



College of the Marshall Islands
9.41 am Tuesday, February 7, 2017

Board of Regents Regular Meeting
Board Conference Room
Approved Minutes

The Board of Regents of the College of the Marshall Islands convened at 9.41 a.m on Tuesday February 7, 2017 in the CMI Board Conference Room.

In Attendance: Chair Ben Chutaro, Regent Jelton Anjain, Regent Jabwill Ned, Regent Alex Pinano, Regent Luiston Binejal, Regent Kathryn Relang, President Theresa Koroivulaono, Executive Director of Institutional Integrity Ruth. L. Abbott – Recording Secretary
Regent Patrick Chen

Apologies: Regent Julia Alfred

Staff in Attendance: Executive Advisor to the President/Acting VPASA Dr. Melinda Nish, Vice President Administration William Reiher

Guests: None

Call to Order: Meeting was called to order by Chair Chutaro at 9.41am.

Remarks by Chair Chutaro:

- Welcomed the new Regents and everyone back for the New Year.
- That Regents Relang, Pinano and Alfred will attend an orientation session for new regents in the afternoon.

No minutes were brought forward for approval.

Board of Regents Action Plan

- Chair Chutaro discussed the history of the development of the Board's Action Plan.

- Purpose: to guide the activities of the board.
- One of the most important parts is the development of the BOR's corporate Plan.
- Refer to item#5 on Action Plan – 'Board of Regents – Action Items'

(i). Develop board KPIs –

- set out goals for the Board to meet.
- guide the evaluation processes.

(ii). Review processes

- As part of best practice – board evaluates itself.
- Ongoing process of aligning minutes with resolutions; whatever policy is brought to the Board must be reviewed for their currency, relevancy to the College.

(iii). Corporate Plan (CP)

- Be sure that all documents are synchronized, processes are articulated well and that the CP is in sync with the Strategic Plan (SP).
- SP is reviewed and changed according to need.
- Board Standing Committees feed into the CP 2023.
 - Questions to consider:
- How will we sustain the college if there is a change in Pell?
- How will that affect CMI?
- How will CMI be in 2023 and beyond?
- We need to start working out CMI's position and conducting discussions with the government on the issues of resources and sustainability.

(iv). Board Policy on approving policies and procedures:

- Develop a Board policy framework to guide everyone about Policy development.
- Policy for the policies: It must be consistent, must have and follow an approved format and be relevant and interrelated to others.

(v). Endowment fund

- To be discussed in detail in the standing committees on how partnership with

- other institutes could contribute to increasing CMI's endowment fund.
 - Discussions to be reported back to BOR.
- (vi). Standing Committees' procedures and reporting Guidelines need to include:
 - Committee conduct;
 - Report format, structure; and
 - Reports catalogued with documentation.
- (vii). Board Orientation Program
 - Orientation Program review – appropriate and updated.
 - Board retreat – Annually for several days depending on priorities.
- (viii) Review of MOUs
 - Review process;
 - Discussion with government; and
 - Corporate plan discussion.
- (ix). CMI Statute
 - Making changes this year due to Self-Study Review.
- (x). Team Building
 - Retreat and training in March/April.
 - Prioritize proper Board roles.
 - PPEC GLI board training for new members ***Regents Bigler and Chutaro went to the last one in 2015.
 - 2 new members need to go.
 - Peer interaction.
 - Report back to BOR.
- (xi). Update and amend by-laws.
- (xii). CMI website Board portal
 - Try to design own site on CMI website.
 - Portal to be conduit to President.
 - Allow mobility of documents.
 - Robust cataloguing of documents.
 - Annual Report submitted to Nitijela/RMI President by January 1, 2017.
 - Commission Meeting – hearty congratulations to President Koroivulaono, Exec. Advisor to the President, Dr. Melinda Nish and EDIIE

and ALO Ruth Abbott for an excellent job which has been exemplary.

- Expect to be off warning, maybe later this week or next. Anticipate removal from sanction.
- Submitted Bachelor of Arts in Elementary Education, Advanced Certificate in Deaf education and Advanced Certificate in Severe Disabilities sub changes. ACCJC Sub change committee will meet February 27th and we should hear back by mid-March.
- During the meeting CMI received notification from ACCJC that the Warning Status had been removed.

Further discussions on Endowment Fund

- Need \$135 - \$160 million for CMI.
- If we want to be self-sustaining, how we achieve this position is currently unclear.
- We need \$10 million per year (10%return), \$160 million on 5 – 6% return.
- Fiscal adjustments do not account for student growth – 1000/year. Fall intake of new students ranges from 300 – 350.
- 1000 students per year is not reflected in the current budget as different variables need to be taken into account.
- Divesting from fossil fuel – did not make as much for the Endowment.
- Need a statement on Climate change as there are a series of funding opportunities.
- Regent Pinano talked about the “Green Climate Fund” – as we maintain that image, can it help us get funding?
- Dedicated Grants person to grow funding – will need a development strategy.
- \$3million subsidy where government still ‘owes’ us several. (\$2.8 million being given to CMI in past years instead of the full \$3m).
- Try to be pragmatic with finances so we can impress on people how we grow the fund from \$160 million to beyond 2023.

- Depends on the size of the College. A decision may have to be made as to what kind of college we want. Becomes a burden for the College to produce, i.e. "If we want X, we have to look at the cost of that program."
- The whole system must address or mitigate what is to be done.

Ideas on Endowment Fundraising

- Regent Pinano discussed the Green Climate Fund (GCF) and the Marine Protected Areas Act (PAN- Act); Fishing Industry Revenue can be tied to the training programs to be done on ships. MIMRA funds returned to general funds for distribution by Nitijela.
- President Koroivulaono discussed the Endowment Fundraising used by Palau Community College. President Tellei made tax arrangements with Government Ministers over the 10% that each PCC employee deducts from their salaries to go to the PCC Endowment Policy. The annual fundraising event helps to raise \$50,000– 60,000 and their piggery and agricultural farms raise more than \$20,000.
- Target needs to be \$10 million in 2 years' time.
- Chair Chutaro discussed the sin tax yield at about \$6million but CMI is not fully reaping the benefits of that tax which was specifically created for CMI.
- Approach Finance Ministry
 - i) How we frame our discussions is critically important;
 - ii) How we present it; and
 - iii) Having an open and honest conversation.
- Question? How often does President meet with government officials?
- E. g. President – Sec. of Education
- Board – Cabinet
- Retreats allow for those kinds of opportunities.

- Regent Relang emphasizes that we need to convey to government that "This is your college".
- Have a Marshallese Institute that accommodates all – material culture, language, history – It is semi-autonomous and protects the cultural resources.

- These are to be brought up in committees.
- President Koroivulaono mentioned the November retreat where the Board could align the responsibilities and ask Cabinet members through the President to attend.

The President expressed her concerns for post 2023.

- Emphasized the need to create an Action Plan to address as much as possible. Concerns expressed that we cannot match USP but we can share resources. USP Council will be here to open new campus in May 2017; USP is preparing their WASC Accreditation Application and looking to be accredited in 2018. If they do get accredited students will be Pell eligible. So what we are doing here at CMI? How do we work with USP so we do not duplicate?
- Regent Pinano mentioned that Sustainability is a huge issue and that we need to think of other income sources.
- Chair Chutaro mentioned the commendations at the JEMFAC meeting for PMS and other things that CMI had done and other agencies are requesting CMI's services. Chair Chutaro thanked President Koroivulaono and HR Director Agnes Kotoisuva for the work done on the PMS and the Performance Based Budget (PBB).
- Min. of Finance, NTC and the Scholarship Board are asking for CMI's consulting services in the areas of strategic planning and performance management.

- CMI can sell our services as consultants to train others in the PMS and the PBB.
- Chair Chutaro said \$160 million is a lot of money. We have only \$1.3mil. RMI will always get money. Trust Fund projection –

Front end = \$45mil/yr

Back end = \$30mil/yr

How do we adjust for that? We have to know what to ask for.

- Regent Pinano suggested that if we update more often on Annual reports, Public Accounts and Budget reports, then it can help them (government) adjust.
- President Koroivulaono reported that she has regular meetings with the Min. of Education. She also mentioned that the subsidy was reduced to \$2.8mil from \$3mil when the annual payments are made. She further explained that the makeup is through the SEG and other grants. Upon answering Regent Ned's question if the funds are legally ours, the President mentioned that we try as much as possible to follow up with the Min. of Finance.
- Chair Chutaro said we could explain at the workshop to the Min. of Finance, Chief Secretary and Speaker.
- Regent Relang also mentioned the importance of students speaking out loud as there is always the notion of the 'college having so much money'.
- Regent Chen said that the government has an obligation to put money in – he suggested that we start thinking about helping ourselves e. g. offering consultancy services based on the PMS to RMI clients. When the public sector sees us earning for ourselves that may speak volumes more than just mere discussions about how to increase funding from already limited resources. There needs to be more Income-generating thinking.
- Chair Chutaro mentioned that the Sin tax from alcohol and tobacco was \$6.5mil last year. CMI got \$2.8 mil

when we should have been given \$3 mil. Other sectors are also receiving portions of the Sin Tax now.

- The RMI General Fund: \$32 mil – Kwaj (Ebeye Special Needs), taxes, MIMRA.
- After the Break there was discussion on the Board Training Governance Institute Affairs.
- Briefing on PPEC – Meetings will be held in Honolulu. PPEC – March 27 - 29, Governance Leadership Institute (GLI) March 29 – April 1st – Governance Institute for Students Success – April 1st (pm) and all day April 2nd.
- Dr. Melinda Nish (Executive Advisor to Pres/VPASA) mentioned the issues with CCSF lawsuits – whether to stay, reapply and reestablish accreditation. Concerns have been expressed about the future of ACCJC. CA groups plan to move from ACCJC to WASC – they need to think of the Pacific region. CMI voice should be heard at the table – What plans are there to move to WASC? May take 6 – 10 years. Pac. Region needs a voice.
- The Pacific Region has been silent and CA seems to be driving this conversation while the Pacific region simply follows. The CA system lacks understating of the RMI Environment (Compact). What control do we have? What is our position on this issue as a college, as a nation?
- Conversation on this topic is continuing. It is clear that we need to be accredited, increase quality programs and to allow access to Federal Financial Aid. The PPEC meeting will be focusing on these issues as well.
- GLI & GISS – look at relevant data sets and what do we do as policy makers; What are policies that support student success? The 2011 report success rate is at 4% for First Time Full Time (FTFT) for CMI. Reason – 90% of our students enter at Level 1 and it takes them 1.5 years to get through Developmental program.

- Resource allocation to Dev Ed – meet 15%
 - 30% in 3 years – We want to see completers.
 - GLI and GISS meetings will be very helpful to Board members attending as much is really relevant to issues that need to be tackled.
 - CMI can send 2 or 3 Regents.
 - Interested Regents need to email Chair Chutaro in the week beginning February 13.
 - Regents Anjain and Ned are interested in attending.
 - Chair Chutaro moved for an Executive Session, seconded by Regent Chen.
 - Meeting Adjourned at 12.55pm.

Respectfully submitted by:

Ruth Abbott
Recording Secretary

*PRESIDENT FOR THE
RECORDING SECRETARY*

Approved by:

Benjamin Chutaro
Chairman, Board of Regents