

**MINUTES OF THE MEETING OF
THE REGENTS OF THE UNIVERSITY OF NEW MEXICO**

March 12, 2008

Board of Regents Meeting 8:30 a.m. – 11:30 a.m.

Student Union Ballroom C

1:00 p.m. – 3:00 p.m.

Board of Regents Executive Session Luncheon

11:30 a.m. -1:00 p.m.

Sandia Room

ATTENDANCE:

Regents present:

James H. Koch, President
Jack Fortner, Vice President
Carolyn Abeita, Secretary-Treasurer
John “Mel” Eaves
Raymond Sanchez
Don Chalmers (via telephone from 8:30 a.m. to 9:42 a.m.)
Dahlia Dorman, Student Regent

President present:

David J. Schmidly

Vice Presidents present:

David Harris, Executive Vice President, CFO, COO
Dr. Paul Roth, Executive Vice President, Health Sciences Center
Terry Babbitt, Vice President, Enrollment Management
Steve Beffort, Vice President, Institutional Support Services
Michael Kingan, Vice President of Advancement
Helen Gonzales, Vice President of Human Resources
Ava Lovell, Vice President and Comptroller
Eliseo Torres, Vice President, Student Affairs
Stephen McKernan, Vice President, Hospital Operations
Jack McIver, Vice President, Research & Economic Development

Vice Presidents unable to attend:

Viola Florez, Interim Provost and Executive Vice President of Academic Affairs
Paul Krebs, Vice President of Athletics
Rita Martinez-Purson, Interim Vice President, Institutional Diversity
Marc Nigliazzo, Vice President, Rio Rancho and Branch Academic Affairs

University Counsel present:

Patrick V. Apodaca, University Counsel

Regents' Advisors present:

Jacqueline Hood, President, Faculty Senate
Vanessa Shields, President, Staff Council
Ashley Fate, President, ASUNM
Thelma Domenici, President, UNM Foundation
Ilse Gay, President, UNM Retiree Association
Joseph Garcia, President, GPSA

Others in attendance:

Members of the administration, faculty, staff, the media and others.

Regent Koch presided over the meeting and called the meeting to order at 8:30 a.m.

CONFIRMATION OF QUORUM and ADOPTION OF AGENDA, Regent Koch

Motion approved unanimously to adopt today's agenda (1st Koch, 2nd Eaves).

APPROVAL OF SUMMARIZED MINUTES OF FEBRUARY 15, 2008 UNM BOARD OF REGENTS MEETING, Regent Koch

Motion approved unanimously to approve the Summarized Minutes of the February 15, 2008 UNM Board of Regents meeting (1st Koch, 2nd Eaves).

ADMINISTRATIVE REPORTS

President's Report, David J. Schmidly

- Favorable outcome of election in Rio Rancho, passed by over 60%. It will provide long term financing that will allow UNM to move forward with Rio Rancho campus. Met with President Winograd (CNM) to begin talking about building and academic programs.
- Dr. Marc Nigliazzo is visiting, meeting with community leaders and engaging in some planning efforts for Rio Rancho campus.
- Two candidates interviewing for Provost position; Dr. Tito Guerro (Texas A&M) and Dr. Suzanne Trager Ortega (University of Washington).
- George Pearl Hall recently received the grand prize of show for Best Building Award Program in the southwest.
- Comments regarding the March 21, 2008, Korean Cultural Exhibit, encouraged all to attend.
- Personal note, announcement of the birth of President Schmidly's grandchild.

ELECTION OF 2009-09 OFFICERS OF THE BOARD OF REGENTS

- **Regent Fortner** nominated James H. Koch for President of the Board of Regents

Motion approved unanimously to re-elect James H. Koch as President of the Board of Regents (1st Fortner, 2nd Eaves).

- **Regent Koch** nominated Jack Fortner for Vice-President of the Board of Regents

Motion approved unanimously to re-elect Jack Fortner as Vice-President of the Board of Regents (1st Koch, 2nd Chalmers).

- **Regent Koch** nominated Carolyn Abeita as Secretary/Treasurer of the Board of Regents

Motion approved unanimously to re-elect Carolyn Abeita as Secretary/Treasurer of the Board of Regents (1st Koch, 2nd Fortner).

ADOPTION OF BOARD OF REGENTS 2008 MEEETING AND COMMITTEE SCHEDULE

Motion approved unanimously to adopt the Board of Regents 2008 Meeting and Committee Schedule (1st Eaves, 2nd Fortner).

ADOPTION OF POLICY CONCERNING PUBLIC NOTICE OF REGENTS' MEETINGS

Motion approved unanimously to adopt the Policy Concerning Public Notice of Regents' Meeting (1st Chalmers 2nd Abeita).

APPROVAL OF UNM 2008 FOOD SERVICE CONTRACT

- **Regent Eaves** stated that this had not come before F&F and perhaps David Harris may be the best person to present this to the Board.
- **David Harris** recommended that Walter Miller and Bruce Cherrin present as they did extensive work on this contract.
- **Walter Miller** presented, refers to briefing statement that walks through the process; had to re-bid the entire process; web based survey and focus groups; adapting and reacting to student needs.
- **Regent Eaves** addresses problems with current contract and wants assurances that the new contract gives the University power to take action if previous incidents occur; especially given this is an eight year contract. Would like to make certain this is a contract we can get out of if they do not perform to the satisfaction of the administration, student, faculty and staff. Would like to be assured that the proper language is in this contract to protect the University in the event we have some of those kinds of problems.

- **Bruce Cherrin** - Those concerns will be addressed in the contract, we will have termination language for cause and convenience.
- **Regent Eaves** - Wants to be sure that we don't take a form contract from this new company and agree to it, we need to have customized language that fits our needs, not their needs. Does not want to accept boiler plate language from the contractor.
- **Walter Miller** - The element of the contract that you propose will be designed by this institution, we are not buying a boiler plate.
- **Regent Eaves** - Wants to know which attorney is going to work on this for the University and would like that attorney to know what our concern is about this.

Motion approved unanimously to approve the 2008 Food Service Contract (subject to the requirements noted by Regent Eaves) (1st Eaves, 2nd Sanchez).

APPROVAL OF PARENT ASSOCIATION BYLAWS AND MEMORANDUM OF AGREEMENT

- **Maria Probasco**, President, November, 2006 parents began getting together to find ways to assisting students. The goal is to keep parents connected to the University; losing students in junior and senior years, parents concerned; drafted and approved by sub-committee the By-Laws and Memorandum of Understanding
- **Janet Schmidly** commented on the importance of parents being involved, the Parent Association gives parents a feeling of belonging to the University and provides great support to parents.
- **Regent Koch** thanked Janet Schmidly for bringing this to UNM.
- **Regent Sanchez** stated this was an action item before Academic and Student Affairs Committee on March 3, 2008, heard presentation at that time. Excellent presentation and they voted to recommend this to the full Board.

Motion approved unanimously to approve the UNM Parent Association Bylaws and Memorandum of Understanding (1st Sanchez, 2nd Eaves).

UNM FY 09 BUDGET; SETTING OF TUITION, FEES AND COMPENSATION

President David J. Schmidly

- Great budget summit, a lot of good ideas, focused on students and helping our students succeed (Please refer to slides/handouts)
- Looked at both ends, to do everything and to do nothing; tuition could be set anywhere along the scale from 1% to 18% and the mid-point would be 9%

- Seven factors entered this decision
 - Goals set at Retreat (academics, research and diversity)
 - State of the economy
 - Status of lottery
 - Student's request to place as much of the increase in the cost to attend UNM on tuition as opposed to fees
 - Tuition status relative to our peers
 - Importance of marketing
 - Position relative to our peers with regard to salaries
- Given this information, four options have been put together for consideration, labeled Option A, B, C and D. Option D offers the best balance among the four. Option D would provide a 3% merit pool for faculty, 2% for staff and 10% for TAs, part time faculty would increase by \$500/course, 5% increase to all employees who make less than \$30K and raise the minimum wage to \$9/hour, add 50 more TA positions, and additional \$200,000 for minority faculty recruiting initiative.
- Strengthening core mission initiatives – requests for our students and ability to recruit students
 - Enrollment management initiative (\$440,000)
 - \$1M increase in student scholarships
 - \$200K to increase library hours 24/7
 - \$500K for departmental operating expenses
- Committed to building another child care center on the campus and finance it without using tuition
- Option D offers the best opportunity for the institution. The following are the advantages to this option:
 - Significant reallocation of funds
 - Comprehensive compensation package that helps lowest paid
 - Provides significant increase to graduate assistantships
 - Addresses many of the delegate priorities
 - In line with proposed increases at sister universities
- This increase was put in context, as it relates to students
- **Regent Koch** - Thanks to the faculty, found out we have \$46,957,415 of funds in different colleges. Would like to know how long it has been there, how much it increased each year, why those balances are there, and are they committed or not committed.
- **President Schmidly** - Stated he spent some time the last few days looking into this matter. First of all, the amount is reported in the annual financial report.
- **Regent Eaves** - Stated that Regents' Police 7.20 requires a comprehensive report on fund balances to the Board of Regents, David Harris has kept us advised on balances.
- **President Schmidly** - He has studied these fund balances and there are some real problems in the way this money is accounted for.
 - It includes money that is restricted and money that is already encumbered and yet it is listed as fund balance as if it could be spent for any general

purpose. He has asked Curt Porter to give him as much information on this as he could.

- Also, the UNM accounting system has never required that anyone encumber these balances in order to show they are earmarked. That has to change and it is going to change. We are going to go through these fund balances with each Dean and we are going to find out which ones are earmarked and which ones are restricted.
 - In the unrestricted public service category, it includes non-endowed expenditure accounts tied to the UNM Foundation, state funded projects and student fees collected for specific purposes. That is somewhere between \$7 to \$8 M of this fund balance. The other institutional programs category includes the entire institutional fund balance for financial aid, about \$19 M dollars and \$9 to \$10 M in scholarships.
 - The unrestricted research category is comprised almost entirely of funds that are in individual PI accounts.
 - Very uncomfortable about doing anything draconian to these fund balances given what was just explained and the lack of full understanding of the accounting associated with this.
- **Regent Eaves** - The \$3M of reallocation referred to, in the earlier draft there was an itemization of where that reallocation was coming from. He asked if he would like to clarify where this money is coming from.
 - **President Schmidly** - It comes from those sources, as well as a major energy savings initiative.
 - **Regent Eaves** - Asked of the \$46M in balances as of July 1, 2007, which is almost a year ago, have those balances increased since that time?
 - **David Harris** - Stated that he doesn't know the answer to that, haven't really studied that.
 - **President Schmidly** - That number does not include the money we took in October to address part of the research deficit issue.

(Regent Chalmers no longer attending by phone.)

- **Regent Eaves** - Asked how much of the reallocation that is in Option D of the budget scenario is actually coming from the \$46M in balances?
- **David Harris** - As the President indicated, we are going to conduct conversation with the Provost and Deans over the next two weeks and make a determination on that. We do not want to make a commitment on that without a conversation.
- **Regent Eaves**
 - Stated his concern was increasing tuition on the students at a time when we are reporting \$46M in fund balances. Stated he has difficulty voting on a tuition increase without being absolutely assured that we could not solve this problem through use of fund balances. Would only vote on whatever tuition increase we agree on it would only be under some resolution that would require the administration to justify to the Regents why we are not able to use and why we are not using the existing fund

balances in preference to increasing tuition on the students. Does not disagree with the priorities in the budget, his concern is the source of the money.

- Referenced articles in the media about upcoming decreases in students and how some institutions are decreasing tuition, out of state tuition particularly, to become more able to compete for the fewer students available.
 - Expressed additional concern about the Office of Research and Economic Development, continued deficits and management issues. Whatever we agree to do today, no tuition money is going to be used to offset the deficit in that office. Would like to ask for that assurance.
 - Child care situation, something we really need to work on. Regents will strongly support a new facility. When looking at reserve money, take a close look at what we can do immediately out of some of that money to jump start child care improvements that are so badly needed.
 - Congratulations to President Schmidly on his work on the budget, etc.
- **Regent Koch** - Thank you to President Schmidly for his work and addressing the needs of the University. We are an open University.
 - I am concerned about our medical insurance coverage and amounts available for self-insured funds. The only way we are going to continue the benefits that everyone wants to have is to be able to go into a self-insured program to get coverage and keep costs down. Next year, if there are not enough funds to go self-insured, we'll have to go out to bid and it will increase our premiums tremendously. We should be building our fund.
Note for minutes this advisory note on self-insured funds.
 - **President Schmidly** - It appears that what we have in this fund balance where some of that money is restricted and some of it is already ear marked, committed. \$36M of the \$46M is probably going to be either restricted or encumbered. That leaves maybe as much as \$10M. We have planned to use not quite \$1M of that \$10M in this budget. Of the \$10M that "might" be there, virtually 30% of it was programmed either in this budget or this past year.
 - **Regent Eaves** - This report from the comptroller's office, lists over \$26M in unrestricted funds out of the \$46M. There is no place on this form where the word encumbered is used.
 - **President Schmidly** - That is a flaw in the way we account for this money and that must be corrected as we adjust our accounting system. When you get a fund balance report in the future, it must show what is encumbered and we ought to be able to justify those encumbered numbers to you with written commitments and an understanding of why they are there and we will be able to do that when we are through with this exercise.
 - **Regent Eaves** - As we sit here today, I don't think anybody in the room could tell us how much of this money should be transferred to a central fund. So the Regents are being asked today, and again this is not President Schmidly's making, to vote on a tuition increase when we don't have adequate information to define

the fund balances and what might be available out of those fund balances. Asked for time to get some help from the administration on numbers before we vote.

- **David Harris** - The reason that we would like to get a decision today is that we have got to build a budget and bring it back to the Regents. The schedule that we produced is going to ask you to hold a special meeting to actually approve the entire institutional budget so that we can submit it to the Higher Education Department by the mandated date of May 1st. So it's going to take a lot of work and a lot of time to put all this detail together and that is why we wanted to get a decision.
- **Regent Fortner** - To President Schmidly, impressed with presentation, especially the importance of marketing the University. There was a move two years ago to decouple the lottery scholarship with tuition and probably another move again before too long, then these raises in tuition will affect 100% of the students.
- **President Schmidly** - If we don't want to approve the budget, then I would say let's approve a bare bones budget because he does not want to put a financial institution at risk. I am not going to guess on what fund balances are.
- **Regent Sanchez** - It appears that the issue is revolving around three items:
 - Student tuition
 - What we have to spend within this \$46M fund balances
 - Salary package

Not sure if we have enough information to make a decision today

- **President Schmidly** - Not approving something today has a real downside to it. If we are going to make some commitments to this financial aid and we can't move on that now, it's going to have an impact on our ability to recruit students. We could reach some sort of agreement where you approve one or the other of these options subject to us coming back to you when the final budget is approved, having audited these numbers to see if there could be any further adjustment downward of tuition depending upon what we find out.
- **Regent Eaves** - If we approve the budget today, but don't fix the amount of the tuition increase today and wait until we get the information on the balances we've asked for, how does that work? Is it doable?
- **David Harris** - It doesn't work because the main thing that we're looking for today is a decision on tuition which glues the whole package.
- **Regent Sanchez** - What if we were to give you a range in tuition for our final meeting, say between the 5.02 and the 6.92, keeping in mind that we keep the salary package intact, and then when we come back you give us a final figure and if it's a 6.92 based upon information showing we can't use any of the \$49, does that satisfy your requirement of moving something off the table? That way it satisfies Mel's concern on what we're doing with tuition, it gives you a salary package that we can at least count on to start moving and you've got the other items in your package that appear to be able to be funded depending on that \$46.9M.
- **President Schmidly** - I think something like that would be a good compromise and allow us to move forward and by the time we come back with a budget we would be able to address these uncertainties about that fund balance. We could proceed also knowing what we can do with scholarships. We are trying to recruit

more students. The sooner we get the scholarship packages out there, the more successful we'll be.

- **Regent Koch** - In regards to the self-insurance, I would like an answer on that.
- **David Harris** - I would like an opportunity to answer that. We have engaged a consultant who also uses the services of an actuary. We have been setting aside funds for the eventual transition of self-insured. It's very unusual an account our size would be self-insured. We were told that we would need \$8M to actually launch into a self-insured program. Our hospital has been self-insured for many years using Blue Cross Blue Shield as their administrative arm so it's not a big leap for us going from where we are to self-insured. We will have in excess of \$5M at the end of this fiscal year. The President was very careful to incorporate an amount into this budget so we could achieve that \$8M goal at the end of the next fiscal year. Your point about where we are going to be a year from now is the important point because I believe that going into a period with only a one year contract can create challenges for us in the ensuing year. I think that we are going to have an adequate amount of reserve to launch a self-insurance program. It takes 90 days typically for claims to mature and begin to be paid. So we'll have 90 days of accumulated premiums before we really ever pay a claim. I think based on what our actuaries have said and our consultants this amount that the President has included is prudent and reasonable.
- **Regent Koch** - Where are we in regards to the compensation, and faculty? Are there going to be any studies done so can we eventually know for sure where we are?
- **President Schmidly** - I don't believe we need a half million dollars to do a salary compensation study. I have done those in the past with consultants for far less. I think we can do that without budgeting it and without including any of our tuition. I think we should do it and I do want to do it.
- **Regent Eaves made the following motion:**

Motion approved unanimously for approval of Budget Option D as presented by President Schmidly with the following qualifications: (1st Eaves, 2nd Sanchez) (Regent Chalmers not available for vote.)

1. The tuition range will be 5%-6.92%
2. The amount of tuition increase will be determined by the Regents following a full report of fund balances pursuant to Regents' Policy 7.20, and discussion at the Finance & Facilities meeting 4/3/08. The information that the Regents are to be given will be information that helps us determine an adequate central reserve and how much of the fund balance we can allocate for budget purposes
3. That we look unit by unit, college by college and be given an explanation regarding availability of that money and whether that money is encumbered or restricted

4. Request that this information be given to Regents by the next F&F committee meeting April 3rd for discussion and we can then recommend to the full Board of Regents on April 30th the exact amount of the tuition increase
5. Condition including a request that President Schmidly report back to us at the April F&F committee meeting on a plan to begin addressing that with an assurance the Regents are going to work with you to get that done.
6. Includes approval of “Proposed Tuition and Fees Increase FY 08-09” differentials for UNM Branch Campuses and schools listed (chart attached).

COMMENTS

- **President Schmidly** – In regards to comments made earlier about the Research office and the issues that came up with F&A, he wants to assure all that we will not balance that problem with student tuition. He did look into this issue about how faculty salaries got onto F&A – not been able to research it back to language in the board minutes but here is what he has been told. It was about ten years ago the legislature didn’t give any compensation increase and the Board of Regents voted to put \$750,000 onto salary increases out of F&A and I think we need to verify that, hopefully by going back into the minutes. Otherwise, we need to get Board permission to either continue that or we need to move those salaries out of F&A.
- **Regent Eaves** - President Schmidly, I’ve got the draft audit report, the concern I have is that this was back in the mid 1980s when a former University president wanted to provide a faculty raise and did not have the funds and the agreement was made to transfer \$750,000 of F&A funds for only one year. Thereafter, that amount was reduced to \$650,000 a year and was on automatic pilot and continued every year without Regent knowledge or approval. I don’t know if that first \$750,000 was approved by the Regents, that may have been the case but thereafter it hadn’t been. It came as a real shock to me to find out that had been going on. There is a lot that happened on that deficit in the Research and Economic Development that I haven’t mentioned today but there were a lot of people involved who knew what was going on and there are some credibility problems as far as I am concerned with what was done.

HSC - HEALTH SCIENCES

- **Dr. Paul Roth** - Proposing a small increase in fees for the Health Sciences Center students. Will go towards support of our simulated clinical experiences and for other acquisitions within the library. To point out, for the medical school just as we have been doing every year, the compensation increases are slightly different because we have a different system for compensation so this will conform within the President’s range from 0% to 6% but will probably average closer to 2%

Motion approved unanimously to approve increase of \$75 per term for HSC library fees for the fall and spring 2008. (1st Fortner, 2nd Abeita).

PUBLIC COMMENT

- **Joseph Garcia** - I would like thank the Regents and President Schmidly for bringing up a lot of items and the questions. I am really happy that you brought up day care, I think day care is extremely important and I hope that you look at the GPSA resolution that we submitted to the Regents and the President in terms of recommendations. As well as I hope you look at the recommendations from the GPSA resolution that we passed on the food service provider as well as the health recommendations we provided. We put a lot of work into specifically the healthy food choice resolution in regards to the specific recommendations as to food options at UNM. I would also like to add that I think it is important to look at, in addition to academic departments, a lot of departments at UNM in regards to the available funds and the use of funds and especially I am glad that it was brought about in terms of the accounting practices by Dr. Schmidly. I think that should be used at a lot of different departments. The accounting practices of different departments at UNM should be evaluated. Thank you very much.
- **Jackie Hood** – I would like to echo the sentiment and thank Raymond for considering the lower paid staff and the minimum wage idea, I think that was a real good idea and good for our staff. The only comment I have is that we focused quite a bit over the last hour on our core business. I see our core business as the education of the students and in that \$1.8 billion dollar budget, it's approximately \$276 million from my understandings - - so it's a small portion of the total budget and I think a lot of the questions that the faculty originally posed that we were referred to several times in this meeting actually had to do with our non-core business items or our peripheral areas as Joseph pointed out; HR, IS, those kinds of things and those weren't addressed at all. I asked President Schmidly when he's going to squeeze the grapefruit, which grapefruit was he talking about. So that would be my question still, let's pay attention to which grapefruit we're squeezing because anybody who is a business person knows you invest money in your core business, you don't squeeze that part and you try to cut costs where costs can be cut in the non-core areas and that's my only comment, thank you.
- **Vanessa Shields** – I also want to repeat but say on behalf of staff, Raymond Sanchez, thank you very much for paying attention to the people that make \$30,000 and below. It's been a tough decision for them if they want to get health care and I am hoping now with the minimum wage going up to \$9 and us paying attention to those employees who only make \$30,000, they'll have an easier decision to make regarding health care or not getting it at all. Also I want to say that staff - - we support the President, President Schmidly we support your vision. We understand where you are coming from and with the 6.92% and we do support Option D. We understand that we need to get money so that we can move forward and we could reach the goals that are set for the President because they are not just the President's goals, they are all of our goals, the University

community's goals. Obviously we want to keep the tuition low but I think considering the year that we had it is low at 6.92% so we'll see what happens because I know that motion is out there to look between the 5% and 6.92%. As a staff representative, I do have to make a quick comment about the 2% for staff and the 3% for faculty and how it was presented at the budget summit. At the budget summit, faculty and staff – we were united. It was a 4% for both and then a 2% parity. And it wasn't presented today that way and maybe the wording could be changed that it would be 2% for faculty, 2% for staff and then 1% parity raise because I realize that our faculty is below and we need to recruit them. We're competing against other universities and institutions on a national level so if we could just pay attention to that wording I think there would be a lot of support from the whole campus, both faculty and staff. Because faculty and staff are united, there isn't one without the other. Again, thank you all for everything that happened today and again Raymond, thank you paying attention to the people that make \$30,000 and below.

- **Ashley Fate** – I would also like to thank President Schmidly for more than including students in this process, really engaging the students. I had the opportunity to see this proposal on four separate occasions and I think that that speaks volumes. He sat down with me personally, he worked with me the Faculty Senate, Staff Council, GPSA and also came to the Student Government last night. I think that speaks volumes about this budget and where it's going and how it's going to benefit students. Although I think that a tuition increase is hard for any student to really want, I think that it is absolutely necessary and based off of the presentation last night and the feel from the Student Government there was an overwhelming vote to support Option D so please take that into consideration as well.
- **Thelma Domenici** – I just want to add a quick comment because I don't represent some of the constituents that are really affected by the budget but representing the Foundation, I just want to tell you sitting here this morning has really taught me a big lesson and that is the amount of trust that has grown between the President of the University and the Regents. The openness and the give and take and the listening to each other – I just leave this room knowing that a lot of good things have occurred and it's remarkable having sat here a year and a half or so ago and to experience what I experience this morning, I just really want to commend President Schmidly for the way he presented his own budget which made somebody like myself sitting here really understand that he feels incredibly accountable to the Regents and I also want to commend the Regents for the listening that they have done to the President and accept the kinds of goals and standards that he has set. I am really happy to be here this morning, thank you.

Motion approved unanimously to adjourn to Executive Session at 10:56 a.m. (1st Eaves, 2nd Abeita).

Executive Session was held from 11:00 a.m. – 12:30 p.m. in the Sandia Room.

- A. Discussion and determination, where appropriate, of limited personnel matters pursuant to Section 10-15-1 H (2), NMSA (1978).
- B. Discussion and determination, where appropriate, of matters subject to attorney-client privilege pertaining to threatened or pending litigation pursuant to Section 10-15-1 H (7) NMSA (1978).
- C. **Motion approved** unanimously to reopen the meeting at 12:20 p.m. (1st Fortner, 2nd Sanchez).
- D. Certification that only those matters described in Agenda items A & B were discussed in Executive Session and if necessary, ratification of actions, if any, taken in Executive Session.

Motion approved unanimously to adjourn the meeting at 12:21 p.m. (1st Eaves, 2nd Fortner).

ADJOURNMENT

Regent James H. Koch
President

Regent Carolyn J. Abeita
Secretary Treasurer

Attachments:

- 1. President's Report (tab 2)
- 2. Food Service Contract Procurement Briefing (tab 5)
- 3. President Schmidly's Budget Presentation (tab 7)
- 4. Proposed Tuition and Fee Increases FY 2008-09 (tab 7)