I. CALL TO ORDER

A Regular Meeting of the Board of Regents of northern New Mexico College was held on Monday, April 28, 2020, Via Zoom. Regents Present: Michael A. Martin (Via Zoom), Erica Velarde (Via Zoom), Porter Swentzel (Via Zoom), Damian Martinez (Via Zoom), Tomas Rodriguez (Via Zoom). A Roll Call Vote was taken of the Board of Regents. Board President Martin – present, Regent Swentzel – present, Regent Martinez – present, Regent Velarde – present. Regent Tomas Rodriguez - present.

Northern New Mexico College Staff Present: President Richard J. Bailey, Jr. (Via Zoom), Ph.D.; Ricky Bejarano, Vice President for Finance & Administration (Via Zoom); Ivan Lopez Hurtado, PhD, Provost & Vice President for Academic Affairs (Via Zoom; Vince Lithgow, Comptroller, John Ussery, El Rito Campus Director (Via Zoom); Sally Martinez, Executive Assistant to the Provost & Vice President for Academic Affairs; Shari Jobe, HEP Director; Sara McCormick, Recruiter/Academic Affairs; Don Apparius, Assistant Provost; and Amy Peña, Executive Office Director.

Faculty Present: Ajit Hira, PhD


Board President Martin called the meeting to order at 1:01 PM.

II. APPROVAL OF AGENDA

Board President Martin entertained a motion for approval of the Agenda. Regent Swentzel moved to approve the Agenda as presented. Second – Regent Velarde. A roll call vote was taken. Board President Martin – yes, Regent Velarde – yes, Regent Swentzel – yes, Regent Martinez – yes, Regent Rodriguez – yes. Motion passed unanimously.

III. COMMENTS FROM THE BOARD

A. Board of Regents Subcommittee Reports

1. Audit/Finance/Facilities Committee

President Martin asked for Regent Velarde to report. President Bailey stated Board President Martin asked for a report on the Audit/Finance/Facilities Committee. Regent Velarde stated it was a good meeting and everything is on track as usual.

2. Academic/Student Affairs Committee – Informational

Regent Swentzel stated all items discussed in committee will be discussed later on in the Agenda. President Bailey stated everyone wanted to congratulate Regent Swentzel for his promotion at IAIA. We are all very proud of Regent Swentzel, there was an article in the Albuquerque Journal Business Section this morning. Regent Velarde congratulated Regent Swentzel.
3. Executive Committee – Informational

Board President Martin asked Regent Martinez if he has anything to discuss regarding Executive Committee. Regent Martinez stated he was getting every other syllable from President Martin and asked if he is the only one having that problem. President Bailey stated he is not the only one. Regent Martinez asked if Board President Martin could log back in. President Bailey stated if that did not work, Board President Martin could call his cell phone and they could work it out that way. Board President Martin joined the meeting Via Conference Call.

4. HERC

Board President Martin asked Regent Velarde to report on HERC. Regent Velarde stated it was a great meeting. They had a couple of good presentations, one from Deputy Secretary Carmen Lopez who gave thanks to the institutions for helping out during the COVID-19 time. The Governor’s office had reached out to many of the institutions for freezer space for food distribution for CYFD and all institutions reached back out and are working with the Governor’s Office. She thanked all the institutions for working together and with their communities. She also mentioned a website called restartnm.org which will focus towards students now that we have a bad economy and when jobs fall off we get an interest in higher education. She wants to focus on popular programs such as Education, Tech Trades, Nurses, etc. at each institution. She also talked about the New Mexico Opportunity Scholarships that are going to be given by the Lumina Foundation. This is something we can look up on the website for HED. That was pretty much her presentation. The group was given a great presentation by David Abbey, LFC discussing the upcoming special session at the end of June, loss of revenue, loss of employment, what future budgets will look like. They talked about how we know it is a pipe dream, we still have to submit budgets on May 15th on the prior budget and will have to redo it once, maybe twice or even three times before we get to a landing place. He did talk about the 2022 budget is about a 15% deficient according to today’s and it is about $1B less than today’s budget. We are short on today’s budget about $400M-$500M. He did discuss the Federal funds, the stimulus. Regent Velarde did discuss this with the Audit/Finance/Facilities Committee regarding the federal stimulus funds that are available for both students and higher education institutions. Regent Velarde received an update and this is something that Ricky Bejarano can update the Board of Regents on later in the meeting. Marc Saavedra gave a CUP update. He will be sending Regents daily updates on the to share information on the information they are getting regarding it. The new President of HERC is Regent King from New Mexico Tech. She did ask David Abbey and Marc Saavedra about the Governor’s COVID Task Force and the fact that there is not a Regent on that task force. Marc will communicate this with the task force, that that was something that was questioned. There was also a question regarding Student Regents. There are a lot of institutions are losing their Student Regents and they don’t have one to take their place.

B. Student Regent Scholarship

Board President Martin asked President Bailey to present. President Bailey stated on page 4 of 104 of the packet there is the memo regarding the scholarship. This was the request of Board President Martin to come up with some strategies and some possibilities. The Administration and College came up with three different possibilities. One for complete full tuition and fees, one a scholarship equivalent to tuition and one straight $1,000 per semester. What the College is proposing for the Board of Regents consideration is something called the Northern New Mexico College Student Leadership Scholarship. It would be offered every term starting this fall to the Student Regent and to the Student Senate President. The College is recommending option two which is a
The student would still be responsible for fees. This is in line with the Agreement we have with the Eight Northern Pueblos, it is the exact same scholarship that they give and the College feels this is a good strong incentive for those two student leadership positions and to recognize their service to their fellow students and the institution. President Bailey asked if there were any questions. Board President asked if there were any questions.

Regent Swentzell moved to approve that the Scholarship in the form of a full tuition waiver for the Student Member of the Board of Regents be approved. Second - Regent Velarde. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Martinez. Regent Velarde asked if the motion included both the Regent and the Senate President. Ms. Peña stated it did not. President Bailey stated yes. Regent Swentzell stated the recommendation is for that, he forgot to include that language in the motion and if the Board of Regents could back up for just a second and approve the motion for full tuition waiver for both the Student Regent and the Student Senate President. Regent Swentzell thanked Patricia Trujillo for pointing that out in the chat. This is his motion to amend it. Second - Regent Velarde. Regent Velarde thanked Patricia Trujillo. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Martinez - yes, Regent Rodriguez - yes. Motion passed unanimously.

IV. APPROVAL OF MINUTES

Board President Martin entertained a motion to approve the minutes.

Regent Velarde moved to approve the minutes from the March, 2020 meeting. Second - Regent Swentzell. Regent Swentzell stated this should include the minutes from March 17th and March 23rd. There were two meetings. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Martinez - yes, Regent Rodriguez - yes. Motion passed unanimously.

V. PRESIDENT’S REPORT AND ANNOUNCEMENTS

A. Creation of Northern New Mexico College Eagle Corporation

President Bailey stated on page 20 of 104 in the packet there are three decisions for consideration by the Board of Regents, all having to do with the Northern New Mexico College Eagle Corporation. It will require three separate votes so they will tackle them one at a time. Decision one for consideration by the Board of Regents is the established of the Northern New Mexico College Eagle Corporation. Board President Martin asked for questions and entertained a motion.

Regent Martinez moved to establish the NNMC Eagle Corporation by approving the attached Articles of Corporation. Second - Regent Velarde. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Martinez - yes, Regent Rodriguez - yes. Motion passed unanimously.
B. Appointment of Board Members to Eagle Corporation

President Bailey stated the second decision for consideration by the Board of Regents is the appointment of the Board of Directors for the Eagle Corporation. In the Articles of Incorporation on page 23 of the packet, the attorneys at Modrall Sperling had recommended a Board of Directors of 5 individuals. The two ex-officio members recommended are the President and Chief Financial Officer for the institution, President Bailey and Ricky Bejarano. The other three members requested are two members at large and a fifth member from the Board of Regents so there is a direct connection between the Board of Regents and the Board of Directors. What the College is proposing for the Board of Regents consideration in terms of third and fourth members are Julianna Barbee, who runs the Small Business Development Center at the College and has extensive experience in marketing, business, entrepreneurship and has dedicated a large part of her career is business opportunities in our community. The other is Kathy Keith who is the Director of the Community Partnerships Office in LANL. Obviously is the community conduit for a multi-billion-dollar organization and she has ties to resources and opportunities that can greatly benefit the Corporation. That is four of five if the Board of Regents approve and then the decision for the fifth member is to determine a Board of Regents Member to round out those members. President Bailey opened it up for discussion.

Regent Martin would like to nominate Regent Velarde to serve. Regent Swentzell would second the motion but he thinks for clarity we would approve both Julianna Barbee, Kathy Keith and the Regent all in one motion. President Bailey stated the Board can make one decision to accept the entire five-member Board of Directors with one vote. Regent Martin stated he would like to make that motion. Regent Swentzell stated he would second that motion to accept all five nominees to the Board. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Martinez - Regent Martinez stated prior to voting he would like to make a comment, he would like to put his name in. He is involved in different boards and has a legal background and would like to be part of the College Corporation, just putting that on the record. He does not believe there was any comment on anyone else who wanted to throw their name in.

Board President Martin stated the Board of Regents would vote on the Regent and then on the people and asked Regent Martinez if this would be ok. Regent Martinez stated however Board President Martin wants to do it. Board President Martin stated they would go ahead and select the Regent. Nominations were as follows, Board President Martin nominated Regent Velarde. Board President Martin asked Regent Martinez if he nominated himself. He stated sure, he nominates himself. Board President Martin asked Ms. Pena to record the vote. The vote was as follows: Board President Martin - Regent Velarde, Regent Velarde - Regent Velarde, herself, thank you and thanked Board President Martin for the nomination. Regent Swentzell - Regent Velarde, Regent Martinez - abstain, Regent Rodriguez - Regent Velarde. Regent Velarde was nominated. The Board of Regents voted on the other Board Members (Julianna Barbee and Kathy Keith): Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Martinez - yes, Regent Rodriguez - yes. President Bailey thanked the Board of Regents.

President Bailey stated the next item for consideration is back to page 20 of 104 in the packet, this deals with the initial investment. Regent Martinez asked if the Bylaws needed to be worked on. There were some changes that were needed in the Bylaws and the Board of Regents only approved the Articles of Incorporation. President Bailey thanked Regent Martinez. Regent Martinez stated he could discuss what the changes needed to be. With respect to the Bylaws, they look fine except in certain sections they discussed in the finance meeting, certain things need to be changed. For instance, in Section 11 on page 5 of the Bylaws, Section 11 and 12, we need to advise
our counsel that we need to define that quorums can be made remotely much like we have within the College that we can meet remotely. Also, in Section 12, there is a term present, we need to presence to include remote presence via Zoom or telephone. The next section discussed was section 15 which was compensation to the Board, this would be page 6 of the Bylaws, we discussed we likely need a change in there to state that the compensation would be limited by state per diem and mileage rates. President Bailey stated they also stated any College employees who sit on those Board of Directors are exempt for payment to service on the Board. Regent Martinez stated on Article 6, Indemnification Clause, and he is running off his notes, under that one we need to change the Bylaws that the corporation will purchase D&O insurance, Director and Officer Insurance, for the purposes if one of the Board of Directors gets sued for something related to their work with the Corporation, there is an insurance policy that would cover the defense of that because $300,000 isn't going to do it and you don't want to use your own operating money to cover lawsuits. The next section would be the next page which would be Article VII, Section 2 which relates to loans. We need to change the language in there that would indicate that the Board of Regents has final approval whether or not the corporation can take out a loan. President Bailey stated this would limit Board of Directors. Any time the Board of Directors makes a recommendation to enter into any kind of loan agreement would go to the Board of Regents to get any type of loan. The decision is to approve the Bylaws as recommended amended by Regent Martinez.

Board President Martin entertain a motion. Regent Swentzell moved to approve the recommendations Regent Martinez presented to amend the Bylaws and that those would take effect under Article XII, Amendments of the Bylaws. Regent Martinez stated they wouldn't take effect until the Bylaws are approved. His suggestion would be the motion would be to approve the Bylaws with the proposed amendments on those specific sections. Regent Swentzell stated he got it.

Regent Swentzell moved to approve the Bylaws with the recommended amendments made by Regent Martinez. Second - Regent Martinez. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Martinez - yes, Regent Rodriguez - yes. Motion passed unanimously.

President Bailey thanked the Board of Regents and Regent Martins for this.

C. Investment in Northern New Mexico College Eagle Corporation – Action Required

President Bailey stated the final decision for the Eagle Corporation is an initial investment. The College is recommending an initial investment of $300,000 from college fund balance. This will allow the Eagle Corporation to consider partnerships, contractual partnerships with the ultimate goal of diversifying the colleges revenue portfolio and ultimately make us less dependent on State funding for the annual budget. This is funding that the Board of Directors would have to make thoughtful decisions with the primary purpose of generating revenue and generating profit. This is the goal of this thing and why the Research Park Academy and Economic Development Act was initiated. That Board of Directors will act as a corporate board for that purpose and will have to take calculated risks.

Board President Martin asked if there were any questions and entertained a motion. Regent Martinez asked President Bailey how we came up with the math for the $300,000. Regent Swentzell stated we lost President Bailey. President Bailey returned. President Bailey stated the goal was to give the corporation an amount to start. He wants to make it very clear, this is a project we had been working on for a few years. It is not a way of putting money aside for the budget crisis or anything like that. This amount will be sufficient enough for the corporation to make a solid series of decisions to explore partnerships with outside entities, nonprofit and for profit. This
also allows the College the majority of the fund balance as we are looking at the future economic crisis. This is a middle ground to give the corporation enough room to engage in those discussions and in partnerships but not so great to leave us vulnerable for the impending economic crisis. Regent Martinez thanked President Bailey.

Regent Martinez moved to approve the funding of the Eagle Corporation in the amount of $300,000. Second - Regent Velarde. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Martinez - yes, Regent Rodriguez - yes. Motion passed unanimously.

VI. STAFF REPORTS

A. Vice President for Finance & Administration

1. Fiscal Watch Reports

Mr. Bejarano stated the first item is the Fiscal Watch Reports and with the President's approval he will call on Vince Lithgow, Comptroller. Mr. Lithgow stated on page 40 is the Statement of Net Position. As of the end of March, we have $5.6M in cash and cash equivalents. We have received the bulk of appropriations throughout 75% of the fiscal year. Cash has not caught up with expenditures but it will and toward the end of the fiscal year we will be in a cash position of about $2M. Receivables are good, student receivables are down and others mainly grant related are maintaining. Non-current assets are $35M. That is the number that gets published once in the fiscal year during the audit. We have $9.9M in deferred outflows and that is our pension related. Other liabilities are nominal. Accounts payables, we are paying bills as we go along. Because there has been less fiscal activity, we are current with our current bills. There are some other liabilities related to capital projects we are working on. Total liabilities are about $45.3M with another $3.5M related to pension liabilities. On Restrictions, we have restrictions for liabilities related to capital projects. The other related party activities are the Mill Levy Revenue and it is at $1.3M year to date and a $7M unrestricted fund balance which will go down substantially the next month or so. Mr. Lithgow asked if there were any questions.

President Bailey stated based on the current position, this is something mentioned in the update video which will be coming out today or tomorrow, that is, the College right now is in the strongest financial position it has been in since President Bailey has been here and he would venture in the last decade. This is a testament to Ricky, Vince, Evette and the entire Business Department for what they have done to get our fiscal house in order. It has truly been revolutionary on what they have been able to do. They would be the first to say it was everyone buckled down to get our house in order over the last several years. We do have a fiscal crisis coming but we are in better shape now to handle this than we have ever been. President Bailey would like to commend them for some incredible work they have done in the past few years.

Mr. Lithgow stated regarding operating and plant funds, we have collected 88% tuition and fees, state appropriation should be at 7% and we got a $50,000 special appropriation. Overall, we have collected 77% of revenues. We still need to record payroll information and data; liabilities and it will bring it to 70%. Compared to last year at this time we have collected 4% more revenues and have a larger appropriation. Statement of Cash flows, these are tuitions, grants, services. State appropriations at $9.9M and balance at $5.66M.
Board President Martin entertained a motion to approve.

Regent Martinez moved to approve the Fiscal Watch Reports as presented. Second – Regent Swentzell. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Martinez - yes, Regent Rodriguez - yes. Motion passed unanimously.

2. Budget Adjustment Reports (BARs)

Ricky Bejarano stated there are only two BARs. The first, page 48 and 49 and the second, pages 50 and 51. They are various funding sources from which they come from. We did review them during the Audit/Finance/Facilities meeting. Mr. Bejarano requested approval.

Board President Martin entertained a motion to approve.

Regent Swentzell moved to approve the BARs as presented through April 21, 2020. Second – Regent Velarde. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell, Regent Martinez - yes, Regent Rodriguez - yes. Motion passed unanimously.

3. FY 2021 Budget – Action Required

Mr. Bejarano stated regarding student accounts receivable, we are not doing enforcement currently, payment plans have been extended and we are not collecting at this time so students do not feel such a great impact without penalty and interest. Regarding the budget, this is why Evette is not with us, she is diligently working on the budget. It will have to be worked in two ways. There will be a budget flat so when the cuts and changes come in we can do them with more flexibility and more ease and then we will do the required one which is based on HB2 without the increases and changes that came in. The reality is there will be cuts but we do not know what or where they are. The only thing that is certain is the uncertainty about it. We will all have to be very patient and work diligently to craft up a budget. As the President mentioned, it may have to be done a couple of times even after submission. There may be two special sessions one in June and another sometime in summer early fall.

President Bailey stated because he sees our legal counsel here and union partners. President Bailey would like to give thanks to them, they are going into a challenging contract negotiation discussion with this much uncertainty. Our union partners have really truly been partners this entire process with us and we are grateful for their partnership. They have a difficult task in terms of the negotiations they are embarking on but we are going to be flexible and work in act in good faith with them as we move forward and craft this budget and adjust it based on the realities of the special session.

B. Provost & Vice President for Academic Affairs

1. Revisions to the Community College Branch Faculty Handbook -Action Required

Dr. Lopez stated he has one item for action. This is based on what the Board of Regents approved at the last meeting in March. They approved the faculty handbook for the Branch Community College with the caveat that certain changes were needed to make clear the identification of the Board of Regents the President of the College. Dr. Lopez took his recommendations and suggestions to the legal team. Dr. Lopez invited Geno Zamora to explain the changes made to the
Mr. Zamora stated the first time this handbook came to the Board of Regents, we had completed the HR review for everyone’s subject to this, to the faculty of the Branch Community College that is subject to this faculty handbook. With feedback from the Board of Regents and board members, what became clear was that the organizational structure needed to be cleaned up within this. By this, he means how does the Branch Community College relate to the College and how is that flow of governance. They went back and did a second review specifically to clean up the organizational issues, the organizational structural issues and this is what the Board of Regents received in the strikethrough. Generally speaking, what it clarifies the roll of the Board of Regents, the President, the roll of the Branch Community College Director and then recognizes rather than duplicating all the supports for the Branch Community College that the College itself provides all other supports such as Provost, HR, etc. It is a summary of a lot of cleanup language and changing references from broad references of the College to appropriate Northern New Mexico College or we started referencing this specifically as the Branch Community College. It is clarification of language throughout the document and this is a summary of the totality of the changes. Mr. Zamora stood for any questions.

Board President Martin entertained a motion from the Board.

Regent Martinez moved to approve the recommendation on the College Handbook. Second – Regent Swentzell. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Martinez - yes, Regent Rodriguez - yes. Motion passed unanimously.

VII. PUBLIC INPUT

None.

VIII. EXECUTIVE SESSION

Regent Martinez moved to enter into executive session to discuss those issues listed on the agenda which only are the annual presidential evaluation. Second – Regent Velarde. A roll call vote was taken. Board President Martin – yes, Regent Velarde – yes, Regent Swentzell – yes, Regent Martinez – yes, Regent Rodriguez – yes. The Board entered into Executive Session at 1:58PM.

President Bailey explained everyone who is on the meeting is welcome to stay on the meeting. The Board of Regents will receive from Amy a link to another Zoom meeting to log into for Executive Session. Board President Martin will call President Bailey to broadcast him from his phone to Executive Session.

President Bailey thanked everyone for their patience and asked if everyone could hear him. The attendees were able to hear President Bailey.

Board President Martin entertained motion to return from Executive Session.

Regent Martinez moved to come out of executive session and affirmatively stated only those things in the Agenda, which was the President’s evaluation, was discussed and no decisions were made. Second – Regent Swentzell. A roll call vote was taken. Board President Martin – yes, Regent Velarde – yes, Regent Swentzell – yes, Regent Martinez – yes, Regent Rodriguez – yes. Motion passed unanimously.
IX. ADJOURNMENT

Regent Swentzell moved to adjourn. Second – Velarde. A roll call vote was taken. Board President Martin – yes, Regent Velarde – yes, Regent Swentzell – yes, Regent Martinez – yes, Regent Rodriguez – yes. Motion passed unanimously.

The Board of Regents adjourned at 2:42PM.

APPROVED:

[Signature]
Michael A. Martin, Board President

[Signature]
Erica Velarde, Vice President
IX. ADJOURNMENT

Regent Swentzell moved to adjourn. Second – Velarde. A roll call vote was taken. Board President Martin – yes, Regent Velarde – yes, Regent Swentzell – yes, Regent Martinez – yes, Regent Rodriguez – yes. Motion passed unanimously.

The Board of Regents adjourned at 2:42PM.

APPROVED:

Michael A. Martin, Board President

Erica Velarde, Vice President