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 the Zia Ballroom AB, Eldorado Hotel & Spa, Santa Fe, New Mexico on January 31, 2014.

Chair Cheney called the meeting to order at 9:00 a.m.

Regents Present
- Mike Cheney, Chair
- Javier M. Gonzales, Vice Chair
- Isaac J. Pino, Secretary / Treasurer
- Kari Mitchell, Member
- Jordan Banegas, Member

Ex-officio Regents Present
- Dennis Clason, Ph.D., Faculty Senate Chair
- David Maestas, President ASNMSU

Officers of the University Present
- Garrey Carruthers, Ph.D., President
- Dan Howard, Ph.D., Executive Vice President / Provost

Chair NMSU Employee Council
- Ms. Monica Dunivan

Other Presenters
- Ms. Angela Throneberry, Senior Vice President for Administration and Finance
- Mr. Glen Haubold, Associate Vice President for Facilities and Services
- Dr. Tina Byford, Interim Vice President for University Advancement
- Dr. McKinley Boston, Athletic Director

2. **INTRODUCTIONS**

a. Introduction of Press, Elected Officials, and Others by Maureen Howard, Associate Vice President for University Communications and Marketing Service

**Associate Vice President Maureen Howard announced that no members of the press were present at this time.**

b. Greeting and Welcome from the Honorable David Coss, Mayor of Santa Fe

3. **APPROVAL OF AGENDA**

Regent Mitchell moved and Regent Pino seconded to approve the agenda. The motion carried unanimously.
4. **PUBLIC COMMENT**

No public comment

5. **APPROVAL OF MINUTES**

Minutes of December 13, 2013

Regent Pino moved and Regent Mitchell seconded the approval of the minutes of December 13, 2013. The motion carried unanimously.

6. **ADOPTION AND PRESENTATIONS OF RESOLUTIONS** – Regent Mike Cheney, Chair

No resolutions at this time

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

President Garrey Carruthers introduced Ms. Christina Turner, County Extension 4H Agent for Santa Fe County, as the recipient of the Regents Above and Beyond Award.

8. **FUTURE BOARD MEETINGS**

Approved Meeting Dates

- Monday, March 10, 2014, Las Cruces, New Mexico
- April, 2014, Las Cruces, New Mexico (date dependent upon legislative session)
- Friday, May 9, 2014, Las Cruces, New Mexico
- Thursday, June 19, 2014, Las Cruces, New Mexico (Board of Regents Retreat)
- Friday, June 20, 2014, Las Cruces, New Mexico
- Friday, August 15, 2014, Las Cruces, New Mexico
- Friday, October 10, 2014, Grants, New Mexico
- Friday, December 12, 2014, Las Cruces, New Mexico

Regent Cheney mentioned the June 19 and June 20, 2014 meeting dates will need to be rescheduled due to summer conflicts.

9. **CONFIRMATION OF PRIOR EXECUTIVE SESSIONS**

The Board of Regents of New Mexico State University met in executive session at 3:30 p.m. on Friday, December 13, 2013, in the Educational Services Center, Room 2 on the Las Cruces Campus to discuss legal matters in accordance with Section 10-15-1H, paragraph (7) 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 Cheney, Vice Chair Gonzales, Secretary/Treasurer Pino, Regent Mitchell, and Regent Banegas. Five Regents present having voted in favor of said motion, said motion carried, and said statement was adopted.

The Board of Regents of New Mexico State University met in executive session at 7:30 a.m., today, Friday, January 31, 2014, in the Piñon Room at the Eldorado Hotel & Spa in Santa Fe, New Mexico to discuss personnel, real estate, and legal matters in accordance with Section 10-15-1H, paragraphs (2), (7), & (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 Cheney, Vice Chair Gonzales, Secretary/Treasurer Pino, Regent Mitchell, and Regent Banegas. Five Regents present having voted in favor of said motion, said motion carried, and said statement was adopted.

10. CONSENT CALENDAR

a. Policy

1. No Policy Items at this Time

b. Administrative

1. Approval of Disposition/Deletion of Property. University property being recommended for disposition/deletion – (Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

2. Approval of NMSU – Carlsbad: Carlsbad Environmental Monitoring and Research Center Reroof – (Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

3. Approval of NMSU – Carlsbad: Health Clinic Renovation – (Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

4. Approval of NMSU – Las Cruces: Spiritual Center – (Mr. Glen Haubold, Associate Vice President for Facilities and Services)

5. Approval of New Mexico Department of Agriculture’s 2011-2013 Biennial Report – (Mr. Jeff Witte, Director/Secretary, New Mexico Department of Agriculture)
c. Real Estate

1. No Real Estate Items at this Time

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

11. ACTION ITEMS

a. NMSU Energy Performance

1. Approval to execute the NMSU Energy Performance Contract – (Mr. Glen Haubold, Associate Vice President for Facilities and Services)

Mr. Glen Haubold introduced Mr. Dale Harrell, Facilities Engineer, Eric Harrigan, RBC Capital Markets – NMSU’s Financial Advisor, and Angela Throneberry, SVP for Administration and Finance.

The Guaranteed Utility Savings Contract is a mechanism to make energy savings improvements that pay for themselves. The intent is to do this at no cost to the state or to the university. NMSU is full of T12 flourescent lighting which are being phased out. NMSU has been working on this a building or two at a time. These fixtures have to be disposed as hazardous waste and create a lot of issues from a maintenance standpoint. This has also been a driver besides saving energy.

Performance contracting in the State of New Mexico is administered by energy, minerals and natural resources. It comes under the Public Facility Energy Efficiency and Water Conservation Act (NMSU 1978, 6-23) to evaluate qualified providers of energy performance contracting services and to evaluate the accuracy and reasonableness of guaranteed energy savings for proposed energy conservation measures.

In January of 2009, the laws were changed regarding performance contracting and this has been done widely across the United States. The following is the timeline of Performance Contract:

- October 2010 – RFQ issued
- April 29, 2011 – EMNRD prequalification
- August 2011 – RFP issued
- November 2011 – Joint Power agreement EMNRD and NMSU
- April 2012 – AMERESCO selected through process
- June 2012 – Qualification by EMNRD completed.
- February 2013 – Investment Grade Audit (IGA) contract signed (Energy savings measures across the NMSU system)
- February 2013 – IGA started
- September 2013 – IGA completed
- December 2013 – EMNRD certifies data and NMSU Guaranteed Utility Saving Contract with AMERESCO
- January 2014 – Contract negotiations on final value, Energy Conservation Measures (ECMs) and buildings, development of pro-forma, exhibits, schedules and wording completed.

Project Information – Phase I

The implementation committee developed a project logo: CARE (Conserving and Reducing Energy)

The project will cover 2,701,972 gross square feet, 46 buildings, and a mix of 7 Energy Conservation Measures selected, which include the following:
- ECM 1 – Interior Lighting
- ECM 2 – Exterior Lighting
- ECM 3 – Exterior Pole Mounted Lighting
- ECM 6 – Retro commissioning (going back to fine tune the HVAC system)
- ECM 7 – VAV Retrofit (additional HVAC measure)
- ECM 10 – Economizer Upgrade
- ECM 12 – Chilled Water Pump Bypass

Project Summary
- Total project cost - $15,734,306 (includes $659,459 for IGA)
- Savings exceed total payments for positive cash flow
- $1.45 million in utility rebates
- $151,434 cumulative benefit from guaranteed savings
- $2,562,670 cumulative benefit from projected savings
- $2.0 million present value of projected savings at end of term
- Replaces T12 lights that NMSU would otherwise have to fund

Project Schedule
- March 31, 2014 = Contract signed
- June 2014 – Notice to proceed
- June 2015 – Interior lighting complete
- October 2015 – Completion
- October 2015 – Performance period commencement

At the end of 14 years the annual savings will be about 1.8 million, which will be ours to keep once the project is paid for.

Regent Cheney asked how long it will take to recoup the savings.

Mr. Haubold answered it would take 13 years to recoup the savings.

Regent Cheney wanted to know whose projections were the 2.5 million in savings.
Mr. Haubold responded it comes from the energy services contract and company.

Regent Cheney asked if the validity was looked into these projections.

Mr. Haubold mentioned that the facilities engineers, energy and minerals team and the facilities team have gone through the paperwork, and noted there are several software programs they have used. He also mentioned that the process for validating the data is comprehensive.

Regent Mitchell asked if we have evaluated if there are any emerging technologies that would make the savings more substantial than if we deferred two years it would not take 13 years to recoup the investment.

Mr. Haubold mentioned that there may be something in two years that is more efficient, but as of this time there isn’t. This issue had been discussed. He stated that many places are going with the LED lighting. A nice feature of this project is that it will pay for itself. With our project, you can retrofit the T12 fixtures with T8 fixtures at a better return on the investment than if we replaced them with LED. LED is more efficient, but also extremely costly and would require a higher investment.

Regent Mitchell wanted to know what suppliers we were using to do the retrofit, if they are local, and wanted to know if we would maximize the investment locally.

Mr. Haubold responded that they try to keep business in New Mexico and especially the local area as much as possible. When this project was started this was expressed. The two mechanical contractors are local contractors and all of the materials will be purchased locally. The electric subcontractor is a New Mexico licensed contractor, but is based out of state. The team checked with the Purchasing office to make sure they were following all rules and knew that this would be one of the most scrutinized projects. The Purchasing office wrote back and said the sub contractors are chosen by a general contractor since all the risk and reward is taken on by the general contractor, it is not a practice that a public entity express which sub contractors to utilize.

Regent Mitchell wanted to know if they would track how much of the investment is spent in the state or locally.

Mr. Haubold replied that they could do that.

Regent Mitchell mentioned that it may be beneficial. She understands that the primary objective is to be competitive and if we can demonstrate how much of the investment is reinvested here, it would serve NMSU well to be able to articulate this.
Mr. Haubold mentioned that they will do this.

Regent Gonzales commended the team for bringing this forward. He understands the procurement code but is frustrated that a lot of NMSU construction is done by out of state contractors for levels of work that are comparable in NM. He asked if the subordinate liens improvement revenue bonds go up against our debt capacity and the ability to use future debt for projects on campus.

SVP Throneberry replied that this is in fact debt issued by NMSU so it is will be reflected on the balance sheet. But they have elected to issue this as subordinate lien so therefore we are protecting the senior lien debt capacity for the university, for future priority needs. This was taken into consideration during the process.

Regent Gonzales suggested that they create a dashboard showing what the energy goals are going to be so people can see it and educating people on how to go green in their own homes.

Mr. Haubold mentioned a line item that is in the contract that calls for a my energy dashboard that they are excited about.

President Carruthers mentioned that one of the things they may want to look at going forward is more extensive use of the university research and economic development act which would allow the university to set up a corporation which could negotiate with contractors to do some of the business. This is how the Arrowhead Park is being developed now. He asked Bruce Kite if he is interpreting this correctly.

Mr. Kite replied that it is something that needs to be looked at more closely, but offhand it sounds like something that can be doable. President Carruthers stated this is something we may look at more closely which would cause the university to operate more like a business instead of a public entity.

Regent Cheney mentioned of the desire to provide economic development opportunities through our university to our local community. The other thing the board fully understands is the balance between doing what is right for the university cost wise. If a “local contractor” is selected, there will be one happy person and nine unhappy people anyway. That is the nature of what the university does but it is important that they do everything they can to select as much local work as possible, but also articulate what is being done.

Regent Pino moved and Regent Gonzales seconded to approve to execute the NMSU Energy Performance Contract. Regent Gonzales wants the team to relate to the contractor the board’s strong desire to try to keep as much of the money with local contractors. Regent Mitchell would also like the
team to track how much of the investment is being spent on local contractors. The motion passed unanimously.

2. Approval of the Resolution Declaring the Board of Regents’ Authorization to Issue Subordinate Lien Improvement Revenue Bonds – (Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

SVP Throneberry presented the proposed funding for the guaranteed energy savings project that was just presented. Specifically, under this agenda item, they are requesting approval of a Resolution Authorizing the Issuance of Subordinate Lien Improvement Revenue Bonds in an amount not to exceed $17.5 million.

Presenting with Ms. Throneberry is Eric Harrigan, Director of RBC Capital Markets and NMSU’s Financial Advisor and also Attorney Dwayne Brown, Modrall Sperling, Bond Counsel.

The estimated $16 million of the proposed issuance is going to provide about $660,000 to cover the cost of the investment grade audit, which was finished this past September. And $15.1 million to fully fund the energy project which includes the gross receipts tax of about $943,000. The proceeds are also going to provide about $130,000 to cover the issuance costs and also the placement bank costs.

Overview of Financing

- Guaranteed Utility Savings “contract includes an analysis of the guaranteed and projected savings provided by Ameresco. A summary analysis is provided in this presentation.
- Proposed Series 2014 Bonds will fund the energy savings improvements as identified in the Guaranteed Utility Savings Contract with Ameresco. Savings generated from the energy improvement will be used to pay the debt service on the Bonds.
- The Series 2014 Bonds will be issued on a subordinate lien basis to the university’s other outstanding debt.
- Bank of Albuquerque was selected as bank purchaser through a request for qualifications process completed during December 2013.
- After required state approvals are received, the University will lock the rate with Bank of Albuquerque with final terms to be presented to the Board of Regents in March for final approval.

As part of the agreement with Ameresco they are guaranteeing the university will achieve an energy savings level sufficient to cover the debt service on the bonds that are being issued and some additional project costs. The university expects to achieve savings in excess of the amount that is guaranteed by Ameresco. The last two columns in the attachment
reflect the net annual guaranteed savings and the net annual projected savings. This represents the savings achieved by the university annually after the debt service is paid and after any additional project costs are paid. At the end of the performance period, the cumulative net guaranteed savings will be about $151,000 and the projected savings will exceed $2.5 million.

A slide was presented that shows the debt coverage that is on the annual debt service before and after the proposed issuance against our pledged revenues. When you compare the two coverage columns, you can see that the proposed issuance will have a relatively minor impact on our debt service coverage. In addition, issuance on a subordinate lien basis predicts the university's senior lien debt capacity for future priority needs.

The next slides show three primary Moody’s ratios that NMSU monitors. Each schedule shows NMSU’s performance over the last five years compared to Moody’s medium for the Aa rating categories. Our current ratings, on senior lien debt is, Aa2 for Moody’s, Aa from Standard & Poors and Aa- from Fitch. The university does not plan to request a rating for the proposed bonds. This measures the coverage of outstanding debt against unrestricted net assets. There was a small decline after last year’s issuance of bonds, but the university has remained well within that Aa rating category.

The Actual Debt Service to Operations ratio measures the impact of the annual debt service on the operating revenue relatively unchanged from FY 12 – FY 13, which is well within the Aa2 coverage ratio.

The Direct Debt to Student ratio reflects the relatively low outstanding debt that the university has compared to our student FTE. NMSU's ratio has been fairly consistent over the last four years. One of the challenges that we have is financial resources in order to cover debt service. When we have a low debt burden, it helps us maintain that Aa2 rating category.

Subject to approval, the university will then proceed with the following time schedule:

January 31 – Board of Regents consider Authorizing Resolution

February 12 – NM Higher Education Department approval of Guaranteed Utility Savings Contract and 2014 financing

March 18 – NM State board of Finance approval of Parameters Resolution and 2014 financing

March 19 – Bond rate locked

March 21 – Special telephonic Regents meeting to adopt Sale Resolution
March 28 – Obtain final State Board of Finance approval

March 31 – Bond Closing

Eric Harrigan proceeded with the university’s decision to go forward with a private placement and also talk about current market conditions.

The decision to issue the bonds on a subordinate lien was to protect or preserve the senior lien capacity. Since this debt is being issued and paid from an energy savings from an operational standpoint. If you look at just the guaranteed amount it is basically a wash. This was another reason they used the subordinate lien is so they wouldn’t mucky up the senior lien debt, because they are realizing the operational savings. They looked at several alternatives from a financing standpoint and based upon what they have seen from prior transactions throughout the state there has been a desire among local, national, regional banks to purchase municipal debt more aggressively than in the past. One of the reasons is because US Treasury rates are actually a little bit higher than the equivalent of municipal rates. Part of this is because investors have flocked to US Treasury rates and because of the purchase of the US Treasury and mortgage backed securities by the Federal Reserve has pushed the relative ratios down. So what has happened is that banks can actually pick up more yield by investing in municipal bonds than they can in equivalent treasuries but they are also gaining a lot of security but you are also picking up a little yield without sacrificing a lot of security.

There has been demand, so they looked at whether or not private placement would make sense for the university in this transaction. A RFQ was sent out to a number of local, regional and national banks. Two bids were received; The Bank of Albuquerque and Municipal Public Finance out of Denver. It was compared to a public marketing and requested the scale from the university’s underwriting team lead manager on the last transaction. It was also compared to the NM Finance Authority placement. And based upon the comparison rates and timing it was felt the bank placement provided the best alternative to the university.

From a market standpoint, last year the university issued its 2013 Refunding and Improvement bonds and timed the market just right. The university was able to refund some of its outstanding debt for some pretty good present value savings. However, interest rates have started to creep up since then. In July 2013, the Federal Reserve hinted at the fact that they would begin their tapering process and you saw a significant jump in interest rates and in December of 2013, Ben Bernake came out and said they were going to taper. They tapered $10 billion off of their $85 billion dollars in purchases. This also had an effect on municipal rates and treasury rates. When you combine that with a red hot stock market, there was money flowing out of municipal bonds and there was about 13
consecutive months of those outflows that continued to put pressure on municipal bonds. Now with the new year and a pretty sharp decline in the stock market, which is down about 1,000 points along with a lot of redemptions and repurchase of municipal bonds brought those municipal bond rates back down. Municipal rates are higher than they were when the university issued its bonds last year but relatively speaking from a historical standpoint it is still an attractive time to be in the market if you have the ability.

Regent Pino asked who provides the power to New Mexico State University currently.

SVP Throneberry responded that 40% of the power is generated by the university and El Paso Electric provides the remaining power. Part of the energy savings that they are capturing incorporates not just from a consumption standpoint and a pricing standpoint but includes some rebates from El Paso Electric Company.

Regent Pino asked if there is a possibility that rate increases from El Paso Electric could affect this schedule at all.

SVP Throneberry asked Glen Haubold to respond to this question since he had been in in-depth conversations with El Paso Electric in the past year or two regarding projected and rebate rates.

Mr. Haubold responded that they anticipate having a conversation with El Paso Electric about rates during the following year. What they do for the purposes of the performance contract is to set a baseline consumption and then establish the savings based on this agreement. It is one of those things you couldn’t forecast what the rate increase for El Paso Electric would look like, but regardless he says they will achieve savings no matter which way those rates go. The rate structure is fairly complicated. They pay a minimum demand charge and because of the energy savings that they achieve through the Satellite Chilled Water Plant and the Thermal Storage coupled with this contract they will be approaching that minimum base they have to pay El Paso Electric. They feel they have a lot to work on with them as they go into the rate negotiations, which he and Bruce Kite have started on. They think the can structure the rate in which it would be beneficial to NMSU. He says the rate change is going to work for our advantage.

SVP Throneberry mentioned there is an annual reconciliation process that looks at the guaranteed savings by Ameresco and the actual paid by NMSU and if in fact we end up paying more than what was expected to be paid by the university, then Ameresco will pay NMSU for that difference up to the guaranteed amount.
Regent Mitchell asked how the repayment would work if that guarantee is not met.

SVP Throneberry mentioned In the contract, there is a clause regarding the Reconciliation process and what NMSU is required to remit to Ameresco on an annual basis. Within a period of time, which she thinks is 90 days, Ameresco has to complete their reconciliation and match the guarantee basically against what was actually paid. This would be done on an annual basis and payment would be done on an annual basis as well.

Regent Gonzales moved and Regent Pino seconded to approve the Resolution Declaring the board of Regents' Authorization to Issue Subordinate Lien Improvement Revenue Bonds. The motion passed unanimously.

12. NEW MEXICO STATE UNIVERSITY PRESIDENT'S REPORT

President Garrey Carruthers presented the following report:

President Carruthers focused his attention on the 2014 Legislative Session for Ricardo Rel. He mentioned that the LFC recommendation is one in which NMSU supports. There is an HED recommendation for funding higher education and a LFC recommendation funding higher education. The LFC recommendation is preferred to us basically because they base it on a model that we developed for a funding formula that was adopted by all of higher education as a funding model that they wanted to follow. The House Appropriation Finance committee will take the LFC recommendation and tweak it to accommodate the DFA/HED recommendation. Some changes will include things like reducing the amount of money that we get for student credit hour production and moving more money to granting degrees and STEM education. That discussion is underway between the staffs of DFA, HED and LFC. The House Appropriation Finance Committee may tell us by tomorrow what their recommendations are going to be. When they finish House Bill 2 they send it over to the Senate and the Senate will make whatever modifications.

The LFC recommended a 3.5% increase for all of NMSU and a 3.3% increase in the system. In I & G funding, the only unit in NMSU that had reduced funding was Carlsbad. This may have been due to student credit hour production. He is pleased with the recommendations, but that work is still underway. In the next two and a half weeks everything will be determined.

The one thing that is disappointing is our Research and Public Service Projects that have been sent forward with recommendations and the LFC and HED were not very kind to NMSU on our recommendations. The HED actually recommended $2 million for the Water Resources Research Institute which is a really big increase in their budget, however the LFC only recommended $101,000 increase. So there is a big difference between what the governor is proposing for water and water studies and what LFC is proposing. This will be one of the debatable issues.
There were a couple of new items that were funded; The Institute for International Relations received a $50,000 recommendation from LFC, The Nursing Programs received some recommendations of expansion money. He believes we may come in at the LFC recommendation. In both LFC and HED recommendations, are a .75% increase to cover the ERB contribution and this is pretty significant for NMSU. President Carruthers doesn't believe there is any opposition in the legislature for doing so. This is a significant contribution that NMSU makes to all their employees.

President Carruthers commented about the lottery scholarship and got a sense from listening and walking the halls that the legislature may make whole all of our students for the spring semester. He hasn't seen any opposition to this. There are as many as 10 lottery bills that have been introduced to solve the lottery situation going forward. There are numerous concepts and we have a likeness for the LFC recommendation which actually decouples tuition and fees from the award itself.

President Carruthers introduced Jeremy Witte who has been working on this Lottery issue and has been a strong voice in the legislature.

Jeremy Witte mentioned that ASNMSU over this entire year have been working hand in hand with other student governments from across the state to develop a unified student voice for this issue. They feel that if all the student governments are on the same page the legislatures will listen a lot more. They have found out this is true. They have developed a proposal and are moving forward with it. This is actually the LFC recommendation. The students had originally come up with this recommendation in November and gave it to the LFC staff whereas they developed their recommendation based on the student's proposal. This is what the student recommendation looks like:

- Decouple tuition
- Cap amount of the award (if a student at NMSU the cap will be $2,100 per semester)
- Increase eligibility requirements (GPA will increase to 2.75 and minimum credit hours will increase to 15)
- There needs to be an application requirement (at NMSU students will need to fill out the Scholar Dollar application)
- This will accomplish two things: 1) it will force students to apply for scholarships that are available campus wide and 2) it will hold students more accountable.
- Students that are currently on the scholarship should be grandfathered at the current GPA level. The full tuition amount isn't as important as keeping students at that 2.5 GPA. They want to avoid the scenario where students that are in their third semester get a 2.6 GPA and get cut off. They don't want that to happen.

If the students get their way, the LFC recommendation will look like this. The LFC
recommendation is similar at the moment.

President Carruthers asked Jeremy Witte about the other proposition the students invented and were trying to sell at the capitol, where the lottery scholarship is back loaded. The understanding is Senator Sapien is going to introduce this bill.

Jeremy Witte responded that his original proposal was a mechanism to backload the awards of the lottery scholarship. As students progress through the years of school they would get more money each year that they maintain eligibility. ASNMSU is not lobbying for this right now as they are staying with the student coalition. Senator Sapien is interested in sponsoring this and is moving forward with this.

Regent Gonzales wanted to know how many semesters the lottery scholarships stays in effect for students who maintain their eligibility.

Jeremy Witte responded that currently after the qualifying semester, it is eight semesters after that.

Regent Gonzales asked what the gap would be if it’s capped at $2,100 per semester.

Jeremy Witte stated that it would be from $400 – $500 that students would have to pay.

ASNMSU President David Maestas commended Jeremy and the student group. He stated that Jeremy has been doing a phenomenal job as Governmental Affairs Director. He also said that he is very proud of his staff and has learned a lot from them in return.

President Carruthers replied that it has been delightful to watch NMSU students who are so poised, well dressed, and professional come up and talk to these legislators. They are learning a lot, but they are also doing a lot for NMSU.

President Carruthers mentioned two key statistics; 4,876 students during the 2012 – 2013 Academic Year that are on the lottery scholarship at NMSU and 65% of the lottery recipients at NMSU graduate within 6 years and our overall graduation rate is 46%.

President Carruthers commented on Capital Outlay. NMSU has made a number of recommendations on Capital Outlay. The principal and highest priority is Jett Hall, Jett Annex, Rentfrow Hall and Surrounding infrastructure. NMSU request is $21.3 million, HED recommendation was also $21.3 million. HED priority has it listed as the number 2 project in the state. However, the LFC reduced that number to $19.2 million. President Carruthers has been talking to several legislators to try to get that number back up so we can have adequate funding for the number one project. Each of our branch campuses get a small project or two; Alamogordo – LFC recommendation $1 million, Carlsbad – $1.6 million, DACC - $2 million, and
Grants - $1.3 million. This is somewhat below what we asked for but there is a limited number of GO Bond capacity.

13. INFORMATIONAL PRESENTATIONS

a. Update on the 2014 Legislative Session – (Mr. Ricardo Ret, Assistant Vice President for Governmental Relations)

Presentation was given by President Carruthers in the President’s report.

b. Semi Annual Update on University Advancement Activities - (Tina Byford, Ph.D., Interim Vice President for University Advancement)

Dr. Byford presented the following Semi Annual Update on University Advancement:

Good News

University Advancement inherited the Shirk Estate. Elizabeth Shirk grew up in Albuquerque, New Mexico and received her MA in teaching from the NM College of Agriculture and Mechanical Arts in 1956. She spent most of her career in Arizona teaching second and third grade students at a school that served mostly Navajo students. In the 80’s, Ms. Shirk returned to Albuquerque to take care of her ailing mother and spent the rest of her life at the farm. In her will she stated that all the funds from her estate should be given to the College of Education for scholarships. University Advancement initially received $250,000 in which the Elizabeth Ann Shirk Memorial Endowed Scholarship Program was established. They have also just entered a sales contract to sell the land that was left and are expecting to receive 1.75 million to deposit into the endowment for the College of Education. This is the largest gift the College of Education has ever received.

Highlights from NMSU Alumni Association:

- Over 4090 friends and followers on social media channels
- 21% increase in Lifetime Memberships
- NM Centennial Alumni Scholarship Fund Endowment reached $25K
- 49 Chapters and Interest groups support NMSU
- Each year 20 Outstanding Graduates are honored
- 87 volunteers support the Alumni Association
- 136 events in 2013
- The alumni newsletter is read by approximately 5,000 alumni each month
- There are 290 Young Alumni involved with the Alumni Association

Endowment Market Value at June 30 (in Millions)

As of December 31, 2013 the endowment had $147.9 million. The chart shows the end of fiscal year, June 30, amounts for each year. At the end of June 2013
the endowment pool was $139.1 million. The endowment pool has continued to grow.

**Asset Allocation as of December 31, 2013**

The Asset Allocation consists of three comparisons; NMSU Target (which is the asset allocation model created for NMSU), the NMSU Holdings, and NACUBO (common funds study). These are divided into four basic asset groups; equities, bonds, alternatives, and real assets. The NACUBO shows that in comparison to most groups like NMSU is that our equity holdings are larger and our alternative holdings are smaller. For those institutions from the NACUBO common funds study most like NMSU they are much heavier in alternatives and less in equities and less in bonds. When riskier asset allocations are taken, returns are expected to be much higher.

**NACUBO – Commonfund Survey**

**Total Returns**

**Combined Endowment/Foundation**

**2012/2013**

For the 1st year the NACUBO and NMSU were about the same 11.3/11.4% respectively. At the three year mark, NMSU is behind by .4%, but at the five and ten year, NMSU is exceeding the average return of this same group. NMSU is exceeding the return and has a less risky model. This is a compliment to the investment committee as well as their advisors.

**Benchmark vs. Return**

**Fiscal Year 2013-2014**

The benchmark for July through December 2013 was 8.9% and the actual return was 9.1%, which is good news.

**Comparative Fundraising Report for Cash, GIK & Pledges**

**YTD**

Total New Gifts and Pledges for July 2013 through December 2013 was $9,569,396 as compared to July 2012 through December 2012 which was $5,341,257, which is a 79% increase.

**Task Force Improvements**

Completed projects
- Prospect Assignment – what are the processes for engagement and contact with donors. This outlines the rules that all development officers will follow.
- Development Officer Performance Metrics – the development officers will develop their own performance metrics to share with their supervisors for evaluation use.
- Global Calendar – keeps development officers from stepping on each other's events.
- Online payroll deduction form rewrite – was rewritten and put online

Undergoing projects
- Online giving form – working on this form to make it easier to donate.
- Messaging – important for consistency of what is being said.
- Training Curriculum for Development Officers – to make sure all development officers are trained the same.

Donor Loyalty

Barbara Meyers gave her first gift in 1996, and every year since then she has given a gift to NMSU. Ms. Meyers is not an Alum and has adopted NMSU and President Carruthers as his advisor. She deserves a thank you. There are several fundraising events that are held throughout the year. The event for the men's basketball team netted $45,000 in one evening.

Regent Cheney asked Dr. Byford about coordination of efforts and being on the same team.

Dr. Byford responded that the single most important transformation was the installation of Razor's Edge database. It keeps all of donors, friends and alumni demographics, plus all of the contacts with them. They are able to build portfolios for the development officers where they can select who they want in their portfolio and get assigned to a team. Major gift officer is the lead and if someone wants to view a portfolio, they need to get permission from the officer that is assigned to it. Razor’s Edge demands transparency and collaboration. Social media is also being used more, Twitter, Facebook, etc. The development officer group has collaborated to iron out issues and improved the processes. University Advancement’s philosophy is moving from a donor interest to a donor passion.

President Carruthers responded by saying it’s a team effort. He wants to build up the core of development officers and feels we are understaffed. They are privately identifying people they know who have an interest in fund raising, have the personality, organizational skills, and contacts to do this. He is looking to potentially hire four more development officers this year who will be assigned to the central office. Each dean should have a development officer if they would like one.

c. Annual Update on Intercollegiate Athletics – (McKinley Boston, Ph.D., Athletic Director)

Dr. Boston presented the following NMSU Athletics 2013 – 17 Revised Strategic Plan:
Building on the Journey to Excellence

The department’s existing strategic plan, Journey to Excellence, set forth a road map with 8 strategic goals. The department has made significant progress; increasing revenue by $8 million, building a culture of responsibility among student-athletes, and winning over 20 Conference championships. They are proud of the work accomplished and are poised to raise the bar and focus on higher levels of excellence as they move into the future. Listed below are some of the accomplishments:

- 16 WAC Team Championships
- 33 WAC Individual Championships
- 15 Team NCAA Tournament Appearances
- 24 NCAA Individual Tournament Appearances
- Student-athletes have a 73% graduation rate
- Student-athletes performed over 5000 community service hours annually for the past five years supporting the individual student-athlete 15 hour a year obligation.

Aggie Up!

The NMSU Athletic Journey to excellence is an internal plan aimed at creating the best mid-major in the country. In an effort to capture the spirit and intent of that goal, the department established the phrase “Aggie Up!” This phrase and logo will be included in marketing and engagement efforts. The Aggie nickname is a strong and powerful nickname with NMSU stakeholders. We are proud of our roots and our region. It is a region filled with hard-working people that do not give in when times are tough. Aggies are people from all walks of life that have achieved success despite significant obstacles. Aggies make that extra effort or take that extra step to get things right.

The word “up” indicates an ascension to something better. It is a very simple term to reflect the Journey to Excellence, which is clearly a commitment to ascension amongst the mid-major universities throughout the country. By combining Aggie and Up, they have linked an external rallying cry and marketing tag line with the internal strategy of Journey to Excellence. Aggie Up!

NMSU Athletic Mission, Vision & Values

NMSU Athletic staff worked with Larry Lujan and Associates from Brush Ranch as part of the strategic planning process to refine the mission statement. In response to the fundamental question, “Why do we exist?” two themes emerged as the
most important; 1) student-athletes, and 2) community. The vehicle is athletic competition. The purpose is clear. NMSU Athletics mission: We inspire student-athletes to build strong communities.

Similarly, the vision statement is simple and communicates their commitment to continue to strive for excellence. NMSU Athletics vision: We aspire to be the best mid major in the country.

**Future Focus**

The Athletics Department, with input from key stakeholders had defined the following as the focus areas for the next three to five years:

- **Athletics Competition** – NMSU has achieved great success with sports across the board with the exception of its football program. Although football is only one program, it represents over 100 student-athletes and is the most high profile team, on a local and national scale, and it is what allows NMSU to compete at the Division 1 BCS level. NMSU’s ability to achieve its vision for all students will be enhanced greatly through a winning football program.
  
  o Key driver – A winning football program
  
  ▪ Activities: Improve facilities to support recruitment and competition; install artificial turf, refurbish weight room, locker room.
  
  o Key result – A larger pool of talented student-athletes and stronger and healthier student-athletes.
  
  ▪ Build strength and endurance – Continue investments in strength and conditioning
  
  o Student-athletes continue to improve academically and athletically over the summer.
  
  ▪ Build on core health
  
  - More scholarship and walk-on student-athletes from NM
  
  ▪ Implement nutrition program
  
  ▪ Ensure summer school opportunities for student-athletes
  
  o NMSU football team will be bowl eligible
  
  ▪ Increase recruiting efforts in NM

  o Key driver - Broad-based excellence in all sports

  ▪ Maintain scholarships at the NCAA allowable level
  
  o Visible Commitment to Title IX financial aid
  
  ▪ Increase summer school aid across all sports
  
  o Consistent individual student-athlete recognition
  
  ▪ Upgrade facilities to maintain commitment to Title IX
- Positioned consistently Conference, Regional, and National championships
  - Renovate baseball stadium
  - Continue building a strong brand among prospective student-athletes

  o Key Metrics
    - Football Bowl Eligibility
    - Won/loss record
    - Increased number of student-athletes from New Mexico
    - Number of Conference Championships
    - Student-athlete recognition at Conference & National level
    - Academics
    - Marketing & Community Engagement
    - Revenue Growth
    - Internal Operations

- Academics and Citizenship – Consistent with the Principles of Student-Athlete Well Being outlines in the NCAA’s Principles of Conduct for Intercollegiate Athletics, NMSU will continue to protect and enhance the physical and educational well being of student-athletes. Student-athletes are an active part of the student body and are visible representatives of NMSU in our local community and a national level.

  o Key Driver – Academic excellence
    - Recruit student-athletes that have high academic expectations and understand academic demands
      - Student-athletes will meet and exceed average graduation rate for NMSU
    - Provide high quality academic programs and services to enhance educational and career development for student-athletes
      - Teams will meet and exceed NCAA APR standards: All teams will attain a multi-year APR of 930 per sport
    - Increase support for 5th year aid

  o Key Driver – Staff and student-athletes are meaningfully engaged with the community
    - Require all student-athletes to fulfill community service commitment
      - Student-athletes have meaningful experiences
    - Build relationships with local organizations and businesses to provide professional development opportunities for student-athletes
      - Community organizations benefit from student-athlete service
o Key Driver – Student-athletes are responsible and accountable representatives of NMSU
  ▪ Continue education with staff and coaches on application of University student code of conduct
    ▪ Student-athletes will be recognized as positive representatives of NMSU
    ▪ Incidents of social misconduct are minimal
  ▪ Diligently enforce rules within our student-athlete handbook
  ▪ Continue work with campus partners to align student-athlete standards with the University student code of conduct

o Key Metrics
  ▪ Community service hours
  ▪ APR average of 930 per sport
  ▪ Increase in partnerships with community organizations and businesses
  ▪ Increase in number of students engaged in internships
  ▪ Decrease in instances of social misconduct

• Marketing & Community Engagement – In all of the marketing and engagement efforts, NMSU Athletics will strive to embody the brand promise of Aggie Up. Aggie Up means to take on the challenge of the day, whether that is the classroom, weight room, or the field of competition. Aggie Up means to do your best, to reach higher than you had before. To Aggie Up means to do the right thing, to be the type of person that people can rely on when times are tough. Aggie Up.
  o Key Driver – Student-athletes, staff, and coaches are a visible part of the community
    ▪ Implement Aggie Caravan to reach Aggie fans in Greater NM
      ▪ Stronger relationships with local community members
    ▪ Develop an Aggie “watering hole” strategy for community interaction
      ▪ Stronger fan base in greater New Mexico
    ▪ Promote each instance of community outreach using social media
    ▪ Increase participation in local civic and social service organizations and other charities

o Key Driver – Community members are advocates and champions for NMSU Athletics
  ▪ Recognize and celebrate critical volunteers
    ▪ Effective and strategic use of volunteers
  ▪ Implement an integrated stewardship process with direct engagement opportunities for donors
    ▪ Stronger commitment and investment in NMSU Athletics
Key Driver – Broad community support for NMSU Athletics and its mission
- Develop community and donor engagement strategy with the alumni association
  - Greater attendance at home and away games
- Enhance fan experience – from user friendly online ticket sales to special events
  - Pre-game attendance goals: Football – 15,000, Men’s Basketball – 7,000, Volleyball – 1,300, Women’s Basketball – 1,000
- Secure alcohol license from state Alcohol Commission
- Grow distribution opportunities
- Through Aggie Vision
- Partner with the NMSU College of Business to conduct various marketing research projects, including the effect of live TV on attendance
- Explore expansion of Aggie Vision to a 24-hour TV network featuring NMSU programs, education, and athletics

Key Driver – A strong Aggie brand
- Maximize all digital platforms (mobile, social media, email, etc.) to communicate NMSU Athletics successes
  - Fans feel a sense of pride and affinity toward NMSU Athletics
- Develop a segmented communications strategy to inform and engage various constituent groups
- Grow distribution of Aggie Vision
- Incorporate campus driven messaging strategy in Aggie Vision

Key Metrics
- Increased ticket sales and Aggie Vision subscriptions for targeted Aggie Caravan locations
- Increase in positive feedback through biannual fan survey
- Increase in community appearances promoted via social media
- Number of volunteers engaged in development efforts

Revenue Growth – NMSU Athletic revenue growth will focus on increasing support from corporate sponsors and individual donors. They will also seek to reduce expenses through improved business processes and increase efficiency. NMSU is also participating in two new Conference-generated income strategies that will result in both increased revenue and exposure.

Key Driver – New internal structure to manage development efforts
- Develop clear financial goals and metrics
  - Department assets are maximized toward common development goals
- Define development related staff positions, roles and responsibilities
- Establish new role for coaches that reduces the burden of fundraising
  - Coaches spend more time coaching and less time fundraising
- Expand staff to include expertise in oil and gas industry
- Phase in new structure over 18 months
- Develop a donor stewardship process
  - Donors are recognized and thanked consistently

  o Key Driver – Increase ticket sales revenue. Total Sport Goal: 1.8 m; Football - $844,000, Men's Basketball - $852,000, Women's Basketball - $26,000, Volleyball - $50,000, Soccer - $8,000, Baseball - $10,000, Softball - $10,000
    - Establish a clear visions and standards for service with the Office of Special Events
      - A user-friendly and efficient ticket sales system that integrates with donor management software
    - Revise management structure with ticket sales operations and special events
      - Improved customer service and increased customer satisfaction
    - Implement new ticket sales software package
    - Coordinate ticket sale campaigns/promotions with Alumni Association, NMSU Foundation, and community partners
      - Enhanced game day experience and fan connection
    - Address current limitations on spending for fan appreciation and promotional items

  o Key Driver – Increase corporate sales and sponsorships revenue
    - Establish common standard of service for sponsors including expectations of Office of Special Events
      - Meet and exceed expectations in contractual agreements with corporate sponsors
    - Ensure that corporate sales and sponsorship structure best serves the constituents and financial goals of NM State athletics
      - Coordinated sponsorship/development approach
    - Develop naming rights opportunities for athletics facilities (Pan American Center and Aggie Memorial Stadium)
      - Identify/explore new sources of revenue through earned income
    - Create partnership with beer and wine companies and expand beer/wine sales to the general public
• Create a partnership with a billboard company to create renewable revenue from existing real estate along I-10
• Track all SE partners in common donor database
  o Key Driver – Sustain Broad-Based Institutional Support
    • Develop internal communications strategy to share institutional benefits of athletics
      • Sustained Central Administrative Support
    • Engage student body to define institutional commitment to athletics
      • Grow student-fee support for broad-based excellence and commitment to gender equity
    • Participate in and host cultivation events with key decision makers
      • Grow support for NM Legislature
  o Key Driver – Maximize Conference Revenue Share
    • Schedule on less guarantee game
      • Help improve Sun Belt ranking among non BCS Conference schools to gain additional revenue share
    • Bolster marketing efforts through digital channels
      • Launch WAC Digital platform to participate in shared revenue model
    • Play active role in Conference and NCAA Leadership Committees
      • Ensure NMSU is actively engaged in defining the Conference Agenda
  o Key Metrics
    • Increase in ticket sales revenue by 15% growth over the next three years with FY 14 actual used as the baseline
    • Increase in student-fee support to support inflationary cost and critical expansion of operational needs
    • Increase in individual donations ($1.5M in FY 17)
    • Increase in corporate sponsorships to $1.0 million in FY17
    • Conference revenue share to gross to $1.0 million in FY17
  • Internal Operations – The NMSU Athletic Department operates in partnership with multiple University departments to achieve a common goal. This team approach requires that everyone understand their roles, and lines of communication are clear and consistent. As stewards of University support they strive to make the best use of campus resources. The immediate priority is to align all of the institutional partners around the NMSU Athletic Strategic plan, with common standards and expectations for service and communication.
    • Key Driver – A coordinated management structure aligned around a common vision
- Create a unified team approach with a shared vision and clear accountability among the following critical athletic functions: Office of Special events, Compliance, Sports Information
  - Clearly defined roles and lines of accountability for all athletics-related functions
- Implement internal communications strategy
  - Increased communication among staff
- Develop orientation for new employees that aligns everyone around strategic goals, values, and attitudes
  - Better use of department resources
  - Enhanced fan experience
- Create new position with Deputy Athletic Director, Internal Operations
  - Key Driver – Staff, coaches, and operating partners embody values and attitudes that support personal and team excellence
    - Launch internal and external marketing campaign around Aggie Up!
      - Increased sense of pride in personal work output and participation in the NMSU Athletics department
    - Establish internal standards for communication and operations focused on superior customer service
  - Key Metrics
    - Increased communication among staff
    - Increase number of joint initiatives among staff members
    - Increased positive peer feedback in employee reviews
    - Decreased negative customer feedback
    - Increase use of Aggie Up!

14. RECURRING REPORTS

a. Audit Committee Update (Isaac Pino, Secretary/Treasurer, BOR)

Regent Pino presented a chart of planned audit projects and the expected issuance dates. Recently completed audits include the following: Financial Aid Operational Audit, IT Security and Network Penetration Follow-up, and Ag Communication Limited Compliance Review. Pending/Draft Reports include Assessment of It Policies, Standards and Procedures Follow-up, Exempt Professional Employees’ Personnel Action Analysis and the Carlsbad Operational Audit. Upcoming audits include Carlsbad Operation Audit, External Contracts and Supplemental Report and Follow-up FY 2013 Football Attendance Review.

b. Real Estate Committee Update (Mike Cheney, Chair, BOR)
Regent Cheney stated they continue to meet on a regular basis with regards to the priorities of water rights, disposition of our real estate and management of our real estate. Currently, they are in the development stage of RFP's for the hotel and family housing on campus.

c. Budget Committee Update (Javier Gonzales, Vice Chair, BOR)

Regent Gonzales mentioned that they will be meeting this afternoon and appreciates the addition of the community members. They have been having discussions on the issue of policy and how the budget can meet the goals of the policy.

d. Executive Vice President/Provost Update (Dan Howard, Ph.D., Executive Vice President/Provost)

Dr. Howard talked about a Research Process Task Force that was formed this fall. NMSU had accumulated over the course of some years more than 50 concerns of researchers at NMSU in regards to research processes that they found cumbersome and that they felt inhibited with the research process on campus. This task force has been meeting every two weeks through the fall semester and will continue to meet every two weeks through the spring semester. They have worked through half of those problems. One of the things that has come out of this task force is that we should move to Shared Service Centers. At this point, three centers are planned which include, A&S, ACES and ENG. Shared Service Centers are not a new idea, they are a one stop shop for faculty where they can go to get grant proposal advice and submission, and get advice, help and service on funded projects. A&S will pilot the program this summer for six months. The offices represented in the center are OGC, SPA and HR. Dr. Howard commented on the terrific cooperation they are receiving from these units with regard to moving to this model. They will be moving the people who work in these different departments to the colleges to provide better service to the faculty. One of the most important functions we have here at NMSU is that we submit grants, we try and win grants and if we don’t have an effective process for doing this it hurts one of our central missions.

**Future of the Graduate School**

A task force was organized to answer the question if we should have a grad school. If we have a graduate school, what is the role of the graduate school. The task force met quite frequently over the course of two months and in October presented a report to Dr. Howard. Dr. Howard brought the report to the President and they decided to accept most of the recommendations of the committee. What the committee recommended is that what we actually need is a strong graduate school. Stronger and more vibrant is the goal of the Graduate School. Some of the changes that will be made in the coming year or two is that the Graduate School:
- Will play a larger role in degree progress and certification
- Will clarify and codify graduate student grievance process (unclear who is responsible for grievances)
- Review policies and procedures related to interdisciplinary doctorate and masters degrees (need a single coherent policy)
- Work with Graduate Council on time limits for doctoral degrees
- Explore tuition support for graduate assistants (where is the revenue stream to support the grad assistants)
- National search for new Dean, who will reconsider allocation of graduate assistantships (as programs change, allocations will change)

**Enrollment Update**

- Las Cruces Campus: SCH down 5.6%
- Alamogordo Campus: SCH down 18.6%
- Carlsbad Campus: SCH down 10.2%
- Doña Ana Campus: SCH down 2.6%
- Grants Campus: SCH down 18.5%

This is a challenge for NMSU going forward. Dr. Howard noted that we are sort of in the perfect storm right now. We are coming out of a recession, a recession that drove a lot of people back to colleges and universities. As we come out of that recession, people are no longer coming to colleges and universities for retraining and students who are finishing school now seeing opportunities on the economy. Moreover, we have a smaller number of high school graduates in New Mexico than we have had in years past. This number will start to go up. Across the country, we see student credit hour production down, not this much. We do see it across New Mexico. We have to be proactive in dealing with this issue.

The good news is currently we are up 94 in freshman applications, up 77 in transfer applications (most of these are coming from El Paso), up in International students and other states. We need to share NMSU’s message more effectively and we are seeing some changes across the state in regards to enrollment.

President Carruthers spoke on the marketing efforts. We need to market internally and everyone needs to be proud to work here and/or study here. Extension service is going to be important. $410,000 has been added in marketing expenditures since he started as President at NMSU. There are conversations with Stan Rounds to market locally and get more students to come to NMSU.

Dr. Howard stated that Stan Rounds is willing to work with us to get as many students as possible to enroll at NMSU. He also gives credit to our Dean’s who got staff together to call every single student who had not
registered to try to find out why they didn’t register. One of the interesting things was the lottery scholarship issue was not a concern.

Dr. Howard announced that Dr. Bill Eamon, Dean of Honors College, has announced his retirement. Moving forward the President and Provost agree this should be an internal search. The Dean needs to be familiar with faculty and have an understanding of the institution so he/she can determine who will be able to teach the different Honors classes.

Regent Mitchell would like to know what the effect will be if we were to keep ½ of the students we lose. She says it is easier to keep a customer than to get a new one.

Dr. Howard mentioned that retention is the most important part of enrollment management. He will work on those numbers.

e. Report from the Chair, Faculty Senate by Dennis Clason, Ph.D.

Dr. Dennis Clason reported that the Faculty Senate (FS) has approved the following legislation: name change for the Department of Educational Management to become the Department of Education Leadership and Administration. There have also been two revisions to the university’s promotion and tenure policy section 5.90 concerning the role of leadership in promotion and tenure matters. Legislation pending is proposal that originated at the community college campuses to reduce the late registration period. Currently, students are allowed to enroll for a class as much as 10 days into the semester. With a 14 week semester they are missing 1/7 of the term. The proposal would allow delayed registration, but students would be required to get the instructors consent on the third day after the beginning of the semester. There will not be any changes in the withdrawal policies. Legislation to be introduced is the Department of Chemical Engineering would like a name change to the Department of Chemical Engineering and Material Science. Also, FS will introduce a proposal to change the undergraduate admissions criteria for the Las Cruces campus. This issue will be discussed among the departments and the college faculty representatives will forward the concerns on to the FS.

f. Report from the President, Associated Students of New Mexico State University by Mr. David Maestas

David Maestas mentioned that he is a member of the search committee for the CIO and University Advancement positions and reported that they have narrowed it down to five individuals and he is very excited to get to know them. As chair of the Student Review Board, they will be meeting next week to decide where the allocation of fees will go. He thanked Anna Price for her guidance with this board. Their community service event, The Big Event, is approaching and will have more information in the future. Mr. Maestas appointed Alex Mendoza, a nursing student, to Chief Justice to the
Supreme Court. She was confirmed by the Student Senate by a vote of 24-1. ASNMSU elections for President and Vice President will begin February 24 and conclude on March 14. The new president will begin on May 15. Mr. Maestas thanked Dr. Howard for his willingness to explore the tuition support for graduate assistants. ASNMSU is looking at getting a newspaper service, in electronic format, for students. He appreciated Dr. Carruthers help in meeting with legislators throughout New Mexico to discuss the lottery scholarship issue. He also thanked the student representatives from UNM and NM Tech for working with ASNMSU as well. On a personal note, he thanked his staff for their work this year. Present at the meeting, he thanked Daniel Sontag, Jeremy Witte, and Phil Davies. He also thanked the administration for allowing students to participate and have input in different committees. He commended his ASNMSU staff for their caring attitude and for their willingness to help students. Mr. Maestas is looking forward to a very productive semester.

g. Report from the Chair, NMSU Employee Council by Ms. Monica Dunivan

Ms. Dunivan reported that Employee Council developed a strategic plan to better align its actions with the functions detailed in the constitution. The functions are to perform the following: investigate matters involving the policies and procedures of administration of the university, make recommendations on such investigations as the university’s president, provide communication between the staff and administration of the university, provide communication among the different departments of the university, and increase university interest in employee membership. EC will continue to follow their strategic plan and serve NMSU employees.

EC also had a very successful Employee Appreciation Picnic with over 2,000 attendees and three successful open forums which had a great impact on NMSU employees. EC will continue to host the open forums along with assisting with the NMSU Employee Recognition Reward Program being held this spring. Ms. Dunivan stated that it has been an honor to serve as chair of EC and thanked Ben Woods for keeping EC on their toes and informed of everything that pertains to membership. She also thanked President Carruthers for his support during her time as chair.

One of EC’s goals is to provide communication between staff, faculty and administration and thanked Dr. Andrew Pena and Dorothy Anderson for assisting EC on making this happen. She also thanked David Brockmeyer for his time to put together a great strategic plan for EC to better understand their role.

Ms. Dunivan introduced Shawna Arroyo as the new chair of EC. She is the manager for student technology and planning at ICT. She has been a part of the ICT team since she started college in 1998. She graduated from NMSU with a Bachelors in Business Administration Management and Master of Arts in Curriculum and Instruction. In addition, Ms. Arroyo works on
strategic planning, information technologies, and statewide educational conference. Ms. Arroyo served as the chair elect for NMSU's EC, a voting member for the Sustainability Council, Chair of Employee Recognition committee, ex officio member of the Faculty Advisory Committee on Technology, Board member of the online course improvement program, and member of Student Life for NMSU. Ms. Arroyo is a true Aggie at heart.

Ms. Dunivan thanked everyone who has lent their support during her term.

Regent Cheney thanked Ms. Dunivan for her collaborative and conscientious leadership of EC and appreciated her service. He also welcomed Ms. Arroyo and looks forward to working with her.

15. OTHER / COMMENTS – Regent Mike Cheney, Chair

Senior Vice President Ben Woods reminded the Regents Budget Committee of the location of their meeting and invited everyone in attendance for lunch across the hall. He also reminded everyone of the Santa Fe Alumni Reception tonight at 5:30 pm at the Zane Bennett Contemporary Art Gallery.

16. ADJOURNMENT – Regent Mike Cheney, Chair

There being no more business the Board of Regents adjourned at 11:24 a.m.

Minutes recorded by Carolyn Aragon.

Mike Cheney, Chair
Board of Regents

Isaac Pino, Secretary / Treasurer
Board of Regents