

**College Council Meeting
Summary for Tues, July 26th, 2005
Room N5**

Members Present: President Guerrero, Jerry Smith, Severina Ogo, Lorraine Cabrera, Raaj Kurapati, Glenn Keaton, Jeannette Villagomez, Jim Wedding, and Vera Pangelinan as recorder.

Meeting Facilitator: *Dean Jack Sablan*

Simon Habegger for Faculty Senate and Jean Duenas for ASNMC Representative

NMC Staff: Elsie Halstead

Agenda Adopted w/amendments

- Add under old business item d) Draft Staff Employment Contract/Condition of Employment
- Add under miscellaneous a) New Email System Information & Update and b) Upcoming BOR meetings

Adoption of Meeting Summaries

- a.) July 5, 2005 Meeting was adopted w/minor change.
- b.) July 12, 2005 Meeting was adopted w/change.
 - Add under members present Jean Duenas for ASNMC Representative.
- c.) July 19, 2005 – Tabled.

Meeting called to order at 1:40 p.m.

Old Business:

- a. **PBEC Update** – Raaj K. reported that PBEC finalized its FY2006 Operations Budget last meeting. One of the biggest challenges in balancing the budget was the governor's directive 241. PBEC struggled with trying to find the funding for that for many weeks. Ultimately, PBEC decided they do not have internal resources to comply with that request. PBEC approved the FY2006 operations budget for the President deliberation and presentation to the Board. At that same level, for the contractual services as provided in 2005 and had requested that the administration work with the Board of Regents to request the Governor the additional funding in order for the college to comply with the directive. In the absence of that funding being made available, to seek an exemption from the Governor for compliance against that directive. Approximately \$300K to comply with the governor's directive 241. PBEC is requesting through the President for a special meeting with the Board of the Regents in August for the consideration of FY2006 operations budget.
- b. **Pell Grant Update** – As the June 30th, Raaj said we have approximately 200 files that needed to be process for AY2004-2005. As of today 7/26/05, he said that that number is down to approximately 60-80 files. We sent out 42 files last week with an additional 37 files to be sent out today 7/26/05 and the remaining files should be sent out to RGM this Friday, 7/29th. He said approximately \$34K will be reported to the Board for consideration for write-off at the upcoming Board of Regents meeting.

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Deadline to submit everything for AY2004-2005 to the regional office in San Francisco is on August 15th. RGM indicated that they need all the files no later than 1st week of August.

As for Rota, Severina reported that so far they completed one student. Two are pending because both students are off-island. Raaj said the cut off date to submit the documents is on Wednesday, July 27th; otherwise we would not be able to process it by Friday, July 29th. If students are unable to be reached by July 27th, the students will have to come in and settle their debts.

Jim said they have been getting documents coming in all last week and this week.

- c. **FY2003-2004 Audit Report** - passed out a copy of FY2003 and FY2004 Audit Reports to the CC members. Raaj explained the highlights of the reports. He said the opinion of the auditors is basically what the auditors feel about the financial statements and the compliance reports. He noted the report is referred to as a qualified report which means is that there are certain things that they felt that still need to be address. There are four levels of reports, which are qualified opinion, unqualified opinion, disclaimer opinion and adverse opinion. The second report is what we received that is good but not the best. Their concerns were similar to the ones raised in FY2003. The only major one that we are still working on addressing is the fixed asset, which is something that has been an issue for a long time. The reason we couldn't address it completely this year because of the funding constraint. They also express concern over the fact that our inventory for 2002 was not properly done at the bookstore. We have already addressed that. One of the concerns they had expressed was the accounting for the bookstore, which is currently accounted separately. We plan on consolidating that which is one of the goals for this financial year. Another issue mentioned was the La Fiesta property. This was a conscious decision that was made by our institution. Raaj K. feels it was not logically for the college to record an asset and related liabilities only to remove them from our books three months later. Overall, it is actually a very good report. He also points out some of the highlights on the financial statements that is comparing the net asset for FY2002-2003 & FY 2003-2004. He said representation made to the Board and to the College previously about us operating on a balance budget were not true. We are actually incurring substantial deficit for many years. Last fiscal year, the college was able to eliminate approximately \$1.668K of questioned costs. The President and the administration targeted to reduce questioned costs by half but actually double the reduction, which is one major accomplishment. On FY2002-2003, the audits found approximately 20 major findings. In addition to that, additional 20 that they felt were not resolved from previous years. On FY2003-2004, the current fiscal year, the college findings were reduced from 20 to 7. Majority of the findings from previous years, corrective action has been addressed.
- d. **Draft Staff Employment Contract/Condition of Employment** – Lorraine stated they met with Legal Counsel Jesse Borja last week Wednesday to go over the employment contract and condition of employment in which it was mostly grammatical errors. President asked how is the staff contract different from the faculty contract? Lorraine said we try to make it almost the same as the faculty. President recommended sharing with Legal Counsel Borja the combining of item no. 1 & 2 of page 4 of 5 on the condition of employment.

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Motion: Raaj K. moved to adopt the Staff Employment Contract and Condition of Employment pending proper language from the Legal Counsel. Jim W. seconded. Motion carried.

All College Council members voted in favor of adopting the Staff Employment Contract and Condition of Employment.

New Business:

- a. **New Email System Information & Update** - Jerry S. gave thorough information of the new email system migration to the CC members. He said the main thing with this migration is to bring NMC into legal compliance. It is a lot cheaper. We have 1300 accounts and we can easily add new accounts. We will include the new email system training on Professional Development Day. Jerry was asked to send out a memo informing all three campuses of the new email system.
- b. **Upcoming Board of Regents Meetings** – Just a reminder on the upcoming Board of Regents Meeting.
 - Thursday, July 28th - Personnel Committee @ 9:00 a.m.
 - Program Committee @ 10:30 a.m.
 - Fiscal-Legislative Committee @ 2:30 p.m.Friday, July 29th - Regular Board of Regents meeting @10:00 a.m.

Miscellaneous:

- a. **Professional Tip** - Dean Sablan did not have a professional tip at hand, but he shared personal experience relating to means of communication. He gave one example and that is using the College Council as a mechanism of cross campus communication

Next week's facilitator is Glenn Keaton

Meeting adjourned at 2:55 p.m.