



**NEW MEXICO STATE UNIVERSITY
BOARD OF REGENTS
SPECIAL MEETING MINUTES
February 7, 2022 at 10:30 am**

Regents of New Mexico State University

Chair Ammu Devasthali, Vice Chair Dina Chacón-Reitzel, Secretary/Treasurer Arsenio Romero, Christopher T. Saucedo, Neal Bitsie

Non-Voting Advisory Members - ASNMSU President Mathew Madrid, Faculty Senate Chair Julia Parra, Employee Council Chair Joseph Almaguer

University Officials - Chancellor Dan E. Arvizu, Ph.D., Acting Provost Renay Scott, Ph.D., Vice Chancellor Ruth A. Johnston, Ph.D., General Counsel Roy Collins III, J.D.

MINUTES

A. Call to Order, Chairwoman Ammu Devasthali

1. Confirmation of Quorum and Roll Call

The Board of Regents met in virtually via Zoom on February 7, 2022. Chairwoman Devasthali called the meeting to order at 10:33am.

The Chief of Staff confirmed the quorum and took the roll call. Regent Ammu Devasthali, Regent Dina Chacón-Reitzel, Regent Arsenio Romero, Regent Christopher Saucedo, Regent Neal Bitsie, Chancellor Dan Arvizu, Acting Provost Renay Scott, Vice Chancellor Ruth Johnston, General Counsel Roy Collins, ASNMUS President Matthew Madrid, Faculty Senate Chair Julia Parra, Employee Council Chair Joseph Almaguer were present virtually.

B. Approval of Agenda, Chairwoman Ammu Devasthali

Regent Chacón-Reitzel motioned to approve the agenda as presented. Regent Romero seconded the motion. All were in favor and none were opposed. The motion passed.

C. Approval of Minutes, Chairwoman Ammu Devasthali

1. Work Session Minutes for September 16, 2021

2. Regular Meeting December 9, 2021

Regent Bitsie motioned to approve the Work Session Minutes for September 16, 2021 and the Regular Meeting Minutes for December 9, 2021. Regent Saucedo seconded the motion. All were in favor and none were opposed. The motion passed.

D. Consent Items, Chairwoman Ammu Devasthali

1. **Commercial Ground Lease Agreement**, *CEO Scott Eschenbrenner*
2. **Third Amendment to the Collective Bargaining Agreement between NMSU and AFSCME Local 2393**, *Associate Vice President Gena Jones*

Regent Romero made a motion to approve the consent agenda as presented. Regent Chacón-Reitzel seconded the motion. All were in favor and none were opposed. The motion passed.

E. Action Items

1. **Financial Report for Fiscal Year Ended June 30, 2021**, *Chief Budget Officer Kim Rumford*

Chief Budget Officer, Kim Rumford, stated that they are seeking approval of the audited financial statements. Associate Controller, Ross Justice, and his team presented their report.

Associate Controller Justice reported that they made the deadline of November 1, 2021 in submitting financial statements to the New Mexico State Auditor for review and approval. They met with the Regents Audit and Risk committee on October 27, 2021 to review the financial statements. The New Mexico State Auditor approved them on December 9, 2021. Associate Controller Justice reported that the pension liability for FY21 increased. It was a \$770 million increase. As a result of that, they incurred a non-cash expense of \$266 million. This is outside the university's control. It's dependent on the New Mexico Education Retirement Board. Among the factors that impact the overall pension for the state include discount rates and projected earnings on investments. Moss Adams performed the audit for NMSU, KRWG TV FM, and the agreed upon procedures for the NCAA.

Lisa Todd, a partner with Moss Adams, reported that they do the university financial statement audit, which includes the financial statements and the single audit of federal expenditures. They also do financial statement audits for Arrowhead and NMSU Foundation. As part of those audits, they perform them in accordance with their general accepting auditing standards, governing auditing standards, and are subject to the New Mexico state audit rule. For the federal expenditure audit, they look at NMSU's federal grant compliance. Each year, auditors are required to look at which programs will be audited under the single audit. The R&D program and HEERF were audited. HEERF was audited in FY20 as well. They issued 3 separate opinions for the audit of the NMSU. The financial statement audit result was an Unmodified Opinion, "Clean." The second report was for the internal control for financial reporting, compliance, and other matters, which resulted in an Unmodified Opinion. Lastly, the third report is specific to major federal programs, which resulted in another Unmodified Opinion.

Ashlee Lent, a Senior Manager at Moss Adams, reported 2 findings (Arrowhead implementation of controls and enrollment reporting) that arose in the previous year that were found by other auditors. Moss Adams assessed them and considered them to be resolved. In the FY21 audit, Moss Adams did not have any findings for Basic Financial Statements nor the Federal Award and Questioned Costs. Other findings that were reported were the Control Deficiency, which is user access reviews, and following Cybersecurity processes and procedures that are in place. There were no findings in the NM State Audit Rule. GASB 87 was implemented, which brings leases onto the statement of financial position.

Regent Bitsie motioned to approve the financial report audit for the fiscal year, ending on June 30, 2021. Regent Chacón-Reitzel seconded the motion. All were in favor and none opposed. The motion passed.

F. Informational Items, Chairwoman Ammu Devasthali

1. Update on Physical Science Laboratory (PSL), Director Eric Sanchez

Director Sanchez gave an update on the Physical Science Laboratory (PSL). The PSL program began 75 years ago in 1946. PSL supports the White Sands proving grounds and the V2 Rocket program. Facilities that are non I&G funded include: 7 acres on NMSU campus, controlled access/classified capability, CONUS and OCONUS work locations in the United States and overseas, production capability-mechanical and electronic services center, antenna production/plating supporting telemetry and missile systems division, UAS flight test site at the airport, and industry tenants at PSL: Trax International, Sierra Lobo (who is here temporarily and will be moving to White Sands Test Facility), Sandia National Laboratories, and Los Alamos National Laboratory. There are three divisions of PSL: aerospace, telemetry and missile systems, and information sciences and security services. Aerospace is led by Henry Cathey, who is responsible for the US test site and the high-altitude balloon program. Telemetry and missile systems is led by Margaret Campos. They work on different components that go on missile systems. They have a production capability and a catalog of products that they sell. Information Sciences and Security Services division is led by Joanne Esparza. They work on electronic warfare systems, era missile defense operations, support modeling, and cybersecurity assessments for the army.

Director Sanchez reported that PSL never fully shut down during the pandemic; but did take measures to put safety practices and procedures in place. On March 12, 2020 they had 130 employees in the building and by March 23, 2020 they only had 45 employees. They are gradually allowing more people into the building. Some people who were working at White Sands are still in their building because White Sands isn't fully open. Several employees are continuing to work from home.

Director Sanchez reported that creating opportunities, incentives for cross-disciplinary collaboration and student success contribute to goals 1, 2, and 4 of LEADS 2025. Developing and sustaining human capital contributes to goals 2, 3, and 4. Enhancing and expanding partnerships contributes to goals 2 and 3. Strengthening and improving capabilities contributes to goal 4. There five priorities are to double the PSL program size through strategic development of business and research opportunities, be self-sustaining, invest in required information technology infrastructure that allows PSL to maintain Department of Defense contracts, participate as a regular leader in economic development initiatives that support the growth of PSL mission critical industries such as UAS, space commercialization, and cybersecurity, and support student experiential learning and workforce readiness through the development of PSL student programs.

Director Sanchez reported that in January 2021, PSL received an award for Information Operations Vulnerability and Survivability Assessment (IOVSA) of \$10 million a year for 10 years. They have received a Cold Regions Research and Engineering Laboratory, which NMSU subcontracted to the University of Alaska Fairbanks of \$1 million per year for 2 years. They received an FAA Counter-Unmanned Aerial Systems award of \$3.6 million per year for 3 years. They received the Disaster Relief award of \$900,000 per year for 2 years. Also, they received the SCOPEX award of \$236,000, Pony Express for \$300,000, and Picatinny/Yuma of \$240,000. This is a \$5 million projected

expenditure increase for the next fiscal year, which does not include the NASA balloon operations contract. They should have a decision from NASA on that by the end of this month. If they win, it will be \$15 million a year for 7 years. They submitted an application for the Long Range Suborbital Vehicles (LSOV) telemetry and missile systems partnering with Kratos. If awarded, this will bring in \$4 million over year for 5 years. Also, the Disaster Relief III will bring in \$400,000 a year for 2 years. They are in the process of putting together the application for the NASA Sounding Rocket Operations Contract at \$2 million per year for 2 years. PSL is in partnership with several companies for economic development, particularly Kratos. Sceye is a company out of Sweden, but is located in Moriarty, New Mexico. Among a number of projects, they are working on using ballooning to bring broadband into the Four Corners region. Director Sanchez is part of the New Space New Mexico board. They are looking at some opportunities to work with them and their ties to the air force research lab in Albuquerque. They also partner with the Missile Defense Agency, Space and Missile Defense, Army Research Labs, and Spaceport America. They have a lot of work that requires them to fly at altitudes higher than what PSL can fly at, so they partner with Spaceport America and are able to bring some customers over to keep business in New Mexico.

Director Sanchez reported that they recently submitted a grant proposal for an anechoic chamber. PSL worked with the College of Engineering. Several professors supported this effort as well as the University of Texas at El Paso and New Mexico Tech. PSL have a good chance of winning this grant. They have limited capability with the anechoic chamber right now since it is 1950s technology. The new anechoic chamber will give them state of the art capabilities, the ability to do a lot of different research for themselves and the region. They are working toward getting funding from New Space New Mexico in the amount of \$1.5 to \$1.8 million for the Sensitive compartment information facility. Director Sanchez reported that they are hoping to receive New Mexico outlay funding in the amount of \$300,000 for a 'Triangle Room.' They already have a lot of interest from several customers. Defense Space and Aerospace Workforce works with a student program, Classified Ready Employee Workforce (CREW.)

The CREW program started 2 years ago. Initially, it was a 2-year program, but is now a 1-year program. Its mission is to provide a diverse pool of classified ready professionals with the necessary technical, professional, and interprofessional skills required to pursue successful careers in support of national security. In the fall semester, they do their national security seminar series. Students are able to get a secret level clearance between 4 and 6 weeks. That allows them to start working on their co-ops in a classified setting. In the spring semester, they continue their co-op as well as the national security seminar. In the summer, they have 40 hours a week that they can go full time to work on their co-op. Their co-op is paid. In their first cohort, they had a diverse group of 16 students in their cohort including 2 US Army veterans, age range between 20 and 31, 11 from diverse ethnic backgrounds, 4 women, 3 first-generation students, and different majors (electrical engineering, computer science, aerospace engineering, engineering physics, mechanical engineering, and Information and Communication Technology). All were cleared and four were put in for a top-secret clearance. This was during the pandemic and completely online with a Retired Colonel out of San Marcos Texas. The same structure was the intent for this year; however, the instructor and students agreed to meet in person every other week for the 90 minutes seminar. There are 9 seminars in the fall and 9 seminars in the spring. The instructor is Colonel Retired, Alan Wiernicki, of the United States Army. In cohort 1 their partners were General Dynamics, Los Alamos National Laboratory, Northrop Grumman, and Physical Science Laboratory, which included the Telemetry and Missile System Division, Quality Assurance, and Information Security Operations Center. The partners in cohort 2 were Los Alamos National Laboratory, Sandia National Laboratories, X-Bow, and Physical Science Laboratory, which included the Telemetry and Missile

System Division, Quality Assurance, Information Sciences and Security System Division, Information Security Operations Center, and Facility Security. In cohort 2, they discovered it was difficult to get support because it was a 2-year program. A lot of companies had their money tied up for 2 years. After review, they felt that they could make the same accomplishments in 1 year instead of 2 because in their second year they bring in subject matter experts to talk to students once they had their clearance, but they're obtaining their clearance quickly; therefore, they are able to bring in subject matter experts in the second semester of the first year to accomplish that. They decided to move in that direction, which frees up companies to be able to support every year, as opposed to every other year. In cohort 3, the goal is to have 20 students. They aim for this number because that's what they feel the instructor would be able to support. If they get more than 20, they will look at hiring another instructor. They have gotten good student feedback with positives and what could be improved. Adam Flores, who was part of cohort 1 students, was with the program for one semester since he was finishing up his degree, then went on with Virgin Galactic. He's been an advocate for the CREW program and PSL.

Director Sanchez reported that they have implemented Global Shop, which is a software program for their production shop. This is working much better for them than AIM since Global Shop is an ERP and designed for their purposes. They've increased their marketing initiatives and hired Dr. Marcella Shelby as the Strategic Initiatives Officer, who has a background in economic development and received her Ph.D. from NMSU. Dr. Shelby has assisted with their website, social media, KRWG, and the Las Cruces Bulletin. They implemented employee development and compliance training such as forklift and lift, true colors, drug free workforce, shop supervisor, and fire procedures. True Colors is a program for managers to better understand their employees' personalities. They have increased their collaboration with Facilities and Services, Environmental Health and Safety, and the New Mexico Space Museum. The Cybersecurity Maturity Model Certification (CMMC) was recently changed from 5 levels to 3. The majority of work that they do is in Level 2. A couple of students from the CREW program assisted in the work on IT Infrastructure. They have 17 controls in Level 1, 93 controls in Level 2, and 110 controls between Level 1 and 2.

Regent Romero stated that he was very impressed with their programs and it was exciting to see everything when he toured their facility. Regent Romero asked that he keep them updated on their programs. Regent Romero asked if they are able to keep the students who go through the CREW program in New Mexico.

Director Sanchez stated that they will keep them updated on their programs. While they can't guarantee that students will stay in New Mexico, they let their sponsorship companies, White Sands, AFRL, Army Research Lab, and others, aware that these students are available and what they can bring to their companies or agencies.

Regent Devasthali asked what the criteria is for students to enter the CREW program. Director Sanchez answered that they look for juniors or seniors. The majority of students major in engineering or computer science. One of their students, who already had military experience and clearance, is in human services. They try to attract non-STEM fields. It's challenging to find sponsors to support those efforts because the majority of their funding seems to be STEM funding. Students have to be a United States citizen because they are getting clearances.

Regent Devasthali asked Director Sanchez to explain the anechoic chamber. Director Sanchez stated that the anechoic chamber is used to measure different types of devices. They mostly use it for their

antennas that they build. They have to have very precise capabilities, especially as it goes onto a missile system. It's also being used for 5G technology and satellites. Because their current technology is from 1950, they have to go out of state to do a lot of work. This new anechoic chamber will allow them the ability to do 100% of their work here. This gives research capabilities to students as well. Chancellor Arvizu added that an anechoic chamber deadens all of the reflections off of the walls. It's a special treatment on the walls that allows you to do very unique measurements. It's used a lot in defense work.

2. Update on NMSU Online and NMSU-On Demand, *Vice Provost Sherry Kollmann*

Vice Provost Sherry Kollmann gave an update on NMSU Online and NMSU-On-Demand. Where the future of higher education is going, the market demand, and how NMSU is moving this forward is something to be kept in the forefront of everyone's mind in order to compete in this adult market; therefore, they need to be agile, responsive, and dynamic in the development of courses and programmatic pathways that integrate workforce skills and competencies to make students competitive in the market. In looking at market demands, the key areas to focus on are skills, abilities, and knowledge for asynchronous and synchronous courses. They need to be aligned with workforce demands that they currently have. The competition with 80+ million students is studying 9+ thousand courses at 800+ universities on MOOC platforms is a market demand. They will continue to work collaboratively with different units to increase the level of support that is necessary to create persistence with our students. They are focusing on New Mexico for the first 5,000 students and meeting the needs of their own students. New Mexico has the highest level of adult learners who have some level of a college education, but did not complete a degree. NMSU is trending up. This year's data is a start to building their framework. They're making sure that they are hiring the right people in advising and enrollment as well as providing necessary metrics to move forward. Their goal is to retain the 1200 students that they currently have through NMSU Online. Because the fall enrollment is the largest historically, they will be driving fall enrollment, which will outline their entire year.

Vice Provost Kollmann stated that being able to maneuver with your stakeholders and your state is essential. As they look at the attrition rate, they want to make sure that they are retaining their students from term over term as well as accounting for graduating students. Regarding their metrics, 6% is the rate that they have that threshold for. Their goal for next year is to have 1,090 new students for NMSU Online.

Vice Provost Kollmann reported that they have launched 8 online programs and increased their revenues by over 50%. Also accomplished this year, was a complete restructure of the student journey, from the website experience through student services. They've developed standardized drip campaigns through the perspective student cycle as well as established service level agreements throughout the prospective student experience. Vice Provost Kollmann said, "The importance of this is that we need to be able to say to any prospective student coming into us that we have a service level agreement to you. So, from the time that they submit an inquiry, we need to be able to say within 24 hours you'll hear from us, and then we need to be able to actually do that. Once they have all their paperwork in, we need to be able to say it within 48 hours you will be accepted into NMSU. Those are the things that we've put into place over the last year." This is a starting place. Some bigger universities respond fast than that. Vice Provost Kollmann stated that they did a survey with department heads and deans to receive their feedback on what their service level agreements are and this was their consensus. They will continue to improve on them. They

will maximize all of the technology that they currently have. They developed a five-year growth model and at the end they hit their target 10,000 online students.

Vice Provost Kollmann stated that in regards to NMSU-On Demand, it's about upscaling and developing new skills within the workforce. NMSU-On Demand is partnering with different organizations as well as different units within NMSU, particularly, the College of Engineering. The cost for NMSU-On Demand is the same as NMSU Online per credit hour, which is \$380.20. There are some organizations that participate in these. This helps them in moving forward with some grants for workforce development. Micro-learning experiences are short learning experiences. This helps with their level of retention. Students demonstrating their knowledge and tying it to a competency is something that the United States is seeking as higher education and organizations partner with what their needs are. Vice Provost Kollmann stated that they are developing this with the Badgr software. They are maximizing their use of Badgr and using it for recruiting. Students can stack credentials so that they can get the micro-credential. The value of a digital badge is through providing evidence of knowledge, skills, and accomplishments. NMSU-On Demand has a branded look and they maintain the highest quality. One of the On-Demand offerings that they have had since March are Telehealth and Telecare organization. They are utilizing it for recruitment.

Vice Provost Kollmann stated that some of the goals they've achieved are launching 66 micro-credentials, 2,461 enrollments, 2,078 earned badges, and signed one contract with a healthcare organization. This year, they've already signed two more organizations. Also, they've earned just over \$30,000 in the pilot, collaborated on three grant proposals, and they have 75 identified micro-credentials assigned for 2022.

Regent Romero agreed that this is a large part of the future of NMSU. Regent Romero asked where they anticipate the 10,000 students coming from. Vice Provost Kollmann stated that the first 5,000 will be from New Mexico. The next 5,000 will come from the border area and border states.

Regent Romero asked if they are looking at dedicated faculty for online programs or continue with faculty who do both. Vice Provost Kollmann stated that they have started conversations on having dedicated faculty for online. One of the considerations is to make sure that their research faculty can do research and the faculty who like to teach, can teach. It is ideal to build a research center so that faculty can still do research collaboratively and collectively, but allow them to teach. Within Arts and Sciences, they have hired two visiting professors to launch the communication degrees so they can start looking at the model.

Regent Chacón-Reitzel is interested in how the On-Demand micro-credential courses work and asked if a company has to sign a contract with them and is that what pays for the production? Vice Provost Kollmann stated that if it's internal, what pays for its development comes from grants. If it is an outside entity, then they sign an agreement. Vice Provost Kollmann and UGC Collins have been working together to outline each contract with organizations. Sometimes there is a revenue share between their organization and NMSU in the revenue that they get, which will be reinvested into hiring and building staff so that they're not spending any other funds to do that.

Regent Chacón-Reitzel asked if there are partners who don't care about the revenue because it's a cost savings to them to have in person trainings instead. Vice Provost Kollmann answered that that information is correct. The organization they are working with in El Paso is having them develop the leadership training so that the middle manage leadership cost is a flat rate that NMSU is charging them.

Regent Chacón-Reitzel asked how they are generating this business and how are they marketing this within the campus. Vice Provost Kollmann stated that they haven't marketed it much. It has mostly been word of mouth in hopes to work out the kinks before they open it up to the rest of the university. They are now going to start proactively marketing it. They are staying abreast to what the faculty are wanting.

Regent Saucedo agreed that it's the future and stated that he saw HR listed. Regent Saucedo asked what type of training is in HR and what it entails. Vice Provost Kollmann stated that for right now it's just the leadership training. However, anyone who is SHRM certified, they will start offering additional HR courses, e.g. ethics or mental health. Those types of micro-credentials will be widely needed in industries and disciplines.

Regent Devasthali said that because of COVID, people became more comfortable with learning online. This promotes NMSU-Online and NMSU-On-Demand. Especially in health care, this is tremendous opportunity for cross-training, additional credentials and modules. Corporations could sponsor their employees to get those credentials. Regent Devasthali asked for those who don't have that support, what financial assistance can a student get. Vice Provost Kollmann stated that they want to work with workforce centers in New Mexico because they have grants and funding for that. Every time they build a credential or micro credential that they think would fit into that realm to help that level of employee, they submit it to the workforce training centers. Then they can put it on their list, and NMSU can get certified so that individuals could actually take that and it would be paid for.

Chancellor Arvizu stated that the NMSU-On Demand can be used for economic development because they have partners who have these needs. There is competition, such as ASU wanting to grow to 1 million students for free. Chancellor Arvizu asked Vice Provost Kollmann to address how that affects NMSU's strategy and how relevant it is. Vice Provost Kollmann stated it is affected to some degree. They have to focus on what their value proposition is, which is making sure they are a community and build the learning resources for students, adjunct faculty of practice, and faculty. In order for ASU's goal of 1 million students and support their students in having an exceptional experience they would have to spend a lot of money. NMSU's Online and On-Demand students are finishing because they are shepherding them through.

Chancellor Arvizu followed up to that comment by stating that it is complimentary to NMSU's mission objectives and an opportunity to generate revenue.

G. Adjournment, Chairwoman Ammu Devasthali

Regent Romero motioned to adjourn the meeting. Regent Saucedo seconded the motion. The meeting adjourned at 12:01pm.

Meeting Minutes Approved on March 14, 2022 by the New Mexico State University Board of Regents.



Ammu Devasthali
Board of Regents Chair



Arsenio Romero
Board of Regents Secretary/Treasurer