

**New Mexico State University  
Administrative Council Minutes  
March 9, 2010**

**1. Minutes of February 9, 2010**

The minutes of February 9, 2010 were approved as distributed.

**Old Business.**

No items.

**New Business**

**2. Security Clearance Policy 4.65 [Jay Jordan]**

Jay Jordan said approximately every six months the Physical Science Laboratory is audited on their policies and procedures. This time the Department of Defense (DoD) recommended a change in the policy that deals with government security clearances. The DoD asked that our security clearance policy and UNM's policy be essentially the same.

The revised policy lists the positions that are required to have security clearances. These individuals have the authority and responsibility for the negotiation, execution and administration of contracts, consistent with NMSU policy, as well as state and federal law. The Board of Regents, as a policy-making body, do not require access to classified contracts and, therefore, do not need to be processed for a personnel clearance as stated in the policy. Jay requested comments on the proposed policy by March 17. The policy will be brought back to the Council for approval at the April meeting.

**3. Budget Process [Barbara Couture]**

President Couture thanked Ricardo Rel, Vicente Vargas, and others who visited with Legislators about cuts to NMSU's budget. She also thanked all of our Regents who made phone calls to the Legislators on our behalf. Unfortunately, the outcome was not as good as we had hoped. The state legislature was not able to balance its budget without increasing some tax revenues and reducing portions of its overall budget.

NMSU Las Cruces enrollment increased by 2.2 percent which was not enough to qualify for workload funding. This year, the state chose to pay \$21.2 million in net workload funding from the higher education budget. This resulted in a significant reduction to our I&G budget.

Dr. Couture asked Ricardo and Vicente for an overview of the Legislative Session. Ricardo said the Legislators went into the Legislative Session with an estimated reserve of only 0.9 percent. In the past, reserves have been around 10 percent. Total recurring appropriations were at \$5.4 billion for the current fiscal year. The December revenue estimates were approximately \$5.2 billion, so the appropriations exceeded the revenues. The regular session ended without final action on fiscal and capital outlay bills. Senate Bill 91 was approved which delayed by one year the final payment of the employer's contribution to the Educational Retirement Board to help make it solvent. SB182 was approved to help bring the reserves up to 5 percent by eliminating some outstanding capital projects. During the Special Legislative Session, the legislature completed action on the general appropriations act. After the Special Session, higher education ended up with \$21.2 million in workload funding, a four-year tuition credit of 5 percent for the four-year institutions and 9 percent for the two-year institutions. They also sanded the I&G line by 3.4 percent.

President Couture sent a letter to our Legislators asking that they put more money into the I&G portion of the budget to offset some of the cost of workload growth and that they eliminate the 1.4 percent reduction to compensation. They eliminated the reduction to compensation and replaced it with a 0.5 percent across-the-board reduction. This year, workload growth funding was almost double what it was last year. The cuts were also double what they were last year. The total cut to the higher education budget was \$13.5 million, but the workload growth funding was paid from the higher education allocation, so the actual cut was much higher. Total funding from the Special Session for the NMSU system, including all of our community colleges, all of I&G funding, and the funding for the research and public service lines, decreased by 4 percent for I&G and 6.5% for non-I&G. Total funding cuts for the NMSU system based on FY10 funding were 8.4 percent. The overall FY10 pre-solvency cut to non-I&G funding was approximately 7 percent.

Vicente Vargas said SB182 was passed during the regular session to bring the state's reserves up to 5 percent. NMSU had approximately \$2 million of capital project money that was reverted back to the state. During the Special Session, the Legislature passed SB1 which authorized the issuance of \$28.4 million in general obligation bonds and HB5 which authorized \$750 thousand in severance tax bonds for NMSU projects. Ricardo said SB1 is awaiting the Governor's signature. If approved, it still has to go before the voters in November. The Senate also approved a joint memorial to relocate the National Solar Observatory and staff to NMSU Las Cruces. Ricardo said future revenue estimates for the state are very uncertain and additional budget cuts may be on the way since very few options to balance the budget remain.

Dr. Couture said we will need to set a low, medium and high target budget reduction so we will have some flexibility in determining how to make the overall cuts. Target cut percentages will be provided shortly. We will need to visit with our Regents about the uses and sources of our budget. We will need to balance the impact across all of our programs. Each unit will have their own set of core programs as well as the institution's core programs. We are a comprehensive, research university that plays on a national and international scene. That requires some obligations of us in terms of how we look as an institution, how we behave internally, and the obligations we have to our students. We need to keep in mind our broader goals.

Our most immediate need is to decide how we pay the bill to the state on July 1. Dr. Couture distributed a draft memo from Jennifer Taylor that proposed some temporary budget control actions for FY11. President Couture asked for feedback to the draft memo by March 12. Jennifer said the memo primarily deals with the way we will handle vacant I&G positions for the main campus. Review of vacant faculty positions, which are being held by the Provost, and how that relates to programs, will take place in the fall. Vacant staff positions are frozen in a pool. Before the end of June, vacant staff positions will be reviewed at various levels, including the President, to consider exchanging vacant positions for filled ones. The goal is to not eliminate positions that are currently filled. The memo also proposed to sweep any I&G carryforward balance in excess of 10 percent on July 1 to assist in addressing the impact of the state appropriation reduction from central sources. Around March 15, each dean and vice president with Las Cruces campus I&G budgets will receive a notebook with position and benchmarking data to help in prioritizing administrative functions. Feedback will be due the end of April. Memos will be sent today to the community colleges and non I&G units regarding the timeline to submit their budgets, and, the timeline will be rather tight.

President Couture said she wants to be as transparent as possible during this process, but she cannot say it will not be difficult. She said she is counting on the Council's leadership in remaining positive, in thinking of themselves as part of a community, and respecting the challenges other units may be facing during this difficult process.

**4. Audit Services Risk Survey [Brenda Shannon]**

Brenda Shannon thanked those who participated in the audit risk survey. The survey results will help Audit Services in determining what areas to look at, to explain what they have been doing, what other groups are doing, and to clear up some misconceptions. The summary results will be shared with the Council.

**5. Faculty Senate Update [Chris Erickson]**

Chris Erickson said they had a very emotional Faculty Senate meeting. Faculty are very concerned about the budget cut situation. Chris encouraged administrators to share as much information as possible with faculty. Dr. Couture asked Ricardo and Vicente to update the Faculty Senate on the Legislative Session.

**6. Interim Executive Vice President/Provost Update [Jay Jordan]**

Jay Jordan said he thinks the faculty are under the impression that when we use the word "program," we are referring to a department. Many departments have multiple programs. Some departments may have an opportunity to partner with a similar program in another college. Consolidating or merging programs does not mean merging departments, and it does not mean moving faculty from one college to another. In some cases where student demand is low, combining programs may free up a faculty member to work on a research project or teach an upper-division course. Dr. Couture said she did not want to dissuade colleges from looking at departmental mergers if that would be a benefit for them, although the administration is not looking at that from their standpoint.

Dr. Jordan said we also need to consider having our community colleges teach some of the lower-division courses to free up faculty members on the main campus to pursue upper-division and graduate courses and scholarly activities.

**7. NMSU Employee Council Update [Roseanne Bensley]**

Roseanne Bensley said Employee Council members are also anxiously looking forward to acquiring the budget cut information. She asked about the status of the budget website. Dr. Couture said she is in the process of preparing an introductory message for the website. We hope to launch the website this week. She also asked Ricardo and Vicente to update the Employee Council on the Legislative Session. Vicente said they are also contacting the deans, community colleges, and other units to schedule presentations to them.

**8. Athletics Update [Mac Boston]**

Mac Boston said approximately 150 Aggie fans will be traveling to the WAC basketball tournament this week in Reno, NV. Dr. Couture asked for a round of applause for our teams.

Next Meeting: Tuesday, April 13, 2010, 8:30 a.m., Corbett Center, Colfax Room #210