

VERBATIM MINUTES OF THE BOARD OF REGENTS
NEW MEXICO STATE UNIVERSITY
April 13, 2007

1. **CALL TO ORDER**

The Board of Regents of New Mexico State University met in the Regents Room of the Educational Services Center on the main campus of New Mexico State University, Las Cruces, New Mexico, on Friday, April 13, 2007. Chair Conniff called the meeting to order at 9:03 a.m.

Regents Present	Ms. Laura M. Conniff, Chair Mr. Bob Gallagher, Vice Chair Mr. M. Steven Anaya, Secretary/Treasurer Mr. Blake Curtis, Member Mr. Ed Kellum, Member
Ex-officio Regents Present	Dr. Larry Creider Mr. Ben Hardy
President	Dr. Michael Martin
Executive Vice Pres./Provost	Dr. Williams Flores
Regents Chief of Staff	Dr. Pat Williams
Other Presenters Present	Senior Vice President Ben Woods Senior Vice President Jennifer Taylor Vice President Rebecca Dukes Associate Vice President Maureen Howard Director Michael Rickenbaker Director Fred Ayers Director Tim Nesbitt Director Anna Price General Counsel Bruce Kite Dean Garrey Carruthers Assistant Vice President Angela Throneberry Campus Coordinator Ricardo Rel Ms. Socorro Saenz-Lobato

2. INTRODUCTIONS

- (a) Associate Vice President Maureen Howard stated, "This morning, I would like to start by introducing Representative Gloria Vaughn. From the media, we have Jenn Kistler of the *Las Cruces Sun-News*."

3. APPROVAL OF AGENDA

Regent Anaya asked, "Could we move consent item 7(j) to Action Items for a little bit of discussion? Other than that . . ."

Regent Conniff said, "And the resolutions."

Regent Anaya continued, "And move the resolutions to the beginning. I think the basketball teams want to go to class instead of sitting here for two hours."

Regent Anaya motioned, seconded by Regent Curtis, to approve the agenda as amended. The motion carried unanimously.

Regent Conniff stated, "We will start with the resolutions. Welcome (men's basketball team members entered Regents room). I am not sure there is anyone in the room who doesn't recognize the WAC championship mens' basketball team (Regent Conniff read the resolution)."

Regent Conniff stated, "And now for the women's team who placed second in the WAC (Women's basketball team members entered Regents room and Regent Conniff read the resolution for the women's team).

4. RESERVED

5. APPROVAL OF MINUTES

Regent Gallagher moved, seconded by Regent Curtis, to approve the minutes of March 12, 2007 as presented. The motion carried unanimously.

6. FUTURE BOARD MEETINGS

Approved Dates:

Friday, May 11, 2007 (Las Cruces - Commencement Weekend)

Proposed Tentative Dates:

- Monday, July 16, 2007 Retreat
Holy Cross Retreat

- Tuesday, July 17, 2007 Meeting (Las Cruces)
Regents Room, Educational Services Center
- Friday, September 7, 2007 (Las Cruces)
Regents Room, Educational Services Center
- Saturday, September 8, 2007 (Albuquerque)
Joint meeting with UNM
(Aggies vs. UNM [football game])
- Friday, October 26, 2007 (Carlsbad)
(NMSU-Carlsbad/Community College Visit)
- Friday, December 14, 2007 (Las Cruces)
(In conjunction with Commencement)

7. **CONSENT CALENDAR** (voted on by one motion, or moved to Action or Informational Items)

- (a) Reserved
- (b) Approval of License Agreement between the New Mexico Department of Transportation and the Regents of New Mexico State University for Use of a Portion of the Eastern Parking Lot of the Pan American Center of New Mexico State University for Use as a Parking Facility for Users of the New Mexico Park and Ride, Las Cruces, Doña Ana County, New Mexico (Director Fred Ayers)
- (c) Approval of Right of Entry Agreement by and between the Regents of New Mexico State University (grantor), and ALY Construction, Inc. (grantee), Wisconsin Avenue, Las Cruces, New Mexico (Director Fred Ayers)
- (d) Approval of Regents Row 600 Budget and Scope Increase
(Director Michael Rickenbaker)
- (e) Approval of Foster Hall Budget Increase (Director Michael Rickenbaker)
- (f) Approval of Property Dispositions (Senior Vice President Ben Woods)
- (g) Approval of Honorary Degree Recipient (Vice President Rebecca Dukes)
- (h) Approval of Reappointment of James C. Manatt and Steve Vierck as Outside Directors to the Arrowhead Center, Inc. Board of Directors (Dean Garrey Carruthers)
- (i) Ratification of Amendments to Employment Agreements for Various NMSU Coaches
(General Counsel Bruce Kite)
- (j) Approval of Creation of Budget and Audit Committee of the Board of Regents, and Approval of the Budget Committee Charter (Senior Vice President Jennifer Taylor)
This agenda item was moved to “action” at the request of Regent Anaya.

Regent Anaya moved, seconded by Regent Gallagher, to approve the Consent Calendar as presented. The motion carried unanimously.

8. ACTION ITEMS

(a) Senior Vice President Jennifer Taylor, Business, Finance, and Human Resources

-1- Approval of Tuition and Fee Increases and Budget Guidelines for FY2007-2008

Senior Vice President Jennifer Taylor stated, "Good morning. In your materials before you today is a request for your approval of the university's budget guidelines for the FY 2007-2008, which includes a request for your approval of the proposed tuition and fee rates for fiscal year 2007-2008. I have with me Budget Director Anna Price who has put together most of the information we will be addressing under this agenda item to assist me in this presentation. I want to recognize the diligent work of Anna and her staff in this effort amid the many other demands put upon her time both internal and external. I will also call upon ASNMSU President Ben Hardy to present the recommendation of the Student Fee Review Board when we get to that part of the agenda item presentation and to offer any comments he may have on the tuition proposal. The packet before you today has been reviewed in advance with the student body leadership and has their full support. The first page in your packet is represented in this first slide showing our projected new sources for funding the Las Cruces campus Instruction and General or I&G budget and the proposed use of the additional funds. This document includes both operating and capital funds. Of the \$22.7 million in new resources, which includes \$8.6 million of non-recurring building renewal and replacement expansion funds, \$18 million, about 80 percent of the \$22.7, million, comes from state appropriations. Of the remainder of this \$18 million, 95 percent is specifically designated by the state as to the type of allowable use. So \$5.9 million must be spent on compensation, \$892,000 must be spent on employee retirement, state scholarship funds must be awarded in accordance with aid guidelines, and building renewal and replacement, and equipment renewal and replacement funds must be spent on specific capital purchases or projects. We honor the recommendation of the Student Fee Review Board as to the proposed use of all fee increases, which are indicated here in the amount of \$918,100. This leaves the proposed tuition increase of about \$2.2 million, state formula operating funds of about \$1.1 million, and an increase in internal charges to non I&G units of about \$1 million to fund three primary areas of need, which are indicated in the Uses section: a two percent inflationary increase for I&G operating budgets, which has not been given for many years, additional utility expense, and a broad category summarized as Strategic Priorities. This latter category includes the establishment of a proposed performance fund to be administered by the university's Budget Committee where departments would be encouraged to submit funding proposals based upon the 'Living the Vision' goals and related metrics that your Board has identified as our priority goals. Awards would be made out of this fund

contingent upon specific measurable performance targets. Those not meeting these targets would not receive continued funding. It also includes funds for eight new faculty lines to be awarded in areas of targeted strategic growth to support both instruction and departmental research goals. Without a meaningful funding commitment that is tied to performance measurement, we can have all of the strategic planning that we want, but we will not effect any real change in my opinion. If you all had a chance to look at the UNM package where they proposed sources and uses and tuition fees that came out on the 11th, if you add up their numbers, you will find that they are investing about \$2 million in what I would call strategic goals and very similar to what we are doing here. These budget guidelines support the concept of investment in NMSU as a great university and of investment in the vision articulated under President Martin's leadership, by many faculty, staff, and students. Without investment, there is no hope of managed growth. I am grateful to and proud of our student leadership and our departments for supporting this direction in this funding proposal. I will stop here for any questions on the Sources and Uses Schedule before I turn to the specific tuition and fees proposal if you would like to do it that way."

Regent Conniff stated, "We do appreciate all of the hard work. We will start with that and we know how much work it takes going into putting this together in a short period of time once the legislature has funded and the governor has signed our funding. We do appreciate the hard work that has gone into this. What does this represent as a total raise in tuition? What is the percentage?"

Senior Vice President Taylor stated, "The tuition increase proposed would be 4.8 percent."

Regent Gallagher stated, "Let me just make sure the numbers are correct. The \$3.1 million in total tuition and fee increases combined with the increased internal charges to non-I&G, these are about \$4.1 million of new money. Is that correct?"

Senior Vice President Taylor responded, "Yes sir. And if you look on the third line down from the top, the Operating Expense Formula Funding, about \$1.1 million can be added to that. That is the new money we got for the inflationary items."

Regent Gallagher asked, "And that is all recurring money?"

Senior Vice President Taylor responded, "Yes sir."

Regent Gallagher asked, "And the strategic priorities at \$2.9 million, those are,

obviously, very similar to what we did last year. As a university, we decided what the priorities are and last year we increased funding in the growth areas. I think in education, nursing, and distance ed, and this is something similar. I need to ask, we made a very big point- -two years ago I believe- -four years ago when Steve and I came on the Board. The very first thing they did was give us about five binders and told us those were the goals and objectives of the university. So what we did was go to work with the president and his team's vision and moved it to the 'Living the Vision' document, which Dean Carruthers has been going over each meeting. The reason we are going over it at each meeting is to hopefully empower people to move us forward. As I understand, there is money in. . . because one of the things we said was. 'It is not going to be worth the plan unless we are willing to attempt to fund it so we can reach some of the upper quartiles.' There is money in that \$2.9 million in our priorities that will allow that. Is that correct, Jennifer?"

Senior Vice President Jennifer Taylor responded, "Yes. My goal is to establish a specific performance fund that is designated to supporting/achieving the 'Living the Vision' goals. We will have a formal process and work closely with Dean Carruthers who is a representative on the Budget Committee to make sure that we are aligned with those goals."

Regent Anaya asked, "On the Sources and Uses, is there a magical number with \$2.9 million, because last year that was kind of a number that appeared also, so I did not know if that was something in Budgeting 101 for finance or a magical number. Last year we took, if I am correct, two percent from every department and that was about \$2.3 million and then we actually had another \$500,000 plus, which gave us the \$2.9 million. Coincidentally, this year, it is again \$2.9 million. If that \$2.9 million was less, then obviously, the tuition would be less. And Ben will talk, or I guess you will talk, a little bit about the fees, the 6.55 percent. I guess my question is on the \$2.9 percent, how did you come up with the \$2.9 million?"

Senior Vice President Taylor responded, "I am not sure if there is a relationship there, although I think our budget has stayed fairly constant. So it probably is a percentage of budget that you would want to earmark for strategic investment. One of the big differences is, this year, because we were successful in the legislature and through the governor at getting a zero percent tuition credit and getting some money to help us fund fixed costs, we were able to use more of the tuition increase we are proposing here to invest in the strategic directions. Last year, we had to do a budget reallocation where we actually went through and took money away from all of the I&G units and then we went through a further reallocation, under the leadership of Provost Flores, where we went through and reallocated vacant faculty lines even above and beyond that reallocation. So we have dug in pretty deep to the budget so far

in instructional and other general units. We didn't want to do that again this year. We sought, instead, this year, to come up with new revenue sources that would come from the state, tuition, and an additional tax, if you will, on our non-I&G units to bring up enough funding to be able to put in approximately \$3 million. I visited many times with the president and the provost as to what would it take to advance the university to actually reach the goals that you as a Board have articulated for them. We have identified a number of areas of strategic growth. They have identified an ideal number of new faculty lines. Each faculty line costs approximately \$100,000. We have identified areas of growth through the 'Living the Vision' document and we went through and put a pencil to that and totaled up how much we want to spend on that. We have done analyses. If the tuition increase were less, probably the area we would cut first would be the faculty lines and then we would go into the performance fund. It would take us longer to get to where we want to go. Does that answer your question sir?"

Regent Anaya responded, "Yes."

Regent Kellum stated, "Can you fill me in on the agreement that the administration made with the students?"

Senior Vice President Taylor stated, "I am going to ask Anna Price to go through the details of that agreement for you, but I will say that we are well within the terms of that agreement with this proposal."

Director Anna Price stated, "The agreement is effective 2004-2005 through 2009-2010. The agreement was that tuition and fees would not go up by more than ten percent in any year and over the course of the five years, it would not go above 48 percent in total. I have a detailed report of where we are at at this point. Over the four years, this would be the fourth year, we are at 32 percent of the total. Obviously, in no year have we gone over the ten percent per year."

Dr. Creider stated, "I am not quite sure that this is directly a budget question. I would like to know, last year when money was set aside, there were supposed to be performance measures and I would like to know that the same thing is going to happen again with the money for the strategic priorities and maybe some laying out of how that is going to happen."

Senior Vice President Taylor stated, "We will work with the Budget Committee to make sure that we have a formal performance measurement process. As you all will recall, when Dean Carruthers presents the 'Living the Vision,' he shows the circle that makes it clear that it is a continuous process that starts with setting goals and then with funding the goals and, setting performance

expectations and then measuring progress against those goals. As several of you here represented today are on the Budget Committee, you will know that we are taking a very different approach to the Budget Committee than we have in the past and we are building in that performance measurement and analysis component. So we will ask Institutional Research, Dean Carruthers, and others as appropriate, to bring us metrics specific to awards and we will make that funding decision throughout the year. We will not meet just once or twice and hand out money. We will be meeting all year long and looking at how people are doing and come forward to the Board and assist Dean Carruthers in making those presentations to you so you can begin to see progress and make sure that money is being spent wisely.”

President Martin stated, “Just a note for those who have been at other institutions and understand something about relative budgets. What is sort of striking about this is it is both a little depressing--but also a challenge--is that this is about a half a billion dollar enterprise if you take it all. And it demonstrates that we have about \$2.5 million of that half billion to try to re-steer the university. It is a very small rudder on a very big ship so we have got to be very strategic in what we do do. But I think the thing that strikes a lot of folks, or ought to, is the fact that so much of our resource is predetermined as to where it must go and that makes it a real challenge. It means we have to work a little harder, be a little more clever, and measure a little more accurately and hold people accountable a little more than we might otherwise. I doubt that there are very many universities in the country that have as little marginal flexibility as we do. We take that as a challenge, but it is also a reality. What is that, half a percent? So about a half of a percent of the budget really is available to try to do new and important things for the university and we are going to make it work, but it isn’t as lucrative as some people think it is.”

Senior Vice President Jennifer Taylor continued, “If you’d like, I’ll continue on to the second slide. This slide reflects the dollar impact upon all categories of Las Cruces campus students. The tuition increase represents about a 4.8 percent increase over the current for resident students and about a 2.4 percent increase for non-resident students. The \$111 increase for a full-time resident undergraduate includes an additional \$75 for tuition and \$36 for fees per semester. The overall proposed increase is lower in both percentage and dollar terms than the proposed increase at UNM by just a little bit. NMSU remains very competitively priced on a regional and national basis.”

ASNMSU President Hardy asked, “Why is the percentage for non-resident students disproportionate to the increase for the residents?”

Senior Vice President Taylor responded, “Because the Student Fee Review Board hasn’t increased fees proportionately higher.”

ASNMSU President Hardy said, "This is the tuition part?"

Senior Vice President Taylor stated, "Yes, this is a blended presentation. The third slide shows you, at the top, the total tuition and fee income projected for this current year and for the new year under the budget guidelines provided. At this point, I would like to invite President Ben Hardy to walk you through the bottom section of this schedule, which gives you the detail of the proposed new uses of new student fee income."

ASNMSU President Hardy stated, "First of all, I would like to recognize everyone who participated on the Student Fee Review Board this year. I think the process went very well and the following people from the university were very dedicated to it: Myself as chair, Marisa Ortega our vice president and president elect, Quintin Ray our graduate student representative, Jared Leadingham our at-large student representative, Marcia Weisiger our Faculty Senate representative, George Barton from the department of Student Success, Gladys De Necochea from the Provost's Office, Phillip Trujillo who is the ASNMSU Senate appointee, and Budget Director Anna Price who is the ex-officio, and she was really helpful in making this happen. As we go through, I guess I'll just point fingers at the increases that we found significant and most of which is due to the five percent compensation increase. If you have any questions, please feel free to ask at any time. The golf course and natatorium, most of those increases were for utility costs; the tennis center and the building of their new facility and the additional costs for running that; athletics, that was actually funding allotted to help them achieve their goals and I think the recommendation from the WAC of a six percent increase, and we decided to grant them a portion of that through student fees; the activity center, if any of you have been reading the *Roundup* during that time, you would associate that with that huge budgetary scandal that we had going on there. What happened was we have a director of intramurals that goes through the student activity fee and through that funding we fund all of the referees in intramurals and we are funding programs through that that we shouldn't have, like the outdoor recreation, the outdoor adventure program, and the health and wellness programs. What happens with our base programs in ASNMSU is if they overrun their budget, then that dips into our surplus account that we use to fund groups and organizations. That trend was just becoming something that we couldn't sustain. Last year, it was \$40,000 and this year it is speculated to go up to \$100,000 in debt. What we did was move the programs health and wellness, outdoor recreation sports, and outdoor adventure into the activity center budget so that any extra expenses there they would have to incur in their next year's budget. With rodeo, we decreased their allotment, because they are only having one on-campus rodeo this following year and they had a little extra funding, so we felt that they could afford to incur that decrease. They can still come before the Student Senate and request funding to go and

compete as representatives of New Mexico State University students. The Student Family Resource Center, that \$9,000, is for the addition of a graduate assistant. They are trying to expand their services and that is exactly what they will need for an additional graduate assistant. The cheerleaders were actually cut for not coming to present altogether. They turned in their proposal late and were then given an opportunity to present very early in the morning and we think that in trying to make the process more highly esteemed in having departments realize that even though you are coming before students, you are still requesting for a quite considerable piece of change and we should uphold the procedures. It was unanimous that their proposal not be considered and they did not receive funding. Once again, they can go through the ASNMSU Senate to receive funding there. The Master of Social Work position was a collaborative presentation through the Student Health Center, the Dean of Students, our Student Legal Aid Program, and a few others as well in order to provide a position that could help students with issues such as income and housing issues and domestic violence. Many of our students are non-traditional and so we have students that vary and whose situations vary and they believe, and so did the Student Fee Review Board, that there was a significant amount of need for someone who can deal with those issues and keep them away from Student Legal Aid because advising on issues like that without having the proper resources and knowledge can be legally injurious and incur liability. There was also a transit proposal that we had approved through OFS that would allow us to have three bus shuttles on three routes to serve more of the campus and hopefully alleviate some of the parking problems by reaching those further parking lots without having to build more parking lots around campus and that was something we were largely in favor of. That would leave the ASNMSU bus for us. Then, ICT actually had a \$15 increase that they requested and in trying to keep the proposal optimized, we granted that ten dollars. So that comes to a 6.5 percent increase that equals to about \$35. I would agree with our fee proposal and Jennifer Taylor and her team's tuition proposal. We need to put our money where are mouths are, quite frankly, and I think that is also from the students' perspective who would like to see more amenities and make this a better university. I think that is how we make our contribution. I was actually having a conversation with someone the other day who had mentioned (they are from Texas and I can't believe I was listening to them) that it was really interesting how people in New Mexico do so much, they're so innovative and new. And I said, 'Well, it is really because we work within our constraints. I think we do well with the resources that we are allotted and the same is true here at New Mexico State University. And so what do you do if you have a pig? You eat the pig down and with what's left you make chitlins; chitlins are delicious. I think at New Mexico State we do well with pork, pig fat, and chitlins. So what we are trying to do here as students is provide a larger pig so that we can do more with more fat, more pork, and more chitlins than just have more enjoyable resources for everyone

and once again make our contributions there.”

Regent Gallagher asked, “Could you translate what he just said for us older guys?”

Regent Conniff stated, “Ben, I think that was very eloquently said, but the jist I got out of it was that you are very supportive of this tuition and fee increase and feel that that is representative of the student body. Is that correct?”

ASNMSU President Hardy responded, “Very supportive.”

Regent Conniff stated, “Thank you. We appreciate it and we appreciate all of your hard work. We know this takes a lot of time on your part and other student leaders. I know Ed has participated in this as well and it is very time consuming, but we do appreciate all of your dedication.”

Regent Gallagher stated, “First of all Ben, I really appreciate the hard work that has gone into this and I agree with you. If you have a formula set up and a process set up and people don’t meet the process, then obviously they don’t need the funding and I applaud you for taking that stance. But it struck me as you talked about understanding the flexibility or understanding the constraints that you work in and wanting to work within those, that we may be the only university in the country, this year, who has the student body president present the fee increase to the Board. I get sick and tired of reading the newspaper about the supposed flagship university in the northern part of the state, and last year, if you went to their budget hearing, you saw the chairman of their board dictate to the students that they were going to put hundreds of millions of dollars of buildings on the backs of the students through fee increases. And this year it is pretty indicative if our tuition goes up 4.8 percent, the total blend, I think, is 5.2 percent, which means the student fees are four tenths of that. At the University of New Mexico, it is approximately 1.6 percent of that and so I just think that the setup we have, that the respect that has been earned by ASNMSU and how they have worked with the university is something that everybody could learn. I think it goes to the heart of what the university is about, and that is doing what is right for the students. I applaud you for that effort.”

ASNMSU President Hardy stated, “I would also have to say, in response to that, that I would have to applaud the university for facilitating the environment in which our student government can operate so freely and independently. I really think, I like to refer to those other student governments at those universities as public governments. A lot of times their advisors and administration will say, ‘Of course that is what you are doing, and actually do things for them. And I love it that if I were a big enough moron and I wasn’t

watched closely enough, and didn't have people underneath me who actually knew what they were doing, we could run our budget completely into the ground. Not that we would, but just that we would be allowed to do that, because if we could, then we would have the freedom to do with our budget what we pleased and we won't do that. Sorry students."

Senior Vice President Taylor stated, "I want to echo the 'thanks' that the students take it seriously and I think part of it is we have good student Regents on our board as I have said before and Regent Kellum is no exception. We've had wonderful student Regents and to have that level of student participation at the Board level makes a big difference. This is one of the reasons why I am glad to be at NMSU, because it is a little bit different and I think we do it the right way. The chitlins budget comment will live for ever."

ASNMSU President Hardy, "That has got to be in the minutes, for when we look 20 years from now and see that that was what I said."

Senior Vice President Taylor stated, "This last page presents our proposed tuition and fees increases at our community college campuses. You can see here they are modest and I think we are still well priced in all of these areas. The Carlsbad campus has the largest percentage increase and I'll call to your attention that the Grants branch proposes no increase. We do have representatives from the campuses here in the audience, as well as other central administrators who are able to provide you with any other specific information you may have in relation to their requests."

Regent Conniff asked, "Again, is this set up similar to the Student Fee Review Board where we have input from the branches on what they need for the coming year? Is that how this is analyzed as well?"

Senior Vice President Taylor responded, "Yes, the branches have a lot of autonomy. They set their proposed tuition and fees. They present it through channels to the provost, he reviews it, and we review it from a budgetary standpoint, very much like the students as Ben was referencing there. We make sure that no one is going to go broke and do kind of a general review on their behalf, but it is their proposal."

Regent Anaya asked, "And next, we are going to have the housing and meal plan. With what is proposed on the housing and meal plan and the tuition and fee increase, for a student next year, a full-time student that is living on campus that has the meal plan, what is the difference in dollars from this year to what is being proposed for next fall?"

Senior Vice President Taylor responded, "Let us calculate that for you real

quick.”

Regent Conniff stated, “Now, obviously, it would depend on what dorm they live in, because it varies from dorm to dorm.”

ASNMSU President added, “As well as which meal plan they have.”

President Martin said, “The chitlins meal plan is going way up in price.”

ASNMSU President said, “Actually the cheapest, but a lot of those ARAMARK meal plans taste quite similar.”

Senior Vice President Taylor stated, “For the year, it would be \$424 at the highest priced facility, the highest priced meal plan.”

Regent Conniff asked, “How about the chitlins plan?”

Senior Vice President Taylor responded, “The chitlins plan? We have those with a zero increase for housing.”

Regent Anaya asked, “So, per student it would be an increase of \$424 for the year?”

Senior Vice President Taylor responded, “For the year.”

Regent Anaya said, “Per semester it would be about \$212.”

Regent Conniff asked, “And that is only if they are staying in the most expensive dorm and have the most comprehensive meal plan?”

Senior Vice President Taylor responded, “That is correct. That is the worst case scenario.”

Regent Gallagher said, “So that is about \$60 a month if you look at a seven month . . .”

Senior Vice President Taylor responded, “Yes, if you consider it over seven months, although we usually use eight.”

Regent Gallagher asked, “When the branches come in, I look at Doña Ana Branch and I looked at the existing tuition, \$41 versus \$45 in Carlsbad, \$52 in Alamogordo, and \$48 in Grants. The question that I look at is in Alamogordo, Carlsbad, and in Grants. Those are the only higher education alternatives in

those communities. In Las Cruces there is, obviously, the main campus as another higher educational alternative. I wonder what the thought process has been as to why that has been historically the lowest, and then I go over to the far right hand column and I look at the proposed increase, and, although Grants has no increase, I see that Doña Ana is proposing the smallest increase and I wonder what the thought process is there?"

Senior Vice President Taylor responded, "I would invite Provost Flores or anyone else if they want to talk about that. I think, generally speaking, we set tuition at any of our branches for the same reason we set tuition at main, because we need to cover expenses not covered by other sources, and you can make up in volume what you can't do in price. So Doña Ana, although they have been investing in the campus significantly, they've had an enrollment trend that is up every year; they increase. So they can perhaps get by with a lower increase in terms of their rates, where Carlsbad has had a more flat to declining enrollment recently. They are going to need some money to invest."

Regent Gallagher stated, "I understand that, but I looked at the Carlsbad situation and if I remember correctly, the last time we saw the numbers, Carlsbad had declined some, but yet they are the highest increase. Should we maybe not be looking at why are they declining? Is there another source of revenue? I know why they are declining, but is there another source of revenue or are we adding to the potential of decline by having the highest increase? I understand it's a cat and a mouse, because you have to open the doors every morning, but it still seems to me that we continue to grow Doña Ana, and I hope it always continues, but we continue to grow that and there is not a problem growing it, but yet it is the lowest tuition out of all of our branch campuses."

Executive Vice President/Provost stated, "Part of this--and let me say that Jennifer and I have spoken with the CEOs--one of the things we want to do in the future is actually work together in helping to set the tuition and working with them in the process, because sometimes what we see is just after it has gone through their Advisory Board and as it is presented. But part of the reason that there is a difference is, of all of the branches, Doña Ana is the only one that has been able to successfully get voters' support for bond passages and mill levies. As a consequence, they have two different sources of income: the bond levy and secondly, the growth in enrollments. That has added a lot of money to their budget. Over time, we will see increases and, in fact, that is part of their expansion plan. But I think it would probably be worth while if we had meetings with the CEOs during the summer and came back with more of a long-term budget plan, because we do plan on going after mill levies in Alamogordo, Carlsbad, and other communities and doing it with the community and have meetings with their town leadership and explain some of

our needs. That really hasn't been done in those communities and we do plan on doing it."

Senior Vice President Taylor added, "The other alternative is to charge less while you are waiting to build your mill levy program and use balances. We do have that option at Carlsbad and other branches, but you get to a slippery slope when you begin to use the balances."

Regent Anaya stated, "On the \$2.9 million of extra money. If that number was \$2 million and we went along with the fee increase that Ben talked about, what then, on the tuition side, would that number be? Because that is where we are if we agree on the fee increase. It is really that performance money or that extra money, whether it is \$2 million, \$2.5 million, \$2.9 million, or \$5 million, that is really where we are and then blend it. What would that tuition number be, approximately, if we went along with what Ben proposed, instead of the \$2.9 at let's say \$2 million?"

Senior Vice President Taylor responded, "Let me restate your question to make sure I am answering your question accurately. We ran a variety of scenarios and what you are asking us is, what would we raise tuition by, assuming that we keep the fee increase at \$918,000 to produce \$900,000 less in new revenue. Is that the question?"

Regent Anaya responded, "Yes."

Regent Conniff asked, "So it would just be on the tuition amount?"

Director Price stated, "It would be about, I believe, two percent less . . . Yes, about a three percent increase."

Regent Conniff stated, "So the total would be three percent versus 4.8 percent?"

Senior Vice President Taylor responded, "Yes, that is correct."

Regent Anaya stated, "And with that three percent increase, the blended rate would be approximately 3.8 percent or a little less than four percent."

Director Price responded, "Yes."

Regent Gallagher stated, "A follow-up on that, though. If that would occur, Jennifer, basically, we are saying we are taking almost 30 percent of the dollars that we have identified for new teaching lines, for performance strategies, and to put into areas of need. We would be removing 30 percent of that money to

take tuition down one percent?"

Senior Vice President Taylor said, "Yes. That is correct."

Regent Conniff asked, "Do I have a motion?"

Regent Gallagher moved, seconded by Regent Curtis, to approve the Tuition and Fee Increases and Budget Guidelines for FY2007-2008.

Regent Anaya stated, "I think this year, probably of any other year, the legislature--thank you Representative Vaughn, and the administration--gave us an opportunity that they haven't afforded us in years past to try to keep tuition and fees down and they were actually very good to us this year. Frankly, I would like to see us take advantage of that instead of going in at the blended rate of 5.21 percent. I was always somewhere between two and four percent and I would still like for the Board to consider that recognizing that we have a lot of priorities. I find it very interesting that last, year, when the president proposed cutting two percent, I thought that was a great idea and you know, most people complained about it, but two percent got done and the world still turned and we still get some of our performance markers. I think there are ways to look at how we can get this. I think we need to make sure to make it affordable and one can argue, 'Well we are more affordable than the next one,' but I tell you that percent of increase, one of the things that happens, one of the barriers is cost. If we add to that barrier, we may be, as Regent Gallagher was talking about earlier with Carlsbad, we may be adding to that instead of adding to the numbers, so adding to the problem.

Regent Gallagher stated, "I think Steve makes a very good point, but I would use that same argument that the legislature was extremely good to us. I would say it was as good as we've had in tens of years and we are very appreciative, Gloria. But, I think that that is why it has allowed us to increase tuition 4.8 percent this year. If my recollection is correct, it is the lowest or the second lowest in the four or five years that I voted on tuition increases, and when I looked back, I believe it is the second lowest in about ten years, as far as a percentage. I think that that is a good indication of what we are able to do when we are able to work with the legislature. I think the point would have to be made that if there was a tuition credit taken this year like it seems like all of the years, we'd be sitting here talking about 6.8 or 7.8 or 8.8. I think that it was wonderful that there was no tuition credit and I hear what you are saying, Steve, but I just think that when we are working with such a slim budget, when you talk about, as the president said, a half a billion dollar budget, then we are actually talking about, in new programs, about \$2.9 million. I wish we can make the bigger debt two percent for operating budget increase. You know we haven't had an operating budget increase in about 15 years. I wish we could,

but I just think we have to do the best we can with that type of money and I thought the staff were at least getting us down to that low number. I wish it could be two or three percent, but I really want to continue to grow and I really want to see us in those upper quartiles of our 'Living the Vision.' I think that makes for better students, better recruitment, and better retention. That's where I made the motion. I certainly don't disagree with the thought process. I hope one of these days we can all come in here and talk about no tuition increase . . ."

Regent Conniff stated, "And raises for faculty and staff at 22 percent."

Regent Gallagher continued, "I do think though, that the important part when you look at this in the total budget, is it going to involve more activities for the students, more classroom teaching and instruction, the university raising its retention or programs to help raise its retention and recruitment, and in the overall picture then, it is going to involve reaching for excellence like we have all talked about. I understand \$60 a month is still \$60 a month increase if you take in the full meal plan, living on campus, and so on, but I think it is a small price to pay for what I think students are wanting us to do, and that is provide them with a quality education and allow them to go out in the job market."

ASNMSU President Hardy stated, "Jennifer, once again, I still support the full increase, but I want to ask that students be in

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Senior Vice President Taylor stated, “Yes. President Hardy your position has a seat on the Budget Committee and we can expand that involvement however you feel is appropriate. It will take place at the Budget Committee. That is the formal body for which to do that. And if I may also comment, I had Dean Carruthers come and whisper in my ear and he can address this if we need him to. As we are trying to fund the ‘Living the Vision,’ that is a national and even international set of goals and President Martin has been very articulate in saying he wants NMSU to be recognized on the national and international stage in a few key areas and, therefore, we need to compare ourselves outside of the state boundaries, as well as within the state. We are very aware that we are a state university and we need to meet the expectations for tuition that are

set in New Mexico. At the same time, we are trying to compete with other institutions and raise ourselves up to that level and if you recall the presentation that Dean Carruthers made on tuition, we were way at the bottom. Most institutions get a lot more. I am not proposing to ever go to that level. We want to remain affordable and accessible to the students who come from New Mexico, but we also need to appreciate the realities of where tuition is set at other institutions. As a point of order, I would turn to our folks down here, but I believe I need a motion to approve the tuition and fee increases and the budget guidelines, because that includes the five percent compensation and other things.”

Regent Gallagher stated, “Madame Chair, I would amend my motion to include the budget guidelines as well.”

Regent Curtis stated, “And I would amend my second.”

Regent Conniff stated, “With that, I will repeat the motion as I understand it so that we are all clear. This would include raising tuition at a 4.8 percent level and approving the fees as outlined by the students and approving the budget guidelines that were given to us from the legislature on funding and for salaries. With that . . .”

Regent Gallagher stated, “Before the vote I want to make sure it is clear that the five percent compensation package is given by the legislature; it is not given with the instructions that each and every employee on your payroll receives five percent. It is given, and the instructions are by the Board of Regents on how that money is to be allocated and that is a long standing, 50 or 100-year precedent, that you utilize some of that money for merit and some of that money for other. I think that we are working in union negotiations, I am told, to maybe help identify our lowest paid employees and to get that full amount to them and I think that that would be very wise. I only make that point so it is clearly understood before we vote that this five percent is accepting the five percent compensation package from the legislature, but not changing the way that the policies and procedures of the university utilize those dollars.”

Senior Vice President Taylor stated, “That is all correct.”

ASNMSU President Hardy asked, “As far as the five percent in compensation increase goes, the full five percent is going to non-exempt employees correct?”

Senior Vice President Taylor stated, “That is subject to the union negotiation agreement. That contract has not yet been signed so we can’t answer that question yet. What the state says, is they give us five percent. It must be used

on compensation and on average we award five percent, but as Regent Gallagher said, not every employee is required to get five percent.”

The motion carried four to one (Regent Anaya voted ‘no’).

- 2- Approval of Proposed Housing and Meal Plan Rates for 2007-2008 Academic Year (Angela Throneberry, Assistant Vice President of Auxiliary Services)

Director Throneberry stated, “Joining me here today is Ms. Julie Weber. She is the director of Housing and Residential Life. She joined NMSU about four months ago and brings to us a tremendous amount of knowledge and expertise. She has over 20 years of higher education experience in her previous position with American University in Washington, D.C. She was the executive director of housing and dining programs while she was at American University for over ten years and she spent about nine years at the University of Maryland. We are thrilled to have her on board. Today we are proposing rate increases for Housing and Board Plans for the academic year 2007-2008. For the housing rates we are proposing a three percent increase in most of the single student residence halls, and the family housing units. The three percent would also be applied to the Greek housing facilities. The single student residence facility not being adjusted is the Rhodes Garrett/Hamel standard style suite rooms. A slightly lower rate of two percent is being requested for the single student apartments and that reduction in rate is to keep us competitive with the local market. Attachments two and three that you have in your packet show that NMSU rates do remain very competitive within the regional market and the local market as well. We have met with student leaders regarding the rate increases, and also, these increases are supported by the Student Government for Campus Residents, and also, the Student Family Housing Advisory Council. Based on adjusted numbers, the proposed rate increases would generate approximately \$285,000 for the Housing Department, and the entire amount would be applied to operating costs increases, which would include a five percent salary and five percent utility increase are what we have projected. Remaining budget needs would be covered through new facility revenues and occupancy adjustments which remaining needs include additional transfers to the capital renewal and replacement funds. As far as the board plan rates, we have negotiated with our food service provider, a four percent increase in the top three standard board plans, and a five and half percent increase in the voluntary board plan group. The second voluntary group did not have a price adjustment for the current academic year 2006-2007. The rate increases are needed to offset operating increases. Attachment six shows that we are extremely competitive with the New Mexico schools and also with peer institutions for our board plan rates. We have also met with student leaders and the rates are supported by the Food Service Advisory Committee.”

Regent Anaya stated, "I just want to comment that this year, I think you did a very good job of making the case for the increase here and I think the market analysis was very helpful as well and I think that showed that."

Regent Kellum stated, "First, I want to thank Tammy Anthony, Julie, and yourself for including the students and for taking this and creating an open dialog with them and looking at their needs and wants and also balancing that with the needs to be able to improve the facilities, so I want to commend you on doing that. I think that this is a very reasonable request and I support it."

Regent Conniff stated, "The other thing was I did ask--and I know Regent Kellum can also speak to this--at last year's as you mentioned and we all remember we did not have a raise in Greek housing rates-- I spoke with some of the residents there recently, and they have indicated that things have been improved and at least we are working on making those more enjoyable and better place to be."

ASNMSU Hardy stated, "I can attest to that. There have been improvements, even in my own house, and I know that speaking with Julie and Angela, we had spoken about having an open dialog there also with housing and Greeks and working on an agreement on how there can be better communication and how housing can be a little more responsive and then people be more responsible when it comes to maintenance and housing and so forth."

Director Throneberry stated, "I think we have made some improvements and I appreciate your acknowledgment of that and we certainly understand that we have a long way to go and we can always continue to make improvements. We will be having meetings and discussions with the Greek chapters on what they need from us and how we can improve and strengthen that relationship."

Regent Conniff stated, "But we really appreciate you being responsive to that. We all know it is hard to stay up on everything at all times and that was really appreciated from the Board."

Regent Gallagher stated, "I said this two or three years ago, but I think it is worth repeating that the fees that are set for housing include--and this is what people do not understand if you are living off-campus or if you buy your own house--utilities, someone to keep your lawn maintenance up, cable TV, Ethernet, and local telephone service with mail. You look at that type of package and your living off-campus that doesn't include it and you just take out utilities and you're talking about the internet, cable TV, and phone, and your talking about \$80-\$90-\$100 per month package. I think it is wonderful that our dorms have that equipment in there and it is all-inclusive in the price. I would also say, 'thank you' for the work in the research. I know it is not always

pleasant to negotiate with ARAMARK. No, I think they do a nice job, but they are a very big organization and I think you did a nice job in keeping that as low as you can.”

Regent Kellum moved, seconded by Regent Curtis, to approve the Proposed Housing and Meal Plan Rates for 2007-2008 Academic Year. The motion carried unanimously.

Regent Conniff stated, “We moved Consent Item 7(j) Approval of the Creation of Budget and Audit Committee of the Board of Regent, and Approval of the Budget Committee Charter to an action item.”

Senior Vice President Jennifer Taylor stated, “This request is to go back to the title of the Budget and Audit Committee and to recognize in that combined committee that there are two separate and distinct functions as outlined in a proposed revised charter in which we provide a Budget Committee charter and a separate Audit Committee charter, so that you incorporate the previously approved Audit Committee charter that your Board approved back in September. The members of the joint Budget and Audit Committee would both hold both functions. I comment to you as a Board, and I have talked to a couple of you individually, that there is a need for a Budget or a Finance Committee. If I were a member of a public board, I would not serve on it if there was not a Budget or a Finance Committee. I think that that is critical. However, because of the nature of NMSU business and our time line of events, Brenda Shannon and I believe you can use one committee to cover both functions and not compromise the integrity of the structure, because the Audit Committee only needs to really get together a limited times a year. The Budget Committee, similarly, can get together a limited number of times and they don’t necessarily overlap. So we believe, since it is a small board, we can achieve that within one committee. The main purpose of my action is to create a Budget Committee, which I strongly encourage you to approve.”

Regent Conniff stated, we appreciate your input on this and I also have to give credit to Regent Anaya for pushing that back at us again and I guess we sort of missed that when we dropped the Budget part from the Audit Committee and so I think, as we talked to you about forming a Finance Committee, this seemed like a way to solve both of those problems, so I do commend Regent Anaya as well.”

Regent Anaya stated, “I just wanted to clarify and I saw it on the agenda and put it on later and just wanted to make sure of what we were doing here, because we did have a Budget and Audit and we took the Budget away and so this really puts that function back in there. Same committee, two different

functions.”

Senior Vice President Taylor stated, “And it is the same language of the charter that you and I have worked on.”

Regent Anaya moved, seconded by Regent Gallagher, to approve the Creation of Budget and Audit Committee of the Board of Regents, and Approval of the Budget Committee Charter. The motion carried unanimously.

Regent Conniff stated, “Jennifer, thank you for all of your hard work. We know that this is not an easy time of year and we appreciate it.”

9. **NEW MEXICO STATE UNIVERSITY PRESIDENT’S REPORT**
(President Michael Martin)

President Martin stated, “First, I know that members of our colleagues who are part of the AFSCME group of organizers are here and I think we are making real progress towards the contract. I will say, however, that state statute dictates that negotiations are done in closed session and we are going to resist the temptation to negotiate the contract in public. The law is clear that that is the spirit, and while others may want to negotiate on the Horseshoe and elsewhere, the institution can respect the state statute and carry on with negotiations as dictated by the state’s statutes, which as those of you know Chapter 10-7, Section G. Hopefully, we will get to the end of this much faster than either the state or the county did. Secondly, let me thank, very much, the legislature for a very successful, I think, 60-day session, and I want to thank Representative Vaughn. First, because she is here and she has been a good friend representing the Alamogordo area, but also on a couple of occasions I was invited to sit up front for the legislative session and Representative Vaughn always brought me a bottle of water and something to snack on. So thank you, Representative Vaughn, for taking care of my health. I think our local delegation and the governor did a very good job. We never get all we want, but I think we got what we needed from the legislature. Our team up there, Ricardo Rel, Pat Quintana, Paul Gutierrez, Cyndi, and Monica Martinez all worked very hard on our behalf, along with number of others in this room, including Dean Carruthers, to add some outcomes that will make this a better university long-term and I congratulate him for it. Sixty days is a long time in Santa Fe I will tell you, and yet we came out the other end in reasonably good shape. We will carry that conversation on and hopefully next year we can go back to the legislature with meaningful investments. I reported some time ago that NMSU was part of a five-university consortium to assist in redeveloping rural Iraq, particularly, to a focus on creating an effective extension service not unlike the one we have here. That group recently met in Amman, Jordan and brought some Iraqi colleagues, and reports are that we are off and doing a very good job. I want to congratulate Paul Gutierrez, Octavio Ramirez, and others who have taken on what is clearly a major issue in this on-the-ground planning and that is what we will do when we hopefully see an end to hostilities, to make sure that that country gets all of the assistance it can get from public universities. We have formed a partnership with Dine College, the Navajo college, and they have participated. I think that not only around

this project, but others, will give us a chance to integrate the land grants in the state, and that is another land grant. Finally, let me congratulate Provost and Executive Vice President Bill Flores. Those of you who have followed higher education changes in the state know that two years ago the legislature created a new agency, the Higher Education Department and in all candor, spent about two years trying to become a department. Jozi De Leon from here has been intimately involved in getting that done. Jozi is coming back to us on or about May 1 and there was real concern among my colleagues across the state, particularly the four-year presidents, that the culture and the internal workings of HED understand, respect, and create policies which reflect mission differentiation, particularly as it relates to the four-year institutions and the research institutions. With Jozi's leaving, we were all very nervous about where that institution might go and at the governor's urging and at Secretary McClures's urging--and it was a lot of urging quite candidly--Bill Flores has agreed to take on this Deputy Secretary of Higher Education role. It comforts us all to know that we have someone with his experience and knowledge and commitment holding that role. Now, this is not permanent. Bill will be back with us and so we will look forward to his return. In the meantime, we will look forward to that agency becoming what we want it to be and I think Bill's leadership will certainly get us there. I will miss Bill in another way, because when we play golf we are usually dumping on each others' shots and so it keeps us very much on our toes. Above and beyond being on our toes at the golf course, we have kept each other on our toes for the last three years and we will keep doing that. Bill, on behalf of not just NMSU, but all, certainly the Council of University Presidents, thanks for being willing to meet a new challenge and take it on on behalf of higher education. Not only will higher education be better, but distance education will be better for it thanks to your service, and we will look forward to seeing you here on the campus. We are going to provide Bill an office so he can work on both ends of this relationship. The kind of work that needs to be done is not site specific, it is intelligence specific and Bill brings that intelligence to bear, so thank you Bill and congratulations."

Executive Vice President/Provost Flores stated, "Thank you very much to the Regents, to President Martin, and to all of my colleagues and friends. I really have enjoyed this period of time that I have been working as provost with the university. I am looking forward to the challenges and opportunities of working with the governor and Secretary McClure to try to make some changes on the state level with legislation and policy. I think it is an important period for the state and for the university, but my friendship and commitment remains with NMSU. Mike has been very supportive and we are going to have an office here, but I also said I would like to have an office here not to just have a place to put my books, but a place for the Higher Education Department to have a foot in southern New Mexico. It has not had that. We have an agency, and in fact, most of the agencies of New Mexico, with the exception of NMDA, which we have the secretary of NMDA. We have the governor's office in Las Cruces, but we don't have a foothold for the agency that speaks for the policy of higher education and I would like to see that and not just while I am there, but on an ongoing basis. I think it is important for southern New Mexico and I think it is important for New Mexico State. I look forward to working to try and improve the policies that help our students graduate from high school and go on successfully to complete at NMSU with dual enrollment, with alignment, and so many other important jobs that we have to do and I thank the Regents, President Martin,

and everyone else for all of their support and friendship.”

Regent Conniff stated, “On behalf of the Regents, we thank you Provost Flores. We have enjoyed our relationship with you throughout the years and we think this is just bigger and better things both for you and for NMSU to have you there representing us. We look forward to having you back on campus.”

Regent Anaya stated, “I have just a comment. On your highlights, there was one that really got my attention; the program in Grants. The Jolt Program where they really worked with the community. They needed law enforcement, set up a career path, and the dual programs, and so I would like to commend you and Felicia who is here. I think that this is exactly the kind of thing that we should be looking at doing when the community needs that kind of employment through that dual career path. That one really got my attention and I wanted to thank you, President Martin, but also Felicia. Those are the kinds of things that make an impact in a community and for New Mexico State.”

President Martin stated, “This is what I think makes NMSU a particularly powerful university. We have this enormous bandwidth capability. Most public universities and most land grants don’t have the capacity to span the sort of programs we can do at the local level. I have said that, probably, if you ever estimated the community impact per dollar spent in higher education, there would be relatively few places that are higher than Grants, because we do some really good work out there. Felicia always tells the story that she is serving the prison now, because she has a captive audience of students, and so we’ve even reached into that community. That is what I think gives us the chance to be the truly engaged university we are, pushing toward continuing to become, and so thank you very much. The congratulations goes to our folks at the branches and at the community colleges who go out every day to find new ways to serve the unique needs of their communities and that is a very special thing we do in this state and we are very proud of the people who figure out a way to get it done. As you know, I tell you the president is like Tom Sawyer. Somebody else actually paints the fence I just get to watch it, and so the fence painters are out there doing very good work.”

10. APPOINTMENT OF REGENTS TO VARIOUS ASSIGNMENTS BY THE BOARD PRESIDENT

- (a) One Representative to the New Mexico Educational Assistance Foundation (NMEAF)
(Regent M. Steven Anaya is presently serving)

Regent Conniff stated, “Regent Anaya is presently serving and will continue to serve on this committee.”

- (b) Two Representatives to the Audit Committee
(Regents Bob Gallagher and Laura M. Conniff are presently serving)

Regent Conniff stated, “Regent Gallagher and myself will continue to serve on the now

called 'Budget and Audit Committee'."

- (c) One Representative to the NMSU Foundation, Inc.
(Regent Laura M. Conniff is presently serving)

Regent Conniff stated, "I have been serving for the last five years and I think it is time that Regent Gallagher step into that position and I know he will do an excellent job."

- (d) Two Representatives to the Arrowhead Center, Inc. Board of Directors
(Regents M. Steven Anaya and Blake Curtis are presently serving)

Regent Conniff stated, "Currently, Regents Steve Anaya and Blake Curtis serve and will continue to serve."

- (e) Two Representatives to the Real Estate Committee
(New committee - No members serving as of yet)

Regent Conniff stated, "Two representatives to the new committee called the Real Estate Committee, and that will be our student Regent Ed Kellum and myself."

11. INFORMATIONAL ITEMS

Annual Legislative Update (Campus Coordinator of Governmental Relations Ricardo Rel)

Regent Conniff stated, "Our campus coordinator of governmental relations is Ricardo Rel. He did an excellent job this session for us and we are delighted to have him with us. Before you speak Ricardo, again, I would just like to reiterate what President Martin and what all of the members of the Board said, and that is, 'We appreciate you Representative Vaughn for all that you have done for us not only this year, but in years past and we know it takes a lot of time and effort to be up there through the session and so we do want to recognize you and tell you how much we do appreciate you'."

Campus Coordinator Rel stated, "Before I get started I would like to introduce Mona Davis who is my assistant. During the session Mona took her lap top home with her during the evenings and helped track legislation and keep the schedules together and send them to both Cyndi and I. You should have a notebook before you. The first half is an overall summary of everything. The second tab is House Bill Two highlights. The third tab is the impacts of Senate Bill 611, which is the junior general appropriations bill. Senate Bill 710, which is capital outlay bill. The next tab is Senate Bill 826, which is a capital re-authorizations and time extensions. The next tab is the Capital Outlay summary and the final tab is funding by project. What I am going to do is give you a brief overview since you have already heard of some of the things that have already happened at the session and if you have any detail questions, I think you'll be able to find it in the book, but I'll be able to answer those questions as well. One of the things that President Martin mentioned earlier is that a number of these items that I am going to talk

about today, it is predetermined where the funding should go. So there are a number of these projects where the funding is going to specific projects. Just to talk about the fundamental items, again, as you have already heard, compensation went up five percent. There was an additional .75 percent employer contribution for the ERB retirement. The big item, which the Council of University Presidents played a big role on, was the zero percent tuition credit. The next item that I want to talk about is that Jennifer Taylor really played a big role in the changes to the formula that really have a significant impact, and just to give you a brief summary of those changes, one was the building renewal and replacement formula. It went from 40 to 70 percent which was a big change. The other thing that was included as part of the formula is that the formula now includes items for inflationary items, such as group insurance, risk management, library acquisitions, and utilities. Also included in House Bill Two was a one-time increase of \$41 million for deferred maintenance and of that, New Mexico State University, as part of the formula, will receive \$9.87 million. Moving into the capital and other project funding, there was a total of \$9.9 million for capital related projects, \$3 million for research and public service related projects, and in addition to that there was a bill that was passed, which is House Bill 983 that included \$12 million for the faculty endowment bill and of that New Mexico State University will receive \$2 million. As far as specific legislation goes, House Bill 143, which provided tax breaks for NMSU special events that provided deduction for gross receipts tax for receipts from admissions to non-athletic events and allows NMSU to be more competitive in the concert area so that we can bring more concerts to New Mexico State University. On top of that, there was another bill, which provides an alternative way to fund athletic facilities and that was Senate Bill 717. Dean Carruthers was very instrumental in working on Senate Bill 773; the University Research and Economic Development Act. What that act does is broaden the scope of the existing University Research Park Act to create economic development activities at the university level. We also had a couple of bills that make some of our existing programs statutory and those include Senate Bill 422 for the Alliance for Under-represented Students and also the NMSU College Assistant Migrant Program. As far as any particular projects, the Board of Regents did approve, in a joint session with UNM, a program for the cooperative pharmacy program and a total of \$457,000 was included for that program. There was approximately \$800,000 for chile research and there was some funding in there for the aerospace program as well. One of the other items that was included in the governor's budget was \$300,000 for the mental health nurse practitioner program. You have a lot of the details in your booklet and please feel free to call me if you have any questions."

Regent Conniff stated, "Thank you Ricardo and I do appreciate this kind of a book. I think all of us do. This is very concise and yet give us all of the detail if we want to go through it. As you know, you have briefed me on a program that I was supposed to speak about so this was really helpful and very informative because it is hard to keep track of all of the bills as we go through."

Regent Kellum stated, "I want to thank Ricardo for his efforts in helping the students with this. I know the students were up there a lot and I am really appreciative of you working with them to meet their needs and their goals."

ASNMSU President Hardy stated, "If I could supplement Ed's comment, Ricardo, in just pointing out to everyone the capital outlay that ASNMSU received funding for intramural lighting, as well as the activity center funding, and correct me if I am wrong, but that would total close to \$300,000."

Campus Coordinator Rel stated, "Slightly over \$300,000."

Regent Anaya stated, "I would also like to congratulate you, but I tell you, walking the halls there, the number one comment I always get is the difference we have in our president. I will tell you that having President Martin there all the time, he's really done an amazing job in Santa Fe and he always teased me that one of these days he was going to sit down and find out how the legislature really works, but I've got to tell you that having President Martin there with his knowledge . . . I tell you in a short period of time he has learned the people, the culture, and really made a difference. Kudos to you, because I think that not only for us at New Mexico State, but I think higher education with the Presidents Council and stuff and the last three or four years, the governor would get something passed and then he'd veto something and we were going back and forth. This year, thank God, he was running for President, because life was good. A lot of things got passed this year, but I have to tell you, your presence there, the team you put together, and having the right people at the right place has really made a difference. I can tell you single handedly, the number one comment I get at the Roundhouse in Santa Fe is the difference that the president makes."

Campus Coordinator Rel stated, "I would also echo those comments. It was really nice having President Martin there especially when the hot topics came up. Legislators did not want to talk to me or Patricia in regards to those and President Martin was always there to answer those types of questions and also to help out overall with a lot of the different issues that we had. Your comments are very well deserved. Another little fact is that we only had one item that was vetoed by the governor and that was for the Ag Leadership Program."

Regent Conniff stated, "I need to thank the president as well. He stepped up during my confirmation at the Rules Committee and answered all the right questions."

President Martin stated, "Thanks, but I've said all along, and I joke about it up at the Capitol, that I've studied at the feet of Dan Lopez, the president of Tech. I actually have benefitted enormously, particularly from Dan, but others who have been around a while and helped all of us new presidents navigate the hall and other places that legislators congregate. I think we had a good year and everything does reflect a good team and a lot of folks came up and made this institution look good in many, many ways and it was reflected in the outcomes."

Regent Gallagher stated, "As a person who makes a living working in Santa Fe and doing a lot of that, I can tell you, Steve, I echo your comments that we have an outstanding team. One thing that I think was a special note this session was there was a lot of what I call interference to our real mission of providing an education to students. I kept hearing, 'Well because of that you are not going to get this in your budget and you're not going to get that in your budget.'

Every time that hot topic came up the president went to see somebody and had a nice conversation about it. I can tell you this year's budget for New Mexico State University has got to exceed virtually any budget we have ever had, so I think any talk of short circuiting

what this university is really about, and that is educating students, failed, and I think will continue to fail because the president and the provost have put together a team that truly understand the concept. I would applaud the president for that work."

Dr. Creider stated, "I would like to add that, normally, the legislature's legislative session wreaks havoc of things going on on campus, because a lot has to be suspended when people are away and I have to say that this year there was a lot less effect than there was last year even though the session was longer and it helped. Things went ahead and progressed, and I think that was very good. So whatever you are doing, keep it up."

12. REPORTS

(a) Faculty Senate Chairperson's Report (Professor Larry Creider)

Professor Creider stated, "Faculty Senate met on April 5 for a very busy meeting. President Martin spoke about the legislative session and wins and losses for the university. The Senate passed a bill authorizing a new major in Information Engineering Technology, in the Bachelor of Engineering Technology, and that should be coming before this Board. The Academic Deans Council approved the Promotion and Tenure Policy revision at its March 27 meeting. The Faculty Senate spent 30 minutes discussing the bill before referring it to the Faculty Affairs Committee, which had had about an hour and a half discussion on it already and will then discuss it further and then vote on the policy at the May meeting. I think the prognosis is pretty good. Most of the comments have been on how to improve it. The Senate's final meeting of the academic year is going to be a busy one. There are some major propositions that are going through committee this month and will probably be ready for a vote. There is a new major in genetics that is an interdisciplinary cooperation between the College of Agriculture and Home Economics and the College of Arts and Sciences. There is the proposal for the Bachelor's Degree in Creative Media, which has had a long and sometimes contested journey. The same thing could also be said about the second proposition we are seeing this year on the faculty workload policy. I attended the committee meeting yesterday and it was very unclear what the committee was going to recommend at five o'clock when I had to leave, so I'll be interested to see what happens with that. Finally, the Senate will consider a proposal to revise the upper division general education Viewing the Wider World Course Policy. I have had to do a lot of sort of behind the scenes work this month and that will continue. I am certainly earning my 50 percent release time, I'll have to say. I think the May meeting will be quite lively and probably fairly long. The Senate heard presentations by Michael Hites on the Plan to Plan Process and that was very helpful,

and from Cynda Clary on the accreditation process, and those will continue over the fall, and I'm sure that the Senate will benefit from that. The Constitutional Amendment on Senate Proportionment passed, but you are probably more interested in hearing the results of the election of next year's chair, who will be Dr. Wanda Eastman of the Family and Consumer Sciences Department in the College of Agriculture and Home Economics. She is currently in her sixth year in the Senate so she comes with a lot of experience in the Senate. She and I are talking about transition issues and I will ask her to come to the next Regents meeting so that I can introduce her to you all. Finally, I would like to echo some of the comments about Provost Flores. He has been extremely supportive of the Faculty Senate. We would not have been able to revise the Promotion and Tenure Policy without, first of all, the work of the Roles and Rewards Committee, which was something that he established, but also, he has been very supportive of the process and has made constructive comments but has really kept his hands off them with the faculty development; and I think that is one of the reasons there is support for the policy. He has been quite supportive of a number of our initiatives, and I really appreciate what he has done."

Regent Conniff stated, "We appreciate all you've done Larry. You have done a great job and we have enjoyed interacting with you and appreciate you being with us at all these meetings for the last couple of years."

- (b) Associated Students of New Mexico State University Report (ASNMSU)
(Mr. Ben Hardy, ASNMSU President)

ASNMSU President Hardy stated, "I apologize for being absent at the last meeting. I was in Washington, D.C. for an AIPAC Conference, but it is good to see that everything is still standing and working here at the university. My successor has been named and ASNMSU is celebrating my change over to becoming a lame duck now, but I guess there's some freedom in that. In community outreach, we just held the Big Event. It is our large spring community service event in which we sent students from organizations who would like to do community service hours so they can apply for funding to the student senate. They all get together and go out into the community. This year we expanded those community service opportunities to residential housing as well. We had 380 participants from over 17 organizations and there was a lot of community support and we've had great reviews after that, so that was something very positive that ASNMSU has done. Coming up this next week we have, through our department of Special Events and in conjunction with activities, the Virgin Mobile College Tour. They will be setting up a village in-between here, Corbett Center, and Ed Services and there will be a free concert this Monday at the Pan Am featuring Talib Kweli who's a great artist, Sugar Cult, and William Tell. Also in our Department of Activities we had Aggie Fling this past week and that is just a week of programming provided by NMSU. We had a hypnotist in Corbett Center, we had the Slam Poetry event, as well as the community who came to campus and free movies throughout these evenings. In our Department of Services, we switched what was Safe Ride and

we re-branded it to now be the Crimson Cab. Hopefully this provide a larger sense of ownership by the university and ASNMSU and making it a little more "Aggie like." In public relations, we just developed a new website and that is really great and we are always working there to get our name out in new ways. The Juice Bar at the Activity Center just opened up, and we are developing with Tammy Anthony and Purchasing, a formal bidding process so that we can get vendors over there as quickly as possible. That ball had been dropped a few times and now we are going to open that up to the community and many vendors as well so we can get protein shakes, juice bars, and things like that. With Mobil Campus, we had spoken and this was quite a while ago, but with the Central Administration Response Team in trying to organize how we will work out that campus-wide notification of an emergency. So Mobile Campus is the text-messaging communication system, quite like e-mail list serves except these are through your cellular phone. Also, through that same network and technology that is provided, the Central Administrative Response Team can disseminate a message through that, alerting of a bomb threat, an ice storm, etc. then students would know not to come to campus immediately as opposed to having to check their e-mail to do that. We had our first meeting of the Heritage Council on Wednesday and of the 30 invited departments or areas, I believe about 12 or 15 attended, so if you are invited please come next time. I feel that it was a very productive discussion. The Heritage Council is something that the ASNMSU Senate and student body felt that there was a need for in just preserving, creating, and communicating our tradition and heritage at New Mexico State University. There is definitely a high need for it as you've seen in past years when issues come through. If nothing else, it can exist as a sound board and so that is what we discussed. First, we opened up with, what exactly is tradition to everyone? It was so interesting to hear everyone. We had Joe Creed from the president's office, who almost is heritage here at New Mexico State University. He has been here for quite some time and he was like the oracle of everything that was going on. Then we had students and the band and traditions from all these different areas. How do we combine all of that? People were mentioning things that I had never heard of before. People were mentioning things that Joe had never heard of before. So that will be the stage at which we can call upon every department and area on campus and have them identify the areas that they feel are traditions and have them identify what they believe to be tradition within their college, department, or around the university and funnel that through the Heritage Council and somehow ratify all of that, put it onto our website, or whatever we are going to do with it. We are planning that right now and hopefully that will be something that can remain consistent. Some things that are occurring outside of ASNMSU today are the Undergraduate Research and Arts Symposium in Corbett Center and on April 23-27 we will be holding the Graduate Research and Arts Symposium. What that is is a symposium to provide graduate students in all disciplines an opportunity to present preliminary or final results of their thesis or dissertation and the outcomes of course, or internship projects and other types of works and rewards are then given to the top presenters in each category. Greek Week is starting up today. Because Greeks do positive things, today is the Day of Caring in which members of each Greek organization need to go out and complete an hour of community service at different locations in order for their organizations to receive points. Come this Saturday, the Greek Sing is going to be held directly after Aggie Day and is something that ASNMSU is contributing to."

Regent Conniff stated, "Thank you. You have done a great job this year and we have certainly enjoyed working with you."

(c) Advisory Council on Administrative Policy (ACAP) Report (Mr. Tim Nesbitt)

Mr. Nesbitt stated, "Thank you for letting me come and give you a brief update of what is going on at ACAP. Michael Hites came to ACAP and gave a briefing yesterday on the Plan to Plan process and was well received. I would like to remind the Board and the university community that the New Mexico Higher Education Staff Association has been active and was active in Santa Fe as well. David Groth, the president of that agency, was there and talked mainly about how important it was to support the passage of adequate compensation packages for the university employees. Regent Conniff and Dr. Creider, at the last meeting you asked about the website for ACAP being updated regarding the AFSCME negotiations. Since most of the postings on the website for ACAP deal with the process to vote, we do ask for an update at each meeting from both sides of the negotiation table about how those things are going, and, basically, we just get a brief report and yesterday, it happened to be from Diana Quintana, the director of our Human Resources Department. One of the members of ACAP is also on the negotiation team and she gave us her version of what was going on. It sounds to us like everything is progressing smoothly."

13. PRESENTATION OF RESOLUTION TO THE MEN'S AND WOMEN'S BASKETBALL TEAMS

The presentation of the resolutions were moved to after the approval of the agenda.

14. OTHER

Regent Conniff stated, "I guess we are reaching the conclusion of our meeting. The Board will head to Hadley for a brief lunch/executive session and then we are going to tour the new dorms so that is what is on the agenda for the rest of our day. It is an exciting time at NMSU. I don't know whether it is spring or winning the WAC tournament for the men and being second for the women. I don't know what exactly is in the air, but it seems to me the people I talk to around the community, both at the university and in Las Cruces, are excited about New Mexico State University and I think we are on the way to bigger and better things quickly."

15. ADJOURNMENT

Regent Chair Conniff adjourned the meeting at 11:00 a.m.

Minutes recorded by Socorro Saenz-Lobato.

Laura M. Conniff, Chair
Board of Regents

M. Steven Anaya, Secretary/Treasurer
Board of Regents