



NORTHERN MARIANAS COLLEGE
BOARD OF REGENTS
Regular Meeting of June 22, 2018

Minutes

I. Call Meeting to Order

The regular meeting of the Board of Regents of the Northern Marianas College was held on Friday, June 22, 2018 in the BOR Conference Room, Saipan Campus. Regent Charles V. Cepeda., BOR Chairman called the meeting to order at 3:32 p.m. and called for roll of the members. Four members were present and a quorum was established.

a. Roll Call

Regents Present:

Regent Charles V. Cepeda., Chairman; Regent Irene T. Torres; Regent Zenie P. Mafnas; and Regent Jesse M. Tudela.

Excused Absent: Regent Michael N. Evangelista, Esq.

NMC College Staff, Faculty and Students

Dr. Carmen Fernandez, President; Kathy Palacios, Staff Senate President/Accountant; Charlotte Cepeda, School of Education Director; Adrian Atalig, Information Technology Director; Anita Camacho, Procurement and Property Management Manager; Erlynn Sakisat, School of Education Administrative Assistant; Frankie Eliptico, Vice-President for Administration and Advancement; Barbara Hunter, School of Business Instructor; Christine Roque, ASNMC Senator; Shanthia Espinosa, ASNMC Vice-President; Leah Fabila, ASNMC Secretary; Shelly Tudela, Chief Accountant; Timberley Ngewakl, Budget Analyst; Cyndi Deleon Guerrero, Vice-President of Learning and Support Services; Alexis Cabrera, Office of Student Activities and Leadership; Queanna Sablan, CNMI AHEC Office; Kenneth Gabrido, ASNMC Representative; Renedel Buno, Information & Technology Staff; Dennis Marcelo, Database Administrator Information Technology; Lucille Deleon Guerrero, Learning Support Services; Kaelani Demapan, Learning Support Services (Early Intervention); Barnaby Q. Lizama, Facilities Manager; Arthur De Oro, Grants Coordinator; Jerome Ortiz, Information & Technology; Michael Manglona, Information & Technology; Daisie Camacho-Renguul, Network Specialist Learning Technology; and Helen B. Camacho, Board Secretary (Recorder).

Chairman Cepeda called the meeting to order at 3:32 p.m. and welcomed everyone. He also recognized Mr. Jesse M. Tudela who is the the newest member of the Board of Regents. Regent Tudela was appointed to serve on the Board of Regents on February 02, 2018 and subsequently confirmed by the Senate. Regent Tudela offered some comments and stated that he is especially thankful for all the support given to him during his appointment and subsequent confirmation hearing. He vowed to listen to all stakeholders and support the programs at the college.

Review and Adoption of Agenda

Regent Tudela motioned to adopt the agenda, seconded by Regent Mafnas. All members voted yes, the motion carried.

Review and Adoption of Minutes

March 16, 2018 regular meeting

Regent Torres motioned to adopt the meeting minutes, seconded by Regent Mafnas. Legal Counsel Borja added that in the future it should be noted that upon convening the meeting after executive session that no action is to be taken. **All members voted with the recommendation made by Counsel Borja, the motion carried.**

II. Public Comment Period: Individuals may orally testify on items on the agenda during the Public Comment Period. Written testimony is also accepted. Oral testimonies are limited to five (5) minutes.

None.

III. NMC Executive Reports

FINANCE COMMITTEE, Regent Irene T. Torres, Chair

Regent Torres, Chair for the committee provided an update. She indicated that the committee met earlier in the week and the items that were discussed are in today's agenda.

AUDIT COMMITTEE, Regent Zenie P. Mafnas, Chair

No report.

HUMAN RESOURCES COMMITTEE, Michaela U. Sanchez, Chair

None.

REGENT NOMINATING COMMITTEE, Irene T. Torres, Chair

None.

PROGRAM COMMITTEE, Regent Michael Norita Evangelista, Chair

None.

OLD BUSINESS

Board Policy No. 6000 – Compensation and Classification

Regent Torres motioned to table this item, seconded by Regent Mafnas. The motion carried.

To amend Board Policy No. 1005: Standing Committees of the Board

Regent Torres motioned to table this item, seconded by Regent Mafnas. The motion carried.

PW96 NMC Gym Design Plans

Regent Torres motioned to accept and approve the NMC Gym Design Plans, seconded by Regent Mafnas.

Questions and Comments: Ms. Jaime Pangelinan, Associate Architect from Taniguchi, Ruth and Makio Architects presented the design plans (handouts provided) to the full board. She presented images and information about the various parts of the design plans. Jaime highlighted the following details:

- 1) Locker Rooms
- 2) Classroom
- 3) Existing roof includes solar water heaters.
- 4) Main Gym Roof Solar Power PV Panel is intended to provide full power.
- 5) Study alcoves, student waiting areas.
- 6) Industrial look/features
- 7) Interior size of the floor

Questions from the Board included Regent Mafnas noting some important information raised during the finance committee meeting about the block grant's low income bracket requirements and timeliness in completing the project. Regent Torres asked about the funding for the solar panels and the parking lot as it does not appear to be included in the budget. In response to a question from the board members to include the funding for the solar panels, parking lot and the block grant requirements, President Fernandez explained that the budget is very limited and therefore, we will need to secure a grant to be able to fund the solar panels. A separate funding will also be secured for the parking lot. The estimated cost will be at Three Hundred Eighteen Thousands dollars.

As for the inquiry about the grant requirements, Regent Mafnas will do her best to ask for an extension. President Fernandez indicated that the target deadline is still December 2019.

Chairman Cepeda thanked Ms. Pangelinan for her report and presentation. Mr. Dick Cody, TRMA Owner for the Saipan Branch was also present.

Regent Torres motioned to amend the earlier motion and the new motion is to approve the NMC Gymnasium Renovation & Expansion Design Plans (and the budget will be clarified later), seconded by Regent Tudela. All members voted yes, the motion carried.

NEW BUSINESS

Board Resolution No. 2018-02: NMC debit/credit card

On behalf of the finance committee, Regent Torres motioned to approve BOR Resolution No. 2018-02: NMC debit/credit card, seconded by Regent Mafnas.

Questions and Comments: In response to Chairman Cepeda's question, President Fernandez explained that the CFO will be the sole guardian of the card. The credit/debit card if approved by the board will be another method of payment and thus would still need to go through the procurement process.

Regent Tudela noted his reservations approving the request without true and clear definitions and internal controls. In response to Regent Tudela's question, Frankie Eliptico, VP for Administration and Advancement responded that although the Chief Financial Officer is on personal leave today, he supports it because he was the one who drafted the resolution.

Regent Mafnas echoed the earlier comments made by Regent Tudela about internal controls and procedures. She encouraged the college to have them in place so that there is transparency and protection on all fronts. Regent Torres indicated that the committee discussed these matters at length and requested that the college work this out.

President Fernandez informed the board that the procedures are under development and that they will be very strict and clear. Furthermore, there will be full accountability. The college will share the procedures once it's done for their information so that the board can see that the controls are in place.

Regent Mafnas inquired on the differences between policy and procedures from an accreditation stand point. In response to Regent Mafnas's question, VP Eliptico for Administration and Advancement explained that in the past, previous boards have been cited by accreditation for being involved in the procedural matters of the college which is normally in the purview of the administration versus policy. The board members should be involved with the financial strategy and policy of the college.

Counsel Borja explained that generally speaking that is correct. Accreditation maintains that the board only has jurisdiction over the policies and that the administration has jurisdiction over procedures. However, he cautioned the board that depending on the subject matter, like for example the procurement policy and procedure goes together. There are times when the board has to deal with both. Generally speaking, the board deals with policy and the college deals with procedures.

Chairman Cepeda asked if a resolution is even necessary to give the college administration the authority to obtain a credit card. Counsel Borja said that it's a requirement by the bank and once the board approves it, the bank wants to see something in writing that the authority has actually been given. In response to the Chairman's next question on difference between resolution and policy, Counsel Borja asked is it different in the sense that when you acted on it to approve it, that is a policy saying that you've decided the administration can have a card. The resolution itself is the written evidence of that policy to the bank.

Discussions ensued about whether or not a policy exists. Chairman Cepeda asked if there is a policy in place. President Fernandez informed the board that the staff found the credit card policy. She apologized for the oversight and explained that the need is there to approve the request because it's been difficult for employees to purchase items/services because most vendors require a credit card. VP Eliptico also added that it is an ongoing challenge for the departments most especially for the Information Technology and Marketing Department. There were instances where personal credit cards had to be used in order to meet the vendor deadlines and requirements.

Chairman Cepeda had some reservations and recommended that the resolution be revisited. The resolution should cite Board Policy No. 7005. Counsel Borja agreed with the recommendation and also added that the language should mirror the policy.

Regent Torres motioned to withdraw her earlier motion, seconded by Regent Tudela. All members voted yes, the motion carried. Regent Torres motioned to table this item, seconded by Regent Tudela. All members voted yes, the motion carried.

FY2017 Financial Audit

On behalf of the Audit Committee, Regent Mafnas informed the board that the audit committee did not meet because the audit report was not ready. The audit submission is due on June 30, 2018. VP Eliptico also informed the board that the lateness of the audit is by no means the fault of anybody at the Northern Marianas College. He also requested if the board can meet on this matter sometime before the June 30 deadline. VP Eliptico recommends recessing the meeting if at all possible solely for this purpose.

After much discussion, it was concluded that the audit report does not require the action of the board and the president will take it to the audit committee immediately for its review. Subsequently, the college will provide the full board with a copy.

NMC Executive Reports

Dr. Carmen Fernandez, NMC President reported:

- 1) Attended the Budget Hearing with the House of Representatives: Budget request of \$6.5 Million.
- 2) Fall Enrollment: One Thousand Two Hundred (1,200) students to date.
- 3) Facilities Master Plan updates: Contractual process and going into the internal facilities master planning for the new campus facilities.
- 4) 2018 ASNMC Officers: Alexis Cabrera, Office of Student Activities Leadership introduced the following members:

Kenneth Gabrido, President
Shanthia Espinosa, Vice-President
Leah Fabila, Secretary
Nadia Benjamin, Treasurer
Christine Roque, Senator
Ruby Jean Belingnon, Senator
Zalbert Palma, Senator

b. WASC Accreditation Update

President Fernandez provided an update on the ongoing accreditation efforts, she highlighted the following.

- 1) Mid-Cycle review is scheduled for next Summer.
- 2) Campaign Initiative: Ten in 20/20 Accreditation Goal of 10 Years.
- 3) Next visit is in 2020; report will be submitted in 2019.

2. Legislative Update

Frankie M. Eliptico, VP for Administration and Advancement (handout circulated) highlighted some key updates:

- a) S.B. 20-21: To Establish NMTI as a government entity was vetoed on March 16, 2018 by Governor Torres.
- b) 2018 Appropriations Budget Hearing on June 06 with the House Ways and Means Committee where the college's budget request of \$9 Million was presented. The discussion went well. The Bill is now headed to the Senate.
- c) S.B. 20-71: To establish a Nursing School Profession Scholarship is with the House Committee on Education on June 26, 2018 to discuss the bill.

- d) H.B. 20-133: To Rename NMC Building P the “Agnes McPhetres as the “Agnes Manglona McPhetres Administrative Building,” passed the house and is currently with the Senate. It’s been referred to the Education and Youth Committee and have until July 29 to act on it.

VP Eliptico sought the board members assistance by lobbying in our efforts for a budget of Six Million Five Hundred Thousand Dollars (\$6.5Million). This is the most critical time to make those contacts and appeals to the House Ways and Means Committee.

3. CFO Report

Frankie Eliptico, VP Administration and Advancement provided updates. He noted some financial highlights.

- a) Comparative income statement: Appropriations
- b) General Budget: Operations Budget
- c) Federals Grants: Travel cost to attend grant funded events/trainings.
- d) Adjust and overload cost
- e) Enrollment increased
- f) Federal Monies

VP Eliptico concluded the financial report of the college.

Counsel Borja reminded the board that he was tasked to look into the matter of the law that addresses the Regent Nominating Committee in where the membership changed from nine to seven members but forgot to change the number of quorum. President Fernandez informed the board that they will address this by visiting the legislature and hopefully get them to amend the law.

Chairman Cepeda noted that Regent Evangelista is excused absent for today’s meeting.

V. Board Meeting Assessment – Done.

VII. Adjournment

Regent Torres motioned to adjourn the meeting, seconded by Regent Mafnas. The motion carried. The meeting ended at 5:10pm.