

UOG Endowment Foundation
Regular Board Meeting
July 08, 2024
Zoom.us/Fresenius Kidney Care Center
East Agana, Guam

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I. **CALL TO ORDER**

A. The Third 2024 Board of Directors Meeting of the Board was Called to Order at 4:36 pm on Monday, July 08, 2024.

The following were present:

Board Members:

- Mr. Jesse J. Leon Guerrero, Chairman
- Pres. Anita Borja Enriquez, Executive Secretary
- Mr. George Chiu, Treasurer
- Gov. Joseph F. Ada, Director
- Ms. Flo Martinez, Director
- BG Roderick R. Leon Guerrero, USA, RET., Director
- Ms. Ramona James, Director
- Dr. Saied Safabakhsh, Director

UOG Endowment Staff:

- Ms. Katrina T. Perez, Executive Director
- Ms. Erika Pagsisihan, Marketing Assistant
- Ms. Clara Grace Diaz, Administrative Assistant

Guests:

- Mr. Glenn Leon Guererro, Director, Facilities Management & Services
- Mr. Zenon Belanger, Capital Projects Manager
- Mr. Mark Mendiola, Interim Chief of Staff
- Ms. Maree Sgro, BGIS
- Ms. Amanda Gima, Raymond James

II. **APPROVAL OF THE MINUTES**

- A. Tuesday, April 23, 2024– Regular Board Meeting
- Motion to Approve Subject to Correction:** Ms. Flo Martinez
 - Second:** Mr. George Chiu
 - Vote:** Unanimous

III. **CHAIRMAN’S REMARKS**

None

IV. **PRESIDENT’S REPORT**

UOG President Enriquez had meetings with several federal employees in the Washington, DC, and Virginia areas, including seven colonels, two lieutenant colonels, one major, and several others. There were 19 alumni in total, including alumni from Maryland. She discovered during the fellowship dinner that although UOG has been trying to start an alumni organization for a while, nothing has been effective in the last several years. She assured them that UOG would gain traction. The bulk of alumni in that location are not surrounded by other alumni. Many Guam Diaspora members who belong to the Guam Society of America are members of that specific

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1 organization. To reconnect with alumni who have not heard from UOG, it was suggested that she
2 notify them in advance of her upcoming barbecue so that she might meet the 200 people who are
3 on the mainland.

4
5 This is because UOG's database is small in terms of updates; of the 20,000 alumni, only 6,000
6 have email addresses, or one-third of the total alumni count. Frequent alumni contributions,
7 which we basically work on and reengage is one of the levers for bringing finances into any
8 university. Most alumni moved to the US mainland and now reside in other countries throughout
9 the world. Alumni who have joined the military are employed by the federal government. We've
10 been traveling to find them. UOG graduates are dispersed throughout the Western States and
11 the president plans to visit those in Nevada. The goal of this trip is to locate our former students
12 and update our database.

13 Mr. Mendiola was appointed temporary chief of staff due of his extensive background at the
14 University of Guam, which includes work with the Endowment Foundation, political knowledge,
15 and relationships with our alumni in tandem with Jonas Macapinlac, UOG's Chief of Marketing.
16 Jonas has overseen UOG's internal alumni databases in addition to overseeing the UOG website.
17 Thus, UOG will incorporate alumni development within our all-encompassing capital campaign
18 initiatives, which will be predicated on UOG's principles.

19 A draft of the university's strategic plan is available. At the moment, this plan is at the Board
20 of Regents level. The Board has set up an ad hoc committee that has been working with her for
21 the past three weeks. Their task is to transform a draft strategic plan, which is quite academic,
22 into a more practical and achievable plan. Five strategic initiatives have been consolidated into
23 four, although the plan is still being developed. What we know for sure is that the University of
24 Guam has various specific needs. Funding primarily comes from tuition and fees, as well as local
25 appropriations from the Government of Guam. You've seen how those funds have decreased
26 and are never sufficient. Despite requesting \$1 million, we still face \$16 million in deferred and
27 preventive maintenance needs. This includes issues like leaking roofs, broken elevators, and tiles
28 coming loose. Mr. Mendiola has been tasked to survey the campus and identify potential spaces
29 for UOG alumni donor walls. During his visit to the Science building, one of the oldest structures
30 on campus, we discovered that \$300,000 in roof repairs is needed. We also found pests and
31 damaged tiles.

32 We're considering inviting more prospective donors for campus tours. President Enriquez
33 tasked Mr. Mendiola, Mr. Glenn Leon Guerrero, and others with preparing the campus for
34 donors. We know what needs to be done and have received quotes, but these issues are part of
35 a long-standing list of deferred and preventive maintenance that hasn't been funded. UOG can
36 only request \$1 million for maintenance in our local budget, but the total need is \$16 million. We
37 plan to use the donor wall and naming opportunities to direct alumni contributions toward
38 maintenance rather than scholarships, providing a sustainable funding source for these needs.

39 During UOGEF's recent alumni mixer the donor wall concept was introduced to positive
40 feedback. The donor wall will feature an art mural with three levels of giving for the proposed
41 plaques. The art mural could feature an ocean scene, with plaques designed to resemble
42 traditional canoes, displaying alumni names, their degrees, and graduation years. While she was

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1 in Virginia, she distributed packets and information from UOGEF about the proposed donor wall
2 concept, which generated enthusiasm and willingness to contribute once we finalize the details.
3 The president wants to ensure alumni are aware of the walls' locations. This initiative could be
4 part of a larger capital campaign aimed at engaging alumni. Our plan is to establish an
5 endowment fund where a portion of donations will be invested to grow, while another portion
6 addresses immediate needs. The \$16 million for deferred and preventive maintenance isn't an
7 urgent need at the moment.

8 Feedback from alumni in Virginia was positive, and we committed to providing regular
9 updates to keep them connected with the University of Guam. President Enriquez is aware of
10 some ongoing developments with the ROTC program involving LTC Tom Andersen and current
11 professor LTC Neil Armstrong. Although she's unsure of the current activity level, she's
12 interested in revisiting this area. Many alumni are involved with the Guam Army National Guard
13 and reserves, making it easier to connect with them. Dr. Anita plans to re-engage alumni,
14 complementing our annual "G is for Giving" campaign in November.

15 This new approach aims to creatively reconnect with alumni and secure funds for maintenance,
16 which is always needed. Mr. Mendiola mentioned that although we have insurance and FEMA
17 support following the storm, ongoing issues are showing they can't afford to wait. They are
18 managing significant construction across various facilities. And there are other buildings that need
19 maintenance attention. Some facilities built in the 1960s have reached the end of their useful life.
20 Therefore, it's crucial to consider the long-term maintenance needs of new facilities as well. We
21 need to develop a comprehensive maintenance plan to ensure future caretakers have the tools
22 they need for upkeep. This is why securing funds for deferred maintenance is so important—UOG
23 can't predict future needs. By securing these funds now, we ensure that future users of the
24 facilities will have better experiences.

25
26 President Enriquez notes that we graduate over 500 students each year. If we project forward
27 5 or 10 years, we should be able to anticipate future needs and maintain ongoing efforts. However,
28 we haven't focused on generating funds specifically for maintenance and upkeep. As you drive
29 around campus, you'll see new construction on one side, while the other side needs water
30 blasting, additional maintenance, and renovations. We are already stretched thin with
31 expenditures for new facilities and will need additional funds for furniture and fixtures for the four
32 new buildings. Mr. Mendiola has discussed this with the lieutenant governor and is exploring other
33 available funding options. There is a draft of a comprehensive campaign plan that still requires
34 significant refinement and review, including input from our Board of Regents.

35
36 The draft outlines three main pillars:

- 37 • Capital Improvements, estimated at \$30 million
 - 38 • College Affordability, projected at \$10 million
 - 39 • Academic Initiatives, also \$10 million
- 40

41 The plan includes various strategies, notably naming opportunities for facilities, which the
42 Board of Regents has already approved. One approach is to engage with current benefactors who
43 have named facilities and explore whether they might involve their business partners in additional
44 naming opportunities. For example, the Dr. Lucio C. Tan building initially secured a \$1 million
45 donation, with the Tan family later committing an additional \$500,000 during the 60th Anniversary

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1 Capital Campaign, contingent on project milestones. Similarly, the Calvo Field House presents
2 significant naming potential, particularly for the arena. The college affordability aspect will be a
3 key focus for alumni contributions, akin to the annual "G is for Giving" campaign. Additionally, the
4 president has suggested reinvigorating support through Federal programs and the Combined
5 Federal Campaign, aiming to expand our efforts beyond Guam's borders.

6
7 For the strategic growth initiative, we have a chance to be innovative with a well developed
8 Grants office. The President has set up valuable opportunities in this area. For instance, she's
9 tasked me with advancing our Data Science Center. Our new Dean of the School of Engineering
10 aims to expand from civil engineering to include an electrical engineering degree program. As we
11 can't rely solely on local appropriations for such growth, we hope to invest the targeted \$10 million
12 into various strategic growth initiatives. This includes expanding resources and supporting new
13 programs, such as the new master's degree in data science. Additionally, UOG plans to incorporate
14 cybersecurity training and AI into their offerings.

15
16 The president envisions elevating the university through investments in research innovation,
17 health sciences, and IT with a goal is to transform the university and secure funds to support these
18 new ventures. Despite having many talented professors who are advancing beyond our current
19 facilities, our infrastructure has not kept pace with their growth. UOG is working with NASA and
20 other federal partners, which may seem unexpected, but it's a testament to our expanding
21 opportunities. President Enriquez is also exploring the potential for an additive manufacturing
22 facility, supported by \$7 million already reserved by the Governor from a trip to the Colorado
23 School of Mines, to delve into this new industry. Four key individuals, including the Dean of the
24 Engineering School and some students, visited the Colorado School of Mines to explore potential
25 partnerships and ideas for replication. This represents another aspect of growth initiatives.

26
27 Currently, UOG lacks the necessary funds. Therefore, including strategic growth initiatives as a
28 key pillar in our plan is essential. UOG receives \$20 to \$30 million in grant funds each year, but
29 these do not cover infrastructure costs. Despite a total grant amount over \$100 million, the annual
30 average remains around \$20 million, which underscores the need for a capital campaign. President
31 Enriquez will need to reintroduce herself to the committee, with the president and student
32 testimonials. Many are unaware of our \$100 million research portfolio and the capacity we're
33 building on the island. Thus, a strong marketing component is crucial for this campaign.

34
35 We have the chance to encourage legacy and estate plan gifts, which the campaign will focus
36 on. It aims to explore how people can contribute to the university's benefit and the broader
37 community. Although the current draft is rough, it includes actionable points that we've begun
38 implementing. We are developing these elements and will integrate them with the strategic plan
39 approved by the Board of Regents once everything is finalized.

40
41 We aim to leverage local industry leaders and their networks to support our initiatives. With
42 the changing industry landscape, particularly in construction, we will vet potential partners and
43 engage those with strong connections. The president has been inviting guests to campus to
44 showcase our programs, such as an advanced nursing lab and the Micronesian Area Research
45 Center, which has impressed visitors. Recent donations, like those from GRMC, have enhanced
46 our facilities. By highlighting our impact through these visits, we're shifting our strategy to better
47 tell the university's story, with significant events like Charter Day playing a key role. Last semester,
48 during Charter Day, we tested out the event by inviting VIP guests. Tours were organized which

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1 included presentations from the performing arts group. There were visits to MARC and the nursing
2 facility. The VIPs mentioned that once the president was available, they would discuss further.
3 These VIPs represent key confidential offices, so their interest extends beyond Guam to regional
4 support. While they typically seek marketing funds, our focus should be on securing investment
5 dollars for the university.
6

7 President Enriquez reported that the Vice President of Palau emphasized the need for a visit
8 due to strong interest from UOG graduates there, prompting plans for a Palau alumni chapter. The
9 president has heard concerns about poor university communication and is seeking a
10 comprehensive strategy to reconnect with alumni. A LinkedIn-based tool is being considered for
11 its effectiveness in reaching alumni who have listed UOG on their profiles, while a new database
12 system is being implemented. The program's advantage is its real-time updates, allowing UOG to
13 extract current information from people's profiles. This enables UOG to track which industries
14 alumni are in and identify those who have relocated to the mainland.
15

16 Mr. Mendiola emphasized the need for specific data to tailor programs effectively, allowing
17 President Enriquez to connect with relevant individuals during her travels. Many alumni haven't
18 been engaged in supporting Guam for years, so it's crucial to focus on both local and potentially
19 distant alumni. For example, a person who hasn't returned to Guam in 50 years is now researching
20 UOG because her daughter is attending Stanford. This presents a valuable opportunity to expand
21 the university's reach beyond Guam's borders and build endowment funds for sustainable growth.
22

23 President Enriquez announced that UOG will have a float for the 80th Liberation Day
24 celebration, featuring a 45-foot flat trailer from Angoco Trucking and a van. The float will be
25 designed as a canoe in the ocean to highlight the university's activities and reintroduce it to the
26 community. Participation in the Labor Day picnic is also planned to encourage employee support.
27 Mr. Mendiola believes that leveraging our government connections and support from government
28 agencies will strengthen our presence and relationships in the community.
29

30 Mr. Mendiola mentioned that Noel Enriquez will chair the upcoming driving range challenge, a
31 unique event where participants aim for the closest-to-the-pin shot. The location is planned for
32 Country Club Pacific (CCP), featuring 20 flags with prizes and a \$2 per ball fee. Sponsorship will
33 support the flags, making it a fun event for all ages, not just golfers. The goal is to raise around
34 \$30,000, building on a successful similar event we held during the pandemic for the Rotary Club,
35 which raised \$89,000. This new event will last three hours and is scheduled for late September,
36 though it may be pushed to October to allow more time for building sponsorships. The recent
37 alumni mixer was a great success, unexpectedly turning into a large event with the entire Capitol
38 Kitchen restaurant utilized. The mixer was focused on reconnecting rather than fundraising,
39 energizing attendees about the university and helping us gather valuable data.
40

41 Ms. Perez mentioned that if UOGEF secures \$1,000 from Docomo and less than \$2,000 from
42 AM Insurance, it would contribute to their fundraising efforts. President Enriquez noted that the
43 goal was to exceed breaking even since it was a fundraising event aimed at introducing and
44 proposing UOG's strategic plan. Ms. Perez also added that this aligns with the Board's December
45 outreach and engagement strategy for alumni events.
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1 V. COMMITTEE REPORTS

2
3 A. Finance Committee – Ms. Flo Martinez, Committee Chair (Exhibit A)]

4
5 i. Reports Enclosed Finance Committee Meeting held on Friday, June 28, 2024

6
7 ii. USDA Loan (SENG & SSC) & Interim Financing:

8 Mr. Belanger states that we have 4 new buildings and the total construction contract
9 costs \$53.3 million dollars. The total that we have been billed has been \$9.1 million which
10 is about 17.41% of the total construction costs.

11 The Student Success Center, is at \$5.5 million dollars in billings and the second floor
12 walls are going up.

13 At the School of Engineering, they have been billed \$2.2 million dollars out of \$7.6M
14 and that building, the first floor walls are up with the double beams being set already. The
15 second floor will be poured on July 11th and July 18th. Once that is done, they'll continue
16 with the second-floor walls. On that project, there is an upcoming change order of about
17 \$91,000 for modifications that Dr. Hettiarachchi wanted. He had a good idea to convert the
18 break room into his office with a window view of Pago Bay.

19 The WERI project has been billed \$1.4 million so far of a \$22.7–22.8 million contract,
20 with footings poured last week. The School of Health has only had fencing installed. GPA
21 changed the power supply plan, requiring underground wiring from the main road through
22 Dean's Circle and a transformer between properties. This adds \$142,000 for the
23 underground work, with GPA handling the wiring. UOG is responsible for the conduit and
24 other underground infrastructure. Mr. Belanger received a proposal from Pacific Federal
25 Management for the EDA project at WERI. USDA isn't providing funding, but we have EDA
26 funds for both WERI and the School of Health. They plan to use EDA contingency funds to
27 cover the \$142,000 cost for underground power work and an estimated \$240,000 to
28 \$250,000 for extending the waterline from the electronic sign to WERI. Concrete work is
29 progressing, with pours every other day.

30 They'll start on the nursing facility next week after fencing is complete. They're
31 planning new furnishings for all four buildings. The Student Success Center will get new
32 desks and furniture for the cafeteria and nursing areas, while the Engineering building will
33 focus on outfitting second-floor classrooms and offices. Ms. Cathleen Moore Linn is
34 assisting with grant applications for the School of Health building. The Engineering building
35 is set to complete by June next year, while the Student Success Center is expected to finish
36 between early June and late July. Contractors indicate that both are on schedule, including
37 the WERI building. The nursing building's timeline is still being assessed due to a recent
38 permit delay, but it is smaller and should stay on track. The WERI, School of Health, and
39 Nursing annex are all anticipated to be completed by October 2025.

40 Mr. Belanger mentioned that UOG's short-term loan was initially planned for January
41 but is now postponed to June. By October, we can use \$7.1 million from the Treasury, after
42 which we'll start drawing from the USDA loan. The USDA funds can only be used for the
43 Student Success Center (SSC) expenses. Once we use the \$7.1 million for the SSC, we can
44 begin accessing the \$21.7 million loan. As of June 6th, the SSC has billed us \$5.5 million.

45
46 iii. Investment Advisor Reports

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48 a. BGIS

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1 Ms. Maree Sgro reports that while the market started off rocky this year with an
2 April pullback, it has since rebounded well. The fund's year-to-date performance is up
3 5.77%, surpassing our policy index of just under 5% and a cash return of 2.6%. BGIS
4 manages a total of \$8.5 million for the Endowment, with \$7.9 million in the general
5 fund and \$610,000 in the capital campaign. \$3.3 million was allocated from the capital
6 campaign to cash for short-term construction needs.

7 The fund's one-year return is 11%, three-year return is 2.19%, and five-year annual
8 return is just over 7%. Since inception in 2016, the annual return is 7.8%. Despite some
9 market volatility and a 1.5% pullback this year, the market is generally strong, driven
10 largely by the S&P 500 and key AI-focused companies. We anticipate growth will spread
11 to other sectors in the latter half of the year. Inflation remains at 3.3%, above the Fed's
12 2% target, which might lead to one interest rate cut this year. Lower interest rates
13 could benefit both bond and equity markets, as well as business investment.
14 Unemployment is historically low at about 12%, and earnings growth is expected to
15 continue. With \$6 trillion in cash on the sidelines, they expect that a decrease in
16 interest rates will prompt more investment in equities.

17 The S&P 500 has risen 16% year-to-date, driven by AI advancements. Although we
18 anticipated slower growth, it has been stronger than expected. We have \$3.3 million
19 in a money market fund earning 4.97%, awaiting construction project disbursements.
20 Additionally, we will reinvest a maturing CD from the USDA reserve fund into a 12
21 month term to capitalize on higher interest rates.

22
23 **b. Raymond James**

24
25 Ms. Amanda Gima shares the latest projection from Larry Adams, updated for
26 July 2024, shows continued high GDP growth, expected at around 2.1% by year-end.
27 Job growth is softening, suggesting a slight economic slowdown. The 10-year Treasury
28 bond yield is at 4%, with anticipated Fed rate cuts possibly reducing yields further,
29 impacting cash yields, which might drop from 5% to 4% by year-end. Equities have
30 increased from 5,200 to 5,400, though some volatility is expected due to potential Fed
31 rate cuts and the upcoming Presidential election. The strong dollar is anticipated to
32 weaken as the economy slows, while oil prices are at \$85 per barrel, contributing to
33 high market volatility. Over the past 18 months, equities have performed well, but a
34 slight slowdown is expected. Bond markets might see some gains.

35
36 From June 30 to July 5:

- 37
- 38 • Aristotle Capital Management: Large value holdings at \$1.2 million, flat but
39 outperforming the benchmark.
 - 40 • Clear Bridge Investments: Non-U.S. large growth equities at \$545,000, slightly
41 underperforming the benchmark but overweight by 6%.
 - 42 • Pacific Income Advisors: Fixed income at \$466,957, matching the benchmark
43 with a 2% underweight.
 - 44 • Blackrock iShares: ETF holdings at \$229,000, up 36 basis points versus a 16
45 basis point benchmark, underweight by 1.11%.
 - 46 • Blackstone Group: \$66,507, capital call funded by Clear Bridge, not marked to
47 market, underweighted by 7.42%.

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1 The fiscal quarter's total is \$2,576,559, up 47 basis points versus the benchmark.
2 For the fiscal year to date, the return is 4.48% compared to 4.11%. The Guam Board
3 Accountancy Firm's RJ AMS Freedom Balance hybrid, as of July 5, has a market value
4 of \$5,159,668, up 1.26% compared to the benchmark's 1.1%. Year to-date, it's up
5 7.14%, slightly below the benchmark's 7.6%.

6
7 **iv. FUNDRAISING COMMITTEE – Ms. Ramona Jones, Committee Chair**

8
9 **Tenelle Concert Series (September 5, 7, 8)**

10 Ms. Perez mentions that we are organizing two fundraising events. The first event is
11 scheduled for September 5th at the Nikko Hotel. It will feature a VIP unplugged
12 performance and provide attendees with a chance to meet Tenelle and take photos with
13 her. Additionally, we plan to offer a cultural experience by inviting student organizations
14 that create mwar mwar and leis, giving them the opportunity to sell their items and
15 raise funds for their own groups.

16 We plan to set up an information area in the lobby where we'll display UOG
17 materials, like the posters used at your Presidential Recession Reception. This will be a
18 great opportunity to share information with attendees.

19 On September 7th, we're hosting a relaxed beachside event featuring a performer.
20 Tickets will be priced at \$50 for general admission and \$100 for VIP access. We
21 anticipate several cultural performances, including dances that will evoke the festive
22 atmosphere of Charter Day and showcase Micronesian culture, reminiscent of what
23 you'd experience at Jeff's Pirates Cove. There will also be at least one opening act before
24 the main performance, and vendor booths will be available. We plan to offer registration
25 discounts and provide opportunities for UOG alumni who are entrepreneurs to sell their
26 goods. Non-residents will also be welcome at both events, but we will leave the final
27 decision up to the board. The concert will be at Jeff's Pirate Cove, we weren't able to
28 find anything closer. Looking at the costs, the Maoli concert down at Ypao
29 Amphitheatre, when we did a price check there was fencing that had to go up and that
30 was an additional \$12,000. We are really hoping that we can draw people in with the
31 fest pack like event, give them an opportunity to learn about the University of Guam
32 and the Endowment Foundation.

33 Under our agreement with Tenelle, she will also give an additional shorter
34 performance. Ms. Perez decided to use this opportunity for a volunteer appreciation
35 event. There will be no formal performance at this event; instead, we will provide
36 barbecue food to express our gratitude to our volunteers, particularly UOG students.
37 Many of these students are based in the dorms, and Mr. Mendiola has been key in
38 connecting with them and student organizations for UOGEF. They have supported us in
39 various events over the past few years. The Endowment Foundation aims to foster a
40 culture of philanthropy among students while they are young, helping them understand
41 the work we do, how UOGEF supports them, and the benefits UOG brings to the
42 community.

43 BG Roderick Leon Guerrero suggested introducing UOGEF to students through First
44 Year Seminar classes to establish early connections and then maintain engagement with
45 them throughout their college years, especially as they approach graduation. President
46 Enriquez agreed with BG Roderick's suggestion and proposed inviting UOGEF to
47 participate, with the plan to start in the New Year. She said she would work on this
48 during December as an interim measure.

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1 Ms. Perez has been in touch with the Triton Advisement Center over the past year.
2 At each student orientation, a team member presents brief information about UOGEF,
3 highlighting available scholarships and how to access them via the UOGEF website. Ms.
4 Martinez inquired about the maximum number of tickets for the September 5th and 7th
5 concerts. Ms. Perez responded that for the September 5th VIP concert, the maximum is
6 expected to be 200 tickets, with around 1,500 for general admission. For the beachside
7 event on September 7th, the venue could accommodate up to 3,000 tickets, but Ms.
8 Perez aims to realistically draw at least 1,000 attendees.

9 Ms. Perez also mentioned that UOGEF has been reaching out to sponsors, but there
10 is significant competition for sponsorships, not only from other reggae concerts but
11 also from other University of Guam events. The Center for Island Sustainability's annual
12 event in April and the recently added Micronesian Islands Forum, possibly requested
13 by the governor, are among the competitors. She noted that several solicitation letters
14 had already been sent out, and CIS should consult with UOGEF before sending
15 additional letters.

16 President Enriquez observed that different generations approach philanthropy in
17 distinct ways. For instance, older generations, such as second or third-generation
18 wealthy families, tend to make larger donations compared to millennials. Millennials
19 often prefer to contribute to specific causes rather than making large financial gifts.
20 This observation is based on her experience with the Guam Museum Foundation Board
21 and the ongoing Tuba, Chesa, yan Setbesa fundraiser. For example, David Tydingco,
22 the chairperson, reached out to businesses like the Bank of Guam, seeking platinum
23 sponsorships. However, younger business leaders offered to buy 10 tickets instead of
24 making a significant donation.

25 The President has noticed this trend over the past year, where millennials are less
26 inclined to make large donations. In contrast, individuals like Austin Shelton, who are
27 passionate about environmental sustainability, are willing to commit to substantial
28 sponsorships, such as \$5,000 or \$10,000, for causes they care about.

29 Dr. Safabakhsh agreed with this assessment, suggesting that there's a need for more
30 meaningful engagement rather than just offering a small donation for a tax break. He
31 receives emails from his alma maters asking him to buy merchandise or donate, but he
32 feels that there should be more value in return. For him, it's not just about receiving a
33 tax deduction but about seeing tangible contributions and engagement from the
34 institutions he supports.

35 President Enriquez concurs with Dr. Safabakhsh and adds that the alumni she has
36 met with range from late baby boomers to older Generation X. These alumni are eager
37 to mentor students, expressing their desire to contribute in this way. They see
38 mentoring as a meaningful way to engage and give back. We have considered this as an
39 option for them, as it allows them to feel more involved and contribute to the younger
40 generation. We plan to follow up with them to ensure that any mentoring matches are
41 well organized and appropriate, recognizing that there are various ways to motivate and
42 engage them.

43 In addition to selling T-shirts, the President aims to reconnect with the spirit of
44 philanthropy. For example, donors interested in supporting the Annual Conference on
45 Island Sustainability are questioning the return on their investment and whether the
46 benefits are shared across the university. The President noted that the Center for Island
47 Sustainability Sea Grant already receives substantial grant funding, which might make it
48 necessary to reassess how donor funds are utilized to avoid overlapping with existing

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1 resources and ensure they align with the broader needs of the University of Guam.
2 Another concern is the Guam Board of Accountancy's growing fund, which currently
3 only benefits off-island accounting professors. While the fund has been used to support
4 these professors for a semester or two, its original purpose was to enhance the capacity
5 of local accounting professionals. President Enriquez questions why more investment
6 isn't made in local talent, such as those with master's degrees living in Guam, and why
7 the scholarship pipelines aren't better utilized. She reflects on the original intent of the
8 fund and wonders if its purpose is being fulfilled, given that the account has grown to
9 over 5 million dollars.

10 Dr. Safabakhsh recounted receiving a call from his alma mater, which had heard he
11 had become a doctor and wanted to feature him in their annual magazine. He was
12 informed that they would draft an article about him, which he could review and adjust
13 as needed, and in return, he would make a \$1,000 donation. After a few years, he paid
14 the amount but never saw the magazine or any further communication. Two years later,
15 he came across the publication and noticed that there were 500 alumni featured in it.
16 Initially, he had suspected it was a scam and that his money was lost, but he realized the
17 feature was indeed legitimate. In that moment, Dr. Safabakhsh felt honored to have
18 been included as an example.

19 President Enriquez noted that she has compiled a list of notable alumni but is
20 uncertain whether their recognition has gone beyond simple acknowledgment. She
21 remembered an event where these alumni were celebrated and asked Ms. Perez about
22 the possibility of creating a publication to feature them. Ms. Perez responded that the
23 idea had not been previously considered.

24 Mr. Mendiola stresses that the growth initiative plan is essential for garnering
25 support. He highlights that the University of Guam has prominent alumni, including a
26 General and a Governor, who could be featured to boost philanthropic contributions.
27 He believes it is vital for the university to align with its brand and communicate its
28 successes directly to the community. Mr. Mendiola insists that the university should
29 manage its own narrative and use this campaign to effectively engage potential
30 supporters. He mentions that a crucial part of the strategy involves identifying industry
31 leaders who can contribute significantly. Dr. Safabakhsh observed a significant number
32 of military contractors in Guam and suggested they could be a valuable resource. Mr.
33 Mendiola acknowledges that this approach was part of his plan during the 16th
34 anniversary celebrations, which aimed at leveraging local industry leaders. He stresses
35 the importance of reaching out to major decision-makers on the island, such as those
36 at Home Depot, Macy's, and Ross, to connect them with university initiatives related
37 to workplace development, targeting not only entry-level positions but also mid and
38 upper-level management roles.

39 Regarding the \$5 million fund for accounting, BG Roderick Leon Guerrero asked if it
40 was used for scholarships. Mr. Mendiola clarified that the fund is used to bring off-island
41 accounting professors to enhance the university's accounting program. BG Roderick
42 suggested that the president should consider allocating 10% of these funds for new
43 facilities. President Enriquez replied that she had proposed this idea to the Dean but
44 was rejected. She also suggested an alternative, such as funding a resident accounting
45 professor through an endowed chair, noting that there is already over a million dollars
46 in the John Phillips Endowed Chair account that could be used for this purpose.

47 Mr. Mendiola recalled that Speaker Ben Pangelinan initially established the fund.
48 There were concerns that financial difficulties might lead the government to use the

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1 fund, causing the board to worry that Mr. Pangelinan would push for a partnership with
2 a nonprofit to build capacity. Consequently, they approached Mr. Mendiola to explore
3 this option, but it seems the opportunity was missed. Mr. Mendiola notes that having
4 \$5 million sitting idle without visible progress can raise significant concerns among
5 donors. He emphasizes that the university needs more than just supplementary support
6 for its accounting program. The \$5 million is substantial, and David Sanford has been
7 managing it for years.

8 Ms. Perez mentions that David Sanford has indicated that online CPA exams are
9 becoming more prevalent. She believes it's best to discuss this with them sooner rather
10 than later, now that Dean Jones is in place.

11 Dr. Safabakhsh asks if the university has a nutrition program. The President
12 responds that the university has a nutrition program within the College of Natural and
13 Applied Sciences, but it only offers a bachelor's degree. Dr. Safabakhsh notes that there
14 is a need for dietitians, and currently, they are using dietitians from Hawaii at double
15 the cost. He questions why the university's dietitians cannot be used, given that their
16 program isn't completed and thus they are not registered. Mr. Mendiola suggests that
17 this could be a good growth initiative. He proposes that the university could tailor a
18 campaign to the medical field, identifying needs for registered dietitians and creating
19 scholarships or financial aid to support this. For instance, hospitals and clinics have
20 requirements for registered dietitians, and there's a shortage leading to higher costs
21 due to traveling dietitians. He adds that the university's strong nursing program could
22 be complemented by such an initiative.

23 Mr. Mendiola further explains that his undergraduate program was in exercise
24 science with a concentration in chronic disease prevention, like the proposed program.
25 The College of Natural and Applied Sciences could offer a concentration to advance
26 education in this area.

27 Mr. Mendiola shares that the president invited him to a call with the legal
28 community, which is experiencing a shortage of retired lawyers. They are considering
29 partnering with the Richardson School of Law to provide a pipeline of prospective
30 applicants for their online JD program. There is also a pre-law program like an MD
31 program in Hawaii that admits students based on LSAT scores. They are engaging with
32 the Guam Bar Association and other stakeholders from Hawaii to move forward with
33 this initiative. President Enriquez notes that there is interest from various professions in
34 partnering to bring such programs to the island.

35 Chairman Leon Guerrero inquired about the sale of Tenelle tickets. Ms. Perez
36 responded that UOGEF just started selling tickets the previous week, so sales are
37 limited. She suggests there is still time to generate excitement and requests the board's
38 assistance in reaching out to those who have already received sponsorship packages,
39 particularly if they have personal connections, and encourages exploring sponsorship
40 opportunities through personal businesses.

41
42 **v. Administrative Fees & Indirect Costs**

43 Ms. Perez addressed the topic of administrative fees, noting that there have been
44 recent upgrades to UOGEF's admin fees discussed in past board meetings. She
45 mentioned that there might be a need for further updates. The Board of Regents had
46 recently passed resolutions covering various administrative aspects, including indirect
47 costs, and UOGEF has begun accepting grant funding. The intention was to handle
48 grants that UOG, RCUOG, and ORSP would not take on, specifically those under \$50,000.

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1 For these smaller grants, UOGEF's admin fee was set at 10%, matching UOG's rate. In
2 contrast, RCUOG and ORSP charge a 15% fee for grants over \$50,000, as outlined in
3 their Board of Regents resolution.

4 Ms. Perez proposed aligning UOGEF's fee structure with this by implementing a 15%
5 fee for grants of \$50,000 or more. Additionally, she explained the concept of indirect
6 costs, which are sometimes included as admin fees and other times as indirect costs.
7 The distribution rate varies based on the grant type and can be up to 39% of the total
8 project cost. This percentage covers the costs associated with faculty involvement and
9 other administrative aspects. According to the Board of Regents resolution, the
10 distribution of this 39% would be as follows: 30% to the President's development fund,
11 12% to finance and administration, 5% to capital improvement facilities, 18% to RCUOG,
12 3% to ORSP, 10% to the principal investigator, and 22% to the unit responsible for
13 securing the grant.

14 Ms. Perez mentioned that there was a near opportunity to secure a significant grant,
15 but she later discovered that UOGEF was ineligible. This situation highlighted the need
16 for preparedness, although it's not urgent now. She suggested adopting a specific
17 indirect cost distribution model to be ready if such a grant opportunity arises in the
18 future.

19 Chairman Leon Guerrero asked if there was a motion to move forward with this or if
20 it was still being discussed. Ms. Perez replied that the Finance Committee thought it
21 best for the Board to review it first. Dr. Safabakhsh inquired about the grant policy, to
22 which President Enriquez explained that the Federal Branch typically allows for indirect
23 revenue. The Board of Regents developed their model to ensure that faculty members
24 who write grants receive some financial benefit. However, since UOGEF is separate, the
25 distribution model used by UOG does not apply to UOGEF, as all funds belong to the
26 Endowment Foundation.

27 Ms. Perez elaborated that this issue arose from a situation involving Dr. Story and an
28 existing grant UOG was receiving from an organization. When an opportunity for
29 another grant arose, it was considered for UOGEF, but it was initially rejected because
30 it involved the same institution. UOGEF's legal counsel, Anthony Camacho, reviewed the
31 situation and determined that the grant couldn't be accepted due to the involvement
32 of the principal investigator, as the money would still benefit the same institution. Ms.
33 Perez noted that the grants being discussed today might involve some money for
34 reporting and other requirements, with a portion of the distribution potentially
35 benefiting UOG as well.

36 President Enriquez questioned whether UOGEF needed to return any funds to the
37 university if it secured a grant independently, given that UOG requires approval from
38 the Health and Human Services Federal Agency to set its indirect rate for grants. She
39 noted that if UOGEF were eligible for similar funding, there might not be a need to
40 return any percentage to UOG. Ms. Katrina added that if a UOG employee pursued the
41 grant, the foundation could still include a 15% fee for managing it. Dr. Safabakhsh
42 recalled a conference where he was advised to use UOG for grant applications. Despite
43 the potential for a larger grant, the university only provided \$28,000 instead of up to
44 \$200,000. As a PI, he noted that one can negotiate for a 25% fee and must publish
45 papers if not paid.

46 Chairman Leon Guerrero inquired about proposing a motion for the 15% admin fee.
47 Ms. Martinez asked if the board could adjust the fee as needed. Ms. Perez confirmed
48 that the fee could be changed in the future. Dr. Safabakhsh raised concerns about

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1 federal grants with specific percentages, and Ms. Perez explained that fees are
2 communicated, and waivers might be requested. Dr. Safabakhsh suggested increasing
3 grant applications, and Ms. Perez mentioned she is working on this with her team.
4

5 **Motion:**

6 Flo Martinez presented a motion that Finance Committee approves UOGEF to adopt
7 UOGs policy to charge 15% on grants \$50,000 or greater.

8 **Second by:** BG Roderick Leon Guerrero and Gov Joseph Ada

9 **Vote:** Unanimous

10
11 Discussion:

12 No Discussion.
13

14 **B. Land Committee – Mr. John Calvo, Committee Chair**
15

16 i. Yona Lot 177-3-R1 (32,640sm) priced at \$62,434 or \$2.074/sm (terrain-extreme
17 sloping) provides access to Lot 209.
18

19 ii. Yona Lot 209, Estate no. 278 (693,244sm) priced at \$1,432,242 or \$2.07/sm (terrain-
20 extreme sloping/mountainous)
21

- 22 a. Sammi Development Inc. is no longer interested in purchasing this property
23 b. Marcel Camacho is interested in leasing 50 acres of property to grow trees, grass,
24 and other plants that can produce essential oils. (This will be raw product that will
25 be provided to companies that make soap, Scentsy, all these different fragrance
26 related products.) He expects that the plants will not need a lot of water, and they
27 can grow on the sloping terrains of Yona. He has support from GEDA and
28 speculates that he would need to have a lease on the place for 25 years with an
29 option for an additional 25 years. He's asking if an easement via Lot 177-3. R1
30 would be available for him to access the larger lot.
31

32 iii. Ordot – Chalen Pago Lot 3426-R2
33

- 34 a. Judge Iriate signed off on the Judgement Quieting Title. The lawyer will record the
35 judgement with the Department of Land Management, and it has already been
36 stamped and picked up. Sandy Yow will be reaching out to security title to get
37 another title report to make sure that it is being reflected and then after that is
38 confirmed, UOGEF can move forward with reaching out again to Mr. Shiva, who
39 we have a purchasing agreement with this property.
40

41 iv. Inarajan Lot 244-R-1 (173,379sm) priced at \$345 or \$1.99/sm
42

- 43 a. Purchase agreement received from Jordan Francisco Castro at \$345,024.21.
44 UOGEF and buyer to split the cost of \$18,000 on survey work by Efen B. Santos.
45 Survey work has begun as of 06/21/24. Buyer will have 7 days to review and
46 approve or disapprove the boundary points and sketch.
47
48

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1 VI. **New Business**

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3

A. Election of Officers

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5

Mr. Chiu made a motion to keep all board officers the same.

6

Seconded by: Gov Joseph Ada

7

Vote: Unanimous

8

9

B. Creation of Nominating Committee

10

11

Ms. Martinez made a motion to re-elect all 7 Directors.

12

Seconded by: BG Roderick Leon Guerrero

13

Vote: Unanimous

14

15

VIII. Executive Session

16

17

- A. The Board of Directors deliberated and agreed that they will terminate Ms. Perez's existing 5-year contract of which 2 years have passed. They agreed to grant a 3-year contract with a subsequent 3-year option to renew. In addition, Ms. Perez would be granted a 10% increase in pay during her first year beginning August 1, 2024.

18

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21

22

IX. Announcements and Adjournments

23

24

- A. No announcements.

25

- B. The 3rd Meeting of the Board of Directors for 2024 was adjourned at 6:49PM.

26

Motion to Adjourn: George Chiu

27

Second:

28

Vote: Unanimous

29

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AFFIRMED/APPROVED ON:

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40

ATTESTED BY:

41

42

43

44



45

Dr. Anita Borja-Enriquez, DBA

46

EXECUTIVE SECRETARY



Jesse J. Leon Guerrero
CHAIRMAN