MINUTES OF THE REGULAR MEETING
of the
Board of Regents
Friday, July 18, 2008
3:35pm

PRELIMINARY MATTERS

PRESENT:

Board of Regents: Acting Chairman Charles Cepeda, Chairperson Dr. Rita Inos via VTC Rota NMC, Regent Elaine Orilla, Regent Janet King, Regent Agnes McPhetres, Regent Maria (Malua) Peter, Honorary Staff Regent Rep. Joyce Taro, Honorary Student Regent Ivan Mereb, Honorary Faculty Regent Rep. Eric Plinske.
Absent/Excused: Regent Linsa Lizama

College Staff and Faculty: NMC President Dr. Carmen Fernandez, Office of Institutional Effectiveness William Castro, Dean of Student Services Daisy Villagomez-Bier, Tinian Program Coordinator Maria Aguon, Accreditation Liaison Officer/Dean of Academic Programs Dr. Debra Cabrera, Director of Information Technology Adrian Atalig, Program Coordinator Rota Martin Mendiola, Dean of Community Programs & Services Tee Abraham, Student Support Services Director Janice Tenorio, BOR Special Asst. Mark Mendiola, Acting CFAO Marylou Ada and Helen Camacho, OIA (Recorder).

Others: Legal Counsel Jesse Borja

I. OPENING PROCEDURES

A. Welcoming Remarks by Acting Chairman Charles Cepeda.
   1. Roll Call: Acting Chairman Charles Cepeda called roll call. Six members of the Board of Regents were present.
      Absent/Excused: Regent Linsa Lizama
   2. Review and Adoption of Agenda –
      Motion: Regent Peter motioned to adopt the agenda with changes as recommended by Regent McPhetres. The amendment is to add under agenda item number four Old Business #4(c) Miscellaneous and to also switch item 4(a)WASC Update under Old Business with item 4(b)BOR Meeting via VTC and other modes.
      Second: The motion was seconded by Regent Orilla.
      Vote: Unanimous.
   3. Review and Adoption of Minutes –
      Motion: Regent Orilla motioned to adopt the following Board meeting minutes:
a. February 07, 2008 – Regular Meeting
b. February 26, 2008 – Special Meeting
c. March 13, 2008 – Special Meeting
d. March 19, 2008 – Special Meeting
e. April 10, 2008 – Special Meeting
f. April 15, 2008 – Special Meeting
g. April 29, 2008 – Special Meeting
h. June 12, 2008 – Special Meeting

Second: The motion was seconded by Regent Peter.

Discussion:
Regent McPhetres made the following recommendations, changes to the BOR meeting minutes:

A. March 14, 2008 meeting minutes – To have the minutes reflect that the BOE Chairperson Lucy Blanco listed in the attendance under others.

B. For Clarification purpose only – March 14, 2008 meeting minutes under Old Business (WASC Report) – Regent McPhetres is confused whether the sentence should read “Commission” or “Board.”

C. May 02, 2008 meeting minutes – On page 4 of the agenda, change the sentence to read “Welcoming remarks by designated Regent to chair the meeting”

D. Regent Dr. Inos – change to Chair Dr. Inos on all BOR Meeting minutes

E. June 12, 2008 Meeting minutes – did not reflect the members that were absent (Chair Dr. Rita Inos and Regent Linsa Lizama).

F. June 12, 2008 Meeting minutes – item c on page 2, the date is wrong (should not be July 04 but should be June 04).

G. June 12 Meeting minutes – not appropriate for the President to be apologizing for herself but Acting Chair Cepeda explained that the President was apologizing on behalf of the staff.

H. BOR Meeting Minutes should be submitted for review and adoption by the Board after each board meeting.

I. Chairperson Dr. Rita Inos requested that consistency is reflected in all minutes and not just on those stated recognizing the absent members.

Vote: Unanimous.

So noted, February 07, 2008 meeting should be Regular Board Meeting instead of Special Meeting.
II. PUBLIC COMMENTS/MISCELLANEOUS

ASNMC President Ivan Mereb informed the Board that the Upward Bound is celebrating its 25th Anniversary this evening at the Saipan Grand Hotel at 6pm and everyone is invited to attend.

III. REPORTS

A. BOR Standing Committees

- Chairperson for the Program Committee Regent McPhetres informed the Board that the Program Committee held its meeting on April 10, 2008 and at this meeting, President Fernandez provided the committee with a detailed Comprehensive Action Plan (CAP) as requested by the Board at its last meeting. The CAP is designed to guide activities aimed at addressing each recommendation presented in the action letter of the commission. The meeting was primarily aimed at discussions in terms of addressing all of the program recommendation. Regent McPhetres also mentioned that the intended program services outcome was drafted and request to meet with Dr. Cabrera to discuss the assessment.

- President Fernandez that she is going to organize a Program Review Committee as soon as possible.

B. President

- President Fernandez provided the Board with a report on summaries of activities, WASC progress and on the Capital Action Plan.

- NMC Master Calendar 2008 – President Fernandez requested the Board to review the dates for the proposed BOR Meetings. She listed down the calendar of events and important dates for the Board of Regents.

- Regent McPhetres mentioned that the Program Committee should meet in early August for self-evaluation and for the President’s evaluation.

- President Fernandez informed the Board that the purpose of the NMC Calendar is to highlight events that take place amongst the NMC Community.

- President Fernandez listed some Fundraising efforts such as an application for a grant of $330,000, which helps students become interested in College and also helps them with College success. She also apprised the Board of two scholarships from the Association of Marianas Island Mayors (in progress) and also from the First Hawaiian Bank Marianas Business Journal Scholarship

- The Northern Marianas College Foundation Golf Tournament raised $93,000.

- Dean of COMPASS Tee Abraham informed President Fernandez that the 300K grant was approved.

- President Fernandez informed the Board that the College has benefited from the Workforce Investment Agency Program. There are four full time employees working that are doing a wonderful job.

- NMC participated in the Senior Community Services Employment Program and there are Tinian seniors working for the NMC CREES Program

- Honorary Faculty Regent Rep. Eric Plinske talked about having a backup generator for Bldg. W.

- President Fernandez reported that Dean Abraham has completed the grant application and ready for submission. The Office of Insular Affairs have been very supportive to the Colleges needs and she is hopeful that through the approval of this grant, the College can procure a generator to support those buildings that are without.
Regent King mentioned that some members of the Legislature are very interested in the Northern Marianas Trades Academy.
President Fernandez explained that Tony is starting a program modeled after the school on Guam (Guam Contractors Association). The main goal of the program is to supplement the much needed trades profession that is lacking in the Pacific.

C. Associated Students of NMC
ASNMC President Ivan Mereb gave the following highlights on ASNMC progress during the summer. ASNMC has been actively working during the summer doing both recruitment and holding fundraising events. President Mereb also informed the Board that on September 12, 2008 will be election of officers and ASNMC’s 21st Anniversary.

D. Faculty Senate Eric Plinske
Faculty Senate Regent Rep. Eric Plinske informed the Board that they are mainly focused on Professional Development days.
- Faculty Senate President Frank Sobolewski will be back in August
- Faculty Contracts will be discussed at a later date
- Election of senate member occurred. Frank Sobolewski was elected President for another year (2nd Term).

E. Staff Senate
Honorary Staff Senate Rep. Joyce Taro reported that nominations for Staff Senate are ongoing and elections will be conducted soon.

F. CFAO Financial Report
Acting CFAO Mary Lou Ada provided the Board with a comprehensive CFAO report that detailed the financial position and human resource capacity of the college. In addition, the CFAO reported that the Governor assumed the responsibility of the retirement issue that has been an audit concern. The CFAO further reported that the college would end the fiscal year in a sound financial standing.

Financial Status:
- The College’s financial statement was completed on June 30, 2008 and submitted on time.
- The College’s Endowment Fund for 2007 has appreciated in value of $511,000.00
- On June 24, 2008, the CNMI Governor confirmed that the CNMI central government agreed to assume the liability of the Retirement Fund contribution from October 01, 2005 thru September 30, 2007 totaling $2.5 million. The retirement contribution deficiency will not be reflected in FY2007.
- CFAO Ada reported that the financial statement indicates that the College is operating well within its means.
- Total revenue of $11,085,124 as of July 18, 2008 (total revenue counting federal, general, special, Voc Ed and appropriation from the local government).
- Total expenditure is $11,085,124.
- The College remains fiscally sound and commended the staff and faculty for their efforts.
Human Resource Capacity: October 2007 to Present
The CFAO stated that the College continued to search, recruit and hire quality Faculty, Staff and Administrators. She mentioned that 32 employees have separated from the College and the college has hired 33 new employees within the budget ceiling.

- Resignations/Separations: 32 employees
- Recent Hires: October 2007 to Present – 33 employees
- Active Recruitments – 11 critical positions (Instructor, Physical Sciences, Instructor for Social Sciences, Administrative Manager II, Extension Agent II, Director Library Programs & Services, Registrar, Instructor for Psychology, Administrator Manager for SS, Instructor for Language & Humanities, Academic Librarian).

Cash on Hand:
- CFAO Ada reported that the College has about $328,306 cash on hand as of today.
- Reserve funds of $6.4 million to date.
- Statement of revenue and expenditures as of 7/14/08 is $1,090,093.
- Estimated monthly revenue is $1,011,918.
- CFAO Ada informed the Board that the Compact Impact fund of $307,000 is expected to be in our account in a couple of days.
- OMB is showing for the FY2007 that the College has about $1.4 million left in the appropriated account. The College will end the fiscal year on a positive note.

Smith Barney Report:
CFAO Ada informed the Board of Regents that the money managers of the NMC Endowment Fund will be presenting and reporting to the Foundation Board the health of the Endowment fund. She provided the Board of Regents a summary report of the Endowment Fund in her written comprehensive report. The NMC Foundation Board plans to meet on August 06, 2008.

Results of the Audit:
CFAO Ada reported that as a result of the audit, they have responded to all of the audits and she is confident that the findings will be reduced.

Acting Chairperson Cepeda asked when the audit report from Deloitte & Touche be completed. Acting CFAO Ada responded that the College requested for an exit conference with college officials and is expediting all corrections.

Break called at 4:40pm
Back at 4:45pm

IV. OLD BUSINESS

a. BOR Meeting via VTC and other modes
   Motion: Regent Orilla motioned to adopt the BOR Policy on meetings via VTC and other modes as presented to the Board by the President and Counsel Borja.
   Second: The motion was seconded by Regent Peter.
   Discussion:
Regent Peters inquired if the policy was allowable if the Regent is away from the CNMI.
Acting Chair Cepeda stated that the policy addresses that concern and that the VTC and other modes are allowable if the Regent is away from the CNMI.

Regent Orilla stated that regents could participate where there is a communication tool or device that can link the regents to the meeting.

**Vote:** Unanimous

**b. WASC Update:**
President Fernandez provided the Board with a task schedule that included the activities of the Board in relation to accreditation matters. President Fernandez highlighted the important meeting times and dates for the Board.
- President Fernandez reported that the college community has been engaged with the accreditation consultants and that they are pleased with the dedication and commitment of the NMC community.
- President Fernandez informed the Board that the Governor approved the 800K CIP funding for critical repairs and upgrades of the existing facilities to meet accreditation standards.
- President Fernandez reiterated the support of the Governor and Secretary of Finance Eloy Inos in assisting NMC resolve a major audit finding with regards to the retirement contributions of NMC employees.
- President Fernandez reassured the Board that her administration is pushing for clean audits of all NMC activities. She stated that corrective actions have been taken to ensure that all audit findings are addressed and dealt with in a timely fashion.
- President Fernandez reported that the accreditation commission accepted the WASC Report that was submitted on June 15th.
- Regent King inquired if the President had met with the auditors regarding the recent audit findings. President Fernandez responded that there would be an exit conference scheduled where the college could address some of the findings and reduce the findings of the report.
- President provided task schedule for the Board and it follows the calendar of events.
- Regent meetings were highlighted
- Consultants are pleased to see that the NMC community is dedicated to working hard on the Oct. report.
- We got 800k CIP approval from the Governor
- RFP are being prepared for contactors for improvements of facilities
- Thank Sec. Eloy Inos for assisting NMC on the retirement issue.
- Addressing Audit with corrective action plan
- Pushing for a clean audit, procurement, travel, bookstore, and staff is improving the system.
- Commission accepted the WASC June 15 report. And we need to include resolution on 2007 findings.
- Regent King inquired if the Board has
- Acting Chair Cepeda explained that the Board has met with the Commission prior to the submittal of the June 15 report to the WASC officials.
c. Miscellaneous
   □ Regent McPhetres highlighted some concerns. The College has entered into a contract
   with GCC for $50,000 to train faculty and staff. This is a milestone because the College
   has always worked at strengthening the employees. In addition, the College has a
   contract with Mr. Castro to set up the Program Assessment to establish the basis for
   student outcomes. She also talked about the implementation of the Power Campus
   Software. Regent McPhetres was concerned and does not want to see the Power Campus
   software terminated because when Dr. Wright became president, he terminated it. She
   does not want to this reoccurring in the future.
   □ Regent McPhetres would like the College to utilize other experts within the College
   community (staff and faculty) particularly the School of Education.
   □ Regent McPhetres indicated some differences in the Human Resources Policy.
   □ Chairperson Dr. Rita Inos agreed with the comments made by Regent McPhetres and
   would like to see that practices are institutionalized that the Board would like to see
   happening. In future meetings, policies and regulations should be reflected accordingly.
   □ President Fernandez explained that the goal is to make program review and assessment
   an everyday part of the institution.
   □ Regent McPhetres is hopeful that the Personnel Committee will really look closely at
   these issues because a lot of the lawsuits are based on that.
   □ Acting Chair Cepeda commented that the Board be given the same and correct policies.
   □ Regent McPhetres recommended that the Chair of the Personnel Committee take a good
   look at the Human Resources policy to ensure that it corresponds with the board’s
   actions.
   □ Chairperson Dr. Rita Inos suggested that all BOR Policies are placed on the NMC
   website that could be viewed by all. On the Academic Freedom comment made by
   Regent McPhetres, Dr. Inos would like to see that the Board focus their attention on
   policies and regulations that reflect anti-academic freedom because it is in the NMC
   policy that it has to be adhered to and followed.

V. NEW BUSINESS
   a. BOR Self Evaluation-Assessment
      □ The Board members did not take any action, but proposed a date that is mandatory for all
      regents to participate in the assessment and evaluation of the Board as part of program
      review. The Board agreed on August 21 and 22nd (Thursday & Friday) at 3:30pm in the
      BOR Conference room.

      Break called at 5:30pm
      Back at 5:35pm
b. Election of Officers
Acting Chair Cepeda opened the floor for nominations in the following order.

1. BOR Chairperson
   Nomination: Regent Orilla nominated Regent Maria Peter
   Second: Chairperson Dr. Inos

   Nomination: Regent McPhetres nominated Regent Charles Cepeda.
   Second: Regent King

   Acting Chairperson Cepeda closed nominations.

   Nomination#1: Regent Maria Peter
   Vote: Regent Orilla, Chair Dr. Inos, Regent Peter

   Nomination#2: Regent Charles Cepeda
   Vote: Regent McPhetres, Regent King, Regent Cepeda

   There was a tie of votes for the Chairperson position of the Board. The Board decided to go into recess.

   Recess called at 5:50pm
   Board resumes meeting at 6:15pm

2. BOR Chairperson
   Nomination: Regent Orilla nominated Regent Cepeda as the new BOR Chairperson.
   Second: Regent Peter
   Vote: Unanimous

3. BOR Vice-Chairperson
   Nomination: Regent Orilla nominated Regent Maria Peter as BOR Vice-Chairperson.
   Second: Regent McPhetres
   Vote: Unanimous

4. BOR Treasurer
   Nomination: Regent Peter nominated Regent McPhetres as BOR Treasurer.
   Second: Regent King
   Vote: Unanimous

Chairperson Cepeda thanked his colleagues for their vote of confidence and stated that he is committed to working with all Regents and the President to ensure that the College continues to move in the right direction and that the Board will be transparent in its dealings with the President and the College community.

VI. EXECUTIVE SESSION
   Board enters executive session at 6:30pm.
Board rises out of executive session at 7:45pm. No action needed to be taken by the Board in executive session.

BOR Chairperson Cepeda assigned Committee Chairpersons as follows:

Personnel Committee – Elaine Hocog Orilla, Chairperson
Fiscal Committee – Janet Han King, Chairperson
Program Committee – Agnes McPhetres, Chairperson
Legislative Committee – Maria (Malua) Peter, Chairperson

VII. ADJOURNMENT
The meeting ended at 7:32p.m.