



**UNIVERSITY OF GUAM  
UNIBETSEDAT GUAHAN  
BOARD OF REGENTS**

**RESOLUTION NO. 12-32**

**RELATIVE TO APPROVING THE PROPOSED TUITION RATE CHANGES**

**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**, for the past six years the cost of educating students alone has risen from \$29M to \$39 million (M), while the University's appropriation for operations from Government of Guam has been \$24-28M; and

**WHEREAS**, the University requires sufficient funding to achieve its mission and sustain academic quality and student learning, as it looks to educate over 3,700 students in Fall 2012, the second highest level of students since Fall 2000; and

**WHEREAS**, in 2000 there were 3,454 students (7% less) and the appropriation was \$24.8M, which would require a \$33.2M appropriation to have the same buying power today as compared to the \$26.7M appropriated by PL31-233; and

**WHEREAS**, the University faces financial sustainability challenges, specifically an \$8.4M shortfall in FY13, which is comprised of a \$3.4M shortfall magnified by BBMR's \$5M (15%) allotment reserve; and

**WHEREAS**, the University has acted to reapportion budgets, implement austerity controls, increase revenues, cutback expenditures and manage working capital; and the University must take further steps to sustain its mission and protect its highest priority of sustaining academic quality and student learning within its resources; and

**WHEREAS**, the University administration received recommendations on areas of resource needs and priorities from the University Planning and Budget Advisory Committee (UPBAC) and has implemented revenue generation and cost reduction measures, to partially fill the operational funding shortfall; and

**WHEREAS**, as the University still faces a significant gap in order to balance the FY13 budget, the University administration and UPBAC recommend tuition rate changes to both resident and non-resident tuition; and

**WHEREAS**, the University administration has proposed tuition rate changes and made them publicly available with an economic impact statement detailing financial, cost of living, accessibility, affordability, employment and other impacts per 5 GCA Article 3 Section 9301 (f); and

**WHEREAS**, the Budget, Finance, Investment and Audit Committee (BFIA) and the Student Affairs, Scholarship, Alumni Relations and Honorary Degree Committee (SASARHD) jointly held a public hearing on proposed tuition rate changes for Spring Semester 2013, and Academic Year 2013-2014 on October 11, 2012; and

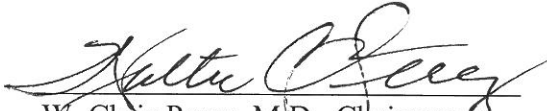
**WHEREAS**, the 31<sup>st</sup> Guam Legislature has introduced legislation appropriating funds for tuition support; and

**WHEREAS**, the President, BFIA and SASARHD Committees have reviewed the report on the public hearing and recommend that the Board approve the tuition rate proposal, to be reviewed if sufficient tuition support is appropriated.

**NOW, THEREFORE, BE IT RESOLVED**, that the BOR hereby approves the University's proposed tuition rate changes for Spring Semester 2013 and Academic Year 2013-2014, as per the attached proposal.

**BE IT FURTHER RESOLVED**, that the Board authorizes the President, in consultation with the Board Chairperson, the BFIA Committee Chair, and the SASARHD Committee Chair, to modify the tuition rate increases should tuition support be appropriated.

Adopted this 13<sup>th</sup> day of December, 2012.

  
W. Chris Perez, M.D., Chairman

**ATTESTED:**



Dr. Robert A. Underwood, Executive Secretary