

**New Mexico Institute of Mining and Technology
Board of Regents
10:30am & 1:30pm, Monday, September 21, 2015
Fidel Center, Ballroom C
New Mexico Tech Campus
Socorro, New Mexico**

MINUTES

The New Mexico Tech Board of Trustees for the Benefit Trust convened at 10:35 a.m., with Board Chair Deborah Peacock presiding. Roll call was taken and it established that all Board members were present, including Regents 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	Robert Lee	Peter Mozley
Lonnie Marquez	Warren Ostergren	Lori Liebrock
Van Romero	Matt Rhoades	Richard Cervantes
Melissa Jaramillo-Fleming	Bill Stone	Thom Guengerich
Lala Garcia	Emma Aafloy	Robert Lucero
Bruce Kite	Joann Salome	Dave Raymond

1. **Proof of Meeting Notice.** Chair Peacock called on President Lopez to confirm that proper legal notice had been given. President Lopez provided evidence that legal notice was given as required by law.
2. **Approval of the Agenda.** The Agenda was approved as presented on a motion by Regent Armijo and a second from Regent Monette. The motion passed unanimously.

Ms. Joann Salome, Human Resources Director, began her presentation by providing a history of the Benefit Trust since its inception to the present day, including historical claims usage and coverage. She provided the list of committee members who meet quarterly to review the benefit plan. She further stated that the plan had been audited by HUB International to determine if it is in accordance with the Affordable Health Care Act. The results of that audit are pending and when available they will be shared with the Regents. Chair Peacock brought up the Agreement and Declaration of Trust and stated it needed to be reviewed and updated. Mr. Robert Lucero, Tech's Attorney of the Rodey Law Firm, took the agreement and he committed to provide a draft update at the November meeting.

Mr. Lonnie Marquez, Vice President for Administration and Finance, provided the Board with the FY2015 Unaudited Financial Statements, CY 2010-2015 Premium Increases, Incurred but not Reported Reserves, Legal Opinion of Validity of the Benefit Trust and a Sample of Premium Increase Worksheet.

The meeting recessed at 12:00pm.

MINUTES OF THE BOARD OF REGENTS REGULAR MEETING

The Regular Board meeting was called to order at 1:31pm by Chair Peacock.

- 3. Minutes.** Following, the minutes were presented. Regent Armijo moved to accept the minutes as drafted for the meetings of June and August, 2015. Regent Monette seconded the motion, and it passed unanimously.

- 4. Announcements.**

Enrollment Updates. Ms. Jaramillo-Fleming reported that enrollment remains stable. The Admission office, she further reported, has several additional applications on hand and staff is following-up with these students to secure their paid deposits.

Faculty Senate Update. Dr. Dave Raymond reported that they are satisfied with the recent negotiations for selecting an e-mail provider. He had nothing more to report.

President's Golf Tournament. President Lopez reported that New Mexico Tech had another successful golf tournament. Early numbers indicate that revenues are up 4.5 % over last year. All in all, everyone in attendance had a great time and he thanked the NMT community and staff for their hard work and helping make the tournament a resounding success.

Update on Chemistry Building. President Lopez introduced Mr. Alex Garcia, the new facilities project manager, for NMT. He will be responsible for the planning and development of the new chemistry building. Mr. Garcia stated that the next step in moving this project forward is to go before the Board of Finance and request approval to proceed with this project.

Salary Update on Minimum Wage Earners. Ms. Joann Salome reported that NMT employees who had been earning minimum wage had been given a new wage base of \$9.00 per hour, which now becomes NMT's new minimum entry wage. She stated that affected units budgets were not increased and funding of new minimum wage was financed through permanent cost saving measures.

Funding Formula Update. Dr. Lopez provided a brief update on the funding formula citing the continuing debate between the 2 year and 4 year colleges on what programs qualify for dual credit hours and an ongoing debate on a few other related matters.

Other. Dr. Van Romero announced that NMT has secured a competitive \$25 million grant from the Airforce Research Labs. This grant adds to previously funding for continuing the build-out of the Magdalena Ridge Observatory. The

grant funds will be used for adding additional 1.4 meter telescopes which will be used for observation of situational space awareness.

Dr. Peter Mozley, Associate Vice President for Academic Affairs, announced the upcoming accreditation visit for Distance Learning. He shared the schedule that would be followed during the visit and invited Regents to participate in a luncheon meeting with the accreditation team.

5. **Public Comment.** None.
6. **Degree Conferrals for June, July & August 2015.** Dr. Lopez provided the list of graduates for months of June, July and August 2015.
7. **Financial Analysis for August 2015:** Mr. Marquez provided the month ending budget analysis and pointed out that the carry forward funds were not reflected in the current August analysis but would be included in the September analysis and reported in our October meeting. He also provided comparative financial highlights for the past four years. Regent Gonzales asked how the tuition increase affected the bottom line. Mr. Marquez responded that the tuition increase primarily covered the salary increases for all faculty. Regent Monette moved to approve the financial analysis as presented; Regent Armijo seconded the motion and it was approved unanimously.
8. **Research and Public Service Projects Funding Requests.** Dr. Lopez provided the list of the twelve RPSR requests by priority ranking and described the nature of each request. He stated that the university is scheduled to appear before the Higher Education Department on October 7 to present the requests. Regent Armijo moved to approve these requests; Regent Monette seconded the motion and it was unanimously approved.
9. **Restricted Fund Purchase Notifications.** Six restricted fund purchase notifications were presented for informational purposes only. These purchases included EMRTC's Homeland Security Training Program; a sapphire laser for Chemistry; software license for PRRC field support work in carbon sequestration research; and AFRL's Tech Transfer support program for professional services in marketing, event planning, management services and technology inventory.
10. **Unrestricted Fund Purchase Exceeding \$250,000.** One unrestricted request was submitted on behalf of the NMT Distance Education department. The amount of this request was for \$263,646.00 and covers a five year period. The software product, purchased under this agreement, is known as Canvas Cloud. It is used in a learning management system in Distance Education delivery. Regent Monette moved to approve the purchase; Regent Weiss seconded the motion and it was unanimously approved.
11. **Resolution – Authorizing VP for Finance and Administration as a Signator for Agreements, Certificates and other Documents.** President Lopez and Mr. Marquez

introduced a resolution authorizing the VP for Finance and Administration as the principal signatory for Tech and explained that the university did not have a formal resolution authorizing the Vice President to sign contracts, budgets, certificates and other documents that obligate the university. The question was asked about the number of documents that are signed daily. Vice President Marquez said that signing documents takes up a good part of his day. After minor adjustments made to the resolution and amended on site by legal counsel, Regent Armijo moved to approve the authorizing resolution; Regent Monette seconded the motion and it was unanimously approved.

12. **Emeritus Status Requests.** Vice President Ostergren presented the request to grant emeritus status to Dr. Fred Phillips who has served New Mexico Tech for thirty-four years in the Earth and Environmental Science Department. He plans to continue to serve as an emeritus professor/researcher, including by maintaining a vigorous research program which will allow him to utilize laboratory space at Earth and Environmental Science Department. Regent Armijo moved to grant emeritus status to Dr. Phillips; Regent Weiss seconded the motion and it was unanimously approved. Dr. Robert Lee brought forth the request to grant emeritus status to Dr. Reid Grigg citing his 23 years of service at the Petroleum Recovery Research Center. Dr. Lee described his teaching, research and service to the oil and gas industry in New Mexico as outstanding. Regent Monette moved to grant emeritus status; Regent Armijo seconded the motion and it was unanimously approved.
13. **Tenure Requests.** Dr. Lopez also presented two requests for granting tenure for Mr. Daniel Koning and Dr. Geoff Rawling who are both field geologists at the Bureau of Geology. He explained their initial hire was based on soft money and it wasn't until 2012 that they were able to be moved to hard funding and placed on tenure track positions. Their contributions and dedication to the Bureau and New Mexico Tech since 2012 merits consideration of a request for tenure for these two individuals, he said. Mr. Matt Rhoades, Director for the Bureau echoed Dr. Lopez recommendation and asked for tenure approval for both candidates. Regent Monette moved to approve both requests for tenure; Regent Armijo seconded the motion and it was unanimously approved.
14. **New Mexico Tech Research Foundation Report.** (This item was combined with item 15.) Regent Armijo reported that while seeking to hire a new President, it would be advisable to build a suitable house for the new executive in order to make the position more attractive to a highly qualified pool of candidates in Tech's presidential search. Currently, the President's residence is old, poorly constructed and not conducive for hosting fund raising and other related events. The lay-out of the house does not provide a suitable gathering space for guests to visit and form closer ties to the university. He further recommended that serious consideration should be given to raze the current residence and construct a new one at the same location. The Board committed to approach the New Mexico Tech Research Foundation and ask the Foundation to front the cost of the construction of the house and Tech would repay the loan to the Foundation over a period of time. President Lopez advised the Board that

approval would have to be sought from the Board of Finance for this project. Regent Monette made the motion to proceed and discuss with the Foundation a possible financing plan for the proposed new presidential house. He also mentioned that it would be advisable to talk to other parties who might be interested in financing the construction of a presidential residence; Regent Armijo seconded the motion and it was unanimously approved. It was estimated the cost of construction would run between \$600,000 to a \$1.0 million dollars.

Ms. Colleen Guengerich, Director for the Foundation and Advancement Office, on a separate matter, reported that the Advancement Office has raised \$1.5million in the current year.

15. President's House. Combined with Item 14.

16. New Mexico Tech Research Park Corporation. Some discussion centered around the role of the Research Park Corporation, including a brief update on the conversion of CAaNES into a C-Corporation. Dr. Lopez explained that the primary reason Tech agreed to the conversion and reducing its equity interest from 50% to 35% was to allow CAaNES (now RiskSense) more flexibility to expand and grow at a faster pace. It was noted that under the state umbrella, as a quasi-private company, it was hard for it (RiskSense) to take certain risks and grow to its fullest potential. In short, Dr. Lopez explained that by “unshackling” the company and providing it the opportunity to become more aggressive and to take greater risks, the Company should be able to grow faster and such growth is in Tech’s best interest. That is, Tech stands to benefit more from reduced equity interest in a large company than a larger equity interest in a smaller company. (The other equity interest owner, Lopez noted, also reduced their equity interest.)

Chair Peacock and Regent Monette also discussed the need to update the Research Park Corporation’s by-laws, as well as the agreement between the Corporation and New Mexico Tech. The Board’s attorney, Mr. Robert Lucero, said he would review and update the agreement by the next Board meeting.

Some mention was also made about the need to review the current Research Park Corporation Board make-up and perhaps consider adding new members.

17. Presidential Search Committee. Regents Armijo and Monette provided information on the presidential search. Regent Armijo named the nine presidential search committee members and stated that focus sessions had been held on campus in order to solicit input on the desirable attributes the campus community wishes the president to possess.

The final job description, he also reported, was finalized and announced that the advertisement for the position would be published in the Chronicle for Higher Education and the Albuquerque Journal. With minor amendments made to the job

description, Regent Armijo moved to approve the job description; Regent Weiss seconded the motion and it was unanimously approved.

18. **Audit/Finance Committee Report.** Regent Gonzales stated that he had no financial report to present at this meeting but his goal was to have one for the next meeting. He stated he wanted to review certain audit issues and determine if they needed to be addressed in some special manner.
19. **Credit Hours Toward Completion Plan and Four Year Incentive Plan.** Dr. Ostergren presented a power point update on the ongoing work by the Council of Chairs, Faculty Senate and other staff in addressing time-to-graduation, potential reduction of required credit hours for graduation and other means for helping students complete their studies in a timely fashion. Dr. Ostergren introduced Six Sigma which is a set of techniques and tools for process improvement. This presentation, by Ms. Colleen Guengerich, included a schedule to improve retention and persistence through engagement; plan schedules to minimize courses taken; plan to evaluate required number of course credits and finalize incentives. This is a work in progress and Dr. Ostergren will continue to update the regents at each meeting. Regent Gonzales asked for verification of required humanity and social science credit hours mandated by the state or an accreditation entity.
20. **State Mine Inspector.** Chair Peacock announced the retirement of the current State Mine Inspector and provided a job description/announcement for the position. She said that anyone who knows of potential candidates for this position should submit their names for consideration.
21. **Property Items Resolution, Reference NMSA 1978, 13-6-1.** Vice President Marquez asked the Board to approve Resolutions 150921-01, 150921-02, 150921-03 and 150921-04. Each resolution, when approved, authorizes removal of tangible property consistent with current law. Regent Armijo moved to approve the resolutions; Regent Monette seconded the motion and then was unanimously approved.
22. **Individual Board Member Comments.** None.
23. **New Business.** Meeting dates for October and November were discussed. It was agreed to meet on October 26 in Socorro and November 30 in Albuquerque.
24. **Employee Benefit Trust.** Chair Peacock stated that the 10:30am presentation in the morning covered matters related to the Benefit Trust.
25. **Possible Executive Session, NMSA 1978, Sec 10-15-1 (H) (2) (If Required to Consider Legal and/or Personnel Matters).** Regents adjourned their meeting at 4:15pm to meet in executive session with President Lopez. The Board reconvened at 4:50pm and Chair Peacock announced that no action had been taken.

26. **Adjournment.** There being no further action, Chair Peacock adjourned the meeting at 4:51pm.

Secretary-Treasurer

Attest:

President