Northern Marianas College
Board of Regents

Minutes of the Regular Meeting
NMC-Saipan Campus
10 July 2002

Call to order: 1:40 p.m. (Regent Galvin Guerrero)

I. Preliminary Matters
   A. Roll

   1. BOR Members Present: Chairman Fermin Atalig (arrival delayed due to a meeting with Governor Babauta), Galvin Guerrero, Abelia Cing-Cabrera, Margaret Olopa-Taitano, Vincent Seman, Galvin DI Guerrero, Eloise Purey. Vice-Chair Kimberly Hinds unable to attend because the ferry and airline services to and from Tinian were suspended for bad weather.

   2. Staff and Faculty: Kohne Ramon, Nestor Ablog, Philip Swett, Esther Kapileo, Ignacia B. Villaluz, Jack M. Sablan, P. Vincent Riley, David Dlg. Atalig, Chas Algaier, Bruce Johnson, Al Johnson, Randall Nelson, Janice Tenorio, Faulette Tudela and Vince Merten

   3. Students and other guests: Nayumi Aguon (ASNMC), Jerry Pangelinan (ASNMC), Jack Kiyoshi (ASNMC), and Nathan Sablan (ASNMC).

   B. Agenda: the proposed agenda was approved with the following changes:

   1. Item III.D. Faculty Senate Report moved up to be the new item III.A. All others under Item III are renumbered accordingly.

   2. Item V. Old Business was moved up to be the new Item IV. Item IV. New Business was renumbered as Item V.

   C. Minutes of 6/4/02 approved with the following change: Item IV.A.1.b; the word “hiring” is changed to read “arrival”. The amended version reads: Actual arrival of faculty members...

II. Miscellaneous / Public Input: the Chair opened the floor to public for input. None made.

III. Reports

   A. Faculty Senate; Vince Riley reports

   1. Newly elected Faculty Senate officers are: Vince Riley, President; Danny Wyatt, Vice-President; Reg Newport, Secretary.
b. The software company treats NMC as a single account. Invoices sent to NMC include expenses for both software. Payments are made to the invoice without differentiating to which software it is for. NMC managers and accountants verify the amount of the invoice before approving a payment.

9. NMC is satisfied with the Power Campus software. The Power Campus software should be fully implemented by Spring Semester 2003.

10. The Great Plains accounting software, although not implemented at this time, can be customized to meet NMC needs. Modifications to the software will incur additional costs to NMC.

11. Dr. Moir concurred with the Regent’s assessment of the situation. She takes it as lessons learned and opportunities for improvement. Improvement should start with a chart or map of administrative responsibilities. One person should be assigned the management and overall control of the project.

C. *Motion carried unanimously*

D. Chairman Atalig appoints an oversight committee

1. Purpose:
   a. To assess the situation of the Great Plains accounting software
   b. To develop a corrective action plan and solution.
   c. To report findings and plan, including a timeline, to the BOR. Initial status report is due on 15 August 2002

2. Committee Chair: Regent Vince Seman; members: Regents Eloise Furey and Maggie Olopai-Taitano

3. First meeting of the Committee: 3:00 p.m., 16 July 2002, BOR Conference Room.

Adjourn: 3:40 p.m.
1. The original approved budget for the Great Plains accounting software was $197,000.

2. Actual cost is estimated around $300,000.

3. The software that was purchased is still not functioning. The possibility of recovering payments made to Great Plains is being evaluated.

4. Mr. Frank Oliver, a former employee of NMC, was responsible for evaluating the Great Plains software. His evaluation and recommendation was limited to SQL compatibility and integration concerns. Mr. Oliver evaluated one other software package besides Great Plains.

5. Others involved in evaluating the Great Plains software were Mr. Dave Atalig, Budget Officer, Nestor Ablog, Comptroller, and Mr. Kohne Ramon, Director of Human Resources. Each one evaluated the software for their particular department and needs.

6. There was no single individual assigned the responsibility of overseeing the total software evaluation and acquisition process. As a result, no one monitored or managed total expenditures, training, and implementation of the new software.

7. Regent Furey raised numerous questions about the amounts on invoices and purchase orders.
   a. Records of payments and invoices do not match.
   b. There was a purchase order that did not have complete signatures, but was paid by NMC. PO's over $5,000 require a signature from the Chair of the BOR Fiscal & Legislative Committee. Payment made to this PO was without proper authorization.
   c. Mr. Ablog explained that the amounts shown on the PO's are “just estimates.”
   d. Mr. Ablog and Mr. Dave Atalig explained that payments made to the software company are placed in a retainer account. There is only one retainer account for NMC. As actual expenses are incurred, the software company does a “draw-down” from the retainer account. The software company sends a monthly report to NMC, which is reconciled at the NMC Finance Office.
   e. Regent Seman: “It is alarming that we do not have accurate data on a day-to-day basis on what we are spending.”

8. Some confusion in the accounting is attributed to the fact that NMC is dealing with one software vendor for two separate software programs.
   a. The Great Plains accounting package and the Power Campus software both come from the same company.
to student services, and other student concerns. President Moir has been very supportive of the students and their input.

6. Student Activity Fees: In order to provide more activities for students, AASNMC strongly believes that a majority of the revenues generated by the student activity fees should go directly to student activities.

IV. Old Business

A. ABE adjunct instructors salary scale/chart.

1. **Motion:** to increase the adjunct salaries for ABE Instructors according to the chart provided

2. **Discussion:**
   a. The Fiscal & Legislative and the Personnel Committees reviewed the proposal.
   b. Impact on the NMC appropriations budget is zero... the program is federally funded.
   c. Currently, ABE adjunct instructors are paid less than other adjunct instructors of NMC.
   d. Clarification to the chart: there is no separate salary for terminal or Ph.D. degrees. Instead one salary applies for a Masters degree and higher.

3. **Motion unanimously carried.**

B. BOR Policy 6130 Gasoline and Telephone Cards

1. **Motion:** to amend BOR Policy 6130 as proposed.

2. **Discussion**
   a. Language in the current policy is outdated since NMC no longer have credit cards other than those for gasoline and telephone.
   b. The proposed changes are intended to reflect accurately current practices at NMC.

3. **Motion carried unanimously.**

V. New Business: Great Plains Accounting Software

A. **Motion:** to affirm Dr. Moir's action to freeze further spending on the Great Plains accounting software.

B. **Discussion:**
2. The Faculty Assembly introduced 2 items at their meeting of 21 May 2002:
   a. All fees for Instructional Departments should be accounted for and be kept separately from the NMC general fund.
      i. Instructional Department. (i.e.: Science Class) only receiving materials worth $5,000 - $10,000. Department fees collection approximately $30,000.
      ii. NMC should pay expenses such as janitorial services with other Tuition revenues.
      iii. 100% of Fees collected should go directly to the program or activity for which they are collected.
      iv. Regent Furey asked for clarification on the issue being raised; “Is the issue about setting fees or about the budgeting and expenditure of the fees?”
      v. Regent Seman noted for the record that the BOR Fiscal and Legislative Committee are already looking into the matter. Mr. Dave Atalig, Budget Officer, has until the 31st of July to make a report on the fees issue.
   b. Faculty Senate expressed appreciation for the effort and recommendations of the Registration Committee. They are looking forward to see improvements in the registration process.
   c. Professional Development: Almost $ 9,000 was spent on the same Professional Development Agency in travel and per diem from Rota and Tinian

B. Fiscal and Legislative Committee; Regent Seman reports. The Foundation Board, at their last meeting, elected new officers. Mr. Jerry Tan is the President and Regent Seman is the Secretary/Treasurer.

C. Program Committee:
   1. 2 applications received for licensure of post-secondary institutions.
   2. The BOR Policy on Licensure of Postsecondary Educational Institutions needs to be reviewed and updated. Regent Seman expressed concern about the impact of changing the policy while there are pending applications. Legal Counsel advised that the BOR can decide to apply the changes immediately or only to applicants who submit afterwards.

D. Personnel Committee: The Search and Selection Committee for the position of President received 18 applications. Of the 18 applicants, 7 made it past the initial screening and are scheduled for interview. Interviews of the candidates begin tomorrow.

E. President’s Report
1. An update on the weather and the impending typhoon was provided. The last typhoon had minimal damage to Saipan and Tinian. The Rota report was just received... no significant damage noted.

2. Status of the Summer Session enrollment and revenues was presented – “More local residents are enrolled in summer classes.”

3. NMC is now preparing its 2003 Tuition and Fees budget. Dr. Moir explained the budget preparation process.
   a. Departments have until 15 July 2002 to submit their budget proposals to the Budget Officer.
   b. Guidance given to the departments is aligned with institutional priorities.
   c. Estimated revenue for FY2003 is $2.2 million.
   d. The President anticipates a submission in September 2002 to the BOR for review and approval.

4. The President, Dave Atalig, Chas Algaier and Jack Sablan recently met with the Governor to discuss, amongst other matters, CIP funding for NMC. NMC CIP needs include:
   a. School Of Education Building
   b. Space and facilities renovation
   c. The Governor stated his intent to include NMC in next year’s CIP funding plan. Currently, NMC is not included in the plan nor are they in the Governor’s written CIP priorities.
   d. The Governor discussed a meeting he had with US Congressman Miller and of his support for education and CIP priorities for the CNMI.

5. The President and the Management Council has formed a committee to review the NMC registration process and develop an improvement plan.
   a. The focus will be on customer service and processes efficiency.
   b. Suggestions for improvement include: Adding personnel, organizing for efficiency, training, and a test run prior to registration.

6. The President reported that a proposed CNMI legislation would have an adverse impact on NMC accreditation.
   a. The bill reduces the autonomy of the BOR, which contradicts the standard of no political interference in the operations and management of the college.
b. Legal Counsel has provided an opinion. Dr. Beno, of WASC, is also expected to provide a response and testimonial to the bill.

c. Regent Seman asked if the House has been advised of the concerns. President Moir explained that she would be responding to the House after she gets Dr. Beno’s comments.

7. The President sent a letter to Congressman Hofschneider requesting to meet with him concerning a proposed immigration bill and other issues. There has been no response from the Speaker. Regent Seman offered to contact the Speaker.

8. Chairman Atalig and the President responded, in writing, to the CNMI Board of Education about issues and concerns relating to education in the CNMI. The letter to the BOE suggested a regular collaboration meeting between the two boards (see item III.A.4 of the minutes of 6/4/02). The BOE has not responded. Regent Vince Seman will do a follow-up with the BOE Chair.

9. NMC has received a report and audit recommendations from the Office of the Public Auditor (OPA).

   a. The Comptroller and Budget Officer are reviewing the report. An NMC response is being drafted and should be sent out (to OPA) tomorrow.

   b. OPA recommendations include the development of a procedures manual for the Finance Office. President Moir expressed a plan to make the manual available on-line after it has been developed.

   c. Regent Seman asked for a status report on Vocational Education and all other 10-66 programs. It was suggested that the 10-66 annual report would fulfill the Regent’s request.

F. ASNMC, Nathan Sablan, President, reports

1. Mr. Nathan Sablan expressed his appreciation of the BOR Chairman’s invitation for the students to provide input on the desired qualities and traits of a college president.

2. The budget workshop given by Mr. Dave Atalig was helpful to the students in understanding the process and in developing an actual budget proposal.

3. ASNMC has selected Dr. Dianne Greenough and Ms. Gerri Willis as their advisors. They also requested that Mr. Edwin Propst be an advisor since his position is greatly involved in student activities. President Moir approved the request.

4. ASNMC approved amendments to their Constitution. A copy of the updated Constitution was provided to each Regent.

5. ASNMC has participated in several NMC committees. Through these committees students have provided input on detention, registration, the parking lot, improvements