



**NEW MEXICO STATE UNIVERSITY
BOARD OF REGENTS REGULAR MEETING
March 6, 2017
1:00pm**

Regents Room
Educational Services Building
NMSU Las Cruces Campus
Las Cruces, New Mexico

Regents of New Mexico State University

Debra Hicks, Chair	Hobbs, New Mexico
Mike Cheney, Vice Chair	Las Cruces, New Mexico
Jerean Hutchinson, Secretary/Treasurer	Las Cruces, New Mexico
Amanda López Askin, Member	Las Cruces, New Mexico
Kari Mitchell, Member	Las Cruces, New Mexico

Ex-Officio Members of the Board of Regents

Christopher Brown, Ph.D.	Faculty Senate Chair
Adam Cavotta	Employee Council Chair
Mathew Bose	ASNMSU President

University Officials

Garrey Carruthers, Ph.D.	Chancellor and President
Daniel Howard, Ph.D.	Executive Vice President and Provost

MEETING MINUTES

Approved by the Board of Regents on April 3, 2017

The Board of Regents meeting was recorded and is available by webcast at <http://panopto.nmsu.edu/bor/>

A. Call to Order, Chair Debra Hicks

1:00pm

1. Introductions

Introduction of the Media, Interim Associate Vice President Justin Bannister
AVP Bannister reported no members of the media present.

Introduction of NMSU Officials, Executive Vice President and Provost Daniel Howard, Ph.D.
Provost Howard introduced the following individuals in new roles:

Jennifer Hodges, Ph.D., Interim Director of the Center for Academic Advising and Student Support
Marissa Fowler, Associate Director of the Center for Academic Advising and Student Support
Adam Cavotta, Employee Council Chair

Confirmation of Quorum, Chair Debra Hicks

Chair Hicks confirmed Regent Cheney's presence by phone. All members present.

2. Approval of the Agenda, Chair Debra Hicks

Regent Hutchinson moved approval of the agenda, motion seconded, motion passed unanimously.

3. **Public Comment, Interim Associate Vice President Justin Bannister**
AVP Bannister reported no members of the public signing in for public comment.

B. Approval of the Minutes, Chair Debra Hicks

1. **Regular Meeting – December 9, 2016**
2. **Special Work Session Meeting – January 20, 2017**
3. **Regular Meeting - January 20, 2017**
4. **Special Work Session Meeting - February 6, 2017**

Chair Hicks called for consideration of all prior meeting minutes listed with amendments for minor title and spelling adjustments, as previously identified. Regent Hutchinson moved approval of the minutes, motion seconded, motion passed unanimously.

5. **Confirmation of Prior Executive Session - January 20, 2017**

Regents confirmed compliance with OMA by roll call: Regent López Askin-yes, Regent Cheney-yes, Regent Hicks-yes, Regent Hutchinson-yes, Regent Mitchell-yes.

6. **Confirmation of Prior Executive Session - February 22, 2017**

Regents confirmed compliance with OMA by roll call: Regent López Askin-yes, Regent Cheney-yes, Regent Hicks-yes, Regent Hutchinson-yes, Regent Mitchell-yes.

7. **Confirmation of Prior Executive Session – March 6, 2017**

Regents confirmed compliance with OMA by roll call: Regent López Askin-did not attend, Regent Cheney-yes, Regent Hicks-yes, Regent Hutchinson-yes, Regent Mitchell-yes.

C. Awards and Recognitions, Chair Debra Hicks

The Board of Regents honored Janet Green, Board of Regents Chief of Staff and Monica Dunivan, outgoing Chair of the Employee Council through proclamations.

D. Committee Reports, Chair Debra Hicks

1. **Audit Committee Report, Chair Brad Beasley / BOR Chair Debra Hicks**

SVP Throneberry shared the outcomes of the committee's meeting of January 30th including approval of the selection of the new Chief Audit Officer Ermelinda Quintela and approval of a revised Audit Committee Charter. Chancellor Carruthers introduced Erma Quintela. Regent López Askin introduced Regent candidate Margie Vela.

2. **Real Estate Committee Report, Chair Tom Hutchinson / Regent Mike Cheney**

Chair Tom Hutchinson provided an update of the committee's meeting of March 6th including support for the issuance of an \$85 million bond, including refinancing of existing housing debt from a remaining term of 13 years to 20 years, \$21.5 million in new monies for a 300-bed housing facility on the Monagle Hall site, and \$11 million for remodeling of existing housing facilities. The committee also advanced the 2017 capital outlay list.

3. **Financial Strategies, Performance and Budget Committee Report**, *Chair Adolpho Telles / Regent Kari Mitchell / Senior Vice President Throneberry*

SVP Throneberry stated the committee meeting of January 27th included a legislative session update, a Council of University President's FY18 priorities summary and a preliminary recommendation for changes in sources and uses of budgeted funds. She stated the February 24th meeting included a preliminary FY18 tuition and fee rate recommendation, a discussion of staffing levels, and budget reductions to date. Regent Mitchell briefly discussed the development of a Regents dashboard supported by the committee.

4. **Student Success Committee Report**, *Co-Chairs Regent Jerean Hutchinson / Regent Kari Mitchell*

Regent Hutchinson described the outcomes of a joint meeting of the Regents Student Success Committee and the Regents Financial Strategies, Performance and Budget Committee on February 24th. The collaborative meeting highlighted the Vision 2020 strategic priorities, 6 success pillars, KPIs, student outcome and investment trends, and preliminary funding investments forwarded by university administration and the Student Success Committee. Regent Mitchell mentioned state shortfalls will present a significant challenge and investments must be considered very carefully. Although there are no easy answers and challenging decisions are ahead, this first joint workshop was an exciting exchange and has the potential to positively affect student outcomes, linked to financial investment. Advancement of experiential learning has been elevated through the vision, tangible and constructive input of Faculty Senate Chair Brown.

E. **Recurring Reports**, *Chair Debra Hicks*

1. **NMSU Faculty Senate Report**, *Chair Christopher Brown, Ph.D.*

Chair Brown stated new rules around faculty tenure, promotion, and annual review have been advanced through a task force of Deans and Faculty Senate members. The Faculty Senate supports the Foundation's capital campaign, supports the Office of Institutional Equity in the reduction of sexual misconduct, and supports efforts in enhancing distance education delivery. Experiential learning is headed for lively debate in the Faculty Senate. A motion to approve a new Rule on Faculty Credentials passed which supports Higher Learning Commission accreditation. The surveying program has been revisioned as a BS in Geomatics. Chair Brown will remain as Chair. The Faculty Grievance Board and University Budget Committee members were elected. The Chair expressed support for Interim Director Jennifer Hodges. A General Education proposal was shared with faculty. Provost Howard mentioned consideration of post tenure review.

2. **Associated Students of NMSU Report**, *President Mathew Bose*

President Bose highlighted legislative priorities including a gap year proposal, and stated back loading of the Lottery Scholarship died in committee. A naming effort for the integrated health center is underway. Chancellor Carruthers commended President Bose and his team in balancing the needs of many in the distribution of student fees.

3. **NMSU Employee Council Report**, *Chair Adam Cavotta*

Chair Cavotta mentioned Cassie McClure is Chair Elect. He highlighted plans for Founders Day on April 26th in conjunction with the launch of the capital campaign. Planning for a Vision 2020 and Budget Forum is underway.

4. **Higher Education Regents Coalition Report**, *BOR Chair Debra Hicks*
Chair Hicks stated no meeting of the coalition was held. Chairman Dan Patterson and Chancellor Carruthers supported legislative consideration of the Higher Education Department's Trifecta: common course numbering, meta majors and general education.
5. **Aggie Development Inc. Report**, *Chair Garrey Carruthers, Ph.D./President & CEO Scott Eschenbrenner*
The body met March 6th and discussed hotel development. The HRTM agreement includes developer paid internships, employment for students, development of courses, expertise and educational experiences, guest lecturers, software and field trips and should be completed March 10th. 12.6 acres An agreement with Horseshoe partner is due to be complete April 25th. Phase 1 of Aggie Uptown at University and Telshor will move forward with engineering services.
6. **NMSU Foundation Report**, *President Andrea Tawney / Regent Jerean Hutchinson*
Dr. Tawney stated the Foundation Board will meet in April in conjunction with the unveiling of the \$125 million capital campaign and encouraged participation in the launch. The system campaign includes \$50 million in scholarships. The launch means 50% of the goal has been achieved. The foundation has received significant support from the Employee Council and Faculty Senate. The alumni giving rate has improved increases mentioned by the Board. Student campaign launch and culture of giving.
7. **Arrowhead Center Inc. Report**, *Chair Kevin Boberg / Regent Mike Cheney*
Chancellor Carruthers commended and highlighted grant funding available for AgSprint supported by Arrowhead Center.
8. **New Mexico Department of Agriculture**, *Cabinet Secretary & Director Jeff Witte*
No report.

F. **Consent Items**, *Chair Debra Hicks*

Regent Hutchinson moved approval of the consent agenda items listed below, motion seconded, motion passed unanimously.

1. **Disposition / Deletion of Property**, *Senior Vice President Angela Throneberry*
2. **Temporary Investments Report for the Quarter ended 12/31/2016**,
Senior Vice President Angela Throneberry
3. **Resolution No. 2017-01: 2017/2018 Annual Open Meetings Notice Resolution**,
General Counsel Liz Ellis, J.D.
4. **Revisions Re-structuring the Provisions within Title 1 of the Regents Policy Manual (RPM)**,
General Counsel Liz Ellis, J.D.
5. **New Regents Policy 2.00 – Organizational Charts and Reporting Relationships**,
General Counsel Liz Ellis, J.D.
6. **New Regents Policy 10.00 – Administrator Rights and Responsibilities**, *General Counsel Liz Ellis, J.D.*
7. **Revised Regents Policy 11.05 – Intellectual Property Management**, *General Counsel Liz Ellis, J.D.*

G. **Action Items**, *Chair Debra Hicks*

1. **Item Intentionally Blank**

2. New Regents Policies 1.30 Delegation of Authority and 1.40 Board of Regents Role in Administrative Appointments, General Counsel Liz Ellis, J.D.

General Counsel Ellis shared the Board's request in public work session for clarification of policy in the delegation of authority and the Board's role in administrative appointments. Regents debated the merits of delegation and whether these proposed policies should be vetted through university bodies. The Board discussed functional and administrative reporting alternatives for Regent staff personnel as presented by Counsel Ellis. The Board sought clarification on whether a mix of functional and administrative reporting could be derived. Counsel Ellis stated this would usurp the definition of functional and administrative reporting lines. Regent Mitchell made a motion for approval of the alternative language presented for Section C of Policy 1.40, motion seconded. Discussion included both the potential risks of this approach as well as the merits of pragmatically expediting this policy. The motion carried by a vote of 4-1, with Regent López Askin voting no. A motion was then made by Regent Mitchell and seconded for adoption of policies 1.30 and 1.40. The motion carried by a vote of 4-1, with Regent López Askin voting no.

3. Revised Regents Audit Committee Charter, General Counsel Liz Ellis, J.D.

General Counsel Ellis summarized proposed changes to the Regents Audit Committee Charter, including the replacement of the University Chancellor as a voting member with a Business College faculty member, in conformance with best practices. A motion was made by Regent Hutchinson and seconded, for adoption of the amended Regents Audit Committee Charter. The motion passed unanimously. Chancellor Carruthers stated this change should be reported to the State Auditor's Office by Regents staff.

4. Resolution No. 2017-02: Resolution Declaring the Board of Regents' Authorization to Issue System Refunding and Improvement Revenue Bonds, Series 2017, Senior Vice President Angela Throneberry

Senior Vice President Throneberry provided a thorough and in-depth presentation regarding the issuance of revenue bonds not to exceed \$85 million. The presentation included refinancing of 2006 and 2010 debt, cash flow analysis, debt service, coverage ratio, taxable and tax exempt monies, liquidity, and monies to be available for new housing facilities and remodeling of existing facilities. An evaluation by Moody's was shared of NMSU's credit strengths (including strategic positioning as a land grant and notable research institution, a strategic focus on expense containment, and significant state support) and challenges (including a weakening state economy, a competitive student market, and enrollment declines). Eric Harrigan, RBC Capital Markets discussed interest rate trends and inflation projections for the next few months. He stated an expectation that NMSU's bond issuance would be viewed favorably by investors. Regents requested and SVP Throneberry provided additional detail regarding the modeling of fill rates and housing inventory. SVP Throneberry shared plans to take some housing offline. She clarified that although some minor renovations in general spaces may be completed, building demolition costs are not included in the model.

Regent Mitchell made a motion for approval, and motion was seconded in support of Resolution 2017-02 for a bond issuance not to exceed \$85 million. Voting was conducted by roll call: Regent López Askin-yes, Regent Cheney-yes, Regent Hicks-yes, Regent Hutchinson-yes, Regent Mitchell-yes.

H. **Informational Items**, *Chair Debra Hicks*

1. **Informational Reports**

Enrollment: Recruiting, Marketing Expenditures & Outcomes Discussion, *Executive Vice President and Provost Daniel Howard, Ph.D.*

Provost Howard stated there are synergies occurring in Marketing and Communications and University Advancement. He highlighted advertising partners, online and digital marketing, conversion rates, focus group results, expenditures in the fall and spring terms, and the results of recruiting efforts in Southern California, Arizona, Colorado, Mexico, El Paso, Las Cruces and New Mexico. Growth in the El Paso market is promising while international declines are concerning.

Regents inquired about the need for enrollment targets and stated concern regarding promising enrollment projections not being realized. Provost Howard stated NMSU needs to more clearly state the value of the value of an NMSU education. Chancellor Carruthers discussed published reports of declines in students attending New Mexico colleges and significant competition from private institutions. There was significant discussion regarding the criticality of enrollment gains.

2. **Chancellor's Report**, *Chancellor Garrey Carruthers, Ph.D.*

Chancellor Carruthers highlighted current movement in the legislature for a likely reduction of 1.1% to higher education, and discussed the potential for additional cuts to higher education.

Note: Regent Cheney left the meeting at 3:45pm.

3. **Provost's Report**, *Executive Vice President and Provost Daniel Howard, Ph.D.*

Provost Howard discussed efforts in realizing NMSU's Freshman Residency Requirement this fall including the advantages of campus residency and requests for exemptions. Provost Howard stated living at home while attending a world class institution is also highly valued. Housing applications are up significantly. Discussion ensued regarding the need for clear communication on this policy. In addition, excellent customer service in uncovering and communicating with those admitted students not yet applying for housing, or a housing exemption, was deemed critical. President Bose expressed concern that he had not been asked to participate on the housing exemption committee and follow-up was planned.

4. **Summary Report: Rule Revisions August 9, 2016 through February 16, 2017**,

General Counsel Liz Ellis, J.D.

General Counsel Ellis briefly highlighted rules revised in the last several months.

5. **Other Informational Items**

Chair Hicks noted election of officers will be postponed pending confirmation of Regent appointees.

I. **Announcements**, *Chair Debra Hicks*

1. "Gun's Up" – Good News for NMSU!

Regent Hutchinson commended the Women's Basketball team as WAC regular season champions and noted upcoming Men's and Women's WAC tournament games. Regent Mitchell commended Chair Brown, Melody Munson-McGee and Natalie Kellner for advancing experiential learning. Chair Hicks commended Chancellor Carruthers for "All Hands on Deck" and Patricia Sullivan for her recognition by NM Women in Technology.

2. The next regular Board of Regents Meeting is Monday, April 3, 2017 at 1:00pm.

Adjournment – The meeting was adjourned by Chair Hicks at 4:10pm.