

TITLE 95: NORTHERN MARIANAS COLLEGE BOARD OF REGENTS

SUBCHAPTER 95-20.3 POSTSECONDARY EDUCATION LICENSING POLICY

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Subchapter Authority: 3 CMC § 1316(k).

Subchapter History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: For a complete history of the authority of the Northern Marianas College Board of Regents see the general comment to chapter 10 of this title.

PL 4-34 (effective March 28, 1985), the "Post-secondary Education Act of 1984," codified as amended at 3 CMC §§ 1301-1331, created the Northern Marianas College as a nonprofit public corporation, under the

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general control and direction of the Board of Regents of the Northern Marianas College. See 3 CMC § 1304; see also 3 CMC § 1311. 3 CMC § 1316 defines the duties of the Board of Regents and provides the Board the authority to adopt rules and regulations for the implementation of the act and its duties thereunder. 3 CMC § 1316(k) authorizes the Board of Regents “to serve as the official coordination agency of the Commonwealth for all postsecondary education within the Commonwealth, with power to license, limit, and otherwise regulate any postsecondary educational activities offered by any public or private agency.”

The regulations in this subchapter set forth the requirements and procedures for licensure of postsecondary educational institutions in the Commonwealth.

Part 001 - General Provisions

§ 95-20.3-001 Constitutional and Statutory Authority

The CNMI Constitution, Article XV, Section 2(a) establishes that the Board of Regents “shall formulate policy relating to the higher education needs of the Commonwealth of the Northern Mariana Islands (CNMI).” 3 CMC § 1316(k) authorizes the Board of Regents “to serve as the official coordination agency of the Commonwealth for all postsecondary education within the Commonwealth, with power to license, limit, and otherwise regulate any postsecondary educational activities offered by any public or private agency.” Therefore, in accordance with its constitutional and statutory mandates, the Board of Regents sets forth the following policies, regulations, and procedures regarding the licensing of postsecondary educational institutions to operate in the CNMI.

Modified, 1 CMC § 3806(g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The Commission moved the period inside the quotation marks in the first and second sentences.

§ 95-20.3-005 Definitions

(a) “Board” shall mean the Board of Regents (BOR), which is the official coordinating agency for all postsecondary educational activities in the Commonwealth of the Northern Mariana Islands.

(b) “License” shall mean the granting of permission, by the Board of Regents, for a postsecondary educational institution to operate in the CNMI for a period to be determined by the BOR.

(c) “Provisional License” shall mean the initial granting of permission, by the Board of Regents, for a postsecondary educational institution to operate in the CNMI for a period of one year, during which time outstanding requirements for obtaining a license must be met:

(1) Provided that if the applicant states it will begin registering and providing classes for students, the applicant be in all respects qualified, capable, and have all necessary

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personnel, facilities, support staff, and other resources to provide the quality of academic and other services stated in the catalog and curriculum, and be so certified by the BOR; and,

(2) Provided that no tuition, room and board, registration, or other fees and costs be collected from any student until the applicant meets § 95-20.3-005(c)(1). The applicant may conduct public awareness activities and recruitment activities subject to § 95-20.3-005(c)(2).

(d) “Postsecondary institution” shall mean a public or nonpublic (not-for-profit or for-profit) postsecondary educational institution offering courses or programs beyond high school leading to a certificate or a degree. This includes, but is not limited to, vocational organizations e.g. “Saipan Institute of Jet Engine Maintenance.” This may also include, but is not limited to, institutions which use terms such as “school” in their title e.g. “Saipan Business School.”

(e) “College” shall mean an institution of higher education offering instruction and granting degrees, a bachelor’s degree after a four-year course of study, or an associate degree after a two-year course of study, in any of several specialized courses in some academic area, profession, or occupation.

(f) “University” shall mean a postsecondary educational institution with one or more undergraduate colleges, together with a program of graduate studies and a number of professional schools, and authorized to confer various degrees, as the bachelor’s, master’s, and doctor’s.

(g) “Out-of-state institution” shall mean any college, university, community college, technical institute, or the equivalent that awards a certificate, an associate or higher degree and is controlled by a public or private body organized outside the CNMI.

(h) “Distance education” shall mean that there is physical separation of the instructor and student. The means of communication can be in many forms including, but not limited to, paper correspondence, video, audio, teleconference, internet or any combination thereof.

(i) “Catalog” shall mean a published accurate document which includes but is not limited to the mission and philosophy statements of the applicant institution; a detailed list with appropriate description of each degree, certificate, or certification offered along with details of each course to be taught; a description of the institution facilities and services, academic support services; details of application processes and costs for services to be provided; a list of teaching faculty with appropriate titles and qualifications information, and a list of administrative and other support personnel with their titles and qualifications; how students are to be graded; and other information commonly found in a U.S. postsecondary institution.

(j) “Course” shall mean a college-level course offered for credit with specific curriculum, educational objectives, course requirements; and the appropriate

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accompanying academic, faculty, and other educational support services.

(k) “Certificate or degree program” shall mean a sequence or combination of courses which, upon satisfactory completion thereof, leads to the award of an educational certificate, diploma, or degree.

(l) “Physical presence in the Northern Mariana Islands” shall be evidenced by securing all legal permits and documents required for operating in the CNMI and showing proof of arrangements for use of physical facilities which will house the institution, including its educational activities.

Modified, 1 CMC § 3806(c), (f), (g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: In subsection (b), the Commission inserted “of” between “Board” and “Regents.” The Commission moved the periods inside the quotation marks in subsection (d). The Commission removed the semi-colon after the first occurrence of “and” in subsection (j) to correct a manifest error.

§ 95-20.3-010 Required License

A license is required for any postsecondary education provider, except as provided for under § 95-20.3-015, that:

- (a) Offers or conducts one or more courses or certificate/degree programs; or
- (b) Offers or conducts training toward a vocational end; or
- (c) Offers an educational credential, and whose required length of study is one semester or more.

A license is also required for any out-of-state institution (including any distance education provider) that has a physical presence in the Northern Mariana Islands, except as provided for under § 95-20.3-015(f).

Modified, 1 CMC § 3806(c).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

§ 95-20.3-015 Exclusions

The license requirements laid out herein shall not apply to:

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- (a) Offering of a short course in which instruction for the segment takes no more than twenty classroom hours;
- (b) Offering of courses or programs on a military installation solely for military personnel or civilians employed on such installation;
- (c) Offering of courses or programs towards professional certification, taught by instructors who are professionally certified in their respective fields, by a nationally or internationally recognized body, including but not limited to, dive instruction, skydiving instruction, driving school, firearms training, CPR certification, and first aid instruction.
- (d) Training that is exclusively for self-improvement or personal or professional enrichment and is non-vocational and not for credit toward a certificate or degree;
- (e) Training that is offered free to certain select groups of students, such as closed enrollment classes for a company's or government employees and arranged through private contracts; or
- (f) Offering, by an accredited out-of-state institution, of one or more courses or programs in partnership with a college in the CNMI that has been licensed by the Board of Regents.

Modified, 1 CMC § 3806(f), (g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The Commission made "field" plural and changed "fire-arms" to "firearms" in subsection (c) to correct manifest errors.

§ 95-20.3-020 Declaration of Intent

Any institution of higher education planning to offer any credit-bearing course or degree program in the Northern Mariana Islands, except as provided for under § 95-20.3- 015, shall inform the Board of Regents of such intent by letter. This declaration of intent shall at the minimum include the following:

- (a) Proposed name of the institution planning to deliver such educational offerings;
- (b) Brief description of the scope of the institution's proposed educational offerings;
- (c) Date the institution plans to begin instruction;
- (d) Names, telephone numbers, and addresses of principal contact persons/organizations for use by the Board for communication purposes during the application phase;

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- (e) Date the institution expects to submit its application with accompanying required documentation;
- (f) A certified financial statement of the planned institution, and,
- (g) A detailed description of the proposed facilities in which academic, administrative, housing, and other student and institution services will take place, including a detailed description of the proposed library.

Modified, 1 CMC § 3806(c), (f), (g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The Commission designated subsection (c), which was not designated in the original.

Part 100 - License Application

§ 95-20.3-101 License Application

Prior to offering any credit-bearing course or degree program at the postsecondary level in the Northern Mariana Islands, except as provided for under § 95-20.3-015, the institution shall apply to the Board of Regents for, and receive, a license to operate in the CNMI.

Modified, 1 CMC § 3806(c).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

§ 95-20.3-105 Application Process

- (a) The application materials may be obtained from the Office of the Board of Regents on Saipan. The application/licensing process includes:
 - (1) Submitting the application to the Office of the Board according to established deadlines;
 - (2) Securing required official documents, certifications and bond(s);
 - (3) Paying all applicable fees; and
 - (4) Meeting all requirements laid out in § 95-20.3-020 and § 95-20.3-201.
- (b) All applications are reviewed in a three-tier process, first by Board staff, second by a Committee designated by the Board, and finally by the Board of Regents. Final approval of the application by the Board is required before the applicant may begin:
 - (1) Officially registering students into the proposed institution;

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- (2) Collecting any costs or fees related to attendance from any students who have been preliminarily registered;
- (3) Collecting or causing to be collected of any recruitment or related fees from students from applicant officials or their agents either directly or indirectly;
- (4) Bringing students from outside the CNMI into the CNMI; and,
- (5) Conducting marketing or recruitment activities in or outside of the Commonwealth of the Northern Mariana Islands (CNMI).

(c) The application must be submitted according to established deadlines to be considered at one of the Board's quarterly meetings. Applicants may contact the Office of the Board to obtain a current list of filing deadlines.

(d) The program committee of the Board will not commence its review of the application until the applicant submits all required documentation to the Office of the Board, as certified by the Board or their designee.

(1) Such certification shall be not later than two months prior to a regularly scheduled Board meeting in January, April, July, or October.

(2) Should such deadline not be met, the application review will not commence; and, the applicant may not begin operations including but not limited to, official registration of students, collection of costs and fees from potential students, or bringing potential students into the CNMI, until prior to the next quarterly meeting and shall be in accordance with the schedule laid out in the license application process and timeline.

(e) The Board shall make a determination regarding the application at its quarterly meeting applicable for the date of submission of the application.

Modified, 1 CMC § 3806(c), (f), (g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The Commission changed the commas at the end of subsections (a)(1)-(3) to semi-colons. The Commission removed the "of" before "any" in subsection (b)(3) to correct a manifest error. Some of the original paragraphs in this section were not designated. The Commission designated subsections (a), (b), (c), (d), (d)(1), (d)(2), (e).

§ 95-20.3-110 Application Fee

(a) A nonrefundable application fee to cover administrative costs shall be submitted to the Board with each application. Resubmission of the application following its withdrawal by an applicant requires an additional application fee. Refer to § 95-20.3-330 of this subchapter. The nonrefundable fees are established as follows:

- (1) \$10,000 for credit bearing course offerings of degree programs or the like (refer to § 95-20.3-005 Definitions);
- (2) \$5,000 for programs of 40 hours or more, but less than degree requirements, of training courses and/or certification of completion programs or the like; and,
- (3) \$2,500 for programs of 20 hours or more of training courses/* or certification of

completion programs or the like.

(b) Exclusion. In the event that the Board denies the applicant a license, the Board may, at the time of the denial, determine that the application fee may be waived for resubmission of an application, in whole or in part, provided that the resubmission occurs within three months of the date of denial.

* So in original.

Modified, 1 CMC § 3806(c), (f).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The Commission designated subsections (a) and (b), which were not designated in the original.

Part 200 - License Requirements

§ 95-20.3-201 License Requirements

In order to obtain a license to operate as a postsecondary educational institution in the CNMI, an entity must meet the following requirements:

- (a) Appropriate and adequate physical institutional facilities in the CNMI necessary to carry out their stated mission, programs, and services;
- (b) Defined mission, suitable purposes, and identified target population;
- (c) Institutional governing capacity;
- (d) Financial stability and integrity;
- (e) Educational programs of acceptable quality, content, and length;
- (f) Quality teaching faculty;
- (g) Sufficient library, learning, and other educational resources;
- (h) Adequate support services and resources; and,
- (i) Adequate administrative services and resources.

All of these criteria but not limited to, § 95-20.3-005 including § 95-20.3-005(i), must be detailed in a printed catalog provided to the Board of Regents with the application, provided to each potential student prior to registration, and available to the public.

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Modified, 1 CMC § 3806(c), (f).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The Commission inserted a comma after the word “programs” in subsection (a) pursuant to 1 CMC § 3806(g).

§ 95-20.3-205 Physical Presence in the CNMI

(a) Evaluation criteria:

- (1) The institution has the required legal documents to operate in the CNMI;
- (2) The institution has sufficient and adequate facilities to serve its educational purposes.

(b) Required documentation and verification:

- (1) Sole proprietorship:
 - (i) CNMI business license;
 - (ii) CNMI taxpayer ID number and tax clearance certification from the CNMI Department of Revenue and Taxation;
 - (iii) Identification and description of physical facilities to be used by the institution, with designation of principal use of each facility or portion of facility (e.g., administrative, instructional, library);
 - (iv) Copies of the deed, lease, and/or rental agreements, the length of which shall be for a minimum of three years, for all property, buildings and other facilities to be used by the applicant to provide academic and support services described in the letter of intent, application, and catalog;
 - (v) Once licensed the licensee must notify the BOR when there is a material change in a rental, lease, or other agreement which affects the buildings, facilities, or contractual support for the institution within 5 working days of such change to include but not be limited to e.g. a rental or lease agreement being terminated for whatever reason (refer to §§ 95-20.3-340, 401 and 405);
 - (vi) Any change which in the opinion of the BOR or its designee affects adversely the ability of the licensee to provide educational and/or support services required under the license shall be required to be rectified, to the satisfaction of the BOR within 5 working days of the adverse situation. Failure to do so may result in suspension of the license by the BOR (refer to §§ 95-20.3-340, 401 and 405);
 - (vii) A site visit by the program committee or their designee to compare what is described in the applicant submission documents for licensure, with actual physical and related institution facilities; and,
 - (viii) A prescreening background check shall be conducted of applicants to include but not be limited to criminal record, credit report, and reference reviews and checks.
- (2) Partnership:
 - (i) CNMI business license;
 - (ii) CNMI taxpayer ID number and tax clearance certification from the CNMI Department of Revenue and Taxation;
 - (iii) Partnership agreement;

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- (iv) Identification and description of physical facilities to be used by the institution, with designation of principal use of each facility or portion of facility (e.g., administrative, instructional, library);
 - (v) Copies of the deed, lease, and/or rental agreements, the length of which shall be for a minimum of three years, for all property, buildings and other facilities to be used by the applicant to provide academic and support services described in the letter of intent, application, and catalog;
 - (vi) Once licensed the licensee must notify the BOR when there is a material change in a rental, lease, or other agreement which affects the buildings, facilities, or contractual support for the institution within 5 working days of such change to include but not be limited to e.g. a rental or lease agreement being terminated for whatever reason;
 - (vii) Any change which in the opinion of the BOR or its designee affects adversely the ability of the licensee to provide educational and/or support services required under the license shall be required to be rectified, to the satisfaction of the BOR within 5 working days of the adverse situation. Failure to do so may result in suspension of the license by the BOR (refer to §§ 95-20.3-340, 401 and 405);
 - (viii) A site visit by the program committee or their designee will compare what is described in the applicant submission documents for licensure, with actual physical and related institution facilities; and,
 - (ix) A prescreening background check shall be conducted of applicants to include but not be limited to criminal record, credit report, and reference reviews and checks.
- (3) Corporation:
- (i) CNMI business license;
 - (ii) CNMI incorporation documents certified by the Registrar of Corporations if incorporated in the CNMI;
 - (iii) CNMI certificate of authority from the Registrar of Corporations if a foreign corporation;
 - (iv) Corporate articles and by-laws;
 - (v) CNMI taxpayer ID number and tax clearance certification from the CNMI Department of Revenue and Taxation;
 - (vi) Identification and description of physical facilities to be used by the institution, with designation of principal use of each facility or portion of facility (e.g. administrative, instructional, library);
 - (vii) Copies of the deed, lease, and/or rental agreements, the length of which shall be for a minimum of three years, for all property, buildings and other facilities to be used by the applicant to provide academic and support services described in the letter of intent, application, and catalog;
 - (viii) Once licensed the licensee must notify the BOR when there is a material change in a rental, lease, or other agreement which affects the buildings, facilities; or contractual support for the institution within 5 working days of such change to include but not be limited to e.g. a rental or lease agreement being terminated for whatever reason;
 - (ix) Any change which in the opinion of the BOR or its designee affects adversely the ability of the licensee to provide educational and/or support services required under the license shall be required to be rectified to the satisfaction of the BOR within 5 working days of the adverse situation. Failure to do so may result in suspension of the license by the BOR (refer to §§ 95-20.3-340, 401 and 405);

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- (x) A site visit by the program committee or their designee to compare what is described in the applicant submission documents for licensure, with actual physical and related institution facilities; and,
 - (xi) A prescreening background check shall be conducted of applicants to include but not be limited to criminal record, credit report, and reference reviews and checks, including background checks of the stockholders, directors, and officers of the corporation.
- (4) Limited Liability Company (LLC):
- (i) CNMI business license;
 - (ii) CNMI incorporation documents certified by the Registrar of Corporations if incorporated in the CNMI and if one or more members of the LLC are corporations;
 - (iii) CNMI certificate of authority from the Registrar of Corporations if a foreign corporation and if one or more members of the LLC are corporations;
 - (iv) The partnership agreement or limited partnership agreement if one or more members of the LLC are partners;
 - (v) LLC articles of organization, and operating agreement, if any;
 - (vi) CNMI taxpayer ID number and tax clearance certification from the CNMI Department of Revenue and Taxation;
 - (vii) Identification and description of physical facilities to be used by the institution, with designation of principal use of each facility or portion of facility (e.g. administrative, instructional, library);
 - (viii) Copies of the deed, lease, and/or rental agreements, the length of which shall be for a minimum of three years, for all property, buildings and other facilities to be used by the applicant to provide academic and support services described in the letter of intent, application, and catalog;
 - (ix) Once licensed the licensee must notify the BOR when there is a material change in a rental, lease, or other agreement which affects the buildings, facilities, or contractual support for the institution within 5 working days of such change to include but not be limited to e.g. a rental or lease agreement being terminated for whatever reason;
 - (x) Any change which in the opinion of the BOR or its designee affects adversely the ability of the licensee to provide educational and/or support services required under the license shall be required to be rectified, to the satisfaction of the BOR within 5 working days of the adverse situation. Failure to do so may result in suspension of the license by the BOR (refer to §§ 95-20.3-340, 401 and 405);
 - (xi) A site visit by the program committee or their designee to compare what is described in the applicant submission documents for licensure, with actual physical and related institution facilities; and,
 - (xii) A prescreening background check shall be conducted of applicants to include but not be limited to criminal record, credit report, and reference reviews and checks, including background checks of the stockholders, directors, and officers of the LLC.
- (c) Ancillary agreements and contracts
- In the case of § 95-20.3-205(b)(1)-(b)(4), the applicant, prior to registering students, must have signed contracts, which must include but are not limited to educational facilities, faculty, student, and other support services which must include but is not limited to:
- (1) Facilities and maintenance and cleaning of dorms;

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- (2) Utilities and communication services including phone and internet; and
- (3) Administrative staff.

Modified, 1 CMC § 3806(c), (d), (f), (g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The Commission inserted a semi-colon at the end of subsection (b)(1)(i). The Commission removed the apostrophe after “documents” in subsection (b)(3)(x).

§ 95-20.3-210 Defined-Mission; Suitable Purposes; and Identified Target Population

- (a) Evaluation criteria:
 - (1) The institution has a clearly defined mission appropriate for a postsecondary educational institution and for its intended constituency;
 - (2) The institution’s purposes are suitable to the public interest of the CNMI; and,
 - (3) The institution’s target population is identified.
- (b) Required documentation:
 - (1) Statement of mission for the institution;
 - (2) List of purposes for the institution; and
 - (3) Description of the population to be served by the institution.

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

§ 95-20.3-215 Institutional Governing Capacity

- (a) Evaluation criteria:
 - (1) The institution has a governing entity whose responsibilities are clearly stated;
 - (2) Among the governing entity’s responsibilities are those that ensure institutional integrity and that the institution is engaged in activities designed to carry out its stated mission and purposes;
 - (3) The governing entity is sufficient in size and composition to meet its stated responsibilities;
 - (4) The institution has a chief executive officer with defined responsibilities and sufficient qualifications to meet those responsibilities;
 - (5) The institution has an organizational structure sufficient to manage its affairs.
- (b) Required documentation:
 - (1) Governing entity articles and by-laws (for a corporation) and statement of board responsibilities;
 - (2) Biographical information for members of the governing entity of educational institution and business owners, which shall include academic achievements and previous experience appropriate for a member, and also including the primary home address of

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each member and country of residence; in the case where a member's domicile or primary residence is not in the CNMI, a statement as to how the member(s) will effectively meet their governing, oversight, and guidance responsibilities; and,

(3) Biographical information and responsibility of the chief executive officer of the institution, including academic achievement and educational experience, as well as documentation of domicile in the CNMI:

(i) In the case where degrees are awarded by a non U.S. postsecondary institution(s) of higher education documentation must be provided as to the degree awarding credentials and authority of the non U.S. institution; and,

(ii) Table of organization, including names and biographical information of those who will fill the positions.

Modified, 1 CMC § 3806(f).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

§ 95-20.3-220 Financial Stability and Integrity

(a) Evaluation criteria:

(1) The institution's proposed budgets, financial resources, and funding base are adequate to support its mission, purposes, and programs; and,

(2) The institution ensures its financial integrity by making provision for timely and regular external fiscal audits of

(i) Its financial records, and

(ii) Its financial management system.

(b) Required documentation:

(1) A thorough business plan which covers all aspects of the institution and its operations, which might use as its outline the sections of this application, especially part 200 of this subchapter;

(2) A financial statement of the entity under which this application is submitted, compiled and signed by a U.S. certified public accountant;

(3) Proposed line item budgets for the first three years of operation which provide details of anticipated revenues and expenditures;

(4) Documentation of any external foundation or other financial support, reviewed by the CPA in the financial statement;

(5) Documentation of funding base, reviewed by the CPA in the financial statement;

(6) Description of plans for timely and regular annual fiscal audits of the institution's financial records and financial management system to be conducted by a U.S. certified public accountant (CPA);

(7) Copies of corporate/institution bank statements from an FDIC bank doing business within the CNMI;

(8) Proof of performance/surety bond from a company or corporation legally established to provide such services in the CNMI, in an amount equal to 25% of the total tuition and fees, including room and board charges, and return plane fare for all students

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officially registered by the institution. See § 95-20.3-335 of this subchapter:

- (i) In lieu of a surety bond, an amount in cash equal to the 25% requirement placed in a trust account with an FDIC bank located in the CNMI, the principle of which cannot be withdrawn without 30 days prior notice to the BOR;
 - (ii) A combination of a performance/surety bond and cash placed in a trust account with an FDIC bank located in the CNMI shall be equal to 25% of the total tuition and fees, and other charges as provided by § 95-20.3-220(b)(8);
 - (iii) When a performance/surety bond is canceled for any reason whatsoever, the licensee must notify the BOR within five working days of such cancellation or termination; the licensee shall then have 10 working days to either obtain a replacement performance/surety bond from a company authorized to provide such an instrument in the CNMI or establish a cash trust account or a combination;
 - (iv) Failure to meet these requirements is grounds for suspension of the license or other action by the BOR, including revocation of the license.
- (9) A written guarantee that the applicant institution shall not collect tuition and fees from students while outside of the CNMI, but only collect applicable tuition and other fees outlined in the institution catalog from students physically within the CNMI. The institution may require a promissory note be signed by the student when registered outside of the CNMI but only after, and so long as, the institution license granted by the BOR is legally in force;
- (10) A written guarantee that all of the tuition and other fees collected from registered students be deposited in an FDIC bank within the CNMI; and,
- (11) The BOR will monitor compliance through the annual audit requirement, and review of bank statements required under this application and the license requirements.

Modified, 1 CMC § 3806(c), (d), (f), (g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The Commission changed “Failure to meet these requirements are” to “Failure to meet these requirements is” in subsection (b)(8)(iv) to correct a manifest error.

§ 95-20.3-225 Educational Programs of Acceptable Quality, Content, and Length

- (a) Evaluation criteria:
 - (1) The institution has policies that specify the requirements and qualifications for students entering
 - (i) The institution and
 - (ii) Its certificate and degree programs;
 - (2) The institution’s catalog clearly describes its certificate and degree programs, including expected student learning outcomes, and specifies the requirements to be met for the award of each certificate and degree offered, including general education courses and academic standards which shall include but not be limited to class attendance, behavior, due process and grading standards policies;
 - (3) The institution’s instructional program offerings are
 - (i) Consistent with its mission and

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- (ii) Are of sufficient depth, breadth, and rigor to provide the knowledge and skills expected of program graduates and to merit award of the proposed certificate or degree;
 - (4) The institution's degree programs include a defined education component of the breadth and depth appropriate for a postsecondary degree;
 - (5) The institution's catalog contains course descriptions and prerequisites, when appropriate, for all offered courses;
 - (6) The institution has stated criteria for awarding academic credits;
 - (7) Generally accepted standards for hours of instruction per academic credit awarded are manifested in the institution's proposed class schedule;
 - (8) The proposed class schedule identifies, for each class, hours of classroom/laboratory instruction, and credits to be awarded;
 - (9) If course or program offerings are affiliated with a U.S. accredited institution, the quality of such offerings is adequate to meet the needs of the courses or programs offered in the CNMI;
 - (10) Appropriate and accurate student and staff recruitment information, public awareness materials including written advertisements; and,
 - (11) A procedure to survey students to determine their evaluation of the quality of instruction, facilities, and institutional activities.
- (b) Required documentation and verification:
- (1) Statement of requirements for student admission into the institution;
 - (2) Statement of requirements for student admission into a specific program of study;
 - (3) Names of certificates and degrees, with expected student learning outcomes for each;
 - (4) Specific requirements for each certificate and degree offered (e.g. required courses, including general education requirements, and academic standards);
 - (5) Catalog as defined in § 95-20.3-005(i) must be printed and provided to the Board of Regents and to each potential student prior to registration, and made available to the public;
 - (6) A student handbook or other similar document detailing student rights, due process, institution policies which affect students, expected behavior, disciplinary and student grievance procedures and other policies commonly found in student handbooks;
 - (7) A copy of the curriculum for each course to be taught listed in the catalog, or schedule of courses to be taught each semester (or quarter) must be provided to the BOR prior to the course being taught, this shall include but not be limited to goals, objectives, content, activities, teaching methods, materials, and other support services needed e.g. library and reference, research facilities, laboratory or other appropriate hands-on items;
 - (8) Statement of criteria for awarding of credits;
 - (9) A schedule of classes for the first semester of operation;
 - (10) Appropriate academic, vocational and/or other facilities which may include but not limited to* housing, library, are fully equipped with appropriate collateral equipment, including but not limited to books, supplies, and materials;
 - (11) A site visit by the program committee or their designee to the institution facilities, including library, housing, or other support facilities identified by the applicant to determine that these facilities are ready for occupancy and use in all respects as described and required in the application, the license, and the catalog; and, in compliance with all

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applicable local and federal health, safety, and other requirements set forth in CNMI and federal regulations;

(12) Copies of all public recruitment materials, ads, pamphlets, information about the institution provided to students and personnel which describe the institution facilities, courses of study, costs and fees and other related information;

(13) A copy of the student survey designed to evaluate institutional instruction, facilities, and support services, and copies of student survey results at the end of each academic year; and,

(14) A copy of all documents which students are required to sign, including but not limited to, applications, promissory notes, student awareness of rules and regulations documents, promises by the institution and/or student; and a detailed schedule of all institutional charges, tuition and fees, and deposit requirements; a statement of a schedule of refunds of all institutional charges, tuition and fees, and deposits in accordance with the institution's refund policy; and, a statement of the institution's financial aid policy including but not limited to financial aid available to students and associated conditions.

* So in original.

Modified, 1 CMC § 3806(c), (f), (g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The Commission changed "institutions refund" to "institution's refund" in subsection (b)(14).

§ 95-20.3-230 Quality Teaching Faculty

(a) Evaluation criteria:

(1) The institution's teaching faculty is sufficient in number and qualifications to support the institution's educational programs;

(2) The institution's teaching faculty is qualified to teach those courses which they are assigned to teach;

(3) The appropriate number of qualified teaching faculty or instructors and support services professionals, such as but not limited to librarian and counselor, have been hired, through contracts which must be provided to the BOR, prior to collection of student tuition and fees for each semester;

(4) The institution has a clear statement of faculty responsibilities; and,

(5) Faculty evaluation of the institution.

(b) Required documentation:

(1) Roster of full-time and part-time faculty, including degrees, qualifications, and experience;

(2) In the case where degrees are awarded by a non U.S. postsecondary institution(s) of higher education or U.S. institutions not accredited by a nationally recognized accrediting authority, documentation must be provided as to the degree awarding credentials and authority of the non U.S. and/or non accredited institution;

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- (3) A copy of the contract for each faculty and student support services personnel e.g., librarian, technical instructor, counselor must be made available for review by the BOR or their designee;
- (4) Statement of faculty responsibilities;
- (5) Schedule of classes, which identifies the faculty responsible for each class;
- (6) A personnel policies handbook, or similar document shall be provided to the BOR or its designee, which clearly states policies with respect to hiring, due process, grievance procedures, disciplinary procedures, and other issues commonly found in personnel policies; and,
- (7) A copy of a faculty evaluation survey in which faculty and support services personnel are asked to evaluate institutional policies, academic and instruction programs, student services, facilities and related issues, and a copy of the survey results at the end of each academic year.

Modified, 1 CMC § 3806(f), (g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The Commission inserted the hyphens in “full-time” and “part-time” in subsection (b)(1). The Commission changed “faculty are qualified” to “faculty is qualified” in subsection (a)(2) to correct a manifest error.

§ 95-20.3-235 Sufficient Library and Learning Resources

- (a) Evaluation criteria:
 - (1) The institution’s library and learning resources are sufficient in breadth, depth, and quantity to support the courses and instructional programs offered at the institution and to meet the needs of students enrolled in such courses and/or programs;
 - (2) The institution shall have the capacity to provide professionally trained and competent library, research, and/or reference personnel to serve the needs of the students as stated in the mission and in their program and curriculum descriptions
- (b) Required documentation and verification:
 - (1) Description and quantity of library holdings and learning resources including, but not limited to, number and titles of books by category, periodicals, reference books, instruction technology equipment including multimedia equipment e.g. computers, power point*, microfilm;
 - (2) Copies of agreements for access to external learning resources including but not limited to appropriate library, reference, and research resources;
 - (3) A plan to expand, update and improve library holdings and support services; and,
 - (4) A site visit by the program committee or its designee to determine if the materials, equipment and supplies identified as being available to support student academic, vocations, and/or professional instruction, and faculty and student reference, research, and resource needs are in place and operation prior to the beginning of registering students, collection of student tuition and fees, and the beginning of course/class instruction.

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Modified, 1 CMC § 3806(f), (g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The Commission inserted a comma between “including” and “but” in subsection (b)(1).

§ 95-20.3-240 Adequate Student Support Services

- (a) Evaluation criteria:
 - (1) Support services for students are adequate and appropriate for meeting the needs of students and are consistent with student characteristics and the institution’s mission; and,
 - (2) The institution has a clear description of
 - (i) How it will maintain student records and
 - (ii) How students may obtain academic records if the institution closes.
 - (b) Required documentation and verification:
 - (1) Title and job description of non-instructional personnel whose responsibilities are to provide student support;
 - (2) Description of how student records will be maintained;
 - (3) Description of how students may obtain academic records if the institution closes; and,
 - (4) A site visit to be by the program committee or its designee to review and evaluate the student support services identified by the institution in its application and supporting documents.

Modified, 1 CMC § 3806(f).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

§ 95-20.3-245 Adequate Administrative Services

- (a) Evaluation criteria:
 - (1) The institution has sufficient staff with appropriate qualifications and experience to provide the administrative services necessary to support the institution’s mission and educational programs.
 - (b) Required documentation:
 - (1) Title and job description of administrative personnel; and,
 - (2) Names and biographical information of administrative staff, proposed (and so identified) current or proposed (and so identified).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Part 300 - Licensing Decisions, Terms, Extensions; Supplemental Applications; Performance Bonds; Complaints

§ 95-20.3-301 Need for Additional Information

It is in the applicant's best interest to provide as much relevant information as possible to enable the Board of Regents to make a decision regarding the applicant's eligibility to establish and operate an institution of higher education within the CNMI. The Board of Regents reserves the right to ask the applicant for any additional information it deems necessary for it to make a determination in authorizing the applicant to operate as a postsecondary educational institution in the CNMI.

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The Commission created the title for part 300.

§ 95-20.3-305 Notification of Decision

The Board's staff shall issue notification of the Board's decision regarding the applicant's application by telephone within two working days following the Board's decision regarding the application. The license authorizing the applicant to operate a postsecondary educational institution within the CNMI will be sent to the applicant by registered mail within five working days following the Board's decision. In the event that an applicant is denied a license, a letter stating the reasons for such denial shall be sent to the applicant by registered mail within ten working days following the Board's decision.

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

§ 95-20.3-310 Reconsideration

(a) Should its application be denied by the Board, an applicant has the right to file for reconsideration when:

- (1) Such applicant can show that the Board's staff or others
 - (i) Have misrepresented its application in whole or in part;
 - (ii) Acted in excess of the prescribed requirements; or
 - (iii) Did not observe procedures prescribed herein
- (2) And such applicant can show that it complied with all of the requirements prescribed herein.

(b) Procedure.

(1) A request for reconsideration must be made to the Chairperson of the Board no later than 20 days after the applicant's receipt of the letter from the Board stating the reasons for the denial of a license.

(2) The Chairperson shall appoint a special committee of not less than three Board

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members to review such request.

(3) The committee shall consider the request and make recommendations to the Board within 10 working days after appointment;

(4) The Board shall make a decision regarding the request for reconsideration no later than 20 days after the Chairperson of the Board has received the committee's recommendation, and the applicant shall be informed about the decision by registered mail within ten working days following the decision.

(5) Should the Board grant the request for reconsideration, the applicant shall have 20 days to submit its written argument on why the license should be granted.

(6) The Board shall make its final decision within 20 days of applicant's written submission.

(c) Institution Operations Prior to License Approval.

Under no circumstances may the applicant market, recruit, register, collect fees and tuition or other costs from prospective students prior to receiving notice of the approval of the license application, and until all conditions contained in the license approval are met and approved in writing by the BOR.

Modified, 1 CMC § 3806(f).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

§ 95-20.3-315 Provisional License

(a) The Board of Regents recognizes that when an entity applies for a license to establish a postsecondary educational institution in the CNMI or for a license to establish an extension of an out-of-state institution of higher education in the CNMI, some requirements may not be fully met at the time of the application. The Board, by majority vote, may grant a provisional license for a period to be determined by the BOR so that such remaining requirements may be met.

(b) A statement from the Board shall accompany the provisional license and shall specify those requirements which have not been met, along with a timeline for meeting the requirements. Documentation showing how the institution has subsequently met such requirements, and a non-refundable fee of \$1,500.00 to cover administrative costs, must be submitted to the Board not less than three months from the date the provisional license is approved with conditions.

(c) Under no circumstances shall students be registered, tuition and fees collected, students brought to the CNMI, or instructional operations commenced until the provisional licensee has received written approval to begin such activities either in the provisional license or in follow up approval after the applicant has met any conditions required by the BOR.

Modified, 1 CMC § 3806(f), (g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: In the original, the first paragraph was not designated. The Commission designated subsection (a). The Commission changed “non-fundable” to “non-refundable” in subsection (b) to correct a manifest error.

§ 95-20.3-320 Term of License

(a) Non-Accredited Institutions

For those postsecondary educational institutions operating in the CNMI which are not accredited by an accrediting body recognized by a U.S. a government agency, the term of the license shall be for a period not to exceed three years. The license may be extended for additional periods, determined by the BOR based upon licensee performance, provided that the institution meets those requirements specified in § 95-20.3-325; and, all documentation and evaluation criteria stated in part 200 of this subchapter. The provisional license described in § 95-20.3-315 shall count as one of the operational years for purposes of this section.

(b) Accredited Institutions

When a postsecondary educational institution operating in the CNMI becomes accredited by an accrediting body recognized by a U.S. government agency, the term of the license shall be for the duration of its accreditation period. The term for each extension of the license shall coincide with the institution’s reaffirmation of accreditation.

Modified, 1 CMC § 3806(c), (f).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

§ 95-20.3-325 Requirements for Extension of License

(a) Three months prior to the expiration of the institution’s license, the institution shall submit to the Office of the Board a report certifying continued compliance with the requirements specified in part 200 of this subchapter and §§ 95-20.3-325 and 95-20.3-330 as appropriate; and, a nonrefundable renewal fee of \$5,000.

(b) The report shall contain a statement describing how the institution continues to meet each of the nine requirements.

(c) The report shall also update its business plan, plans for improved programs and

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services, notify the BOR of any material changes anticipated in the future, including but not limited to, copies of student and faculty surveys, and copies of rental and lease agreements for facilities and services.

(d) The report shall also certify compliance with an additional license requirement, operational status, the evaluation criterion being that the institution is operational, with students enrolled in its courses and actively pursuing its degree programs. Documentation related to this requirement is to be included in the report and shall consist of, but not limited to the following:

(1) Number of students enrolled in the institution each instructional term of each year during the current term of its license to operate.

(2) The names of degrees the institution awarded during the current term of its license to operate and the number of students awarded each degree each year.

(e) The president and the chair of the governing entity shall sign the report submitted for an extension of its license.

(f) The program committee or its designee shall review and evaluate the report and conduct a site visit which will include inspection of facilities, meetings with students, faculty, and administrative and support services personal. Based upon the results of the report review and site visit, the program committee or its designee shall then make a recommendation to the full BOR with respect to a request by the institution for a new or extended license.

Modified, 1 CMC § 3806(c), (f).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The original paragraphs in this section were not designated. The Commission designated all subsections in this section.

§ 95-20.3-330 Supplemental Application/Substantive Application Modification

(a) In the case where a licensee, or provisional licensee, has been granted by the BOR the applicant having met all of the conditions in this subchapter, makes a substantive change defined below, a nonrefundable fee of \$1,000.00 to cover administrative costs shall accompany the notification of supplemental information and/or substantive change to an existing license.

(b) A supplemental application shall be required to be submitted 30 calendar days prior to a substantive change, or when the change makes meeting this deadline impossible, within five days of the change. Matters that are considered to be “substantive” include but are not limited to:

(1) A change in the name of the institution.

(2) A change in the principal location, or an addition of a facility at another location of the institution of either direct or support facilities.

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- (3) A change in ownership or governance of an institution.
- (4) Proposed changes, additions or deletions, of degree programs or course offerings.
- (5) Establishment of an additional instructional site away from the main campus.
- (6) Action by an accrediting agency which results in an institution being placed in a probationary status for more than six months, or which results in the loss of the institution's accreditation.

Modified, 1 CMC § 3806(d), (f), (g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The Commission changed the "is" found before "not limited to" to "are" and "changes makes" to "change makes" in subsection (b) to correct manifest errors. The Commission designated subsections (a) and (b), which were not designated in the original.

§ 95-20.3-335 Performance/Surety Bond

(a) The applicant shall obtain a performance/surety bond, in an amount equal to 25% of the total tuition, fees and other student costs, and the cost of return airfare for each student, or a cash amount placed in a trust account as provided by § 95-20.3-220(b)(8). Failure to meet these requirements is grounds for suspension of the license by the BOR, including revocation of the license.

(b) Exemption. For those applicants who can demonstrate through such means as a CPA audit that the institution's income from tuition and fees is less than \$10,000 per annum, the performance/surety bond shall be \$10,000.

Modified, 1 CMC § 3806(c), (f), (g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The Commission changed "Failure to meet these requirements are" to "Failure to meet these requirements is" in subsection (a) to correct a manifest error.

§ 95-20.3-340 Filing of Complaints

(a) When any person, persons, agency, or institution desires to file a formal complaint regarding an institution's violation of any part of this subchapter or any part of the licensing conditions, with such complaint possibly resulting in the suspension or revocation of the license of an institution as provided for in part 400 of this subchapter, the following procedures shall apply:

- (1) All complaints must be presented in writing, be signed by the complainant, and detail the nature and particulars of the complaint;
- (2) The Board shall inform the concerned institution and shall provide a copy of the complaint;

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(3) The concerned institution shall have the right to respond to the complaint, providing it does so within 20 days after receiving notification of such a complaint.

(b) The Board may initiate its own complaint, at its discretion, that relates to institutional violation of the requirements laid out in part 200 and elsewhere in this subchapter or to conditions leading to possible suspension or revocation of an institution's license to operate a postsecondary educational institution in the CNMI as laid out in part 400 of this subchapter. The Board will comply with the procedure stated herein.

Modified, 1 CMC § 3806(c), (d), (f), (g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The Commission made condition plural in subsection (a) to correct a manifest error.

Part 400 - Suspension or Revocation of License

§ 95-20.3-401 Causes for Revocation or Suspension

(a) The license issued to an institution is granted based upon the conditions laid out in the required documentation submitted with the license application. Non-adherence to such conditions shall be cause for suspension or revocation of the institution's license to operate a postsecondary educational institution within the CNMI, at the discretion of the BOR.

(b) Anyone* of the following shall be cause for suspension or revocation of an institution's license to operate in the CNMI:

- (1) Misrepresentation in the documentation submitted with the license application; or
- (2) Failure on the part of the institution to maintain the standards and conditions set forth by the institution in its license application; or
- (3) Failure to operate in accordance with its stated mission and purposes;
- (4) Failure to maintain a performance/surety bond or trust account, or combination thereof;
- (5) Failure to meet financial obligations; and,
- (6) Failure to maintain facilities, personnel, and/or services as required and stated in its approved application for the license.

* So in original.

Modified, 1 CMC § 3806(f), (g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

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Commission Comment: The original paragraphs of this section were not designated. The Commission designated subsections (a) and (b) and created the title for this section. In subsection (b)(6), the Commission changed “approve” to “approved” to correct a manifest error.

The original version of this section as published in the Commonwealth Register is out of order. The Commission inserted part of this section from 28 Com. Reg. 25878 (June 19, 2006) rather than from the consecutive page (28 Com. Reg. 25877 (June 19, 2006)). In the original (Policy 017), this section and § 95-20.3-405 comprised one section. The Commission separated § 95-20.3-401 and created the section title.

§ 95-20.3-405 Procedure for Revocation or Suspension

When the Board determines that a complaint, filed as provided for under § 95-20.3-340, may warrant suspension or termination of the institution’s license to operate in the CNMI, the following procedures, including those in § 95-20.3-305, shall apply:

- (a) The Board chair shall notify the affected institution of the possible suspension or revocation of its operating license and the reasons for such determination;
- (b) The Board chair shall appoint a review team of not less than three members to conduct a review of the institution relative to the complaint, with such review to take place not more than 15 working days after appointment of the review team. The institution shall be given written notification of the institutional review, with such notification stating the purpose of the review, the names of the review team members, and the dates during which the review will be conducted;
- (c) The review team shall review institutional documents and interview faculty, staff, and students relative to the complaint;
- (d) Within 5 working days after completion of the institutional review, the review team shall submit to the program committee of the Board a written report containing the results of its findings and its recommended action;
- (e) Within 5 working days of the review team’s submission of its written report to the program committee, the program committee shall consider the review team’s report and determine its own recommendation to be made to the Board. The program committee shall provide the affected institution a copy of its recommendation, with supporting justification;
- (f) Within 10 working days after the program committee has determined its recommendation, the Board shall hold a session to make a final decision regarding the revocation or suspension of the institution’s license to operate. The affected institution shall be notified of the Board session and shall be provided an opportunity to present its position regarding the action to be taken;
- (g) The Board shall meet in executive session to make its final decision regarding the institution and shall notify the institution of its decision by registered mail within 5 working days following the executive session.

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Modified, 1 CMC § 3806(c), (f), (g).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (May 19, 2006) (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The original version of this section as published in the Commonwealth Register is out of order. The Commission inserted part of this section from the previous page (28 Com. Reg. 25877 (June 19, 2006)) rather than from the consecutive page.

In the original (Policy 017), this section and § 95-20.3-401 comprised one section. The Commission separated this section from § 95-20.3-401 and created the section title. The Commission removed the extra comma found after “recommendation” in the first sentence of subsection (f).

§ 95-20.3-410 Emergency Suspension

(a) The Chairperson of the BOR, based upon documented evidence of gross serious problems within the licensed institution identified in § 95-20.3-401, which present an immediate concern for the welfare of the students and/or staff of the licensee, may issue a temporary suspension of license and operations letter to the chief operations officer or person immediately exercising administrative authority over the institution. The letter is to be delivered by hand and a receipt obtained.

(b) The letter must state exactly what serious problems have caused the suspension, provide copies of documentation or other evidence which led to the issuance of the letter and provide the institution 3 working days in which to provide adequate evidence for the Chairperson to rescind the letter or take other action. The Chairperson shall notify all BOR members of its action on the same day the temporary suspension of license and operations letter is delivered to the licensee.

(c) If the institution disputes the problem or problems cited for suspending operations then the timelines stated in § 95-20.3-405 shall begin. However, unless compelling evidence to the contrary exists, the suspension shall remain in force during the § 95-20.3-405 process.

Modified, 1 CMC § 3806(c), (f).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The original paragraphs in this section were not designated. The Commission designated subsections (a) – (c). The original version of this section as published in the Commonwealth Register is out of order. The Commission inserted part of this section from 28 Com. Reg. 25879 (June 19, 2006)) rather than from the consecutive page.

Part 500 - Miscellaneous Provisions

§ 95-20.3-501 Student Records

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- (a) The institution shall make adequate provision for the maintenance of all academic records, financial aid information, and other student records in original document or hard copy in a permanent form, for example, original paper copy or compact disc.
- (b) The Board will not be responsible for student records if an institution decides to close.
- (c) A closing institution is expected to make arrangements with another college or university or with the CNMI archives to preserve student records, and to inform the Board about such arrangements. Prior to closure, the institution shall attempt to notify every current and past student by mail about the closure, where the academic records are being stored, and how students can access those records. The same information shall be placed in advertisements in all local newspapers for a period of not less than one week.
- (d) To the extent possible and practical, a copy of a student's academic record should also be forwarded to the individual student.

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: The original paragraphs in this section were not designated. The Commission designated subsections (a) – (d). The Commission created the title for part 500.

§ 95-20.3-505 Accreditation Status

The CNMI Board of Regents is not an accrediting body. Therefore, the Board's issuance of a license to establish an institution of higher education in the CNMI does not constitute accreditation of the institution. Within three years, all institutions receiving a license are expected to seek accreditation from the Western Association of Schools and Colleges or from some other appropriate accrediting body recognized by a U.S. government agency; and, the BOR may at its discretion require the licensee to do so.

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

§ 95-20.3-510 Hold Harmless; Indemnity

(a) **Hold Harmless**

The applicant will hold harmless the Board of Regents (BOR), its staff, consultants, and other personnel from any liability whatsoever resulting from the assessment of the material provided to the BOR for purposes of deciding whether or not to issue a license to the applicant for purposes of operating a postsecondary educational institution in the CNMI. This provision will, in no way, derogate from, detract or limit the immunity of Northern Marianas College, the Board of Regents, its staff, consultants, and other personnel under law.

(b) Indemnity

The applicant upon being licensed by the BOR will indemnify, defend and hold harmless the BOR, its staff, consultants, and other personnel from and against any and all claims, demands, liabilities, damages, losses, costs and expenses, including without limitation, reasonable attorneys' fees in connection with any claim, action, or proceeding brought by any third party resulting from or arising out of any breach by the licensee for any reason whatsoever.

Modified, 1 CMC § 3806(f).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

§ 95-20.3-515 Investigation

Nothing in this licensing policy shall affect the ability of the Division of Immigration to investigate and/or determine whether a licensed institution is in compliance with Immigration Regulation § 5-40.1-646 concerning foreign student attendance.

Modified, 1 CMC § 3806(c), (f).

History: Adopted 28 Com. Reg. 26129 (Aug. 24, 2006); Proposed 28 Com. Reg. 25829 (June 19, 2006); Emergency and Proposed 28 Com. Reg. 25640 (effective for 120 days from May 19, 2006); Proposed 27 Com. Reg. 23982 (Feb. 17, 2005).

Commission Comment: PL 17-1 (March 22, 2010) eliminated the Division of Immigration. The administrative regulations pertaining to immigration were repealed on March 22, 2010, through 32 Com. Reg. 30094 (Apr. 19, 2010).