FINAL APPROVED MINUTES
of
THE REGULAR MEETING
of the
BOARD OF REGENTS
March 27, 1998

PUBLIC SESSION

People Present
Board Members
Chairman Vicente N. Santos, Regent Manuel A. Sablan, Regent Helen H. Abayare, Regent John I. Schwarz, and Regent Justin S. Manglona. Not present Regent Teresa I. Taitano because she was off-island.

College Staff and Faculty
President Agnes McPhetres; Vice President Tee Abraham; Vice President Barbara Moir; School of Education Provost Roy Fua; Legal Counsel Jesse C. Borja, Esq.; and Comptroller Harris Lawrence. Allen Cameron was present as recorder.

Others
Reporters Sheila Amor of the Saipan Tribune and Laila C. Younis of the Marianas Variety.

I. Opening Procedures

A. Welcoming Remarks by Chair and Roll Call: At 10:10 a.m. Chairman Santos called the meeting to order in the Board of Regents conference room on the As Terlaje campus, and asked the President to call the roll. As five of the six members of the Board answered “Present,” the President announced that a quorum was present for the conduct of business.

B. Review/Approval of Agenda:
ACTION #1: It was moved, seconded and approved to accept the agenda as its stood.

C. Review/Approval of Minutes: Regular Meeting: February 27, 1998 (Tab 1) In the first paragraph, entitled “People Present,” it was suggested to add: Not Present: Regent Justin I. Manglona due to illness.
ACTION #2: With this correction, the minutes of February 27, 1998 were approved as amended.

II. Fiscal Committee’s Report

A. Financial Statement (Tab 2) Comptroller Harris Lawrence stated that the audit will be complete within the next 2-3 weeks. He reported that the President has spoken with the Governor regarding the lack of payment from summer ’97 to this
spring semester by the Educational Assistance Program (EAP). He also reported that the President is collecting data regarding the discrepancy over the past eight years between authorizations vs. appropriations, which she will present to the Governor. Mr. Lawrence stated further that each year there is a shortfall of about $1.5 million, but one which the government has always covered. He also reported that the College is well within the prescribed limits of full time employees (FTE) at present, and that NMC is still “on budget.”

Mr. Lawrence reported that NMC has very little money for the proposed School of Education. The whole College is run, he said, on the $8 million in payroll, and the tuition and fees the College itself collects. The Educational Assistance Office happens to be in arrears for last summer, fall and this spring semesters. Mr. Lawrence stated that the legislature had raised the PSS salaries without realizing the impact it would have on NMC. Regent Sablan indicated that there is a misconception among the people on Capitol Hill that we work with a budget of some $16 million. He concluded that there are no hopes for a School of Education without a special government appropriation.

B. NMC Foundation Plan of Action (Tab 3): Regent Schwarz reported that the first meeting of NMC Foundation Board had been held on March 5th and that the Foundation Board had agreed to adopt the Business and Tourism Learning Center (BTLC) as its "Millennium Project." A follow-up meeting on March 10th was very supportive. President McPhetres said she had met with the executive officers of the Pacific Islands Club (PIC). They agreed to prepare a package for the owner, requesting a substantial contribution to the BTLC. On March 16 the Hotel and Tourism’s advisory committee were also very positive in their substantial support of the BTLC.

III. President’s Report

A. Program Presentation: School of Business & Hospitality (Tab 4): President McPhetres requested that this agenda item be postponed for the time being.

B. Sister School relationship with Miyazawa Gakuen (Tab 5): President McPhetres said that, with the approval of the Board, she would prepare a Memorandum of Agreement (MOA) for the officials of Miyazawa Gakuen. She said that Miyazawa already has an agreement with Marianas High School with whom they have a student exchange agreement. The President would like to work out a student exchange program for the College, and a faculty exchange program, as well. She said that at this stage all is very exploratory. One positive benefit of this friendship agreement, the President saw, would be possible introductions to Miyazawa’s business friends already established on Saipan.

CONSENSUS #1: There was consensus among the Board members that the President proceed with this MOA.

C. Membership in Capital Improvement Committee (Tab 6): The President is a member of this committee. She reported the committee is looking into money not yet expended. The President is specifically interested in ear-marking $6 million for the BTLC. This committee is presently ready to assist NMC on the updating of its
master plan. She said the Department of the Interior wants to know, prior to its releasing any funds, how it fits into the master plan for the entire CNMI.

Referring to the project of the Multi-Purpose Gym, Regent Sablan stated that this is just one of the many projects that Public Works still has on the drawing board. President McPhetres said that the College has provided Public Works with a complete and well-documented plan, a model of how a presentation to Public Works should be done.

D. Monthly Reports & E. Travel Reports (February 2-28, 1998) (Tab 7): President McPhetres presented these two sets of reports for the members’ reading.

IV. Old Business

A. School of Education, College Lab School expansion (Tab 8): Regent Manglona, Chair of the Program Committee, reported that the Program Committee met yesterday, March 26th and heard the presentation of Provost Roy Fua regarding the expansion of the College Lab School to the 4th grade in school year 1998, to the 5th grade in 1999, and to the 6th grade in 2000. Provost Fua explained that the College Lab School provides School of Education students with models of the best educational practice. He invited the regents to visit the Lab School at their leisure and observe the program at work.

ACTION #3: It was moved, seconded and unanimously voted to approve the year-by-year incremental expansion of the College Lab School up to the sixth grade in the year 2000.

V. New Business

A. Budget Authorization, Policy # 2550 (Tab 9)
B. Recruitment and Hiring Practices, Adm. Proc. # 4008, p. 4 (Tab 10)
C. Vacation Leave, Adm. Proc. # 4301 (Tab 11)
D. Suspension and Termination, Adm. Proc. #4352 (Tab 12)

President McPhetres introduced the above agenda items for the Board’s consideration. They will be taken up again and voted on as “Old Business” at the Board’s next meeting.

Speaking on the subject of the budget, Regent Sablan proposed a policy whereby the Board of Regents would take part in College’s “Budget Hearings,” beginning with the budget for FY 99. President McPhetres announced that the budget call for FY 99 will go out next week. By August, 1998, rather than September, every unit would be ready to testify at NMC’s own “budget hearings.” Prior to August, she said, the budget will go before the Executive Committee, composed of the President, the Vice Presidents, Provost of the School of Education, the Comptroller and the Director of Planning, Budget and CIP. Regent Sablan suggested the Board of Regents be involved in the early stages of the process and that the “budget package” be made available to the Board of Regents prior to the hearings.

President McPhetres suggested the NMC Budget Process be a “new business” item for the next Board meeting. She would like lapses of funds be allocated to the department by which it was generated. Regent Sablan suggested that the present
economic recession will force NMC to cut expenses. The President indicated that she has already appointed a cost-cutting task force. She is also exploring “bulk purchasing” in conjunction with PSS to obtain a better discount on school and office supplies. Regent Manglona proposed inviting a Board of Regents representative to serve on the cost-cutting task force.

**E. Trimester Sessions (Tab 13):** President McPhetres reported that this proposal has been made to the Executive Committee as a means of providing a better quality education to the students, and generating additional income. There are pros and cons to this issue, she said. Since such a change would affect principally the faculty and students, she would like to involve both in the early stages of the decision making process. In general, she reported that institutions which have adopted the trimesters system plus summer are pleased with the results.

Dr. Moir stated that the impact of a program of more intensive instruction will affect both faculty and students. Also considered must be the students’ normal attention span and the fact that the College must allow sufficient time for student reports, projects, and term papers, she said. In a meeting on March 26th the President asked for input from faculty and students.

Regent Manglona estimated that one advantage might be students achieving an A.A. degree in 1-1/2 years instead of 2. However, he wondered what it would mean for the instructors working without a break. Provost Fua responded that an instructor would take vacation leave during winter or fall. He reported that his School of Education faculty are beginning to like the idea. President McPhetres has heard from individual faculty members that some courses are more successful when broken up into smaller units.

Regent Sablan expressed his concern that the College should be working with PSS to reduce the present 90% figure of high school graduates taking remedial or developmental courses at NMC. President McPhetres responded that NMC has worked out a memorandum of agreement (MOA) with PSS administrators to offer remedial English, math and health courses to 11th and 12th grade students during intersessions. She says that NMC plans to help out with placement tests to 9th graders so as to begin early to remedy the situation. She has spoken with Mr. DeNight, Marianas High School principal, who has been very receptive.

Comptroller Harris Lawrence offered his estimate that the trimester system would increase tuition and fees income by about 25% besides improving utilization of existing NMC facilities. Regent Schwarz expressed the opinion that NMC should aggressively pursue the overdue Financial Aid reimbursements, including the funds due the San Diego State University Master’s degree students.

**F. Man’amko Tuition Waiver (Tab 14):** President McPhetres stated that the University of Guam already offers the Man’amko this benefit. It honors our Man’amko and creates good public relations. NMC would propose to adopt the Office of Aging criterion of 55 as the qualifying age.

**G. College Seal (Tab 14):** This item will be taken up at a later meeting.
H. Support Services & Division of Instruction Re-organization (Tab 15): President McPhetres stated that this matter, “new business” today, will be on the agenda as “old business” at the next meeting. There appears to be a need to reshuffle responsibilities, she said.

VI. Miscellaneous: In response to a question of Regent Sablan, President McPhetres said that the CNMI government has indicated that there is no money to implement the new NMC classification plan, even for one year, as approved by the Board of Regents on December 29, 1997. She further elaborated that the PSS reclassification plan was approved by the legislature, not giving consideration to its effect on the College. It has created, she said, a morale problem for NMC. Some instructors have moved to PSS for the sake of a sizable salary differential.

House Bill 11-33, requiring a freeze on government hiring, fortunately did not pass both Houses of the Legislature.

The President stated she is still lobbying for House Bill 11-154, the *Higher Education Act*.

The President announced that she is trying to set up a Board of Regents workshop for May in conjunction with the University of Guam. She said she would survey the NMC Board regarding the best time for them.

Legal Counsel, Jesse Borja, Esq. reported that the transfer of the pledged contribution from the Marianas Visitors Bureau (MVB) may require an additional week.

VII. Executive Session

VIII. Adjournment: 1:00 p.m.