

**NORTHERN NEW MEXICO COLLEGE
BOARD OF REGENTS MEETING
DECEMBER 19, 2013**

I. CALL TO ORDER

A regular meeting of the Board of Regents of Northern New Mexico College was held on Thursday, December 19, 2013 in the Boardroom of the Montoya Administration Building on the Espanola Campus. Regents present: Michael P. Branch, Rosario (Chayo) Garcia, Alfred Herrera, Cecille Martinez and Feliberto Martinez. Board President Michael Branch called the meeting to order at 8:10a.m.

Northern New Mexico College staff present: Nancy "Rusty Barceló, President; Ricky Serna, VP for Institutional Advancement; Bernie Padilla, Director of Human Resources; Domingo Sanchez, VP for Finance and Administration; Brian Salter, Director, IT; Alex Williams, Senior Financial Analyst and Carmella Sanchez, Director, Institutional Effectiveness. Faculty Present: Ivan Lopez, Chair, Engineering Department; Tim Crone, Union Representative and Gilbert Sena, Faculty Senate President. Others present: Secretary Jose Garcia, Higher Education Department; Glen Walters, Higher Education Department; Scott Eccles, Higher Education Department; Tim Pitcher, Monument, LLC; Tony Ortiz, Attorney for Northern New Mexico College; Peter Franklin, Modrall Law Firm; Paul Cassidy, Financial Advisor for Northern New Mexico College and Lindsey Bright, Rio Grande Sun.

II. APPROVAL OF AGENDA

Regent Branch stated Secretary Garcia of the Higher Education Department would be addressing the Board (8:30AM) and the Agenda would need to be adjusted accordingly. President Branch also requested moving the Executive Session up on the Agenda.

Regent Martinez-Wechsler moved to approve the final agenda as amended. Motion carried unanimously.

III. INTRODUCTIONS

President Barceló introduced the following new employees:

Andrea Padilla	Start Date: 11/05/13
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Dr. Ivan Lopez introduced the following new employees:

Vishal R. Mehta	Start Date: 12/02/13
Dr. Jung Hong	Start Date: 10/18/13

Regent Branch introduced Secretary Jose Garcia, Higher Education Department. Secretary Garcia stated HED is aware of the long and distinguished tradition the College has and HED is trying to cooperate as much as possible with the College to make sure the tradition continues.

Secretary Garcia stated higher education in New Mexico over the last 20 years (1990-2010) has not improved relative to the improvements of other states. New Mexico was last in terms of improvement in higher education if measured in proportion of the population of the State of New Mexico that has a college education. Secretary Garcia stated, in 1990 New Mexico was 20th in the Country and it is currently 48th. New Mexico has not kept up with the rest of the country. Given the poor performance of the State of New Mexico in terms of higher education in the past 20 years, HED feels it is urgent to turn the tide around, to make sure each institution understands they need to graduate more people, graduation

must improve and at risk populations must be moved through the system successfully. Secretary Garcia Stated Colleges are competing against the rest of the world and will need to have more students graduating with science, technology, engineering, mathematics and health.

Secretary Garcia explained the HED's three metrics HED has been using to evaluate institutions in terms of the funding formula. Those metrics are: (1) the total number of degrees; (2) STEM degrees; and (3) at risk students graduating. HED feels if the institutions do a good job of getting more graduates, more STEM degrees and more at risk students through the system, New Mexico will turn the tide around. Secretary Garcia provided the Board of Regents with a summary of the metrics and how it affects the College (attached). With some effort the College can be competitive in terms of the funding formula.

Secretary Garcia explained HED takes 10% of the budget each institution had in the previous year, sets it aside and redistributed it back to the institutions in proportion to the performance of each institution. The question asked when redistribution is done is what proportion of the total degrees (converted into points) did the institution have in period one (three year rolling averages 09, 10, and 11 compared to 10, 11 and 12) and what proportion of the points did they have in period two. When an institution improves as a proportion of the total of the other institutions, the institution is going to get all of the 10% back. When it does not improve, it will not get the entire the 10% back. HED feels it needs to have an aggressive formula which institutions must take seriously and all institutions will be in competition and must perform. When new money is placed in the system, the formula will distribute that money in accordance with the improved or not improved performance of the institution. Secretary Garcia stated the only complicated part of the funding formula is the concept of changing from degrees to points.

Regent Martinez-Wechsler requested clarification of comparisons of Universities and whether or not the College will be compared to Universities who have Doctorate degrees or will the College be compared with other institutions with the same abilities. Secretary Garcia stated the formula is the same across the board and has been agreed to by common consent of the different institutions. Regent Martinez-Wechsler stated she does not believe it is a fair calculation when the College does not have the ability to provide Doctorates. It would seem more reasonable to be compared with other institutions that are like the College.

Secretary Garcia stated HED believes anytime an institution has a freshman who needs to be converted into a sophomore that the institutions need to compete against each other in terms of their efficiency and ability to do so. It is true there is more weight for doctoral programs however; the college must also understand the doctoral programs cost more than ordinary programs.

President Barceló stated her concern is if 70% of the College's students are developmental students, they are not starting at the same point as students at other comprehensive institutions. Working with developmental students is also an additional cost factor. The College is supportive of being outcome based but there are unusual challenges. Secretary Garcia stated the College should look at the fact that there are 70% developmental students as an opportunity because the funding formula gives the College a subsidy each time one student graduates and this is an advantage over institutions that do not have the developmental challenges the College has.

Regent Martinez-Wechsler requested clarification from Dr. Garcia regarding compensation and whether or not the College would be compensated with points when the students graduate. Secretary Garcia stated there is a competitive advantage the College has in graduating developmental students (at risk students). Because of the success the College had this year in graduating students, the College is getting more money this year. Secretary Garcia stated the College should welcome the formula, understand why it is necessary for New Mexico and the College should want it to be implemented in its entirety.

Regent Martinez-Wechsler stated the College's students are strong in STEM and more than 70% are at risk. One of the most important programs of the College is the GED and the GED to Associates. Regent Martinez-Wechsler requested Secretary clarify how the College would get funding so they could afford the programs. Regent Branch stated the difficulty is the upfront costs in counseling, mentoring and other things that must occur at the beginning. Regent Branch proposed this issue be taken to the technical committee and would hope Secretary Garcia would initiate the technical committee on a regularly scheduled meeting throughout the year so these types of things can be discussed early on. Regent Branch also requested policies and procedures are set so there are guidelines when the College goes to HED they will know what HED needs in order for the College to move ahead. Secretary Garcia stated this has been done for three years in a row and the first year, HED brought all institutions together and created a steering committee. This committee met in Colorado and agreed HED would create a performance based funding formula. Upon their return (March, 2011), they met and the collective group agreed on the three metrics. Since this meeting, regularly scheduled meetings have been held at which the technical committee has reviewed each issue and discussed them at length. Secretary Garcia stated HED will meet with the committee to the ramifications of the formula after the Legislative Session.

Regent Martinez-Wechsler stated the College has a chance to make New Mexico look good after three metrics in which the College has two strong ones however, the College needs money. Secretary Garcia stated as the performance has been going down, there is also a very expensive system (tuition, fees, lottery scholarship); New Mexico is the most expensive system (15.3% of the budget). The average state spends 6.8% on higher education. Secretary Garcia stated he does not believe it is in the cards to go to the Legislature to ask for more money. Secretary Garcia stated the State of New Mexico cannot spend more than 15% it is already spending on Higher Education. Regent Branch stated he agrees regarding the percentage but there is also a smaller "pie" in New Mexico than other states. New Mexico could reduce the 15% if it had a larger "pie" to deal with.

Regent Herrera stated the visit by HED is a first for the College since he has been on the Board of Regents and applauded the efforts in HED's initiatives of reaching out to the College and Presidents. Regent Herrera stated there are some Regents from the College who would like to be involved in the technical committee and do have the expertise to contribute. Regent Herrera believes in the initiative of the formula in the bigger context (performance based) but New Mexico is faced with a P-20 issue. The \$27M stated by Secretary Garcia is a dollar amount that in theory is already being afforded to the P-12 system in that regard and there needs to be work done at that level. Regent Herrera stated it is important to note \$1M less was redistributed to the research institution and the \$1M was broken up and the regional Universities received \$146,000 and the rest to Community Colleges. This is an example of how the College will benefit from the formula.

President Barceló stated the College will call upon Secretary Garcia for additional support in one area which is housing. President Barceló met with the Dulce schools and one of the critical factors in the discussion was housing and how it would make a difference for the students. President Barceló stated the Lottery will also have an effect on the College and the college has made adjustments to ensure the students will stay with the College.

Regent Branch stated the Lottery is a big money source for tuition. The small institutions like the College did not have a lot of full time students with the two year programs and did not have a lot of high school graduates and as a consequence, the College's percentage has been small. Regent Branch stated an equal dollar amount to the students should be granted as to what every student should be offered in the State of New Mexico and it should not be dependent on where the students go. Secretary Garcia stated it is out of HED does not have the statutory capability of changing the requirements on the Lottery. The recourse for the College on the Lottery is to go to the Legislature.

Mr. Walters stated the College should be looking at endowment funds because it is going to decouple the issue of automatic distribution by institution and make everything competitive. The Governor is going to suggest the percentages go off the table and the College can put a proposal in and if it is good, the College can get the 18% UNM would get.

The Board took a break from 9:20AM-9:35AM.

EXECUTIVE SESSION

Regent Cecille Martinez moved that the Board enter into Executive Session pursuant to Sections 10-15-1(H)(2), 10-15-1(H)(7), and 10-15-1(H)(5) of the Open Meetings Act to discuss limited personnel matters, legal matters, and collective bargaining matters. Any action taken by the Board will be made in Open Session. **Regent Chayo Garcia, Regent Feliberto Martinez, Regent Cecille Martinez, Regent Alfred Herrera, and Regent Branch moved in the affirmative to adjourn into executive session at 8:08 a.m.** The open meeting reconvened at 10:30 a.m.

IV. APPROVAL OF MINUTES

Regent Martinez-Wechsler stated she was not in attendance at the November 27, 2013 meeting and would like the minutes adjusted accordingly. **Regent Martinez-Wechsler moved to approve the Minutes for October 21, 2013, October 25, 2013, and November 21, 2013. Motion passed unanimously. Regent Martinez-Wechsler moved to approve the November 27, 2013 minutes with the removal of Regent Martinez-Wechsler as attending. Motion passed unanimously.**

V. PUBLIC INPUT

None.

VI. STUDENT REPORT

None.

VII. FACULTY REPORT

None.

VIII FINANCIAL REPORT

Regent Herrera stated the finance reports were presented in the Finance Committee Meeting and extensive discussion took place. The Finance Committee believes the College is moving in the right direction in terms of fund balances and in terms of cash balances and the Committee approved the finance reports presented and moved them forward to the full Board for consideration.

A. Approval of Fiscal Watch Report

Mr. Sanchez reviewed the 11 accounts as follows: total revenue is \$7M compared to \$6.8M in 2012. Overall expenditures in 2012 were at \$6M compared to \$7.5M in 2013. New practices were started with transfers in 2013 and all transfers are being placed up front so everyone will know what the transfer in or out will be and the bottom line number will be adjusted accordingly.

Mr. Sanchez reviewed the 12 accounts as follows: The College needs to watch the auxiliaries and if they are not doing they will need to be taken off the 11 accounts. In 2012, there was \$649,000 in revenue and in 2013 the College has \$645,000. Expenditures in 2012 were \$952,000 and in 2013 they are \$751,000. In 2013 the college was in the hole \$253,000, in 2014 the College is up \$34,000 which means the College does not yet have to use the 11 accounts.

Mr. Sanchez reviewed the standard fiscal watch reports. Cash for the College at the end of November is \$74,400 and in July the College was at a -\$250,000 which means the College is watching the expenses. Total assets for the College are at \$37.9M, liabilities are \$2M and total net assets are \$35M. The College does have unrestricted fund balance of \$137,000 at the end of November. The cleanup in all of the College funds is almost complete and it will be completed in 2013.

Mr. Sanchez reviewed the current operating budget, revised budget and actuals. The College has \$12M in total revenue for all funds (restricted and unrestricted), expenditures of \$11M and ending funding balance of -\$517,000 for the entire institution. The College has \$87,000 in revenues for the plant funds (capital projects) and expenditures of \$112,000. This number will rise because of the upgrades of Security and lighting.

Mr. Sanchez explained the comparisons between 2012 and 2013. In 2012, the College had \$11.9M in revenue in 2013 the College has \$12.2M. The College will be focused on in the new budget process and will need to start accruing fund balances. One of the items in the fiscal watch is the fund balances and the College is trying to address the issue.

Mr. Sanchez stated the Board of Regents directed all the departments to return 2.5% out of their current operating budget in a prior Board Meeting. The College also has an additional \$150,000 that the College was told to take off the table when preparing the operating budget. The College also received \$75,000 for the 1% salary increases for the institution when the budget was revised in October. The College is attempting to hold budgets flat with new money to try to get in a position in the new year to start accruing fund balances. Mr. Sanchez stated he does not anticipate any action needed by the Board of Regents but he is concerned the College must maintain the level of spending conservatively.

Regent Herrera moved to approve the Fiscal Watch Report as presented. Motion passed unanimously.

B. Approval of Budget Adjustment Requests (BARs)

Mr. Sanchez stated the College is at 134 BARs for 2013 and the College should see 200 BARs completed prior to the end of the year. Mr. Sanchez stated there are two BARs (restricted and unrestricted) which will be sent to HED to ensure the budgets are updated. This process will be completed on a quarterly basis. Mr. Sanchez stated the additional BARs provided to the Board of Regents need approval because money was moved from a department to operation and maintenance.

Regent Herrera moved to approve of the BARs as presented in the non-restricted categories. Motion passed unanimously.

C. Capital Projects Update

Mr. Sanchez stated the lighting and Security updates are taking place and the College is preparing to move on the second half of the remodel.

IX. OLD BUSINESS

A. AQIP Report

President Barceló requested the AQIP Study be presented at the next Board of Regents Meeting.

B. Approval of Holiday Schedule

Bernie Padilla, Director of Human Resources stated the calendars for the next three years with recommended changes were vetted to all faculty, staff and students. Mr. Padilla received three written comments and several verbal comments. Dr. Ivan Lopez, Chair, Engineering department stated the College has two weeks gone because the students will take the entire Thanksgiving week off along with Fall Break. Mr. Padilla stated the recommendation from Administration based on the comments received is to recommend the Board of Regents approve the proposed schedule utilizing Option 1 which would mean the College would recognize New Year's on December 30 as a holiday as opposed to January 1. Jacob Pacheco, Director of Financial Aid stated the Financial Aid Department needs five consecutive days that could be called a break and the reason for this break is the effect it has on the return of Title IV Funds Calculation. This break will equalize the fall and spring in terms of the calculations, the end result being the students earn their pay quicker and the institution would reduce the amount of Title IV Funds that would have to be sent back.

Mr. Padilla stated this information was also vetted through the Union President and a representative from the Labor Management Committee. It is required in collective bargaining that this issue be discussed but not approved by the Union.

Regent Herrera moved for approval of the Holiday Schedule as presented (Option 1). Motion passed unanimously.

C. Review and approval of second Phase of Monument Contract

Mr. Sanchez reiterated the discussion at the last Board Meeting of the overview of the second half of the process. These include: Step 1: Agreement with Monument with identified deliverables to be completed, reviewed and approved by the Board of Regents and Step 2: Development Agreement. At the last Board Meeting the Board requested additional information (financing options).

Mr. Sanchez introduced Tony Ortiz, Attorney for the College to address legal issues for the Board of Regents. Mr. Ortiz stated based on the decisions of the Board of Regents on December 19, 2014 he will have a draft of the document for the Board of Regents to review and approve. The Board can now focus on how to get an Agreement in place that makes sense to build the residence halls in place.

Mr. Pitcher stated because there is now specific information available on how the Board of Regents would like to proceed and the funding mechanism is in place, there will be several clauses in the Contract which will need to be adjusted. In addition, Mr. Pitcher stated there are additional items that will need to be placed in the Development Agreement answering questions related to Monument, LLC's requirement to provide assistance to the College to build all of the infrastructure systems.

Regent Herrera requested clarification regarding the timeline with the new approvals and changes. Mr. Ortiz stated the approval process will be four to six months. This does not mean the College cannot begin to move forward in planning and preparations. Mr. Ortiz' experience on these items is there is usually a delay is with the Board of Finance. Mr. Cassidy stated he believes 3½ to 4 months is a time period in which it can get completed and the College will be prepared for questions. The strategy will be to have a meeting with HED and State Board of Finance staff together prior to January 8 so the College can get a sense from them of what is needed.

Mr. Pitcher stated the architects and engineers can move forward and getting the approval processes. This would mean the College would only be waiting on the physical construction. In the first Agreement, the College has the right to ask Monument, LLC to do additional work. The Board of Regents can request an addendum be prepared asking Monument, LLC to go on with design development and/or construction development. This allows Monument, LLC to begin the other parts of the process including working with the administration to get all the policies and procedures in place. With the preliminary approval of the bonds, it would be the time to agree to a bigger scope between Monument, LLC and the College.

D. Approval of Housing and Financing Options

Domingo Sanchez, Vice President for Finance and Administration stated the College was directed to bring financing options to the Board of Regents. Mr. Sanchez provided and reviewed the Board of Regents with a Student Housing Project Financing Options Document (attached). Mr. Sanchez stated the Finance Committee discussed each option and would recommend the Board Consider Option 1 which is the issuing of system revenue bonds through the New Mexico Finance Authority (NMFA). Mr. Sanchez stated Option 2 is still an option for the College but it means the College would have to incur more costs because the College would be in complete control and it would create the non-profit for real estate activity.

Paul Cassidy reviewed the Proposed System Revenue Bonds, Series 2014 – Overview for Option 1 (attached). The NMFA will require the College pledge the system revenues (tuition, fees, auxiliary revenues, including housing revenues) on a gross revenue basis to bond holders and investors. This is accepted by NMFA as a credit and the payment source will be the student housing revenues. The amount of debt to be issued for the College is \$14,690,000 and the final maturity would be 2044 (30 year amortization).

Mr. Sanchez stated now that the College knows it has to go through NMFA and HED, the College is not will not complete the project by August. The College would have just as an aggressive construction timeframe to complete the project in January as it would in August. Mr. Cassidy stated if the Board of Regents moves forward with Option 1 or Option 2, the College will need to line up the financing with the financing the NMFA does in the open markets because it is over \$5M they will not just make a loan because they do not have enough cash to make a loan.

Mr. Sanchez stated because of the issue of losing the opportunity to take advantage of recruitment in the fall, the College could then capitalize the interest on the loan so the College would not have to pay the payments right away in January. Mr. Sanchez believes at a minimum there could be 100 people in the beds in January. The issue becomes the identification of a reasonable freshman class so when the College moves forward to the freshman dorm it would have a sense of how many beds to proceed with. The housing the College would build would be for the upper classmen residence halls which could also accommodate freshman or upperclassmen.

Mr. Cassidy provided the Board of Regents with an application explaining financing which would be substituted with the application sent to HED (attached). The College is on the Agenda for January 8, 2014. The entire team (including Monument) will review the document and it will be submitted to the HED and a presentation will also be made. Regent Herrera stated the same presentation was made to the Finance Committee and the Finance Committee agreed with the recommendation of Option 1 and has forwarded that recommendation to the full Board of Regents.

Regent Garcia requested clarification regarding the timeline of going through NMFA. Mr. Cassidy stated it would take approximately three to three and one half months. Once there is HED approval, the College will schedule a meeting with NMFA to get their Board approval along with State Board of Finance. Through this process the construction company can start on final plans and specifications.

Regent Branch stated one item that can affect the process is the Legislative Session. Mr. Cassidy stated if the College does not receive approval, there will be comments with what they are uncomfortable with and the College can respond. If the College is turned down completely, it could, perhaps find a developer that could build apartments for the College off campus. Mr. Cassidy stated what is being taken to the oversight agencies is the traditional method of financing student housing which has been used across the state for many decades.

Peter Franklin, Modrall Law Firm Bond Lawyer reviewed and summarized the resolution for the Board of Regents (attached). The Resolution is a parameters approval which approves a maximum of \$15M in bonds. The approval is what is necessary to get the process moving with the HED and State Board of Finance. They would like to see the applicant is actually approved going forward with the financing before they start their process. This Resolution does not obligate the Board but gets the process going at the point that the Finance Authority or any other bond purchaser in the picture has offered to buy the bonds. At that point there would be a Sale Resolution brought to the Board of Regents for approval. The Resolution provides:

1. A form of the bonds.
2. It creates a number of funds and accounts for the deposit of the pledged revenue and the collection of the money to pay debt service on the bonds.
3. It provides for issuing additional debt under certain circumstances if the Board would like to do so with restrictions.
4. It provide a series of covenants (promises) the Board of Regents make in terms of keeping the College facilities in good repair, keeping them insured and paying debt service to the bond holder.
5. There are a series of tax related covenants if the bonds are tax exempt the College needs to maintain its public agency status. If the College were somehow sold to a private operator, that would call into question the tax exempt status of the bonds.

Regent Garcia stated the cost of the dorms would cover the debt services and requested clarification of how the cost of management would be covered. Mr. Sanchez stated the rent would cover the debt service. Mr. Cassidy stated there would not be any restrictions on the residual amounts. The cost of the facilities is such that the College will have to supplement operating costs from the current funds. The College stated the funds would have to be worked into the budget. Some of the construction costs are also to build infrastructure for future housing if there is demand. Mr. Sanchez stated to the extent there is no restriction if there is a residual amount, the College could use it. The issue is whether or not the College has enough in the existing operating budget and the positions to deal with having to manage the residence halls. The College has already begun to flush out the positions needed with the new residence halls and some positions will be repurposed. One new position would be a Director of Student Life, which is a new, critical position to get the policies together, formalize the way the Student Life activities are managed and managing the dorms. In terms of incremental costs, there will be some in particular for the position of Director of Student Life.

Regent Branch stated all these costs are variables at this point and the College cannot assume all costs are going to be absorbed by the College. The construction costs will be worked in because the numbers on the construction costs are on the upper end. If there is some room, some of the costs will be absorbed. There are some variables but they can be controlled by the College.

Tim Pitcher, Monument, LLC stated through an increased recruitment area, it will add alone additional revenue, not only from tuition and fees but on the funding formula. In addition, on the cost side, the original presentation was using one of the most expensive methodologies based on Monument trying to fill a need for a timeframe. Once it was decided the timeframe was not going to be paramount, the rate changed and it will be reduced to approximately \$200,000.

Ricky Serna stated there is a difference between the bonds that are going to be issued and a local bond election. The College does not have the ability to and does not intend on seeking local taxation for this project. Issuing bonds is the closest a public institution can get to taking out a loan. Regent Herrera stated the bond does not unilaterally and automatically increase tuition.

Regent Martinez-Wechsler moved to approve Option 1. Motion carried unanimously.

Regent Herrera moved to approve the New Mexico Finance Authority Bond Resolution as presented. Motion carried unanimously.

X. NEW BUSINESS

A. Approval of New Mexico Finance Authority Bond Parameter Resolution

B. Approval of Differential Tuition Rate

Ricky Serna, Vice President for Institutional Advancement stated the Enrollment Management Committee worked to answer the question as to what subgroups the decline was taking place in enrollment. The group was a subgroup of students identified to be community members taking classes leisurely (54% decrease). In discussions with Donna Winchell, Chair, Art Department and Domingo Sanchez the enrollment decline in these courses has been taking place over the last two years. Some concerns raised were how competitive the College's rates were to other institutions surrounding the College. The College cannot be compared to UNM LA, UNM Taos and Santa Fe Community College because the College cannot be as affordable as they are because they manage themselves on adjunct and non-tenured faculty.

The College created a tool to try to identify a rate that assists the College in being more competitive and ensures the institution does not find itself in a position of losing money by providing these classes. There are, however, classes where it does not make financial sense but is necessary because of (1) it may be required for students to graduate; and (2) no matter what the enrollments are, it will never make financial sense but is part of general core. Based on the funding formula, if students finish some of these classes, the College will generate extra money. The College has determined it can charge \$80 per credit hour for the studio art courses with a fee of \$20.00 per credit hour; the College would generate enough money to support the supplies necessary to run the courses. A flat rate of \$100 per credit hour would suffice to cover the costs of offering the class and the costs of necessary supplies and equipment needed to run the class and it makes the College competitive. The College is proposing if the student is non-degree seeking, enrolled in less than six credit hours and the student must enroll in one of the eligible courses, then the student could receive the differential tuition rate. Mr. Serna stated the average studio arts classes cost \$578.00 for a student to take. With the differential tuition it will be dropped 50%.

Mr. Serna stated the College is asking the Board to approve the rate and some flexibility with regards to the timeline. The College is working with New Mexico Highland's University to understand what is going to be required in terms of Banner to be sure this can be implemented without confusion. The implementation timeline would be from January, 2014 to the start of the summer session 2014. This information will be marketed to the students (general marketing and telephone calls to the students).

Regent Martinez-Wechsler moved to approve the differential tuition pay for eligible students as presented. Motion carried unanimously.

C. Academic Planning Initiative

Dr. Lopez gave the Board of Regents a brief overview of the Academic Planning Initiative. The idea of the initiative is to create a plan of the Academics for the institution for the next five years. Mr. Lopez has

been collecting data from all the constituencies of how the College can improve teaching and learning. The process began with an open survey in November, the data was collected and it was presented to the Faculty Senate and website was created for the initiative. After the results were collected, they were sent back to the academic units to work independently. Each department presented the ideas they have in mind to move forward in terms of academic planning. Currently there is a calendar for the entire year to begin meeting in January as a Committee which has been defined. Dr. Lopez will return to the next Board of Regents Meeting with more detailed information regarding the findings from the students and faculty. A full plan will be prepared by the end of the spring.

XI. COMMENTS FROM THE BOARD

A. Reports from BOR Committee Chairs

Regent Herrera advised the Board of Regents in the Finance Committee the committee members met with the internal auditor and discussion was held regarding the first assignment which would be the review of the work being done by faculty in terms of their obligation to the College and whether or not they are fulfilling those obligations. The internal auditor will be reporting back to the Board.

XII. PRESIDENT'S REPORT AND ANNOUNCEMENTS

President Barceló stated the College has had a good semester which was culminated in terms of a celebration of Graduation which was a success. The College is getting a lot of positive feedback about the promotional efforts. President Barceló is putting together an annual report for review by the Board of Regents which will be done by the end of January.

XIII. ADJOURNMENT

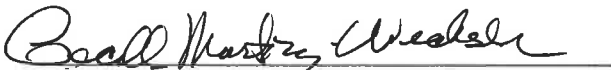
Regent Martinez moved to adjourn the meeting. The meeting adjourned at 12:30 p .m.

Amy Pena, Recording Secretary

APPROVED:



Michael P. Branch, Board President



Cecille Martinez-Wechsler, Secretary