



BOARD OF REGENTS

Agenda

**January 16, 2018
Open Session 9:00 AM
SUB, Ballroom C**

**The Board of Regents of the University of New Mexico
Meeting in Open Session
January 16, 2018, 9:00 AM
Open Session - Student Union Building (SUB), Ballroom C**

AGENDA

TAB

- I. Call to Order, Confirmation of a Quorum, Adoption of the Agenda
Regent President Rob Doughty..... 1
- II. Approval of Minutes: December 12, 2017 regular meeting..... 2
- Public Comment – comments related to items on the agenda (limit 3 min.)
- Regent Advisors – comments related to agenda items (limit 3 min.)
- Comments from Regents
- III. The President’s Administrative Report, *Interim President Chaouki Abdallah* 3
- IV. Possible Action on a UNM Press Financial Matter, *Interim President Chaouki Abdallah* 4
- V. Regent Committee Reports

Consent Docket

(Action items on Regent’s Committee agendas may move to the Board of Regents’ agenda as consent items; the below items are placed on the consent docket by the respective committee chairs; items on the consent docket received unanimous approval in committee; per Regents’ Policy 1.2, “Any member of the Board of Regents shall have the right upon request to remove any item from the Board’s consent agenda and place the item on the Board’s regular agenda for discussion.”)

- 1. Finance and Facilities Committee (F&F) Consent Item, *Regent Marron Lee, Chair*
 - a. Approval of Disposition of Surplus Property for Main Campus for December 2017 C-1

Audit and Compliance Committee, Regent Tom Clifford, Chair

Action Item

- 1. Approval of the FY17 University Consolidated Financial Statements External Audit Report by Moss Adams and KPMG, *Moss Adams & KPMG*..... 5

Health Sciences Center Committee (HSCC), Regent Marron Lee, Chair

Information Item

- 1. UNMH Capacity Status, *Michael Richards, Vice Chancellor for Clinical Affairs, UNM HSC* 6

Academic/Student Affairs and Research Committee (ASAR), Regent Rob Doughty, Chair

Information Item

- 1. Consideration of proposed revisions to the Regents’ Policy Manual..... 7
Pamina Deutsch, Director, Policy Office; Rich Wood, Acting Provost & EVP for Academic Affairs

Finance and Facilities Committee (F&F), Regent Marron Lee, Chair

Action Item

- 1. Approval of UNM Gallup Physical Plant Facility, *James Richard Malm, CEO, UNM-Gallup* 8
(This item was tabled at the Dec.12 Board of Regents)

Information Item

- 2. FY19 Health Plan Premium Projections, *Dorothy Anderson, VP HR; Eric Weinstein, EVP, Aon* 9

Public Comment – comments not related to items on the agenda (limit 3 min. per speaker)

- VI. Advisors' Comments (limit 3 min.)..... 10
- VII. Adjourn

Minutes of the Regular Meeting of the Board of Regents of the University of New Mexico

December 12, 2017

Student Union Building (SUB) – Main Campus

Open Session - Ballroom C

Executive Session – Cherry Silver Room

Members present

Robert M. Doughty, President; Marron Lee, Vice President; Tom Clifford, Secretary Treasurer; Suzanne Quillen; Alex O. Romero; Garrett Adcock

Members not present

Brad Hosmer

Administration present

Chaouki Abdallah, Interim President; Paul Roth, Chancellor for Health Sciences; Craig White, Interim Provost and EVP for Academic Affairs; David Harris, EVP for Administration, COO, CFO; Richard Larson, Executive Vice Chancellor for Health Sciences Center; Gabriel Lopez, VP Research and Economic Development; Dana Allen, VP Alumni Relations; Eliseo 'Cheo' Torres, VP Student Affairs; Elizabeth 'Libby' Washburn, President's Chief of Staff; Liz Metzger, Controller; Pamina Deutsch, Director Policy Office; Eddie Nuñez, Athletics Director; Elsa Cole, University Counsel; Dorothy Anderson, VP HR; Ava Lovell, HSC Sr. Exec. Officer of Finance and Administration

Regents' Advisors present

Pamela Pyle, Faculty Senate; Donna Smith, Retiree Association; Danelle Callan, Staff Council; Noah Brooks, ASUNM

Presenters in attendance

Richard Schuetz, Interim Director, UNM Press; Chris Vallejos, AVP ISS; Lisa Marbury, Executive Project Manager, ISS; Jerry Dominguez, former Interim CEO for UNM Gallup; Bill Sabatini, Lead Design Principal for Dekker/Perich/Sabatini

Others in attendance

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

CONFIRMATION OF PRIOR SPECIAL MEETING IN EXECUTIVE SESSION – NOVEMBER 20, 2017 SPECIAL MEETING

The Board of Regents met in closed session on November 20, 2017 from 2:00 to 2:40 PM in the Roberts Room, number 204, of Scholes Hall on Main Campus. A quorum of members were present. Members present in person were the following: Marron Lee, Garrett Adcock, and Alex O. Romero. Members present telephonically were the following: Suzanne Quillen, Tom Clifford, and Brad Hosmer. Rob Doughty was not present. University Counsel was present. Regent Marron Lee presided the meeting. The meeting was held in closed session under the Open Meeting Act (NMSA 1978) exception, discussion and determination where appropriate of threatened or pending litigation as permitted by Section 10-15-1H(7), NMSA (1978). During the meeting, action was taken upon one item.

The motion to approve settling a case under litigation for an amount not to be disclosed to the public passed by a unanimous vote (1st Adcock; 2nd Hosmer).

CALL TO ORDER, CONFIRMATION OF A QUORUM, ADOPTION OF THE AGENDA

Regent President Rob Doughty called the December 12, 2017 meeting to order at 8:10 AM and confirmed a quorum. Before approval of the agenda, Regent Lee announced one modification to the agenda: The Finance and Facilities Committee item 4., UNM Foundation Regent Advisor Report, would not be presented, the material was included in the agenda eBook for information.

The motion to adopt the agenda as modified passed with a unanimous vote (1st Lee; 2nd Clifford).

VOTE TO CLOSE THE MEETING AND PROCEED IN EXECUTIVE SESSION

The vote to close the meeting passed unanimously (1st Quillen; 2nd Adcock). The meeting closed at 8:10 AM. Members of administration and University Counsel were also present for discussion subject to attorney-client privilege pertaining to threatened or pending litigation as permitted by Section 10-15-1(7), NMSA (1978).

VOTE TO REOPEN THE MEETING AND CERTIFICATION THAT ONLY THOSE MATTERS DESCRIBED IN AGENDA ITEM II. WERE DISCUSSED IN CLOSED SESSIN AND IF NECESSARY, FINAL ACTION WITH REGARD TO THOSE MATTERS WILL BE TAKEND IN OPEN SESSION

The vote to reopen the meeting passed unanimously (1st Lee; 2nd Clifford). The meeting reopened at 9:06 AM. There was certification that only those matters described in the closed session agenda were discussed and there were no items upon which action was taken.

APPROVAL OF MINUTES

The motion to approve the minutes of the November 14, 2017 regular meeting of the Board of Regents passed with a unanimous vote (1st Lee; 2nd Adcock).

PUBLIC COMMENT (No comments)

REGENT ADVISORS COMMENTS (No comments)

COMMENTS FROM REGENTS

Regent Alex O. Romero recognized and congratulated President Abdallah, recipient of the 2017 Spirit of New Mexico Award. The annual awards, given by the Greater Albuquerque Chamber of Commerce and the Albuquerque Journal, recognize people in the community who have given of their own time and efforts to make a difference. Additionally, Regent Romero recognized Ray Bradbury, coach of the UNM Women's Basketball Team, for the team's impressive 11-0 record so far in the season. Regent Romero also brought attention to the day's news that the National Academy of Inventors named Dr. Cheryl L. Willman and Plamen B. Atanassov as 2017 Fellows, distinguishing them as some of the most-impactful researchers among some 250 universities and research institutions worldwide. That is something for everyone to be proud of.

Regent Suzanne Quillen requested a report to the full board with an update of the Health Sciences Center budget, financials and operations, including Hospital diversions and daily census. She requested the report for the January or February Board of Regents' meeting.

Regent Doughty recognized and thanked Craig White for his leadership and the accomplishments achieved while serving as Interim Provost during 2017. At the beginning of the 2018, Craig will return to the Anderson School, as its Dean.

THE PRESIDENT'S ADMINISTRATIVE REPORT

President Abdallah briefed the Board on an opportunity for collaboration with the City of Santa Fe regarding the property currently in use by the Santa Fe University of Art & Design, which will close in spring of 2018. The City facilitated an introduction to Raffles Education Corporation, a Singapore-based for-profit education company. Currently, an exploratory committee comprised of representation across UNM, in conjunction with the Santa Fe mayor's office, is gauging interest in pursuing a collaboration. UNM administration is not interested in maintaining a campus in Santa Fe, given the current State discussion regarding reduction rather than expansion, and the current financial climate. However, the opportunity exists to offer academic degrees in conjunction with a financing entity that also provides students. In essence, the exploratory committee is investigating if opportunity exists to develop a new model offering courses or degrees benefitting both the City and UNM, without UNM committing financial resources. President Abdallah cited Purdue University's purchase of Kaplan University as an example of developing a non-traditional model. He reiterated the current status is exploratory only, and stated no agreement will be entered into without Board approval.

Regent Tom Clifford indicated that there exists a need for professional education in Santa Fe, particularly for the state government workforce. He has spoken with Provost White about the need for governmental accounting and public administration education, in general. Regent Clifford also agreed it is important to explore opportunity while remaining sensitive to issues with campus proliferation. President Abdallah concurred, and added this exploration is not viewed as a real estate deal, but an opportunity to offer courses or degrees attractive to the Santa Fe population and others, including the possibility of shorter-term executive programs.

Next, President Abdallah focused on recent research achievements. Professor Tobias Fisher, of Earth and Planetary Sciences, published an article about deep earth carbon dioxide and climate evolution that is receiving notoriety in the scientific community. Although President Abdallah could not yet announce detailed information, he indicated that at least two new National Science Foundation career awards have been granted to UNM faculty. These prestigious awards (with an approximate .5% award rate) support researchers at the beginning of their careers. One of these awards is especially exciting due to the collaborative research it supports between the College of Education, Organizational Learning and Instructional Technology, and the School of Engineering. Drs. Cheryl Wilman and Plamen Atanassov were elected into the National Academy of Inventors, a national academy akin to those for the arts, sciences, and engineering, with a focus on the success of research in the commercial spheres as translated to such things as patents and companies.

President Abdallah commended student athletes at UNM for their achievements and also discussed the state auditor's report status. Notably, four UNM athletes were named Academic All-American in 2017. Also, for 11 consecutive semesters, UNM student athletes have achieved at least a 3.2 GPA, and female student athletes achieved a 3.59 GPA in spring 2017. This marked the eighth straight year female athletes have achieved at least a 3.5 GPA. For the second time in three years, the Women's Cross-Country Team won the national championship and the women's basketball team is currently 11-0. University administration has convened a task force with working groups to address the state audit findings individually, with assigned tasks and dates of completion. President Abdallah will update the Board through monthly reports and will keep incoming President Stokes informed as well.

President Abdallah presented a high level overview of the budget process, and indicated that in subsequent reports he will provide more detailed information for single areas. He provided an overview of the Budget Leadership Team (BLT) process. The BLT consists of representatives from the faculty, administration, staff, and students, who act as conduits to all campus constituencies and are charged with making recommendations to the president for consideration as the administration develops the budget. The BLT evaluates new initiatives and scenarios to recommend reductions or increases in areas. The BLT communicate budget details and the nuances of state funding to individual areas, and takes input from faculty, students and staff to inform the president. The BLT also take direction from the F&F and ASAR committees. President Abdallah demonstrated an interactive chart showing the current budget and how funding flows into campus areas at a high level (<http://static-dashboards.unm.cool/budget-flow>). President Abdallah displayed the current budget schedule, indicating BLT meetings are interlaced with state legislative session or Board meetings and laid out the timeline from departmental mid-year projections in January to the request for Board approval in May.

Regent Clifford expressed appreciation for the high-level summary and calendar and requested to review more detailed reports from budget units to learn how priorities are set and managed each level. David Harris, Executive Vice President, noted that Regent Clifford has been to a BLT meeting and other regents will be invited to subsequent meetings. Craig White, Interim Provost, stated he held a Deans' retreat where budget priorities were discussed, with composing a subsequent memorandum listing priorities for consideration by the President, the BLT, and the Board. Regent Clifford expressed he would like to review information regarding how units self-evaluate to ensure achievement, optimally through quantifiable measures. He noted that at a previous Board meeting, President Doughty requested follow-up information on reserve categorization, to ensure analysis and planning for reserves, and he reiterated the request for that information as part of the budget cycle. Regent Clifford also noted the State's budget situation has improved.

REGENT COMMITTEE REPORTS

CONSENT DOCKET

Regent Doughty addressed the following consent docket and asked for a motion to approve.

1. Academic/Student Affairs and Research Committee (ASAR) Consent Items
 - a. Program Deletion: Certificate in Construction Technology, Electrical Trades
2. Health Sciences Center Committee (HSC) Consent Items
 - a. Approval of the UNM Hospitals Contracts with Eco-Tex Healthcare Linen Service Corp.
 - b. Approval of the UNM Health Sciences Center Fall 2017 Graduates
3. Finance and Facilities Committee (F&F) Consent Items
 - a. Approval of Disposition of Surplus Property for Main Campus for November 2017

The motion to approve the items on the consent docket as presented pass by a unanimous vote (1st Lee; 2nd Romero).

ACADEMIC/STUDENT AFFAIRS AND RESEARCH COMMITTEE

Approval of Fall Degree Candidates

Faculty Senate President, Pamela Pyle presented the item and requested the board's approval.

The motion to approve the Fall Degree Candidates passed with a unanimous vote (1st Lee; 2nd Adcock).

UNM Press Update

UNM Press Interim Director, Richard Schuetz, presented the item and referred to slides that were included in the agenda eBook. The Press is doing everything it can to reduce the amount of support it receives from the University. This year was budgeted a \$600K deficit, which is about the average for presses of same size as reported by the Association for American University Presses. UNM Press is a Group II press, a group that has sales between \$1.5 - \$3.0 million, and the average university support for those presses is about \$600K. So that is what was budgeted, but to get to that number, UNM Press had to right-size, and it did so in two areas: reduce the number of titles printed each year from about 75 to 50, and with fewer titles, a smaller staff was needed, so reduced FTEs from 29 to 22. That saved about \$300K. On the revenue side,

prices on the roughly 1,200 title backlist were looked at, and prices on about 150, or 12% of the list, were raised \$3.50 each which has generated about \$45K in increased revenue for the year. UNM Press is one of about 13 presses that have in-house order fulfillment, and this is largely a fixed cost. About \$540K was budgeted for that which includes the warehouse cost plus labor and a few supplies. This represents about 11-12% of net sales. There is an ongoing analysis of the cost effectiveness of outsourcing this, currently evaluating proposals for an RFP put out in November. A similar analysis made in 2010 determined outsourcing was not cost effective; however, fees look to have gone down since then. UNM Press also distributes for about 40 other local and regional publishers, and that generates about \$200K per year in commissions from the sale of those books. Regarding reorganization, there is a plan proposal to move the Press under the Library. There are about 30 university presses that report to libraries. There are potential operating cost synergies that may be realized in this type of structure.

Regent Suzanne Quillen thanked President Abdallah and Mr. Schuetz for this very good report. This has been a big issue and it's clear that administration has spent a lot of time on this to drive efficiencies. President Abdallah added the sale of particular books are doing very well. Mr. Schuetz responded there are about half dozen titles that drive the backlist sales, and are about 75% of annual sales, compared to other presses with about 66%.

Provost White added his thanks to Mr. Schuetz and recognized others who worked hard on the UNM Press budget, including, Melanie Sparks, Melissa Vargas, and Nicole Dopson.

Regent Clifford added this is a great report and inquired with regard to the process of reducing the number of titles published each year and how those decisions are made. Mr. Schuetz responded it is about a 2-year process to acquire a title and discussed the role of an acquisitions editor. He added the Press is on track with the addition of a little more than 50 titles this year.

FINANCE AND FACILITIES COMMITTEE

Approval of the UNM-Gallup Physical Plant Facility

Chris Vallejos, Lisa Marbury and Dr. Gerry Dominguez presented the item requesting project approval for a \$2 million physical plant facility at the UNM Gallup campus. \$1.5 million of the budget will come from 2016 general obligation bonds and \$500K from 2012 McKinley County bonds, for a 7300 square foot physical plant supporting 300K square feet of physical space on the campus.

Regent Clifford information on the backfill plan for the old facility in committee. Gerry Dominguez responded UNM Gallup has a childcare center adjacent to the building that was suspended and closed in May, but re-opening the childcare center is under consideration due to need. Use for the remaining square footage has not been decided upon. Regent Clifford inquired when the childcare facility was built, but Mr. Dominguez was unsure of the date. He confirmed the childcare facility is primarily for students, but was also utilized by staff and faculty due to need.

President Doughty inquired about whether any of the funding was coming from UNM. Chris Vallejos responded the \$500K match was coming from McKinley County bonds that flow through UNM Gallup. He explained that the partnership is with the County at the Branch level. Branches use various sources as their 25% match for projects - sometimes this funding comes from reserves, sometimes it comes from a mil levy specified for education, and sometimes it comes from county bonds. UNM Gallup has elected to use county bonds as their 25% required match on this project. President Doughty sought to clarify that funds were not from UNM Main Campus, but Branch funds. Mr. Vallejos confirmed.

Regent Clifford inquired about enrollment. Mr. Dominguez responded UNM Gallup enrollment declined 10% in the fall semester and that administration is working with consultants on improving recruitment, noting the decline is due to multiple factors, including finances, a decline in high school graduates, and the fact that 84% of students come from the reservation and have hardship and distance factors, among others. Regent Clifford expressed that outreach to native communities is an extremely important component of UNM's mission and indicated he would appreciate more information about elementary and secondary education and what is occurring in terms of the student pipeline. He also requested information about enrollment by program. Mr. Dominguez noted that the new CEO, Dr. James Malm, is reviewing programs and considering new programs, such as media & technology. He is also working with regional economic development leaders and examining opportunities with the Navajo Nation, particularly in construction management, commercial licensing, and heavy-duty equipment operations.

Regent Clifford requested that Dr. Malm present to the Board regarding opportunities with the Navajo Nation when appropriate. President Doughty reiterated the request that Dr. Malm present to the Board.

This item was tabled. The motion to table the item passed unanimously (1st Doughty; 2nd Clifford).

Approval of Repurposing Plan for the Biology Annex

Craig White and Bill Sabatini presented the item. Provost White indicated that a committee charged with exploring options for repurposing the biology annex recommended it be used as an interdisciplinary teaching and learning lab for Earth and Planetary Sciences, Museum Studies, and Biology, and specifically the Museum of Southwestern Biology. Reasons for the recommendation included area strengths, proximity of the current museum, and a strong fit both size-wise and in terms of lighting and other architectural features.

Regent Clifford commended Interim Provost White on a concise report and the breadth and depth of committee work in surveying various constituents, including explaining rejected options thoroughly. He commended the interdisciplinary aspect of the recommendation, and inquired about next steps. Provost White indicated that after Board approval, the next step is to develop a more detailed program plan and budgeting. Regent Clifford inquired about the bonds that will be used, and EVP David Harris responded that there are no risks of arbitrage problems. The bonds will be reconfigured to meet the new purpose, once the budget is established and is brought for approval to the Board.

Regent Marron Lee thanked Mr. Sabatini for his work on the project plan.

The motion to approve the repurposing plan for the Biology Annex passed with a unanimous vote (1st Clifford; 2nd Adcock).

Monthly Consolidated Financial Report (information item)

Liz Metzger presented the item. The report depicts the fiscal year-to-date balances as of October, which is a third of the way to fiscal yearend. The report was included in the agenda eBook. Ms. Metzger discussed Main Campus I&G with 52% of tuition and fees revenue having already been recognized for the fiscal year. With regard to the athletic budget, as of October 31, athletics has a \$1.352 million net deficit due to year-to-date operations deficit of \$835.6K, debt service of \$582.5K, both slightly offset by \$66K from the endowed spending account. At the November Board of Regents, the Regents approved \$1.352 million use of reserves to offset the current year shortfall. An unknown factor this fiscal year is estimating final ticket revenue, which may dictate further spending cuts, the magnitude of which is unclear. Basketball revenue and a guaranteed amount of near \$1 million in revenue from a football game has not been recognized. Ms. Metzger said administration will be coming back at the next Finance and Facilities and full Board meeting with a more detailed budget projection of where athletics will end the year. With regard to the \$582.5K athletics debt service obligations, athletics is charged monthly for 1/12 of the total debt service for the year, but much of the revenue to offset the debt service has not yet been recognized: eg. donations with the suite sales, club seats, a portion of the basketball concessions.

Regent Clifford commented he appreciated the update on athletics. He is receiving lots and lots of questions about the athletics budget these days. It is being expected of the regents that they are paying attention to these things. Some very important steps have been made, bringing in Director Nuñez and his CFO who will be starting at the beginning of the year. The regents are monitoring this issue very carefully and taking appropriate steps at their level which is to put the right people in place to help address these problems. But regents need information about it and so this report is helpful and more detail going forward would be appreciated.

PUBLIC COMMENT

Mark Narvaez, PNMGC Graduate Student; Edith Sanchez, PNMGC Lead Project Assistant; Theresah Napetey, PNMGC Project Graduate Assistant; Omkulthoom Kassem, of PNMGC; and Andrea Abeita, Graduate Student in PNMGC, gave public comment on behalf of PNMGC (Project for New Mexico Graduates of Color) to notify the Regents that the Student Fee Review Board's student fee allocation recommendation for the PNMGC program for this next budget cycle is a 50% decrease from last year's, representing a 90% decrease over the previous six years. They urged the Board to reconsider the SFRB's recommendation and added the SFRB protocols need to be reviewed and reworked. PNMGC serves hundreds of students of color; it is a student-led program working to retain students of color through ongoing peer mentoring that provides academic, social, cultural and emotional support. A hard-copy report was also provided to the Regents.

Regent Doughty commented that last year's funding for PNMGC was fully restored by President Abdallah's discretionary fund. He also clarified the Regents have not yet seen the SFRB recommendations and have therefore not yet considered what has been recommended. President Abdallah confirmed the next step in the budget process is for the recommendation to go to the Budget Leadership Team, before coming to the full Board.

ADVISORS' REPORTS

Daniel Parea, Parent Association, reported on recent Parent Association activities including the availability of the 10th annual collectible Holiday Ornament, this year featuring the Centennial Engineering building, sold to raise funds for the Parent Association's Scholarship Fund. Mr. Parea presented an ornament to each of the Regents.

Sally Barker, GPSA Grants Chair, presented a resolution recently passed by GPSA not in support of the Federal HR1 Tax Cut and Jobs Act that is currently in committee. The bill proposes classifying tuition waivers and reduction as taxable income and would therefore affect many at UNM including graduate assistants and teacher assistants.

President Abdallah responded The University has been advocating this through multiple organizations and also with the support of many other universities, and this continues to be closely monitored.

Noah Brooks, ASUNM, reported ASUNM will advocate restoration of Lottery Scholarship funding to NM Legislators during the upcoming legislative session, and they hope to take 10 students, recipients of the Lottery Scholarship, to present for UNM Day the undergraduate research they are doing at UNM. Additionally, results of polling students on campus issues, safety was of most concern, so ASUNM will push for funding for lighting in 'R' lot and 'A' lot, Mr. Books gave the Regents a packet of this year's ASUNM Resolutions. The most recent, Resolution 8F, states ASUNM supports all students' viewpoints and the dialogue that can occur on a college campus, and will allow and enhance freedom of speech, as long as it is safe for students.

Pamela Pyle, Faculty Senate, thanked Regent Quillen for attending the last Faculty Senate meeting and also thanked Craig White for his work as Provost. Ms. Pyle is working with Senator Ortiz Y Pino to create a network of faculty researchers to connect them with legislators with same work and priorities. The senator also attended the last Faculty Senate meeting. Ms. Pyle recently met with Athletic Director, Eddie Nuñez, to discuss the Athletic Council's exit interview process. The council is run by one of the Faculty Senate committees, and the Faculty Senate believes, for the sake of transparency, this process should continue to go through the Faculty Senate.

VOTE TO CLOSE THE MEETING AND PROCEED IN EXECUTIVE SESSION

The vote to close the meeting passed unanimously (1st Lee; 2nd Clifford). The meeting closed at 10:55 AM.

1. Discussion and determination where appropriate of limited personnel matters as permitted by Section 10-15-1(2), NMSA (1978)
2. Discussions of personally identifiable information about an individual student as permitted by Section 10-15-1(4), NMSA (1978)
3. Discussions subject to attorney-client privilege pertaining to threatened or pending litigation as permitted by Section 10-15-1(7), NMSA (1978)
4. Discussion of strategic or long-range business plans of public hospitals as permitted by Section 10-15-1(8), NMSA (1978)

VOTE TO RE-OPEN THE MEETING AND CERTIFICATION THAT ONLY THOSE MATTERS DESCRIBED IN THE CLOSED SESSION AGENDA WERE DISCUSSED DURING CLOSED SESSION

The vote to reopen the meeting passed unanimously (1st Lee; 2nd Adcock). The meeting reopened at 12:38 PM.

There was certification that only those matters described in the closed session agenda were discussed and there was one item upon which action was taken.

The motion to deny the request for the Board of Regents to accept an academic appeal from a former College of Pharmacy student passed with a unanimous vote (1st Lee; 2nd Adcock).

ADJOURN

The motion to adjourn passed unanimously. (1st Lee; 2nd Clifford).

The meeting adjourned at 12:38 PM.

Approved:

Attest:

Robert M. Doughty III, President

Tom Clifford, Secretary/Treasurer

President's Administrative Report

will be presented at the meeting

TAB 4

**Possible Action on a
UNM Press Financial Matter**

*Information and/or materials for this item will be
made available at the meeting*

CONSENT DOCKET

(Action items on Regent's Committee agendas may move to the Board of Regents' agenda as consent items; the below items are placed on the consent docket by the respective committee chairs; items on the consent docket received unanimous approval in committee; per Regents' Policy 1.2, "Any member of the Board of Regents shall have the right upon request to remove any item from the Board's consent agenda and place the item on the Board's regular agenda for discussion.")

1. Finance and Facilities Committee (F&F) Consent Item, *Regent Marron Lee, Chair*
 - a. Approval of Disposition of Surplus Property for Main Campus for December 2017 C-1

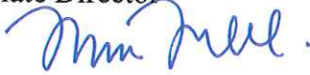


University Services

University Services Business Operations
UNM Surplus Property
UnivServ Shipping and Receiving
UNM Mailing Systems
UNM Records Management
UNM Copy Center
CRLS
<http://www.unm.edu/~univserv/>

Date: December 18, 2017

To: Bruce Cherrin, Chief Procurement Officer
Purchasing Department

From: Marcos Roybal, Associate Director
University Services 

Subject: Surplus Property Disposition – December 2017

Attached for your review and submission to the Board of Regents are the Surplus Property Disposition Detail list for the month of December 2017.

Consistent with UNM Board of Regents Policy 7.9 and the NM Disposition of Surplus Property Act, 13-6-1, NMSA 1978, and based upon documentation submitted by the UNM departments responsible for the equipment, I certify that the equipment identified on the monthly list is worn-out, unusable or obsolete to the extent that the items are no longer economical or safe for continued use by the University. I recommend that the items be deleted from UNM's inventory and disposed of in accordance with the above noted Regents Policy and NM Surplus Property Act.



University Services – Disposition of Surplus Property
December 2017



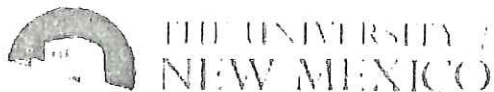
Board of Regents' Finance & Facilities Committee

Surplus Property Disposition - December FY18

| Memo | Asset Tag | Department | Description | Manufacturer | Purchased | Total Cost (\$) | NBV (\$) | Disposal Method |
|------------------------------------|-----------|------------------------------------|-------------------------|--------------|------------|-----------------|----------|----------------------|
| 1 | 800432 | Gallup Bus Management Technology | SIMULATOR (Projector) | American | 3/22/1999 | \$57,400.00 | \$0.00 | Obsolete |
| 2 | N00023062 | Psych Outreach Faculty #05 | Telehealth Equipment | AdvPresent | 10/1/2009 | \$12,725.37 | \$0.00 | Obsolete |
| 2 | N00023063 | Psych Outreach Faculty #05 | Telehealth Equipment | AdvPresent | 10/1/2009 | \$12,725.36 | \$0.00 | Obsolete |
| 4 | N00012200 | CHTM PI #10 | Spectrometer | RoperSci | 6/5/2007 | \$11,934.53 | \$0.00 | Obsolete |
| 3 | N00039100 | AS Biology Gen Admin Chair | Freezer/Upright-86C | ThermoSci | 12/13/2012 | \$10,705.00 | \$0.00 | Too Costly to Repair |
| | N00033293 | UNM Ticketing Services Gen Admin | Server | Dell | 10/4/2011 | \$9,192.31 | \$0.00 | Obsolete |
| | N00040521 | UNM Ticketing Services Gen Admin | Server/PowerEdge R720xd | Dell | 4/19/2013 | \$8,418.43 | \$0.00 | Obsolete |
| | N00034048 | COP PS Faculty #13 | Printer XS925deColor | Lexmark | 12/13/2011 | \$6,750.00 | \$0.00 | Cannibalized |
| | 215424 | KUNM | TRANSLATOR | Larcan | 10/7/1995 | \$6,223.00 | \$0.00 | Obsolete |
| | N00008058 | Gallup Bus Management Technology | Copier | Sharp | 6/29/2006 | \$5,984.00 | \$0.00 | Obsolete |
| | 258463 | Pharmacy Deans Office | PROJECTOR VIDEO | Epson | 10/29/2002 | \$5,607.00 | \$0.00 | Obsolete |
| | 242824 | Pharmacy Deans Office | PROJECTOR | Epson | 7/20/2000 | \$5,434.00 | \$0.00 | Obsolete |
| | 267387 | Gallup Drafting | COPIER | Ricoh | 7/12/2004 | \$5,291.00 | \$0.00 | Obsolete |
| | 178792 | Cancer Research Treatment Ctr CRTC | CONTROL UNIT | Coherent | 8/24/1987 | \$5,000.00 | \$0.00 | Obsolete |
| Total Asset Disposition (#) | | | | | | | | 14 |
| Total Capitalization (\$) | | | | | | | | \$163,390.00 |
| Total Net Book Value (\$) | | | | | | | | \$0.00 |



University Services



University of New Mexico-Gallup
Business & Applied Technology
Calvin Hall Room 167
750 Gurley Avenue
Gallup, NM 87301

To: University Services

Re: Surplus Property Equipment Disposition

Please be advised the listed American JSS 3000 Simulator Projector is no longer in service. This projector was used in a Police Academy at the Gallup campus last operating in 2002. The Police Academy no longer exists, and the projector is now obsolete for current training practices.

We will submit the request to surplus this equipment.

American JSS 3000 Simulator Projector

Model #JSS 3000 Serial # 810315077

Thank you,

A handwritten signature in black ink, appearing to read "Frank Loera", with the date "7-28-2016" written below it.

Frank Loera
Division Chair Business & Applied Technology
University of New Mexico-Gallup
505-928-7705
floera@unm.edu

| Asset | Description | Acq. Cost | NBV | Date |
|--------|---------------------|-------------|------|------|
| 800432 | Simulator Projector | \$57,400.00 | 0.00 | 1999 |



MEMORANDUM

To: UNM University Services
 From: Department Of Psychiatry Org 451
 Subject: Regarding surplus of equipment (N00023062, and N00023063),
 Date: November 6, 2017
 Attachments: Request for surplus of assets

The following Assets (N00023062, and N00023063), Over the years have become obsolete and have been replaced with more up to date Tele-conference data technology. We feel confident that these assets are no longer usable for the department and are requesting these assets to be removed from our inventory. This equipment was used for our Psychiatry Telehealth Network (Grant 3R71J). This grant no longer exist.

If you have any questions please contact Gilbert Cordova at 272-3484

Mauricio Tohen, M.D., DrPH, MBA (Psychiatry Chair)

| Asset | Description | Acq. Cost | NBV | Date |
|-----------|----------------------------|-------------|------|------|
| N00023062 | Video Conference Equipment | \$12,725.37 | 0.00 | 2009 |
| N00023063 | Video Conference Equipment | \$12,725.36 | 0.00 | 2009 |



Christopher A. Johnston, PharmD, PhD
Assistant Professor
Department of Biology

Tel: (505) 277-1567
Fax: (505) 277-0304
E-mail: johnstca@unm.edu

December 6, 2017

To: University Services

Re: Surplus Request for N00039100

I am writing to request a surplus removal of item N00039100. This is a Thermo Ultra Low upright freezer purchased in 2012. The freezer recently failed due to a "High Stage Failure". A technician was called to assess the situation, and his recommendation was that it was not worth the cost of repairs (estimated at >\$7500). All users agreed with this assessment, and as such we are requesting its removal to surplus. Please do not hesitate to contact me if you need any additional details.

Thank you,

Christopher A. Johnston

William Pockman, Chair

12/6/2017
DATE

| Asset | Description | Acq. Cost | NBV | Date |
|-----------|-------------|-------------|------|------|
| N00039100 | Freezer | \$10,705.00 | 0.00 | 2012 |



UNM

CENTER for HIGH TECHNOLOGY MATERIALS

Memo #4

To: University Services

From: Veronica Graven, CHTM

Date: June 21st, 2017

To whom it may concern,

We are looking to dispose of UNM Asset N00012200. This spectrometer is not working and because of this, we no longer can use it for research at our facility. The professor who purchased it has left UNM and no other researcher wishes to spend the money to get the spectrometer to function properly.

If you have any questions, please email me at vgraven@unm.edu

Thank you,

Veronica Graven

Arash Mafi, Interim Director of CHTM

| Asset | Description | Acq. Cost | NBV | Date |
|-----------|--------------|-------------|------|------|
| N00012200 | Spectrometer | \$11,934.53 | 0.00 | 2007 |

New Mexico Compilation Commission

13-6-1 . Disposition of obsolete, worn-out or unusable tangible personal property.

A. The governing authority of each state agency, local public body, school district and state educational institution may dispose of any item of tangible personal property belonging to that authority and delete the item from its public inventory upon a specific finding by the authority that the item of property is:

- (1) of a current resale value of five thousand dollars (\$5,000) or less; and
- (2) worn out, unusable or obsolete to the extent that the item is no longer economical or safe for continued use by the body.

B. The governing authority shall, as a prerequisite to the disposition of any items of tangible personal property:

- (1) designate a committee of at least three officials of the governing authority to approve and oversee the disposition; and
- (2) give notification at least thirty days prior to its action making the deletion by sending a copy of its official finding and the proposed disposition of the property to the state auditor and the appropriate approval authority designated in Section 13-6-2 NMSA 1978, duly sworn and subscribed under oath by each member of the authority approving the action.

C. A copy of the official finding and proposed disposition of the property sought to be disposed of shall be made a permanent part of the official minutes of the governing authority and maintained as a public record subject to the Inspection of Public Records Act [Chapter 14, Article 2 NMSA 1978].

D. The governing authority shall dispose of the tangible personal property by negotiated sale to any governmental unit of an Indian nation, tribe or pueblo in New Mexico or by negotiated sale or donation to other state agencies, local public bodies, school districts, state educational institutions or municipalities or through the central purchasing office of the governing authority by means of competitive sealed bid or public auction or, if a state agency, through the surplus property bureau of the transportation services division of the general services department.

E. A state agency shall give the surplus property bureau of the transportation services division of the general services department the right of first refusal when disposing of obsolete, worn-out or unusable tangible personal property of the state agency.

F. If the governing authority is unable to dispose of the tangible personal property pursuant to Subsection D or E of this section, the governing authority may sell or, if the property has no value, donate the property to any organization described in Section 501(c)(3) of the Internal Revenue Code of 1986.

G. If the governing authority is unable to dispose of the tangible personal property pursuant to Subsection D, E or F of this section, it may order that the property be destroyed or otherwise permanently disposed of in accordance with applicable laws.

H. If the governing authority determines that the tangible personal property is hazardous or contains hazardous materials and may not be used safely under any circumstances, the property shall be destroyed and disposed of pursuant to Subsection G of this section.

I. No tangible personal property shall be donated to an employee or relative of an employee of a state agency, local public body, school district or state educational institution; provided that nothing in this subsection precludes an employee from participating and bidding for public property at a public auction.

J. This section shall not apply to any property acquired by a museum through abandonment procedures pursuant to the Abandoned Cultural Properties Act [18-10-1 to 18-10-5 NMSA 1978].

K. Notwithstanding the provisions of Subsection A of this section, the department of transportation may sell through public auction or dispose of surplus tangible personal property used to manage, maintain or build roads that exceeds five thousand dollars (\$5,000) in value. Proceeds from sales shall be credited to the state road fund. The department of transportation shall notify the department of finance and administration regarding the disposition of all property.

L. If the secretary of public safety finds that the K-9 dog presents no threat to public safety, the K-9 dog shall be released from public ownership as provided in this subsection. The K-9 dog shall first be offered to its trainer or handler free of charge. If the trainer or handler does not want to accept ownership of the K-9 dog, then the K-9 dog shall be offered to an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 free of charge. If both of the above fail, the K-9 dog shall only be sold to a qualified individual found capable of providing a good home to the animal.

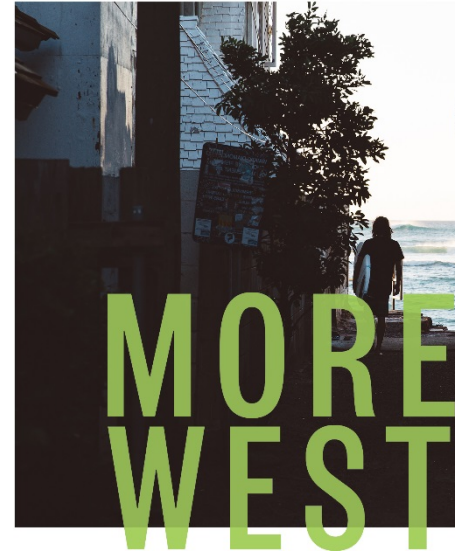
History: 1953 Comp., § 6-1-7.1, enacted by Laws 1961, ch. 100, § 1; 1979, ch. 195, § 2; 1984, ch. 47, § 1; 1987, ch. 15, § 1; 1989, ch. 211, § 6; 1995, ch. 181, § 1; 1998, ch. 16, § 1; 2001, ch. 317, § 1; 2007, ch. 57, § 4; 2012, ch. 10, § 1; 2013, ch. 9, § 1.

TAB 5

Approval of the FY17 University Consolidated Financial Statements External Audit Report by Moss Adams and KPMG

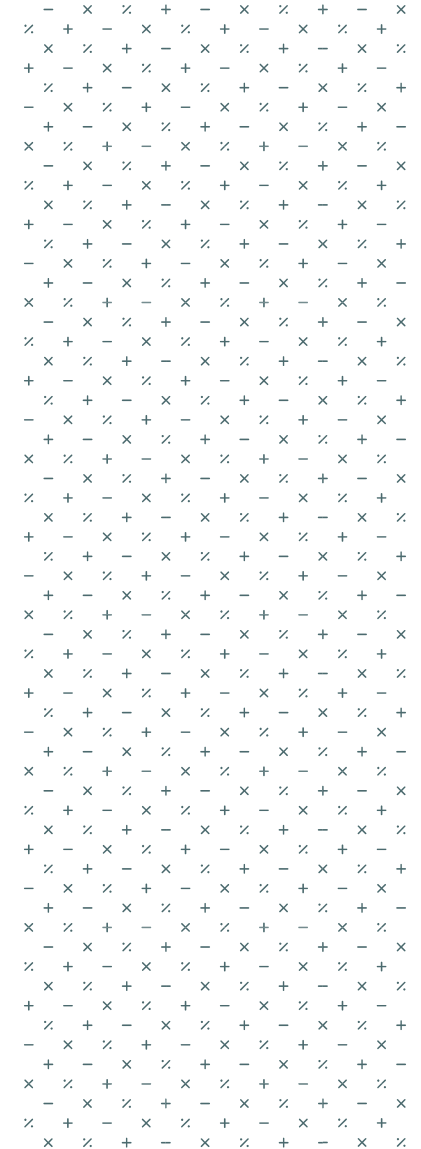
*The audit reports can be accessed electronically via
the following link:*

<https://fsd.unm.edu/annual-reports.html>



2017 Audit Results

Better Together: Moss Adams & University of New Mexico





Agenda

1. Auditors' Role
2. Summary of Audits
3. Auditor Opinions and Reports
4. Communication with Those Charged with Governance
5. Other Information



Auditor's Role

Roles of Moss Adams and KPMG

Moss Adams is responsible for:

UNM main campus and branches financial statement audit— Single Audit of Federal Expenditures – entity-wide— for all non-clinical component units and departments— The Moss Adams reports on consolidated financials and internal controls refer to portions clinical operations that are audited by KPMG.

KPMG is responsible for:

UNM Hospital, UNM Behavioral Operations, UNM Medical Group, and SRMC

Financial Statement Audits – Audits performed in accordance with:

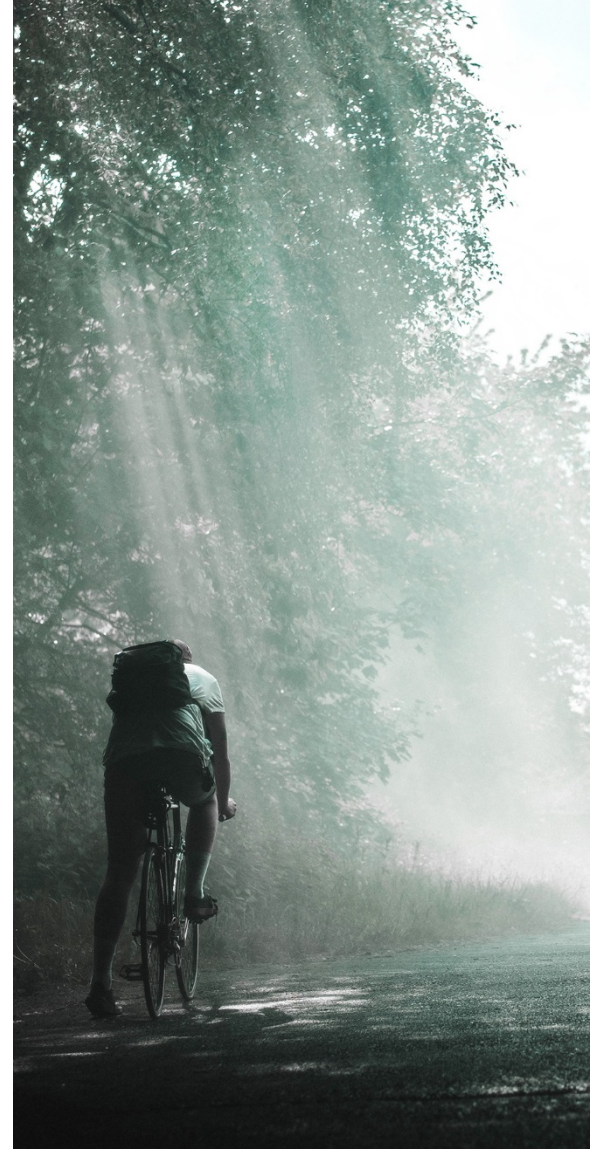
- Generally Accepted Auditing Standards
- Government Auditing Standards
- New Mexico State Auditor Rule 2.2.2 NMAC

Federal Grant Compliance Audit – audits of federal grants performed in accordance with OMB Uniform Guidance (Single Audit)

- Major programs tested: Student Financial Assistance Cluster (Various CFDAs)
- Includes follow up on prior year compliance findings related to the R&D Cluster



Summary of Audits





Auditor Opinions & Reports



Unmodified Opinion

Financial statements are presented fairly and in accordance with US GAAP (pg. 3)

Unmodified Opinion

GAGAS Report on Internal Control Over Financial Reporting and on Compliance and Other Matters (pg. 146)
(GAGAS reports issued at the component levels vary from the consolidated report)

Unmodified Opinion

Report on Compliance with Requirements that could have a Direct and Material Effect on the Major Federal Programs and on Internal Control Over Compliance in accordance with the Uniform Guidance for Federal Awards (2 CFR Part 200) (pg. 148)



Prior Year Audit Findings (summary on pg. 150)



Finding 2016-001. Procurement Supporting Documentation

Current Status: Resolved

Finding 2016-002. Terminated Employee Documentation Process – Control Deficiency

Current Status: Resolved

Finding 2016-003. Equipment Tagging Process – Control Deficiency

Current Status: Resolved

Finding 2016-004. Formalized Review of all Soarian Users – Control Deficiency – UNM Hospital, UNM Behavioral Health Operations, and Sandoval Regional Medical Center

Current Status: Resolved

Finding 2016-005. Cash Disbursement Process – Control Deficiency - The Robert O. Anderson Schools of Management Foundation

Current Status: Resolved



Prior Year Audit Findings (summary on pg. 150)



Finding 2016-006. Journal Entry Review Process – Material Weakness at the Individual Component Unit Level – STC.UNM

Current Status: Resolved

Finding 2016-007. Review of Account Reconciliations – Material Weakness at the Individual Component Unit Level – STC.UNM

Current Status: Modified and repeated as 2017-006. (pg. 159)

Finding 2016-008. Journal Entry Review Process – Material Weakness at the Individual Component Unit Level – Innovate ABQ, Inc.

Current Status: Resolved

Finding 2016-009. Investments-Related Balances – Material Weakness at the Individual Component Unit Level – The University of New Mexico Alumni Association

Current Status: Resolved

Finding 2016-010. Year-End Procedures – Control Deficiency – The University of New Mexico Alumni Association

Current Status: Resolved



2017 Audit Findings- Financial Statement and Compliance



Basic financial statements (pg. 152) - None

Federal Award Findings and Questioned Costs (pg. 153) – None

2017 Audit - Section 12-6-5 NMSA 1978 Findings



2017-001. Terminated Employee Documentation Process – Control Deficiency – UNM Hospital and Sandoval Regional Medical Center (p. 154)

Notification of employee terminations was not always provided in a timely manner to the IT department. Three employees at the Hospital and three employees at SRMC for whom access to the Millennium system was not timely disabled after termination. We verified that none of these employees recorded any activity in Millennium subsequent to their termination.

University Response

The Hospital's Human Resources is modifying the termination process to trigger immediate notification from the HR system directly to the e-mail distribution list for IT account disabling. The Hospital's Human Resources is also going to communicate to Hospital management the process and requirements for employee separation checklists. This process was implemented in August 2017 and is the responsibility of the Hospital's Human Resources Administrator.

SRMC's Human Resources will initiate an e-mail to a specific distribution list to notify system owners of SRMC employees leaving the organization as soon as SRMC's HR department is notified of employees leaving. Additionally, the Hospital's IT Helpdesk Manager has implemented a tracking process for all termination notifications to include the Helpdesk personnel that acknowledge the notification. The Helpdesk Manager will ensure all termination notifications received from the distribution list are acknowledged and documented on a weekly basis. This process was implemented in August 2017 and is the joint responsibility of the SRMC Executive Director of Human Resources and the Manager of PC and Customer Support. The Executive Director of Human Resources and the Executive Director of System Development and IT ensured a corrective action plan was implemented.

2017 Audit - Section 12-6-5 NMSA 1978 Findings



2017-002. Charity Care – Control Deficiency – UNM Behavioral Health Operations (p. 155)

Of the five charity care patient transactions sampled, one patient was provided medical services under the charity care policy after that patient’s eligibility period for charity care had expired.

University Response

This particular patient was being seen for a series of treatment encounters. During the course of the treatment, the patient’s eligibility for charity care expired and was not renewed. The Finance Director for Behavioral Health Revenue Cycle Operations provided refresher training in September 2017 to all registration staff regarding the process for checking eligibility for every visit as well as scheduling patients with expired coverage to meet with a financial counselor to renew financial assistance coverage.



2017 Audit - Section 12-6-5 NMSA 1978 Findings



2017-003. Evaluation of Accounting Requirements for Unusual Transactions – Material Weakness at the Individual Component Unit Level – University of New Mexico Medical Group (p. 156)

UNMMG qualifies to receive incentive payments under the “meaningful use” Medicare and Medicaid programs. In fiscal year 2017, UNMMG recognized meaningful use revenue when incentive cash payments were received. However, in accordance with GAAP, the revenue should have been recognized in fiscal year 2016 when UNMMG satisfied the criteria for revenue recognition. The June 30, 2016 financial statements were restated to record \$7.8 million of meaningful use revenue in the correct period. In addition, an audit adjustment was proposed to accrue \$1.8 million of meaningful use revenue at June 30, 2017.

University Response

UNMMG Controller will meet with the Director of Meaningful Use on a quarterly basis beginning in October 2017 to review the list of providers and evaluate the criteria needed to recognize meaningful use revenue. An accrual will be recorded if the criteria has been met. In addition, a procedure outlining the process was developed and implemented effective October 1, 2017.



2017 Audit - Section 12-6-5 NMSA 1978 Findings



2017-004. Capital Assets – Material Weakness at the Individual Component Unit Level – Innovate ABQ, Inc. (p. 157)

Construction costs related to a building renovation were recorded as an expense, rather than capitalized to construction in process. This resulted in an overstatement of expense, and an understatement of capital assets.

Additionally, during the fiscal year ended June 30, 2017, a portion of a building was demolished. The demolition was not recorded as a disposal, and after demolition the portion of the building continued to be depreciated. Audit adjustments were required to correct the balances.

University Response

Innovate ABQ will retain an outside accounting firm annually to review and ensure that all capital asset additions and disposals are identified and properly recorded. The President and Audit Committee Chair will ensure that a firm is secured by February 1, 2018.

2017 Audit - Section 12-6-5 NMSA 1978 Findings



2017-005. Financial Control and Reporting Process – Control Deficiency – The Robert O. Anderson Schools of Management Foundation (pg. 158)

Anderson Foundation did not reconcile all accounts prior to the audit causing 14 client adjustments to the trial balance. These adjustments while not material impacted unearned/earned revenue and overall net income. In addition, the adjustments delayed the process of receiving the draft financial statements.

University Response

The Foundation Fiscal Officer and the Accountant II will make changes to the Sage processes such as how the initial receivable and the prepayments from the MBA-ED and EMBA students are handled. Additional reconciliations, to be determined, will be assigned to the Accountant II. The Foundation Fiscal Officer will explore ways to post revenues and expenses electronically to Sage, rather than manually. Posting manually has added significantly to the workload.

The Foundation Fiscal Officer and staff immediately implemented the changes. The majority of the accounts will be reconciled monthly. The exception will be revenue from EPEC degreed and non-degreed programs. The EPEC revenue accounts will be reconciled quarterly to coincide with the Anderson Foundation Board of Director meetings.



2017 Audit - Section 12-6-5 NMSA 1978 Findings



2017-006. Accruals and Account Reconciliations – Material Weakness at the Individual Component Unit Level – STC.UNM (pg. 159)

STC.UNM does not have proper controls in place related to accrual entries and account reconciliations resulting in numerous audit adjustments.

University Response

STC.UNM agrees with the auditors' finding. STC.UNM's Controller has implemented a new policy, which was approved by the STC.UNM Board Finance and Compensation Committee on October 19, 2017, where it keeps a contract brief for all license and option agreements summarizing the terms as well as detailing payment due obligations and accrual amounts. Implementation will begin immediately on all new agreements at time of execution, and STC.UNM will retroactively create such briefs on past agreements reconciling the Due to UNM and Due to Royalty accounts to determine validity of payables. Contract briefs on all agreements will be implemented by the end of December 2017 and will be created by the STC.UNM Accounting Coordinator, reviewed, and approved by the STC.UNM Controller, with final review and approval performed by the STC.UNM President & CEO.



2017 Audit - Section 12-6-5 NMSA 1978 Findings



2017-007. Lack of Policies & Procedures – Significant Deficiency – STC.UNM (pg. 161)

STC.UNM failed to adopt certain accounting policies and procedures. We noted there were no policies and procedures related to in-kind expenses, finance charges for late payments on receivables, allowance and write-off of accounts receivable balances and payments related to Due to UNM and due to royalties.

University Response

STC.UNM agrees with the auditors' finding. STC.UNM will prepare policies and procedures for all significant accounts to assist with ensuring that STC.UNM is accountable and consistent in applying generally accepted accounting principles. Policies and procedures will be drafted by the STC.UNM Controller and approved by the STC.UNM President & CEO. The policies and procedures will be in place by the end of December 2017.



2017 Audit - Section 12-6-5 NMSA 1978 Findings



2017-008. Monitoring of Contract Compliance – Control Deficiency – UNM (pg. 162)

UNM Athletic Department entered into contracts with a third-party vendor related to Multi-Media Rights, Sponsorship Rights, and Licensing Agreements. Under the executed contracts with the third-party vendor, we noted that the third-party vendor paid \$256,000 less than the agreed upon amount to UNM, over the period of two fiscal years. It was noted that UNM was in the process of negotiating a new proposed and amended contract and the payments received were in compliance with this unexecuted agreement. Therefore, UNM has not effectively monitored contract compliance executed contracts, which has led to an uncollected balance due to UNM.

University Response

Management agrees with the finding and the Athletic Director has immediately implemented contract administration standards that require written execution of contract amendments prior to implementation of the amendments. The underpayment amount has been communicated to the third-party vendor by the Athletic Director, and an invoice will be generated and delivered.



2017 Audit - Section 12-6-5 NMSA 1978 Findings



2017-009. Internal Policy Compliance – Control Deficiency – UNM Alumni Association (pg. 163)

The Alumni Association did not follow Regents' Policy 7.12 and seek Board of Regents' approval on projects costing more than \$300,000, prior to the start of construction of its courtyard project.

University Response

The Alumni Association concurs with the recommendation. In the future, the Alumni Association will follow Regents' Policy 7.12 and will obtain the Board of Regent's approval for any construction projects. The Executive Director of the Alumni Association will coordinate with the appropriate University project management personnel at the beginning of any construction projects which may be considered and obtain a timeline and proposed cost which will then be presented to the Board of Regents in advance for review and approval. At this time, no construction projects are anticipated in the near future.



2017 Audit - Section 12-6-5 NMSA 1978 Findings



2017-0010. Pledged Collateral Noncompliance- Control Deficiency – UNM - State Audit Rule - (pg.164)

Cash and cash equivalents with a balance of \$306,140 at June 30, 2017, invested with one issuer, was not collateralized as required by New Mexico State Statute.

University Response

Management agrees with the finding and has assigned the responsibility of these transfers from the branch account to the University account to the University Treasurer. The University Treasurer obtained the transfer access in August of 2017, and since that time the Los Alamos bank account balance has not exceeded the FDIC insurance limit.



Summary of Audit Results, continued



NM State Audit Rule (NMAC 2.2.2) Testwork

Except as noted in finding 2017-02 and 2017-10, no other deficiencies were noted in our samples selected for testwork

Other Supplemental Testwork

- P-Card controls and compliance
- Intercompany Eliminations

No deficiencies were noted in our samples selected for testwork

Other Matters

- UNM Medical Group –Lovelace UNM Rehabilitation Hospital (LURH) Joint Venture
- UNM Hospital and SRMC – Debt Covenant Compliance
 - Waiver letters from HUD were obtained



Communication with Those Charged with Governance



COMMUNICATION WITH GOVERNING BODY

Adoption of New Accounting Policies and Pronouncements

State Land Grant Policy Change

The Effective July 1, 2016, the State of New Mexico (State) changed its policy regarding the presentation of the Land Grant Permanent Fund (LGPF) within the State's Comprehensive Annual Financial Report (CAFR). The State's institutions of higher education have a beneficial interest in the LGPF. As a result, this change in policy will no longer permit institutions of higher education to record their respective beneficial interests in LGPF as an asset within their stand-alone financial statements. Accordingly, the University has removed its respective beneficial interest in the LGPF as of July 1, 2016. The following table presents the impact of the change in accounting principle on the University's net position.

| | |
|---|----------------------|
| Net position as previously reported at June 30, 2016 | \$ 818,371,376 |
| Impact of eliminating the University's LGPF beneficial interest | <u>(202,729,929)</u> |
| Net position as reported at July 1, 2016 | \$ 615,641,447 |





COMMUNICATION WITH GOVERNING BODY

Adoption of New Accounting Policies and Pronouncements

GASB 80

GASB Statement 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*. This Statement amends the blending requirements in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*, by adding criterion that requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion in this Statement resulted in the blending of six component units of the University that were previously presented discretely; STC.UNM, Innovate ABQ, Inc., Lobo Development Corporation, Lobo Energy, Inc., UNM Medical Group, Inc., and UNM Sandoval Regional Medical Center, Inc. Changes were applied retroactively by restating the financial statements for all prior periods presented.

Combined Statements are included in the financial statements.

Blending of Component Units under GASB 80 has been approved by the State Auditor Office.



COMMUNICATION WITH GOVERNING BODY

Adoption of New Accounting Policies and Pronouncements

GASB 74

GASB Statement 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. GASB Statement 74 replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended*, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. This Statement is applicable to the VEBA Trust, a blended component unit of the University that is presented as a fiduciary fund in the University's financial statements, and resulted in enhanced note disclosures (note 17) and schedules of required supplementary information (schedules 3 through 5) related to the VEBA Trust.

GASB 77

Statement No. 77, *Tax Abatement Disclosures*, establishes financial reporting standards for tax abatement agreements entered into by state and local governments. Footnote disclosures were added to the three hospital financial statements. Total tax abatements combined for the three hospitals approximated \$850,000.



Contact Us



Moss Adams – Main Campus and Non-Clinical Operations:

- Lisa Todd, Partner
(UNM financial statement audit, single audit and component units) –
lisa.todd@mossadams.com
505-837-7653
- Scott Simpson, Concurring Partner
- Amy Carter, Senior Manager
(UNM financial statement audit, UNM Single Audit)
- Sheila Herrera , Senior Manager
(STC.UNM, Lobo Development, Innovate ABQ,KNME, KUNM, and NCAA)
- Corrine Zajac-Clarkson, Manager
(UNM Foundation and Anderson Schools of Management Foundation)

KPMG–Clinical Operations (UNM Hospital, UNM Behavioral Health, UNM Medical Group, SRMC):

- John Kennedy, Partner
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- Mark E. McComb, Concurring Partner
- Jaime C. Cavin, Senior Manager
- Ruth Senior, Manager



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Assurance, tax, and consulting offered through Moss Adams LLP. Wealth management offered through Moss Adams Wealth Advisors LLC. Investment banking offered through Moss Adams Capital LLC.



THANK
YOU

TAB 6

UNM Hospital Capacity Status

*Information and/or materials for this item will be
provided at the meeting*



A COMPREHENSIVE REVIEW OF THE REGENTS' POLICY MANUAL Presentation by Pamina Deutsch to ASAR on January 11, 2018

The policies in the Regents' Policy Manual authorize other types of policies, such as those in the University Administrative Policies and Procedures Manual, the Faculty Handbook, and the Pathfinder, all of which implement the Regents' policies.

Most of the 106 policies in the Regents' Policy Manual have not been revised since 1996, when the manual was first issued. The manual needs to be updated to reflect current titles and practices. Updating the manual is especially critical now due to the key role that policies play in evidence-gathering and other activities associated with the Higher Learning Commission's reaffirmation of UNM's accreditation.

When the Regents' Policy Manual was issued in 1996, it was with the expectation that it would be subject to regular reviews and updates. To that end, there were several attempts to review the manual in a comprehensive way in the intervening twenty plus years. None of the attempts, however, succeeded until now.

Last semester, a small dedicated committee of faculty, staff, administrators, and retirees completed a comprehensive review of the Regents' Policy Manual. The committee met 22 times in 2016 and 17 times in 2017, reaching out to subject matter experts as needed. The members of the Regents' Policy Review Committee were:

- Melanie Baise, former Associate University Counsel
- Marsha Baum, Professor, School of Law
- Pamina Deutsch, Director, UNM Policy Office
- Kenedi Hubbard, University Secretary
- Elizabeth Hutchison, Professor, History Department
- Mallory Reviere, Special Assistant to the Board of Regents
- Bonnie Leigh Reifsteck, University Policy Specialist, UNM Policy Office
- John Trotter, Vice Chancellor Emeritus, HSC
- Amy Wohlert, Chief of Staff, President's Office (until her retirement on July 31, 2017)

Toward the end of the process, members of the committee met with each of the Regents, one or two at a time, to explain the committee's methodology and showcase a sampling of the policy revisions. Additionally, the Office of University Counsel reviewed the policy drafts for legal sufficiency.

In October 2017, the policy drafts were forwarded to the Regents for their review. Each Regent was provided with a clean copy of the proposed revisions, as well as a track-changes version. When we forwarded the policy drafts to the Regents, we suggested a timeline for their review and eventual approval, based on the successful three-month-long process the Regents used in 1996 to review and approve the initial version of the manual. Under the suggested plan:

- Regents were to be provided with the policy drafts in early October.
- If Regents had any comments on the policy drafts, they were to forward them to me via email or to meet with me individually to discuss their comments.
- I was to share any comments with the other Regents via email and, as appropriate, attach an updated draft that incorporated the comments.
- The Regents were to complete their review of the draft policies prior to voting on them at a full Board of Regents meeting.
- During the full Board meeting, the Regents would discuss the draft policies in open session, resolve any unresolved matters related to the policy drafts, and then vote to approve the revised manual.

The Regents' Policy Review Committee's revisions are primarily technical in nature, rather than substantive. Several policies were consolidated, reducing the total number of policies to 92 from the current 106. Policies that were written in high legalese were simplified to provide greater transparency, including Regents' Policy 3.4 which now for the first time clearly details the academic and clinical components of the Health Sciences Center.

In order to keep the manual current in the future, a new policy authorizes the Policy Office to make non-substantive updates as needed without seeking the Regents' approval.

Link to Proposed Regents' Policy Revisions with Track-Changes:

<http://regents.unm.edu/meetings/documents/2018/regents-policy-manual-track-changes.pdf.pdf>

Link to Proposed Regents' Policy Revisions – Clean Copy:

<http://regents.unm.edu/meetings/documents/2018/regents-policy-manual-clean-copy.pdf>

**MEMORANDUM TO ADVANCE
COMMITTEE AGENDA ITEM TO
THE BOARD OF REGENTS
THE UNIVERSITY OF NEW MEXICO**

DATE: November 17, 2017

TO: David W. Harris, EVP for Administration, COO & CFO

FROM: Chris Vallejos, AVP Institutional Support Services
Lisa Marbury, Executive Director, Institutional Support Services

RE: Requested Approval

RECOMMENDED ACTION:

Recommend to the Board of Regents Finance and Facilities Committee the following:

1. Request for Project Approval for UNM Gallup Physical Plant Facility

Please see attached summary.

cc: R. Henrard, A. Coburn, C. Martinez, N. Dominguez, M. Dion, M. Probasco – PDC

REQUEST FOR CAPITAL PROJECT APPROVAL for UNM GALLUP PHYSICAL PLANT FACILITY

UNIVERSITY OF NEW MEXICO

November 7, 2017

REQUESTED ACTION:

In accordance with Section 7.12 of the Board of Regents Policy Manual and as required by the New Mexico Higher Education Department and New Mexico State Board of Finance, project approval is requested for the Physical Plant Facility project at the UNM Gallup Campus.

PROJECT DESCRIPTION:

The new Physical Plant facility will be approximately 7,300 GSF of new single-story construction, including approximately 3,500 net SF of warehouse space. The building will provide staff offices for the Physical Plant Department (PPD) administrative staff, PPD field staff support, the campus plan room, staff work stations for logging maintenance performed, a conference room, employee training room, and the campus lock shop.

The working warehouse will include high bay garage doors for delivery and shop access. Secured storage is required for campus-wide inventory of typical consumables; office supplies, cleaning supplies, Physical Plant machinery and equipment, general Physical Plant maintenance storage, and a small engine repairs shop. The location of the new building is consistent with the campus master plan and will further the development of the south portion of the campus in a logical manner.

PROJECT RATIONALE:

This project will allow the Physical Plant to vacate the undersized building they currently share with the Gallup Campus Child Care services, which is an inappropriate co-location that forces shared access driveways and walking areas with children and heavy equipment. Additionally, the current siting of their facility poses additional hazards. The building's main entrance – which includes both pedestrian, vehicle, and service access – exits onto a steep drive with multiple blind spots, creating risk of collision and injury. The functions of PPD are incompatible with those of the childcare center for many obvious reasons, including life safety.

The UNM-Gallup PPD is responsible for the maintenance and operations of facilities, equipment, and infrastructure on the Gallup campus. Additionally, PPD oversees the procurement and storage of bulk office items, maintains record drawings of campus facilities, and implements signage and wayfinding.

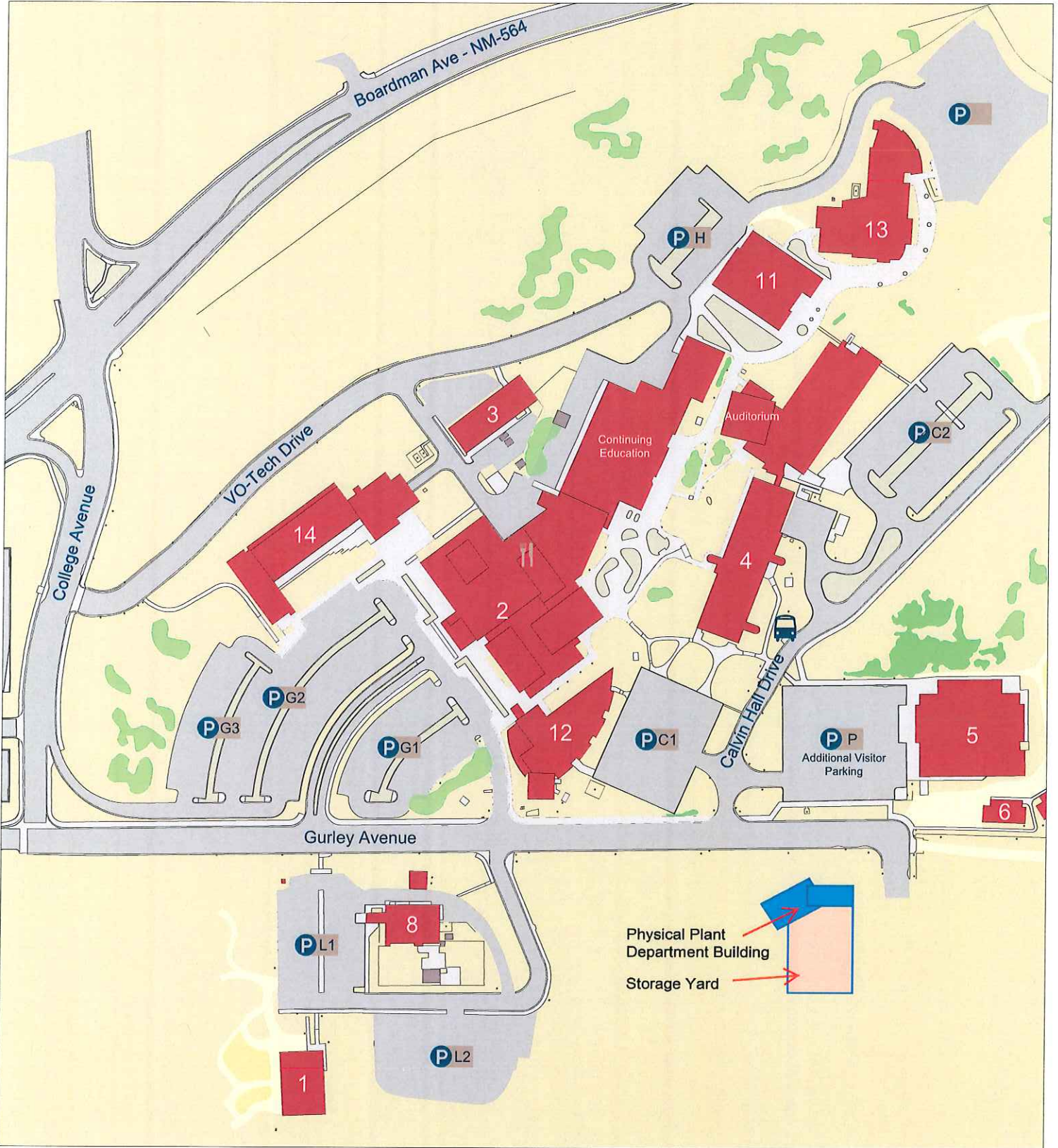
The new location will provide easy access for vehicular deliveries and is centrally located with the campus in order to provide efficient access by maintenance personnel to the Gallup Campus.

The new location is consistent with the campus long range plan for campus development and allows for a logical development of the area including future academic facilities.

FUNDING:

The total estimated Project Budget is \$2,000,000.00:

- \$1,500,000.00 is funded from GOB SB 122, 2016 Capital Projects.
- \$500,000.00 is funded from 2012 McKinley County Bonds.

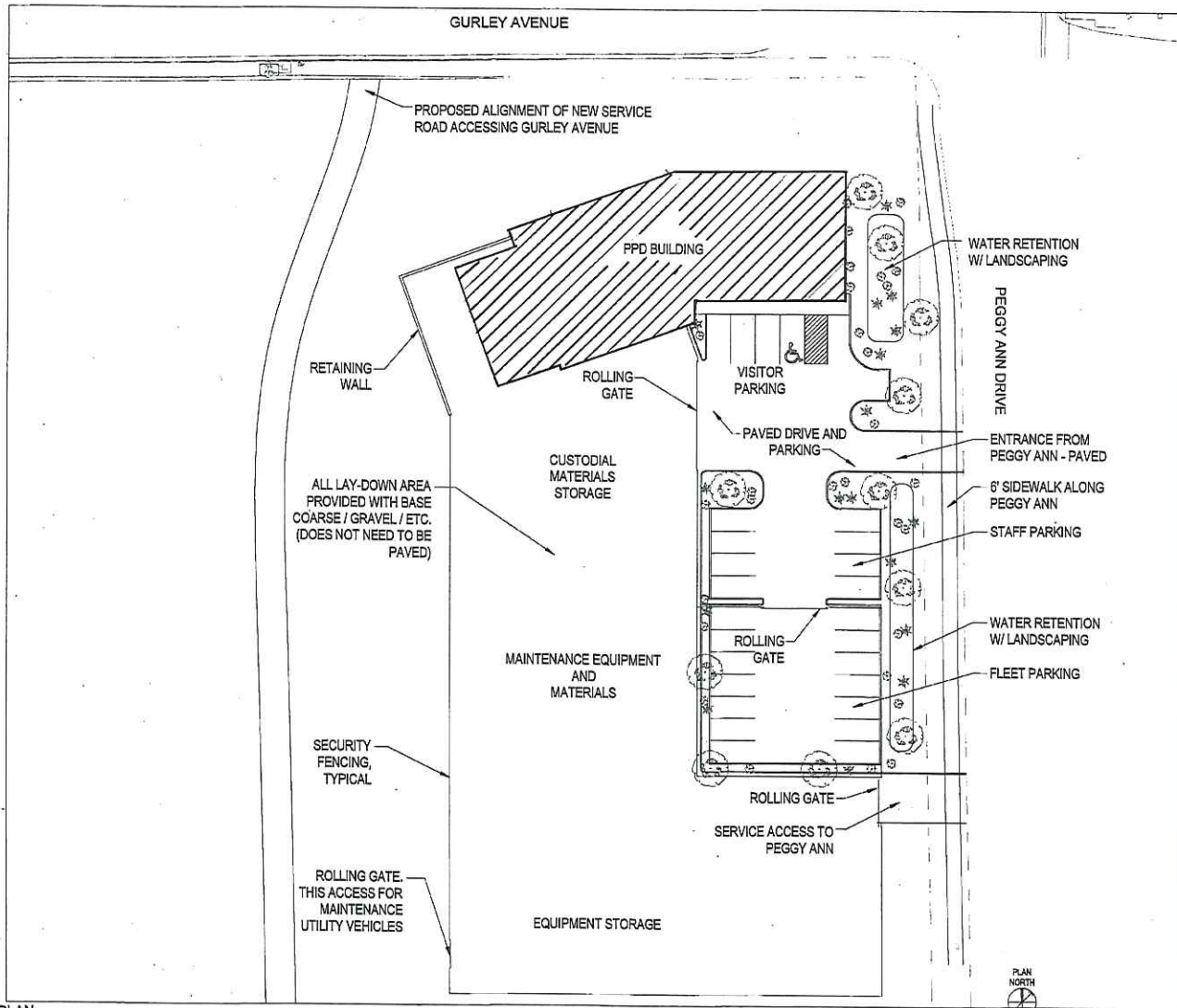


- 1 Lions Hall
- 2 Gurley Hall
Information Center | Student Center
Campus Police | College Bookstore
Lobo Learning Center
Career and Job Placement
Center
Ingham Chapman Art Gallery

- 3 Construction Technology
- 4 Calvin Hall Center
Classrooms | Auditorium
- 5 Physical Education / Gymnasium
- 6 Middle College High School
- 8 Childcare Facility | Physical Plant
Key Shop
- 11 Health Careers

- 12 Zollinger Library
- 13 Nursing
- 14 Student Services and Technology
Center
Admissions | Registrar | Bursars
Office

-  Parking
-  UNM Building
-  Food Services
-  Bus Stop



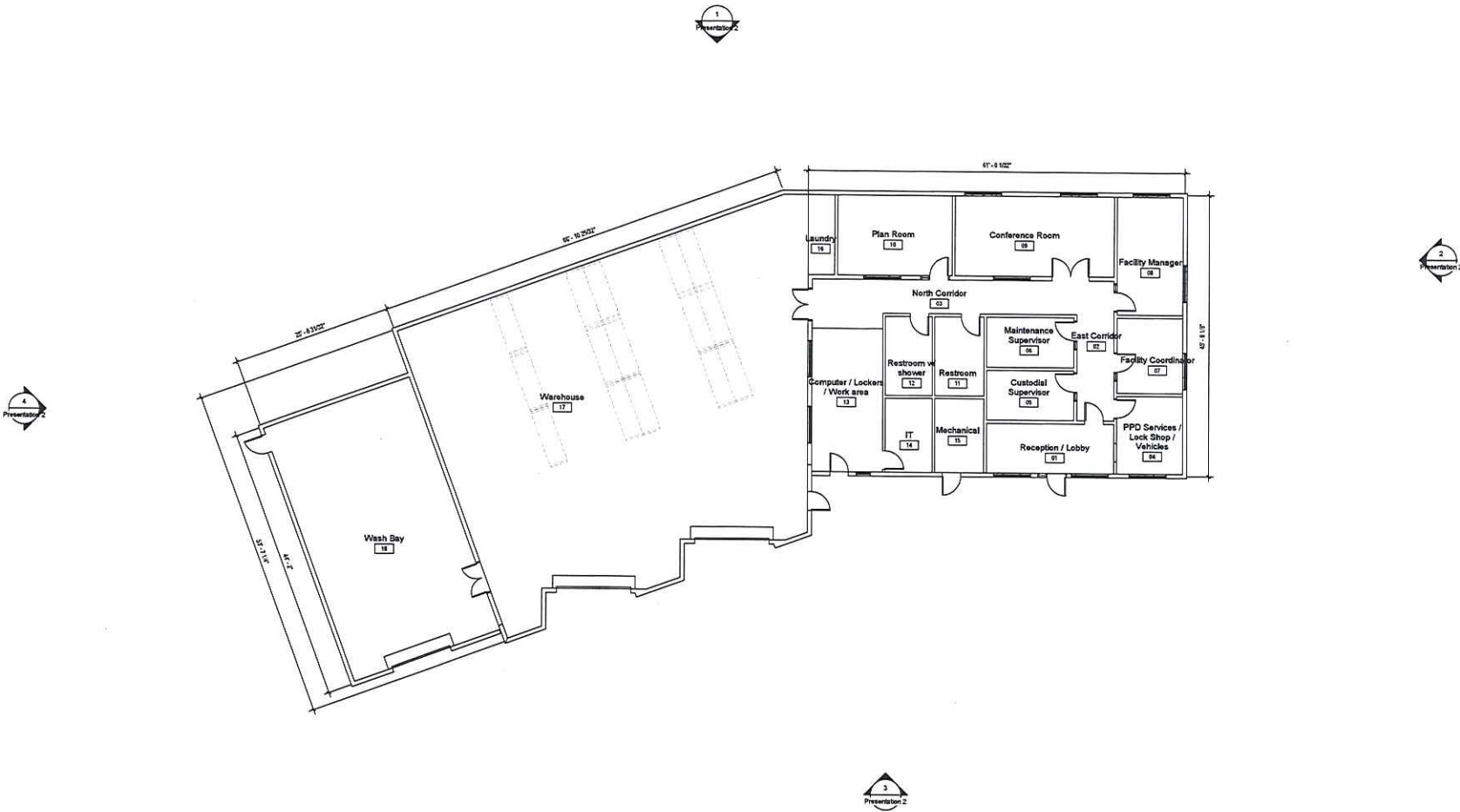
SCHEMATIC DESIGN - SITE PLAN

University of New Mexico

Gallup Campus PPD

UNM PCD
11/01/17

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ARCHITECTURAL GROUP, P.C.
WWW.VA-ARCHITECTS.COM



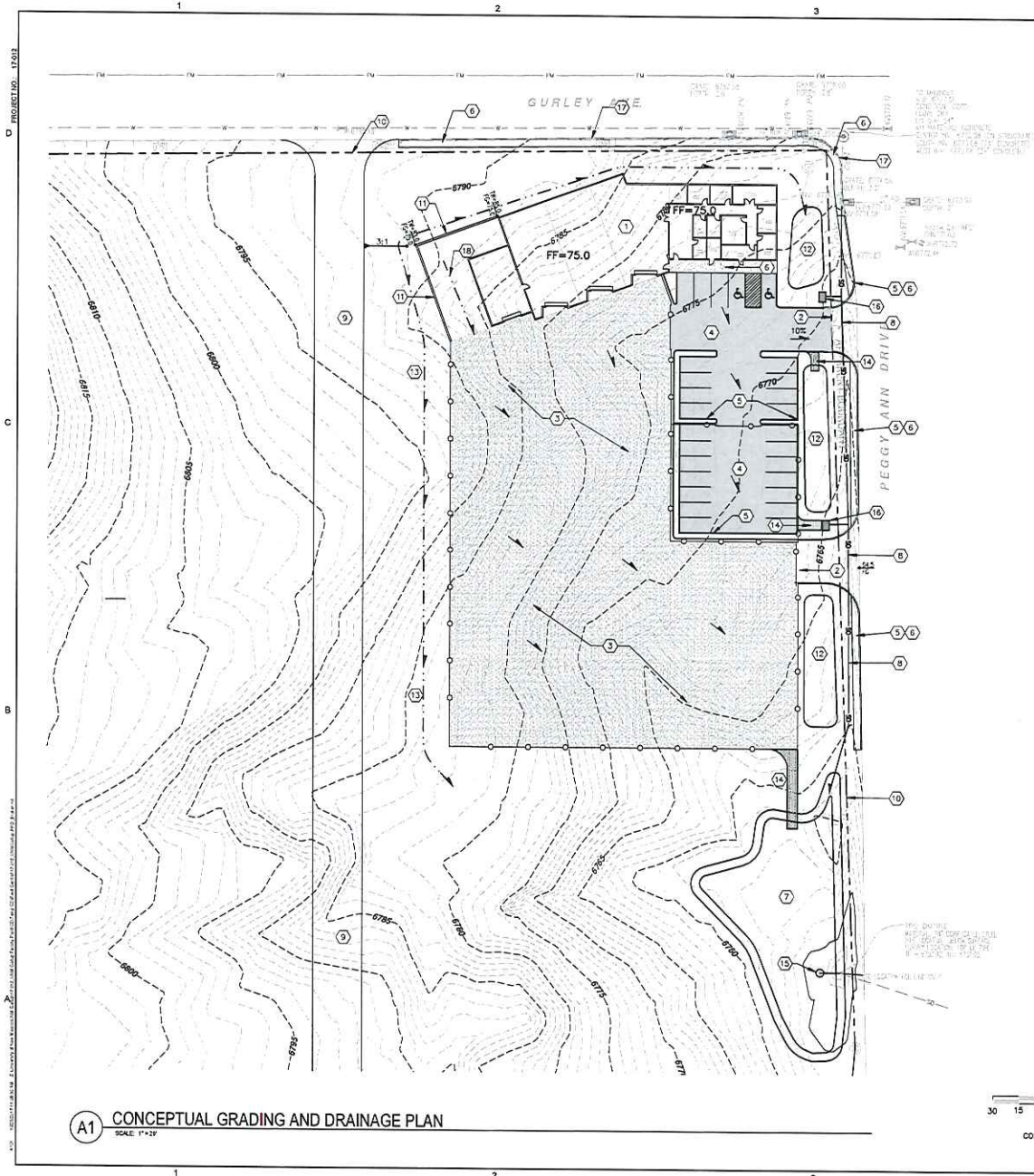
SCHEMATIC DESIGN - FLOOR PLAN
1/8" = 1'-0"

University of New Mexico

Gallup Campus PPD
UNM PCD
11/01/17



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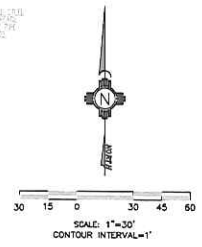
LEGEND:

- | | | | | |
|-----|---|-----|------------------------|------------------------|
| SP | PROPOSED SPOT ELEVATIONS (FINISHED GRADE) | --- | GRADE BREAK-HIGH POINT | |
| ME | MATCH EXISTING ELEVATIONS | --- | SWALE | |
| TC | TOP OF CONCRETE | --- | SD | STORM DRAIN LINE |
| FL | FLOW LINE, CURB | --- | --- | PROPOSED MAJOR CONTOUR |
| INV | INVERT | --- | --- | PROPOSED MINOR CONTOUR |
| FG | FINISH GRADE | --- | --- | EXISTING MAJOR CONTOUR |
| TBC | TOP OF BASE COURSE | --- | --- | EXISTING MINOR CONTOUR |
| TC | TOP OF CURB | --- | --- | |
| TD | TOP OF GRADE | --- | --- | |
| TA | TOP OF ASPHALT | --- | --- | |
| FA | FLOW ARROW | --- | --- | |

KEYED NOTES

- 1) NEW BUILDING, SEE ARCHITECTURAL DRAWINGS.
- 2) NEW ENTRANCE.
- 3) NEW BASE COURSE.
- 4) NEW HOT MIX ASPHALT.
- 5) NEW CONCRETE CURB AND GUTTER.
- 6) NEW SIDEWALK.
- 7) NEW CENTRAL DETENTION POND.
- 8) NEW 24" SD PIPE.
- 9) NEW UTILITY ACCESS ROAD.
- 10) APPROXIMATE LOCATION OF PROPERTY LINE.
- 11) NEW RETAINING WALL.
- 12) NEW WATER QUALITY POND.
- 13) NEW DIVERSION SWALE.
- 14) NEW CONCRETE RUNDOWN.
- 15) NEW STAND PIPE RISER WITH TRASH RACK.
- 16) NEW INLET.
- 17) EXISTING CURB AND GUTTER TO REMAIN.
- 18) NEW EARTHEN SWALE.

A1 CONCEPTUAL GRADING AND DRAINAGE PLAN
SCALE: 1"=20'



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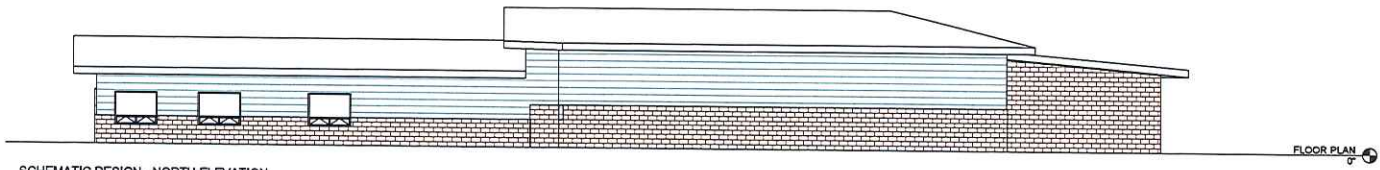
Project Status

University of New Mexico
UNM GALLUP FACILITY PLANT
 UNM PCD

| | |
|-------------------|------------|
| Date: | Issue Date |
| Drawn By: | Author |
| Checked By: | Checker |
| Printed: | |
| Revision Schedule | |
| | |
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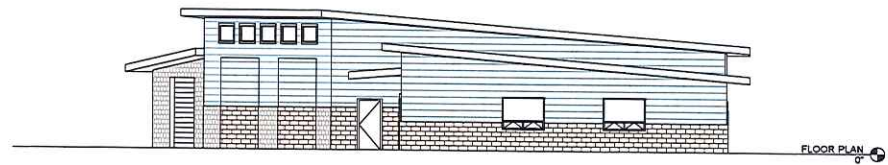
C101

CONCEPTUAL GRADING AND DRAINAGE PLAN project no. 17-012



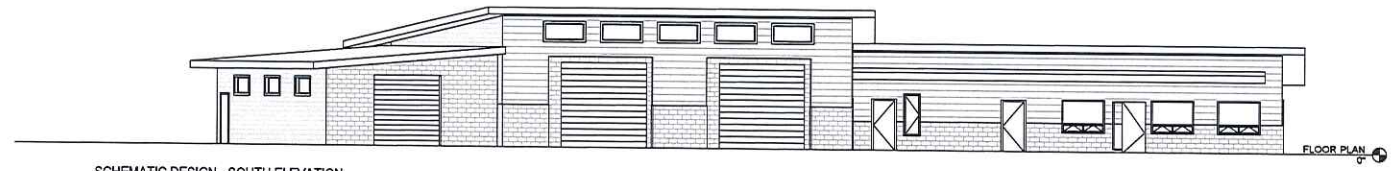
SCHEMATIC DESIGN - NORTH ELEVATION
1/8" = 1'-0"

FLOOR PLAN



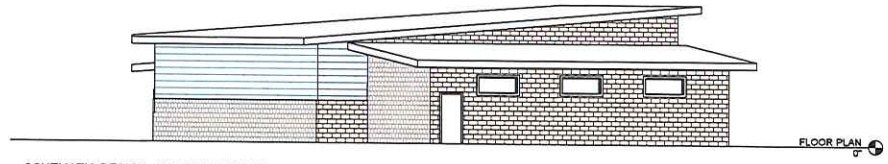
SCHEMATIC DESIGN - EAST ELEVATION
1/8" = 1'-0"

FLOOR PLAN



SCHEMATIC DESIGN - SOUTH ELEVATION
1/8" = 1'-0"

FLOOR PLAN



SCHEMATIC DESIGN - WEST ELEVATION
1/8" = 1'-0"

FLOOR PLAN

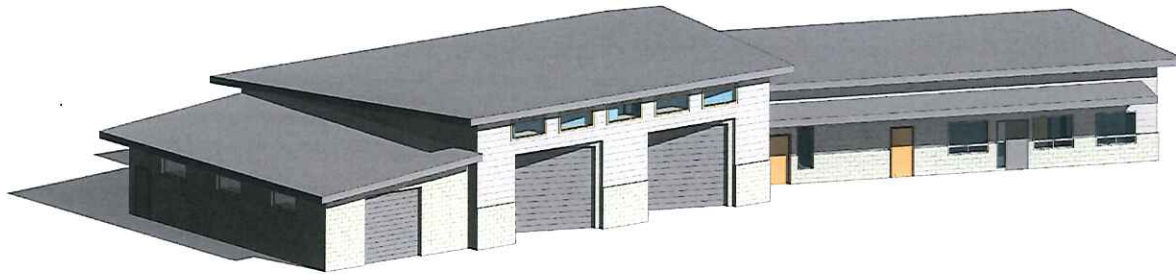
University of New Mexico
BUILDING ELEVATIONS

Gallup Campus PPD
UNM PCD
11/01/17

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Albuquerque, New Mexico 87114
Ph: 505.850.5530 • Fax: 505.850.5831
www.VA-architects.com



SCHEMATIC DESIGN - SOUTHEAST PERSPECTIVE



SCHEMATIC DESIGN - SOUTHWEST PERSPECTIVE

University of New Mexico
AERIAL PERSPECTIVES

Gallup Campus PPD
UNM PCD
11/01/17



FY19 Medical Plan Preliminary Projections

FINANCE & FACILITIES MEETING

JANUARY 9, 2018

Background & Context

UNM administers medical benefits for approximately 6,800 employees and pre-65 retirees (over 13,500 members) according to principles established as part of its benefit's strategic plan.

- Offer health benefits that attract and retain diverse faculty and staff with meaningful choices
- Leverage and maximize HSC capabilities
- Promote personal health responsibility
- Educate and communicate
- Continue to be good stewards of UNM resources

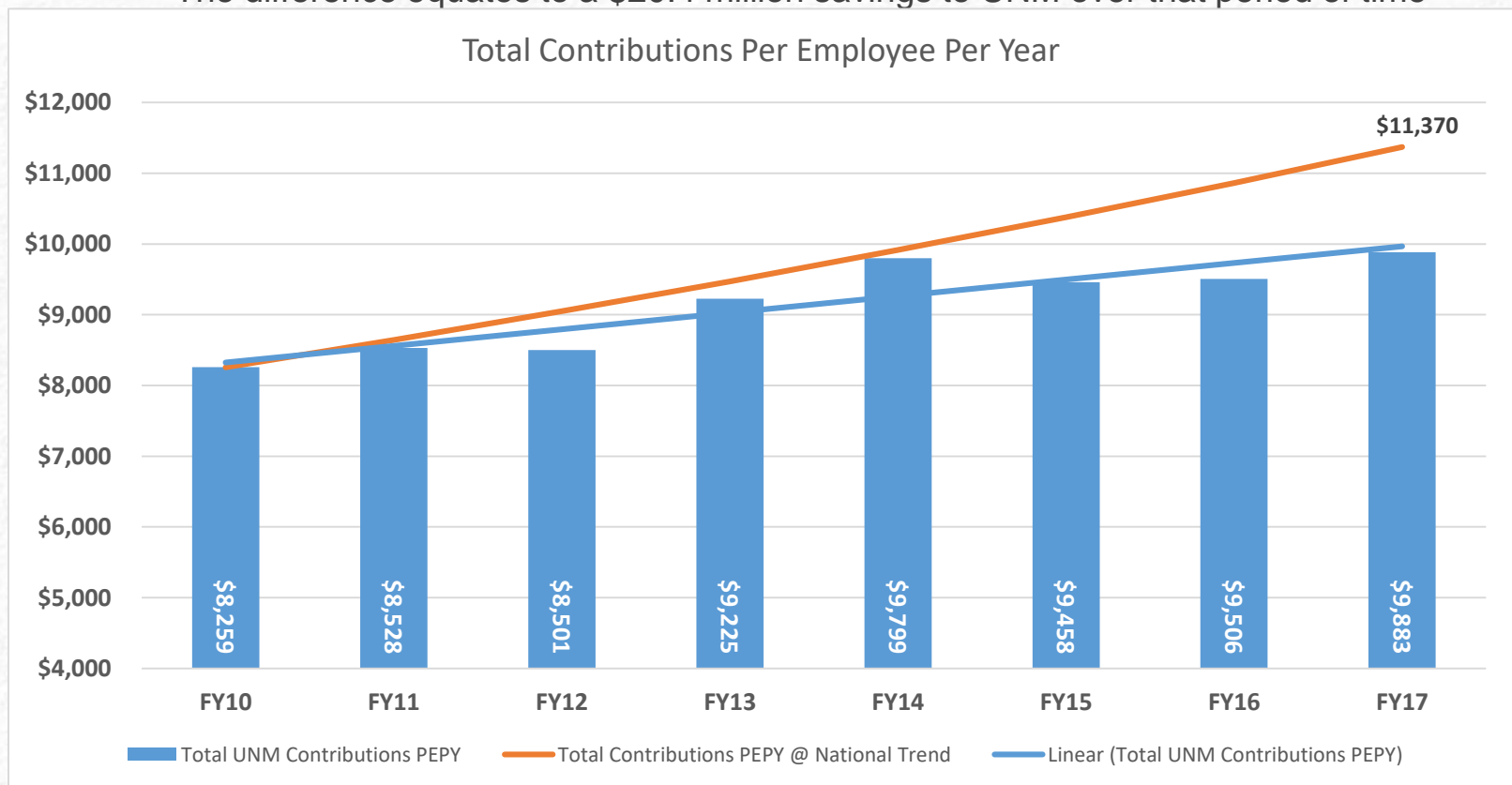
UNM has self-insured (assumed financial risk) these employee and pre-65 retiree benefits since FY2010 and maintains an adequate reserve in accordance with Regent policy 7.14

Executive Summary – UNM Employee Health Plan

- Average annual cost increase for UNM since FY2010: 2.3%
- National average over the same time period: 4.7%
- Plan enrollment relatively flat for the last 4 years
- Medical plan actively managed to put downward pressure on costs in accordance with strategic plan
 - Plan design modification
 - Enforcement of contractual and eligibility requirements (audits)
 - Actively working with UNM HSC
- Preliminary projection of FY2019 cost increase: 2.7%
 - Total \$ Increase to Plan \$1.9 million
 - Total \$ Increase to I and G Main \$358k
- UNM employee health plan mixed when compared to peers
 - Plan design competitive
 - Many employees currently pay more in premium than benchmarks

Trends

- Average UNM premium increase since FY10 has been 2.3%
- Average national trend rates over the same period of time have averaged 4.7%
 - The difference equates to a \$20.4 million savings to UNM over that period of time



Self-Funded Medical Plan

The total contributions are detailed by UNM and employee/retiree. These contributions fund medical and pharmacy claims, excess stop-loss insurance, ASO fees, and ACA transitional reinsurance costs.

| A | B | C | D | E | F | G | H | I | J |
|------------------|---------------|----------------------|-------------------------------------|--------------------|----------------------|--------------------------------|-----------------------------------|--------------|------------------------------|
| FISCAL YEAR | TOTAL PREMIUM | UNM SHARE OF PREMIUM | EMPLOYEE / RETIREE SHARE OF PREMIUM | AVERAGE ENROLLMENT | CHANGE IN ENROLLMENT | UNM AVERAGE PREMIUM % INCREASE | NAT'L AVERAGE PREMIUM % INCREASE* | TOTAL CLAIMS | CLAIMS PER EMPLOYEE PER YEAR |
| FY10 SELF | \$52,507,578 | \$32,029,623 | \$20,477,955 | 6,358 | N/A | 0.0% | 6.2% | \$45,048,457 | \$7,085 |
| FY11 SELF | \$55,092,481 | \$33,606,413 | \$21,486,068 | 6,460 | 1.6% | 2.0% | 8.5% | \$50,363,630 | \$7,796 |
| FY12 SELF | \$54,528,316 | \$33,262,273 | \$21,266,043 | 6,414 | -0.7% | 0.0% | 4.9% | \$54,962,042 | \$8,569 |
| FY13 SELF | \$61,133,280 | \$37,291,301 | \$23,841,979 | 6,627 | 3.3% | 9.0% | 3.3% | \$51,193,188 | \$7,725 |
| FY14 SELF | \$65,914,526 | \$40,207,861 | \$25,706,665 | 6,727 | 1.5% | 6.0% | 4.4% | \$58,208,906 | \$8,653 |
| FY15 SELF | \$65,820,657 | \$40,150,601 | \$25,670,056 | 6,959 | 3.4% | 0.0% | 3.2% | \$61,846,351 | \$8,887 |
| FY16 SELF | \$66,428,652 | \$41,185,764 | \$25,242,888 | 6,988 | 0.4% | 0.0% | 3.1% | \$63,871,115 | \$9,140 |
| FY17 SELF | \$68,618,263 | \$42,543,323 | \$26,074,940 | 6,943 | -0.6% | 4.5% | 3.9% | \$62,306,841 | \$8,974 |
| FY18 SELF (est.) | \$70,516,790 | \$43,720,410 | \$26,796,380 | 6,808 | -1.9% | 5.1% | 4.5% | \$66,221,274 | \$9,727 |

* Based on Aon Hewitt Health Value Initiative database (over 10 million participants). Net of plan design and vendor negotiations.

Cost Mitigation Changes

FY 2016 Cost Mitigation

- Moved Stop Loss to BCBS (7/1/15); \$350,000 in savings
- Dependent Eligibility Audit (7/1/15); \$550,000 in projected savings
- Rx Coalition (9/1/15); \$1,900,000 in projected annual savings

FY 2017 Cost Mitigation

- Dependent Eligibility Ongoing Audit (11/1/15); \$285,000 in projected annual savings
- Increased member cost share for brand and mail order prescriptions; \$400k projected savings
- Increased In-Network Out of Pocket Maximum to \$3,000/\$6,000; \$900k projected savings
- Cost sharing increases in accordance with national benchmarks
- Plan audit of BCBS NM

FY 2018 Cost Mitigation

- Dependent Eligibility Ongoing Audit
- Rx Coalition savings have exceed original estimates; \$3.9 million projected savings

FY 2019 Cost Mitigation

- Work toward expanding and leveraging relationship with UNM Medical Group to improve care coordination
 - Increase membership served by UNM Medical Group where capacity allows
 - Establish guidelines for value-based reimbursement

FY 19 Preliminary Projection

2.7% preliminary increase

- Used 12 months of claims through September 2017
- Includes \$1.2 million in claim's margin due to known high cost claimants in FY2018 Q2
- Annual trend rate used in the projection is 6.5%
- Trends nationally and locally have moderated
- The most recent claim's experience will be evaluated and incorporated into final projection
- Preliminary increase noted is an overall average – actual increases may vary by plan and by tier

\$1,933,205 total projected cost increase over FY 18

FY 19 Preliminary Projection

Estimated Total Projected Increase \$1,933,205

Estimated Employer

| | |
|--------------|--------------------|
| I&G Main | \$357,731 |
| Non I&G Main | \$205,635 |
| I&G HSC | \$137,496 |
| Non I&G HSC | \$515,911 |
| Total | \$1,216,772 |

Estimated Employee

| | |
|--------------|------------------|
| I&G Main | \$210,631 |
| Non I&G Main | \$121,077 |
| I&G HSC | \$80,957 |
| Non I&G HSC | \$303,768 |
| Total | \$716,433 |

Benchmarking – Employee Contributions

| | | University of New Mexico | | | Benchmark A | Benchmark B |
|----------------------|--------------------------|--|------------------------|---|---|---|
| | | Weighted Average Monthly EE Contributions | | | State of New Mexico GSD/RMD Pool | Benefit SpecSelect™ Education and Government Public Universities |
| Coverage Tier | | | | HMO / PPO Monthly EE Contributions | PPO Monthly EE Contributions | |
| Single | LT \$35k \$104 | \$35k-\$50k \$156 | \$50k+ \$208 | HMO LT \$50k \$98 \$50k-\$60K \$147 \$60K+ \$197 PPO \$114 \$172 \$229 | Average = \$94 Median = \$94 | |
| Family | LT \$35k \$298 | \$35k-\$50k \$445 | \$50k+ \$622 | HMO LT \$50k \$290 \$50k-\$60K \$435 \$60K+ \$581 PPO \$338 \$506 \$675 | Average = \$492 Median = \$507 | |

Benchmark A – HMO Offered by PHS and BCBS / PPO Offered by BCBS
 Benchmark B – 67employers; 82 plans

Benchmarking – Plan Design

| Benefits/Provisions | University of New Mexico | | Benchmark A | Benchmark B |
|-----------------------------------|-------------------------------------|--|-------------------------------------|--|
| | Lobo Care (UNM / BCBS or PHS) | Tier 2 Network (UNM / BCBS or PHS) | State of New Mexico GSD/RMD Pool | Benefit SpecSelect™ Public Universities |
| | | | HMO / PPO (In-network) | PPO (In-network) |
| Deductible | | | Median | Median |
| Individual | \$600 | | \$350 / \$500 | \$500 |
| Family | \$1,200 | | \$1,000 / \$1,500 | \$1,050 |
| Out of Pocket Maximum | | | | |
| Individual | \$3,000 | | \$3,500 / \$3,500 | \$3,000 |
| Family | \$6,000 | | \$10,500 / \$10,500 | \$6,525 |
| Office Visit Copay | \$25 | \$30 | \$25 / \$30 | \$25 |
| Specialist Copay | \$35 | \$45 | \$45 / \$55 | \$35 |
| Inpatient Hospital | 90% / 85% | 70% / 75% | \$500 / \$1,000 | 80% |
| Emergency Room Visit | \$150 | | \$250 / \$250 | \$100 |
| Pharmacy Retail Copayments | | | | |
| Generic | \$10 | | Copay \$6 (\$50 Deductible) | Copay = \$10 Coinsurance = 20% |
| Formulary | 25% Coinsurance (\$35-\$70) | | 30% Coinsurance (\$35-\$95) | Copay = \$30 Coinsurance = 30% |
| Non-formulary | 25% Coinsurance (\$55-\$110) | | 40% Coinsurance (\$60-\$130) | Copay = \$50 Coinsurance = 40% |

Benchmark A – HMO Offered by PHS and BCBS / PPO offered by BCBS

Benchmark B – 67 employers; 82 plans

Potential Plan Design Changes To Mitigate Increase

- Potential Increase to member cost sharing
 - Increase would be for budgetary rather than benchmarking reasons
 - Increase Deductibles:
 - Individual from \$600 to \$1,000
 - Family from \$1,200 to \$2,000
 - Projected Savings: 1.4%
 - Increase Out of Pocket Maximums
 - Individual from \$3,000 to \$4,000
 - Family from \$6,000 to \$8,000
 - Projected Savings: 1.8%
 - Potential Savings from Plan Changes: 3.2%

Questions



Advisor Reports



Board of Regent Report

UNM Alumni Association & Alumni Relations Office

January 16, 2018

Strategic Goals

Goal: Maximize alumni and student engagement

Student Engagement

- Trailblazers
 - Assist with UNM President's Office for Men's Basketball Games
 - Interview and select new members first week back
 - Planning a networking social/Women's basketball game with Trailblazers alums, January 29, Hodgin Hall Alumni Center
- International Student Career Development Workshop – Finding, Getting and Closing Internships – The Alumni Association, in collaboration with the Global Education Office and Career Services will host this workshop on February 1, 3:00-5:00 p.m.

Alumni Engagement

- Regional Chapters and Alumni Outreach Calendar
 - Dallas/Fort Worth Chapter, UNM vs. SDSU Game Watch, Jan. 20, Red Rock Bar & Grill
 - Denver Chapter
 - Pre-Game, UNM vs. CU Basketball, December 6, The Dark Horse and Coors Center, 22 attended the pre-game event.
 - Las Vegas Chapter Game Event, UNM vs. UNLV, January 17 at Thomas & Mack Center
 - Phoenix Chapter Game Watch, UNM vs. SDSU, January 20, Half Moon Sports
 - Salt Lake City Chapter, Sugar House Distillery Tour, January 11
 - San Diego Chapter with UNM Alumni Association President, Harold Lavender
 - UNM vs. SDSU Women's Game at Viejas Arena, January 20
 - UNM vs SDSU Men's Basketball Game Watch, San Diego Brewing Co, Jan 20
 - Seattle Chapter New Year Celebration, private home, January 28
 - Black Alumni Chapter participate in New Mexico Pre-Black History Month Lunch on January 27.
 - Veteran Alumni Chapter will host the first of its monthly "Pizza, Pins and Pints" Happy Hours at the 377 Brewery – January 30 from 5:00-7:00 p.m.
- Campus and Constituent Chapters/Groups
 - STEM Program Alumni participated in the first New Mexico Educated Workforce in STEM Symposium December 19-21. Focused on efforts to catalyze new businesses, opportunities and networks to facilitate New Mexico's economic growth with homegrown talent. Alumni from across the country attended the event with discussions with venture capital for new business start-up and exploring moving businesses back "home" to New Mexico. A new STEM Alumni Group is one outcome of the meeting. Approximately 100 Alumni attended the symposium.

- Lobo Living Room
 - January 25 – An Evening with Hakim Bellamy, Albuquerque Poet Laureate, Hodgkin Hall

Greater Albuquerque Area Alumni Chapter (GAAAC)

Community Service

Hanging of the Greens: December 2

- GAAAC board members volunteered for Hanging of the Greens at UNM

UNM Commencement Ceremony: December 17

- GAAAC members (5) volunteered at UNM Graduation ceremonies at the PIT

Social

Star Wars movie advance screening: December 14

- GAAAC organized a private screening of the new Star Wars movie as a social opportunity to recruit and engage Albuquerque alumni. There were 192 tickets; a sold out event.

Goal: Increase alumni advocacy for UNM

Lobos for Legislation

Legislative events: January 29, 2018

- UNM Day at the State Capitol
- Legislative Briefing at La Fonda, 4:30 p.m.
- UNM Alumni Association Legislator Appreciation Reception. 6-7:30 La Fonda, Santa Fe, NM.

Lobo Links

- Lobos for Legislation is recruiting alumni to be Lobo Links, advocates for UNM's legislative priorities.

Lobo Tracks

- Custom-designed web application for UNM alumni to track correspondence, visits and communication with New Mexico legislators during the upcoming session through the custom-designed alumni Lobo Tracks system.

Goal: Maximize benefits of technology

Website *Dec. 1 to Dec. 31*

| Pages | Unique Views |
|--------------------------------|--------------|
| Website (Page views) | 6,268 |
| 1. Home | 785 |
| 2. Calendar of Events | 532 |
| 3. Benefits | 232 |
| 4. Travel | 180 |
| 5. New Grad Bash Calendar Page | 166 |
| iModules (Page views) | 1,610 |
| 1. Email Marketing Unsubscribe | 986 |
| 2. First-time Login Page | 455 |
| 3. New Grad Bash RSVP Form | 120 |
| 4. Community Login Page | 693 |
| 5. Personal Profile Page | 683 |
| Technology (Sessions) | 4,817 |
| 1. Desktop | 2,797 |
| 2. Mobile | 1,770 |
| 3. Tablet | 250 |
| New Visitors | 3,321 |
| Returning Visitors | 1,496 |

Online Community *Dec. 1 to Dec. 31*

| | |
|-------------------------|---------|
| New registered members | 107 |
| New members | 130 |
| New non-members | 130 |
| Profile account created | 123 |
| Unique profile updates | 129 |
| Unique logins | 65 |
| Total in Community | 254,095 |

Broadcast Emails

In December, the Alumni Relations Office sent 9 emails, including the Howler on Dec. 6 and reminder emails for events.

| No. of addressees* | Opens | Clicks | Unique Clicks | Bounces | Unsubscribes |
|--------------------|--------|--------|---------------|---------|--------------|
| 102439 | 14,947 | 1,010 | 755 | 173 | 124 |

* Total number of people sent to (people can receive multiple emails to comprise this total)

Social Media

Social media statistics for December 2017:

| | Facebook | Twitter | Instagram |
|---------------------------------|----------|---------|-----------|
| Followers (as of 12/31/17) | 4,850 | 2,300 | 803 |
| Posts | 19 | 15 | 12 |
| Total impressions for the month | 22,471 | 9,419 | 600 |
| Link clicks | 661 | 22 | — |

The Alumni Relations Office, in partnership with the Office of Graduate Studies has a new Graduate Research Assistant who will focus on data and communications improvements for alumni from India and the Indian Sub-continent during the Spring semester.

Goal: Invest in a strategic and collaborative communications and marketing program

Howler Statistics

The Howler monthly e-newsletter statistics:

| | Oct. 2017 | Nov. 2017 | Dec. 2017 |
|--------------|-----------|-----------|-----------|
| Delivered | 95,066 | 94,948 | 94,247 |
| Bounces | 109 | 250 | 133 |
| Opened | 13,836 | 14,859 | 12,376 |
| Unopened | 81,230 | 80,089 | 81,871 |
| Clicks | 528 | 1595 | 571 |
| Unsubscribes | 167 | 143 | 115 |

Mirage Magazine

In the Spring 2018 edition is into production! The issue will include a profile on Dr. Garnett Stokes and Mr. Jeffery Younggren; highlight the accomplishments of alumni Joetta Kahn, Ken Armijo and Humble Lukanga and the Alumni Association's 2018 Winter Award Recipients.

The Alumni Association is also moving to a digital delivery, via email, only for all on-campus faculty and staff at the University. Mirage mailing preference updates continue to come in and we will again launch communications to encourage digital opt-in.

Mirage Delivery Preference Submissions Dec. 1 to Dec. 31

| | Alums | Faculty | Staff | Non-Alum |
|------------------|-------|---------|-------|----------|
| Email | 3 | 0 | 1 | 0 |
| Print | 1 | 0 | 0 | 0 |
| Both Print/Email | 0 | 0 | 0 | 0 |
| REPLIES for Dec. | 4 | 0 | 1 | 0 |

Mirage Delivery Preference TOTALS

| | Alums | Faculty | Staff | Non-Alum |
|-------------------------|--------------|----------------|--------------|-----------------|
| Email | 306 | 12 | 40 | 8 |
| Print | 66 | 1 | 9 | 3 |
| Both Print/Email | 31 | 1 | 7 | 1 |
| TOTAL REPLIES | 477 | 14 | 56 | 12 |

Traffic Sources Dec. 1 to Dec. 31

| Source | No. of Visits |
|-------------------------|----------------------|
| Mirage Web Page | 46 |
| Mirage Delivery Pref Pg | 0 |
| Dec. Howler | 0 |
| Mailer | 0 |
| UNM News Minute | 0 |

Marketing & Communications

December 2017 had 5 active integrated marketing and communications plans created and executed – including graphic design of collateral pieces and website updates and forms to take RSVPs, etc. – in support of events and programs, including:

1. Donut Days 2017-18
2. Fall Graduate Communications
3. Lobo Living Room: Hakim Bellamy
4. Winter Awards
5. iModules First Time Login Communications