

UOG Endowment Foundation
Executive Board Meeting
Thursday December 12, 2019
Raymond James- Coast360
Maite, Guam

1 **I. CALL TO ORDER**

2 **A. The Q4 2019 Meeting of the Board was a called to order at 4:25 pm on**
3 **Thursday December 12, 2019. Noted: not enough members present to meet**
4 **quorum; Executive Board Meeting.**

5
6 The following were present:

7
8 **Board Members:**

9 Dr. Wilfred Leon Guerrero, Chairman
10 Dr. Thomas Krise, Executive Secretary
11 Mr. Jesse Leon Guerrero, Director
12 Dr. Saied Safabakhsh, Director
13 Regent Fr. Fran Hezel, Board of Regent Representative

14
15 **UOG Endowment Staff:**

16 Ms. Katrina Perez, Executive Director
17 Ms. Myracle Mugol, Associate Director- Corporate
18 Ms. Emilee Beachy, Administrative Clerk

19
20 **Guests:**

21 Ms. Maree Pelkey, BGIS
22 Ms. Alexandra Leon Guerrero, BGIS
23 Mr. Jason Miyashita, Raymond James
24 Ms. Amanda Gima, Raymond James
25 Mr. David Okada, Chief Planning Officer/ Interim Chief of Staff, Office of the
26 President
27 Mr. James Hollyer, Interim Special Assistant to the President, Office of the
28 President
29 Mr. Randall Wiegand, Vice President, Administration and Finance
30 Mr. Norman Analista, Director, Development and Alumni Affairs
31 Ms. Jimmilynn Boyles, Fundraising Consultant

32
33 **II. APPROVAL OF THE MINUTES**

34 **A. September 11, 2019 (Exhibit A)***

35

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36

III. CHAIRMAN'S REMARKS

Chairman Wilfred Leon Guerrero announced that Pete Perez has retired from the Board for health reasons. He noted that Mr. Perez was on the West Coast for treatment at the time of the meeting. To replace Mr. Perez, Chairman Wilfred Leon Guerrero told the Board that he invited Ms. Flo Martinez, owner of Advisors Unlimited – a financial advisor investment firm—and she accepted. Ms. Martinez also worked at Asia Pacific before owning her business and before that she was a teacher. Ms. Martinez is a UOG Alum who majored in Math.

IV. COMMITTEE REPORTS

A. Finance Committee- Mr. Jesse Leon Guerrero, Committee Chair (Exhibit E)

1. Investment Advisor Reports
i. Raymond James

Mr. Jason Miyashita from Raymond James reported that the markets were doing well but speculated how long it last. 2020 is an election year which historically means that it will be a down year in the markets because of the uncertainty, which will mean more volatility. He noted that at close of the markets on December 11, 2019 the fund was at \$1.525M. He added that quarter to date the fund was up 3.92% and year to date the fund was up almost 19%. He told the Board that these were quite phenomenal returns for a balanced fund, adding that they were only predicting about 7% returns. Mr. Miyashita stated that the fund was at 8.64% versus 7.39%% annualized and since inception is \$410K.

Discussion:

Chairman Wilfred Leon Guerrero Asked why they were holding so much cash if the markets were doing well, he wondered if there was an awarding or something of that nature. Mr. Miyashita and Ms. Gima explained that they had recently liquidated the stocks that President Krise had donated to the UOG Endowment Foundation and that the account was still settling. They assured the board that once the account settled the cash would be invested the way that the Endowment Foundation wanted it to be. Mr. Jesse Leon Guerrero inquired after the bond market and what Mr. Miyashita thought might happen in said market in the coming year. Mr. Miyashita responded that he believed the fed was going to hold and if not hold then there would be another drop in interest. He noted that he is expecting a pullback in both stocks and bonds going into 2020, saying that he thought they had already started to see it drop to 3-4%, but that it picked back up again. He added

UOG Endowment Foundation
Executive Board Meeting
Thursday December 12, 2019
Raymond James- Coast360

Maite, Guam

1 that a 5-10% pullback in the market is healthy. Chairman Wilfred Leon Guerrero
2 asked Mr. Miyashita what the 0.07% alternative was. Mr. Miyashita explained that it
3 was probably a system error that recorded something as an alternative, but that it
4 wasn't an actual alternative in the public market. He added that they would check
5 on it and get back to the Board.

6 **The Board of Accountancy** fund is at \$2.3M and has similar returns as the
7 Foundation's Scholarship Fund. The fund is up 3.16% versus the 3.5% benchmark, so
8 just a little behind that and 17% versus 18%. For annualized returns were 8.5%. for
9 the quarter the fund is up \$72K and for the year the fund is up \$350K, and since
10 inception the fund is up \$521K.

11 **Discussion:**

12 Chairman Wilfred Leon Guerrero asked why they had so much cash for this fund as
13 well. Ms. Gima responded that there was a deposit made to the account. Mr.
14 Miyashita noted that the would verify about this amount as well. Chairman Wilfred
15 Leon Guerrero asked President Krise about the account and what the money could
16 be used for. President Krise responded that it was designated to be used for
17 bringing professors to Guam to teach. Chairman Wilfred Leon Guerrero asked if that
18 was by law. Ms. Perez stated that based on her conversations with Dave Sanford the
19 account was specifically for bringing professors to the island. She added that the
20 fund was called the Visiting Professors fund. Chairman Wilfred Leon Guerrero added
21 that he would like to hear from the accounting professors about how they were
22 going to use the money. President Krise responded that they would be bringing in a
23 couple of professors, a married couple, for the whole semester in January of 2020.
24 President Krise continued saying that it was better that they came for the Spring
25 semester rather than the summer semester because the students don't like going to
26 summer school. Ms. Perez asked if it would be possible to have the visiting
27 professors not only teach a class, but also teach trainings for the professor at
28 professors on Guam. President Krise agreed that since they now had professors
29 here for a longer time, that trainings would be a feasible.

30 **The Baba Corporation Fund** was up 17% for the year which is about \$5,000,
31 making the account sit with about \$35K.

32 **Discussion:**

33 Mr. Jesse Leon Guerrero asked if they had discussed consolidating the Baba
34 Corporation Scholarship into the main fund with the other scholarships. Mr.
35 Miyashita answered that he thought Ms. Perez was going to reach out to them and
36 ask. Ms. Perez responded that she would do so that week, but that she thought they

UOG Endowment Foundation
Executive Board Meeting
Thursday December 12, 2019
Raymond James- Coast360
Maite, Guam

1 must've negotiated with the previous Board because the admin fees were lower
2 than UOGEF's usual admin fee. Dr. Saied Safabakhsh asked Mr. Miyashita how the
3 outlook for 2020 was. Mr. Miyashita responded that the team was rebalancing the
4 portfolio every quarter. He said that they were pulling from the winners and giving
5 back to the losers in case of any pullbacks that might be coming in 5-10%. He noted
6 that the market had ballooned and was bloated in the US, though there are still
7 some opportunities in the international markets. Mr. Miyashita added that should
8 the US market go down, then so will the international market. He told the board
9 that the portfolios had a heavy US Bias, and that is part of the asset allocation
10 strategy with 17-18% returns. He added that they are looking for normalized returns
11 next year, or within 7-8%. He noted that historically, election years are down years,
12 especially leading into November, because there is uncertainty about who the
13 president will be. Mr. Miyashita added that he didn't think anyone would be able to
14 compete against Trump on the Republican side, though he knew that Trump was
15 hoping for Biden, because he know he can beat Biden. Mr. Miyashita concluded that
16 they are expecting a modest return year next year, though UOGEF's portfolios are
17 balanced and diversified. He said that they don't anticipate any increases, but there
18 might be some decreases again. He noted that a year ago, the endowment
19 investment portfolios were down 15-18% and then the markets rebounded in the
20 next quarter. He added that they are expecting a 20% dip in the market if Warren
21 gets in the presidential election. Dr. Saied Safabakhsh asked, "what about Guam,
22 because I know when the US economy is good, then Asia is down. Mr. Miyashita
23 answered that he believed it depends on the buildup. He added that clients that are
24 engineers, architects, and construction companies are doing really well because of
25 the military buildup. Chairman Wilfred Leon Guerrero asked him what the rate of
26 return for 2019 was. Mr. Miyashita told him that is was 17%. Chairman Leon
27 Guerrero asked what they are expecting for the next year, if they were expecting
28 the same. Mr. Miyashita said, "No, I think we will have normalized returns. I think it
29 is going to drop down to 7-8% returns. We're optimistic, but we are cautiously
30 optimistic. "

31 **BGIS:**

32 Ms. Maree Pelkey presented for the two funds for UOG Endowment; the
33 General Endowment and the Capital Campaign funds. She reported that the
34 accounts have a little over \$9M. Year to date the accounts are up 20.2%. Both
35 funds are similarly invested at about 75% equities and 25% fixed income and
36 UOGEF had allocations in both U.S. and International. "The markets have done
37 well", Pelkey explained. She noted that this was reflected in in the portfolio. The
38 General Endowment Fund, which was \$5M, though reduced by the margin loan

UOG Endowment Foundation
Executive Board Meeting
Thursday December 12, 2019
Raymond James- Coast360
Maite, Guam

1 to \$4.6M. The Capital Campaign Fund was at \$3.6M. Since inception, UOGEF has
2 earned 8.9% annualized. Ms. Pelkey explained that meant UOGEF earned 8.9%
3 every year over the last 3.5 years. She added that they had not made any
4 changes to the portfolio since the first quarter of 2019 and told the Board that
5 they were not planning to change anything unless there is a significant shift in
6 the market or UOGEF has changed the goals for the portfolio.

7 **Discussion:**

8 Chairman Wilfred Leon Guerrero asked why they were reporting in 3-year periods.
9 Ms. Alexandra Leon Guerrero explained that there was a one month, a three month,
10 a one year, a year-to-date, a three year and a since inception broken out for the
11 Board on page two under the bar graph instead of having just one annualized
12 return. She noted that if they wanted even more detail, they could turn to page
13 three for a quarter over quarter return so you can see what the account has looked
14 like in the past. Ms. Pelkey added that it was a historical look back, quarter over
15 quarter, that allowed the Board to see where the money was gained, and what
16 periods weren't so great. She continued that the fund has been doing well and
17 congratulated UOGEF on the additional deposits made to the account that month.
18 She asked if that meant fundraising was going well. Ms. Katrina Perez answered that
19 she believed so. UOGEF has had a lot more interest in scholarships this year. Regent
20 Fran asked, "Historically, why do we have a -11% in quarter four of 2018 and a +10%
21 almost +11% in the first two months of the next year?" Ms. Pelkey responded that
22 was how the markets performed, dropping significantly in the last two weeks of
23 December and then rallied back in the next quarter. UOGEF gained everything lost,
24 plus some. Ms. Leon Guerrero added that the dip occurred when TSA had a partial
25 shutdown and there was a lot of uncertainty. Chairman Wilfred Leon Guerrero
26 asked what was going to happen in 2020. Ms. Leon Guerrero told him that they
27 don't see any significant changes happening going into 2020 and the markets have
28 been pretty consistent and are doing well. Chairman Wilfred Leon Guerrero asked if
29 they plan on making changes to the portfolio. Ms. Pelkey said, "Not immediately
30 going into 2020. I think there is room to grow. You're still going to see some
31 volatility, but over time it will smooth out."

32 **ii. Finance Committee held on December 4, 2019**

33 **iii. Reports enclosed**

34 **1. SENG/ SSC Loan Update**
35

UOG Endowment Foundation
Executive Board Meeting
Thursday December 12, 2019
Raymond James- Coast360
Maite, Guam

1 Ms. Katrina Perez presented the update on the most recent Finance
2 Committee Meeting, held on December 4, 2019. She directed the Board to tab
3 B in the packet to see the report. Ms. Perez told the Board that for the
4 Finance Committee Meeting and the follow up meeting, they met with UOG
5 leadership, as well as from GEDA to discuss the USDA and Live Oak Bank
6 loans. She explained that the report showed the things the team has been
7 pursuing and what they will be doing going forward. She reported that a letter
8 of de-obligation was received from USDA and the team was pursuing turning
9 in another application. She added that the USDA office has told them that in
10 order to move the application along, the main office will be handling
11 UOGEF/UOG's application. UOG and the UOG Endowment Foundation had
12 submitted documents and came back with some concerns on the financial
13 feasibility report. Ms. Perez noted that Mr. Randy Wiegand was working with
14 Burger & Comer to finish addressing their concerns and resubmitting the
15 work. She added that in order to get the loan they also had to prove that they
16 could obtain interim financing. This is where Live Oak Bank comes into play.
17 Mr. Wiegand told the Board that Live Oak could do financing for 20-years, 30-
18 years, of 40-years, the problem being that the longer they finance, the higher
19 the interest rate. Ms. Perez continued that the original quoted number of
20 \$21.7M was established in 2014 and there are new laws and inflation to
21 account for in this resubmission application. There is the Buy American Steel
22 Act and a new law stating that 3% of the construction cost must go toward
23 some cultural artwork. After some initial information for UOGEF, Live Oak had
24 some questions, the first being what kind of pledge they could get from the
25 Legislature to ensure they would be paid back. Ms. Perez told the Board that
26 after some discussion it was decided that it would most likely require the
27 passing of another law, which would be unlikely. Live Oak then asked if
28 UOGEF would be using their investment funds as collateral, but with the
29 Margin Loan already on the General Endowment Fund the consensus was that
30 UOGEF's investments could not be used as collateral. Ms. Perez reported that
31 Live Oak then asked how they UOGEF planned on paying them back. Ms.
32 Perez stated that she had yet to respond formally, but that as she understood
33 the agreement to be a lease-leaseback. There was confirmation and she
34 continued presenting. Because of the pushback received from Live Oak, UOG
35 and UOGEF got together and tried alternative financing solutions. They looked
36 at using bonds and Barkley's instead of going through with the USDA loan at
37 least for the short term but decide that based on the 3.67% rate in the bonds
38 for 30 years instead the 40 they were trying for, it was the same cost as Live
39 Oak Bank. Getting bonds would also negate UOG and UOGEF in getting the
40 funding from USDA because they had to prove they couldn't get funding from

UOG Endowment Foundation
Executive Board Meeting
Thursday December 12, 2019
Raymond James- Coast360
Maite, Guam

1 other sources. In the end, they decide to stick with the USDA Loan and
2 possibly use bonds for the Triton Engagement Center and the Fine Arts
3 Building.

4 **Discussion:**

5 Chairman Wilfred Leon Guerrero asked what it meant working with the National office
6 on the USDA Loan. Mr. Weigand told him that there was a group of people working on
7 UOG and UOGEF's application including someone from the local Guam Office,
8 someone from the Hawaii office, and about five people from the main office in D.C.
9 He explained that they have this team to try and fast track the application process,
10 but they raised 3 pages worth of concerns over the Financial Feasibility Study that
11 they submitted for the application, so he was not sure how much fast tracking was
12 being done. He did add that they were down to final questions. Mr. Wiegand added
13 that he believed they could have money in January. He said USDA wants to sit around
14 a table and discuss back and forth. He told the Board that currently, the big issue is
15 that they're using a 4.7% in assuming of blended borrowing, but if it's that high then
16 UOG won't be living within what USDA is giving them and UOGEF. The USDA rate the
17 last he knew was 3% and 3% would be a good interest rate said Mr. Wiegand, but he
18 believed that USDA seems to want more and more of the funding come from Live Oak
19 Bank, but that means that the interest rates are up. Ms. Perez asked if that prevents
20 UOGEF and UOG from trying another major lender. Mr. Wiegand said, "No, and in fact
21 Barkley's seemed interested. He added that if Live Oak is being too difficult even for
22 the short-term financing then they should see if Barclays wanted to take them on,
23 however, Barkley still needs certainty that USDA is going to give UOGEF and UOG the
24 funding. Mr. Jesse Leon Guerrero asked if they could use Barkley in the short term.
25 Mr. Weigand said yes or Live Oak, because Live Oak seemed to have good short-term
26 financing rates. Mr. Jesse Leon Guerrero asked if the construction on the School of
27 Engineering was on hold. Ms. Perez replied that some work was done. Mr. Okada
28 informed the Board that the current status is that they're good on the plan, the A&E,
29 and the permits. UOG only needed a certificate of approval from USDA once
30 everything has been signed in order to proceed with the building. The Student Center
31 is about 70% done, but UOG needs three more months to get the plans set and all the
32 permits. Mr. Jesse Leon Guerrero asked if the engineering school is good to go. Mr.
33 Okada replied, "Yes, everything is in place and the contracts have been signed." Dr.
34 Saied Safabakhsh asked if UOG could come up with a staging process. He gave an
35 example of the five stages UOG needs for building for the building, so that they can
36 get donations. Mr. Okada replied, "Yes we can definitely do that. And, if we get any
37 donations, they will be worked through the Endowment Foundation. Mr. Okada asked
38 President Krise if he wanted to tell the board about the EDA funding. Dr. Krise replied

UOG Endowment Foundation
Executive Board Meeting
Thursday December 12, 2019
Raymond James- Coast360
Maite, Guam

1 that they received some grant funding from the Economic Development Agency for
2 some projects including the Water and Environmental Research Institute in a building
3 that their calling Diskubre, which will house the offices of RCUOG and PIP and then
4 there was a possibility of a nursing building expansion which would be really great if
5 they get it. Mr. Okada continued that in addition to that there is also the possibility of
6 some of that money for the Engineering Annex and USDA is where the they are going
7 after this funding and USDA approves. They said the funding could toggle between
8 Student Center and the Engineering Annex. Mr. Jesse Leon Guerrero asked what
9 timeline on that process was. President Krise said they're not sure yet, because
10 they're still working on it through RCUOG. Mr. Okada replied that they owe the Board
11 a timeline. Mr. Weigand said 90 days after submitting everything they should have an
12 answer. Mr. Okada replied that USDA told UOG to pursue the EDA funding source, but
13 it will not be included in the USDA loan as funding because the feasibility study is
14 worse-case scenario and this funding would be extra. Chairman Wilfred Leon Guerrero
15 asked how long it will take USDA, where UOG was on the feasibility study and are they
16 still waiting on information. Mr. Weigand replied they asked for a filing at the start
17 and we gave them that at the end of September. Towards the end of October, USDA
18 told UOG that there was an issue with the feasibility report, and they gave three
19 pages of items to address. UOG has since been working on it starting November 1, and
20 USDA told them to submit a draft and they will go over to see if the issues have been
21 resolved. Mr. Wiegand continued that he received an email from the consultant that
22 morning with 15 questions trying to determine how to fix the items. USDA wanted to
23 have a conference to discuss the plan with UOG after they submit the draft. Chairman
24 Wilfred Leon Guerrero asked when UOG was going to finalize the field feasibility
25 report. Mr. Weigand replied that they are going to get something to them by the
26 following day or Monday and hopefully hear from them about their concerns. It
27 looked like UOG was running up against Christmas and they might have to take a
28 break and start back in January. Mr. Wiegand said he still was hoping that they can get
29 the money by January. President Krise added that the decline in support from the
30 government hasn't been helpful for UOG either, it weakened the financial statement
31 with the decline in support from the government. Mr. Weigand added that they told
32 USDA if they can't get the money from the government, they would make up the lack
33 of money up by raising tuition, but UOG has gotten a lot of pushback about raising
34 tuition, especially from the legislature. Mr. Wiegand continued that if the government
35 wasn't going to give them the appropriation they had to have some way to make it up
36 on the other side or UOG would have to close some things down, but UOG was trying
37 to open an engineering school, not close things down. Mr. Jesse Leon Guerrero asked
38 what they need from the legislature now. President Krise responded \$6.2 million, they
39 shorted us \$6.2 million. Mr. Jesse Leon Guerrero asked if this was in allotments.
40 President Krise said, "No it wasn't appropriated to UOG, the allotments are coming in

UOG Endowment Foundation
Executive Board Meeting
Thursday December 12, 2019
Raymond James- Coast360
Maite, Guam

1 nicely." Mr. Wiegand finished that didn't receive all the money that they needed, but
2 they've been receiving the money that they did get from the government in a timely
3 manner.

4 **2. 2018 Audit Report**

5 Ms. Perez told the Board that she would be working with Deloitte on fixing
6 some of the duplicate issues that were found last year, but other than that
7 there were no findings to be concerned about.

8
9 **3. 2020 Budget Proposal**

10 Ms. Perez began to present the budget proposal for 2020. Mr. Jesse Leon
11 Guerrero reminded the Chairman of the Board that since there was no
12 quorum, there was no way to make any decisions. Chairman Wilfred Leon
13 Guerrero acknowledged this and said that the budget would roll over into the
14 next year.

15 **4. UOGEF Form Updates**

16 Ms. Perez presented new forms for the Board to consider, saying that the
17 auditors wanted the forms passed by the Board before using them. The
18 subject was tabled.

19 **B. Land Committee- Mr. John Calvo, Committee Chair (Exhibit C)**

20 **i. Report Enclosed**

21 Ms. Perez told the Board that, as agreed at the previous board meeting, UOGEF
22 hired Efren Santos. The Inarajan land is still for sale, and there are buyers for the
23 other lots. She indicated that all of the lots could be found on the report.

24 **C. Comprehensive Campaign Committee- Mr. David John, Committee Chair (Exhibit D)**

25 Ms. Mugol presented the Comprehensive Campaign Report to the Board. UOGEF gave
26 \$52,000 in scholarships this semester, raised \$15,366.22 from individuals starting on
27 Giving Tuesday. So, in one week, raised \$15,000, not including donations from Bank of
28 Guam (\$10,000), Matson (\$1,000) and Wyndham which is about to give \$5,000.
29 GRMC, ASC Trust, The Guam Association of Realtors, GovGuam Branches, The
30 Republican Party of Guam, and UOG Upward Bound are all going to give UOGEF
31 money when they meet with them. UOGEF is awaiting feedback from the Mayor's
32 Council of Guam, Quality Distributors, and Calvo's Select Care. A discussion on

UOG Endowment Foundation
Executive Board Meeting
Thursday December 12, 2019
Raymond James- Coast360
Maite, Guam

1 planned giving was started because Heidi Ballendorf wanted to start a planned giving
2 pledge in honor of her dad. She also wants to challenge the UOGEF Board and the
3 UOG Board of Regents first. There have been discussions about next steps, possibly
4 doing an event. Ms. Mugol told the Board that Ms. Perez already talked to a lawyer
5 (Vince Camacho) about this. She also told them that they met with financial
6 institutions including ASC Trust, and Asia Pacific.

7 **Discussion:**

8 Dr. Saied Safabakhsh asked if UOGEF met with one of the VPs from the Renal Care Center. Ms.
9 Perez and Ms. Mugol responded that they had not met with him. Dr. Saied Safabakhsh told
10 them that Dr. Hattori met with him. He added that he hates the system that makes it seem
11 that UOG and UOGEF are competing for the same resources, though they are supposed to be
12 complimenting each other. Chairman Wilfred Leon Guerrero said that with regards to the
13 Planned Giving challenge, while Heidi Ballendorf is a good friend of the University, he believes
14 that UOGEF should use President Krise and Dr. Saied Safabakhsh's gifts as the precursor for a
15 challenge to the Boards.

16
17 **V. NEW BUSINESS**

18 **A. UOG Fundraising Consultant**

19 Jimmilynn Boyles presented as a consultant working with UOG in fundraising efforts. She
20 told the Board that she would be doing research and then give her suggestions when she
21 was finished. She told the board that she was looking for possibilities of growth,
22 functionality, the academic plan, and finding partners that would help the growth of the
23 academic plan while also thinking strategically about the plan, as well as the structures
24 that would help growth. She noted that she would give her recommendations and then
25 her part would be done. President Krise asked if she wanted to comment on what she
26 discussed with him a couple days prior, about reaching alumni. He added that UOG has
27 17,000 alumni, but that they only have access to 3,000. He added that those 3,000 alumni
28 have a high percentage of giving and if UOG and UOGEF could only reach more of the
29 alumni they could increase what they have without much effort. Boyles told the Board
30 that she thought it was important to note that there is great affinity with UOG. She said
31 that this affinity is measured in data by how many times someone has given to your
32 institution in the same way that a business can judge a customer's affinity. She continued
33 that UOG has donors that have given 10 gifts or more, 20 gifts or more, and 25 gifts or
34 more. She added that this is sensational data and if UOG expands that out to even 5,000
35 or 10,000 new donors it would be a great start. She continued that she looks at three
36 things when she is doing research: capacity, affinity, and propensity. She explained that
37 capacity is whether someone has the means to give. Propensity is whether they will give,

UOG Endowment Foundation
Executive Board Meeting
Thursday December 12, 2019
Raymond James- Coast360
Maite, Guam

1 whether they trust the organization to invest in larger sums, and affinity is the love of the
2 organization. She noted that UOG had those markers. Boyles also added that capacity is a
3 variable that UOG and UOGEF doesn't know because all they had was the gift. She said
4 that they don't have the back information, they don't have net worth, they don't have
5 assets, and that information is necessary in thinking strategically about partners. This is
6 just a snapshot. UOG shows great opportunity but that is just one facet of the overall
7 picture. She added that thinking strategically about menu options, providing incentives to
8 partnerships, in ways that not only impact the University of Guam, where you're not just
9 giving back to an institution, but giving through it because there is so much impact on the
10 community. She concluded that UOG is a remarkable institution with a lot of opportunities
11 within each of the schools and colleges. She noted that her meetings with the deans
12 outlined for her what she thinks academic plan, in terms of funding opportunities, looks
13 like.

14 **Discussion:**

15 Dr. Saied Safabakhsh said that partnership is the problem. It's been going on for the last 20
16 years with UOG and every time someone came on to partner with UOG it didn't work out,
17 except for the Hawaii research. He said that there is great opportunity with the medical
18 centers here on Guam but that he has been unable to partner with UOG, let alone outsiders.
19 He said he thinks that UOG leadership needs confidence because the mentality of Guam is to
20 protect what they have. He added that with increased partners there is also an increased
21 number of people who have a stake in the institution. President Krise responded that he
22 believed Ms. Boyles was remarking on the confidence that people had in the University of
23 Guam, because people aren't going to give, or give substantial amounts without trusting that
24 the money would be handled appropriately. Mr. Jesse Leon Guerrero agreed, but said that Dr.
25 Saied Safabakhsh was saying that with partnerships the attitude of the University was kind of
26 stand-offish when people are coming in. Dr. Saied Safabakhsh also expressed concern over
27 the incapability of the nursing program to partner with other medical centers outside of the
28 Guam Medical Hospital. President Krise agreed but added that Ms. Boyles was only able to
29 offer advice and support regarding fundraising and study partnerships with the Nursing
30 Program were more complicated. Dr. Saied Safabakhsh agreed and asked Ms. Boyles what she
31 believed to be UOG and UOGEF's weakness regarding marketing. Ms. Boyle responded that
32 she believed it was too early to tell because there is no data. She added that not having that
33 data is a weakness though. She said, "When you look at how data energizes an institution, you
34 can see that you have top 5 with capacity scores at \$500K and the capacity score is when you
35 want to sit and talk about a relationship, it's mutual understanding of benefits of one another
36 that's investing in the institution, and which is so important in what you're going to discuss."
37 She explained that a million-dollar donation takes five years from the first meeting to handing
38 over the gift because there is relationship building happening in those years. Chairman Wilfred

UOG Endowment Foundation
Executive Board Meeting
Thursday December 12, 2019
Raymond James- Coast360

Maite, Guam

1 Leon Guerrero said that he thinks that in light of the recent donations from President Krise
2 and Dr. Saied Safabakhsh, that they should challenge the UOGEF Board, the Board of Regents
3 and the UOG Administration to give because then when we go out and ask for money we can
4 be like look, these people really care about what they're doing up there. And if we can tell
5 them that 98% gave, it made it easier for us to ask for money. The percentage is what is
6 important, not the amount. Ms. Boyles agreed saying it was one strategy of many that she
7 would use as their overall strategy. Chairman Leon Guerrero said, "Yeah, well I haven't really
8 seen any data, but I have this sense that the alumni are not giving back and we need to reach
9 out to them and be like look, it's time to help someone else now." Ms. Perez responded that
10 she had sent some of the data UOGEF has over to Ms. Boyles, and she wanted to know how to
11 leverage that information further than how it was being deployed now. Ms. Mugol added that
12 for Corporate Research she did have some of the indicators Ms. Boyles mentioned from
13 information she gathered using Revenue and Taxation information on the companies. Ms.
14 Perez included how UOGEF looks at companies as humans because some of the leaders are
15 strong enough that where they want the money to be donated is where the company will put
16 their funds. Ms. Boyles said that it was important to recognize that the data UOG and UOGEF
17 had was limiting them. She told Ms. Mugol that the programs she was running were
18 expansive, but how were they going to make it grow. Ms. Mugol responded that she needs
19 more people or better programs. Ms. Boyles said that the with more effective programs the
20 migration of donors in the \$5,000 and under club could move much faster. Ms. Perez asked
21 what she suggests. Mr. Wiegand responded the Mr. Hechanova was looking into Solution
22 Module based on her suggestion. Ms. Mugol asked if UOG and UOGEF could split the cost. Ms.
23 Perez added that UOGEF has Salesforce, but it isn't as easy as the sales people told them. She
24 said they aren't paying much for it because they're non-profit, but it's just not very easy to
25 use, so if there is something else out there that would be easier, that would be better. Ms.
26 Boyles commented that fundraising is now an effective mechanized system. She said all
27 suggestions will be on the table and then it is up to the institution to decide to use them.
28 Father Hezel asked if UOGEF knew the whereabouts of the alumni. Ms. Mugol answered that
29 UOGEF sent out 6,000 postcards the previous year and received 3,000 back with return to
30 sender. Father Hezel asked what listing they were using. Ms. Mugol responded that it was the
31 list given to UOGEF from the development office. He asked what percent of the alumni UOGEF
32 was in contact with compared to the total alumni. Ms. Mugol responded that UOGEF started
33 from scratch after last year and saw an increase in alumni giving from 2017 to 2018, but
34 UOGEF was nowhere near what they wanted to be. Ms. Perez added that UOG also gives
35 students and email, but after graduating, students tend to revert to using their personal email
36 account. Father Hezel said he is working under the assumption that they would get the list of
37 name and addresses of UOG alumni and expect that 5% work in institutions that will help build
38 up the listing. Ms. Mugol said that it was a conversation that both UOG and UOGEF were
39 having and will be working together to find a solution. Dr. Safa said, "I was telling Jesse, I don't
40 understand this alumni business. It's been this way for many years. I have many universities

UOG Endowment Foundation
Executive Board Meeting
Thursday December 12, 2019
Raymond James- Coast360
Maite, Guam

1 and as soon as they graduate, they ask us to log in as alumni and we do. Everyone is an
2 alumni, but I guess the other schools offer other things also. We all want to be alumni. Either
3 it's the system, because why would students not want to be alumni? Maybe they don't know
4 what it is." Mr. Jesse Leon Guerrero added that it was the Alumni Department at UPG, and
5 that he didn't know what was going on there. President Krise said that it was because there is
6 only one person working in that office and that was why they hired Ms. Boyles to consult on
7 ways of improving the situation.

8 **VI. Executive Session**

9 Chairman Wilfred Leon Guerrero told the UOGEF staff that the Board approved the
10 bonus request, though it needs to be ratified in the next UOGEF Board Meeting.

11
12 **VII. Announcements & Adjournment**


13 **A. Announcements**

14 Ms. Perez told the Board that the upcoming events included: Marine Lab Mixer on December
15 17, How to Say I love You event in February, School of Education Lifetime Achievement
16 Awards which is also a fundraiser in February, and the SBPA Mixer which will be more of a
17 friends-raising event, at the end of February.

18 Dr. Saied Safabakhsh suggested doing board meetings every couple of months. Chairman
19 Wilfred Leon Guerrero agreed, beginning in January 2020.

20 **B. The Q4 2019 Meeting of the Board of Directors was adjourned at 6:25 pm on**
21 **Thursday December 12, 2019.**

22
23
24 **AFFIRMED/APPROVED ON:**

25
26 
27
28 **Wilfred P. Leon Guerrero, EdD**
29 **CHAIRMAN**

30
31 **ATTESTED BY:**

32 
33
34 **Thomas W. Krise, PhD**
35 **EXECUTIVE SECRETARY**
36