

New Mexico Highlands University
Special Board of Regents Meeting
Margaret J. Kennedy Alumni Hall
NMHU Main Campus
Las Vegas, NM
January 12, 2009 at 3:00 p.m.

1. Call to Order – Chairman Javier Gonzales
2. Approval of Agenda for January 12, 2009
3. Executive Session--To discuss the acquisition of real property pursuant to the provisions of Section 10-15-1 (H)(8) NMSA 1978.
4. Approval of Letter of Intent regarding the College of Santa Fe – Action Item
5. Approval to Purchase Approximately 20 acres of Land at the College of Santa Fe - Action Item
6. President's Report
7. Adjournment

Call 454-3387 for information.

**New Mexico Highlands University
Special Board of Regents Meeting
January 12, 2009**

The New Mexico Highlands University Board of Regents met in a Special Board of Regents Meeting on January 12, 2009 at the Margaret J. Kennedy Alumni Hall, on the New Mexico Highlands University main campus in Las Vegas, New Mexico. Chairman Gonzales called the meeting to order at 3:13 p.m.

Attendance

Board Members Present: Chairman Javier Gonzales, Mr. Jesus Lopez and Mr. Leveo Sanchez.
Absent: Ms. Nancy Long and Ms. Sherry Salas,

Administrative Personnel Present: Dr. James Fries, President; Dr. Gilbert Rivera, Vice President for Academic Affairs, Dr. William Taylor, Vice President for Finance & Administration, Ms. Judy Cordova-Romero, Vice President for Student Affairs.

Others Present: Dr. Maureen Romine, Faculty Senate Chair; and Ms. Susie Maestas, Executive Administrative Assistant and numerous other individuals in the audience, including faculty, staff, students, community representatives, and media. The Board meeting was broadcast live via instructional television video to the NMHU Farmington, Rio Rancho, Santa Fe, and Raton Centers, and over the KEDP Radio Station.

Approval of Agenda for Meeting of January 12, 2009

Regent Sanchez made a motion to approve the January 12, 2009 agenda. Regent Lopez seconded the motion. Motion passed.

Executive Session – To discuss the Acquisition of Real Property. Pursuant to provisions of Section 10-15-1 (H) (8) NMSA 1978. Regent Lopez moved to adjourn into executive session. Regent Sanchez seconded the motion. A roll call was taken and voting in favor were: Chairman Gonzales, Regent Sanchez, and Regent Lopez. Motion carried and the Board went into executive session at 3:30 p.m.

Regent Sanchez moved to come out of executive session into open session. Regent Lopez seconded the motion. A roll call was taken and voting in favor were: Chairman Gonzales, Regent Sanchez; and Regent Lopez. Motion carried unanimously and the meeting was called back to order at 4:11 p.m.

Approval of Letter of Intent regarding College of Santa Fe – Action Item

Chairman Gonzales requested that President Fries describe the Letter of Intent (LOI). President Fries indicated that the Letter of Intent grants the University a 120-day option to purchase the assets of the College of Santa Fe (CSF). The process involves a great deal of due diligence. President Fries indicated that acquiring the College of Santa Fe will require a variety of approvals from State agencies. President Fries stated that if acquired, Highlands would offer courses in the Fall 2009 semester.

President Fries reported that the University would acquire the College's real and personal property in exchange for refinancing the College's outstanding debts. The University would purchase 20-acres of vacant land currently held under mortgage by Laureate University. The cost would be enough to buy out Laureate's \$2.2 million loan plus \$3 million, which is to provide the College of Santa Fe with sufficient cash to assure their continued operations through the Spring 2009 semester.

President Fries indicated that as part of the deal, the University will work with the College to ensure that a proper budget is in place, and monitor their expenditures and cash disbursements. President Fries also indicated that they would be working with the bond holder, (the Royal Bank of Canada) and 1st Community Bank to negotiate the terms under which the debts will be restructured or refinanced. The University will work closely with The Higher Learning Commission, which is the accrediting body for both the college and the university to assure that they are supportive of this acquisition.

President Fries reported that the University will be holding discussions with Santa Fe Community College (SFCC) about offering 100-200 level courses which are parts of the general education core. President Fries also plans to offer other universities the opportunity to offer courses unique to their universities and marketable in the Santa Fe area.

President Fries announced that the College of Santa Fe, founded by the Christian Brothers, was the first institution in New Mexico, chartered by the Territorial Legislature in 1874. Many of the brothers attended Highlands University. Likewise, Highlands has been in existence for over 115 years and together these two institutions can continue to expand.

Chairman Gonzales on behalf of the Board of Regents, commended President Fries and his administration for their continued efforts to acquire the College of Santa Fe.

Chairman Gonzales asked former Regent, John Loehr to comment on the acquisition of the College of Santa Fe. Mr. Loehr indicated that the actions taken by the Board and President Fries is courageous and constructive. He praised President Fries for the enormous amount of work, energy and analysis in his vision and the service it will offer to students now and in the future.

Dr. Maureen Romine, Chair of the Faculty Senate indicated that faculty would like to see an Open Forum held to answer any questions related to the acquisition.

Regent Jesus Lopez made a motion to lift previous action tabling the Binding Letter of Intent and approve the Binding Letter of Intent granting New Mexico Highlands University the option to purchase the College of Santa Fe, as approved by the Board of Trustees, of the College on January 9, 2009. Regent Leveo Sanchez seconded the motion. Voting in favor were: Chairman Gonzales, Regent Lopez, and Regent Sanchez. Motion passed unanimously.

Approval to Purchase Approximately 20-acres of Land at the College of Santa Fe – Action Item

President Fries reported that one of the first steps in the process of acquiring the College of Santa Fe is an offer to purchase 20-acres of the property. The land lies along Siringo Road on the front

of the College facing St. Michael's drive. The property was recently appraised at \$7.9 million. The maximum cost to the University is \$5.2 million, (inclusive of Laureate's loan of \$2.2 million.)

President Fries indicated that the purchase of the property is a stand-alone purchase. The property itself is considered a valuable asset at a reduced cost.

Regent Lopez made a motion to approve the purchase of approximately 20-acres of land at the College of Santa Fe. Regent Sanchez seconded the motion. Voting in favor were: Chairman Gonzales, Regent Lopez, and Regent Sanchez. Motion passed unanimously.

President's Report

President Fries reported that today is the first day of the Spring semester. He welcomed students and faculty back.

President Fries announced that various buildings and residence halls were upgraded during the semester break. President Fries complimented the Facilities Department for their efforts. The School of Social Work moved in to the Science Annex from Mortimer Hall. President Fries announced that Smart Boards were installed in some of the classrooms. President Fries indicated that Educational Outreach Services has been working on converting how distance education is offered.

President Fries reported that enrollment numbers are up by 4% compared to last year. There are still a couple of weeks left to enroll. President Fries commended Sean Weaver, University Relations Director, for coming up with a campaign stating that the University's tuition and fees are the lowest in an 11-state region. The campaign read: "Each year millions of ceramic piggy banks are destroyed each year in the pursuit of college, but there is hope."

President Fries reported that ongoing projects include: the Felix Martinez project, negotiating the final contracts for the Master Plan and the Student Center, and preparing to issue an RFP for the Lora Shields, Natatorium and the Trolley building projects. President Fries said that the residence halls project is on schedule and the plan is to have the halls complete by June, 2009.

President Fries announced that the University received a \$1.6 million grant from the Department of the Education to increase the number of Hispanic students pursuing degrees in the stem sciences, technology, engineering and math. President Fries also announced that the University will be one of the Gateway site for the Supercomputing Network. On January 13, 2009, Mr. Max Baca, ITS Director will coordinate and host a group on campus. President Fries reported that the Forest and Watershed Restoration Institute is in the process of changing leadership and he anticipates the transition will go smoothly.

President Fries indicated that Jane McNabb who was hired as Vice President for Advancement, had to decline the position due to her husband not being able to acclimate to the altitude. The University is in process of seeking a replacement.

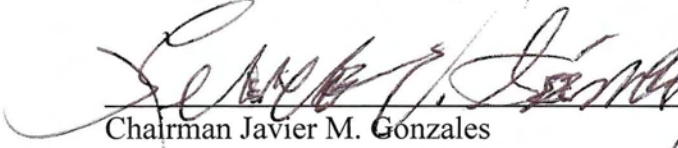
Highlands Day at the Legislature is scheduled for February 10, 2009. In addition, President Fries indicated that the next Board of Regents meeting will be decided after the 2 new regents are on board. President Fries also indicated that the Strategic Planning Committee will receive their charge at a meeting this week.

President Fries commended Chairman Gonzales for his tenure as a member of the Board of Regents. President Fries stated these past four-years were filled with challenging times and opportunities. President Fries said that Highlands University owes Chairman Gonzales a phenomenal amount of gratitude, for the leadership, judgment, wisdom, commitment and optimism that he displayed. President Fries presented Chairman Gonzales with a memento in appreciation for his work.

Chairman Gonzales thanked President Fries, the Board of Regents and the HU community for their generosity, friendship and support. He indicated that he will continue to support Highlands.

Adjournment

Regent Lopez moved to adjourn. Regent Sanchez seconded the motion. Motion carried and the meeting adjourned at 3:10 p.m. 1



Chairman Javier M. Gonzales
NMHU Board of Regents



Secretary/Treasurer Sherry Salas
NMHU Board of Regents