

**NEW MEXICO STATE UNIVERSITY
BOARD OF REGENTS MEETING**

Monday, April 4, 2016

Regents Room, Educational Services
Center

NMSU Main Campus

Las Cruces, New Mexico

3:00 pm
MINUTES

Regents of New Mexico State University

Debra Hicks, Chair	Hobbs, New Mexico Las
Mike Cheney, Vice Chair	Cruces, New Mexico
Jerean Hutchinson, Sect, /Treas.	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:

The Honorable Susana Martinez, Governor
Stuart Munson-Mcgee, Ph. D., Chair, Faculty Senate
Dustin Chavez, President ASNMSU
Monica Dunivan, Chair, Employee Council

Officers of the University:

Garrey Carruthers, Ph. D., Chancellor & President, NMSU
Dan Howard, Ph. D, Executive Vice President & Provost, NMSU

AGENDA

3:00 PM

1. **CALL TO ORDER**-Chair Debra Hicks (2 minutes)

Chair Hicks called the meeting to order at 3:00 pm. Regents present included, Debra Hicks, Kari Mitchell, Jerean Hutchinson and Amanda López Askin. Regent Mike Cheney was unable to attend. Regent López Askin was wished a Happy Birthday. Cards were presented for signing to Morgan Cheney who is in a Phoenix hospital recovering from a lung transplant. (Morgan is an NMSU graduate student and the daughter of Regent Mike Cheney).

2. **INTRODUCTIONS**- Introduction of Press, Elected Officials, and Others by NMSU Associate VP Maureen Howard (2 minutes)

Associate Vice President Maureen Howard introduced three media representatives. Damien Willis from the Las Cruces Sun News, Samantha Lewis from KFOX, and Jamie Warren from News 22. AVP Howard read the criteria for public comment.

3. **APPROVAL OF THE AGENDA-** Chair Debra Hicks (1 minute)

Regent Jerean Hutchinson moved and Regent Kari Mitchell seconded approval of the agenda. Motion passed.

4. **PUBLIC COMMENT-** NMSU Associate VP Maureen Howard/Associate Vice President for University Communications (15 minutes)

Two students spoke on the topic of tuition increases:

Public Comment: Bryce Smith:

Members of the Board of Regents, my name is Bryce Smith I am a student and soon to be alumnus of NMSU. I am here to speak to you about the proposed tuition increase and budget concerns the University is facing right now. As students we don't want to see tuition go up, but that's a fact of life, and it's tough to make those decisions to cut budgets. The last few years I have worked for ASNMSU as the Governmental Affairs representative in Santa Fe. We worked a lot on lottery scholarship issues, and one of the biggest issues about the lottery right now is that it's going to lose 1/3 of its funding in the next fiscal year. That's one of the biggest reasons students stay in New Mexico to go to school here because of that funding. With a proposed tuition increase, UNM has already increased theirs, we are going to be above most of our peer institutions. Places where I know that students go to like Texas Tech and U of A, ASU, from what I understand we will be above or equal to them. I think from the University's standpoint we are facing enrollment troubles, and if we raise tuition and keep raising tuition over the last 20 years, we've raised tuition in good times and in bad, enrollment is going to continue to go down. The Board of Regents need to take bold action to get this University rolling again. I appreciate what all of you do. The Regents were appointed by the governor and confirmed by the senate to work a tough job. This isn't for everybody. Anybody can sit here and say "Alright lets raise tuition". But I think the people in New Mexico and the students here at NMSU are trusting you to make the tough choices. We need to keep the students' interests, these are our customers. We are relying on you to make the tough decisions, whether it's budget cutting or whatever it is. We don't have to pass the tab on to the students like we have for the last 20 years, it's part of the reason the lottery is in the bad shape it's in. If we are going to continue to face enrollment issues and continue to have financial hardships in years to come, if we don't make the tough choices today, and that's why I am here to speak to you today. Thank you.

Wake Gardner

I am a student here and I am junior. When I came to NMSU I had a lot of options I could go out of state, I could go somewhere else. I went to NMSU because it was a good value and because of the lottery scholarship. We are going to lose 19 million dollars which is 1/3 of its funding and now we raise tuition on students, it's going to be even less. Good students are

going to leave because they have options. NMSU is a good value, and students pick it because it's a good value. Now if it's no longer a good value, good students won't come here because they have other options, better options. That's what makes NMSU and New Mexico universities great is that they give good students good options. At the end of the day, would you rather go into debt here or somewhere else? I think we will find that students will want to go into debt somewhere else, and that's why we need to keep NMSU at a good value. Thank you.

5. **APPROVAL OF THE MINUTES**-Chair Debra Hicks (5 minutes)

Minutes of March 16, 2016

Regent Jerean Hutchinson moved and Regent Amanda López Askin seconded the motion to approve the minutes. Motion passed.

3:25 PM

6. **ADOPTION AND PRESENTATIONS OF RESOLUTIONS**-Chair Debra Hicks (5 minutes)

Women's Volleyball WAC Championship

Women's Basketball Team WAC Championship Resolution

Men's Basketball Team WAC Conference Championship Resolution

NMSU Equestrian Team

Each team had student athlete representatives present to receive BOR congratulations and their resolutions.

7. **REGENTS' ABOVE AND BEYOND AWARD**-NMSU Chancellor Garrey Carruthers (5 minutes)

NMSU's Associate Vice President for Facilities and Services, Glen Haubold accepted the Regents' Above and Beyond Award.

8. **REGENTS' COMMITTEES AND EX-OFFICIO'S RECURRING REPORTS**

a. Audit Committee Update-Brad Beasley, Chair (4 minutes)

Regent Hicks said there was no update from the Audit Committee.

b. Budget Committee Update-Adolpho Telles, Chair

Regent Kari Mitchell gave the report. She described the budget work group as productive and appreciated the candid discussion at the Regents' Budget Committee meeting on March 28th, 2016. She also commended the staff for the work done on getting data requested to the Regents. She acknowledged that SVP Throneberry had noted that her staff had spent over 30 hours briefing the RBC on the budget process. Regent Mitchell also noted that the committee should be spending time discussing ways to find revenue outside of state funding and tuition. An outcome from that meeting was discussion about revisiting the committee charter and looking at ways to focus on revenue

generation.

- c. Real Estate Committee Update-Mike Cheney, Chair (4 minutes)

The real estate items will be discussed under action items. No formal report from the REC.

- d. Student Success Committee Update-Kari Mitchell. Jerean Hutchinson, Chairs (4 minutes)

Student Success Committee Co-Chair Jerean Hutchinson discussed the work of the sub-committees, “Graduate on Time” led by an alumnus, Jed fanning, “Get a Job” led by another alumnus, Mike Rogers, and “Give Back”, led by alumnus Joe Lujan. The SSC subcommittees are moving toward strategic planning as their next steps.

- e. Report from the Chair, Faculty Senate, Dr. Stuart Munson-Mcgee (4 minutes)

Faculty Senate Chair Stuart Munson McGee discussed that the faculty Senate is pondering things. They need to be updated on General Education and Meta Majors. In April 2016, they have a working group looking at part-time faculty. They continue to look at representation from the Community Colleges, whose councils need updating. They looked at the NMSU Alamogordo reorganization. Promotion and Tenure changes will be forthcoming.

- f. Report from the President, Associated Students of NMSU, Mr. Dustin Chavez (4 minutes)

ASNMSU President Dustin Chavez reported that it is American Indian Week, and Pride Season for transgendered people. Matthew Bose has been elected the new ASNMSU President. They passed their annual budget at the last meeting. They have the Annual “Big Event” on Saturday, April 9th. This is an event where NMSU students help the community in a project. Regent Kari Mitchell thanked Dustin for his work on the Regents’ Student Success Committee. She appreciates his view and thoughtfulness.

- g. Report from the Chair, NMSU Employee Council, Ms. Monica Dunivan (4 minutes)

Employee Council Chair Monica Dunivan noted that the budget memo and said we are “heading in the right direction” and NMSU is facing challenging times. There will be an Insurance Forum on April 15th, as well as the Founder’s Day Lunch on April 15th. A forum on the NMSU Budget will be presented by the Finance and Administration leadership and staff on April 20th. Chair Dunivan will be making a presentation present in Carlsbad on Friday, April 9th.

9. **CONFIRMATION OF PRIOR EXECUTIVE SESSIONS**-Chair Debra Hicks
Roll call of Board of Regents-Janet Green, Chief of Staff (1 minute)

BOR Chief of Staff, Janet Green read a roll call of the Regents confirming that only topics allowed by the Open meetings Act were discussed at the Executive Session. All Regents responded in the affirmative. Regent Mike Cheney was absent from the roll call.

4:00 PM

10. **CONSENT CALENDAR**-Chancellor Garrey Carruthers (5 minutes)

- a. Policy-none
- b. Administrative-
 1. Approval of the Honorary Degree Recipients
NMSU
DACC

Chancellor Carruthers presented biographical descriptions of Ben Woods, DACC Honorary Degree Recipient Candidate and Dr. Charley Johnson, NMSU Honorary Doctoral Degree Recipient Candidate to the BOR. Both candidates were approved to receive Honorary Degrees at their respective campuses.

11. **ACTION ITEMS**-Chair Debra Hicks (60 minutes)

1.
 - a. Approval of Tuition and Fee Charges and Budget Guidelines for FY 2016-2017-(Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

SVP Angela Throneberry presented the proposed tuition and fees (blended rate) of 4.1% for FY 16/17. She noted that FTE is down 15% and Enrollment is down 15%, but the proposed rate is within the 6% agreement the university has for raising tuition with ASNMSU. DACC is proposing bringing their Distance education fee in line with the other two year colleges in the NMSU System.

Regent Mitchell asked about the distance education fee. All campuses will be at \$25. She asked about non-recurring cuts versus recurring cuts. It was noted that a non-recurring cut is a one-time cut, and a recurring cut is permanent.

Regent Mitchell asked about the 6% decline in salaries vs. a 15% drop in enrollment. Is the reduction primarily in temporary positions? SVP Throneberry stated that regular positions had been reduced \$9.1 million and temporary positions had been reduced \$1.9 million dollars.

Regent Mitchell asked about the disproportionate alignment between sources and uses of tuition, citing that it appeared that 64% of the proposed uses supported compensation requests as opposed to 36% focusing on student enrollment and retention. Chancellor Carruthers responded that one of the issues on compensation is some faculty members were "left out of the Mercer equity pay adjustments and the university is trying to catch up. SVP Throneberry stated that 70% of the NMSU Budget is personnel. Chair Debra Hicks asked about a

marketing budget. SVP Throneberry noted that the requested \$500,000 dollars would raise the marketing budget to \$1 million dollars. Chancellor Carruthers responded we cannot go everywhere, we need to target, and we are bringing students from Mexico. We need to do a better job in Texas, then Arizona. Chair Hicks stated that we need to have an NMSU presence in Eastern New Mexico.

ASNMSU President Dustin Chavez stated he is on board with not raising tuition, however, students are concerned about the 1.5 times in-state tuition being offered to students from Mexico. He asks if it shouldn't be offered to students from all states (in US) as opposed to out-of-state tuition?

Faculty Senate Chair Stuart Munson McGee is more concerned about the 4.4% cut (7.5 million). Morale has improved by faculty and this trickles down to students-you cannot put a "dollar value" on it.

Chair Hicks called for a vote on tuition and fees. Regent Mitchell made a motion that all tuition increases would be declined, (0% increase) but the distance education fees would be approved at all campuses. This was seconded by Regent Jerean Hutchinson. Chair Debra Hicks called for the vote. Motion passed.

SVP Throneberry noted that the budget submission is due to the Higher Education Department (HED) on May 1st, 2016.

Regent Hutchinson explained that as far as budgetary concerns, in her role as a small business person, as an alumna, the Regents are asking tough questions in tough times. The NMSU Budget has been challenging. We "need to get in the weeds". We looked at Deloitte, 15% decrease in enrollment, time to hold on salary, reward the rainmakers. As far as benefits, "I get it". We could reap cost savings, people would rather make small changes.

Recommendations include:

- No benefits for 20 hour (.5FTE) employees
- Vacations
- Number of holidays at peer institutions is 11, we have 15
- Review the sustainability of the Lottery Scholarship
- Aggie Development Incorporated (great job, Scott!)
- For every 1% increase in enrollment, it would be \$800,000 in revenue
- 2% would be \$1.6 million
- 3% would be \$2.4 million

Alumni giving has great potential. A recommended goal is 10%, we would have 4000 alumni givers if we doubled what we are doing. I invite everyone to "get in the weeds" for this fine university.

The Regents communicated that the sources and uses should be aligned with enrollment, retention, and employability. SVP Throneberry responded that we will compile the Fiscal Year Budget based on what you gave us.

- b. Approval of Housing Rates for FY 2016-2017 (Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

Ermelinda Quintela presented the request for a 5% increase in housing rates. Regent Mitchell asked about deferred maintenance, Ermelinda Quintela responded that it is in the Regents' binder but not in the presentation. D'Anne Stuart, Associate Vice President for Administration and Finance stated they were asking for immediate needs. Chair Hicks asked about the timeline for the Private-Public partnership (P3) RFP? An update will be given at the ADI-Real Estate Committee. SVP Throneberry stated that there is an issue about bond debt. NMSU System revenue is pledged can we cannot determine that housing revenue is a "net drain". We are currently determining if we can even issue an RFP for all of NMSU Housing. An RFP could be released for one or two facilities.

Regent Mitchell asked what percentage of students live on campus. The answer is 17%. She stated an increase makes us less competitive and we are then taking ourselves farther away. Ermelinda described trying to identify (quantify) the "premium" for a student to live on campus. D'Anne Stuart added that we need to market residential experiences.

Regent Hutchinson stated that the Regents' Student Success Committee recognizes that we need to focus on safety and learning communities for students. Regent Mitchell asked what a 1% improvement in occupancy would mean to the bottom line.

Regent Jerean Hutchinson moved and Regent Amanda López Askin seconded a motion to approve the requested 5% increase in housing rates. Regent Mitchell shared that the data shows that (being in housing) will help our kids be successful. She encouraged demonstrated improvements looking at driving up occupancy. She is excited about the proposed improvements for Garcia Hall.

Motion passed.

c. Approval of Meal Plan Rates for FY 2016-2017 (Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

Ermelinda Quintela presented a 3% increase in meal plans. She pointed out that voluntary meal plans continue to grow. She commended Sodexo, the meal plan vendor. We are currently below our peer institutions in meal plan cost. University of Texas at El Paso uses Sodexo as well and they are slightly higher in cost.

Chair Hicks asked about the decreases in the number of mandatory meal plans. Has it declined with enrollment? It was explained that yes that has some impact but it was more closely tied to the downturn in on campus housing. ASNMSU President Dustin Chavez asked about differences in some plans. Regent Hicks asked about whether Sodexo went up in their cost? It was pointed out that their costs have gone up greater than the 3% the staff is requesting.

Chair Hicks called for a motion. Regent Jerean Hutchinson moved and Regent Amanda López Askin seconded the approval of a 3% increase in cost to the NMSU Meal Plan. Motion passed.

D. Approval of Parking Permit Rates for FY 2016-2017 (Ms. Angela Throneberry, Senior Vice President for Administration and Finance)

Ermelinda Quintela presented the proposed increase in parking rates. Chair Hicks asked about being limited to \$7.50. The answer was explained that we are limited to that amount by the union contract (collective bargaining). ASNMSU President Dustin Chavez said that students really don't care that much about the increase. Regent Amanda López Askin asked about "zoned parking". She noted that she gets lots of complaints about parking from students. It is also noted that the parking department staff (giving tickets) are student employees.

2. a. Approval of a lease between the Board of Regents of New Mexico State University and (VAW) LLC for seven (7) parcels of land for the installation of Small Cell Towers.

12. NEW MEXICO STATE UNIVERSITY CHANCELLOR & PRESIDENT'S REPORT, Chancellor Garrey Carruthers (10 minutes)

Chancellor Carruthers highlighted of the memorandum he sent out about proposed budget cuts. Recommendations include:

Eliminate Retiree healthcare for employees hired after July 1st.

Eliminate the sick leave buyout

Eliminate the Employee Health Center, \$828,000 annual expense

The employee health visits could be served by a "state center" relocating services to Las Cruces.

Chancellor Carruthers cited that Ben Woods started the Founder's Day celebration in 2015. This year it will commemorate 100 years of ROTC, which actually was a part of early NMSU focus, but was then called Military Science.

Regent Kari Mitchell stated that she supports the spirit of cuts, but can we look at incentivizing to get the dollars back? What can we stop doing? How can we focus on the revenue side?

13. NEW MEXICO STATE UNIVERSITY PROVOST & EXECUTIVE VICE PRESIDENT'S REPORT, Provost Dan Howard (10 minutes)

Provost Howard noted slight movement in the 128 to 120 credit hours progress. It is currently at 74% of degrees at 120 credit hours as the minimum needed for a particular degree across six academic colleges. He also reported excellent progress on the "Aggie Pathway" where students who are not ready or eligible for regular NMSU baccalaureate admission can start at a community college and transition over after the first year (meeting certain criteria).

5:25 PM

14. APPOINTMENT OF MEMBERS TO REGENTS' COMMITTEES-Chair Debra Hicks (5 minutes)

a. Two Representatives to the Audit Committee (Regent Hicks, Regent López Askin)

b. Two Representatives to the Budget Committee (Regent Mitchell, Regent Hutchinson)

c. Two Representatives to the Real Estate Committee (Regent Cheney, Regent Hicks)

d. Two Representatives to the Student Success Committee (Regent Mitchell, Regent Hutchinson)

e. One Representative to the NMSU Foundation Board of Directors (Regent Hutchinson)

f. Two Representatives to the Arrowhead, Inc. Board of Directors (Regent Cheney, Regent López Askin)

Chair Hicks announced the appointees to the various BOR committees for the ensuing year.

5:30 PM

FUTURE BOARD MEETINGS-Chair Debra Hicks

Friday, May 13, 2016, 9 am, Las Cruces, New Mexico

Monday, June 27, 2016 Strategic Planning Session (time and location TBD)

Tuesday, June 28, 2016 Executive Session and Board of Regents Meeting (TBD)

15. ADJOURNMENT-Chair Debra Hicks

Chair Hicks called for a motion for adjournment. Regent Kari Mitchell moved and Regent Jerean Hutchinson seconded the motion. Motion passed.