

# NORTHERN NEW MEXICO COLLEGE

## BOARD OF REGENTS MEETING

April 28, 2016

### **I. CALL TO ORDER**

A special meeting of the Board of Regents of Northern New Mexico College was held on Monday, April 18, 2016, in the Boardroom of Northern New Mexico College, Espanola Campus. Regents present: Rosario (Chayo) Garcia, Damian L. Martinez, Esq., Kevin F. Powers and Melinda DeHerrera. Board President Rosario (Chayo) Garcia called the meeting to order at 8:32am.

Northern New Mexico College staff present: Interim President Domingo Sanchez, III; Dr. Pedro Martinez, Provost & Vice President for Academic Affairs; Henrietta Trujillo, Director of Financial Services; Sally Martinez, Executive Assistant to the Provost & Vice President For Academic Affairs; Alex Williams, Senior Financial Analyst; Chris Trujillo, IT; Brandi Cordova, Executive Assistant to the Vice President for Finance and Administration; Kathleen Sena, Registrar; Ryan Cordova, Athletic Director and Men's Basketball Coach; Sandy Krolick, Creative Director, Communications & Marketing; Annelise Burlett; Communications and Marketing Writer/PR Specialist; David Lindblom, Creative Director of Canal Seis; Tamara Trujillo, Director of Alternative Licensure Program; and Amy Pena, Executive Assistant to the President and Recording Secretary. Faculty Present: Dr. David Torres, Dr. Joaquin Vila, Ellen Trabka, Dr. Lori Baca, Others present: Ariel Carmona, Rio Grande Sun, Ted Koetter, NNMC Student Senate Vice President; Ariadne Bito, Student Senate President, Ted Trujillo, Community Member, Juan Garcia, Community Member, Scott Eliason, Jaramillo Accounting Group, Tony Ortiz, Attorney for Northern New Mexico College, Santa Fe New Mexican Reporter, and Dr. Hugh Prather, Consultant for Northern New Mexico College Presidential Search.

### **II. APPROVAL OF AGENDA**

**Regent Garcia stated the Update on the Presidential Search would be moved to right before the Executive Session. Regent Powers stated Item III would be moved right before Item X. Regent Powers moved for approval of the Agenda as amended. Motion passed unanimously.**

### **III. COMMENTS FROM THE BOARD**

Regent DeHerrera stated discussions that took place in the Academic Affairs/Student Affairs Committee were regarding the video clip and a harassment policy for non-students and alumni students on campus; this was brought up by Student Senate.

Regent Powers stated the Audit/Finance/Facilities Committee meeting was held and everything seems to be in good shape. Regent Powers stated staff presented some information regarding the tuition promise. At the last meeting there was a fairly lengthy discussion regarding this with respect to the budget and Regent Powers stated the staff has done considerable work on this drafting guidelines and rules for any amendments. There is progress being made on this front.

Regent Garcia stated she would like a "Celebrate Northern" section added to the Agenda. This will allow the College to celebrate and toot its own horn on student achievements, staff awards, faculty awards, programs that need to be acknowledged. This will be done at the beginning of the meeting.

#### **IV. APPROVAL OF THE MINUTES**

**Regent DeHerrera moved for approval of the minutes as presented. Motion passed unanimously.**

#### **V. PRESIDENT'S REPORT AND ANNOUNCEMENTS**

Interim President Sanchez stated at 3:00PM on the 28th there would be a ceremony to dedicate the Maley Lab. All the Board of Regents are invited to attend. The Maley's donated a lot of money over the years to the College helping the Associate Program Students in Nursing.

Interim President Sanchez stated the College had an open house and there were vendors from different areas in attendance. There were quite a few high school students and parents who came by the College.

Interim President Sanchez stated the College finished the Higher Learning Commission (HLC) quality review. The Board of Regents was involved and the feedback at the exit conference was very positive. One of the things mentioned, as it was in the Nursing Program Review, was the College probably did not toot its horn enough. The Celebrate Northern Agenda Item is a good thing to do to share with the public some of the good things being done by the faculty, staff and students. There are a lot of relationships the College has with the community the Board of Regents would like to hear about in terms of the College's work and things it is doing to help the community.

Interim President Sanchez stated the College is preparing for graduation. The Board of Regents will receive additional details, as it gets closer.

#### **V. FACULTY SENATE PRESIDENT'S REPORT**

Dr. David Torres, Faculty Senate President stated the Faculty Senate on April 8, 2016 and reported the following:

1. Curriculum changes were passed in Environmental Science, Biology and Engineering.
2. Discussion was held regarding honors to ALP Graduates.
3. Discussion was held regarding open and closed session for Faculty Senate.

Regent Garcia thanked Faculty Senate for participating in the Presidential Search.

#### **VI. STUDENT SENATE PRESIDENT'S REPORT**

Ariadne Bito stated the following:

1. A luncheon was held with the HLC. It went well, there were some problems they brought up but they are fixable.
2. Finals preparations - Library will have snacks the week before and the week of finals.
3. End of Semester Barbecue will be held on May 5, 2016. There will be Senate Faculty Awards and live music.

4. During the summer, Student Senate gave Ms. Bito the power to create a committee if needed. It was decided that a committee would be created called Discount Committee and they would prepare a letter. The letter will be sent out to local business to ask for discounts to the College's students. The Committee will be meeting a few times to finish the letter. Regent Garcia offered the discount from her family business to the College.

Regent DeHerrera stated communication was one of the biggest things that the students were talking about with the HLC. It may be the Broadcast that students are having problems with, that they need to be readjusted every semester but a lot of students are not getting communicated to. Students noted the monitors do not do much. Students are not able to get all the news on what Student Senate is providing to them. Jimi Montoya, IT Director stated he would take responsibility and make sure this happens. Regent DeHerrera stated she does not know if it needs to be started up every semester so every student is reached, sometimes they reach them and all of the sudden it is not anymore. Mr. Montoya stated IT called Google on it and it seemed like it was fixed, they will follow up on it. Regent DeHerrera stated there was miscommunication all the way around.

Regent Garcia thanked the students for their input for the Presidential Search.

Regent Garcia stated she had talked to the Board at the Governor's Office and Regent DeHerrera's term is going to be up this December and they would like to have 2-3 students as a choice so the Governor can choose which student she would like to put on the Board of Regents.

Regent Garcia asked for presentation of Student Senate Bylaws. Ted Koetter, Student Senate Vice President stated the first changes to the Student Senate Bylaws are mostly quality of life. Most of the changes were just adding page numbers, mentioning specific months for approval, otherwise making references to the Office of Student Life as opposed to the Dean of Student Services as well as a few grammar corrections. Mr. Koetter reviewed the following changes:

1. Page, 3, Article IV - Membership: clarity regarding who can be members.
2. Page 4 - removal of one of the Officer Positions - the Sentinel,
3. Page 4 - paragraph added above Article VI - Advisor(s) to be very clear of the roles of each as well as mentioning how the President can vote.
4. Page 4 - Advisor(s) - the last sentence was added on the first paragraph, which is only for secondary advisors and added the second section, most notably the Office of Student Life will be the primary advisor. Any other advisors are secondary and subject to the whims of the Student Senate.
5. Page 5 - Subsection B - added the redundancy of number 6 so it is clear when the President of Student Senate may or may not vote.
6. Page 6 - The responsibilities of the Sentinel were moved to the responsibilities of the Vice President. Namely Sections 8 and 9.
7. Page 6 - Removal of the Treasurer - changed so the El Rito Senator which is no longer possible, will no longer be the President Pro Tem or in the event the President or Vice President cannot attend a meeting. Instead it will be the Treasurer as seen in number 8.

8. Page 8 - Duties of the Reporter a semester report has been added in conjunction with the Secretary that way the Student Senate can update the Board of Regents, the Administration, the students, staff and faculty for everything that has been done in that semester. Unfortunately, this has not been done yet.
9. The Sentinel position was removed because it was considered to be redundant. Most of the duties fell under some other category or should just be done in general.
10. A new position of Dual Credit Representative was added. This is a non-voting position and the Dual Credit Representatives are not allowed to be Officers. Regent Garcia asked if this is a high school student. Mr. Koetter stated they would be.
11. Page 10, Article I - last sentence was added: Exceptions to the above may be made as per the will of the Senate.
12. Page 10, Article II - the clause "be at least a half time student" was added and it will be clarified as to what that means exactly.
13. Page 11, Article II, Subsection D - sentence added "In the event of only one qualified candidate, the advisors shall meet with the Office of Student Life to determine eligibility for further candidates." There have been issues that the person running for President did not qualify to be President based on criteria.
14. Page 11, Subsection G - the meetings will take place every other week as opposed to every week because there were not enough items on the Agenda to work every week.
15. One subsection relating to stipends and honorarium was removed as it was felt it was unfair to other students that Student Senate could pay it-selves for participating.
16. Subsection K was clarified so it refers to Academic Colleges as opposed to Academic Departments so it is brought in line with the College's internal structure.
17. Page 12, Article V, Subsection A, it was changed to a percentage of students enrolled instead of a flat number. As a percentage it will scale with the population of the College.
18. Page 13, first section, added, "Any charges of impeachment will be dealt with in Executive Session."
19. Article IX - Meetings, changed from weekly to every other week.
20. Article IX, Subsection C - for the redundancy changed from the El Rito Senator being President Pro Tempore to Treasurer.
21. Page 14, Article II, Subsection C - the third point was clarified that By Laws have to be approved by Student Life, the Board of Regents and the President of the College and the AQIP Council.
22. Page 14, Article XIII was added so it is clearly defined and powers cannot be abused.
23. Page 15, Article XIV the Dual Credit Representative was added. These are high school students that are also in college. They can apply to student senate, they cannot be voting members and they cannot be officers.

24. Page 16, Terms of Office. The terms were changed so that an individual can only hold an office in the Student Senate for an allotted time of two terms. Before it read you can only serve two terms in the Senate. This way if someone has been here for a while they do not have to leave, they can continue being in the Student Senate.

25. Page 16, Opening and Closing Ceremonies. These were changed to be more manageable.

Regent Martinez stated Student Senate might want to format the Bylaws before they go final.

**Regent DeHerrera moved to approve the Student Senate Bylaws as presented. Motion passed unanimously.**

## **IX. STAFF REPORTS**

### **A. Vice President for Finance & Administration**

1. FY15 Audit Presentation by Jaramillo Accounting Group of released audited Financial Statements as required by State Audit Rule

Interim President Sanchez introduced Scott Eliason for an overview of the audit for the previous fiscal year. Interim President Sanchez noted until the actual audit is released by the State Auditor's Office, the College is not allowed to talk much about it. It has been released for a few months and under the audit rule, Mr. Eliason will give the Board of Regents a presentation.

Mr. Eliason stated the audit was completed a few months back and was released. There is a requirement in the State Audit Rule as far as formality goes that the Audit Report be presented in open session in the Board of Regents Meeting. There was a meeting as an exit conference with the Finance Committee and members of management in the middle of November. There are a few highlights Mr. Eliason would like to cover:

Regent Martinez asked why the report says the Board of Trustees because the Board is not a Board of Trustees. Mr. Eliason stated he would change that to Board of Regents. Regent Martinez stated this should be noted for future reference.

1. Page 2 - Mr. Eliason stated as it relates to the Independent Auditors Report, it covers both management and the auditors responsibility and it covers report on government auditing standards of reference, it also talks about the auditing of federal programs. One point Mr. Eliason wanted to make is in this report is the Jaramillo Consulting Group's (JAG) opinions on the financial statements. JAG is issuing an unmodified or clean opinion on the financial statements. This report covers both the College and covers the Foundation. The State Audit Rule and the Accounting Standards of scope of in the Foundation into this financial statement because of the main purpose of the Foundation being this Board of Regents and the College.

2. Page 3. - There is one emphasis of matter because there was a new accounting standard that was required to be adopted this last year. That standard is that GASB No. 68 that requires that if you are on a pension plan that your share of the pension liability gets pushed onto your financial statements. That happened for everybody in the State. This year, that liability that was pushed on was about \$22M. For that liability, there is not required cash outlay from the organizations, and it is more of a presentation issue.

3. Page 7 of Management's Discussion and Analysis. This shows the composition of the equity of the organization and if you look at the 2015 column, Net Fiduciary Position, this is the 22M that gets pushed on, that is the liability the College picks up and if you add the two numbers together, the unrestricted and the net fiduciary position, that becomes the unrestricted net position in the financial statements. It is important to see that if just looking at the true unrestricted operation position, it has been a deficit net position for several years and this last year (2015) was probably the year of greatest improvement in the organizations unrestricted net position. That has been a topic of discussion over the last year but there was significant improvement. There is still a little bit of a deficit but significant improvement this last year.

4. Page 11 - the Balance Sheet of the Organization. There are no material changes from the prior year other than the net pension liability of about \$20M and there are some timing differences related to that which results to the deficit position at the bottom of the -22M. Again, almost all of that with the exception of the \$118,000 deficit at year-end is related to the pension liability, that non-cash liability that gets pushed onto the financial statements. That is important to note that this -22M is a result primarily of that net pension liability being pushed on the financial statements.

Regent Martinez asked what was the thinking behind this decision that the pension liability, which the College does not run a pension plan, it is run through the State. What was the thinking of putting this pension liability upon each institutions financials? Mr. Eliason stated the GASB had deliberated this topic for years but in their wisdom felt that to prove transparency that the pension plans have been underfunded across the country, many of them very much underfunded, that they wanted to push this information out onto the individual cost share employers. From more a perspective of transparency to show that if you provide a pension plan that there is a cost to the pension plan and if they are not funded properly, that they are in fact underfunded and it is really to bring up a level of awareness and transparency. In the past you would just see on financial statements they carried close to a \$5M net underfunding in the State of New Mexico and you have not really been able to see the impact of what, if it got pushed onto each organization, what it would look like. That is what this standard does; it takes that \$5M and pushes it out to all the cost share employers. Everybody's financial statements now show this big liability or their pro rata portion of that liability. For example at June 30th you had to pay out that liability that would be your portion but of course that is more of a presentation issue than anything. From a presentation perspective, it pushes it onto the financial statements to show what the effect would be.

5. There are a number of footnotes in the financial statements. Most are the same as the prior year.

6. Page 25 - footnote on the pension liability. It covers a number of pages that shows how the liability was made up, it shows a number of assumptions, and it goes through page 30. This is a prescribed footnote under the accounting standards. This will be in everybody's financial statements this year going forward.

7. Page 33 - This is a new schedule related to the pension liability that the pro rata portion that is picked up in the financial statements.

8. A good portion of the rest of this document is some requirements under the State Audit Rule as far different schedules good.

9. Page 46 - This is the Second Report - Report under Government Auditing Standards which requires the auditor to look at both the internal control or financial reporting and also compliance in other matters. There are a couple of audit findings this year that are presented in this document.

10. Page 47 - Audit Findings. There are two material weaknesses that are noted. This report is for both the College and the Foundation. There are a couple of material weaknesses and a couple of significant deficiencies, there are also a couple of compliance findings.

Mr. Eliason stated as far as audit findings being classified. There are three levels: (1) material weakness - where something in the interim control structure is material and pervasive that could result in a material adjustment and there is some type of material breakdown in the internal control structure; (2) significant deficiency - a deficiency in the internal control structure such that it is the opinion of the audit committee that that should be presented to governance; and (3) lower level deficiency/controlled deficiency - this is something that is required to be recorded under the State Audit Rule.

Mr. Eliason stated the next report, a report on the major federal programs. This covers code compliance and internal control over compliance. There was one audit finding that there was a significant deficiency that gets recorded.

11. Page 52 - covers the prior audit findings and lit lists whether they have been resolved, revised and repeated. There are some repeated findings. As far as the repeated findings, in all cases there has been some improvement from those findings in the prior year as far as what management has done to work to resolve those but they were not enough to remove. There has been progress made on each and every finding.

12. Page 53 - this covers the results of the audit. It defines that there is an unmodified or unqualified opinion on the financial statements, it discussed whether there were material weaknesses or significant deficiencies. It talks about the federal awards, were there material weaknesses - no, were there significant deficiencies - yes, one. It talks about the major federal programs looked at as far as the audit process goes. There is an unmodified opinion issued on the report for the federal programs.

Mr. Eliason summarized all the audit findings as required:

1. There is a finding that is still considered a deficiency over the budgetary process. The College did overspend in one category, approximately \$100,000, which is a significant improvement over previous years when it was hundreds of thousands of dollars of overspending if you would go back to previous years. This is really a substantial improvement. Mr. Eliason stated he almost felt bad about putting this finding because there was significant improvement, but it is not enough to remove the finding. From compliance perspective there cannot be any categories that were overspent.

2. Bank Reconciliations on the College - When looking at this process, this one has improved substantially from the previous years as it relates to the College as far as timeliness. It was noted that there were some bank reconciliations during the year that were not completed as timely as should be completed. They were completed within 30 and 53 days. A sample of bank reconciliations were looked at for the year and at the year-end it was pretty timely. JAG is suggesting that there needs to be some additional rigor in streamlining in the process to make sure those bank reconciliations are done within 30 days after the close of the month.

3. Foundation - this is a material weakness because those bank reconciliations were not reviewed timely during the year or at year-end. They were reviewed and approved prior to JAG completing the audit process. The year-end bank reconciliation did not get completed until the beginning of November. There is a material weakness here that needs to be worked on.

4. Capital Assets - a substantial amount of work has been done on this and was very close to being completed. There were hundreds of hours spent on this project, to get the capital assets reconciled for probably the first time in many years and the process did get completed, a bit after year end and it did not get certified as required by Statute. This is the last piece of the process, annual inventory every year gets certified at completion.
5. Disaster Recovery Plan - the plan essentially was completed it just has not been tested and approved.
6. Capital Assets - this is a lower level controlled deficiency. It is required to be reported under the State Audit Rule. This has to do with a formal policy that needs to be adopted.
7. New Finding - Travel Reimbursements - a couple of travel reimbursements were not done within compliance. Management has adopted an additional control and checklist to ensure this finding is resolved in the future.
8. New Finding - Foundation - Accounting for Restriction of Net Position - when looking at the categories of equity and endowments, during this year there was not a strong mechanism in place to properly account for certain classifications of equity and to ensure you could see the detail of the endowment and how the restrictions were being met. Management has been working on this and it is going to be a big project and the Board of Regents has been informed of the progress of this.

Mr. Eliason stated there was one final comment as it relates to one Federal Program. JAG looked at two Federal Programs - Student Financial Aid, which had no comments, that is by far the most complex federal program at the College and JAG is happy to report there are not any audit findings. There was one finding as it relates to time and effort reports where the sample did not have final approvals on that and it related to a couple of employees who left employment and it did not get final certifications done.

Interim President Sanchez thanked Mr. Eliason for his presentation.

## 2. Fiscal Watch

Interim President Sanchez stated he will not go into detail but will highlight items for the Board of Regents. Interim President Sanchez stated for every meeting he would like to give the Board of Regents a sense of where the College is cash wise with each monthly meeting and also to talk about the unrestricted fund balance. The auditor just went through and talk about the components that make it up but this is the item the College watches closely because it relates to the operations of an institution where the GASB 68 requirement is something everyone is required to report their fare share in terms of the liability. Another component of the fund balance is the fixed assets. All the buildings and structures on campus have a value and they reside on the books but they are not spendable. Cash at the end of March is at almost \$2.5M, Unrestricted Fund Balance is at \$2M in the month of March. That amount comes down as the College gets to the end of the year, in the month of April it will drop a little more and in May it will but the College gets a lot of relief in the month of May in terms of expenditures because school ends about the middle of the month, adjuncts go home, student workers go home, some faculty is still in the hallways and all administrative activity goes on year round.

Interim President Sanchez stated these numbers relate to all the funds of the College, restricted and unrestricted, to give the Board of Regent a general sense of the big picture of the College just as the cash balance sheet does (page 116 attached). Revenues as of the end of March are at \$19.5M, expenditures at \$17.3M and the fund balance of approximately \$1.8M. There is not a lot of BR&R or Capital Outlay activity since last month. There are a number of projects coming up and the College is going to get started. They are



already moving and you are already seeing on the outside of the campus (fencing). Other activity will start in May and June that relates to heating and cooling in the building but the College needs to get approvals from the Board of Finance before it starts. This is scheduled in the next couple of weeks. These numbers will increase as you get closer to the end of the fiscal year and when you start the new fiscal year, between now and December a steady stream of expenditures the Board of Regents will see. Interim President Sanchez will be giving updates as they come out.

Interim President Sanchez reviewed (page 120), when looking at the Fiscal Watch Reports, you are looking at everything, all the different restricted and unrestricted activities. Interim President Sanchez always asks for the Board of Regents patience when talking about the different buckets that add up to those college wide, fiscal reports. On unrestricted the College is at \$12.3M revenue and it is down \$200,000 compared to last year. If you look at the expenditures compared from last year versus this year, they are down almost \$800,000. The College has done a good job of keeping those in check. Looking at the Unrestricted Fund Balance for just the 11 Funds, the College has a positive \$1.8M fund balance, last year at this time the College had a -\$440,000. Interim President Sanchez did mention that he thought the College would end the year in a fund balance, he still believes this but there are always things that come up and he is hoping this is the case when finishing at the end of June.

Interim Sanchez reviewed (page 120), which is all the auxiliaries and athletic activity for the College. Last year the College was at \$963,000 compared to this year \$915,000. In terms of revenue, expenditures were at \$1.3M and this year they are at \$1.1M. Again, the College has reduced the expenditures because it has focused a lot on making sure that it lives within the dollars; minimize transfers into these different activities. Last year the College had a -\$20,000 and this year it is up \$28,000.

Interim Sanchez reviewed (122), which is the Grants. Last year, the College had Grant activity of \$2.6M at this time, this year it is \$2.7M. The activity is up; there were expenditures last year of \$2.6M and this year it is about the same, up about \$80,000. The net balance on these accounts should be zero, because that then gives you the sense that all the expenditures on a grant got reimbursed.

Interim Sanchez reviewed (page 123), Student Aid, last year the College was at \$3.6M and this year it is at \$3.6M. The difference is only about \$30,000. Expenditures last year were at \$4M and at this time \$3.7M. Looking at the activity, last year it was a -\$78,000, this year -\$60,000 and those negative fund balances are related to the fact that reimbursements have not been received yet. These generally net out to zero also.

Interim President Sanchez stated (page 124), Plant Funds, these are the numbers Interim Sanchez mentioned on the Fiscal Watch Report that kind of low, revenue at \$49M and expenditures of \$184,000 and a fund balance of \$128,000. Again, you will start seeing those numbers in April, May and June go up because there is already activity coming in and if the payments are processed because the work is completed in the month of April, that month will start climbing, in May they will for sure.

Regent Powers stated there was a thorough discussion of this at the Audit/Finance/Facilities Committee Meeting.

**Regent Powers moved for approval of the Fiscal Watch Report. Motion passed unanimously.**

3. Budget Adjustment Requests (BARs)

Interim President Sanchez reviewed the BAR(s), 8 BARs, total BARs is 222 and of the 8 BARs, four relate to restricted funds or Grants and 4 relate to unrestricted activity. The number continues to go down and there is a good reason, because the departments are doing a much better job now of managing the line items. As we get better in what we do, even the finding the auditor spoke about, the College has really ratcheted it down. The College is getting better at managing the budget activity at the College.

**Regent Powers moved for approval of the BARs as presented. Motion passed unanimously.**

4. Disposition of College Property

Interim President Sanchez stated there are no items for the Disposition of College Property. The College is trying to get another group of old assets for disposal. The College has units or items in the Library that Interim President Sanchez has already spoken with the Finance Department about to take pictures of getting on the list for the next few Board of Regents Meetings. There are also a number of items that have already been inventoried or pictures have been taken that the College is still working on. In general, the College is trying to stay on this; this is why it is a recurring item.

5. FY16 IPA Contract Process

Interim President Sanchez stated every year the College is required by the State Auditor to come to the Board of Regents and get the audit contract approved for the upcoming year. The College can enter into three-year contracts. Last year the College entered into a three-year contract with Jaramillo Group. This is the second year of that contract. The rules from the State Auditor's Office changed this year. Last year, the College would do the contract get it signed at the Board of Regents Meeting and it went on and the auditor came in to do business. This year, they want the College to submit it electronically. The College is going through the same exercise but the College needs to get the Board of Regents authorization for approval to let the President sign the document after it has been uploaded electronically because it is not going to happen today. It has to be in over the next few days. Until the College gets the approval from the State Auditor and the College gets it issued to the College, it cannot be signed. The College is asking for authorization to sign the Audit Contract when the State Auditor approves it so the College can get it in in a timely basis.

**Regent Powers moved that the Board of Regents authorize the President to execute the electronic submission of the audit firm approval to the State Auditor when it is available to do so. Motion passed unanimously.**

6. Tuition Promise Criteria

Interim President Sanchez stated when the Operating Budget was approved there was quite a bit of discussion on the Tuition Promise. What was offered in that meeting was for the College to come back to the Board of Regents and outline the criteria. The College wanted to make sure everyone was singing off the same sheet of music. There was a little bit of confusion last year, nothing that could not be addresses. The College said this year; let's try to avoid it. The College put together an overview (attached) and identified the different areas of changes that had to be made on the Banner System because it was quite a bit of work and the staff that worked on this did a great job. It was discussed in some detail in the Audit/Finance/Facilities Committee meeting but if there are questions or concerns, it would be great to hear from the Board of Regents. The College believes it has gone in the direction it was given in this document based on the feedback in the discussion in the Audit/Finance/Facilities Committee Meeting.

Regent Powers stated it was discussed in detail at the Committee Meeting and from his recollection of the discussion at the Budget Meeting, he does believe this captures the spirit of what was discussed. This is a good effort, good information and Regent Powers is sure as the College moves forward it will discover more pieces that need to be defined and refined. Regent Powers believes it is a great place to start.

**Regent Powers moved to approve the Tuition Promise Eligibility Guidelines for internal use. Regent Garcia asked if this is for the fall of 2016 and spring of 2017. Regent Powers stated fall and spring. Motion passed unanimously.**

B. Provost & Vice President for Academic Affairs

1. Comprehensive Quality Review Preparation and Progress

Dr. Pedro Martinez, Provost & Vice President for Academic Affairs stated April 27, 2016 was the conclusion of the visit by the Higher Learning Commission (HLC), the reaffirmation process. The College will not have a report from them for approximately 10 days but in terms of the exit they were quite gracious at the degree of activity and the fact that in their observation the College students, staff and faculty provided them with good reports and they only had the greatest praise for members of our community.

Dr. Martinez stated that during the last two months the College had the accreditation process for the College of Education by NCATE and the College of Nursing and Health Sciences. Dr. Martinez asked Dr. Vila to provide information. Dr. Vila stated the visit was early March; it was a long process to develop a robust system so the College could provide data on candidate performance so it is aligned with State and National Standards. For the State of New Mexico, only two teacher preparations went up for accreditation with NCATE and that is University of New Mexico and Northern New Mexico College. Dr. Vila is still waiting for the official notification and the report has not been released to the College but from the exit interview, the College learned that all six standards were met and there were only a few areas for improvement on two of the standards, one included need for faculty for the new programs. Dr. Vila has been doing this for ten years and this is quite encouraging. One of the best things that happened for the visit was the response from stakeholders, school districts, State in terms of how they highly regard our candidates. There was also good turnouts from students and graduates and basically they were highly supportive of their experience at the College for teacher preparation programs and more so again the work they are doing in the schools for the children of New Mexico. Regent Garcia asked when Dr. Vila would expect to hear from them. Dr. Vila stated there are some delays nationwide but the team already turned in their report to the agency, they are waiting for the agency to finish or conduct their editing. Once the College receives it, it will have a month to respond, to provide additional data or collaborations of their findings and then the official notification will come late September or early October once the accrediting board meets.

2. Nursing and Health Sciences Accreditation Update

Dr. Martinez asked Ellen Trabka, Dean of College of Nursing and Health Sciences to provide an update. Ms. Trabka stated the Baccalaureate to Nursing Program otherwise known as the RN to BSN Program underwent a reaccreditation visit April 11-13, 2016. The College achieved initial accreditation in 2011 and got five years, which is a maximum you can receive. The College is up for 10-year reaccreditation and it was the smoothest accreditation site visit Ms. Trabka has ever participated in. The College was well prepared, the site visitors felt very welcomed by the College community, the College received a glowing exit interview, and they said the College had great students and a great College. The students received a lot of sports from the College. They were very impressed with the Community Advisory Board. They did not find any compliance concerns with any of the four standards and forty key elements the College has to meet. Everyone pulled together as a College community. Ms. Trabka stated she cannot thank the College enough, the President,

Provost, Student Services, IT, Marketing, etc. and they had so many positive things to say about the program. They said we were a pillar of the community; students are applying what they were learning in the classroom into their practice. Ms. Trabka stated they will send a report within a month and the College will have an opportunity to respond to the report and correct anything that is incorrect in the report. That report, the College's response and the Self Study will go to the Board of Commissioners and they will make a decision in September. The College will not be notified until October and the College is very hopeful.

Dr. Martinez stated despite the misinformation that goes out in social media, Dr. Martinez is proud to say that all the Colleges are accredited, met the standard and the credit goes to faculty, staff and students who have done this for the College.

**The Board of Regents took a break from 9:40AM-9:50AM.**

#### **IX. UPDATE ON THE PRESIDENTIAL SEARCH**

Regent Garcia called the meeting back to order at 9:50AM. Dr. Hugh Prather, Consultant for the President Search asked how the Board of Regents wants to handle the public input piece of the Presidential Search. Regent Garcia asked if there is Public Input. Regent Martinez asked to hear public input right away. Regent Garcia asked Mr. Trujillo for his public input. Dr. Prather stated Mr. Trujillo would like to make a comment. Mr. Trujillo stated he would like to defer to Mr. Prather since he is the consultant and has put this search procedure together but he would like to have a few closing remarks in support from the community for this transition.

Dr. Prather stated he would be brief because the Board of Regents has a lot of work to do in Executive Session. Since the Board of Regents met at a regular meeting and update was provided, the Board of Regents has allowed the process to continue that they developed in December and modified in February. On April 12, 2016, Dr. Prather met with all of the advisory teams and went through a lengthy evening of developing specifically the questions that would be asked of each of the finalists and the protocol around which those questions would be asked and answered. The advisory team was taken through some things that they could not ask and so forth to preserve the integrity of the process and the confidential agreement was signed by each participant, which attested to the fact that they would maintain absolute confidentiality regarding the questions and the interim between the development of those questions and the actual interviews themselves. The interviews were then conducted later. On Monday, April 18, 2016 at a Community Forum, it was the second, it was very well attended, and rough count was between 125 and 150 participants in the Center for the Arts. Earlier in the morning, Dr. William Flores who was one of the five finalists had submitted a written withdrawal of his application due to his taking another presidency in California. The four who were present answered questions from the audience and every one of those questions, all of the documents that came in that evening have been compiled, the new president, whoever he or she is will have this material as a very rich data source about what community concerns and what community interests are in the College. The questions are quite insightful and will be very helpful for the new President. Dr. Prather will give the person the original documents as well as the document. The interviews were conducted in a matrix process on April 19, 2016. Regents were part of this as well. On the April 20, 2016 the finalists took part in some assessment activities and Dr. Prather will be very interested as debriefing takes place on this process as to how the Board of Regents viewed that particular piece of the process to give the Board of Regents insight into how the finalists handled both a very challenging interaction process, live interaction with a State Senator and a crisis response on a matter that we hope never happens. All that material was then compiled. Also, every one of the advisory team, Dr. Prather credited the students; they stuck to it, stuck with and to the process. Each advisory team member provided his or her best thinking about the prospects for success of all four finalists and all that material was compiled and put in binders and sent to all the Board of

Regents. Dr. Prather stated the Board of Regents would be going into Executive Session shortly to process the Board of Regents perceptions of who they feel is the best choice for the new presidency.

Mr. Trujillo stated the Community Advisory Committee is aware of the fact that they are looking at a very tough environment from the standpoint of fiscal resources, they listened to the audit earlier in the morning and they know not only are colleges going under audits of that sort but all forms of local governments are going through audits (land grants, acequias, etc.). It is probably a healthy for a State overall but it is punishing from groups that do not really have resources to respond to these sorts of things. Mr. Trujillo stated that they understand that finding fiscal support for the institution has to really be a number one priority regardless of who takes the seat of President and Mr. Trujillo thinks the community groups that have been put together, a lot of them have done a lot of lobbying work of that sort so we are on standby and willing to help in any fashion that we can. Regent Garcia thanked Mr. Trujillo

Regent Martinez asked if this is the time for community input. Regent Garcia stated yes. Dr. Prather stated this is the input session. Regent Martinez asked Jake Arnold if he had any input regarding the Presidential Search. Mr. Arnold stated only about the process of open meetings, that's all, so if the Board of Regents wants to hear him on that. Mr. Arnold stated he tried to bring this up but Amy Pena told him that he would not be, that his request to speak was a little bit too late. Mr. Arnold stated he is just concerned about what actions the Board of Regents might be taking in Executive Session that are on the Presidential Search that are consistent with the Open Meeting Statute. Mr. Arnold stated that he believes that any action the Board of Regents takes, including even making an offer or deciding to whom you make an offer, needs to be done in open session. Mr. Arnold stated he is offering this opinion for the Board of Regents. Mr. Arnold stated he does not have a particular thought specifically to share with the Board of Regents about which of the gentlemen that they may choose or the lady. Regent Martinez thanked Mr. Arnold.

Dr. Prather stated this concludes his report and public input.

## **XI. EXECUTIVE SESSION**

**Regent Martinez moved to enter into Executive Session pursuant to:**

- (1) Limited personnel matters related to the hiring, promotion, demotion, dismissal, assignment, resignation, or investigation or consideration of complaints or charges against an employee;
- (2) Bargaining strategy preliminary to collective bargaining;
- (3) Threatened or pending litigation subject to the attorney-client privilege in which the College may be a participant; and
  - a. Claims from Former Employees
- (4) Real estate acquisition or disposal.

Specifically Presidential Search and pending or threatening litigation. Pursuant to provisions of NMSA 1978, Section 10-15-1(H)(2)(5)(7)&(8).

**A Roll Call vote was taken and all Regents voted unanimously to enter into Executive Session. (Regent DeHerrera – yes, Regent Garcia – yes, Regent Powers - yes). The Board of Regents entered into Executive Session at 10:00AM.**

**XII. POSSIBLE ACTION ON EXECUTIVE SESSION**

Regent Powers moved the Board of Regents return from Executive Session. Regent Martinez moved to table the Motion until Regent DeHerrera Returns. Regent Powers moved the Board of Regents return from Executive Session. Roll Call Vote was taken – Regent DeHerrera – yes, Regent Garcia – yes, Regent Martinez – yes, Regent Powers - yes. The Board of Regents returned from Executive Session at 11:41AM.

Regent DeHerrera moved to modify the Northern New Mexico College Presidential Search Plan Section 3.7 to announce its choice for President to April 28, 2016. Second by Regent Martinez. Motion passed unanimously.

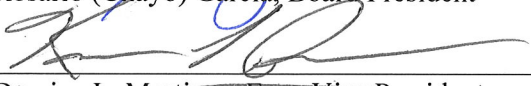
Regent Martinez moved that the Board of Regents for Northern New Mexico College offer Dr. Rick Bailey a contract as President of the College to commence on October 17, 2016 and run through June 30, 2018 at an annual salary of \$175,000. Second by Regent Powers. Roll Call Vote - Regent DeHerrera - yes, Regent Powers - yes, Regent Martinez - yes, Regent Garcia - yes.

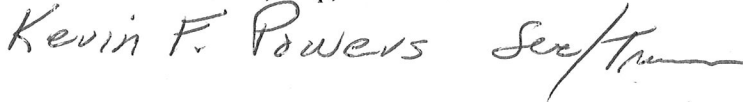
**XIV. ADJOURNMENT**

Regent Powers moved to adjourn. Motion passed unanimously. The Board of Regents Meeting adjourned at 11:45AM.

APPROVED:

  
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Rosario (Chayo) Garcia, Board President

  
\_\_\_\_\_  
Damian L. Martinez, Esq., Vice President

  
Kevin F. Powers Secretary