



NORTHERN MARIANAS COLLEGE
Regular Meeting of June 27, 2024
3:30p.m BOR Conference Room, Saipan

Board Members: Regent Charles Cepeda (Chair); Regent Elaine Hocog Orilla (Vice-Chair); Regent Zenie Mafnas (Member); Regent Dr. Jesse Tudela (Member) and Regent William (Bill) Cing (Member).

Minutes of the Regular Meeting of June 27, 2024

In compliance with the Commonwealth's Open Government Act, to fulfill this requirement of this regular meeting was provided as follows to all stakeholders:

- (a) On June 24, 2024, advance written notice of this regular meeting was posted in the Marianas Variety News and Views.
- (b) On June 24, 2024, a copy of this advance notice of the meeting was uploaded on the college's website at www.marianas.edu.
- (c) On June 26, 2024, advance written notice of this meeting was emailed to the College campus.
- (d) Any individual who has requested notice of this meeting has been forwarded a copy of the notice of such meeting.

I. Call to Order

Chair Cepeda called the Board of Regent's regular meeting on Thursday, June 27, 2024, at 3:30pm. in the Board of Regents Conference Room of Northern Marianas College, Saipan. Chair Cepeda welcomed everyone to the meeting.

(a) Roll Call:

Board Members: Regent Charles Cepeda (Chair); Regent Elaine Hocog Orilla (Vice-Chair); Regent Zenie Mafnas (Member); Regent Dr. Jesse Tudela (Member) and Regent William (Bill) Cing (Member).

NMC Attendees: Frankie Eliptico (Acting President/Vice-President of Administration and Advancement); David Attao (Chief Financial Officer); Charlotte Cepeda (Dean of Student Services); Lorraine Maui (Interim Dean of Academic Programs and Services); Polly Masga (HRO Director); Kevin Bautista (Director of President's Office); Helen Camacho (Executive Board Secretary/Recorder).

Attending Via Zoom: Tonica Barcinas (CREES FYCD Extension Aide); Janson Sullivan; Geraldine Rodgers.

(b) Review and Adoption of Agenda

BOARD ACTION:

Regent Elaine Orilla motioned to amend the agenda to include New Business (a) Election of Treasurer, seconded by Regent Mafnas. Chairman Cepeda called for discussion, and there was none. All members voted yes, the motion passed.

II. Public Comments: Individuals may verbally testify on items on the agenda during the Public Comment Period. Testifiers are requested to limit their testimony to five (5) minutes. Written testimony is also accepted.

Chairman Cepeda confirmed that no requests for public comments had been received.

III. Reports from Standing Committees

Acting President Frankie first acknowledged the budget advocacy efforts at the legislature. He thanked the staff for presenting our budget and for the continued progress on funding for operational and capital improvement projects.

Chairman Cepeda thanked everyone and moved on to the reports from standing committees of the board below:

- (a) Finance Committee: *No report for the finance committee.*
- (b) Audit Committee: *No report for the audit committee.*
- (c) Human Resources Committee:

Regent William (Bill) Cing provided an update on the recent meeting with regard to the president's evaluation and will share more in this regard later in the agenda.

- (d) Regent Nominating Committee:

Regent Elaine Orilla, Regent Nominating committee chair, provided an update on the ongoing status of the nominations that were recommended by the committee for the governor's consideration. An update will be provided once a decision is made by the governor.

- (e) Program Committee: *No report for the program committee.*

- (f) Facilities Committee:

Regent Dr. Jesse Tudela, Facilities committee chair, requested if the board can view the video presentation. Here are the key points covered:

Updates on various construction projects:

- The **Student Center** is progressing well, with a target complete date of April 25, 2025. There are challenges, but the completion date remains unchanged.
- The **Workforce Development Building**, which will support various departments, is also targeted for completion in December 2025. The RFP for this project is being prepared for review by the EDA (Economic Development Administration).

- **Two additional classroom buildings** funded by the CDBG DR program are planned for completion by Fall 2026, with design efforts underway to ensure industry standard labs for the science classes.
- **Road Projects:** There are ongoing road projects related to campus facilities, with a new completion date set for August. Issues encountered include environmental considerations. Discussion on funding priorities for other infrastructure projects continues to be a priority.

(g) Ad Hoc Committee – *No report for the AdHoc committee.*

IV. Old Business

(a) Artificial Intelligence Policy

A new AI policy is being proposed to address data privacy, academic integrity, and the responsible use of AI in educational settings. This policy aims to enhance academic quality and promote ethical AI usage among students and faculty.

Acting President Frankie informed the board that before them for action and recommendation for approval is the policy on artificial intelligence. A copy was also shared with board members and the college community. He informed the board that the adoption of the policy is important for the college for many other reasons and if adopted would guide ethical use of artificial intelligence at the college and it would provide the framework to include academic integrity, data privacy, and workforce preparedness. Furthermore, the policy is the 1st step that would lead to the adoption of corresponding procedures which Kevin has worked on with input from the different stakeholders, and the policy has also been vetted by through college governance, receiving unanimous support from the college council. Kevin will give a quick summary of the policy and the process by which it has been vetted.

Kevin Bautista, President's Office (Director) shared that the policy was presented to the board in the last February meeting for 1st reading and then the policy has gone through college governance. Since then, it was formally adopted by the College Council in its April meeting. Unanimously, after receiving various feedback and comments from the stakeholder groups such as ASNMC, Faculty Senate and Staff Senate. The policy has been vetted by legal counsel and the language has been honed in by the college community as mentioned earlier. Kevin also shared the action plan in the board's packet mainly for reinforcements for the procedures in the future.

Acting President Frankie also added that there is one other thing that can be added is it emphasizes preparing students for the workforce by equipping them with knowledge about AI.

The college aims to ensure transparency in its processes and provide necessary training for faculty and students on AI usage, emphasizing ethical considerations and accessibility for all digital literacy levels.

Chairman Cepeda thanked the team for the presentation and called for a motion from the Board on the proposed policy as follows:

BOARD ACTION:

Regent Elaine Orilla motioned to adopt the Artificial Intelligence policy, seconded by Regent William Cing. Chairman Cepeda opened the floor for discussion and here are some inquiries from the board.

Regent Mafnas shared that although she supports digital enhancement, she asked how would we know that AI is being used ethically and properly.

Acting President Frankie explained that the policy provides the framework by which the students can use it and not use it and use it ethically. He added that there are also tools and ways to ensure that the AI is used properly by also including it in the students' syllabus, using the correct citations and also there are AI detectors.

Dean Lorraine Maui also explained that the faculty are also aware that AI has to be used properly by its students and therefore, they have added another layer to test their work. Dean Charlotte Cepeda also added that the faculty also have access to software that detects students' work.

Regent Dr. Tudela agrees that there are software's available to detect plagiarism and so long as faculty are armed with those tools they can figure out if the student is using AI.

Chairman Cepeda referred to a sentence in the policy that the president shall establish administrative procedures and guidelines. Dean Cepeda explained that policies and procedures have to go through the same review process.

Acting President Frankie said that it is assumed that all policies and procedures go to the president. Regent Orilla recommends that the sentence should remain for purposes of clarity and guidance. Dean Lorraine said it's listed in the governance guide on how policies and procedures are guided.

After much discussion, Chairman Cepeda called for the vote on the Artificial Intelligence policy. All members voted yes, the motion passed. *The AI policy is unanimously adopted.*

(b) Honorary Regents Policy

Acting President Frankie informed the board that the honorary regent's policy is before them for its review and Kevin will provide a summary of the discussions that came out of the governance groups. Kevin shared that at the college council meeting in March, the stakeholder groups met and discussed extensively about the Honorary Regents policy. The discussion pretty much yielded that the policy is not ready for the Board's action and that it requires further deliberation in accordance with historical content of the college accreditation standards which we have to run through our accreditation liaison officer and other stakeholders within the institution.

BOARD ACTION:

Regent Dr. Tudela motioned to table the honorary regents policy, seconded by Regent Orilla. Chairman Cepeda called for discussion. Regent Tudela requested a deadline.

Regent Elaine Orilla, Ad Hoc Committee Chair will meet to discuss and review this policy before the next meeting. Acting President Frankie said that the staff will assist her with providing the information so that by the next board meeting we'll have a recommendation.

Chairman Cepeda appointed the following members to serve on the Ad Hoc Committee to review the Honorary Regents policy.

AdHoc Members: Regent Orilla (Chair); Regent Tudela (Member) and Regent Mafnas (Member)

All members agreed, this item is tabled.

Chairman Cepeda moved along to the next item on the agenda under New Business which is the Election of Treasurer.

V. New Business

(a) Election of Treasurer

NOMINATION AND VOTE:

Regent Elaine Orilla nominated Regent Zenie Mafnas to serve as the BOR Treasurer, seconded by Regent William Cing. There were no other nominations, the nominations were closed.

All members voted yes in support of Regent Mafnas's nomination to serve as the BOR Treasurer, the motion passed. Regent Mafnas is new BOR Treasurer.

(b) Substantive Change for Online Programs

Acting President Frankie shared that the college is preparing to submit a request for formal approval of its online programs to the commission, which requires the endorsement of the board for a substantive change. Dean Charlotte Cepeda, the Accreditation Liaison Officer, outlined the process and identified the top three online programs with the highest enrollment for this change:

- 1) Associate of Arts in Liberal Arts (AALA) Online Program
- 2) Associate of Science in Criminal Justice (AASCJ) Online Program
- 3) Bachelor of Science in Business Management (BSBM) Online Program

The college has gone through the internal review process and has been completed, and curriculum was approved by the Academic Council and the Dean of Academic Programs and Services in February.

BOARD ACTION:

Regent Elaine Orilla motioned to approve the proposal for the online degree programs to the Senior Commission, seconded by Regent Mafnas. All members voted yes, the motion passed.

(c) BOR Resolution No. 2024-01 - MOA to avail of the Line of Credit

The discussion centered around the approval of BOR Resolution No. 2024-01 Memorandum of Agreement (MOA) to access a line of credit, intended as a financial option for the college if needed for EDA-funded projects. Acting President Frankie expressed gratitude and noted that the relevant documents have been uploaded for review. The line of credit is considered a last resort; the college aims to pay for construction upfront and hope to receive reimbursements without needing to borrow.

CFO Dave outlined necessary changes to both the resolution and the MOA, seeking conditional approval from the board while working out these details. Modifications include clarifying the interest rate, which was initially stated as 5.5% compounded annually, and addressing other potential amendments related to EDA construction activities and temporary spaces. Concerns were raised about the interest rate, and it was clarified that the college was not part of the original negotiation. However, there is potential for the college to negotiate a separate rate if needed. The board has the choice to approve the current documents, wait for the revisions, or table the discussion for the next meeting.

A key point mentioned is that the line of credit has a maximum term of 84 months, which is already in effect. The administration seeks to ensure that documents are in place for future access to this credit, with the understanding that if the board approves the resolution now, it allows for flexibility without needing to return for additional approvals later.

Overall, the board's approval is sought to ensure that the college has access to necessary funds for ongoing and future projects while maintaining the option to negotiate better terms if feasible. Two documents have been uploaded to the folder that you can access online. 1) Resolution 2) MOA. The line of credit is not required for us to use, this is a last resort or in case we ever need it.

BOARD ACTION:

Regent Elaine Orilla motioned for conditional approval of BOR Resolution 2024-01 and MOA, seconded by Regent Cing. All members voted yes, the motion passed.

President's Evaluation (July 2023- July 2024)

Regent Cing, HR committee chair informed the board that the committee has decided to continue using the 360-degree evaluation format for the president's evaluation. The committee is recommending continuing with this format which was approved during its meeting to present this recommendation to the full board for approval. The evaluation is set to begin next week and must be completed before June 30.

BOARD ACTION:

Regent William (Bill) Cing made a motion to approve this format, and was seconded by Regent Tudela. The board unanimously voted in favor of the motion. The evaluation is to be completed by

June 30, 2024.

VI. NMC Executive Reports

(a) *President's Report*

1. Facilities Update

Acting President Frankie shared some updates regarding various facilities projects and updates at the college. Here's a summary of the key points discussed:

- (a) **Facilities Updates:** The acting president expressed gratitude to Regent Jesse and others for their involvement in facilities meetings. Special thanks to Rachel (CIP Director), for her leadership in pushing the project forward and CFO Dave and his team at the finance / procurement office for being the force behind pushing and reviewing voluminous documents to make things happen.
- (b) **Student Center:** Progress is being made on the student center, with efforts to ensure timely completion. FEMA approval is being sought for funding furniture, fixtures, and equipment (FFE), to avoid ending up with an empty building or old furniture in a brand new building.
- (c) **Workforce Development and Training Center:** The preparation of the Request for Proposals (RFP) is underway, and the legal counsel is reviewing security titles related to the college's property. The location for this center has been adjusted based on master plan approvals.
- (d) **Budget and Funding:** There was mention of a previous plan to finance the student center through the Department of Education, noting a budget overrun. The remaining FEMA funds need to be reprioritized for various projects, including a gym and parking garage.
- (e) **Laboratory Design:** There was a need for a change order related to lab design, which is being handled by NMHC. The budget for the lab design was discussed, confirming that it had to be adjusted.
- (f) **Demolition Concerns:** Regent Jesse raised concerns about the demolition of the gymnasium and its proximity to a passageway, emphasizing the need for careful planning.
- (g) **Master Plan Adjustments:** The facility master plan is being followed, with adjustments made to accommodate funding and project requirements.

Acting President Frankie also thanked NMHC for their support and helping with all the paperwork.

2. Accreditation

The accreditation update provided outlines the following key points shared by Dean Charlotte Cepeda, accreditation liaison officer (ALO):

- (a) **Annual Report Submission:** The college has submitted its annual accreditation report, which includes a profile summary of student enrollment, financial indicators, and updates on degrees and key personnel (such as the Board of Regents chair, CEO, and other key officials).
- (b) **Substantive Change Notification:** The college received notification that it may not need to go through a substantive change process for the instructional site in Tinian and Rota, which

is significant as it simplifies the process. This is particularly relevant given the circumstances surrounding Super Typhoon Yutu.

- (c) Moving Forward: The college is now preparing to move forward with the necessary information for the site, with the expectation that the review will be less extensive than typical substantive changes.
- (d) No Specific Deadline: While no specific deadline was mentioned for completing the necessary steps, preparations are already underway.

3. CFO Report

The discussion centers around the college's finances. The content focuses on the following items outlined by Dave Attao (Chief Financial Officer).

- (a) Budget updates: CFO Dave mentioned a \$4.6 million target and thanked the college for understanding budget freezes.
- (b) Funding requests: There's a discussion about seeking funding from various sources.
- (c) Indirect costs: Requesting coverage for indirect costs due to increased administrative functions.
- (d) Clean Audit: The college has received zero findings on their audit. The college has had 17 years of clean audit and this is a significant accomplishment and speaks to the hard work of the finance team and the college as a whole.
- (e) Federal Reporting: The process of submitting the audit results to the federal clearinghouse, which then get passed on to the public auditor for release.
- (f) Public Recognition: There's a desire to publicize the clean audit to the community as a way of demonstrating good stewardship of funds and the college's commitment to transparency.

4. Legislative Update

This legislative update summarizes the status of several bills relevant to the college:

- Apprenticeship Bill: Still with the House. Aims to move apprenticeship partnership to the department level, which would be beneficial for the college as an educational provider.
- Archives Bill: Recently passed the House committee and is expected to move to the governor soon. The bill focuses on archives and books and might involve changes to federal mandates.
- Bipartisan Workforce Power Act: Introduced but stalled in committee since February 2024. This act could provide short-term funding opportunities for projects and certificate programs.
- Upcoming Budget: The most crucial legislative item as it will determine the college's funding and emphasize the need for the board's support in advocating for sufficient resources, especially given the college's ongoing projects and expansion plans.

Regent Tudela asked about the Pell Grant issue (FAFSA), specifically, with the current state of the application process at the federal level and the potential issues with students. Kevin mentioned some issues remain unresolved, such as difficulties for parents without social security numbers.

VII. Miscellaneous Items

Chairman Cepeda thanked everyone for all their hard work and proceeded with the presentation of Appreciation for Regent Irene Torres and Regent Michelle Sablan:

Presentation of Appreciation for Irene Torres and Michelle Sablan: The college honored Irene and Michelle for their service to the Northern Marianas College Board of Regents. The college expressed gratitude for their advocacy and dedication to the college, mentioning specific instances where they made a positive impact. A shovel that was used in the historic groundbreaking of the student center, symbolizing growth and progress was given to each of them. Regent Irene and Regent Michelle who are both leaving because their term had expired on the board expressed their appreciation and will miss the time spent together at the college. The college invited them both to join the ribbon cutting ceremony for the student center in April.

VIII. Executive Session (At any time during the scheduled meeting, the Board of Regents may be required to enter into executive session to discuss matters deemed privileged and confidential).

Chairman Cepeda confirmed that there is no need to enter executive session today.

IX. Upcoming Board Activities

None.

X. Adjournment

BOARD ACTION:

Regent Elaine Orilla motioned to adjourn the meeting, seconded by Regent Tudela. This meeting is being adjourned at 5:21p.m.