

NORTHERN NEW MEXICO COLLEGE



**NORTHERN NEW MEXICO
COLLEGE BOARD OF REGENTS**

AUGUST 16, 2019

Office of the President

NORTHERN New Mexico College**NOTICE**

The Board of Regents of Northern New Mexico College will hold a regular meeting on **Friday, August 16, 2019**, at **1:00PM** at the Northern New Mexico College – Española Campus, Española, New Mexico.

FINAL AGENDA

- I. CALL TO ORDER**
- II. APPROVAL OF AGENDA**
- III. COMMENTS FROM THE BOARD**
 - A. Board of Regents Subcommittee Reports – Informational
- IV. APPROVAL OF MINUTES**
- V. PRESIDENT’S REPORT AND ANNOUNCEMENTS**
 - A. Celebrate Northern – Informational
 - B. CUP/NMICC Report – Informational
 - C. NNMC Foundation - Informational
 - D. Residence Halls - Informational
- VI. STAFF REPORTS**
 - A. Provost & Vice President for Academic Affairs
 - 1. Suspension of Pueblo Indian Studies Associate Degree – Action Required
 - 2. Copyright Policy – Action Required
 - 3. Associate Degree in Technical Trades (Plumbing) Approval – Action Required
 - B. Vice President for Finance & Administration
 - 1. Waiver of Fees – Dual Credit – Action Required
 - 2. Special Graduation Fees for High School Students – Action Required
 - 3. Request for Emergency Repairs – Fund Balance – Action Required
 - 4. Policy 7710 – Property Management Control Policy – Action Required
- VII. PUBLIC INPUT**
- VIII. DEEP DIVE**
 - A. Board of Regents Retreat – Dr. Hugh Prather
- IX. PUBLIC INPUT**
- X. EXECUTIVE SESSION**
 - (1) Limited personnel matters related to the hiring, promotion, demotion, dismissal, assignment, resignation, or investigation or consideration of complaints or charges against an employer;
 - a. No items
 - (2) Bargaining strategy preliminary to collective bargaining
 - a. No items
 - (3) Threatened or pending litigation subject to the attorney-client privilege in which the College may be a participant; and
 - a. Annette Rodriguez Case Update
 - (4) Real estate acquisition or disposal.
 - a. No Items
- XI. ADJOURNMENT**

In accordance with the Americans with Disabilities Act (ADA), physically challenged individuals who require special accommodations should contact the President’s Office at 505-747-2140 at least one week prior to the meeting or as soon as possible.

Office of the President

NORTHERN New Mexico College



MEMORANDUM

To: Board of Regents,
Northern New Mexico College

From: Richard J. Bailey, Jr., Ph.D.
President

Date: August 16, 2019

Re: Board of Regents Meeting Minutes

Issue

Northern New Mexico College (NNMC) provides, on a monthly basis, Board of Regents Minutes from the previous month for approval.

Recommendation

Staff recommends that the Board of Regents approve the attached Board of Regents Minutes for May 31, 2019 and July 12, 2019 as submitted or if applicable, as amended.

**NORTHERN NEW MEXICO COLLEGE
BOARD OF REGENTS MEETING
MAY 31, 2019**

A Regular Meeting of the Board of Regents of Northern New Mexico College was held on Friday, May 31, 2019, in the Board Room of Northern New Mexico College, Espanola Campus. Regents Present (Roll Call was taken): Michael A. Martin, Porter Swentzell, Ph.D., Erica Rita Velarde and Tomás A. Rodriguez. The Board of Regents meeting was called to order at 2:01PM.

Northern New Mexico College Staff Present: President Richard J. Bailey, Jr., Ph.D.; Ricky Bejarano, Vice President for Finance & Administration; Vince Lithgow, Comptroller; Chris Trujillo, IT; Sandy Krolick, Creative Director Communications and Marketing; Andy Romero, Director, Facilities; and Amy Pena, Executive Assistant to the President/Board Secretary.

Others Present: Bob Trapp, Rio Grande Sun; Tim Crone; Kyle Land, Rio Grande Sun; John Ussery; Marco Soto, Ameresco; and Tim Farkas, Ameresco.

I. CALL TO ORDER

Board President Martin called the meeting to order at 2:01PM.

II. APPROVAL OF AGENDA

Regent Martin stated the first item on the Agenda is Approval of Agenda. He asked if anybody had any questions before the Agenda is approved. With none, Board President Martin entertained a motion to approve the Agenda as amended.

Regent Swentzell moved to approve the Agenda as amended. Second - Regent Velarde. Motion passed unanimously.

III. COMMENTS FROM THE BOARD

A. Board of Regents Subcommittee Reports

Board President Martin stated the Board of Regents will move on to the Subcommittee Reports. Board President Martin asked Regent Swentzell if he had anything for the Board of Regents. Regent Swentzell stated everything he is going to give is in the Staff Reports. For the Academic Affairs Committee it was just a telephone call with the Provost.

President Richard Bailey apologized and stated he should have stated beforehand that there is a potential new contract for a transcription service and what that means is that rather than Amy sitting for a week and listening because she knows our voices and typing up the minutes, the College is going to use the recording and there is someone who will basically do that transcription, which will save her a lot, but the only thing that we have to do from now on is every time we talk, before we talk, we have to state who we are so that the transcriber will know who everyone is. It's going to make everyone sound awkward. It's going to make it sound like what is done at the Legislature, but it will really help.

Board President Martin asked Regent Rodriguez if he had anything to add. Regent Rodriguez stated he did not.

Board President Martin asked if Regent Velarde had anything under Audit/Finance/Facilities Committee. Regent Velarde stated they are going to have some presentations regarding some projects the College is doing on our facilities, but they do need to do some committee chair appointments, but that's coming up so.

B. Committee Chair Appointments

Board President Martin stated he is going to go ahead and appoint Regent Porter as the head of Academic and Student Affairs and Regent Velarde as Chair of the Audit/Finance/Facilities Committee. Board President Martin asked for a motion for this appointment.

Regent Velarde moved to assign committee chair to Regent Porter for the Academic and Student Affairs and Erica Velarde for the Committee Chair for Audit/Finance/Facilities. Second – Regent Rodriguez. Motion passed unanimously.

C. Review of Committee Charters:

Regent Martin stated he is a little confused about that. President Bailey thanked Board President Martin and stated there are charters for each of the standing committees of the Board of Regents. There are charters for each of the standing committees of the Board and this is informational, but it's for the Board of Regents consideration as the new chairs of these committees. It is up to the Board of Regents to determine whether or not these charters need tweaking and to review them. President Bailey stated he does not know if the Board of Regents will need a formal vote to adopt them, because they're already adopted. So, if there are no changes, the Board of Regents are keeping them, but if the Board of Regents wants to make some changes based on the way they want to run the committee then it's for the Board of Regent's consideration.

Regent Swentzell stated this is a sort of question because as it is standing, we're not following these. Just looking at the Student and Academic Affairs Committee under the structure, it says student representative, but he is not sure that actually indicates that the student regent or student representative, it almost looks like there are no Regents on that committee as far as the language on there and then of course the Audit and Finance we have two Regents and asked if at the time it's just Regent Velarde right on that committee. Regent Velarde stated no myself and Regent Martinez. President Bailey stated Damian Martinez. Regent Swentzell stated that's right, so that's okay.

President Bailey stated Regent Swentzell is exactly right. That is something that we should include that there are two Regents as part of the Committee, because really it is you and Regent Rodriguez who are a part of that. President Bailey stated he glad you point out the student representative because he recently had a brown back lunch with the students, it was open to all students who wanted to come and just air out any issues and one of the things that they said is that the students wanted to have a more prominent role in the strategic decision making of the College and what better place for them to do this. Now, right now, and it's great that we have a Student Regent, but President Bailey likes the idea of the President of the Student Senate being at that meeting and others so it's not all on one person's shoulders. So, the College will certainly open that up and encourage that type of thing, so he thinks you're exactly right.

Ricky Bejarano, Vice President for Finance & Administration stated the committees that we are talking about are Regent Committees and they are not open committees, so there wouldn't be input. These are Regent Committees and the purpose for bringing this up is two-fold: things change over time amongst the Regents and also the structure or whatever the Regents might see fit, but it would not be appropriate for example, let's say the President did not want to be a standing (inaudible). President Bailey stated a standing voting, Mr. Bejarano is right.

Ricky Bejarano stated but the other thing also is that the committees need to have the opportunity to discuss confidential issues and what not that may not be appropriate but as Regents they can decide.

Regent Velarde stated maybe it would be okay to have an open meeting and if they need to go into a closed session then they go into a closed session. But at least so that the students can have a place to have their voice. Mr. Bejarano stated bear in mind that these are Regent Committees, so, you can exclude us if you want to. Regent Swentzell stated he thinks it would be good to put that tag in there ex-officio, and then that indicates nonvoting can attend for informational purposes is also not there if we go into a closed session. President Bailey stated because there are only two Regents, there is never a quorum in a committee meeting anyway, so I don't, he thinks Mr. Bejarano is right. I think it will be up to the Board of Regents to decide who you want as kind of a standing member knowing that there are no votes so that you have the ability to get that kind of input.

Mr. Bejarano stated if he may again also, one suggestion that he has is that where you have the subcommittees where you have two members, it is oftentimes that only one member can attend based on everybody's schedules and we have had times when something can't move forward to the full Board of Regents, he would kindly ask the Board of Regents to consider that once that committee member meets with staff that it's all right, because the absent Regent will have a vote anywhere at the open session. So that's my recommendation because the College has had some financial things that did not move forward because both Regents weren't able to attend. Regent Velarde stated she would agree with that. Regent Martin asked if the Board of Regents needs a motion to this effect. Regent Velarde stated this is informational right now. It's something that the Board of Regents needs to act upon on a future meeting. President Bailey stated yes, and really it is to Regent Swentzell and to Regent Velarde to determine whether or not there should be some amendments to the Charters and then that can be for consideration by the Board.

Regent Velarde stated that she would like to review it on her own and then maybe she and Regent Swentzell can sit together or even just have a phone call and discuss if that works for both of us. Regent Swentzell stated yes.

Regent Martinez stated he also wanted to bring up under the Audit/Finance/Facilities Committee that the Board of Regents had a Board member who is a financial expert, has that position been held in the past? Ricky Bejarano stated that in the past it had been Kevin Powers because he was a financial expert. He thinks it is going to be up to the Regents to determine.

Regent Martin asked if there is anything else under the Committee Charters? If not the Board of Regents will go on to Item B - Higher Education Regents Counsel.

D. NMHERC

Regent Martin stated he attended a meeting on May 20th in Albuquerque of the HERC and it was chaired by Dr. Dan Patterson a Regent from New Mexico State University and met with Dr. Kate O'Neill, the secretary of Higher Ed for State. It was a very good meeting and it came out that they would like to have another meeting in conjunction with the Higher Education Summit on September 18. They are looking at the date of September 19th in Albuquerque and then just follow up our meeting on the 18th with another meeting instead of going back to Albuquerque on a different day. As soon as he has more information he will share it, about location and the agenda for the meeting. They are hopeful to have some training since there are so many new Regents throughout the state that represents UNM, Mexico State, Tech, Highlands, Western, Eastern, and NNMC. They had a very interesting meeting and his only observation was that the Regents that had been there a while are very cynical. Also, since Regent Powers that had been on the HERC, Board President Martin am going to appoint two of our members to that HERC, he appointed himself and Regent Velarde. Regent Martin entertained a motion to that effect.

Regent Swentzell moved to appoint Regent Velarde and Regent Martin to HERC. Second – Regent Rodriguez. Motion passed unanimously.

IV. APPROVAL OF MINUTES

Board President Martin stated if there are no corrections or additions, we will entertain a motion to approve the minutes as presented.

Regent Velarde moved to approve the minutes as presented. Second – Regent Swentzell. Motion passed unanimously.

V. PRESIDENT'S REPORT

A. Celebrate Northern

President Bailey stated he will keep this short and sweet and will combine a lot of these. Under Celebrate Northern he wanted to point out this actually came out on KOB this morning. NNMC recently signed a student athlete from the New Mexico School for the Deaf, his name is Devon Thompson, he is going to be playing basketball with NNMC and the College thinks it is the first time that a student from the New Mexico School for the Deaf is getting an athletic scholarship to perform at the collegiate level. So, it's getting a lot of attention in the State which is great. Now, all of that is good, we need to make sure as an institution that we are doing everything we can so that Mr. Thompson has every chance to succeed with us. So, we're going to have to invest in that. We're looking at making sure that he has access to support in the classroom, support in advising, support at games obviously, support at every practice. Those are the things that we will have to work out and we're going to work with the Athletic Department to see how we do that, but it's wonderful. And it's a really, really good news story and we're really proud of it; so more to follow on that.

Last week, NNMC celebrated commencement. President Bailey thanked the Board of Regents for being a part of that. It was one of the largest. Last year and previous years, we would have a December commencement and then a May commencement. We did not do the December one last year, just in terms of brining everyone together, so we had over 230 graduates and it was a huge event. In addition, there was the Nurses Pinning and High School Equivalency Ceremony and Adult Education Graduation. It was a wonderful week. Speaking of graduations, many of our local

high schools had their graduations this past weekend. President Bailey wanted to say a special thanks to many of the College's senior staff members. The College started an initiative two years ago where the College took every local high school senior in the area, several different school boards are participating, and the College personalized a letter to every one of those students, President Bailey hand signed every single one. The letter says congratulations on high school, we're really proud of you. Here's your acceptance letter to Northern along with a \$750 Bridge scholarship and qualifications to start earning towards the lottery scholarship. The College put that in everyone's diploma and the schools have been gracious enough to put them in diplomas and the College says a couple of words. And then the College at every graduation. The hard part for us is that all of these graduations are on the same day at the same time, so this year I went to Espanola, Dr. Lopez was at Pojoaque, the dean of students was somewhere, a recruiter was somewhere, so the College basically covered it all and there was a lot of effort and actually Amy Peña and Sally Martinez had a big part in that too because we're talking probably about 500 or 600 minimum letters that we did, so and actually it's working. If you look at our freshman enrollment numbers the last few years, they've gone up and President Bailey thinks they've gone up because students who may not have thought that there was a pathway to higher education got enough of a hey this school cares about you and if you want, and you're willing to work your tail off for it, then there's a place here for you. The College has already heard from family members who have said it made the difference. So, we need to continue to do that. Now, it's one thing to get them in the door and it's another thing that we better do whatever we have to to make sure that they succeed when they're with the College. So, this is just the first part of the battle. But the College excited about it.

President Bailey stated that regarding the Branch Community College – there are five public school districts that we are looking to partner with for the creation of the Community College District. Espanola, Pojoaque, Mesa Vista, Chama and Jemez Mountain. Every one of those school boards has two different resolutions to consider. The first resolution says we the school board are willing to enter negotiations with the College to consider joining the district and we are going to empower our superintendent and our school board president to canvas the community, to survey community members to see whether or not what the College is doing is of interest to the community. Really what it's saying is, if the College down the road in November puts something on the ballot that says we would like to ask for a two Mill Levy but it's going to include a reintroduction of vocational technical programs and importantly and free transportation to and from their local high school to wherever we're providing this service; is it worth their investment. So far in the last few weeks, Espanola, Pojoaque and then a few days ago Chama all adopted the first resolution each on a 5 to 0 vote, which is great. Remember that's not as binding. It just says hey we're going to enter negotiations. Mesa Vista will make their decision on next Tuesday and then the College is on the schedule with Jemez Mountain June 11th. So, the goal is by June 11th, that all five boards have at least adopted the first. The second resolution would be a joint resolution with all five school boards saying okay we now formally declare that we are joining the Northern New Mexico College Branch Community College District. That resolution is what we need to take to the County for inclusion in the November ballot and that is what we will use to petition the voters. To be safe, we think that the College needs to have that second resolution done by the end of June; so we don't have much time. So, we're struggling to try and make that work. Amy is working on a potential meeting of all five school board members, all five school board's five members or at least a quorum of each on June 26th and the College would hold that in Espanola in the boardroom. If they can't get a quorum to that meeting then plan B is for President Bailey to try and go individually to their late June board meetings for their consideration on it. So, the College is racing the clock is what it is doing, but so far so good. Generally speaking, they appreciate that the College is trying to do this because it's expensive to run these programs and for the College to provide that it's saving each of these school boards the effort of doing it. The Collee is partnering with them to do that. The last thing President Bailey stated is the Local 412 Plumbers and Pipefitters Union and the local 611,

which is the IBEW Union, the College has met with both of them and both have given the College the approval basically that if high school students are offered some of the classes in dual credit, they will actually accept those credits when the student graduates from high school and wants to join the union, they will accept those credits. So, it's a good deal for high school students who actually want that pathway to vocational technical programs; more to follow on that.

President Bailey stated the Board of Regents probably already knew about this and the Rio Grande Sun had reported this, the ECMC Foundation in Los Angeles gave Northern a \$750,000 grant to allow the College to establish the Plumbers and Pipefitters Center of Excellence in El Rito. That helps the College with what the College is asking voters to do because the College is telling them look, it's not just the mill levy, we're raising money to help do this. The College recently held a student research symposium a few weeks ago, it was a huge success so the College has undergraduate students doing research in the fields of psychology, biology, chemistry, environment science that are so sophisticated, President Bailey goes there every year and fakes it that he understands what it is that they do. It really shows not only the talent of the College's students, but it shows the wonderment of our faculty and the mentorship they're providing our students. President Bailey stated he wanted to recognize Professors Brenda Linnell and Stephanie Amedeo Marquez because those two brilliant women have really been the driving forces behind this year's symposium.

B. CUP/NMICC

President Bailey stated that in the next few weeks there will be the summer retreats for both the ICC and the CUP and President Bailey will report to you on the missions of those. President Bailey stated that the CUP has asked him to be the State Chair for an initiative on strategic communications about higher education in New Mexico. Sandy Krolick, Marketing & Communications is President Bailey's partner in crime on that, but they have representatives from each of the seven 4-year schools that are serving on that committee and they will be meeting two weeks from today actually here, and the purpose of that is to look at messaging campaigns so that New Mexicans understand the value of higher education and start to see this as a pathway. President Bailey stated they will fold in our community college brothers and sisters in that effort and we will port those ideas to our cabinet secretaries and to the Governor's Office. President Bailey spoke with the Lt. Governor yesterday on this issue and he is all for it.

C. NNMC Foundation

President Bailey stated the College is going to submit a, there are a few items for the Foundation Board to consider. The only funds the College is going to ask from the Foundation Endowment are for the Maley Fund, which is the large \$1.3 million-dollar endowment that the College uses for nursing scholarships. President Bailey spoke with Dr. Maley, it was her family, and so the College is going to ask the Foundation Board to consider a \$25,000 draw this year. That will provide for five full scholarships for nursing students. The SERPA draw was an endowment that was created by the State several years ago and the purpose of that endowment is to fund operational expenses for our College of Engineering and Technology and so the College is going to ask for a \$33,000 draw, which allows them to do it. Both of those draws still keep those two endowments above the levels that they need to in order to meet our obligations. Those are the only two endowments the College will ask for a draw from. The College wants to let the rest of the endowments grow, do a full accounting and analysis not only to the Board of Regents but to the Foundation Board in the interim as the Board has already approved, the College is setting aside \$100,000 in the FY20 budget for student scholarships. Last year, the College gave out \$120,000 in scholarships. With the Maley draw and the Colleges \$100,000 it will be \$125,000 in scholarships this year for students. For

students, it will be even better than it was last year. Then next year, the College will explore potentially more draws, but right now the College wants to let that grow until it can give the Board a full analysis of that.

D. Residence Halls

President Bailey stated he spoke with former Board President, Kevin Powers today. He has a public finance background. He is willing to have a dialogue with us and to serve as an advisor. President Bailey knows that Regent Velarde, because of her background in facilities and financing, we are hoping to set up a luncheon sometime this summer with him and with Regent Velarde to talk because College knows there are some limitations based on the State. The College has to think strategically about how to do this, but President Bailey wants to keep this dialogue going. President Bailey knows there are, not just student athletes, there are students who are waiting for us to have some type of residence facilities in Espanola.

E. Returning Student Scholarship

President Bailey stated several months ago, one of the Deep Dives they had had to do with students who left Northern and never came back to higher education. So students in the last several years who left Northern for one reason or another and didn't transfer to UNM or to State, but just left higher Ed altogether, the College have contact information for those students and as the College starts thinking outside the box about bringing those students in, one of the things that the College has learned is that students, especially the College's students and many of the College's students, are one minor economic emergency away from leaving higher education. They have a car problem. They have a family member who gets sick. No matter what it is, it doesn't take much for them to get pulled off the track and so the strategic enrollment management team is going to look at some recommendations and the College is going to bring the Board of Regents some recommendations, some outside the box thinking, about what could the College do to help those students come back. For example, the College has some students who probably have debts that they owe the college of less than \$500. What if, and President Bailey has to be careful because he knows that our Vice President is going to throw something at me; what if we could find a mechanism to help those students get back. And if it meant finding a funding stream to help them with that small debt that they have. These guys will keep us honest because we can't violate anti-donation. There are all these things that we have to be sensitive about, but if the College could find a mechanism to do it and that could bring those students back then even if you don't care about the morality piece. Even if you don't care about this is the right thing to do. Just from a fiscal standpoint, it's a sound investment because the College is bringing those students back into the fold. So, the College going to work on this, this summer, I'm going to look to Sandy to see if she has any other. There are also students who don't have a debt to us, but maybe there is some form of a returning student scholarship, which might end up being a, rather than a scholarship, it's a credit that the College will give them on account. Very similar to what the College has done in our FY20 budget. If that brings them in then it might be worth it for the College to consider some type of returning student scholarship. So, two things: One is small debt forgiveness, the other is returning student scholarship. So those are the two things that the College looking at.

Sandy Krolick, Communications & Marketing, stated so the team is going to develop the process that they want to propose to the Board of Regents at their next meeting, but they've whittled this list down to a priority list for a summer project, about 80 students, who all have 50 credits or more at Northern. Now there is a range of debt from \$200 to \$2000. So, there are some people with considerable debt that she thinks overall is only 25% of the list that has any debt. So, the College is talking about a large group of students where debt is not what's keeping them from coming back,

but if the College could reward them with a scholarship to come back. Other schools do it. We researched and the College could call around to see how they manage to do it without violating anti-donation.

President Bailey stated his dad and Mr. Trapp knows this, his dad was a 30-year Air Force Chief Master Sergeant and then he enlisted in the service, many of them come into the military without higher education. His dad was one of them. He dropped out of high school, later got his GED, joined the Air Force and then over his 30 years he would take classes. Once in a while he would take a college class and President Bailey's first job in the Air Force was an education officer while President Bailey was waiting for pilot training and President Bailey went into his dad's education record and discovered that he was one credit away from an Associate's Degree and he never knew it. So, at the 27-year point, 28-year point, I called him and shamed him into hey you only have one class left and it was a public speaking class that all he had to do was record a speech into a cassette tape and mail it and then he would have his credits for it. The College has students; President Bailey who may not know that they are incredibly close to a degree or already have enough for a certificate. The College should be reaching out to those students and if there is a mechanism to just to nudge them into finishing their goals, then I think the College owes it to ourselves and to the institution and certainly to the students to bring you some solutions on how to do that. Mr. President, that concludes my presentation.

VI. STAFF REPORTS

A. Provost and VP for Academic Affairs

Regent Swentzell stated he spoke to Provost Lopez last week because he was going to be on travel. Just to give you some update. Regent Swentzell asked Dr. Bailey if he was going to report or if he wanted him to. President Bailey stated Regent Swentzell probably has better information.

Regent Swentzell stated Dr. Lopez told him that there are two corrections under 2200 to report. The first is really informational and Regent Swentzell sort of forecasted this at the last Board of Regents meeting that we had given the heads up that Associate Applied Science and Technical Training informed me was coming at the next meeting on an informational level and so the Board of Regents received that on page 30 of our Board of Regents packet, the approval form in the background information on the associate in applied science. Next Regent meeting this will come back to the Board of Regents for our approval, so this is part of the process. Regent Swentzell would like to point out there are two elements of the Associate of Applied Sciences, which includes an apprenticeship track where those who are already working in the field can work through this to take this degree and then one which is more of a formal education in the classroom. There is a breakdown of those two. Also in terms of forecasting and this is what we had talked about at our Student and Academic Affairs Committee being a couple of times ago on that, the forecast for the student numbers is extremely conservative and just as President Bailey had gone up there already, (inaudible) unions, and so that those numbers are probably not accurate but they are the most bare minimum in terms of forecasting actual students, but that should be significantly higher than what's in the packet.

President Bailey stated, Regent Swentzell said it perfectly, President Bailey wanted to point and this is something he have been talking to with each of the school boards and Vice President Bejarano and President Bailey along with Dr. Lopez have already talked about this. The College are going to design the budget for the Community College in an incredibly conservative way. What the College does not want is, and this is the pledge h made to the village in El Rito, what the College doesn't want is to introduce programs that have to have X number of students in order to break

even because if the College dips below that and we pull those programs away again, emotionally President Bailey does not think those communities will survive that. What the College needs to do is build programs based on given costs and only introduce programs knowing that the College can cover those costs. The Mill Levy vote for example, the College will only spend that money to cover the costs that it needs to run the program. Anything that generates in terms of students' tuition and fees, is going to be a bonus, which is great. Remember the other issue is the College is going to drive the tuition down for those programs, so the College shouldn't be thinking of those tuition and fees as a revenue source. They will be, which will be great, but we're not going to use that as we're planning the budgets.

1. Associate of Applied Science in Technical Trade

Regent Swentzell stated that's a good point. It's very conservative information that's the Board of Regents received today in our packet. The Board of Regents will be presented with this again to approve at the next meeting, so this is clearly information, but it's a step in the direction to approving that technical trade program.

2. Out of Country Travel

Regent Swentzell stated the next item does require the Board's action, and this is something that Provost Lopez some time ago and that all out of country travel must be approved by the Board of Regents. Apparently, (inaudible). Because we see on page 52 in our packet that the request is for a student to attend a conference in Austria July 16-20 and the College of Engineering is providing a very modest \$300 support for the student expenses for travel. Of course, to have a student or faculty to be present to international conferences is a pretty big positive I think speaking as a faculty member myself. Regent Swentzell would recommend that the Board of Regents approve this. Regent Swentzell also had discussion with Provost about amending this policy because coming from a different institution as sort of an extra hassle to require the Board of Regents to approve travel, especially at \$300, a Regent or somebody like the President or Vice President for Finance can probably do that task. So, the College will be revisiting that policy hopefully. Without any further ado, in the interest of perhaps calling for that motion.

Board President Martin entertained the motion.

Regent Swentzell moved to approve the funding for Joseph Ruiz to attend the Bridge, Math and Art Conference - Out of Country Travel as presented. Second – Regent Velarde. Motion passed unanimously.

A. VP for Finance & Administration

1. Fiscal Watch Report

Ricky Bejarano stated thank you Mr. President, members of the Board. The first item is the Fiscal Watch Report and for that he asked Comptroller, Mr. Vince Lithgow to report.

Vince Lithgow stated good afternoon Mr. President and Board of Regents. On page 58 is our statement of finance position and at the top we have proven assets, more importantly cash and cash equivalence. As stated in prior Board meetings, this balance is obviously going to go down because we already peaked at what we're bringing in but also (inaudible 42:45) expenses are taken off. The College has \$3.5 million in the bank at the end of April. All of that being adjusted most are fixed assets such as capital assets and (inaudible) for retirement. Right now, the College has unrestricted

cash of \$1.7 million dollars which is over our minimal requirement of 3%. Mr. Lithgow did do some research based on some months going back a couple of years and you can see the trend and it is an expected margin of where the College should be. Going on to page 59, there is the summary of operating funds. Total revenues collected year-to-date are at 83% which is right on line with what the College would be at 10 or 12 months. The College collected some of the small ones, it is right on line with the other revenues and fees. Tuition is still holding a little bit higher but that will change and will not go up much for the fiscal year. Expenditures on the other note, we're at 75% of budget, which is 7% lower. The College has cash to meet liabilities and the College are fiscally conservatively with what we're spending. Like Mr. Bejarano stated the College cut off the dates for spending. Anything that staff needs to buy now is going to be scrutinized just to make sure people are loading up the pencil drawer. Capital expenditures, those are done on a cyclical basis as (inaudible 44:51) so the College has expended \$615,000 and is over that difference from the previous statement because of reimbursement. Going to page 60, there is just a comparison against last year and this year. Revenues were over collected by 3% at this time last year and expenditures 6.2% more than last year, the College had a higher budget. Then, the statement and cash flow is on page 51. The College comes up with a balance at the end of \$3.567 million cash in the bank. Payments to staff are the highest payments, business services are the second highest and payments for scholarships. Board President Martin asked if there were any questions for Mr. Lithgow? Board President Martin entertain a motion.

Regent Velarde moved to approve the Fiscal Watch Reports as presented. Second – Regent Swentzell. Motion passed unanimously.

2. 2019 NMHED Capital Outlay Summer Hearing Documents

Mr. Bejarano stated the next item is Capital Outlay for Summer Hearings. This is the way the College requests Capital Outlay expenditures, there is a summer hearing, which is quite different from the monthly hearings that the College has with the Higher Ed department. This first portion is for the actual summer hearings and Mr. Bejarano turned this over to the College's Facilities Director, Mr. Romero. The Board of Regents received all the information in your packets so he will just hit the highlights.

President Bailey stated if you turn starting on page 64 in your packets. The College has three and we coordinated this with Regent Velarde a few weeks ago. Northern is hosting the Summer Hearings and actually he has to give Regent Velarde credit for this, because he thinks in the past Northern has been at those summer hearings, the College have been so delicate about what it was going in and asking for and we have bona fide facility needs and needs to be clear about what it is that it needs and the College needs to be willing to ask for it, no matter what it is. So, the College took that to heart this year and so is presenting three packages for the Summer Hearings.

President Bailey also pointed out and it will be discussed in the Deep Dive, the money that we had in Summer Hearings was all focused on the Espanola Campus, but with the introduction of vocational technical programs and other things going on and because the College has not used those facilities in El Rito in over five years, those buildings need some love and the College has a genuine reason for reinvigorating that campus. Primarily, the three packages that the College is bringing to the State this summer are focused on the El Rito campus and President Bailey gave the Board of Regents an overview very quickly. The first project starts on page 64, when representative Herrera gave the College money this year to help redo the plumbing in the south dorm in the kitchen in El Rito, once that project is complete and its weather proof, it will allow the College to open those facilities from May to September every year now. It saves the facilities team from having to turn off all the water and drain the system, which is a total nightmare. The first project is basically to

do that for the other buildings. So, to do that for the north dorm, to do that for the Administration Building, to do that for Jaramillo Hall and so that will basically do the same thing for those. That is the first project that starts on page 64.

Regent Velarde asked how much money the College got from the Representative? Did we get the full amount? President Bailey stated we got \$132,000, which was an early quote and I think the total project is going to be \$135,000.

Andy Romero stated right now what the College did was put in the packet and the College is looking at rehabbing the packet a little bit and Gerald Hoehne sent some comments and there are a couple of things that were added in there like moving walls or putting in new faucets and stuff like that, that aren't going to be covered on this so the College is going back and rehashing it and looking at where it might come down to \$132k and the College won't have to put anything else in there other than us in-house moving and doing the wall structure on our own. It might come out to where the College comes out flat on that one. The College is resubmitting it back next week and hopefully by then it will get an approval from them and will be able to start actual construction in June.

President Bailey stated if you look at page 81, that is the second project. That's a big one. The second project is -- project one allows the College to use those facilities from May to September. Project two allows the College to go full year. What project two is, and President Bailey is going to introduce during the deep dive, our friends from Ameresco, this is a package that will allow the College to utilize green energy, ground source heating and cooling for those same suite of buildings and actually where they're looking at putting it, it also then long term allows the College to service the back end of the campuses too where there is have Fiber Arts, the Research Building, the Facilities Building; so there is a really good opportunity for long term. This really focuses on those front buildings. This is almost a \$7.4 million dollar ask, so this is a big deal, but when you look at what that will do in terms of savings long term, because a project like this will last for 50 years. The architecture for this is something that the College can tap into long term is my point. So, that is project number two. Project number three is actually concerning both campuses and that starts really on page 96 in your packet. That is an expansion of existing parking lots and road improvements, paving for both campuses, Espanola and El Rito. That is a \$2 million-dollar project.

Mr. Romero stated it will be on the General Ed building, the General Ed building on the north side down on the bottom where it goes around by the ditch, that's a dirt area right now. When it rains the College has to block it off and, in the snow, so that's going to be one that the College is asking the Espanola for parking. The second one is right on the back side of the gym which is right adjacent to Railroad Avenue, right next to the portables, that area as well is a dirt parking lot. That was once made, when the College did the project that we were using that parking area which was going to be used for the portables, so that the College had cosmetology, which now is not used so much and it's more the High Tech building is being used by them because they don't want to be on the mud part, so the College is hoping that we get that part so that they can come back. There is more parking in the High-Tech parking lot. The last dirt parking is more of a roadway, semi-parking, that is on the north side of the High-Tech building on that back side where the College can go in and there is a roadway and areas for parking, Mr. Romero was thinking more, for faculties parking back there. All the back rooms of the classes have a back door exit so the faculty can go in and out and still save parking for the High Tech. The College was looking at High Tech and is getting a little bit busier and it's getting a little bit fuller and if the College can alleviate a little bit from that to take away from the High-Tech building that will make a big difference. Those are the three parking lots at the Espanola Campus. The one for El Rito, really quick what the College is proposing to do and is looking to do is re-mill all the asphalt of the existing El Rito campus. The College is not adding any new asphalt to it, it is just taking it all, which is the main drive ways, the

front parking lots they're all kind of combined as you go to south dorm, you go to Delgado Hall, you go to Northern Hall, those are the ones in the back. The only thing we are going to kind of look at is if we can put new -- is the College is going to be asphalt on the back road that goes on the back there in front of the other buildings, the facilities, Mr. Romero calls it the Hazmat building and Pueblito, then as well as to do the back road where we have our housing, we have our rentals and we have to the back of our building which is Diesel and Colonial Arts, that's going to be all new, but it's going to be re-milled and put brand new, what Mr. Romero is trying to say is they not going to get people that have to restructure which way the flow is going, which way the water drainage is going, they don't have to do all that simple stuff, it will just be re-milling. So that's that project on the third one that the College is asking for. Then what we're asking for is \$2 million.

President Bailey stated one of the things that the College going to have to think about is, at least in El Rito, the campus there, the condition of the roads and everything is fine if you're not using it, but once you have students who are going in and out of there, the College has to think about that structure. So, we'll end there.

Mr. Romero stated just on the first project, the College is not only doing the water on those three buildings. The College is actually looking on the third part of that, the College is looking that it can clean out all the sewer lines in the El Rito campus, because as the years that it's been sitting here and waiting for those, those things have grown up and they have gotten full from all the roots from all these beautiful trees that over there. Once they start and we open up these water lines, the first thing that's going to happen is blockages everywhere and that needs to be addressed at the same time that this is to be this water opening because once you get that much water and you get that much usage, the College going to have to close just because it is going to have to clean all this stuff.

President Bailey stated just when he moved in, just from me using it, there were problems, so now put 100 students in there.

Regent Velarde stated just from her experience of being on the HED Board, the College is going to want to have pictures. Those help them a lot to see conditions, to see the way things are. With each presentation the College wants to have a set of pictures. You know, what is this like right now and what does it look like. The other thing is the College going to have to figure out between us, she knows how they work and they're going to make the College choose our two top priorities. They're going to say what are your two top priorities and given that one of is like \$7 something million, they may say if that's your number one priority then that's the one we'll put as number one, but they won't put the other two. Just so you guys know the Summer Hearings are usually funded by GO Bonds, so it takes two years or longer to even get the money because by the time they put it out to the voters and all of that happens so it's not like the College goes to the Summer Hearings and gets approval and gets the money by the end of the December, no, it's going to take -- this is the project they're going to put in the G.O. Bond with all the other colleges for approval from the voters. Just so the College knows that it's a longer time line.

Regent Swentzell asked because of the historic, what are the historic if any designations on the El Rito campus. President Bailey stated Delgado Hall, which is the original building on the campus is on the State Historic Registry and so one of the things that the College looked at and asked Ameresco who are here, and President Bailey will introduce them again in the Deep Dive, and the College worked with EMNRD on this because it is trying to go green with all these and so can the College do some of these things without disturbing the historic registry and actually to the State's credit, they are actually fairly flexible in terms of what the College does as long as the general structure and look of the building remains intact then I think we're fine. None of the things that

the College is doing, it is not going to coat it with tin foil. I think it's going to be well within the limits and that's the only building right now that's on the Registry. So, Mr. President, members of the Board, what we are asking for is an approval for submittal of these Summer Hearing Capital projects forms to the Higher Education Department.

Board President Martin entertained a motion to that effect.

Regent Velarde moved to submit the packet with the three projects to the Higher Ed/Capital Outlay Committee for the Summer Hearings. Second – Regent Rodriguez. Motion passed unanimously.

3. Submission for July HED Facilities Meeting

Mr. Bejarano stated the next item is the submission for the HED Facilities monthly Meetings and turned it over to Mr. Romero.

President Bailey stated in addition to the Summer Hearings and you heard Mr. Romero say it, every month HED holds either a consideration or a meeting to look at projects where the College already have the funding approved, but still has to get permission for the actual projects. So, starting on page 113, there is a series of projects that we would like to submit for HED's consideration for their July meeting, July 10th and that starts on page 113. As a reference, President Bailey wanted to point out to the Board of Regents in Senate Bill 280, Northern received \$1.855 million dollars and if you look on page 131 and 132 it shows you the two pages from that Senate Bill that gave authority for that funding, but again, the College still has to go to them with how exactly it is going to use that money for those projects. These were already approved in general by that Board when the College gave these projects, but the specific projects need their own approval. Starting on page 113, you see a project for restroom and laboratory renovations phase 2 and with that President Bailey turned it over to Mr. Romero.

Mr. Romero stated on the restroom and the laboratory renovations, this is phase 2 because the College previously we had done a request to do the restrooms from the GE building to the Student Services to the Administration Building. The only thing is the College fell low on funds and had to take on restroom out of it, it decided to take the lower part of the Administration restrooms and leaving the other ones (inaudible 1:03:09) and that's why the College are asking now to do the restrooms on that one part so that it can finish all the restrooms. The restrooms will have the same look. They do the same floor tiling, do the same wall tiles, and it will be the same of everything that other ones, but the only thing is the College is asking for this now again because it had done these bathrooms back in 2017. The College asked for the additional bathroom to be done in 2018, got HED's approval but the Governor vetoed it. So, the College lost out on that. So now the College is coming back and asking for it on this end now that we already have the money so that it can go back and get these things fixed. That was the reason why the College is asking for it at this point, that's why it's phase 2. The second thing on the labs is the same thing. The same thing happened, the College did the labs, but we didn't have enough money to do both labs so it did one lab, now the College asking to see if we can do the second lab and the same thing with the funding, the same thing with the veto, everything happened the same. So, this whole project was vetoed and the College is asking for it now. Now that we've got the money, the College asking for approval. What it is, the laboratories will just get the epoxy floors, get new fixtures, the new countertops, get all of that stuff. That's one of the projects that the College asking for on the restrooms and laboratories it says phase two.

Mr. Romero stated the next project, which is on page 134 is the roofing repairs on the Espanola Campus. This is the project that has three buildings that the College will be doing roofing to. One building is Johnson Controls, it's on the East side of Railway Avenue, right next to facilities, the College is asking to redo that whole complete building. So, the College is asking for that building. The second building, there are two small groups in the library, it's the older part of the library that have a flat roof, the College is asking for funding to do those two roofs because they are starting to give a lot of problems and then the third one that has been back and forth and has been in, the College takes it out, the College put it in; we're finally Student Services roof annual and that's the patio that's in between the Administration and the GE building as you walk out by the board room when you look in the board room and you look out on that patio, that's the one that the College is looking to get redone. That consists of eight layers of a sealer that goes on top of it and they're going to redo that. What Mr. Romero is more afraid of is the concrete up there has cracked tremendously if you've ever been up there and the water is just slipping into the bottom channel and he is afraid that's rotting and the College might lose that building, coming all the way down. So, by preparing this and getting these layers done and getting the water preparation done he thinks the College can save that roof and can now actually have something downstairs in the student success center, because right now the College holding that just because there are so many leaks down there, the College does not want to put it. President Bailey stated we need to fix the structure first. Andy Romero agreed, so we're looking at fixing that structure. Those are the three projects for the roofing projects. Regent Velarde stated good pictures too.

Andy Romero stated then on page 158 is the fire alarm phase 2, the College is working on that right now. What phase 1 was is that the College was were going in and do an audit to see how many fires were needed. In the olden days, Mr. Romero doesn't know how it happened, but when it was built all these buildings everybody's station was up or down or sideways so what the College did now is it came in and we put it all in the code book and put in exactly what's going on so it has all that. Right now, it is almost 80% finished with phase 1. The College asking for phase 2. Phase 2 is that it the College is going to do voice announcement systems and that's instead of the sound horns that you hear as a blast, now it's going to be voice command. It's going to tell you which direction or if it's a fire alarm or what's going on. Regent Velarde asked if it's going to be bilingual? Andy Romero stated he didn't know. He would think it might be. Regent Velarde stated I think where we at it should be

Andy Romero stated this is all done because the fire code has changed and they adopted a 2015 code and in that code is that all educational institutions have to have a voice command in their fire alarms from now on. So, going forward, if the College starts getting inspected, they would punish us and they would ask to look at start putting those in. Well it happens the College is already in the process of doing it where it's going to work out really well for the College. We need to get this going so that the College will already have that one step ahead of us because it's a very costly thing to put these things in. That's where the College is on that project and that's the fire alarm phase 2 of that project.

Regent Velarde asked if this is something the College is going to have to feasibly look at then at the El Rito campus eventually once we start getting the numbers there. Andy Romero answered yes. We have upgraded the fire alarms in the El Rito to a certain building, because at one time the College lent out a building to the elementary school and in order for to get it inspected and to get it approved, it had to upgrade so the gym and the Jaramillo Hall have been upgraded, the Administration and he is not sure about the north and south building, they have to balance so, he is sure there's going to be technicalities that the College is going to have to do as well, because they're very old buildings.

Mr. Romero stated the last one is the exterior paint and stucco repairs, page 177, and that consists of painting of the metal trades, the library, the old section of the library, the General Ed building, the Student Services/Student Success, south portal area; all of the buildings generally that have exterior walls that have concrete walls, they have already started deteriorating. Now with the wet weather the College is starting to get them soaked and starting to see the white layers coming out of it, that means that the College needs to do something about it and take care of that structural shell of it. That's what the College is trying to propose, to paint those buildings before they get to the point where we need an emergency plan for it. The other part is, the College is close to an emergency point, but was able to get the monies to do is the Fine Arts Building. The lower part was done last fall, it just finished doing the stucco work in the Fine Arts Building, the big towers that goes up if you notice they're all different colors, they look a lot cleaner, they look a lot nicer, that was done just last fall. This phase is asking to do the entire building all the way around because some of these, as long as those walls are peeling, the bottom parts are peeling as bad, so what the College is doing is asking to get that whole building completely done and that will alleviate the shell on that building. It's not interior it's not exterior, the whole broad of all the buildings and the ages of them, that the College needs to continue to look at and Mr. Romero thinks that's in President Bailey's Deep Dive suggestion in a little bit is to address how the College is working forward to these things. The College has addressed a lot of them, but there's still a lot that needs to be addressed. Mr. Romero get more concerned as the College start looking at El Rito that those are a little bit older building in their 30s or 40s or 50s, that's more delicate than there is in Espanola, they have here in the 80s and 70s, so we're looking at that. Those are the four projects that the College is looking for approval from the Board of Regents.

Regent Velarde asked when the meeting will take place. Mr. Romero stated July 10th. Regent Velarde stated okay, she will be there, or here.

Regent Martin asked if there are any questions for Mr. Romero? If not, I'll entertain a motion to approve the request.

Regent Swentzell moved to approve the submission for July HED Facilities Meeting. Second – Regent Rodriguez. Motion passed unanimously.

4. VE (Nursing) Building HVAC Repair

Mr. Bejarano stated there is essentially an emergency in the Nursing Building, which we refer to as the Vocational Education/Nursing Building. This will require a different type of motion, but Mr. Romero will explain.

Mr. Romero stated what's happening is the VE building there was an HVAC problem in the middle of the winter, which was in December when the College was on Christmas break or winter break, and the problem was is the building went down, the heating went down and the College was in there and it took a full day to get this building back up and running, the coil was froze, that's how cold it was at that time and because they froze, these are coils that run off of cold water off of compressors and what they do is they run and they cool off and once there is air through them they get the air conditioning and that's how the College's air condition the building and these are humungous coils. So, because they froze and the College tried to patch them, they cut them in half, they have done just about everything we can, they're not salvageable. So, the College have to purchase new ones. At that point, there are three options: One was \$39,000 just to get the coils and that will take four weeks, five weeks for delivery. The other option that was \$43,000 and that will take two weeks and then there was one that was \$48,000, something like that, and that would be two weeks. So, the College chose the middle one, which would give us, if it can get it approved

today, if the College can get the monies for it can get that and have it in two weeks and have it installed and be able to have that building up back by July 1st. That's what we're looking to try to do.

President Bailey stated with the Board's approval, then yes, they basically have a month where there will not be air conditioning in the Nursing Building. The College have instituted some emergency measures. One is that in coordination with the Provost, the College has moved all of the classes that are scheduled in there for the summer into other buildings and Andy and his team, because the staff members don't want to move offices for a month, he has worked out some small units that will help them in their office suite. President Bailey stated and he is I'm happy with this being on the record, this is not an indictment of anyone who came before, but we have to, as an institution, this is not you this is on us, the College has to make sure that it is always thinking about what are the measures that need to be taken and invest in so that the College is not having to come to the Board of Regents with an emergency like this and moving people. There is no excuse for that, none. So, with the things that the College is presenting to the Board of Regents today, it wants to put the institution on a long-term healthy trajectory so that it minimizes the likelihood of future facility emergencies.

Mr. Bejarano stated he mentioned the College needs a different type of action or approval, so essentially what it needs is – the College has been very tight with money, it has closed everything down, this year a month before it saved, which has caused a lot of savings, the College believes that it will be able to eke out the \$43,452 out of savings, but if we cannot, then it would like to take it from fund balance for which the College wants the Board of Regents approval and/or a combination of both. So whatever savings it can eke out and then if we can't do it completely then also be able to take it out from fund balance. The second part of the request is that as all things age back and repair and what not, it may be more it may be less, so the College would like to be able to do what it needs to, because this is an emergency. The College cannot have the building without air conditioning.

Regent Martin asked are those separate motions. Ricky Bejarano stated he do believe that the College requires both, because one is actually saying it could use fund balance, the other is essentially giving the latitude to use as much fund balance as is needed. Regent Martin asked if there are no questions relating to the first motion and for a motion to that effect.

Regent Swentzell moved to use fund balance funds for the HVAC emergency in the VE Building. Second – Regent Velarde and would like to note the savings. Motion passed unanimously.

Ricky Bejarano stated the second part allows the staff or executive staff to be able to set it at 20% allows the latitude approximately 20% in the event that it goes beyond, because in general it always does. We might be pleasantly surprised but that would allow us latitude to complete the job.

Regent Velarde asked if we have that available also in fund balance, obviously?

Ricky Bejarano stated yes, we do.

Regent Martin asked if there a motion to that effect?

Regent Velarde moved to allow the College 20% latitude above the currently quoted prices. Second – Regent Rodriguez. Motion passed unanimously.

The Board of Regents recessed at 3:20PM and 3:29PM.

VII. DEEP DIVE

A. Facilities Strategic Outlook

President Bailey stated special addition of the shallow dive in the interest of time. What he wanted to do is just give a quick overview of the thought behind the long-term facilities plan. President Bailey stated he would like to make a special introduction. Marco Soto, who is from Ameresco and has really been the brains behind the design for both our Espanola and our El Rito campuses and Mr. Tim Farkas who is the money side of this equation and he has been very, very helpful with the College in finding ways that we can optimize the savings from the green energy transformation and to look at other ways that the College can provide some up-front funding. That led to in many ways some of the work that you just approved for the Summer Hearings so that big green energy HVAC project using ground source. By the way the College is sitting in a building that is benefiting from ground source heating and cooling. Regent Velarde stated there are about 89 wells.

President Bailey stated and for those who have been in this building, it's always this temperature, always. It's fantastic and that's what the College envisions for the El Rito Campus. So, President Bailey did want to say a special welcome to them and they're here to answer any specific questions. Let me go very quickly through what the College is doing. Espanola campus: On the Espanola and President Bailey looked Andy to add into this. We talked about the challenges of heating ventilation and air conditioning and so the project that we have with Ameresco is utilizing some savings, but in addition some funding that Northern is going to put into this in order for us to basically redo the HVAC in almost every facility that we have on the campus and so that we're not dealing with these emergencies in the future. They have run some numbers that they think they should have approved here momentarily and we are going to bring that to the Board of Regents in a special meeting probably sometime in the next week and a half, for the purpose of getting approval for that to be included in the July 10th HED meeting, which is all those other projects that you just approved with fire alarms and those other things, this will be added to that package. Paving, has already been discussed. Solar, and this is thanks to Regent Velarde, in a nutshell and this is the long-term view, but the goal is to have both of those campuses either net zero, so we're making as much energy as we're using or as close to that as we can possibly get and we think really with the work that they're doing and the asks that we're making that we can get to that place. President Bailey stated that EMNRD, Energy, Minerals, Natural Resources Department, they are so excited about the possibility that we are going to take a 110-year-old campus and make it net zero that they're willing to go on this ride with us, because President Baileys know that when we get there they are going to use that in the State as an exemplar for what you can do, even with a historic campus.

President Bailey stated regarding Residence Halls - We really need to continue to look at Residence Halls for the Espanola campus, it does a couple of things. One, it provides students with an accessible housing option so that they're not set up in places all over the city or having to commute in from Santa Fe and other areas it provides that. The other side benefit is it now opens the door to international students and others who really want to come to Northern because of our high quality, low cost educational opportunities the residence project is not just a student athlete project and it's not just an international student project it is if we have international students here it only benefits our local students' experience because now they're getting a diversity of ideas as part of their educational program. In addition to that, one of the things that we're going to have to think of, when we have students living full time on or near the campus, we have to think about recreational

activities. We need to think about a student union. We need to think about a better fitness center. Those are things that we have built in to a five-year strategic facility's plan. Actually, if the Board of Regents looks on page 73 in the packet, just so they have it, this gives a bird's eye view of the five-year plan and the dialogue that we are having with HED, so that gives an idea of some of the things that we have been looking at. Student union, campus events center, all these other things that we're looking at. And that five-year plan is for both campuses.

President Bailey stated in El Rito the goal is very clear. Reopen that campus, provide a low-cost utility plan so that we can operate there for the next 50 years, get it to net zero and ironically, we may be in a position to get El Rito to net zero before we get Espanola to net zero, which will be remarkable. We talked about the strategy. The first goal is to get the plumbing redesigned so at least in the warmer months we have access to those facilities. The long-term plan and the couple year plan that Regent Velarde talked about was to provide low-cost heating. That allows us to work year-round. Paving, we just talked about because we're going to need to redo that. Then transportation, remember with the El Rito campus that the reason that everyone said those programs went away were one, the cost of utilities and two the location. We should not allow location to be the detriment to that campus. The strategy we employed was to take what everyone said was a disadvantage in terms of location and flip it. So, find entities for whom the location of that campus is ideal. We talked about Chris Berry, the Grammy award winning musician, he wants to have a music program. He wanted to have a program that was free from distraction. El Rito is perfect for what he wants to do. So, we can actually make that a destination for that kind of programming. In terms of the trades, the way to make this work is to provide a low-cost transportation network to all of those local high schools and that's why we're going after electric shuttles and rapid charging stations at both of those campuses so that the only cost long term for us is the driver, actually 20 years from now, they'll be driverless anyways, so we won't even have that charge. President Bailey opened it up to Mr. Romero and Mr. Bejarano and then because we have Marco and Tim here to answer specific questions about the dual campus energy audit and the vision for that.

Regent Velarde stated she had a quick question before we go there. Has the College looked into the Volkswagen grant money and applying for some of that? President Bailey stated yes. There was a big multi probably a 9 or 10 figure settlement that had to do with Volkswagen not having the proper emissions and confessing their emissions issues. Their penalty was that they had to open this huge account for people to apply for certain things and it has to be green energy transportation. So, it fits perfectly within our vision for what we trying to do. So, we're exploring how we tap into that market. There are other sources too. There are other potential sources of that funding. USDA, there are some other ways that we can try to access that funding, but the goal is very clear; rapid charging stations and a fleet of electric vehicles. Regent Velarde asked if the College has a gas fleet now. Mr. Romero stated yes. Mr. Romero stated we have three 15-passenger vans right now. We have four vehicles, four cars and so, about 10 to 12 vehicles total and that's not including the facilities vehicles, trucks, etc.

President Bailey stated we have a fleet that is commensurate with the need that we have right now. We don't have a fleet to allow us to do the vision for what we see for the Vocational Technical. In other words, in order to do that, and in order to have a transportation network that gets students from each of the local high schools and really importantly -- it's a new fleet. So, we need to be thinking about that. We talked about the community college budget, we will build into that budget the transportation network so that we will make sure that independent of everything else we have the funding to do that.

Regent Velarde stated that the performance contracting law in New Mexico, what the College is currently doing with Ameresco allows for vehicles so it's something that we can talk about.

President Bailey stated maybe build it into phase 2. Regent Velarde stated yes, or create a phase 3. Tim Farkas, Ameresco, stated they do a lot of Federal work as well. They looked into a lot of electric buses for national parks and so he was just making a note to reach out to our Federal teams to see if they have some analysis already to help with these issues.

President Bailey asked Mr. Soto if he wanted to give a quick three- or four-minute overview of work that you've done so far. Marco Soto stated he would start on the Espanola campus. He thinks that's the campus that's open right now and is in dire needs of upgrades to most of the HVAC equipment. What they have done so far is look at fairly comprehensively for a plumbers contracting project, they looked at the lighting, they looked at the water and the HVAC portion of the project to try and extract some savings off of the equipment that's already there. On lighting, they were able to generate good savings because a lot of the equipment that is there is T12 and T8, which is older so it did generate a savings that they can use towards some of the HVAC work that is required and then some of the HVAC equipment is already pretty old so it's inefficient so they were able to generate some savings there. The power they are not able to really generate savings (inaudible 12:03), which is a controls person in charge, I don't think he's working for the College now. President Bailey stated part-time. Marco Soto stated but he was pretty strict at keeping the temperature settings and able to generate quite a bit. On the flip side for us, it's not good because they were not able to generate those savings. Regent Velarde stated but once he is no longer with the College full-time, those savings then could fall back because it would be on somebody else to have to do that, correct? Marco Soto stated yes. That is true, but at the same time what they doing right now, they are reprogramming all of those (inaudible) on the new control system that we're implementing as well as thermostats, so (inaudible).

Regent Velarde asked what control system are they are implementing. Marco Soto stated when they are replacing the units. So, the set point that we're programming into those units will implementing. Regent Velarde stated she knows, but asked what control program they are using. Marcos Soto stated the builders use ALC. Mr. Soto stated it is a pretty sophisticated system. That's all what they putting on (inaudible) we've got to have that. They looked at the water, a lot of the work has been done as far as toilets and Andy mentioned previously, they are requesting more money to finalize the (inaudible). Regent Velarde asked if the College already currently have well flow toilets on these. Marco Soto stated yes. Mr. Romero stated they already have a whole lot of them. So that's what he was saying, they weren't able to get any savings out of because we already put them in.

Marco Soto stated same thing with the lighting, parking lots and a lot of the exterior lighting is already going in on campus. We wanted the savings. The important part is the HVAC portion of the project it's at least in dire needs, the general education building hasn't been serviced for more than 30 years. The part of the Student Services Building, the chiller, Mr. Romero has been working towards changing those units for the gas pads, it is still pretty critical for the building, because it is back part of the Administration Building, that too is in pretty bad shape and the compressors could fail. So, it needs to be replaced. They have repaired the cooling coils several times. They looked at another part of the project, which is the General Education building. Regent Velarde asked if they are creating redundancies where there aren't any as far as the HVAC units or chillers are concerned. Marco Soto stated the good part about them (inaudible) compressors so you won't lose the whole unit. If they lose the fan, they don't have backup on that.

Mr. Romero stated my vision is because we worked on these so much is the way they are, the hydraulic system, they run a building that has multiple units on the roof everywhere. Say you have eight units, so you're thinking one unit goes down, okay. We're still going to be warm enough to take care of the building, but what a lot people don't see and what I don't like is that all those units

are connected to one boiler. That boiler goes out in the middle of the night, every one of those is no longer working and functioning. All it's going to do is keep the air and it's going to throw cold air into the building. Now that you've got all these pipes, because there are going to be pipes all over the ceiling just to warm up the water well those are going to explode and pretty soon what you're going to have is a building under water and Mr. Romero know it for a fact because it's happened. In the Administration Building top floor busted up the hole from the top all the way to the bottom flooded, costed the College millions of dollars. President Bailey stated for the transcript I want it on the record that Mr. Romero was incredibly animated with that last statement!

Mr. Romero stated those are the safety things that you have to look at. Now when we put units that are on their own and they supply themselves, they have their own burners, they have their own air conditioner units, if one goes out you still have three in the building that are going to keep it lukewarm.

Mr. Soto stated we are following Andy's lead and that's what we're proposing, we proposing taking out all of the ones that have either hydraulic systems we are converting to gas pads.

President Bailey stated just in the interest of time, he asked to switch to El Rito and give us a quick overview of El Rito.

Marco Soto: El Rito is also important. The system at least now serving the four major buildings there; the north dorm, Delgado Hall, the south dorm and the Jaramillo building, they're all connected to the (inaudible) that used to be a steam room so everything inside those buildings were sized for steam. And when it was converted from steam the boiler was converted from steam to heating hot water all of the internal parts were not replaced. So, all the converters and the (inaudible) units were left. The same thing with the piping. So, the piping is small for heating hot water so you're going to have problems with trying to heat the buildings. In addition, there is no there is no cooling for those dorms and they get pretty hot in the summer in El Rito in this area so what we are proposing to do is replace that existing system with a ground source heat pump which will consist of something similar that was done here to fill with pipes in the ground and connect it out to the pump and distribute it through the field to the piping field, which will act as a heat sink. In the summertime, it will recoil heat from the ground and take it out to the buildings and the buildings will have heat pumps that will have accordingly, in the heating season will heat the building and in the cooling season will cool the building. So that's pretty much a pretty broad base of what it is. It's not as simple as that because it's very complicated. You're going to have to good area where you can actually put the field and then inside the buildings it's a lot of work that needs to be done no matter what; even if there is no ground source heat pump, the building needs to be upgraded and the other portion of that, it's important that the building doesn't have proper ventilation, so it needs to be upgraded as a whole, we need to bring it up to code requirements, so it's a pretty expensive effort. That pretty much covers what El Rito campus as far as the HVAC, they did look at the lighting and water we did propose a little bit of a lighting project it's not that large because there it is not like the one in Espanola.

President Bailey stated just to button this up, the work that Ameresco has done has really helped in form not only our five-year strategic facilities plan but it's also helped us formulate the Summer Outlay plan that we presented to the Board of Regents today. Inherent in this is a couple of things, one is the infrastructure things that Marco just talked about. There are also conservation things that we can do with these buildings to make them more efficient. And then lastly is human interaction. The things that we do that we need to make sure that we're educating our students, faculty and staff on how best to be energy efficient ourselves. Footnote here is that we also have a project with Southwest Energy Integrators for a biochar device and that's in the diesel bay in El Rito, we're

going to test that system and that really uses brush from the forest as an energy source too. Ameresco has been overseeing the work that we're doing there too. That may end up in the future being a supplement to what we're doing and Luis Reyes is open to it, but actually using the El Rito campus as a microgrid potentially smart grid and battery storage, which I know John Ussery is salivating about, a test site for those things, so that's a really good thing too. I do want to say this as a final point that we were not an easy case and they're never easy and any energy audit is difficult, but we really added some levels of complexity with the fact that we were also revitalizing an old campus, we already had some savings in other areas and so I do want publicly to recognize Ameresco. Mr. Farkas alone in terms of the things that he's had to engineer on the financing side it's really been a heavy lift and so they really have been great partners for us.

Regent Velarde asked if Mr. Soto will be at, so if we get it on the HED, Mr. Soto will be there right, because they're going to have questions.

VIII. PUBLIC INPUT

John Ussery stated we have an opportunity here. I like Rick's approach too where we view a lot of problems as opportunities and I think that we have one here as we're looking at this, there's a recognition that we got to deal with our energy in different ways, but there's also the whole other major threat when we look at not just opportunities but threats, wildfire is the one that we are really in danger of. Even with all this water that we brought this winter it's just causing a whole lot of danger in case we have a dry summer and I think there's a huge opportunity with our new ranger in the El Rito district and Vallecitos unit needing to be revived as well to really consider the utilization of Biomass as a fuel. I 100% agree with Marcos and what we have inside those buildings are heat distribution that is so antiquated that none of it is current at all and our instrumentation is comic in that Delgado Hall has four thermostats and the president's office which is kept closed. So, I view it as an opportunity like even the plumbers where the whole integration of controls and electronics on top of hydraulics and all these things so I'd really like to see us take an educational approach to see how we can integrate this huge opportunity to lick the problem. Into curriculum as much as possible and see how we can share the experience with our students to really work things through. I'm really pleased that we just got funding from the Geo Science Pathways Program, we got those teaching because a lot of the new mathematics and other ways of approaching problems so maybe just view El Rito as a lab trying to preserve a lot of flexibility as we solve the immediate problems so we can start using it, there's a lot of interest in the community of course and once we turn that whole 10 acres on the south side blue with panels, I think we're going to attract a lot of notice and a lot of support and the electrical unions are joined between the plumbers and electricians are the ones that are going to make this energy transformation really happen. So, I think we have a chance to demonstrate the full gamut of things, but I don't want to ignore threats and trying to turn them into opportunities as too because of Southwest Energy saying that we could make our heating revenue positive where we actually make money by creating biochar from the chips. It really turns everything around. I don't want to walk into an approach that precludes that opportunity.

IX. EXECUTIVE SESSION

None.

X. ADJOURNMENT

Regent Martin entertained a motion to adjourn.

Regent Swentzell moved to adjourn. Second - Regent Velarde. Motion passed unanimously.

The Board of Regents adjourned at 3:56PM

APPROVED:

Michael A. Martin, Board President

Erica Velarde, Vice President

**NORTHERN NEW MEXICO COLLEGE
BOARD OF REGENTS MEETING
JULY 12, 2019**

A Special Meeting of the Board of Regents of Northern New Mexico College was held on Friday, July 12, 2019, in the Board Room of Northern New Mexico College, Espanola Campus. Regents Present (Roll Call was taken): Michael A. Martin, Porter Swentzell, Ph.D., Erica Rita Velarde (Via Conference Call), Damian L. Martinez, Esq. (Via Conference Call – 3:09PM) and Tomás A. Rodriguez. The Board of Regents meeting was called to order at 3:04PM.

Northern New Mexico College Staff Present: President Richard J. Bailey, Jr., Ph.D.; Ricky Bejarano (Via Zoom), Vice President for Finance & Administration; Ivan Lopez Hurtado, Ph.D., Provost & Vice President for Academic Affairs; Vince Lithgow, Comptroller; Chris Trujillo, IT; Sandy Krolick, Creative Director Communications and Marketing; Evette Abeyta, Budget Analyst; Andy Romero, Director, Facilities; and Amy Pena, Executive Assistant to the President/Board Secretary.

Faculty Present: Ajit Hira; Ellen Trabka; and Lori Baca, Ph.D.

Others Present: Kyle Land, Rio Grande Sun; and Jake Arnold

I. CALL TO ORDER

Board President Martin called the meeting to order at 3:04PM.

II. APPROVAL OF AGENDA

Regent Martin stated the first item on the Agenda is Approval of Agenda and requested a motion to approve the motion

Regent Swentzell moved to approve the Agenda as amended. Second - Regent Rodriguez. Motion passed unanimously.

III. RATIFICATION OF CBA FOR FULL TIME FACULTY

Dr. Ivan Lopez Hurtado, Provost & Vice President for Academic Affairs stated negotiations were finalized a couple of weeks ago with the Full Time Faculty Union and the documents they discussed were ratified by the Union. Dr. Lopez stated Tim Crone who is present at the Board of Regents Meeting is the representative of the Union was present at the Board of Regents Meeting and asked Mr. Crone when the document was ratified. Mr. Crone stated all three were ratified the last week of June. Dr. Lopez stated with the full-time faculty CBA this document was fully negotiated one year ago. This year the College was required by law to negotiate salaries. However, they decided to open four more articles. The main changes negotiated were:

1. Full time faculty was going to be paid bi-weekly instead of monthly;
2. Workload. They institutionalized a practice that the institution has for several years in terms of prorated pay when a course does not have enough numbers of students. Typically, the College has 10 students for a course to make and when this does not happen the class is cancelled or the rate of pay is prorated. This offers more protection to faculty and administration.

3. Salaries were negotiated. Every faculty member at the level of assistant professor will receive the 4% increase that came through the legislative session. However, traditionally, the associate professors, when a faculty member receives tenure and is promoted from assistant professor to associate professor they never receive a salary increase. They were promoted with no salary increases. Therefore, when you review the different faculty members, the College is not competitive with the market especially the associate professors and this creates problems with professors. With this particular CBA, they addressed this partially, they have not met the target that they want as an institution, they are giving different raises to associate professors. Some are getting 6%, 10%, 14% and 18%. This is for the set of associate professors. These are the main changes for the full-time faculty CBA accepted by the Union and agreed upon.

Board President Martin asked if the Board of Regents had any questions for Dr. Lopez. Board President Martin entertained a motion to approve the CBA for full time faculty.

Regent Swentzell moved to ratify the CBA for full time faculty. Regent Velarde – Second. Motion passed unanimously.

Regent Martinez joined the meeting at 3:09PM.

IV. RATIFICATION OF CBA FOR ADJUNCT FACULTY

Dr. Lopez stated the second CBA worked on with the Union is the CBA for Adjunct Faculty. This is a document that has not been negotiated for at least the last 10 years. The last ratification was 2007 or 2008. This is a document that was fully reviewed. The 33 Articles were negotiated and what they did in this case is adopt the same language when applicable of the Full Time Faculty CBA that was negotiated last year because both faculty and management and the lawyers have agreed on specific language. They basically copied and pasted everything that makes sense. In terms of compensation, they proposed an 11% salary increase for Adjunct Faculty. This was very important because Adjunct Faculty have not received a salary increase in at least the last 12 years. This makes it very hard for the institution to keep the talent and in some cases, it is impossible to recruit good talent. It was important to address salaries. The College is not where it wants to go and there is still a way to go. They believe just to compensate for inflation probably the College needs to reach 20% but the College did the best it could as an institution. The College needs to remind everyone that through the Legislative Session, the College did not receive one cent for Adjunct Faculty, it was only for full time faculty and staff. This increase is coming from scraping money from the rest of the budget, by eliminating certain positions, the bookstore, payroll, etc. (spreadsheet attached), the different changes in the budget for the College to offer the 11% and this is the most important change of salaries.

Board President Martin asked if Regent Martinez could hear the Board of Regents. No response. Ricky Bejarano, Vice President for Finance & Administration stated Regent Martinez was having trouble unmuting.

Dr. Lopez asked if the Board of Regents had any questions. Regent Swentzell stated he served as an adjunct faculty member from 2011-2013 and his understanding is that adjunct has not received a raise in at least 12 years. In 2011, adjunct faculty pay was not good for them and he cannot imagine that it has gotten any better. For the record, he would like to add it is very important to increase the compensation in a small way that does not keep in pace with inflation but it is a small token and he appreciates this move.

Regent Swentzell moved to ratify the CBA for Adjunct Faculty. Regent Rodriguez - second. Motion passed unanimously.

Regent Velarde's phone call cutoff at this time.

V. RATIFICATION OF CBA FOR NON-EXEMPT STAFF

Dr. Lopez asked Mr. Bejarano to address the ratification of the CBA for Non-Exempt Staff. Dr. Lopez stated he was not part of the negotiation for the Staff CBA, he was the chair for the Faculty and Adjunct CBAs. Mr. Bejarano stated one of the issues of the negotiation was to be able to set a four-day work week for the Bookstore. Primarily they revolved around conditions as the 4% increase was already there. The fact that the Bookstore has on Fridays maybe \$100-\$150 worth of business, they expected it both for the Bookstore and Cafeteria. Essentially that was probably one of the more major changes. Mr. Bejarano asked if Ken Lucero was in the audience. Board President Martin stated he was not. Aside from this, Mr. Bejarano did not know if there were any significant changes other than the salary increase. Board President Martin asked if there were questions for Vice President Bejarano. As there were no questions, Board President Martin entertained a motion to ratify the CBA

Regent Swentzell moved to ratify the CBA for non-exempt staff. Second – Regent Martinez. Motion passed unanimously.

VI. EXECUTIVE SESSION

Board President Martin entertained a motion to enter into Executive Session. Regent Swentzell asked if the Board of Regents needed to go into Executive Session. Regent Swentzell was wondering if this was superfluous. Regent Martinez agreed as everything was ratified that the Board of Regents was going to talk about in Executive Session.

Mr. Crone asked if he could address the Board of Regents. Board President Martin stated he could. Mr. Crone stated he would like to thank the administration for their cordial relationship and the three teams that represented the institution. As Dr. Lopez noted they negotiated full time faculty and staff last year. They were thrown a curve ball with the 4%, no average, just 4%. Last year in the staff negotiations, they had worked out, primarily Donna Castro, whereby there was a big gap between the highest paid and lowest paid. They negotiated an agreement whereby the lowest paid staff received the highest increase. Even though they were not able to negotiate further, still what was done last year was everybody got 4%. They will come back next year. There were some good adjustments in terms, like if you retire, how much hours you get counted towards retirement. In full time faculty, Dr. Lopez had developed part of the plan. On Mr. Crone's were Claudia Aprea and Ana Vasilic, the latter two who were mathematicians and he is internally grateful to those three as he has trouble with arithmetic. All of them together, created a good plan and it is a foundation. They didn't say a five-year plan but it is expansive enough that they can negotiate around that. This negotiation took longer than it should have because of limitations. They had a plan and that plan got jinxed. As noted, the adjunct had not been tracked in many years. The salary increase was the most important part. There was another additional thing that incorporates the adjunct in terms of shared governance, which they accomplished some compensation for a certain segment of faculty and certain committees. There were a number of things that they said didn't exist in the previous contract because they played out the other three that they were able to get in the adjunct contract. Mr. Crone thanked the whole group for a very important and productive relationship.

VII. NORTHERN NEW MEXICO COLLEGE AND NORTHERN NEW MEXICO COLLEGE BRANCH COMMUNITY COLLEGE OPERATING AGREEMENT

Regent Martinez asked when this document was sent to him when this document was sent to the Board of Regents, his packet did not appear to have it. Board President Martin stated the packet he has is 268 pages or something like that but for some reason that portion is not on there or at least when it was printed for him it was not on there. It might be error on his part. Board President Martin stated it is page 264 through 268. Regent Martinez stated he is on and the Board of Regents does not need to wait on him.

Dr. Lopez stated this document is the one that basically discusses the duties and responsibilities of the Branch Community College Board that was formed last week. This is the advisory board for the Community College Branch that was approved by the legislation. This document discusses the agreement between the Board of Regents and that new Board in terms of duties and responsibilities for the Community College Branch. The document was signed by this advisory Board yesterday and they now need the Board of Regents approval so they can proceed with the next steps in the Mill Levy. Board President Martin asked if there were any questions for Dr. Lopez. Regent Martinez asked for a couple of minutes to review the document. Regent Swentzell stated he has a question in terms of the language in terms of the operation. He sees that the five individuals that comprise this Board are nominated by the School Districts and asked if that was the extent of the process. Were they just nominated and they exist at that point or is the Board of Regents themselves approves of this. Is that the extent of the selection process? Dr. Lopez stated President Bailey joined the meeting on the phone. Regent Swentzell stated he is talking about the election of the NNMC Branch Community College Board and in the description is says that each of the individuals is nominated by the five public school districts and asked if this is the extent of the selection process that the School Districts nominate or the Board of Regents approve that nomination, is that the extent of the process. President Bailey stated the way it works is because the Senate Bill allows the College to create a Community College and a Community College to petition the voter for Mill Levy funding. But, because the Board of Regents is appointed by the Governor, because they are not elected officials, the Board of Regents does not have authority to authorize a local pact. We have two options in creation of the Community College Board. One was to have individual elections, at large, the other is to have public school board members from those districts that make up our Community College District because they are already elected officials. They can serve in that capacity and authorize Mill Levy funding. Those individuals who are on the Community College Board went through two processes; (1) they were elected by their own community for school board positions; and (2) within those public school boards, within each of those five-member boards, those boards made a decision about which of them would represent their school district on the Community College Board.

Regent Martinez stated he has a couple of question. The first one is the super one, who crafted this agreement. President Bailey stated it was Cuddy & McCarthy. Regent Martinez stated his second question is this MOU indicates that the Board of Regents is going to be the fiscal agent for the Community College, correct? President Bailey stated yes. Regent Martinez asked if the Board of Regents is going to have any, another document drafted to say exactly what that entails? The reason he asks this is because he represents government entities who act as fiscal agents for entities created under a Joint Powers Act and the stuff those entities have to do is way more specific than this overview of the Board of Regents being a fiscal agent. They track stuff like FMLA, leave for anybody working for that Community College, he does not know if anybody thought about that but has anybody contemplated that. Finally, it is kind of disheartening when the Board of Regents gets a document, at least Regent Martinez on the Regents, when they get a document that has already been signed by the Branch Community College Board, whoever those people are, he hasn't even

met them, and it is presented to the Board of Regents to approve. This is the first time he has ever read this thing. That process needs to be fixed, what if there is something in there that the Board of Regents would find that is so outrageous that they would not want to approve it.

President Bailey stated two answers to this. First of all, the term fiscal agent and he understands the frustration with this, there is nothing else like this in the State. Even though it is a Community College it is embedded within the architecture of the College. It is not like there is a separate, there is not a separate Business Office, there is not a separate President, there is not a separate administrative structure. All it is saying is that we, as the College, it is our Human Resources, it is our Ricky Bejarano, it is our Evette, it is our Vince, it is our team that is managing, it our facilities, it is the College's structure that organizes this.

Regent Martinez stated he got that and it should have been explained better than just handing the Board of Regents something that has already been executed by a (inaudible). President Bailey asked Regent Martinez to repeat his statement. Regent Martinez stated he got that now that President Bailey told him but the Board of Regents is still just handed something that has already been executed. Maybe it has been talked about in some Committee meeting, when he can't remember any Committee he has been involved in that the language of this MOU was talked about or a draft was provided. Regent Martinez asked if a draft was ever provided. President Bailey stated no and he will accept responsibility for this, the issue, there is time to work this out and to discuss it and have the Board of Regents to come together and all of that. The reason why President Bailey wanted the Board to do something early is because the deadline to get the Mill Levy issue on the ballot is July 15th and President Bailey wanted to have something in place, even if it is something that is edited and picked down the road. President Bailey wanted to have something that established a bare minimum a relationship between the College's Governor appointed Board of Regents and this Community College Board. President Bailey stated he accepts full responsibility for it but he did not want to go have July 15th and not have something in place so that someone down the road could have an issue with it. Regent Martinez stated he understands the need for speed as President Bailey and his fellow compatriots would say after Top Gun came out when he was a pilot. There is not even, the College hires attorneys to vet all this stuff for us so the Board of Regents doesn't have to ask questions and asked why there is not a sentence in there that says this can be modified by agreement of the parties which is the standard contractual sentence in MOUs. President Bailey stated this is a fair critique and it should have been in there. Regent Martinez stated these are his only questions that he had.

Board President Martin asked Regent Swentzell if his question was answered.

Regent Swentzell stated in going back to his question, perhaps everything President Bailey explained is included in Section 21-14-2.V.I NMSA 1978. Regent Swentzell stated it might be better to include these are elected officials. There is nothing that indicates that these are elected officials. It sounds to Regent Swentzell that the School Districts could nominate whoever they felt like to that Board. Perhaps that is covered in the Statutes. President Bailey stated that Statute covers the election of School Board Members. President Bailey will base this on Regent Swentzell and Regent Martinez comments. President Bailey will talk to the Community College Board and tell them contingent upon the Board of Regents approval of this document is an addition of a line that says that the Agreement can be modified upon agreement of both parties and a line that explains the Statute. A line that clarifies that the Community College Board Members are elected Board Members from their Public School Districts and then nominated by those Boards to serve on the Community College Board. President Bailey asked if this captures both their questions. Regent Martinez stated yes to the first part and the Board of Regents could have understood it if the

Appendix A was included in the packet. Regent Martinez asked if the Board of Regents has to vote on this. President Bailey stated he wanted to make sure the College has something in place. If the College does not want not to have something in place. If someone wanted the Community College to fail they could say this is not a legitimate agreement because there is not a legitimate operating agreement between the two Boards. President Bailey stated he does not see this happening necessarily so it could be accepted to wait on this making sure it is exactly what the Board of Regents wants and having the parties resign this. President Bailey stated the college may leave itself vulnerable to that issue. Regent Velarde asked why it could not be approved contingent upon what is needed. If it is just a line and just a small portion to be added, perhaps it could be approved contingent upon the changes and it could be worded. Regent Velarde stated she agrees with Regent Martinez, in the future, when statutes are referenced it would be helpful to have the Statutes as well.

President Bailey asked if the Board of Regents today adopts this resolution contingent on the changes, would the document serve in its contingent form serve its role? Could President Bailey go back at a future Community College Board Meeting and say it was approved with changes and have them resign the resolution with the change. Regent Martinez stated he does not think this is one of those things the Board of Regents and the Branch College Board is getting in crossways with each other. They are not in the honeymoon stage, they are working together. He thinks they could approve as written, that actual section cited is kind of long but in the first paragraph it is one of those rare statutes that tries to cover everything. He thinks this could be approved right now with the letter saying it is approved to get the Mill Levy going but they need to sit down so everybody needs to know what the rules are and everybody knows what is going on and that Amendment superseded. They can go forward and clarify those things with questions where maybe a committee from the branch and ad hoc committee of the Board of Regents hash those things out to cover everyone. President Bailey stated this sounds fantastic. Regent Swentzell stated it is really important to get it in with the Mill Levy and if the Board of Regents could proceed he thinks it would be best. Regent Velarde stated she is in. Regent Rodriguez

Board President Martin entertained a motion to approve the Operating Agreement.

Regent Martinez moved to approve the Operating Agreement. Second – Regent Velarde. Motion passed unanimously.

VIII. ADJOURNMENT

Regent Martin entertained a motion to adjourn.

Regent Swentzell moved to adjourn. Second - Regent Velarde. Motion passed unanimously.

The Board of Regents adjourned at 3:44PM

APPROVED:

Michael A. Martin, Board President

Erica Velarde, Vice President

Office of the Provost

NORTHERN New Mexico College



MEMORANDUM

To: Board of Regents - Northern New Mexico College

From: Ivan Lopez, Provost and VPAA *I Lopez*

Date: August 16, 2019

Re: Suspension of the Associate Degree in Pueblo Indian Studies

Issue

Three programs went under program review last April by the Academic Chairs and Director's Committee. The Dean's Council reviewed the report and recommended suspension of the program due to: 1) lack of a full-time faculty member associated with the program; 2) very low program enrollment since inception; 3) lack of program-level student learning outcomes assessment in the last five years.

Overview

The conclusions of program review (attached to this memorandum) showed that the Associate Degree on Pueblo Indian Studies has not shown a sustainable enrollment in the last five years or more. It also revealed that there has been a consistent lack of quality control measured by Student Learning Outcome Assessments. Finally, since the faculty member working for this program just recently resigned, it is important to suspend the program so that we can be in compliance with the assumed practices of the Higher Learning Commission.

With the current financial circumstances at Northern New Mexico (NNMC), it is impossible to make any significant program improvements since there is no funding available. Moreover, there is no demand or strong evidence that there are sufficient jobs for program graduates. The suspension of the program will allow the new Department Chair to rethink new possibilities in the near future or this program.

This recommendation was discussed with the Regents who sit in the Academic and Student Affairs Committee and they concurred with the suspension.

Recommendation

I recommend the Board of Regents approve the suspension of the Associate Degree on Pueblo Indian Studies.

Program Review Report

Program: Pueblo Indian Studies (Associate and Bachelor)
College: College of Arts and Sciences, Department of Humanities and Social Sciences (HSS)
Review Date: April 26, 2019

Summary:

A program review for the two degrees in Pueblo Indian Studies (Associate of Arts degree and Bachelor of Arts Degree Program of Integrated Studies in the Humanities and Social Sciences with an emphasis on Pueblo Indian Studies) was presented to the Program Review Committee by Ms. Lori Franklin and by Dr. Matthew Martinez, Interim Chair of the Department of HSS and Faculty of the Program, respectively.

The programs started in Fall 2010. The calculated three-year average of declared student enrollment in the program is 2.5 (headcounts) per semester and the three-year graduation average is 0.33 students per year. As of today, from the 126 current Native American Students enrolled at NNMC, only 2 of them (equivalent to 1.6% of the total Native American population) are declared students in this program. Those two students are declared students in the Associate Degree Program, one is a full-time student and the other is a part-time student (this results in an equivalent FTE of 1.5 students in the program) and there is not a single one student declared in the Bachelor program.

The fiscal analysis of the program shows an historical 3-year average revenue of \$14,314 (based on tuition/fees and state funding formula) and the 3-year average combined budget associated with the programs was \$26,419 (based on salaries for faculty/staff, equipment, contracts, supplies, but taking into account that a full-time faculty salary was not paid for two years during the leave and the year before was partially paid out of a grant). However, the real I&G cost of the program (with the end of the administrative leave period of the faculty member associated with the program) will be around \$72,000 per year. Therefore, the program annual deficit will be around \$57,686, assuming same enrollment.

Program review revealed low enrollment due to several factors including: a) Competition with the Institute of American Indian Arts in Santa Fe who offers similar programs; b) Instability of the program because of the administrative leave of the faculty member associated with it; c) Lack of student understanding of the value of this program; d) The termination of the American Indian Center (AIC), which was a center that supported all Native American students on Campus. These items were discussed as potential explanations for the low-enrollment; however, further analysis revealed that since the inception of both programs in 2010, the average semester enrollment has been 3.3 declared headcounts (including an outlier peak of 8 students

in Spring 2011) and, therefore, the existence/termination of the AIC could not explain the current low enrollment for the programs.

The review also showed the testimonies of 9 graduates; however, only *one* was a graduate from the Pueblo Indian Studies program (the student graduated in 2011). The other 8 testimonies were from students in the Bachelor of Integrative Studies (enrolled in the other Concentrations) who took some courses in the field of Pueblo Indian Studies and were very pleased with the content and learning experience. Unfortunately, the program review was unable to demonstrate any student learning outcome assessment done in previous years either for the Bachelor or the Associate Degree. Therefore, the committee had no direct evidence of a continuous improvement process or any other academic indicators of student learning outcomes assessments. The presenters, however, discussed a student learning outcome assessment plan for Academic Year 2019-2020.

Finally, both reports mentioned that no needs assessment has been done for this program recently that serves as strong evidence for the job demand signal for this program in New Mexico or nationwide.

Recommendations:

The Dean's Council is concerned with the financial sustainability of this program and the lack of quality assessment. Therefore, the Council is recommending a two-year probation for the two programs in Pueblo Indian Studies. During the probation period and to avoid a recommendation of program termination, the following recommendations must be accomplished in order to continue the program.

- 1) By Spring 2020, the combined enrollment of the two programs should be 5 declared FTE students (not headcounts). By Spring 2021, the combined enrollment of the two programs should be 13 declared FTE students.
- 2) By Spring 2020 and for every semester beyond (excluding summer term), the number of student credit hours in the courses coded PIS should be at least 250.
- 3) Declared students should make substantial progress towards graduation and a semester-to-semester retention rate of at least 80% is required for both programs.
- 4) The assessment plan for both programs presented as an appendix during Program Review should be implemented entirely and the results, including improvement plans, need to become available on the NNMC website.
- 5) Both programs, along with all the programs offered at NNMC, will be subject to the Program Evaluation that Grey Associates and NNMC will jointly implement in Summer 2019.
- 6) Consider a differential tuition for this program or a scholarship/discount to declared students to make the program competitive with the Community Colleges.
- 7) The Council suggests that an analysis of the curriculum efficiency for both programs is repeated by the Department of HSS and changes are made, if needed, to expedite student graduation.

Updated Recommendation (July 5th, 2019):

1) Dr. Matthew Martinez submitted his resignation on June 19th, 2019 which will cause a lack of compliance with HLC assumed practices. After discussions with the Faculty of the Humanities and Social Sciences (HSS) and President, the new recommendation is to put the program in moratorium (suspension) and do not accept new students into the Associate Degree Program. Northern has just hired a new departmental chair for HSS that will start on August 1st. A moratorium will allow the chair and their faculty to analyze and redesign carefully the program or to recommend termination.



Provost & VP Academic Affairs

Office of the Provost

NORTHERN New Mexico College



MEMORANDUM

To: Board of Regents - Northern New Mexico College
From: Ivan Lopez, Provost and VPAA *I. Lopez*
Date: August 16, 2019
Re: Copyright Policy Approval

Issue

Northern needs an updated Copyright Policy to address issues related to the use of copyright material in educational settings.

Overview

The attached document describes the proposed policy. It was drafted by the Ortiz & Zamora legal team and a college committee integrated by the library director, distance education director, faculty members and a Dean.

An executive summary is attached to this policy. It does not include a number yet because currently the institution is reviewing the policy numbering system.

Recommendation

I recommend the Board of Regents approve this policy.

Northern New Mexico College
Board Policy No. XXXXX

Compliance with Copyright Laws

Northern New Mexico College (NNMC) is committed to adhering to all applicable laws regarding state and federal copyright laws including Title 17 U.S. Code, the United States Copyright Act, the Digital Millennium Copyright Act of 1998, and the Technology, Education, and Copyright Harmonization (TEACH) Act of 2002.

In order to both respect the rights of copyright holders and comply with copyright law, NNMC establishes compliance standards and encourages fair use of copyrighted materials in support of its academic mission. It is the responsibility of each student, faculty, and staff member at NNMC to comply with the U.S. copyright laws. NNMC commits to:

- Informing and educating faculty, students, and staff about copyright law including exceptions specific to educational settings.
- Developing and delivering tools/resources to assist in determining copyright status and if material can be fairly used in a given situation.
- Providing information on the licensing of third-party materials by the College.

The Board of Regents authorize the College President to implement the necessary institutional regulation in the College Policies and Procedures Manual to further carry out this directive.

Institutional Regulation No. _____

As stated in Board of Regents Policy No. XXXX, Northern New Mexico College (NNMC) is committed to adhering to all applicable laws regarding US Copyright laws including Title 17 U.S. Code, the United States Copyright Act, the Digital Millennium Copyright Act of 1998, and the Technology, Education, and Copyright Harmonization (TEACH) Act of 2002.

In order to both respect the rights of copyright holders and comply with copyright law, NNMC establishes compliance standards and encourages fair use of copyrighted materials in support of its academic mission. It is the responsibility of each student, faculty, and staff member at NNMC to comply with the U.S. copyright laws. NNMC commits to:

- Informing and educating faculty, students, and staff about copyright law including exceptions specific to educational settings.
- Developing and delivering tools/resources to assist in determining copyright status and if material can be fairly used in a given situation.

To further carry out the directives of the Board of Regents and provide greater depth to the expectations of the College, the College President implements this Institutional Regulation.

TEACH ACT

The TEACH Act permits governmental bodies and accredited nonprofit institutions to transmit copyrighted works in digital distance education and technologically mediated courses without obtaining prior permission of the copyright holder, subject to certain statutory requirements. The TEACH Act is a compromise between the needs of academe to make use of copyrighted materials as an efficient and effective teaching tool, and the interests of copyright holders to protect the value of their work. Most of the TEACH Act requirements are designed to allow transmission of copyrighted works (or parts thereof) to a legitimate student audience for a limited time, without permission or license fees, while preventing dissemination that could undermine the market for the works. For uses that fall outside the scope of the TEACH Act, the user should seek permission or evaluate the use under the four factors of Fair Use in this document.

FAIR USE

The Fair Use provision includes four factors for consideration, keeping the unique circumstances of the use in mind, to describe uses of work that would not infringe copyright. Depending on the situation, one or two factors may be more important than the others, so your decision should also include a weighing of the factors:

- **The purpose and character of your use.** Many uses that are non-profit and educational are favored under the copyright law and are fair uses, although not all non-profit, educational uses are fair. Note that if the use transforms the original work in some substantial way (in effect creating a new work) that will also support a fair use argument.
- **The nature of the copyrighted work.** The nature of the work is an evaluation of the type and kind of work you wish to use. Use of works that are more factual in nature (such as news or journal articles, formulas, scientific theories) would be more likely to be considered fair use. Also consider the currency of the work used. A very popular work that is currently making revenue for the rights holders (such as a Hollywood blockbuster) is given greater protection and its use would more likely be unfair.
- **The amount and substantiality of the portion taken.** The amount of material used is related to the source as a whole. The larger amount of material that is used, the less the court may find the use to be fair. Even a small amount could be considered too much if it is the “heart of the work”. There are times and circumstances in which using an entire work might be fair.
- **The effect of the use upon the market for the work.** If the work is used to avoid a purchase of the work, the use is likely unfair.

Faculty, course developers, or instructional designers wishing to use copyrighted material under Fair Use exemptions as part of their course should use this list to determine if the proposed use is fair. If the material will be embedded into the learning management system, a [Fair Use form](#) must be submitted. If material will not be embedded into the learning management system, faculty are encouraged to keep Fair Use documentation on file.

If the use is not fair, obtain permission from the rights holder.

LEARNING MANAGEMENT SYSTEM GUIDELINES

Many courses taught in a Learning Management System will include textbook(s) and/or other materials in addition to the module content. The following materials can be used in accordance with Fair Use and the TEACH Act:

- Portions of textbooks adopted for a particular course (with appropriate attribution)
- Open Educational Resources (with appropriate attribution)
- Ebooks, journal articles, or streaming media from library databases or website using a permalink/URL for obtaining access.
- Material from the internet that students will link out to obtain access or embeddable videos. Please see “terms and conditions” before using any

material from the internet. Not all material from the internet is free to use without permission. Terms and conditions may require use of their video player/code to embed. Do not download a video without permission.

- Instructional charts and graphs. Facts are not protected by copyright but should be cited. Please see “terms and conditions” before using any material from the internet.
- As a general rule, images should not be published without permission of the owner. Attribution may be given to the image create if the image is covered by a Creative Commons license. Fair Use applies to images as well.

COURSE RESERVES

All Course Reserves materials must belong to either our library, the course instructor, or the corresponding College department. Materials obtained from other means, Interlibrary Loan for example, may not be placed on Reserve.

See [Guidelines for Course Reserves](#) for more specific information and processes.

REQUESTING PERMISSIONS OF PUBLISHED WORK

If material you wish to use does not fall under Fair Use exemptions, permission should be requested from the copyright holder. It is important to remember not all authors hold copyright on their works (sometimes it is the agent or publisher).

At minimum, permission requests need to include:

- Requestor’s name, address, telephone number and e-mail address
- Requestor’s title, position and institution's name
- The date of request
- The title of the work to be copied with a description and citation of that work
- A description of how the work is to be used, by whom and for how long
- Identification of royalty rates or notation that the grant is “royalty free”

If permission is granted, keep a copy of correspondence for your records in face-to-face classes. If permission is granted for material to be housed in the learning management system, a copy of that permission must be submitted to distanceed@nmmc.edu.

Neither acknowledging the source of content nor lack of response from the copyright holder conveys permission. The inability to identify the copyright holder after diligent efforts will strengthen a Fair Use argument. Such works are sometimes referred to as orphan works. A good place to start when seeking permission to use a written work is the [Copyright Clearance Center](#).

REQUESTING PERMISSIONS TO USE STUDENT WORK

Student work is protected by copyright law and is considered original works of authorship. Therefore, students own all the rights to their work. Using any parts of a student's work is infringement without written permission from the student.

If permission is granted, keep a copy of correspondence for your records in face-to-face classes. If permission is granted for material to be housed in the learning management system, a copy of that permission must be submitted to distanceed@nmmc.edu.

CONSEQUENCES OF COPYRIGHT INFRINGEMENT

Unauthorized distribution of copyrighted material is a violation of state and/or federal law and may subject distributors to civil and criminal liabilities as well as disciplinary action. NNMC will not assume legal responsibility for faculty, staff members, or students who fail to make a good faith determination or otherwise do not comply with NNMC copyright.

*Office of the Provost***NORTHERN New Mexico College****MEMORANDUM**

To: Board of Regents - Northern New Mexico College
From: Ivan Lopez, Provost and VPAA *T. Lopez*
Date: August 16, 2019
Re: Approval of the Associate Degree in Technical Trades (Plumbing)

Issue

Northern New Mexico College (NNMC) wants to reintroduce the Associate Degree in Technical Trades (Plumbing) which was suspended years ago.

Overview

The attached document discusses the need and characteristics for this associate degree. This program was developed to address the high demand for this labor in the region. NNMC partnered with the Local 412 Plumbing Union who have informed us of 180 apprentices who will join the program.

The program has been vetted and recommended by the Faculty Senate, the President and myself, and was presented for first reading at the Board of Regents meeting back in May.

The program's implementation will require Mil-Levy funding. Approval from the Board of Regents will allow NNMC to pursue approval with the Higher Education Department and the Higher Learning Commission. This approval will help the current marketing efforts of NNMC to get the Mil-Levy tax passed by the voters.

Recommendation

I recommend the Board of Regents approve the Associate Degree in Technical Trades (Plumbing).

7.3.1
Northern New Mexico College
New Degree Program Approval Form

Form NNMC1001- rev1005 (New Degree Program Approval)

Type in the designated areas. Please do not alter any element of the form.					
1*	Initiator:	Ivan Lopez Hurtado	Date:	04/14/2019	
2*	Subject area:	Technical Trades			
3*	Academic division:	Trades (Non-existing as of today, but will be created)			
4*	Proposed title for New Curriculum Program: Associate of Applied Science in Technical Trades (Plumbing)				
5*	To begin: 2020	Semester:	Spring	Academic Year:	2019-2020
6*	Degree or certificate to be offered: Associate of Applied Sciences, Technical Trades (Plumbing)				
7*	Program catalog description: The Associate of Applied Sciences in Technical Trades (Plumbing Concentration) Program will provide opportunities to develop marketable skills installing, repairing, and maintaining common residential and commercial plumbing systems. The core principles and concepts of plumbing systems are covered in each course.				
8*	Tentative timeline for program implementation: <ul style="list-style-type: none"> • Fall 2018: Program proposal preparation. • Spring 2019: Approval process: Faculty Senate (and committees), Board of Regents, HED and HLC. • Spring 2020: Program (apprenticeship version) is offered at the Local 412 Plumbers and Pipefitters Training Center. • Fall 2020: Program will only start in El Rito Campus if the local tax funding becomes available. 				
NEED					
9	<p>What are the College's strengths that would support offering the program (e.g., trained staff, facilities, adequate budget, sustainability, etc.)?</p> <p>NNMC has a dual mission that allows it to increase the number of associate degrees under the same academic structure. Current academic policies are already in place and in good standing with the Higher Learning Commission. The community's confidence in NNMC has improved tremendously and enrollment has grown 10% in the last two years while the six-year graduation rate improved from 15% to 25%. NNMC currently has the number one High School Equivalency Program in the nation according to the Department of Education. Finally, the recent approval of SB 431 will allow for NNMC to seek new funding through the local taxpayers.</p> <p>NNMC has established a partnership with the United Association Local 412 Plumbers and Pipefitters (Local 412) so that the apprentices become college students and for NNMC to use their facilities to teach a subset of courses on-site.</p> <p>NNMC has adequate classroom and lab space at the El Rito Campus for the program and a partnership with the Local 412 will allow NNMC to use their training centers.</p> <p>If a recently submitted grant proposal is awarded with the ECOM Foundation, then \$650K in new funding over three years will become available on July 1, 2019. This funding will be used to hire a program director, marketing materials, cost analysis, and program evaluation. This potential funding will be enhanced from another \$50K funding from the United Association Local 412 grant, that will allow NNMC to start the program at their training centers. This funding will be used to hire a full-time faculty member.</p>				

10	<p>What are the College's weaknesses that must be overcome so as to offer the program?</p> <p>The root cause to all current NNMC weaknesses is the lack of funding. The program will require full-time and part-time instructors; equipment acquisition; marketing plan, and a competitive tuition/fees model to be successful. However, the way to address this issue is dependent on the infusion of funding through a mill-levy that will go to local voters.</p>
11	<p>What are opportunities external to the College that support the new program (e.g., employer data, demographics, numbers of prospective students, market trends for the field, etc.)?</p> <p>The program is needed for the current employment demand. According to the New Mexico Workforce Connection data, the projected number of annual new jobs for the next 8 years is 27 jobs/year without considering Los Alamos National Lab (LANL) jobs. LANL job demands for plumbers is between 33 to 50 annual new jobs in the next 5 years. Currently, the number of graduates between Santa Fe Community College (SFCC) and Central New Mexico Community College (CNM) is 39 per year. Therefore, there is an area of opportunity for the program to fill the employment gap the region will experience. The partnership with Local 412 will allow for the program to become part of the apprenticeship program that the union offers. Therefore, the program will be offered in two formats: the regular form and the apprenticeship version. The curriculum (course content) will be exactly the same in both versions but the delivery of each technical course will be concentrated for the apprenticeship program (the courses will be taught concurrently). It is important to notice that Local 412 was implementing their apprenticeship program in a partnership with CNM until last year and they made a decision to work with NNMC. This will allow for some NNMC faculty members to teach courses on site at the five technical centers run by the Local 412 throughout the state of New Mexico.</p>
12	<p>What are the threats external to the College that would need to be dealt with (e.g., competitors' programs, demographic shifts, etc.)?</p> <p>SFCC is the only institution within a 35-mile radius that is currently offering the program. It is obvious that the demand signal for this program exists because their program is not enough to provide a sustainable pipeline for the jobs available in the region. Therefore, there is a local need for our program to be implemented. The main threat for the program is the possibility that local voters will not approve the mill levy tax. Without this funding, it is not possible to offer this program at the El Rito Campus unless other programs are terminated, and the funding is transferred to this new program.</p>
13*	<p>Statement of fit with College mission, strategic goals, and strategic initiatives:</p> <p>NNMC's mission states: "The mission of Northern New Mexico College is to ensure student success by providing access to affordable, community-based learning opportunities that meet the educational, cultural, and economic needs of the region.</p> <p>NNMC's current vision statement states: "Northern New Mexico College is a Hispanic, and Native American-serving comprehensive institution that will be recognized nationally for cultural sustainability, quality student learning and developing and developing economically strong communities among diverse populations."</p> <p>This proposed program is in compliance with NNMC's mission of providing affordable and accessible opportunities for the educational and economic needs of the region. This certificate program will improve the chances for our students to get higher paying jobs. The program will contribute to an increase of the number of graduates who are prepared to get jobs at the LANL or local contractors in the construction industry. This in turn will contribute to the economic development of the community.</p>

* A partially completed proposal (short form) may be submitted to obtain and "Approval Pending Additional Planning" status which will determine the degree of feasibility of offering a particular degree program. If the Office of the President approves "pending additional planning" then a complete proposal may be submitted for approval/denial. This short-form" must include the criteria marked with an asterisk (*) as indicated on Form NNMC1001-rev1005.

CURRICULUM

14	<p>Program mission:</p> <p>The mission of the program is to provide Associate Degree in Technical Trades in the field of Plumbing. The program offers a curriculum combining plumbing for residential, commercial, and industrial structures. Through a combination of classroom theory and hands-on laboratory training, students are given the opportunity to acquire the skills required for entry level employment in the plumbing industry.</p>
15	<p>Program objectives:</p> <ol style="list-style-type: none"> 1. The Associate Degree in Technical Trades in the field of Plumbing will provide students with the appropriate knowledge and skills in using basic plumbing tools; methods of fabrication; fitting identification and usage; drainage; waste and venting; water piping methods and design; sewage disposal and treatment; water sources and distribution; and household and industrial maintenance. 2. The graduates of the program will keep abreast of new developments in the field. 3. The graduates of the program will continue personal and professional growth to remain competitive.
16	<p>Student learning outcomes:</p> <ol style="list-style-type: none"> 1. Students will demonstrate personal wellness as a plumber through outlining financial goals and identifying person/work priorities. 2. Students will demonstrate logical reasoning in plumbing through identifying best material selection, identifying adequate joining processes, and discussing plumbing fittings by their industry name, classifying materials by industry standard terms, and explaining processes using industry appropriate terms. 3. Students will demonstrate plumbing technology through using current plumbing tools, interpreting plumbing drawings, and demonstrating code compliance. 4. Students will implement plumbing projects in a group by expressing ideas, accepting others' ideas, and demonstrate taking personal responsibility for their own portion of the project. 5. Students will interact with people in a professional manner in the construction industry by identifying diversity and demonstrating mutual respect for others. 6. Students will apply employability skills in plumbing by demonstrating a willingness to work and conducting themselves in an industry leading manner.
17	<p>Program matrix (outcomes by courses in the major):</p> <p>The program will have two types of Student Learning Outcomes (SLOs): the college-wide outcomes and the program-specific for this program are the following. College-wide outcomes are assessed through General Education courses and program-level SLOs are assessed through the technical courses. Program-level SLOs are defined next:</p> <ol style="list-style-type: none"> 1. Students will demonstrate personal wellness as a plumber through outlining financial goals and identifying person/work priorities. 2. Students will demonstrate logical reasoning in plumbing through identifying best material selection, identifying adequate joining processes, and discussing plumbing fittings by their industry name, classifying materials by industry standard terms, and explaining processes using industry appropriate terms. 3. Students will demonstrate plumbing technology through using current plumbing tools, interpreting plumbing drawings, and demonstrating code compliance.

4. Students will implement plumbing projects in a group by expressing ideas, accepting others' ideas, and demonstrate taking personal responsibility for their own portion of the project.
5. Students will interact with people in a professional manner in the construction industry by identifying diversity and demonstrating mutual respect for others.
6. Students will apply employability skills in plumbing by demonstrating a willingness to work and conducting themselves in an industry leading manner.

The curriculum map shows where the different SLOs will be assessed. Students in this program are also assessed in co-curricular activities through the established mechanisms for Co-Curricular Assessment.

Technical Mandatory Courses	1	2	3	4	5	6
OSHA 10 for the Construction Industry	A					A
Use and Care of Tools			A	A		
Soldering and Brazing			A			
Rigging and Signaling					A	
Plan Reading/Drawing			A			
Pipes, Valves, Fitting			A			
Plastic Piping Installer		A				
Plumbing Fixtures and Appliances				A		A
Water Supply			A		A	
Drainage		A				
Gas Installations	A					
Basic Electricity	A					
Hydronics				A		A
Mechanical Code			A		A	
Plumbing Code			A			
Pneumatic & Electrical Controls				A	A	A

Coordination with other College programs:

18 This program will coordinate with the College of Engineering and the College of Arts and Sciences to make available the General Education courses in an online format when possible.

Articulation to other institutions:

19 This program is not articulated to programs from other higher education institutions, but students who are part of the apprenticeship offered through the United Association Local Union No. 412 will be able to join the program and get an associate degree while they complete their five-year apprenticeship program.

20 What plans, if any, are there for alternative delivery of courses (e.g., distance learning)?

Not applicable. Face-to-face only.

ASSESSMENT

21 Plan for program assessment:

See Appendix I "Assessment Plan"

SUPPORT AND SUSTAINABILITY

Faculty and facility needs (including classrooms):

22 The program will require one full-time faculty member with background in plumbing and at least two adjunct faculty members with similar background. The program will require a shared director for the technical trades.

At least three spaces (at least 20 x 14 ft each) for different laboratories (Soldering, Pipes/Valves, and Hydronics) will be needed at El Rito campus.

Office space for the full-time faculty member and one shared office space for the adjunct

	<p>faculty will also be needed. The office space will require computer with internet access.</p> <p>Classroom space can be shared from the available classrooms in the El Rito campus.</p> <p>A shared computer lab will be needed for this program that can be shared with the other trades programs offered by NNMC, i.e., Electrical Technology and/or Renewable Energy.</p>
23	<p>Annual budget:</p> <p>See Appendix II "Cost & Revenue Analysis"</p>
24	<p>Plans for sustainability (including a five-year enrollment projection):</p> <p>See Appendix II "Cost & Revenue Analysis"</p>

CONCURRENCES				
External Advisory Committee Chair	/	<input checked="" type="checkbox"/> / Yes	/ / No	Date 10 Apr 2019
Justification				
Educational Policy Committee Chair	/	<input checked="" type="checkbox"/> / Yes	/ / No	Date 10 Apr 2019
Justification				
Curriculum Committee Chair	/	/ Yes	/ / No	Date
Justification				
Faculty Senate President	/	/ Yes	/ / No	Date
Justification				
Librarian	/	/ Yes	/ / No	Date
Justification				
Registrar	/	/ Yes	/ / No	Date
Justification				
Distance Ed Directors	/	/ Yes	/ / No	Date
Justification				
Facilities Chair	/	/ Yes	/ / No	Date
Justification				
Human Resources	/	/ Yes	/ / No	Date
Justification				

VP for Finance and Administration / / Yes / / No	Date
Justification	
Provost / / Yes / / No	
Justification	

APPROVALS	
Office of the President / <input checked="" type="checkbox"/> / Approval to Implement / / Denial 1st Review / / Approval Pending Additional Planning	Date 4/8/19
Justification for approval or denial	
Office of the President / / Approval to Implement / / Denial 2nd Review / / Approval Pending Additional Planning	Date
Justification for approval or denial	
Justification for approval or denial	
Board of Regents / / Approval / / Denial	Date
Justification for approval or denial	
Feedback to Institution	



MEMORANDUM

To: Board of Regents
Northern New Mexico College

From: Ricky Bejarano, CPA, CGMA
Vice President for Administration & Finance

Date: August 16, 2019

Re: Request for Waiver of Fee for Dual Credit

Issue & Overview

In order to participate in the online courses and labs of the Dual Credit Program, participating students are assessed a \$78.38 fee. This fee precludes some high school students from participating in the Dual Credit Program due to the economic personal life circumstances that are as varied as the students. This drives some students to choose other programs.

Discussion

The attached spreadsheet (entitled, "Dual Credit Fee Revenue") shows the revenue derived from this fee for the last two semesters—that is, the 2018-19 academic year. Essentially, NNMC would be forfeiting approximately \$4,700 of revenue by waiving this fee. However, this revenue will likely be replaced by State funding within the next fiscal year. For example, this year, NNMC received a special appropriation of over \$40,000 to cover some of our costs.

Recommendation

The long-term benefits to students who participate in the dual-credit program cannot be overstated. A number of these students become NNMC students after high school graduation; so, the benefit to NNMC as a higher learning institution cannot be overstated, either.

We recommend waiver of these specific Dual-Credit fee in order to benefit the high school students who participate and, ultimately, NNMC.

Office of the Vice President for Finance & Administration

NORTHERN New Mexico College**MEMORANDUM**

To: Board of Regents
Northern New Mexico College

From: Ricky Bejarano, CPA, CGMA
Vice President for Administration & Finance

Date: August 16, 2019

Re: Lowering of Special Graduation Fees for High School Students Graduating with NNMC Certificates

Issue

Our current fee for graduation certificates is \$100 for all programs. This includes Dual-Credit students. This has caused a number of students to forego application for certificates. Because a number of students don't apply for and receive their certificates, NNMC cannot count these students toward the numbers submitted for the funding formula.

Discussion

When we count students that graduate with certificates, NNMC receives approximately \$120 per student through the funding formula. When students do not apply for certificates for which they are entitled, the college loses both the graduation fee *and* \$120 through the funding formula. As well, NNMC suffers statistically from its inability to count these students as certificate graduates.

Recommendation

We recommend that NNMC lower the special graduation fee to \$15 which is the cost printing the certificate. This will allow NNMC to both count the certificate graduates *and* collect the \$120 through the funding formula.

Office of the Vice President for Finance & Administration

NORTHERN New Mexico College**MEMORANDUM**

To: Board of Regents
Northern New Mexico College

From: Ricky Bejarano, CPA, CGMA
Vice President-Finance & Administration

Date: August 16, 2019

Re: Request for Transfer from Fund Balance

Issue

The HVAC systems that service the Center for the Arts Building (2 units-main theater & dressing room) and the Student Success Center are no longer operable. This has created an urgent, if not emergency, situation. It was hoped that the systems would remain operable until such time that they could be replaced as a part of the NNMC's energy savings initiative and that the cost would be covered by the financing associated with the energy savings initiative. Regrettably, it is critical that NNMC replace these three units now.

Discussion & Overview

The 2019 Fall Semester will begin next week at which time students will return to campus. The Center for the Arts holds both student assemblies and it is also used for classes. The Student Success Center will be the gathering place for student senate and other student-centered activities. Without the replacement of the HVAC systems, neither facility will have heating or cooling.

Attached are the individual quotes for each project for your perusal. These quotes were derived from the Amerisco proposal for energy cost savings and are the most current quotes that we possess.

Recommendation

We recommend that the BOR approve the use of fund balance for the replacement of the three HVAC systems. The amount requested is \$211,885 ± 10%.

Thank you for your consideration.

PROJECT 1
Center for the Arts RTU-5 - \$145,470
Need to add 8.9375% gross receipts tax. Total \$158,471

Scope of Work:

- Remove the existing 30 ton rooftop unit.
- Install new more efficient 30 ton rooftop unit.
- Unit equipped with gas pack with same capacity as existing unit.
- Permits as required by the authority having jurisdiction.
- Engineering and design fees.
- Connect unit to existing programmable thermostat.
- Install new rooftop unit curb adapter.
- Install new electrical disconnect.
- Test and balance of the new rooftop unit.
- Removal and disposal of unit.
- Required crane and crane permit.

Exclusions:

- Asbestos abatement, sampling and testing of any kind.
- Lead abatement, sampling, and testing of any kind.
- Diagnoses, repair, of preexisting electrical distribution system anomalies. Not limited to, wire duct, metallic conduit, electrical conductors of all type, wire nuts, circuit breakers, circuit interrupters, wall plates, junction boxes, ground fault equipment or the resetting thereof.
- Electrical distribution system upgrades, necessary to comply with current electrical codes.
- Repairs to roof not directly related to installation of new roof curb adapter.
- Test and balance of the air distribution system.
- Any work not listed in "Scope of Work" and "Statements of Work."

PROJECT 2
Center for the Arts RTU-4 - \$36,368
Need to add 8.9375% gross receipts tax. Total \$39,618

Scope of Work:

- Remove the existing 7.5 ton rooftop unit.
- Install new more efficient 7.5 ton rooftop unit.
- Unit equipped with gas pack with same capacity as existing unit.
- Permits as required by the authority having jurisdiction.
- Engineering and design fees.
- Connect unit to existing programmable thermostat.
- Install new rooftop unit curb adapter.
- Install new electrical disconnect.
- Test and balance of the new rooftop unit.
- Removal and disposal of unit.
- Required crane and crane permit.

Exclusions:

- Asbestos abatement, sampling and testing of any kind.
- Lead abatement, sampling, and testing of any kind.
- Diagnoses, repair, of preexisting electrical distribution system anomalies. Not limited to, wire duct, metallic conduit, electrical conductors of all type, wire nuts, circuit breakers, circuit interrupters, wall plates, junction boxes, ground fault equipment or the resetting thereof.
- Electrical distribution system upgrades, necessary to comply with current electrical codes.
- Repairs to roof not directly related to installation of new roof curb adapter.
- Test and balance of the air distribution system.
- Any work not listed in "Scope of Work" and "Statements of Work."

PROJECT 3
Student Success RTU-3 - \$12,600
Need to add 8.9375% gross receipts tax. Total \$13,796

Scope of Work:

- Remove the existing 4 ton rooftop unit.
- Install new more efficient 4 ton rooftop unit.
- Unit equipped with gas pack with same capacity as existing unit.
- Permits as required by the authority having jurisdiction.
- Engineering and design fees.
- Connect unit to existing programmable thermostat.
- Install new rooftop unit curb adapters.
- Install new electrical disconnects.
- Test and balance of the new rooftop unit.
- Removal and disposal of unit.
- If required, crane and crane permit.

Exclusions:

- Asbestos abatement, sampling and testing of any kind.
- Lead abatement, sampling, and testing of any kind.
- Diagnoses, repair, of preexisting electrical distribution system anomalies. Not limited to, wire duct, metallic conduit, electrical conductors of all type, wire nuts, circuit breakers, circuit interrupters, wall plates, junction boxes, ground fault equipment or the resetting thereof.
- Electrical distribution system upgrades, necessary to comply with current electrical codes.
- Repairs to roof not directly related to installation of new roof curb adapter.
- Test and balance of the air distribution system.
- Any work not listed in "Scope of Work" and "Statements of Work."

Office of the Vice President for Finance & Administration

NORTHERN New Mexico College



MEMORANDUM

To: Board of Regents,
Northern New Mexico College

From: Ricky A. Bejarano, CPA, CGMA
Vice President for Administration and Finance

Date: August 16, 2019

Re: NNMC Revised Policy 7710 – Property Management Control Policy

Issue

Approve requested for NNMC Revised Policy 7710 – Property Management Control Policy

Recommendation

Staff recommends that the Board of Regents approve the attached NNMC Revised Policy 7710 – Property Management Control Policy as submitted or if applicable, as amended. Revisions include references to the Federal Office of Management and Budget Uniform Guidance, which went into effect on December 26, 2014 and changes in the 2019 New Mexico State 2.2.2 NMAC Audit Rule (May 28, 2019). Hyperlinks within the policy have also been updated to the most recent versions of forms and references. There are also other small corrections, including references to the NNMC’s Director of Financial Services that have been replaced with ‘Comptroller.’

Northern New Mexico College Administrative Policy

7710 - Property Management and Control Policy (Capital Assets, Disposal of Property and Depreciative Life)

Authorized by: NNMC Board of Regents
 Process Owners: Vice-President for Finance and Administration
 Proposed Board of Regents Revision Approval Date: 8.15.19

1. General

The Northern New Mexico College may acquire, maintain, protect, use, and dispose of property required to perform its mission. College property and resources may be used only for College approved business. Property may be moveable or fixed. Fixed property may also be referred to as real estate and includes buildings, land and improvements. For the purposes of this policy, leasehold improvements will be treated as moveable property, which may be defined as capital or non-capital. Capital property (capital asset) is determined as currently existing with that classification, or for new acquisitions, that 1) the cost is greater than \$5,000 and 2) the property has a useful life of more than one (1) year. Moveable property costing more than \$5,000 includes such items as vehicles, heavy equipment, furniture, fixtures, or computer equipment, and is capitalized on NNMC's financial statements and is depreciated. Questions regarding classification of assets or capitalization should be addressed to the Comptroller or his/her delegate.

College property must be managed according to college policy and applicable state and federal law, including the following:

- State of New Mexico Law Section 12-6-10;
- State of New Mexico Law Section 13-6-1 and 13-6-2; and
- Federal Uniform Guidance, sections [2 CFR 200.313 Equipment](#) and [2 CFR 200.439 Equipment and other capital expenditures](#) (OMB guidance for property purchased with federal grant funding).

College property includes all:

- Equipment purchased by college departments, regardless of the source of funds, used to purchase the equipment;
- U. S. Government-owned equipment used by college departments;
- Components and material used to make equipment, whether furnished to, acquired by, or fabricated by the college;
- Property donated to the college; and
- Property loaned or leased to the college by outside organizations.

College property is in the custody of the department who purchased or is using the property. The department is responsible for the management and control of the property assigned to it. The dean, director, department head, or the principal investigator for government-sponsored projects, are responsible for:

- initiating requests to acquire property or use restricted or government excess property;
- the proper use, maintenance, and security of assigned property;
- maintaining inventory records on all property in custody of the department; reporting any shortage, damage, loss, or theft of property; and
- disposing of college property according to college policies and procedures.

2. Acquiring Property

2.1. Purchases

All purchases of equipment are made according to the college's policies, the Higher Education Department (HED) regulations, the State of New Mexico Procurement Code, and applicable federal regulations.

2.1.1. Purchases Using Federal Funds

All purchases involving federal funds must comply with the guidelines of the individual contract or grant, and be approved by the college's Grants Office and the Grants Accounting Department. The purchase of equipment must be necessary, in accordance with the terms of the contract or grant, and comply with the Federal Uniform Guidance and any other applicable sponsoring federal agency requirements. It is the responsibility of the principal investigator to complete any required government forms and comply with NNMC procurement and inventory policies.

2.1.1.1. Avoid Duplicate Purchases

The college must avoid purchasing duplicate items. If it will not interfere with a project, users should make property acquired for use on a project available to other projects ([Uniform Guidance 2 CFR 200.313](#)). Please see NNMC Policy 7720 for guidance on changing use or disposal of property purchased with federal funding.

- First preference for other use shall be given to other projects sponsored by the federal agency that financed the property.
- Second preference shall be given to projects sponsored by other federal agencies.
- Use on other projects not sponsored by federal funds is permissible if authorized by the federal agency.

2.2. Gifts of Property

All gifts of property to the college must be formally received. Documentation must be received from the donor clearly listing the equipment, its current value, date of the donation, and any restrictions on the use of the donated equipment. If the property is valued over \$5,000, or deemed sensitive, a copy of the letter must be provided to the Comptroller or his/her delegate, who will make a determine on whether the property will be added to the college's inventory per [Section 4.3](#) herein.

2.3. Property Loaned to the College

External organizations and agencies sometimes lend property to the college. Loaned property may include such diverse items as a fine arts collection or a piece of equipment.

2.3.1. Record Keeping and Insurance

Any property on loan to the college must be immediately reported to the Comptroller or his/her delegate, for insurance purposes. Loaned property is added to the college's inventory records and included in the annual physical inventory. When the property is returned to the lending organization, the department must notify the Comptroller or his/her delegate and supply them with documentation that the returned equipment was received by the lending agency (i.e. copy of the receipt of goods).

2.3.2. Use, Maintenance, and Security

Property on loan to the college will be returned in the same condition in which it was received. While property is on loan to the college, the department that has custody of the property is responsible for its use, maintenance, and security.

2.4. Hazardous Materials

If hazardous or dangerous materials are needed in the course of conducting research, contact the college Facilities and Security Departments before acquisition.

3. Use, Maintenance, and Security of Property

College departments who have custody of college property are responsible for its proper use, maintenance, and security.

3.1. Use of Property

Property, regardless of its funding source should be used for the purpose originally intended. However, additional rules apply to property purchased with federal funds. Such property must be used in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the federal award. When no longer needed for the original program or project, the equipment may be used in other activities sometimes be used elsewhere within the college after the project ends following the guidelines presented in Uniform Guidance sections [2 CFR 200.313 Equipment](#) and [2 CFR 200.439 Equipment and other capital expenditures](#).

The Grants Office must approve all change of use requests for equipment purchased with federal funding and written permission from the federal funding agency may also be required. Please submit the [NNMC Inventory Control Form](#) and contact the Grants Office prior to moving or changing the use of such property.

3.2. Maintenance of Property

Departments must take care of and properly maintain property to ensure the longest useful life possible. All items should be maintained according to manufacturers' recommendations or accepted standards. Follow suggested schedules of lubrication, cleaning, calibration, and inspection.

3.3. Location and Security of Property

The location of each item of property is included in the college's inventory records. Current location records must be maintained so that any item can be located for inspection or inventory purposes within a reasonable time. When property is temporarily idle or placed in storage, the department must provide adequate protection from damage or loss. Property must be protected when moved. Before property is moved, the [NNMC Inventory Control Form](#) must be submitted to the IT Department so that inventory records can be updated.

Departments should make adequate provisions for the physical security of the property in their custody. Areas containing equipment should be locked after business hours or at other times when not in use. Special precautions should be taken for high-value, portable items.

3.3.1. Theft of Property

Departments must immediately report the theft of any inventoried equipment to the NNMC Security Officer who must report the incident to the City of Espanola Police Department (along with the serial numbers and NNMC tag numbers), the Comptroller or his/her delegate, and the Loss Prevention Committee Chairman. Unexplained disappearances and losses must be reported to the Comptroller or his/her delegate as soon as possible following the discovery of the loss.

3.3.2. Transfers of Property

If NNMC property is to be transferred to another department, the transferring department must complete the [NNMC Inventory Control Form](#). The IT Director will contact the requestor if there are any questions regarding the property. If the property was purchased with federal grant funding the Grants Office will also need to authorize the transfer.

4. Inventory Control and Reporting

The Comptroller or his/her delegate is responsible for overseeing the disposition of all moveable property (equipment and moveable computers) assigned to college departments. The Shipping & Receiving staff in the Business Office will affix property tags to each piece of assigned moveable property. Departments are also required to observe and verify the annual inventory of their property, as well as maintaining accurate records on all property. Questions regarding inventory, tagging processes, account codes, disposals, ownership titles, equipment checkouts, donations, etc. should be directed to the Comptroller or his/her delegate. If the property was purchased with federal grant funding the Grants Office will also need to authorize the disposal request.

4.1. College Equipment Inventory

The IT Director, in coordination with the Comptroller or his/her delegate, maintains the college's inventory system, a database containing information on each item of property valued over \$5,000, as well as items designated as sensitive. The following information is maintained on the inventory database for each item of equipment:

- NNMC identification number (per property tag)
- name or description of item
- manufacturer, model number, and serial number

- 1 • whether the item functions on a stand-alone basis or is a component of a related or other
- 2 asset
- 3 • department name and department head (considered the custodian)
- 4 • physical location
- 5 • acquisition date and acquisition source information (PO number)
- 6 • acquisition cost and depreciable cost
- 7 • funding source (by accounting code structure)
- 8 • source of acquisition
- 9 • condition, transfer and disposition record

10

11 **4.2. Physical Inventories**

12 New Mexico State Law, NMSA Section 12-6-10 requires NNMC to conduct a physical inventory of all
 13 property valued over \$5,000 annually. The annual physical inventory also provides departments with an
 14 accurate inventory of property assigned to the department.

15
 16 Each year, the IT Director, in coordination with the Comptroller or his/her delegate, distributes to
 17 departments a listing of the department's property, as currently reflected on the college's inventory.
 18 Instructions, a form for identifying federal property on loan to the college, and a Certification
 19 Statement are also distributed (as applicable). The NNMC Inventory Control Form and the Request for
 20 Deletion/Disposal of Assets & Property form can also be found online at www.nnmc.edu.

21
 22 Department administrators (custodians) are responsible for observing the physical inventory, as well as
 23 certifying their agreement with the inventory performed. The department should retain copies of all
 24 inventory documents.

25

26 **4.2.1. Physical Inventory of College Art and Library Collections**

27 The units maintaining the college's art and library collections have established appropriate internal
 28 procedures for inventorying and documenting their holdings, and are exempt from the college's
 29 annual physical inventory requirement. However, the units maintaining the art and library collections
 30 should notify the Comptroller or his/her delegate, of additions and deletions to the collections as part
 31 of the college's annual inventory process.

32
 33 The Comptroller or his/her delegate, uses the certified inventories to make adjustments and corrections
 34 to the inventory.

35

36 **4.3. Adjustments to Inventory**

37 Changes in a department's inventory should be reported to the Comptroller or his/her delegate as they
 38 occur throughout the year. The [Request for Deletion/Disposal of Assets & Property Form](#) should be
 39 used to report deletions from the department's inventory. The [NNMC Inventory Control Form](#) should
 40 be used to request internal property relocations and transfers.

41

42 **5. Disposition of Property**

43 When an item of property is no longer useful to a department, it may be transferred to another

college department, traded in on new equipment, or disposed of through the College Surplus Property Department. The department that is transferring, trading in, or disposing of the property is responsible for completing a [Request for Deletion/Disposal of Assets & Property Form](#) and submitting it to the business office. Please refer to NNMC Policy 7720 Disposal and Donation of Property for guidelines.

5.1. Transfer of Assets to Another Institution

Equipment purchased with funds from grants and contracts administered by the college legally belong to the college. If a principal investigator transfers to another institution, in general, research grants will transfer with the principal investigator. However, grants and contracts for public service or training projects will usually remain at the college. Guidelines within the grant or contract will specify the procedure to follow if the assets are to transfer with the grant. Any equipment not officially transferred with the grant remains with the college. The Grants Department and the Comptroller or his/her delegate must approve transfers of equipment prior to physical relocation of assets.

5.2. Trading In Property

If a department wishes to trade in an item of property on the purchase of a new item, the department should contact the college Business Office (Purchasing) for approval and proper handling. The Purchase Requisition form should identify the item to be traded in, including a full description, manufacturer, serial number, and the college identification number (per property tag). The department trading in the property must send a [Request for Deletion/Disposal of Assets & Property Form](#) to the Comptroller or his/her delegate.

5.3. Cannibalization of Equipment

When an item can no longer be used for the purpose for which it was acquired or cannot be economically repaired and its components or parts are usable in a like item of equipment, it may be desirable and advantageous to cannibalize (dismantle) an item of property. Before cannibalization, a completed Request for [Deletion/Disposal of Assets & Property Form](#) must be submitted to the Comptroller or his/her delegate for approval. Components that are not used should be sent to the Surplus Property Department.

5.4. Government Property

If the government equipment is no longer being used, the department must contact the Comptroller or his/her delegate.

5.5. Disposal of Surplus or Obsolete Property

Property to be disposed of (not traded in on new equipment or transferred to another college department) must be sent to the Surplus Property Department. A department that has property that is not being used should contact the Surplus Property Department. The department should complete and submit the [Request for Deletion/Disposal of Assets & Property Form](#). For more information, refer to NNMC Policy 7720 - Disposal and Donation of Property.

6. Depreciation

Depreciation represents the portion of a capital asset that is deemed to have been consumed or expired

1 in the current year and that can be deducted as an expense. Depreciation is applicable for fixed as well
 2 as moveable property.

4 **6.1 Depreciable and Non-Depreciable Fixed Assets**

5 Land, certain land improvements, construction-in-process, and inexhaustible works of art, historical
 6 treasures, and similar assets are not depreciated. Land is considered to have an unlimited useful life
 7 and its salvage value is unlikely to be less than its acquisition cost. Certain land improvements may be
 8 considered to have an unlimited useful life and therefore not be depreciated. An example of a non-
 9 depreciable land improvement would include the movement or grading of dirt to prepare the land or
 10 items intended use. A non-depreciable land improvement should have permanent benefits.

11
 12 Land improvements and infrastructure may or may not be depreciable. If both types of assets exist or
 13 are anticipated, for example bridges and parking lots, it is recommended that the accounting
 14 structure be set up to capture the information differently. If both types exist or are anticipated to exist
 15 and one is considered immaterial, it is acceptable to combine them only if the one that is considered
 16 immaterial is not expected to become material at a later date.

18 **6.2 Class Lives**

19 The expected useful life is based on the class rather than the individual asset. The life of the class of
 20 assets is intended to be the average for all the items included within the class. Therefore, while one
 21 specific piece of equipment may have a useful life of three (3) years and another may have a useful life
 22 of 12 years, if the chosen class life for equipment is five (5) years, then the life used for depreciation
 23 is five (5) years for both assets. The theory behind this is that the number of lives for the specific
 24 pieces of equipment is considerably varied and the extra specificity generally does not create a
 25 materially different result than a class life.

Classification	Class Life
Depreciable infrastructure	25
Buildings	40
Building additions and renovations	40
Machinery and Equipment	5
Computers and Electronic Equipment	5
Software	5
Automobiles and Heavy Equipment	5
Library Books	10

28 **6.3 Accounting Guidance**

30 **6.3.1 Capital Asset Fund**

31 Asset acquisitions are recorded in the acquiring fund for budgetary and use of funds purposes.
 32 The assets and the related depreciation are recorded in the capital asset fund (9670).

34 **6.3.2 Calculation**

35 Straight line depreciation is calculated by dividing total asset cost by estimate useful in years. Total
 36 asset cost includes purchase price or cost of construction plus any other charges incurred to place the

1 asset in its intended location and condition. Donated assets are valued at their fair market value at date
2 of acquisition. The estimate useful life of a capital is the period over which services are expected to
3 be rendered by the asset.
4

5 **6.3.3 Changes in Estimates**

6 The general rule is that careful estimates of useful lives that later prove to be incorrect based on new
7 information should be considered changes in estimates. Changes in estimates must be handled
8 prospectively (i.e., restatement of prior years is prohibited). However, estimates of useful lives that
9 are computed incorrectly because of lack of historical useful like experience or failure to use available
10 information should be considered accounting errors. Corrections of errors must be treated as prior
11 period adjustments (i.e. restatements). Neither changes in estimates nor corrections of errors that are
12 immaterial need to be separately stated.
13

14 **6.3.4 Fully depreciated capital assets**

15 Depreciation is intended to allocate the cost of a capital asset over its entire useful life. Variances for
16 individual assets will exist due to the specific nature of their use (e.g., the cooling system for a building
17 with relatively low heat generation will last longer than a system in a building with a higher heat
18 generation even though the equipment itself if the same.) Fully depreciated items should be reviewed
19 annually for remaining functionality and possible requirements for allocations of future resources.
20 Assets should not be written off until they are non-functional or until disposed.