

**NORTHERN NEW MEXICO COLLEGE
BOARD OF REGENTS MEETING
APRIL 26, 2012**

I. CALL TO ORDER

A regular meeting of the Board of Regents of Northern New Mexico College was held on **Thursday, April 26, 2012** in the Boardroom of the Montoya Administration Building on the Espanola Campus. Regents present: Michael P. Branch, Rosario (Chayo) Garcia, Alfred Herrera, Cecille Martinez-Wechsler, and Feliberto Martinez. Board President Michael Branch called the meeting to order at 8:35 a.m.

Northern New Mexico College staff present: Dr. Nancy “Rusty” Barceló, President; Dr. Anthony Sena, Provost and VP of Academic Affairs; Domingo Sanchez, VP of Finance and Administration; Ricky Serna, Special Assistant to the President, Grants and Sponsored Programs; Frank Orona, Dean of Student Services; Dr. Mellis Schmidt, Dean of Arts and Sciences; Dr. Camilla Bustamante, Dean of the College of Community Workforce and Career Technical Education; Dr. Ivan Lopez, Chair of Engineering; Stephanie Amedeo-Marquez, Interim Director, Assessment and Accreditation; Carmella Sanchez, Director of Institutional Effectiveness; Connie Romero, Director of Budget and Procurement; Karen Dvorak, Director of Human Resources; and Josephine Aguilar, Assistant to the President and Recording Secretary. Faculty present: Drucilla Duran, Gil Sena, and Tim Crone. Others present: Jeff Genauer, President of the Student Senate; Juan Diaz, Treasurer of the Student Senate; Lou Mattei, Reporter with the Rio Grande Sun.

Ms. Dru Duran, Chair of Business Administration, introduced Adela Chavez hired as Administrative Assistant for the Business Administration Department. Ms. Chavez’s start date was April 23, 2012.

II. APPROVAL OF AGENDA

President Barcelo suggested that Item X, Student Input, be changed to Student Report and that in the future this item come before Item VII, President’s Reports and Announcements. President Barcelo reported that Dr. Anthony Sena will be introducing Dr. Amedeo-Marquez for the HLC Annual Conference report and Dr. Bustamante for the Economic Development Study report. Regent Branch suggested that Item V(D) “Discussion: Charter for Board of Regents Audit/Finance Committee” be postponed. This item will be discussed in more detail at a Board Retreat scheduled later this summer.

Regent Cecille Martinez moved to amend the final agenda as presented. Motion carried unanimously.

III. APPROVAL OF MINUTES

The minutes for the regular meeting of the Board of Regents held March 22, 2012 were approved as presented.

IV. FINANCIAL REPORT

A. Budget and Audit Update.

Mr. Domingo Sanchez’s presentation is summarized as follows:

I&G Fund 11000 Revenue & Expenditure Report (copy attached): At the end of April 2012 (current year) the College had \$11,738,983.15 in total revenue. Compared to last year in April (prior year) the College had \$11,655,538. Mr. Sanchez pointed out that the I&G revenue for the month of April hasn’t

been booked, so it is understated by about \$800,000, which is a good thing. Expenditures are less for the current year (\$11,031,905.59) compared to last year (\$11,514,436.42). Mr. Sanchez reported that the College has been giving HED monthly financial reports; however, they have requested the Fiscal Watch Reports in the required format. Mr. Sanchez stated he will start presenting these reports in the format HED wants to see.

Audit Update: The FY10 Audit is complete. There was a delay in getting the FY11 Audit Report to the State Auditor due to a legal representation letter that was required. The letter will be submitted within the next couple of days. An RFP was issued and the contract awarded to Moss Adams, LLC, to conduct the next three external audits. Mr. Domingo stated Moss Adams finished three audits with the FY11 Audit. Mr. Sanchez stated the College is comfortable with Moss Adams because they already know the work the College is doing and a good working relationship exists between the two entities. The contract will be presented for formal Board approval at the next Board meeting. The deadline to finish the FY12 Audit is November 15, 2012.

For informational purposes Mr. Sanchez provided the Monthly FTE Report as of March, 2012 and the Capital Projects FY12 YTD Revenue and Expenditure Report. These reports are attached.

FY13 Operating Budget Overview: The FY13 budget was thoroughly reviewed in stages by Mr. Sanchez and staff in the Business Office, the Effective Resource Utilization Committee (ERUC), the President's Staff, and the Finance Committee of the Board of Regents over the past few weeks. Mr. Sanchez met with each department head to discuss budget and priority needs. In preparing the budget all areas for the operation of the College were looked at carefully and prioritized. Mr. Sanchez's presentation is summarized below.

Budget Highlights from this 2012 legislative session:

- House Bill 2 I&G Appropriation - \$10,328.5 vs. \$9,995.1 appropriated last year.
- House Bill 2 Athletics Appropriation - \$197.4 vs. \$196.1.
- SB 66 Capital Projects GO Bond - \$2,000.0
- VETO Faculty Salary Adjustment - \$50.0
- VETO Capital Projects Severance Tax - \$250.0

Budget Philosophy:

- Hold Recurring I&G Expenditures at FY12 levels.
- Determine I&G funding requirements for transition of grant-funded FTE and loss of special appropriations.
- Shift one-time operational expenses to fund balance resources, if available and allowable.
- Consolidate accreditation expenditures.
- Reprogram existing positions to address areas of greatest need.
- Assess auxiliary operations to minimize I&G funding.

Institutional Priorities:

- Administrative Infrastructure
 - Institutional Advancement and Development
 - Human Resource Department
 - Information Technology Department
 - Security and Loss Control
 - (Organizational charts for the President's Office, Provost-VP for Academic Affairs, VP for Finance and Administration, VP for Institutional Advancement, and Dean of Student Affairs were provided as part of the handout)
- Training and Professional Development

- Mandatory Program Training Requirements
- Discipline-Specific Training and Professional Development
- Professional Certifications
- Technical Training (i.e., Banner, Distance Learning)
- NNMC Innovation Center at the El Rito Campus
 - Retreat Services
 - Conference and Events Center
 - Traditional, Continuing Education and Short Courses
 - The Hospitality and Culinary Education Center
 - The Agroecology and Biological Research Center
 - The Northern New Mexico Land Policy and Acequia Center
 - The Cultural Heritage, Sustainable Tourism and Ecological Education Center
(Mr. Sanchez stated that discussions with the State Engineer’s Office will take place with regard to water rights—research, protection, supply source, usage, etc.)
- Fixed and Supply Assets
 - Office Furniture
 - Personal Computers, Scanners and Printers
 - Software and Software Upgrades
 - Lab Equipment
 - Grounds and Maintenance Equipment
 - Small Vehicle Purchases (2)
 - Exercise Equipment (presence in the community)
- Institutional Planning
 - Strategic Planning
 - Funding Formula Strategy
 - Academic Planning and Direction (monies set aside to invest in programs)
 - Student Services and Academic Support (i.e., Housing, Health Center)

Mr. Sanchez provided preliminary draft numbers for the FY13 Operating Budget (copy attached). The summary of I&G includes the Original FY12 Budget, the Final FY12 Estimated Budget, and the Proposed FY13 Budget. The Business Office is still finalizing numbers. The beginning balance for FY12 is estimated at \$293,785. Overall the proposed FY13 budget has a beginning balance of \$505,823 and an ending balance of \$570,020. From the \$570,020 about \$418,450 is needed for reserves, which leaves an estimated ending balance of about \$151,570.

Mr. Sanchez reported that the rate for ERB (1.75%) has shifted back to the employer so employees will be getting more in their paychecks. Unfortunately, the extra money will not help employees because insurance costs have increased. President Barceló stated that the issue of salaries is important and will remain a high priority. The College will be looking at upgrading some low salaried positions. Regent Branch stated that the College should continue to present the issue of salary parity to the legislators at the 2013 legislative session. There were other issues considered and factored into the budget; e.g. the Nursing program lost some money for stipends, if the College does not look at how to fund the difference, it will lose people in these programs. Collective bargaining is another issue under discussion.

A special meeting of the Board of Regents will take place on Monday, April 30, at which time Mr. Sanchez will present the FY13 Proposed Operating Budget for formal approval.

(At this time the Regents took a brief break at 9:50am. The open meeting reconvened at 10:07am)

V. OLD BUSINESS

A. Capital Projects Update Report.

A capital projects status report was not presented; however, two forms (attached) were provided for informational purposes: 1) an update on the Ben Lujan Library project, and 2) FY12 revenue and expenditure capital projects report as of March, 2012.

B. Second Reading and/or Approval of Institutional Policy Review and Approval Process.

The first reading of the Institutional Policy Review and Approval Process (Policy on how to Adopt Policies) was presented by Ricky Serna and Mellis Schmidt at the March 22 Board meeting. Mr. Ricky Serna stated that there were no changes made to the policy presented last month. The second reading was presented again to provide an opportunity for Board input and comment.

Regent Chayo Garcia moved to approve the Institutional Policy Review and Approval Process as presented. Motion carried unanimously.

C. Approval of proposal for Student Representative on the Board of Regents.

Mr. Serna stated that he and the Student Senate President had an opportunity to meet and incorporate the changes that came up at the last Board meeting. The revised proposal (attached) was provided in the Board Packet for the Board's review prior to the meeting.

Regent Alfred Herrera moved to approve the proposal for a Student Representative on the Board of Regents as presented. Motion carried unanimously.

D. Discussion: Charter for Board of Regents Audit/Finance Committee.

Regent Branch suggested that this item be postponed for a more lengthy discussion at a Board Retreat to be scheduled the later part of May or during the month of June. He stated it is time that the Board look closely at the makeup/function of Board committees. Possible dates and times will be forwarded to the Regents for consideration. Regent Branch requested copies of the existing Board of Regents Policies and Procedures to make reference to the section on committees.

VI. NEW BUSINESS

A. Tenure recommendations and approval.

Dr. Anthony Sena, Provost, stated that this year there are six outstanding candidates that he has the pleasure of recommending for advancement to tenure status, and associate professor rank, to the President and the Regents. A memorandum from the Provost and the academic biosketch summary for each of these candidates is attached. Dr. Sena stated these professors have demonstrated dedicated service to our students and the College, and each candidate maintains an active scholarship and/or research program that is enhancing the outreach and public perception of Northern. The candidates are as follows:

- Ms. Lori Baca, Business Programs
- Dr. David Barton, Humanities
- Dr. Roseli (Rose) Cavalcante, Education
- Dr. Jorge Crichigno, Engineering
- Dr. Ivan Lopez, Engineering
- Dr. Heather Winterer, Languages and Letters

President Barceló concurred with the Provost's recommendation and assured the Regents that these individuals will continue to provide continued academic leadership to the College.

Regent Cecille Martinez moved to approve the status of tenure and associate professor rank for each of the candidates presented. Under discussion, Dr. Sena stated that all candidates have been at Northern at least three years as required by the current policy. He also reported that the tenure policy is being rewritten and is still undergoing modification. Dr. Sena stated that, as a professional, granting tenure acknowledges the effort and hard work that has been put forth by the candidates. President Barceló stated that an area that will be looked at is whether or not to grant tenure to a new faculty member, who is already tenured at another institution, upon arrival to the campus. **No further discussion. Motion carried unanimously.**

B. Approval of Associated Students of NNMC Charter.

A copy of the Charter and Bylaws for the Associated Students of NNMC (ASNNMC) was given to the Regents for their review prior to the Board meeting. Mr. Jeff Genauer, Student Senate President, went over the changes highlighted in yellow (document attached). Mr. Genauer stated the document was reviewed by the Dean of Student Services, the AQIP Council, and by President Barceló.

The ASNNMC participates in the application screening process for a student representative on the NNMC Board of Regents. This should be reflected in the Charter. Mr. Orona stated that the ASNNMC has several advisors. There are checks and balances in terms of expenditures. All purchase requisitions have more than one signature and a copy of the meeting minutes reflecting the expenditure that has been approved by the Student Senate is attached for verification.

After Juan Diaz, Treasurer of the Student Senate, expressed his concerns with regard to Article 9 as written, Regent Branch suggested that the document be taken back to the Student Senate to amend Article 9 if necessary. President Barceló stated she is very pleased the students took over this task and worked hard to update the document. Even though the document needs editing, she urged the Board to approve the document so the Student Senate can continue moving in the direction she feels they have been trying to move all year long.

Regent Cecille Martinez moved to approve the Charter and Bylaws for the Associated Students of NNMC pending required editing to the document as a whole for clarification. Motion carried unanimously.

C. Report on HLC Annual Conference.

Dr. Anthony Sena reported that on March 30 to April 1, 2012, Dr. Stephanie Amedeo-Marquez and Mr. Ricky Serna attended the annual conference of the Higher Learning Commission (HLC), a Commission of the North Central Accreditation of Colleges and Universities, in Chicago. This was a critical meeting because of the transitional changes occurring with the HLC. Dr. Marquez provided a summary of the changes as follows:

1. All institutions will fall into Continuous Quality Improvement, so there will not be much change for Northern in the New Criteria for Accreditation.
2. The College will be receiving a letter from HLC in June or July regarding the new pathway for accreditation, called the "Open Pathway." Nine hundred of the 1100 institutions currently accredited by HLC will be moved into this pathway as of September, 2012. AQIP institutions will have a choice. The major differences between Open Pathway and AQIP are that Open Pathway is projected to cost less, and most of the institutions remaining in AQIP will be nearly exclusively community colleges.

D. Update on Economic Development Study.

Dr. Anthony Sena stated that Northern is fortunate to have some support from EDA's monies to conduct this Economic Impact Study. The New Mexico Independent Community Colleges (NMICC) will be using the same firm to conduct an Economic Impact Study and they will include this report as part of their report. Dr. Barceló read the entire report and stated this is a very good beginning for the College. The report, with its concrete data, will be shared with legislators and others; it will be available as soon as the entire report is approved by Administration.

Camilla Bustamante presented an overview (copy of a PowerPoint presentation attached) of this study conducted by Economic Modeling Specialists, Inc. (EMSI) from Moscow, Idaho, on behalf of NNMC. The study consists of an investment analysis and an economic growth analysis. The investment analysis is built on three groups: student perspective, social perspective and taxpayer perspective. The report is summarized as follows:

Investment Analysis:

Student Perspective

- NNMC served 3,130 credit students and 521 non-credit students in the 2010-11 reporting year.
- Education increases lifetime income at the career midpoint of someone with a bachelor's degree in North Central NM is \$54,600, **94% more** than a student with a high school diploma.
- Throughout his or her working career, the average NNMC student's discounted lifetime income increases by **\$6.80** for every dollar invested in NNMC.
- Students enjoy an attractive **21.5%** average rate of return on their NNMC educational investment, recovering all costs (including tuition, fees, and forgone wages) in 7.1 years.

Social Perspective

- Higher earnings of NNMC students and associated increases in state income expand the tax base in New Mexico by about **\$21.1 million** each year.
- New Mexico will see avoided social costs amounting to **\$1.7 million** per year due to NNMC students, including savings associated with improved health, reduced crime, and reduced welfare and unemployment.

Taxpayer Perspective

- State government allocated approximately **\$10.2 million** in support of NNMC in FY 2010-11.
- For every dollar of this support, taxpayers see a cumulative return of **\$3.80** over the course of students' working careers (in the form of higher tax receipts and avoided costs).
- State and local governments see a rate of return of **13.2%** on their support of NNMC. This return compared very favorably with private sector rates of return on similar long-term investments.

Economic Growth Analysis:

College Operations Effect

- The North Central New Mexico economy annually receives roughly **\$11.7 million** in income due to NNMC operations. This is a conservative figure adjusted to account for monies that leave the economy or are withdrawn from the economy in support of the College.

Student and Visitor Spending Effect

- Non-local students who attend NNMC spend money for room and board, transportation, and other personal expenses. The off-campus expenditures of these students generates approximately **\$119,500** in added income in North Central New Mexico each year.

- Visitors who come to the College from outside the region also spend money for lodging, food and other personal expenses. This creates an estimated **\$118,400** in added income each year.

Productivity Effect

- The current North Central New Mexico economy embodies an estimated **988,700** credit hours that have accumulated over the past 30-year period as thousands of former NNMC students (completers and non-completers) enter the workforce year after year.
- NNMC skills translate to higher earnings for students and increased output of businesses. The added income attributable to the accumulation of NNMC credit hours in the workforce amounts to around **\$165.8 million** each year.

Total Effect

- Altogether, the average annual added income due to the activities of NNMC and its former students equals **\$177.7** million. This is approximately equivalent to 7.5% of the regional economy.

What this means is that Northern New Mexico College has a positive impact in the region and ...

- Enriches the lives of students
- Increases students' lifetime income
- Generates government revenue
- Reduces the demand for social services
- Contributes to the growth of the economy.

Northern New Mexico College plays a significant role in the local economy and is a sound investment from multiple perspectives. Students benefit from improved lifestyles and increased earnings. Taxpayers benefit from a larger economy and lower social costs. Finally, the community as a whole benefits from increased job and investment opportunities, higher business revenues, greater availability of public funds, and an eased tax burden.

VII. STUDENT REPORT

Mr. Jeff Genauier thanked the Regents for their approval for a Student Representative position on the Board of Regents. It is a good step for the College and shows the Regents' dedication to the students. Mr. Genauier reported on the following: 1) The Student Senate has been trying to obtain a budget for the Student Senate in order to do their planning; 2) The Student Senate Office in the Student Lounge is being upgraded to make it more professional and attractive; 3) A company will visit the Espanola Campus to provide a cost estimate for installing a water infiltration system in the cafeteria area and in the gym; 4) The Student Senate approved scholarships for several students to attend conferences out-of-state; 5) The last BBQ of the semester will be held on May 10 simultaneously with rehearsal for commencement; 6) Elections for Student Senate Officers will take place next Wednesday and Thursday; 7) The cleanup day the Student Senate organized on April 18 was successful; 8) Student Senate members who visited the Health Center at NMHU gathered valuable information.

VIII. PRESIDENT'S REPORTS AND ANNOUNCEMENTS

In the interest of time, Dr. Barceló stated she will address marketing issues at the next Board meeting.

She invited Ricky Serna to provide an update regarding the Foundation Office and Frank Orona to report on a site visit by the U.S. Department of Education.

Foundation Office: Mr. Serna reported that the foundation meeting that took place on April 11, 2012 was very productive. There was dialogue about where the Foundation is at currently and where it needs to go in the future to increase the level of efficiency with regard to fundraising and the tracking of funds coming to the Foundation. The Foundation members were given financial reports to better understand the budget. Ms. Liddy Martinez, an Executive on loan from SOC, a contractor with LANL, was able to provide some insights with regard to policy review, help the board better define what their role is with regard to investments, organization, developing and implementing a capitol campaign, define additional resources and recognize Northern's infrastructure needs.

The search for a Foundation Director (2nd go round) closed on May 2. Ten (10) very strong applicants applied for the position. Interviews will conclude by May 11 at which point a recommendation will be made to Dr. Barceló and Mr. Marquez for final interviews. The goal is to have a Foundation Director on board by the end of May.

On Saturday, April 21, about 30 individuals (combination of college employees and community members) screened over 150 applications from students for various foundation scholarships. This year the screening process was greatly improved

The 5th Annual President's Golf Tournament will take place on Friday, June 22, 2012 at the Towa Golf Club. Brochures were provided to the Regents to distribute. The goal is to have three gold sponsors in addition to meeting the goal of having 30 teams participate.

Mr. Serna reported that the Foundation established a \$10,000 Presidential Fund for Dr. Barceló to use at her discretion for next fiscal year. These funds will be necessary as the College embarks on its capital campaign, beginning with the legislative session and moving through the rest of the year. Dr. Barceló stated that the capital campaign will identify particular areas that the College will need to be raising monies for—scholarships will always be the center of what the College does, because that is critical. Dr. Barceló is pleased with the relationship that has been built between the College and the Foundation. The College needs to identify priorities and charter the Foundation with those priorities. The process of follow-up letters, on line giving, etc., will be improved to show that funds are being used in a responsible way for the purposes that they were established.

Regent Branch suggested that the College review the MOU that exists between the Board of Regents and the Foundation Board, especially with regard to what the College has obligated to provide the Foundation. Mr. Serna stated that most of the changes he spoke about exist more in the policies for the foundation office and for the Foundation Board. The MOU is sound and is actually very broad in that it allows for a degree of freedom when necessary.

Site Visit by the U.S. Department of Education: Mr. Frank Orona stated that at the request of President Barceló and due to changes in federal requirements, the U.S. Department of Education sent two field representatives, Raul Galvan from Dallas and Leslie Acosta-Martin from the Washington Office, to Northern on March 20-22, 2012 to conduct a technical site visit to insure that students were getting their funding in a timely manner and that there was reconciliation between the Business Office and the Financial Aid Office. They met with the Registrar to make sure the withdrawal process was clear and concise and the students understood what the ramifications were for withdrawing from classes at a certain time. They met with the Business Office to make sure that the students were receiving their disbursements on a timely manner. Some of the recommendations they made include:

- Consumer information; communicating federal guidelines to the students. New SAP guidelines: A student must complete at least 70% of the courses they enroll in, they must maintain a 2.0 accumulative GPA, and they are required to complete their program of study in 150% of the time.
- A Web Master for the College was recommended.
- Each institution who administers federal funds should have a constitution day.

- Make sure that we have a drug and alcohol policy on campus.
- Pay attention to attendance requirements. It is critical that faculty take attendance through the end of the census date (third week after the fall semester) so funds are not returned.

The visit went very well. Frank Orona will be working closely with Dr. Barceló to make sure the College meets timelines for instituting new policies and new procedures for our students. Completion rates are being looked at closely--every time a student applies for financial aid, completion rate information is reflected in their student aid report. At the exit interview, Mr. Galvan stated he was pleased with where Northern stands in terms of its processes and procedures.

IX. COMMENTS FROM THE BOARD

Regent Branch had the opportunity to attend the Association of Governing Boards (AGB) Conference in Washington, D.C., April 20-24, 2012. One thing that stood out was the issue of Risk Management and areas at the College that could be detrimental (change in funding formula, safety and health issues, security, upcoming retirements and replacement of faculty, etc.). He suggested the College look at these issues and come up with a priority list.

X. PUBLIC INPUT

Mr. Gil Sena stated that for the first time the College has commencement information on its website for students and the general public.

XI. EXECUTIVE SESSION

Regent Alfred Herrera moved that the Board enter into Executive Session pursuant to Sections 10-15-1(H)(2) of the Open Meetings Act to discuss limited personnel matters. **Regent Chayo Garcia, Regent Feliberto Martinez, Regent Alfred Herrera, Regent Cecille Martinez, and Regent Branch moved in the affirmative to adjourn into executive session at 11:46a.m.** The open meeting reconvened at 12:04p.m.

XII. PERSONNEL MATTERS

A. Personnel actions.

New Hires:

- A.1 Recommendation to hire Raul Peralta as Faculty, Information Technology (under Ivan Lopez) effective 3/26/12.
- A.2 Recommendation to hire Harrison Rommel as Northern Rio Grande STEM Collaborative Grant Administrator effective 4/2/12.
- A.3 Recommendation to hire William Trujillo as Administrative Assistant II - CAMP effective 4/5/12.
- A.4 Recommendation to hire Anthony Baca as Custodian I effective 4/9/12.
- A.5 Recommendation to hire Adela Chavez as Administrative Assistant II - Business Administration effective 4/23/12.

Regent Martinez moved to approve the new hires as presented. Motion carried.

B. Approval of reemployment of present full-time faculty for AY 2012-13.

No action was taken by the Board. Regent Branch reported that the reemployment of full-time faculty and staff will now and in the future be handled by Administration.

XIII. ADJOURNMENT

Regent Cecille Martinez moved to adjourn the meeting. The meeting adjourned at 12:04pm.

Josephine Aguilar, Recording Secretary

APPROVED: May 22, 2012

/s/_____
Michael P. Branch, Board President

/s/_____
Cecille Martinez-Wechsler, Secretary