

**STATE OF NEW MEXICO
SXITH JUDICIAL DISTRICT COURT
COUNTY OF GRANT**

STATE OF NEW MEXICO ex rel.
RAÚL TORREZ, ATTORNEY GENERAL,

Plaintiff,

v.

No. D-608-CV-2025-00007

DR. JOSEPH SHEPARD,
WESTERN NEW MEXICO UNIVERSITY BOARD OF REGENTS,
DR. MARY E. HOTVEDT, in her official capacity,
DR. LYNDON HAVILAND, in her official capacity,
TRENT JONES, in his official capacity,
DR. DANIEL H. LOPEZ, in his official capacity, and
DAL MOELLENBERG, in his official capacity,

Defendants.

**SUPPLEMENT TO THE STATE’S EMERGENCY MOTION
FILED JANUARY 6, 2024, FOR TEMPORARY RESTRAINING ORDER
AND APPLICATION FOR PRELIMINARY INJUNCTION**

The State of New Mexico, by and through Attorney General Raúl Torrez, and Pursuant to Rule 1-066 NMRA, files this supplement to the State’s emergency motion for a temporary restraining order and a preliminary injunction (“Motion”) filed January 6, 2024. The State must file these supplemental facts and change its request for relief because of actions taken by the Regents and Dr. Joseph Shepard prior to the filing of the Motion that were undisclosed at the time of the filing.

The State amends its requested relief and instead requests a temporary restraining order and the imposition of a constructive trust to prevent Dr. Joseph Shepard from spending or otherwise disposing of the \$1,909,788.00 (less any withholding) severance payment (“Severance Payment”) of public funds Western New Mexico University (“Western” or the “University”) Board of Regents (“Board”) distributed to him on January 2, 2025.

Without a constructive trust, Dr. Shepard will be unjustly enriched because there is a substantial likelihood that the clause in the December 20, 2024 Separation Agreement granting him the Severance Payment will be found either void or unenforceable due to the Board’s breaches of fiduciary duty during its negotiation and approval, the lack of consideration received by Western and the substantive unconscionability of the clause.

Dr. Shepard opposes this supplement to the State’s Emergency Motion. The State requested the position of the Board of Regents by email on January 8, 2025 but they were unable to provide a response by the time of this filing and so the State assumes they oppose.

FACTUAL BACKGROUND

Even though Dr. Shepard has not yet left his position as President of Western, Western’s Board of Regents, staff, legal counsel, and Dr. Shepard prioritized the payout of more than \$1.9 million in public funds to Dr. Shepard while simultaneously delaying any responses to the State’s investigation requests. The Board’s legal counsel claimed the parties could not respond to requests for information from the State due to holiday shutdowns and yet, during that same period, the parties managed to initiate, process, and disburse the payment of more than \$1.9 million of public funds to Dr. Shepard.

A Supplement to our Emergency Motion, adding Dr. Shepard, updating the Court with the new facts related to the payment to Dr. Shepard, and changing our requested relief for the Monday hearing to a TRO ordering Dr. Shepard not to spend or otherwise dispose of the funds received in January 2, 2025 until full briefing and an evidentiary hearing on our application for a preliminary injunction can be held. As discussed in the Emergency Motion filed January 6, 2025 (Motion), the Board announced the creation of a personnel subcommittee who allegedly negotiated the termination of Dr. Shepard's Employment Agreement and the creation of a new Separation Agreement at a special meeting held on Friday, December 20, 2024, right before the University's long Winter Break. Two days after Christmas, on Friday, December 27, 2024, the State sent Dr. Shepard, Board President Mary Hotvedt, Julie Morales (Vice President of Compliance & Communications), Provost Jack Crocker, and Karen Kilgore (Counsel for the Board) two letters formally announcing the launch of an investigation by the NM Department of Justice and demanding documents. One letter asked Western to immediately share the Employment Agreement between Western and Dr. Shepard and the second letter requested for a variety of other documents. **See Letters from Billy Jimenez, dated December 27, 2024, and attached as Exhibit 9.** The State received no response or acknowledgement and so followed up with the Board's legal counsel by email and phone on Monday, December 30, 2024. At that time, the Board's legal counsel claimed she was unable to share the requested contracts because "[a]s it turns out, WNMU is closed and will reopen on January 2, 2025 at which time I can gather the 'contracts and agreements' you request." **See emails between Billy Jimenez and Karen Kilgore attached as Exhibit 10.**

The same day, legal counsel for Dr. Shepard reached out to the State to request a meeting. **See Email from John Shepard to Billy Jimenez at 2:24pm on December 30, 2024, attached as Exhibit 11.** Counsel for the State, Deputy Attorney General Billy Jimenez and Assistant Attorney General Rose Bryan, offered to meet the next day, but Mr. Anderson indicated he was not available until the afternoon of January 2, 2025. **Id. at 7:30pm on December 30, 2024.** During the January 2, 2025 meeting with Mr. Anderson, counsel for the State requested the Employment Agreement and Separation Agreement, which Mr. Anderson provided at 4:00pm that same day. Upon seeing that the Separation Agreement included a clause stating that the Severance Payment “shall be paid *by* January 15, 2025” rather than *on* January 15, 2025, the State sent another letter to the Board President, Mary Hotvedt, Provost Crocker, Julie Morales, and Kelley Riddle (Vice President of Business Affairs), demanding that they “delay the issuance of any severance payments to WNMU President Joseph Shepard under the Separation Agreement approved by the Board of Regents at the Special Meeting on December 20, 2024.” **See Letter from Billy Jimenez, dated January 3, 2025, and attached as Exhibit 11.**

On January 8, 2024, *five days after the State’s demand that the university not issue the Severance Payment*, the State received a call from The Board’s legal counsel and learned that Dr. Shepard had already received payment on January 2, 2025.¹ The State immediately reached out to Dr. Shepard’s legal counsel and asked if Dr. Shepard would be willing to voluntarily safeguard

¹ At the time of this filing the State has no information about how the payment authorization was facilitated or who was involved in processing the disbursement of funds during the school’s closure over the holidays and during the same period that it was noncompliant with multiple requests for the production of documents issued by counsel for the State.

the severance payment funds by depositing them in the Court treasury until the legal questions of great public import raised by this suit could be resolved. Dr. Shepard refused. **See Email from John Anderson to Rose Bryan at 4:10pm, January 8, 2025, attached as Exhibit 12.**

INTRODUCTION

The State asks the court to grant a temporary restraining order that immediately and temporarily prohibits Dr. Shepard from spending the \$1,909,788.00 Severance Payment of public funds he received January 2, 2025 until a full evidentiary hearing can be held regarding the imposition of a constructive trust or other form of preliminary injunctive relief.

LEGAL AUTHORITY & ARGUMENT

The imposition of a constructive trust is an equitable remedy, and as such is within the broad discretion of the district court. *In re Estate of Duran*, 133 N.M. 553, 565, 66 P.3d 326, 338 (N.M.,2003); *Jicarilla Apache Tribe v. Andrus*, 687 F.2d 1324 (10th Cir. 1982). A constructive trust is imposed to prevent the unjust enrichment that would result if the person having the property were permitted to retain it. *Aragon v. Rio Costilla Co-op. Livestock Ass'n*, 1991-NMSC-057, ¶ 12, 112 N.M. 152. The circumstances where a court might impose a constructive trust are varied and may include fraud, constructive fraud, duress, undue influence, breach of a fiduciary duty, or similar wrongful conduct. *Id.*; *see, e.g.*, *In re Estate of McKim*, 111 N.M. 517, 807 P.2d 215 (1990); *Garcia v. Marquez*, 101 N.M. 427, 684 P.2d 513 (1984). More generally, such a trust can be imposed based upon the “breach of any legal or equitable duty,” or the “commission of a wrong.” *Tartaglia v. Hodges*, 2000-NMCA-080, ¶ 60, 129 N.M. 497.

Like the Board when they agreed to their political appointments, Dr. Shepard assumed broad responsibilities, power, and control over the University when he entered into his Employment Agreement. He also explicitly agreed to follow the University's policies and, implicit in his responsibilities is the duty not to spend University funds in a manner that would violate state laws such as the Procurement Code:

Dr. Shepard shall be the chief executive officer of the University and shall be responsible for administering and leading the University and implementing the rules, regulations, policies and directives of the Board and applicable law. Dr. Shepard agrees that he will at all times faithfully, industriously, and with the best use of his experience, ability and talent, perform all of the duties required pursuant to the terms of this Employment Agreement and the University's official policies, and as assigned by the Board.

Ex. 6, at page 1.

Dr. Shepard has remained in full control of Western and its administration since the announcement of the negotiation and approval the Separation Agreement that the State is challenging in the underlying action. In fact, in light of the resignation of four of the five Regents prior to the January 2, 2025 distribution of his Severance Payment, and, consequently, the inability of the Board to form a quorum to take any actions during this time, Dr. Shepard's power and authority over the administration of Western were absolute and without any check at the time of the distribution of the more than \$1.9 million. Dr. Shepard chose to complete the issuance and disbursement of that payment, accepted it, and now refuses to safeguard it despite being aware of the State's investigation since December 27, 2024.

For all the reasons described in the State's Motion, there is a substantial likelihood that the entire Separation Agreement or at least the Severance Payment clause will be either voided or found unenforceable.

Here, the circumstances surrounding the approval of Dr. Shepard's Separation Agreement on December 20, 2024 as well as the course of events since then, support the imposition of constructive trust over the funds disbursed to Dr. Shepard for the benefit of both Western and the public. The Office of the State Auditor has documented evidence that Dr. Shepard violated University policies and the procurement code. See Ex. 4. And as described in the State's Motion, the Severance Payment clause found in the Separation Agreement lacks consideration, mutuality, and reeks of self-dealing. But now, by failing to respond to the State's investigation requests *until after he had ensured the disbursement of his own Severance Payment*, Dr. Shepard's willingness to disregard his duties of loyalty and good faith in his exercise of authority at Western is undeniable. The fact that Dr. Shepard now refuses to voluntarily safeguard the funds should convince the Court of the need for equitable action as well as the irreparable harm to Western and the public if the actions that led to the payment are set-aside but the funds can no longer be recovered.

REQUEST FOR RELIEF

THEREFORE, the State respectfully requests that the Court

- 1) Enter a temporary restraining order prohibiting Dr. Shepard from spending or otherwise disposing of the Severance Payment he received on January 2, 2025 prior to full briefing and an evidentiary hearing on the merits of a preliminary injunction;

- 2) Impose a constructive trust over the Severance Payment issued to Dr. Shepard on January 2, 2025, ordering him to deposit the amount he received in the court registry until the Special Audit requested by the Board and Dr. Shepard is complete and the report of its findings finalized; and
- 3) Grant such further equitable relief as the Court deems just and proper.

Respectfully Submitted:

RAÚL TORREZ

New Mexico Attorney General

By: /s/ Rose Bryan

Kathleen Rosemary Bryan

Assistant Attorney General

New Mexico Department of Justice

408 Galisteo Street

Santa Fe, NM 87501

(505) 490-4060

rbryan@nmdoj.gov

Attorney for the State of New Mexico

CERTIFICATE OF SERVICE

The following parties were served on January 9, 2025 with this *Supplement to State's Emergency Motion Filed on January 6, 2025 for Temporary Restraining Order and Application for Preliminary Injunction*, by email to their legal counsel as listed below:

M. Karen Kilgore
Cuddy & McCarthy, LLP
1701 Old Pecos Trail
Santa Fe, NM 87505
kkilgore@cuddymccarthy.com

Counsel for Board Defendants

John C. Anderson
Holland & Hart, LLP
JCAnderson@hollandhart.com
110 N Guadalupe St # 1
Santa Fe, NM 87501

Counsel for Defendant Dr. Shepard

/s/ Rose Bryan
Kathleen Rosemary Bryan



December 27, 2024

VIA EMAIL ONLY

Joseph Shepard, President
Mary Hotvedt, Board of Regents President
Dr. Jack Crocker, Provost and VP Academic Affairs
Julie Morales, VP Compliance and Communications
Western New Mexico University
P.O. Box 680
Silver City, NM 88062
joseph.shepard@wnmu.edu
jack.crocker@wnmu.edu
julie.morales@wnmu.edu

Re: Demand for Records – Employment Agreements of President Joseph Shepard (1 of 2)

Dear President Shepard, Board President Hotvedt, Provost Crocker and VP Morales:

The New Mexico Department of Justice (“NMDOJ”) has launched an investigation into recent alleged financial improprieties related to Western New Mexico University (“WNMU”) President Joseph Shepard and the WNMU Board of Regents (the “Board”). In connection with this pending investigation, we demand the following records in the possession of any employee, official or Board Regent of WNMU:

- 1) All drafts and final contracts and agreements between WNMU and WNMU President Joseph Shepard, including any employment agreements and that certain separation agreement approved by the Board on December 20, 2024.

We request that you fulfill this demand immediately. A more substantial demand for records and documents will follow under separate cover. Please contact me if you have any questions or need further clarification regarding this demand.

EXHIBIT

9

Sincerely,



Billy J. Jimenez
Deputy Attorney General
bjimenez@nm DOJ.gov
(505) 490-4060

CC: Karen Kilgore (kkilgore@cuddymccarthy.com)

Page 2 of 2



December 27, 2024

VIA EMAIL ONLY

Joseph Shepard, President
Mary Hotvedt, Board of Regents President
Dr. Jack Crocker, Provost and VP Academic Affairs
Julie Morales, VP Compliance and Communications
Western New Mexico University
P.O. Box 680
Silver City, NM 88062
joseph.shepard@wnmu.edu
jack.crocker@wnmu.edu
julie.morales@wnmu.edu

Re: Demand for Records – Documents related to the Employment of Joseph Shepard (2 of 2)

Dear President Shepard, Board President Hotvedt, Provost Crocker and VP Morales:

This letter follows a previous letter sent by the New Mexico Department of Justice (“NMDOJ”) demanding contracts and agreements related to WNMU President Joseph Shepard. The NMDOJ has launched an investigation into recent alleged financial improprieties related to Western New Mexico University (“WNMU”) President Joseph Shepard and the WNMU Board of Regents (the “Board”). In connection with this pending investigation, we demand the following records in the possession of any employee, official or Board Regent of WNMU:

- 1) All correspondence, including notes, letters, emails, text messages, and electronic messages (chat messages) pertaining to or discussing contracts and agreements between WNMU and WNMU President Joseph Shepard from January 1, 2022, to December 27, 2024, including any correspondence pertaining to or discussing employment agreements or separation agreements related to WNMU President Joseph Shepard.
- 2) All documents provided by WNMU to the New Mexico Office of the State Auditor from January 1, 2023, to December 27, 2024, related to investigations of WNMU President Joseph Shepard and the WNMU Board.
- 3) A current list (as of December 27, 2024) showing a list of all faculty salaries, including deans, provosts, and administrators.

- 4) All correspondence, including notes, letters, emails, text messages, and electronic messages (chat messages) between WNMU and state liability coverage providers (including the State Risk Management Division and the New Mexico Municipal League) discussing employment contracts or pending litigation related to WNMU President Joseph Shepard.

Please provide the above materials by January 6, 2025. You are hereby noticed to preserve all records and documents, including correspondence, notes, letters, emails, text messages, recordings and electronic messages (chat messages) related to the investigation, employment and resignation of WNMU President Joseph Shepard. Please contact me if you have any questions or need further clarification regarding this demand.

Sincerely,



Billy J. Jimenez
Deputy Attorney General
bjimenez@nmdoj.gov
(505) 490-4060

CC: Karen Kilgore (kkilgore@cuddymccarthy.com)

Rose Bryan

From: Karen Kilgore <kkilgore@cuddymccarthy.com>
Sent: Monday, December 30, 2024 6:28 PM
To: Billy Jimenez
Cc: Rose Bryan
Subject: RE: NMDOJ Demand for Contracts and Investigative Documents from WNMU - Two Letters

EXHIBIT

10

Billy: Thanks for calling and following up with this particular request for the “contracts and agreements” between WNMU and WNMU President Shepard. As I mentioned on the telephone with you, I am working with a skeleton crew around here (and my office is closed New Year’s Eve and New Year’s Day) and, of course, must confer with my client WNMU in order to gather documents. As it turns out, WNMU is closed and will reopen on January 2, 2025 at which time I can gather the “contracts and agreements” you request. Thanks again.



M. Karen Kilgore, Esq.
Cuddy & McCarthy, LLP
1701 Old Pecos Trail
Santa Fe, New Mexico 87505
505-988-4476
1-888-977-3814 (facsimile)
kkilgore@cuddymccarthy.com

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From: Billy Jimenez <BJimenez@nm DOJ.gov>
Sent: Monday, December 30, 2024 3:26 PM
To: Karen Kilgore <kkilgore@cuddymccarthy.com>
Cc: Rose Bryan <RBryan@nm DOJ.gov>
Subject: FW: NMDOJ Demand for Contracts and Investigative Documents from WNMU - Two Letters

Dear Ms. Kilgore:

I wanted to follow up on my phone call with you earlier this afternoon to determine if you can please send us the employment agreements specified in the attached letter (letter 1 of 2). It is of critical importance that our office receives the requested employment agreements on an expedited basis since the WNMU regents resolved to accept WNMU President Joseph Shepard’s resignation and execute the financial terms of his Separation

Agreement on January 15, 2025. For these reasons, there is a need for our agency to investigate this matter on an expedited basis.

Thank you for your attention to this very important matter.

Sincerely,

Billy



Billy J. Jimenez
Deputy Attorney General
Civil Affairs
State of New Mexico Department of Justice
505-527-2694
bjimenez@nmdoj.gov

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From: Billy Jimenez

Sent: Friday, December 27, 2024 6:19 PM

To: joseph.shepard@wnmu.edu; jack.crocker@wnmu.edu; julie.morales@wnmu.edu; kkilgore@cuddymccarthy.com

Cc: Rose Bryan <RBryan@nmdoj.gov>

Subject: NMDOJ Demand for Contracts and Investigative Documents from WNMU - Two Letters

Dear President Shepard, Regent President Hotvedt, Provost Crocker, VP Morales, and GC Karen Kilgore:

I attach from the NMDOJ two (2) letters dated December 27, 2024, demanding certain investigative documents. Please let me know if you have any questions.

Sincerely,

Billy Jimenez



Billy J. Jimenez
Deputy Attorney General
Civil Affairs
State of New Mexico Department of Justice
505-527-2694
bjimenez@nmdoj.gov

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January 3, 2025

VIA EMAIL ONLY

EXHIBIT

11

Mary Hotvedt, Board of Regents President
Dr. Jack Crocker, Provost and VP Academic Affairs
Julie Morales, VP Compliance and Communications
Kelley Riddle, VP Business Affairs
Western New Mexico University
jack.crocker@wnmu.edu
julie.morales@wnmu.edu
kelley.riddle@wnmu.edu

Re: Demand to Delay Separation Agreement Payment to WNMU President Joseph Shepard & Demand for Additional Documents (Letter #3)

Dear President Shepard, Board President Hotvedt, Provost Crocker, VP Morales, and VP Kelley Riddle:

This letter follows two (2) previous letters sent by the New Mexico Department of Justice (“NMDOJ”) on December 27, 2024, demanding certain documents related to President Joseph Shepard’s employment and resignation from Western New Mexico University (“WNMU”).

First, we demand that WNMU delay the issuance of any severance payments to WNMU President Joseph Shepard under the Separation Agreement approved by the Board of Regents (the “Board”) at the Special Meeting on December 20, 2024. Additional investigation by the NMDOJ and the Office of the State Auditor is needed before any severance payment should be issued under the Separation Agreement.

We are concerned about the Board’s unexplained decision to make such a large additional expenditure of public funds to President Shepard despite there being no obligation to do so under his existing Employment Contract. The lump sum payment under the Separation Agreement is substantially more than President Shepard would have received if he were terminated without cause under the terms of his existing Employment Agreement. Further, following the announced/anticipated resignations of all five members of the WNMU Board of Regents, serious concerns exist regarding the timing of the Board’s approval of the Separation Agreement, especially in light of the November 2024 Letter of the Concern from the Office of the State Auditor and the pending special audit requested by President Shepard and WNMU in December 2023.

Second, we reiterate that we have not received any documents from WNMU responsive to the letters we sent to you on December 27, 2024. On December 30, 2024, I followed up by email with Karen Kilgore (WNMU outside general counsel) to inquire if counsel could send to our office the Employment Contract and Separation Agreement. GC Kilgore informed our office that staff for WNMU were on winter break and would not respond to our demand until January 2, 2025. We obtained the agreements peripherally from Dr. Shepard's counsel, John Anderson, on January 2, 2025. However, we have yet to receive any responsive documents from WNMU in response our letters sent on December 27, 2024.

Third, we take this opportunity to request additional documents in relation to our investigation. We demand the following records in the possession of any employee, official or Board Regent of WNMU:

- 1) All documents of the WNMU's Regents Personnel Subcommittee from January 1, 2024, to January 2, 2025, including all drafts, redline edits, correspondence, notes, letters, emails, text messages, and electronic messages (chat messages), made or shared by members of the Personnel Subcommittee, regarding the employment, termination, or resignation of WNMU President Joseph Shepard.
- 2) All correspondence, including notes, letters, emails, text messages, and electronic messages (chat messages) between any employee, official, Board Regent of WNMU, or attorney of WNMU and John Anderson (attorney for WNMU President Joseph Shepard) from January 1, 2024, to January 2, 2025.
- 3) All draft and final versions of meeting notices, minutes, and agendas for the WNMU Board of Regents Special Meeting held on December 20, 2024.
- 4) Any documentation showing valid closure of the WNMU Board of Regents Special Meeting held on December 20, 2024, in compliance with NMSA 1978, § 10-15-1(I).
- 5) All WNMU attorney billing statements and itemized billing entries for legal services rendered in relation to the employment, termination, and/or resignation of WNMU President Joseph Shepard from January 1, 2024, to January 2, 2025.

Please provide the above materials by January 10, 2025. You are hereby re-noticed to preserve all records and documents, including correspondence, notes, letters, emails, text messages, recordings and electronic messages (chat messages) related to the investigation, employment and resignation of WNMU President Joseph Shepard.

Western New Mexico University

January 3, 2025

Page 3 of 3

Please contact me if you have any questions or need further clarification regarding this letter.

Sincerely,



Billy J. Jimenez
Deputy Attorney General
bjjimenez@nmdoj.gov
(505) 490-4060

CC: Karen Kilgore (kkilgore@cuddymccarthy.com)

Rose Bryan

From: John C. Anderson <JCAnderson@hollandhart.com>
Sent: Wednesday, January 8, 2025 5:07 PM
To: Rose Bryan; Billy Jimenez
Subject: RE: Dr. Joe Shepard

Thank you. I can accept service on behalf of Dr. Shepard.

John C. Anderson
Partner, Holland & Hart LLP

jcanderson@hollandhart.com | T: (505) 954-7290 | M: (505) 919-8389

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From: Rose Bryan <RBryan@nmdoj.gov>
Sent: Wednesday, January 8, 2025 4:13 PM
To: John C. Anderson <JCAnderson@hollandhart.com>; Billy Jimenez <BJimenez@nmdoj.gov>
Subject: RE: Dr. Joe Shepard

External Email

Hello Mr. Anderson,

Thank you for getting back to us so quickly! We'll be in touch.

Will you accept service for the complaint against Dr. Shepard or should we plan to serve him directly?

Thank you,
Rose



Rose Bryan
Assistant Attorney General
Government Litigation
New Mexico Department of Justice
505-917-9747
rbryan@nmag.gov

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From: John C. Anderson <JCAnderson@hollandhart.com>
Sent: Wednesday, January 8, 2025 4:10 PM

EXHIBIT

12

To: Rose Bryan <RBryan@nmdoj.gov>; Billy Jimenez <BJimenez@nmdoj.gov>

Subject: RE: Dr. Joe Shepard

Ms. Bryan:

Thank you for your time earlier today. I have spoken with my client and, as expected, he respectfully declines the offer relating to a deposit of the funds.

I am of course always available should you wish to discuss this matter further.

Best,

John C. Anderson

Partner, Holland & Hart LLP

jcanderson@hollandhart.com | T: (505) 954-7290 | M: (505) 919-8389

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From: Rose Bryan <RBryan@nmdoj.gov>

Sent: Wednesday, January 8, 2025 1:06 PM

To: John C. Anderson <JCAnderson@hollandhart.com>; Billy Jimenez <BJimenez@nmdoj.gov>

Subject: RE: Dr. Joe Shepard

External Email

Hello Mr. Anderson,

I just left you a voicemail. We wanted to discuss a time sensitive matter with you before we take action and so were hoping to speak ASAP.

You can reach me on my direct cell number: 505-917-9747.

Thank you,
Rose



Rose Bryan

Assistant Attorney General

Government Litigation

New Mexico Department of Justice

505-917-9747

rbryan@nmag.gov

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From: Rose Bryan <RBryan@nmdoj.gov>
Sent: Friday, January 3, 2025 2:19 PM
To: John C. Anderson <JCAnderson@hollandhart.com>; Billy Jimenez <BJimenez@nmdoj.gov>
Subject: RE: Dr. Joe Shepard

No worries! I suspected that was the case.



Rose Bryan
Assistant Attorney General
Government Litigation
New Mexico Department of Justice
505-917-9747
rbryan@nmag.gov

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From: John C. Anderson <JCAnderson@hollandhart.com>
Sent: Friday, January 3, 2025 2:12 PM
To: Rose Bryan <RBryan@nmdoj.gov>; Billy Jimenez <BJimenez@nmdoj.gov>
Subject: RE: Dr. Joe Shepard

Ms. Bryan,

Apologies. In retrospect my use of the phrase “sources of compensation” was inartful. My intention was only to communicate that the benefits mentioned below were in addition to his base salary, not to suggest that they were provided, or paid for, by a source other than the university. My apologies for the confusion.

Thanks.

John C. Anderson
Partner, Holland & Hart LLP

jcanderson@hollandhart.com | T: (505) 954-7290 | M: (505) 919-8389

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From: Rose Bryan <RBryan@nmdoj.gov>
Sent: Friday, January 3, 2025 2:04 PM
To: John C. Anderson <JCAnderson@hollandhart.com>; Billy Jimenez <BJimenez@nmdoj.gov>
Subject: RE: Dr. Joe Shepard

External Email

Dear Mr. Anderson,

Thank you for the prompt response! Dr. Shepard's precise base salary as of December 20, 2024 is helpful information. The remainder of the 2022 contract terms are clear.

However, I am uncertain what you mean by "sources of compensation" below. Was some portion of his October 1, 2022 employment agreement paid with anything other than public funds? I ask because, in the past, there have been references by WNMU's VP of Compliance to entertainment and travel expenses being paid by the WNMU Foundation but paragraph 4 of the October 1, 2022 Employment Agreement is clear that those will be "reimbursed or paid by the University."

Does your statement below mean that there may be other portions of the October 1, 2022 Employment Agreement that were allegedly paid by the WNMU Foundation instead of the University? Perhaps I'm reading more meaning into the phrase "sources of compensation" than you intended below?

Best Wishes,
Rose



Rose Bryan
Assistant Attorney General
Government Litigation
New Mexico Department of Justice
505-917-9747
rbryan@nmag.gov

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From: John C. Anderson <JCAnderson@hollandhart.com>
Sent: Friday, January 3, 2025 1:36 PM
To: Rose Bryan <RBryan@nmdoj.gov>; Billy Jimenez <BJimenez@nmdoj.gov>
Subject: RE: Dr. Joe Shepard

Ms. Bryan:

In response to your question, Dr. Shepard's base salary as of December 20, 2024 was \$398,507. As is clear from the 2022 contract we provided yesterday, as President of WMNU Dr. Shepard also received significant compensation beyond his base salary in various forms, including but not limited to an annual bonus, retirement contributions, supplemental retirement contributions, life insurance, supplemental life insurance, medical insurance benefits, housing (with all utilities and maintenance), car allowance, annual leave, and annuity. These are largely spelled out in the 2022 contract, but please let me know if you would like additional details on these sources of compensation.

Thanks.

John C. Anderson
Partner, Holland & Hart LLP

jcanderson@hollandhart.com | T: (505) 954-7290 | M: (505) 919-8389

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From: Rose Bryan <RBryan@nmdoj.gov>
Sent: Thursday, January 2, 2025 5:39 PM
To: John C. Anderson <JCAnderson@hollandhart.com>; Billy Jimenez <BJimenez@nmdoj.gov>
Subject: RE: Dr. Joe Shepard

External Email

Hello Mr. Anderson,

It was a pleasure speaking with you. Thank you for sending us the agreements.

One quick question for you: Dr. Shepard's base salary of \$365,000, effective October 1, 2022 included mandatory increases "by the same average rate as salaries of the faculty as a whole have increased over the prior year..." What was Dr. Shepard's base salary immediately prior to the December 20, 2024 special meeting by the Board of Regents?

As promised when we spoke, my direct contact information is below. We will be in touch if we have any additional questions for Dr. Shepard specifically. To be clear, are we correct in understanding that you do not represent WNMU or the Board of Regents?

Have a good evening,
Rose



Rose Bryan
Assistant Attorney General
Government Litigation
New Mexico Department of Justice
505-917-9747
rbryan@nmag.gov

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From: John C. Anderson <JCAnderson@hollandhart.com>
Sent: Thursday, January 2, 2025 4:00 PM
To: Billy Jimenez <bjimenez@nmag.gov>
Cc: Rose Bryan <RBryan@nmdoj.gov>
Subject: RE: Dr. Joe Shepard

Mr. Jimenez/Ms. Bryan:

Nice speaking with you earlier today. Per our discussion, I have attached copies of the agreements you requested.

Please feel free to reach out should you have any additional questions.

Best,

John C. Anderson
Partner, Holland & Hart LLP

jcanderson@hollandhart.com | T: (505) 954-7290 | M: (505) 919-8389

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From: Billy Jimenez <bjimenez@nmag.gov>
Sent: Tuesday, December 31, 2024 2:48 PM
To: John C. Anderson <JCAnderson@hollandhart.com>
Cc: Rose Bryan <RBryan@nmdoj.gov>
Subject: RE: Dr. Joe Shepard

External Email

Hi Mr. Anderson:

I will actually be in Albuquerque on Thursday and Rose Bryan will be in our Santa Fe office. Prefer to meet virtually if that is okay with you. I can circulate invite.

Thanks,



Billy J. Jimenez
Deputy Attorney General
Civil Affairs
State of New Mexico Department of Justice
505-527-2694
bjimenez@nmdoj.gov

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From: John C. Anderson <JCAnderson@hollandhart.com>
Sent: Tuesday, December 31, 2024 9:41 AM
To: Billy Jimenez <bjimenez@nmag.gov>
Cc: Rose Bryan <RBryan@nmdoj.gov>
Subject: Re: Dr. Joe Shepard

Sure. That will work for me. In terms of logistics, can we meet at your office in Santa Fe?

Thanks.

Get [Outlook for iOS](#)

From: Billy Jimenez <bjimenez@nmag.gov>
Sent: Tuesday, December 31, 2024 11:37 AM
To: John C. Anderson <JCAnderson@hollandhart.com>
Cc: Rose Bryan <RBryan@nmdoj.gov>
Subject: RE: Dr. Joe Shepard

External Email

Hi Mr. Anderson:

Certainly, please let us know if you have time to meet at 2pm on Thursday.

Thanks,



Billy J. Jimenez
Deputy Attorney General
Civil Affairs
State of New Mexico Department of Justice
505-527-2694
bjimenez@nmdoj.gov

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From: John C. Anderson <JCAnderson@hollandhart.com>
Sent: Monday, December 30, 2024 7:30 PM
To: Billy Jimenez <bjimenez@nmag.gov>
Cc: Rose Bryan <RBryan@nmdoj.gov>
Subject: RE: Dr. Joe Shepard

Mr. Jimenez:

I am out of town for the holiday, but will be traveling back to New Mexico tomorrow. I would be available to meet on Thursday afternoon if that would be convenient on your end.

Please let me know and we can make arrangements.

Thanks.

John C. Anderson
Partner, Holland & Hart LLP

jcanderson@hollandhart.com | T: (505) 954-7290 | M: (505) 919-8389

From: Billy Jimenez <bjimenez@nmag.gov>
Sent: Monday, December 30, 2024 6:17 PM
To: John C. Anderson <JCAnderson@hollandhart.com>
Cc: Rose Bryan <RBryan@nmdoj.gov>
Subject: RE: Dr. Joe Shepard

External Email

Good evening, Mr. Anderson:

Would you have time to meet with Rose Bryan and me tomorrow morning? Our office is scheduled to be closed tomorrow afternoon. We can also make ourselves available on Thursday if needed.

Thanks,



Billy J. Jimenez
Deputy Attorney General
Civil Affairs
State of New Mexico Department of Justice
505-527-2694
bjimenez@nmdoj.gov

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From: John C. Anderson <JCAnderson@hollandhart.com>
Sent: Monday, December 30, 2024 2:34 PM
To: Billy Jimenez <bjimenez@nmag.gov>
Subject: Dr. Joe Shepard

Good afternoon Mr. Jimenez:

I represent Dr. Joe Shepard individually in connection with NMDOJ's recent request for documents directed to Western New Mexico University.

I wonder if you would have any time for a telephone call at any point later this week to discuss those requests. If you let me know some days and time that might work, I would be happy to send a calendar invite.

Thanks very much.



John C. Anderson

Partner

HOLLAND & HART LLP

110 North Guadalupe Street, Suite 1, Santa Fe, NM 87501

jcanderson@hollandhart.com | **T:** (505) 954-7290 | **M:** (505) 919-8389

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