

**New Mexico Institute of Mining and Technology
Board of Regents
1:30 p.m., Thursday, February 18, 2016
Fidel Center, Ballroom A
New Mexico Tech Campus / Socorro, New Mexico**

MINUTES

The New Mexico Tech Board of Regents convened at 1:31 p.m. with Board of Regents Chair Deborah Peacock presiding. Other Board members present were Regent Jerry Armijo, Regent David Gonzales, Regent Donald Monette and Regent Myissa Weiss. University administrators, staff, and guests who were also present included:

Daniel H. López	Lala Garcia	Mark Adams
Warren Ostergren	Leyla Sedillo	Robert Lucero
Melissa Jaramillo-Fleming	Matthew Rhoades	Colleen Guengerich
Van Romero	Robert Lee	Al Garcia
Richard Cervantes	Dave Raymond	Thom Guengerich
Lala Garcia	Arleen Valles	Valerie Kimble
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1. **Proof of Meeting Notice.** The meeting was called to order at 1:31 p.m. by Chair Peacock, who noted the largest audience in attendance to date. Ms. Garcia affirmed that proper legal notice had been given as required by state statute.
2. **Approval of Agenda.** The Chair proposed that Agenda Item 3 be moved to follow Item 6, and that the executive session, Item 4, follow Items 18 and 19. Regent Armijo moved to approve the Agenda as amended. Regent Weiss seconded the motion which passed unanimously.
3. **New President.** Chair Peacock, citing the selection of a new president as the highest duty of the collective Board, reiterated the process leading to the selection of a successor to President López. She cited the countless evenings and weekends spent by the Selection Committee, and noted that all comments were read and considered with follow-up efforts as well. After the Chair's address, Regent Armijo, on behalf of himself and Regent Monette (committee chairs), moved to enter into a five-year employment contract with Dr. Stephen G. Wells at \$315,000 per annum, a \$10,000 car allowance and other specifics. Regent Weiss seconded the motion. During discussion, Regents cited the importance of fundraising to buttress dwindling state resources. In addition, Mrs. Wells is deeply involved in the STEM K-12 arena and would work to help close gaps between the local community and New Mexico Tech. The motion to hire Dr. Wells passed unanimously. The president-elect and his wife were then welcomed with applause and a standing ovation.
4. **President's Residence.** Regent Armijo reported that he and Holm Bursum III are leading efforts to build a new home for the incoming president, saying it will be called the

“University Residence” to be used by all constituents. Rough sketch plans were developed with help from Facilities Management, and engineering plans have been ordered for two separate structures, one a personal residence and the other for hosting events, particularly for fundraising. The New Mexico Tech Research Foundation has approved a loan to the University for construction, estimated to cost between \$1.0 million and \$1.3 million, terms to be developed. The University owns the land and the Foundation would own the home. Regent Armijo asked that the Board ratify the process and made a motion to that effect, followed by a second from Regent Monette. The motion passed unanimously.

5. **Minutes.** Regent Monette moved that the Minutes of the November 30, 2015 and January 19, 2016 meetings be approved as amended. Regent Weiss seconded the motion and it passed unanimously.

6. **Announcements.** *Enrollment.* Ms. Jaramillo-Fleming reported that as of January 31, New Mexico Tech was averaging 38 paid admissions, more than for the comparable period last year, and that the recent Research Day drew 160 high school students. In addition, the University is resurrecting its mini-course summer program open to high school juniors and seniors.

Advancement Update. Ms. Guengerich provided Regents with a written report.

Legislative Update. President López described the session that ended at noon today as difficult with cuts across the board. As a result, the University must deal with a \$232,000 shortfall between now and June 30; in addition, the school faces a budget shortage of \$995,000 for FY17 compared with FY16 and may consider increasing tuition to absorb part of the loss.

On the plus side, the Institute secured \$5.5 million in GO Bond funds for the Jones Hall remodel, \$500,000 less than needed. Senator Howie Morales did add another \$90,000 in a separate bill, so the shortfall will only be \$410,000. The University will make up for the remaining shortfall from capital reserves. In addition, Tech got another \$2 million for the Magdalena Ridge Observatory (MRO) tied to the GO Bond series on the general election ballot in November.

Sabbatical Leave. Dr. Ostergren informed Regents of sabbatical leave granted for Dr. Julie Ford, who will spend the time developing resources for the Center for Innovation in Teaching and Learning (CITL).

Faculty Senate. The Senate has not met since the last regular Board meeting, reported Dr. Raymond, reiterating his concern about state universities reducing program credit hour requirements to 120 for all majors. Dr. Ostergren added that a number of individuals are serving on state-level committees, as well as an internal committee, to accelerate graduation rates. New Mexico Tech also is increasing the number of planned project-based learning communities.

Other. Mr. Garcia reported that a construction fence has been erected at the site of the new Chemistry Building, and heavy equipment will be moving in over the next several weeks with an excavation set for March 17. Dr. Romero announced that the University will assist the WIPP project in Carlsbad to reopen at the end of the year. In addition, the Institute will be featured in the season finale of MythBusters, to air March 5. Ms. Jaramillo-Fleming added that the University will host a viewing party on campus, while Dr. Romero is in San Francisco for a MythBusters cast party.

7. **Public Comment.** None.
8. **Quarterly Financials for December 2015.** Mr. Cervantes presented the quarterly financial report through the end of December 2015. The report included the statement of net position, a report of budget activity, year-to-date budget comparisons of operations and plant funds with prior year activities, the statement of cash flows and a reconciliation of budget numbers to GAAP. He noted that the University was “on target” budget-wise. The report was unanimously accepted on a motion by Regent Monette and a second from Regent Gonzales.
9. **Financial Analysis for January 2016.** Mr. Cervantes also presented the January financial analysis, which now includes beginning balances. I&G revenue is down compared with this time last year, while I&G expenditures are slightly higher than in 2015. Research and public service projects are within budget. During discussion, it was noted that Science Fair funds have dropped due to lower state allocations. Overall, the University continues to operate within budgetary limits. Regent Monette moved to accept the report. Regent Weiss seconded the motion which passed unanimously.
10. **January 2016 Degree Conferrals.** President López reported degrees completed in December 2015 and conferred in January 2016. Sixty-one bachelor’s degrees, 10 Master’s, three Master of Science for Teachers and two PhDs were awarded.
11. **Restricted Fund Purchase Notifications.** The President noted that purchases for MRO, EMRTC and PRRC were provided to Regents in their meeting packages as information items.
12. **Unrestricted Fund Purchase.** The Board was advised that the contract awarded at the November 30, 2015 meeting to Van Gilbert and Associates did not include the design for laboratories, a separate service. Mr. Garcia noted that the RFP was qualification-based and did not include pricing. Regent Armijo moved to revise the contract to reflect the separate fee for lab design. Regent Monette seconded the motion and it passed unanimously.
13. **Property Resolutions: 160219-01, 160219-02.** Regents unanimously approved the two resolutions on a motion made by Regent Monette and a second from Regent Armijo.
14. **New Mexico Tech Annual Audit.** Clarke Cagle of Atkinson & Co. LTD summarized for Regents four separate audits conducted by the firm: New Mexico Tech, New Mexico Tech Research Park Corporation, New Mexico Tech Research Foundation and the Benefit Trust. Mr. Cagle noted that audit results were very consistent with those of previous years, with minimal findings. He complimented University staff for their great effort, words echoed by Regents and senior administrators. Regent Monette moved to accept the audit, which will be sent to the N.M. State Auditor for approval. Regent Armijo seconded the motion which passed on a four-to-one vote with Regent Weiss abstaining.

15. **Emeritus Status Requests (Dr. Jan Hendrickx and Dr. Rebecca Reiss).** Dr. Ostergren requested that Regents approve emeritus status for the two retiring faculty members; votes were taken separately. Regents unanimously approved emeritus status for Dr. Hendrickx on a motion by Regent Gonzales and a second from Regent Monette. Regent Monette then moved to approve emeritus status for Dr. Reiss. Regent Weiss seconded the motion, and it passed unanimously.
16. **Individual Board Member Comments.** Chair Peacock reported that President López received a standing ovation at a meeting last month of the N.M. Mining Association. In addition, the state House and Senate issued memorials in his honor. Regent Monette thanked those involved in the presidential search and the campus tour for Dr. Stephen Wells and Mrs. Wells.
17. **New Business.** The Chair requested approval for the employment contract for the incoming president. Regent Monette moved to do so, followed by a second from Regent Weiss. The motion passed unanimously. At Ms. Garcia's request, the Board agreed on a March 21 date for its next meeting.
18. **Executive Session Pursuant to 10-15-1 (H)(2) and 10-15-1 (I)(2), NMSA 1978.** Regents on a roll call unanimous vote adjourned the meeting at 3:55 p.m. to meet in Executive Session under a motion by Regent Monette and a second from Regent Gonzales. Regents reconvened the meeting at 4:12 p.m. The Chair announced that no decisions were made during the closed session.
19. **Employee Benefit Trust – Benefit Trust Indemnification Agreement, Benefit Trust Agreement & Declaration of Trust.** The Board recessed its regular meeting at 4:13 p.m. to convene as the Benefit Trust. Attorney Robert Lucero advised the Trustees to amend the existing Declaration of Trust because it does not accurately reflect how the Trust is administered. He also recommended the addition of a new section stating that the New Mexico Insurance Code does not apply to the Benefit Trust, to use gender-neutral references, and to provide separate minutes for Trust meetings to create a corporate formality. Regent Armijo (sitting as Trustee) moved to adopt the recommended changes. Regent Monette (as Trustee) seconded the motion, and it passed unanimously. Mr. Lucero told Trustees that the Indemnification Agreement had expired on its own terms, and it was necessary that the amended Trust be adopted by both the Board and by Regents as Trustees. Regents, as Trustees, then recessed the Trust meeting at 4:20 p.m. to reconvene the regular Board meeting, during which Regent Armijo and Regent Monette repeated their motion and second to adopt the amended Trust. The motion passed unanimously. The Board then recessed again and returned to the meeting of the Trust at 4:22 p.m. Mr. Cervantes reported that the Benefit Trust is in “a pretty solid position,” but he could not make any predictions for the long term in part due to the volatility of claims. The Trust meeting then adjourned at 4:25 p.m.
20. **Adjournment.** The Board reconvened, and there being no further business to bring before Regents, Chair Peacock adjourned the meeting at 4:26 p.m.

Minutes of February 18, 2016

Secretary-Treasurer

Attest:

President