

**NORTHERN NEW MEXICO COLLEGE
BOARD OF REGENTS REGULAR MEETING
AUGUST 18, 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: Rosario (Chayo) Garcia, Damian L. Martinez, Esq., Kevin F. Powers, and Melinda DeHerrera. Board President Garcia called the meeting to order at 8:49AM.

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, Henry Ocana, Facilities, Shaun Madrid, Director, Security, Sandy Krolick, Creative Director, Communications & Marketing, Evette Abeyta, Budget Analyst, Tobe Bott Lyons, Student Success Coordinator, Shari Jobe, HEP Director, Donna Castro, Director of Human Resources, Andy Romero, Director of Facilities, Brandi Cordova, Executive Assistant to the Vice President for Finance & Administration and Amy Pena, Executive Assistant to the President/Board Secretary.

Others present: Barron Jones, Rio Grande Sun, Tim Crone, Jake Arnold, John Ussery, Bruce Smith, Ona Porter, Prosperity Works, Tony Ortiz, Legal Counsel for NNMC, Geno Zamora, Legal Counsel for NNMC and Damian DeHerrera.

II. APPROVAL OF AGENDA

Regent Powers moved for approval of the Agenda as amended. Second – Regent DeHerrera. Regent Garcia asked how the Agenda was amended. Regent Powers stated the amendment was adding item VI-A-6. Motion passed unanimously.

III. COMMENTS FROM THE BOARD

A. Reorganization of the Board of Regents

Regent Garcia stated the Board of Regents needs to be reorganized and asked for recommendations.

Regent Martinez moved for Regent Powers to be made President of the Board of Regents. Second – Regent Garcia. Motion passed unanimously.

Regent Martinez moved for Regent Garcia to be made Vice President of the Board of Regents. Second – Regent Powers. Motion passed unanimously.

Regent Garcia moved for Regent Martinez to be made Secretary/Treasurer of the Board of Regents. Second – Regent Powers. Motion passed unanimously.

Regent Powers stated he would like to acknowledge the fine job that was done by Regent Garcia as President of the Board of Regents during a fairly difficult and time of change. There were a lot of changes that have occurred during the past few years and Regent Garcia has done a good job keeping the ship moving. Regent Powers understands with her move to Las Cruces it has become more difficult to do the duties of President of the Board of Regents. Regent Powers hopes this will make it a little bit easier for her and looks forward to continued service on the Board of Regents. She has done a good job and has a lot to bring to the table and

will still be a major contributor in the position. Regent Powers appreciates everything that has been done so far and looks forward to working with the Board of Regents and Administration going forward. Regent DeHerrera thanked Regent Garcia for all her support, all she has done and she has been through some crazy roller coaster ride throughout the years. Regent DeHerrera stated she is glad Regent Garcia is still going to be part of the Board of Regents and thanked Regent Garcia again. President Bailey stated he has had the good fortune to be very close to many colleagues at other institutions and he recognizes how blessed his is and what a blessing it has been to work with a Board President who gives 100% of herself and shares a vision for making a difference in the lives of students throughout the valley.

B. Board Committees

Regent Powers stated his thought on this is to leave the committee membership the same for now as they are working well and there is no real need to make any changes. Regent Garcia concurred.

C. HED Initiative Resolution

Regent Powers stated he is on the Board of the Regents Coalition and the coalition has asked that the College place this Resolution on the Agenda for consideration. Basically what the Resolution says is that the Board of Regents are committing their support for the Higher Education Trifecta, Common Course Numbers, General Ed Course Alignment and Statewide Metamajors and these are, in Regent Powers opinion, good initiatives. Regent Powers asked if there was any comment from the Board of Regents or Administration on this particular Resolution.

President Bailey stated he would like to acknowledge the efforts of the Provost and the faculty and a lot of credit has to be given to Cabinet Secretary Damron. This was a huge lift, the idea of getting every higher education institution on the same page was very difficult. The common course numbering is harder than it seems and there was a lot of diligent work that went into this and President Bailey thanked everyone for stepping up.

Regent Powers entertained a motion to approve the resolution.

Regent DeHerrera moved to accept the Resolution. Second – Regent Martinez. Motion passed unanimously

Regent DeHerrera stated as a student, the common course numbering is going to be very beneficial because trying to move from one institution to another institution, the work that has to be done into finding the description to see if one course is equivalent to another course, takes a lot of time and a lot of times when you find out that course is not equivalent, then you took that class for nothing and it does not apply towards your new institution. This is beneficial across the board for every student and should have been done a long time ago.

IV. APPROVAL OF MINUTES (JULY 14, 2017 REGULAR MEETING AND JULY 14, 2017 SPECIAL MEETING)

Regent Martinez moved to approve the minutes as presented. Second – Regent Garcia. Motion passed unanimously.

Regent Martinez asked if signatures would be changed to reflect Board President Powers and Board Vice President Garcia. Amy Pena stated she would make the changes during the break.

V. PRESIDENT'S REPORT AND ANNOUNCEMENTS

A. Celebrate Northern

President Bailey stated it was a pleasure to have the Board of Regents in El Rito and there is a luncheon being planned for the Board of Regents immediately following the meeting. President Bailey asked Jake Arnold to address the Board of Regents with directions to the luncheon sponsored by La Sociedad Venceslao Jaramillo. Mr. Arnold stated he is with La Sociedad Venceslao Jaramillo and they are very pleased the Board of Regents is in El Rito so they could see the beautiful campus. Mr. Arnold stated he understood there would be a campus tour and President Bailey would then take the Board of Regents on a driving tour to get a sense of what the community is followed by the luncheon. Mr. Arnold gave everyone directions to the luncheon and invited everyone in attendance. President Bailey thanked Mr. Arnold.

President Bailey reported the following:

1. The day of the last Board of Regents Meeting in Espanola the El Rito Watershed Conference took place in the Research Building of the El Rito Campus. President Bailey gave a special thanks to John Ussery who has been a pioneer in terms of renewable energy, workforce development and a concern about the watershed, the land and resources. John almost single handedly managed this event. There are going to be a lot of follow up activities because of this.

2. Cultivating Coders - Middle and high school students were at the Espanola Campus who were actually learning computer programming and taking this knowledge and designing websites and all kinds of incredible things.

3. The STEM Mentor Collective - Middle and high schools students were building Lego spider robots, putting motors on them and programming the activity with their smart phone. During that demonstration President Bailey was hosting a group from Energy, Minerals and Natural Resources and took them by to watch and they were amazed by their work. President Bailey thanked faculty involved in this.

4. Dr. Jorge Crichigno - Dr. Crichigno just received a Grant from the National Science Foundation for \$433,000. This is the latest in a series of NSF Grants that the College has received. President Bailey gave a special thanks to Dr. Lopez because at one of the very first Board of Regents Meetings President Bailey attended Dr. Lopez encouraged the Board of Regents to send Dr. Crichigno on a sabbatical. The College paid about \$10,000 for this and the return on investment was the College sent him to Florida, he spent six months and partnered with University of South Florida on Grant and now the College is \$433,000 to the plus. This shows the art of the possible when faculty is allowed to develop professionally. Dr. Ivan Lopez Hurtado, Provost and Vice President for Academic Affairs stated the only thing is the emphasis of this new Grant is to develop a concentration in cyber security and this is going to be the first accredited program in New Mexico with a concentration in cyber security. This is going to open multiple opportunities for students and faculty. President Bailey stated this is a program that would be called one of the new trades, where certificate and Associate level degrees are getting starting salaries in the 80's. There is a strong potential to make this a game changer for the community.

5. HEP - President Bailey stated regarding the HEP program, he would wait for a presentation later in the meeting. They will be reporting some very good news.

6. Upcoming Dates: September 1-4 - Alimento (Fall Harvest Festival), September 7 - State of the College Address, 4PM in Espanola, 6PM in El Rito, September 7 - Film Lecture Series in El Rito.

B. El Rito Campus Update

President Bailey stated there is more activity going on in El Rito than there has been in a while but there is a long way to go. President Bailey reported the following on El Rito:

1. Luciente: President Bailey thanked Bob and Wendi Dolci who are former NASA Research Lab Scientists who now run a nonprofit in El Rito. They have offered to get the observatory online. The goal for this is to get it online and to give access for free to all local schools. President Bailey stated by end of day on August 18, 2017, the observatory may be able to be used.
2. Campus: President Bailey stated the College still needs to strive for finding programmatic answers to the campus that are not solely tied to a Grant that will be long term fiscally sustainable and that will bring an economic and educational benefit to the community. This is a tall order but President Bailey is confident the College will get to this. The College is looking at creating an advisory panel to help guide the partnerships required to do this. President Bailey is comfortable to do a phased approach. The College will then look at how the revenue can build it. President Bailey stated he would like to give credit to Andy Romero and Ricky Bejarano on the concept of an energy audit. The College is committed to the energy audit although primarily most of the savings will be in Espanola because that is where the College is spending most of the utility costs. There are energy service companies that have committed to looking at how the College makes those savings also translate into energy infrastructure projects for the El Rito Campus that help with flexibility and move forward. There are some innovative ideas to make the buildings more efficient.

C. Prosperity Works Loan Program

President Bailey introduced Doug Ferry from TruConnect and Ona Porter from Prosperity works. At the last Board of Regents meeting discussion was held regarding the challenge regarding high interest loans. There is a new initiative/program that would allow employees of an institution to take advantage of a lower interest rate loan and be paid back through payroll deduction from an institution. The institution then assists with the administration of this. There were several questions and President Bailey asked Mr. Ferry and Ms. Porter to answer questions. Three of the questions asked were given to the Board of Regents (attached).

Ms. Porter stated Prosperity Works has been deeply involved in ending predatory lending in the State, which is putting some of the most vulnerable citizens in the financial ditch, and one they can rarely emerge from. They have done work at the legislature against the buzz saw of 42 lobbyists who want to keep this in place. Finally in the last session, they were able to get a cap rate of 175%; there has been no usury rate in New Mexico for years. The average at this moment is 350% and they have seen these loans be as high as several thousand percent. They are claiming progress, not victory with the legislation they were able to pass at 175%, which will go into effect in January of this year. It is progress because it will save New Mexicans approximately \$500M over the next two years. This will give a tiny notion of what this industry is taking from citizens from communities and from the State. These are not by in large mom and pop organizations, 80% of the companies operating in New Mexico are operated by three bigger corporations out of State. Prosperity Works not only works to end those kinds of things that are exploiting the low-income populations but also to create pathways for them that allow them to participate in the economic system.

Regent Martinez asked if Ms. Porter was with Prosperity Works and if it is a New Mexico Company. Ms. Porter stated it is a nonprofit in New Mexico. Regent Martinez asked if Prosperity Works partners with TruConnect. Ms. Porter stated they do. Regent Martinez asked if money is made from TruConnect. Ms. Porter stated they make maybe 2% or less, it is insignificant. Regent Martinez asked if off the 25% APR rate that an employee would have from borrowing money, Prosperity Works would get 2% of that. Ms. Porter stated it is actually not exactly the calculation but it has to do with the payment that are made, there is a

percentage of this. Regent Martinez asked if it was 2% of every payment made per loan or 2% of what TruConnect brings in on their side over the year with every school they work with or entity they work with. Ms. Porter asked Mr. Ferry to clarify this and stated honestly it is so unimportant to Prosperity Works. Regent Martinez stated if it is unimportant then they would not take the money. Regent Martinez stated he is wondering how much money they make. Ms. Porter stated last month they made \$200.00. Ms. Porter stated the purpose of this partnership is to invest in financial education for the people who are being served by this product; this is what the money goes toward.

Ms. Porter stated TruConnect was invited into the State after a lot of research was done on what other options were. In February of this year, the County of Dona Ana adopted and initiated this. One of the questions the Board of Regents had is how many people use this. The survey data shows at least 20% of public employees across the State have utilized the storefront lender this year. In Dona Ana County, in the first six months 19% of the employees took out loans.

Ms. Porter most people would not consider for a second taking a 24.9% loan which is what the rate is for TruConnect, however, again consider the average of 350%, it will go down to 175% in January and this is for all parts of the industry. Currently, if you took out a title loan for \$1,000, the cost of that would be \$3,000 and there is no guarantee that it would be paid off. The reason for this is because they are structured as interest only loans. As a result of this, in 2015 there were almost 3,000 cars repossessed in New Mexico. Dona Ana County was launched in February and it was about mid-March when Bernalillo adopted, this week the Santa Fe Public Schools launched for their community, next month Taos County will launch for their community. Also, the City of Albuquerque has passed a resolution in support for their employees and the County of Bernalillo will be adopting this month. Ms. Porter asked if the Board of Regents had any additional questions.

Regent Martinez asked if the loans were done via payroll deduction and what if these employees walked into payroll and asked that these deductions not be done anymore. What do the banks do and what would the Colleges role be? Ms. Porter stated they are signing a contract. Mr. Ferry stated TruConnect is the company behind the technology that empowers this. When the employee signs the loan agreement, they authorize the employer to repay the loan through payroll deduction. If the employee wants to go in and stop this deduction, they do have the right to do that. They are still responsible for repayment of the loan; however, they have to do it outside of the payroll system. As a result, in their experience and they have over 1,500 employers across the US who have TruConnect available to employees, they have almost never have seen an employee have it stopped unless they are paying off the balance of the loan. There are some people who want to pay off the loan early and they can do so with no penalty, no interest and no fee. Those are the only circumstances they have seen anyone elect to have the deduction stopped. This is because the people who are using the product do not have access to credit, they have a terrible credit score for some reason, many cases through no fault of their own. It may have been the result of some other financial crisis in their life. They give them access to credit without using the credit score and then reporting the payment through payroll deduction to the credit agencies to create a positive credit history for them. For someone who has had an experience in the banking credit world for being turned down for credit and having to pay 200%+ interest for a payday loan or title loan and having the threat of having the car repossessed, to have a deduction of \$44.27 coming out of their check to repay that loan conveniently is a huge plus for people and this is one of the things TruConnect gets back positive feedback from employees.

Regent Martinez asked what banks TruConnect uses and if they are the lender. Mr. Ferry stated they are not the lender, they are a technology platform. While they do have a national bank partner called Sunrise Bank, they are working with local lenders in New Mexico who have signed up to participate in these loans and to provide funds locally. Guadalupe Credit Union is now a partner and they have the capacity to be able to provide loan funds to employees in their service area on the platform. Regent Martinez asked of the 25%

interest rate, how much TruConnect gets. Mr. Ferry stated the loan interest goes back to the bank and the bank pays TruConnect for having facilitated the transaction. The exact amount covered is covered under the agreement of the bank. Mr. Ferry stated for a small dollar loan at a maximum loan size of \$3,000 and the loan is repaid over the course of a year, the interest in a loan of this size is not making anybody rich. The interest on a loan of \$1,000 is about \$6.00 every two weeks.

Regent Powers asked if the contractual arrangement to repay is strictly between the borrower and the particular bank that is making the loan. Mr. Ferry stated this is correct. When the employee engages with the product online, the loan agreement is signed between the employee and the lending institution. The employer has no cost associated and has no financial risk. The College would not be subsidizing, guaranteeing or not a party to the loan. The College would simply be facilitating access for the employees to the loan product. Regent Powers stated he heard something earlier, that the employee can opt out of the payroll deduction and asked if this is correct. Mr. Ferry stated it is and it is what called a revocable authorization. When an employee signs up for the program and takes out a loan, part of the process is that they electronically sign the loan agreement with all the terms and all of it is disclosed very clearly up front. They know what loan size they qualify for based on their income, they know exactly to the penny what the deduction amount is going to be from their paycheck before they select the loan size they want and they electronically sign an authorization asking that the loan be paid through their payroll deduction which is provided at the College's system. If anyone ever wants to know they authorized this, they have the signature in hand but it is revocable. If they choose to go to payroll and say they do not want to have this come out of their check anymore, they can do that but the employee is still responsible for the loan. TruConnect would contact that employee or former employee and arrange for other alternative repayment. It just almost never happens.

Regent Martinez asked if he has reached out to the College community to see if any employees are interested. President Bailey stated totally anecdotal at this point. The College has not done a survey to gauge interest. Anecdotally, there appear to be some who would take advantage of this. The College does not have specific data yet. Mr. Ferry stated in their experience the take rate would be about 10% of the employees who will do this in the first month. This usually reflects the built up demand of need from the employee base. Typically they are using it to pay off some triple digit interest rate car title loan that they have been struggling with and have not been able to get the capital all at once to be able to pay off and get their car title back. Then there will be seen a typical trail off, slow down from there. There will be about 15%-20% of employees using the product before the end of the year. This matches up with the numbers Ms. Porter was talking about where about 20% of employees typically are using payday loans or car title loans because of damaged credit. If you look at the distribution curve with working people with jobs and their credit scores, there are about 20%-25% of the population that have credit scores that are considered subprime which makes them ineligible for most forms of credit. They do not get solicitations for credit cards in the mail because they do not qualify for them based on their credit scores.

Regent Martinez stated the document seems to appear that the maximum loan is \$3,000 and asked if someone go in and get multiple maximum loans of \$3,000. Mr. Ferry stated the total amount at any one time is \$3,000 regardless of income. If they try to take out more, the system will tell them they have maxed out. Similarly, the amount is limited that any individual can borrow so that no more than 8% of their paycheck can be used to repay a loan. If their income is not high enough to borrow \$3,000 without using more than 8% of their paycheck to repay the loan, then that borrower will only see smaller loan sizes that they can qualify for. They also provide free credit counseling and can talk to a professional licensed credit counselor. Locally they partner with organizations to provide face-to-face or local counseling or coaching. This is offered through prosperity works and Guadalupe Credit Union. The amount they can borrow is kept very conservative. TruConnect also provides free credit counseling. If they have a systemic issue and would like to talk to a credit counselor, this is provided at no cost. There are up to six free counseling sessions

provided. Locally, TruConnect partners with local organizations for face-to-face counseling or coaching. TruConnect provides Prosperity Works with a shared interest revenue but because of the fact they are helping TruConnect to identify and locate financial institutions and coaching partners, it is to help fund this specifically.

Regent Powers stated he was going to ask this question and thanked Mr. Ferry. Regent Powers asked if the counseling was offered through TruConnect or Prosperity Works. Ms. Porter stated through Prosperity Works and through Guadalupe Credit Union.

Regent Martinez asked if the College would have to have any of TruConnect or Prosperity Works literature as part of the arrangement, to have to advertise or where would an employee know this services is available. Mr. Ferry stated TruConnect provides employers materials to share with employees to make them aware the benefit exists and how to access the website. It is shared through Internet, email or brochures, whatever mechanism the College has to share other benefits with employees. The College provides materials to communicate with employees. If the College would like a presentation to employees, Dona Ana County wanted them to explain the program to the employees directly, this can be done. It is not required.

Regent DeHerrera asked if this presentation is just informational. President Bailey stated this is to get them here for a conversation and mechanisms can be explored and at a later Board of Regents Meeting it would be voted on for implementation. Regent Powers stated it would be beneficial if the Board of Regents could be provided a list of the other agencies mentioned and who have signed up and those who are in the process of considering it. It would be good to be able to check things out with them and see how they proceeded or how they attempted to vet this and determine whether they should or should not participate. Ms. Porter stated she would do so. The HR Director in Dona Ana County has spoken to a number of other organizations that are looking to adopt and one of the things Ms. Porter stated to those looking to adopt, Dona Ana County is relatively large in New Mexico. The town of Bernalillo has 83 employees and each was able to adopt and move forward within a couple of weeks.

Regent Powers asked if there are any other Board comments. Regent DeHerrera stated this is a good idea and it is a benefit for staff and faculty. Regent Powers thanked Mr. Ferry and Ms. Porter for their time. Prosperity works has been a real champion in helping those least fortunate in the community and this initiative is catching fire. President Bailey thanked Mr. Ferry and Ms. Porter for their participation and Prosperity Works has been a real champion in helping those least fortunate in our communities and this is an interesting initiative that is catching fires. In addition to looking at other ways for our students to do individual savings accounts and some other things that will help the College's students along the way. Ms. Porter thanked President Bailey and members of the Board of Regents.

Regent DeHerrera asked how long Dona Ana has been doing this. Ms. Porter stated they launched February 6th of 2017.

President Bailey asked to shift gears before talking about the Code of Conduct. President Bailey stated this is something his family has been working for in his family for a long time. President Bailey introduced Diana Bailey and her mother Lily. President Bailey also introduced Fabiola Lucero Mayo who is Lily's sister, Diana's Aunt. Fabiola was a student at the Normal School and this was her first time on campus since she graduated 74 years ago. President Bailey asked Ms. Lucero Mayo to say a few words. Ms. Lucero Mayo stated as President Bailey stated she is Fabiola Lucero Mayo and she came to school in El Rito in 1940 and her parents brought her to study and she was in El Rito until 1943. Ms. Lucero Mayo stated President Bailey brought her here and everything is strange but she is very happy to be in El Rito. Regent Garcia thanked Ms. Lucero Mayo. Ms. Lucero Mayo stated her most memorable thing was her music instructor, Pablo Mares. He brought her out of her shell, he was her mentor, he taught her the love of music and what it meant

in their lives. Therefore, she has loved music ever since and plays the piano, but only for her pleasure. She has fond memories; she stayed in the dormitories with several other students. She has fond memories of El Rito and now at 92 she reminisces quite a bit. President Bailey stated she is his Spanish teacher. President Bailey stated his family has been working on trying to bring Ms. Lucero Mayo to El Rito for quite a while and thanked Ms. Lucero Mayo for coming to El Rito. Regent Garcia asked where she lives. President Bailey stated Anton Chico and if you go out to the Alumni Memorial there is a plate for Ms. Lucero Mayo and she was able to see it for the first time. Regent Garcia thanked Ms. Garcia Mayo for joining the Board of Regents.

D. Solar Array

President Bailey stated the Board of Regents had asked for an idea visually of what the Solar Array would look like. President Bailey showed the Board of Regents photos and stated he would show the Board of Regents where the panels will be located immediately following the meeting. Also, thanks to Kit Carson and Guzman Energy, everyone who is plugged into the grid is going to get a 3%-4% drop in electricity rates and 4-5 years from now when Tri-State is paid off then rates for everyone in El Rito tied into the grid will have substantially lower rates.

President Bailey asked Geno Zamora, Legal Counsel for the College to address the Board of Regents regarding the Solar Array. President Bailey stated the agreement has gone through several iterations. Regent Powers and Regent Martinez have had several issues, President Bailey has had several issues and Mr. Zamora has had several issues he wanted clarified. There are still a couple of issues that are being negotiated and President Bailey asked Mr. Zamora to make a few comments about the contract.

Mr. Zamora stated this is a project that as far as the lease goes; Mr. Zamora has been working on for the last month and a half. As President Bailey stated it has gone through several iterations, and Mr. Zamora has been receiving feedback from the Regents through the President. Where this started out was with a very typical lease agreement from a private entity to another entity. The initial round of changes really needed to be to change this agreement to be between a private entity and a New Mexico Governmental Entity. The first round of edits was to really go through and clean out those promises that a governmental entity cannot make and input all those requirements for governmental entities to make sure that it is not violating the non appropriations clause, the anti-donation clause, and protecting the College from liability such as the limitation in the tort claims act for governmental entities. Broadly speaking those were the edits that had been required. There have also been some business decision types of edits to this lease, the terms of the deal, the terms of the payment and the other requirements that really came to light over the last year as the College has been examined in various leases. One of the other things that comes to light is a change in State Law that these types of leases no longer go through the New Mexico State Board of Finance. There was an exemption added by the Legislature in the mid to late 2000's that specifically remove State educational institutions from the Board of Finance process when it comes to disposition of their property. However, that being said, they still need to meet the anti-donation requirements when dealing with a lease, which is as a State governmental entity, it must receive fair market value rent when you are leasing. Concepts were inserted related to fair market value rent appraisal, taking place prior to signature of this lease. One of the only remaining issues is the payment of the appraisal although Mr. Zamora believes this is resolving itself because the lessee in this instance is arranging for an appraisal and the cost came in significantly lower than anticipated.

Regent Martinez asked when Mr. Zamora is saying the lessee is arranging the appraisal if they are picking their person to appraise. Mr. Zamora stated the language that is being agreed upon is the lessee will identify an appraiser that the College must review and approve in writing and then the lessee will pay for the appraisal. What it is doing is the first shift is the cost of the appraisal to the lessee, it gives the lessee more authority to identify the appraisers but the College must always approve the appraiser and if the shoe were on

the other foot, where it is the College that is paying for the appraiser, then they would have the first option to find one. Regent Martinez asked who in the College gets to approve the appraiser, who says I don't like that appraiser for whatever reason. Mr. Zamora stated this is an operational decision for the administration, whether it is the President or the Vice President for Finance, it would be someone within the institution to do that. Mr. Zamora does not believe it would be anything at the level it would need to come to the Board of Regents to select an appraisal, except if it were an appraisal that say came out to \$10,000 and the College were planning on making a deal. Regent Martinez asked if whoever is designated to review the appraiser selection, if that person decides the College does not want to go with the appraiser identified, what is the mechanism to find an appraiser and how many bites at the apple does the College have on this. Mr. Zamora stated a condition on entering into the lease is having an appraisal that is establishes the market value. If an appraiser is not agreed upon then there is no appraisal then there is no lease. There is not a limit on the amount of bites on the apple, the College must approve in writing the appraisal. If they bring forward 15 appraisers and the College says no 15 times, then there is no appraisal and there is no lease.

Mr. Zamora concluded the summary of the changes and asked the Board of Regents if there are any questions. Regent Martinez stated he had one question, Section 27.1.7, Confidentiality. It has to the extent subject to state or federal law. He knows this is a private entity and their attorneys are probably not familiar with the inspection of public records. Regent Martinez asked if they at least know that if somebody asks for this document, the College will have to turn it over. Mr. Zamora stated the short answer is yes, this is not the first governmental entity that that this contractor has dealt with. Through conversations and the language was picked out exactly by Regent Martinez, comply with State law. The other type of stock language is to the extent permitted by law. What it does is it implies that if there is something out there in the law like the Inspection of Public Records Act, the College is going to have to comply on this. There had been discussions with the contractor including records in that these laws were out there. They do understand it and it is not their first rodeo in New Mexico or other governmental entities and they are aware of public records issues out there. Of course, this lease itself, which has already been published in the Board packet, the lease itself is a public record.

President Bailey stated he would like to point out that Exhibit A - the breakdown of fees; this is the same payout rate that has been established for all the six initial sites this year. The College still needs to get the appraisal but there is not a huge wide swatch of information. The appraisal will have to be compared to this and to make sure it is within fair market value. The second point is that Mr. Zamora and the legal team representing Kit Carson and Guzman Energy have gone back and forth several times, the latest issue was from Mr. Zamora with about 7 or 8 final comments and President Bailey does not know if we have heard back from them yet. The vote that the College is asking for is contingent on two things:

1. Conditional signature – one that final edits that have been sent out are not substantively changed; and
2. Once appraisal is done it is consistent with a fair market value for the land.

Mr. Zamora stated he would change the phrasing slightly which is a conditional approval because again the signature will not take place until all the conditions occur. It would be a conditional approval on changes and matching up with fair market value. The other condition is allowing staff and counsel to make small changes but substantive changes would come back to the Board of Regents.

Regent Powers stated the Finance Committee has spent a good bit of time reviewing this and discussing it and feels comfortable where they are today, assuming conditions are met, this would be acceptable and the Committee would recommend the full Board of Regents take this action. If the fair market value analysis shows that the market is less than what the rent is, the rent will be as stated in the lease. For State law purposes, the College has to get at least the fair market value on the rent. It does not mean the College

cannot get more but it has to at least get fair market value. Mr. Zamora stated that this is correct, it will be greater than the two amounts, either the fair market value or the negotiated contract; Regent Powers asked for input from the Board of Regents. Regent DeHerrera stated it looks great and is very beneficial for the College.

Regent Martinez asked if the community knows there are going to be a lot of shiny objects out there in the field. Regent Garcia stated this is her main concern. President Bailey stated there was a community forum specifically on the issue of the Solar Array and there were 75 people in attendance, which as the Board of Regents knows is a lot of El Rito. It was unanimous, there was not a single vote and he doesn't know that there was even a single concern for this. President Bailey stated this is a community filled with amazing artists and there is a dialogue going on about the possibility of trying to create some artwork on 554 that would celebrate the Solar Array and its connection to the community. There are a lot of pioneers for renewable energy who live in El Rito and they are actually looking at possible artwork on the fence line that would celebrate the Array.

Regent Powers stated he would entertain a motion.

Regent Martinez moved to approve based on conditions stated by Mr. Zamora. Second Regent DeHerrera. Motion passed unanimously.

Regent Powers stated the motion passed conditioned on the particular things mentioned by Mr. Zamora. President Bailey gave a special thanks to Mr. Ussery who if he had not connected President Bailey with Kit Carson, the College might have not been here today. Mr. Ussery stated that Kit Carson and the College are also looking at working with their staff; this will be used to develop programs with the College.

E. Code of Conduct

President Bailey asked Donna Castro, Director of Human Resources to address the Board of Regents regarding the Code of Conduct and President Bailey also asked Ricky Bejarano, Vice President for Finance & Administration to join in the conversation. President Bailey stated one of the audit findings the College had from last year had to do with compliance with the Governmental Conduct Act. The College has taken steps to make sure it is in compliance and Donna Castro led training during Convocation for this. President Bailey asked Ms. Castro for highlights regarding this. Ms. Castro stated all State agencies were required in 2011 to adopt a general code of conduct based on the Governmental Conduct Act. The College had not done so and the College is required to adopt one and review it every four years. For the FY17 audit it was noted that the College did not have a general code of conduct. The College had a general training session and the College went over the draft code of conduct with employees and also sent everyone the compliance guide for the Code of Conduct. Once the Board of Regents approves it, the College is required to have every employee sign an acknowledgement that they have received it. After the training, Ms. Castro has received several documents from employees, some who own businesses and some who have other jobs and employees are required to report this in writing to the College.

Regent Martinez asked if the College should have had a Code of Conduct by 2012 if it went into effect by 2011. Ms. Castro stated it should have been. Regent Martinez stated unless he heard incorrectly, the audit that just came out says that the College does not have a Code of Conduct. Ms. Castro stated this is correct. Regent Martinez asked if the College had looked at the previous audit to see if the College got dinged for this. Ms. Castro stated she does not think the College was, the College spoke with the auditors when she saw the finding because she asked them in her previous employment it was strange because they got written up for the same thing. It looks like just in the FY16 and FY17 they were starting to enforce it. Prior to that if you look at FY 13, 14 and 15 very few audits have that finding. Regent Martinez asked if this was

the former auditors. Ms. Castro stated it was. Regent Martinez asked if it was brought to the College's attention in this last audit. President Bailey stated that this was not a repeat finding. In fact, the numbering of it was a 2016 audit finding. Regent Martinez stated it just came out of the blue and they have been auditors for how many years. President Bailey stated two. Mr. Bejarano stated the audit partner had been on the audit 2010, 2011, 2012, 2013, 2014, Associate Partner with that firm. He took the audit that year and came back with his new firm for 2015 and 2016. Mr. Bejarano is looking to make sure it was not a repeat but as he recalls it was not a repeat it was a new finding. Regent Garcia stated same auditors, different company. Mr. Bejarano stated same Audit Partner.

Regent Martinez stated it is now five years later. Ms. Castro stated this will now be part of the standard new employee orientation and they will be required to sign off on the Code of Conduct and the College has made the guide available in case people have very specific questions. The Compliance Guide is very detailed.

Regent Martinez stated this is weird that this would be in his opinion in a financial document not having a Code of Conduct would be an audit finding. There may be a perfect reason for it. Regent Martinez asked if there would be a possible audit finding that for instance if the College is not doing Hostile Work Environment Training on a regular basis or if the College does not have a policy regarding sexual harassment and hostile work environment. Mr. Bejarano stated there would be and it comes under not the financial part of the audit but under the compliance portion. Essentially the audit breaks out in three areas, one is purely financial, the second is what used to be referred to A133 which is the federal components requirements and the third is compliance which is a catch all for every state, federal or local laws and ordinances. The College is required to comply as a public entity with all laws. Regent Martinez asked if the College is in compliance with those types of trainings for Hostile Work Environment and what not, which Regent Martinez thinks are supposed to be given biannually to employees. Mr. Bejarano stated the College is not finding a lot in the Human Resources files. Regent Martinez asked if this could be found, could the College find the time to train, to retrain everybody on Hostile Work Environment and Sexual Harassment and all the tons of things that every employee who works in the US should be trained on. Mr. Bejarano stated yes and it started with Convocation, Title IX, Safety and Security, Code of Conduct, the College is working on it and it will be documented on it in the future. President Bailey stated it is incumbent on the College and the College will take for action what are all of the required training that public employees should be responsible for and the College will make sure it is systematically knocking those out. Mr. Bejarano stated Ms. Castro and Mr. Bejarano talk daily about setting up a schedule because there are some trainings that should repeat every other year, some actually every year, the College is not on this and has not had a schedule.

Regent Martinez stated he has been on the Board of Regents since 2015 and he has never received Hostile Work Environment Training at the College. He has given the training for some of his clients but has never received training from the school and every Board member should get this training because they are subject to the same standards that everybody else is. If the Board of Regents is not getting trained then something is wrong and the Board of Regents cannot complain about other people getting trained if they are not getting trained. Ms. Castro stated they will work on it and there may have been training but Ms. Castro cannot find documentation on this. Regent Martinez stated this does not help in a lawsuit. Ms. Castro stated this is exactly right.

President Bailey stated what the College is looking for today from the Board of Regents is vote on the Code of Conduct.

Regent Powers asked about implementation of this, training was done at Convocation and asked if those who have done this training to sign an acknowledgement. Those who have not been through the training will be put through the training and asked to sign off. Regent Powers asked if there was a timeframe established for this. Ms. Castro stated that the guideline does indicate that once it is approved that it should be signed within

30 days. This is the implementation guideline from the past but the College would be able to get this done within 30 days to have all employees sign the acknowledgement. Any future employees would sign as a requirement when they start.

Regent Powers stated he would entertain a motion to approve the Code of Conduct.

Regent DeHerrera moved to approve the Code of Conduct. Second - Regent Garcia. Motion passed unanimously.

Tony Ortiz, Counsel for Northern New Mexico College asked for a brief moment to address the Board of Regents. Mr. Ortiz stated Ortiz & Zamora, LLC regularly does civil rights, sexual harassment and hostile work environment training for all their public clients. Mr. Ortiz annually does this training for the State Game and Fish Department. It is done in successive ways because they have a huge number of employees. There is a set training that is done that could easily be done for the College, all the College has to do is tell him when and they would show up and do it, next week if needed. The College tells him where and when and it gets done. Regent Garcia stated when. Mr. Ortiz asked the Board of Regents to let him know. Regent Garcia asked what the fee is. Regent Martinez stated it is a lot cheaper than a lawsuit. Mr. Ortiz stated to the degree of his institutional knowledge, he has never been asked to do it. Regent Garcia thanked Mr. Ortiz.

F. Strategic Direction

President Bailey stated when he got to the College in October, the College was in the midst of a very challenging fiscal environment and it still is. In those challenging environments, President Bailey stated one of the things that can help an organization move forward is a very clear strategic direction on where the institution is going, where it is and where it is going. The College did not have a fully articulated strategic vision. Starting last fall, the College asked for all interested faculty and staff members to attend a workshop where the College started to break this down. President Bailey wanted this to be the Colleges and not his strategic direction and the knowledge and experience are so great at this College that President Bailey wanted to make sure the College was tapping into this. At the first session President Bailey was going to be happy if there was 15-20 people and there ended up being 95 people who showed up the first day who worked all morning regarding where the College was and where it wanted to go. President Bailey stated the document (attached) is a reflection over two workshops, 155 roughly people involved in talking about where the College needed to go as an institution. President Bailey reviewed the Strategic Direction (attached). President Bailey stated when the Strategic Plan is complete he will bring it to the Board of Regents for a vote and discuss it with the Board of Regents. President Bailey stated the next step of this once it is approved and reviewed, one of the things that will be done is gathering people together again and start defining tasks associated with it. A strategic plan is great but if you cannot translate it into action, it does not work. The College is going to define tasks, milestones and measurements for every item so progress can be measured along the way. There will be a strategic direction to revise the issue of what the Board of Regents received that will go public and then there will be an implementation plan that accompanies this, probably in the next 6-12 months that will identify the tasks, milestones and measurements associated with each item. This is just to introduce this to the Board of Regents.

Regent Martinez asked regarding obstacles, it says high tuition and fees, Regent Martinez believes the College is the lowest in the Southwest and asked where this comes from. President Bailey stated he would be very frank, this is not, there was no filter, this is what the College's faculty and staff identified as obstacles so there is a perception that tuition and fees are high. Regent Martinez is right, the College is the most affordable four year program in all of the Southwest US and we may be because we are waiting on the College Board results, we may be the most affordable in the country but the College is not sure yet. Tuition

and fees are higher than every community college in the area because they operate on a Mill Levy; they operate on a tax base. President Bailey does not want to incite the faculty and staff members who say tuition and fees are too high, it is important that the College capture this because our faculty and staff members have a sense that tuition and fees are high enough that they create a challenge to enrollment and when the College looks at the fact that the College serves a population 30% of whom are at or below the poverty level, then even if they are cut in half they might still be too high. High tuition and fees are an issue for people who do not have money. It is only identifying this as a challenge that the College has to be sensitive about. Regent Powers stated it is really a definition of affordable. President Bailey stated it is. Regent Martinez asked the vast majority of students, are they eligible for financial aid, meaning free money from the government. President Bailey stated they are. Dr. Lopez stated it is 50% of students are on Pell Grants.

Regent Powers asked what the timeline is on this and when should the Board of Regents expect it to come back for action. President Bailey stated he would propose for the Board of Regents to take time to review the document, this draft, perhaps in a later meeting there could be a workshop to chalk through this portion of it. Once it is in a place where everyone is in agreement on President Bailey would then like to publish this as the strategic direction of the College. This will then get the College in a place to identify past measurements and milestones and that implementation plan is going to be a 6-12 month process. Once the implementation plan is drafted it will be brought to the Board of Regents for a decision.

Regent DeHerrera asked if there is a direction for lack of childcare. President Bailey stated the College looked at the idea of bringing childcare back but the College had to be realistic in this. From his understanding the College has had three different childcare iterations on the campus and each struggled financially because there were not enough people using it. The College is trying to innovate now in different ways. One way is to partner with an existing early childhood education program. There are some that are interested in maybe offering it on campus so now the College is not running the business; they are now leasing the space to someone who is doing it. The College is exploring this. There is still a challenge of space because where the childcare center was, the College has remodeled that as Barbering and Cosmetology and to move them back out would be a hefty sum. The College is looking at how to create partnerships to provide this for the College.

Regent Garcia stated there are enough facilities around that the children can be dropped off within a block or two within the College. President Bailey stated this is correct. Dr. Lopez and President Bailey held a summit of all the Early Childhood Education providers within the area and they had a luncheon with them about a month ago not only to look at that issue but also to look at how the College helps provide with the workforce needed to do it. There are so few early childhood professionals that the College needs to step up and help where it needs to.

Regent Powers asked if the Board of Regents would like to take a stab at setting up a workshop for this at a future Board meeting. President Bailey and Amy Pena will look at some dates and perhaps when the next meeting takes place, perhaps a new workshop will take place then. Discussion was held regarding the next Board of Regents Meeting, this would take place on September 25, 2017. President Bailey asked Alex Williams to address the Board regarding dates of the Board of Regents Meeting. Submission of the financials will be submitted to Higher Education Department (HED) has been negotiated and the 25th of September will be better for the Business Office. Regent Powers stated a possible workshop would take place on the 25th.

The Board of Regents recessed at 10:30AM and returned to session at 10:40AM.

V. STAFF REPORTS

A. Vice President for Finance & Administration

1. Audit Update

Recording not available.

2. Fiscal Watch

Recording not available.

Regent Martinez moved for approval of the fiscal watch reports for June 2017 and July 2017. Second – Regent Garcia. Motion passed unanimously.

3. Monthly Budget Adjustment Requests (BARs)

Regent DeHerrera moved to approve the BARs as presented. Second – Regent Martinez. Motion passed unanimously.

4. Disposition of College Property

None.

5. Resolution of NNMC Board of Regents

Mr. Bejarano stated the Board of Regents needs to approve and the signatures can be done after the meeting, the College needs approval of Resolutions to essentially change the signature authority for Century Bank and Bank of America. The College had previously talked about putting Mr. Bejarano on as a signer because he is much more involved in the approval process than normal. It is not good for Mr. Bejarano to be in the approval process every step of the way and then also sign the check. This is too much, it is a lack of internal control and the College could get written up for this in the future. The College is putting on two Board members, the Provost and the President as signatories as well as Evette Abeyta who is the budget analyst so she can make transfers on the system and the College would ask for approval for both the Bank of America and Century Bank. Regent Martinez asked what Board members would be put on this. Mr. Bejarano stated on Bank of America it is only Regent Powers, Provost Lopez because they only allow three and on Century Bank and New Mexico Bank and Trust it would be Regent Powers, Regent Martinez, Evette Abeyta and Ricky Bejarano only to open and close accounts.

Regent Powers stated this was discussed in the committee meeting and recommendation would be to approve this Resolution as presented by staff.

Regent Martinez moved to approve the Resolution. Second - Regent Garcia. Motion passed unanimously.

6. Audit RFP Selections, Permission to Negotiate with Finalist(s)

Mr. Bejarano stated the top candidate was REDW from Albuquerque; their bid is approximately \$67,000 for all three years. Regent Powers stated this was discussed at length in the committee meeting. There were four respondents for the audit and all four firms were capable of doing the work, there was quite a spread in fees, dramatic. The College believes the selected firm is very capable of doing the work and provided the College with a very favorable fee arrangement. It is the Audit/Finance/Facilities Committees recommendation that the Board of Regents accept the Administration moving forward with the REDW to do the audit for the next three years.

Regent Martinez stated it is 66,650 per fiscal years so total cost for three years is \$199,950 inclusive of gross receipts tax. The actual cost is \$186,062 before tax, title and license. Regent Powers stated this is fairly consistent for what the College has been paying. Regent Bejarano stated this is correct except for last year, which was anomalous because of the situation.

Regent Martinez moved to approve Administration to move forward to hire REDW as auditors. Second – Regent DeHerrera. Motion passed unanimously.

B. Provost and Vice President for Academic Affairs

1. HEP Update

Dr. Lopez asked Shari Jobe, HEP Director and Tobe Bott Lyons to address the Board of Regents with her news about the High School Equivalency Program (HEP). Ms. Jobe thanked the Board of Regents, Dr. Lopez and President Bailey for the support she has received. When someone asks Ms. Jobe what HEP is, it is a federally funded program through the Department of Education, Office of Migrant Education. It is a highly competitive Grant and Ms. Jobe was honored because she wrote the Grant so she had a heads up in saying this is the community she knows, this is the need and these are the drop out rates. She felt good she was the one saying it and it was up to her or get the Grant. The year they went up was for the 2015-2016 Grant and there were 67 applicants, 7 made it and Ms. Jobe was reading the list and waiting for the email and the phone rang. She received a call from Senator Udall's office and they said they let the Senators or Representatives know ahead of time. They congratulated HEP and it was very exciting and Ms. Jobe stated they had to state how many students they are going to serve, HEP is serving 80, and some serve less. They ask how many are going to get the GED, Ms. Jobe wrote 75% and she told staff 80% and of those how many are going to be placed and that is transitioned to College, to get upgraded employment or employment for the first time, training program or military. Ms. Jobe stated she knew she could transition these students to College.

Ms. Jobe stated the Department of Education, OME is the only federally funded educational program in the US that has never been cut. There is \$44.6M dollars per year. If you do not succeed in your program HEP or College Assistant Migrant Program they will walk in and shut it down. Starting out, HEP went through December and the system Ms. Jobe has is different, small classes, no more than 10 so there can be the one on one and they feel they are part of Northern. Ms. Jobe received a call in March and it was the Deputy Director, she was Ms. Jobe's mentor and she did not show up for the training. She notified Ms. Jobe she was on site monitoring and Ms. Jobe asked why. It was because she didn't bring in half of the students by December. Ms. Jobe stated nobody told her this. She explained the program and told the staff they are not going to change anything and they made it. They did make it and they are number 1 in the United States. Ms. Jobe reviewed the following documents with the Board of Regents for review:

1. HEP Annual Profile 2015-2016 (attached);
2. HEP Annual Profile 2015-2016 NNMC
3. NNMC Statistics
4. HEP Annual Profile (2014-2015)

5. HEP Nation-wide
6. State of New Mexico HEP Summary
(All documents attached).

Ms. Jobe introduced Mr. Tobe Bott Lyons. Mr. Lyons stated he is the Student Success Coordinator at the College and he works out of the Advisement Office with the other Institutional Advisors who work with new students in the transition to College. He also works with the placement testing, GED testing, new student orientation, and previously ran Summer Bridge. Mr. Bott Lyons has an interest in working with students coming into the first year of college, as it is known that this is when colleges have the highest attrition rates. Once you have a successful year in college you are more likely to stay and graduate. Mr. Bott Lyons has a real interest in GED students because he recognizes that there is a growing number of GED students pursuing the GEDs and obtaining the GEDs nationally and the numbers nationally on who is going on to college is much smaller than those graduating from high school. Part of this problem is from a lack of colleges being prepared and having the supports in place and identifying there is a real opportunity out there, there are a lot of students who want to go to college, have the credentials to go to college, that are motivated to go and we need to develop as a community a pathway to get there. With the HEP program the college is lucky because there is a transition program. Most GED programs do not have college advisors as part of the program. It is just not how it works. There are other challenges and this entire program, the Jump Start started because the College recognized there are students graduating two weeks into school and that sometimes can mean 6-8 months before college starts so wanting to keep students engaged through this. Their ideas may change during this time, they may go somewhere else or they might get a job and decide to wait. The Jump Start Program was started to keep students from the prospective of recruitment and retention, which are two sides of the same coin and should not be separate functions. Recruiting and retention is a continuum. The Jump Start Program will have their 4th cohort coming in this fall, primarily from HEP. What has been done is to utilize the first year experience course and sliced it up a little bit and try to think about what are the things students should be learning about and working on to get ready for College before they are enrolled full time. The College has offered a series of workshops, 8 sessions, which covers about 30 hours of contact time and the students agreed to take it and by taking that before going to college, they are eligible to be part of Jump Start which is specifically for them. The retention for the first two was 80% and above and the students are starting college feeling more confident and comfortable having that cohort and College staff and faculty. Mr. Bott Lyons is proud of the program and would like to think about making it sustainable and this is a model that can serve students from a variety of backgrounds. GED is the largest number of students coming to the College and the College must keep this in mind. There are about 1 in 4 freshman coming in the spring term and the College has started working on addressing this along with scholarship issues for students starting in the spring.

President Bailey stated as an institution we are conscious of the fact that we get more students from HEP than any other single source. This is why the Bienvenido Scholarship and the College is the only school in the State focusing on these students to give them the same opportunities as high achieving high school students. The College is also working with the LANL Foundation and Northern Foundation to find and explore opportunities for scholarships specifically for HEP graduates because the tests that those students pass are actually performing academically at level above of what is required for a high school graduation.

President Bailey stated HEP students are not a group of students who made bad decisions. For the most part they are students who had to come off the path for one reason or another. It may be because they had to help support their family and it is only down the road with a family of their own that it is unsustainable unsustainable so they lift themselves up and put themselves on a pathway. These are not high school dropouts because of bad decisions; oftentimes they have to make these decisions. The College is very proud of the journey they made.

President Bailey stated when Student Orientation took place, President Bailey was sitting next to Dr. Lopez and he said several years ago at student orientation there were 7 or 8 students who would come and since Tobe Bott Lyons has taken the reigns on this, there was almost a full house - over 100. President Bailey also had a reporter ask him what it is about the HEP Program that it is the number one program in the country. President Bailey stated it is because of the staff members in HEP. There is something magical about what they are doing in HEP and it has to do with the passion, care and love they have for the students and you can feel it. It is tough love; Ms. Jobe is not treating them like kids. The fact that they are doing it at a fraction of the national average cost has something to do with the people. President Bailey stated on behalf of the College, thank you HEP for everything you do and everything you do for the students. HEP has put the College on the map at the time it needed it the most.

Regent DeHerrera stated she wanted to thank HEP personally and she knows some of the students who wanted to quit and HEP did not let them. The love HEP has is what makes the students succeed. Regent DeHerrera thanked HEP and especially in the community you see the numbers that succeed and do not succeed.

2. Enrollment Update

Dr. Lopez stated he would like to give the Board of Regents an unofficial updated which will be official on the census date. So far enrollment as of yesterday is 1147, compared to last year, same day 1115, which means a 3% growth in headcounts.

As of yesterday, there are 12,174 student credit hours, 3.7% increase compared not to the same day last year but actually to census day, which is better; it may still grow between now and then. Last year, census day it was 11,739. It has been a very challenging year, there is a small increase in tuition but there was a lot of bad press, which compounds the challenge. It seems the College will end up with positive numbers as compared to last fall.

President Bailey stated the Provost and President have been on an emotional roller coaster the last two weeks, day to day it changes. The second, just to make sure everyone understands there is a disenrollment today for students who do not have a payment plan (144 as of yesterday). The College goes through this every year and there will be a challenge. There has been an aggressive campaign to work with students and the College will continue to do this. Lastly, this has been a year where the College has had a line item veto through all of higher education and there have been some successive budget cuts. There has been bad press all over the State and in the middle of this uncertainty; the College is on the brink of being the only institution in the State for the second year in a row to grow. This has been the faculty and staff and increasing confidence in the College from the community. The challenge of success is next year is comparing those numbers to this year. The College will continually innovate in ways to increase enrollment.

Regent Martinez asked as far as high watermark and FTE numbers, if the College has historical numbers. Regent Martinez would like those numbers sent to the Regents. Dr. Lopez stated there is and he will prepare data. Regent Powers stated he would like headcount and credit hours.

The Board of Regents recessed at 11:31AM and returned to session at 11:37AM

VI. PUBLIC INPUT

None.

VII. EXECUTIVE SESSION

Regent Martinez moved to enter into Executive Session to discuss limited personnel matters pursuant to NMSA Section 10-15-1(h) of the New Mexico Statutes Annotated. Second – Regent DeHerrera.

A Roll Call vote was taken (Regent Garcia – yes, Regent Powers – yes, Regent Martinez – yes, Regent DeHerrera - yes). The Board of Regents entered into Executive Session 11:38AM.

Regent Powers asked that everyone leave the meeting and stated Executive Session would conclude as quickly as possible. Regent Powers asked President Bailey who from staff should remain for Executive Session. President Bailey stated Donna Castro, Ricky Bejarano and Ivan Lopez should remain for the first part of Executive Session. Regent Garcia asked that the President’s contract be revisited as he has been with the College a year in October. Regent Powers stated an evaluation would need to be done. Regent Garcia stated she thought she would throw that out there so it is kept on the Regents radar.

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 to enter into Regular Session. Second – Regent Garcia. Roll Call Vote: Regent Martinez - yes, Regent Powers - yes, Regent - Martinez – yes, Regent DeHerrera - yes. Motion passed unanimously. The Board of Regents returned from Executive Session at 11:38am.

Regent Powers stated no was taken taken and only the items mentioned in the motion to go into executive session were discussed in executive session and no decisions were made.

VIII. ADDITIONAL ACTION ITEMS

- A. Discussion and Possible Vote Regarding Employee Handbooks

Regent Powers stated this item has been deferred.

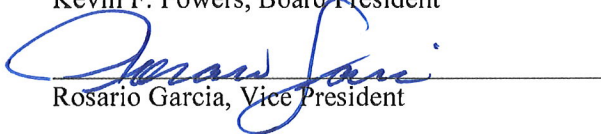
X. ADJOURNMENT

Regent DeHerrera moved to adjourn. Second – Regent Martinez. The Board of Regents Meeting adjourned at 1:02PM.

APPROVED:



Kevin F. Powers, Board President



Rosario Garcia, Vice President