instructor; Jon Berger, Assessment Coordinator and incoming Accreditation Liaison Officer; Maria Dison, Pohnpei Campus Instructional Coordinator; Robert Andreas, Chairman of Division of Education; Kiyoshi Phillip, Chairman of Division of Agriculture; Morehna Rettin-Santos, Director Student Support Services Program; Benina Ilon, National Campus nurse; Mark Kostka, Pohnpei CRE extension agent; Alan Searle, job audit consultant; Daniel Roland, investment consultant; Mark Heath, representative from Metropolitan West Capitol; Casiano Shoniber, FSM Secretary of Education; Singero Singeo, Executive Director of College of Micronesia; Luciano Mathias, PEACESAT

operator; Fitzgerald Weilbacher and Jesse Paulino, National Campus students; and Norma Edwin, Executive Assistant to the President and meeting recorder.

REVIEW OF AGENDA

The Board briefly discussed the order of the agenda and suggested that in the future the President summarize the reports. **Regent Cornelius moved and Regent Figir seconded that the agenda as presented be adopted. The motion passed unanimously.**

APPROVAL OF MINUTES

The minutes of the May regular meeting were reviewed. **Regent Cornelius moved and Regent Figir seconded that the minutes of the May 17-19, 2010, regular meeting be adopted. The motion passed unanimously.**

COMMUNICATIONS

President James briefly went over the communiqués in the meeting notebook which included: a letter from Governor of Kosrae regarding Kosrae Economic Conference and requesting Howard Rice's assistance; letter from Pohnpei Public Auditor thanking the college for its support and assistance with their hosting of the 2010 Association of Pacific Islands Public Auditors annual convention; letter from Chairman of Congress Committee on Education regarding the Board's FY 2011 budget; letter from the Chinese Ambassador transmitting his appreciation for the College's assistance toward the performances of the Chongqing Acrobatic Art Troupe; letter from Chairman of Pohnpei Legislature Committee on ECA requesting the college to attend a public hearing on the floor motion by Senator Ernest regarding residential tuition for Pohnpei students; memo from VP Ringlen regarding the public hearing; letter from Jean Thoulag and family expressing appreciation for the condolences and assistance from the college on the passing of her husband; letter to Steve Savage from PMU regarding modification of the Weno Road Phase I project to include access to the permanent campus; and letter from Acting Governor Edward regarding support of Senator Halbert's letter on housing options for Pohnpei outer island students.

Query was made regarding further development on the Board's budget. Per Regent Mida, it has already been passed. Chairman Enlet said there were items from the presentation which will be discussed with the President later.

REGENTS' REPORTS

Regent Figir had no report

Regent Cornelius participated in the SDSU graduation ceremony at Kosrae Campus; 15 students received their BA degree.

Regent Mida reported that in a meeting this morning, President Mori discussed the JEMCO resolution. The President tasked PMU and FSM members on JEMCO to lift the suspension on the college's projects. The resolution impacts the permanent site for Chuuk Campus which is an accreditation issue.

Question was raised regarding other IDP projects; projects that have begun are not impacted. The college has met with PMU to resolve the situation; misunderstanding about the college's accreditation by JEMCO is the root of the problem.

Regent Edward met with Pohnpei Campus regarding transparency issues.

Regent Enlet reported on new developments in Chuuk. Enabling legislation for eminent domain has passed which should have implications for moving development projects. Two higher education institutions are now operating in Chuuk: Caroline Pacific Institute with 35 students and Faith Walk with over 60 students. He attended the boardmanship training in Hawaii and brought information for those who were not able to attend.

VP Ringlen expressed appreciation to the Regents for their reports. Since they are the first point of contact with our stakeholders, they play an important role of getting feedback on the college, which helps the college measure its performance. He asked that they continue to be our ears in the communities they represent.

PRESIDENT'S REPORT

President's Office. The President added to and highlighted the following from his written report: status of IMF funds; early registration; articulation agreement with Guam Community College; helping students with outstanding balance; EducationUSA Center at the National Campus; agreement with Telecom for fiber optic cables (still waiting two months later); monthly newsletter for the system; staff development successes; 2009 financial audit; hiring of a grant writer; and improvements to the SIS. The President also provided updates on the directives and list of things to do from the last Board meeting.

Instructional Affairs. Prior to giving her report, the VPIA corrected information in her written report: the number of ACE students is 246 and only 100 items are missing in the library. She then highlighted the following: new assessment person, Jon Berger, to coordinate assessment of the general education core and COMET testing and to serve as the new ALO; year two of the AHEC grant fully funded to support the nursing and public health programs and health careers camps; through a consortium led by Hawaii AHEC the college will receive three simulation patients; Sasakawa Peace Foundation will offer a pilot program for health program students to go to Okinawa on a learning exchange program on delivery of health services in rural areas; PPEC chief academic officers meeting in November to work on articulation matrix with other PPEC institutions;

summer plans to help CRE and Forestry prep tree workers; and status of the education master plan..

During the discussion, the Board asked for the status of or more information on the sustainability of the nursing and public health programs; the substance abuse grant from FSM Health; possibility of short term practical nursing training for immediate need; and the pending substantive change proposal to extend the third-year program. The Board also asked HR to provide data on the number of vacancies and duration of the vacancies.

Student Services. The VPSS provided updates on the following: dedication of EducationUSA Center, a new resource center for those interested in furthering their education in the USA through the auspices of the US Embassy; defunding of the Student Support Services Program; induction of 22 new members into Phi Theta Kappa; reorganization of SBA at all campuses; status of health insurance for students; and need for a formal student complaint procedure.

During the discussion, the Regents asked about SBA leadership prior to election of the new officers; tracking system for our graduates and uses for the data; the appeal process for the defunded SSSP; enlisting the US Ambassador to support the appeal; institutionalizing federal programs when funding ends; assistance for making proposals more competitive; and missing SBA report.

Cooperative Research and Extension. The VPCRE reported on the following: directive from the COM Board meeting; resolution of the \$15,000 outstanding bill to Kosrae Government for the renovation of the propagation lab; submission to President of draft letter and sample MOU regarding states transferring extension role to college; advisory councils in three states; appreciation for the opportunity to share CRE plan of work and to bring awareness of their programs during the Retreat; both he and VPIA reporting on CariPac activities illustrates collaboration between the departments; introduction of student who went to Puerto Rico for training; and next COM Board meeting to be in Chuuk probably early November.

The Regents asked for more information on the State Advisory Councils and why Kosrae does not yet have one; and next step in convincing states to transfer their extension agents.

Administrative Services. The VPAS added more information to what was reported by the President regarding: first phase construction of Chuuk Campus permanent site due to start early next year if JEMCO issue resolved; power generation normal at all campuses; standby generator installed at the National Campus; negotiation for drawdown of 2009-2010 IMF funds; plans to upgrade wireless connection at all sites; major concern with the JEMCO resolution; and SDSU master's program.

Business Office: The Comptroller reported on the college's statement of revenues and expenditures for unrestricted and restricted funds for the nine months ended June 30, 2010, which indicates a positive fund balance; prediction of a positive fund balance at

year end but not for all campuses; budgeted vs. actual revenue which shows shortfall for the two regular semesters and significant overage for summer resulting in meeting projected revenue; budgeted vs. actual enrollment shows projection met; budgeted vs. actual credits shows short of projection; summary of accounts receivable from students; cash and equivalents; two external assessment – audit of financial statement for the fiscal year ended September 30, 2009, completed on time with an unqualified opinion, no significant deficiency on internal controls and with compliance, and qualifying as a no risk auditee; and observations by accrediting commission during the review visit; 8% drop in market value of the Endowment Fund; and Endowment Fund asset allocation and savings account.

The following were discussed after his report: long term financial plan; enrollment status of students as it relates to revenue; trend of less credits impacting revenue; large number of part-time students; impact of reverse trend on budget and contributing factors; audit report; auditor's recommendation on creating a foundation; composition of fund balance; general fund; restricted funds; investment fund; need for sufficient fund balance; difference between asset and liability; cash as part of asset; effect of timing of receipt of Pell Grant; cash versus fund balance; current set up of receiving appropriation up front instead of on a reimbursable basis; appropriate amount for fund balance; and maximizing use of fund balance to meet needs.

Institutional Research and Planning: The Director went over Spring 2010 student enrollment and achievement data and trends: enrollment by campus, student type, headcount, FTE, degree type, state of origin, gender, percentage of full time students, average age, and at national campus by state of origin; top ten majors; student credits at the beginning and end of the semester, and by program level. He also went over data on persistence; student achievement; graduates; budget assumptions; financial aid; FSM FMI; course completion rate by individual course. Data on Summer 2010 enrollment, student achievement and other indicators were also presented. He explained that with SIS, his office is moving into research and analysis of the data; data to help explain and correct deficiencies.

Discussed further were: generating assessment reports against SLO; completers and graduation rates; more surveys to gauge what stakeholders think; tracking of graduates and transfer students; assessing current developments; monitor external conditions to help us focus; collaborating with PPEC institutions to share data on transfer students; and more timely data for accreditation reports.

Human Resources: The Director provided the requested data on vacancies and reported on the successes of the staff development program.

Campuses in the States:

Chuuk Campus Director highlighted the following: completion of phase 1 of the Faichuk project; fall enrollment; problem with securing local matching for CRE resulting in not being able to pay the rent for CRE office; and status of access road to Nantaku.

Clarification was requested regarding the need to use of non-federal funds to pay for the rent for the CRE office.

FSM FMI Director reported on: collecting \$50/month for utility from faculty and staff living on campus; concern about live wires on campus; developing other courses to expand offering

During the discussion the following were discussed; revisiting the FSM FMI MOU with TC&I; Pell Grant for FSMI students; high cost per student at FMI; offering other programs to increase enrollment and reduce student cost; and liability concern regarding live wires.

Kosrae Campus Director reported on the following: job audit consultant on campus; best practices workshop; attended the Kosrae Economic Summit which emphasized agriculture program development; and good enrollment. He questioned when the third year program would be extended.

During the discussion the following were discussed: extension of the third-year program and substantive change proposal requirement; clarification on best practices; JEMCO concern regarding dropping enrollment; whether Kosrae Campus was included in the resolution; and need to clarify accreditation issue with JEMCO.

Pohnpei Campus Director highlighted the following: on-the-job training for HTM and automotive students and need for more for technical programs; good enrollment; IMF projects; staff on staff development; two new World Teach instructors; resubmitted Gear Up grant proposal; working with Rural Development for a bus; Pohnpei Campus Training Institute; \$50,000 grant from Rural Development for PSBDC; and standing committee appointments.

Yap Campus Director reported on: summer and fall courses and fall enrollment; no Health Assistance program due to ship schedule; offering agriculture and food technology; Summer Youth Summit held on campus; four instructors hired; financial aid; IDP projects slow; Internet improved, however access to SIS a problem; 15 instructors this fall; utility bill up with new buildings; request from Yap DOE for workshop to help teachers pass the NSTT; judo demonstration this summer; judo therapy course; anticipate 20+ students completing their program at the end of this term; and more time for Robert Yangeluo to finish his thesis.

Further discussed were: tuition for teachers and health personnel; substance abuse/ alcohol use in comparison to other campuses; and crime reporting. Board requested copy of the report.

Faculty Staff Senate. On behalf of the national campus Faculty Staff Senate, the Secretary Mariana Ben-Dereas made four requests: 1) re-evaluation of summer pay for faculty; 2) relocation of Pohnpei Campus faculty should restructuring be implemented; 3) regular contracts for those on special contracts for needed services; and 4) update on the faculty resolution.

Referring to the resolution, President James explained that the non-renewal clause has been referred to the Personnel Committee; update will be presented when available. Further discussion followed on the slowness of resolving the issue. The Board also discussed the need for an implementation plan for the restructuring and heard sides on the process for restructuring. Ms. Ben-Dereas also noted a concern from senior faculty regarding longevity not being a factor for salary conversion. The administration was directed to address the summer contract issue.

Accreditation. The incoming ALO by way of introduction provided background information on himself and his current position. While the action letter is to be taken seriously, he mentioned several good things that are happening at the college and talked about his plans for completing the report.

The following were discussed: changing composition of visiting teams which may have an effect on the recommendations; length of accreditation; different levels of sanctions; two year rule; restructuring and accreditation; performance standards; Board's role in facilitating the process; and more robust management tool to clarify expectations.

Investment/Endowment Fund. The Endowment Fund investment consultant, Daniel Roland, reported on the country conference, importance of the Board knowing its fiduciary responsibilities, endowment performance update and presented detailed information on investment expenses, services provided, range of mutual funds, and investment manager's fee. Information was also provided on the current economic environment and its implication to investment. Mr. Roland did not recommend any changes at this time. Establishing a foundation to manage our asset was also discussed. Mr. Mark Heath from Metropolitan West Capital, one of our money managers was introduced and participated in the discussion on the Asian market and investment strategies; he also provided information on his company. Mr. Roland offered his assistance when the college is ready to establish a foundation.

OLD BUSINESS

Articulation agreement with Guam Community College. The member institutions of the Pacific Postsecondary Education Council have collectively agreed to develop courses articulation agreements between our institutions to foster and facilitate the transfer of credits for students. Guam Community College (GCC) and COM-FSM have developed an MOU with two course matrices that detail course transfer equivalences. In April both the Curriculum Committee and Cabinet voted to recommend accepting the proposed course by course articulation. Just prior to the May Board meeting, GCC requested some minor revisions to the Memorandum of Agreement and the matter was tabled at the May meeting. The final version of the MOA has been reviewed, endorsed and now presented to the Board for action. **Regent Cornelius moved and Regent Edward seconded that the Board endorse the Memorandum of Agreement for articulation between Guam Community College and COM-FSM. The motion passed unanimously.**

Sexual harassment policy for students. The policy was presented to the Board during the May Board meeting. However, the Board noted that internal discussion was ongoing during the meeting and deferred action until the administration resolved the concerns. After further consultation with our legal counsel and refining of the policy, the Student Services Committee resubmitted the policy along with procedures and a flow chart. After clarification of the policy and procedures, **Regent Cornelius moved and Regent Figir seconded that the proposed Sexual Harassment Policy for Students in conjunction with the flow chart and procedures be approved for immediate implementation. The motion passed unanimously.**

Job audit/streamling. Mr. Alan Searle, the job audit consultant, presented his report on his compensation and benefit study. Detailed report on stage one and two has been disseminated. Per plan he visited all states and presented his report to faculty, staff and students as well as state leadership; he was accompanied by the President and Director of Human Resources and Director of Institutional Research and Planning. To the Comptroller's earlier comment regarding transparency, he said it means different things to different people which can result in disappointment for some. He then began his report with background and project overview. The study was to address: 1) accurate classifications and compensation; 2) sustainable and competitive pay schedule; 3) incentive program(s) linking directly to pay schedule; and 4) investigate duplicate and non-essential services. Stage one included reviewing current compensation, doing a job audit of all positions, doing a regression analysis of the results and tying the information to streamlining. Stage 2 included obtaining and analyzing external market compensation data, doing a regression analysis of the regional market percentile, estimating adjustment cost and presenting scenarios for adjustment.

He then made a case for change citing external and internal factors. He raised concern regarding the number of special contracts and the ballooning cost and recommended that the a college committee be established to systematically review (based on a set of criteria) each special services contract currently in operation including all new ones put forward for consideration. Citing poor stakeholder management, duplicated duties and the need to optimize resources, inefficiencies; lack of integrated master plan; need for greater cost reduction initiatives/improved budgeting and fiscal management, and need for updated performance management tool, he presented proposed changes to the organization structure and the resulting cost savings. One of the recommended changes is for the college to retain its national campus in Pohnpei, but create extension centers, or a name collectively agreed upon, in each of the four states with the directors having a greater role in stakeholder management. He also recommended that the structure, including programs and services, resourcing levels and reporting relationships of all positions within the national campus and each extension center be guided per the proposed changes.

His study shows that COM-FSM is at a low market percentile regionally; this has the potential to impact the college's ability to attract and retain employees. Key question he posed is where in the market percentile should/could the college be to be more competitive and sustainable. Several cost options were presented. A model of a pay

for performance salary schedule was presented and explained. New performance evaluation tools are forthcoming.

The Board sought clarification, more information and input from the staff. The following were discussed: problem solving as a job audit criteria and in evaluation of employees; purpose of the audit; stakeholder management; education plan and integrated master plan; delivery of services in a timely manner; need for timely responsiveness; enhancing the college's image, history of the streamlining process and composition of the Streamlining Committee; status quo with major modification; extension versus campus; clear line of reporting; other options; authority for directors; accreditation view on the matter; 2007 study on national campus becoming a four-year institution for President Mori; students as primary stakeholder; one college concept; decision making process; CRE clients; neglect of instructors; underlying reasons for special contracts; clarity and certainty of direction; review of duplication at the national campus; dual reporting; branding issue; void in support for campus needs; communication gap between national and state campuses; system personnel concentrating on national campus; creative financing; and faculty workload.

The Board expressed appreciation to Mr. Searle for his work. They will deliberate on the information gained from the presentation and discussions. The Board welcomed further comments to be submitted to them.

NEW BUSINESS

Modification of Section VIII, section 11.a Overtime Pay and Compensary Time.

Modifications are being proposed for only section 11a. of Section VIII of the Personnel Policy and Procedure Manual. The recommendations are needed to help the administration apply the policy consistently and more effectively. The changes include a definition of overtime; clearer approval process; emergency option; and clarification of overtime pay.

During the discussion, the Board asked for clarification on actual time worked, eligibility for overtime, and the emergency approval process. Inquiry was also made about being in compliance with section 3 in Section VIII. **Regent Cornelius moved and Regent Figir seconded to that the recommended modification to Section VIII Compensation Policies and Practices, section 11.a on Overtime Policies and Practices be approved. The motion passed unanimously.**

Modification of Policy 003 Tuition Waiver and Reduction. Modification to the policy is needed to tighten the policy to ensure consistency in its application. The definition of employee's dependent now includes financial dependency and children over the age of 22 must now provide evidence of financial dependency.

The Board further discussed the choice of 22 years of age, cost of this benefit in comparison to other benefits like housing, developmental employees; use of affidavits; and reason for policy. **Regent Cornelius moved and Regent Figir seconded that the**

modifications to Policy 003 Tuition Waiver and Reduction be approved for immediate implementation. The motion passed unanimously.

2012 priorities and operations budget development guidelines. The Board reviewed the 2011 and 2012 institutional priorities which are based on the discussions from the recent Retreat and the 2007-2011 strategic priorities. The 2012 priorities address accreditation recommendations, the JEMCO resolution and the education master plan. **Regent Cornelius moved and Regent Figir seconded that the FY 2012 budget guidelines be approved. The motion passed unanimously.**

2012 Board budget development guidelines. The Board deferred action until they could meet among themselves and answer the questions posed regarding their budget.

MISCELLANEOUS

The Executive Director of the College of Micronesia (Land Grant), Singeru Singeo, expressed appreciation for being able to listen in. He wants his Board to be supportive and in sync with this Board. He made several observations/comments: 1) why is CRE higher on the regression analysis; 2) why on the summary of points for all positions, the points for the VPCRE is higher than for the VPSS; and 3) his efforts to seek external funds through grants for the college. The Board appreciated his attempt for COM and COM-FSM to work together.

NEXT MEETING

The next Board meeting is a regular meeting scheduled for the first Monday in December. The venue will be Chuuk since the last meeting was switched from Chuuk to Pohnpei because of the Retreat.

ADJOURNMENT

The general meeting ended on September 30, 2010. The Board then met in executive session. The meeting adjourned on October 1, 2010, at 10:25 a.m.

Minutes of the COM-FSM Board of Regents meeting of September 28-30 to October 1, 2010, approved this ____ day of December 2010.

By: _____
Graceful Enlet, Chairman of the Board