RESOLUTION NO. 13-04

RELATIVE TO ACCEPTING THE RESULTS OF THE DELOITTE AND TOUCHE LLP
FINANCIAL STATEMENTS AUDIT AND COMPLIANCE AUDIT FOR THE FISCAL YEAR
ENDED 30 SEPTEMBER 2012

WHEREAS, the University of Guam (UOG) is the primary U.S. Land Grant institution
accredited by the Western Association of Schools and Colleges (WASC) serving the post-
secondary needs of the people of Guam and the region; and

WHEREAS, the governance and well-being of UOG is vested in the Board of Regents
(BOR); and

WHEREAS, the University’s financial statements have received a clean (unqualified)
audit opinion from Deloitte & Touche LLP for the fiscal year ended 30 September 2012

WHEREAS, Deloitte & Touche LLP identified two non-compliance findings related to
the American Recovery and Reinvestment Act stimulus (ARRA grant) and the Area Health
Eduations Centers grant (AHEC), and a third finding was related to monitoring of
construction in progress, for which corrective procedures are underway by the University; and

WHEREAS, the audit results have been reviewed with the administration and the
Guam Office of Public Accountability (OPA); and

WHEREAS, the Management Discussion and Analysis provided overview and
understanding of the FY12 financial position and results of activities, as required
supplemental information to the financial statements and the footnotes; and

WHEREAS, while the University’s overall financial condition showed that net assets
increased by $8.2 million, after adjusting for the capitalization of one-time ARRA projects, the
operational surplus is a more representative $1.7 million increase, or 2% of revenues, which
is a direct result of the efforts of faculty, staff and administrators; and

WHEREAS, the audit will be issued March 4, 2013, within timeframes established by
the Guam OPA; and

WHEREAS, the President and the BOR’s Budget, Finance, Investments and Audit
Committee have reviewed and recommend that the BOR accept the FY12 audit.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents hereby accepts
the results of the Deloitte & Touche LLP audit for the fiscal year ended 30 September 2012.
BE IT FURTHER RESOLVED, that the Board of Regents recognizes the efforts of Administration and Finance employees in the timely completion and positive results contained in the audit.

BE IT FURTHER RESOLVED, that the Board of Regents commends the efforts of all faculty, staff and administrators for managing significant financial challenges, maintaining the University’s financial health and ensuring the delivery of high quality education to its students within the resources available.

Adopted this 26th day of February, 2013.

[Signature]
Dr. W. Chris Perez,
Chairperson

Attested:

[Signature]
Dr. Robert A. Underwood, Executive
Secretary