BOARD OF REGENTS
Regular meeting
Board of Regents Conference Room, NMC Saipan Campus
Thursday, April 26, 2007
3:39p.m

Call to order at 3:39p.m.

I. Preliminary Matters
   A. Roll Call

| Regent Chair Dr. Inos         | Tee Abraham  |
| Regent Vice-Chair Charles Cepeda | Dr. Michael Reber |
| Regent Elaine H. Orilla       | Robert Churney |
| Regent Malua Peter            | Bree Reynolds |
| Regent Linsa F. Lizama        | John Furey    |
| Regent Joey P. San Nicolas    | Lee Bowen     |
| Honorary Regent Frank Sobolewski | Bobbie Hunter |
| Jeanette Villagomez, Acting President | Moneth Deposa/ Marconi Calindas |
| Jesse C. Borja, NMC Legal Counsel | Martin Camacho- Student |
|                                | Glenn Keaton  |
|                                | Simon Habegger |
|                                | Lynda Rowe    |

B. Review and Adoption of Agenda
   A. Item 5 (Old Business) – Marine Vessel
   B. E: Recommend to place first in the agenda discussion and everything else will follow as is.
   C. Recommend changes on items 7 and 8 in the agenda – Executive Session becomes item#7; Presidential Selection becomes item#8.
   D. Vote: Regent Orilla, Second Regent Peter: Unanimous

C. Review and Adoption of Regular Meeting minutes
   A. There are no minutes to review at this meeting; therefore, there would be no adoption of minutes.

At this point, the Chairperson welcomed everybody who was present for the meeting and members of the public were also given a slot in the agenda for the opportunity to address the Board on any issues on the agenda and even issues that are not on the agenda but within the jurisdiction of the Board. She encouraged the public to take the opportunity on Item 3 of the agenda, section public comments, to hear issues or concerns to be heard by the NMC Regent members. The
Chairperson also thanked the acting president, Dean Jeannette Villagomez for her leadership in carrying the acting ship position for the Northern Marianas College for the past weeks.

II. Miscellaneous
   A. Correspondence
      A letter that the Chair and Acting President Danny Wyatt jointly wrote to the Honorable Governor Fitial recognizing the concerns of the NMC Budget and asking for support in terms of addressing the NMC Budget.
   B. The Joint Meeting between the Board of Education and the NMC Board of Regents that was supposed to occur was postponed. Communications were made by the NMC Board of Regents Chairperson to the Chairman of the State Board of Education about scheduling a tentative date for the joint meeting during the summer.
   C. The Senate approved H.B. 15-242, House Draft #5 restoring budgets back to NMC. Senate also approved H.B. 15-255, House draft #3, and supposedly on its way to the governor for signature.
   D. Thank you letter from Ben Babauta, President NMC Foundation, giving NMC thanks for our thoughts and prayers during the passing of his father.
   E. Invitation to the Joint Legislative session to receive the State of the Commonwealth Address and Report of the Resident Representative to the United States, Friday, April 27, 2007 at 9:00a.m. Governor Pedro P. Tenorio Multi-Purpose center in Susupe.
   F. NMC Foundation – Mr. Mark Mendiola, Special Asst. to the Board discussed the NMC Foundation Sponsor dinner, which was hosted by the former NMC Foundation President, Mr. Jerry Tan. The dinner was to thank the donors for the 5th Annual Golf Tournament. Furthermore, there were about $90,000 dollars in contributions for the golf tournament. The target was set for $70,000 dollars and it was exceeded by $20,000 dollars. Mark thanked the committee members and the foundation leadership President, Ben Babauta, Vice-President Mike Von Siebenthal, Joanna Pai, and George Fleming for their support. These members have solicited these ECT contributions on behalf of NMC and the overwhelming support received from the business community is greatly appreciated. All members were invited to attend the sponsorship dinner. The golf tournament will take place on Saturday at the LaoLao Bay Golf Resort with the show time of 6:00 am with a go time of 7:00a.m. There are about 120 golfers registered for the golf tournament, and the foundation members are hopeful that it doesn’t rain. Finally, a banquet dinner for the golfers will be held later in the evening.
   G. Postsecondary Licensing – The Chairperson will not include the correspondence as an official document that will be noted for this. She explained that it has been difficult trying to differentiate the roles of this board. One specific role is being the Board of Regents for Northern Marianas College and another role that is assumed (all the same people) minus the NMC honorary members is the Higher Education Board of Regents for Licensing of any other institution (higher education in nature). Dr. Inos wants to make sure that the board does perform two different roles and two different functions and sought the help from those listening to help the board in propagating the information to the public of the two different boards’ roles.

III. Public Comments
   A. Honorary Faculty Regent Frank Sobolewski wanted to know what the college plans to do should the federal minimum wage bill become law. Would this impact NMC in terms of its contractual employees, its contract of employees with others?
Dr. Inos solicited from Frank Sobolewski if he would be able to share his concerns to the members when he reports under the Faculty Senate. He explained that he is just speaking on his own as a public member.

IV. Reports

BOR Standing Committees

a. Program Committee – On March 19, 2007, the committee met and present at the meeting was committee chair Regent San Nicolas, Regent Elaine H. Orilla, Acting President Villagomez, Dr. Michael Reber and Mary Anne Campo. At the meeting, the fee for ED320 was discussed. The fee for the supplies that were required for the class was deemed too high, therefore, the committee was requested to review the fee for the class. The issue is whether or not the fee should be rescinded and whether those students who paid the $300 dollar fee should be given back that money. It was agreed by the committee to request the board to rescind that $300 dollar fee for that particular class, and the $300 dollars that was paid by the students be refunded.

b. Personnel Committee – On March 28, 2007, the joint Personnel and Fiscal committee meeting was conducted and the Chairperson for the Fiscal committee will be the one to address the fiscal part of the report. In an update from the Acting Human Resources Director, Ms. Bobbie Hunter on vacancies and recruitment: With respect to the Presidential Search, the board is in the final stage and, hopefully, the search for a new President will be completed soon. The last three candidates have been interviewed and it is hopeful that the members will make their final decision. Regent Orilla explained that she is supposed to make a recommendation to the full board on the organizational chart; however, she is recommending that this matter be tabled until the new President is on board.

c. Proposed HR Policies – Regent Orilla recommended tabling the proposed human resources policies; legal counsel is assisting the personnel committee. Attorney Linda Waugh is still reviewing the proposed policies and procedures.

d. Fiscal Committee – One of the items that was discussed in the joint legislative meeting was the recommendation from Honorary Regent, Frank Sobolewski, to discuss this matter with the board to recognize an NMC graduate that received the Truman Scholarship award.

e. One of the items in the agenda is the CFO’s report, highlighting the financial condition of the college and there were a lot of concerns with the faculty, staff and students enrolled. Raaj (CFO) spoke about the endowment fund and how it’s very healthy at this moment by $170,000 dollars. Regent Cepeda shares the sentiment of the personnel committee chairperson regarding the proposed organizational chart changes and to recommend tabling it at this time. The last item is the Marine Vessel and it is in the agenda for the Board of Regents to have an opportunity to ask questions regarding this matter.

f. Legislative Committee Report – no report at this time.

(So noted that Dr. Inos at this time recognized the presence of Board of Regent member Linsa Lizama)

g. Acting President – NMC has been busy celebrating “College Month.” There were several high school visits, various activities by the departments, and Charter Day, which was well attended. She also noted that summer registration is ongoing at this time, two-week open registration for ongoing students, which will end on April 27,
2007. Open registration is also coming up on May 15, 2007. Graduation is around the corner, May 19, 2007. There are three potential AA degree Valedictorians and there are three also from the Baccalaureate program with 4.0, pending the submission of the final grades. The Acting President indicated that there would be about 200 graduates, which include 40 from the adult school, and 40 from the Baccalaureate program.

h. Faculty Senate – The President, Frank Sobolewski, indicated that his report is in the packet and there’s only one update to that in the list of faculty senate members. Susan Satur retired from the college effective April 20, 2007, so she is no longer a member of the faculty senate.

i. Staff Senate – No update for now. So noted, Report is contained in the BOR packet and has been reviewed and accepted by this body.

j. Associated Students of NMC - No written report submitted. Noted that the student representative be advised to sit in all the meetings as much as possible.

V. Old Business

A. Marine Vessel

A brief introduction made by BOR Vice-Chair Cepeda with regard to the Marine Vessel request. He indicated that because there were some questions from the board that were presented at the earlier fiscal committee meeting, it was recommended to present this matter to the full board. He added that Mr. Furey would be more than happy to do a short presentation and also provide the board with a report of the efforts that they have been put into this project.

Mr. Furey informed the board that the report includes all of the data that has been passed through the college program. In the report you can find a complete timeline, a comprehensive discussion of calculations and cost estimates, documentation of the professional engineering evaluation, and the number of students that would use the vessel on an annual basis. A list of the concerns, questions, comments indicated at the meeting are as follows:

1. Mr. Furey indicated that one of the concerns the board had was whether or not the project is being supported by the whole department. Mr. Furey explained that included in the application are details of both grants that are cosigned by several members of the department, namely, Mr. Glenn Keaton, Department Chairperson, Andri Kozij, Lee Bowen, Simon Habegger, and Bree Reynolds. The members were available to answer any questions that the board might have regarding the project.

2. Regent Vice-Chairperson, Charles Cepeda indicated that there were a number of things mentioned by the Acting President but one of the things that really stood out from the last Fiscal & Legislative committee meeting was that the Acting President did not support the purchase of the Marine Vessel in light of the financial condition of the college.

3. The Board of Regents concerns are mainly due to the financial constraints facing the college.

4. Regent Vice-Chair asked if only a certain number of students would be benefiting from this purchase.

5. Regent Orilla asked how the Marine Vessel would deal with Operations and Maintenance cost. Mr. Lee Bowen explained that as far as the mechanical
maintenance goes, he is volunteering his time to do it, and the cost for oil, fuel and other supplies can be taken care of through the book sales operational fund.

6. Regent Orilla asked how old is the vessel? Mr. Furey responded that it was about 30yrs old. Mr. Bowen explained that the age of the fiberglass is inconsequential. The major problems with boats are mechanical (engines, transmissions, propeller shaft). The engines were recently changed and upgraded.

7. Mr. Furey indicated that one of the concerns that the College Council had was how would they deal with the operations and maintenance cost. He explained that when the College Council approved the marine vessel purchase by a small majority, the operations and maintenance cost was still an open question because at that time their plan for dealing with it had not yet come into the picture. Mr. Furey added that they had a plan on how to deal with those costs but they did not have those funds in hand. He insisted that you can’t write a federal grant for a boat that you don’t have. So, that is why they had to come up with a mechanism for a source of funds that were already in the account. Once the vessel is purchased, they will be able to continue to write federal grants. One grant is expected this summer, which would pay for the first half year of operations funded by federal grants. Book sales will be reserved for additional needs.

8. Mr. Furey also indicated there was also a question about whether or not they would be able to obtain federal approval for the plan and would they actually follow through with their plan.

9. Regent Vice-Chair, Charles Cepeda asked if the group has a plan. Mr. Furey explained that the College Council set up an economic sub-committee of the College Council to look at several different funding options. This was to plan the first two years of procurement on the basis of the sales of the textbooks and they were able to make the sales. To date, they have $30,000 dollars of textbook sales.

10. Regent Vice-Chair, Charles Cepeda asked if this is a priority that the college should even be looking at, and should the efforts to get this funding be put into more than one percent of the college’s total student population that the vessel can accommodate? Ms. Bree Reynolds, a Junior high school science teacher and NMC marine biology adjunct instructor, explained that there are a lot of benefits and opportunities that will be gained from operating the vessel. For example, related field trips, training opportunities for the college to start looking at ways to connect sciences with Criminal Justice for training law enforcement officers, to provide easy and fast services by having an equipped lab to get to all three islands, teachers will be willing to pay a fee to be able to use the vessel in the summer for professional development, and she recommended to the board to consider all the opportunities that are available.

11. Regent Orilla asked if there would be a need for local funds. Mr. Furey explained that there are enough funds in the federal account at NMC to cover 700 days.

12. Regent Peter wanted to know if there would be other adult chaperones. Mr. Furey said that there are always going to be adult supervision for the trips.

13. Regent Peter asked if any alcohol consumption was occurring on the boat. She emphasized that because this would be NMC educational fieldtrips, no liquor should be allowed on the vessel at all times.

14. Regent Peter asked who would be responsible for any liability dealing with the students and faculty/staff on board the vessel.

15. Regent Peter asked if volunteers would also be insured by the policy.
16. Regent Orilla asked if there is a certified captain working for the college. Mr. Furey informed the board that Robert Suzuki, who is an employee of the college, would be able to captain the vessel anywhere they need to go for the next several years. In addition, Mr. Furey’s lab assistant Mark Camacho just recently finished his captain’s license with the Coast Guard and will be trained by Robert.

17. Regent Vice-Chair Cepeda asked what the status with the Marine Center is and will there be future plans for the center?

Dr. Inos indicated that there has been enough discussion on this matter. She thanked Mr. Furey, Mr. Keaton and everyone that came for the presentation because this is really very important for everyone to understand to be really secure in whatever action the board decides to take. There is no distinction or disagreement on the value of the curriculum and the use of the vessel in augmenting and in enhancing the knowledge that will be gained by NMC students. Dr. Inos explained that the board is concerned foremost that because of the present economic times, that investment that the college makes be done wisely and carefully.

After much discussion, the motion to approve the marine vessel was withdrawn at this time and a motion was made by Vice-Chair Cepeda that the marine vessel be revisited at a Special meeting within a month. The motion was seconded. The motion passed.

B. WASC Update
   A. Progress reports and the required annual report have already been sent to WASC.
      a. On March 30, 2007 the progress report was submitted to WASC and NMC has a deadline of June 01, 2007 to update WASC with any new issues. On October 15, 2007, there will be a WASC visit and the WASC’s to response to that visit will be by January 01, 2008. So, between the October 15th visit and the December 30th WASC meeting, the objective will be by update WASC with any new issues, but the main goal is to get off the probation as quickly as possible.

So noted, to provide progress reports for BOR members perusal.

C. Proposed Organizational Chart, Proposed HR Policies and Changes to Procurement Policies -
   A. Regent Orilla motioned to defer the three items listed above for the next board regular meeting. Seconded Regent Cepeda. There were no objections. The motion passed.

VI. New Business
  A. ED320 Course Fee –
     Regent San Nicolas motioned to rescind the ED320 Course fee of $300 dollars. The motion was seconded. The motion passed.

Discussion: A brief synopsis was given by the Director of the School of Education, Dr. Mike Reber on the issue of the ED320 Course fee reimbursement.

For purposes of discussion Regent San Nicolas motioned to reimburse the course fee charge to the students. Seconded Regent Orilla. Discussion:

1. In the past, the faculties were going out to the National Office Supply and to other vendors putting packages together for the students.
2. At that time, negotiations or discussion were not completed with the bookstore in trying to put together a packet with a better price for the students.

3. In fall 2006, five marked packets were actually bought and then three students bought the supplies piecemeal at different places, some students shared with other students. So, a total of nine students paid $300 dollars last semester.

4. In the past, students were buying the $90 dollar packets from the NMC Bookstore and were being charged the $300 dollar course fee.

5. The ED320 Course fee of $300 dollars should have covered all the materials needed for the course and the bookstore should reimburse students the $90 dollars in overcharges.

6. A Request to reimburse the $90 dollars.

After much discussion, the reimbursement motion was withdrawn and the board requested that the CFO conduct a financial review of the $300 dollar course fee and $90 in overcharges. The Chair asked that the Acting President conduct a thorough review of the issue and that the board be given an appropriate recommendation on how to resolve the issue.

B. New Bank Accounts
   A. Regent Cepeda motioned for the approval to open new accounts at the Bank Pacific and First Hawaiian Bank. Regent Orilla seconded. The motion passed by a unanimous vote.

VII. Presidential Selection
   A. Regent Elaine H. Orilla stated that after reviewing the credentials of the three remaining finalists and considering all of the materials presented to the board and the Presidential Search Committee including comments by the community and people listed as references, the committee is proud to recommend and motion that the board select Dr. Carmen F. Fernandez as the next President of the Northern Marianas College. The motion was seconded. The motion passed.

Chair Dr. Inos thanked the staff, faculty, students and the community for allowing the board the time to deliberate and look for a leader for the NMC community. The board has done its best under the circumstances and asked for the unity of heart, mind and hands to work together to improve the image of Northern Marianas College and go far beyond the capacity of NMC with a new beginning.

A roll call for this particular board action is as follows:
   A. Regent Linsa F. Lizama – Yes
   B. Regent Malua Peter – Yes
   C. Regent, Vice-Chair Charles Cepeda – Yes
   D. Regent Joey P. SanNicolas – Yes
   E. Regent Elaine H. Orilla – Hunggan (Yes)
   F. Regent Rita H. Inos – Hunggan (Yes)
   G. Regent Elosie A. Furey- Excused Absence

VIII. Executive Session
   B. No items Addressed
IX. Adjournment

- Motion: Regent Orilla
- Seconded: Vice-Chair Cepeda
- Unanimous

The meeting adjourned at 7:00 p.m.