

NORTHERN MARIANAS TECHNICAL INSTITUTE

Board of Trustees Special Meeting
NMTI, Lower Base
April 9, 2021, 2:00 p.m.

I. 2 pm exactly, Trustee Carmelita Faisao conduct roll call:

Present:

- Chairman Mario Valentino
- Treasure Carmelita Faisao
- Trustee Catherine Attao
- Trustee Rick Kautz
- Trustee Ana Mendiola
- Interim CEO Jodina Attao

Absent unknown:

- Trustee Ray Pangelinan

Excused Absence:

- Secretary Irene Holl- off-island trip to Cambodia.

II. Adoption of Agenda. Motion to adopt by Trustee Attao, and Seconded by Trustee Faisao. Unanimous Vote.

- Trustee Kautz asked for "Point of Privilege." Acknowledged by Chair Valentino.
 - The agenda does not have any meeting minutes of March 18 and the continuation of that meeting on March 22nd. So, there are no minutes to be adopted, is that correct?
 - Chair Valentino shared that recorder is with Secretary Irene in Cambodia and is working on sending the minutes.

III. Public Comments

- Representative Leila Staffler provided an update to the board that a resolution will be filed with the clerk later today, so in next session a Joint Resolution will be introduced with the Senate, to compile the Governor to submit the CW money as soon as possible. Roughly \$2million dollars in the CW funds. In moving forward, any CW funding received, data must reflect that a "Trade's student" has replaced a "CW worker." This will be a new challenging requirement that will be in place to seek additional future funding. Creating a mechanism for data collection and alignment to see where workers are going and replacing CW workers, as intended; will be a new critical role for CEO and the Board to monitor.

Representative Staffler is also working on a format for additional FTEs, and reinstate budget authority. She is working on that request from the letter previously submitted to Speaker Villagomez. Hopefully, will get that done before the next session.

- Dave Doby, Professional Training Technology, Guest Speaker in the Public Comments, is currently not present. Chair Valentino asked to postpone his section and should he come in, if we can entertain his presentation.

IV. Executive Session- Motion made to move til after “New Business” by Trustee Faisao and 2nd by Trustee Attao.

V. Unfinished Business

a. Bank Accounts

CEO Attao shared that Board Resolution will need to be amended, to include requiring 2 signatures, with other Trustees and CEO as primary. Board Resolution has been signed by all, except Trustee Holl and Trustee Pangelinan. Signature card, with bank account agreement, will need 2 other signatories.

b. Deposit 500K Educational Emergency Fund

Once items above have been submitted, the deposit can occur. CEO Attao shared that according to the By-laws, we only need 50% of the board to sign off on the document. We only need extra signatures on the Bank Agreement Form.

- c. Chair Valentino recognizes Mr. Dave Doby, from Professional Training Technology
- Business is currently in Guam and provides Safety and Environmental Training and Consulting services throughout the region. Petroleum Industry background, National certifications in Environmental field. Currently here in Saipan with CHC, BEQ and NMHC. Course offered- OSHA Construction, Qualified Electrician Course, Heavy Equipment Training, etc. Business cards given to Board and CEO.

Chair Valentino expressed his appreciation for Mr. Doby’s presentation and time. And with shared experiences and exchange of best practices, this would be something that would be valuable here at NMTI and for our community.

VI. New Business

a. Financial Assistance for 2021

- CEO Attao shared that the deadline to submit for CW Funds budget proposal and American Rescue Plan (ARP) grant (cover the costs of the maintenance and repairs of the facility) is April 15th. EDA Grant, made connection with Mr. Mario Iglesias and Mr. Ryan Parker to get all information updated, to include SAMS number.

Educational Tax Credit is also being done by Mr. Vic Cepeda.

b. CW Funding for 2019 and 2020

- CEO Attao shared that NMTI did receive the following funding:

2019:

- 1st Quarter- \$325K, on October 29, 2018
- 2nd Quarter- \$325K, for January 1- March 31, 2019
- 3rd Quarter- \$325K, from April 18- June 7, 2019
- 4th Quarter- \$325K, from July 11- Sept 5, 2019
 - Total Share of appropriations- #1.3 million

2020:

- 1st Quarter- \$250K, processed on December 12, 2019
- 2nd Quarter- \$250K, processed on February 13, 2020

- 3rd Quarter- \$250K, processed on April 14, 2020
- 4th Quarter- have yet to receive
 - After submit budget proposal for the 4th quarter, NMTI would have received a total of \$1 million for FY 2020.

With the school closed the majority of the time in 2020, NMTI received close to a million dollars. A receipt was given to CEO Attao that \$13,409.72 was deposited into this restricted account.

CEO Attao shared that there were still some encumbrances that needed to be cleared and was done by Trustee Kautz- such as, instructors' salaries. Calvo's Insurance has been cancelled since January 31, 2021; however, there is an outstanding balance of approximately \$14K.

Chairman Valentino shared that since those debts are with the Trades, then we don't have to go over that information. Any balances that the Trades owes, it is a private 501(c)3. Technical Institute is not to have any encumbrances, they do not transfer over. With Trades Institute receiving \$750K minus a balance of \$13K leaves a balance roughly at \$737K that was spent on a year that had no school. No petty cash transferred over, as well.

Edvance Pacific

Trustee Attao shared that Edvance Pacific reached out to share that they only received 50% of payment that was agreed upon, while all proposed logos were turned over to former CEO McPhetres (to include the addition of 3 new logos based on board members feedback). Trustee Attao did ask Edvance Pacific to provide any documentation, such as the signed/written agreement, to include any files that they have. Also, since this work was on the proposal for the new "Technical Institute" logos, this may be something this board can entertain and get that debt satisfied. Chairman asked if CEO Attao can get that information from Edvance Pacific for further review and re-share the logos made.

c. Contracts for Staffing

- CEO Attao shared that as per HR policy 4007, we are able to provisionally appoint an HR Manager. The HR Manager would then be responsible for the hiring process (JVAs, interviewing, etc), interview panel and getting a team in place by following all CNMI regulations from the Office of Personnel Management.

Chairman Valentino supported that since there will be funding in place, let's get this HR person in place so we can get the hiring process going. CEO Attao seeking the approval from the Board for the provisional appointment of the HR Manager. CEO Attao has prepared the staffing patterns, Organizational Chart and merge many positions that were available. Chairman Valentino would like to request that CEO Attao look to hire a admin team, as soon as possible, to help with the workload.

Trustee Kautz inquired what method of HR will CEO Attao be following? Will it be Trades, CNMI Government, Autonomous agency?

CEO Attao would like to propose adopt the CNMI OPM regulations and the current Trades/Technical HR policies, for now and amend it according to Technical Institute's needs, with the new HR Manager.

Trustee Kautz again shared that the HR Policy was already voted and adopted by the Board of Trustees, back in March 12, 2020.

Chairman Valentino read, for the record, a response from the AG's office in regards to "NMTI Trustee's meeting prior to the end of the Transition Period." *Please see attached letter.* Therefore, we came together to form the roles and terms of each member and that was it. Trustees step back, Trades (and BoD) ran the school until Transition is complete; and then the Trustees take over.

Chair Valentino entertain a motion to adopt the Trades HR policies, and OPM, so they can be amended and we can move forward.

Trustee Kautz would like to get another legal opinion on what just occurred. Chair Valentino noted his request and pointed out that if so, and AG stands on what he says, we lose ground. Trustee Kautz shared that Trustees already adopted the policies when we organized. CEO Attao then inquired if the Trades/Technical HR policies, along with OPM, can be adopted and then amended later; at least this is a starting point.

Chairman Valentino shared a letter received from former CEO McPhetres, BoD Gonzales to Chairman Valentino regarding "Governance Authority of NMTI while in Transition." *Please see attached letter.* The letter saying that the Trustees were not in authority to make any decision and thanked Chairman Valentino for raising this question.

Trustee Kautz additional comment is that there are 2 different methods of hiring, based on OPM, and then autonomous agency that we are. He is asking that this is reevaluated and decide which one is more accommodating for the Institute.

CEO Attao shared that the reason why she would like to adopt both is because "Trades Instructors" don't necessarily have degrees in the Trades; they have certifications. Therefore, we would have to organize their pay scale accordingly to certifications and years of experience. These technicalities are currently missing in the "Trades policy." Therefore, we can use OPM's info to balance these missing components out and cater them to "Technical Institute" needs.

Chair Valentino summarized CEO Attao's proposal with the Board to adopt both policies (Trades and OPM), have the Board review and amend later.

Trustee Kautz shared his concern on the "Transition." For those employees who are in limbo now. Because there are different interpretations of what the law says, he would rather review the interpretation of the law.

Trustee Attao shared her support of the idea to get a "Provisional HR Manager" in place (per 4007) and adopt both OPM and Trades policies. An HR Manager is needed to help with creating, drafting, setting new HR "Technical Policies" in place. Understanding what Trustee Kautz had said, and being familiar with the

hiring processes in the Federal Government (point system), Trades employees would get more points (preference) in the application process.

Trustee Kautz agrees, as long as both options are present.

With CEO already meeting with the team, and has met with the staff, let's get this HR person so we can move along. Chair will entertain a motion to adopt the OPM and Trades HR policy. Trustee Attao motioned to adopt and properly seconded by Trustee Mendiola.

Chair Valentino asked "All in favor of adopting the OPM and Trades HR policy as written and hire an HR person to assist CEO with the hiring practices, say 'Aye.' "

Motion carried with all in favor and no opposed.

Trustee Kautz reiterated that since there are no adopted minutes, no action can be taken either.

Chairman will entertain a motion to table the adoption of minutes from the previous meeting until next meeting. Trustee Attao made a motion and seconded by Trustee Kautz.

Chair Valentino asked "Motion has been made to table the adoption of previous meeting minutes and to adopt those meeting minutes, along with the minutes to this meeting at our next meeting, and properly seconded by Trustee Kautz, say 'Aye.' "

Motion carried with all in favor and no opposed.

- d. Employees Handbook
 - o CEO Attao has Employee handbook on file and will be working on this with provisional HR personnel. Great to get this going, as we start to hire people.
- e. Codes of Conduct
 - o This is very important as there are a lot of emotions going around. We don't necessarily need to agree with everybody; however, we need to remain respectful/professional.

Trustee Attao commended CEO Attao on her efforts to engage with the staff and have group/individual meetings. Establishing a culture of trust, integrity, professionalism and open communication needs to be a priority, as this will help the overall team dynamic be successful for our community.

VII. Executive Session

- a. Chair Valentino entertain a motion to move into Executive session. Motion made by Trustee Millie. "All in favor." Motion carried with no opposed. Board moves into Executive Session at 2:56 pm.
- b. At 3:18 pm, Chairman Valentino called the meeting back to order.

VIII. Announcements

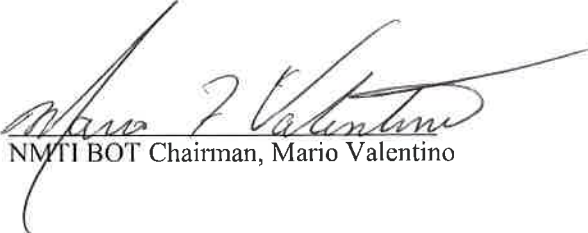
- a. CEO Attao shared the following updates:
- o Data from Trades Institute has yet been transferred over. CEO Attao will ask Claus to please turn over any info (including PW) and make NMTI Data available. CEO Attao shared her frustrations regarding the lack of access and waiting for the data.
 - o DOC has been coming to the school daily and assisting Lucio.
 - o DPW is coming next week to clear the road and cut the sword grass.
 - o Met with NMC President Frankie Eliptico for a meet and greet/introduction. Very excited to build a relationship between both educational institutions.
 - Advisory Committee- share the same advisory Committee members, as separate entities, so looking to join forces versus duplicated meetings on separate days.
 - PSS, NMC and NMTI will hold meeting the first Tuesday of each month. The meeting place will rotate every month and each school will get a chance to host. Next meeting will be May 4th at 9am.
 - Recommendation for a mixer gathering between Board of Regents and Board of Trustees.
- b. Chairman Valentino recognized and welcomed new Trustee Ana Mendiola to her first Board of Trustee meeting.

IX. Adjournment

- a. Motion to adjourn made by Trustee Faisao and 2nd by Trustee Mendiola. "All in favor." Motion carried with no opposed. Adjourned at 3:30pm.

Reviewed by:


NMTI BOT Secretary, Irene Holl


NMTI BOT Chairman, Mario Valentino

Adopted by Board of Directors:

7/15/2021
Date