I. PRELIMINARY MATTERS

Attendance:

**Board of Regents:** Regent Juan T. Lizama, BOR Chairperson; Regent Elaine Hocog Orilla, Vice-Chairperson; Regent Frank M. Rabauliman; Regent William S. Torres; Regent Maria (Malua) T. Peter; and Regent Andrew L. Orsini.

**Honorary Members:** Dr. John Griffin, Faculty Senate President; Maria B. Calilong, Acting ASNMC President; and Dawn Chryystal Revilla, Staff Senate President.

**College Staff and Faculty:** Dr. Sharon Y. Hart, NMC President; Shirley Dlg. Blas, Business Department; Karla Mareham, Finance Office; Frankie Eliptico, OIA Director; Galvin Guerrero, ALO/OIE Director; Leo Pangelinan, Dean of Student Services; Barbara K. Merfalen, Dean of Academic Programs & Services; Ivyanne Ealy, Finance Office/Accountant; Sol K. Barnes, Finance Office Chief Accountant; John S. Aldan, Nursing Instructor; Marie Coleman, Finance Office; Geri Willis, President’s Office; Amanda Allen, Information Technology; Lisa Hacskaylo, Office of Institutional Effectiveness; Roy Greenland, School of Education Instructor; and Helen B. Camacho, OIA Admin. Manager (Recorder).

**Others:** Jesus C. Borja, NMC Legal Counsel; Gemma Casas, Beach Road Magazine; Junhan Todeno, Marianas Variety News Reporter.

The Regular Meeting of the Board of Regents was called to order on Thursday, July 14, 2011 at 3:00p.m. in the BOR Conference Room at the Northern Marianas College, Saipan campus.

a. Roll Call

BOR Chairperson Juan T. Lizama called roll. Six members of the Board of Regents were present.
Chairperson Lizama noted that the Board, during its last meeting in June 2011, suspended Board Operations Policy No. 1015: Annual Organizational Meeting and agreed to have the 1st Regular meeting for the new fiscal year.

b. Review and Adoption of Agenda

**Motion:** Regent Orilla moved to adopt the agenda with amendments under New Business, item no. V. (d) BOR Resolution No. 2011-04 – To update bank signatures; Old Business, item no. IV. (b) Personnel Matter.

**Discussion:** Regent Rabauliman inquired about the additional agenda item that is being added under Old Business, item no. IV. (b) Personnel Matter. Regent Orilla informed him that the agenda is an old matter and needs to be reviewed further under executive session.

Regent Torres requested to add some items to the agenda. He listed the following.

1. Public Law 17-47: NMC’s Financial Status

Chairperson Lizama informed the Regents that this matter was discussed with the new president, Dr. Sharon Hart and the suggestion was to take up this matter during the board’s working session. Chairperson Lizama asked if the counsel would advise the board if an agenda item could be amended. Counsel Borja explained that because it is a regular meeting, the agenda can be amended with the concurrence of the majority of the board.

Chairperson Lizama noted that because there’s a difference between a Special Board and Regular Board meeting (and even though the matters had not been discussed yet), the agenda can be entertained. Counsel Borja stated it could be done, so long as the majority of the board members agree to amend the agenda. Chairperson Lizama noted the advice and proceeded with the request by Regent Torres.

**Motion:** Regent Orsini moved to amend the agenda and to add under IV. (c) Old Business: Public Law 17-47.

**Second:** Regent Peter seconded the motion.

**Vote:** The motion passed unanimously.

c. Review and Adoption of Minutes

1. June 17, 2011- Special Meeting

Chairperson Lizama informed the board that the minutes have been completed but there is a personnel matter involved in the minutes which requires further review and discussion in executive session. He requested to table the meeting minutes of June 17, 2011.

**Motion:** Regent Peter moved to suspend the adoption of the meeting minutes of June 17, 2011. The meeting minutes will be taken up after the executive session.

**Second:** Regent Orilla seconded the motion.
Discussion: Regent Rabauliman inquired about the reason for the request. He indicated that the personnel matter was publicly discussed in the last Special meeting and wondered why it cannot be approved in the minutes.

Chairperson Lizama explained that because there is a matter that needs to be further addressed, he hopes that given the opportunity to discuss it in the executive session, the board would finalize what remains to be done in that previous action.

Regent Torres asked if the board would have the opportunity to adopt the minutes after executive session. Chairperson Lizama acknowledged that the board would be able to do so.

Vote: The motion passed unanimously.

II. PUBLIC COMMENTS –

Chairperson Lizama welcomed everyone and outlined some guidelines for those individuals that would like to make any comments under Public Comments. He noted that the board welcomes public participation in Board meetings by allowing any individual or group to address the board concerning any item on the agenda of a Special or any meeting for that matter and such participation shall be guided by the following provisions.

1. 5 minutes minimum may be allotted to each speaker and a maximum of 20 minutes to each subject matter.
2. No boisterous conduct shall be permitted at any Board meeting. Persistence in boisterous conduct shall be ground for summary termination by the chair of that person’s address.
3. No oral presentations shall include charges or complaints against any employee of the college regardless of whether or not the employee is identified in the presentation by name or by another reference that tends to identify that person.
4. Charges or complaints against employees shall be submitted to the board under provisions of board policy.

For the record, there were no public comments.

IV. REPORTS

a. Associated Students of NMC - Maria B. Calilong, ASNMC Acting President informed the board that the report is in the packet and welcomed any comments or questions.

Regent Torres requested to receive the board meeting packets at least 72 hours prior to the date of the meeting. He noted that there were many inconsistent provisions in board policy. Chairperson Lizama noted that it is a reasonable request. President Hart noted the concern.

Chairperson Lizama also noted that he and President Hart discussed how to deal with future meetings (i.e. notices, agenda items).
He indicated that there is no problem with any board member directly communicating with the President on any subject matter that he or she wishes for the President to take up in a board meeting. However, it would be a good practice and protocol to submit items through the chairperson of the board. The chairperson can then give them to the President for her review and determination if it can be included in the agenda to be presented to the full board.

President Hart acknowledged that the board should receive the meeting packets at least 3 days in advance at a minimum. However, if the board needs more time, it can always be accommodated. Regent Torres also indicated that there appears to be conflicting timelines in the policy in enabling citizens to submit their agendas or items of interest for the board meetings. Torres noted conflicting timelines in that one timeline states a requirement of 10 days and then another section states 7 days.

Regent Torres requested to receive the packets at least 72 hours in advanced. Chairperson Lizama indicated that that this matter was discussed with the president and Dr. Hart agreed with the recommendations and will be addressed in the upcoming meetings, which will be focused on board policy.

President Hart agreed that there are conflicting policies and recommended that at every board meeting there should be a focus of board policies.

Regent Torres explained that regular board meetings should be published to give the public ample time to prepare for the meeting.

Chairperson Lizama apologized for not following the requirement and hopes that the requirement will be followed in the future.

b. Staff Senate - Dawn Chrystal Revilla, Staff Senate President provided an update on what was done in the past month (see handout).

Regent Torres inquired if the report has any bearing on accreditation matters. Chairperson Lizama explained that the report is for internal purposes only.

DC explained that the report is mainly to provide the board with an update on the work the staff has been engaged in and is not submitted for action.

Regent Torres asked if the staff senate is in support of the proposed austerity measures. DC stated that the staff senate is in support of the specific austerity measures voted upon.

President Hart explained that informational items that are brought to the board are mainly for reporting purposes and to assist the board members become better informed about what is going on in the institution. She further explained that actions will still go through her and the board and that the report is for reading reference only.

c. Faculty Senate – Dr. John Griffin, Faculty Senate President provided a brief update (handout provided) and listed some items.
1. 10% Pay cut
2. Contract (non-renewable, volatile 2 yr. contract), bugs faculty
3. Promotion policy since 1989 (last pay raise in 1994)
4. Hire more Faculty, not staff

President Hart explained that she is also looking into the matters and will be meeting with the faculty to help alleviate some of the concerns that were raised. However, a lot weighs on the constrained budget.

Chairperson Lizama noted that he was hearing these concerns for the first time and stated that the board will support any matter for the betterment of the college.

Regent Torres noted his concerns with regard to items 4.(g) of the report. He asked that all matters involving policy in the report be reported back by the President at the next meeting.

President Hart explained that she would like to work with her faculty and staff; she hopes to resolve matters internally; she hasn’t had an opportunity but will be meeting soon to address many of these policy issues.

Regent Torres pointed a lack of adherence to Policy 4313, regarding Sabbatical Leave. Dr. Griffin responded that he would bring this up with the president and find out why there is a lack of adherence. Regent Torres says that it seems that this board policy needs to be addressed as soon as possible.

Regent Orsini asked Dr. Griffin whether there has been any grievance like this before. Regent Rabauliman wants to discuss this at length. Chairman Lizama agreed to clarify this issue as soon as possible.

President Hart explained that this has been brought to her attention and she will be looking into it for the next board meeting. Chairperson Lizama said that perhaps this is a good time to get into the President’s Report.

d. President’s Report

President Hart thanked the board members and was very grateful for the opportunity to be part of this great institution. She also thanked Lorraine T. Cabrera for her hard work as Interim President for the past 1 and a half years. She also outlined how she proposes to be reporting in her President’s report in future board meetings. President Hart listed some major events and was very thankful for the warm reception that she received upon her arrival. President Hart indicated that she is very impressed with the staff, faculty and students. She also listed additional events:

1. College Access Challenge Program
2. Hiring Freeze with the exception of the IT Director
3. Proposed reduction in work hours – will be delayed due to board policy issues
4. 30th Anniversary Gala – November 19, 2011
5. Linking programming review and allocation
6. Form 3 submissions
7. IT Department – actively supporting the college
8. Establishing a system for better tracking of legislation contemplated by both the local legislature and the U.S. Congress that may affect NMC;
9. Frequent meeting between the board and the community;
10. Move the meeting place of board meetings to a larger room to accommodate members of the community.

President Hart concluded her report and opened the floor for any questions or concerns that the board may have. Regent Torres recommended to review Board Policy No. 1009 and also indicated that there seems to be conflicting timelines.

Chairperson Lizama noted that in the absence of time and for the reason that this is the first meeting for the new president, this matter can be discussed in executive session. He welcomed Rogelio Madriaga, CFAO to present the CFAO Financial Report:

1. CFAO Financial Report

Rogelio Madriaga, CFAO provided an update (handout provided). He listed the following items:

1. Voc-Ed
2. Appropriations
3. Federal
4. Special Funds
5. Statement of Revenues and expenditures – Overall
6. Appropriations Budget Status
7. Tuition and Fees
8. Reduction in Work Hours
9. Revenue Projection FY2012 Tuition and Fees
10. FY2010 Audit Reports.

Regent Rabauliman inquired if the college has ever received any Voc-ed funds in the past. CFAO Madriaga reported that the college has received funds for Voc-Ed. Regent Torres asked where is indirect cost included and under what specific item. Discussion ensued about the general fund of the college and CFAO Madriaga explained the various changes in rates for the aforementioned funds.

**Appropriations Payroll Projections:**

Expecting a deficit of $847,000 by Sept. 30. $82,000 projected from essentially CUC payments.

**FY2011 Fourth Quarter Reallocations:**

CFAO Madriaga outlined the items paid by the NMC’s fourth quarter allocations.
FY2011 Supplemental Budget Justification:

$756,160 total direct costs to date was presented to the board.

Regent Torres indicated that this is a significant amount of drawdown for the federal funds over the local funds. Regent Torres raised a concern that, if enrollment is expected to decrease, then why is there a request for more faculty and why is more staff being hired.

CFAO Madriaga indicated that this would be forwarded to College Council and then to the board for approval. Regent Torres asked if it is a safe observation that page 3 is hostile. CFAO Madriaga hopes that it is and offered an explanation. Regent Orsini agreed with the CFAO and indicated that it is because of the economy. CFAO Madriaga explained that the tuition and fees budget is a self-generating revenue and the implementation of reduction of work hours will be implemented.

Regent Torres asked if that is the assumption.

CFAO Madriaga explained that this report is constantly monitored and adjusted on a daily basis.

President Hart indicated that the proposal is to begin austerity measures next Friday depending on the meeting of the Personnel Committee and the proposed Special meeting on Monday. The numbers are reflected in the next pay period.

Regent Orsini noted that a year ago, he raised this concern and is concerned at the reports today. He hopes that with the new management of President Hart, there will be a more proactive approach.

Additional Tuition and Fees Report:

CFAO Madriaga provided a number in that $2.8M is the projected revenue budget for FY2012. The report also projects a decline in enrollment.

President Hart projected a decline in student enrollment for the fall year. Enrollment is very vital, especially in retaining enrolled students. President Hart explained that they would be looking into ways to improve the recruitment and retention of students for the college.

Leo Pangelinan, Dean of Student Services offered an explanation and indicated that it is very difficult to project the number of enrollment. However, the projected decline are with the on-going students because of the increase in requests for transcripts to be sent to off-island institutions.

Regent Torres indicated that the numbers need to be reassessed because of this decline. President Hart indicated that an integrated student management system is lacking at the college and this mechanism is important to any institution because it is a way for us to get a better handle of our students and the information that we need to improve enrollment.

FY2010 Audit Reports (handout provided):
CFAO Madriaga outlined the audit report:

1. 13 findings
2. 22 conditions
3. $680,000 Questioned costs
4. Findings will be issued in April 2011. The final report contained 8 findings, 9 conditions, $35,000 questioned costs.

Regent Rabauliman asked about the questioned cost. It is the lowest since it has ever been. Regent Torres noted the unresolved question cost in 2009 of $464,000.00. CFAO Madriaga noted that the questioned costs have been constantly reduced through the years.

Regent Torres noted a questioned cost of $449,000 is a significant amount.

**Financial Statements:**

Rogelio Madriaga, CFAO stated that although there have been unqualified opinions for the past 4 years, what’s significant is that there are no material weaknesses, significant deficiencies, or material non-compliance on our financials. He added that the financials has been a clean slate for many, many years.

Regent Torres asked how we would reconcile this fact with the finding made by the legislature in its most recent law on NMC. If the finding stated in the law is not valid, then why didn’t NMC provide that information to the legislature?

Chairperson Lizama talked about the autonomy of the college. Unfortunately, the legislature does not see it that way.

V. LinC Presentation

Gerri Willis presented NMC’s program Learning in Communities. She gave a brief description of the program and its successes since its inception, a year ago. She listed the following members of LinC and a two-minute video was presented to the board.

**LinC Members:**

Jolly Ann Cruz and Stacey Demapan presented as the peer mentors of the LinC group. They provided an outline of the program and how they feel about working with it.

Chairperson Lizama asked about the information of LinC in the visited state in Washington. Gerri stated that she had information about the LinC at the college in Washington and was invited to the state.
Other members of LinC presented:

Johnny Aldan indicated that that the program is very good and that interaction is an important aspect of LinC. Gerri Willis thanked the regents for the opportunity to make the presentation and stated that she has a lot of data on the success of LinC.

Regent Torres asked what would it take to qualify to be part of the program. Gerri explained that anybody could qualify. She listed some requirements.

Regent Orilla asked if it is applicable with ABE courses. Gerri said that it is applicable.

Regent Rabauliman after reviewing the LinC schedule, asked if the students have already begun to sign up for the program. Gerri responded that students requested in the spring semester course evaluations to include more linked courses in the fall. Also, beginning in the fall semester we will be adding six more courses to the program and students will be able to sign up at registration.

Break called at 4:58pm on Thursday, July 14, 2011

Break ended at 5:15p.m on Thursday, July 14, 2011

e. BOR Standing Committees

i. Fiscal & Legislative Committee

Regent Rabauliman, Fiscal & Legislative Committee Chairperson provided an update. He talked about the ACCT billing and indicated that he wants this particular transaction closed.

Chairperson Lizama asked for Counsel Borja’s input with respect to the requirement for ACCT to submit the fiscal and background report of the candidates. He advised that Counsel Borja review this matter with President Hart.

Frankie Eliptico, OIA Director indicated that he has not seen the contract and whether it was made after the search. Counsel Borja has not seen a formal contract but correspondence can act as a formal contract.

Regent Torres noted that it was the recommendation of the Interim President to put a close to this issue. Regent Rabauliman wants to make sure that any additional billing will not surprise the board. Chairperson Lizama believes that if this is going to be an issue then the documents belong to ACCT and not NMC.

Regent Rabauliman noted that it’s water under the bridge and if the Regents don’t feel that this is not an issue then let the letter reflect that everything is clear.
Chairperson Lizama recommended assigning the new President with this matter so that the board can separate itself from matters deemed not part of its duties.

Regent Rabauliman talked briefly talked about the passage of P.L. 17-98 and 17-47, as discussed by Regent Torres.

ii. Personnel Committee

Regent Orsini, Personnel Committee Chairperson reported on the following:

1. HR Rules and Regulations
2. Faculty Personnel contracts
3. Salary package
4. Presidential Search Committee resolution
5. Establish Board of Regents support staff

iii. Program Committee

Maria (Malua) T. Peter, Program Committee Chairperson provided an update report. She noted that no action is required by the board and her report is only for informational purposes.

Regent Torres noted the president’s ability to bring down the number of required students for a class. A discussion regarding enrollment numbers ensued.

President Hart pointed out that there are other opportunities out there available and there are many other cooperating institution available in adopting creative ways and new approaches to learning at NMC.

Regent Torres noted that everyone is for flexibility but then interim president Cabrera indicated how costly the overloads have become. Regent Orsini is concerned about reducing costs and expenditures continue to climb.

President Hart indicated that we can make our own decisions on how to operate our college. She noted that there are going to be increases even in this difficult time and we also need to evaluate if we have the ability to raise salaries. We need to look at areas that are an issue here at the college.

Chairperson Lizama indicated that there is a lot of work to be done.

Regent Torres is interested in diversifying the college. He talked about similar institutions in Honolulu, for example, Tokai College based in Hawaii.

President Hart believes that the main focus is getting off Accreditation because it is really hurting the institution. It is difficult to recruit students when the college is on probation. We need to clean house.
Chairperson Lizama noted that there is a greater understanding of how serious we need to be in terms of our accreditation status. He also stated that political interference should not be part of the college in any shape or form.

President Hart noted that the politicians believe that they are not informed. NMC’s job then is to inform them and keep them updated. It is important to meet regularly with them (including the board). An environment of trust must be fostered. She believes that when the legislature comes to trust the college, the problem will go away.

Regent Peter indicated that the legislature needs to be better informed and that we should have our autonomy. Galvin Guerrero noted changing the agenda might not be the right thing to do.

President Hart noted that there are representatives from the constituent groups and they might like to weigh in on this matter. She noted that it wasn’t until the legal counsels reviewed the changes made to the agenda that it be published.

Regent Torres asked for the counsel’s advise on the proposed change in the policy.

Counsel Borja noted that it was his colleague that met with the college administration. He wasn’t involved in this decision but was reviewed by Mark Scoggins.

President Hart noted that because the counsel is looking after the college, strengthening the method used when amending the policy is prudent on the board’s part.

Regent Torres inquired upon the discussion of the topic the following day. Chairperson Lizama stated that he is more comfortable with its discussion on Monday.

CFAO Madriaga stated that we should not rely on external laws and that such issues should be dealt with the college’s internal policies.

Regent Rabauliman said that the scope of the budget act is only for locally funded folks who are affected.

Regent Torres noted that federally funded employees are not affected. Regent Orsini was concerned with the term “austerity.” President Hart said that it was left out as something that would be positive for the college.

Recess called at 6:15 p.m on Thursday, July 14, 2011 and will resume at 10am on Friday, July 15, 2011.

Motion: Regent Peter moved to amend the agenda to include the HR Policy amendment under New Business, V. (e).
Second: Regent Orilla seconded the motion.
Vote: The motion passed unanimously.
I. PRELIMINARY MATTERS

Attendance:

Board of Regents: Regent Juan T. Lizama, BOR Chairperson; Regent Elaine Hocog Orilla, Vice-Chairperson; Regent Maria (Malua) T. Peter; Regent William S. Torres; Regent Frank M. Rabauliman and Regent Andrew Orsini.

Honorary Members: Dr. John Griffin Faculty Senate President; Maria B. Calilong, ASNMC Acting President; and Dawn Chrystal Revilla, Staff Senate President.

College Staff and Faculty: Dr. Sharon Y. Hart, NMC President; Galvin Guerrero, ALO/OIE Director; Eric Abragan, Acting IT Director; Rogelio Madriaga, CFAO; Bobbie Hunter; HRO; John F. Manalo, HRO Manager; Roy Greenland, School of Education; Marie Coleman, Finance Office; Ivyanne Ealy, Finance Office/Accountant; Frankie Eliptico, OIA Director; and Helen B. Camacho, OIA Manager (Recorder).

Others: Jesus C. Borja, NMC Legal Counsel;

The Special Meeting of the Board of Regents was called to order on Friday, July 14, 2011 recessed and continued on Friday, July 15, 2011 at 10:20a.m. in the BOR Conference Room at the Northern Marianas College, Saipan campus.

a. Roll Call

BOR Chairperson Juan T. Lizama called roll. Six members of the Board of Regents were present. However, Regent Orsini needed to catch a flight and had to leave after roll call.

b. OLD BUSINESS

1. WASC Accreditation Update

President Hart provided a brief update and noted the following matters:
i. Accreditation status
ii. Commission shared with Dr. Hart on issues and reasons why NMC was placed on Probation
iii. Issues focused on curriculum issues, institutional effectiveness and financial integrity.
iv. Commission, after the Jun11, 2011 meeting approved two new policies: policy on institutional integrity and ethics; when preparing for self-study, the college needs to integrate the two new policies; the board need and institution needs to pay close attention to these two new policies;

President Hart asked Galvin Guerrero to update the board on the status of the accreditation and what the college needs to prepare for the report that is due before October 15 and the 2012 Self-Study.

Galvin Guerrero noted the following:

1. Created an accreditation reaffirmation team in 2010.
2. Created standard teams to treat this like self-study process to respond to the recommendations; two show cause reports and two show cause visits; but this is also continued because we want to ultimately get Reaffirmed.
3. Preparing for 2012 Self-Study (standard II.C Library and Standard III.C Fiscal resources)
4. We can’t just focus on getting off probation but focus on getting full reaffirmation.
5. For fall academic days will focus on self-evaluation
6. Guidelines should be out next week and requires more qualitative data.
7. Focus on accountability within the institution
8. Follow report due in October and the commission is looking at sustainability.
9. Continue the momentum of things that started before.
10. Board Training and Development is part of Dr. Hart’s priorities.

Regent Torres noted that he took time to read the report and there are a lot of things that are pretty striking. One striking statement is that the institution has been part of a long history of sanctions (two Show Cause). He went on to say that there is a high link of inconsistencies; there appears to be a rooted problem that has been identified and needs to be tackled. On the other hand, Regent Torres is pleased that the institution is taking a proactive approach; the history of mistrust is rooted and needs to be overcome. Once the college overcomes this hurdle, everything will fall into place and no longer continue to hunt us. He indicated that the University of Hawaii at Manoa just got a 10year accreditation; he stated that he is confident in the new president in order to advance and protect the only college in the region. He wants to be a part of achieving the advancement of this institution.

President Hart thanked Regent Torres for his foresight that work should become a continuous process for the institution. She said that the future should be focused on accreditation and not looking at the past. Her top priority is to ensure that we get off Probation but more importantly that this becomes a continuous part of the institution. She stated that she met with the commission and the members felt very comfortable that the college has a president with experience working with accreditation.
Chairperson Lizama acknowledged that the college has demonstrated that they can do the job; the college has the capability and discipline of what a college should do.

Chairperson Lizama shared his dream about a kid wanting to go through an international experience at his college and how everyone in the college was working together to have that student realize his ambition, but was hindered by politics.

President Hart said that it’s important to have meetings with the legislature and to develop a stronger relationship with them so that they understand what we are all about.

Regent Torres noted that on page 4 of the report, he indicated that “on several cases, the college acted to come into compliance only to propel the best practice standard, compliance approach of either not doing planning at all or not using data to make informed decisions” and he then moved to a discussion about ethics and integrity about the college not providing the students with proper information. He has heard comments made from the students and the student reps regarding the courses that need to take and to be penalized. He is glad to see that the policy on “ethics and integrity” exists. Regent Torres thanked the chair and ended his comments.

Dr. Griffin responded to Regent Torres’ statements about student courses. He said that one of the causes (from executive level all the way down to the adjunct level) is placing the additional burden on the adjuncts.

Chairperson Lizama indicated that that’s good information. He stated that we should rely on shared governance. Chairperson Lizama acknowledged Galvin Guerrero.

Galvin Guerrero said that it should be clarified that the statement on page 5 about sacrificing best practice, it should be clarified that the narrative is referring to the history of the college and not necessarily to where we are now. Because the visiting team recognized that preparing the March 15 report as well as the October 2010 report, the college had made great strides and accomplished a lot in a very short amount of time. Chairperson Lizama thanked Galvin for the clarification and proceeded with next item on the agenda.

2. OLD BUSINESS

A. Personnel Matter

Motion: Regent Peter moved to go into executive session on Friday, July 15, 2011.

Second: Regent Orilla seconded the motion.

Vote: The motion passed unanimously.

Executive session called at 10:45 a.m.

Executive session ended at 11:42 a.m. on Friday, July 15, 2011.

Chairperson Lizama indicated that the board should touch base on the personnel matter discussed during the June 17, 2011 Special Meeting.
Motion: Regent Orilla moved to revisit the personnel matter that was discussed during the board’s special meeting on June 17, 2011 and to revisit the motion that was approved by the board.
Second: Regent Peter seconded the motion.
Vote: The motion passed unanimously.

Chairperson Lizama noted that the revisit is to allow board members to amend the earlier board action during the June 17, 2011 special meeting.

Regent Peter asked to add on to the motion a third letter of apology (including the other two letters) to the college community. Chairperson Lizama said that the board would feel comfortable on relying on that aspect of justification in order to entertain the matter involved.

Motion: Regent Peter motioned to require the subject individual to write a letter of apology to the college community (inclusive of the other two letters).
Second: Regent Orilla seconded the motion.
Vote: The motion passed unanimously.

Chairperson Lizama asked that the letter be prepared and sent to the individual. And the President will follow-up for compliance.

Regent Rabauliman asked if there is going to be a timeline or a date to write the letter. Regent Torres said it’s moot.

B. Passage of Public Law 17-47

Regent Torres explained why he asked that this matter be placed on the agenda. He wanted to know what the proper action would be for NMC to take. Regent Torres felt that, with regard to the law that was recently signed, it would have been practical and prudent on the part of the college to oppose the law. But nevertheless, it was still passed without further explanation.

Regent Torres asked if a certified question would be considered at this time that can be considered if the board is going to protect the autonomy of the institution.

Chairperson Lizama stated that discussions should ensue between the college and government officials to see if there is something that can be done regarding the issue.

Regent Rabauliman said that although the bill is watered down to the point that it was just reiterating the fiscal status of the college to the legislature. It is a huge concern that these bills passed without getting the college input.

President Hart stated that this speaks to where we should be going. She indicated that the college needs to be proactive and responsive whenever legislative bills, particularly those that affect the college are being introduced by the legislators because it is part of our responsibility to inform the legislature what we are doing with public funds.
Regent Rabauliman was hard pressed that the college is being required to do something through legislation. He believes that the college is being singled out from all of the other agencies. He stated that reporting the financials of the college and for all the other governmental agencies is already a requirement of the budget act law, it does not make any sense.

Regent Peter clearly upset with the passage of P.L. 17-47. She indicated that this is one major link to the reasons we continue to be sanctioned with the commission. The law is redundant. She requested a creation of a committee to tackle these issues.

Chairperson Lizama agreed with Regent Peter and believes that the college needs to take a more pro-active role.

Regent Rabauliman believes that the job is probably best left for the board members to meet with the legislators and the college should avoid any negative campaign.

Chairperson Lizama gave an example that the University of Guam has been doing a good job and that we should show the legislature that we need them.

President Hart recommended that the board meet with the legislature right away. However, it is also best for the board to take a stand on an issue. The college can then proceed with a meeting with the legislature after a stand has been taken.

Chairperson Lizama agreed and recommended for one of the board to engage with the administration and the legislature.

Regent Rabauliman noted again that this is a watered down version and this is essentially just to reiterate what is already stated in the policies and on record.

Chairperson Lizama said that this is the norm and the norm that they would like to see for the commonwealth.

Regent Rabauliman believes that it is critical that we move forward and become proactive with the legislature.

Regent Torres said that NMC needs a more direct and proactive approach. He asked for counsel to explore this issue legally and to see what are the outer limits with respect to NMC and the constitution; given the case laws (on-island and off-island). He noted that NMC could use this information to better educate our officials (both the legislature and executive branch).

Regent Peter said that we need to be prepared; otherwise, the colleges’ autonomy will continue to be under siege. We need a road map that we can look ahead and anticipate these things instead of reacting to events. We’ll be better prepared mentally and have a better strategic plan. This would be extremely helpful.

V. NEW BUSINESS:
A. To suspend Board Policy 1017: Review and Evaluation of the President

Chairperson Lizama presented to the Board Policy No. 1017 and asked how much time is needed for Dr. Hart to submit her goals and objectives. President Hart said by October 1, 2011.

Regent Torres noted her contract states that she has about three months.

President Hart reminded the board to talk about the BOR Retreat but wait to go through the retreat with a consultant. Chairperson Lizama said it a good idea.

Regent Torres noted the inconsistency between Board Policy No. 1009 and the President’s contract. He wanted to know if the policy is trumped by the contract.

Counsel Borja stated that the contract prevails over the board policy in this particular situation. However, he noted that the policy still has to be amended for purposes of the evaluation of the Interim President.

B. To suspend Board Policy No. 1017: Periodic Review and Evaluation of President

Motion: Regent Peter moved to suspend Board Policy No. 1017 for the purposes of doing the evaluation of the Interim President.
Second: Regent Orilla seconded the motion.
Vote: The motion passed unanimously.

C. Election of BOR Vice-Chairperson

Motion: Regent Peter moved to nominate Regent Elaine Hocog Orilla as BOR Vice-Chairperson.
Nominations: Regent Elaine Hocog Orilla
Second: Regent Torres seconded to close nomination and seconded the motion to elect Regent Elaine Hocog Orilla as BOR Vice-Chairperson.
Vote: The motion passed unanimously.

D. HR Policy Amendment:

Regent Rabauliman, Personnel Committee member said that the personnel committee met earlier this morning and recommends approval of the HR Policy amendment. The amendment should state that the president has the authority to amend the policy.

Motion: Regent Rabauliman moved to adopt the amendment to the Human Resources policy manual and the amendment should state that the President has the authority to adjust the work hours and compensation of any and all employees of the college.
Second: Regent Orilla seconded the motion.
Vote: The motion passed unanimously.

President Hart went on record and stated that she is going to be returning her portion of the 10 percent of her salary to the college. She feels uncomfortable to ask the staff to do it differently from her. Her work hours will not change.
Chairperson Lizama brought to the boards attention about the use of the vehicle by Dr. Hart and her spouse. He requested that the plate of the vehicle be changed.

Regent Torres recommended that to further assure that this is carried out, it would be best if a letter signed by the chairperson authorizing the use of the vehicle.

C. Board Resolution No. 2011-04: To update bank signatures

Chairperson Lizama indicated that Board Resolution No. 2011-04 is to update bank signatures to include Sharon Y. Hart, Ph.D., and Rogelio Madriaga, CFAO.

**Motion:** Regent Peter moved to approve Board Resolution No. 2011-04: To update bank signatures to include the new president, Sharon Y. Hart, Ph.D., and Rogelio Madriaga, CFAO.

**Second:** Regent Rabauliman seconded the motion.

**Vote:** The motion passed unanimously.

Yes
Regent Orilla
Regent Rabauliman
Regent Torres
Regent Peter
Regent Chairperson Lizama

VI. MISCELLANEOUS

Chairperson Lizama informed the board that Dr. Hart is working on trying to find an expert to assist with the board training and board retreat. President Hart mentioned that the ACCT is willing to come in via satellite to do training. CFAO noted that there is money set aside for board training.

President Hart mentioned that there will be a board and development training sometime in early August. Regent Orilla mentioned that there is a board training and development committee that is assigned to assist in this regard.

Regent Torres briefly talked about allowing the honorary members to attend executive sessions. The members agreed that this something that requires further discussion.

President Hart is concerned with many of the conflicting policies that need to be overhauled. Regent Torres inquired about a digitize library and laptop for board members. He stressed upon updating technology.

Regent Rabauliman asked if we are going to Rota for the retreat. Chairperson Lizama noted that the retreat in Rota has been cancelled.
Regent Torres is concerned about enrollment and asked for an update. He briefly mentioned that one way to assist with enrollment is by allowing the Police Academy to situate their program here on campus. He asked if the college would consider a forensic training institute.

Regent Rabauliman recalls the implementation of the Natural Resource Management program, and how not long after, the program did not make it. President Hart recommended to a do needs assessment of the community.

CFAO Madriaga informed the board to cut in the “ALL OTHERS” allotment with a loss of $77,000. This means the supplemental budget will have to be adjusted again and recommends adjusting it for the entire amount because it’s unlikely that it will ever be reinstated.

Regent Torres asked what is the reserve amount at this point and what is the college facing at this time. CFAO Madriaga said that our immediate reserve is $1.1M.

VI. ADJOURNMENT

Motion: Regent Rabauliman moved to adjourn at 12:52p.m. on Friday, July 15, 2011. Second: Regent Orilla seconded the motion. Vote: The motion passed unanimously.

The meeting ended at 12:53 p.m. on Friday, July 15, 2011.