

**NORTHERN NEW MEXICO COLLEGE
BOARD OF REGENTS REGULAR MEETING
SEPTEMBER 25, 2017**

I. CALL TO ORDER

A regular meeting of the Board of Regents of Northern New Mexico College was held on Friday, August 18, 2017, in the Boardroom of Northern New Mexico College, Espanola Campus. Regents present: Kevin F. Powers, Rosario (Chayo) Garcia (Via Conference Call), and Damian L. Martinez, Esq. Board President Powers called the meeting to order at 8:39AM.

Northern New Mexico College staff present: President Richard J. Bailey, Jr.; Ricky Bejarano, Interim Vice President for Finance & Administration; Dr. Ivan Lopez Hurtado, Provost & Vice President for Academic Affairs, Chris Trujillo, IT, Alex Williams, Business Office, Senior Financial Analyst, Mohammad Ali Musawi, Staff Writer/Reporter, Jimi Montoya, Director, IT, Sandy Krolick, Creative Director, Communications & Marketing, Evette Abeyta, Budget Analyst, Tobe Bott Lyons, Student Success Coordinator, Ryan Cordova, Athletic Director/Men's Basketball Coach, Sally Martinez, Executive Assistant to the Provost & Vice President for Academic Affairs, Joe Martinez, Banner Systems Administrator, Terry Mulert, Director, NNMC Foundation, Carmella Sanchez, Director of Institutional Research and Amy Pena, Executive Assistant to the President/Board Secretary.

Faculty Present: Dr. Heather Winterer and Ellen Trabka

Others present: Barron Jones, Rio Grande Sun, Tim Crone, Jake Arnold, Dr. Hugh Prather (Via Skype), Mark Basham, Legal Counsel for NNMC.

II. APPROVAL OF AGENDA

Regent Powers requested Motion to approve Agenda as published. Regent Martinez moved for approval of the Agenda as published. Second – Regent Garcia. Regent Powers stated the Agenda as published is approved.

III. COMMENTS FROM THE BOARD

Regent Martinez stated he would like to start with a comment. As is known, the Audit/Finance/Facilities Committee met and as a result of that meeting Regent Martinez stated he would like the Vice President for Finance & Administration and the President to come up with a report in the next 90 days which shows line item by line item what each program within the College costs and what it takes to run those programs. Whether it is Engineering, Education, Athletics, Regent Martinez would like to see what it costs, what is put into it and what the College gets out of it. Regent Martinez stated the reason he would like to see this is the Board of Regents needs to get out in front of the end of the fiscal year and what tuition may or not be and whether the Board of Regents needs to raise tuition. More importantly, Regent Martinez would like to see what the College is spending line by line because the only way the Board of Regents is going to be able to give faculty raises, which they need and the Board of Regents wants to do is to trim the fat where it is fat so the Board of Regents can give the faculty a much needed raise because without a raise there is going to be problem with retention and recruiting faculty. Regent Martinez asked for this information by the December or January meeting. Ricky Bejarano, Vice President for Finance & Administration stated he should be able to have it sooner. Regent Martinez stated based on the time schedule if they could get it sooner it is fine but he would like to give enough time to get the report together.

A. Board of Regents Meeting Dates (October, November, December)

Regent Powers stated there are some issues and conflicts on the schedule for the regular meeting date for the October 23, 2017 meeting as Regent Powers would be unavailable on the 23rd. Since the Board of Regents is thin on Board Members at this time, he is wondering if November 6th would work as a possible date for the meeting. Instead of October 23rd, move the meeting to November 6. Regent Martinez asked if this would be meeting for October and November. Regent Powers stated the Board of Regents normally combines November and December so then the Board of Regents could have the November/December meeting December 11, 2017. There would not be a meeting in October; there would be one in early November and December before the holidays. Instead of having October, November and December, there would just be two meetings. One would take place in early November and the next in Mid-December. Regent Martinez and Regent Garcia stated they are fine with the November date.

Regent Garcia asked when the Foundation Dinner was taking place. President Bailey stated Saturday, November 4, 2017. Regent Garcia proposed the Board of Regents Meeting be the same weekend as the Gala so the Board of Regents could attend. Regent Powers stated this works really well. Regent Garcia stated the Board of Regents would then be here the 4th, 5th and 6th of November. Regent Powers stated the next meeting would be set for November 6, 2017 and the following meeting would tentatively be scheduled for December 11, 2017. Regent Powers stated the Board of Regents might even look at the December 11th date. If Commencement is December 9, 2017, if everyone is coming for Commencement, the meeting could be done closer, perhaps on the 8th. Regent Martinez asked if Commencement was taking place on December 8th. Dr. Lopez stated it was changed so HEP is the 7th and Commencement is on the 8th. Regent Powers stated he is open to any suggestions. Regent Martinez asked if the meeting could be held on the morning of December 8th. President Bailey stated it could. Regent Powers stated anything would work for him. Regent Martinez stated he is available and Regent Garcia stated she is available. Regent Powers stated the Board of Regents should plan on November 6, 2017 at 8:30AM and December 8, 2017 at 8:30AM for the next two Board Meetings.

- B. Discussion with Dr. Hugh Prather regarding the policy and process of evaluation for the President
- C. Regents Review

Regent Powers stated Dr. Hugh Prather is joining the Board of Regents Via Skype to help the Board of Regents with the process of ultimately evaluating the President. In the interim, the Board of Regents is actually going to be working with Dr. Prather to revise and improve the policy regarding the evaluation of the President and the process by which it is done to make sure when the Board of Regents finishes with the process, the Board of Regents has something of value and it will benefit the College. As a Board, certainly this is the number one item, the Board's chief concern is to hire and work with the President as the Chief Executive Officer. As the Board of Regents, we have one employee, the President and that is the focus.

Regent Powers thinks it is imperative that this is done and Dr. Prather helped the Board of Regents find the President and he did a fine job of that and has done a little bit since then so Regent Powers stated he believes it makes sense to utilize his skills and expertise to do this. Regent Powers introduced Dr. Prather to lead the Board of Regents through this piece of the Agenda.

Dr. Hugh Prather, Prather Consulting thanked the Board of Regents for the honor of the invitation to participate with the Board of Regents as a consultant in this incredibly important aspect of work as Board of Regents. Mr. Prather stated he would give a background of work that has been done already and then talk with the Board of Regents about two different items he would like to work through. Mr. Prather thanked the Board of Regents exceptional Assistant; Ms. Pena who has provided the Board of Regents with two documents that Dr. Prather will be referring to. Dr. Prather stated this is not an evaluation of President Bailey

that is being done at this meeting, this is strictly a discussion of best practices related to the evaluation of the College President and how that evaluation process can contribute to the health and strength of the College. What Dr. Prather is doing for this meeting is doing policy work in one of the most important areas of policy. Dr. Prather has visited with Board President Powers as to what he hoped to accomplish on behalf of the Regents as the process is worked. Dr. Prather has had a very productive visit with President Bailey to get his perspectives at this point. Both of these are incredibly important because the perspectives of the President should be an integral part of whatever is put together.

Dr. Prather stated he would like to cover some key essentials which would then pave the way for Dr. Prather to visit individually with each Regent over the course of the next three or four weeks to make sure Dr. Prather is sensing what each Board Member feels is important as the policy is built and then ultimately be brought to the table for approval in an open meeting that would be dealt with in a manner totally compliant with the Open Meetings Act.

Dr. Prather reviewed the document called "Current NNMC Regents Policy on Presidential Performance Review" (attached). Regent Powers asked Regent Garcia if she has the documents Dr. Prather sent. Regent Garcia stated she did. Dr. Prather stated Ms. Pena is an exceptional support system for this College and he could not thank her enough. The current review comes out of a Regents approved policy and this currently drives what process the Board of Regents is using. Dr. Prather stated this will not be reviewed at this point at any extensive way because Dr. Prather is going to be taking what the Board of Regents currently has and making some substantial modifications to it based on what the best practice is.

Dr. Prather stated as part of the work he has done in preparation for presenting this to the Board of Regents, he has done some thorough reviews of best practices as recommended by organizations that work across the country, colleges and universities and helped them give them the best tools to conduct the process. At the risk of being a little bit redundant, Dr. Prather reviewed the first six points to consider. Dr. Prather stated this is a critical responsibility and fundamental to the leadership of the College. Dr. Prather also pointed out what the current policy does not provide for is what is referenced in point number two, which is annual and comprehensive review. The difference is who is central to the review. In an annual review it is primarily the President and the Regents, in a comprehensive review you reach out to a much broader constituency, which is sometimes referred to as 360. This could potentially involve Alumni, key staff, and community. That is the comprehensive review and the Board of Regents will hear how it fits into a proposed policy a bit further. Dr. Prather stated this is an ongoing effort; point three takes care of the accreditor's expectation. The Board of Regents can build a policy and process that will not only satisfy accreditation but also be an exemplary practice for accreditation that could probably net some serious kudos. This is an ongoing effort and it is not one-shot type. This is not a special occasion; in this case the Board of Regents is talking about a President who is working diligently and extremely hard to do some incredibly positive things at the College. The assessment as the process, the President is involved in it and it is also important to the President helps build his expectation in terms of what his goals are as part of this process. The point here is and Dr. Prather would underscore in point five the fact that goals that President Bailey has for the College will become an integral part of the policy and the process that the College would ultimately arrive at through this work. Finally, the last point to consider, which is something that the Regents, Mr. Prather does not believe to his knowledge have had any serious discussion about, but is valuable, Presidential assessment becoming part of the Board of Regents performance and review. In other words, the Boards assessment of its own performance. Members of the Board of Regents may need to consider as this moves along, to build into this whole process the fact that the Board of Regents does some serious reflection on their own performance as a Board of Regents. This strengthens the whole process and makes it that must stronger. Dr. Prather asked the Board of Regents for questions or comments.

Regent Powers stated he attended a meeting that was organized at the Secretary of Higher Education and Governor's office level where they reviewed fiduciary responsibility of Boards of Regents in the State and one of the items that was brought up in that meeting was this very issue of assessment of the effectiveness of the Board of Regents. AGB actually suggests that that being part of the governing bodies policies and Regent Powers believes it would be healthy in the Boards case to include this. It would make sense while working on this piece of the policy to go ahead and incorporate that into it so it is integrated and it would be more effective if this was done. Regent Powers appreciate the mention of this and it would be very helpful if it were done. Regent Powers asked for comments from the Regents.

Dr. Prather asked the Board of Regents to know in terms of what President Powers referenced that these points that are being provided are fundamentally developed by the AGB. Dr. Prather stated the comprehensive reviews say every 3-5 years, this is a substantially piece of energy that take a fairly long period of time to do properly. Given the work on the plate for President Bailey, for the Board of Regents for the entire College, Dr. Prather suggested it be looked at for a longer term, a 5-year frame instead of a 3. Dr. Prather stated he believes the Board of Regents is going to see the work being done right now and the long range strategic planning President Bailey is engaged in is best framed in a 5 year time frame for comprehensive review would be appropriate and the annual review would be done on an annual basis. What would be specified in policy and Dr. Prather would work with the Board of Regents to make fit the best schedule possible, is that the annual review be referenced in policy specifically in terms of when it happens. If it is not referenced in terms of when specifically, then it tends to slip and Dr. Prather has seen this happen before in other arenas where if you do not have the date, a month targeted, it can slip. Again the nature will vary by institution. With a much larger Board of Regents and a much larger university setting, you would want to have an evaluation committee. Dr. Prather suggested for the College, the Board of Regents be a committee as a whole, to serve as its own evaluative body and to not think about creating an evaluation committee for the annual review. Dr. Prather stated the Board of Regents might wish to for the comprehensive review because that would provide several Regents who participate as well as administration and key staff in the future. Dr. Prather asked the Board of Regents if they had any questions or comments.

Dr. Prather stated the next sections Standard Features of Presidential Assessments has some things that will basically drive the policy revision that Dr. Prather will be recommending, or policy 5 that is currently in place. Dr. Prather stated there is a policy and he commends the Board of Regents for this. The goals will be something that will be specified in policy in terms of how they are developed by the President and presented to the Board of Regents. This will be built in the policy. Dr. Prather recommended that only the Board of Regents review the self assessment and that the self assessment be part of the process so President Bailey have the opportunity to signal to the Board of Regents his perception of how he is performing in key areas and then the Board of Regents conducts an assessment. There will be then two sets of data, the data of the perceptions of President Bailey relative to how he is performing as the leader of the College and the Board's sections of how they view his performance, side by side for dialogue at Executive Session. Executive Session policy dialogue will be specified because this is the way this is done. The clarity among Board members as to what will be confidential will specify Executive Session and that this is personnel or work, those kinds of specific things. President Bailey's goals will be public but the specific feedback in Executive Session is privileged and should be dealt with that way so that candid, frank honest, open discussions could take place. Both on those affirmative dimensions of his performance but also areas in which the Board of Regents wishes to see him make modifications or changes. The setting up of the process for the following year and the time frame that fits within the Board of Regents, Dr. Prather will work closely with President Bailey as the policy is polished to make sure this is not intruding into the important work that he is deeply engaged in at the moment. Dr. Prather asked if there were questions on standard features.

Dr. Prather again thanked the Board of Regents for the opportunity as he felt this was the most effective way to present this. Regarding next steps, the Board of Regents would work with Dr. Prather and the President to develop the criteria, which his performance will be reviewed, and the Board of Regents will be intimately involved. The regular feedback piece will include a recommendation that a formative opportunity be provided on a once every six-month basis in addition to the opportunity to do the annual assessment. The assessment process would provide the President an opportunity to provide constructive comments to the Board of Regents and the Board of Regents could provide constructive comments to him. This process would be very important with keeping with AGB's recommendations.

Dr. Prather stated with the Board of Regents permission, he will draft the component of the evaluation that puts the Board of Regents self assessment, its own assessment, into the process so they at a point look at their own performance and ways they could improve practice as a governing body. Dr. Prather stated this would be what he would need to do over the next several weeks, prepare the document in draft and it would be sent out with the material for consideration or action at the next Board of Regents Meeting. Dr. Prather asked if this could be acted on at the next Board of Regents Meeting. Regent Powers stated he is not sure about this and asked the provost about policy. Dr. Lopez stated he has not recently been involved in policy changes. Regent Powers stated research would be done on whether this could be adopted at the next meeting or if necessary to provide another 30 days. Dr. Lopez stated this has been the practice. Dr. Prather stated given this, this would be ready either as an action item for the November 6, 2017 meeting or put on the table at the November 6, 2017 meeting and acted upon at the December 8, 2017 meeting. Dr. Prather stated he would work with President Bailey and staff to make sure he is in accordance with policy to make sure there is no hiccup in the process.

President Bailey asked Dr. Prather if he has a sample survey, in terms of, it is one thing for the community to say, this is the community's thought where the College is but he believes the Board of Regents would benefit from anonymous survey feedback from the students, faculty and staff. President Bailey asked Dr. Prather for sample surveys. Dr. Prather stated he does and with President Bailey's direction he will build that component into the annual assessment feature, which would normally be considered a part of the comprehensive feature. Dr. Prather stated they should build the annual feature giving President Bailey's willingness to work with feedback from staff within the College, in terms of the annual. The comprehensive would involve a more broadly based community and other constituents. Dr. Prather will share this with the Board of Regents and President Bailey.

Dr. Prather presented the Board of Regents with a template (attached) in terms of what would be done in the President's Performance appraisal. Dr. Prather reviewed the Sample Presidential Performance Appraisal. Dr. Prather stated this is what he would propose to use as a general template. He is not proposing this document but he is proposing that this basic template be worked through where the Board of Regents will see key areas. The first area is Institutional Performance and there are key indicators of Institutional Performance that are subject to a rating scale. Dr. Prather is recommending the Board of Regents go to a four point rating scale for the basic reason that when you have an even number rating scale you force either a positive or negative response. Dr. Prather would recommend including no opportunity to observe because members of the Board of Regents may not feel they have a perspective to be able to offer feedback on this specific matter. This instrument, once the Board of Regents has input into it and President Bailey has had his input and it is approved as part of this process, then this instrument is the basis for providing President Bailey formal feedback at the annual review. President Bailey will complete this independent of the Board of Regents and his completion of it showing his perceptions showing how he has performed. His own self assessment against the criteria and the Board of Regents compilation being the aggregation, pulling together all four of the Board of Regents evaluative comments. Dr. Prather will offer a very simple process for the Board of Regents to make this happen anonymously and with clarity. Dr. Prather asked the Board of Regents that he take them through the first key major areas, Key Institutional Performance, Institutional Leadership, External Relations

(outreach of the President) Accreditation (this is framed in accord with New Mexico Practice and the Specific Performance Goals (set by the President). These would be his specific performance goals, goals that he has generated, that he is currently working on, that he would be assessed on, he would self assess and the Board of Regents would assess. Dr. Prather stated to continue the process, he would like each Board member to look over the documents and Dr. Prather will reach out to the Board of Regents in the next two weeks to visit with them individually regarding any concerns they may have. Dr. Prather will then pull those into a draft evaluation form that will then capture the information for the annual review. This is the cleanest way to put it on the table and assure that this is not being done behind the scenes and will be brought to the table publicly at the next meeting and will accompany the policy. This will give Dr. Prather the ability to end it up as clean a copy for the Board of Regents ultimate review.

Regent Powers stated he finds this is an acceptable way to proceed. It is important to point out at this point that when the Board of Regents comes back to the next meeting and Dr. Prather brings it to the meeting, it is by no means a final document, it is a discussion draft at that point and the Board of Regents will discuss it in public. If there are any changes, if anyone wants to make changes, it will be done at that time and it will be approved and attached to the proposed policy. Dr. Prather stated this is absolutely correct and thanked Regent Powers for underscoring it again. This is designed to ensure this process, with the exception of what goes on in Executive Session, is as transparent and as open as possible. Regent Powers stated when the Agenda for the meeting was done, this discussion on the President's Evaluation and the Regents review or evaluation. Regent Powers stated he thinks, as Dr. Prather described it, it would be integrated into the same policy item or could be. Dr. Prather stated the Board of Regents may need to consider having this something like 5A; a stand-alone so there is no ambiguity. Dr. Prather stated he would suggest they be done separately, they could be done concurrently, they can be considered concurrently but the timing may be a little different. Dr. Prather would recommend it be a Policy 5A or as a stand-alone policy on Regent Self Evaluation. Regent Powers stated this makes sense. Dr. Prather stated this concluded his presentation and he has the information he needs to proceed and asked for any additional instruction. Regent Powers, Martinez and Garcia stated they did not have any additional instruction. Regent Garcia thanked Dr. Prather for his work and getting this done. Dr. Prather stated the Board of Regents will get it done and it will be done well and right. Regent Powers stated both items are listed as action items and assumes the Board of Regents should have an action item where the Board of Regents directs Dr. Prather move forward with this process and bring to the Board of Regents a draft policy on both items at the next Board of Regents Meeting.

Regent Martinez moved that Dr. Prather move forward with the production of a draft policy to replace the current policy of the Presidential Performance review and also to bring forward a proposed policy on Regent Performance Review. Second - Regent Garcia. Motion passed unanimously.

Dr. Prather thanked the Board of Regents for allowing him to participate remotely. Regent Powers thanked Dr. Prather.

IV. APPROVAL OF THE MINUTES

Regent Martinez moved to approve the minutes of August 18, 2017 as presented. Second – Regent Garcia. Motion passed unanimously.

IV. PRESIDENT'S REPORT AND ANNOUNCEMENT

A. Sabbatical Update

President Bailey stated Dr. Heather Winterer has a class beginning at 9:30AM and President Bailey has asked her to speak about her sabbatical.

Dr. Winterer thanked the Board of Regents for allowing her to present. Dr. Winterer stated Dr. Lopez asked her to offer a brief presentation of her sabbatical, which he aptly calls the Sabbatical of a Writer. Dr. Winterer stated as a bit of backup she has a friend who is a fiction writer from University of Chicago and a friend who is a poet and nonfiction writer at California Lutheran, both just received tenure and their first sabbatical. They are exploring those spaces, places between people and their worlds that are unquantifiable through language, our greatest gift, in Dr. Winterer's view. When they first learned that their time wouldn't be accounted for by a teaching schedule, they apply, in her world, for artist residency/fellowships and those are kind of personal grants all over the country and the world that allow them to do what they do elsewhere and interact with other artists doing similar things or other artistic things. Dr. Winterer cast her net about eight ways and received three of those, one in Costa Rica, one in Alaska and one in Oregon. Even though your needs are taken care of once you are there, Dr. Winterer failed to take into account that she had to stagger her spending and she had to get to Costa Rica and Alaska and back and so she deferred those two. Oregon is a lot closer and also offered a travel stipend. This program runs through Oregon State University, the fellowship was a collaborative one so she collaborated with a colleague in California and they came up with a proposal together and she is showing this to the Board of Regents because it is a part of a much larger system of programming all to do with the environment that she thinks could translate nicely here if the College could find the right grant to do it. Their proposal had to do with coming up with a lyric drama together between the elements, those being kind of from agent times, air, water, earth, fire, things that have been seen all too well recently both threaten us and are threatened by us. They worked in this beautiful cedar cabin in the woods and wrote about 5 hours a day, went for a long walk, if the weather permitted. Dr. Winterer's colleague is a certified Yoga instructor who teaches Yoga at her school in addition to her writing so she would do Yoga and Dr. Winterer would do something that looked vaguely like Yoga. In the evening they would talk about the work done, illicit some feedback, redirect for the following day and do the same thing all over again, it was kind of a dream. Most of Dr. Winterer's sabbatical was spent in her own home with a kind of version of that schedule and during that time she completed a book project and started another one. Dr. Winterer thanked the Board of Regents for honoring the longstanding tradition of sabbatical in academia because it helps them remember why they love what they do and be able to better convey it to students. President Bailey stated Dr. Winterer has already given the Oregon thing as a potential blueprint for El Rito and using that as an artist haven and secondly, and she is very humble, she is also one of the guiding forces behind Trickster, the College's literary journal. She is taking her passion and she is inspiring that passion in our students, staff members, faculty members and the community.

B. Celebrate Northern

President Bailey gave the following highlights:

1. ASN received accreditation. To President Bailey's knowledge this has been a long work intensive process and the College is very proud of what they have done in Nursing. The College now has not only the most affordable four-year programs status but also all these nationally accredited programs and that speaks to who we are as an institution.
2. ENLACE. The Memorandum of Agreement has been signed. They are going to have a full time solid presence on campus. The College is looking at how it synthesizes and bringing collaborative efforts together for students.

3. Dr. Jorge Crichigno, Chair of Engineering received a NSF Grant for \$43,000 to start a Cyber Security program. President Bailey attended a Reddi Summit and this was one item that was brought up a lot.
4. Dr. Ricoy received \$20,000 Grant through the Building Scholars SEED program to add biomedical research to an undergraduate program.
5. The US DOE Report came out officially that NNMC HEP program is the number one top-performing program in the nation. The two measures are the percentage of students who graduate, national average is 68%, and our program is 96%. The other is the percentage of students who transition from the HEP program to higher education, advanced employment or the military. National averages 81%, the College's average 96% and all of this was accomplished with 2/3 of the funding of the national average of the program.
6. NNMC hosted the Alimento Festival in partnership with Moving Arts Espanola, Espanola Coop and Espanola Farmers Market. NNMC was the opening event. President Bailey stated Sandy Krolick and Mohammad Ali gave of their time outside of work to make this happen for the community. President Bailey thanked Facilities, David Lindblom and Josh Padilla for their work on this.
7. The Second Annual Renewable Energy Program will take place in March.
8. Enrollment – As of census day, enrollment had been up for the second year in a row. Even after census day the College continued to get more students, the College is now at 1,175. There is actually a 4% increase over last year, which was 7% up. For the second year in a row it has grown in enrollment more than any other College in the State. The College needs to continue to improve on this.

C. El Rito Campus Update

President Bailey gave the following highlights:

1. The College is waiting on the Solar Array appraisal of the land. The latest information received is there will be someone in early November to do the appraisal. There is apparently a problem in appraisals of the land. Regent Martinez asked what kind of problem. President Bailey stated in getting someone to go and do it. That said, everyone is on board and President Bailey spoke with Luis Reyes last week, he is excited about it as well. The College is moving forward.
2. President Bailey thanked Luciente for working on getting the observatory up and running. There were a couple of obstacles they identified at first but they are not as difficult as originally thought. Goal is to give access to elementary, middle and high schools for free.
3. The green house on the campus is thriving. The College is working on taking food and hosting a meal for the El Rito Senior Center. The seeds are being planted for this.
4. Energy Audit – There is a draft of 15 questions and a special thanks to Andy Romero, Director of Facilities who really helped a lot in this. This will be sent out to energy service companies the College has worked with, a committee will be formed, analyzed and who will be used will be brought to the Board of Regents. It will be for saving energy in Espanola as well as El Rito.
5. Early College High School – The College talked about how the College needs to be part of a more holistic effort to help education in the Valley. Early College High School is one of the ways to do this and really partner with the local school district to make it happen. It is really nice and when you look at what the College is launching now with Upward Bound, it is more than just words, the College is partnering now with our school district. When you look at Upward Bound and Dual Credit, those two are going to be really strong and the Early College High School is another option for the College. The College may be getting a planning grant from the Public Education Department and it may be in the neighborhood of \$250,000. If the College gets that grant then President Bailey's plan is to come back to the Board of Regents once the College decides on embracing this, to come back to the Board of Regents as a real partnership with the Espanola Public School System to locate an Early College High School on the campus. This has been done at San Juan College and NMSU

and it is a way to collaborate to give students who would otherwise be on the periphery of real pathway to higher education. More information will follow but all indications are positive.

D. Foundation Update

President Bailey stated Terry Mulert has done such an outstanding job as the Executive Director of the Foundation and thought it would be great for him to give an overview of the Foundation. Mr. Mulert thanked the Board of Regents for allowing him to attend and appreciates the opportunity to address the Board of Regents. Mr. Mulert stated sitting in the Board of Regents meeting and listening, the words that come to his mind are recruit, enroll, retain and graduate. One might think the main thing on Mr. Mulerts mind is raising money but really those four things are paramount to the success of the Foundation, the success of the College. Mr. Mulert believes through the Board of Regents support, through the Foundation Boards support, through all efforts together, the Foundation in the last three years has gradually, deliberately and strategically become a more viable partner in that effort. When Mr. Mulert came on board, the Foundation Board had four members but in those 2 1/2 years, he was able to recruit 10 new Board Members. There are now 14 active Board Members, Coach Ryan Cordova has recently come on the Board, and President Bailey is also a Board Member. Mr. Mulert invited Regent Powers to consider February 21st for a joint meeting of the Boards. Since this is on for the Foundation Board full Board Meeting, he would like to invite the Board of Regents consider this. It is an idea and he does not want another year to go by to make this happen.

Mr. Mulert stated on October 4, 2017 the Foundation held the 10th consecutive Leadership Circle. When Mr. Mulert first started this idea, people wondered why it would be done, why would the Foundation do this. The Foundations role in Mr. Mulerts assessment is to help President Bailey, help the Board of Regents, help all faculty and staff to cultivate relationships in this community. To put the College in a position to lead from the front to do our part to put all of us in a situation where all of our community partners have an opportunity to meet at the campus in a fruitful environment. The first two years were culminated with the Foundation organizing and facilitating the Annual Leadership Summit with LANL, Rio Arriba County and the College. The College put together a small and intimate breakfast with Director McMillan from LANL, Rio Arriba County Commissioners, President Bailey and Provost Lopez.

Mr. Mulert thanked Ricky Bejarano, Vice President for Finance & Administration for working with the Foundation very closely to follow up and consummate this idea of an accounting partnership that is fruitful for the College and the Foundation and that streamlines the effort that requires the Foundation to process the money in and money out.

Mr. Mulert stated in terms of numbers, the endowment sits at around \$3.6M, the last numbers Mr. Mulert has shows that over three years net of fees, they are earning about 6.5%, not great, not terrible, somewhere in the middle. They are always looking to earn more money and are considering more options for 2018.

Mr. Mulert stated 15 new funds were brought in this year and Mr. Mulert provided a chart (attached) with all the data. When Mr. Mulert came on board, the records showed that the Foundation was responsible for about \$85,000 in scholarships and awards total. His first year went to \$118,000, then \$127,000 and this year is \$165,000 low end, it will probably end up being \$175,000 in FY18. Mr. Mulert believes this is a direct correlation with enrollment increase. As awards go up, enrollment goes up but his ability to fundraise, it is not one or the other, they are all directly related, in Mr. Mulerts opinion. The trust and faith in the institution increases, visibility increases, people want to give the College more money, the College is able to give students more money and everything works together and that is not necessarily quantifiable in this conversation but there is a relationship there. They are headed in the right direction. This year of close to \$175,000 is at a time from when they are drawing from the endowment at historically low rates - 3.2%. Typically, they had been doing 5% draws without really thinking about it. When Mr. Mulert came on

board with the help of his Board and colleagues at the College, they decided to be a little more prudent and conservative in the draw so they are at \$170,000, if they were at 5% draw that \$170,000 would be closer to \$200,000 this year.

Mr. Mulert stated there are some very exciting new projects, Mr. Mulert is working with Ellen Trabka on a partnership with one of the local health centers and they are very excited about that. Mr. Mulert stated Regent Powers were talking about cost benefit analysis and Mr. Mulert was crunching some numbers this morning comparing the College to a sister College's in New Mexico. This institution has 3,500 students; this institution has 500 degrees granted per year, \$7.5M endowment. They gave out 167 scholarships this year, the College gave out over 100, they gave out 120,000 worth of scholarships, last year the College gave out \$127,000, this year \$165,000, their operating budget is \$600,000 a year, the College's is \$200,000. We are less than half on almost every measurable matrix but we are granting out considerably more money per year. That does not mean we are better than this institution or worse, these are numbers to converse about, these are things Mr. Mulert looks at, these are priorities as a Foundation Director, to make impact directly, immediately, effectively and as sustainable as possible.

Mr. Mulert stated the Gala is November 4, 2017; fundraising is strong but never enough. Mr. Mulert asked the Board of Regents to help if they can in any way. The Foundation has many partners, as can be seen. When Mr. Mulert came on board there was one logo and now the Board of Regents can see what can be done. Congresswoman Michelle Lujan Grisham will be the keynote speaker, Moving Arts Espanola will be performing, and Cypriano Vigil will be performing. There is an incredible live auction; great silent auction and it will be broadcast live on the radio. Mr. Mulert invited everyone to join and participate.

Regent Powers thanked Mr. Mulert. President Bailey stated when Dr. Prather was talking about the Presidential guidelines, one is where the College sits with the community or what President Bailey has done with the community. President Bailey stated he will fully try to take credit for it but the number speak for themselves, what Terry has been able to do in a very short time is nothing short of spectacular and he has put this College at the epicenter for a much larger community dialog.

The Board of Regents recessed at 9:44AM and returned to session at 9:54AM.

VI. STAFF REPORTS

A. Vice President for Finance & Administration

1. Audit(s) Update

Ricky Bejarano, Vice President for Finance & Administration stated the first item is informational related to the audits that are going on. There is a Forensic Audit that is going on that should be completed by the end of October with reporting out in November. The College can then begin the regularly scheduled audit for previous fiscal year. Neither one wants the other one here while they are doing their field work so they are not tripping over their work. Regent Martinez asked if there is an update on costs. Mr. Bejarano stated the Forensic Audit has been expanded at the request of the Federal Government and the new figure is \$115,000. There is no action required on this item.

2. Fiscal Watch

Mr. Bejarano stated there is nothing outstanding and he is happy to report that the Fund Balance does continue to grow primarily due to vacancy savings but that is not sustainable over time obviously. Good news and hopefully the College will start some hiring soon. Mr. Bejarano asked if there were any questions and if not if this could be approved. Regent Martinez stated the Committee reviewed the Fiscal Watch very well during the meeting.

Regent Martinez moved for approval of the fiscal watch reports as presented. Second – Regent Garcia. Motion passed unanimously.

3. Monthly Budget Adjustment Requests (BARs)

Mr. Bejarano stated the College is working toward, at least at a reporting level to report at the category level so there are not as many BARs to be approved formally, the requests this month are pretty standard, they are essentially just moving money from one line item to another to accommodate spending for a particular need. Mr. Bejarano asked that this be approved. Regent Martinez asked if there were 11 this month for a total of 31. Mr. Bejarano stated this is correct. Regent Martinez asked if there was a drop this year from last year. Mr. Bejarano stated there has been, a slow decline but once the College moves to the category level it will be a dramatic drop. Regent Powers stated this is always a good thing.

Regent Martinez moved that the BARs (11) be approved as presented. Second – Regent Garcia. Motion passed unanimously.

4. Disposition of College Property

None.

5. Report of Actuals

Mr. Bejarano stated the Report of Actuals is a yearly report to the Higher Education Department. It basically summarizes everything at the line item level. The report is in the packet (attached) and unless there are questions, Mr. Bejarano asked for approval.

Regent Martinez moved to approve the Report of Actuals as presented. Second - Regent Garcia. Motion passed unanimously.

Regent Powers asked if this was a requirement of the Higher Education Department. Mr. Bejarano stated it is a requirement. Regent Powers stated the College is fulfilling this requirement.

President Bailey stated regarding the Audit Update, the document which was the monstrosity that he had come up with. The President stated he writes a letter and signs it every month that goes to pretty much every government agency in the State and a couple of Federal Agencies. Once Mr. Bejarano came on board and solicited the help of Jimmy Montoya, the College now has something that is so much more user friendly. In terms of helping the College get the awareness out of how the College is cleaning some of these processes up, this is a much easier way to understand where the College is.

B. Provost and Vice President for Academic Affairs

1. Report on Historical Enrollment

Dr. Ivan Lopez Hurtado, Provost & Vice President for Academic Affairs stated the report provided to the Board of Regents (attached) is something Regent Martinez requested at the last meeting. The College had been reporting about enrollment with respect to the previous year but it is important for the College to own what has happened throughout the years and fix it. The first table in the report shows the unduplicated head counts. This is basically the number of students signing for courses of Northern during the fall, spring and summer. This is actual numbers for the entire academic year. In 2005-2006 and the reason why the College started there is because it is when the College became a four year institution and the College had a little more than 3,500 students. Last year, the College had almost 1,500 students. This year has not been captured, obviously because the College is mid-fall. The College needs to wait for the spring and the summer so it can compare apples to apples and then when the College started doing this analysis, the College decided to start doing some disaggregation of the data so the Board of Regents can understand better what is going on.

Dr. Lopez stated the students at the College are classified in two types, declared students, students actually pursuing a degree and undeclared students who could be either dual credit or students not pursuing a degree or students who are unconvinced yet on what degree they want to pursue. The Board of Regents will see when the data is disaggregated, this unduplicated headcount by declared and undeclared, the College had around 1,800 in 2005, and right now the College only has 1,000. When you go to the undeclared, the College was around 1,800 and today the College has only about 450 declared students. Definitely enrollment has gone down in both but worse for undeclared students. The College has been hearing that many of the students in the community are not interested in a degree but want to take a course again and again (ex. welding, weaving). Dr. Lopez believes this is reflected in this data. The College has been losing a lot of those students who were taking the same course again and again.

Regent Martinez asked if Dr. Lopez is saying 3,500, 3,600 headcount in 2005, that is 1,797, does Dr. Lopez believe a vast majority are in the welding or the other non-certificate but a lot of the programs no longer at the College. Dr. Lopez stated this might be the case. Dr. Lopez has been bringing programs for suspension because enrollment has been really poor for the last five years and the Board of Regents can see for undeclared students, the College has lost almost 80% of the student body. In the other one, maybe 60%. When you take the declared students by degree, the declared students the College has students an Associate, Bachelor and Certificate. If you see Associate and Certificate, those are the ones where the enrollment has gone down. Associate seeking students have dropped 74%, the certificate-seeking students 76%. However, the Bachelor programs between 2005 and 2016 have grown 550%. The College's peaking Bachelors happens in 2012-2013 and you can see it is increasing but you do not see yet in the Associate or the Certificate that the College is growing. Something to consider, the College is surrounded by three community colleges (Santa Fe, UNM-Taos and UNM-LA). There is an analysis that the Faculty Senate prepared a couple of years ago where they show how the enrollment in those three institutions was growing when the College was decreasing. If you take the undeclared students and disaggregate those by dual credit and by all of the undeclared you will see that the dual credit students are oscillating, the College is better today than compared to 2005 but there was a very good year in 2013 where the College had almost 600 students and this is when the College was partnering with the Santa Fe Indian School. The College was offering many courses there. However, the undeclared or other, the College went down from 1,600 to 200 so the College lost more than 80% there.

Regent Powers asked from a funding point standpoint, what that means. Dr. Lopez stated he is going to show the Board of Regents (table 5 and the graph) an analysis in terms of revenue. In terms of the student credit hour, headcount is any student taking .5 student credit hours or 21. What has happened in terms of student credit hours? This is a much better indicator of what happened with revenue. You will see again in this, the College went from 36,000 to almost 23,000 last year but again it is really dramatic of what has happened with the undeclared. The College went from 8,800 to 2,600 and undeclared went from 2,700 to 20,000. What the College has been affecting the most, these years, is the undeclared student credit hours. Regent Martinez asked what Dr. Lopez definition of undeclared. Dr. Lopez stated undeclared is any student enrolled at the College who has not declared a program.

Dr. Lopez stated what the College decided to do is to include the tuition the College used to charge. In the past, the College had a differentiated tuition. The College had tuition for the lower division courses and upper division courses. Back in 2005 the tuition for lower division was \$33.00 and upper division was \$83.00 per credit. When you do the math, estimated without fees, when you multiply the student credit hours by that tuition and you add the revenue, basically back then the tuition revenue was \$1.2M. This is an estimate. The College increased tuition a little bit in 2007-2008 and a little more 2008-2009 and 2009-2010. The critical year was the summer of 2011, that was the year the College decided to make the tiers equal. Instead of charging two different tuitions, the College made both equivalent. That year, the estimate is \$3.7M, which is way better than the \$2M of the year before. The College increased revenue and it does not include fees, around \$1.6M, which makes a lot of sense then because the budget was cut by the State of New Mexico by around 20% in those years. If the College continues the analysis, the Board of Regents will see the student credit hours will start going down with the years and tuition revenue from \$3.7M last year, the estimate is \$2.9M. With every time the College increased tuition, the goal is that the revenue is going to increase, that is why the College does it, however, here the analysis shows that the College might have reached a case that in microeconomics is called diminishing returns. Every new dollar increase in tuition may be worse for the College. Here this is an analysis where the College compared lower division student credit hours versus tuition. The trend is down. When you multiply tuition times student credit hours, you are going to see the College has passed the peaking revenue. The College has definitely affected with tuition much more student credit hours at the lower division. When you compare it with upper division, you will see an oscillation. What this is telling the College, when you compare the graphs (attached), the College has definitely affected much more the lower student credit hours which is reflected.

Regent Martinez asked Dr. Lopez to go back to his previous slide and asked if the student increased 2015-2016. Regent Garcia asked if in 2005 (inaudible). Regent Powers stated it is more depending on headcount, more depending on awards and course completion than it is on square footage of buildings and pure headcount at the beginning of the year. Regent Garcia (inaudible). Regent Martinez asked if when you have the student credit hours, are they paid student credit hours regardless if they drop out later in the semester. Dr. Lopez stated actually that is why the number he said is just an estimate, it is not actual, because this is not considering employees who do not pay, analysis on dual credit, those students do not pay tuition and it does not include anybody who is dropping in the middle of the semester. However, what Dr. Lopez can say is the College knows what the actual revenue is collected from tuition and fees and it follows, it is not the same numbers, it follows the same pattern you can see in the plot (attached) where revenue has peaked and gone down.

Regent Martinez stated his question is if you take total student credit hours, upper and lower division, and you take the total tuition and you divide it by upper and lower division student credit hours, is that going to tell the Board of Regents how many full time students the College has. Dr. Lopez stated this is going to be an estimate. The way it is calculated for reporting purposes is student credit hours divided by 15 and this tells the College an approximate number. Regent Martinez asked if these are (inaudible) student credit hours. If somebody drops all their classes in November because they showed up the first two weeks and decided to

party the rest of the year, the College still got paid for those credit hours. Dr. Lopez stated if he remembers correctly, they get some money back depending on when they drop. If they drop at the beginning they get all their money back, there is a date when they drop they will not get anything. Regent Garcia stated she believes it is a month later. Dr. Lopez stated it is by census date.

Regent Martinez asked based on the formula would it stand to reason if you maintain or even drop your lower division tuition but increase your upper division tuition, then theoretically the College should get higher student credit hours. Dr. Lopez stated this is one point he remembers discussing with Regent Powers that maybe the College needs to analyze the business model because the reason why the College is struggling so much with lower division courses is because the competition is there. Three community colleges where their tuition might be \$55 per credit versus \$130 with the College, it does not make sense to do any trades program at the College. Dr. Lopez stated if he were a parent he would say go and do your general education and then come to the College. This does not happen with upper division, these that are not offered at the community colleges. The College is doing pretty well because it is still the most affordable four year institution. Regent Powers stated that what needs to be pointed out as well that those community colleges that are being discussed the College is comparing lower division program with community colleges that are funded completely differently. This is where the College has to dig down and assess this and figure out how the College operates here. The College is trying to compete with these institutions that have a low tax base and Regent Powers would not expect the College to be competitive. The College needs to change the way the funding formula works for the College given the fact that it is different than a UNM or NMSU, they have these courses and do it in their branch colleges or maybe the College creates a community college within the system that way it could compete or maybe not compete but absorb some of those other institutions into one larger community college that would feed this four year institution. Those are discussions that the need to take place but this is great information so the Board of Regents can actually have this discussion.

Dr. Lopez stated he would like to mention correlation, when you measure correlation of tuition at the lower division compared to enrollment, the correlation is $-.9$, remembering the perfect correlation is -101 . That means that $-.9$ means almost if the College increased tuition 10% that the enrollment in lower division goes down 10%. However, when you measure correlation in upper division, it is $.33$, positive. But $.33$ is really small so what that means is that the College has really not affected the enrollment of Baccalaureate students. It seems the opposite, that by increasing tuition, the College has actually increased the enrollment because it is a positive correlation but it is really small. It seems that the College basically does not affect enrollment by changes in tuition. Finally, the revenue is what matters when you increase tuition. The Board of Regents will see how the revenue peaked. This is exactly what microeconomics predicts, this is a perfect case of diminishing returns. You continue increasing and you loose so much in enrollment that the revenue is actually going down.

Regent Martinez stated this is quite possibly the best presentation he has seen regarding tuition since he has been on the Board of Regents since 2015. Dr. Lopez thanked Regent Martinez.

Regent Powers stated he has some thoughts but does not want to go into it now. This gives some ammunition and food for thought on how to proceed. Given this discussion that is going on at the State level about higher education and whether there is too many institutions or how they are organized and Regent Powers thinks this gives the Board of Regents some information they can try to put together some ideas of how to improve education delivery in the northern part of the State and how to ultimately grow the enrollment at this institution as well.

Regent Martinez would like Dr. Lopez to keep working on these models so when it is time to talk about tuition and budget in April or May when the Board of Regents starts talking about it, it will have a better optic on what needs to be done and maybe come up with different models or ways to go about maybe becoming competitive yet still being able to keep the doors open. Dr. Lopez stated this is something that is really important and it is risky because it is a social system. Anything that you do in the tuition, you do not see the effect immediately, students cannot just drop out of college from one day to the other to see the effects. There is a time delay when an action is made and that is always a concern Dr. Lopez discusses with Mr. Bejarano. If you drop the tuition for lower division courses maybe the College will not see the revenue immediately because it takes time, even to just mark it and inform students the College is changing the way it charges tuition. It takes time.

Mr. Bejarano stated one of the things the College does not have historically or currently is a very good analysis of the cost per credit hour. The College has to get this and is already talking about this. The College has to nail down to the penny what it costs for each credit hour generally and broken down. Regent Powers stated a lot of factors that put into that is what type of faculty are teaching those courses, what type of facility charges the College has. Mr. Bejarano stated the market also has to be looked at. The College has to develop a model and what the market can bare. Dr. Lopez thanked Carmella Sanchez and Joe Martinez for crunching these numbers. Regent Powers stated this is great information.

V. PUBLIC INPUT

None.

VI. EXECUTIVE SESSION

Regent Martinez moved to enter into Executive Session pursuant to NMSA Section 10-15-1(h) 2, 5 and 7 of the New Mexico Statutes Annotated. Second – Regent Garcia.

A Roll Call vote was taken (Regent Garcia – yes, Regent Powers – yes, Regent Martinez – yes). The Board of Regents entered into Executive Session at 10:29AM.

IV. POSSIBLE ACTION ON EXECUTIVE SESSION

Regent Powers entertained a motion to return from Executive Session.

Regent Martinez moved to return from Executive Session and affirmatively state only those only those items listed in the Agenda and pursuant to NMSA 1978 Section 10-15-1 were discussed. Second - Regent Garcia. Roll call vote (Regent Garcia - yes, Regent Martinez - yes, Regent Powers - yes). Regent Powers stated the Board of Regents is back into regular session at 12:29PM

VII. ADDITIONAL ACTION ITEMS

A. Discussion and Possible Vote Regarding Employee Handbooks

Regent Powers stated this item has been deferred.

X. ADJOURNMENT

Regent DeHerrera moved to adjourn. Second – Regent Martinez. The Board of Regents Meeting adjourned at 12:30PM.

APPROVED:



Kevin F. Powers, Board President



Rosario Garcia, Vice President