



**NEW MEXICO STATE UNIVERSITY BOARD OF REGENTS
SPECIAL MEETING
April 5, 2019 at 8:00am**

Regents Room of the Educational Services Building
NMSU Las Cruces Campus, 1780 East University Avenue
Las Cruces, New Mexico

Regents of New Mexico State University

Chair Dina Chacón-Reitzel, Vice Chair Ammu Devasthali, Secretary/Treasurer Luke Sanchez, Debra Hicks, Jerean Hutchinson

Non-Voting Advisory Members - ASNMSU President Emerson Morrow, Faculty Senate Chair Becky Corran, Employee Council Chair Sonia White

University Officials - Chancellor Dan E. Arvizu, Ph.D., President John Floros, Ph.D., Interim Executive Vice President and Provost April Mason, Ph.D., Senior Vice President Andrew Burke, Ed.D., General Counsel Lizbeth Ellis, J.D.

MINUTES

The Board of Regents meeting is available by webcast through the link at <http://panopto.nmsu.edu/bor/>

A. Call to Order, Chair Dina Chacón-Reitzel

Meeting called to order by Chair Chacón-Reitzel at 8:02 AM.

- 1. Pledge of Allegiance, Chair Dina Chacón-Reitzel**
Presentation of Colors by the NMSU Airforce and Army ROTC
- 2. Introductions**
Introduction of the Media, Associate Vice President Justin Bannister

Vice President Bannister introduced Eric Burnside and Derek Gonzales from the Round Up and Diana Alba from the Las Cruces Sun News.

3. Confirmation of Quorum, Chair Dina Chacón-Reitzel

A quorum was confirmed with all board members seated in the board room and university officials Chancellor Arvizu, President Floros, and Provost Mason were also announced. Senior Vice President Burk and General Counsel Ellis were also in attendance from the staff.

4. Approval of the Agenda, Chair Dina Chacón-Reitzel

Regent Hicks moved to amend the agenda to move item D1, Arrowhead Development 7-acre Annexation to City of Las Cruces from Consent to Action. Second by Regent Hutchinson. Motion passed.

5. Public Comment, Associate Vice President Justin Bannister

Vice President Bannister indicated that no one had signed up for public comment.

B. Approval of the Minutes, Chair Dina Chacón-Reitzel

1. Regular Meeting on March 8, 2019

Motion to approve minutes entered by Regent Devasthali with a second from Regent Hutchinson. Motion passed.

2. Special Meeting (Work session) March 25, 2019

Motion to amend the minutes by including the presentation materials presented in the special meeting/work session entered by Regent Hutchinson. Second from Regent Sanchez. Motion passed.

C. Committee Reports, Chair Dina Chacón-Reitzel

1. Real Estate Committee Report, Committee Chair Dina Chacón-Reitzel

March 29th meeting in Hadley Hall in Las Cruces. Some old business was covered and provided in some detail for regent members that were new to the committee. The Arrowhead Development 7-acre annexation was covered, Phase III of the production film studio was discussed, including job and learning opportunities made possible through this partnership. The Letter of Intent (LOI) was discussed, such as police, fire, Cleary Act, and waste treatment infrastructure. Committee moved to approve the annexation LOI to the board for a vote.

Discussion of lease agreement for mobile tower in Pan American Center for 10-year lease. Committee moved approval of the lease agreement.

The KRWG FM tower agreement was discussed and a renewal of Memorandum of Understanding (MOU) for 10 years was discussed. Committee moved to approve MOU.

Discussed GO Bond-funded Agricultural Modernization and Educational facilities, and the DACC Gadsden Expansion project, which was approved by the committee to be brought forward to the Board of Regents for a vote. Discussion of Campus Master Plan and the committee moved approval of the plan for a vote by the Board of Regents.

2. Financial Strategies, Performance and Budget Committee Report, Committee Chair Debra Hicks

Met on March 29th noting that most of the discussion is included in the materials for the meeting regarding the action to be taken today on the tuition and fee proposals. There was a presentation by Ricardo Rel regarding the legislative session, which will also be covered today during action items for the board. The committee met regarding the tuition and fees and sources and uses and the actions coming from the meeting were to request that administration come back with additional tuition scenarios, which are included in the presentation for today. In addition, more clarity was sought for the sources and uses in order to understand metrics that would determine how investments are met outcomes. It was also expected that administration would bring forward proposals for how to balance the budget in the meeting today.

3. Student Success Committee Report, Committee Chair Luke Sanchez and Co-Chair Jerean Hutchinson

Regent Sanchez noted that he has been working with Regent Hutchinson and board staff to plan the next meetings. Regent Hutchinson provided some historical perspective, noting that at the regent orientation on March 25th there was a lot of information provided to board members about Regents Student Success Committee efforts. Another planning meeting is scheduled April 12th with senior administrators to discuss structure and schedule of Regents Students Success committee.

4. Audit and Risk Committee Report, Committee Chair Jerean Hutchinson

No meeting held since the last meeting. The next Audit Committee meeting will be on April 11.

D. **Consent Items**, Chair Dina Chacón-Reitzel

Regent Hicks moved to approve the amended consent agenda items (moving D-1 to Action items). Second from Regent Hutchinson. Motion passed.

1. **MOVED TO ACTION ITEMS AS A RESULT OF PRIOR MOTION - Arrowhead Development 7-Acre Annexation to City of Las Cruces (CLC)**, *Scott Eschenbrenner, Special Assistant to the President*

Special Assistant Eschenbrenner introduced Wayne Savage, Executive Director of Arrowhead Park, who presented on this action item and provided some background to the board for their consideration.

Mr. Savage noted that about four years ago the city identify the film and media industry as a key economic growth priority. As a result, a 4-million-dollar public private partnership for a high-quality sound stage facility emerged to grow the film and media industry in the region. A private partner was identified through RFP who is contributing 10 million dollars and operating expertise to ensure the facility operates on par with top facilities across the country. NMSU, DACC, Arrowhead Center Inc., the private partner, and City of Las Cruces has been working with cooperatively and the location in Arrowhead park has been identified as the best location. The initiative is projected to provide 200 jobs (year-round) and internship opportunities and aligns well with both NMSU and DACC academic programs in Creative Media.

A non-binding Letter of Intent (LOI) is being put forward to the board for approval. This letter will be presented at a City Council meeting where NMSU, together with city planners, will indicate their support for this private public partnership. If approved, NMSU would work with the private partners and the city on developing a petition for annexation.

Mr. Savage reviewed the letter of intent noting specific sections along the way. Regarding police and fire, NMSU would be primary responders, noting that under the Cleary Act, this is important as students are expected to be involved in the activities at the studio. A comprehensive MOU regarding police and fire will be needed.

Utilities included discussion of sewer and water line provided by the city. Electric and fiber connections are proposed to be handled by NMSU, but other options are still on the table.

Wastewater was covered in some detail, noting that wastewater is a constraint on capacity for growth of the park. The lift station is operating near capacity and new piping has been proposed as a solution. The city would design the system, but funding the construction is yet to be determined. There was an agreement that I & G Funds would not be used as a source of funding.

The Arrowhead Park Master plan will be submitted along with the annexation petition.

Chancellor Arvizu noted that this action before the board is important in respect to Arrowhead and other real estate properties. NMSU and Arrowhead are working closely with the city to forge a good working relationship. As this goes forward to city council, the annexation becomes important regarding availability of

revenues for the city and are needed in order for the private public partnership to move forward. This is part of a bigger strategy to build partnerships that raise the stature of NMSU, provide student experiences and research opportunities, and create opportunities for private sector partners to invest in NMSU.

There was some discussion regarding costs for police and fire services and it was noted that there may be some costs to NMSU related to these services as well as some infrastructure costs. Those infrastructure costs, it was agreed, would not be paid through I & G funds.

NMSU Chief of Police Steven Lopez commented on the policing cooperation with the city. Clearly Act is the primary concern as to why NMSU should be primary in responding to incidents in this location. Chief Lopez described the process of responding to incidents through the 911 call center and the campus-wide announcement system used to make the NMSU community aware of warnings. NMSU Police and local police departments and the County Sheriff's department are common, but more work needs to be done to work out the specific agreements.

Motion to approve Arrowhead Development 7-Acre Annexation to City of Las Cruces entered by Regent Hutchinson with a second by Regent Hicks. Motion passed.

2. **Lease Agreement with Mobilitie Investments III, LLC (Mobilitie) for Distributed Antenna System (DAS) in the Pan American Center, Scott Eschenbrenner, Special Assistant to the President**
3. **Memorandum of Agreement (MOA) between Regents of New Mexico State University (NMSU) and County of Doña Ana (County) Regarding Communication Towers, Scott Eschenbrenner, Special Assistant to the President**
4. **NMSU DACC Gadsden: Expansion Phase 3, Interim AVP Alton Looney, University Architect Heather Watenpaugh**
5. **NMSU DACC: DACC Facilities Master Plan 2019-2026, Interim AVP Alton Looney, University Architect Heather Watenpaugh**
6. **NMSU Las Cruces: Campus Master Plan 2017-2027 Updates to the Master Plan, Interim AVP Alton Looney, University Architect Heather Watenpaugh**

E. **Action Items, Chair Dina Chacón-Reitzel**

1. **Tuition and Fee Rates & Budget Guidelines for FY2019-2020, Senior Vice President Andrew J. Burke**

Chancellor Arvizu took the floor to provide an introduction to the tuition and fee proposal being put forward to the board. The Chancellor noted that the proposal being brought forward is a balanced budget that acknowledges the realities of the budget process, which includes resources allocated by the legislature and approved by the Governor. The plan is consistent with the proposed strategic plan and the priorities and objectives in the plan, which includes investments in students success, and the faculty and staff. There is an increase for tuition being requested and there is focus on both access and value for students in the proposal. On average, students are paying less out of pocket than 10 years ago, based on financial aid available to students. The out-of-pocket, going forward, is about the same as what it has been in the past. Part of the budget priorities is to honor commitments to financial aid commitments that have been made to students and to invest in faculty and staff in order to attract and retain them, even though it will take additional budget investment beyond what is now available in state appropriations to give all staff a 4% compensation increase. Chancellor Arvizu also noted some strategic investments are proposed in the budget and budget deficits would be balanced through efficiencies gained in the operating budgets.

President Floros added that tuition increases are offset by investments in scholarships proposed in the budget and strategic investments are intended to help NMSU with recruitment, research, and public service.

Vice President Burke discussed the sources and uses of the budget and legislative results as it impacts the budget. Vice President Burke reviewed the sources of funds, noting that about 20% of the budget is from tuition and fees and the largest component being state sources as a proportion of the funding. Vice President Burke described the uses of funds, noting the Instruction and General (I & G) funds, such as instruction, academic support, and the physical plant make up about 41% of uses of funds with other activities accounting for the balance of uses of funds.

Legislative results for formula funded money were about 6.4 million and compensation at 6 million for HB2. This includes about \$300,000 in additional state appropriation for the employer retirement contributions. HB 548 and SB 536 (the junior bills) were discussed, noting that some of the budget items may have line item adjustments and new information will be brought forward in the May meeting. Capital Outlay was also presented. This year was different than most because general fund money will be available, totaling about 30.7 million for NMSU. It was noted that capital outlay may also be subject to line item veto. Some information about capital outlay across the entire system, including NMDA, was provided, totaling 25.2 million.

Minimum wage bill and impact on future budgets was presented, noting no significant impact on FY 2020 budgets, but it will have an effect of about 1.9 million – 6.7 million in additional budget for future budgets.

A peer comparison from the College Board comparing tuition for several institutions was presented. It showed a column for Net Price from FY 2017, where NMSU had a price of 9,449 as the lowest figure and Kansas State University at 17,465 had the highest value. There was a note that the University of Texas at El Paso (UTEP) Room and Board number was adjusted because of the room and board options available at UTEP.

Net price is defined as the cost of education, which includes tuition and fees as well as room and board minus available aid. The types of aid available to students included merit scholarships offered by NMSU, Lottery Scholarships available to New Mexico Residents, and Federal Pell grant aid, as well as other sources of scholarships and financial aid made available through the NMSU Foundation.

A couple of graphs showing the average net price and average net price broken down by family income levels were presented. Vice President Burke noted that the graphs showed an overall decrease in average net price over the past decade, particularly for families with income less than \$30,000 per year. Another graph showed projected net price given proposed tuition increases and Vice President Burke noted that even at higher tuition increase levels, the net price is still less than in previous years.

A graph showing an average increase in tuition since the 2014 fiscal year showed an increase of 1.7%.

A table of required fees and a recommended increase of those fees of 3.5% was presented. Vice President Burke discussed the Student Fee Review Board who makes a recommendation for how administration distributes the required fees around campus. The table presented represents that recommendation, noting that the base budget includes budget revisions for a 4% compensation pool and to raise the minimum wage to at least \$10 per hour as requested by the committee.

A series of tables showing proposals for variable rate of tuition increase including a 3%, 6%, 7%, and 8% increase was presented for different tuition categories for undergraduate, graduate, resident and non-resident, online, and military rates for both full time and part time credit hour loads.

Vice President Burke presented a revenue model of projected tuition rate increases, projected costs of scholarship programs, and variations in enrollment changes out to Fiscal Year 2022. Over two years, it is projected that a 9% increase will be needed, given the cost of the institutional scholarships and given projections for enrollment.

A chart showing sources and uses for revenues and expenditures respectively was shown with scenarios for 0%, 3%, 6%, 7%, and 8% tuition increase proposals. It was noted that the variables in the sources are tuition rate increase and amount needed for budget reduction. The reduction in I&G transfers in the chart (line 7) related to an agreement that NMSU would transfer less to athletics as a result of increases to athletics appropriations from the state. In summary, a 0% tuition increase represents a budget reduction of 8.9 million (5% of I&G unrestricted budget), a 3% tuition increase represents a budget reduction of 6.6 million (or 3.7% of I&G unrestricted budget), a 6% tuition increase represents a budget reduction of 3.9 million (2.2% of I&G unrestricted budget), and 7% increase represents a budget reduction of 2.9 million (1.7% of I&G unrestricted budget), and a 8% increase represents a budget reduction of 2 million (1.2% of I&G unrestricted budget).

Uses were discussed, including \$% compensation increase and strategic investments.

President Floros spoke about revenue generated with the requested tuition increase and compared it to the amount the administration wants to invest in scholarships, noting that the investment in scholarships is estimated to be between 6 and 8 million dollars. Further, it was noted that revenue from the tuition increase doesn't surpass the amount of funding for scholarships except in the 7% or above tuition increase scenarios. President Floros emphasized that part of the investments are for a 4% faculty and staff compensation increase that are important to recruit and retain faculty and staff. President Floros also spoke in support of the strategic investments in student success, research, and outreach.

Regent Hutchinson, described a staffing study conducted by Deloitte in reference to faculty compensation, asked Vice President Burke to provide more background on what NMSU did with respect to this study. Also, in reference to compensation increases from last year, additional clarification was requested. Vice President Burke responded regarding the staff compensation increase from last year noting that \$1000 increase for employees making under \$50,000 per year was distributed, which in some cases may have been as high as a 4% compensation increase. For staff and faculty making over \$50,000, a merit-based increase of up to 2% was distributed. Regarding the Deloitte study, it was noted that there were market adjustments made but precise details were not presented.

Vice President Burke summarized the Tuition and Fees proposal, noting that the administration is seeking a blended tuition rate increase of 6% - 8% for the Las Cruces Campus and a 0% increase for the community colleges, a faculty and staff compensation pool of 4%, an increase of the scholarship funding by 6 million and an additional 2.41 million in funding for strategic investments. In addition, to approve the sources and uses as recommended by the community colleges.

Additional details regarding uses of funds at the community colleges was covered, noting that requests vary based on individual needs of the campuses, but most include funding for compensation increases.

Regent Hicks noted that from 2012 to 2018 had a 17.9% increase in tuition and fees while University of New Mexico increase was 18.1% during the same period, based on a 15-credit hour load.

Regent Hutchinson provided some background about the comparative tuition increases with NMSU and UNM and presented a chart and compared tuition increases for tuition and fees on 15-credit hour (full time) basis and contrasted it to the per credit hour price information presented earlier by Vice President Burke, noting that the scale of comparison between 15-credit hour (full time) tuition rates and the per credit hour rates is important to consider. It was noted that a -4.4% change in the "Tuition and Fees per Credit" chart presented earlier represents the change from a 12-hour full-time credit hour rate to a 15-credit hour full-time rate that was done at that time.

Regent Hutchinson discussed the cost comparison on net price presented earlier and noted that NMSU has a great value proposition. Regent Hutchinson asked how much of the net price paid is student debt? President Floros responded that aid discussed in the net price calculation does not include loans. Regent Hutchinson also noted that graduate rates should be considered for total cost of tuition because if students aren't

graduating in four years they are paying more to get their degree compared to being able to complete sooner. Regent Hutchinson also remarked regarding the budget deficit and the needed efficiencies in the budget to cover the deficit. Regent Hutchinson emphasized growth in enrollment and increases to retention as ways to cover the budget deficit, citing online programs, summer, and out-of-state recruitment as a possible avenue for enrollment gains. With respect to strategic investments, Regent Hutchinson noted that strategic investments came about through a process started by the student success committee and the use of the word investments suggests some form of return and an evaluation of money spent and metrics used to evaluate the investment are needed.

Chancellor Arvizu addressed Regent Hutchinson's questions and concerns and stated student debt burden is being looked at because after 4 years, many scholarships go away. The Chancellor stated that 91% of students will pay less out of pocket this year compared to last year with a 6% tuition increase being proposed. The strategic investments will help with recruitment and retention. President Floros spoke to the enrollment noting that it would be a stretch to have even enrollment this year. President Floros also noted that, based on information provided earlier in a graph depicting net price broken down by income level, that even if 9% tuition increase was put into effect, the lowest income levels, which make up a majority of NMSU's student population, this group would be paying less out of pocket than ten years ago. If NMSU doesn't increase tuition, programs will need to be cut. President Floros explained the strategic investments, noting that these recommendations came about with in working with the Deans to promote the strategic investments in student success, improve research and outreach, and improve the university system. As a result of this process, 8 million dollars of immediate needs were identified and the administration reduced this amount to 2.4 million dollars, which is what is being requested. What this includes is investments in services and software that allow NMSU to recruit and retain students in a different way than NMSU has done before. President Floros said that based on speaking with others that have used similar services, they expect results to improve next year for recruitment. For faculty recruitment, it was noted that start-up package enhancements are one of the areas where some of the strategic investments will be allocated, in addition to grants to enhance competitiveness in seeking larger grant awards. Additional faculty lines for high performing units and software purchases that will help Admissions and HR, as well as campus safety and health initiatives, and funding for a Diversity and Inclusion officer will be used to enhance the university system. The Diversity and Inclusion office will address concerns related to student diversity, but also faculty and staff diversity.

Regent Hutchinson asked about predictive analytics and if it would be included in the software purchases. President Floros responded that it would be included. Regent Hutchinson asked if the institutional scholarship needs could be addressed by increased efficiencies or funding from the NMSU Foundation by way of a "loan". Regent Hutchinson also inquired about reserve funds to pay for the scholarships. Vice President Burke responded that NMSU has reserves are about 10% of expenditures of revenue (about 19 million) and wouldn't want to commit until the books are closed for this year. The State would like NMSU to keep 5% and the accreditors would like NMSU to keep 25%. The goal is to present a balanced budget and the proposal is based on best assumptions so far. Chancellor Arvizu noted that efficiencies of the entire enterprise will be evaluated. A Strategic CFO that will be brought on board and will focus on trying to identify efficiencies and productivity improvements. Chancellor added that NMSU is forging a relationship with the Foundation that is constructive. President Floros added that regarding average debt for students the national average is just under \$28,650 in 2017 and in New Mexico it is \$21,250, and NMSU is \$21,000.

Chair Chacón-Reitzel asked the Chancellor to describe the appropriations from the legislature regarding salaries and how it impacted the NMSU budget. Chancellor Arvizu described that the appropriation equaled 53% of the total needed for NMSU to provide a 4% increase to all faculty and staff. The state allocation is 3.295 million and the compensation expense would be 6.1 million, but this doesn't include fringe rate increases, it would be 7.2 million needed. NMSU, therefore, is subsidizing the compensation pool to provide a 4% increase to faculty and staff.

Regent Hicks asked about what has been set aside for performance-based compensation. Chancellor Arvizu responded that this issue was to be addressed in different ways at different campuses and that the focus is to move to a performance-based system. Challenges include having a performance evaluation that accounts for the strategic plan investments. President Floros described an idea to take about 2% of the increase and use a portion of it for performance-based compensation increases, with also a part of that being used for equity and salary comprehension.

Regent Sanchez asked about the meal plans and if they were included into the net price metric. President Floros indicated that it is included in Room and Board and it is included in net price calculations.

ASNMSU President Morrow discussed the student fees, noting that the 3% increase was for staff compensation increases and for student employees to have a wage that is equitable to rates being offered in the City of Las Cruces. Another element was more money for the band, ICT, and the Library for journal subscriptions. President Morrow spoke to the balance of affordability and accessibility of an education, noting that if cuts mean there will be less sections available, students would generally be open to a tuition and fee increase in order to keep access to services and sections and other things that help students.

Chair Chacón-Reitzel asked about the scholarships and how the deficit of scholarships occurred. Chancellor Arvizu described past practice of using scholarships to attract more highly qualified students and earlier estimates provided by a consultation firm were not accurate with respect to needed funds to support the program because more students had accepted the scholarship than anticipated. Vice President Burke stated that decisions regarding scholarships are made well in advance of the semester where the funds are used. The program was modeled with levels of awards using an academic index to award the scholarships. Based on the modeling, it was not expected that many of the students with higher academic index scores would accept admission and the scholarship award. The model continued for a couple of years, without modification despite the results.

Regent Devasthali asked about the scholarship program and when it was put into place, what was the plan to fund the program? Vice President Burke noted that there was no financial plan that he was aware of that would fund the program. Regent Devasthali asked how the program was funded for the past two years? Vice President Burke responded that FY 2018 and 2019 salary savings and savings in other areas was used to fund the scholarships. In FY 2018 there were cuts put into place and the savings that the cuts created.

Regent Hicks noted discussions of this scholarship program occurred in March last year and preliminary numbers were about \$200,000 shortfall and the number escalated to about 4 million and asked if this was accurate. Vice President Burke noted that the program is budget is about 14 million and projected costs are 17 million. Noting projections from the consultants from last year, they predicted an increase in freshmen at 150 but NMSU had 200 more, which drives the additional cost of the scholarship program. President Floros noted that there are budget items for scholarships in the budget, but the projections didn't agree with the budgeted amounts over two years. In this year there is some uncertainty about what will happen, so the figure of 5 – 8 million estimate is the range with the best prediction being 6 million dollars. NMSU will be able to know more precise figures in the September or October time frame. Vice President Burke added that there was one change in the scholarship program for this year where the academic indexes used for the program were raised slightly.

Regent Hicks moved to approve a 4% tuition and fee increase, noting that it was based in-part on an understanding that the student fee increase requested by the students was 2.5% - 3.5%. Second by Regent Hutchinson.

ASNMSU President Morrow clarified the student fee recommendation was in support of just the student fee. Regent Hicks acknowledged this but was looking for some proportionality with respect to the tuition increase.

Regent Sanchez asked for clarification on the motion, asking if the motion was a 4% blended tuition and fees

increase. Regent Hicks confirmed.

Faculty Senate Chair Corran commented that she expressed appreciation to Chancellor and President in talking with the faculty related to retention, startup packages for researchers, and retention of faculty who serve and are from the diverse populations of New Mexico. Chair Corran urged the board to consider the 6% increase proposed.

Chancellor Arvizu acknowledged the commitment of the administration in moving forward with whatever decision is made with respect to tuition and fees and further supported the 6% increase due to some uncertainty regarding the language of the appropriations for compensation increases for faculty and staff.

Employee Council Chair Sonia White thanked the Chancellor and President and noted concern for retention of faculty and staff. She added that while compensation increased last year, this was offset by additional health insurance benefits costs and asked the board to consider a 6% increase in tuition and fees.

President Floros noted that the recommendation for a 6 – 8 percent tuition increase is what was presented to the board and if the motion is approved, he noted that scholarships can't be changed and the only adjustments are to not fund the compensation increase, strategic investments, and make severe cuts to the budget in other ways.

Chair Chacón-Reitzel noted that there are always tradeoffs and thanked Vice President Burke for the presentation. The Chair noted that she honored the intention of the legislature for the money for raises and also recognizes the additional costs that the institution will have as a result. She praised the idea of performance based compensation and the recognized the challenges associated with the increases in minimum wage that are anticipated. In conclusion, Chair Chacón-Reitzel said that passing a 4% increase that the board would be "kicking the can down the road" and recalled the information presented earlier suggesting that there would need to be a 9 percent increase in tuition over the next two years to address the scholarship program needs.

Regent Hutchinson noted that NMSU does have other levers to turn, other than tuition increases. Noting that in the overall budget it is about 20 – 30% of the revenue that comes from tuition. Regent Hutchinson noted some recent studies and organizational restructuring that would bring costs down as another way to address budget shortfalls.

Chair Chacón-Reitzel recognized that there are ways to find efficiencies while also noting that there are many variables that are harder to predict or control. Investments are being made in enrollment and conservative estimates were presented today about enrollment and retention, but there is a deficit to address and enrollment and retention cannot address this need.

A roll call vote was taken on the motion to approve a 4% blended tuition and fee rate increase.

Regent Hicks voted in favor of the motion.

Regent Hutchinson voted in favor of the motion.

Regent Devasthali voted against the motion.

Regent Chacón-Reitzel voted against the motion.

Regent Sanchez voted against the motion.

With a vote of two in favor and three against, the motion failed.

A motion was entered by Chair Chacón-Reitzel to approve a 6% blended tuition increase with a second by Regent Devasthali.

Regent Hicks noted that she is in favor of market rates for faculty and staff, further noting that the number of faculty and staff have fluctuated but there has been no pool of money from which compensation increases or

strategic investments would be funded. This is not a vote against the compensation increases or the level of the increase in compensation. Among higher education institutions in New Mexico, NMSU is first of those voting for tuition and fees and so far NMSU is the highest rate of increase. Regent Hicks noted our students are among the lowest income households in the state and that was an important consideration for her.

Regent Devasthali noted a focus on staff and faculty support and that while there was a compensation increase last year, having high quality faculty and staff is important and the best way to retain them is through compensation. Also, Regent Devasthali noted that NMSU has made a commitment to students regarding scholarships and the commitment should be upheld. Regent Devasthali thanked the legislature for the appropriations for the compensation increase, and noted that amount funded was still not sufficient to increase compensation by 4% across the board for faculty and staff. Finally, she noted that while it may be difficult or unpopular, she believed taking action now was important and was in the best interests of the university.

A roll call vote was taken on the motion to approve a 6% blended tuition and fee rate increase.

Regent Hicks voted against the motion.

Regent Hutchinson voted against the motion.

Regent Devasthali voted in favor of the motion.

Regent Chacón-Reitzel voted in favor of the motion.

Regent Sanchez voted in favor of the motion.

With a vote of three in favor and two against, the motion passed.

After approving item D-1 (Arrowhead Development 7-acre annexation to City of Las Cruces) which was moved from consent to action, a clarifying motion was requested for the Community College Tuition and Fee Rates. The motion entered was approval of the tuition and fee rates and budget guidelines for Fiscal Year 2019 – 2020 including a 6% tuition increase for NMSU Las Cruces and 0% tuition increase for the community colleges by Chair Chacón-Reitzel. The motion was seconded by Regent Sanchez. Regent Chacón-Reitzel, Regent Devasthali, and Regent Sanchez voted in favor of the motion and Regent Hicks and Regent Hutchinson voted against the motion. Motion passed.

2. Parking Rates for FY2019-2020, Senior Vice President Andrew J. Burke

Vice President Burke presented information about Parking Rates, but noted that housing rates and dining rates also vary. Housing rates were approved through fiscal year 2021 and will go up between 2 – 3% depending on the type of housing. The dining rates are under contract and increases are predetermined based on pricing indices.

Vice President Burk presented a chart of current and proposed rates for different type of permits. Under union contract, NMSU is limited to a \$7.50 increase for faculty and staff parking rates. During the budget committee meeting, there was some discussion about evaluating the structure and rates differently going forward.

A chart showing NMSU parking rates compared to other regional universities. Results showed that NMSU had the lowest rate compared to all regional universities presented. Vice President Burke described some recent efforts to change parking structure and fee, including a traffic study, zone rates (higher rates for closer parking), pedestrian and alternate transportation methods, parking inventory, and changes to visitor and short-term parking.

President Morrow described student impressions regarding parking and recognized the relative value of parking compared to peers. Aggie Transit was mentioned as not being funded by the parking fee rate or the university at all and it is funded by ASNMSU student fees. President Morrow recommended a change to have transit funded by the university since ridership includes faculty, staff, and students. President Morrow also

endorsed additional consideration of “micro mobility” options for transportation on campus.

Regent Hicks spoke in support of an impact fee for parking, noting the expense of parking maintenance.

Chair Corran noted that parking policy can impact public health and suggested that rates and alternate transportation options should be considered in respect to healthy transportation and parking options.

Regent Hicks moved to approve Parking Rates for 2019 – 2020. Second by Regent Sanchez. A roll call vote was cast. Regent Hicks voted in favor of the motion, Regent Hutchinson voted in favor of the motion, Regent Devasthali voted in favor, Regent Chacón-Reitzel voted in favor of the motion, and Regent Sanchez voted in favor. Motion passed.

F. Comments and Announcements, Chair Dina Chacón-Reitzel

1. “Gun’s Up” – Good News for NMSU!

Regent Hicks congratulated Bob Patel, Video Coordinator for NMSU Athletics, for being recognized as the Independent Video Coordinator of the Year by the Collegiate Sports Video Association. He is now a finalist for the Bob Matey National Video Coordinator of the Year award, which will be announced at the annual CSVA banquet on May 15th, 2019 in Anaheim, California.

President Morrow gave a ‘Gun’s Up’ for everyone involved in student fee review board and everyone involved in the process, including Kim Rumford, Linda Cisneros, Tara Young, Ehtesham Shareef, Alecia Ford, Gary Rayson, Phillip Johnson, Greg Fant, Karl Rysted, and Araceli Hernandez.

Chair Corran thanked Associate Professor Dulcinea Lara and Assistant Professor Nicholas Natividad for their leadership in support of the Borderlands and Ethnic Studies Graduate Certificate which received a unanimous vote. It was noted that an extraordinary number of community members, alumni, and educators came out to support the Borderlands and Ethnic Studies Program.

Chancellor Arvizu congratulated the Government Relations team for extraordinary effort in Santa Fe, including Ricardo Rel, Tiffany Rivera, and the students that helped make the case for NMSU.

Regent Hutchinson recognized the College of Business and Dean Hoffman for 5-year growth trend and 31% increase in enrollment for the blended online MBA program. Regent Hutchinson congratulated the Men’s and Women’s Basketball teams for their NCAA tournament berth and the victory of the NMSU Baseball team over University of New Mexico.

Chair Chacón-Reitzel recognized the efforts of the Admissions department at the NMSU Bound: Next Steps event in Albuquerque for the quality of the program. Chair Chacón-Reitzel thanked Seth Miner, Director of Admissions and the Admissions staff noting the event was well-attended and organized. She went on to mention that after speaking with some parents, it was said that none of the other schools had reached out to them like this and it was appreciated what NMSU was doing to help guide these admitted students through the process.

Regent Hicks congratulated the Softball team for their victory over University of New Mexico.

General Counsel Ellis congratulated NMSU Human Resources Benefits Services and Center for Learning and Professional Development for their work in training for and the development of policies and procedures related to FMLA compliance.

President Floros congratulated the Men’s and Women’s Basketball teams for their NCAA berths and noted that NMSU is 1 of 24 schools to send both the men and women to the NCAA tournament. President Floros lauded the 29th Bataan Memorial Death March with over 8,600 participants. ROTC participated and competed and ranked 24th out of 53 in the heavy division and 5th in the Army light division and 11th in the Airforce light

division. President Floros also noted attending the HACU (Hispanic Association of Colleges and Universities) meeting and noted that Dr. Elba Serrano gave a beautiful talk about her project with NSF and how NMSU, in collaboration with other institutions, is leading the effort in STEM education for Hispanic Servicing Institutions. President Floros also noted the ACES Open House that will start tomorrow at 10 AM. President Floros also recognized the service of Glen Haubold who served as Associate Vice President of Facilities and Services until his retirement last week. He recognized his contributions in helping facilities and improving infrastructure at NMSU.

Chair White announced Founders Day which will be held April 26th from 11 AM – 1 PM in Traders Plaza. The theme is the 50th Anniversary for the Pan American Center. At the event Barbara “Mother” Hubbard and Mark Medoff will be inducted as Aggie Legends.

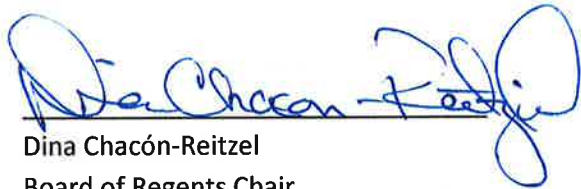
2. Upcoming Board of Regents Meetings
May 10, 2019, Las Cruces, NM

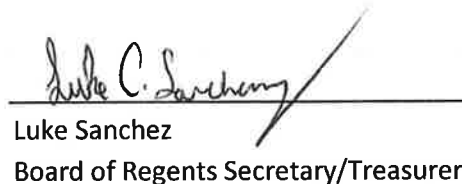
Chair Chacón-Reitzel announced the board meeting on May 10th will occur in the morning.

G. Adjournment, Chair Dina Chacón-Reitzel

Regent Hicks moved and Regent Hutchinson seconded adjournment of the meeting. Meeting adjourned at 11:25 AM.

Meeting Minutes Approved on May 10, 2019 by the New Mexico State University Board of Regents.


Dina Chacón-Reitzel
Board of Regents Chair


Luke Sanchez
Board of Regents Secretary/Treasurer