



June 16, 2011

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**PRESIDENT**  
Ralph A. Wolff

Robert Underwood  
President  
University of Guam  
UOG Station  
Mangilao, Guam 96923

Dear President Underwood:

At its meeting by conference call on May 23, 2011, a panel composed of members of the WASC Interim Report Committee considered the Interim Report submitted by the University of Guam (UOG) on March 31, 2011. In addition to the Interim Report, the panel reviewed supporting documents, including the June 24, 2009 action letter following the March 31-April 2, 2009 Educational Effectiveness Review.

The panel appreciated the opportunity to discuss the report and UOG's progress with you and other members of your team: Helen Whippy, Senior Vice President and ALO; David O'Brien, Vice President for Administration and Finance; Roseann Jones, Faculty Senate President; David Okada, Chief Planning Officer; Cathleen Moore-Linn, Director of Integrated Media Communications; and Deborah Leon Guerrero, Director of Institutional Research and Assessment. The updates and information that you provided were very helpful to the panel in understanding the institution's current position and future possibilities.

The 2009 EER action letter highlighted a need for further progress in enhancing academic quality; supporting student success; increasing commitment to the Land Grant Mission; and sustaining and improving effectiveness and efficiency. The Commission also requested an Interim Report for spring 2011 to include:

- Audited financial statements for 2008-09 and 2009-10
- The most recent revenue and expenditure reports filed with the Government of Guam
- The most recent staffing pattern legislative report
- The year-to-date budget-to-actual summary financial report
- A brief summary commenting on significant changes and decisions with respect to academic program offerings
- An update on success in increasing retention and graduation rates

The panel would like to commend you and the University of Guam for progress that has taken place in the last year: in particular, stabilizing the University, consistent leadership, a positive upward trajectory in a challenging environment, the fall 2010 enrollment, and an improving financial position. Nevertheless, the panel also would like to highlight some areas where further progress needs to be made.

**Financial Position.** As acknowledged in the Interim Report, the University of Guam finds itself in “an unpredictable fiscal situation” within an environment in which external pressures have led to a stagnant economy for Guam, allotment payments from the Government of Guam have been unreliable, and an anticipated US military build-up that could lead to “unprecedented economic growth and social change” has been delayed. UOG reports an increase in net assets for FY 2010, which it attributes to operating revenue growth, cash management controls, and unrealized gains in investment. The Interim Report panel noted the steps that UOG has put in place regarding stabilizing appropriations and encourages the University to maintain its challenging relationship with the government of Guam. In addition, the panel urges the University to carefully monitor and analyze its enrollment trends, especially its applicant trends, and to focus on sustaining its current grants along with continuing its use of a new “base budget approach.” The panel cautions the University of Guam that its projections may be optimistic in light of the current global economy. (CFRs 1.8, 3.5)

**Academic Program Offerings and Strategic Planning.** As noted in the Interim Report, the 2009 Educational Effectiveness Review team urged UOG to live within its means by “narrowing its portfolio of program offerings.” Since then, the University has consolidated, combined, capped enrollments, turned online, or moved to a cohort model in five of its programs, but has canceled only one, with another recommended for cancellation. The Interim Report notes that during this time one new master’s degree program has been added. The panel has concerns about the academic planning process at UOG, especially the control given to the departments and programs, given the Interim Report’s statement that “the deans and faculty argue that all of the programs are needed.” WASC expects that, “planning processes at the institution define and, to the extent possible, align academic, personnel, fiscal, physical, and technological needs with the strategic objectives and priorities of the institution.” (CFR 4.2) The panel urges the University to develop an academic planning process and tie it to the institutional plan. Furthermore, the panel, observing plans for a new School of Engineering and the establishment of a new Center for Island Sustainability and a new Center for Distance Education, urges UOG to seriously address the relationship of expansion to consolidation, to determine which of these is the “driver” of the academic programs, and to think of long-term sustainability. (CFRs 3.8, 3.5, 3.11, 4.1, 4.2, 4.4)

**Assessment and Program Review.** The panel found that the University has done work in assessment, but has conflated it with program review. It encourages UOG to align assessment to program review, program review to the academic plan, and the academic plan to the strategic plan. The panel acknowledges the efforts made within assessment and program review and recommends that it is time now for the University to make a coherent plan for program review. (CFRs 2.7, 4.4, 4.6, 4.7)

**Retention and Graduation Rates.** There has been a 4% increase in first year retention rates since 2008, but six-year graduation rates remain static at 27%. The Interim Report states that since the 2009 Educational Effectiveness review, UOG has addressed retention and graduation rates through “four outcomes based activities” that include a targeted retention plan, tutoring, and work toward “increasing the level of postsecondary enrollment and preparation for Guam students.” Noting that funding for several of these activities has been provided through grants, the panel suggests UOG consider what can be done to address these issues with resources that UOG already has. The panel expressed concern about the low three-year average of the six-year

graduation rates, the declining graduation rates for 2004 male students, and the consistent decline of graduation rates for graduate programs. The panel encourages that more importance and urgency be placed at the institutional level on the issue of increasing retention and graduation rates. (CFRs 1.2, 2.5, 2.10-2.14, 3.5, 4.2, 4.6)

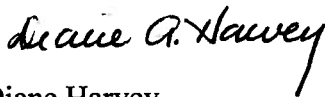
The panel acted to:

1. Receive the Interim Report with recommendations and commendations.
2. Request an additional Interim Report due November 1, 2013 to address the issues covered in this letter and the following:
  - a. An updated progress report on UOG's financial position.
  - b. A multi-year strategic enrollment plan and demonstration of progress toward UOG's target goals.
  - c. An update on the reduction, consolidation, and/or streamlining of academic programs consistent with the strategic plan goals and objectives.
  - d. Demonstration of the alignment of enrollment, program review, academic planning, and strategic planning.
  - e. Demonstration of closing the loop in the assessment process, with specific examples.

University of Guam is scheduled for a Capacity and Preparatory Review visit in spring 2016.

Please let me know if you have any questions about this action.

Sincerely,



Diane Harvey  
Vice President

cc: Helen Whippy, Senior Vice President and ALO  
Members of the Interim Report Committee