



Northern Marianas College FOUNDATION

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Minutes of Board of Directors Meeting
BOR Conference Room – NMC Campus, Saipan
Wednesday, July 7, 2010
10:30 a.m

ATTENDANCE

Present: Ben Babauta, President; Ivan Quichocho, Director; Yoichi Matsumura, Director; Dave Burger, Director; Janet Han King, BOR Chairperson; Jack Kiyoshi, Alumni Association President; Lorraine T. Cabrera, Interim President.

Excused/Absent: Joanna Pai, Director; and Felicidad Ogumoro, Director.

College Staff and Faculty: Frankie Eliptico, OIA Director; and Helen Camacho, OIA Recorder.

Others: Jason Miyashita, via VTC

I. OPENING PROCEDURES

- a. Roll Call:** President Babauta called roll call. Seven members of the Foundation Board were present; a quorum was established.

Excused/Absent: Joanna Pai, Director; and Felicidad Ogumoro, Director.

- b. Review and Adoption of Agenda**

Motion: Director Quichocho motioned to adopt the agenda w/amendments, add an item under IV. (d) New Business, Election of Officers.

Second: Director Kiyoshi seconded the motion.

Vote: The motion passed unanimously.

II. COMMITTEE REPORTS

- a. Special Events Committee**

1. 2010 Foundation Open Report

Director Quichocho informed the Board that this year was exceptionally challenging but nonetheless, it was a successful event. The initial target was set at \$60,000. The tournament was able to garner \$79,998.

President Babauta echoed the same sentiments and thanked team NMC for all their hard work.

2. Upcoming Events

Director Quichocho informed the Board that there are some ideas in the horizon but would like to proceed cautiously in terms of cost and expenses. He also added that he is working with Mark Mendiola, Director of the University of Guam Foundation in trying to share some of the events that he might be hosting in Guam. Some of the events mentioned are Frank Delima, Augie Tulba and Angela Johnson to name a few.

President Babauta informed everyone that NMC is going to be celebrating its 30th Anniversary in 2011. The Foundation Board are interested in spearheading the fundraising activities for this event. President Babauta asked if Interim President Cabrera would present this idea to the Board of Regents and to get some feedback.

Director Quichocho had great ideas on how to go about planning for this event, but opted to table this matter until the Board of Regents makes a decision especially about the planned gala. The special events committee can then meet to get the ball rolling.

III. OLD BUSINESS

a. Foundation Budget 2010 -2011

Frankie Eliptico, OIA Director highlighted the Foundation budget for 2010-2011. A copy of the draft budget was distributed to all members.

Some points of discussion also included the following:

- NMC 30th Anniversary Gala – proposed budget pending the decision of the Board of Regents.
- Office renovation expenses – the amount stated in the draft budget was actually lower due impart to funding used from the Marketing Department; there are two rooms that still need to be renovated.

Motion: Director Quichocho motioned to table the 2010-2011 proposed budget pending the decision from the Board of Regents on the NMC's 30th Anniversary.

Second: Director Burger seconded the motion.

Vote: Unanimous.

b. Accreditation Update/NMC Update

Interim President Cabrera provided an update of NMC's accreditation efforts. She stated that Northern Marianas College was notified by the Western Association of Schools and Colleges (WASC), that the College has been placed on Show Cause. Interim President Cabrera reported

that she had just returned from San Francisco with Chairperson King and Galvin Guerrero, the Accreditation Liaison Officer where she was given the opportunity to meet with WASC officials. The ACCJC June 30, 2010 letter indicated that NMC is in noncompliance with three key areas:

1. Institutional autonomy from outside interference
2. Institutional financial management and integrity
3. Institutional governance and accountability

A Mid-Term Report is due on October 15, 2010, while the closure report is due October 31, 2010.

IV. NEW BUSINESS

a. Updated Investment Policy Statement

Jason Miyashita of Smith Barney provided an updated report on the NMC investment policy via phone conference. A brief synopsis is provided below:

1. The current allocation is 50% U.S., 10% International, and 40% U.S. fixed. The proposed change is 40% U.S., 20% International, and 40% U.S., fixed.
2. Recommendation to hire Renaissance International to be the emerging markets manager because they can go up to 35% in emerging markets. Renaissance International also manages other entities in the CNMI such as the Retirement Fund.
3. June 30, 2010 Report: A copy of the report was distributed and attached to these minutes.
 - a. Total fund was down 4.4%
 - b. Policy index was down 5.45%
 - c. Beginning market value of 5.1%
 - d. Trailing 12 months of 13.52
 - e. Trailing 3 years -0.43
 - f. Since the inception of the endowment return of 4.36%

Motion: Director Burger motioned to adopt the amended Investment Policy Statement to reflect the amendment: 40% U.S., 20% International, and 40% U.S. fixed.

Second: Director Quichocho seconded the motion.

Vote: Unanimous

b. Endowment Fund Report (Smith Barney)

1. Renaissance International

Motion: Director Quichocho motioned to terminate JP Morgan and replace with Renaissance International.

Second: Director Burger seconded the motion.

Vote: Unanimous.

c. Transfer funds from the NMC Foundation account into the Foundation Endowment account.

Motion: Director Matsumura motioned to approve the transfer of \$100,000 from

the NMC Foundation account into the Foundation Endowment account.

Second: Director Quichocho seconded the motion.

Vote: Unanimous.

d. NMC's 30th Anniversary Fundraising Activities – Deferred.

e. Election of Officers

1. President

Motion: Director Quichocho nominated President Babauta to serve as Foundation President.

Second: Director Matsumura seconded the motion.

Vote: Unanimous.

2. Vice-President

Motion: Director Burger motioned to nominate Director Quichocho to serve as the Foundation Vice-President.

Second: Director Matsumura seconded the motion.

Vote: Unanimous.

3. Treasurer

Motion: Director Quichocho motioned to nominate Director Burger to serve as the Foundation Treasurer.

Second: Director Matsumura seconded the motion.

Vote: Unanimous

4. Secretary

Motion: Director Quichocho motioned to nominate Director Kiyoshi to serve as the Foundation Secretary.

Second: Director Burger seconded the motion.

Vote: Unanimous.

V. MISCELLANEOUS/ANNOUNCEMENTS

a. Director Jerry Tan Appreciation

President Babauta informed the Board of Directors that Director Jerry Tan has tendered his resignation as a Director of the NMC Foundation. Mr. Tan will remain an avid supporter of the College. The staff will coordinate a luncheon in honor of Mr. Tan.

b. Replacement Candidates

Several names were tossed out as possible replacements candidates to serve on the Foundation Board of Directors. They are as follows:

- 1) Nick Nishikawa, General Manager – Hyatt Regency Saipan
- 2) Eric Smith, Attorney at Law – Smith & William Law Office

- 3) William Fitzgerald, Attorney at Law – Smith & William Law Office
- 4) Keiran Daly, General Manager - Pacific Islands Club
- 5) Dr. Alan Markoff, Sole Proprietor - Toothworks
- 6) Alex Kim, President - Saipan Laolao Resort

President Babauta assigned Jack Kiyoshi, Foundation Secretary with the assistance of Frankie Eliptico, OIA Director to make the phone calls to the individuals listed above and will be providing an update on those that are interested in serving on the Foundation Board.

VI. Review and Adoption of Minutes

1. December 23, 2009

Motion: Director Kiyoshi motioned to adopt the December 23, 2009 meeting minutes.

Second: Director Quichocho seconded the motion.

Vote: Unanimous.

VII. ADJOURNMENT

- a. The meeting was adjourned at 11:30 a.m on July 7, 2010.

The next meeting is scheduled for Wednesday, September 8, 2010, at 10:00 a.m.