



**NORTHERN MARIANAS COLLEGE
BOARD OF REGENTS
Special Meeting of February 14, 2020**

Minutes

I. Call Meeting to Order

The special meeting of the Board of Regents of the Northern Marianas College was held on Friday, February 14, 2020 in the BOR Conference Room, Saipan Campus. Regent Charles V. Cepeda, BOR Chairman called the meeting to order at 9:39a.m. and called for a roll call of the members. Seven members were present and a quorum was established. Chairman Cepeda welcomed everyone to the meeting.

a. Roll Call

Regents Present:

Regent Charles V. Cepeda, Chairman
Regent Elaine Hocog Orilla, Vice-Chairperson (Via Zoom Rota Campus)
Regent Michaela U. Sanchez, Treasurer (Via Zoom Tinian Campus)
Regent Jesse M. Tudela
Regent Zenie P. Mafnas
Regent Michael N. Evangelista, Esq.
Regent Irene T. Torres

NMC College Staff:

Frankie Eliptico, Interim President; Dr. Randy Yates, School of Education, Associate Professor/Faculty Senate President; Adam Walsh, Languages and Humanities Instructor/Faculty Senate; Dr. Laura Taylor, Science, Associate Professor/Faculty Senate; Arthur De Oro, Community Development Institute Director; Shelly Tudela, Chief Accountant/Acting Chief Financial Officer; Polly Dlg. Masga, Human Resources Director; Diana Hocog, Rota Campus; Maria Aguon, Tinian Executive Director, Martin Mendiola, Rota Executive Director; and Helen B. Camacho, Executive Secretary to the Board of Regents.

BOR Legal Counsel:

Tiberius Mocanu, Esq.

Others:

Lyn Lirio, Marianas Variety News Reporter

Chairman Cepeda called the meeting to order at 9:40a.m and welcomed everyone to the meeting.

Review and Adoption of Agenda

Regent Torres motioned to adopt the agenda, seconded by Regent Evangelista. All members voted yes, the motion carried. The agenda was adopted with no changes.

II. Public Comment Period: Individuals may verbally testify on items on the agenda during Public Comment Period. Testifiers are requested to limit their testimony to five (5) minutes. Written testimony is also accepted. - None.

III. New Business

a. Appropriations Budget Reduction (Austerity Measures)

Frankie Eliptico, Interim President shared the proposed austerity measures that the college has been considering to implement as early as March 8, 2020 and also gave a background briefing about the impending austerity measures. He went on to state that the college received a letter from the Office of Management & Budget dated February 10, 2020 informing us that budget allocations to all government agencies that receive appropriations to include the Northern Marianas College would be reduced to 28.3%. The details of the proposed reduction are in the February 10 memo. IP Frankie also shared that before receiving this notice, the college has already begun these difficult discussions with various members of the college to include the staff and faculty senate of the college. The college's main priority is to continue programs and services to the Northern Marianas College students in the most sensible way possible.

In response to Regent Evangelista's inquiry about pending FY2019 funds, IP Frankie informed the board that the funds are all caught up. To date the college received \$1.34 Million for October, November and part of December for FY 2020 budget. A copy of the proposed austerity measures were shared with the members of the board below:

PHASE ONE: Austerity Measures (Effective March 8, 2020)

- 1) To minimize impact to students, ensure quality programs and services:
 - a. Reduction in work hours by 15% to 20% or 12 to 16 hours
 - i. Exempted: Employees with salaries of \$25,000 or less, 10-month Faculty, Federally-funded employees.

- 2) Leverage available federal resources (including grants), etc).
- 3) Comprehensive conservation efforts to reduce electricity consumption
- 4) Restrict non federal travel
- 5) Restrict, but not entirely eliminate, hiring of non federal positions
- 6) Restrict funds from 3rd and 4th Quarter (Operations)
- 7) 3rd and 4th Quarter allocations to NMC Departments and Programs
- 8) Reduction of work study (internal NMC internships)

PHASE TWO: Austerity Measures

- 1) Reduction of adjunct and overload costs – Increase course capacity for courses in Summer 2020, Fall 2020, and Spring 2021.
- 2) Analysis of NMC’s organization chart to implement activities that streamline, combine, and eliminate full time positions.
- 3) Phase our limited term appointments or convert to FTE.
- 4) Renegotiate annual contracts
- 5) Minimum 10 students to run classes

Regent Mafnas asked about the status of the grants position and IP Frankie explained that the college did hire a grants coordinator and the individual has been very instrumental in writing new grants for the college. However, the college still needs more resources.

The following information regarding revenue generating strategies were also shared with the board:

REVENUE Generating Strategies Under Consideration

- 1) Run Summer 2020 Summer Semester
- 2) NMC Recruitment Initiatives (Target of 10% increase of full time students compared to Fall 2019)
- 3) NMC Tuition Increase 5% to 10% by Fall 2020
- 4) Fundraising Initiatives
 - a. NMC Golf Tournament
 - b. Employee ETC Donation Drive
 - c. Alumni ETC Donation Drive
- 5) Increase CDI revenues through expanding workforce training activities
- 6) Contract NMC services (IT, etc) to private and public agencies
- 7) Expand Testing Services

For the record, a handout was shared with the members regarding Budget Allocations and Fund Transfers.

Regent Evangelista inquired about austerity, IP Frankie explained that the college the college was the first organization to implement austerity measures and is currently still under austerity. He went on to explain that the projections for the college for fiscal year 2021 is going to be \$6.6

Million dollars to include the CW Fees and the casino license fees. All these things combined met the college's threshold for coming off austerity.

IP Frankie also emphasized to the board that suspending austerity has to be done cautiously. Shelly Tudela, Interim CFO also added that it was due to the cash in the account.

In response to Regent Torres's inquiry if a timeline was given as to when the college will be given the remainder of the funds. IP Frankie shared that there is a lack of student housing and that's why its also going to be part of the masterplan. Regent Tudela inquired if there was a law that all CNMI students would attend NMC. IP Frankie explained that there is a policy.

With much discussion about the proposed measures and budget reduction, Regent Tudela motioned to approve the Appropriations Budget Reduction (Austerity Measures), seconded by Regent Torres. All members voted yes, the motion carried. Chairman Cepeda thanked everyone for their hardwork and understanding.

Regent Tudela motioned to move into executive session, seconded by Regnet Evangelista. All members voted yes, the motion carried.

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

- a. Legal Matters
- b. Personnel Matters

III. Adjournment

Regent Evangelista motioned to adjourn the meeting, seconded by Regent Torres. The meeting ended at 10:54a.m.