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2 **I. CALL TO ORDER**

3 A. The Fourth 2022 Board of Directors Meeting of the Board was called to  
4 Order at 4:20pm on Wednesday, September 14, 2022.

5

6 The following were present:

7

8 **Board Members:**

9 Mr. Jesse Leon Guerrero, Director

10 Dr. Thomas Krise, Executive Secretary

11 Gov. Joseph Ada, Director

12 Ms. Flo Martinez, Director

13 Ms. Ramona Jones, Director

14 BG Roderick Leon Guerrero, USA, Retired, Director

15

16 **UOG Endowment Staff:**

17 Ms. Katrina Perez, Executive Director

18 Ms. Erika Pagsisihan, Administrative Assistant

19

20 **Guests:**

21 Dr. Anita Borja-Enriquez, Senior Vice President & Provost, Academic Affairs

22 Mr. David Okada, Chief Planning Officer/ Interim Chief of Staff

23 Mr. Randy Wiegand, Vice President, Administration & Finance/ Chief  
24 Business Officer

25 Mr. Glenn Leon Guerrero, Director, Facilities Management & Services

26 Mr. Chris Perlitz, Managing Director, MCM

27 Ms. Alexandra Leon Guerrero, BGIS

28 Ms. Charity Lujan, BGIS

29 Ms. Amanda Gima, Raymond James

30 **II. CHAIRMAN'S REMARKS**

31

32 None

1 **III. COMMITTEE REPORTS**

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

3  
4 **i. USDA Loan (SENG & SSC)**

5  
6 Ms. Martinez inquired an update of the USDA loan. Mr. Wiegand informed that  
7 things have been moving along, though they had thought that tomorrow would  
8 have been the closing on the interim financing. The lender that they're using  
9 wanted to give them a funds control agreement, in which they did not expect of  
10 a funds control agent to be on the performance bond and that they were going  
11 to be the disperser of the funds to the contractors. He mentioned they had a big  
12 meeting yesterday on wanting a prime contractor and transferring funds to UOG  
13 though directed to all parties. The interim financing needs a few more days or so  
14 to determine the next move forward. Mr. Perlitz chimed in stating that the  
15 performance bond is associated to both the lender and the borrow without the  
16 need of a 3<sup>rd</sup> party. Mr. Wiegand adds on that if we are the ones to provide the  
17 documentation, there would be risks to the university of signing any agreement  
18 in the case of such documents not meeting certain requirements. Mr. Perlitz  
19 reiterates that no one wants a slippage on payment to the contractors. There  
20 shouldn't be any time delay when the draws are to be dispersed. Mr. Perlitz is  
21 confident that there are no issues regarding the loan processes. Mr. Wiegand  
22 apologizes to the board for the minor snag within the process, but things are not  
23 impassable, and everything can be worked out within just a few days.

24  
25 **Discussion:**

26  
27 Chairman Leon Guerrero inquired from Mr. Perlitz regarding the necessity of  
28 TetraTech being involved when we already have a 3<sup>rd</sup> party. Mr. Perlitz suggests  
29 from a high-level perspective, going through this process is for the benefit of the  
30 project and for the lender, in which requires that third party to overview the  
31 construction draws. Ms. Martinez inquired from Mr. Perlitz if he has the terms of  
32 the USDA loan to provide for their review before they come to terms of  
33 agreement and sign. He reminded the board that the terms had been laid out for  
34 the board during the previous month's meeting. Ms. Martinez checked with the  
35 board for more subtopics to address upon the USDA loan. Chairman Leon  
36 Guerrero inquires if they can sign off next Wednesday and Mr. Wiegand  
37 responds it is likely with the notarization of the amendments under the title  
38 company, which is being passed around for signature approvals. Mr. Perlitz adds  
39 that the University is not restricted for proceeding with this on the construction

1 loan side, but we have to make sure that the title company is on board to follow  
2 through with this process. There is no breaking ground in terms of design work.  
3 If we want to proceed breaking ground in the next week whilst the loan is being  
4 memorialized and closed, it shouldn't be an issue as long as the title company is  
5 aware. Mr. Hollyer shared his understanding of the bond being the trigger for  
6 the notice to proceed and inquired if it will not create problems, in which he was  
7 responded yes. Ms. Perez mentions that they are in works of this process with  
8 Ms. Lia from Security Title.

9 ii. Reports Enclosed.

10

11 **1. BGIS**

12

13 Ms. Allie Leon Guerrero presented to the board for BGIS. Ms. Leon  
14 Guerrero first shared the client portfolio summary. Chairman Leon  
15 Guerrero inquired why we were 100 pts down. Ms. Leon Guerrero  
16 believed it was due to the market's reaction to the feds meeting, in which  
17 they are anticipated to meet on the 20<sup>th</sup> and the 21<sup>st</sup> in talks of increasing  
18 interest rates to 50 bits. Once we get the quarter report ends out, she is  
19 confident that the underlying securities are still profitable and market  
20 consensus will be more positive. She continued to share the one-page  
21 report and inquired the board of any questions or concerns regarding the  
22 report. The total portfolio as of the end of August for the capital  
23 campaign was at \$3,579,402 and a period return of +\$66,668 or 1.90%.  
24 The total portfolio's return for the general fund was at \$117,235 or  
25 1.91%. We've beat benchmark for YTD at -14.71% vs -15.25% for the  
26 capital campaign. She added on the report from allocation to  
27 infrastructure in which the YTD's only positive performing asset class was  
28 the Global Infrastructure class. Because we have 10% allocated to this  
29 class, that was where we were able to beat the policy index. In terms of  
30 alternate investments, she believed going into infrastructure was a good  
31 strategic move because we are in hatch of inflation. There has been a  
32 significant amount of money appropriated specifically for infrastructure  
33 with congress, in which it'll be a class invested from a federal standpoint  
34 compared to state private equity or real estate. She mentioned that they  
35 have done simulations called "Optimizer Reports" just to ensure that this  
36 particular alternate investment class is going to be the best in terms of

1 performance with prompt ability and efficiency for the Endowment.

2 **2. Raymond James**

3

4 Ms. Amanda Gima presented to the board for Raymond James. Ms. Gima  
5 reiterates to the board that there has been a great amount of volatility  
6 surrounding the market within just the past few days. One of the biggest  
7 things that are driving this are the increasing interest rates. She  
8 mentions that this is unfortunately something that we now have to deal  
9 with as we are entering into curving inflation. We are not considering  
10 recession this year due to the overall economic performance. Ms. Gima  
11 believed that by 2023, we would enter slight to mild recession. She then  
12 went into the Endowment's funds as of September 2022. Aristotle Capital  
13 Management was at \$1,078,926 with a period return of \$75,979 or 7.58%  
14 vs 7.63% and 5.58% overweight. Our Large Growth was at \$411,631 with  
15 a period return of \$19,996 or 5.11% vs. 1.63% and 4.40% overweight.  
16 One thing she noted about these two managers is that they have  
17 struggled in terms of the benchmark but have performed better in the 2<sup>nd</sup>  
18 term of this year in which they want them to stay proactive. Moderation  
19 was at \$406,233 with a period return down (\$5,874) or -1.43% vs. -1.46%  
20 and -0.96% underweight. Our ETF was at \$225,858 with a period return  
21 down (\$1,796) or -0.79% vs. -1.01% and 0.59% overweight. For Total fund  
22 – FQTD we were at \$2,133,274 with a period return of \$88,306 or 4.32%  
23 vs. 3.51% and 0% weight. For Total Fund – FYTD we were at \$2,133.274  
24 with a period return down (\$333,622) or -13.52% vs. -8.58%.

25

26 **Discussion:**

27

28 Ms. Martinez inquired from Ms. Gima the recommendation of  
29 undergoing a certain percentage with max of 10% per se. Ms. Gima  
30 assures the board that going over the capital call would be a minor  
31 percentage. Ms. Martinez then inquired how much of an alternative  
32 investment would be generally most favorable of the private mortgage  
33 right now. Ms. Gima stated that considering ourselves out of the public  
34 market, having this hedge will help lessen volatility in our performance

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1 over the next couple of months. Moving onto the Guam Board  
2 Accountancy fund, the balanced hybrid was at \$4,339,158 with a period  
3 return of \$167,193 or 4.01% vs. 5.55%. Total Fund FYTD was at  
4 \$4,339,158 with a period return down (\$659,588) or -13.20% vs. -13.07%.  
5 Ms. Gima reminded the board that they are in talks of taking this fund  
6 and putting it into another private real estate. We are able to withdraw  
7 from funds once a month or keep reinvesting.

8. **B. Land Committee- Ms. Katrina Perez**

9

10 i. **Lot 177-3-R1:** 01/12/22 Price-\$89,760 or \$2.75/sm (down from \$106,080)  
11 (terrain-extreme sloping) (32,640sm)

12 ii. **Lot 209, Estate no 278:** 01/12/22 Price-\$1,906,421 or \$2.75/sm (down from  
13 \$2,253,043) (terrain-extreme sloping/mountainous, land-locked) (693,244sm)

14

15 Ms. Perez gave a brief update regarding the Yoña property. We currently have a  
16 buyer's agreement for \$1.2M. There is a stipulation of \$12,000 being set aside as  
17 earnest money. The buyer had signed the agreement and claimed that  
18 somebody had given him a certificate of inspection (or report), in which they had  
19 inspected the soil and concluded that it would be too costly (as in millions) to put  
20 in an access road. The buyer inquired if the clause can be removed from the  
21 agreement. Due to a bit of a language barrier, the broker had most of their  
22 documents translated to Chinese, though their agent speaks Chinese very well  
23 and they have discussed with Sandy and Duane that there should be no issues in  
24 the buyer's understanding of what was stated in the agreement. The buyer came  
25 back with an offer of \$6K, in which he is willing to put into Escrow or directly to  
26 the Endowment Foundation.

27

28 **Discussion:**

29

30 Chairman Leon Guerrero laid out the options regarding the lot, whether we raise  
31 the offer to a higher amount or sue them for specific requirements, considering  
32 that he felt as if the buyer was trying to get out of the transaction. He will leave  
33 it up to the land committee to determine the next move forward with the buyer.  
34 Ms. Perez brought up Ms. Yow's mention of the buyer seeming interested in

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1 purchasing a small property from another neighboring property owner, whom  
2 Sandy knows in which she reached out to see if they were willing to donate this  
3 property to the Endowment Foundation. Ms. Yow joined in to fill the board in on  
4 a recap. The buyer made an offer to give up \$12k if he did not operate within the  
5 confinement of the contract. We received the contract on a Friday which the  
6 buyer reviewed the following weekend. On Monday, his agent claimed through  
7 text that the property was too wet to build a road on it. Ms. Yow stated they  
8 offered him some solutions with the guarantee of his deposit of \$12K. She called  
9 both the broker and agent, whom they have met with the buyer. She mentioned  
10 Phil Law wrote a letter yesterday to him yesterday, in which he could not speak  
11 directly to the buyer due to the said language barrier. The agent came back  
12 saying he was willing to let go half of the deposit and may have implied that the  
13 buyer had felt somehow tricked. Ms. Yow suspected that the buyer did not fully  
14 check the property well enough and that he did not have someone look out for it  
15 on his behalf, only to rely on someone telling him what the area was like. Ms.  
16 Yow pointed out to the board that the buyer does have the opportunity to have  
17 someone investigate the property. If the property is, in fact, wet, he may have  
18 something provided by someone legitimate, such as a soils engineer, and  
19 therefore, get the full deposit of \$12K back, though he had never deposited to  
20 begin with.

21  
22 Ms. Yow recommended that buyer should take up what he is offered to lose  
23 because he can simply deposit the \$12K rather than going through the motions  
24 to have someone investigate the property to determine if he can build on it. As  
25 she discussed with Chairman Leon Guerrero previously, she has been  
26 communicating with the neighboring property owner who has a representative  
27 here on island. It is projected that he approved for a sort of housing  
28 development—a PDD zoning. 70% of the land is supposed to be left natural  
29 whilst 30% can be developed. Ms. Yow wanted to know if there was a portion of  
30 this said property that embedded ours that could be utilized. He said it was  
31 possible as long he was aware it would be a part of the 70%, and we would also  
32 have to find out if ours is considered wetlands. Director Roderick Leon Guerrero  
33 inquired if there was going to be some sort of assessment. Ms. Yow responded  
34 stating that she did not go any further and did not reach out to any of the soil  
35 engineers until the board decided what they wanted her to do. Chairman Leon

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Guerrero inquired if we could go back and opt the buyer for \$10K, in which Ms. Yow said was possible despite there being a risk of pushback. Ms. Yow reminded the board that we have been spending years on this property, and she felt as if the buyer is trying to bail out without doing his due diligence. Her overall opinion is to have this buyer rectify this process by retaining a soils engineer and determine the property with legitimate documents so that he can keep \$12K.

iii. **Lot 3426-R2:** (Chalan Famha, Ordod-Chalan Pago) (20,000sm)

Ms. Perez gave a brief update regarding the Ordod-Chalan Pago lot. She stated that we also have a buyer's agreement for this particular lot, though we have had some issues in clearing the title. We found out that the lot is part-interest owned by the Calvo family and discovered that there's a Sablan family that owns a certain percent (about 4,000sqft) within this property. Before we can turn over this land and avail with the funds, we would have to make an agreement with the Calvos and Sablans. Mr. Shane Black, UOGEF attorney, has been in communication with the court to retrieve more info for these families. They got back to him and advised him that there is a probate case out for the Sablans, and he is requesting for those documents so that they can try to reach out to possible heirs, in which Ms. Yow can also help finding.

**Discussion:**

Chairman Leon Guerrero inquired the side of the Calvos on this lot. Ms. Yow still has the Calvos on the sidelines, but we are aware of their interest in this property. Ms. Perez believed that 65,000 was agreed for financing through the Endowment Foundation. Ms. Perez reminded the board that the offer for this was lot was submitted in July of 2018. We were able to have Mr. Black input an implied title. Chairman Leon Guerrero inquired if the Calvos wanted to sell their part of the lot to us. Ms. Perez believed that they did not say they would donate it, though this still needs to be confirmed. She mentioned the specific owners are Paul & Rosie Calvo. The Calvos' property was previously appraised at \$97K for the overall left side of the property, in which we own the right side of, though the property is undivided. Governor Ada inquired the probate case for the

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1 Sablans, in which Ms. Perez responded that it was due to the death of one of the  
2 Sablans.

3 Meeting had been called back into regular session as Director Ramona Jones  
4 fulfilled quorum.

5. **IV. APPROVAL OF THE MINUTES**

6 a. Thursday, July 14, 2022

7 **Motion to Approve Subject to Correction:** Gov. Ada

8 **Second:** Ms. Jones

9 **Vote:** Unanimous

10 b. Executive Committee Meeting Minutes – August 2, 2022 & August 12, 2022

11 **Motion to Approve Subject to Correction:** Ms. Martinez

12 **Second:** Ms. Jones

13 **Vote:** Unanimous

14 **C. 40<sup>th</sup> Anniversary – Gala Committee – Ramona Jones & George Chiu, Committee**  
15 **Co-Chairs**

16  
17 Ms. Jones started off the fundraising committee by complimenting the  
18 Endowment on their efforts in putting together raffle prizes and ways to get the  
19 tickets sold, generally the gala altogether. We are currently on track and the  
20 board members are trying to hustle on ticket sales. Ms. Jones stated all of the  
21 ads have been told the deadline has passed, and the booklet has been set at this  
22 point. Chairman Leon Guerrero mentioned the pending confirmation of the male  
23 host, but the female host was confirmed to be Ginger Cruz. He announced the  
24 official entertainment of the Kasuals with Jesse and Ruby as well as DJ Noli  
25 Castillo. He brought up the previous suggestion of \$100 raffle tickets. Ms. Perez  
26 added that these will be out for pre-sales on our website. People will not have to  
27 be present for this one, though there will be the second round of a raffle, which  
28 will include the rest of the prizes—this will encourage people to be present as  
29 they will be able to purchase these second round of tickets at the gala. There will  
30 be credit card machines set up at the ticketing counter where people will be able  
31 to purchase. Ms. Perez reached out to Mr. David John to work out hotel

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1 accommodations as well as United Airlines to see if they can add on another set  
2 of comp tickets for Frank Mendiola (Kasuals) and his wife. Chairman Leon  
3 Guerrero appointed the bottom line of hustling ticket sales. Ms Perez  
4 encouraged the board, regardless of being on the fundraising committee or not,  
5 that if they may have any connections to different businesses or groups of  
6 friends that can support in terms of ticket sales, they should not hesitate to bring  
7 them to the table. Ms. Perez moved onto the list of all of our donors throughout  
8 the years. Ms. Martinez mentioned her connection with Autospot and a  
9 possibility of the auto company donating a car. Ms. Perez stated that we have  
10 sold 11 tables, 12-13 including in-kind donations we have received, which would  
11 be considered United Airlines and Choice Broadcasting. They are offering up to  
12 \$3,000 along with their donations throughout the G is for Giving season.

13 **V. New Business**

- 14 a. \$700K Grant for production of "*I Adai CHamoru*" Minecraft  
15 b. **BOD Consideration:** Pursue grant worth \$700K for Island Wisdom Fund  
16

17 This grant was initially offered to Kumision i Fino' CHamoru, whom Dr.  
18 Underwood is apart. He is the initial proposer of this opportunity to develop a  
19 Minecraft game with themes of Chamoru culture, with the intention of  
20 educating the youth (preteen and under) because it is the best stage in their  
21 development to evolve in their language skills. Minecraft is a very popular  
22 gaming platform where kids are willingly engaged in terms of strengthening their  
23 knowledge and capabilities that are most needed for the future. This project  
24 aims to encourage the youth of their history and to prolong the Chamoru  
25 language throughout further generations.  
26

27 Ms. Perez started off with the ARP funds for the federal grant. The amount of  
28 money that is part of this grant is \$700,000. Kumision was given the opportunity  
29 since 2021 for this, though unfortunately have been not able to get started on it.  
30 Ms. Perez's impression was that there was a lot of work to get to this, in which  
31 they have been through a lot of motions but don't feel they would be able to use  
32 any of the funds in time by the deadline for it to be encumbered. She mentioned  
33 the two main contacts for the upbringing of this project from the Island Wisdom  
34 Committee: Lisa Natividad and Gina Rojas. According to them, these funds have

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1 to be encumbered by October 31<sup>st</sup>. Ms. Perez did mention to them that we have  
2 a 2.5% admin fee and that our staff does not have personnel to manage ordinary  
3 reports that go with these major grants. They assured for this grant that they  
4 would be able to allocate a certain portion of the \$700,000 in order to pay for  
5 staff members that would be needed for this project. Ms. Perez assured the  
6 board that the two main contacts will solely be part of this project. Someone  
7 from their side would be monitoring all the invoices and will submit payment  
8 requests to our accounting office for invoice verification, then retrieve signatures  
9 from the Island Wisdom team and people appropriate to authorize these funds.

10  
11 Ms. Perez pointed another good thing that comes out of this project, and that is  
12 the existing opportunity for revenue generating—for ads to be used and funds  
13 that come out from releasing special features. BG Leon Guerrero inquired if they  
14 could generate concepts of the game development for the board’s review every  
15 6 months for a 2-year period per se. Ms. Perez clarified that we are the recipient  
16 of this grant and that most of these grants require broader reporting. Dr.  
17 Enriquez chimed in, mentioning her previous discussion with the Island Wisdom  
18 team, and it seems that there would need to be an entity (that is a nonprofit)  
19 that can be a recipient of the funds. But the intention is to fulfill the initial spoke  
20 of work that entails, based on the \$700,000, an education initiative that draws  
21 the most attention to our island history. She mentioned that there has already  
22 been about \$300-400,000 put into the technical development of this project.  
23 What is missing is the administrative structure whereas we’d have an advisory  
24 group that will pull in experts from the CHamoru studies program at the  
25 University, as well as partnering with Guampedia to create the content. She  
26 noted in regard to the Endowment Foundation that we would have to acquire  
27 additional capacity. Dr. Enriquez advised the island wisdom team to build within  
28 the budget of the administration to augment Endowment Foundation team. She  
29 assured the board that this project is strongly intended for educational purposes.  
30 BG Leon Guerrero was concerned on who would be involved in creating this  
31 content. Dr. Enriquez responded that the Endowment Foundation will not be  
32 the ones to be involved in content creation, but scholars from the University and  
33 creatives will be involved in the process.

34  
35 **Proposed Motions/Recommendations:**

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1 Gov. Ada made the motion to approve the UOG Endowment Foundation as a  
2 recipient of the \$700,000 grant to support the development of the “Chamoru  
3 Minecraft” project partnered with UOG and the Island Wisdom Group for the  
4 next 2 years.

5  
6 Second: Ms. Martinez  
7 Vote: Unanimous

8 **VI. Executive Session**

9  
10 The Board of Directors reserves the right to move into Executive Session at any  
11 time during the meeting.

12 **VII. Announcements and Adjournment**


- 13  
14 **A.** Ms. Perez announced that Bank of Guam will be announcing their \$250,000 5-year  
15 limited term commitment of naming rights for the Center of Entrepreneurship and  
16 Engagement. We are delighted to welcome them in changing the branding within  
17 the Center of Entrepreneurship and Engagement.  
18 **B.** On Thursday, September 22<sup>nd</sup>, SGA will host their Night at the Museum at the Guam  
19 Museum to celebrate the opening of the 70<sup>th</sup> UOG Exhibit. President Krise added  
20 that there will be a 5k in the morning of the 40<sup>th</sup> Gala, October 8<sup>th</sup> at 5:30am.  
21 **C.** Happy Birthday, Chairman!

22 **The 3<sup>rd</sup> Meeting of the Board of Directors 2022 was adjourned at 6:00 pm on**  
23 **Wednesday, September 14, 2022.**

24  
25 **Motion to Adjourn:** Gov. Ada  
26 **Second:** Ms. Martinez


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**AFFIRMED/APPROVED ON:**

  
Jesse J. Leon Guerrero (Nov 8, 2022 12:37 GMT+10)

**Jesse J. Leon Guerrero**  
**CHAIRMAN**

**ATTESTED BY:**

  
Thomas Krise (Nov 7, 2022 22:40 HST)

**Dr. Thomas W. Krise**  
**EXECUTIVE SECRETARY**