Call to order at 3:05 p.m.

I. Preliminary Matters

Roll call:

**Board of Regents:** Regent Kimberlyn Hinds, Regent Galvin Guerrero, Regent Eloise Furey, Regent Margarita Olopa-Taitano, Regent Jose Sablan, Regent Abelina Cing-Cabrera and Regent Danny Wyatt.

**Legal Counsel:** Jesus C. Borja

**NMC:** President Tony Deleon Guerrero, Al Johnson, Kurt Barnes, Raajkumar Kurapati, Jack Sablan, Elsie Dlc. Halstead, Duane Sablan, Nathan Algier and Reina Camacho as recorder.

II. Public Input/Miscellaneous.

President Deleon Guerrero said this is the first meeting held by the Board since NMC received the notice of the removal of warning status.

III. Old Business

**FY 2006 Budget**

- Regent Guerrero said the Fiscal-Legislative Committee met earlier and is ready to recommend the adoption of the budget, thus he move that the board adopt the FY 2006 Budget Proposal for Office of Management and Budget. The proposal reflects the implementation of the 1999 compensation plan. Regent Furey seconded the motion.

**Discussion:**

1. Regent Guerrero said it also proposes some additional FTE’s, particularly three for Student Development, six for Academic Programs and Services and one for Finance and Procurement. The justification is for those provided to the Regents at the Fiscal-Legislative Committee meeting. For the record, several options were discussed and the board chose this option based on the recommendation given at the meeting held on Rota to be align with previous board actions and recommendations; and that this is part of the next step towards reevaluating and updating the compensation plan to reflect 2005, inflation and the like.

2. Regent Wyatt added that was started to be implemented but placed on hold.

3. Regent Guerrero suggested for future budget considerations, a justification for the entire budget, particularly on how we allocate resources. Based on our accreditation, we need to use our priorities based on what we give our resources to. Perhaps in the future a narrative describing the decisions made, why were increases or decreases were made. Why are we passing the budget that we are?

4. President Deleon Guerrero clarified if Regent Guerrero wants justifications for all positions, as the practice is currently justification for new positions?

5. Regent Guerrero said part of the accreditation process is the constant self-evaluation or reevaluation. It make sense to include the evaluation in our budget process.

6. Regent Wyatt said this is part of making our decision tied to the accreditation/assessment process. So, we’ll need to start providing documents on why we decided what. You’ll see that more next year because the assessment process is still in the beginning.

7. Raajkumar Kurapati said we’re still trying to incorporate the consolidation budget process. We have a thorough process and justification for the tuition and fees budget and we’ll have it for the appropriations budget next year.

8. Regent Guerrero said we have justifications for new positions but not for the status quo. We assume that the status quo is good and that’s a false assumption; it’s misleading. We need to take a look at how we spend on average for faculty and on staff. It seems we spend only 31.5 percent for faculty on the 10-66 budget. If you look at the human numbers, there’s a one to two ratio for faculty to staff. That’s why this justification and ongoing assessment is important.

Adopted on March 10, 2005
9. Duane Sablan said the Staff Senate held a meeting to discuss the PBEC recommendations. We viewed it and recommended using a tiered system which is what the ‘99 structure addresses.

10. Regent Wyatt said we’re interested in seeing the ‘99 compensation plan. While it has its flaws, it’s still better. It’s also stronger case to present to the legislature, saying that we’re completing what we’ve started. This is preferred over the six percent raise; the word raise will raise concerns.

   Vote: Aye – all. Oppose - none. Motion carried.

Comments:
11. Regent Guerrero suggested the leadership develop a strategy to ensure it's not a lame duck budget.
12. Regent Hinds said this is a step in the right direction, dependent upon the availability of funds. This is something that we’ve kept on hold and we need to work aggressively to see it come to fruition.

IV. New Business
   None.

V. Executive Session
   None.

VI. Adjournment
   Meeting adjourned at 3:17 p.m.