Call to Order: 2:00 p.m.

I. Present

A. BOR Members: Chairman Fermin Atalig, Teresa Taitano, Vince Seman, Abelina C. Cabrera, and Kimberlyn King.

B. NMC Staff and Faculty: Joaquin Sablan, President, Mr. Jesus Borja, Legal Council, Mr. Tony Guerrero, Alvaro Santos, Barbara Moir, Larry Lee, Robert Hegwood, Vince Merfalen.

C. Students

D. Other Visitors and Guests: Mr. Dan Nielsen, Special Assistant to the Governor; Mr. Scott Norman, Representative of Non-public Schools.

II. Chairman’s Remarks and Preliminary Matters

A. The Chairman reported on the public hearing of 13 February 2001.

1. The public hearing (before the Senate) was on House Bill 12-192, a bill for an act "to encourage the establishment of more post-secondary educational institutions in the Commonwealth and for other purposes."

2. Chairman Atalig, Regent Seman, President Sablan and Mr. Al Santos were present.

3. A copy of the chairman’s written testimony is on file.

4. The Chairman interprets testimony given by others to be in line with the college position.

5. Mr. Scott Norman

B. The Chairman reminded all regents to respond to the letter from the Office of the Public Auditor (annual financial disclosure statement).

C. Next meeting of the BOR: Tentative dates are 29 March with the 21 as the alternate.

D. The Chairman thanked the President, staff and faculty who are present for this meeting. He also acknowledged and welcomed Mr. Dan Nielson, the Special Assistant to the Governor.

E. Minutes of 26 January 2001: reviewed and approved.

F. Minutes of 30 January 2001: reviewed and approved.

III. Reports

A. Program Committee; Regent Cabrera gave highlights of the last Program Committee meeting and submitted a written report.

1. There is an open issue with the Pacific R.I.M. Academy… we are still attempting to communicate with them and set up a meeting.

2. Program Committee chair met with Mr. Scott Norman, President of the CNMI Coalition of Private Schools.
a. He gave his support of the NMC position on House Bill 12-192 and offered his assistance on this matter.

b. He also expressed concerns with some of the language contained in the bill.

c. He wanted, also, to share with us what he reported or spoke carefully looking into the higher education specification and the, what he likes for us to work slowly and carefully and not being swooshed by any of those circumstances.

d. There’s also a very important concern… he cautioned us to look into the bottom portion of the bill. It seems that the language removes the President from any input on matters concerning private institutions.

B. Personnel Committee; Regent King gave highlights of the last Personnel Committee meeting.

1. NMC Drug-Free Policy

a. During our last meeting it was reported that the Management Council approved the final draft of the Drug-Free policy.

b. After a review and discussion, the Personnel Committee, endorses and supports the proposed policy. Procedures are still being worked on.

c. **Motion:** to approve BOR Policy 4921, NMC Drug-Free Policy

d. **Discussion:**

i. We are looking into adopting the CNMI policy, instead of re-inventing the wheel. We’re going to take something that has been approved by the AG.

ii. Developing procedures should remain a function of administration.

iii. Legal Council: US Dept of Transportation have the most stringent drug policy in the federal system. If we follow it we may be imposing standards that are higher than CNMI criminal standards [referring to the CNMI drunk driving law].

iv. NMC may want a stronger and stricter policy… i.e. "no tolerance”. The need for a stricter policy is not apparent for an institution of higher education. Dr. Moir suggests that we review the policies of other colleges and universities [in order to promote a standard that is acceptable for post-secondary institutions]. It is clear that there should be no drinking on the job. Perhaps the standard should be "zero tolerance”.

v. There may be an implied or specified need to set a specific minimum standard to maintain compliance with federal program standards.

vi. Random testing should address the needs of safety sensitive positions, but it doesn't mean that everyone will be subjected to it. Examples of safety sensitive positions are operators of motor vehicles and heavy equipment.

vii. Pre-employment testing must apply to all potential employees.

viii. Reasonable suspicion testing applies to all but only under certain circumstances.

e. **Motion unanimously carried.**

2. Update on the NMC compensation plan.

a. The fiscal year 2002 Personnel Budget has been submitted to the Senate and is currently on the floor. The Committee on Education supports the proposal and will recommend approval to the House. As of now, there’s been no action.
b. Mr. Santos reports that as of last week, the House Legal Council was asked by the Floor Leader to render a legal opinion on the BOR ability to establish the pay and classification of NMC employees. In their last session, they said that Public Law 9-53 contains language that empowers the Board of Regents to establish the classification and pay of NMC employees. Some members of the House argued that that is adequate while others believe that a house resolution is needed. Legal Council is looking into the matter.

C. Fiscal & Legislative Committee. Regent Seman reports the highlights of the last committee meeting.

1. The last F/L Committee meeting was 21 February 2001. At that meeting, Mr. Mark Tomokane of the Bank of Guam reported on the efforts to establish an online banking system for NMC. He expressed hopes for a little bit push from the Regent level to get the project going. The President and Comptroller assured me that everything is already running smoothly.

2. It was also reported that the conference on the FY98 and FY99 audits are complete. The findings are similar as previous years... lots of missing documents that cannot be accounted for.

3. Accounts Receivables are currently reported at $1.9 million, a significant drop from the $2.8 million reported last December 2000. Collections in January 2001 alone are over $300 thousand.

4. The Fiscal and Legislative Committee evaluated a proposal for a supplemental budget for an additional $200 thousand for new accounting software. The new software will replace the current and be funded with tuition and fees revenues.

   a. **Motion:** to approve a supplemental budget with an additional $200,000 to purchase a new accounting software.

   b. **Discussion:** none

   c. **Motion carried unanimously.**

5. Regent Seman stated that he has not yet received a copy of the January report on purchase orders processed.

D. President’s Report. President Jack Sablan presented highlights of the month. A written report was submitted.

1. Dr. Moir and representatives from the School of Education have returned from a visit with the Senior Commission where they defended our request for a 4-year bachelor degree in education. We expect a written response from the Commission in about a week and a half.

2. NMC has started a community re-assessment on the three islands. This community re-assessment will basically tells us from the communities stand point on what the community really needs in terms of the college to provide formal education, training or even seminars. So we are scheduled to begin this Thursday here on Saipan. From the publicity of the assessment, we are already beginning to get some responds from the community. They are ready to participate in our meetings. We will be doing Rota on Friday followed by Tinian on Monday.

3. Update on the recruitment and selection for the position of Vice-President. The interview committee has submitted its recommendation. I am currently reviewing it and will be announcing my decision in the near future.
4. The Chairman makes note that CREES did not submit a monthly report. Dean, Ed Camacho stated that he would make sure that all departments (Continuing Education) are on time in the future.

E. The regents expressed the need for the Governor to appoint members to the vacant positions of the BOR.

F. Faculty Senate. Dr. Diana Greenough reports.
   1. Ms. Linda Rowe, Chair of the Constitution Committee, is leading an effort to review and amend the Faculty Senate Constitution. A proposal should be made at the March meeting.
   2. Another Faculty Senate Committee has been working on our Professional Development Day. It would take place on Thursday and Friday, April 26 and 27.
      a. The Administration and the BOR are invited to participate.
      b. Thursday’s workshops include a luncheon followed by a 30-minute open forum with the Regents.
      c. Off-island presenters, who are experts in their fields, will be conducting Friday’s workshops.
      d. The Chairman encouraged all regents to attend. “The forum is where we can interact with the staff and faculty; where we can promote a positive and good atmosphere. We’ll make sure that activities like this, the Board will be there.” The Special Assistant to the Board will coordinate with the Regents for the open forum.

G. ASNMC. Vice-President Chris Cabrera reports.
   1. As of today, there are only two official members that are active in the student council. They are the President and the Vice President. The three other officers have decided to resign due to personal and educational reasons. We were going over some issues with the President regarding this and we were supposed to have an election, however, since our term ends this April, we will leave it as it is.
   2. We are currently planning the next Charter Day… that will be in April. Since this year is the NMC 20th Anniversary, we want it to go out with a bang.
      a. The Regents suggested that ASNMC publicize the Charter Day activities at MHS and Rota and Tinian high schools. This would be an opportunity to market NMC to prospective NMC students.
      b. Mr. Cabrera said he would be on Rota for personal reasons during Spring Break and try to visit with the students there. He stated that efforts to market in Tinian are easier to accomplish.
   3. Elections of officers will take place after Charter Day.

IV. New Business: College Colors.
   A. Mr. Tony Di Guerrero explained the initiative and the options. Mr. Larry Lee assisted in the presentation of the different options.
   B. Background information: In April 2000 the Board approved a new logo but opted not to decide on the colors.
   C. The three choices that were selected by the Management Council
      1. Option 1: red and black
2. Option 2: gold and black
3. Option 3: light green and blue

D. **Motion:** to vote on the three recommended colors and select by majority vote the new NMC colors.

E. **Discussion:**

1. We can fine-tune the color (to a variety of shades of the basic recommendation)
2. Option 3 is the former NMC colors
3. Coming soon is the NMC 20th Anniversary celebration. Publication projects for the celebration are on hold at this time awaiting a decision on the new NMC colors. Time is a critical factor because of Graduation and the 20th Anniversary celebration.
4. The regents expressed concern that the decision should be made by the students. Mr. Chris Cabrera, Student Representative explained that the graduation committee is also awaiting a decision on the school colors. He is willing to conduct a student survey as soon as tomorrow.
5. Mr. Larry Lee explained that his research of the region show that schools use different combinations of the colors blue, gray yellow or gold:

<table>
<thead>
<tr>
<th>School</th>
<th>Color</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marianas High School</td>
<td>Blue</td>
</tr>
<tr>
<td>Mount Carmel School</td>
<td>Blue</td>
</tr>
<tr>
<td>Grace Christian</td>
<td>Gray and blue</td>
</tr>
<tr>
<td>Guam Community College</td>
<td>Blue &amp; gold (or yellow)</td>
</tr>
<tr>
<td>University of Guam</td>
<td>Green</td>
</tr>
<tr>
<td>University of Hawaii</td>
<td>Green and white</td>
</tr>
<tr>
<td>Hawaii Pacific University</td>
<td>Green, blue, and white</td>
</tr>
</tbody>
</table>

6. The designer of the new NMC logo, Mr. Robert Hegwood, recommends the red and black (option 1) because it is a “classic color combination common in Micronesian tradition.”
7. Red could be associated with things that are hazardous or a danger.
8. Expectations of gold are things that are shiny or metallic. In the printing (publications) process, this could be accomplished but it is also more costly.
9. Simple color schemes are better for printing… a maximum of two colors is preferred.
10. A short survey was done with a handful of students. Mr. Cabrera explained the results. Some recommended purple and blue, yellow and black, but most recommended some type of red and black combination.
11. Can it be a brighter red? (referring to the sample) Mr. Lee explained that the shade of red could be altered… at this time we are only seeking to identify the basic color(s).

F. The outcome of the vote is 4 for option 1 (red and black), 1 for option 2 (black and gold), and 0 for option 3 (green and blue)
V. Old Business

A. RFP 01-022:

1. Three companies responded to RFP 01-022 to develop the BOR policy and regulations for the licensing of postsecondary educational institutions in the CNMI.

2. The committee has reviewed the applications and hereby recommends the Pacific Rim. The cost for this contract will be $15 thousand. They not only had a reasonable cost estimate but also are also the most qualified.

3. **Motion:** to approve award of the contract, as announced in RFP 01-022, to Pacific Rim, at the total cost of $15,000.

4. **Discussion:** From where in the budget will the $15 thousand come from? Does the BOR have the money for something like this? At the current budget, it is an unplanned expense that we should be able to cover. The proposal for the next year’s budget includes a request to fund BOR activities. If approved, it could be used to repay NMC for this expense. It could be viewed as a loan from NMC to the BOR. Legal Counsel does not agree that there is a difference… NMC is responsible for BOR needs regardless of what it is.

5. **Motion unanimously carried.**

B. School of Education Building

1. The BOR at an earlier meeting agreed to solicit bid for proposals for this project. Soliciting bids will give us a better idea of actual costs and required timelines for construction. There is no intent, at this point, to commit to any contractor or approve any expenses to the project.

2. The plan calls for the construction of a 2-story concrete building. The building will provide several classrooms as well as administrative offices.

3. Classrooms will be for the Lab School and for Education courses.

4. The proposal will directly support our quest for a 4-year accreditation. It will also significantly reduce our rental expenses over the long-term.

5. Current estimate of the project is $75 to $80 thousand.

6. **Motion:** to approve the design of the proposed building.

7. **Discussion:** if we proceed with the project, funding will come entirely from the School of Education. Partly paid from current rental expenses and partly from tuition and fees generated by the Lab School.

   a. Monthly payments, for principal and interest, are possible so as to reduce any immediate hardships on the budget.

   b. There should be no impact on other NMC programs. Some contractors have expressed the ability to front construction startup costs.

   c. The committee will evaluate other financing options before seeking BOR approval to proceed with the project.

   d. In addition to the regular EAP and PEL, CNMI has an additional incentive for students seeking an education degree.

   e. The more we market our education program and encourage students to pursue a degree in education, the more funds will be available to the School of Education. These funds can be used for facilities improvements and maintenance.
8. Motion carried unanimously.

C. Board policy 5002, Residency

1. In a previous meeting of the BOR, we asked Legal Counsel’s opinion on the proposal.

2. Although the President and Mr. George Pangelinan has explained the situation and the need for a change, Legal Counsel has several concerns.

3. Mr. Jess Borja: “Thank you Madam Chair.” the concerns I have are in regards to several provisions dealing with the different nationalities in different ways. “I just want to make sure that what the Board adopts can survive if tested in court.”

4. The proposed amendment to BOR Policy 5002 was remanded to the President in order for Mr. George Pangelinan to work with Legal Counsel on the issues and concerns.

VI. Public Input and Comments: “I’m just a concerned student. I was the one who submitted the letter about the stateless students. I was wondering under the CNMI laws, does the Board of Regents have the power to change the restrictions (on the non-resident tuition)? Answer: No. Law imposes it and therefore the BOR have no power to modify or delete the restriction. Currently, there is a proposed legislation that is now at the House, that will, if passed, will give the BOR the authority to remove the restriction. It was suggested to await the outcome of the bill. The student agreed. It was also suggested that students speak to their Congressman and to the Senators.

VII. Executive Session: the Chairman reported, for the record, the following:

A. The BOR has no legal obligation to Mrs. Bobbie Sablan and therefore deny her request for reinstatement. Mrs. Sablan, however, is welcome to apply for any announced vacancies at the college. Selection for hire shall comply with normal recruitment procedures where qualified applicants compete fairly.

B. BOR membership was discussed… the Regents will meet again on Tuesday to discuss recommendations for the Governor.

C. There is a legal issue raised concerning the procedures to hire a Vice President. The President will be making the necessary changes to the procedures and defining the role of the selection committee.

Adjourn