



## NORTHERN NEW MEXICO COLLEGE BOARD OF REGENTS MINUTES JUNE 25, 2021

A Regular Meeting of the Board of Regents of Northern New Mexico College was held on June 25, 2021 Via Zoom and in person. Regents Present: Michael A. Martin (in person), Porter Swentzell (in person), Erica Velarde (Via Zoom), Maria Evelyn Juarez (Via Zoom), Ruben Archuleta (in person).

Northern New Mexico College Staff Present: President Richard J. Bailey, Jr., PhD (in person); Ivan Lopez Hurtado, PhD, Provost & Vice President for Academic Affairs (in person); Ricky A. Bejarano, CPA, CGMA, Vice President for Finance & Administration (in person); Vince Lithgow, Comptroller (Via Zoom), Shawn Madrid, Security/Facilities Director (Via Zoom); John Ussery, El Rito Campus Director; Juan Gallegos, IT (In Person); Sally Martinez, Executive Assistant to the Provost & Vice President for Academic Affairs (Via Zoom); Sandy Krolick, Creative Director, Communications & Marketing (Via Zoom) and Amy Peña, Executive Office Director (In Person).

Faculty Present: Ajit Ira,

Others Present: Robert Trapp, Rio Grande Sun (in person)

### I. CALL TO ORDER

Board President Martin called the meeting to order at 9:07AM

### II. APPROVAL OF AGENDA

Board President Martin entertained a motion to approve the agenda.

**Regent Swentzell moved to approve the agenda as presented. Second – Regent Archuleta. A roll call vote was taken. Board President Martin, Regent Velarde – yes, Regent Swentzell – yes, Regent Archuleta – yes, Regent Juarez – yes. Motion passed unanimously.**

### III. COMMENTS FROM THE BOARD

#### A. Board of Regents Subcommittee Reports

##### 1. Audit/Finance/Facilities Committee – Informational

Regent Velarde stated they had a great meeting yesterday and she had some unrelated questions related to the report and thank you to every one for humoring her. Regent Archuleta stated it was a very informative meeting and thank you to the staff.

## 2. Academic/Student Affairs Committee – Informational

Regent Swentzell stated the committee met two days ago and the items for the meeting are action items and the items will be discussed later too be presented by the Provost and the Vice President for Finance & Administration. Regent Juarez stated it was a great meeting and Dr. Lopez is always thorough and she looks forward to hearing everyone's thoughts.

## 3. President's Evaluation Committee – Informational

Regent Velarde stated they have reached out to Dr. Hugh Prather who helped in 2019 and at the beginning of 2020 to get this completed. They will meet with him next week to discuss next steps. Regent Juarez stated she did not have anything to

## 4. HERC – Informational

Board President Martin stated HERC did not meet last month.

## IV. APPROVAL OF MINUTES

Board President Martin entertained a motion to approve the minutes.

**Regent Archuleta moved to approve the minutes. Second – Regent Juarez. Board President Martin, Regent Velarde – yes, Regent Swentzell – yes, Regent Archuleta – yes, Regent Juarez – yes. Motion passed unanimously.**

## V. PRESIDENT'S REPORT AND ANNOUNCEMENTS

### A. Celebrate Northern

President Bailey stated:

1. Juneteenth Event: NNMC hosted the 2<sup>nd</sup> Annual Juneteenth Event and thank you to the Board members who attended. The event went well and we had 60-70 people in attendance including US Senator Ben Ray Lujan, Board Members, Senators and Department of Veteran Services Secretary and many others. It was a beautiful gathering. The College has been a leader in our community in terms of Juneteenth, in honoring Pride Month, in honoring LGBTQ members. The message going forward is the College has been and continues to be a role model for respecting the dignity of all people. Thank you to every one for embracing and participating.

### B. CUP/NMICC Report – Informational

President Bailey stated CUP and NMICC are very close with the NM CHES project. Everyone at Northern has been part of one or more work groups that have been studying the different vendors, looking at possibilities, making evaluation recommendations and we now have a front runner for the vendor that will be announced next month. It will be the Board who makes this official decision and the Boards at the other institutions that make this decision. We are really excited about moving forward and this is going to Northern a lot of money and a lot of headaches but there is going to be a lot of work in the next three years as we go into this implementation phase. Expect a special

board meeting, the idea might be that we time, in mid-August with this one item on the agenda and the goal is to time it with a special board meeting with all the other colleges so the idea is that the reveal all happens at the same time so that the public knows who the vendor is so all the Boards all make the decision at the same time. We already have that dollar figure we have prepared for but we owe the Board a final number of what that looks like.

#### 1. NNMC Foundation

President Bailey stated for the NNMC Foundation the Board will meet next week to consider another Board Member, Damian Martinez who was a former Board Member and the other important news is the Foundation will be making a vote on some investment priorities and those investment priorities will now be part of the formal record so it helps the college in terms of the audit performance because we need to make sure that what our investors are investing in matches what the Foundation Board has directed it to invest in. .

There is a potential for some very impressive donations coming in. President Bailey is excited about our philanthropy being taken to the next level. It is a testament to our faculty and staff and our student's, the reputation we have with the state. The philanthropy is now matching the effort.

#### 2. Eagle Corporation Update

President Bailey stated we have not had a meeting since the last College Board Meeting but there are some interesting projects we are working on. One has to do with the land in El Vado and possible renewable energy. He is excited about the potential of this that would bring in a separate revenue stream for the College and Foundation that would be game changing. President Bailey will keep working behind the scenes on this.

### V. FACULTY SENATE PRESIDENT REPORT

None.

### VI. STUDENT SENATE PRESIDENT REPORT

Regent Juarez has nothing to report as the term concluded on May 7<sup>th</sup> and she is looking forward to supporting and working with the Student Senate in August.

### VIII. STAFF REPORTS

#### A. Provost & Vice President for Academic Affairs

##### 1. Addition of New Final Grades (NF" and WF")

Dr. Lopez stated this has been discussed with the two committees. Dr. Lopez stated the one item he has been discussed with the two committees. This Northern's response to a recommendation that we got two weeks ago from the USDOE, the USDOE visited Northern two weeks ago and it was a virtual visit, it was a three-day visit and at the end of the visit there was a recommendation that will simplify our processes. It is going to make it easier for us. It is a recommendation for Northern so that we can return Title IV funding, this is the Pell Grant in the easiest way and minimize the potential for error. Northern, we are an institution that is not required to take

attendance, we do not take attendance in our classes as Regent Juarez will know, we do not take attendance and we are trying to probably at some point to become an institution that will at least take attendance the first three week of classes. Therefore, at the end of the semester when we submit the failing grades, that means an F grade, at that point in time, for all failing grades we have to submit also the last date of attendance regardless of the type of failing that happened. Remember the student can fail a course because of poor academic performance, a student that didn't pass their exams, submit their homework, etc., that is academic performance and they might get an F for that reason. The other reason is they may have stopped attending classes so that is academic performance and they might get an F grade for that without withdrawing the class. They do not withdraw but they stopped attending the classes so the faculty has to submit an F grade. What the DOE is suggesting that we differentiate between and academic failure and a failure that is caused because a student just stopped attending classes. What they are suggesting is that we introduce two new grades, an NF and a WF, these are two grades that do not exist at Northern because these will clearly differentiate when a student failed because of lack of attendance compared to when their failed based on academic performance. This recommendation was reviewed by our Registrar and our Financial Aid Director and they agree with the DOE, they said this is indeed a best practice in other institution. Dr. Lopez stated he is bringing this to the Board of Regents for approval, for action. Dr. Lopez stated he failed when he said it was covered in the Finance Committee it was only covered in the Academic and Student Affairs Committee and he is open to questions. Basically, this is a response to a recommendation from the USDOE.

Board President Martin asked if there were questions. Regent Swentzell asked for clarification, the nonattendance taking institution is sort of a status of the DOE and doesn't prohibit in any way that faculty will be taking attendance for their own purposes. Dr. Lopez stated this is correct, right now it is part of the academic freedom of a faculty member. For example, the Nursing Program, they do take attendance, it is part of their policy in their syllabus. When Dr. Lopez was a faculty member, he was one of those who liked to take attendance but right now it is subject to the discretion of the faculty member. Regent Juarez stated she had a quick comment and it is something she thought about the Academic Committee meeting, it is not only going to simplify our process at Northern but also will help graduate program admissions committees in case our students who have a NF or WF to be able to explain their story because say if someone dropped out of classes because of an emergency or challenge in their life that is something very different from academic performance with an F. It is very helpful on many sides. Dr. Lopez thanked Regent Juarez for her comment and she is absolutely right.

Board President Martin entertained a motion to approve the recommendation.

**Regent Swentzell moved to approve the addition of new grades of NF and WF. Second - Regent Velarde. President Martin, Regent Velarde – yes, Regent Swentzell – yes, Regent Archuleta – yes, Regent Juarez – yes. Motion passed unanimously.**

B. Vice President for Finance & Administration

1. Fiscal Watch Reports – Action Required

Mr. Bejarano stated on page 20 is where the Fiscal Watch Reports begin. Since we had a question about the effect of the payout for the lawsuit and it is reflected primarily on the bottom on the first page where you see the negative for unrestricted. Keep in mind this is based on this year, we will add in the rest of the fund balance. The effect for this year is reflected in the -\$1.4M. That gets it

out of the way. We are still in a decent cash position but we have paid out close to \$1M. Mr. Bejarano turned over the Fiscal Watch Reports to Mr. Lithgow for presentation.

Mr. Lithgow stated on the first page, the Statement of Net Position for the month of May 31, 2021. The current assets of cash and cash equivalent of \$6.5M has dropped because of the payout. We have reductions for student receivables and other receivables and that is based on the normalcy of the fiscal and academic year. Noncurrent assets, capital assets are reflected to give numbers that are in the current fiscal year audit so they have been adjusted. Differed outflows are part of the pension related, that is a decrease from last fiscal year. Currently liabilities, accounts payables went up to about \$200,000 and that is to be expected. Other accrued liabilities that were reduced significantly because of the payout. Noncurrent liabilities, the major changes on those are the OPED liabilities and the net pension liabilities which are reduced based on the current year audit. Those are related to actual studies performed by ERP and retiree health care. They are numbers provided to us. Differed inflows of resources related to pension of \$4.9M. Unrelated entity activities of \$1.1M and again that is the restriction for the Branch Community College receipts for the Mill Levy. Total net position is \$32.9M.

Mr. Lithgow stated on the Income Statement, total revenue collected year to date is 77.6%, we should be at 91.7% which is equal to State appropriations. The significant change on this is related to tuition and fees mainly for the summer that have just been brought on. Permanent fund income and land income have increased significantly by 118%. Expenditures overall are at 76.3% which is 4% less than revenues which is a good thing. We are bringing in more money than expended. We transferred out \$152,800 for BR&R. For the plant and maintenance funds there is very little activity. We have \$2.6M budgeted and only \$328,000 expended as of this time.

Mr. Lithgow stated regarding comparative income statement, significant note is we had the special session last year which reduced our budget significantly and so the budget to revenues is less for 2021 at the same point in time for FY20. Expenses are a little more than last year at this time. Again, most of those expenses were for salary and benefits and some financial aid. It would be reasonable for financial aid because of disbursements to students based on the CARES funding. Regarding comparison of plant funds, we have had little activity this year and last year we had a lot of activity.

Mr. Lithgow stated regarding the Statement of Cashflows, it gives a brief overview of what is coming in and going out. We have received \$3.6M for tuition and fees, receipts for grants have been \$7.2M. A bulk of \$12.6M for salaries and benefits and another \$5.5M for goods and services. We have been at \$1.1M for scholarships, state appropriations at \$10.1M and Mill Levy distributions at \$1.7M. The investment earnings are for land income because we are a beneficiary. Ending cash is \$6.575M and it relates to begin cash on the Statement of Net Position. Board President Martin asked if there were any questions for Mr. Lithgow and entertained a motion to approve the Fiscal Watch Reports.

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

## 2. Budget Adjustment Reports (BARs) – Action Required

Mr. Bejarano stated there are no Budget Adjustments for this meeting, however, we still have year-end when there is a slew of them. There are absolutely none for this month which is credited to Evette Abeyta.

## 3. Capital Summer Hearing Packet

Mr. Bejarano introduced Shawn Madrid, Security Director and currently doubling as Facilities Director. Mr. Madrid presented the Summer Hearing Packet submitted for FY23 (attached).

Mr. Madrid stated the first priority is for parking lots and road improvements, requesting \$3M. This would help us take care of dirt parking lots in Espanola that would be paved and it would help us with ADA parking. It will also help with the El Rito Campus, El Rito is not really ADA capable right now, this would allow for striping and parking spaces for ADA. He would like to try to improve all sidewalks as well, including ADA ramps. Project priority number two is for roofing and structure improvements on both campuses. It was submitted for the diesel shop in El Rito and the GE Building in Espanola and the CFA. The project is proposed at \$3M. This would also be for structure. Mr. Madrid asked if there were questions. President Bailey thanked Shawn for the update and the work in the packet. It is very interesting; one he wants to make sure that everyone knows that these projects are part of the five-year infrastructure plan so there are no surprises. The ADA is a requirement, it is not just the right thing to do, we have to do it. The roofing project is a really important preventative project. Down the road it could be a messier issue if we do not fix it. Regent Velarde came last year to participate in the summer hearings and it could be pretty contentious, having a Board Member sitting with you in that hearing and especially a Board Member who used to sit on that committee is a wonderful benefit. President Bailey thanked Regent Velarde for pitching in and participating and her commitment for sitting with them. Regent Velarde stated she appreciates the opportunity to do so. Before presenting in August, she would love to, when they have the presentation ready, she would like to do a dry run and throw questions at them that she knows the Board is going to throw at them so they are prepared and there is no sweating involved. President Bailey appreciates it and they will schedule it. President Martin thanked Mr. Madrid for the presentation and entertained a motion to approve.

**Regent Swentzell moved to approve the Capital Summer Hearing packet. Second - Regent Velarde. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Archuleta - yes, Regent Juarez - yes.**

Mr. Bejarano asked Mr. Madrid to let the Board of Regents briefly know what is going on in El Rito. Mr. Madrid stated he is working on getting everything going. He has the blue prints for an ADA bathroom to be installed in Research Building. He is waiting on a bid from our general contractor to get started. They finished the roofing project on the South Dorms. He will begin interior improvements. They do have tree trimmers on campus taking care of all the dead trees. The firefighters were there for two weeks. The Diesel Shop, Mr. Madrid is working on this and getting it where they can improve the interior. He will be patching the roof on this for now to work on the interiors. There will also be an ADA bathroom installed in that building as well. We redid all the plumbing into the building, all of this is new. There is a new heating system in all three buildings, Research Building, South Dorm and Diesel Shop, which will get new pipe heaters. We did all new water lines into the South Dorms. There are now drainage issues, a lot of the piping swelled and cracked and it is cast iron and may need to be replaced. The main lines need

to be replaced and we may need to get into the flooring on the second floor to see what it looks like. President Bailey asked in terms of students coming in August, in his professional opinion, what are the things we are going to be able to do and not do. Are lab spaces available? Mr. Madrid stated the Research Building should be done and he will try to get the Diesel Shop, plumbing labs ready by August. The bathroom in the Diesel Shop is not going to be ADA compliant by August. President Bailey asked if the plan is still that the plumbing and electrician classes will start in the Research Building in August. Mr. Madrid stated this is correct. In the meantime, he is hoping to get the plumbing set up. The South Dorms are almost good to go. The thing that will need to be done is the drains. He has quotes and has people looking at them and waiting to hear back. President Bailey stated the reason we are pushing hard on the dorms, it may not be needed in the fall, students are struggling to find housing and it is getting worse and worse and he knows the City of Espanola is working on improving the housing situation, the entire team is working on El Rito as a future potential for student housing. There are other things to solve when done, in terms of food, entertainment, other options but we are getting close to this being a potential option. Regent Juarez stated this is awesome. Board President Martin asked if there were any other questions and stated he and President Bailey have had conversations and would like to have the August Board Meeting in El Rito. At that time, there will be a tour of the facilities and Mr. Martin appreciates all the work. Regent Velarde thanked Mr. Madrid for all his work and really helping us make this sort of dream or goal and helping us get to it.

#### 4. Nursing Student Course Fees

Mr. Bejarano stated he would like to call on Dr. Lopez for this item. Dr. Lopez stated the first item here in terms of fees has to, as Regent Swentzell reminded him, every six months, the Board of Regents has to approve one of these. These are third part fees, course specific fees for the Nursing Program. These fees are only tied to a specific course, sometimes to more than one course and the reason why we process these fees internally is to make them allowable for students to use their financial aid at the very beginning of the semester and not later. These fees, we do not get revenue, the same amount of fee that the third party vendor is charging us is what we charge the students, we are just a passthrough to make it easier on the students and these fees, because they are by third party vendors, they continuously go up sometimes in a yearly basis, sometimes two years, sometimes depending on new software or new testing that the Nursing Program adds to prepare students better for exams, we have to add new standardized tastings through Kaplan. The page presented there are four fees, two are increases from \$145.00 to \$150.00 and the others are new testing fees used to prepare students, mock exams, to prepare students better for licensure. We are asking for the Board approval on these new fees or changes in existing fees. Dr. Lopez asked if there were questions. Board President Martin if there were questions and entertained a motion to approve.

**Regent Juarez moved to approve the increase in nursing fees. Second - Regent Archuleta. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Archuleta - yes, Regent Juarez - yes.**

## 5. PLA/Local Developed Exam Fee

Regent Bejarano called upon Dr. Lopez for this item. Dr. Lopez stated this is a brand new fee that we are including. He wants to remind the Board that back at the April meeting, he presented to the Board a new initiative in Academic Affairs that has to do with the assessment of prior learning that students may bring when they join the College and how we can take this prior learning and transform it into college credit. This helps the students to save money on the one hand but secondly and more importantly time. When the students have learned something through their job, through their personal life, you name it and they come and we don't want them to repeat or to relearn those competencies through a class. This allows students to accelerate their academic progress. It is going to allow us to recruit students and to retain students because they will know what they gain through their job now they can get college credit without taking a course. This is what is called prior learning assessment and was presented in April. Dr. Lopez stated he presented this in April to prepare the Board because he was going to bring to the Board what he is bringing now a new fee for students. In the case when students want to get credit for prior learning, we are subject to regulations of our accrediting agency the HLC. This process cannot be taken for granted by the student, we need the student to submit a portfolio or to take a locally developed exam. These two instances require labor from faculty members. In the case of the faculty members for the portfolio analysis we need to assign two evaluators for each one of these portfolios to show the accrediting agency that we are doing our due diligence to evaluate these things with high standards. We are going to be assigning two evaluators per portfolio. Each one of these faculty members is going to get a stipend of \$42.00 per credit hour. When we are taking two faculty members, this puts the entire labor cost and on top of this there will be \$16.00 going into overhead. The \$100.00 we are suggesting, this was suggested by an ad hoc committee Dr. Lopez put together integrated by faculty members. He is recommending to the Board that they approve the \$100.00 per credit to evaluate a PLA portfolio and a \$50.00 fee per credit for a locally developed exam. The exam is another action where the students will pay \$50.00 per credit. These are fees we are recommending for approval. These two fees were presented to the Finance Committee and Academic and Student Affairs Committee. He did answer several questions on how this is going to work. It is very important to note that this is still fair game for the student. This is still less costly than taking the course. It is also a recognition of the labor and faculty will have to put to assess or to grade the exam. Dr. Lopez stated he is open for questions. Board President Martin asked if there were questions and entertained a motion to approve.

Regent Velarde stated she would like to thank the faculty and staff and Dr. Lopez for taking on this initiative and putting more on their plates to keep students on their paths and reaching their goals.

President Bailey stated he wanted to make it clear that the faculty and the staff take this seriously. We are not going to give credit frivolously. At the same time, we discussed this previously, as Dr. Lopez mentioned, two of the most important resources that our students have is funding and time. What we want to make sure we are giving the students every opportunity they can to minimize their timeline to the graduation stage. There is a lot of work in dotting the i's and crossing the t's and he knows this is worth the effort for the students and appreciates the Board's consideration.

Board President Martin entertained a motion to approve.



**Regent Swentzell moved to approve the new fee for Prior Learning Assessment. Second - Regent Archuleta. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Archuleta - yes, Regent Juarez - yes.**

## **IX. DEEP DIVE**

### **A. Team Spirit Activities and Progress**

President Bailey presented the Deep Dive on the follow up on the report and work done in team spirit.

## **X. PUBLIC INPUT**

**None.**

## **XI. EXECUTIVE SESSION**

Board President Martin entertained a motion to discuss Threatened or pending litigation subject to the attorney-client privilege in which the College may be a participant, specifically the Melissa Velasquez Case.

**Regent Swentzell moved to enter into Executive Session only to discuss those items mentioned on the agenda as described. Second - Regent Archuleta. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Archuleta - yes, Regent Juarez - yes.**

The Board of Regents entered into executive session at 10:24AM.

Board President Martin entertained a motion for the Board of Regents to return from Executive Session at 10:49AM.

**Regent Swentzell moved to exit from Executive Session and affirmatively stated only those items listed on the agenda were discussed. Regent Archuleta. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Archuleta - yes, Regent Juarez - yes.**

## **XII. ADJOURNMENT**

Board President Martin entertained a motion to adjourn.

**Regent Archuleta moved to adjourn. Second – Regent Juarez. A roll call vote was taken. Board President Martin - yes, Regent Velarde - yes, Regent Swentzell - yes, Regent Archuleta - yes, Regent Juarez - yes.**

The Board of Regents Meeting adjourned at 10:50AM.

**APPROVED:**

Michael A. Martin  
Michael A. Martin, Board President

Erica Rita Velarde, PE  
Erica Rita Velarde, PE (Sep 29, 2021 17:03 MDT)  
Erica Velarde, Vice President






# June 25, 2021 Board Minutes

Final Audit Report

2021-09-29

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