



RESEARCH CORPORATION
of the UNIVERSITY OF GUAM

December 7, 2016

The Honorable Judith T. Won Pat, Ed.D.
Speaker, 33rd Guam Legislature
155 Hesler Place
Hagatna, Guam 96910

33-16-2292
Office of the Speaker
Judith T. Won Pat, Ed.D

Date: 12-19-16
Time: 3pm
Received By: [Signature]

Dear Speaker Won Pat,

On behalf of the Research Corporation of the University of Guam (RCUOG) Board of Directors, I have enclosed for your review the Research Corporation of the University of Guam's FY2016 Annual Report. This report highlights the growth achieved by RCUOG over the last fiscal year, provides a snapshot of the grants managed by RCUOG, and features the role the Research Corporation plays in supporting the University of Guam's research projects while ensuring efficiency and compliance in daily operations.

Notably, as discussed during UOG's FY2017 budget hearing, RCUOG is on its way to self-sufficiency and has reduced its reliance on the general fund by more than 50% this fiscal year since the Board of Regents approved the reallocation of indirect costs to include support of the RCUOG budget.

Since it was created in 2014, the Research Corporation of the University of Guam has become fully operational and provides a robust framework that supports scientific inquiry. Legislative support of the Research Corporation since its inception was instrumental in fostering an environment that enabled the University of Guam to expand its research activities and portfolio to address important issues facing our community and our region. We thank you for your continued support of research and outreach projects which directly benefit our island and our students.

Si yu'os ma'ase!

Sincerely,

[Signature of Robert A. Underwood]

Dr. Robert A. Underwood
Chairperson, RCUOG

Office of the Speaker
Judith T. Won Pat, Ed.D

Date: Dec. 19, 2016
Time: 3:00 pm
Received: [Signature]

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Research Corporation of the University of Guam



**Annual
Report
2016**

Board of Directors

The Research Corporation of the University of Guam is under the management and control of a ten member Board of Directors. Board membership includes representation from the UOG Faculty Senate, the UOG Board of Regents, the UOG Research Council, UOG senior administrators, and members representing the community at large.

Dr. Robert A. Underwood, Chair
UOG President

Dr. Anita Borja Enriquez, Vice Chair
UOG Senior Vice President

Randall Wiegand, Treasurer
UOG Vice President of Administration and Finance

Elizabeth Gayle
UOG Board of Regents Representative

Antoinette Sanford
UOG Board of Regents Representative

Dr. Terry J. Donaldson
UOG Research Council Representative

Dr. Kate A. Moots, Secretary
UOG Faculty Senate Representative

Joseph F. Ada
Community Member Representative

Ray S. Topasna
Community Member Representative

Artemio R.A. Hernandez
Community Member Representative



Invasive *Mikania micranthra* covers tangantangan tree along the west coast of Guam.

Wrapping up the Second Year of Operations

The Research Corporation of the University of Guam (RCUOG) completed its second year of operation and marked a number of positive outcomes at the close of FY2016.

Notably, there were no findings regarding RCUOG operations in the UOG FY2015 audit under which RCUOG is reviewed as a component unit. This established confidence in the Research Corporation and underscored its success in the management of federal grants and contracts. Additionally, the number of grants flowing through RCUOG nearly doubled compared to the prior year and funds managed by the Research Corporation grew to nine million dollars.

This report highlights the positive outcomes in year two and the role RCUOG plays in supporting the University of Guam's research projects while ensuring efficiency and compliance in daily operations.

Cathleen Moore-Linn
Interim Executive Director

RCUOG

Cathleen Moore-Linn
Interim Executive Director

Gloria Travis
Interim Chief Business Officer

Barbara Molarte
Accounting Specialist



PURPOSE

The purpose of this report is to capture a snapshot of the organization after two years of operation and to demonstrate how RCUOG supports research and outreach projects through its streamlined and efficient policies and processes.

TWO YEAR IMPLEMENTATION

Policies

Policies were developed and amended to support efficiency within the organization.

- **Stipend and Honoraria Policy**
Provides a structure for, and established a cap on, the dollar amount allowed for processing honoraria and stipends
- **Amended the Leave Policy**
Allows employees to roll over 80 hours of sick leave and 80 hours of annual leave to the next fiscal year. Prior to this amendment, employees were required to use or lose their leave at the end of each fiscal year
- **Established a Letter of Credit**
Provides a process to secure and support large purchases

- **Amended Procurement policy**
Allows faculty to participate as members of bid evaluation committees
- **Sexual Misconduct Policy**
RCUOG adopted UOG's Sexual Misconduct Policy so that the same policy applies to both organizations
- **Amended Student Employment Policy and Procedures**
Aligned the student pay scale with the RCUOG general pay scale so that all positions are aligned to a single pay scale

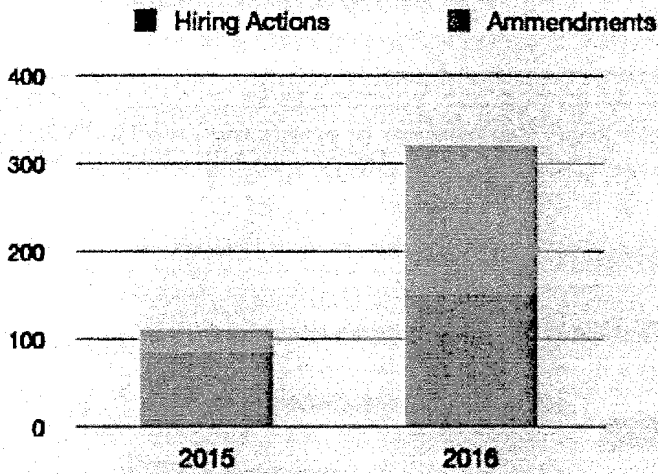
HUMAN RESOURCES

RCUOG completed 151 personnel hiring actions in FY2016 compared to 84 hiring actions during the prior fiscal year. Amendments to employee hiring actions, referred to as RC2s, increased from 25 in FY2015 to 168 in FY2016. This equates to an 80% increase in personnel actions while amendments increased 572% in FY2016 compared to the prior year. These increases demonstrate the increase in human resources activity related to grant funded projects.



The coconut mince and beetle team prepares ingredients for growing the Emerald Fungus (EMF)

RCUOG Personnel Actions Processed

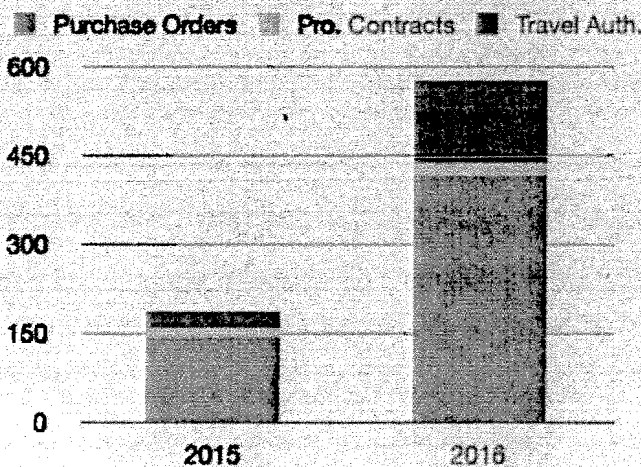


These hires include all temporary full-time and part-time positions based on availability of funds as well as summer salaries for UOG faculty for grant related work. Additionally, in FY2016 RCUOG implemented an online orientation for employees so that all employees are aware of RCUOG policies. These orientations are tracked through Qualtrix.

The number of financial transactions also increased 207% in FY2016 compared to the prior year. Despite the increase in activity, documents are processed within 24 to 48 hours. RCUOG's streamlined procedures work in tandem with UOG systems in payroll, accounting, human resources, and procurement.

RCUOG was able to increase outputs in year two utilizing two full-time employees and one part-time employee.

RCUOG Documents Processed



FY2015 Audit

RCUOG is included as a component unit of the University of Guam's FY2015 audit. There were no

findings regarding RCUOG activities in FY2015 which indicates RCUOG has implemented strong internal controls and complies with federal regulations, Guam Public Law, and its own policies.

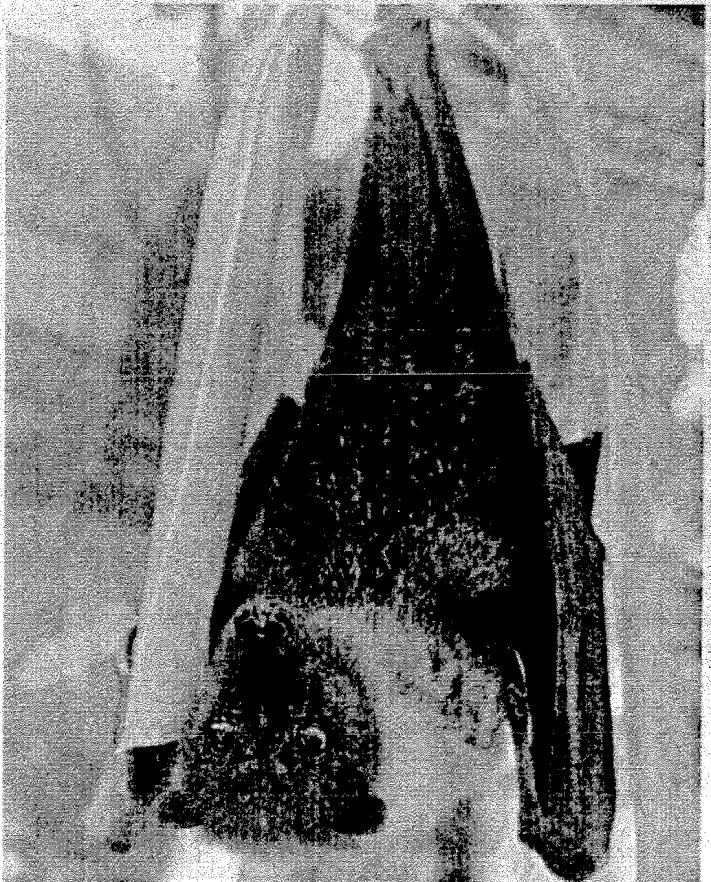
UOG-RCUOG RELATIONSHIP

Indirect Costs

An ad hoc committee was established by the President of the University of Guam to review how indirect costs are allocated within the institution. The UOG Board of Regents approved the recommended reallocation in September 2016 which requires 20% of indirect costs generated by federal grants to be deposited to the Research Corporation for the purpose of funding general operations of RCUOG with a near-term goal of self-sufficiency within three years.

Letter of Agreement

The Operating Agreement calls for UOG and RCUOG to negotiate a separate agreement detailing charges and/or reimbursements for facilities, systems and services provided by one party to the other. The Letter of Agreement was updated effective October 1, 2016 for a period of two years. Currently, UOG does not charge RCUOG for use of its payroll and other services nor does RCUOG charge UOG for its support services.



FOCUS ON RESEARCH

Growth

At the end FY2016, RCUOG provided support services to 65 different grants equating to \$9,202,622 in funding. To provide perspective on the significant growth that has occurred, the number of grants managed in FY2016 increased 66% over the prior year from 39 grants to 65 grants, while the total annual funding increased 62% from \$5,685,349 in FY2015 to \$9,202,622 in FY2016.

Increase in Grant Funding



The chart below provides a breakdown of grant funding by source to highlight the variety of federal agencies and non-profit corporations that seek to partner with the University of Guam to produce research and service outcomes.

Funding by Source

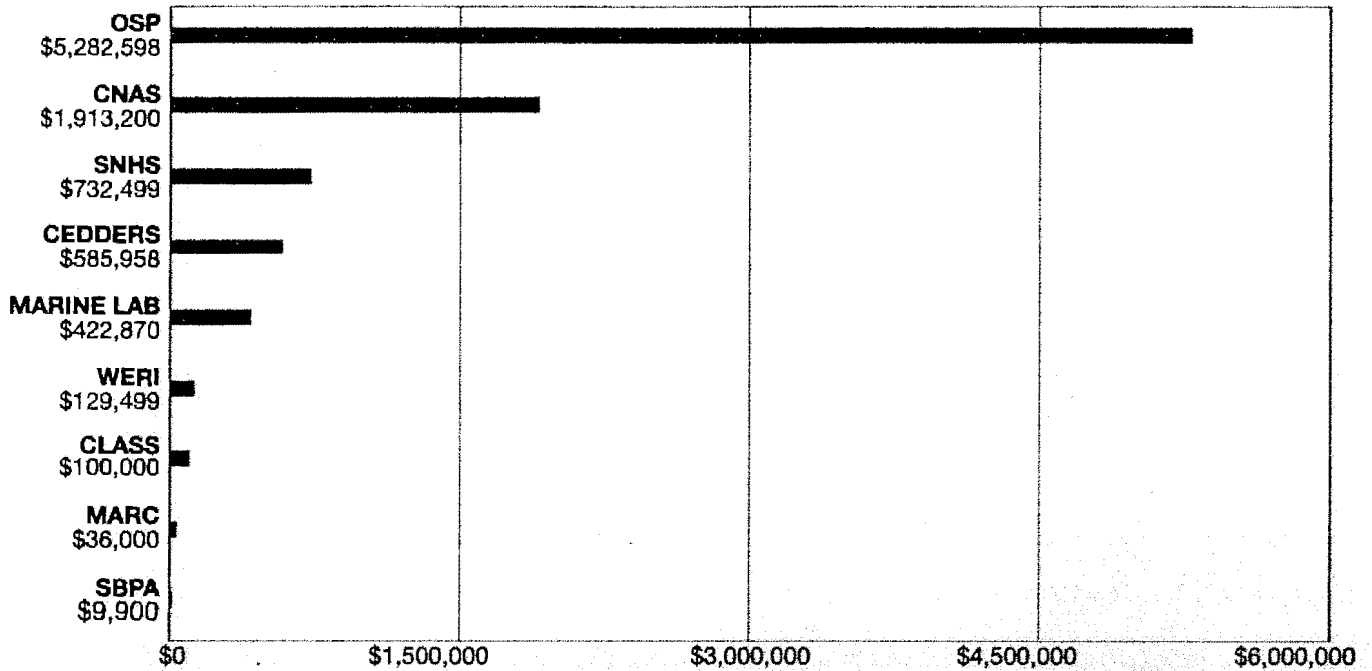
● NSF	\$1,966,204
● Dept. of Navy	\$1,482,096
● MOA/Contracts	\$857,634
● USDA	\$806,388
● NIH	\$732,499
● NCI	\$505,188
● DOI	\$504,475
● Nat'l Fish & Wildlife	\$488,731
● NOAA	\$457,709
● HHS	\$425,958
● NGOs	\$184,555
● NASA	\$149,888



Grant and Contract Distribution by Unit

The chart below illustrates how grants are distributed among the research centers and units across the University of Guam campus. With a focus on efficiency, the Research Corporation unlocks potential by providing the ideal environment for scientists to pursue their research which has a direct, positive and lasting impact on Guam and the region.

Grant and Contract Distribution by Unit



NOAA photograph of coral bleaching survey in Tumon Bay.

LIST OF GRANTS AND CONTRACTS

In 2016 RCUOG provided support services to the following grants:

1. Reassessing Manell-Geus Watershed Reef Flats
2. VAWP
3. LFA
4. Coconut Rhino Beetle
5. War in Pacific Nat'l Park Marine Monitoring
6. Sea Grant
7. Potential Impacts of Adaptive Response to Climate change for DOD Installations in Guam
8. Project Launch
9. Assessing the sustainability of culturally important marine sites in Guam and the CNMI
10. SARE
11. Early Hearing Detection
12. Healthy Bananas
13. CIS
14. Surveillance for fire ant
15. Survey of insect pests for ornamental nurseries
16. Surveillance of invasive ants
17. Citrus pests
18. Biocontrol of *Mikania micrantha*
19. NIH BUID EXITO
20. Navy Archeology
21. PICSC Climate Change
22. Marine Survey & Monitoring
23. CNMI invasives
24. Cancer Registry
25. Baseline assessment of watershed parameters, stream fish and macro-invertebrate populations in Merizo village
26. Recovery actions for *Serianthes nelsonii* and species considered for listing under Endangered Species Act
27. Guam Ecosystems Collaboratorium
28. Assessment of Aphidid Releases Against Introduced Aphid Pests on Guam, Saipan, and Rota
29. Pacific Islands Climate Science Center
30. Plant Surveys Joint Region Marianas
31. ML NOAA Resources Inventory Mannell Geus
32. State Grants for Assistive Tech
33. Fruit Bat monitoring on Guam
34. UOG/UH Cancer Center Partnership
35. New Tropical Island Farmer Risk Management Education Series
36. Identification of the cause of persistent green algal blooms in Guam
37. The benefit of enhancing sustainable coral reef monitoring and management capacity
38. Linking stream abundance and output with watershed conditions in tropical high island streams as a means of assessment and rehabilitation of near shore coral reef communities
39. Updates to the National Hydrography Dataset and the Watershed Boundary Dataset for Saipan
40. Diver Damage Study
41. Insect curation for NMC collection
42. Improving Forest Inventory/Analysis
43. *Serianthes nelsonii*
44. Enhancing Marine Science through high school internships at UOG
45. Developing In-water Ecological Surveying Skills @ UOG Quest 2.0
46. Assessing the relative resilience of coral reefs and herbivorous fish communities to climate change in US territories to inform ecosystem-based fisheries management
47. Western SARE Professional Development Program Plan for Guam
48. Historical and Current Shoreline Change Analysis
49. Development of Online Training Modules for Individuals on Guam Preparing for Arborist Certification
50. A Cohort for Studying the Burden of Cardiometabolic Diseases in Guam and Pohnpei
51. Santa Rita Spring: Hydrogeologic Evaluation to Determine Engineering Design Options for Rehabilitation (MOA between GWW and UOG WERI)
52. USDA Rural Dev. Rural Energy for America Program
53. NASA Guam EPSCoR Research Infrastructure Development Program
54. Engagement of US Pacific Islands regional representative to participate in the PACIOOS activities
55. Mitigation of Damage to Corals at Coral Ocean Point due to Repair of PTI's Undersea Fiber Optic Cable
56. Surveillance of *Solenopsis invicta* in Guam
57. Continued surveillance of insect pests in ornamental and landscape nurseries in the Mariana Islands
58. Surveillance of harmful exotic and invasive ants in Guam and the Mariana Islands
59. Biological control on *Mikania micrantha* in Guam and the Commonwealth of the Mariana Islands
60. National honey bee survey
61. Ongoing surveillance of citrus greening disease in the Marianas Islands of Guam, Saipan, Tinian and Rota
62. Improving ecosystem-based fisheries management in the Mariana Islands
63. Suppression of Orchid Diseases by influx of Healthy Plants to Guam
64. Effective Management of Fisheries Resources in Micronesia
65. Development of Educational Material for Traditional and New Media to Promote Cancer Health Awareness in Guam