MINUTES OF THE BOARD OF REGENTS
NEW MEXICO STATE UNIVERSITY

1. CALL TO ORDER

The Board of Regents of New Mexico State University met in Santa Fe, NM at Inn at Loretto on Monday, January 30, 2012.

Chair Conniff called the meeting to order at 10:00 a.m.

Regents Present
Laura M. Conniff, Chair
Isaac J. Pino, Vice Chair
Christopher Dulany, Secretary / Treasurer
Mike Cheney, Member
Javier M. Gonzales, Member

Ex-officio Regents Present
Dr. Stu Munson-McGee, Faculty Senate Chair
Austin Graham, President ASNMSU

Officers of the University Present
Dr. Barbara Couture, President
Dr. Wendy K. Wilkins, Executive Vice President / Provost

Chair NMSU Employee Council
Dr. Fred Lillibridge

Other Presenters
Ms. Angela Throneberry, Interim Senior Vice President for Administration and Finance
Dr. David Taylor, Professor, Art Department
Dr. Bruce Berman, Assistant Professor, Department of Journalism and Mass Communications
Dr. Hugo L. Vilchis-Licon, Director, Border Epidemiology, Health and Social Services
Dr. Vimal Chaitanya, Vice President for Research
Ms. Tammy Anthony, Assistant Vice President for Auxiliary Services

2. INTRODUCTIONS

   (a) Introduction of Press, Elected Officials, and Others by Maureen Howard, Associate Vice President for University Communications and Marketing Services
Associate Vice President Maureen Howard announced that no members of the media were present.

(b) Introduction of Mayor of Santa Fe, New Mexico

President Barbara Couture introduced the Honorable David Coss, Mayor of Santa Fe, NM.

David Coss was elected in 2006 and re-elected in 2010 to serve as Mayor of the City of Santa Fe, the oldest capital city in the U.S.

A fellow Aggie, Mayor Coss holds a bachelor’s degree in Wildlife Science from New Mexico State University and a master’s degree in Zoology from Southern Illinois University. After completing his master’s degree, Mayor Coss worked as a surface water scientist for the State of New Mexico. During this time, he became active in his union and worked to create the New Mexico Environment Department and became Director of the Environmental Protection Division within NMED.

In 1995, Mayor Coss became Director of Public Works for the City of Santa Fe, where his dedication to restoring the Santa Fe River formalized. During that time, he was instrumental in creating the Santa Fe River Master plan. After working as City Manager in 1996, Mayor Coss completed his public service career at the State Land Office where he continued his work in environmental protection and natural resource management.

Mayor Coss’s priority is creating jobs and strengthening the economy. Mayor Coss considers supporting local businesses, the Santa Fe Living Wage Ordinance and affordable housing programs as integral to strengthening Santa Fe’s economy and supporting working families. Coss remains committed to protecting Santa Fe’s water and environment. He envisions Santa Fe becoming the sustainability and alternative-energy capital of the country.

Mayor Coss, we are honored to have a fellow Aggie join us at today’s meeting and congratulate you for all of the great things you have accomplished both before and since becoming Mayor of our capitol city. Welcome to New Mexico State University’s Regents Meeting.

President Couture formally introduced our new Senior Vice President for Administration and Finance, Ms. Angela Throneberry.

In 1991 Angela began her extensive career with New Mexico State University in the Financial Reporting Office. During her tenure with the university, Angela has
successfully held a series of positions with increased responsibility, including Assistant Athletic Director for Business, Director of Financial Operations, Director of Auxiliary Business Services, and Assistant Vice President for Auxiliary Services and Associate Vice President for Administration and Finance. Before joining NMSU, Angela worked in public accounting as an auditor for both KPMG Peat Marwick and Arthur Andersen.

In her new position, Angela is responsible for the university’s financial and administrative operations, including budget and planning; human resource services; accounting and financial reporting activities; university accounts receivable; procurement services and risk management; auxiliary services; information technology and communications; and facilities and services.

Angela is a certified public accountant and graduate of NMSU College of Business, earning her Bachelor of Accountancy degree in 1987.

Angela is a delight to work with and she has been holding this position as interim for the past year and has been doing an outstanding job. Not only does she keep us all out of trouble but she does it with a good bit of humor too and we absolutely appreciate that. Please join me in congratulating our new Senior Vice President for Administration and Finance, Ms. Angela Throneberry.

**President Couture introduced Dr. John Gratton as the new President for New Mexico State University Carlsbad.**

President Gratton brings a wealth of higher education experience in a community college setting combined with intimate knowledge of southeastern New Mexico.

Prior to joining NMSU Carlsbad on January 16th of this year, Dr. Gratton served as vice president for instruction at New Mexico Junior College in Hobbs, a position he had held since 2005. Serving as NMJC’s chief academic officer, Dr Gratton oversaw all academic and occupational course offerings, developed general education assessment programs, and oversaw five instructional deans, 76 full time faculty and 200 part time faculty. He served on HED appointed dual credit, articulation, and developmental education task forces in New Mexico. He also served on the IDEAL New Mexico planning group and directed four pilot projects chosen to test the validity of providing on line course instruction to high school students. Prior to that, he was vice president of instructional services at Coastal Bend College in Beeville, Texas, from 2003-2005.

Gratton holds an Ed.D. in health education and physical education from East Texas State University. His master’s is in physical education, also from East Texas State, and his bachelor’s is in physical education from Oklahoma Baptist University, which he attended on a track scholarship.
His other higher education experience includes time as vice president for Arts and Sciences at Coastal Bend College, as an instructor at East Texas State University and as a public school teacher.

Please join me in welcoming Dr. Gratton to the New Mexico State University family.

3. **APPROVAL OF AGENDA**

Regent Pino moved and Regent Dulany seconded to approve the agenda as presented. The motion carried unanimously.

4. **PUBLIC COMMENT**

There were four (4) public comments made

Clarrissa Duran from Espanola, NM wants to start a dialogue about Genetically Modified (GMO) Chile and the research and possible development that is taking place at NMSU. She is against the development of the GMO Chile. She is in support of the traditional New Mexican culture, which does not include seeds that were developed and patented by Monsanto, she assumes. She feels that if this were developed that it could destroy the crops of New Mexican farmers. She is interested in the small farmers throughout the state. She is from Espanola and feels many people in her area would be greatly affected by this. She spoke about Pedro Casados, a lifelong farmer, whose main crop is chile. She feels cross-pollination could contaminate the traditional chile and would wipe out the crops and not allow the farmers to support their family economically. She started her own company called El Tiempo Nuevo Mexico, because she wants to protect the richness of the culture of our state. She feels that it is our connections that make this vital to us. She wants to talk with legislators to remind them that they passed a memorial that protected farmer’s rights to grow their traditional seeds and crops without the interference of GMO seeds, crops and foods.

Ethan Canou is a student from Northern New Mexico College and is also a small farmer. The campus has a student run farm and greenhouse and their main crop is chile. Many farmers go the Santa Fe farmers market to sell their chile. He is opposed to Genetically Modified Chile and he feels it is a threat to the traditional culture of New Mexico. He says it will contaminate our crops in New Mexico. He feels we should have more respect for NM traditions and culture. He mentioned that the Declaration of Sovereignty, which was developed by the NM Asequia Association, should be the basis of the research of chile crops and improving the crops, but GMO should not be part of this. He is calling for a boycott for GMO chile.
Miguel Santiestevan was a recipient of the Regents scholarship at NMSU in 1990. He went to UC Davis for masters in agriculture ecology and is at UNM for his doctorate. He is one of the ones that drafted the Seed Sovereignty Declarations and worked for the NM Asequia Association. He is also Chairman of the Asequia Assure del Rio Fernando de Taos and the Executive Director of a non-profit he founded called Agriculture Implementation, Research, and Education. In 2006 he was asked by the board of the association to approach the Native American leadership to discuss GMO Chile. This is where the Seed Sovereignty was drafted. In 2007 Senate Joint Memorial 38 and House Memorial 84 recognized the Seed Sovereignty Declaration and the importance to protect native seeds from the contamination of genetic engineering. In 2008, Senator Bernadette Sanchez, passed Senate Bill 60, which gave NMSU money for the genetic engineering of chile. From 2009 – 2011 they have tried to pass farmer protection legislation that would protect the farmers should they get contaminated inadvertently by genetically engineered strains. He wants to meet to discuss with everyone involved efforts for containment, monitoring, and protection. He believes farmers may find themselves contaminated with genetic engineered chile. They should have some type of recourse to maintain their native seed as it was given to them from generations passed. Mr. Santiestevan would like to hear from the BOR or NMSU to address all concerns.

Michael Meade of Santa Fe works at the non-profit community farm that grows food for the needy in Santa Fe. Mr. Meade is interested in the human and ecological health impacts of GMO Chile. He mentioned that with the research going on at NMSU, the health impacts may not be clear to us until a later date. Mr. Meade would like to continue to meet and to discuss about sustaining their genetic heritage. He wants to know more how it may impact our food resources.

5. **APPROVAL OF MINUTES**

Correction to minutes: Page 19 Item 12.a - Dr. Ketelaar is the Vice Chair of Faculty Senate per Dr. Stu Munson-McGee

Regent Pino moved and Regent Cheney seconded the approval of the minutes of December 9, 2012. The motion carried unanimously.

6. **REGENTS “ABOVE AND BEYOND” AWARD**

President Barbara Couture introduced Jane Moorman, Senior Communication Specialist, as the January 2012 recipient of the Regents Above and Beyond Award.

7. **FUTURE BOARD MEETINGS**

Approved Meeting Dates
8. CONFIRMATION OF PRIOR EXECUTIVE SESSION

The Board of Regents of New Mexico State University met in executive session at 12:00 p.m. on Monday January 30, 2012 in the Zuni Ballroom in the Inn at Loretto Hotel in Santa Fe, New Mexico to discuss personnel, legal and real estate matters in accordance with Section 10-15-1H, paragraphs (2), (7), and (8) of the New Mexico Open Meetings Act. Those board members who were present hereby certify by roll call vote that only matters of that nature were discussed in closed meeting.

The motion to adopt this statement, upon being put to a vote, was passed and adopted on the following recorded vote: Chair Conniff, Vice Chair Pino, Secretary/Treasurer Dulany, Regent Gonzales, and Regent Cheney. Five Regents present having voted in favor of said motion, said motion carried, and said statement was adopted.

9. CONSENT CALENDAR

a. Policy

1. Approval of Amendments to Policy 7.45 (Workers Compensation-formalizing provisions related to return to work, adding provisions regarding temporary modified duty) – (Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

2. Approval of Amendments to Policy 3.05 (Revisions to Tailgating section, and minor revisions throughout) – (Mr. Ben Woods Senior Vice President for External Relations / COS)

3. Approval of Policy 2.36 -Payment Card Industry Data Security – (Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

4. Approval of Amendments to Policy 2.50 – Naming – (Dr. Dennis Prescott, Vice President for University Advancement)
5. Approval of Amendments to Policy 8.15.10 J - Service Increase (Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

b. Administrative

1. Approval of Temporary Investment Report for Quarter ended 12/31/2011 – (Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

2. Approval of Disposition/Deletion of Property - (Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

3. Approval of NMSU-Las Cruces: Remodel a portion of Gerald Thomas Hall for the Bobby Lee Lawrence Academy of Wine - (Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

4. Approval of NMSU-Carlsbad: Main Building Restroom Remodel and ADA Upgrades - (Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

5. Approval of the Modification to the Arrowhead Center, Inc., Article III, Section 4 bylaws – (Mr. Ben Woods Senior Vice President for External Relations / COS)

6. Approval of the repeal of current and enactment of new administrative rules for the New Mexico Department of Agriculture Organic Program – (Mr. Jeff Witte, Secretary / Director New Mexico Department of Agriculture)

7. Approval to establish a quasi-endowment – (Dr. Dennis Prescott, Vice President for University Advancement and Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

8. Approval to name the Herschel Zohn Rehearsal Hall – (Dr. Dennis Prescott, Vice President for University Advancement)

9. Approval to name the Aggie Pride Call Center - (Dr. Dennis Prescott, Vice President for University Advancement)

10. Selection of the Spring 2012 Honorary Degree Recipient - (Dr. Dennis Prescott, Vice President for University Advancement)

11. Approval of 2011 – 2012 Program Written Plans for Dona Ana County Head Start Program. – (Amanda Gibson Smith, Director)

c. Real Estate

1. No Action Planned at this Time
Prior to the motion to approve Mr. Bruce Kite made a statement to the Board of Regents to modify Agenda Item 9(a) 5:

Agenda Item 9(a) 5 has an error on one page that was modified orally – Redline to the amendment to policy 8.15J is correct. Add $1,300 service increase after 25 years and $1,500 after 30 years. Union contract $13,000 service bonus after 25 years of service should read $1,300.

Regent Pino moved and Regent Cheney seconded to approve the Consent Calendar as presented. The motion passed unanimously.

10. ACTION ITEMS

a. No Action Planned at this Time

11. NEW MEXICO STATE UNIVERSITY PRESIDENT’S REPORT

President Barbara Couture stated that she is delighted to be here in Santa Fe with our Regents and many of our deans and executive team to celebrate the Legislative Session and Las Cruces Days! President Couture stated that she and the NMSU leaders, along with our government relations team, have already spent several days talking with our legislators and state analysts about our university wide budget.

Her presentation follows:

“We remain strongly committed to compensation for our employees, increased instructional funding based on the new higher education formula, which was developed in full collaboration with staff from NMSU, and for increases to the budgets for our cooperative extension service, our agricultural experiment station and NMDA. We have found the legislature to be in support of NMSU and higher education in general and we remain hopeful for a positive outcome.”

“This morning I will provide an update on our university progress in meeting the goals for success that I outlined two years ago. In March, our Board of Regents will be presented with an initial revision of our university strategic plan. Our Executive Vice President and Provost, Wendy Wilkins, has been hard at work with university leaders, staff, and faculty to produce “Building the Vision,” a new academic strategic plan for the university, organized around our seven goals toward a new era of excellence through partnership that you see in front of you. Building the Vision will incorporate these goals with the on-going aspirations of the university expressed in our current strategic plan, “Living the Vision.” In the meanwhile, since we last met, our university family has moved to build the vision of excellence through our partnerships in several ways that I will review for you now.”
"We continue to take positive steps to recruit and graduate a diverse student body. Students in the College of Arts and Sciences Spanish Heritage program wrote and illustrated bilingual children’s books and recently read them to second grade students at César Chavez Elementary. Students from the NMSU heritage class read the books aloud as a way to encourage these Spanish immersion students to continue learning and get excited about reading."

"Also, December marked our celebration of the first NMSU graduating class in the only online master’s program for Spanish in the United States. With more than 100 students from 41 states and six different countries around the world, this program has grown to serve an international community. It is specifically designed for Spanish teachers in public and private schools and community colleges working to advance their careers. And just two weeks ago, our University Administrative Team interacted with Governor Richard Luarkie from the Laguna Pueblo; Governor Luarkie gave us a lecture on the history of the Laguna Pueblo and then visited with teams from our College of Business, College of Engineering and Athletics to talk about ways we could work together to develop partnerships with the pueblo."

"Of course, graduation continues to be the number one goal for NMSU; in fact, when you review our current draft of “Building the Vision,” now on our website, you will see it now listed as Goal #1. In December 1,397 students filed bachelor’s and graduate degree applications for the fall semester. They have joined more than 110,000 alumni, living and deceased, who have earned bachelors, masters and doctoral degrees since 1893."

"In addition to the number of students graduating, a recent study found students at NMSU rate their experience and learning environment more highly than do students at other universities according to the 2011 National Survey of Student Engagement released in November."

"The survey of freshmen and seniors at NMSU showed students learn actively and collaboratively, are challenged academically, have a supportive campus environment and participate in student-faculty interactions. This indicates that our faculty and staff are doing a great job helping students become more engaged in their learning and our students are having positive campus experiences. All of these activities have been shown to correlate with higher graduation rates.”

"We are making great strides toward extending our international reach; last spring as you know, Dr. Vimal Chaitanya and I visited China where visits to seven universities were extended by a return visit led by Dr. Ricardo Jacquez of our College of Engineering. As our Vice President for Research, Dr. Chaitanya has continued efforts to now expand partnerships in India, where we will go next fall. Just two weeks ago, Dr.
Wendy Wilkins, Dr. Chaitanya and other faculty signed MOUs with universities in Costa Rica and Chile.”

“Pictured here are Provost Wilkins, Vimal Chaitanya, and David Hansen, director of Latin American Outreach and Engagement. From CATIE university in Costa Rica are Jose Joaquin Campos Arce and Miley Gonzalez. This MOU represents a deepening of our commitment to programs of research and education with CATIE. We have a long history of work together, dating to NMSU’s investment in Costa Rica under President Gerald Thomas. We would like for NMSU to be CATIE’s premier partner in the United States. We also now share an important faculty connection through NMSU faculty member Tom Dormody, who serves as CATIE’s dean of the graduate school. And we anticipate continued joint work with Dr. Miley Gonzalez.”

“Additionally, January marked the signing of another MOU with Universidad de Concepción in Chile. This signing brings us opportunities for research collaboration in agriculture and Latin American and Border Studies, as well as opportunities for student exchange.”

“New Mexico State University also continues to build a stellar international reputation for work on unmanned aircraft systems, as reflected in the growing success of our annual Unmanned Aircraft Systems Technical Analysis and Applications Center Conference, held in December.”

“NMSU’s program of the same name has risen to the top of programs in the Unmanned Aircraft Systems field through its testing of various aircraft platforms. This NMSU program has produced a roadmap that serves as a framework for UAS certification. Also, Philip Lewis, department head of the Creative Media Institute, who is pictured here, and his students recently collaborated with the Smithsonian Institute and the Bureau of Land Management on 10 podcasts about the Prehistoric Trackways National Monument in the Robledo Mountains, which are receiving international attention. The podcasts, titled, “Traces of a Lost World,” educate young viewers about paleontology. Now making a worldwide impact, the 10-13 minute podcasts are featured on the Smithsonian website and linked to its iTunes area.”

“As a fourth strategy for success, we have pledged to be the economic engine for New Mexico. And we are moving forward in many ways to be so.”

“A $3.2 million grant awarded to four universities has our College of Engineering and College of Agriculture collaborating with three other universities to promote sustainable energy for the U.S. Department of Agriculture.”
“NMSU will contribute research and academic programs on logistics, bio-energy and biomaterials, and economics as they affect engineering and agricultural industries. Professors Delia J. Valles-Rosales, Hansuk Sohn, Nirmala Khandan, and Ram Acharya pictured here are involved in the project.”

“Students in NMSU’s rangeland restoration class also are making an economic impact. The group inventoried plant species at Spaceport America with Laurie Abbott, an associate professor in the Department of Animal and Range Sciences pictured above; their work will help the state proceed effectively with land development for the project. Having the class tackle this problem has been a win-win situation. The students get some hands-on experience related to the class content while contributing to a high-profile economic development project; in turn, our New Mexico spaceport will solve a vexing problem without having to invest a huge sum of money.”

“In addition, we are currently reviewing drafts of strategic plans, soon to be aligned with Building the Vision, submitted by Vice Presidents Vimal Chaitanya and Garrey Carruthers. Respectively, they have outlined plans for the Office of the Vice President for Research and the Office of the Vice President for Economic Development. Both areas contribute greatly to the economic impact of our university.”

“In fact, we have been featuring this month the results of an Economic Impact report, from a study led by our own Dr. Jim Peach. The report outlines the economic impact NMSU creates just from dollars that come to us from outside the state; the report concludes that in addition to adding nearly a billion dollars in personal income, and nearly $800M in disposable personal income to our economy, NMSU generates 9,500 jobs, adds about 1,800 new citizens, and general new tax revenue that would not be here if that income did not come to our state through NMSU.”

“We also continue to improve Effectiveness and Efficiency at our university. Textbooks and lectures aren’t the only tools that make student learning possible. This is the philosophy behind the recent acquisition of several pieces of equipment for New Mexico State University’s Human Performance Laboratory that makes learning more effective. The lab in our College of Education allows students to investigate electrocardiograms, measure metabolic and lung function, and perform DEXA scans that analyze bone density and body composition. The DEXA scanner results give students scientific evidence of the physical effects of health problems like osteoporosis and obesity.”

“On the administrative side of our house, we are proud to announce that the NMSU Office of Sustainability participated in the Sustainability Tracking and Assessment Reporting System in 2011 for the first time, and our university received a bronze star rating. The award reflects our Leadership in Energy and Environment Design buildings,
the use of Energy Star light bulbs and computers, Recycle mania and many other campus sustainability projects.”

“We are so proud of our alumni and dedicated friends of NMSU. To start, I want to congratulate NMSU Foundation board members Del Esparza and Michael and Judy Johnson who were honored as Outstanding Leaders in Philanthropy at the annual National Philanthropy Day sponsored by the New Mexico Chapter of the Association of Fundraising. Also honored as organizations were Cowboys for Cancer and Calulex. Also, our Santa Fe Alumni Chapter celebrated the State of New Mexico Centennial, the Bataan Death March 70th anniversary, and the Morrill Act Sesquicentennial at a fabulous event last Friday. Thanks to all of you who joined us.”

“And of course we were thrilled to celebrate Lou Henson’s 80th birthday last Friday here and in Las Cruces on Saturday. He has contributed so much and we thank him for all he has done for New Mexico State University.”

“Finally, we have continued specific efforts to build a culture of pride at our university. In addition to the celebrations here in Santa Fe, we kicked off a great semester with Spring Convocation. Faculty have always been instrumental in establishing a sense of pride at NMSU. Convocation recognized several faculty members from all of our campuses for their contributions to NMSU. Recipients of the Donald C. Roush Excellence in Teaching Award included:

April Ulery
Gabriela Buchenau
J. Sean McClonough
Cindy Seipel
Rudolfo Chávez Chávez
Paul M. Furth

Sue Forster-Cox
William “Bill” Lockhart
Ronald Girmus
Jose “Pep” Gomez
Alfred Gene Romero

We are extremely proud of the work they do to make NMSU a top educational experience for our students.”

“Thank you for your attention and support today. And thanks again to our hosts in Santa Fe; we are proud to be here representing this great state’s land-grant university, celebrating New Mexico’s Centennial and the work of our legislature here in our capital.”

12. **INFORMATIONAL PRESENTATIONS**

(a) Update on the 2012 Legislative Session by Mr. Ben Woods, Senior Vice President of External Relations and Chief of Staff.
Senior Vice President Ben Woods began by speaking on behalf of Ricardo Rel. SVP Woods recognized and thanked the Board for their presence in Santa Fe the latter part of this week. He mentioned that he knows it takes away from their jobs and that everything they do is appreciated and makes a positive statement of the direction of this university. He also recognized the efforts of President Couture. President Couture made presentations to the Senate Finance, House Appropriations and Finance on the budget. She also met with the Ag Committee, Senate Conservation, had lunches with the Ag group, plus numerous other meetings outside of the day too numerous to count. SVP Woods believes that we have had an effective representation of those priorities that this board established. He stated that Ricardo Rel and Vicente Vargas were at that moment working on House Bill 2 as it was being debated on the floor. He stated that indications were that we have had some success on House Bill 2, perhaps not as much as we had hoped for but still positive movement due to the efforts of all involved. He closed by noting that we will continue to work on House Bill 2 and will continue to work Capital Outlay, which was starting to heat up at that point. SVP Woods mentioned that we have had some success with the refurbishment of funding to our research and public service lines that we sought. He added that we were also having some success with the bill that was introduced to extend the tax deferment package for the efforts at the Pan American Center. It is a busy time in the thirty-day session and SVP Woods feels the presence of the Board and President has made a positive difference and thanked them.

Regent Conniff stated her appreciation for the hard work of Ricardo and Vicente during their time in Santa Fe.

(B)Semi Annual Update on University Advancement Activities by Dr. Dennis Prescott, Vice President for University Advancement

Vice President Dennis Prescott spoke of the structural changes that have been made within University Advancement. He feels they are better positioned to be able to help the President fulfill her goals and to get in better position to support the University in a lot of ways going forward.

University Advancement greatly modified the Stewardship Reports at the end of this past year that they were sending out to donors of endowed funds. They added full color and received positive comments and they also said the endowment minimum was going to increase in a two stage process from 10,000 to 15,000 this coming July and then to 25,000 the following July. VP Prescott stated that this would put us more in line with our peers and it should also increase our endowment over time. He received a call from a gentleman from Albuquerque who had gotten the letter and was reminded that he needed to talk to VP Prescott. VP Prescott stopped by to see him on his way to Santa Fe and the donor would like to increase his endowment and wants to talk to us about an estate gift which will likely exceed 3 million dollars. Also, at the reception at governor's mansion, a similar conversation with a corporate donor who was in attendance said receiving that letter reminded him to increase their endowment.
VP Prescott next provided an update on fundraising. He noted that a large software gift from last year explains why this year looks off from the prior year amount. He added that we were actually right on pace once you extract the software gift from a year ago. He stated “cash activity is holding up well. Individual giving is up and foundation giving is way up.” He stated that the foundation is working with a corporation that may be a repeat donor. They have asked them to renew and are optimistic that might happen.

VP Prescott next spoke about the overall investment pool managed by the foundation. The investment pool is made up of 70% foundation assets and 30% university assets. These are pooled and managed with the foundation investment committee responsible for the allocations and investment strategies. He stated that the investment committee probably pays more attention to the asset allocation than any other thing. The investment committee works harder than any of the other committees put together.

(C)Annual Update on Intercollegiate Athletics by Dr. McKinley Boston, Athletic Director

Dr. McKinley Boston announced that Steve Macy and Ermilinda Quintella were present. He praised them for the hard work they put in; Ermilinda in terms of insuring the budget balances and Steve primarily in terms of corporate growth. He mentioned that it has been a lot of fun and challenges.

His presentation follows:

Our Highlights for the past year
- During the 2010-2011 Academic year, 121 student athletes made the WAC All Academic team. 27 Winter sport student athletes, 44 Spring sport athletes, and 49 Fall sport student athletes (highest in the WAC).
- Candace Jones won the Stan Bates Award, which is awarded to recognize the best student athlete in the WAC, both in terms of academic performance, competitive excellence, and community service.
- This past Fall, David Niumatalolo was named to the Capital One Academic All–America first team. David has a 4.0 G.P.A. in biology and first team all WAC and had an outstanding year.
- All of NMSU’s teams, with exception of football, were above the APR minimum which is 925. Football is at 920, but has three years to get to the minimum of 925.
- All of the student athletes combined have a GPA of 3.0
- All of the student athletes combined average 14 academic credits per semester. Athletics has been able to support summer school and has helped in the graduation rate, which is 67%. Dr. Boston believes this number will continue to rise since the support of summer school for student athletes.
- Men’s and Women’s Cross Country finished 2nd in the WAC
- Volleyball finished 2nd in WAC – lost to nationally ranked Hawaii in the conference finals
- Swimming is currently ranked 12th in NCAA Mid Major Division I poll (preseason favorite to win the WAC championship)
- 8 pre-season WAC All Conference Athletes in baseball
- Men’s tennis is 54th in the country
- Men’s and women’s golf is in the top 100 in the country
- NMSU Ranked 3rd overall in 2010-11 WAC Commissioner Standings
- NMSU Ranked 2nd overall in 2011-12 WAC Commissioner Standings

The Focus for the current year
- Committed to current strategic goals, with the addition of the 9th goal of compliance.
- Student Athlete misconduct is improving due to the life skills program and making better recruiting decisions. The student athletes are making better decisions.
- In regards to diversity and gender equity, NMSU is in compliance with Title 9. Student athletes would mirror undergraduate enrollment, which is 57% women, 43% men. The sport teams are exactly the same percentage.
- One of the goals that has been a challenge is that NMSU will maintain operations and attitudes that support and promote superior customer service. The President Day Game Day Task Force, which was implemented, has helped to improve overall quality of customer service.
- The additional goal added was that NMSU will maintain a culture of integrity and compliance with NCAA rules and all other mandates policies and procedures.

NMSU Compliance
- NMSU has a strong record: Nov, 2011 was the end of a 4 year audit that showed no major findings by Office of University Audit
- Compliance office focuses primarily on large issues: eligibility, recruiting, financial aid
- Office addresses smaller areas through staff education & monitoring
- Latest major violations at peer institutions have been in smaller areas (vehicles, employment, agents)
- Compliance office is currently evaluating its strategy in light of changes to NCAA deregulation efforts

WAC Realignment
- Schools out: Boise, Fresno, Nevada, Hawaii
- New Schools: Denver, UT Arlington, Seattle, UT San Antonio, TX State, Boise, BYU (softball), Dallas Baptist (baseball only)
- New structure reduces economic value of ESPN contract
- Loss of Boise reduces revenue share from value of ESPN contract
- Potential implications for NCAA membership criteria
- Compliance office focuses primarily on large issues: eligibility, recruiting, financial aid

Impact on Budget
- No budget increases in last 3 years. Expenses have been cut to maintain flat budget
- Ticket sales represent significant opportunity to increase revenue
- Private gifts are beginning to increase and are projected to grow $500,000 by FY13.

**Future Focus & Strategies**

- Adopt NACDA Recommendations: Focus on ticket sales as primary opportunity to increase revenue (upgrade Archtics platforms through Ticketmaster, Ticket sales assistance)
- Adopt a coordinated athletics fundraising strategy with NMSU Foundation (Increase gross corporate sponsorship dollars from $1,000,000 to $1,500,00 in the next two years and increase net sponsorship dollars, Current trade has grown from $300K to $1.2M, Explore, identify and secure naming rights sponsor for at least one of the two major facilities (Aggie Memorial or Pan Am))
- Ensure NMSU continues to maintain a track record of no major violations (Adopt the 9th strategic goal, Identify strategy to ensure compliance and integrity are not compromised, and compliance department can be pro-active in its efforts)
- Evaluate NMSU competitive position (Define NMSU Athletics’ position relative to new competitive landscape, Determine costs necessary to maintain commitment to excellence across all sports)

Regent Conniff mentioned she is pleased with the success Athletics has had academically as well as being competitive.

Regent Gonzales commented that he would like to know at what point NMSU should begin to consider having to possibly looking at tiered programs (differentiated investment by sport). The hard reality is that when we look at the funding for the university we are up against budgets that might be flat this year but have been going down the last 2 – 3 years. And depending on what happens with the economy that may continue to happen so there may be this natural pressure that’s going to occur on athletics just as a result of what is happening to the university as a whole to begin to rethink the investments in some of the sports. At what point do we begin to plan or is there a backup plan prepared that can be on the shelf ready to go if the president and the board decide that we have to cut. A plan should exist that is well thought out that addresses the tiered investments. Can we wait until we actually get to that point?

Dr. Boston responded by saying he is analyzing it now. He mentioned that if the Board would forgive the debt and allow Athletics to keep the money earned from money games, the financial situation would improve overnight, recognizing that that is not necessarily the easiest thing to do. We started about 7 years ago with the deficit spending strategy to leave the Sun Belt and join the WAC with the goal of growing the
budget between $16 and $20 million. And as we grew the budget that it was understood that at the end of 5 years we would accrue the deficit. A decision was made we would repay the deficit which we currently do at the tune of a million to 1.2/1.3 million. We generate that money primarily through an extra money game. We changed how we schedule football and so in the Hawaii years we would end up with an extra game to generate the extra money. So now we also have to take a look at the impact of Hawaii leaving the WAC so there are real challenges that we do have to deal with within a 2–3 year window that should give us ample time to plan for the changing landscape. The changing landscape could also be that because the economy is getting better and because Foundation and Athletics are working closer together and the corporate climate changes there could be lots of infusion of new revenue that could help address these challenges. Just like running a business unfortunately some of these things just have to play out. We are currently aware of the challenges and hopefully we will continue to make administrative decisions that position us to be ready for the challenges that we may have to address either way.

Regents Gonzales asked what is left of the debt to be paid.

Dr. Boston replied that is was approximately $7.3 million

Regent Gonzales mentioned that it was his understanding that he thought it was a requirement to the State or if it was a Board requirement. He remembers signing a letter.

Dr. Boston replied he believed that it was an requirement to the State.

Regent Gonzales replied if it was an obligation to the state.

SVP Angela Throneberry mentioned a formal deficit reduction plan that was submitted to the state of NM HED and DFA which included restructuring of the department, reduced expenditures, and increase revenue. Also as part of this deficit reduction plan, which committed the university to reduce this debt to zero by FY 2018.

Regent Gonzales asked if Dr. Boston’s suggestion about the forgiveness of the debt, if it is something that could be considered by the board under the requirement by the state.

SVP Throneberry mentioned a discussion would have to come forward from the university to the State in order to open this discussion. It was not a mandate but was an agreement reached with the university and the state on how NMSU would achieve a balanced budget. There has been a focus on the athletics budget at the state level and so we have been conscientious about making sure we have made the payments or exceeded the plan payment amount. That would be a discussion item with the state.

Dr. Boston replied that it is a reality and is a strategy that if at all could be entertained or if it could happen it could change overnight the reality of the operating budget going forward.
Regent Gonzales mentioned the possibility of slowing down the payback period as an option. Obviously the president would have to determine whether it is appropriate to diver into but it seems that whether it’s forgiveness or slowing down the payment period would help free up some resources into Athletics. This may be helpful because he thinks that we have already paid but it is a matter of paying back to the university general fund or whatever was advanced when we went into the WAC.

SVP Throneberry replied that is correct. The deficit has been incurred so it is reflected in the books so overall the university has a balanced budget but we carry the deficit, for athletics, in terms of the fund balance for the university.

Regent Conniff mentioned that in general it is very much like refinancing a house if we could lower the interest rate and spread the terms. This would involve a visit with the state.

President Couture mentioned that there have been conversations about when would be an appropriate time to have discussions with the State. During the last several years, the Athletics Department has been extremely conscientious about trying to run within the budget that it has had while carrying this burden, which was incurred before President Couture arrived. The response was part of a well constructed plan that was developed before things changed all over the United States. It is true that NMSU has paid the debt but we also have an agreement with the State. So to open the door for that conversation I think we would want the right time to have that conversation. We wouldn't want to jeopardize other things the university is trying to achieve particularly now when we are working with our legislative session. But she also mentioned that if the burden were not there it would create some ease in his schedule. It is a challenge to the football team to have to play two money games a year which makes it difficult for the coach to be as competitive as he would like. On the other hand there are many things that come into play here, not only the debt, the ability to fund raise, ability to have a competitive situation in the WAC. She complimented the Athletic department in its ability to verse this changing landscape from day to day and with a great deal of assistance and help from our Administration and Finance as well. But if the Board wishes us to raise this conversation I think we will talk internally about when to give a good recommendation as to when it would be appropriate to have such a conversation.

Regent Gonzales mentioned that all options need to be on the table and looks to the President for her guidance to see when it is appropriate to discuss this. He feels that if it could help Athletics and readdressing the issue to the State. He remembers signing the commitment on behalf of the university and that we would do this.

SVP Throneberry mentioned that in the Higher Education accounting manual we do have to balance. We are not allowed to deficit spend so within the budget itself athletic should have a balanced budget but that is what raised the issue initially with HED and
the reporting of the actuals that were going to the state level so they initiated the contact with the university regarding correcting the deficit.

13. **RECURRING REPORTS**

(a) **Report from the Chair, Faculty Senate by Dr. Stu Munson-McGee**

Dr McGee reported to the board that they have been successful in appointing representatives to several committees including efficiency and effectiveness, search committee for the associate provost for international border programs, and a community college representative to the provost’s promotion and tenure review committee. He is amazed at how hard it is to find representatives to do committee work like this.

He stated that Faculty Senate introduced and sent to standing committee legislation to revise the proposal for Fractional grading at NMSU. He anticipates that it will be brought before the entire senate at their February meeting and will be acted on at that point.

He reported that faculty senate also has seven working groups that are in operation, two of which are new. One on compensation, a second one on viewing a wider world and 120 hour credit limit on degrees, a third one on limitation of digital measures, a fourth one on distance education fee allocation recommendations, and a fifth one on college faculty professional development leave. There are the two new ones, one that looks at the graduate council – its role and relationship with Faculty senate and finally working group to respond to the educational retirement board proposal for this year.

He closed that in the next two weeks, Faculty senate would be sending out ballots to elect a new chair for Faculty Senate and another to revise the faculty senate constitution that will allow us to conduct our future voting electronically instead of having to mail everything to faculty and receive it back in the mail.

(b) **Report from the President, Associated Students of New Mexico State University by Mr. Austin Graham**

President Graham reported that ASNMSU has been busy in Santa Fe with Senate Joint Memorial 27 and House Joint Memorial 14. House Joint Memorial 14 made it through the education committee and will be heard on the floor in the coming week. Senate Joint Memorial 27 will be going to committees on Wednesday. These are related to the lottery scholarship calling for a committee to get together and discuss the best way to prevent insolvency. They have been working with leaders from UNM, Eastern, and NM Tech to find solutions. He reported “The Pan American Gross Receipts tax bill (HB 23) is not specific to Pan American but relates back to Pan American at New Mexico State. They are testifying for it right now saying that this obviously helps with our competitiveness with UTEP.”
He reported that the fractional grading revised resolution will hit the senate floor for students on February 9, 2012 and go through committees. There will be recommendations from the student senate by the next meeting. From what he hears and after they have sat down and discussed it and looked at all the issues, it seems to be a very positive feeling.

He stated that the website is up and watched. “Please check it out and email Austin Graham with any typos, since there are still some on there.” ASNMSU will be taking pictures and putting them up so there won’t just be words.

He stated that the Student Fee Review Board is almost concluded but they have to hear one more next week. They will be done next week with their recommendation.

The Student Memorial is making great progress on campus. They have chosen a student design for the project. They have narrowed it down to two locations on campus. They will be meeting next Monday to discuss the locations and hopefully move to the planning committee for that.

Regent Gonzales, Cheney and Conniff praised the student government for their hard work and efforts.

(c) Report from the Chair, NMSU Employee Council by Dr. Fred Lillibridge

Dr Lillibridge announced that the council, on behalf of NMSU employees, wants to thank the Regents and the President for making employee compensation a high priority at this years’ session. Needless to say, he hopes we are successful. The Employee Council operating year starts on February 1. They have many organizational tasks to complete this semester. They are working to replace members who have resigned or left NMSU employment. Their goal is to have a full complement of 20 members on board by the end of January. They will elect a new Chair elect and secretary/treasurer at the February meeting. They will also use the majority of their March meeting to discuss possible employee council strategic priorities for the coming year and beyond.

And finally on a personal note, Dr. Lillibridge looks forward to be working the Regents, President Couture and our Ex-Officio Council Members in the coming year. He also hopes the council can continue to contribute to the greater good of NMSU.

Chair Conniff thanked Dr. Lillibridge and looks forward to working with him as well.

14. **OTHER / COMMENTS**

No comments.

15. **ADJOURNMENT**
Regent Conniff welcomed Carolyn Aragon on board and looks forward to working with her. Motion, Regent Pino moved.

There being no more business the Board of Regents adjourned at 12:00 p.m.

Minutes recorded by Carolyn Aragon.

Laura M. Conniff, Chair
Board of Regents

Christopher Dulany, Secretary / Treasurer
Board of Regents