



## EMPLOYMENT AGREEMENT FOR PRESIDENT

This Employment Agreement is made between the Regents of New Mexico State University ("the Regents" or "University") and Garrey E. Carruthers Ph.D ("President" or "Dr. Carruthers").

### **1.0 Employment as President.**

1.1 The Regents hereby employ Dr. Carruthers as President of New Mexico State University ("the University"), to serve as the Chief Executive Officer of the University in accordance with the Regents' policies and subject to the Regents' supervision and direction.

1.2 President agrees to perform all duties required by law, by this Employment Agreement, by the Regents' policies, and by custom and practice to be performed by a University President including, but not limited to working in partnership with the Regents and constituents to advance the reputation of the University, providing leadership, management, and resource development for the University. The list below includes the functional areas reporting through senior management to the President:

1.2.1 Fund raising, development, governmental, public and alumni relations;

1.2.2 University, faculty, staff, and educational leadership;

1.2.3 Long-range planning; budget formulation; supervision of the University buildings, grounds, and equipment controlled by this University; administration of the affairs of the University as best serves the University consistent with the Regents' policy;

1.2.4 Student recruitment and services; faculty and staff recruitment;

1.2.5 Appointing, supervising, promoting, and dismissing faculty and staff members;



1.2.6 Preparing policies, regulations, rules and procedures useful for the welfare of the University;

1.2.7 Fulfillment of all other duties as may be assigned by the Regents.

**2.0 Devotion of Best Efforts to the Work as President.**

2.1 President agrees to faithfully, industriously, with the best use of his effort, experience, ability, and talent, and with due regard for the cultural diversity of New Mexico, perform all of the duties required pursuant to this Employment Agreement, the Regents' policies, and other reasonable requests made by the Regents. President shall not engage in any other business or professional activity regardless of compensation, if any, paid, without the prior permission of the President of the Board of Regents. This restriction shall apply to reasonable service, which requires Regents pre-approval, on boards of other entities provided such participation does not interfere with fulfilling the terms of this Agreement or conflict with Regents' policies.

2.2 Such duties shall be performed at the campus of the University in Las Cruces, as well as at the University's branches and at such other place or places as the Regents or President shall deem appropriate for the interest, needs, business, or opportunity of the University.

**3.0 Term of Appointment, Evaluation, Renewal.**

3.1 This appointment shall commence on June 1, 2013 and terminate on June 30, 2018, subject, however, to prior termination as provided for in this Employment Agreement.

3.2 President's performance of duties under this Employment Agreement will be periodically evaluated by the Regents at such times and in such manner as shall be deemed appropriate by the Regents. As part of the evaluation process, the Regents and

President shall establish mutually agreeable goals annually. To further aid the Regents in such periodic performance evaluations, President agrees to furnish such oral and written reports and to provide such cooperation as may be requested by the Regents.

**4.0 Salary.**

4.1 For all services rendered under this Employment Agreement the Regents shall pay President an annual salary of \$385,000.00 payable in equal installments in accordance with Regents' policy. Mandatory state and federal taxes and authorized deductions for employee benefits shall be made. The Parties agree that during the term of this Employment Agreement, President shall not receive any increase in salary.

4.2 President shall be responsible for any tax liability incurred as a result of this Employment Agreement.

**5.0 Insurance, Retirement and Other Benefits.**

5.1 Other than set forth within this Employment Agreement, President shall be entitled to participate in all employment benefits offered by the University upon the same terms and conditions as other full-time employees at the Las Cruces campus of the University. This includes health, life and disability insurance, worker's compensation, and retirement programs.

**6.0 Automobile.**

6.1 The New Mexico State University Foundation, Inc. ("Foundation") furnishes to the University, and provides insurance on, an automobile which may be used by the President. This vehicle shall be maintained by the Regents and all fuel for the business use thereof shall be paid by Regents. President shall be liable for all state or federal taxes, if any, from the use of said automobile.

**7.0 University-Related Expenses.**

7.1 The Regents will reimburse President for reasonable entertainment, travel, and other expenses incurred by President in the performance of his duties as President. These expenses will be audited by the University. President may attend educational conferences, conventions, seminars, other professional growth activities, and other meetings to advance the interests of the University, and the reasonable expenses connected therewith shall be reimbursed, including membership in appropriate professional and service organizations. President understands that the Foundation will reimburse travel and associated expenses of the President's spouse when such is incurred in University-related activities.

**8.0 Tenure.**

8.1 President will retain his tenured status with the faculty rank of Professor within the Department of Economics, Applied Statistics & International Business in the College of Business at the University.

Subject to the provisions of section 11 Termination, if, after President's service as President, President returns to a faculty position in the appropriate department of the College of Business, the salary paid will be not less than the highest salary paid in the same department to full professors with commensurate experience and expertise with due consideration to workload.

**9.0 Annual and Sick Leave.**

9.1 President shall be entitled annually to such paid annual leave as permitted under the policies of the University for Administrative Staff. Attendance at business and professional meetings and conferences shall not be construed as annual leave.

9.2 President shall not take annual leave or any other leave if such leave interferes with properly discharging his duties under the terms of this Employment Agreement.

9.3 President shall be allowed such sick leave per year as authorized and given to other administrative employees of the Regents.

#### **10.0 Working Facilities.**

President will be furnished with a private office, secretarial assistance and such other facilities and services suitable to his position and adequate for the performance of his duties hereunder.

#### **11.0 Termination.**

This Employment Agreement may be terminated by:

11.1 Mutual written agreement of the parties.

11.2 Resignation by President; provided, however, that President must give the Regents at least 6 months advanced written notice of his resignation, unless a shorter period of notice is mutually agreed upon in writing. President acknowledges that the failure to provide the notice required by this provision will result in harm to the University and in its operation. Although the harm and damage to the University cannot be accurately determined, the parties agree that President shall be liable to the Regents in an amount equal to six months of the then current presidential salary should the appropriate notice period not be provided.

11.3 Mental or physical incapacity of President, which makes him incapable of properly performing the full-time duties required under this Employment Agreement. If the Regents believe President may be so mentally or physically incapacitated, they may, but are not obligated to, require President to submit to a medical examination, either physical

or mental, by a physician licensed to practice medicine in New Mexico, in order to report to and assist the Regents in determining whether President is mentally or physically incapacitated. Such examination and report will be at the University's expense. If the Regents determine, in their sole discretion and by a majority vote, that President is mentally or physically incapacitated, and is, therefore, incapable of properly performing the full-time duties required under this Employment Agreement, then this Employment Agreement may be terminated; in which event President will receive his then current salary for a period of six months from the date of such determination. Tenure shall also cease at the end of the six month period. President shall receive oral or written notice of such potential action and upon written request to the Regents shall have an opportunity for a hearing in executive session, to hear the basis for the proposed action and to respond. The Regents' determination thereafter shall be final and subject to no additional administrative review or appeal.

#### 11.4 Death of President.

11.5 Termination for Just Cause. This Employment Agreement may be terminated at any time by the Regents for just cause by a majority vote of the Regents, after giving the President oral or written notice of such potential action, and after a hearing in executive session in which the President is given an opportunity to hear the reasons for the proposed action and to respond. The term "just cause" shall mean a breach or violation by President of any of the terms or provisions of this Employment Agreement or of any of his obligations under this Employment Agreement, and shall also include the "just cause" definition and illustration by example in the University's Personnel and Benefits Policy Manual, the terms of which are otherwise inapplicable to President. The Regents' determination that "just cause" exists shall be final and subject to no additional administrative review or appeal.

Regardless of any university policy to the contrary, In the event of termination for just cause, President's tenure shall also be deemed revoked without any further hearing rights.

11.6 Termination at the Request of the Regents. The Regents shall have the right to immediately terminate this Employment Agreement for the best interests of the University upon a majority vote of the Regents.

11.7 In the event this Employment Agreement is terminated pursuant to this section 11, President shall only be entitled to such compensation including any unpaid accrued benefits as may be allowable pursuant to university policy and no other amounts.

#### **12.0 Entire Agreement.**

12.1 This Employment Agreement constitutes the entire understanding of the parties hereto concerning the employment of President and shall, as of the effective date hereof, supercede any and all prior or contemporaneous agreements, whether written or oral, between the parties. The parties agree that neither of them has made any representation with respect to the subject matter of this Employment Agreement, except such representations as are specifically set forth herein. The parties acknowledge that they have relied upon their own judgment in entering into this Employment Agreement.

#### **13.0 Modification.**

13.1 This Employment Agreement may not be modified or amended except by a written agreement duly executed by President and the Regents and duly ratified by the Regents in an open public meeting.

#### **14.0 Severability.**

14.1 The terms of this Employment Agreement are severable such that if any term or provision is declared by a court of competent jurisdiction to be illegal, void, or unenforceable, the remainder of the provisions shall continue to be valid and enforceable.

**15.0 Default and Governing Law.**

15.1 Should either party default in the performance of his or their obligations, the non-default party shall be entitled to reasonable attorneys' fees and costs. Any disputes between the parties shall be resolved in the District Courts of the State of New Mexico. This Employment Agreement shall be construed in accordance with the laws of the State of New Mexico.

**16.0 Waiver.**

16.1 No waiver by either party of any default or breach of this Employment Agreement shall be deemed a waiver of any other default or breach of the same or any other term or condition of this Employment Agreement. No delay or failure to enforce any provision of this Employment Agreement shall constitute a waiver or limitation of any rights enforceable under this Employment Agreement.

**17.0 Non-Assignable.**

17.1 This Employment Agreement is not assignable but shall be binding upon the heirs, administrators, personal representatives, successors, and assigns of both parties.

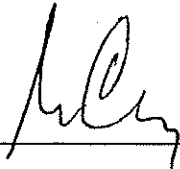
**18.0 Ratification by the Regents.**

18.1 This Employment Agreement is subject to approval by the Regents, and shall only become legally binding upon the University upon such approval at an open public meeting of the Regents. Upon such ratification, this Employment Agreement shall be effective as of the date set forth in Section 3 above.



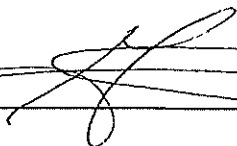
IN WITNESS THEREOF, the Parties have executed this Employment Agreement on the date indicated below.

REGENTS OF NEW MEXICO  
STATE UNIVERSITY

By  \_\_\_\_\_  
President, Board of Regents

Date: 5/12/13

PRESIDENT

By  \_\_\_\_\_  
President

Date: May 9, 2013