



CMI

BOARD OF REGENTS

College of the Marshall Islands

Accredited by the Western Association of Schools and Colleges

P.O. Box 1258
Uliga Campus

Tel: (692) 625-3394/3291/4931

Fax: (692) 625-7203

Email: bor.regents@cmi.edu

Special Board of Regents Minutes - Approved July 21, 2025

Members Present

Chair Meitaka Kendall-Lekka
Regent Katt Chonggum
Regent Morean S. Watak

Vice Chair Thomas Kijiner Jr.
Student Regent Willy J. Lebeau
Regent Dr. Yukiko Muller

Regent Julius Lucky
Regent Timothy Owens
Regent Roanna Zackhras

Member Absent/Excused

Regent Jelton Anjain

Regent Kino Kabua

CMI employees in attendance:

Dr. David A. Newnham, President

Dr. Elizabeth Switaj, Vice President for Academic and Student Affairs

Stevenson Kotton, Vice President for Administrative and Business Affairs

Dr. Adedayo Ogunmokun, Vice President for Land Grant

Kelly Sebastian, Executive Officer/Executive Secretary for the CMI Board of Regents (ESBOR)

The meeting was called to order @ 9:04 AM

Agenda Items

1. Opening prayer & Roll call and call to order
2. Approval of the Agenda
3. PAC Prep
 - 3.1. FY2021 Summary Schedule of Prior Audit Findings

Minutes

1. OPENING PRAYER, ROLL CALL, AND CALL TO ORDER

Chair Kendall-Lekka commenced the BOR meeting at 9:04 AM.

Regent Owens led the opening prayer.

2. APPROVAL OF THE AGENDA

Regent Owens made a motion to approve the Board's Agenda. Regent Chong-Gum seconded the motion. The motion was unanimously approved.



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3. PAC PREP

- 3.1. Chair Kendall-Lekka shared that the PAC hearing is scheduled for July 22, primarily focused on the FY2021 audit summary and COVID-19 financial statements.
 - 3.1.1. The Board should prepare but may defer responses to the SLT, especially as many Board members were not present during that time.
- 3.2. President Newnham noted that SLT is prepared to respond to PAC questions and will support the Board. Updates on progress since the March 4 memo can be shared.
 - 3.2.1. A campus survey on the grievance process was completed, with results now with the HR Committee and an internal subcommittee reviewing the findings.
- 3.3. VPASA Switaj noted that the survey results indicated a need to better communicate the purpose of the grievance process — that it's about the process itself, not necessarily the outcome.
- 3.4. Chair Kendall-Lekka recommended including bwebwenato sessions and stakeholder engagement in future grievance process reforms and PAC updates.
 - 3.4.1. President Newnham clarified that these engagements would be part of open board sessions.
- 3.5. Chair Kendall-Lekka shared that while the audits have been delayed, the expectation remains that they will be completed soon.
 - 3.5.1. President Newnham reported that FY22 is nearing completion, and the contract for FY23 has been signed.
 - 3.5.1.1. Fieldwork for FY23 is expected to conclude within two months, with EY reporting anticipated in October.
 - 3.5.1.2. Although the FY24 contract has not yet been signed, EY has indicated readiness to proceed.
 - 3.5.1.3. The goal is to complete FY24 fieldwork by December 2025, with the report to be submitted to ACCJC as evidence, placing the college 11 months ahead of the December 2026 deadline.
 - 3.5.1.4. Emphasized that while ACCJC allows extra time, CMI aims to lead by example and restore business credibility through timely audit completion.
 - 3.5.2. VPASA Switaj noted that failure to meet deadlines could result in probation, which allows only a two-year window for compliance.
- 3.6. Chair Kendall-Lekka shared that although it is uncertain whether all topics will be raised during tomorrow's hearing, it is important for everyone to be on the same page and thoroughly review all related materials in preparation.
- 3.7. Unannounced Increases in Tuition and Fees:
 - 3.7.1. Chair Kendall-Lekka noted that the last tuition and fees increase occurred in 2023, but it did not include changes to the bookstore fee, which remains a flat rate for all students.



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- 3.7.2. VPASA Switaj confirmed the bookstore fee has remained unchanged.
 - 3.7.2.1. Added that departments like STEM and Developmental Education have transitioned to fully online learning, and that any tuition increase would require Board approval, which includes input from the Student Regent.
- 3.7.3. President Newnham shared that the College plans to transition to eBook and tablet-based learning in the Fall.
 - 3.7.3.1. Students will have the option to rent or purchase tablets, with a checkout system in place and charges applied if devices are not returned.
 - 3.7.3.2. The initiative aims to reduce costs and improve access to a wide range of digital learning resources.
 - 3.7.3.3. Noted that traditional book returns are impractical due to shipping costs and committed to reporting progress back to the Board.
- 3.8. Facility Fees:
 - 3.8.1. Chair Kendall-Lekka suggested reviewing the list of student fees to better understand the amounts being charged.
 - 3.8.2. President Newnham emphasized that under ACCJC standards, the College must notify students before raising any fees.
 - 3.8.2.1. Increasing fees without proper notification would result in non-compliance.
 - 3.8.3. VPASA Switaj added that all student fees, including facility fees, are published in the College catalog.
- 3.9. Unannounced Increases in Dormitory and Utility Fees:
 - 3.9.1. Student Regent Lebeau shared that dormitory fee increases are announced to students, based on his experience since joining CMI.
 - 3.9.1.1. As a former Residence Hall Senator, he noted there has been visible progress in addressing dorm issues.
 - 3.9.2. Chair Kendall-Lekka commented positively on the clarity of the listed dormitory fee plans.
 - 3.9.3. Regent Owens inquired about the impact of increased utility rates, specifically the 10% hike in MEC charges, and whether student fees would also increase or if CMI would absorb the costs.
 - 3.9.3.1. Noted that utility costs could rise by about \$6,000 monthly and questioned if repaired solar panels could offset this.
 - 3.9.4. President Newnham responded that the increase would likely be covered by general funds in the short term, with a possible fee adjustment proposed next year.
 - 3.9.4.1. Reported that the current solar panels are no longer functional (about 10 years old) and will need to be replaced.
 - 3.9.4.2. Taiwanese inspectors recently assessed the system, and the College may apply through the RMI Government for replacement funding from the Taiwanese solar support program.
 - 3.9.4.3. Emphasized the importance of energy conservation, especially managing air conditioning usage, as it is a major cost driver.



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- 3.9.4.4. Monthly electricity bills are around \$60,000 to \$65,000.
- 3.9.5. Chair Kendall-Lekka noted that students currently see dormitory and utility costs combined as one "dormitory fee" on their statements, and there may be a need to consider a future increase.
- 3.10. Absence of Kitchen Facilities at Uliga Campus Dorms
 - 3.10.1. VPASA Switaj reported that the Uliga dorm kitchen was closed after multiple fires.
 - 3.10.1.1. A vendor now provides meals, though quality and hours have had issues, which are improving with surprise inspections.
 - 3.10.2. Student Regent Lebeau noted students prefer a meal plan like Arrak's, with upfront deductions and consistent meals, as budgeting is difficult.
 - 3.10.3. VPASA Switaj said Arrak's model works due to its facilities; CMI is exploring options for a cafeteria and culinary program.
 - 3.10.4. President Newnham shared a proposal to partner with the Assembly of God Church to create a shared space with a commercial kitchen, culinary training, and event space to reduce catering costs and serve the campus.
- 3.11. Mandatory Dormitory Vacancies between Semesters
 - 3.11.1. VPASA Switaj clarified that while dormitory vacancy between semesters is not mandatory, it is highly encouraged to allow for maintenance and staff time off.
 - 3.11.1.1. Students with no alternative housing may remain in the dorms during the break, but a daily fee applies, as outlined in the residence hall handbook.
- 3.12. Power Outages / Lack of Backup Generators for Dormitories
 - 3.12.1. VPASA Switaj reported that the backup generator issue for the dorms has been resolved, and the dormitories now have a generator in place.
- 3.13. Withholding of Refunds Due to Student Debts
 - 3.13.1. President Newnham noted that federal regulations require refunds to be returned within 14 days.
 - 3.13.2. VPASA Switaj added that students must sign a form agreeing to the withholding of refunds for outstanding debts, though operational details were not specified.
 - 3.13.3. VPBAA Kotton clarified that refunds cannot be withheld without student consent.
 - 3.13.3.1. This practice changed due to updated federal guidelines.
 - 3.13.3.2. While Pell Grant audits for FY21–FY23 had not been conducted, they are included in the current audit scope.
- 3.14. Delayed Student Refunds
 - 3.14.1. VPBAA Kotton explained that delays in student refunds occur due to two main causes:
 - 3.14.1.1. Some are institutional, including system reconciliation delays.



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- 3.14.1.2. Others are student/parent-related, such as incomplete FAFSA submissions or withdrawals after refunds are issued, resulting in post-semester balances.
- 3.14.2. Preventive Measures:
 - 3.14.2.1. Students cannot register without completing FAFSA.
 - 3.14.2.2. Financial Aid now conducts “open lab” sessions with students and parents to support FAFSA completion.
 - 3.14.2.3. CMI now releases refunds upfront and conducts final adjustments at the semester’s end to reflect accurate aid and enrollment.
- 3.14.3. Misuse and Miscommunication:
 - 3.14.3.1. Some students withhold refund information from parents.
 - 3.14.3.2. FERPA restrictions prevent CMI from disclosing refund details directly to parents.
 - 3.14.3.3. Staff sometimes intervene to manage parental confrontations by protecting students, even when funds were already deposited.
- 3.14.4. Chair Kendall-Lekka highlighted this issue as frequently raised by students and parents, and likely to come up during the PAC hearing.
 - 3.14.4.1. Emphasized the need for consistent communication and awareness about student privacy and financial aid protocols.
- 3.14.5. VPBAA Kotton noted that during COVID relief, parents treated student refunds like welfare payments, sometimes physically showing up at the campus or banks, emphasizing the economic hardship at the household level.
- 3.14.6. Student Regent Lebeau confirmed that FERPA guidelines are covered during orientation.
- 3.14.7. Chair Kendall-Lekka added that awareness building needs to continue, as economic realities and misunderstandings are key factors driving complaints.
- 3.15. Audit Findings and Pell Grant Reconciliation
 - 3.15.1. VPBAA Kotton reported that some audit findings dating back to 2016 have been resolved, while others remain outstanding.
 - 3.15.1.1. Pell Grant audits for FY21 and FY22 were not selected; however, FY23 must include Pell due to audit regulations.
 - 3.15.1.2. CMI has made significant improvements, including migrating from SIS to SONIS, hiring external consultants, and reconciling records to net zero.
 - 3.15.1.3. These improvements allow CMI to confidently meet upcoming audits, with better integration across systems and improved training.
 - 3.15.1.4. Challenges in past audits stemmed from inconsistent or manual systems, poor data integration, and a lack of centralized document management.
 - 3.15.1.5. Steps have been taken to correct these issues, and leadership expects continued improvements for future audits.
 - 3.15.2. President Newnham and VPASA Switaj emphasized improved oversight, streamlined document management, and clearer student financial communication.
 - 3.15.2.1. Audit-related training and system integration are in progress, with FY24 and FY25 documentation now being systematically digitized.



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- 3.15.3. President Newnham added that CMI's focus is to meet all federal requirements, and significant structural reforms are in place to ensure accuracy, compliance, and operational transparency.
- 3.16. President Newnham informed that the SLT team, except VPASA Switaj, who will participate remotely due to a prior workshop commitment, will attend the PAC hearing at 9:00 AM in the Nitijela Conference Room.
- 3.17. Chair Kendall-Lekka noted that the two key items are the 2021 audit report summary and COVID-19-related matters (likely CARES Act funding).
 - 3.17.1. Emphasized the importance of Board awareness, although most details will be addressed by SLT.
 - 3.17.2. Acknowledged uncertainty about what questions may arise, especially since much of the report predates the current Board's tenure.
- 3.18. VPBAA Kotton stated that CARES compliance reports are all posted online and available for reference, but acknowledged not being certain about specific PAC expectations.
- 3.19. President Newnham added that typically, PAC will request additional documentation after initial testimony, which will be shared with the Board for awareness and follow-up.
- 3.20. Update on the Bounced Employees and Vendor Checks & Delayed Vendor Payments
 - 3.20.1. VPBAA Kotton reported that CMI switched to online payments to avoid bounced checks caused by poor cash monitoring.
 - 3.20.2. Some vendor balances are being reconciled due to discrepancies.
 - 3.20.3. Delays in vendor payments are due to unpredictable funding from donors.
 - 3.20.4. Recent funds received include \$300K was received from Finance and \$200K from the last of the Summer Pell, with \$1.6M originally expected for summer Pell.
 - 3.20.5. An additional \$500K is pending from UB due to federal disbursement issues.
 - 3.20.5.1. President Newnham said the incoming funds should cover operations through the fall, with MISSA payment as a priority.
 - 3.20.6. Regent Chong-Gum recommended compiling a list of SOEs paid and still owed.
- 3.21. VPASA Switaj shared that the Adult High School is essentially the same as the former Adult Basic Education program, serving the same students with a revised curriculum and updated terminology.
 - 3.21.1. The structural placement and funding remain unchanged.
 - 3.21.2. VPBAA Kotton added that the program receives \$300,000 from Compact funds.
- 3.22. Chair Kendall-Lekka noted that the Board will support where possible and emphasized the importance of reviewing the matter thoroughly, especially regarding the consultancy issue tied to recent high-level communications.



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- 3.22.1. It was acknowledged that changes made outside of CMI's guidelines could negatively affect the institution.
- 3.23. President Newnham added that the project in question does not align with CMI's student or academic priorities and suggested it might be more appropriate for another institution.
- 3.24. VPBAA Kotton reported that over time, their employees' role shifted from employment to consultancy with multiple salary increases, raising concerns.
- 3.24.1. Despite previous presidential efforts to disengage, a cabinet directive had required CMI's continued involvement, though this is the final year of the arrangement.
- 3.25. VPASA Switaj expressed that during her interim role, she had difficulty understanding the project's relevance.
- 3.25.1. Raised concerns about its lobbying focus, which could present compliance risks with federal education regulations.
- 3.26. Chair Kendall-Lekka encouraged other Regents to join the upcoming PAC hearing, noting that she and the Student Regent will be attending.

Meeting adjourned @ 11:06 AM

Signed by:

C1B15922CD0248A...

Scribe

Kelly Luce Sebastian,
Recording Secretary

Signed by:

7670BDE23BE74DC...

Reviewed & Approved by

Meitaka Kendall-Lekka,
Chair, Board of Regents

August 25, 2025

Date Approved