

**UNIVERSITY OF GUAM
UNIBETSEDÅ GUÅHAN**

Board of Regents

UOG Station, Mangilao, Guam 96923
Telephone: (671) 735-2995 Fax: (671) 734-2296

**Regular Meeting Minutes
April 22, 2021**

1.0 CALL TO ORDER

The Regular Meeting of the Board of Regents (BOR) was called to order by BOR Chairperson Jerold W. Filush on April 22, 2021 at 5:32 p.m., VIA ZOOM. Notice of such meeting have been duly and regularly provided by the BOR.

QUORUM:

**Jerold W. Filush
Liza Provide
Sandra McKeever
Francis Hezel
Lesley Leon Guerrero
Agapito "Pete" Diaz
Mike Naholowaa
Anisa Topasna**

**Chairperson
Vice Chairperson
Treasurer
Member
Member
Member
Member
Member**

ALSO PRESENT:

**Thomas W. Krise
Anthony Camacho
Chris Mabayag
David S. Okada
Tessica Duenas**

**Executive Secretary
General Counsel
Recording Secretary
CPO/Interim Chief of Staff
Host for Zoom Meeting**

2.0 MEETING MINUTES

2.1 Regular Meeting Minutes of February 18, 2021

Chairperson Filush asked if there were any corrections or discussion regarding the regular meeting minutes as presented. Regent Naholowaa moved to approve, which was duly seconded by Regent Hezel. The motion carried.

2.2 Special Meeting Minutes of March 11, 2021

Chairperson Filush asked if there were any corrections or discussion regarding the special meeting minutes as presented. Regent Provide moved to approve, which was duly seconded by Regent Hezel. The motion carried.

3.0 CHAIRPERSON'S REMARKS

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Chairperson Filush welcomed everyone to the April Regular Meeting. He stated that the work accomplished by our University over the last year to effectively and efficiently keep moving forward on our mission of *to enlighten, to discover, and to serve* in light of the difficulties and challenges from the public health emergency and budget constraints is something we all can be proud of. He added that everyone looks forward to the University again having a vibrant campus upon the safe transition to increased face-to-face classes during the summer session and in the new academic year. The breadth of that transition will of course depend on the status of the health emergency as we move forward.

He thanked everyone for continuing to do their part in wearing their mask, practicing social distancing, and sanitizing as appropriate whether vaccinated or not. He hopes everyone continues to remain safe and healthy as we begin to normalize our lives again.

In closing, he stated that this will be his last official Board of Regents Meeting as his term as a Regent ends on April 30 or until a new regent has been confirmed. He added that it has been an honor and privilege to have served on UOG's Board of Regents for the last four years. He looks forward to reading in the news about the many future successes occurring at the University of Guam and is confident all will continue to enhance our mission and will move "ever upward" on the *Para Hulo* strategic plan.

4.0 PRESIDENT'S REPORT

President Krise gave the President's report, a copy of which is attached.

5.0 REPORTS FROM STANDING COMMITTEES

5.1 Student Affairs, Scholarship, Alumni Relations and Honorary Degree (SASARHD) Committee

Regent Diaz reported that the SASARHD Committee met on April 14th via zoom with a quorum present and presented the proposed resolution for the board's approval.

5.1.1 Resolution No. 21-10, Relative to Approving the Fañomnåkan 2021 Commencement Graduate Listing

Regent Diaz introduced Resolution No. 21-10 and moved to approve, which was duly seconded by Regent Hezel. He summarized the resolution explaining the purpose. The motion carried.

5.2 Academic, Personnel and Tenure Committee (AP&T) Committee

Regent Leon Guerrero reported that the AP&T Committee met on April 14th via zoom with a quorum present and presented the proposed resolution for the board's approval.

5.2.1 Resolution No. 21-11, Relative to Correcting the Faculty Sabbatical Leave Salary Schedule

Regent Leon Guerrero introduced Resolution No. 21-11 and moved to approve, which was duly seconded by Regent Hezel. She summarized the resolution explaining the purpose. The motion carried.

5.3 Physical Facilities Committee

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Regent Diaz reported that the Physical Facilities Committee met on April 14th via zoom with a quorum present. No resolutions were presented to the board at this time.

5.3.1 Facilities Management and Services; UOG Green; IT; Siemens Update

Regent Diaz provided a report on the Facilities Management and Services (FMS) Capital Projects.

He reported on the School of Engineering and Student Success Center stating that we received USDA's approval on April 12th, on the University's counteroffer which will initiate funding and that the formal notice and details of the approval will be outlined in USDA's Amended Letter of Conditions which is forthcoming. He added that the contractor for the School of Engineering project has submitted termination and that the design is complete but will need to be re-solicited for a new contractor. He also noted that the procurement method will be design-bid build and will likely need to go through the USDA review process. He further stated that we will be pursuing additional funding from the USEDPA to assist with the increased costs due to the delay of the project.

He reported that the Student Success Center contractor has confirmed they are still willing to proceed and that the cost will need to be updated. He added that the design is still in the conceptual level and the project procurement will still proceed as a design build project. He stated it was noted to the committee that the project will not be eligible for USEDPA funding.

The Guam Cultural Repository construction is progressing with target completion by the end of the year.

The Water and Environmental Research Institute (WERI) and School of Health (SOH) Building kickoff meeting for the project was held April 9th. The design Request for Proposal (RFP) is targeted to be issued on June 1 and the University will have five (5) years to complete the project.

He reported that the UOG Green initiative has been very active. He stated that the 12th annual Center for Island Sustainability (CIS) conference was held from April 6-9 with an impressive list of speakers. The conference was chaired by Governor Leon Guererro and President Krise with at least 150-200 participants.

He also reported that the plans for the Guam Green Growth sustainability initiatives were discussed and that there are 97 people in the working groups. He stated the University has secured three spaces in Chamorro village and that it will be used as a maker space to make things from recycled materials, a classroom, and a store to sell items that have been made from recycled products.

He stated that Office of information Technology (OIT) is still working on the recovery of systems from the ransomware attack.

He further reported on the Siemens Update, stating that Siemens will develop an investment grade audit which will highlight projects the university can undertake to improve its facilities efficiencies. The audit is anticipated to take approximately 7-8 months to complete. The outcome in the implemented projects will produce cost savings which will pay for the loan taken to finance and provide additional cost savings to the University. He noted that if UOG decides not to pursue the financing and implement the audit, Siemens will be paid \$250k for its efforts.

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He further reported on other ongoing FMS projects and matters.

5.4 Investment Committee

Regent McKeever noted that the Investment Committee met on April 15th via zoom with a quorum present and presented the updates and proposed resolutions for the board's approval.

5.4.1 Investment Update

Regent McKeever reported that the Investment Committee received an update from Dr. Kabigting on the Triton Investment Club portfolio. She stated the original \$50K investment is now up to \$93K and that nearly all the funds are invested in the stock market. She then noted that we will be resetting the account to \$50K to be used for needed areas for the University. She thanked the Investment Club on a job well done.

She provided a report from the financial advisors, Raymond James & Associates. She stated that the Internal Endowment portfolio now exceeds \$31 million and is up nearly \$500,000 from the February report and is up nearly \$3.9 million or 14.4% return. The Investment Committee continues to closely monitor investments managed by the Lazard group particularly in the Global Infrastructure sector, as performance has consistently been below market returns for similar investments. She added it was noted that the last quarter's performance significantly improved however, for the year, its performance is considerably lower than its benchmark.

5.4.2 Resolution No. 21-12, Relative to Adopting a Policy for the Withdrawal of Funds from the UOG Internal Endowment Fund

Regent McKeever introduced Resolution No. 21-12 and moved to approve, which was duly seconded by Regent Diaz. She summarized the resolution explaining the purpose. The motion carried.

5.4.3 Resolution No. 21-13, Relative to Appointing a Representative to the UOG Centennial Fund

Regent McKeever introduced Resolution No. 21-13 and moved to approve, which was duly seconded by Regent Hezel. She summarized the resolution explaining the purpose.

Regent Diaz suggested amending the last two paragraphs of the resolution to give the BOR Chairperson authority to change the appointment, as needed, to avoid generating a resolution every time the appointment changes. After some discussions and various proposed amended change narratives, Chairperson Filush summarized the final amended change narrative to read:

WHEREAS, the BOR, having reviewed and discussed the UOG Centennial Fund, recommends that the BOR Chairperson be given the authority to appoint one regent to the Centennial Fund Board and to change the appointment, as needed. ***NOW, THEREFORE, BE IT RESOLVED***, that the BOR approves the BOR Chairperson's authority to appoint one regent to sit on the Centennial Fund Board of Directors and to change that appointment, as needed.

General Counsel Camacho stated the final amended changes are acceptable.

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Regent Diaz accepted the final amended change narrative and made the motion to amend. The motion was duly seconded by Regent Provido and the motion carried to amend and to approve resolution as amended.

5.5 Budget, Finance, and Audit (BFA) Committee

Regent McKeever reported that the BFA Committee met on April 15th via zoom with a quorum present and presented the updates and proposed resolutions for the board's approval.

5.5.1 Financial Update

Regent McKeever reported that the Government of Guam has been providing the University's allotment on a timely basis. The University and the Committee members are grateful for the timely payment, as any delays would be a concern for the University due to the tight budget this year. She then provided the Board a brief overview of the financial reports presented.

She reported on the comparative balance sheets of February 28, 2021, and audited balances on September 30, 2020, stating that the significant changes in the balance sheet were the result of reclassifications in accounts and the fact that the audit report was reported on an accrual basis and the monthly report was on a cash basis. She added that future consideration will be made to present these comparative statements on the same basis of accounting for the Committee to better understand the differences.

5.5.2 Collections Report

Regent McKeever reported that the Collections Report showed \$76K was collected as of February 28, 2021, stating the annual target is \$300K. She noted that it looks like this will be the first time the University will not reach its target.

5.5.3 Procurement Transactions and Contracts Report

Regent McKeever reported that the review of purchase orders and contracts of over \$100,000 entered during March and April 2021 revealed that there was only one item that effected the operations of the University and that was a recurring item for trash collection.

5.5.4 Ratification of Res. No. 21-09, Relative to Accepting the Results of the Deloitte and Touche LLP Financial Statements Audit and Compliance Audit for the Fiscal Year Ended 30 September 2020

Regent McKeever introduced the ratification of Resolution No. 21-09 and moved to approve, which was duly seconded by Regent Hezel. She summarized the resolution explaining the purpose. The motion carried.

5.5.5 Resolution No. 21-14, Relative to the Delegation of Authority to Approve the Release of the Annual External Audit Report

Regent McKeever introduced Resolution No. 21-14 and moved to approve, which was duly seconded by Regent Leon Guerrero. She summarized the resolution explaining the purpose. Brief discussion followed. The motion carried.

6.0 AD HOC REPORT: ENDOWMENT FOUNDATION UPDATE

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Katrina Perez, Executive Director, provided the BOR with an update on the UOGEF projects and events. The update provided was from the UOGEF 2020 Annual Report.

7.0 OPEN PRESENTATION (3 Minute Limit per Person)

Chairperson Filush opened the floor for open presentations. There were no presentations.

8.0 EXECUTIVE SESSION

8.1 *Wilfred P. Leon Guerrero, et.al., v. Jerold W. Filush, et.al., SP0035-21*

8.2 Bascon Corporation Claim Against UOG

8.3 President's Evaluation Review

This Executive Session commenced at 7:04 p.m. The Executive Session ended at 8:07 p.m.

9.0 VOTING FILE

9.1 Bascon Corporation Claim Against UOG

No vote was required.

9.2 President's Evaluation Review

Chairperson Filush moved to accept the President's Evaluation, which was duly seconded by Regent Diaz. The motion carried.

10.0 ELECTION OF OFFICERS

Chairperson Filush opened the floor for nominations. Regent Leon Guerrero moved that the following slate of candidates be nominated: Regent Liza Provideo for Chairperson, Regent Sandra McKeever for Vice Chairperson, and Regent Mike Naholowaa for Treasurer, effective May 1st following the expiration of the term of Chairperson Filush on April 30th, which was duly seconded by Regent Diaz. Chairperson Filush asked if there were any further nominations or opposition to the slate, to which there were none. The motion carried unanimously.

10.1 Chairperson

Refer to item 10.0

10.2 Vice Chairperson

Refer to item 10.0

10.3 Treasurer

Refer to item 10.0

11.0 ADOPTION OF BOR MEETING SCHEDULE FOR AY2021-2022

The BOR meeting schedule for AY2021-2022 is for informational and review purposes.

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12.0 ADJOURNMENT

Regent Leon Guerrero moved that the zoom meeting be adjourned, which was duly seconded by Regent Provideo and passed. Chairperson Filush adjourned the meeting at 8:13 p.m., Chamorro Standard Time.



Liza J. Provideo, Chairperson

ATTESTED:



Thomas W. Krise, Ph.D., Executive Secretary