



**UNIVERSITY OF NEW MEXICO
BOARD OF REGENTS**

**Special Meeting
for further FY15 Budget consideration**

Agenda

March 28, 2014

12:00 Noon

Student Union Building, Ballroom C

University of New Mexico Board of Regents – Special Meeting
Friday, March 28, 2014, 12:00 Noon
Student Union Building, Ballroom C
AGENDA

- I. Call to Order, Establishment of Quorum, Approval of Agenda
Regent President Jack L. Fortner

- II. Consideration and Approval of Compensation and Tuition Rates for FY15 and Preview of FY15 Budget Scenario, *UNM Staff*
 - A. Summary of Prior Discussion, *President Robert G. Frank, et, al.*

 - B. Approval of FY15 Compensation and Tuition & Fee Rates, *Andrew Cullen*
 1. Main Campus
 2. Branch Campuses
 3. Differential Tuition
 4. Four Year Guaranteed Tuition

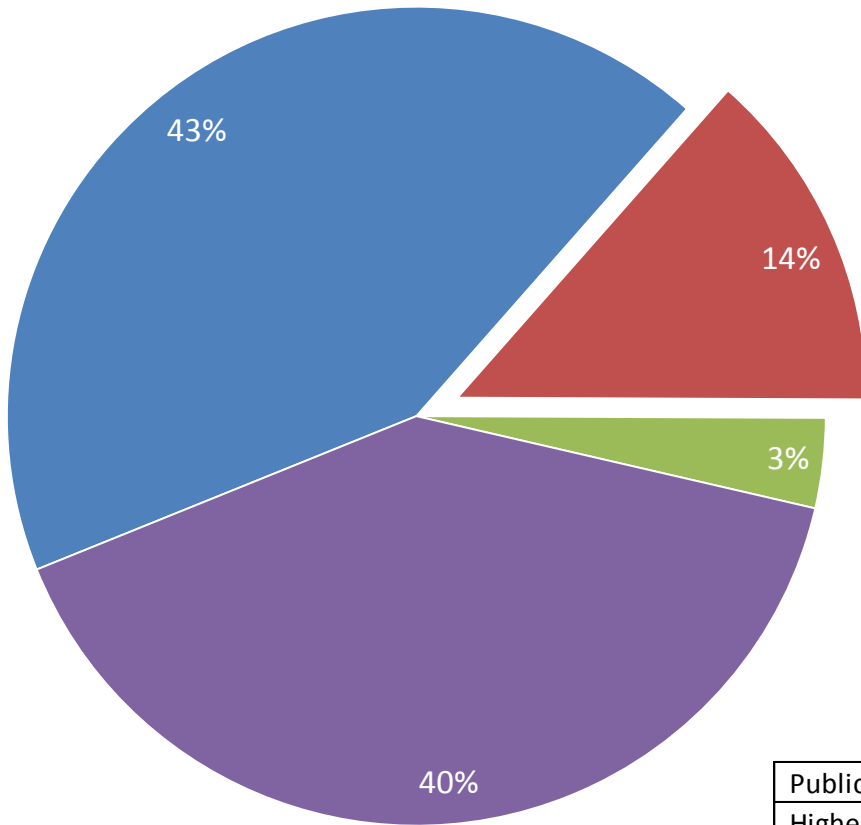
 - C. Approval of HSC FY15 Budget, *Chancellor Roth; Ava Lovell*

- III. Adjourn

Summary of Prior Discussion

President Robert Frank

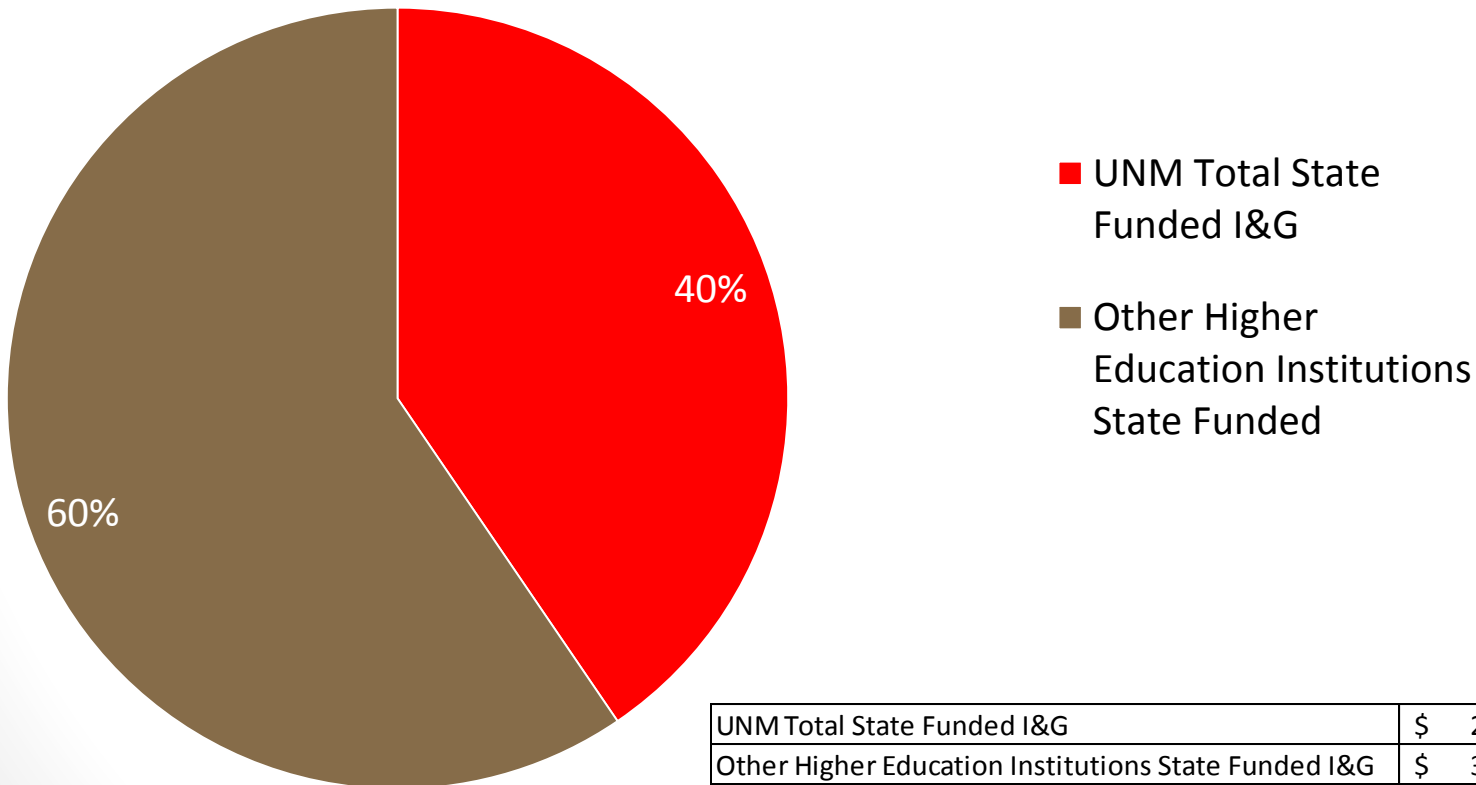
FY 15 State Budget



- Public Education
- Higher Education
- Judicial Appropriations
- Other State Appropriations

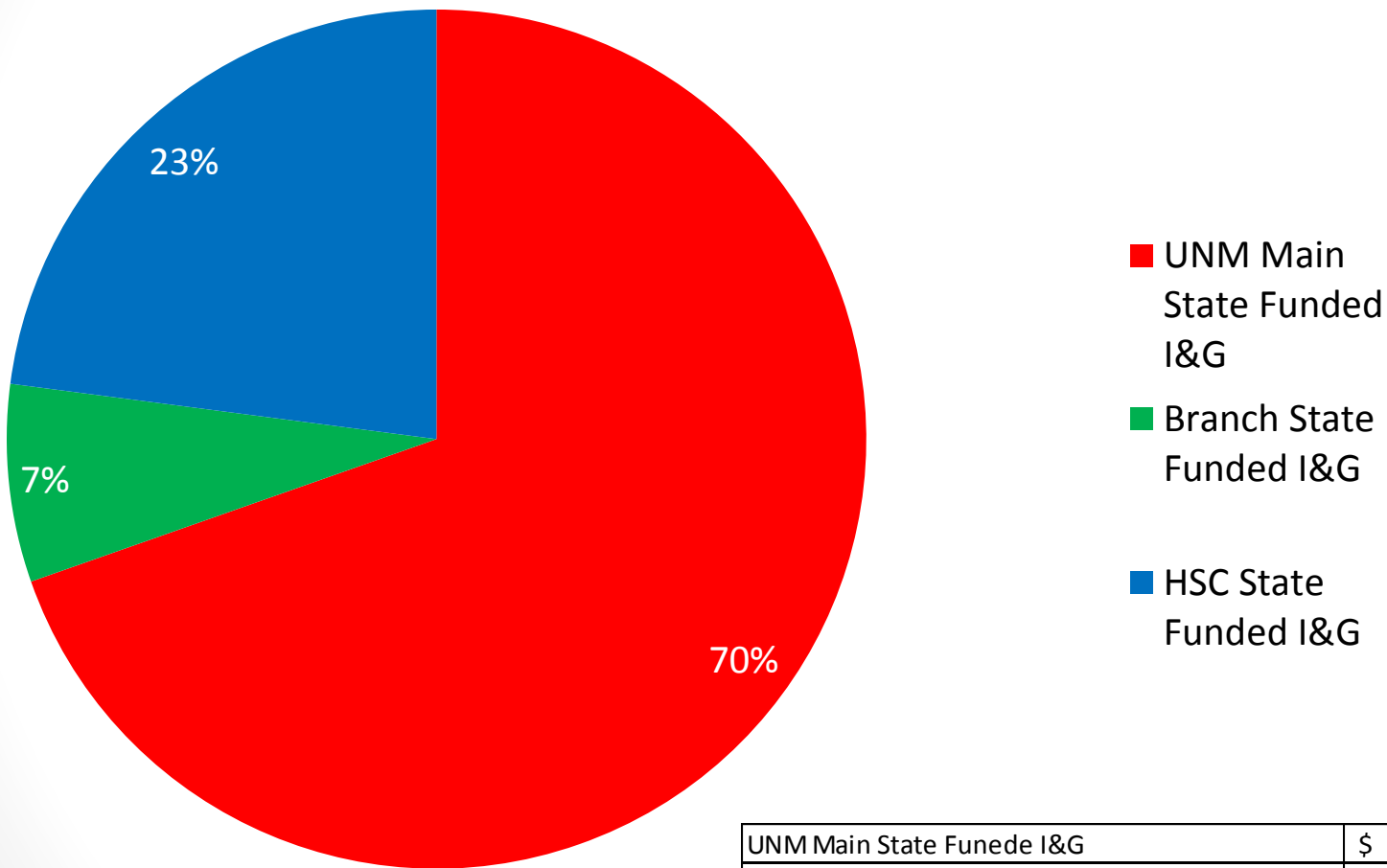
Public Education	\$ 2,630,942,400
Higher Education	\$ 837,853,200
Judicial Appropriations	\$ 219,246,700
Other State Appropriations	\$ 2,486,954,000
Total State Budget	\$ 6,174,996,300

FY 15 UNM Total I&G vs Other Higher Education Institutions I&G (State Funds Only)



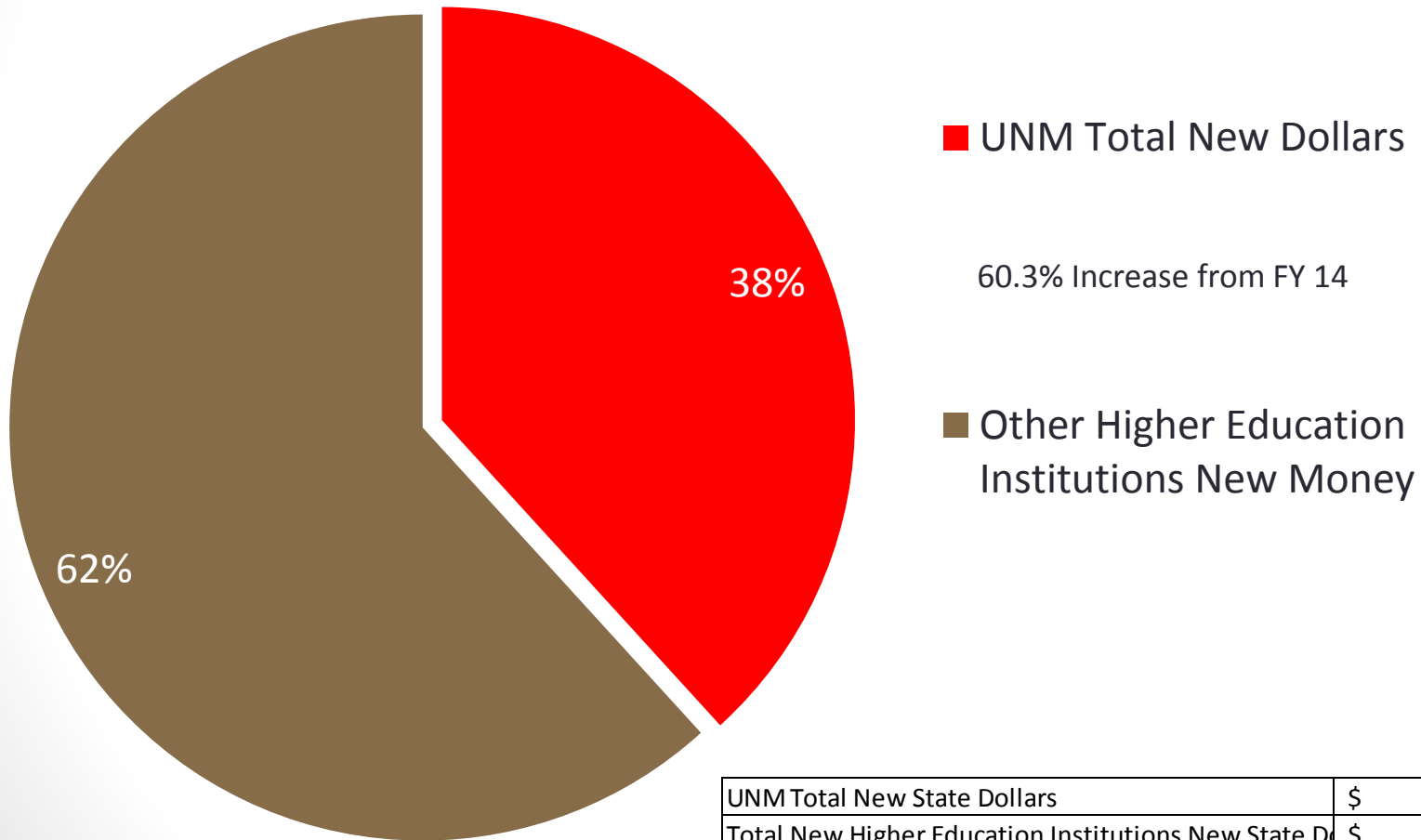
UNM Total State Funded I&G	\$ 271,148,949
Other Higher Education Institutions State Funded I&G	\$ 399,540,800
Total State Funded I&G	\$ 670,689,749

FY15 I&G Breakdown Within UNM (State Funds)



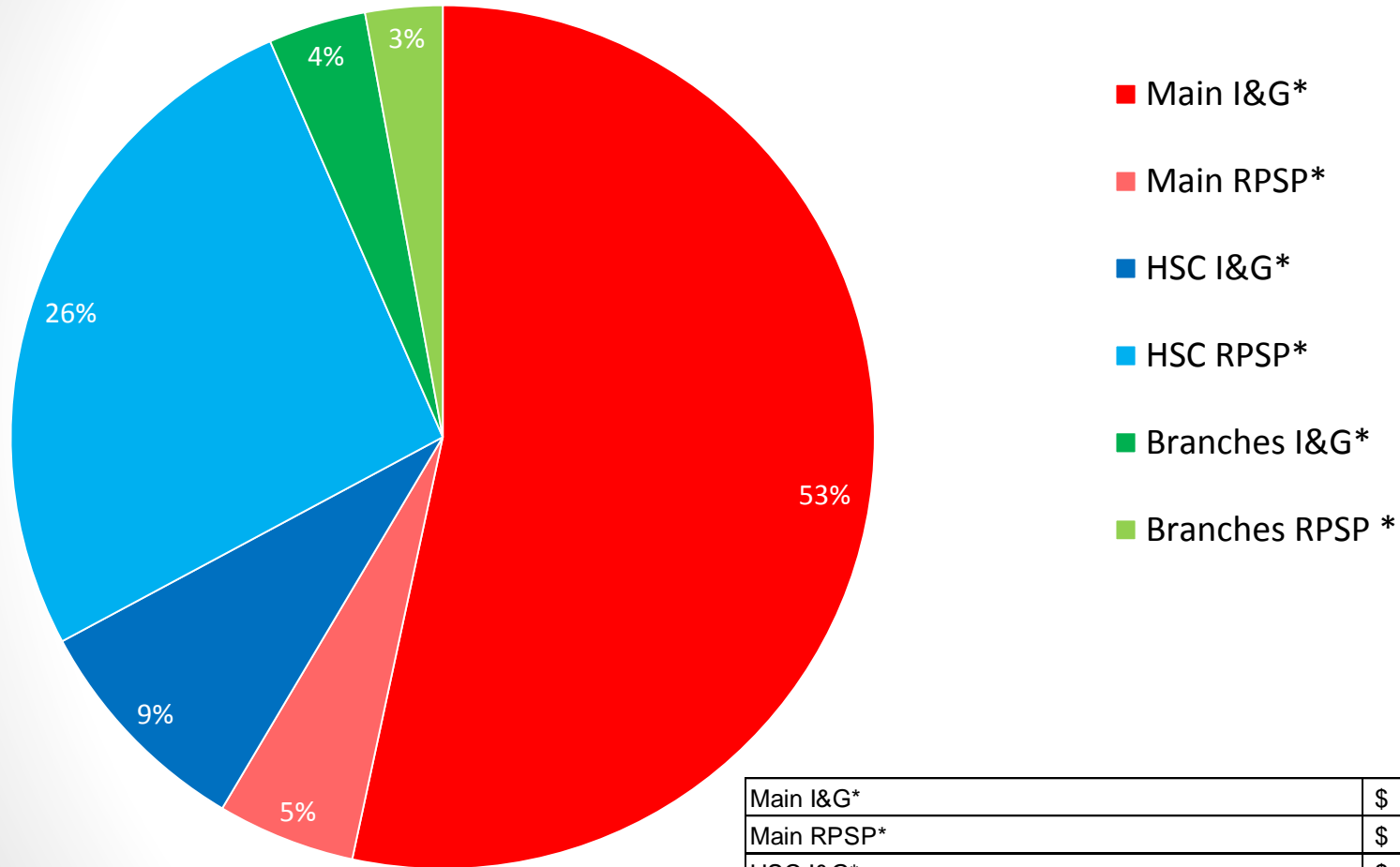
UNM Main State Funded I&G	\$ 188,605,849
Branch State Funded I&G	\$ 20,211,500
HSC State Funded I&G	\$ 62,331,600
State Funded Total I&G	\$ 271,148,949

FY 15 Total New State Dollars Distribution (State Funds)



UNM Total New State Dollars	\$	16,215,500
Total New Higher Education Institutions New State Dollars	\$	26,466,900
Total New State Dollars	\$	42,682,400

FY15 Breakdown of New Dollars Within UNM (State Funds)



*ERB and Compensation included

Main I&G*	\$ 8,574,500
Main RPSP*	\$ 846,300
HSC I&G*	\$ 1,414,300
HSC RPSP*	\$ 4,308,200
Branches *	\$ 599,300
Branches RPSP *	\$ 472,900
Total State Funded New Dollars*	\$ 16,215,500



Office of Planning, Budget & Analysis

MEMORANDUM

TO: Members of the Board of Regents

THRU: Robert G. Frank, President
David W. Harris, EVP for Administration, COO, and CFO
Chaouki Abdallah, Provost and EVP for Academic Affairs

FROM: Andrew Cullen, Associate VP Office of Planning, Budget & Analysis *AC*

DATE: March 26, 2014

SUBJECT: FY14/15 Budget Development Documentation – Follow up Meeting

In preparation for Friday's follow-up Budget Summit meeting, attached please find the following overview documents for your consideration:

- Main Campus
 - FY14 / FY15 Budget Comparison Summary, including:
 - Sources – Per original budget scenario
 - Uses – Per original budget scenario
 - Reallocation of 1% ROM funds
 - FY15 Incremental Revenues, including:
 - Reduction of \$1.5M in non-recurring funds
 - Transfer of \$1.3M to the Health Sciences Center
 - FY15 Incremental Expenditures, reflecting:
 - 1.5% Tuition and Fee increase
 - 3% Faculty and 2% Staff/GA/TA compensation increase
 - FY14 /FY15 Budget Comparison by Organization, including:
 - Reallocation of 1% ROM funds
 - Actual Tuition Paid by Undergraduates
- Branch Campuses – Proposed FY15 Tuition & Fee Rates
- Differential Tuition Summary
 - Anderson School of Management
 - School of Architecture and Planning
 - Department of Speech and Hearing Sciences
- Four Year Guaranteed Tuition Plans/Options

Understanding you may have questions or need further clarification, I would be happy to review the materials in person or over the phone anytime between now and Friday's meeting. I can be reached at: Scholes Hall, Room 127, or Office 277-1562 / Cell 220-3275.

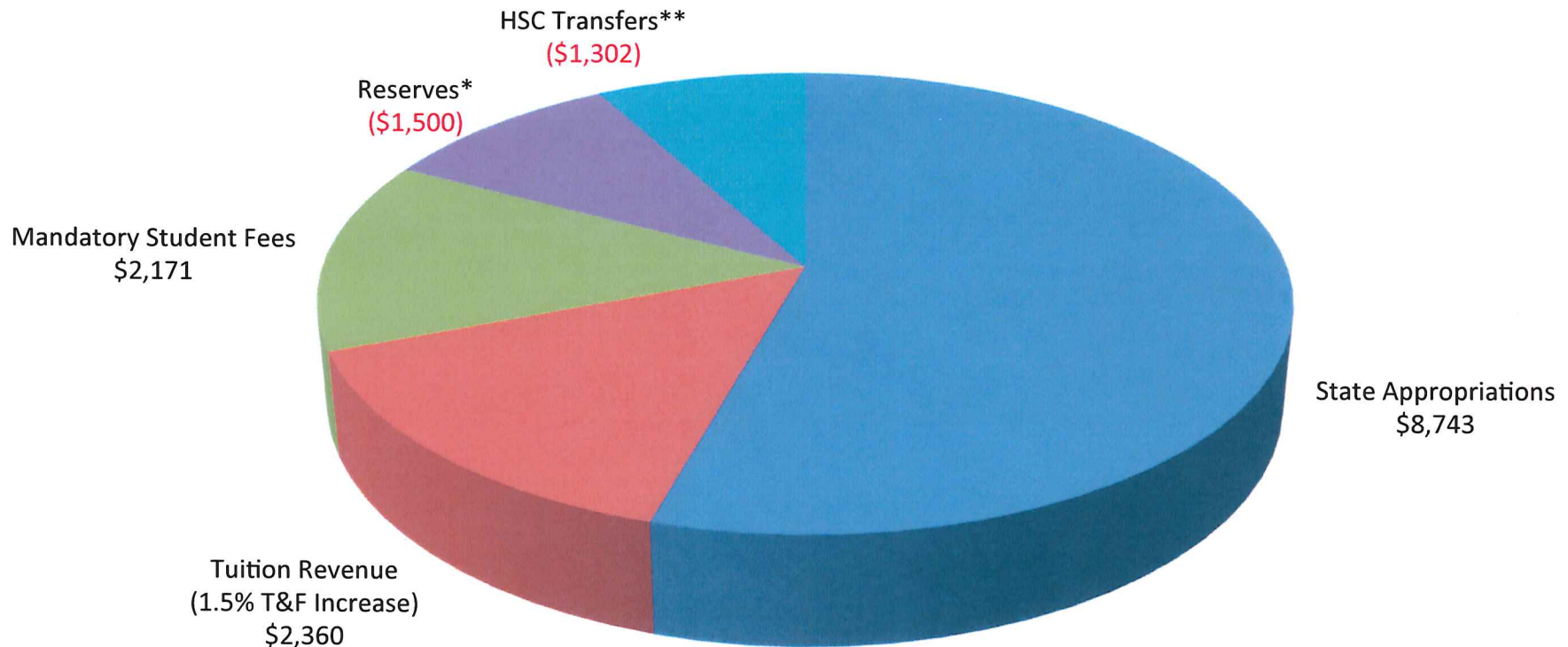
We look forward to conversation and gaining your support for the FY15 Main Campus Budget Development Plan.

UNM Main Campus
Budget Recommendation
Fiscal Year 2014-2015
(Rounded to Thousands)

	Fiscal Year 2014 Starting Base	Change	Fiscal Year 2015 Proposed
Revenues			
State Appropriations	\$179,863	\$8,743	\$188,606
Tuition Revenue	\$133,971	\$2,360	\$136,331
Mandatory Student Fees	\$30,256	\$2,171	\$32,427
Reserves	\$3,000	(\$1,500)	\$1,500
Subtotal Revenues	\$347,090	\$11,774	\$358,864
Health Sciences Center Transfer	(\$16,426)	(\$1,302)	(\$17,728)
Total Sources of Funds	\$330,664	\$10,472	\$341,136
Expenses			
Expenditure Base	\$330,664	\$0	\$330,664
Current Year Adjustments/Commitments	\$0	\$558	\$558
1% ROM Reallocation	\$0	(\$2,939)	(\$2,939)
3% Faculty and 2% Staff/GA/TA Compensation Increases	\$0	\$6,005	\$6,005
Academic Plan Commitments & Fixed Cost Increases	\$0	\$6,848	\$6,848
Total Use of Funds	\$330,664	\$10,472	\$341,136

Main Campus I&G Incremental Revenue

Change from FY 14 to FY15
(in thousands)

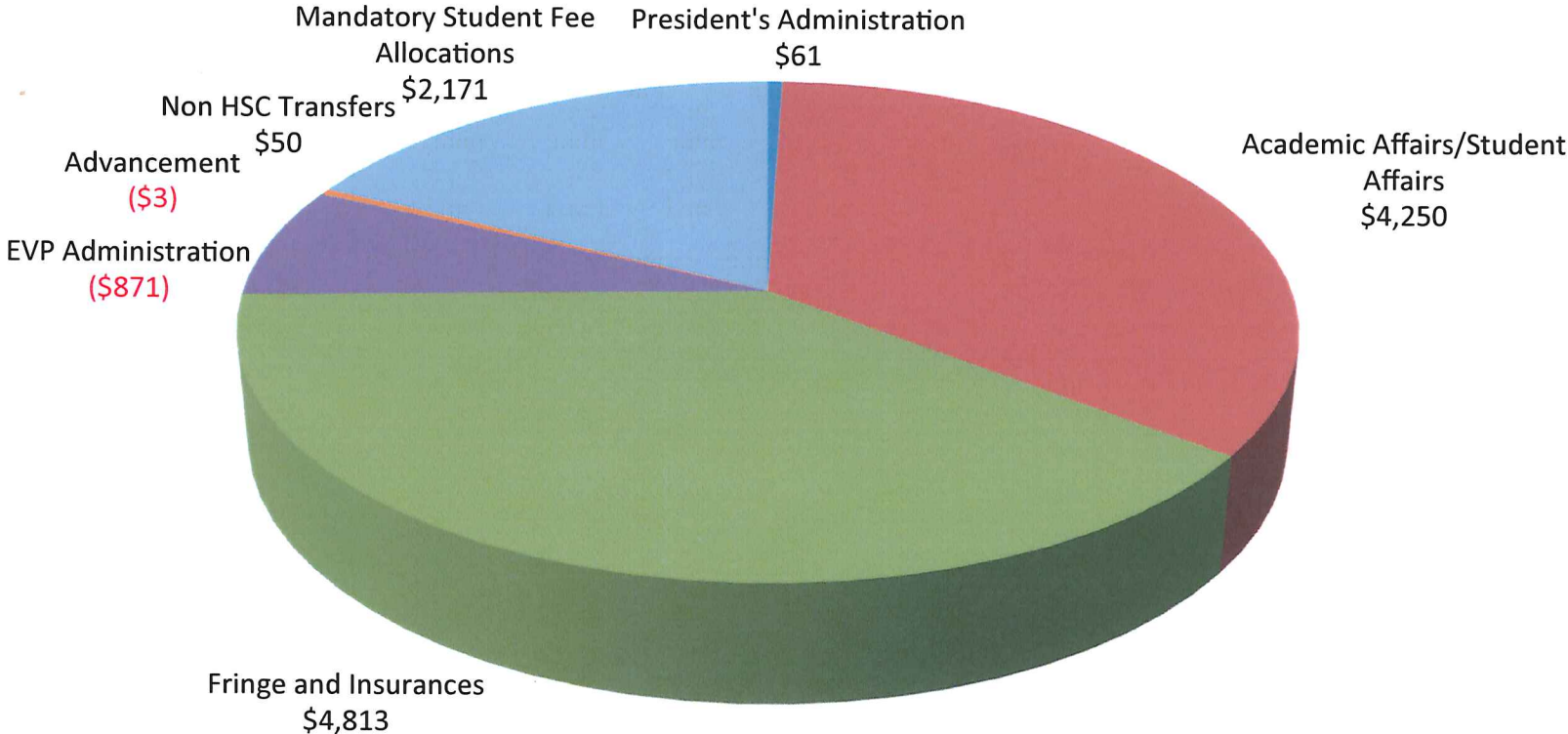


Total Incremental Increase in Revenues: \$10,472
(Does not include \$2.9M ROM reallocation)

- * \$1.5M reduction in revenue represents the elimination of \$1.5M in non-recurring reserves being used to fund the recurring I&G budget
- **\$1.3M reduction in revenue represents the transfer to the HSC for HSC tuition increases and formula outcomes

Main Campus I&G Incremental Expense

Change from FY 14 to FY 15
(in thousands)



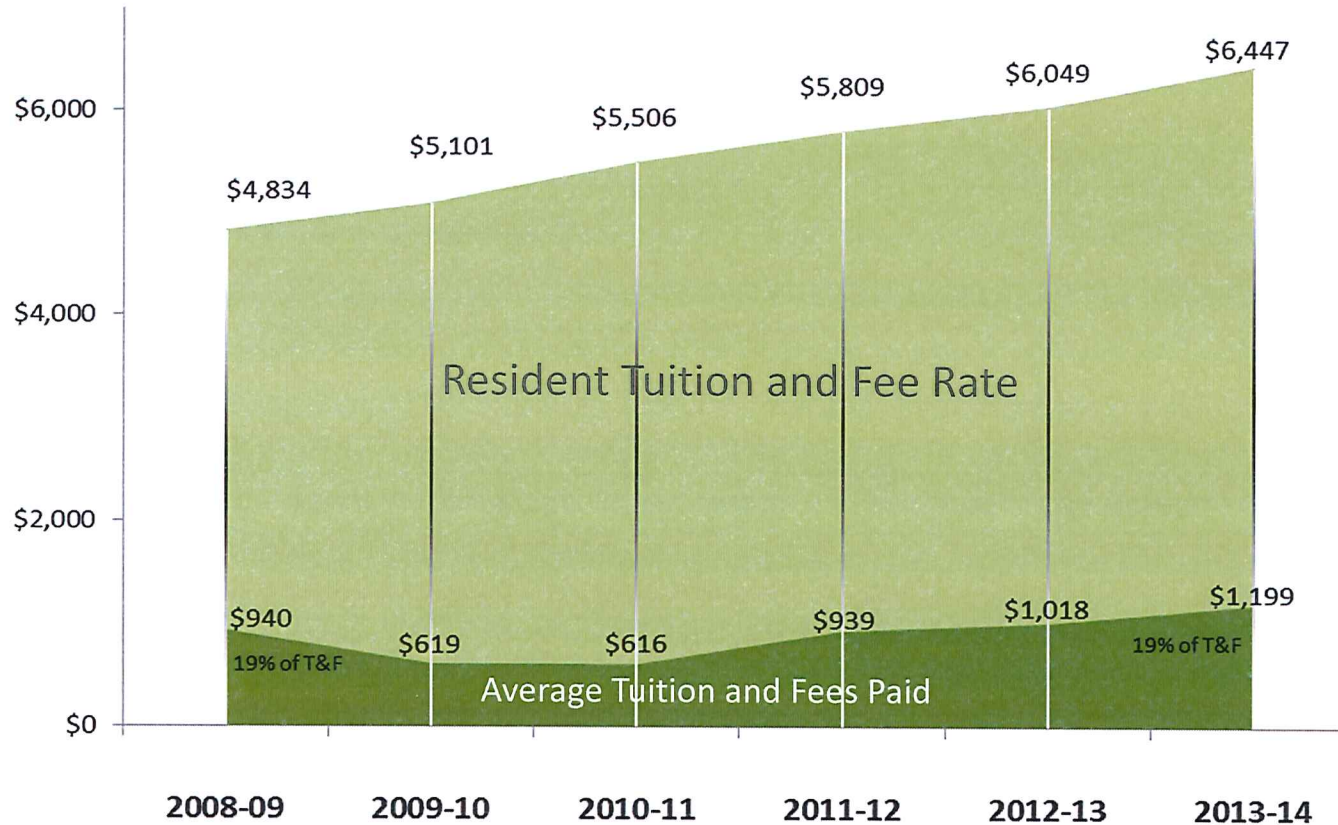
Total Incremental Increase in Expenses: \$10,472

UNM Main Campus
Budget Recommendation
Fiscal Year 2014-2015
(Rounded to Thousands)

	Fiscal Year 2014 Starting Base	Current Year Adjustments	1% ROM Reallocation	Compensation Faculty 3% Staff/GA/TA 2%	Academic Plan Commitments & Fixed Cost Increases	Fiscal Year 2015 Proposed	Net Change	% Change
Expenses								
President's Administration	\$7,571	\$28	(\$76)	\$109	\$0	\$7,632	\$61	0.8%
Academic Affairs/Student Affairs	\$168,504	\$300	(\$1,688)	\$3,592	\$2,046	\$172,755	\$4,250	2.5%
Fringe and Insurances	\$51,196	\$0	(\$553)	\$1,693	\$3,673	\$56,009	\$4,813	9.4%
EVP Administration	\$61,542	\$229	(\$619)	\$610	(\$1,091)	\$60,671	(\$871)	-1.4%
Advancement	\$321	\$0	(\$3)	\$0	\$0	\$318	(\$3)	-0.9%
Non HSC Transfers	\$11,274	\$0	\$0	\$0	\$50	\$11,324	\$50	0.4%
Mandatory Student Fee Allocations	\$30,256	\$0	\$0	\$0	\$2,171	\$32,427	\$2,171	7.2%
Total Use of Funds	\$330,664	\$558	(\$2,939)	\$6,005	\$6,849	\$341,136	\$10,472	3.2%

Actual Tuition Paid by Undergraduates

Actual Average Tuition Paid is the Published Tuition Rate
Minus the Average Amount of Gift Aid



Without any Financial Aid, a 1.5% Tuition and Fee
Increase Costs Students About:

- \$48 Per Semester, or
- \$3 Per Week

UNM Branch Campus Tuition/Fee Rates FY15 Proposed ¹

	Resident					Non-Resident				
	Tuition	Fee	Total	Total FT	+/-	Tuition	Fee	Total	Total FT	+/-
UNM - Gallup	60.60	10.40	71.00	852.00	0.0%	160.60	10.40	171.00	1,945.20	0.0%
UNM - Los Alamos ²	69.25	4.50	73.75	895.00	4.6%	199.00	4.50	203.50	2,452.00	4.9%
UNM - Taos ³	68.00	3.00	71.00	867.00	0.0%	176.30	3.00	179.30	2,166.60	0.0%
UNM - Valencia	61.30	3.75	65.05	780.60	0.0%	170.50	3.75	174.25	2,091.00	0.0%

¹As of 3/11/14, pending final approval of branch advisory boards.

² UNM-Los Alamos' fee schedule is as follows: Activity Fee (per hour), \$1.50; Facility Fee (1-4 hrs.), \$12.00; Facility Fee (5 or more hours, per hour), \$3.00; Print Mangement Fee, \$10 per enrollee, reflected here only in the FT total.

³ UNM-Taos charges a \$15.00 "Student Success" fee for each enrollee, reflected here only in the FT total.

FY15 Differential Tuition Requests

	Current Differential (per SCH)	Requested Increase (per SCH)	FY15 Differential (per SCH)
Anderson School of Management Undergraduate	--	\$10.00	\$10.00
Anderson School of Management Graduate	\$173.70 (Resident) \$180.10 (Non-Resident)	\$10.00	\$183.70 (Resident) \$190.10 (Non-Resident)
School of Architecture and Planning Graduate	\$49.75	\$24.88	\$74.63
Department of Speech and Hearing Sciences Graduate	--	\$150.00	\$150.00

**Guaranteed Tuition and Standard Tuition Comparison
Cost Per Resident Full-Time for 4 years**

FY 14 Tuition and Fees		
2014 Resident	6,544	

(1.5% Increase)

Voluntary Guaranteed Tuition					4 Year Total
	2014 Cohort FY 14	2014 Cohort FY 15	2014 Cohort FY 16	2014 Cohort FY 17	
Residents	7,067.20	7,067.20	7,067.20	7,067.20	\$28,268.81
% increase	8%	0%	0%	0%	
\$ increase	523.50	-	-	-	

Traditional Block Tuition and Fees Equivalent					4 Year Total
	2014 Cohort FY 15	2014 Cohort FY 16	2014 Cohort FY 17	2014 Cohort FY 18	
Resident	6,543.71	6,880.71	7,235.06	7,607.67	\$28,267.14
% increase		5.15%	5.15%	5.15%	
\$ increase		337.00	354.36	372.61	

Voluntary Guaranteed Tuition					4 Year Total
	2014 Cohort FY 15	2014 Cohort FY 16	2014 Cohort FY 17	2014 Cohort FY 18	
Residents	6,936.33	6,936.33	6,936.33	6,936.33	\$27,745.31
% increase	6%	0%	0%	0%	
\$ increase	392.62	-	-	-	

Traditional Block Tuition and Fees Scenario					4 Year Total
	2014 Cohort FY 15	2014 Cohort FY 16	2014 Cohort FY 17	2013 Cohort FY 18	
Resident	6,543.71	6,877.43	7,228.18	7,596.82	\$28,246.14
% increase		5.1%	5.1%	5.1%	
\$ increase		333.73	350.75	368.64	

Voluntary Guaranteed Tuition					4 Year Total
	2014 Cohort FY 15	2014 Cohort FY 16	2014 Cohort FY 17	2014 Cohort FY 18	
Residents	6,740.02	6,740.02	6,740.02	6,740.02	\$26,960.06
% increase	3%	0%	0%	0%	
\$ increase	196.31	-	-	-	

Traditional Block Tuition and Fees Scenario					4 Year Total
	2014 Cohort FY 15	2014 Cohort FY 16	2014 Cohort FY 17	2013 Cohort FY 18	
Resident	6,543.71	6,674.58	6,808.07	6,944.23	\$26,970.59
% increase		2.0%	2.0%	2.0%	
\$ increase		130.87	133.49	136.16	

UNM Health Sciences Center

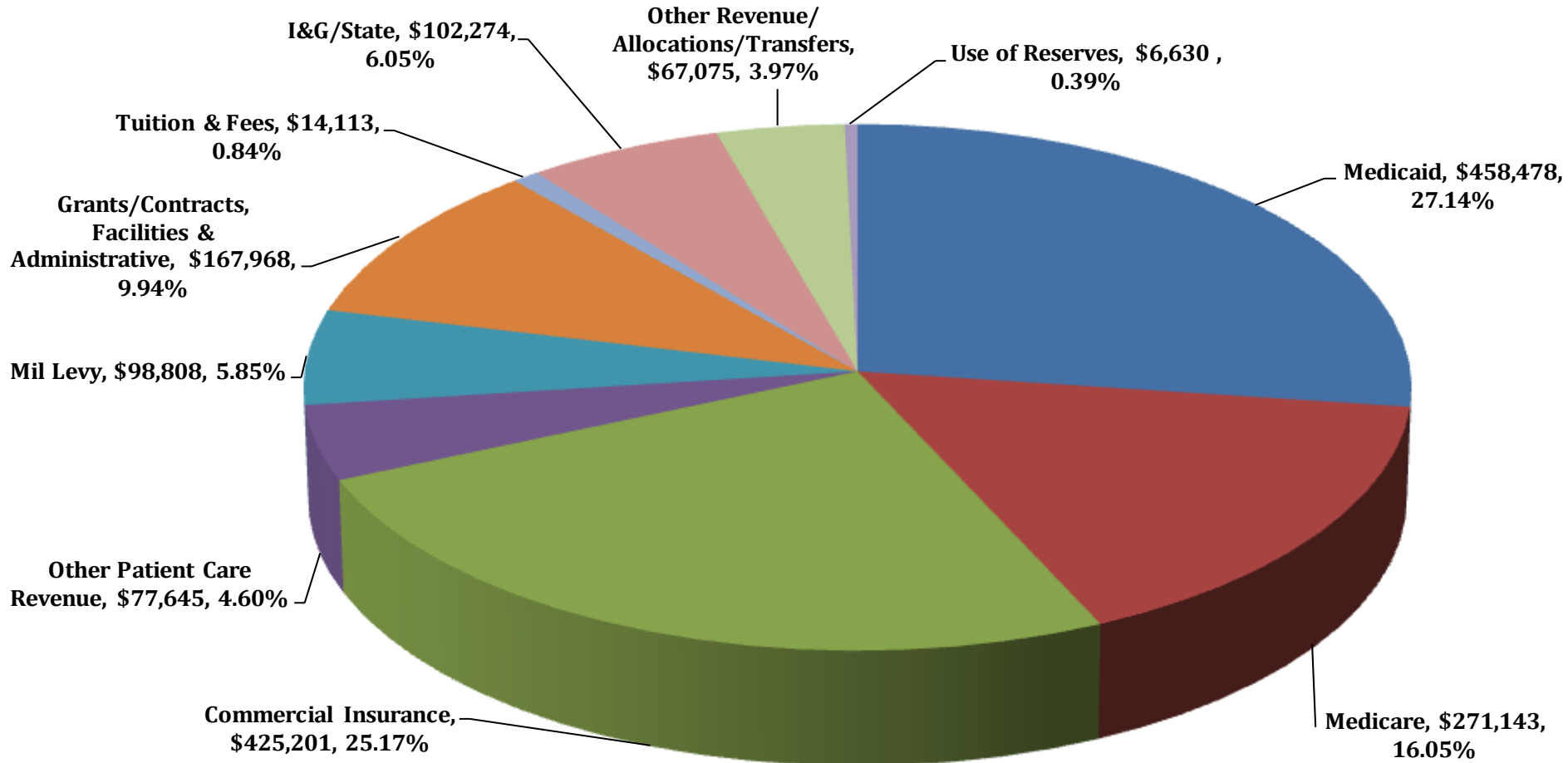
Budget Planning FY 2015 - Updated

Presentation to:
UNM Board of Regents
March 28, 2014

Ava J. Lovell, CPA
Senior Executive
Officer for Finance & Administration

UNM HSC All Components - Revenues

FY 2015 Preliminary Budget
(in thousands)



Note: Includes UNM HSC Academic Enterprise and UNM Health System

Total Budgeted Revenues \$1,689,335
6.79% Increase over FY 2014

UNM HSC – FY 2015 Compensation

Faculty 3.0% Staff 2.0% (Unrestricted Funds Only)

	UNM SOM	UNM SOM (HPPHP)	UNM CON	UNM COP	HSC Res/Lib/Admin	UNM HSC Academic Enterprise 6/30/2015 Total
Faculty 3.0% Increase	\$2,491,295	\$123,659	\$172,430	\$153,442	\$156,030	\$3,096,856
Staff 1.5% Increase	803,102	17,760	25,853	38,375	220,799	1,105,889
Sub-total Increase	<u>\$3,294,397</u>	<u>\$141,419</u>	<u>\$198,283</u>	<u>\$191,817</u>	<u>\$376,829</u>	<u>\$4,202,745</u>
Staff Add'l 0.5% Increase	267,625	5,899	8,478	12,902	73,726	368,630
Total Compensation Increase FY 2015	<u><u>\$3,562,022</u></u>	<u><u>\$147,318</u></u>	<u><u>\$206,761</u></u>	<u><u>\$204,719</u></u>	<u><u>\$450,555</u></u>	<u><u>\$4,571,375</u></u>

Estimated Fringe Increase

\$959,988

Salary increases apply to non-bargaining unit employees only. All bargaining unit salary increases will be determined in good-faith negotiations as always.

Analysis Excludes Housestaff, UCP and Restricted Funds

Source: State Format FY 2014 Original Budget

UNM HSC Academic Enterprise

FY 2015 Preliminary Budget

(In thousands)

	UNM SOM	UNM CON	UNM COP	HSC Library/ Informatics	HSC Research	HSC Administration	UNM HSC Academic Enterprise 6/30/2015 Total
Revenues	\$432,806	\$14,274	\$17,737	\$6,399	\$14,902	\$52,414	\$538,532
Expenses	432,680	14,057	17,737	6,386	14,902	50,883	536,645
Net Margin before Non-Recurring Items	\$126	\$217	\$-	\$13	\$-	\$1,531	\$1,887
Capital/Recruitment/ Startup/Scholarships	(5,373)	(217)	(346)	(600)	(481)	(1,500)	(8,517)
Net Margin	\$(5,247)	\$-	\$(346)	\$(587)	\$(481)	\$31	\$(6,630)

UNM HSC All Components

FY 2015 Preliminary Budget
(In thousands)

	UNM HSC Academic Enterprise	UNM Health System	UNM HSC All Components 6/30/2015 Total
Revenues	\$538,532	\$1,144,253	\$1,682,785
Expenses	536,645	1,144,173	1,680,818
Net Margin before Non-Recurring Items	\$1,887	\$80	\$1,967
Capital/Recruitment/Startup/Scholarships	(8,517)	-	(8,517)
Total Non-Recurring Items	\$(8,517)	\$-	\$-
Net Margin	\$(6,630)	\$80	\$(6,550)

Questions ?

