

A Citizen's Report ~ FY 2009



UNIVERSITY OF GUAM UNIBETSEDÅT GUAHAN



About Us

The University. The Higher Education Act of 1976 established the University of Guam as a non-membership, non-profit, public corporation under the control of a Board of Regents appointed by the Governor of Guam with the advice and consent of the Guam Legislature. It is a U.S. land-grant institution accredited by the Western Association of Schools and Colleges (WASC) offering associate, baccalaureate and master's degrees. The University is reported as a component unit of the government of Guam.

The Leadership and its Theme: The University is governed by a nine-member Board of Regents. The President, Senior Vice-President for Academic and Student Affairs, and Vice-President for Administration and Finance are the senior administrators. Its tenth president, President Robert Underwood, has instituted 3 themes: 1) *UOG Green* for traditional Chamorro respect for earth and its ecosystems, 2) *Natural Choice* for positioning the University as the choice for high school seniors and for students turning to higher education to improve quality of life, and , 3) *Leading Change* for the University's pivotal role in spearheading economic, societal, technological and political changes.

FY09 Financial Highlights

The University's fiscal 2009 audit, recently released by independent auditors Eide Bailly, LLC, shows a \$1.3 million increase in net assets, an increase of \$3 million in grants and contracts, and the highest enrollment in ten years.

The auditors rendered an unqualified or clean opinion and reported no material audit findings. In 2009, the University administered approximately 110 federal grants awards totaling \$29M and maintained its "low-risk" audit status for the fifth consecutive year.

The University brought in \$48.4 million from its own operations, and reduced reliance on the government's general fund to 41% of total revenues. For every \$1 appropriated, the University generates an additional \$1.47.

Mission Statement

Ina, Diskubre, Setbe

To Enlighten, to Discover, to Serve

Strategic Initiatives

- Academic quality
- Student success, enrollment growth, retention & institutional visibility
- Community engagement
- Institutional effectiveness & efficiency

At a Glance

The University of Guam is located in the Western Pacific on the island of Guam, an unincorporated U.S. Territory in the Marianas Islands. The student enrollment of 3,550 is multicultural, multilingual and 91% Asian-Pacific Islander. The University employs 258 faculty, 30 administrators and 555 staff. Currently, there are 15 master's degree programs, 34 undergraduate programs, and one associate degree program. The campus' 110 acres overlook scenic Pago Bay, east of the island.



How We Performed ~ FY 2009



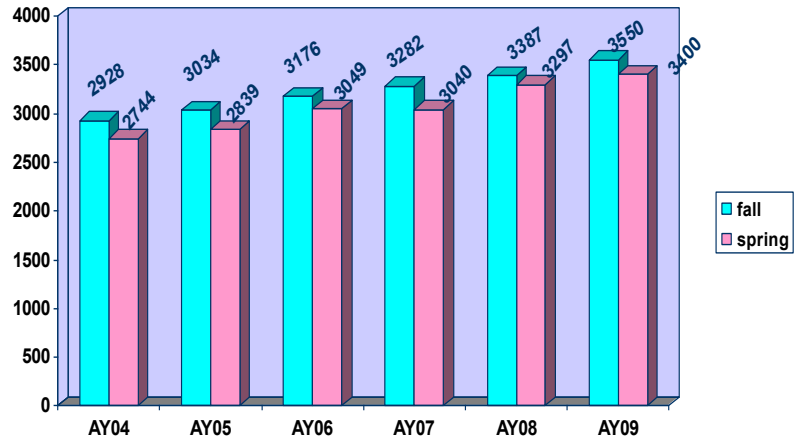
Bachelor of Science in Nursing Pinning Ceremony, May 21, 2010

STUDENTS AND ACADEMIC PROGRAMS

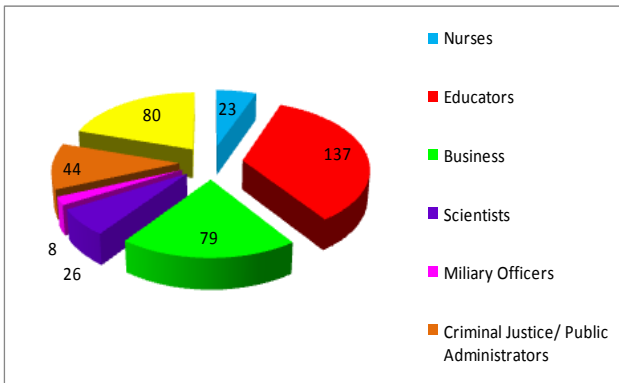
The University's enrollment growth

Student enrollment in Academic Year 2009-2010 has reached record levels. The University is the natural choice for 3,550 students registered for Fall Semester '09 (4.8% growth over the prior year, the highest in ten years), producing 397 graduates. Over the last six years, fall semester student enrollment has grown by 21% and spring semester by 24%. The University is accessible with tuition rates less than the average at other U.S. public universities. This allows students, who otherwise may not have access to higher education, to receive their education on Guam and become the educated professionals that the island and region need to grow and prosper. About 78% of students are either on financial aid or come from families with income below the national average.

Historical Trend: Enrollment Growth



397 Graduates for Academic Year 2008-2009



Historical Trend: Degrees Granted by Discipline

Discipline	AY06-07	AY07-08	AY08-09
Arts Social Science	54	51	64
Natural Science	37	35	27
Business & PA	83	86	100
Education	50	55	70
Nursing	42	54	30
Graduate Studies	64	62	90
TOTAL	330	343	381

Academic Quality. In 2009 WASC reaffirmed the University's primary accreditation for eight (8) years following the educational effectiveness review. This is the longest period of unrestricted accreditation in the institution's history.

FEDERALLY FUNDED PROGRAMS AND RESEARCH

The University leverages its appropriations with Federal monies to fund institutional research and programs. During fiscal 2009, the University received \$28.9 million in Federal funds. The number of Federal grants by Catalog of Federal Domestic Assistance rose to 110 from 82, three years ago.

Major Research and Institutional	Grants Received
Cancer Research Center	\$8.2 million
CEDDERS	\$2.8 million
TRIO-U/Bound, Student Support, Talent Search	\$1.0 million
Green Grant-multi year	\$0.9 million
AHEC-Nursing Program	\$0.9 million

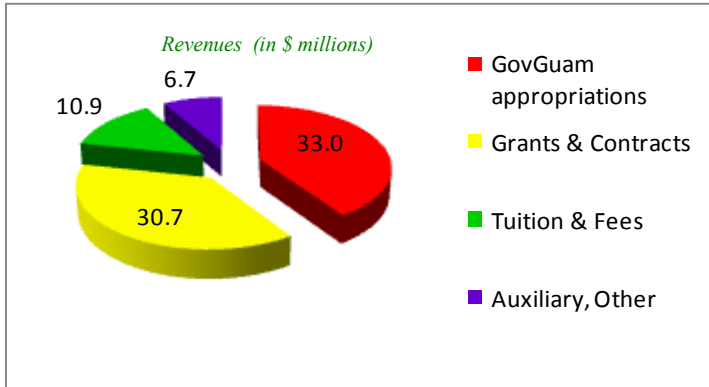


Our Financial Performance ~ FY 2009



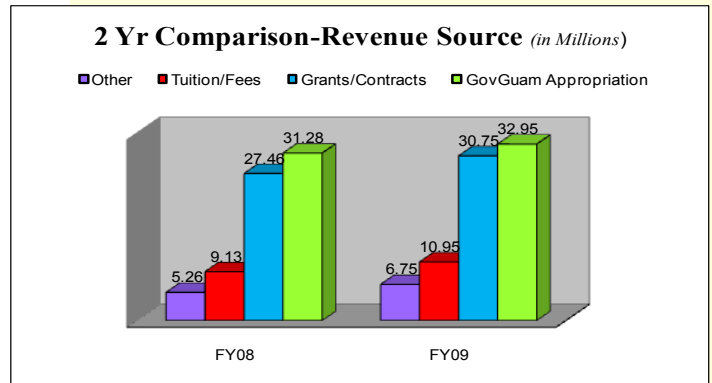
Major Revenue Sources

Of the total revenues, the University brought in \$48.3 million from operations. The remaining \$33 million comes from the government of Guam appropriations.



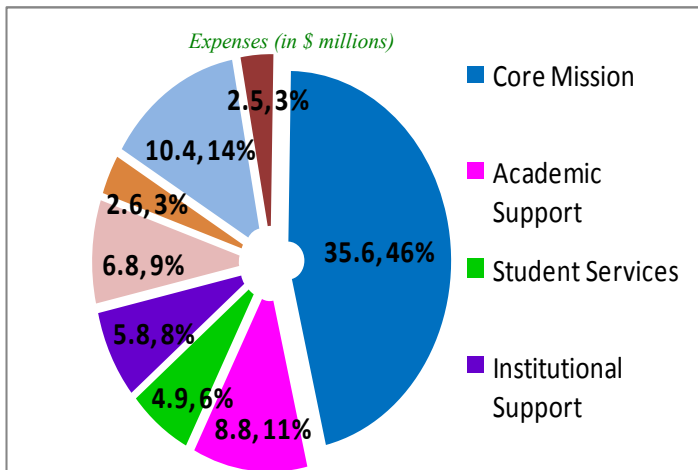
Over 10% Growth in Revenue Sources

The 2-year comparison shows an increase in revenue mainly from grants and contracts, from \$27 million to \$31 million.



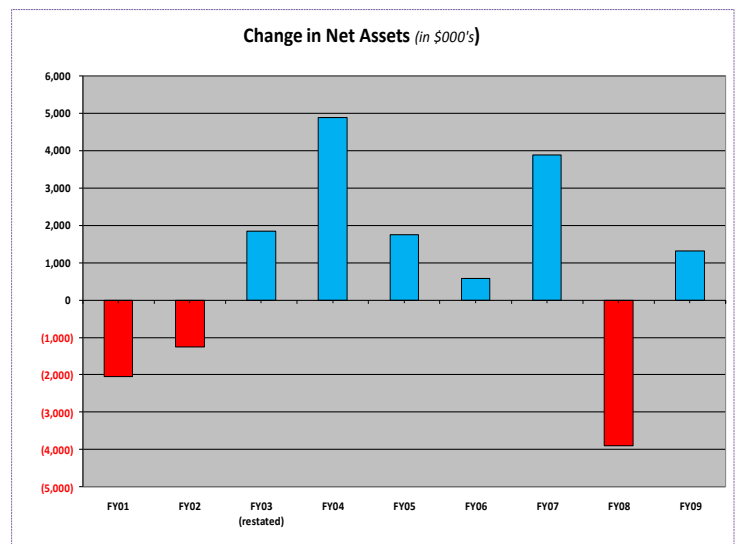
Expenses

The University spent \$77.4 million, of which \$35.6 million (or 46%) was spent on its core mission - instruction, research and public service.



Improvement in Net Assets

FY09 finances showed a \$1.3 million surplus as a result of revenue increases, adherence to financial controls and recovery in global equity markets.



Low-Risk Auditee Status

The University was granted low-risk auditee status for Federal grants and contracts for the fifth consecutive year. No instances of noncompliance or material deficiencies in its internal control were identified during the Eide Bailly audit.



Moving Forward



Expected Growth

The University will continue its growth under the leadership of President Underwood.

Academic Year 2009-10 started off strongly with the highest student enrollment in ten years. This trend is expected to continue, given the economic conditions and much higher university costs in the mainland U.S. The enrollment trends, coupled with preparations for the military buildup, put increased pressure on the University and the community to invest additional resources for more faculty and more support for academic operations and institutional infrastructure.

In 2009 WASC reaffirmed the University's accreditation for eight years, the longest in its history. In challenging financial times the University demonstrated student learning outcomes and educational effectiveness. WASC has charged the University to continue moving forward, develop its long term assessments, identify factors that will increase student retention and graduation rates, collaborate with regional community colleges, improve distance education (including an online Masters in Education in Reading), improve its infrastructure and find funding for its critical role in the military buildup.

As Guam prepares for the changes associated with the military buildup, public policy makers have acknowledged the University's potential as a key agent and driver of change. Teams are addressing the President's initiatives related to UOG Green, Natural Choice and Leading Change. The University is partnering with other government agencies, U.S. and Asian universities, and private sector firms. For example, the University has received a sub-grant from Guam EPA related to energy audits and alternative energy research. The University has partnered with Okayama University to enhance research and to exchange students. The University seeks to develop a School of Engineering, partnering initially with other institutions. The University has understandings with several private sector firms related to seeking grants and contracts associated with the military buildup.

The University is financially stronger within the variability of the island economy and looking to invest in the infrastructure underlying student learning and academic quality. In FY2009 the University increased its financial surplus. The FY2010 appropriation is below what was requested, but more than FY2009's. It includes some funding for growth. Through its financial management plan and supported by Board policy, the University has built reserves for financial sustainability and capital investments. Bringing together the reserves, ARRA stimulus funding and U.S. Department of Interior funding through the Governor's Office, the University will undertake strategic efforts related to building information technology capacity, renovating facilities, and hiring staff for growth and change.

Military Build Up

"The 2006 agreement between the United States and Japan aims to shift 8,000 U.S. Marines from bases in Japan to the island of Guam by 2014."



Economic Stimulus (ARRA)

The State Fiscal Stabilization Fund (SFSF) Program-Phase I projects are funded as follows:

Education Stabilization Fund (ESF)	\$50.7 million
Government Services Fund (GSF)	\$32.2 million

The project (Phase 1) and budget period is from March 2010 through September 30, 2011. A total grant of \$17 million has been awarded to the University. This will fund overdue improvements in the physical and technology infrastructure.

