



Northern Marianas College FOUNDATION

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Minutes of the Board of Directors Meeting
BOR Conference Room – NMC Campus, Saipan
Wednesday, June 15, 2011
10:00 a.m.

ATTENDANCE

Present: Ivan Quichocho, Vice-President; Frank Rabauliman, Regent/BOR F&L Committee Chairperson; Juan T. Lizama, BOR Chairperson; Dr. Alan Stuart Markoff, Director; Jack Kiyoshi, Foundation Secretary/Director; Lorraine T. Cabrera, Interim President.

Excused Absent: President Ben Babauta; Dave Burger, Foundation Treasurer/Director; Yoichi Matsumura, Director; and Joanna Pai, Director.

NMC Staff Present: Frankie Eliptico, Office of Institutional Advancement Director; Galvin Guerrero, Office of Institutional Effectiveness Director/Accreditation Liaison Officer; Rogelio Madriaga, CFAO; Raynard Travilla, OIA Staff; Marissa Seidler, OIA Staff; Keo BuenPacífico, OIA Staff; and Helen Camacho, OIA Admin. Manager (Recorder).

I. OPENING PROCEDURES

- a. Roll Call: Vice-President Quichocho called roll call. Six member of the Foundation Board were present; a quorum was established.
- b. Review and Adoption of Agenda:
Motion: Director moved to adopt the agenda with an amendment to add an agenda item under New Business (e) NMC Signage.
Second: Director Kiyoshi seconded the motion.
Vote: The motion passed unanimously.
- c. Review and Adoption of Minutes
Motion: Dr. Markoff moved to adopt the December 17, 2010, January 25, 2011 and March 17, 2011 meeting minutes.
Second: Interim President Cabrera seconded the motion.
Vote: The motion passed unanimously.

II. COMMITTEE REPORTS

a. Special Events Committee

1. 9th Annual NMC Foundation Open Golf Tournament

Vice-President Quichocho provided an update and highlighted the following items:

- Target met as planned for this year's open golf tournament
- ETC collections down 10k this year from last year.
- Cash donations up 6k this year.
- Raffle continues to perform very well over the years.
- \$53,000 Net (after expenses).
- Listing of sponsors and donors (ETC and Cash) provided (see handout); last year's listing was 65; listing has increased by 6 individuals/companies.
- \$134,000 Total value of ETC, Cash and In-kind donations.
- Frankie Eliptico, OIA Director noted that due to the sign of the economic times, we had more smaller ETC contribution.

2. NMC's 30th Anniversary Gala

Vice-President Quichocho provided a brief update. He indicated that the committee members met recently (Frankie Eliptico and Jack Kiyoshi) and had the chance to talk about the goals of the Gala. First, he indicated that the event marks a celebration of achieving 30 years of operating the college and educating the island community. The other goal is to raise funds. Vice-President Quichocho noted some concerns:

1. Setting a break-even target
2. Cost of the Venue
3. Cost of Catering
4. Ticket Sales of \$100 each
5. Cost of a Keynote Speaker
Congressman Gregorio "Kilili" Sablan proposed someone from the Department of Education. The committee will provide a status update.
6. Entertainment – The committee proposed some ideas such as a Dance number, a Comedy Show, or Bossanova band type of music.

Director Kiyoshi noted that the focus of the event is a celebration of our achievement as a college and as a community.

Frankie Eliptico, OIA Director also added that the event would be a good way to relaunch the NMC brand. This can also be achieved through various marketing activities. We want to instill a lot of faith in the college so that high school students can look at NMC first when they begin planning for college. He said that the event will be a good way to remind everyone that the college

has been delivering quality education for 30 years and to also showcase the many individuals that are productive and successful people in the CNMI.

Galvin Guerrero mentioned the idea of the DVD retrospective to showcase the event. Vice-President Quichocho said that the committee did discuss this great idea with the committee. The committee mentioned that they plan to have a projector screen to show case the success stories of those individuals that were a product of NMC.

Chairperson Lizama inquired if a statement will accompany the success stories from the individual of how the college has impacted their lives and helped their career. Frankie Eliptico, OIA Director noted the recommendation and said that the recruitment efforts of the college has already begun featuring individuals from the various segments of the government and private sectors who were a product of the Northern Marianas College.

Dr. Markoff shared a short story about a time when he worked for twelve years for an international children's charity. The organization provided Mio-electric arms for children. He said that these children were guest speakers at these types of events. He said that if you want to attract people to come to the event, you have to think about bringing someone who is big and popular. Dr. Markoff also mentioned popular names like Christina Aguilera, Cher from the movie Burlesque, Frank Sinatra, Liza Minelli and Nido Qubein. Dr. Markoff said that we need to have a zero-based thinking and said that Nido Qubein would be the most appropriate as a keynote speaker because he is currently a president of a college. He has a phenomenal story and a great

Vice-President Quichocho appreciated the recommendations and said that the committee will meet again to put together a budget. Galvin Guerrero also suggested Jill Biden, the wife of United States Vice-President Joe Biden. He said that Jill Biden is a President of a Community College. Dr. Markoff agreed because she's got a very influential name. Galvin Guerrero and Dr. Markoff were added to the committee.

b. Scholarship Committee

1. Fall 2011 Scholarship

Frankie Eliptico, OIA Director requested to table this agenda item pending further review and analysis. He is working closely with Daisy Propst, NMC Financial Aid Officer to identify certain categories of students who are in need of scholarships but do not qualify for aid. For example, part-time students who are working but cannot qualify for scholarships.

Vice-President Quichocho asked how many scholarships have been awarded in the past year from the Foundation. Frankie said that in the most recent disbursement, the Foundation awarded ten students and some of them have already graduated. Each of them received \$625 per semester. The foundation budgeted \$10,000 for this scholarship but not all of the funds were expended.

Regent Rabauliman inquired if the recipients were all part-time students. Frankie said that the scholarship was for anyone who is pursuing an Associates of Liberal Arts degree.

III. Old Business

a. Accreditation Update/NMC Update

Interim President Cabrera provided an update of the status of Accreditation. She indicated that the Supplemental Report was submitted on May 31, 2011 to the commission and had traveled to San Francisco to attend the annual meeting on June 10, 2011. While at San Francisco, she was given the opportunity to make a brief presentation based on the supplemental report. She listed three major concern that was of major concern to the commission:

1. NMCs Autonomy
2. Fiscal Management
3. Board Governance

Interim President Cabrera is very hopeful but is optimistic of a full reaffirmation. She will inform them as soon as the commission makes its decision.

Dr. Markoff inquired if there are any plans for a welcome reception for the arrival of the new president. Interim President Cabrera said that plans are already being made through the transition team and further details will be provided.

IV. New Business

a. House Bill 17-188

Frankie Eliptico, OIA Director presented the H.B. 17-188 (handout provided). Frankie said that H.B. 17-68 (suspension of ETC program) was vetoed recently by the acting governor, however, a new bill, H.B. 17-188 (Education Tax Credit) has since then been introduced by Rep. Fred Guerrero. The bill removes NMC from the ETC law entirely. Frankie said that there was no reasoning provided behind the complete removal of NMC.

Galvin Guerrero explained that the author of the bill is concerned that the public schools are not getting a fair share. He said the author of the bill believes that the private schools and NMC gets the lion share.

Vice-President Quichocho said that there is an effort in getting ETC. Galvin Guerrero said that there are other schools that have been successful but nowhere close to the success of NMC.

Regent Rabauliman inquired the position of the Public School System on this house bill. Galvin said that he is confident that they will stand in solidarity with the fellow educational institution. Frankie Eliptico said that the bill is still in committee and will provide another status update.

b. Energy Savings Initiative

John Guerrero, NMC Facilities manager provided a report (handout provided) on some of the efforts toward energy saving initiatives of the college. He outlined the following projects:

1. Replace current units with EPA efficient Energy Star rating units:
Estimated at \$450,000
2. Lighting Retrofit: Campus is currently using fluorescent lighting. Approximate savings of \$250,000/year on utility for these two projects.
3. ARRA funds used to cover pass due billing of \$480,000. NMC's utility is current at this time.
4. Solar Power systems and Reflective Roof coating for the three concrete buildings P, O and N. All the other buildings are tin roof built back in the early 50s.
5. Solar and roof coating cost: pending analysis from the contractors.
6. Potential projects: Solar powered campus security lighting (45 units recommended); Provide Campus wide Potable water, estimated at \$250,000; 100% off the grid campus;

After much discussion, Dr. Markoff recommended that John Guerrero come up with a priority list and the cost analysis for each area. John Guerrero agreed and will provide the board with a report soon.

Interim President Cabrera also mentioned another resource that the college is also looking at getting some assistance from the Northern Marianas Housing Corporation. NMHC has one million dollars that they need to spend in the next 40 days. John Guerrero concluded his report.

c. Financial Report (CFAO)

Frankie Eliptico, OIA Director advised the Board that the report that CFAO Rogelio Madriaga is about to make is for the life of the foundation and not in recent years. Rogelio Madriaga, CFAO, provided a financial report (handout provided). He outlined the following:

1. \$262,565.80 – Foundations' excess revenue
Deduction of \$200,000 should be made from the account
(breakdown follows):
\$100,000 – Tan Holding's donation back in 2007
\$100,000 – Transfer to the Endowment Fund

Balance: \$62,565.80

Vice-President Quichocho asked about the \$100,000 donation that was made by Tan Siu Lin Foundation back in 2007. Frankie Eliptico said that in the last Foundation meeting when the board agreed to transfer the \$100,000 to the Endowment Fund, the finance office reported a balance of about \$300,000 at the time. However, it was not indicated to him that the \$100,000 donation from TSL was still showing on the account. He and the CFAO are both looking into this concern. Discussions ensued further on this matter and the CFAO indicated that he is going to review this matter further with the Chief Accountant.

Dr. Markoff inquired who has access to the account. Frankie said that the Finance Office does. Jack Kiyoshi, Foundation Secretary, recommended that the board hold-off on making any commitments until this matter is resolved. Dr. Markoff agreed and indicated that looking at a report of this magnitude can be a very daunting task. The CFAO assured the board that he will work on it and get it to the board at the soonest possible.

d. Endowment Fund Report (Smith Barney)

Frankie Eliptico, OIA Director informed the board that Jason Miyashita and Dan Roland of Smith Barney would be participating via phone conference. Jason provided a performance of the Endowment fund portfolio. A copy of the report was distributed.

Jason Miyashita (Morgan Stanley Smith Barney) thanked everyone for making time to meet with him over lunch during his last trip to Saipan. He went on and provided a status on the overall performance report. He outlined the overall portfolio as of June 13, 2011 and also talked about the top holdings of the portfolio. Jason briefly touched on the portfolio returns and indicated that overall portfolio is doing well.

Vice-President Quichocho inquired how long do we watch Atlanta Sosnoff Capital. Jason recommended waiting for the June performance and discussing it at the next meeting. Jason Miyashita mentioned that the Fiduciary Studies conference in October 20-21, 2011 of this year.

e. NMC Signage

Frankie Eliptico, OIA Director, through the Interim President requested assistance to fund two permanent NMC signs. A budget of \$8,000 is needed.

Motion: Director Markoff moved for approval to fund the permanent signage with a budget of \$8,000.

Second: Interim President Cabrera seconded the motion.

Vote: The motion passed unanimously.

V. Miscellaneous/Announcement – none

VI. Adjournment

The meeting was adjourned at 12:30p.m.