



**MINUTES OF THE  
BOARD OF REGENTS  
REGULAR MEETING**  
Tuesday, September 22, 2015  
9:00a.m.

**Call Meeting to Order**

**Roll Call:**

**Board Members Present**

Regent Juan T. Lizama, Chairperson  
Regent Michaela U. Sanchez, Treasurer  
Regent Elizabeth D. Rechebei  
Regent Frank M. Rabauliman

**Excused Absent**

Regent Maria (Malua) T. Peter

**NMC Staff and Faculty**

Sharon Y. Hart, Ph.D., Executive Secretary to the Board of Regents/NMC President  
Frankie M. Eliptico, External Relations Director  
Leo Pangelinan, Dean of Student Services  
Helen B. Camacho, Board Secretary (Recorder)

**BOR Legal Counsel**

Jesus C. Borja, BOR Legal Counsel

**Others Present**

Marianas Variety News Reporter

**Review and Adoption of Agenda**

**BOARD ACTION:** Regent Sanchez motioned to adopt the agenda and seconded by Regent Rechebei. The following items to be included in the agenda are as follows:

- New Business: VI. (g) Legislative change to 7USC 305 on Land Endowment;
- VI. (h) Liability Insurance
- VI. (i) Board Policy No. 1004 – Compensation of Board Members

Regent Rabauliman motioned to add the Legislative Change to 7USC 305 on Land Endowment and seconded by Regent Rechebei. Furthermore, Regent Rechebei motioned to add the Liability Insurance and seconded by Regent Sanchez. President Hart requested to broaden the topic to Liability Insurance and Others. Regent Rechebei also motioned to include Board Policy No. 1004 – Compensation of Board Members and seconded by Regent Sanchez. All members voted yes, the motion passed.

## **Review and Adoption of Minutes**

### **May 22, 2015 Regular Meeting:**

Some corrections noted:

1. Regent Rechebei was present during the May 22, 2015 Regular Meeting but not for the continuation on May 26, 2015.
2. Adhoc Committee report was entered for the record.

Regent Rabauliman motioned to adopt the minutes and seconded by Regent Sanchez. Regent Rechebei abstained. There were some discussions about the minutes and that it needed to reflect accurately that the board went into executive session. President Hart noted that there was no second to the motion to go into executive session. Regent Rechebei noted for the record that she was present on the May 22, 2015 and was not present for the continuation on May 26, 2015.

After much discussion, Regent Rechebei recommended to table the minutes. Regent Rabauliman followed by recalling his earlier motion. Chairperson Lizama felt that it would be prudent for the board to make its review and adopt the minutes in a timely manner. Counsel Borja clarified for the board that the law requires before a board goes into executive session that it be moved and seconded and voted on. Counsel Borja recommended to the board that if it was an error that nobody seconded the motion then all the board would need to do is move to ratify that action so that its clear that the action taken during that executive session is to be considered as being seconded. Chairperson Lizama had a suggestion for Counsel Borja to formulate his opinion as to how the board will want the record to reflect at the next meeting in regards to this particular minutes. After much discussion, the board agreed to table the minutes for its next meeting.

Chairperson Lizama called for adoption of the minutes. There was no response. The motion did not pass. Counsel Borja cautioned the board from adopting the minutes today that between now and the next meeting that it is corrected; somebody may use it against the interest of NMC. After much discussion, the board agreed to table the minutes. It was also suggested to table the June 25, 2015 and July 24, 2015 meeting minutes.

### **June 25, 2015 Regular Meeting:**

Tabled.

### **July 24, 2015 Regular Meeting:**

Tabled.

## **Public Comments**

None.

## **Chairperson's Report**

No report from Chairperson Lizama. He welcomed and thanked everyone for attending today's meeting.

## **Executive Session**

Regent Rechebei motioned to move into executive session and seconded by Regent Rabauliman. However, the motion did not pass and suggested to wait until the end of the agenda.

## **Reports and Actions of Committees**

### **Fiscal Committee Report:**

Regent Rabauliman, Committee Chair provided an update. He noted the following:

1. Smith Barney reported that it is closing business at the end of the calendar year (December 31, 2015). Smith Barney will no longer manage clients all over the world including NMC. The board needs to take action before the end of October.
2. Legislative change to 7 USC 305 on Land Endowment
3. FY2016 Operations Budget

#### **Smith Barney Report**

**BOARD ACTION:** Regent Rechebei motioned to put out an RFP in relation to the investment monies of \$800,000 or the amount that's in the account and seconded by Regent Rabauliman. All members voted yes, the motion passed.

**BOARD ACTION:** Regent Rechebei motioned for a resolution encouraging the foundation board to also do an RFP for the Endowment funds and seconded by Regent Sanchez. All members voted yes, the motion passed.

For the record, Chairperson Lizama recommended that Regents Rabauliman and Rechebei attend the upcoming Asia Pacific Association for Fiduciary Studies (APAFS) in Manila, Philippines.

#### **Legislative change to 7USC 305 on Land Endowment**

**BOARD ACTION:** Regent Rabauliman motioned to support the amendment of the land endowment interest. There was no second. The motion did not pass. Regent Rechebei thanked President Hart for making the effort.

For the record Chairperson Lizama called for a short break at 11:09a.m. Break ended at 11:22a.m and Chairperson Lizama called the meeting back to order. All members were present.

#### **FY2016 Operations Budget**

**BOARD ACTION:** Regent Rabauliman motioned to table this item and seconded by Regent Rechebei. All members voted yes, the motion passed. For the record, Regent Rabauliman call a meeting to go over the new information that was provided by the college. Subsequently, the board will have to meet before the fiscal year ends.

#### **Board Policy No. 1004 – Compensation of Board Members**

**BOARD ACTION:** Regent Rabauliman motioned to table this item and seconded by Regent Rechebei. All members voted yes, the motion passed.

#### **Liability Insurance and Others**

**BOARD ACTION:** Regent Rechebei motioned to task the CFO to come up with more information regarding the subject and seconded by Regent Rabauliman. All members voted yes, the motion passed.

#### **Suspend the order of Business**

**BOARD ACTION:** Regent Sanchez motioned to suspend the order and seconded by Regent Rechebei. All members voted yes, the motion passed.

#### **Program Committee Report:**

##### **Board Policy No. 4008 – Student Grievances and Complaints**

**BOARD ACTION:** Regent Sanchez motioned to adopt Board Policy No. 4008 – Student Grievances and Complaints as amended and seconded by Regent Rechebei. Discussion: It was recommended by the Chair that a more direct approach would be for the complaint to be reported to the board. And the chair of the board will immediately report it to the Personnel

committee chair. Regent Rechebei added the recommendation to the motion. All members voted yes, the motion passed.

#### **Adhoc Committee (Legislations)**

Chairperson Lizama appointed Regent Rabauliman to serve as Chair of the Adhoc Committee on legislations.

#### **Personnel Committee Report:**

##### **Encourages the college to come up with hazardous pay during the hazardous clean up Post Typhoon Soudelor**

**BOARD ACTION:** Chairperson Lizama motioned the support of compensating hardworking employees of the institution as evidenced by their involvements in the aftermath of the disaster; the college will follow the CNMI code and seconded by Regent Rabauliman. All members voted yes, the motion passed. Dean Dave added that the college staff is appreciative of the board's action today.

#### **BOR Resolution for John Guerrero and other individuals**

Chairperson Lizama recommended a BOR Resolution be given to Mr. John Guerrero and for other individuals for all his hard work during this time.

**BOARD ACTION:** Regent Lizama motioned and seconded by Regent Sanchez. All members voted yes, the motion passed.

#### **AdHoc Committee Report:**

A handout was provided.

Chairperson Lizama made some recommendations: Shall be annual regular meetings as follows; no more than 3 Special meetings annually; Annual meetings to elect officers.

**BOARD ACTION:** Regent Rechebei motioned to adopt the Ad-Hoc committee report and seconded by Regent Sanchez.

#### **Recommendations:**

1. Bi-monthly regular meetings.
2. Entertain programs; meet with the student body and faculty (once or twice a year); board travel (inter-island board meetings to coincide with island events).
3. Audit committee to remain with the fiscal committee until such time there are new members.
4. Communication with WASC is allowed to anyone including the board but it is recommended to go through the Accreditation Liaison Officer (ALO).
5. Start at looking at possible conflicts of interests among board members and the college.
6. Policy guidelines from WASC i.e Evaluation of the President; 360 Evaluation).

Regent Rechebei concluded her report.

For the record, Regent Rabauliman is excused at 12:13p.m. He had to leave for another meeting.

#### **TSL Resolution**

**BOARD ACTION:** Regent Rechebei motioned to ratify the resolution and seconded by Regent Sanchez. All members voted yes, the motion passed.

#### **Legal Review of NMC Foundation**

Tabled.

#### **NMTI Board meeting plan with the BOR**

The college will coordinate a meeting between the NMTI Board and NMC Board of Regents.

### **WASC Accreditation update**

Amanda Allen, Accreditation Liaison Officer provided an oral update. She highlighted the following updates on recent accreditation matters:

1. Outline of various reports that the team will be working on.
2. Accreditation Review Team met recently.
3. Report is due Spring 2017.
4. WSCUC President/Trustee Retreat in December
5. 2018 mid-cycle review
6. Governing Board Policy

### **Update on NMC Facilities**

No report.

### **President's Report**

Handout provided.

### **Executive Session**

**BOARD ACTION:** Regent Rechebei motioned to move into executive session and seconded by Regent Sanchez. All members voted yes, the motion passed. It is 12:55p.m. Executive session ended at 1:40p.m. Chairperson Lizama called the meeting back to order. Upon convening the meeting, the Chairperson provided the following information. No action was taken.

The board announced that the President's contract has been approved and signed by the Chairperson. President Hart will review the contract and by the end of the day, we should have a contract.

### **Legal Counsel (RFP for Legal Services)**

The board has been informed that there is only one perspective applicant to serve as legal counsel of the board. The contract will be provided for signature.

### **ADJOURNMENT**

**BOARD ACTION:** Regent Rechebei motioned to adjourn the meeting at 1:38p.m. and seconded by Regent Sanchez. All members voted yes, the motion passed. The meeting ended at 1:39p.m.