

TO: The Board of Regents

FROM: Joseph M. Daisy, EdD, President and Chief Executive Officer

DATE: December 2018

RE: President's Report

Since the submission of the September 2018 report, the important work of the college continues.

In my professional relationship with the administrators serving in leadership roles, I continue to articulate high expectations for performance, continue to provide guidance and direction where needed, and continue assessing the current leadership structure to determine ways in which it may be strengthened.

The following report is structured with “duties and responsibilities” for the president of the College of Micronesia-FSM.

Duties and Responsibilities:

- A. Fulfill all obligations of the president as outlined in 40 FSMC 721 of the establishment law of the college.

The responsibility and authority of the CEO for the quality of the institution is derived from the PL 7-79, chapter 7, Section 21, (1) (IV.B.2) and Section 21(2) (IV.B.3) authorizes the CEO to approve the selection and appointment of employees of the college.

As outlined in the Self Evaluation of December 15, 2015, report specifically on Standard IV.B.1- *“The institutional chief executive officer (CEO) has primary responsibility for the quality of the institution. The CEO provides effective leadership in planning, organizing, budgeting, selecting, and developing personnel, and assessing institutional effectiveness.”* – I’ve reported on the seven challenges and opportunities, and seventeen duties and responsibilities four times a year since 2012.

- B. Retain and maintain full accreditation from ACCJC/WASC.

The college received a Letter of Concern from ACCJC dated August 3, 2018, in which ACCJC President Richard Winn expressed board compliance concerns related to the following Standards for Accreditation, Board By-Laws, and Eligibility Requirement 21 respectively:

- Standard IV.C.12: The governing board delegates full responsibility and authority to the CEO to implement and administer board policies without board interference and holds the CEO accountable for the operation of the district/system or college, respectively,

- Standard IV.C.11: The governing board upholds a code of ethics and conflict of interest policy, and individual board members adhere to the code. The board has a clearly defined policy for dealing with behavior that violates its code and implements it when necessary,
- Standard IV.C.7: The governing board acts in a manner consistent with its policies and bylaws,
- Eligibility Requirement 21: The institution provides assurance that it adheres to the Eligibility Requirements, Accreditation Standards and Commission policies, describes itself in identical terms to all its accrediting agencies, communicates any changes in its accredited status, and agrees to disclose information required by the Commission to achieve its accrediting responsibilities. The institution will comply with Commission requests, directives, decisions and policies and will make complete, accurate, and honest disclosure. Failure to do so is sufficient reason, in and of itself, for the Commission to impose a sanction or to deny or revoke candidacy or accreditation.

Dr. Winn shared that Standard IV.C.11, and Standard IV.C.7 require a board to be self-correcting. Further, Dr. Winn wrote that should the board, or any of its members, act in a way that is contrary to its own codes, policies, or bylaws, the leadership of the board must take immediate action to modify such behaviors.

In the Letter of Concern, Dr. Winn cites the following specific board compliance concerns:

- A number of operational practices at the College of Micronesia-FSM may be found to be out of compliance with the Standards set by this agency and which prescribe the terms by which COM-FSM maintains its accredited status,
- These concerns center on the role of the governing body, the Board of Regents (BOR) for COM-FSM, and its appropriate exercise of authority in the operations of the College,
- The concerns are expressive of what are universally regarded as best practices in the operations of any college and which have been codified in the ACCJC Standards of Accreditation,
- The role of the Regents, both individually and collectively, is the focus of these concerns,
- The matters of concern relate to those occasions when individual members of the BOR directly interact with College staff, seeking to obtain information from them or to influence directly the work they are assigned to undertake,
- By bypassing the central administrative role of the CEO, the governance structure of the College is compromised

In the Letter of Concern, Dr. Winn reminded the president & CEO that Eligibility Requirement 21 underscores the responsibility as President to keep ACCJC informed about any issues that could compromise the accredited status of the College.

Finally, Dr. Winn requested that, in close collaboration with BOR Chairman Dr. Waguk, that the president & CEO provide to him a written verification that each Regent understands and abides by both the Standards of this Commission and the by-laws governing your institution.

So, we now should bring this difficult story to a favorable end. The ending has not yet been written, and we have the chance together to write a good one. I believe we should view this letter as one of concern *for* the college as much as it is concern *about* the college. This letter is in many ways a gift, an opportunity to “take corrective action.”

It is critical that we, the Board of Regents and President, now affirm the agreed upon path forward to

address these concerns and avoid an outcome outlined in President Winn’s letter—the likelihood of sanction, with its significant consequences. Chairman Waguk, and I discussed developing and submitting a plan articulating to the ACCJC the path we will take together to address concerns.

In that discussion with Chairman Waguk, I proposed drafting a plan for the Board’s consideration and approval. The Board approved this plan at the September 20, 2018, meeting. This plan will serve as the basis for the response to ACCJC and provide a pathway forward. The plan has three components:

- The first component includes implementation of the Board Development and Training Program resulting from the current Request for Proposal (RFP),
- The second component includes informing, and tasking the president to review BOR concerns regarding HR Policies and Practices and providing a report with findings and recommendations,
- The third component includes the Board’s engagement in purposeful dialogue to develop administrative procedures for Board Policies to promote effective board governance, guide the Board’s policy and fiduciary responsibilities, ensure compliance with Enabling Law, Board By-Laws, ACCJC Standards for Accreditation and Eligibility Requirements.

Please convey your thoughts regarding the proposals for Board Development and Training Program to Chairman Waguk. Once the Board has selected the proposal, I will respond to the ACCJC’s Letter of Concern.

An RFP has been developed to facilitate the Board’s engagement in purposeful dialogue to develop administrative procedures for Board Policies to promote effective board governance, guide the Board’s policy and fiduciary responsibilities, and ensure compliance with Enabling Law, Board By-Laws, ACCJC Standards for Accreditation and Eligibility Requirements.

C. Ensure development of the next Strategic Plan 2018-2023 and Strategic Plan 2024-2028.

The Strategic Plan 2018-2023 has been completed and approved by the BOR.

D. Continue to assess the organizational structure and reporting procedures and make changes as needed for a more efficient and effective institution.

Ongoing: The president continues to meet with members of the administrative team both individually and collectively as cabinet. The cabinet meets monthly to consider a wide range of agenda items regarding the entire spectrum of the college. The president has also articulated his expectations to members of the cabinet, and continues to emphasize important characteristics of leadership on a daily basis. Professional development and training activities designed to improve performance will be identified and inform goal setting and performance reviews.

E. Implement a Reengineering/Sustainability Plan to ensure the long-term sustainability of COM-FSM.

The COM-FSM Sustainability Position Paper (May 2014) and the implementation of recommendations continue to drive the college’s efforts to ensure long-term sustainability. The position paper is available to the Board of Regents. In April 2018, the president published a “white paper” charting the course for the next generation. Additionally, the college engaged the development of a comprehensive economic contributions/impact study, which includes assessment of

sustainability. The study was presented at the Board meeting in May 2108. The study, in part concludes that the college's long-term sustainability is inextricably linked to continued ACCJC Accreditation and subsequent Pell Grant awards.

F. Continue and strengthen internal leadership capacity building efforts.

The college provides resources for faculty and staff to take courses, earn degrees, and attend conferences and trainings that support their development and service to the college.

G. Enhance overall standing of COM-FSM and advocate for the college in all areas.

As president, I continue to ensure that COM-FSM participates in the conferences and workshops provided by the Pacific Post Secondary Education Council (PPEC), the Association of Community College Trustees (ACCT), the Accrediting Commission for Community and Junior Colleges (ACCJC), and the American Association of Community Colleges (AACC).

Recently, three members of the Board: Chairman Waguk, Vice Chairman Berdon, Secretary Salalu, and I attended the ACCT Leadership Congress in New York City. Chairman Waguk and I also attended the ACCT Pre Congress Academy: The Leadership Team of the Board which focused on The Effective Board Chair/Team, and Building a Strong CEO-Board Relationship.

As a member of the Commission on Global Education, I attended the AACC Fall Meeting in Washington DC which focused on Enterprise Risk Management, specifically cyber security issues.

Recommendations from the president's quadrennial assessment:

1. As identified by the President -- keep enrollment and student success as priorities, monitoring and strengthening current enrollment management and recruitment efforts.

This is an ongoing effort and is reflected in the reports provided by the vice presidents.

2. Undertake the proposed feasibility study to establish a BS degree program in Elementary Education as a significant step in meeting an important national and state need.

In Progress. A feasibility study was completed, including meetings with stakeholders throughout the FSM. A resolution in support of the BS degree program in Education was passed by FACSSO, COM-FSM cabinet, COM-FSM executive committee, and the Substantive Change Report was approved by the Board of Regents in May 2018. The required substantive change was submitted to the ACCJC, and we are awaiting their decision. Once approved the program is scheduled for implementation in fall 2019.

3. Continue to strengthen relations with the national government to secure financial support for the 2018 budget, especially to offset the continued funding of the \$2.8 million decrement of JEMCO funding which is critical to the institution's ability to fully carry out the *Integrated Educational Master Plan* and to meet ACCJC Standards for Accreditation.

Completed. We are seeking the same level of support for the FY2020 budget/plan.

4. Prioritize the next phase of the National Infrastructure Development Plan (IDP) focusing on construction for the Chu'uk Campus; capitalizing on the \$3 million provided by Chu'uk State leadership should assist in facilitating the development and implementation of the campus facility plan.

Ongoing. We are in close contact with TC&I, and the Army Corps of Engineers awaiting approval to proceed. The FSM PMU made a presentation to the Board at the May 2018 meeting.

Currently, there is a legal issue regarding the ownership of the access road/easement to the Ch'uk Campus. Letters from Attorney Finnen will be provided which summarize the issues and options for the college.

5. Focus on the continuing need to attract and retain qualified personnel through capacity building, cultural awareness, and salary equity.

Ongoing. We are effective in our recruitment process in attracting qualified personnel. Through the college's professional development, human resources support, opportunities for growth, and the ability to consistently provide salary increases to eligible employees, we maintain a high retention rate for faculty and staff.

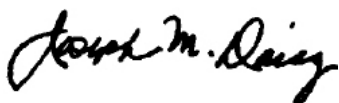
6. Mobilize the strategic planning process to develop contingency plans, outreach efforts to the Departments of State and Interior, and collaboration with the national government in anticipation of Compact renegotiation or termination.

Ongoing. The college met with US Ambassador, and US Government Accounting Office regarding continuation of Pell Grant beyond 2023. We are encouraged by favorable recommendations.

7. Build upon growing institutional fund-raising, grant-writing, and endowment-building capacity, by increasing the direct involvement of the President as "closer", capitalizing on the College's upcoming 25th anniversary celebration, and expanding alumni outreach.

Completed and Ongoing. The president is actively involved in institutional fundraising, including identification of grants, endowment building, and alumni outreach. The results of the fundraising activities for the 25th Anniversary, which will conclude on December 31, 2018, have been successful.

Respectfully submitted,



Joseph M. Daisy, EdD
President and Chief Executive Officer