



UNIVERSITY OF GUAM
UNIBETSEDAT GUAHAN
BOARD OF REGENTS

RESOLUTION NO. 11-03

**RELATIVE TO ACCEPTING THE RESULTS OF THE EIDE BAILLY FINANCIAL STATEMENTS
AUDIT AND COMPLIANCE AUDIT FOR THE FISCAL YEAR ENDED 30 SEPTEMBER 2010**

WHEREAS, the University of Guam is the primary U.S. Land Grant institution accredited by the Western Association of Schools and Colleges (WASC) serving the post-secondary needs of the people of Guam and the region; and

WHEREAS, the governance and well-being of the University is vested in the Board of Regents; and

WHEREAS, the University's financial statements have received an unqualified audit opinion from Eide Bailly for the fiscal year ended 30 September 2010 and the results of the audits have been reviewed with the administration and the Guam Office of the Public Auditor; and

WHEREAS, the Management Discussion and Analysis provided overview and understanding of the FY10 financial position and results of activities, as required supplemental information to the financial statements and the footnotes; and

WHEREAS, the auditor's Management Letter recommended three improvements, for which the University has taken correction action; and

WHEREAS, the University's overall financial condition showed a \$4.9 million increase in net assets, which is a 6% surplus on total revenues and a \$3.6 million improvement over the prior year; mainly due to substantial growth in the Federal Grants that adequately covered expense increase, ongoing financial and cash management controls in the face of government shortfalls in appropriation payments throughout the fiscal year, and unrealized gains in investments; and

WHEREAS, the improvement is a direct result of the efforts of faculty, staff and administrators throughout the University community; and

WHEREAS, the Audit will be issued by 28 February 2011 within the timeframes established by Guam OPA; and

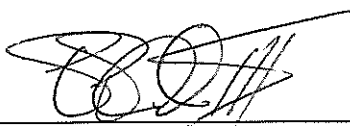
WHEREAS, the President and the Board's Budget, Finance, Investments and Audit Committee have reviewed and recommend that the Board accept the audits.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents hereby accepts the results of the Eide Bailly audits for the fiscal year ended 30 September 2010; and

BE IT FURTHER RESOLVED, that the Board of Regents recognizes the efforts of Administration and Finance employees in the timely completion and positive results contained in the audits; and

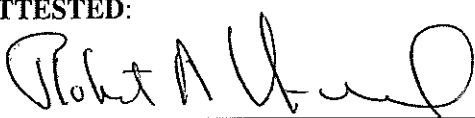
BE IT FURTHER RESOLVED, that the Board of Regents commends the efforts of all faculty, staff and administrators for managing significant financial challenges, maintaining the University's financial health and ensuring the delivery of high quality education to its students within the resources available.

Adopted this 17th day of February, 2011.



P. Sonny Ada, Chairman

ATTESTED:



Dr. Robert Underwood, Executive Secretary