I. PRELIMINARY MATTERS

Attendance:

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

**Excused Absent:** Regent Michaela U. Sanchez

**College Staff and Faculty:** Dr. Sharon Y. Hart, Executive Secretary to the Board of Regents/NMC President (Via Phone Conference in Washington, D.C); Dave Attao, Acting President; Tracy M. Guerrero, Chief Financial Officer; Amanda Allen, Accreditation Liaison Officer; Chavel Green, Business Department Chair; Manny T. Castro, Office of Admissions and Records Director; Timothy Baker, Counseling Department Director; Lisa HacsKaylo, Institutional Effectiveness; Lisa Lunde, Instructor; Jackie Che, Institutional Effectiveness Director; Kyle Podziewski, Instructor; Wil Maui, Instructor; Barbara Merfalen, Dean of Academic Programs and Services; Velma Deleon Guerrero, Liberal Arts Program Coordinator; and Helen B. Camacho, Board Secretary (Recorder).

**Others:** Jesus C. Borja, NMC Board of Regents Legal Counsel; Eloy S. Inos, Honorable Governor of the CNMI; Jude U. Hofschneider, Honorable Lt. Governor of the CNMI; Anthony Aguon, Lt. Governor’s Staff; and Angel Demapan, Governor’s Office.

The Regular Meeting of the Board of Regents was called to order at 9:30a.m. on Wednesday, July 31, 2013, BOR Conference Room in Building P, NMC Saipan Campus.

a. Roll Call

Juan T. Lizama, BOR Chairperson called roll call. Six members of the Board of Regents were present. A quorum was established.

Break called at 9:41a.m on Wednesday, July 31, 2013. Break ended at 9:50a.m.

b. Review and Adoption of Agenda
**Board Action**: Regent Peter motioned to adopt the meeting agenda and seconded by Regent Orilla. All six members voted yes, the motion passed.

Regent Peter motioned to suspend the order of business and seconded by Regent Torres. There were no objections. Regent Torres requested to move the Accreditation Update after the Chair’s Remarks. Regent Rabauliman noted that the President’s Report should come after the committee reports. All six members voted yes, the motion passed to suspend the order of business.

c. **Review and Adoption of Minutes**

1. **June 06, 2013 – Regular Meeting**

**Board Action**: Regent Orsini motioned to adopt the meeting minutes of June 06, 2013 and seconded by Regent Peter. All six members voted yes, the motion passed. The meeting minutes of June 06, 2013 Regular meeting is adopted.

II. **Public Comment Period:**

1. Kyle Podziewski, NMC Faculty member was present to speak before the board pertaining to the faculty minimum qualifications policy. The staff senate is against the proposed policy. Two individuals wrote the policy to their criteria. The faculty’s concerns were ignored. The administration continues to imply that this policy needs to be implemented, however, the visiting team stated that in their recent visit to the college that everyone is qualified. BOR policies and contracts will be violated. This policy has already been implemented and has already caused some damage.

III. **Board Chair’s Remarks:**

Chairperson Lizama provided some comments. He assured everyone that the board is on the verge of adopting new board of operations policies that they can be proud of.

**Board Action**: Regent Torres motioned to start off with the Standing Committee reports and seconded by Regent Rabauliman. The motion passed.

IV. **Reports**

1. Fiscal and Budget Committee

Regent Orsini, Fiscal and Budget committee chairperson provided an update. He highlighted the following:

**a. USDOE**

**Board Action**: Regent Rabauliman motioned that President Hart to provide a comprehensive report surrounding the matter with the U.S. Department of Education should the college be denied eligibility to NMC students participating in baccalaureate program and seconded by Regent Peter. All five members voted yes, the motion passed.

**Votes:**

Yes – Regent Orilla, Regent Rabauliman, Regent Torres, Regent Orsini, Regent Peter
Abstain – Chairperson Lizama
b. FY 2012 Audit Report

**Board Action:** Regent Rabauliman motioned to accept the FY2012 Audit report and seconded by Regent Orsini. All five members voted yes, the motion passed.

**Votes:**
Yes – Regent Rabauliman, Regent Orsini, Regent Peter, Regent Orilla, Regent Torres
Abstain – Chairperson Lizama

c. Projected Yearly Surplus

**Board Action:** Regent Rabauliman motioned to instruct President Hart to use projected or anticipated yearly surplus to provide salary adjustments or bonuses whichever one the President chooses and seconded by Regent Orsini. All five members voted yes, the motion passed.

**Votes:**
Yes – Regent Rabauliman, Regent Orilla, Regent Orsini, Regent Torres, Regent Peter
Abstain – Chairperson Lizama

d. Legal Review – 11 month Contract

**Board Action:** Regent Rabauliman motioned to request the board legal counsel to look into the 11month contract and to see whether there is an authority that allows for this or one that supports it and if none is available, then remedy and seconded by Regent Torres. Regent Orsini requested to remove this particular item be removed from the FY14 budget subject to the counsel’s opinion. Regent Torres asked that the counsel be given an extra urgency. All five members voted yes, the motion passed. A deadline of two-weeks was given to Counsel Borja.

**Votes:**
Yes – Regent Rabauliman, Regent Orsini, Regent Orilla, Regent Peter, Regent Torres.
Abstain – Chairperson Lizama

e. Board of Regents FY2014 Budget

**Board Action:** This item was tabled for further review, it was suggested that the administration revisit the budget proposal analysis format and provide scenarios and assumptions.

Regent Rabauliman concluded his report from the Fiscal and Budget committee. Regent Orsini agreed that this report should be included in the meeting minutes.

**Board Action:** Regent Rabauliman motioned that the report be included in the meeting minutes and seconded by Regent Peter.

V. Executive Session

**Board Action:** Regent Orsini motioned to go into executive session at 10:40a.m and seconded by
Regent Torres. Executive session ended at 11:30 a.m.

Chairperson Lizama called the meeting back to order at 1:30 p.m. Upon convening the meeting back to order, there were no actions taken.

VI. REPORTS

1. BOR Program Committee – None.
2. AdHoc Committee (Joint PSS/NMC)

Regent Orilla, Adhoc Committee Chair for the Joint PSS/NMC provided an update. She informed the board that the Joint PSS/NMC Adhoc Committee met recently. It was agreed that there should be one collaborative agreement between the two boards. The Chair from the PSS Adhoc Committee agreed that the two legal counsels work together. Counsel Borja is expected to review the agreement once the PSS legal counsel submits a draft.

3. Adhoc Committee (President’s Contract)

Regent Peter, Adhoc Committee Chair provided an update. She indicated that President Hart requested if the committee could act on her contract after the training with the ACCT consultant. The committee agreed to bring this request back to the full board. President Hart sent her request via email to the committee members. Regent Orsini also added that the committee had done an arduous job on her first evaluation and the second year is pending. He also asked if the committee would request from President Hart the type of format that she would like the board to use for her second year evaluation.

4. President’s Report

Sharon Y. Hart, Ph.D., NMC President provided an update. She highlighted the following:

1. U.S. Department of Education - Met with the Under Secretary Dr. Martha Kanter in Washington D.C. and provided important details of their meeting. Chris Timmons, HR Director/Legal Counsel, Leo Pangelinan, Dean of Student Services and Charlotte Cepeda provided some comments on the issue.


Tracy M. Guerrero, CFO provided a report. She highlighted the following important details.

1. Format or style of reporting.
2. Financial Statements: NO materials weaknesses or findings; the best report with respect to our financial statements.
3. Federal Awards: No material weaknesses; no deficiencies identified; audit findings disclosed that are required to be reported in accordance with section 510.
4. Federal Awards summary of findings and questioned costs:
5. Schedule of Prior Year (FY2011) Audit Findings.
6. Recommendations to have more internal control.
8. Committee to revisit the Finance and Procurement and the Review of the Boards budget.
VII. WASC Accreditation Update

Amanda Allen, Accreditation Liaison Officer provided highlights on accreditation status. She highlighted the following:

1. Accreditation Professional Development – August 06 & 07, 2013
   On Campus Workshops In Workshop
   Groups Interactive and Informative
   Preparation for the Upcoming Report Submission and Show Cause Visit

2. ACCJC External Evaluation Team Report
   8 Recommendations (1-8)
   2 Eligibility Requirements (2,13)

   Action Letter: Show Cause:
   3 Recommendations (2, 3, 8)

See attached report submitted by Amanda Allen, ALO.

**Board Action:** Regent Peter motioned to recess the meeting on Tuesday, August 06, 2013 at 9:00am and seconded by Regent Rabauliman. All six members voted yes, the motion passed. The meeting is recessed.
Camacho, (Recorder).

**Others Present:** Mark Scoggins, NMC Attorney

Chairperson Lizama called the meeting back to order at 1:20p.m on Tuesday, August 06, 2013. A quorum was established.

**Board Action:** Regent Peter motioned to add the Retirement fund agenda and seconded by Regent Orilla.

Attorney Scoggins gave a brief synopsis on the Retirement Fund issue. Counsel Scoggins indicated that the settlement agreement is ready for signature by all of the affected parties and if the board can authorize President Hart to sign off on it.

**Retirement Fund Settlement Agreement**

**Board Action:** Regent Orilla motioned to authorize President Hart to sign the settlement agreement of the Retirement fund settlement and seconded by Regent Peter. All five members voted yes, the motion passed.

Chairperson Lizama recessed at 1:27p.m. on Tuesday, August 06, 2013. All members agreed, the meeting is on recess. The meeting will resume tomorrow, August 07, 2013 at 9:30a.m. Chairperson Lizama called roll, five members were present, a quorum is established.

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**MINUTES OF THE**
**BOARD OF REGENTS**
**Regular Meeting**
**Wednesday, July 31, 2013**
Continued Tuesday, August 06, 2013
Continued Wednesday, August 07, 2013
Continued Thursday, August 08, 2013
Continued Friday, August 09, 2013
9:30a.m.

**Board Members:** Chairperson Lizama, Regent Orilla, Regent Peter, Regent Orsini, and Regent Torres.

**NMC Staff/Faculty:** Barbara Merfalen, Academic Programs and Services; Lisa Lunde, Instructor; Kyle Podiziewski, SOE Instructor; Wil Maui, Business Instructor; Cindy Guerrero, SOE Instructor; Rosaline Cepeda, SOE Instructor; Amanda Diaz, SOE Instructor; Chris Timmons, HR Director/NMC Legal Counsel; Barbara Merfalen, APS Dean; Frankie Elliptico, ERO Director and Helen B. Camacho (Recorder).

Chairperson Lizama called the meeting back to order at 9:51a.m., Wednesday, August 07,
2013.

1. **WASC Accreditation Update:**

Amanda Allen, Accreditation Liaison Officer provided an update on ongoing accreditation efforts at the college (see report provided).

Chairperson Lizama had other prior engagements and needed to leave the meeting. He assigned Regent Orilla to chair the meeting.

Break called at 11:12 a.m. Break ended at 11:36 a.m. on Wednesday, August 07, 2013. Vice-Chairperson Orilla called the meeting back to order.

2. **Legislative Updates:**

   a. **Proposed House Bill – Mission Statement**

Frankie Eliptico, ERO Director provided an update. He noted from the last board meeting that the board did not want the staff; it was recommended that the college draft the bill;

b. **House Bill 18-58: To Reauthorize NMC Apprenticeship Program Consistent with Title 3 Section 1356 of the CNMI Code**

Frankie provided an update. The version that is in the packet is just the reauthorization of the apprenticeship program. The budget for this program is not stated here. However, the bill is now with the Senate.

Regent Torres recommended providing funding from this source to Rota and Tinian. The respective congressman’s from each island are very supportive of this program.

c. **House Legislative Initiative No. 18-7 - To amend Article XC, Section 2 of the Constitution of the Northern Marianas Islands to authorize the election of the members of the Northern Mariana College Board of Regents.**

President Hart provided some comments with respect to this bill. She indicated that in speaking to Mr. Dave Eckart on the pros and cons of this proposed bill.

**Board Action:** Regent Torres motioned to go into executive session and seconded by Regent Orsini. The motion passed.

**Board Action:** Executive Session was called at 11:54 a.m. Executive Session ended at 12:30 p.m, Wednesday, August 07, 2013. Upon returning from executive session, no actions were taken.

Chairperson Lizama called the meeting back to order at 2:00 p.m. Wednesday, August 07, 2013.

3. **New Business**
a. Board Policy No. 5005 - Minimum Instructional Faculty

**Board Action:** Regent Peter motioned to approve the Minimum Instructional Faculty Qualifications policy and seconded by Regent Orsini. Regent Torres inquired about including the procedures.

**Board Action:** Regent Torres motioned to include the procedures and seconded by Regent Orsini. The policy number will be provided at a later time. The version will be from the August 01, 2013 version shared during the BOR Retreat with Dr. Polonio.

President Hart noted a typo-error on the third paragraph “and to an” institution recognized by a regional. Additionally, Associates Degree and other Courses that are designed for transfer into a Baccalaureate Degree. All five members voted yes and the motion passed.

Recess called at 2:30p.m and will continue tomorrow, August 08, 2013 at 9:30a.m.

Chairperson Lizama called the meeting back to order at 10:20a.m on Thursday, August 08, 2013.

**Roll Call:**

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

**NMC Staff/Faculty:** Sharon Y. Hart, Ph.D., NMC President; Helen B. Camacho, President’s staff (Recorder).

**Others President:** Jesse Borja, NMC Board of Regents Legal Counsel.

As an addendum taken on the minimum faculty qualifications, the action taken yesterday is on second and final reading. All members agreed.

**Order of Priority for review at 3:30p.m**

Board Policy No. 1020

Board Policy No. 1019
Board Policy No. 1012
Board Policy No. 1013

Board Policy No. 1001
Board Policy No. 1000
Board Policy No. 1002
Board Policy NO. 1003
Board Policy NO. 1004
Board Policy NO. 1005

Board Policy No. 1006
Board Policy No. 1007
Board Policy No. 1008
Board Policy No. 1009
Board Policy No. 1010

Board Policy No. 401 – Residency Classification

Board Resolution – To consider/adopt amendments to NMC’s Non-Profit Charter

Board Action: Regent Torres motioned for the fiscal committee to review the Non-Profit Corporation resolution and to invite the Attorney General and seconded by Regent Peter. All four members voted yes, the motion passed.

BOR Evaluation (Mid-Year/Analysis) – Tabled

Chairperson Lizama called recess at 11:36a.m. and will return at 3:15p.m. Chairperson Lizama called the meeting back to order at 3:30p.m. on Thursday, August 08, 2013. Regent Orsini is present.

Board Policy No. 1020 – Institutional Governance

Board Action: Regent Torres motioned to approve Board Policy No. 1020 as amended and seconded by Regent Orsini. Policy is adopted.

Board Policy No. 1019 – Board of Regents Self-Evaluation

Board Action: Regent Orsini motioned to adopt this policy and seconded by Regent Orilla. All five members voted yes, the motion passed. Policy is adopted.

Board Policy No. 1012 – Periodic Review and Evaluation

Board Action: Regent Peter motioned to adopt this policy and seconded by Regent Orsini. All five members voted yes, the motion passed. Adopted with no changes.

Board Policy No. 1000 – Constitutional and Statutory Authority
Board Action: Regent Torres motioned to adopt this policy and seconded by Regent Orsini. All five members voted yes, the motion passed.
Board Policy No. 1001- Limits of Authority

Board Action: Regent Orsini motioned to adopt this policy and seconded by Regent Torres. Adopted.

Board Policy No. 1002 – Officers

Board Action: Regent Peter motioned to adopt this policy and seconded by Regent Orilla.
Discussion: Staggered term versus annual elections;
Vote: All five members voted yes, the motion passed. Policy is adopted.

Board Policy No.1003 – Duties of the Officer

Board Action: Regent Orilla motioned to withdraw this policy and seconded by Regent Torres. The motion passed. This policy is withdrawn.

Board Policy No.1004 - Compensation of Board of Regents Members

Board Action: Regent Orilla motioned to adopt this policy and seconded by Regent Orsini. Discussion: There was discussion on Travel per Diem rates.

To allow the chairman or chairman’s designee
All members voted yes as amended. Policy is adopted.

Board Action: Regent Orilla motioned to recess at 4:56p.m. and seconded by Regent Peter for tomorrow, August 09, 2013 at 10:00a.m.

MINUTES OF THE
BOARD OF REGENTS
Regular Meeting
Wednesday, July 31, 2013
Continued Tuesday, August 06, 2013
Continued Wednesday, August 07, 2013
Continued Thursday, August 08, 2013
Continued Friday, August 09, 2013
10:00am

Chairperson Lizama called the meeting back to order at 10:00a.m. on Friday, August 09, 2013 in the BOR Conference room.

Roll Call: Juan T. Lizama, BOR Chairperson; Regent Elaine Hocog Orilla; Regent Maria (Malua) T. Peter; Regent William S. Torres; and Regent Andrew L. Orsini.
NMC Staff/Faculty: Sharon Y. Hart, Ph.D., NMC President; Helen B. Camacho (Recorder).
Others Present: Jesse Borja, BOR Legal Counsel

Proposed Board Operations Policy for Consideration:

**Board Policy No. 1005 – Standing Committees of the Board**

**Board Action:** Tabled for review with Dr. Polonio.

**Board Policy No. 1008 – Formulation, Adoption and Amendment of Policies and Bylaws**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Peter. All five members voted yes, the motion passed. Policy is adopted.

**Board Policy No. 1009 – Formulation, Approval, Amendment of Administrative Procedure**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Orilla. All members voted yes, the motion passed. Policy is adopted.

**Board Policy No. 1010 – Suspension of Policies, Bylaws and Procedures**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Orsini. All members voted yes, the motion passed as amended. Adopted.

**Board Policy No. 1011 – Meetings**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Peter. Regent Orilla withdrew the motion to further discuss with the consultant. Policy deferred.

**Board Policy No. 1014 – Code of Conduct of the Board**

**Board Action:** Regent Orilla motioned to adopt this policy and seconded by Regent Orsini. All members voted yes, the motion passed. Policy is adopted.

**Board Policy No. 1015 – Attendance at Meetings, Institutions, and Conventions**

**Board Action:** Regent Peter motioned to adopt this policy and seconded by Regent Orilla. All members voted yes, the motion passed. Policy is adopted with amendments.

**Board Policy No. 1016 – Board Members Liability Protection**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Peter. All members voted yes, the motion passed. Policy is adopted.

**Board Policy No. 1017 – Conflict of Interest Code**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent
Peter. All members voted yes, the motion passed. Policy is adopted.

**Board Policy No. 1018 – Removal from Office**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Peter. All members voted yes, the motion passed. Policy is adopted.

**Board Policy No. 1021 – Citizen Participation in Board of Regents Meeting**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Peter. All members voted yes, the motion passed. Policy is adopted.

**Board Policy No. 1022 – Protection from Civil Suit**
**Board Policy No. 1023 – Legal Counsel**
**Board Policy No. 1024 – Political Activities**

**Board Action:** Regent Torres motioned to consolidate these policies and seconded by Regent Peter. Regent Orsini motioned to adopt the three policies and seconded by Regent Orilla adopt this policy and seconded Orilla. All policies are adopted.

**Board Policy No. 2000 – Mission and Vision of the Northern Marianas College**

**Board Action:** Regent Peter motioned to adopt Section 2000 and seconded by Regent Torres. All members voted yes with amendments, the motion passed. Policy is adopted.

Chairperson Lizama called a recess at 12:18p.m.m. for 3:30p.m. August 09, 2013. Chairperson Lizama called the meeting back to order at 3:43p.m. on August 09, 2013.

**Board Policy No. 2001 – Charter of the Northern Marianas College Foundation**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Orilla. Equal or equivalent of B.P. 1011. All members voted yes, the motion passed. Policy is adopted.

**Board Policy No. 401 – Residency Classification**

**Board Action:** Referred back to Fiscal committee.

**Board Policy No. 2002 – NMC Strategic Plan and Objectives**

**Board Action:** Regent Orilla motioned to adopt the policy and seconded by Regent Peter. All members voted yes, the motion passed. Policy is adopted.

**Board Policy No. 5000 – Employee Code of Conduct**

**Board Action:** Regent Peter motioned to adopt the policy and seconded by Regent Orsini. All members voted yes, the motion passed. Policy adopted as amended.

**Board Policy No. 3000 – Academic Freedom**
**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Peter. Policy is adopted.

**Board Policy No. 5001 – Political Activities**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Peter. Policy is adopted.

**Board Policy No. 4000 – Admission-International Student**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Peter. Policy adopted.

**Board Policy No. 3001 – Program Guarantee**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Peter. Policy adopted. No changes.

**Board Policy No. 5002- Recruitment and Hiring Practices**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Peter. Policy adopted no changes.

**Board Policy No. 4001 – International Student Fee**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Orsini. Policy is adopted.

**Board Policy No. 8000 – Physical Resources**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Peter. Policy is adopted.

**Board Policy No. 5003 – Integrity and Ethics**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Peter. Policy is adopted no changes.

**Board Policy No. 5004 – Drug Free Workplace, Smoking**

**Board Action:** Regent Torres motioned to adopt this policy and seconded by Regent Peter. Policy is adopted.

**Board Policy No. 1006 – Duties of the President**

**Board Action:** Tabled for review with Dr. Polonio.

Tentative agenda items for Next meeting:
1. Proposed Mission statement  
2. Board resolution 501 c (3) status – referred to finance committee  
3. Finance and procurement policies  
4. Remainder of the student services policies (Program)  
5. HR Policies (Personnel)  
6. Establishing the Board budget (Fiscal)  
7. Salaries/Compensation (Fiscal and Personnel)  
8. Policies tabled from 7-31-13 meeting  
9. Retention report for the year (Informational)  
10. BOR Evaluation  
11. Policy 401 – Residency  
12. Substantive change for ACCJC  
13. Dr. Polonio’s Visit – August 28 and 29, 2013

The meeting adjourned at 5:03p.m.