APPROVED MINUTES
for
the Special Meeting
of the
BOARD OF REGENTS
on
NOVEMBER 6, 1998

PEOPLE PRESENT

Board Members:
Manuel A. Sablan (Chairman), Justin S. Manglona, Teresa I. Taitano, Abelina Cing Cabrera, and Justice Ramon G. Villagomez were present. Regent Helen Abayare phoned that she would be late to today's meeting.

NMC Faculty and Staff:
Vice President Tee Abraham; Vice President Jack Sablan; Vice President Barbara Moir; Provost Roy Fua; Tinian Administrator Herman Sablan; Legal Counsel Jesse Borja, Esq.; Kurt Barnes; Julie Ulloa-Heath; Dr. Fred Hill; Paul Steere; Jim Ellis; Mike Jenck; Tomi Coleman; Ray Mafnas; Tom Colton; Rik Villegas; David Atalig; Fran Ascencio; Deborah Svobola; Phil Swett; Lek Algaier; Kim Triplett; Debra Whitt; Janice Tenorio; Ed Camacho; Jeannette Villagomez; Jack Peters; Tony Guerrero; Eric Plinske; Jim Holan; Danny Wyatt; Laura Roach Jagdon; Kohne Ramon; and Ed Zehr. Allen Cameron was present as recorder.

Others:
Sheila Amor, reporter from the Saipan Tribune.

Agenda
I. Opening Procedures
   A. Welcoming Remarks by Chair
   B. Review/Approval of Agenda
II. Old Business:
   A. Re-organization
III. Executive Session
IV. Miscellaneous
V. Adjournment

OPENING PROCEDURES
Chairman Manuel Sablan called the meeting to order in the Board of Regents conference room at 1:00 p.m. on the As Terlaje campus of the College. He asked the President to call the roll. The President announced that a quorum of five out of seven were present to conduct business. She reported that one Board member, Regent Helen Abayare, informed the Board beforehand that she would be late to today's meeting.
II. Old Business: Re-organization:  Chairman Sablan announced that the reason for this Special meeting, which had been announced as such in the newsprint media, was to go over the latest Reorganization plan. He introduced Julie Ulloa Heath, who said she would like to brief the Board members on what had transpired since the last Board meeting on October 30. Chairman Sablan said that he would like to allow everyone to propose questions on the Reorganization Committee’s plan.

Dr. Hill wondered why the Computer Application program had disappeared from the chart. Ms. Ulloa-Heath stated that showing on the white board was only the broad divisions of the College. Computer Applications is on the chart pages that follow. She also stated that in their Reorganization work, no program had been cut. Regent Villagomez suggested that we add in Computer Applications in its appropriate spot.

Jack Peters distributed to the Board members two publications, (1) Program and Achievement Report of the Business Development Center (BDC) to the Board of Regents, and (2) a letter from the BDC Advisory Board to Chairman Sablan and members of the Board of Regents under date of November 5, 1998. Mr. Peters apologized that he was off-island on official business at the time the Reorganization meetings were being held. He said that was the reason why he was unable to voice the BDC Advisory Board’s objections to being removed from its present position as reporting directly to the President and in the Re-organization plan being placed within the Business and Hospitality Department.

Mr. Peters outlined the successes of the BDC, recognized by the Governor and the Legislature, and in its choice to direct the Economic Development Conference in Saipan next year. He stated his fear that much of the BDC’s Federal funding would be lost if it were placed under Instruction. He added that 65% of the BDC’s time was spent in working with clients, and 35% in paper work, which did not leave time for instruction of College students.

Chairman Sablan suggested that the reason for the move was to bring the BDC as a community-oriented program into linkage with traditional instructional programs. The Governor has mentioned to him that NMC graduates are not ready to be employed in the business sector, and hence the thought of bringing BDC’s influence to bear on our regular students. President McPhetres said that BDC is very closely connected with the College, giving 98% of its effort in community aid, and 2% to instruction through workshops for businesses. She said she would like to see that 2% increased to perhaps 15%, Mr. Peters said that BDC would like to remain where it is at present. Chairman Sablan said that he would like to see BDC personnel expertise benefit the NMC students in the classroom to link our students to the real work of business. V.P. Abraham recommended locating the BDC under community programs and public service, since it functions in non-instructional ways. President McPhetres expressed the though that placing a program could be decided later. She added that BDC has enhanced the image of NMC out in the community. Mr. Zehr stated that the Legislature cannot be counted on to honor its commitment of $450,000 to BDC particularly in this time of economic downturn.
Chairman Sablan stated that BDC is popular since it help people find work, and helps fledgling entrepreneurs get started in the business world. We need to bring BDC to bring its influence to bear on our NMC students. V.P. Moir stated that BDC has a good image locally and federally. What is needed is a reworking of the instructional element of Business programs in the College so as to make BDC’s professional expertise available to regular NMC students. V.P. Sablan stated that having BDC experts as instructors would provide the best possible service to our students.

Regent Villagomez stated that he was impressed by the Re-organization Committee’s presentation at a recent Board meeting and again today. He said there was not enough time to digest the three proposals and all the materials presented. He asked for another meeting on the subject to answer some questions that have arisen.

V.G. Abraham expressed agreement with Regent Villagomez’ statement and urged that decisions be made in the light of the College’s Mission Statement, as being required to provide higher education, adult and vocational education to the Commonwealth. She proposed that there be one Vice President for Instruction and Students Services, and that Deans head Instruction and Student Services with Administrative Services under the President. The School of Education would be in a dotted box. Rota and Tinian would belong to extension programs. All this, she said, has been proposed to the Re-organization Committee.

Chairman Sablan said that an executive session was needed with the Re-organization Committee. He added that the financial situation is not getting any better in the Commonwealth.

The Chairman asked if there were other observations in the BDC. Since there were none, he recognized the request of Mr. George Pangelinan, Dean of Student Services, to be heard. Mr. Pangelinan manifested the reasons why the department of Admissions and Records (A&R) could not be combined with Student Financial Aid. He stated that Federal law on its four Grant programs was sufficiently complex, and more so when added to the local Financial Aid Program. It takes a considerable amount of time, he said, for one person to become familiar with the regulations and the changes that occur on a monthly basis. He brought in a four-inch thick folder to demonstrate the amount of printed material to be digested by the Director of Financial Aid. Further reasons for keeping A&R distinct from Financial Aid are (1) confidentiality of student records and (2) providing a system of checks and balances to assure good management of both programs. V.P. Abraham expressed the idea that two different people in one department would prevent mismanagement of funds. Mr. Pangelinan responded that in his research he found no institution which united A&R with Financial Aid. V.P. Abraham noted that a breach of confidentiality on grades would be serious. Chairman Sablan asked whether we could merge the two programs and still preserve confidentiality. Mr. Pangelinan responded that the danger remains, and stressed further that A&R staff are not familiar with Federal Financial Aid regulations.
Chairman Sablan asked at what level of the College Organization should Financial Aid be. Mr. Pangelinan responded that it needs to be at its present level and separate from A&R. He added that A&R has a staff of four and Financial Aid three, two of whom are specialists in "putting out fires," and a director who is 100% knowledgeable of regulations. V.P. Sablan supported Mr. Pangelinan in allowing the two programs to remain as they are, thereby removing the mere possibility of manipulation of either grades or financial aid funds. Mr. Ed Camacho asked why one director could not make that happen as well. V.P. Sablan responded that one director would have to be a superman, would have to attend financial aid "Nuts and Bolts" workshops, and manage A&R to boot.

III. Executive Session: After a brief recess, the Board of Regents went in to executive session from 2:45 to 4:30 p.m.

When the open session was resumed, Chairman Sablan, returning to the issue of the BDC, asked whether the BDC Advisory Board could not be linked up somehow with the Board of Regents. He also expressed the need for NMC employees to be more productive, to accomplish more work. Some government agencies manage a payroll of 1,000 employees, whereas the College can manage one of only 200. He added that the College needs rules and regulations that are specific enough to allow the occasional transfer of employees between departments. He says he is obliged by the Legislature’s budget appropriation to cut the College’s budget by $2 million. If there have to be layoffs, we have to act as a team.

**ACTION #1:** It was moved, seconded, and unanimously approved to adopt the Re-organization plan with the following amendments: (1) placing the Business Development Center under Institutional Advancement, (2) allowing Adult Basic Education to have its own section and not be under Community Programs; and (3) Computer Services to be under Business and Hospitality.

**ACTION #2:** It was moved, seconded, and unanimously approved the Re-organization plan as amended, namely adopting the arrangement of two Vice Presidents, and below the V.P.s, all positions will be called Deans except for the Director of Administrative Services.

**ACTION #3:** It was moved, seconded, and unanimously approved to delegate the President to choose the names of positions and personnel below the Deans’ level.

Chairman Sablan expressed his preference for so-called Option 3 which eliminated certain positions and saved a certain amount of money. However, Regent Villagomez said that he was not prepared to go that far. President McPhetres stated that she also has not seen Option 3.

**ACTION #4:** It was moved, seconded, and unanimously approved that the implementation of the Re-organization be held in abeyance until studies are made to determine the number of full time employees (FTEs) involved per section. These will then
be reviewed by the Board of Regents. The Board will then make further decisions on every FTE and will then decide on implementation of the Re-organization chart.

**Adjournment:** 5:10 p.m.