

REPORT
OF THE
UNM HEALTH SCIENCES CENTER
BOARD OF DIRECTORS
TO THE
UNM BOARD OF REGENTS

December 13, 2011

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I. Introduction/Executive Summary

In Regents Policy 3.5, which describes the roles and responsibilities of the HSC Board of Directors, the Regents set forth the following:

“The HSC Board of Directors shall review these roles and responsibilities and recommend any modifications or amendments to this Policy to the Board of Regents for approval by December 2011.”

In addition, the Resolution adopted by the Regents on December 14, 2010, a copy of which is attached to this Report as Appendix I, provides as follows:

14. The governance reorganization for the HSC adopted in these Resolutions shall come before the Board of Regents in December 2011 for assessment as to its implementation and for evaluation of the need, if any, for modification or amendment.

To govern the highly complex HSC effectively, management of the HSC sought to accomplish four major purposes and achieve certain outcomes through a simplified and streamlined Board governance structure:

- Have a Regent-appointed Board with greater knowledge of the HSC to increase both the quantity and quality of oversight and support of the total operations of the HSC and thereby, become a highly integrated organization to ensure consistently high quality patient care services across the entire spectrum of the HSC clinical operations;
- Reduce duplicative processes in seeking Regent approvals by streamlining approval processes into an approval process through one board and increase the efficiencies of all HSC operations seeking to take advantage of best practices across the clinical operations of HSC component units;
- Create the UNM Health System to enable the HSC and the UNM Health System to thrive in the new era of health reform, e.g., bundled payments, performance-based reimbursement systems, and comprehensive quality and patient safety mandates for the populations served by the UNM Health System; and
- Assure a balance between HSC's academic and clinical missions.

In this Report, the HSC Board outlines how it established itself and developed its own governance structure and principles, its implementation of the Regents Policies over the last eight months, and the administrative restructuring that has taken place at the HSC. The HSC Board believes that it is now functioning in a way that provides good and effective governance over the affairs of the highly complex HSC. For significant aspects of the UNM Health System operations, subsidiary boards and the HSC Board are effectively overseeing management through independent multi-layered approval processes. For this reason, the HSC Board recommends that the Regents recognize this effective oversight by eliminating the need for financial and transac-

tional reviews also to proceed through the Regents' Finance & Facilities Committee before being presented to the Board of Regents.

II. Implementation Efforts

A. Establishing the Health Sciences Center Board of Directors and Its Governance Structure and Principles

- **Board Members**

In designing the HSC governance reorganization, the Regents ensured their continuing oversight by always having three of their members on the HSC Board of Directors along with four community members. In March 2011, the President of the Board of Regents appointed the following three Regents to serve on the HSC Board of Directors:

Carolyn J. Abeita, Esq., Chair
Don L. Chalmers, Vice Chair
Lieutenant General Bradley C. Hosmer, USAF (Ret.)

Additionally, the President of the Board of Regents, after consultation with a Nominating Committee consisting of the Chancellor for Health Sciences, the President of the Board of Regents, and the Chair of the UNM Hospital Board of Trustees, appointed the following four (4) community members to serve on the HSC Board of Directors:

Jerry Geist, Chair of the UNM Hospital Board of Trustees
Ann Rhoades
Ron Solimon, Esq.
J.M. "Mel" Eaves, Esq.

- **Orienting the Board**

As stated previously, the HSC and its component units represent a highly complex adaptive organization, having many different and varying stakeholders, interests, and players. To enable the HSC Board of Directors effectively to embark providing agile governance and oversight of this complex adaptive organization, the management of the HSC engaged in an immersion-based two-day orientation for the HSC Board of Directors on May 16 and 17, 2011. In this regard, management provided education around the academic and research enterprise at the HSC, the clinical operations of the UNM Hospital, the operations of the faculty practice organization operated by UNM Medical Group, Inc., and the construction and operating plans for UNM Sandoval Regional Medical Center, Inc. Additionally, management outlined the current litigation risk

environment at the HSC. This orientation represents the factual foundation upon which the HSC Board of Directors embarked on its governance responsibilities.

- **Adoption of Bylaws for HSC Board of Directors**

Consistent with its direction from the Board of Regents, the HSC Board of Directors carefully considered and adopted Bylaws for its governance responsibilities in July 2011. At its August 2011 meeting, the Board of Regents approved these Bylaws.

- **Governance Principles**

Since its inception as a governing board, the members of the HSC Board of Directors have been discussing the role and responsibility of a governing body, the HSC Board of Directors' relationship to the subsidiary governing Boards (UNM Hospital Board of Trustees, UNM Medical Group, Inc. Board of Directors, and UNM Sandoval Regional Medical Center, Inc. Board of Directors), the HSC Board of Directors' relationship to management at the HSC, and the method and manner by which the HSC Board of Directors could most effectively carry out the roles and responsibilities delegated to it by the Board of Regents. To this end, the Chair of the HSC Board of Directors appointed an ad hoc Governance Committee to review recommend governance implementation strategies to the HSC Board of Directors to enable the HSC Board of Directors to achieve the purposes and outcomes identified hereinabove.

These discussions have culminated in the adoption by the HSC Board of Directors of Governance Principles in October 2011. A copy of these Governance Principles is attached to this Report as Appendix 2. Key elements of the Governance Principles may be summarized as follows:

- ✓ The HSC's business is conducted by its employees, managers and officers, under the direction of the Chancellor for Health Sciences who serves as in the role of the chief executive officer and chief academic officer of the HSC and the oversight of the HSC Board of Directors, to enhance the value of the HSC for the benefit of the HSC's various stakeholders, including its faculty, staff, students, patients, and the public at large.
- ✓ The HSC Board of Directors, selected as provided in Regents Policy 3.5, leads governance and the Board Bylaws to oversee management and to assure that the long-term interests of the HSC are being served.
- ✓ The HSC Board of Directors' intent is for governance decision-making as to the components that have governing boards be made at the level of each of those governing boards. In this connection, the HSC Board of Directors will oversee, provide strategic guidance, and monitor the clinical, business, research, educational, and development operations of those subsidiary component units.

- ✓ The HSC Board of Directors, to understand, oversee, and govern more effectively the complexities of the HSC, will have two standing committees: The Governance and Nominating Committee and the Finance, Audit, and Compliance Committee.
- ✓ Through the Governance and Nominating Committee's activities, the HSC Board of Directors will conduct an annual assessment of its effectiveness as a governing body for the HSC.

- **Board Committee Charters**

At its November 2011 meeting, and consistent with its Bylaws and Governance Principles, the HSC Board of Directors created detailed Charters to enable both the Governance and Nominating Committee and the Finance, Audit, and Compliance Committee to have clear direction as to their respective responsibilities.

A copy of the Charter for the Governance and Nominating Committee is attached to this Report as Appendix 3. Key activities of the Governance and Nominating Committee include:

- Assessing the effectiveness of the HSC Board of Directors and its members as a governing body of the HSC and recommending opportunities for improvement;
- Assisting the HSC Board of Directors by identifying candidates qualified for membership on the HSC Board of Directors;
- Recommending to the HSC Board of Directors the director nominees for recommendation to the UNM Board of Regents and recruit such individuals for membership on the HSC Board of Directors;
- Recommending to the HSC Board of Directors the director nominees and the chairperson for each committee of the HSC Board of Directors.

A copy of the Charter for the Finance, Audit, and Compliance Committee is attached to this Report as Appendix 4. Significantly, the Regent member of the HSC Board of Directors that is the representative of the Regents' Finance & Facilities Committee is a standing member of the Finance, Audit, and Compliance Committee. Key activities of the Finance, Audit, and Compliance Committee include:

- recommending financial policies, goals, and budgets that support the mission, values, and strategic goals of the organization.

- reviewing the organization's financial performance against its goals and proposed major transactions and programs.
- Recommending policies and processes to the HSC Board of Directors related to:
 - the HSC's financial statements and other financial information provided to governmental bodies, financial institutions, rating agencies, and the public, in coordination with University's Finance & Administration.
 - the HSC's systems of internal controls for finance, accounting, legal compliance, and ethics, according to policies that management and the HSC Board have established, in support of the Regents' Audit Committee and the University's Internal Audit function.
 - The organization's auditing, accounting, financial reporting, and compliance processes.
- encouraging continuous improvement of, and promoting adherence to, the University's and the Husk's policies, procedures, and practices for corporate accountability, transparency, and integrity.

The HSC Board of Directors believes that creation of these two committees and the authority invested in them will provide the framework necessary for strong and effective governance of the complexities of HSC operations.

- **Conflict of Interest Policy**

At its October 2011 meeting, the HSC Board of Directors adopted a comprehensive Conflict of Interest Policy for the HSC Board of Directors and key officers at the HSC that implements the Code of Conduct for Employees set forth in Regents Policy 6.4, and is predicated on the model conflict of interest policy promulgated by the Internal Revenue Service for charitable organizations. A copy of this Conflict of Interest Policy is attached to this Report as [Appendix 5](#). Significantly, as of the present time, each of the governing bodies at the HSC – the HSC Board of Directors, the UNM Hospital Board of Trustees, the UNM Medical Group, Inc. Board of Directors, and the UNM Sandoval Regional Medical Center, Inc. Board of Directors – have adopted substantially identical Conflict of Interest Policies.

- **Coordination of Governance Calendars**

An essential element of streamlining the governance approval process and increasing the efficiencies associated with management's involvement with governance is establishing a calendar for each of the governing bodies involved with operations at the HSC, the Board of Regents, the HSC Board of Directors, the UNM Hospital Board of Trustees, the UNM Medical Group, Inc. Board of Directors, and the UNM Sandoval Re-

gional Medical Center, Inc. Board of Directors. Certain of these governing bodies have had established dates for their meetings for many, many years. To accomplish the desired purposes of the HSC governance reorganization, management of the various component units comprising the HSC worked modifications to meeting schedules to ensure that matters progressing through the governance approval process proceed both on a timely, expeditious basis but also in the correct order for approval. A copy of this calendaring schedule is attached as [Appendix 6](#).

B. *Board of Directors Governance Activities*

In addition to the governance activities identified above, since the investiture of the HSC Board of Directors in April 2011, the HSC Board of Directors has carried out a significant number of activities delegated to the HSC Board in Regents Policy 3.5.

- **Adoption of Open Meetings Act Policy**

At its May 2011 meeting, the HSC Board of Directors adopted a Resolution consistent with the New Mexico Open Meetings Act, N.M. STAT. ANN. § 10-15-1 et seq. (1978, as amended). This Resolution is consistent with Regents Policy 1.3 and with Resolutions also adopted by the UNM Hospital Board of Trustees. A copy of this Resolution is attached to this Report as [Appendix 7](#).

- **Development of a Performance Plan for the Chancellor for Health Sciences**

Pursuant to the requirements of Section 3 of Regents Policy 3.4, the Chancellor for Health Sciences presented his Fiscal Year 2012 Performance Plan to the HSC Board of Directors. As the Regents are aware, several of the members of the HSC Board of Directors have significant subject matter expertise in organizational development and performance planning. In this connection, the HSC Board of Directors called on these members to work together with the Office of the Chancellor for Health Sciences to augment and refine the Chancellor for Health Sciences' Performance Plan, recognizing that that Performance Plan will become the premise upon which virtually all other performance plans at the UNM Health System level and each of the clinical components, and the education/research components of the HSC will be developed. Per Section 3 of Regents Policy 3.4, the President of the University presented the final version of the Chancellor for Health Sciences' Performance Plan to the HSC Board of Directors at its September 2011 meeting and the HSC Board of Directors recommended the approval of that Performance Plan by the Board of Regents at its October 2011 meeting. A copy of the Performance Plan and a copy of a dashboard report with respect to the same are attached to this Report as [Appendix 8](#).

- **Financial Reviews**

As noted previously, key to effective governance of a complex adaptive organization such as the HSC is understanding the operating performance of the component units within the HSC and UNM Health System and the key factors that drive those operating results. At the same time, it is very important to attempt to benchmark those factors against peer organizations. For example, both the UNM Hospital and UNM Medical Group, Inc. participate in the University Hospitals Consortium (“UHC”), which consists of approximately 116 peer academic health centers and their corresponding faculty practice organizations and plans. UNM Hospital benchmarks its quality and patient safety measures against these other peer academic health centers. At the same time, UNM Medical Group, Inc. benchmarks faculty clinical productivity using the databases developed by the UHC. The HSC Board of Directors has requested and management is now providing financial reviews that illustrate key factors that drive the operating performance of both the clinical enterprise of the UNM Health System and the academic/research enterprise. Additionally, management is providing the HSC Board of Directors with benchmarking data in this regard. A copy of an exemplar of the financial and benchmarking data reviewed by the HSC Board of Directors is attached to this Report as [Appendix 9](#).

The Regents should be aware that with respect to UNM Hospital, these financials and benchmarks are reviewed by the independent Finance Committee of the UNM Hospital Board of Trustees, the UNM Hospitals Board of Trustees as a whole, the Finance, Audit, and Compliance Committee of the HSC Board of Directors, and the HSC Board of Directors as a whole. Similarly, at UNM Medical Group, Inc., its financial statements and benchmarks are reviewed by the Finance Committee of the Board of Directors of UNM Medical Group, Inc., the Board of Directors of UNM Medical Group, Inc., the Finance, Audit, and Compliance Committee of the HSC Board of Directors, and the HSC Board of Directors as a whole. Additionally, at UNM Sandoval Regional Medical Center, Inc., its financial statements and operating performance are reviewed by the Strategic Planning/Finance Committee of the Board of Directors of UNM Sandoval Regional Medical Center, Inc., the Board of Directors of UNM Sandoval Regional Medical Center, Inc. (which includes three independent, non-UNM directors), the Finance, Audit, and Compliance Committee of the HSC Board of Directors, and the HSC Board of Directors as a whole.

- **Transactional Reviews and Approvals**

Consistent with Section 3.2 of the Regents Policy 3.5, ordinary course of business contracting requests of UNM Hospital, the UNM School of Medicine, the UNM Cancer Center, the UNM College of Pharmacy, and the UNM College of Nursing, come before the HSC Board of Directors for consideration and action. Consistent with the understandings reached with the Board of Regents currently, all approvals are then forwarded to the Regents’ Finance & Facilities Committee for consideration and recommendation, and then on to the Board of Regents for final approval.

The Regents should be aware that with respect to UNM Hospital, all financial proposed transactions meeting the requirements of Regents Policy 7.8 and related Regents Policies (requiring Regent review and

approval) are reviewed by the Finance Committee of the UNM Hospital Board of Trustees, the UNM Hospitals Board of Trustees as a whole, the Finance, Audit, and Compliance Committee of the HSC Board of Directors, and the HSC Board of Directors as a whole. No member of management serves on any of these review bodies, thereby providing assurance to the Board of Regents that the proposed transactions have been fully vetted and have been carefully considered before they are presented for approval to the Board of Regents.

As to the operations of the School of Medicine, the College of Pharmacy, and the College of Nursing including their respective clinical operations, including the UNM Cancer Center, the HSC Board of Directors is the first layer of governance oversight. In this context, all transactional reviews will proceed through the Finance, Audit, and Compliance Committee for an in-depth review recommendation and then will be reviewed at the HSC Board of Directors as a whole.

- **Litigation Management Oversight**

In Section 3.1 of Regents Policy 3.5, the Board of Regents charged the HSC Board of Directors with the responsibility to oversee the claims and litigation involving the HSC. The most significant aspect of the claims and litigation involving the HSC are medical malpractice claims and lawsuits. Of course, the HSC Board of Directors' oversight authority is limited by Regents Policy 7.8 (involving financial settlements), which would require Board of Regent approval for certain litigation settlements over a certain level. Since at least July 2011, the HSC Board of Directors (as well as the Board of Regents) has been receiving regular briefings on the status of certain significant litigation and potential litigation matters. At its November 2011 meeting, the HSC Board of Directors was provided with an overall briefing by the Office of University Counsel on the status of the claims and lawsuits involving the HSC.

- **Compliance Oversight**

In Section 3.1 of Regents Policy 3.5, the Board of Regents charged the HSC Board of Directors with the responsibility to oversee the institutional compliance programs for both the clinical and research enterprises at the HSC. The Board of Regents also charged the HSC Board of Directors with the responsibility to oversee the HIPAA compliance program for the University. Management of the HSC has begun providing regular briefings of the HSC Board of Directors on the University's ongoing institutional compliance efforts.

- **Continuing Board Education Efforts**

At meetings of the HSC Board of Directors, management has featured one or more of the programs and centers at the HSC, with a view to providing continuing education to the members of the HSC Board of Directors.

C. *Administrative Reorganization*

Management undertook an effort to reorganize the management at the HSC, consistent with the Governance Principles identified above, and best practices learned from other academic health centers. Management also consulted with leadership at the Anderson School of Management to develop a management model. The HSC administration also sought to delineate the job descriptions for the individuals comprising the senior leadership for the UNM Health System. An organization chart for the new administrative structure and a copy of those job descriptions are attached to this Report as Appendix 10.

D. *Strategic Planning*

Over the next several years, there are, and will continue to be, very significant changes to the method and manner by which health care services are provided, how the UNM Health System will be paid for those health care services, and how the UNM Health System will track and manage the services its component units provide. Because of this, the HSC Board of Directors has determined to oversee strategic planning as a committee of the whole. At the same time, the HSC, through UNM Hospital, is publishing an RFP with a view to retaining expert consultants in health care strategic planning to help guide the HSC and the UNM Health System in developing a comprehensive, thoughtful long and medium range strategic plan. Of course, consistent with Regents Policy 3.5, the HSC Board of Directors and the Chancellor will coordinate any such strategic plan with the President's Office, Main Campus, and the Board of Regents.

III. Recommendations to Enhance Implementation

The HSC Board of Directors believes that implementation of the Board of Regents' governance reorganization has set the University and the HSC on a course of very good and effective governance of the University's most financially and operationally significant component, the HSC and the UNM Health System.

As stated previously, with respect to UNM Hospital, financial reviews are processed through an independent Finance Committee of the UNM Hospital Board of Trustees, the UNM Hospitals Board of Trustees as a whole, the Finance, Audit, and Compliance Committee of the HSC Board of Directors, and the HSC Board of Directors as a whole. In addition, all proposed transactions requiring Regent review and/or approval are reviewed by the Finance Committee of the UNM Hospital Board of Trustees, the UNM Hospitals Board of Trustees as a whole, the Finance, Audit, and Compliance Committee of the HSC Board of Directors, and the HSC Board of Directors as a whole.

Similarly, at UNM Medical Group, Inc., its financial statements and benchmarks are reviewed by the Finance Committee of the Board of Directors of UNM Medical Group, Inc., the Board of Directors of UNM Medical Group, Inc., the Finance, Audit, and Compliance Committee of the HSC Board of Directors, and the

HSC Board of Directors as a whole. In addition, transactional reviews are vetted through the Finance Committee of the UNM Medical Group, Inc. Board of Directors and the Board of Directors as a whole.

Lastly, at UNM Sandoval Regional Medical Center, Inc., its financial statements and operating performance are reviewed by the Strategic Planning/Finance Committee of the Board of Directors of UNM Sandoval Regional Medical Center, Inc., the Board of Directors of UNM Sandoval Regional Medical Center, Inc. (which includes three independent, non-UNM directors), the Finance, Audit, and Compliance Committee of the HSC Board of Directors, and the HSC Board of Directors as a whole. In addition, transactional reviews are vetted through the Finance Committee of the UNM Sandoval Regional Medical Center, Inc. Board of Directors and the Board of Directors as a whole.

As to the operations of the School of Medicine, the College of Pharmacy, and the College of Nursing including their respective clinical operations, including the UNM Cancer Center, the HSC Board of Directors is the first layer of governance oversight. In this context, all transactional reviews will proceed through the Finance, Audit, and Compliance Committee for an in-depth review and recommendation and then will be reviewed at the HSC Board of Directors as a whole.

One of the stated goals of the governance reorganization was and is to streamline the governance approval process by reducing the number of committees and/or bodies before which management must appear before final approval by the Board of Regents. Given the multi-level substantive reviews that occur before any presentation to the Board of Regents, requiring yet another review by the Regents' Finance & Facilities Committee seems to defeat the streamlining goal.

Accordingly, the HSC Board of Directors and the Chancellor for Health Sciences recommends that the Board of Regents eliminate any requirement to process HSC Board of Director approvals/recommendations through the Regents' Finance & Facilities Committee, prior to being presented to the Board of Regents for final approval. Under this recommendation, the HSC Board of Directors approvals/recommendations would be presented directly to the Board of Regents by the Chair of the HSC Board of Directors as provided in Section 4 of Regents Policy 3.5.

APPENDIX 1

REGENTS OF THE UNIVERSITY OF NEW MEXICO

RESOLUTIONS REGARDING UNM HEALTH SCIENCES CENTER GOVERNANCE REORGANIZATION

WHEREAS, as the flagship university for the State of New Mexico, the University of New Mexico (the "**University**") has offered and continues to offer educational and research opportunities for the betterment of all New Mexicans, and has had as one its core operations, the clinical, educational, research enterprises at the UNM Health Sciences Center (the "**HSC**");

WHEREAS, the clinical, education, and research enterprises of the colleges, schools, centers, hospitals, and clinics comprising the HSC, as well as the subsidiary corporations related to these enterprises, have had some of the most significant growth in the area of academics, research, financial returns, community health outreach, and numbers of patients served, as the State of New Mexico's sole and only academic health center and it is anticipated that these enterprises will continue to grow rapidly;

WHEREAS, the clinical, education, and research enterprises have historically operated, and will continue to operate, in a manner that is distinct and different from the manner in which the main campus of the University operates, particularly in the area of clinical operations;

WHEREAS, the Regents desire to ensure that the governance structure for these clinical, education, and research enterprises is designed to best govern and administer this distinct operation and is adaptable to the ever changing, highly-regulated health care environment and be scalable to future growth in service of health care needs of the State of New Mexico while at the same remaining an important and integral piece of the educational, research, and patient care missions of the University;

WHEREAS, the Regents, having carefully considered the proposed governance reorganization for the HSC as presented by management of the University at the Regents' November 2010 meeting and this December 2010 meeting, find and conclude that adoption of the proposed governance reorganization for the HSC is in the best interests of the University and should be approved.

NOW, THEREFORE, be it resolved that:

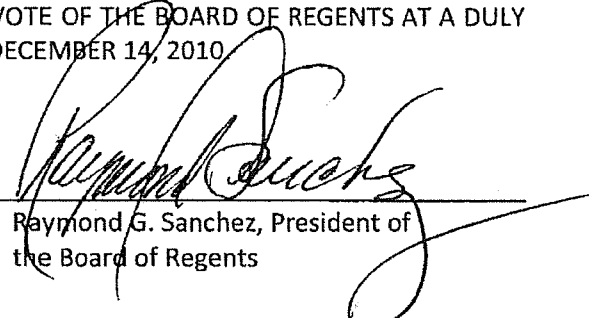
1. The proposed governance reorganization for the HSC as presented by management of the University at the November 2010 and December 2010 meetings of the Regents be, and it hereby is, approved.

2. New Regents Policies 3.4, 3.5, 3.6, and 3.7 as presented to the Regents be, and they hereby are, adopted.
3. Regents Policies 2.13, 2.13.1, 2.13.2, 2.13.3, and 2.13.4 be, and they hereby are, repealed.
4. The amendments to Regents Policy 1.2 presented to the Regents be, and they hereby are, adopted.
5. The amendments to Regents Policy 2.16 presented to the Regents be, and they hereby are, adopted.
6. The amendments to Regents Policy 3.3 presented to the Regents be, and they hereby are, adopted.
7. The amendments to Regents Policy 7.6 presented to the Regents be, and they hereby are, adopted.
8. The amendments to Regents Policy 7.8 presented to the Regents be, and they hereby are, adopted.
9. The amendments to Regents Policy 7.14 presented to the Regents be, and they hereby are, adopted.
10. The UNM Health Sciences Center Board of Directors shall adopt Bylaws substantially in the form attached to these Resolutions as Exhibit A.
11. The Amended and Restated Bylaws of the UNM Hospital Board of Trustees, in the form attached to these Resolutions as Exhibit B, be, and they hereby are, approved effective as of January 1, 2011 (the "Effective Date").
12. The Amended and Restated Bylaws of UNM Medical Group, Inc., a New Mexico non-profit and University Park and Economic Development Act corporation formed by the University, in the form attached to these Resolutions as Exhibit C, be, and they hereby are, approved effective as of the Effective Date.
13. The Amended and Restated Bylaws of UNM Sandoval Regional Medical Center, Inc., a New Mexico non-profit and University Park and Economic Development Act corporation formed by the University, in the form attached to these Resolutions as Exhibit D, be, and they hereby are, approved effective as of the Effective Date (subject to approval by the Federal Housing Commissioner, as required).

14. The governance reorganization for the HSC adopted in these Resolutions shall come before the Board of Regents in December 2011 for assessment as to its implementation and for evaluation of the need, if any, for modification or amendment.

PASSED, APPROVED, AND ADOPTED BY A VOTE OF THE BOARD OF REGENTS AT A DULY CALLED REGULAR MEETING OF THE REGENTS ON DECEMBER 14, 2010

By: _____


Raymond G. Sanchez, President of
the Board of Regents

APPENDIX 2

UNM HEALTH SCIENCES CENTER GOVERNANCE PRINCIPLES

The following principles have been approved by the Board of Directors of the UNM Health Sciences Center (the “HSC Board”) and, along with the HSC Board’s Bylaws (the “Board Bylaws”), applicable Policies of the Board of Regents of the University of New Mexico (the “Regents”), which are incorporated in these principles by reference, the HSC Board’s Policies and Procedures, UNM Health Sciences Center Policies and Procedures, the *UNM Faculty Handbook*, and the University Business Policies and Procedures, charters and key practices of the HSC Board committees, provide the framework for the governance of the UNM Health Sciences Center and its component units (“UNM HSC”). The HSC Board recognizes that there is an ongoing development of corporate governance, and it will review these principles and other aspects of UNM HSC governance annually or more often if deemed necessary.

1. ROLE OF BOARD AND MANAGEMENT

The UNM HSC’s business is conducted by its employees, managers and officers, under the direction of the Chancellor for Health Sciences (the “Chancellor”) who serves as in the role of the chief executive officer and chief academic officer of the UNM HSC and the oversight of the HSC Board, to enhance the value of the UNM HSC for the benefit of the UNM HSC’s various stakeholders, including its faculty, staff, students, patients, and the public at large.

At the UNM HSC, governance is led by the HSC Board, selected as provided in Regents Policy 3.5 and the Board Bylaws to oversee management and to assure that the long-term interests of the UNM HSC are being served.

The HSC Board recognizes that certain components of the UNM HSC have their own governing boards (each a “Subsidiary Governing Board,” and, collectively, the “Subsidiary Governing Boards”) either by contract or by corporate law and it is the intent of the HSC Board that governance decision-making as to those components and those Subsidiary Governing Boards be made at the level of each Subsidiary Governing Board. In this connection, the HSC Board shall oversee, provide strategic guidance, and monitor the clinical, business, research, educational, and development operations of those subsidiary component units.

Our management team, led by the Chancellor, oversees the day-to-day operations of the UNM HSC and its component units as defined in Regents Policy 3.4. We recognize the value of shared governance that has long been central to the operation of academic institutions and academic health centers such as the UNM HSC. We also recognize the value of academically based health care services, education, and research and view this as a market place differentiator.

2. QUALIFICATIONS, BOARD MEMBER CONDUCT, ETHICS, AND CONFLICTS

Directors should possess the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the UNM HSC. They must also have an inquisitive and objective perspective, practical wisdom, and mature judgment. We endeavor to have a board representing a range of experience at policy-making levels in business, professional, government, education, and technology, and in areas that are relevant to the UNM HSC’s statewide activities.

Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively, and should be committed to serve on the HSC Board for an extended period of time.

The HSC Board believes that good governance is best achieved with members who are knowledgeable and committed to service on the HSC Board. To this end, the HSC Board self-evaluation process described below will be an important determinant for HSC Board tenure. At the same time, the HSC Board does not believe that imposing a limit on the number of terms a director may serve on the HSC Board supports the mission and goals of the HSC Board.

Members of the HSC Board shall, at all times, act in accordance with the Regents Code of Conduct and Conflict of Interest Policy as well as the conflict of interest policy adopted by the HSC Board, a copy of which is attached as Appendix A to these Governing Principles. Directors are vigilant about possible conflicts of interest, including anything that can impair (or can be perceived as impairing) their objectivity and impartiality in making decisions in the best interest of the UNM HSC.

3. BOARD MISSION AND RESPONSIBILITIES

The Board governs the affairs of the UNM HSC through both long-term and immediate strategic oversight of management functions. The Board is focused on the growth of the UNM HSC, planning for our future, guiding our complex risks and statewide footprint, and on fostering our reputation for professional excellence and integrity.

4. BOARD LEADERSHIP.

a. CHAIRMAN OF THE BOARD.

The HSC Board is led by a Chairperson, selected by the President of the Regents as provided in Regents Policy 1.2 and 3.5.

b. BOARD SUCCESSION PLANNING.

The Governance and Nominating Committee of the HSC Board works closely with the Chair and the Chancellor to identify and develop director candidates, taking into account the existing composition of the HSC Board, the needs and changing priorities of the UNM HSC, and current members' plans for the future.

c. MANAGEMENT SUCCESSION PLANNING.

At least annually, the Chancellor meets with the HSC Board to discuss Chancellor succession; actions that the Chancellor has undertaken during the year to develop an appropriate succession pool of candidates, from inside and outside the UNM HSC; and development plans for succession candidates. The Chancellor shall make succession recommendations to the HSC Board annually or more often, when appropriate.

5. BOARD OPERATIONS.

a. BOARD MEETINGS.

The HSC Board has at least ten (10) scheduled meetings a year at which it reviews and discusses the performance of the UNM HSC, its plans and prospects, as well as immediate issues facing the UNM HSC. Directors are expected to attend all scheduled HSC Board and HSC Board committee meetings.

b. BOARD MEETING AGENDAS AND MATERIALS.

Board meeting agendas are developed by the Chancellor in consultation with the Chair of the HSC Board with a view to ensuring that the HSC Board carries out fully those matters as to which the Board of Regents has delegated authority to the HSC Board. All directors are encouraged to provide input to agenda items as early as possible to allow management adequate time to prepare. Annually, the HSC Board shall define a schedule of major discussion topics for the year.

Board materials necessary to consider adequately issues to be discussed at the HSC Board meeting shall be distributed approximately one week ahead of the HSC Board meeting. Directors are expected to review these materials.

c. BOARD EVALUATION.

The HSC Board conducts an annual evaluation of the HSC Board's effectiveness and the effectiveness of each HSC Board committee. The Governance and Nominating Committee of the HSC Board manages the annual evaluation process. The Governance and Nominating Committee reviews the results of the annual evaluation and uses the information to implement improvements in the functioning of the HSC Board and its committees, to recommend education programs for the HSC Board to enhance its effectiveness, and to provide input for the HSC Board director nomination process.

d. BOARD EDUCATION.

The HSC Board education programs and the orientation of new members are directed by the Governance and Nominating Committee. From time to time, as a refresher or as new developments require, educational programs are conducted on legal and ethics responsibilities of the directors, conflicts of interest, and general trends in corporate governance.

e. BOARD COMMUNICATIONS AND ACCESS

Management speaks for the UNM HSC. Individual directors may, at management's request, meet or communicate with various UNM HSC stakeholders or other interested parties. Communications from the HSC Board, to the extent appropriate, shall come from the Chair of the HSC Board. Communication by HSC Board members to those components of the UNM HSC with their own governing boards should be made through the Chair of the Subsidiary Governing Boards.

6. BOARD COMMITTEES

The HSC Board has two standing committees – the Governance and Nominating Committee and the Finance, Audit, and Compliance Committee -- and may also establish other committees, from time to time, as it deems necessary and appropriate including, without limitation, a committee on strategic planning and academic and research affairs. Each committee will operate under a written charter, drafted by the Governance and Nominating Committee for approval by the Chair and the HSC Board, that sets forth the purposes and responsibilities of the committee. The Governance and Nominating Committee of the HSC Board shall make recommendations to Chair of the HSC Board, who is responsible for the assignment of directors to various committees and appointment of committee chairs, subject to the approval of the HSC Board.

**UNM HEALTH SCIENCES CENTER BOARD OF DIRECTORS
CONFLICT OF INTEREST POLICY**

**ARTICLE I
PURPOSE**

The purpose of this Conflicts of Interest Policy is to protect the interests of UNM Health Sciences Center (the "**UNM HSC**") when the UNM HSC is contemplating entering into a transaction or an arrangement that might benefit the private interest of an officer or director of the UNM HSC. This policy is intended to supplement but not replace any applicable New Mexico state or federal laws governing conflicts of interest applicable to nonprofit, governmental and charitable entities as well as to supplement and amplify the Regents Code of Conduct and Conflict of Interest Policy, which is directly applicable to the members of the Board of Directors of the UNM HSC.

**ARTICLE II
DEFINITIONS**

2.1. **Interested Person.** Any member of the Board of Directors of the UNM HSC, officer of the UNM HSC, or member of a committee with board-delegated powers who has a direct or indirect financial interest, as defined below, is an interested person. If a person is an interested person with respect to any entity in the UNM HSC's health care system, he or she is an interested person with respect to all entities in this health care system

2.2. **Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment or a family member:

2.2.a. An ownership or investment interest in any entity with which the UNM HSC has a transaction or arrangement (other than as owner and holder of less than one percent (1%) of the stock or outstanding equity of a publicly traded corporation);

2.2.b. A compensation or consulting arrangement with the UNM HSC or with any entity or individual with which the UNM HSC has a transaction or arrangement;

2.2.c. An ownership or investment interest in, management position with, or compensation arrangement with, any entity or individual who is in a business that competes with the UNM HSC;

2.2.d. An ownership, potential ownership or investment interest in, or a compensation arrangement with, any entity or individual with which the UNM HSC is negotiating a financial or transactional arrangement (other than as owner and holder of less than one percent (1%) of the stock or outstanding equity of a publicly traded corporation with which the UNM HSC is negotiating a financial or transactional arrangement).

2.3. Compensation. Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature, including but not limited to, bonuses, increases in annual compensation, overall departmental budget increases and the like.

2.4. Committees. For purposes of this Conflict of Interest Policy, the committees of the UNM HSC's boards of directors which have board delegated powers include the Governance and Nominating Committee and the Audit and Compliance Committee.

ARTICLE III **PROCEDURES**

3.1. Duty to Disclose. In connection with any actual or possible conflicts of interest, an interested person shall disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors and members of committees with board-delegated powers considering the proposed transaction or arrangement.

3.2. Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, the interested person shall leave the board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3.3. Procedures for Addressing the Conflict of Interest.

3.3.a. An interested person may make a presentation at the board or committee meeting regarding a proposed transaction but after such presentation, the interested person shall leave the meeting during the discussion of and the vote on the transaction or arrangement that may result or results in the conflict of interest;

3.3.b. The chairperson of the board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement;

3.3.c. After exercising due diligence, the board or committee shall determine whether the UNM HSC can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest; and

3.3.d. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board or committee shall determine by a vote of the Board or any committee whether the transaction or arrangement is in the UNM HSC's best interests and for its own benefit and whether the transaction is fair and reasonable to the UNM HSC and shall make its deci-

sion as to whether to enter into the transaction or arrangement in conformity with such determination and the record keeping procedures set forth in Article IV herein.

3.4. Violations of the Conflicts of Interest Policy.

3.4.a. If the board or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

3.4.b. If, after reviewing the response of the member and making such further investigation as may be warranted under the circumstances, the board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate corrective action as set forth in Article IX herein, and shall document such action as set forth in Article IV herein.

ARTICLE IV
RECORDS OF PROCEEDINGS

4.1. Records. The minutes of all board and committees with board-delegated powers shall contain:

4.1.a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of such financial interest, any action taken to determine whether a conflict of interest was present, and the board's or committee's decision as to whether a conflict of interest in fact existed.

4.1.b. The names of the persons who were present for all discussions and votes related to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of all votes taken in connection therewith, specifically identifying each member's vote.

4.1.c. Any corrective action taken with regard to any member has in fact failed to disclose an actual or possible conflict of interest.

ARTICLE V
COMPENSATION MATTERS

5.1. Compensation. Any Director or a voting member any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the UNM HSC is precluded from voting on matters pertaining to compensation. No voting member of the board or any committee thereof whose jurisdiction includes compensation matters may be present during discussions pertaining to the approval of those compensation matters

giving rise to the financial interest in question. Notwithstanding the foregoing, no voting member is precluded from making presentations and/or providing information to the board or a committee regarding the transaction or arrangement in question or, as the case may be, his or her compensation for purposes of fair market value analysis to assist the board or committee in making compensation decisions.

ARTICLE VI **ANNUAL STATEMENTS**

6.1. Annual Disclosure. Each Appointed Director, principal officer and member of a committee with board-delegated powers shall annually sign a statement, in the form attached to this Policy as Exhibit A, which affirms that such person:

6.1.a. Has received a copy of this Conflicts of Interest Policy;

6.1.b. Has read and understands this Policy and the reasons therefor;

6.1.c. Has agreed in writing to comply with the Policy; and

6.1.d. Understands that the UNM HSC is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

ARTICLE VII **PERIODIC REVIEWS**

7.1. Reviews. To ensure that the UNM HSC operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted of board and board committee transactions. Such periodic reviews shall, at a minimum, include the following issues:

7.1.a. Whether compensation arrangements and benefits are reasonable and are the result of arms-length bargaining of fair market value sums;

7.1.b. Whether acquisitions of physician and other provider services result in direct or indirect inurement or impermissible private benefit, whether directly or indirectly;

7.1.c. Whether joint venture arrangements, partnerships and arrangements within cooperative or management service organizations and physician sponsor hospital organizations conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the UNM HSC's charitable purposes and do not result in

direct or indirect inurement or impermissible private benefit , whether directly or indirectly;

7.1.d. Whether agreements to provide health care services and agreements with other health care providers, employees, and third party payors further the UNM HSC's charitable purposes and do not result in direct or indirect inurement or impermissible private benefit, whether directly or indirectly.

ARTICLE VIII USE OF OUTSIDE EXPERTS

8.1. Outside Experts. In conducting the periodic reviews provided for in Article VII herein, the UNM HSC may, but need not, use outside advisors, experts or consultants. If outside contractors are used, their use shall not relieve the board of its responsibility for ensuring that this Policy is adhered to in all transactions; that periodic reviews of such transactions are conducted; and that all necessary corrective action is taken pursuant to such reviews.

ARTICLE IX DISCIPLINARY ACTION

9.1. Disciplinary Action. In the event that a Director, principal officer or committee member fails to disclose an actual or possible conflict of interest, the Directors, by majority vote may enforce disciplinary action as necessary and appropriate, including, but not limited to, requiring re-education or further education concerning conflicts of interest or taking such other action as may be permitted under the Bylaws of the UNM HSC, as is applicable under the circumstances.

ARTICLE X TRANSITION

10.1 Implementation. This Conflict of Interest Policy was adopted as of the date specified below by the Board of Directors of the UNM HSC. The UNM HSC will fully implement the provisions of this policy by December 1, 2011.

DULY ADOPTED BY A VOTE OF THE UNM HSC BOARD OF DIRECTORS AT A REGULAR MEETING HELD ON OCTOBER ____, 2011.

Carolyn Abeita, Chair of the Board

APPENDIX 3

UNM HEALTH SCIENCES CENTER BOARD OF DIRECTORS

Governance and Nominating Committee Charter

A. Charter.

This charter ("Charter") governs the operations of the Governance and Nominating Committee (the "Committee") of the Health Sciences Center Board of Directors (the "HSC Board"). At least annually, the Committee shall review and reassess this Charter and recommend any proposed changes to the HSC Board, which shall have sole authority to amend this Charter.

B. Purpose of Committee.

The Committee shall be appointed by the HSC Board to:

- (1) Assist the HSC Board by identifying candidates qualified for membership on the HSC Board.
- (2) Recommend to the HSC Board the director nominees for recommendation to the UNM Board of Regents and recruit such individuals for membership on the HSC Board.
- (3) Recommend to the HSC Board the director nominees and the chairperson for each committee of the HSC Board.
- (4) Assist the HSC Board in organizing itself to discharge its duties and responsibilities properly and effectively including, without limitation, developing and recommending to the HSC Board the Governance Principles on which the Board will operate including a comprehensive Conflict of Interest Policy for the HSC Board and senior management, and drafting and recommending charters for each committee of the HSC Board.
- (6) Monitor a process to assess the effectiveness of the HSC Board.

C. Members and Qualifications.

The members of the Committee shall be appointed and replaced by the HSC Board and the Committee shall be composed of at least three directors. The members of the Committee shall identify members of the HSC Board qualified to fill vacancies on any committee (including

the Committee) and recommend that the HSC Board appoint the identified member or members to the respective committees.

D. Meetings.

- (1) The Committee shall meet separately from the HSC Board; provided, however, the Committee may meet immediately before or after any meeting of the HSC Board.
- (2) The Committee may hold meetings at such times and locations as the Committee may determine, but in no event shall the Committee meet less frequently than annually.
- (3) At any meeting of the Committee, a majority of its members shall constitute a quorum. When a quorum is present at any meeting, a majority of Committee members present may take any action.
- (4) The Committee may establish rules and procedures for the conduct of its meetings that are consistent with this Charter.

E. Committee Authority and Responsibilities.

- (1) The Committee shall seek, as needed, individuals qualified to become board members, and shall identify members of the HSC Board qualified to become members of the various Board committees (including the Committee) and to serve as chairpersons thereof, for recommendation to the HSC Board.
- (3) The Committee shall develop and recommend to the HSC Board an annual self-evaluation process of the HSC Board and its committees, and shall oversee the self-evaluation of the HSC Board and the evaluation of the Chancellor for Health Sciences in conformity with Regents Policy 3.4.
- (4) The Committee shall develop and annually review and reassess the adequacy of the Governance Principles and the Conflict of Interest Policy and recommend any proposed changes to the HSC Board for approval.
- (5) The Committee may form and delegate authority to subcommittees when appropriate.
- (6) The Committee shall make regular reports to the HSC Board.

- (7) The Committee shall provide general advice to the HSC Board on corporate governance matters including identifying best practices and developing and recommending areas for improvement.
- (8) The Committee shall have the resources and authority appropriate to discharge its responsibilities in accordance with this Charter.
- (9) Costs incurred by the Committee in performing its functions under this Charter shall be borne by the Health Sciences Center.

F. Nomination of Board Members.

- (1) The Committee shall recommend, for consideration by the HSC Board and recommendation to the UNM Board of Regents, candidates to serve as members of the HSC Board.
- (2) In making recommendations under paragraph F(1) hereof, the Committee shall:
 - (a) Assist in the development of the "profile" of various attributes that a potential member of the HSC Board needs to strengthen the HSC Board.
 - (b) Interview and recruit potential candidates for the HSC Board.
 - (c) Recommend to the HSC Board the slate of nominees of directors to be appointed by the UNM Board of Regents (and any directors to be appointed to fill any vacancies).
 - (d) Recommend to the HSC Board the directors to be selected for membership on the various committees of the HSC Board and the chairperson for each such committee.
- (3) In making recommendations under paragraph F(1) hereof, the Committee shall
 - (a) provide officers and other HSC Board members with an opportunity to suggest candidates to serve as members of the HSC Board, (b) give consideration to any candidates suggested by the officers and other HSC Board members, as the Committee may deem appropriate, and (c) afford officers and other members of the HSC Board an opportunity to meet with and comment upon other candidates considered by the Committee.

G. Effectiveness of the Committee.

At each meeting of the Committee, the Committee shall consider whether it should take any steps to improve the effectiveness of the Committee including, among other things,

whether this Charter should be modified. The Committee shall annually review its own performance.

APPENDIX 4

UNM HEALTH SCIENCES CENTER BOARD OF DIRECTORS

FINANCE, AUDIT, AND COMPLIANCE COMMITTEE CHARTER

A. Overall Roles and Responsibilities

The Finance, Audit, and Compliance Committee (the "Committee") is responsible for recommending financial policies, goals, and budgets that support the mission, values, and strategic goals of the organization. The Committee also reviews the organization's financial performance against its goals and proposes major transactions and programs to the board. The Committee recommends policies and processes to the UNM Health Sciences Center Board of Directors (the "HSC Board") related to:

- The Health Sciences Center's financial statements and other financial information provided to governmental bodies, financial institutions, rating agencies, and the public.
- The Health Sciences Center's systems of internal controls for finance, accounting, legal compliance and ethics, according to policies that management and the HSC Board have established.
- The organization's auditing, accounting, financial reporting, and compliance processes.

Consistent with this function, the Committee should encourage continuous improvement of, and promote adherence to, the University's and the Health Sciences Center's policies, procedures, and practices for corporate accountability, transparency, and integrity. Throughout its work, the will serve as an independent and objective party to monitor the Health Sciences Center's financial policies, goals, budgets, financial performance against its goals, financial reporting process, internal control systems and corporate ethics. The Committee will provide an open avenue of communication among the independent auditor, financial and senior management, the Regents' Audit Committee, the University's Internal Audit Department and contracted internal auditors, and the HSC Board.

B. Responsibilities

The Committee's specific responsibilities include:

Finance

- Recommending policies that maintain and improve the financial health and integrity of the Health Sciences Center.
- Reviewing and recommending a long-range financial plan for the Health Sciences Center, in the context of the University of New Mexico, as a whole, including –
 - Recommending to the HSC Board policies governing investments and pension plans.
 - Reviewing management’s recommendations, and recommending for approval to the HSC Board the selection of independent investment advisors and managers.
 - Reviewing reports from the UNM Foundation and independent investment advisors and managers.
 - Reviewing and reporting to the HSC Board quarterly on investment and benefit plan performance, including reports on the performance by UNM Foundation of Health Sciences Center funds under management.
- Reviewing and recommending an annual operating budget and annual capital budget consistent with the long-range financial plan and financial policies.
- Reviewing and recommending capital expenditures and unbudgeted operating expenditures that exceed management’s spending authority.
- Reviewing and approving capital expenditures and unbudgeted operating expenses that, per HSC Board-approved policy, are above management’s authority but below the threshold required for HSC Board approval.
- Reviewing the financial aspects of major proposed transactions, new programs and services, as well as proposals to discontinue programs or services, and making action recommendations to the HSC Board.
- Monitoring the financial performance of the organization as a whole and its major subsidiary organizations or business lines against approved budgets, long-term trends, and industry benchmarks, including receiving reports on and reviewing clinical productivity by professionals and component units of the Health Sciences Center.
- Requiring and monitoring corrective actions to bring the organization into compliance with its budget and other financial targets.

External Audit.

The responsibilities of the Committee include:

- Periodically reviewing the performance of the University's selected external auditor(s) and recommending either renewal or replacement.
- Meeting with external auditors in an executive session, without management present, at least once per year. Discussing with the auditor the organization's internal controls, and the fullness and accuracy of the organization's financial statements.
- Meeting with the external auditor and management at least annually to review the scope of the proposed financial audit for the current year, procedures to be used, and particular areas of potential risk or scrutiny.
- Reviewing annual financial statements and other financial information submitted to any governmental body, financial institution, rating agency, or the public, including any certification, report, opinion, or review rendered by the independent auditor. Evaluating determinations made about the applicability of accounting principles, the reasonableness of significant judgments or estimates, and the clarity of financial disclosures.
- Discussing the results of the annual audit and closely reviewing any significant changes to the financial statements or changes in accounting principles and disclosure practices.
- Reviewing the external auditor's annual management letter regarding internal control weaknesses, recommendations for improvements, and management's corrective action plans. Monitoring management's implementation of corrective action plans.
- Reviewing any non-audit services provided to the organization by the external auditor to ensure that the external auditor is sufficiently independent and that the organization is in compliance with external requirements.
- Reviewing, with the Health Sciences Center's legal counsel, any legal matter that could have a significant impact on the organization's financial statements.
- Reporting to the HSC Board at least annually and providing the board with the annual external audit report.

Internal Audit.

The Committee's specific responsibilities in this area include:

- Overseeing the internal audit program at the UNM Hospitals, UNM Medical Group, Inc., and UNM Sandoval Regional Medical Center, Inc., respectively, and overseeing the coordination of internal audit with the Regents' Audit Committee and the work of the University's Internal Audit Department, including approval of the annual internal audit plan as it relates to the Health Sciences Center.
- Reviewing and evaluating findings and recommendations from completed audits, including management response and action plans.
- Meeting with the internal auditor in executive session at least once a year.
- Reporting to the HSC Board at least annually on the internal audit program.

Compliance.

The HSC Compliance Director reports to the Chancellor for Health Sciences and to the Committee at scheduled meetings and whenever the HSC Compliance Officer and/or the Committee deems a matter should be brought to the Committee's attention. The Committee's specific responsibilities in this area include:

- Overseeing the institutional compliance program, including policies and practices designed to ensure the organization's compliance with all applicable legal, regulatory, and ethical requirements.
- Recommending approval of the annual corporate compliance plan and reviewing processes and procedures for reporting concerns by employees, physicians, vendors, and others.
- Recommending organizational integrity guidelines and a Code of Conduct.
- Reviewing and reassessing the guidelines and Code of Conduct at least annually.
- Reviewing resources for institutional compliance with the HSC Compliance Director and the Chancellor for Health Sciences to ensure that sufficient resources are provided.
- Reviewing and evaluating findings and recommendations from completed compliance activities and audits, including management responses and action plans.
- Meeting with the HSC Compliance Director in executive session, without the Chancellor for Health Sciences or any other management present, at least once a year.
- Reporting to the HSC Board at least annually on the corporate compliance program.

C. Meetings

The Committee meets at least four times a year, or when necessary at the call of the Committee chairperson. Meeting dates and times should be specified a year in advance.

D. Members

The committee is composed of three or more directors. All Committee members should have a working familiarity with basic finance and accounting practices. At least one member of the Committee will have accounting or related financial management expertise. At least one member of the Committee shall be the Regent member of the HSC Board who is also a member of the Regents' Finance & Facilities Committee. Appropriate steps should be taken to enhance members' familiarity with finance and accounting through participation in educational programs conducted by the corporation or outside experts.

E. Reports

The Committee will receive and review the following reports:

- Quarterly, and annual financial statements of the Health Sciences Center and each of its component units;
- Key financial ratios
- Key operating benchmarks
- Service line profit and loss
- Healthcare reimbursement changes
- Annual financial audit plan and report, respectively.
- Annual plan and report, respectively, from the internal auditor, as it relates to the Health Sciences Center.
- Annual compliance plan and periodic reports from the internal auditor.
- Updates on important compliance issues that have developed since the previous meeting and management responses.
- Conflict of interest disclosures and pertinent background information developed by legal counsel.

F. Effectiveness of the Committee.

At each meeting of the Committee, the Committee shall consider whether it should take any steps to improve the effectiveness of the Committee including, among other things, whether this Charter should be modified. The Committee shall annually review its own performance.

APPENDIX 5

**UNM HEALTH SCIENCES CENTER BOARD OF DIRECTORS
CONFLICT OF INTEREST POLICY**

**ARTICLE I
PURPOSE**

The purpose of this Conflicts of Interest Policy is to protect the interests of UNM Health Sciences Center (the "**UNM HSC**") when the UNM HSC is contemplating entering into a transaction or an arrangement that might benefit the private interest of an officer or director of the UNM HSC. This policy is intended to supplement but not replace any applicable New Mexico state or federal laws governing conflicts of interest applicable to nonprofit, governmental and charitable entities as well as to supplement and amplify the Regents Code of Conduct and Conflict of Interest Policy, which is directly applicable to the members of the Board of Directors of the UNM HSC.

**ARTICLE II
DEFINITIONS**

2.1. **Interested Person.** Any member of the Board of Directors of the UNM HSC, officer of the UNM HSC, or member of a committee with board-delegated powers who has a direct or indirect financial interest, as defined below, is an interested person. If a person is an interested person with respect to any entity in the UNM HSC's health care system, he or she is an interested person with respect to all entities in this health care system

2.2. **Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment or a family member:

2.2.a. An ownership or investment interest in any entity with which the UNM HSC has a transaction or arrangement (other than as owner and holder of less than one percent (1%) of the stock or outstanding equity of a publicly traded corporation);

2.2.b. A compensation or consulting arrangement with the UNM HSC or with any entity or individual with which the UNM HSC has a transaction or arrangement;

2.2.c. An ownership or investment interest in, management position with, or compensation arrangement with, any entity or individual who is in a business that competes with the UNM HSC;

2.2.d. An ownership, potential ownership or investment interest in, or a compensation arrangement with, any entity or individual with which the UNM HSC is negotiating a financial or transactional arrangement (other than as owner and holder of less than one percent (1%) of the stock or outstanding equity of a publicly traded corporation with which the UNM HSC is negotiating a financial or transactional arrangement).

2.3. Compensation. Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature, including but not limited to, bonuses, increases in annual compensation, overall departmental budget increases and the like.

2.4. Committees. For purposes of this Conflict of Interest Policy, the committees of the UNM HSC's boards of directors which have board delegated powers include the Governance and Nominating Committee and the Audit and Compliance Committee.

ARTICLE III **PROCEDURES**

3.1. Duty to Disclose. In connection with any actual or possible conflicts of interest, an interested person shall disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors and members of committees with board-delegated powers considering the proposed transaction or arrangement.

3.2. Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, the interested person shall leave the board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3.3 Procedures for Addressing the Conflict of Interest.

3.3.a. An interested person may make a presentation at the board or committee meeting regarding a proposed transaction but after such presentation, the interested person shall leave the meeting during the discussion of and the vote on the transaction or arrangement that may result or results in the conflict of interest;

3.3.b. The chairperson of the board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement;

3.3.c. After exercising due diligence, the board or committee shall determine whether the UNM HSC can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest; and

3.3.d. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board or committee shall determine by a vote of the Board or any committee whether the transaction or arrangement is in the UNM HSC's best interests and for its own benefit and whether the transaction is fair and reasonable to the UNM HSC and shall make its deci-

sion as to whether to enter into the transaction or arrangement in conformity with such determination and the record keeping procedures set forth in Article IV herein.

3.4. Violations of the Conflicts of Interest Policy.

3.4.a. If the board or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

3.4.b. If, after reviewing the response of the member and making such further investigation as may be warranted under the circumstances, the board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate corrective action as set forth in Article IX herein, and shall document such action as set forth in Article IV herein.

ARTICLE IV
RECORDS OF PROCEEDINGS

4.1. Records. The minutes of all board and committees with board-delegated powers shall contain:

4.1.a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of such financial interest, any action taken to determine whether a conflict of interest was present, and the board's or committee's decision as to whether a conflict of interest in fact existed.

4.1.b. The names of the persons who were present for all discussions and votes related to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of all votes taken in connection therewith, specifically identifying each member's vote.

4.1.c. Any corrective action taken with regard to any member has in fact failed to disclose an actual or possible conflict of interest.

ARTICLE V
COMPENSATION MATTERS

5.1. Compensation. Any Director or a voting member any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the UNM HSC is precluded from voting on matters pertaining to compensation. No voting member of the board or any committee thereof whose jurisdiction includes compensation matters may be present during discussions pertaining to the approval of those compensation matters

giving rise to the financial interest in question. Notwithstanding the foregoing, no voting member is precluded from making presentations and/or providing information to the board or a committee regarding the transaction or arrangement in question or, as the case may be, his or her compensation for purposes of fair market value analysis to assist the board or committee in making compensation decisions.

ARTICLE VI ANNUAL STATEMENTS

6.1. Annual Disclosure. Each Appointed Director, principal officer and member of a committee with board-delegated powers shall annually sign a statement, in the form attached to this Policy as Exhibit A, which affirms that such person:

6.1.a. Has received a copy of this Conflicts of Interest Policy;

6.1.b. Has read and understands this Policy and the reasons therefor;

6.1.c. Has agreed in writing to comply with the Policy; and

6.1.d. Understands that the UNM HSC is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

ARTICLE VII PERIODIC REVIEWS

7.1. Reviews. To ensure that the UNM HSC operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted of board and board committee transactions. Such periodic reviews shall, at a minimum, include the following issues:

7.1.a. Whether compensation arrangements and benefits are reasonable and are the result of arms-length bargaining of fair market value sums;

7.1.b. Whether acquisitions of physician and other provider services result in direct or indirect inurement or impermissible private benefit, whether directly or indirectly;

7.1.c. Whether joint venture arrangements, partnerships and arrangements within cooperative or management service organizations and physician sponsor hospital organizations conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the UNM HSC's charitable purposes and do not result in

direct or indirect inurement or impermissible private benefit , whether directly or indirectly;

7.1.d. Whether agreements to provide health care services and agreements with other health care providers, employees, and third party payors further the UNM HSC's charitable purposes and do not result in direct or indirect inurement or impermissible private benefit, whether directly or indirectly.

ARTICLE VIII USE OF OUTSIDE EXPERTS

8.1. Outside Experts. In conducting the periodic reviews provided for in Article VII herein, the UNM HSC may, but need not, use outside advisors, experts or consultants. If outside contractors are used, their use shall not relieve the board of its responsibility for ensuring that this Policy is adhered to in all transactions; that periodic reviews of such transactions are conducted; and that all necessary corrective action is taken pursuant to such reviews.

ARTICLE IX DISCIPLINARY ACTION

9.1. Disciplinary Action. In the event that a Director, principal officer or committee member fails to disclose an actual or possible conflict of interest, the Directors, by majority vote may enforce disciplinary action as necessary and appropriate, including, but not limited to, requiring re-education or further education concerning conflicts of interest or taking such other action as may be permitted under the Bylaws of the UNM HSC, as is applicable under the circumstances.

ARTICLE X TRANSITION

10.1 Implementation. This Conflict of Interest Policy was adopted as of the date specified below by the Board of Directors of the UNM HSC. The UNM HSC will fully implement the provisions of this policy by December 1, 2011.

DULY ADOPTED BY A VOTE OF THE UNM HSC BOARD OF DIRECTORS AT A REGULAR MEETING HELD ON OCTOBER 25, 2011.

Carolyn Abeita, Chair of the Board

APPENDIX 6

**Health Sciences Center Board of Directors Executive Calendar
JANUARY 2012**

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3 SRMC Finance	4	5	6	7
8	9	10 UNMMG Finance	11 UNMMG Board	12	13	14
15	16 ML King Day	17 SRMC Finance	18 SRMC Board	19	20	21
22	23	24	25 UNMMG Finance	26 UNMH BoT-Finance	27 UNMH BoT	28
29	30	31 HSC BoD FACC SRMC Finance				

NOTE: No HSC BoD mtg. in Jan.

**Health Sciences Center Board of Directors Executive Calendar
FEBRUARY 2012**

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
			1	2 <i>Agenda items due to BoR</i>	3 HSC BoD	4
5	6	7	8 UNMMG Board	9	10	11
12	13	14 UNM BoR SRMC Finance	15 SRMC Board UNMMG Finance	16	17	18
19	20	21	22	23 UNMH BoT-Finance	24 UNMH BoT	25
26	27	28 HSC BoD FACC SRMC Finance <i>Agenda items due to BoR</i>	29 UNMMG Finance			

**Health Sciences Center Board of Directors Executive Calendar
MARCH 2012**

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
				1	2 HSC BoD	3
4	5	6	7 UNMMG Board	8	9	10
11	12 UNM BoR	13 SRMC Finance <i>Agenda items due to BoR for Budget Summit</i>	14 UNMMG Finance	15	16	17
18	19	20	21 SRMC Board	22 UNMH-BoT Finance	23 UNM BoR Budget Summit UNMH BoT	24
25	26	27 SRMC Finance HSC BoD FACC	28 UNMMG Finance	29 <i>Agenda items due to BoR</i>	30	31

Health Sciences Center Board of Directors Executive Calendar APRIL 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3 HSC BoD	4 UNMMG Board	5	6 Good Friday	7
8 Easter	9	10 UNM BoR SRMC Finance	11 UNMMG Finance	12	13	14
15	16	17	18 SRMC Board	19	20	21
22	23	24 SRMC Finance	25 UNMMG Finance <i>Agenda items due to BoR</i>	26 UNMH BoT Finance	27 UNM BoR-Budget Mtg. UNMH BoT	28
29	30					

Health Sciences Center Board of Directors Executive Calendar

MAY 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1 HSC BoD FACC	2 UNMMG Board	3	4 HSC BoD	5
6	7	8 UNM BoR SRMC Finance	9 UNMMG Finance	10	11	12
13	14	15	16 SRMC Board	17	18	19
20	21	22 SRMC Finance	23 UNMMG Finance	24 UNMH-BoT Finance	25 UNMH BoT	26
27	28 <i>Memorial Day</i>	29	30 HSC BoD FACC <i>Agenda items due to BoR</i>	31		

Health Sciences Center Board of Directors Executive Calendar

JUNE 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
					1 HSC BoD	2
3	4	5 SRMC Finance	6 UNMMMG Board	7	8	9
10	11	12 UNM BoR	13 UNMMMG Finance	14	15	16
17	18	19 SRMC Finance	20 SRMC Board	21	22	23
24	25	26	27 UNMMMG Finance	28 UNMH BoT-Finance	29 UNMH BoT	30

Health Sciences Center Board of Directors Executive Calendar

JULY 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3 HSC BoD FACC SRMC Finance	4 <i>Independence Day</i>	5	6 HSC BoD	7
8	9	10 UNMMG Finance	11 UNMMG Board	12	13	14
15	16	17 SRMC Finance	18 SRMC Board	19	20	21
22	23	24	25 UNMMG Finance	26 UNMH BoT-Finance	27 UNMH BoT	28
29	30	31 SRMC Finance				

Health Sciences Center Board of Directors Executive Calendar

AUGUST 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
			1 HSC BoD FACC	2 Agenda items due to BoR	3 HSC BoD	4
5	6	7	8 UNMMG Board	9	10	11
12	13	14 UNM BoR SRMC Finance	15 SRMC Board UNMMG Finance	16	17	18
19	20	21	22	23 UNMH BoT-Finance	24 UNMH BoT	25
26	27	28 SRMC Finance HSC BoD FACC	29 UNMMG Finance	30	31	

Health Sciences Center Board of Directors Executive Calendar SEPTEMBER 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
						1
2	3 <i>Labor Day</i>	4	5 UNMMG Board	6	7 HSC BoD	8
9	10	11 SRMC Finance	12 UNMMG Finance	13	14	15
16	17 <i>Rosh Hashanah</i>	18	19 SRMC Board	20	21	22
23	24	25 SRMC Finance	26 UNMMG Finance <i>Yom Kippur</i>	27 UNMH BoT-Finance	28 UNMH BoT	29
30						

Health Sciences Center Board of Directors Executive Calendar

OCTOBER 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
	1	2 HSC BoD FACC	3 UNMMG Board	4	5 HSC BoD	6
7	9	9 SRMC Finance	10 UNMMG Finance	11	12	13
14	15	16	17 SRMC Board	18	19	20
21	22	23 SRMC Finance	24 UNMMG Finance	25 UNMH BoT-Finance	26 UNMH BoT	27
28	28	30 HSC BoD FACC	31			

Health Sciences Center Board of Directors Executive Calendar

NOVEMBER 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
				1	2 HSC BoD	3
4	5	6 SRMC Finance	7 UNMMMG Board	8	9	10
11 <i>Veterans Day</i>	12	13	14 UNMMMG Finance	15	16	17
18	19	20 SRMC Finance	21 SRMC Board	22 <i>Thanksgiving</i>	23 <i>Holiday</i>	24
25	26	27	28 UNMMMG Finance	29 UNMH BoT-Finance	30 UNMH BoT	

**Health Sciences Center Board of Directors Executive Calendar
DECEMBER 2012**

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
						1
2	3	4 HSC BoD FACC SRMC Finance	5 UNMMG Board	6	7 HSC BoD	8
9	10	11	12 SRMC Board UNMMG Finance	13	14	15
16	17	18 SRMC Finance HSC BoD FACC	19	20	21	22
23	24 UNM Closed	25 UNM Closed	26 UNM Closed	27 UNM Closed	28 UNM Closed	29
30	31 UNM Closed					NOTE: No HSC BoD Mtg. in December. Rev: 11-28-11 pmarrin

APPENDIX 7

Minutes of the Inaugural Meeting of the
UNM Health Sciences Center Board of Directors
May 16, 2011
Hyatt Regency Tamaya, Santa Ana Pueblo, NM

Board of Directors present: Carolyn Abeita, Don Chalmers, Lt. Gen. Brad Hosmer, Ann Rhoades, Mel Eaves, Jerry Geist (quorum established)

Board of Directors absent: Ron Solimon

HSC Leadership present: Paul Roth, John Trotter, Steve McKernan, Carolyn Voss, Scot Sauder, Pug Burge, Richard Larson, Billy Sparks, Lynda Welage, Jeff Griffith, Kevin Rogols, Anthony Masciotra

Distinguished guests/speakers present: David Schmidly, PhD, President, UNM, Charles Sallee, Deputy Director, New Mexico Legislative Finance Committee, Pam Galbraith, Program Evaluator, New Mexico Legislative Finance Committee, Brenda Fresquez, Program Evaluator, New Mexico Legislative Finance Committee, Marc Saavedra, UNM Government and Community Relations, Jill Derby, Association of Governing Boards

Members of the public present: Cesar Abarca

HSC staff present: Patrice Martin, Frank Romero, Gene Passariello, John Arnold

Carolyn Abeita, Chair, called the meeting to order at approximately 8:45 a.m. and welcomed attendees to the inaugural meeting of the Health Sciences Center Board of Directors. Dr. Paul Roth, Chancellor for Health Sciences recognized this meeting as an historic moment for the Health Sciences Center (HSC) which has restructured to adjust for its rapid growth and varied programs. Chair Abeita thanked the distinguished Board members for agreeing to serve. The HSC Board of Directors self-introduced including a brief background. HSC executive team, guests, and members of the public self-introduced.

President Schmidly addressed the group recognizing the meeting as a benchmark occasion for the University. He gave his strong support to the rationale for creating the Board and emphasized the importance of the Board related to the future of the HSC. He welcomed Dr. Lynda Welage, incoming dean of the College of Pharmacy, to the University.

Chair Abeita recognized Cesar Abarca, representative of Las Jardines Institute, who addressed the Board during the Public Comment segment regarding community issues on faculty retention, student issues, and patient issues. Mr. Abarca requested that future meetings be held at a venue that is near public transportation. Chair Abeita noted that all his comments were heard.

Scot Sauder, Senior Associate University Counsel, presented on the Open Meetings Act Resolution. A draft Resolution was distributed to the Board for consideration of adoption. Discussion. Motion was made for approval of the proposed Open Meetings Act Resolution; second; with a vote of 6-0-0 in favor. Motion passed.

Charles Saltee and Pam Galbraith, New Mexico Legislative Finance Committee, presented an overview and update on the LFC Audit Project. Handouts of the LFC engagement letter and Evaluation Plan were distributed. Anticipated completion date of the project is August 2011. Discussion.

Motion was made to move to Executive Session; second; with a vote of 6-0-0 in favor. Motion passed.

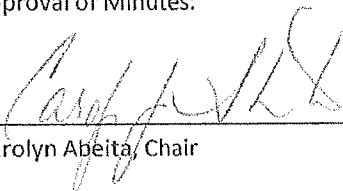
Executive session commenced.

Meeting was re-opened and Chair Abeita confirmed that only matters on the agenda were discussed during Executive Session.

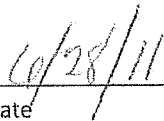
Motion was made to adjourn; second; with a vote of 6-0-0 in favor. Motion passed. Meeting adjourned at approximately 10:30 a.m.

Minutes were prepared by Patrice Martin on May 20, 2011.

Approval of Minutes:



Carolyn Abeita, Chair



Date

UNM HEALTH SCIENCES CENTER BOARD OF DIRECTORS

Policy on Public Notice of Meetings of the Board of Directors

Policy

1. This Policy applies to the UNM Health Sciences Center Board of Directors (the "Board of Directors") as defined in Regents Policy 3.5 and is adopted pursuant to the New Mexico Open Meetings Act, § 10-15-1, et seq., NMSA 1978.
2. **Regular Meetings.**
 - a. Regular meetings of the Board of Directors will be held at such locations as may be determined by the Board of Directors and on such intervals as determined by the Board of Directors as announced in the Notice of Regular Meetings, pursuant to this Policy.
 - b. **Notice of Regular Meetings.** Notice to the public of the regular meetings of the Board of Directors will specify the date, time, and place thereof and will state that a copy of the agenda will be available in the Health Sciences Center HSC PAO ("HSC PAO") and at such other locations chosen by the Chancellor for Health Sciences of the University, at least twenty-four (24) hours prior to the meeting. Notice will be given to those newspapers and broadcast stations that have filed a written request with the HSC PAO for such notices of meetings. Notice will be by mail, facsimile machine, or electronic mail at least ten (10) days prior to the meeting.
3. **Special Meetings.**
 - a. Special meetings of the Board of Directors may be called by the Chair of the Board of Directors or any four (4) members of the Board of Directors.
 - b. **Notice of Special Meetings.** Notice to the public of special meetings of the Board of Directors will specify the date, time, and place thereof and will state that a copy of the agenda will be available in the HSC PAO and at such other locations chosen by the Chancellor for Health Sciences of the University, at least twenty-four (24) hours prior to the meeting. Notice will be given to those newspapers and broadcast stations that have filed a written request with the HSC PAO for such notices of meetings. Notice by mail, facsimile machine, or electronic mail will be given at least three (3) days prior to the meeting.

4. Emergency Meetings.

- a. Emergency meetings of the Board of Directors may be called by the Chair of the Board of Directors or any four (4) members of the Board of Directors only in the event of unforeseen circumstances that, if not addressed immediately by the Board of Directors, will likely result in injury or damage to persons or property or substantial financial loss to the Health Sciences Center, the UNM Health System, and/or any component unit thereof. The Board will avoid emergency meetings whenever possible.
- b. **Notice of Emergency Meetings.** Notice to the public of emergency meetings of the Board of Directors will specify the date, time, place, and subject matter thereof and will be given to those newspapers and broadcast stations that have filed a written request with the HSC PAO for such notices of meetings. Notice will be by telephone, facsimile machine, or electronic mail and at locations chosen by the Chancellor for Health Sciences of the University, at least twenty-four (24) hours prior to the meeting or by such other notice as soon as possible and as may be practicable under the circumstances.

5. Compliance with the Americans with Disabilities Act. In addition to the information specified above, all notices shall include the following language:

“If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in a meeting of the UNM Health Sciences Center Board of Directors, please contact the Office of Public Affairs for the Health Sciences Center at least one week prior to the meeting. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Office of Public Affairs for the Health Sciences Center if an accessible format is needed.”

6. **Telephone Meetings.** A member of the Board of Directors may participate in a regular, special, or emergency meeting of the Board of Directors by means of a conference telephone or other similar communications equipment when it is otherwise difficult or impossible for the member to attend the meeting in person. Each member participating by conference telephone must be identified when speaking, all participants must be able to hear each other at the same time, and members of the public attending the meeting must be able to hear any member of the Board of Directors who speaks during the meeting. The minutes of any meeting at which there is telephone participation shall identify the Director(s) who was not physically present but who participated by conference telephone or other similar communications equipment.

7. Closed Meetings (Executive Sessions).

- a. Exceptions to Open Meetings Act.** Meetings of the Board of Directors may be closed, according to the procedures set out below, only if the matter to be considered falls within one of the enumerated exceptions defined in Section 10-15-1(H) of the Open Meetings Act or if closure can be implied from or required by other laws or constitutional principles which specifically or necessarily preserve the confidentiality of certain information.
- b. Closing an Open Meeting.** Closing of a meeting shall be by a majority vote of a quorum of the Board of Directors during the open meeting, with the vote of each member being recorded. The motion shall state: (1) the authority for the closure (the statutory provision); and (2) the subject to be discussed with reasonable specificity. The matter to be discussed must have been included on the agenda, except for emergency matters.
- c. Calling a Closed Meeting Outside an Open Meeting.**

 - (1) Notice that a meeting will be closed, in whole or in part, will be given as specified above for a regular, special or emergency meeting, as appropriate, by so specifying either in the notice of the meeting or on the agenda. The notice shall state the specific provision of the law authorizing the closed meeting and shall state the subject to be discussed with reasonable specificity.
 - (2) The minutes of the next open meeting shall contain information about the closed meeting, including the date, time, place, and subject matter of the closed meeting, the names of the Directors present at the closed meeting, the names of the absent Directors, and a statement that the matters discussed in the closed meeting were limited only to those specified in the notice of the closed meeting.
- d. Action.** Any final action taken as a result of discussions in a closed meeting shall be made by a vote of the Board of Directors at an open public meeting, with the exceptions allowed under Section 10-15-1(H).

- 8. Agendas.** A copy of the agenda for each regular and special meeting of the Board of Directors will be available at least twenty-four (24) hours prior to the meeting (and the notice of the meeting shall so state) at the HSC PAO and at such other locations chosen by the Chancellor for Health Sciences of the University. Except for emergency matters, the Board of Directors shall take action only on items appearing on the agenda. The intent to close a regular meeting and the subject matter involved shall be included in the agenda.

9. Public Input at Meetings. An opportunity for public input regarding agenda items shall be provided at each regular meeting during Board of Directors consideration of the agenda item in question. The Chair of the Board of Directors shall determine the length of time to be allowed for public input for each agenda item, the sequence in which individuals may address the Board of Directors, and the length of time that will be allowed for each person to address the Board of Directors. The Chair of the Board of Directors may request that a group designate a spokesperson.

10. Minutes.

- a. The Board of Directors shall approve and keep written minutes of all its meetings. The minutes shall include, at a minimum: (1) the date, time, and place of the meeting; (2) the names of Directors in attendance and those absent; (3) a statement of what proposals were considered; and (4) a record of any decisions made by the Board of Directors and how each Director voted.
- b. Draft minutes shall be prepared within ten (10) working days after the meeting and must be available for public inspection. The draft minutes must clearly indicate that they are not the official minutes and are subject to approval by the Board of Directors.
- c. Draft minutes shall be approved, amended, or disapproved at the next regular meeting where a quorum of the Board of Directors is present. Minutes shall not become official until approved by the Board of Directors. Official minutes are subject to public inspection.
- d. No minutes need to be kept during closed sessions, but information about the closed session must be recorded as specified in the "Closed Meetings" section of this Policy.
- e. **Audio Tapes.** Audio tapes of Board of Directors' meetings shall be kept for three years.

APPENDIX 8

PAUL ROTH PERFORMANCE PLAN FY'12

(Draft - September 14, 2011)

GOAL 1 - ASSURE THE HSC ADHERES TO OUR STATED VALUES

Task 1. Professionalism

A. Define a competency and relationship-based schema of professional behavior applicable to all faculty, staff, students and house staff of HSC. Disseminate the model through educational settings (e.g., Grand Rounds, faculty meetings, student lectures/tutorials). Require all academic/clinical departments to adopt the schema by the end of FY'12, and to use it for regular evaluations of members.

B. Construct a model of types of unprofessional behavior, based on the competency and relationship-based schema. For each of three types of unprofessional behavior, the Office of Professionalism will describe a range of appropriate responses for administrators to consider, and it will develop at least one resource to help address each type of unprofessional behavior. Reduction (by at least 10% by end June, 2012) in incidence of reported unprofessional behavior in bimonthly SOM clerkship reports, yearly AAMC graduation questionnaire, and the report by UNM Hospital Office of Community Affairs.

Task 2. Reinvigorate the HSC commitment to diversity and inclusion:

A. Conduct an environmental review of the HSC Campus with regard to diversity and inclusion in order to compile diversity data, continue the dialogue among leadership about institutional bias, define the HSC areas of strength and needed improvement, and refine the strategic change model by June, 2012.

B. Create the content and construct a website for a mentoring program for minority faculty and choose a pilot group of 15 mentors and 10 mentees by June, 2012.

C. Analyze data, vacancies and hiring procedures relating to HSC Leadership in order to create pathways into senior positions and transparency for faculty of color and conduct a leadership workshop for 15 faculty of color by June, 2012.

GOAL 2 - FURTHER DEVELOP INTERPROFESSIONAL EDUCATION

Task 1. Conduct an annual retreat in the fall 2011 to formulate an HSC Action Plan.

Task 2. Pilot at least one team-based community training experience for students by June, 2012. In an interprofessional training experience students from different professions gain experience providing clinical services as part of a team. Team members may include medicine, nursing, pharmacy, therapists, etc. These teams will learn how to work well with patients, families, and each other.

Note: Goals are not ordered by level of priority

GOAL 3 - ASSURE THE FINANCIAL STABILITY OF THE HSC

Task 1. Finalize the reports, systems and integrations needed for the HSC Board of Directors, Health System and management by September, 2012.

Task 2. Complete the Legislative Finance Committee (LFC) audit and track our implementation of the action steps identified in our response by the end of December, 2011.

Task 3. Develop a series of financial scenarios in the event of major reductions in Federal/State Medicaid funding and continue updating these scenarios as changes occur by December, 2011.

Task 4. Prepare for anticipated changes in reimbursement strategies due to the Patient Protection and Affordable Care Act (PPACA) by December, 2011.

GOAL 4 - CONTINUE SUPPORT FOR THE EXCELLENCE AND EXPANSION OF THE HEALTH PROFESSIONAL EDUCATIONAL PROGRAMS

Task 1. College of Nursing (CON) - Finalize the approval for the Doctor of Nursing Practice (DNP) degree by December, 2011.

Task 2. College of Pharmacy (COP) - Commence billing for clinical services provided by COP faculty by December, 2011.

Task 3. School of Medicine (SOM) – Successfully align faculty recruitment for SRMC with the diversity goals of the institution as well as the patient care, education and research missions by October, 2011.

GOAL 5 - ASSURE THE CONTINUED GROWTH AND EXCELLENCE IN THE HSC RESEARCH INITIATIVES

Task 1. Begin implementation of the Brain and Behavior Illness Institute (BBII) by September, 2011.

Task 2. Submit 35 additional National Institute of Health programmatic grants by June, 2012.

Task 3. Develop and implement processes to create disease-specific registries for outcomes research by June, 2012 in an effort to support our comparative effectiveness activities.

Task 4. Submit at least three new grant applications in the area of disease prevention and/or wellness by the end of June, 2012.

GOAL 6 - ASSURE EXCELLENCE IN QUALITY OF PATIENT CARE AND PATIENT SAFETY

Task 1. HSC electronic medical record qualifies for Stage I Meaningful Use by June , 2012.

Task 2. Achieve performance metrics for UNM Hospital by June, 2012.

- A. Maintain an 80% rating on Periodic Performance Report of 95% or better on measures of success.

Note: Goals are not ordered by level of priority

- B. Achieve a 4% improvement in mortality index over prior year, from .73 to .70.
- C. Improve Press Ganey inpatient score of 82.3 to inpatient score of 83.2 by June, 2012.
- D. Improve central line associated blood stream infection rate to below .20 which is an improvement over the current rate of .22.

Task 3. Improve UNM Hospital's composite score from .64 to above .66 on its UHC Peer Hospital Quality and Accountability Performance Score Card, which should put UNM Hospital (UNMH) in the top half of peer hospitals in the U.S.

Task 4. Incorporate Disease Prevention and Wellness processes into the Patient-Centered Medical Home Program. Assure data retention sufficient to track results of both improved wellness and probable costs avoided. The UNM Hospital Patient Centered Medical Homes will improve prevention and wellness for paneled diabetic patients by demonstrating that:

- A. 80% of patients paneled in a UNM Hospital (UNMH) Patient-Centered Medical Home (PCMH) with a diagnosis of diabetes have HbA1C measured every six months by June, 2012.
- B. Based on AF4Q publically reported data for HbA1C, the mean score for HbA1C has been reduced year over year by 0.5% by June, 2012.

Task 5. Sandoval Regional Medical Center, Inc. (SRMC) opens for business by June, 2012.

GOAL 7 - FURTHER DEVELOP A PROCESS TO STUDY, INFORM AND AFFECT HEALTH POLICY AND PRACTICES AT THE LOCAL, STATE AND NATIONAL LEVEL

Task 1. Establish a Health Innovations Trust to provide leadership in the identification of future trends in health care and engagement in community wide discussions of potential solutions and scientific evaluation of health care innovations by September, 2011.

GOAL 8 - CONTINUE TO ENHANCE COMMUNITY ENGAGEMENT PROGRAMS

Task 1. As a component of Vision 2020, expand the number of Health Extension Rural Offices (HEROs) and their associated Academic Hubs from six to 10 by June, 2012.

Task 2. Expand the number of rural sites for Project ECHO (Extension for Community Healthcare Outcomes) from 265 to 350 by June, 2012.

GOAL 9 - ADMINISTRATION

Task 1. Develop and implement a new communication plan for the HSC and the Health System which allows direct messaging to the statewide communities, incorporates social media platforms, results in community interaction and conveys to the general public the missions and goals of the HSC by December, 2011.

Task 2. Approve the HSC Master Facility Plan by the HSC Board of Directors by September, 2011.

Note: Goals are not ordered by level of priority

UNM Health Sciences Center Action Plan Dashboard - FY 2012

GOAL 1 - ASSURE ADHERENCE OF THE HSC TO OUR STATED VALUES	Owner	Q1	Q2	Q3	Q4
Task 1. Professionalism					
A. Define a competency and relationship-based schema of professional behavior applicable to all faculty, staff, students and house staff of HSC. Disseminate the model through educational settings (e.g., Grand Rounds, faculty meetings, student lectures/tutorials). Require all academic/clinical departments to adopt the schema by the end of FY'12, and to use it for regular evaluations of members.	Jonathan Bolton	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Construct a model of types of unprofessional behavior, based on the competency and relationship-based schema. For each of three types of unprofessional behavior, the Office of Professionalism will describe a range of appropriate responses for administrators to consider, and it will develop at least one resource to help address each type of unprofessional behavior. Reduction (by at least 10% by end June, 2012) in incidence of reported unprofessional behavior in bimonthly SOM clerkship reports, yearly AAMC graduation questionnaire, and the report by UNM Hospital Office of Community Affairs.	Jonathan Bolton	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Task 2. Reinvigorate the HSC commitment to diversity and inclusion:					
A. Conduct an environmental review of the HSC Campus with regard to diversity and inclusion in order to compile diversity data, continue the dialogue among leadership about institutional bias, define the HSC areas of strength and needed improvement, and refine the strategic change model by June, 2012.	Valerie Romero-Leggott Maragret Montoya	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Create the content and construct a website for a mentoring program for minority faculty and choose a pilot group of 15 mentors and 10 mentees by June, 2012.	Valerie Romero-Leggott Maragret Montoya	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Analyze data, vacancies and hiring procedures relating to HSC Leadership in order to create pathways into senior positions and transparency for faculty of color and conduct a leadership workshop for 15 faculty of color by June, 2012.	Valerie Romero-Leggott Maragret Montoya	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
GOAL 2 - FURTHER DEVELOP INTERPROFESSIONAL EDUCATION	Owner	Q1	Q2	Q3	Q4
Task 1. Conduct an annual retreat in the fall 2011 to formulate an HSC Action Plan.					
	Betsy VanLeit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Task 2. Pilot at least one team-based community training experience for students by June, 2012. In an interprofessional training experience students from different professions gain experience providing clinical services as part of a team. Team members may include medicine, nursing, pharmacy, therapists, etc. These teams will learn how to work well with patients, families, and also with each other.					
	Betsy VanLeit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
GOAL 3 - ASSURE THE FINANCIAL STABILITY OF THE HSC	Owner	Q1	Q2	Q3	Q4
Task 1. Finalize the reports, systems and integrations needed for the HSC Board of Directors, Health System and management by September, 2012.					
	Ava Lovell	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Task 2. Complete the Legislative Finance Committee (LFC) audit and track our implementation of the action steps identified in our response by the end of December, 2011.					
	Ava Lovell	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Task 3. Develop a series of financial scenarios in the event of major reductions in Federal/State Medicaid funding and continue updating these scenarios as changes occur by December, 2011.					
	Ava Lovell	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Task 4. Prepare for anticipated changes in reimbursement strategies due to the Patient Protection and Affordable Care Act (PPACA) by December, 2011.					
	Ava Lovell	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
GOAL 4 - CONTINUE SUPPORT FOR THE EXCELLENCE AND EXPANSION OF THE HEALTH PROFESSIONAL EDUCATIONAL PROGRAMS	Owner	Q1	Q2	Q3	Q4
Task 1. College of Nursing (CON) - Finalize the approval for the Doctor of Nursing Practice (DNP) degree by December, 2011.					
	Nancy Ridenour	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Task 2. College of Pharmacy (COP) - Commence billing for clinical services provided by COP faculty by December, 2011.					
	Don Godwin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Task 3. School of Medicine (SOM) – Successfully align faculty recruitment for SRMC with the diversity goals of the institution as well as the patient care, education and research missions by October, 2011.					
	Jeffrey Griffith	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
GOAL 5 - ASSURE THE CONTINUED GROWTH AND EXCELLENCE IN THE HSC RESEARCH INITIATIVES	Owner	Q1	Q2	Q3	Q4
Task 1. Begin implementation of the Brain and Behavior Illness Institute (BBII) by September, 2011					
	Richard Larson	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Task 2. Submit 35 additional National Institute of Health programmatic grants by June, 2012.					
	Richard Larson	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Task 3. Develop and implement processes to create disease-specific registries for outcomes research by June, 2012 in an effort to support our comparative effectiveness activities.					
	Richard Larson	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Task 4. Submit at least three new grant applications in the area of disease prevention and/or wellness by the end of June, 2012.					
	Richard Larson	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
GOAL 6 - ASSURE EXCELLENCE IN QUALITY OF PATIENT CARE AND PATIENT SAFETY	Owner	Q1	Q2	Q3	Q4
Task 1. HSC electronic medical record qualifies for Stage I Meaningful Use by June , 2012.					
	Steve McKernan Carolyn Voss	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Task 2. Achieve performance metrics for UNM Hospital by June, 2012.

A. Maintain an 80% rating on Periodic Performance Report of 95% or better on measures of success.

Steve McKernan ○ ○ ○ ○
Carolyn Voss ○ ○ ○ ○

B. Achieve a 4% improvement in mortality index over prior year, from .73 to .70.

Steve McKernan ○ ○ ○ ○
Carolyn Voss ○ ○ ○ ○

C. Improve Press Ganey inpatient score of 82.3 to inpatient score of 83.2 by June, 2012.

Steve McKernan ○ ○ ○ ○
Carolyn Voss ○ ○ ○ ○

D. Improve central line associated blood stream infection rate to below .20 which is an improvement over the current rate of .22.

Steve McKernan ○ ○ ○ ○
Carolyn Voss ○ ○ ○ ○

Task 3. Improve UNM Hospital's composite score from .64 to above .66 on its UHC Peer Hospital Quality and Accountability Performance Score Card, which should put UNM Hospital (UNMH) in the top half of peer hospitals in the U.S.

Steve McKernan ○ ○ ○ ○
Carolyn Voss ○ ○ ○ ○

Task 4. Incorporate Disease Prevention and Wellness processes into the Patient-Centered Medical Home Program. Assure data retention sufficient to track results of both improved wellness and probable costs avoided. The UNM Hospital Patient Centered Medical Homes will improve prevention and wellness for paneled diabetic patients by demonstrating that:

Steve McKernan ○ ○ ○ ○
Carolyn Voss ○ ○ ○ ○

A. 80% of patients paneled in a UNM Hospital (UNMH) Patient-Centered Medical Home (PCMH) with a diagnosis of diabetes have HbA1C measured every six months by June, 2012.

Steve McKernan ○ ○ ○ ○
Carolyn Voss ○ ○ ○ ○

B. Based on AF4Q publically reported data for HbA1C, the mean score for HbA1C has been reduced year over year by 0.5% by June, 2012.

Steve McKernan ○ ○ ○ ○
Carolyn Voss ○ ○ ○ ○

Task 5. Sandoval Regional Medical Center, Inc. (SRMC) opens for business by June, 2012.

Kevin Rogols ○ ○ ○ ○

GOAL 7 - FURTHER DEVELOP A PROCESS TO STUDY, INFORM AND AFFECT HEALTH POLICY AND PRACTICES AT THE LOCAL, STATE AND NATIONAL LEVEL

Owner Q1 Q2 Q3 Q4

Task 1. Establish a Health Innovations Trust to provide leadership in the identification of future trends in health care and engagement in community wide discussions of potential solutions and scientific evaluation of health care innovations by September, 2011.

Nancy Ridenour ● ● ● ●

GOAL 8 - CONTINUE TO ENHANCE COMMUNITY ENGAGEMENT PROGRAMS

Owner Q1 Q2 Q3 Q4

Task 1. As a component of Vision 2020, expand the number of Health Extension Rural Offices (HEROs) and their associated Academic Hubs from six to 10 by June, 2012.

Art Kaufman ○ ○ ○ ○

Task 2. Expand the number of rural sites for Project ECHO (Extension for Community Healthcare Outcomes) from 265 to 350 by June, 2012.

Sanjeev Arora ○ ○ ○ ○

GOAL 9 - ADMINISTRATION

Owner Q1 Q2 Q3 Q4

Task 1. Develop and implement a new communication plan for the HSC and the Health System which allows direct messaging to the statewide communities, incorporates social media platforms, results in community interaction and conveys to the general public the missions and goals of the HSC by December, 2011.

Billy Sparks ○ ○ ○ ○

Task 2. Approve the HSC Master Facility Plan by the HSC Board of Directors by September, 2011.

Pug Burge ● ● ● ●

** Note: Goals are not ordered by level of priority.

Status
Done ●
Good Progress ●
Some Progress ○
Still Pending ●

APPENDIX 9

UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER - University HSC Only*
2012 Fiscal Year-to-Date Summary through September 30, 2011 (Preliminary and Unaudited)
 (In thousands)



Clinical and Academic Operations

* UNIVERSITY HSC ONLY INCLUDES: SOM, CON, COP, HSLIC, ADMIN, RESEARCH

	University HSC FY 2012 Operating Budget	University HSC FY 2012 YTD 9/30/2011 Actual	University HSC FY 2011 Year End Actual	University HSC FY 12 YTD Actual to FY 2012 Operating Budget Benchmark Rate (25%)	University HSC FY 12 YTD Actual to FY 2011 Year End Actual Benchmark Rate (25%)
UNM MEDICAL GROUP REVENUES	100,274	25,808	84,660	26%	30%
UNM HOSPITALS REVENUES	85,815	22,160	91,085	26%	24%
SRMC REVENUES	0	60	0	N/A	N/A
UNM CANCER CENTER CLINICAL REVENUES	25,129	5,923	29,676	24%	20%
TUITION AND FEES	11,440	5,956	10,507	52%	57%
CIGARETTE TAX APPROPRIATIONS	3,296	1,017	3,947	31%	26%
RFSF APPROPRIATIONS	14,852	3,868	18,952	26%	20%
I&G APPROPRIATIONS	58,943	14,511	59,046	25%	25%
I&G MAIN CAMPUS TRANSFERS	16,545	3,908	16,523	24%	24%
F&A REVENUES (OH RETURN)	20,500	5,337	24,370	26%	22%
HSC/UNM INTERNAL TRANSFERS	(7,037)	(2,019)	(30,650)	29%	7%
MILL LEVY	0	0	0	N/A	N/A
OTHER REVENUES	15,727	2,995	20,200	19%	15%
CONTRACT AND GRANT REVENUES	114,770	29,697	136,795	26%	22%
TOTAL REVENUES	460,254	119,221	465,111	26%	26%
TOTAL COMPENSATION EXPENSES	367,100	88,635	352,443	24%	25%
SUPPLIES/MEDICAL SUPPLIES	17,150	4,124	17,695	24%	23%
UNIVERSITY CLINICIANS PROGRAM	0	0	0	N/A	N/A
HOUSESTAFF	0	0	0	N/A	N/A
TRAVEL	5,849	1,195	5,883	20%	20%
STUDENT COSTS	3,056	972	4,141	32%	32%
PATIENT CARE COSTS	1,324	331	1,938	25%	17%
TELEPHONE/COMMUNICATION COSTS	2,012	589	2,333	29%	25%
PURCHASED SERVICES	27,678	6,968	25,438	25%	27%
OTHER MEDICAL SERVICES	0	0	0	N/A	N/A
SUB AWARDS/SERVICE CONTRACTS	15,349	6,989	37,148	46%	19%
ORM & LEASES	7,622	2,372	7,877	31%	30%
UTILITIES	3,764	1,106	4,691	29%	24%
DEPRECIATION	0	0	0	N/A	N/A
DEBT SERVICE	1,741	435	1,741	25%	25%
OTHER EXPENSES	9,892	2,473	9,878	25%	25%
TOTAL EXPENSES	462,537	116,189	471,206	25%	25%
NET OPERATING INCOME	(2,283)	3,032	(6,095)		
CAPITAL EXPENDITURES	3,107	615	2,983	20%	21%
INCOME BEFORE NON-RECURRING ITEMS	(5,390)	2,417	(9,078)		
NON-RECURRING ITEMS	0	0	0		
NET INCOME	(5,390)	2,417	(9,078)		

UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER - UNM Hospitals Only
2012 Fiscal Year-to-Date Summary through September 30, 2011 (Preliminary and Unaudited)
(In thousands)

Clinical Operations

	UNM Hospitals FY 2012 Operating Budget	UNM Hospitals FY 2012 YTD 9/30/2011 Actual	UNM Hospitals FY 2011 Year-End Actual	UNM Hospitals FY 12 YTD Actual to FY 2012 Operating Budget Benchmark Rate (25%)	UNM Hospitals FY 12 YTD Actual to FY 2011 Year-End Actual Benchmark Rate (25%)
UNM MEDICAL GROUP REVENUES	0	0	0	N/A	N/A
UNM HOSPITALS REVENUES	636,592	160,072	656,139	25%	24%
SRMC REVENUES	0	0	0	N/A	N/A
UNM CANCER CENTER CLINICAL REVENUES	0	0	0	N/A	N/A
TUITION AND FEES	0	0	0	N/A	N/A
CIGARETTE TAX APPROPRIATIONS	11,208	2,833	12,410	25%	23%
RPSF APPROPRIATIONS	0	0	0	N/A	N/A
I&G APPROPRIATIONS	0	0	0	N/A	N/A
I&G MAIN CAMPUS TRANSFERS	0	0	0	N/A	N/A
F&A REVENUES (OH RETURN)	0	0	0	N/A	N/A
HSC/UNM INTERNAL TRANSFERS	90,563	22,641	89,316	25%	25%
MILL LEVY	14,250	3,276	21,659	23%	15%
OTHER REVENUES	4,041	1,102	4,565	27%	24%
CONTRACT AND GRANT REVENUES					
TOTAL REVENUES	756,654	189,924	784,059	25%	24%
TOTAL COMPENSATION EXPENSES	378,900	93,361	370,149	25%	25%
SUPPLIES/MEDICAL SUPPLIES	119,560	29,153	119,034	24%	24%
UNIVERSITY CLINICIANS PROGRAM	51,274	13,608	48,177	27%	28%
HOUSESTAFF	23,861	6,357	22,788	27%	28%
TRAVEL	545	153	583	28%	26%
STUDENT COSTS	0	0	0	N/A	N/A
PATIENT CARE COSTS	36,963	9,348	35,583	25%	26%
TELEPHONE/COMMUNICATION COSTS	3,485	832	3,727	24%	22%
PURCHASED SERVICES	20,796	5,345	19,818	26%	27%
OTHER MEDICAL SERVICES	15,721	4,301	17,901	27%	24%
SUB AWARDS/SERVICE CONTRACTS	8,536	1,917	7,582	22%	26%
O&M & LEASES	14,505	3,710	14,521	26%	26%
UTILITIES	5,774	1,696	5,461	29%	31%
DEPRECIATION	34,876	8,478	35,261	24%	24%
DEBT SERVICE	7,959	2,001	8,134	25%	25%
OTHER EXPENSES	33,890	9,582	66,183	28%	14%
TOTAL EXPENSES	756,645	189,842	774,702	25%	25%
NET OPERATING INCOME	9	82	9,387		
CAPITAL EXPENDITURES	0	0	0	N/A	N/A
INCOME BEFORE NON-RECURRING ITEMS	9	82	9,387		
NON-RECURRING ITEMS	0	0	0		
NET INCOME	9	82	9,387		

UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER - UNMMG Only
2012 Fiscal Year-to-Date Summary through September 30, 2011 (Preliminary and Unaudited)
(In thousands)



Clinical Operations

	UNMMG FY 2012 Operating Budget	UNMMG FY 2012 YTD 9/30/2011 Actual	UNMMG FY 2011 Year End Actual	UNMMG FY 12 YTD Actual to FY 2012 Operating Budget Benchmark Rate (25%)	UNMMG FY 12 YTD Actual to FY 2011 Year End Actual Benchmark Rate (25%)
UNM MEDICAL GROUP REVENUES	128,926	32,912	121,922	26%	27%
UNM HOSPITALS REVENUES	0	0	0	N/A	N/A
SRMC REVENUES	0	0	0	N/A	N/A
UNM CANCER CENTER CLINICAL REVENUES	0	0	0	N/A	N/A
TUITION AND FEES	0	0	0	N/A	N/A
CIGARETTE TAX APPROPRIATIONS	0	0	0	N/A	N/A
RPSF APPROPRIATIONS	0	0	0	N/A	N/A
I&G APPROPRIATIONS	0	0	0	N/A	N/A
I&G MAIN CAMPUS TRANSFERS	0	0	0	N/A	N/A
F&A REVENUES (OH RETURN)	0	0	0	N/A	N/A
HSC/UNM INTERNAL TRANSFERS	0	0	0	N/A	N/A
MILL LEVY	753	523	3,603	69%	15%
OTHER REVENUES	0	227	1,321	N/A	17%
CONTRACT AND GRANT REVENUES	0	0	0	N/A	N/A
TOTAL REVENUES	129,679	33,662	126,846	26%	27%
TOTAL COMPENSATION EXPENSES	15,282	4,601	14,688	30%	31%
SUPPLIES/MEDICAL SUPPLIES	0	0	0	N/A	N/A
UNIVERSITY CLINICIANS PROGRAM	0	0	0	N/A	N/A
HOUSESTAFF	0	0	0	N/A	N/A
TRAVEL	0	0	0	N/A	N/A
STUDENT COSTS	0	0	0	N/A	N/A
PATIENT CARE COSTS	0	0	0	N/A	N/A
TELEPHONE/COMMUNICATION COSTS	106,680	26,015	86,872	24%	30%
PURCHASED SERVICES	0	0	0	N/A	N/A
OTHER MEDICAL SERVICES	0	0	0	N/A	N/A
SUB AWARDS/SERVICE CONTRACTS	0	0	0	N/A	N/A
O&M & LEASES	0	0	0	N/A	N/A
UTILITIES	0	0	0	N/A	N/A
DEPRECIATION	0	0	0	N/A	N/A
DEBT SERVICE	0	0	0	N/A	N/A
OTHER EXPENSES	4,211	1,843	6,134	44%	30%
TOTAL EXPENSES	126,173	32,459	107,694	26%	30%
NET OPERATING INCOME	3,506	1,203	19,152		
CAPITAL EXPENDITURES	0	0	0	N/A	N/A
INCOME BEFORE NON-RECURRING ITEMS	3,506	1,203	19,152		
NON-RECURRING ITEMS	0	0	0		
NET INCOME	3,506	1,203	19,152		

UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER - Consolidated HSC
2012 Fiscal Year-to-Date Summary through September 30, 2011 (Preliminary and Unaudited)
(In thousands)

Clinical and Academic Operations

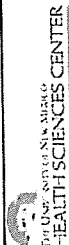
	Consolidated HSC FY 2012 Operating Budget	Consolidated HSC FY 2012 YTD 9/30/2011 Actual	Consolidated HSC FY 2011 Year End Actual	Consolidated HSC FY 12 YTD Actual to FY 2012 Operating Budget Benchmark Rate (25%)	Consolidated HSC FY 12 YTD Actual to FY 2011 Year End Actual Benchmark Rate (25%)
UNM MEDICAL GROUP REVENUES	229,200	58,720	206,582	26%	28%
UNM HOSPITALS REVENUES	722,407	182,232	747,224	25%	24%
SRMC REVENUES	0	60	0	N/A	N/A
UNM CANCER CENTER CLINICAL REVENUES	25,129	5,923	29,676	24%	20%
TUITION AND FEES	11,440	5,956	10,507	52%	57%
CIGARETTE TAX APPROPRIATIONS	3,296	1,017	3,947	31%	26%
RSP APPROPRIATIONS	26,060	6,701	31,362	26%	21%
I&G APPROPRIATIONS	58,943	14,511	59,046	25%	25%
I&G MAIN CAMPUS TRANSFERS	16,545	3,908	16,523	24%	24%
F&A REVENUES (OH RETURN)	20,500	5,337	24,370	26%	22%
HSC/UNM INTERNAL TRANSFERS	(7,037)	(2,019)	(30,650)	29%	7%
MILL LEVY	90,563	22,641	89,316	25%	25%
OTHER REVENUES	30,730	6,794	45,462	22%	15%
CONTRACT AND GRANT REVENUES	118,811	31,026	142,681	26%	22%
TOTAL REVENUES	1,346,587	342,807	1,376,046	25%	25%

TOTAL COMPENSATION EXPENSES	761,282	186,597	737,280	25%	25%
SUPPLIES/MEDICAL SUPPLIES	136,710	33,277	136,729	24%	24%
UNIVERSITY CLINICIANS PROGRAM	51,274	13,608	48,177	27%	28%
HOUSESTAFF	23,861	6,357	22,788	27%	28%
TRAVEL	6,394	1,348	6,466	21%	21%
STUDENT COSTS	3,056	972	4,141	32%	23%
PATIENT CARE COSTS	38,287	9,679	37,521	25%	26%
TELEPHONE/COMMUNICATION COSTS	1,421	1,421	6,060	26%	23%
PURCHASED SERVICES	5,497	38,328	132,128	25%	29%
OTHER MEDICAL SERVICES	155,154	4,301	17,901	27%	24%
SUB AWARDS/SERVICE CONTRACTS	23,885	8,906	44,530	37%	20%
O&M & LEASES	22,127	6,082	22,398	27%	27%
UTILITIES	9,538	2,802	10,152	29%	28%
DEPRECIATION	34,876	8,478	35,261	24%	24%
DEBT SERVICE	9,700	2,436	9,875	25%	25%
OTHER EXPENSES	47,993	13,898	82,195	29%	17%
TOTAL EXPENSES	1,345,355	338,490	1,353,602	25%	25%

NET OPERATING INCOME	1,232	4,317	22,444		
CAPITAL EXPENDITURES	3,107	615	2,983	20%	21%
INCOME BEFORE NON-RECURRING ITEMS	(1,875)	3,702	19,461		
NON-RECURRING ITEMS	0	0	0		
NET INCOME	(1,875)	3,702	19,461		

GLOSSARY OF REPORT CATEGORIES

FINANCIAL STATEMENT CATEGORY		UNM	UNMMG	UNM Hospitals
UNM MEDICAL GROUP REVENUES	Clinical revenue primarily based on Physician or Provider efforts and collection through UNMMG	Net patient services revenue including SCI	N/A	
UNM HOSPITALS REVENUES	Revenue from University Hospital to the School of Medicine	N/A		Hospital facility revenue based on patient billings by UNMH
SRMC REVENUES	TBD	N/A		N/A
UNM CANCER CENTER CLINICAL REVENUES	Cancer Center patient revenue posted from the global billings and Infusion Suite net income. Clinical Adult Infusion Suite/RO/IMO	N/A		N/A
TUITION AND FEES	Tuition & Fees, including tuition differentials	N/A		N/A
CIGARETTE TAX APPROPRIATIONS	Revenues received from the State as a calculated portion of Tax Revenue on the sale of tobacco products for use in Cancer Research	N/A		N/A
RPSP APPROPRIATIONS	Revenue received for current operations made available to UNM by act of NM State Legislature on an annual basis for Research, Public Service and Independent Operations	N/A		Revenue received for current operations made available to UNMH by act of NM State Legislature on an annual basis for Research, Public Service and Independent Operations
I&G APPROPRIATIONS	Revenue received for current operations made available to UNM by act of NM State Legislature on an annual basis for I&G operations	N/A		N/A
I&G MAIN CAMPUS TRANSFERS	Partial transfer of tuition and formula workload generated by Nursing, Pharmacy and SOM	N/A		N/A
F & A REVENUES (OH RETURN)	Revenue from recovery of indirect costs (F&A) incurred by a Contract or Grant also known as overhead return	N/A		N/A
HSC/UNM INTERNAL TRANSFERS	All transfers to/from HSC Unrestricted Funds excluding the I&G Main Campus Transfer and Transfers for Debt Service	N/A		N/A
MILL LEVY	N/A	N/A		Mill levy taxes collected on behalf of the Bernalillo County Treasurer and remitted to UNMH as required by the Hospital Funding Act.
OTHER REVENUES	All other Revenues - not contained in any other category - Sales & Services (not Internal Service Center P18 sales), Gains on Sponsored Projects, Gifts, Endowment Spending Distributions, Investment Income, etc.	Other operating revenues		All other revenues not contained in any other category: Investment income, equity loss in Tricare, donated revenue, gain/loss on sale of assets, food, nutrition, catering & vending revenue, medical records revenue, rent revenue, all other non-operating revenue



UNIVERSITY OF NEW MEXICO
HEALTH SCIENCES CENTER

GLOSSARY OF REPORT CATEGORIES

**FINANCIAL STATEMENT CATEGORY
CONTRACT AND GRANT REVENUES**

UNM

All Restricted Funds Revenue and Unrestricted Contract Revenue for example VA contracts

UNMMG

Revenue associated with restricted and unrestricted contracts and grants

UNM Hospitals

Revenue associated with restricted and unrestricted contracts and grants

TOTAL COMPENSATION EXPENSES

Salary, wages & benefits

Salaries and benefits considered to be operating and certain clinical expenses of UNMMG

Salary, wages & benefits

SUPPLIES/MEDICAL SUPPLIES

Office supplies; computer supplies, dues & N/A memberships, postage charges, recruitment expenses, non capital equipment, computers, food, lab supplies, uniforms, training materials, etc.

Medical supplies for: lab, radiology, blood, pharmaceuticals, biologics, implantable devices, office supplies, computer supplies, photocopy expense, forms, linen, food, uniforms, and training materials.

UNIVERSITY CLINICIANS PROGRAM

N/A

N/A

Special clinician program to support SOM

HOUSESTAFF

N/A

N/A

Reimbursement of patient care services provided by residents who are employed by SOM.

TRAVEL

Travel - in state, out of state, foreign, business meals, rental vehicles, new employee moving expenses, vehicle fuel etc.

N/A

Travel - in state, out of state, business meals, rental vehicles, flights, ground transportation, vehicle fuel etc.

STUDENT COSTS

Student tuition/fee expense, student travel, scholarships/fellowships, housing, insurance for students, student awards, etc.

N/A

N/A

PATIENT CARE COSTS

Patient Care costs for inpatient, outpatient care & lab, pharmacy and x-ray services for patients

N/A

Patient Care costs for inpatient, outpatient care including Tricare laboratory expense, OR instruments, NM Insurance pool premiums, kidney acquisition, step down care (snf) for IV dependent patients, radiation oncology and patient assistance

TELEPHONE/COMMUNICATION COSTS

Telephone, voicemail, cellular, long distance, paging and data networking charges

N/A

Telephone, voicemail, cellular, long distance, paging and data networking charges

PURCHASED SERVICES

Alarm fees, internet fees, architectural services; auditing services; printing/copying/binding fees, conference/avent fees; honoraria, insurance charges (general liability, professional liability), legal services, electronic journals & books, consultant fees, etc.

Includes payment to UNM SOM for physician and other provider services

Recruitment, professional, legal, auditing, consulting fees, promotional/graphics, IT Hosting Cermer, Siemens and PACS, safety and risk services, equipfax, laundry, malpractice and liability insurance, etc.

GLOSSARY OF REPORT CATEGORIES

		UNMMG		UNM Hospitals	
FINANCIAL STATEMENT CATEGORY		UNM			
OTHER MEDICAL SERVICES		N/A	N/A		
SUB AWARDS/SERVICE CONTRACTS	Unrestricted Sub Awards, Gain/Loss on Unrestricted Projects	N/A	N/A		All service contracts
O&M & LEASES	Plant maintenance and repairs, equipment repairs and maintenance, property insurance, auto insurance, facility rent expense	N/A	N/A		Building maintenance and repairs, equipment repairs and maintenance, repair parts, equipment rent, property insurance, auto insurance, facility rent expense, and housekeeping supplies
UTILITIES	Natural gas, electricity, steam, sewer, water, chilled water	N/A	N/A		Natural gas, electricity, steam, sewer, water, chilled water
DEPRECIATION	N/A	N/A	N/A		The annual amortization for the capital outlay associated with building, building improvement, fixed and moveable equipment which is based on the estimated useful lives of the assets as determined by the AHA "Estimated useful lives of Depreciable Hospital Assets".
DEBT SERVICE	Transfers to cover debt service	N/A	N/A		Interest expense associated with the series 2004 FHA Insured Hospital Mortgage Revenue Bonds.
OTHER EXPENSES	Banking fees, cost of goods sold, research costs, royalties, bad debt expense, other operating costs, Banner tax, etc.		Billings & collections expenses and other operating expenses of UNMMG		Programming, application, software and maintenance expenses, non capital equipment (less than \$5k), signs, dues & memberships, freight, postage, subscriptions, licenses/permits, Gap Tax, Intergovernmental Transfers for the SCI and IME, bond issuance costs, capital initiatives and other non-operating expenses.
CAPITAL EXPENDITURES	Equipment/furniture >\$5,000, Computer hardware, library acquisitions, etc.		N/A		N/A



UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER
 Balance Sheet for the Health Sciences Center
 2012 Fiscal Year as of September 30, 2011 (Preliminary and Unaudited)
 (In thousands)

	University HSC	UNM Hospitals	UNMMG	SRMC
ASSETS				
Cash and cash equivalents	16,460	93,486	18,067	594
Marketable securities	24,690	33,980	-	-
Receivables:				
Patient, net	5,046	67,095	17,432	-
Receivable from Affiliates	58,718	581	7,311	-
Bernalillo County Treasurer	-	21,653	-	-
Contracts, Grants and Other	12,484	15,366	-	-
Other	6,463	15,891	1,394	-
	123,861	248,052	44,204	594
Total Current Assets				
Assets whose use is limited:				
Held by trustee for debt service & other	-	37,696	-	143,659
By UNM Hospital Clinical Operations Board	-	16,519	-	-
Board and other designated assets	85,215	-	32,306	-
Endowments	86,937	-	-	-
Capital Assets, net of depreciation	261,119	285,282	1,318	48,874
	557,132	587,549	77,828	193,127
TOTAL ASSETS				
	692,993	835,601	122,032	386,721
LIABILITIES				
Accounts Payable	6,927	27,131	3,909	-
Other accrued liabilities	42,190	39,846	-	1,041
Payable to Affiliates	2,254	30,668	27,048	6,640
Bonds payable - current	644	4,895	-	-
Interest payable bonds	1,097	2,084	-	-
Estimated third party payor settlements	-	5,016	-	-
Bonds payable - non current	20,332	167,175	-	143,425
Other liabilities - non current	9,587	8,648	-	-
Sponsored Project Deferred Revenue	9,435	-	-	-
	92,466	285,463	30,957	151,106
TOTAL LIABILITIES				
	92,466	285,463	30,957	151,106
NET ASSETS				
Restricted - expendable grants, bequests and contributions	89,905	9,432	-	46,000
Restricted - trust indenture and debt agreement	-	20,320	-	-
Committed and Dedicated agreements	123,442	-	-	-
Discretionary Reserve	11,176	143,537	45,553	(3,979)
Assets invested in Capital, net of related debt	240,143	128,797	1,318	-
	464,666	302,086	46,871	42,021
TOTAL NET ASSETS				
	464,666	302,086	46,871	42,021
Current Ratio	2.10	2.13	1.21	0.06
Days Cash on Hand	50.96	53.01	52.98	N/A

**Health Sciences Center
Benchmark comparisons using peer Institution FY 10 Audited Financial Information**

↓ Indicates lower is better

↑ Indicates higher is better

Non Operating Revenue/Net Revenue

(A lower percentage indicates a lower dependence on non operating revenue)

Operating Expenses/Employee Head Count

(A smaller number equates to lower operating expenses per employee)

Unrestricted Net Assets/Unrestricted Operating Expenses

(A higher percentage equates to ability to cover unrestricted operating expenses)

Contract & Grant Revenue/Net Revenue

(A higher percentage equates to a higher contribution of C&G to total revenues)

	HSC UNM	Virginia Common Wealth	University of Arkansas	University of Utah	Oregon Health Sciences University
	21.88%	31.74%	5.60%	12.93%	5.63%
	\$98.82	\$38.89	\$102.93	\$106.95	\$136.53
	17.99%	28.02%	13.79%	45.37%	51.23%
	31.64%	21.64%	13.86%	12.63%	22.11%

**School of Medicine
Benchmark comparisons using AAMC Public Medical Schools 2010 Data**

Total Revenue/Total Faculty

	20th%	50%	% of Median	UNM SOM
Total Revenue	\$199,670,677	\$472,462,566	98.50%	\$465,373,313
Full-time Faculty FTE	381	788	90.99%	717
Total Revenue/Total Faculty	\$524,070	\$599,572	108.25%	\$649,056

Revenue Comparison to Benchmark

	20th%	50%	% of Median	UNM SOM
Practice Plan Revenue	\$65,794,525	\$161,001,569	84.48%	\$136,019,333
Hospital Support	\$35,960,828	\$78,121,587	54.46%	\$42,545,485
All Contract & Grant	\$30,637,689	\$94,217,696	123.26%	\$116,131,966
NIH Ranking for Contract & Grant Awards out of 130				72
Gift & Endowment	\$2,399,245	\$9,007,131	54.98%	\$4,951,736

Faculty Salary Comparison to Benchmark

	UNM SOM
Amount required to reach the 25th percentile	\$2,421,020
Amount required to reach the 50th percentile	\$8,893,901

**College of Pharmacy
Benchmark comparisons using AACP 2010 Data**

	Mean	Median	% of Median	UNM COP
Income and Revenue				
State Budget Allocation	\$6,549,626	\$7,127,195	114.48%	\$8,159,031
Sales & Services	\$3,954,361	\$2,444,401	12.58%	\$307,485
Contract & Grants	\$6,865,105	\$5,191,567	95.22%	\$4,943,616
Gifts	\$848,196	\$785,443	37.21%	\$292,289
Endowment Income	\$270,823	\$290,025	14.91%	\$43,242

NIH GRANTS and CONTRACTS

	UNM COP	Virginia Common Wealth	University of Arkansas	University of Utah
Dollar Amount	\$2,621,825	\$2,852,123	\$2,136,493	\$19,282,947
AACP Ranking out of 73	37	34	39	3

Faculty Salary Comparison to Benchmark

Amount above the 25th percentile	\$39,638
Amount above the 50th percentile	\$9,374
Amount required to reach the 75th percentile	\$35,428

College of Nursing

U.S. Public University Demand and Finance Statistics, AA Category Mean 2010 Data

	Mean	CON UNM	University of Iowa
State Appropriations to Total Revenue	24.80%	82.50%	52.70%
Contracts & Grants to Total Revenue	18.20%	11.10%	24.00%
Unrestricted Net Assets to Operations	28.00%	30.44%	NA
Average Age of Plant (Years)	12	35	39
Total Operating Expense per FTE	\$43,811	\$113,418	\$156,358
State Appropriation per FTE	\$9,944	\$100,372	\$90,921

CON Head Count Enrollment by Level of Study

	UNM CON	Oregon Health Sciences University
Undergraduate	291	718
Graduate	205	223
Non-Degree	0	14
Total	496	955

CON Degrees Awarded

	UNM CON	Oregon Health Sciences University
BS	186	291
Graduate	50	73
Total	236	364

CON NIH Funding Ranking for 2005 (Last time NIH ranked CON by funding)

UNIM CON	New Mexico State University	Virginia Commonwealth University	University of Arkansas	University of Utah	Oregon Health Sciences University	University of Iowa
38	83	27	26	37	16	17

National Council Licensure Examination (NCLEX) Program Summary of 2010 First Time Candidates in New Mexico (Source: New Mexico Board of Nursing Annual Report)

2010 Pass Rate %	Acute Care Nurse Practitioner	Certified Nurse Midwifery	Family Nurse Practitioner	Pediatric Nurse Practitioner
72.70%				
82.70%				
82.40%				
93.60%				
91.20%				
100.00%				
51.70%				
100.00%				
47.80%				
95.20%				
95.50%				
81.00%				
76.20%				
95.10%				
76.10%				
82.40%		100.00%	100.00%	100.00%
89.20%				
94.70%				

US News Rankings for 2011 Nursing Programs

UNIM CON	New Mexico State University	Virginia Commonwealth University	University of Arkansas	University of Utah	Oregon Health Sciences University	University of Iowa
79	193	36	44	36	7	11
5				8	1	

Graduate Nursing Programs (442 ranked)
Nurse-Midwifery Programs (35 ranked)

Health Sciences Library and Informatics Center			
Benchmark comparison using AAHSL Annual Statistics 2010 Data			
	Mean	HSLIC	National Ranking of 125
Collection Expenditure (total funds expended on the collection)	\$1,765,122	\$1,057,258	104
Endowment Income	\$89,860	\$7,631	61
Attendance at Statewide Outreach Sessions (total number of people who attended sessions)	694	914	25
Attendance at HSLIC Education Sessions (total number of participants)	2,854	5,111	10
HSLIC Website (Continuous series of page view requests from a single visitor)	573,717	1,417,336	6
Use of Electronic Reserves (number of hits to Website by HSC Faculty for courses)	28,361	69,262	5
Use of E-Books * (number of electronically generated requests for electronic books)	119,353	297,061	11

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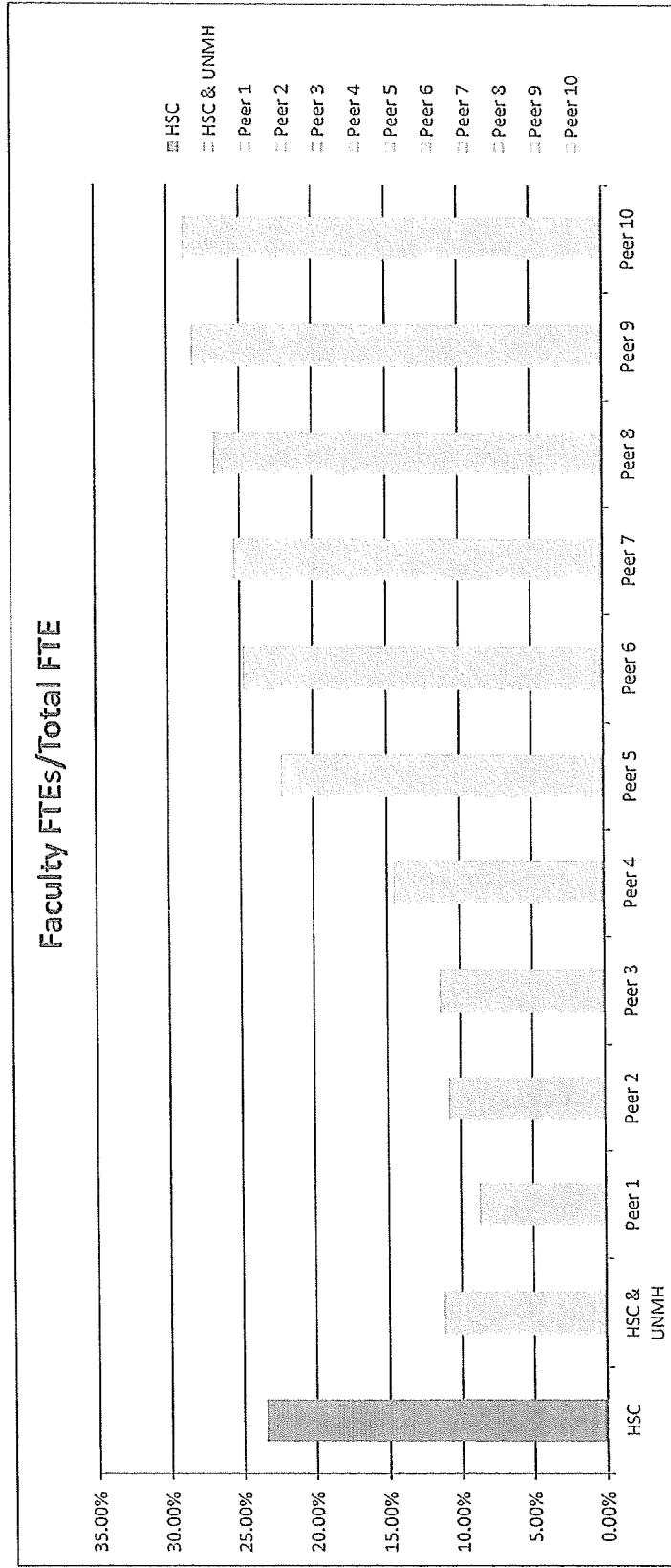
University of New Mexico Hospital			
Benchmark comparisons using AAMC Council of Teaching Hospitals and Health Systems 1st Quarter Calendar Year 2011			
	UNMH	Benchmark (Median)	
Days Cash on Hand	62.49	163.00	
Expense/Adjusted Patient Day	\$2,551.89	\$2,618.00	
Charity Care at Charge	23.00%	2.60%	

Number of Days in Accounts Receivable					
	UNMH	Presbyterian Hospital	Health Systems in Tennessee	University of North Carolina Hospitals	University of Washington Medical Center
Days in Accounts Receivable	38.6	42.1	47.5	46.4	54.9

UNM Medical Group					
Benchmark comparison UHC/AAMC Faculty Practice Solutions Center (FPSC) FY 2010 Billing Survey					
	25th %	50th %	Mean	UNMMVG	
Net Collection Ratio - Overall	87.69%	90.99%	90.99%	82.20%	
Net Collection Ratio - Commercial	91.16%	94.30%	94.25%	97.60%	
Net Collection Ratio - Medicare	91.24%	94.25%	92.36%	99.30%	
Net Collection Ratio - Medicaid	83.02%	85.90%	84.50%	98.87%	
Net Collection Ratio - Other	54.27%	69.68%	72.88%	38.63%	
Days in Accounts Receivable	45.34	41.83	41.17	45.75	
% of Accounts Receivable less than 30 days	59.06%	64.76%	64.81%	70.07%	
% Denials by Charges	11.24%	8.94%	10.69%	5.30%	
Self-pay and Charity Care %	3.44%	6.24%	8.46%	19.70%	

Association of Academic Health Centers Ratio Analysis based on FY 2007 Data for Peer Health Centers

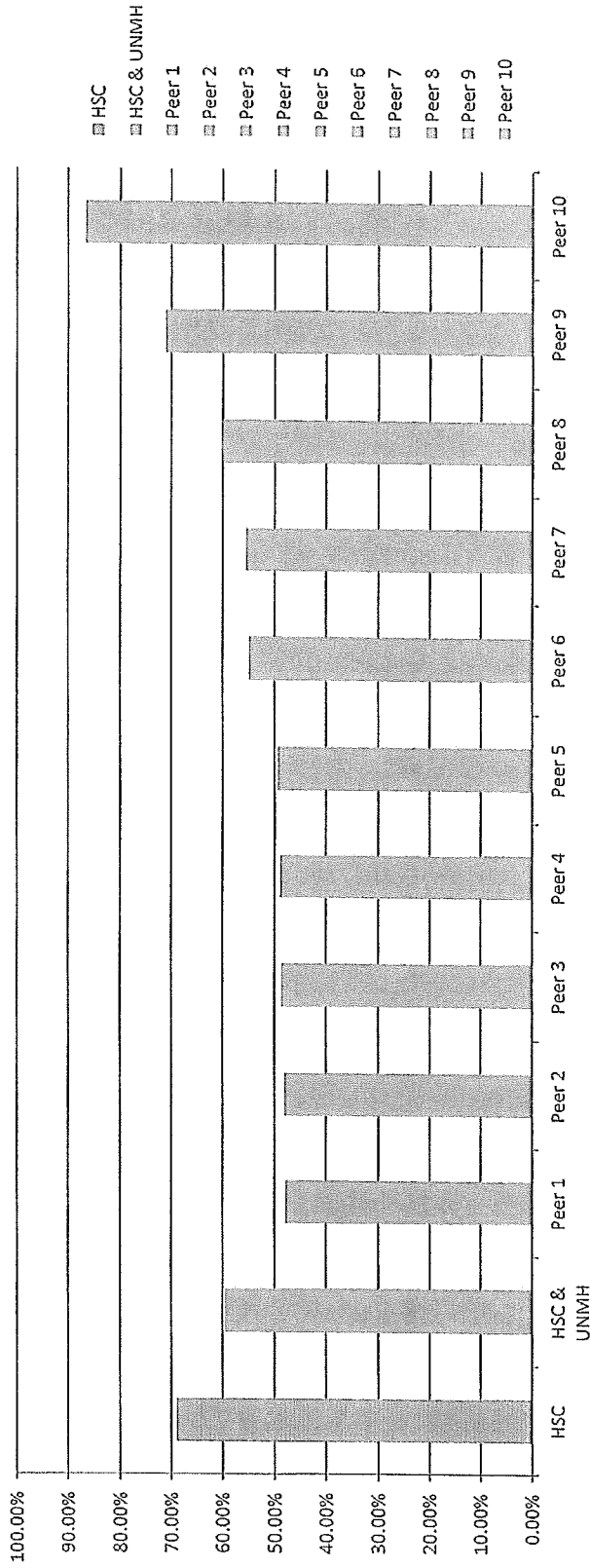
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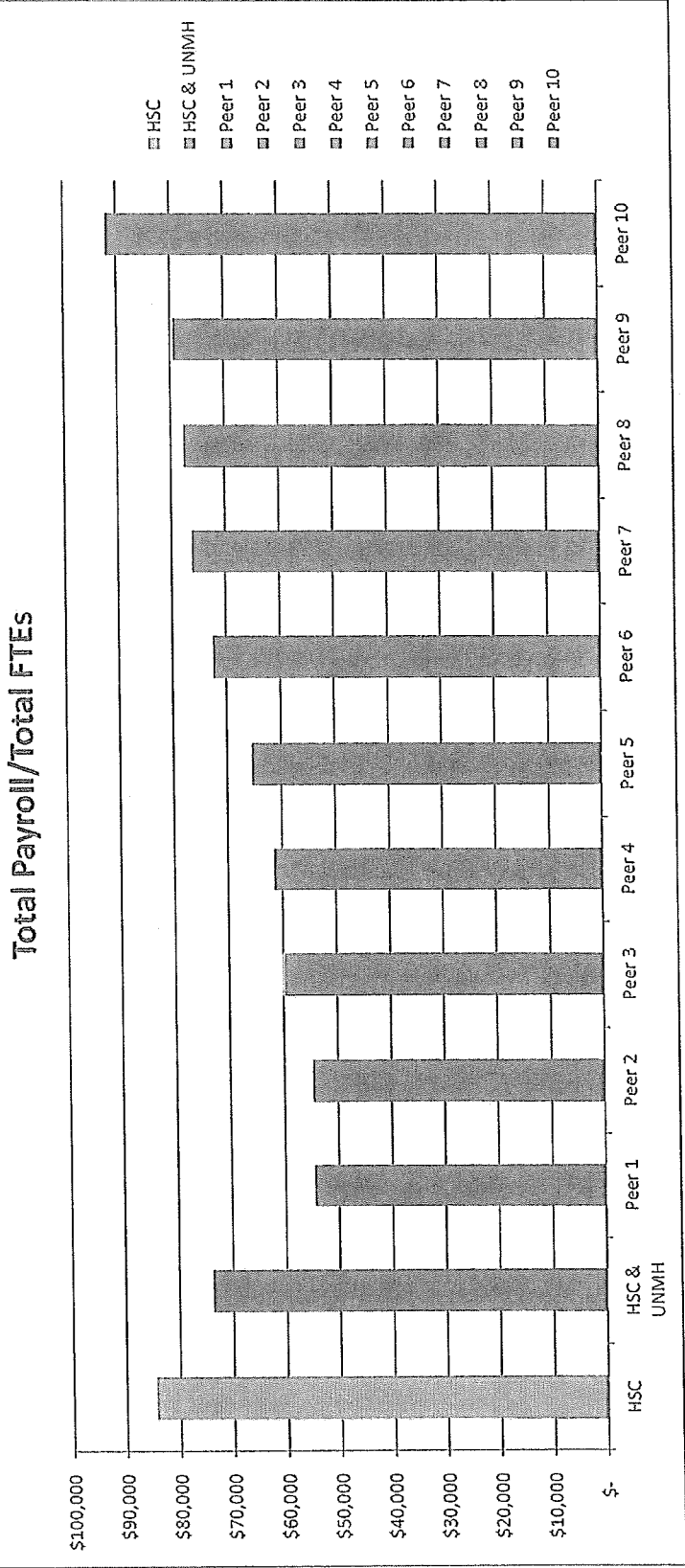
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2010 Pass Rate %	Graduate Programs Certification Examination Pass Rates UNM CON						
	Acute Care Nurse Practitioner	Certified Nurse Midwifery	Family Nurse Practitioner	Pediatric Nurse Practitioner	UNM CON	UNM CON	UNM CON
Anamarc Educational Institute-Santa Teresa	72.70%						
Carrington College	82.70%						
Central New Mexico Community College - Abq	82.40%						
Clovis Community College	93.60%						
Dona Ana Community College - Las Cruces	91.20%						
Eastern New Mexico University - Roswell	100.00%						
Luna Community College - Las Vegas	51.70%						
New Mexico Junior College - Hobbs	100.00%						
New Mexico State Univ - Alamogordo	47.80%						
New Mexico State Univ - Carlsbad	95.20%						
New Mexico State University - Las Cruces	95.50%						
Northern New Mexico College - Espanola	81.00%						
PIMA Medical Institute	76.20%						
San Juan College - Farmington	95.10%						
Santa Fe Community College - Santa Fe	76.10%						
University of NM - Albuq	82.40%	100.00%	100.00%	100.00%	100.00%	100.00%	
University of NM - Gallup	89.20%						
Western NM University - Silver City	94.70%						

US News Rankings for 2011 Nursing Programs

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**University of New Mexico Hospital
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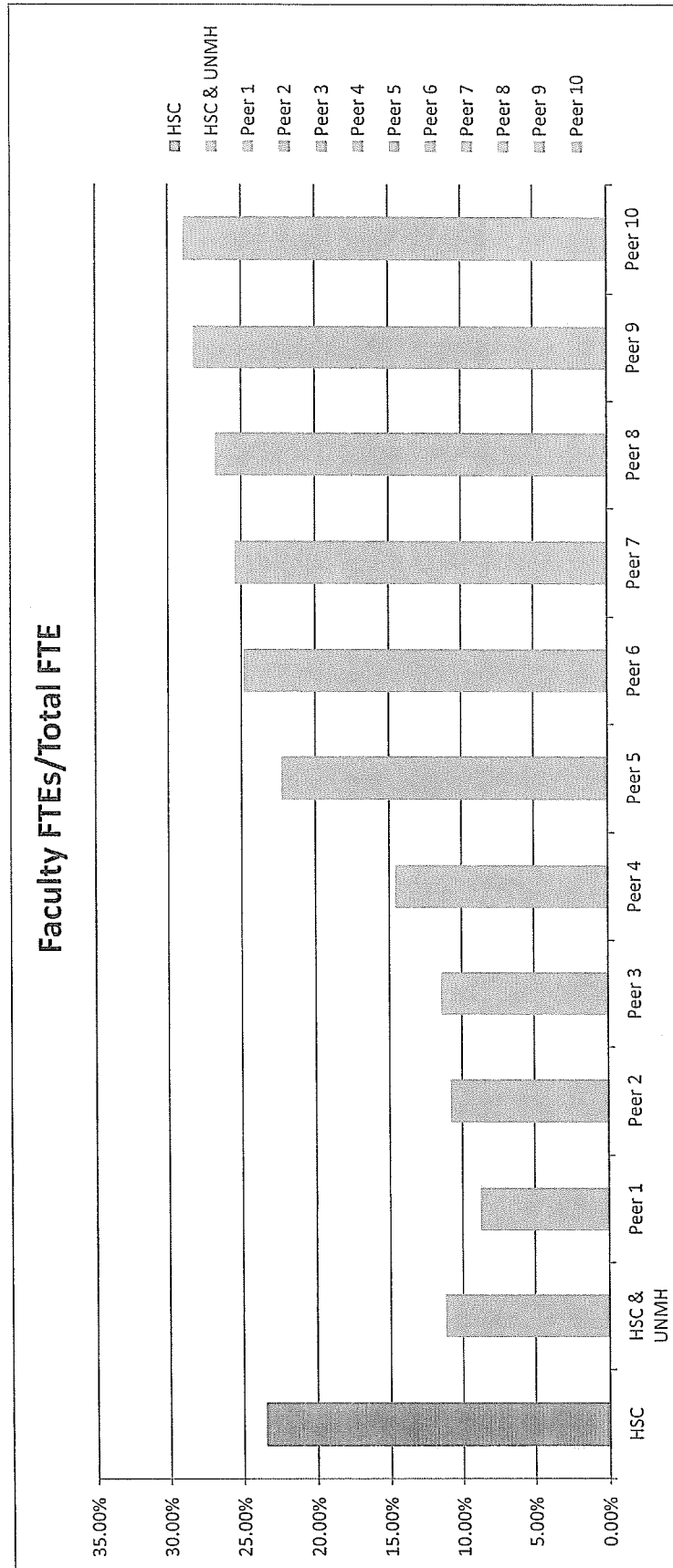
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Expense/Adjusted Patient Day	\$2,551.89	\$2,618.00					
Charity Care at Charge	23.00%	2.60%					
Number of Days in Accounts Receivable							
	UNMH	UNMH	UNMH	UNMH	UNMH	UNMH	UNMH
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**UNIM Medical Group
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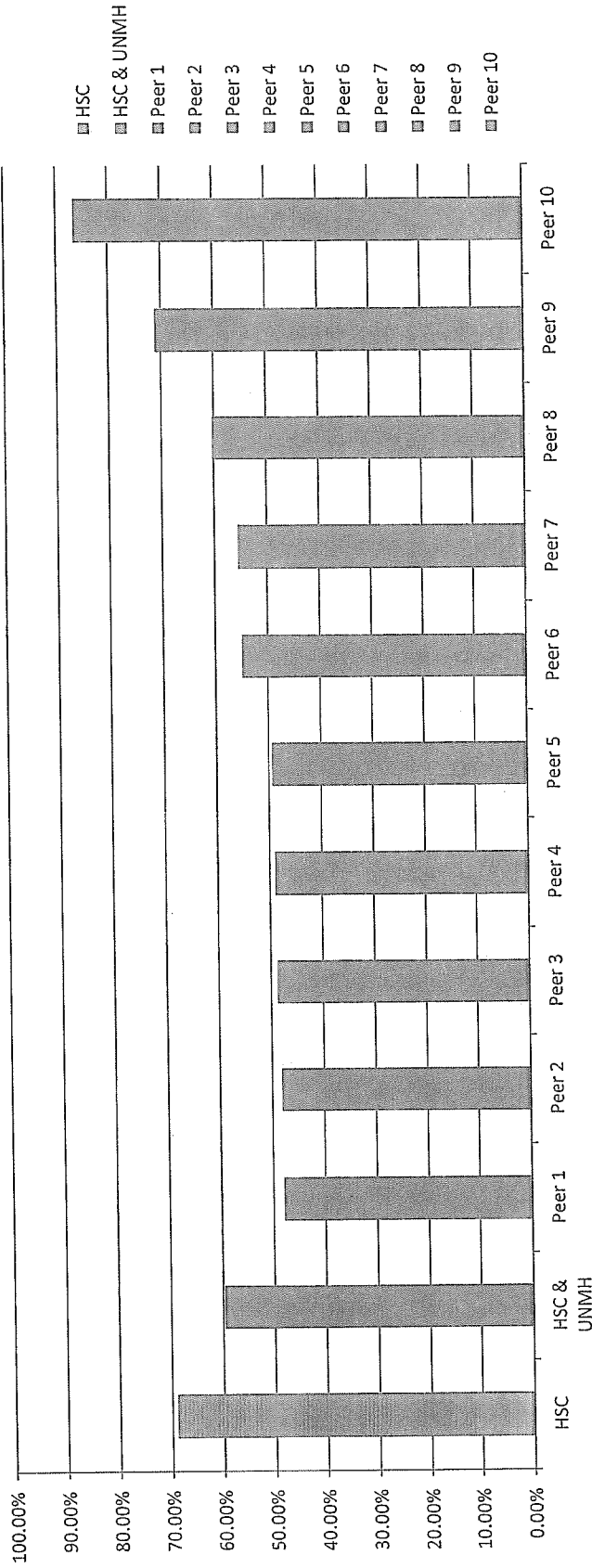
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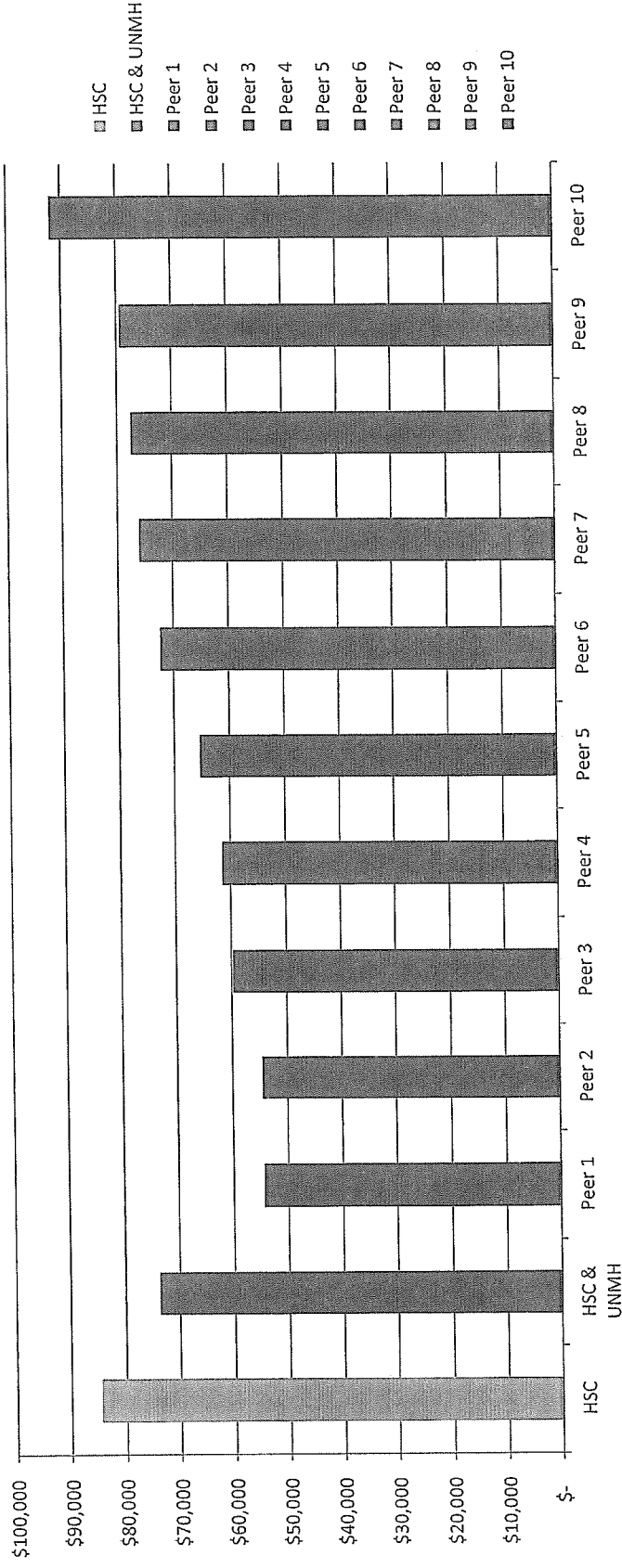
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Total Payroll/Total FTEs



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The average salary (including fringe) per FTE

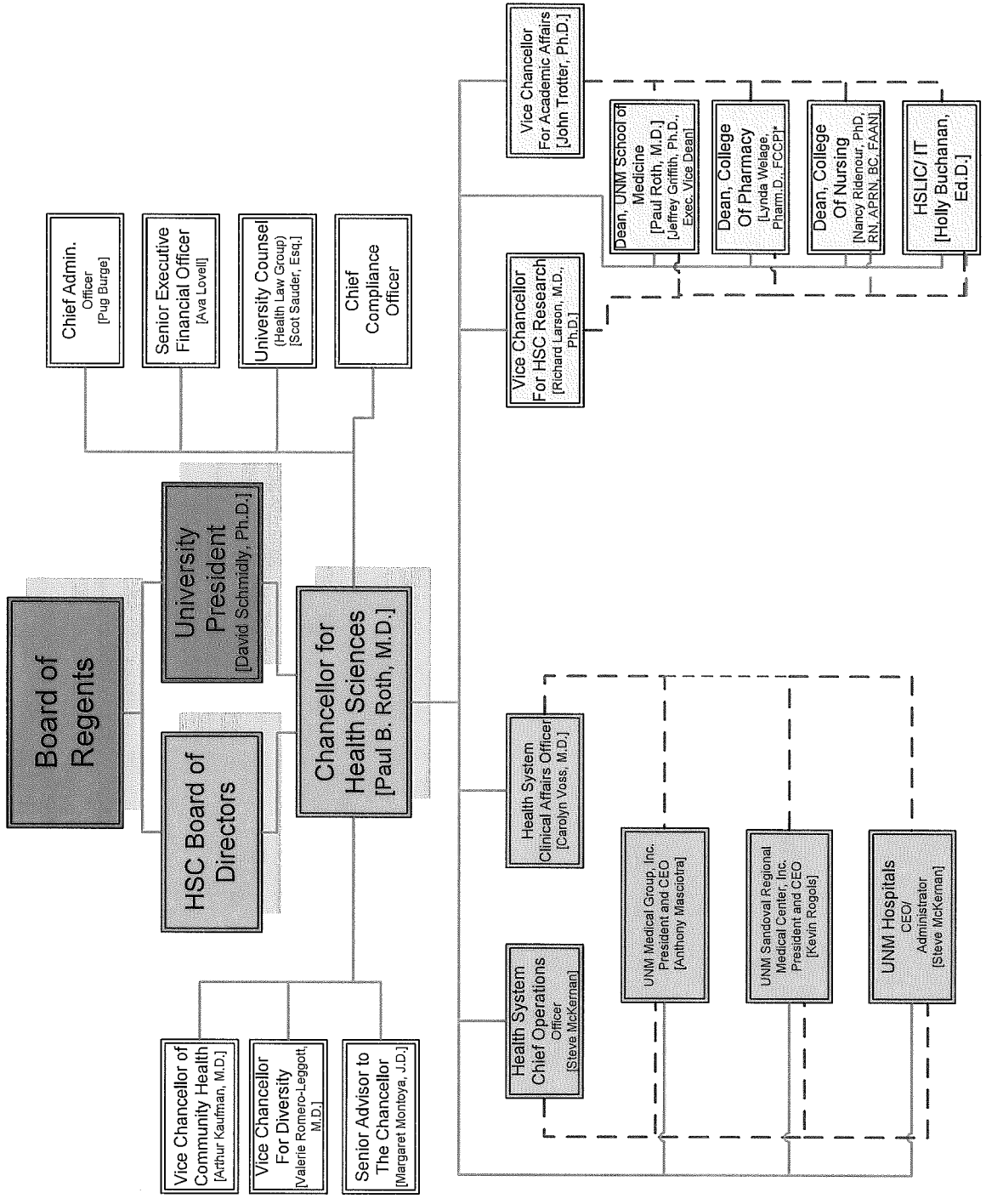


THE UNIVERSITY OF NEW MEXICO
HEALTH SCIENCES CENTER

UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER
Balance Sheet for the Health Sciences Center
2012 Fiscal Year as of September 30, 2011 (Preliminary and Unaudited)
(In thousands)

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Total Current Assets	123,861	248,052	44,204	594
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NET ASSETS				
Restricted - expendable grants, bequests and contributions	89,905	9,432	-	46,000
Restricted - trust indenture and debt agreement	-	20,320	-	-
Committed and Dedicated agreements	123,442	-	-	-
Discretionary Reserve	11,176	143,537	45,553	(3,979)
Assets invested in Capital, net of related debt	240,143	128,797	1,318	-
TOTAL NET ASSETS	464,666	302,086	46,871	42,021
Current Ratio	2.10	2.13	1.21	0.06
Days Cash on Hand	50.96	53.01	52.98	N/A

APPENDIX 10



* Don Godwin, Pharm.D., currently serves as the Interim Dean until such time as Dr. Weilage arrives in the fall.

UNM Health System Leadership

1. Health System Chief Operations Officer

Under the supervision and in support of the Chancellor, the Health System Chief Operations Officer (“Health System COO”) will be responsible to provide coordination and leadership to assist in managing the operations of the UNM Health System including the provision of high quality, safe, accessible clinical care. The Health System COO will support the mission and vision of UNM, the HSC and the UNM Health System. The responsibilities include:

- (a) Working for the Chancellor, and in coordination with the Health System CMO and unit CEO’s, coordinating the clinical operations of the UNM Health System to enable the provision of high quality and safe care to its patients.
- (b) Supports the Health System CMO and each unit CEO, in developing, the component unit’s Quality Improvement and Patient Safety Plan consistent with UNM Health System policies and/or standards.
- (c) Works with the Health System CMO and each unit CEO, to assure continual compliance with Medicare certification standards and conditions of participation, State of New Mexico licensing requirements, and appropriate accreditations from TJC and/or other clinically-related accreditation agencies in respect of the component units of the UNM Health System.
- (d) Working for the Chancellor and in coordination with the Health System CMO and unit CEO’s, developing and fostering effective collaboration between components of the UNM Health System to ensure an integrated approach to providing services.
- (e) Working with the Chancellor and in coordination with the Health System CMO and the unit CEO’s, leads the development and implementation of UNM Health System strategic plan, and assures that each component unit develops and implements a strategic plan and an operating plan that is consistent with and complementary to the UNM Health System strategic plan.
- (f) In collaboration with the SFO, the Health System CMO and each unit CEO, coordinates the Finances of the UNM Health System, including developing and gaining approval for the annual operating and capital budgets for the UNM Health System and, consistent with the any Affiliation Agreement between the UNM Health System and a component unit, if applicable, assisting with the development of each component unit’s annual operating and capital budget to assure consistency with the UNM Health System annual and capital budget.
- (g) In collaboration with the Health System CMO and component unit CEO’s, provide coordination of the Human Resource systems of the UNM Health System, assuring conformity with UNM Health System policies and/or standards.

- (h) In coordination with the Health System CMO and each unit CEO, provide coordination of the Information Technology systems of the UNM Health System, including developing and implementing comprehensive coordinated information technology for the clinical and administrative operations of the UNM Health System, and overseeing seeing the administration of such information technology to ensure conformity with UNM Health System policies and/or standards.
- (i) Working for the Chancellor, report to and work with the governance board of the UNM Health System and facilitate moving action items to the UNM HSC Board of Directors for such Board's approval and/or recommendation to the Board of Regents.
- (j) Supporting the educational and research missions of the HSC.
- (k) Working for the Chancellor and in coordination with the Health System CMO, each component unit CEO, and the Office of University Counsel, providing input and guidance into the management of the claims and lawsuits involving the UNM Health System and its units and assists in the development and implementation of a proactive loss control system with UNM Health System policies and/or standards.

2. Health System Chief Clinical Affairs Officer

Under the supervision and in support of the Chancellor, the Health System Chief Clinical Affairs Officer ("Health System CMO") will be responsible for assisting each component unit chief medical officer in ensuring that safe, effective and high quality care – in conformity with UNM Health System policies and standards -- is delivered to the citizens of New Mexico who choose one or more parts or units of the UNM Health System for their health care. In doing so, the Health System CMO will work in close collaboration with the Health System COO, and will support the mission and vision of UNM, the HSC, and the UNM Health System. These responsibilities include:

- (a) Working for the Chancellor and in coordination with the Health System COO and each component unit CMO, responsible for guiding and effectuating the integration of, and collaboration, between and among the component units and clinical services of the UNM Health System.
- (b) Working for the Chancellor, and in coordination with the Health System COO, clinical leadership of the academic components, and each component unit CMO, the Health System CMO will have primary accountability for developing, implementing, and overseeing the administration of a quality improvement and patient safety strategy for the UNM Health System and facilitates component units' conformity with UNM Health System policies and/or standards.
- (c) In coordination with the Health System COO, clinical leadership of the academic components, and each component unit CMO,

1. Assisting in developing and gaining approval for the operating and capital budgets of the clinical operations of the component units;
 2. Developing appropriate prioritization of UNM Health System resources to be applied to mission support at the HSC;
 3. Assisting the component unit CEOs and CMOs in achieving Health System quality and safety goals and the reporting of same.
- (d) In coordination with the Health System COO, each unit CMO, and clinical leadership of academic components, the Health System CMO will have primary accountability for developing, implementing and overseeing the administration of Medical Staff and other provider oversight functions, including, without limitation, oversight of the development and administration of credentialing and/or privileging standards and processes, clinical standards, peer review processes, scope of practice, etc. to ensure conformity with UNM Health System policies and/or standards.
- (e) In coordination with the Health System COO, clinical leadership of the academic components, and each component unit CMO, responsible for overseeing patient-centered practice operations within the UNM Health System clinical components to ensure conformity with UNM Health System policies and/or standards.
- (f) Support the educational and research missions of the HSC.
- (g) Working for the Chancellor, work with the governance boards of the UNM Health System to ensure appropriate governance oversight of the clinical activities performed within the UNM Health System.
- (h) Working for the Chancellor and in coordination with the Health System COO, clinical leadership of the academic components, and each component unit CMO, develop and assist in administration of the strategic and operating plans for the UNM Health System.
- (i) Working for the Chancellor and in coordination with the Health System COO, clinical leadership of the academic components, and each component unit CMO, assist and guide the development of coordinated information technology for the clinical operations and for the administrative operations of the UNM Health System.
- (j) Working for the Chancellor and in coordination with the Health System COO, clinical leadership of the academic components, each component unit CMO and the Office of University Counsel, overseeing and providing input and guidance into the management of the claims and lawsuits involving the UNM Health System and its units and developing and implementing a proactive loss control system in-

cluding overseeing the administration of such system to ensure conformity with UNM Health System policies and/or standards

3. Health System Component Unit Leadership

(a) *President and Chief Executive Officer, UNM Medical Group, Inc.*

Reporting to the Dean, UNM School of Medicine (who, per the Amended and Restated Bylaws, is the Chairman of the Board of Directors), the President and Chief Executive Officer of UNM Medical Group, Inc. ("UNMMG") provides strategic leadership for the organization by working with the UNMMG Board of Directors, Clinical Chairs, and the Executive Management Team to develop and implement UNMMG's and the UNM Health System's long term strategic plan, to establish and execute major organizational goals and objectives and to develop and manage the organization's operating plan and budget. UNMMG serves as the School of Medicine faculty practice plan under the auspices and as a component unit of the UNM Health System. These responsibilities include:

- (1) Works collaboratively and cooperatively with the Health System COO to develop, implement and maintain UNMMG's participation in UNM Health System operational systems, functions and processes.
- (2) Works collaboratively and cooperatively with the Health System COO and/or the Health System CMO, as the case may be, establishing and implementing systems to monitor organization performance against clinical and financial goals and objectives.
- (3) In coordination with the Health System COO, the Health System CMO, and/or the HSC's Chief Compliance Officer, implementing systems and processes that ensure compliance with all regulations governing professional health care delivery and the rules of accrediting and licensing bodies.
- (4) Works collaboratively and cooperatively with the Health System CMO to develop, implement and maintain UNMMG's participation in UNM Health System clinical systems, functions and processes.
- (5) Through leadership and management, executes the mission and core values of the organization; develops and implements strategic plans and goals, consistent with those of the UNM Health System; and ensures communication of such strategic plans and goals to key constituencies.
- (6) Providing an appropriate administrative organization for UNMMG, and with respect to those areas of coordination with the Health System COO and the Health System CMO, providing administrative support reasonably required for performance of continuous quality improvement activities; assigning duties and responsibilities to subordinate administrative staff, providing for departmental meetings

and communication; and establishing an appropriate line of administrative responsibility.

- (7) In coordination with the Health System COO and the Health System CMO, preparing operating and capital budgets to be presented to the Dean, UNM SOM and the UNMMG Board. In coordination with the Health System COO and the Health System CMO, monitoring and reporting to the Dean, and to the Members of the UNMMG Board, regarding actual revenues and expenditures of the UNMMG to ensure compliance with approved budgets and available resources.
- (8) Representing the UNMMG for purposes of administrative, business and clinical support functions, on the HSC Executive Council.
- (9) Developing, in concert with the Dean and Clinical Chairs, appropriate local, state, and national public policy positions related to the activities of the UNMMG.
- (10) Works collaboratively and cooperatively with the Health System COO, overseeing the negotiation of contracts with payers to ensure UNM Health System (hospital and provider) access on behalf of patients for whom services are performed.
- (11) Working with the Chief Medical Officer, UNMMG, and the UNMMG Board to monitor UNMMG clinical operations and ensure achievement and maintenance of required standards of performance and facilitating and supporting such Chief Medical Officer's collaboration with the Health System CMO.
- (12) Establishing and maintaining active and effective communication and relations with business partners, the UNMMG Board of Directors, the community and internal constituencies such as the medical staff; establishing linkages with organizations and agencies that compliment the mission and strategic needs of the UNM Health System and of UNMMG.
- (13) Ensuring responsiveness to the developing needs of the community and maintains close relationships with business, regulatory, government and other related entities.
- (14) Effectively evaluating opportunities for outreach, collaboration and growth of the faculty practice plan.
- (15) Participating in appropriate civic and health care associations and professional activities related to health care delivery.
- (16) Representing the UNMMG and its' Board with various external organizations when such relationships further the mission of the UNMMG, as assigned or requested by the UNMMG Board, the Dean, SOM and the clinical chairs.
- (17) Enhancing professional growth and development through participation in educa-

tional programs, reading current literature, and attending in-services, meetings, and workshops.

- (b) *President and Chief Executive Officer, UNM Sandoval Regional Medical Center, Inc.*

Reporting to the Chancellor for Health Sciences (in his role as Chair (the "Chair") of the Board of Directors (the "SRMC Board") of UNM Sandoval Regional Medical Center, Inc. ("UNM SRMC")), duties of the position generally include, but are not limited to, the following:

- (1) Works collaboratively with the Health System COO to develop, implement, and maintain SRMC's participation in UNM Health System operational systems, functions and processes.
- (2) Through leadership and management, executes the mission and core values of UNM SRMC consistent with the standards and policies of the UNM Health System.
- (3) Maintaining a high quality of patient care and compliance consistent with national patient safety goals published from time to time by The Joint Commission. Working with the Chief Medical Officer of UNM SRMC, and the UNM SRMC Board to monitor the New Hospital's clinical operations and ensure achievement and maintenance of required standards of performance and facilitating and supporting such Chief Medical Officer's coordination with the Health System CMO. Providing leadership, in the delivery of medical care, in quality of care evaluation, and in improvement in the facilities operated by the New Hospital.
- (4) Administers and managing all medical, business, and administrative operations of the New Hospital, including the operations of any and all of the New Hospital's departments and clinics in a manner consistent with UNM Health System standards and policies.
- (5) Administering and managing all clinical operations in support of delivery of medical care at all of the New Hospital's clinical facilities in a manner consistent with UNM Health System standards and policies.
- (6) In coordination with the Health System COO and the Health System CMO as set forth in the Affiliation Agreement between UNM SRMC and the UNM Health System, administering and managing UNM SRMC and the New Hospital according to SRMC Board policies and according to UNM Health System standards and policies.
- (7) Consistent with the Affiliation Agreement between UNM SRMC and the UNM Health System, develops and implements strategic plans and goals for UNM SRMC in collaboration with the Health System COO, consistent with the strategic

plans and goals of the UNM Health System; and ensures communication of such strategic plans and goals to key constituencies.

- (8) Excepting issues and/or circumstances beyond the control of the CEO, ensures that the new UNM Sandoval Regional Medical Center facility (the "New Hospital") opens on time and within budget while providing the SRMC Board with alternatives responding to increasing costs and/or construction delays that may arise due to unforeseen circumstances such as architectural, engineering, construction management or other contractor errors/omissions.
- (9) Ensuring compliance by UNM SRMC and the New Hospital with all federal and state laws, rules, and/or regulations applicable to the operations of the New Hospital, including maintaining compliance with New Mexico Department of Health licensure requirements for acute care hospitals, Medicare conditions of participation, and accreditation standards established from time to time by The Joint Commission.
- (10) Providing liaison among the SRMC Board, the New Hospital's Administrative staff and the Chancellor for Health Sciences, and reporting to the SRMC Board on the activities of UNM SRMC and of the New Hospital.
- (11) Providing an appropriate administrative organization for UNM SRMC and for the New Hospital, and with respect to those areas of coordination with the Health System COO and the Health System CMO, providing administrative support reasonably required for performance of continuous quality improvement activities; assigning duties and responsibilities to subordinate administrative staff, providing for departmental meetings and communication; and establishing an appropriate line of administrative responsibility.
- (12) In coordination with the Health System CEO and CMO, develop and implement the Information Technology hardware and software platform and systems for UNM SRMC and the New Hospital, in a manner that is consistent with UNM Health System standards and policies.
- (13) In coordination with the Health System COO and the Health System CMO as set forth in the Affiliation Agreement between UNM SRMC and the UNM Health System, administer Human Resource systems to benefit SRMC, in a manner that is consistent with UNM Health System standards and policies.
- (14) In coordination with the Health System COO and Health System CMO as provided in the Affiliation Agreement between UNM SRMC and the UNM Health System, preparing operating and capital budgets for approval, monitoring, and reporting to the SRMC Board, and reporting of actual revenues and expenditures of UNM SRMC to ensure compliance with approved budgets and available resources.

- (15) In coordination the Health System COO and the Health System CMO as provided in the Affiliation Agreement between UNM SRMC and the UNM Health System, preparing and maintaining a strategic business plan and facilities plan for UNM SRMC and for the New Hospital that is consistent with the strategic business plan and facilities plan for the UNM Health System.
 - (16) Representing the UNM SRMC for purposes of administrative, business and clinical support functions, on the HSC Executive Council.
 - (17) Providing leadership in coordination with the Deans of the School of Medicine, College of Nursing and College of Pharmacy, in ensuring participation of the New Hospital in support of the clinical, teaching and research missions of the University of New Mexico Health Sciences Center.
 - (18) Providing leadership in developing relationships with community healthcare providers.
 - (19) Developing, in concert with the Chair and the Chancellor for Health Sciences, appropriate local, state, and national public policy positions related to the activities of the UNM SRMC and of the New Hospital.
 - (20) In coordination with the Vice Chancellor for Diversity, providing leadership in development and implementation of equal opportunity programs that seek to ensure diversity in staff populations.
 - (21) Participating in appropriate civic and health care associations and professional activities related to health care delivery.
 - (22) Representing the SRMC Board and the Chancellor for Health Sciences with various external organizations when such relationships further the mission of the UNM SRMC and of the New Hospital, as assigned or requested by the SRMC Board and/or the Chancellor for Health Sciences.
 - (23) Enhancing professional growth and development through participation in educational programs, reading current literature, and attending in-services, meetings, and workshops.
- (c) *Chief Executive Officer, UNM Hospitals*

Reporting to the Chancellor for Health Sciences, duties of the position generally include, but are not limited to, the operation of the UNM Hospitals and compliance with the requirements of applicable regulations promulgated by the New Mexico Department of Health with respect to the responsibilities of administrators of acute care hospitals, and the following, and consistent with applicable federal and state laws and regulations and applicable UNM Hospitals policies and procedures:

- (1) Works collaboratively and cooperatively with the Health System COO to develop, implement and maintain UNM Hospitals' participation in UNM Health System operational systems, functions and processes.
- (2) Works collaboratively and cooperatively with the Health System CMO to develop, implement and maintain UNM Hospitals' participation in UNM Health System clinical systems, functions and processes.
- (3) Providing an appropriate administrative organization for the UNM Hospitals, and with respect to those areas of coordination with the Health System COO and the Health System CMO, providing administrative support reasonably required for performance of continuous quality improvement activities; assigning duties and responsibilities to subordinate administrative staff, providing for departmental meetings and communication; and establishing an appropriate line of administrative responsibility.
- (4) Maintaining a high quality of patient care and compliance consistent with national patient safety goals published from time to time by The Joint Commission. Working with the Chief Medical Officer of UNM Hospitals, and the UNM Hospitals Board of Trustees to monitor the UNM Hospitals' clinical operations and ensure achievement and maintenance of required standards of performance and facilitating and supporting such Chief Medical Officer's coordination with the Health System CMO. Providing leadership, in the delivery of medical care, in quality of care evaluation, and in improvement in the facilities operated by the UNM Hospitals.
- (5) Through leadership and management, executes the mission and core values of the organization; develops and implements strategic plans and goals, consistent with those of the UNM Health System; and ensures communication of such strategic plans and goals to key constituencies.
- (6) Administering and managing all medical, business, and administrative operations of the UNM Hospitals, including the operations of any and all of the UNM Hospitals' departments and clinics. Administering and managing all clinical operations in support of delivery of medical care at all of the UNM Hospitals' clinical facilities.
- (7) Administering and managing UNM Hospitals according to the UNM Hospital Board of Trustee policies, according to the Lease Agreement, as amended, with the Bernalillo County Commission, according to the 1952 Federal Contract in respect of the care and treatment of Indians (to the extent assumed by the University in the Lease Agreement), and according to UNM Health System policies.
- (8) Providing liaison among the UNM Hospital Board of Trustees, the UNM Hospitals' Administrative staff and the Chancellor for Health Sciences, and reporting to

the UNM Hospital Board of Trustees on the activities of UNM Hospitals and its clinics.

- (9) Providing liaison among the UNM Hospital Board of Trustees, the UNM Hospitals, the University, and the County Commission of Bernalillo County, as provided in the Lease Agreement, as amended.
- (10) Providing liaison among the UNM Hospital Board of Trustees, the UNM Hospitals, the University, and the Native American Community, as provided in the Lease Agreement, as amended and as provided in the U.S. Department of Health & Human Services' consents to the Lease Agreement, as amended.
- (11) In coordination with the Health System COO and, the Health System CMO, preparing operating and capital budgets to be presented to the UNM Hospital Board of Trustees and to the Chancellor for Health Sciences. In coordination with the Health System COO and the Health System CMO, monitoring and reporting to the UNM Hospital Board of Trustees and Chancellor for Health Sciences, regarding actual revenues and expenditures of the UNM Hospitals to ensure compliance with approved budgets and available resources.
- (12) In coordination the Health System COO and the Health System CMO, preparing and maintaining a strategic business plan and facilities plan for the UNM Hospitals.
- (13) Ensuring compliance by the UNM Hospitals with all federal and state laws, rules, and/or regulations applicable to the operations of the UNM Hospitals, including maintaining compliance with New Mexico Department of Health licensure requirements for acute care hospitals, Medicare conditions of participation, and accreditation standards established from time to time by The Joint Commission.
- (14) (14) Representing the UNM Hospitals for purposes of administrative, business and clinical support functions, on the HSC Executive Council.
- (15) Providing leadership in coordination with the Deans of the School of Medicine, College of Nursing and College of Pharmacy, in ensuring participation of the UNM Hospitals in support of the clinical, teaching and research missions of the University of New Mexico Health Sciences Center.
- (16) Providing appropriate administrative structure to the UNM Hospitals to ensure alignment with the strategic goals of the UNM Health System and of UNM Hospitals and adherence to sound fiscal policies.
- (17) Providing leadership in developing relationships with community healthcare providers.

- (18) Developing, in concert with the UNM Hospitals Board of Trustees and the Chancellor for Health Sciences, appropriate local, state, and national public policy positions related to the activities of the UNM Hospitals.
- (19) In coordination with the Vice Chancellor for Diversity, providing leadership in development and implementation of equal opportunity programs that seek to ensure diversity in staff populations.
- (20) Participating in appropriate civic and health care associations and professional activities related to health care delivery.
- (21) Representing the UNM Hospital Board of Trustees and the Chancellor for Health Sciences with various external organizations when such relationships further the mission of the UNM Hospitals, as assigned or requested by the UNM Hospital Board of Trustees and/or the Chancellor for Health Sciences.
- (22) Enhancing professional growth and development through participation in educational programs, reading current literature, and attending in-services, meetings, and workshops.