

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

**August 11, 2009
Board of Regents Meeting 9:00 a.m. – 11:30 a.m.
Student Union Ballroom C**

**Board of Regents Executive Session Luncheon
1:00 p.m. – 3:00 pm
Sandia Room**

ATTENDANCE:

Regents present:

Raymond Sanchez, President
Jack Fortner, Vice President
Carolyn Abeita, Secretary-Treasurer
James H. Koch
Don Chalmers
J.E. (“Gene”) Gallegos
Cate Wisdom, Student Regent

President present:

David J. Schmidly

Vice Presidents present:

David Harris, Executive Vice President, CFO, COO
Paul Roth, Executive Vice President, Health Sciences Center
Suzanne Trager-Ortega, Executive Vice President, Provost
Mike Duhrrer for Julia Fulghum, Vice President, Research & Development
Eliseo Torres, Vice President, Student Affairs
Steve Beffort, Vice President, Institutional Support Services
Josephine DeLeon, Vice President, Equity and Inclusion
Carmen Alvarez Brown, Vice President, Enrollment Management
Paul Krebs, Vice President, Athletics
Helen Gonzales, Vice President, Human Resources
Ava Lovell, Vice President and Comptroller
John Stropp, President, UNM Foundation
Steve McKernan, Vice President, Hospital Operations

University Counsel present:

Patrick V. Apodaca, University Counsel

Regents’ Advisors present:

Douglas Fields, President, Faculty Senate

Elisha Allen, President, Staff Council
Lissa Knudsen, President, GPSA
Monika Roberts, President, ASUNM
Ruth Schifani, President, UNM Alumni Association
Anne Yegge, Chair, UNM Foundation
Maria Probasco, President, UNM Parent Association
Mimi Swanson, sitting in for Beulah Woodfin, President, UNM Retiree Association

Regent Sanchez presided over the meeting and called the meeting to order at 9:00 a.m.

CONFIRMATION OF QUORUM and ADOPTION OF AGENDA, Regent Sanchez

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

- Adoption of the Addendum to Agenda including consent items from F & F meeting, 08/06/09 with removal of Item H from the Consent Agenda. (That item, approval of adding a member, needs a resolution for that purpose so we will take that off today. It will be an item on our regular agenda.)
- Public comment will be taken on items which we will take final action, 15 minute period of time. General public comment will also be at the end of the meeting, 15 – 20 minute period.
- Guests here today interested in our master plan. FYI, we will not be taking final action on that item today. We will be hearing from Dekker & Associates and our staff relative to that plan. Plan will be posted on web page for comment, reviewed again at our September 29, 2009 Board of Regents meeting.

PRESENTATIONS

Presentation of Nambe Lobo Head Awards to former Regents John "Mel" Eaves and Student Regent Dahlia Dorman

- Dahlia Dorman served as UNM Student Regent from 2007-2009, served on the Student Academic Affairs and Research Committee. Graduate of the UNM School of Law, studying for the Bar at present. Dahlia added intelligence, a unique viewpoint, and diligence to the Board of Regents. We will follow her career in law and congratulate her on her success.
- John "Mel" Eaves served as a UNM Regent from 2003-2009. Mel was Chair of the finance and Facilities Committee, C-Chair of the Audit Committee, Regent member of Lobo Development Corporation, Sandia Foundation and the UNM Medical Group. Mel could not join us today so we will present his award at another time.

Presentation to John and June Perovich , Dr. Breda Bova, Chief of Staff

- It is my pleasure as chair of the Naming Committee of the University of New Mexico to bring before you, the Board of Regents, a motion that was unanimously passed by the Naming Committee as well as the Finance & Facilities Committee to name the UNM Business Center after John and June Perovich. John was the 12th President of the University of New Mexico. He also served as the Purchasing Agent, Comptroller, Vice-President for Business and Finance before moving on to become our President. So it is my pleasure to present this motion to the Board.

Motion approved unanimously to name the UNM Business Center the “John and June Perovich Building.” (1st Koch, 2nd Fortner).

APPROVAL OF SUMMARIZED MINUTES OF MAY 12, 2009 UNM BOARD OF REGENTS MEETING and MAY 26, 2009 UNM SPECIAL BOARD OF REGENTS MEETING

Motion approved unanimously to approve the Minutes of the May 12, 2009 UNM Board of Regents meeting and May 26, 2009 UNM Special Board of Regents Meeting (1st Abeita, 2nd Chalmers).

ADMINISTRATIVE REPORTS

President’s Report, David J. Schmidly

- Welcome and greetings to all.
- Addressed matter regarding Dr. Paul Roth’s contract, as previously shared with the Board of Regents in a letter dated July 23, 2009.
- Referenced President’s Report, please see Newsletter distributed. (attachment #1)
- Presentation and review of Proposed Presidential Work Plan for FY10 and Key Dashboard Indicators 2009-2010– See handout (attachment #2)

Regent Sanchez

- Pleased to see that you have emphasized the mission of this University, which is first and foremost teaching our students, research, community service and providing health care to this community and this state. Also pleased to see that one of those objectives is to look at, define and have everybody understand the respective roles of governance of this University.

Regent Gallegos

- Asked President Schmidly in regards to his academic and student success goal, when your draft attachment 1 of the materials (May draft) under that it has as a

goal “establish an integrated system of services to prepare, recruit, enroll, develop, retain and graduate both undergraduate and graduate students at the University of New Mexico with special focus on the recruitment of high achieving students and national merit scholars.” Then that is not included in this final draft under this category.

President Schimdly

- I think that is because we felt like we had made substantial efforts in that direction as reflected in the report that I gave earlier. We are expecting a major increase in graduate enrollment this fall but it is something that is always on our radar, the ability to recruit and attract the very best students. If you feel it would enhance this set of objectives to have that put back on this list officially, then we are delighted to do that Regent Gallegos.

Regent Sanchez

- Any objection to that? I think that is a good suggestion. I would like a motion at this time.

Motion approved unanimously to adopt the President’s Goals (1st Fortner, 2nd Gallegos).

COMMENTS FROM REGENTS’ ADVISORS

Regent Sanchez

- Welcome to all of the new advisors, looking forward to a very open discussion with each of you and informative discussion that is based upon hopefully facts that all of us know about and we’re looking forward to that.

Douglas Fields, President, Faculty Senate

- Lots on our plate this year, going to try and work with the Administration, Regents on addressing some of the issues that came up at the HLC, specifically the governance issues and I was very pleased to see that in the President’s objectives.
- The February general faculty meeting, there were some resolutions the faculty passed, one of which was an audit. President Schimdly and I both got information back from the State Auditor on that and we are planning a meeting to discuss how to move that forward.

Elisha Allen, President, Staff Council

- Just finished up with week long activities in honor of staff, annual staff appreciation week. Labor of love put on by the committee as well as volunteers from the campus.
- Thanks to many individuals around campus working with us, Andrew Cullen, Clovis Acosta, etc.
- Having an ERB Town Hall with Jan Goodwin
- Holding weekly office hours to invite staff to put forward ideas and suggestions.
- Staff and Staff Council support the endorsement of the Child Care Center

Lissa Knudsen, President, GPSA

- Commend the University for making the Master Plan available for public comment
- Proud of the University for going smoke-free. President Schmidly's leadership on this issue demonstrates an understanding of the dire situation we are all in with regards to the rising cost of health care and compassion for the health and well being of the student population
- GPSA has been busy getting ready for a supportive year for graduate student needs, already awarded over \$8,000 for research and travel
- 2009 marks 40 years of GPSA; gathering on Thursday September 3rd between 6:00 and 9:00 pm.
- Looking for the 20% increase of student veterans on campus with the implementation of the new G.I. Bill.
- Encourage you also to keep in mind students and graduate students when we move forward with governance issues and making sure they are at the table as well.

Monika Roberts, President, ASUNM

- All the student service agencies have been hired and they are currently planning Red Rally and Homecoming.
- Attended Mountain West Leadership Conference this past weekend in Salt Lake City. We got to see how other student governments are run and I am really proud to say that ASUNM is probably above the rest of them.

Ruth Schifani, President, UNM Alumni Association

- Report included in book.
- Alumni Letterman's Hall of Honor Banquet coming up in September.
- Next major event is Homecoming, more reports in the future.
- Green chile roasts, fundraisers, across the country. Estimated that we will sell four tons of chile. All of the money raised to go UNM scholarship funds.
- Lobos for Legislation Committees is planning several legislative receptions.

- Partnered with the Parents' Association to host the Second Annual Summer Send-Off Receptions in Farmington, Gallup, Santa Fe, Clovis, Las Cruces and Colorado Springs.
- Tailgates planned for the Texas A&M game and the Texas Tech game.
- Serving hot dogs, etc. to returning students, faculty and staff at Welcome Back Days.
- List of our new members to the Alumni Board, good group.
- Biggest project is the renovation of Hodgin Hall. We believe we are on target to start construction in November. Second phase is Item XVI is to finish up the HVAC and some of the infrastructure in the building.

Anne Yegge, Chair, UNM Foundation

- Brief report in packet.
- First edition of the performance report for the Foundation. A direct result of the meetings we had with you earlier this year. It was obvious to all of us that we need to do a better job of providing you with solid information about the operations of the Foundation. This report is very much a work in progress.
- We have underestimated our fundraising results in the book. Instead of \$89,900,000 we have actually raised \$90,450,943.01. We are grateful for every donation that we get.

Comment by Regent Abeita

- Appreciate the efforts that the Foundation has made to meet with the Regents and answer our questions over these past few months, I think it helps a lot.

Maria Probasco, President, UNM Parent Association

- Wonderful summer send offs in partnership with the Alumni Association.
- Two summer workshops presented by Parent Association Recruitment and Membership Committee with the Dean of Students Office, Parent Relations Office and Extended University. Had an average of 15-20 parents participate. Upcoming workshop will be rebranded and will be published in the UNM Today.
- Held Parents' Association Appreciation Reception in May.
- Parent Association is participating and contributing to the Family Weekend planning. This year it coincides with Homecoming Week.
- Four students will be receiving the Parents Association Scholarship.

Mimi Swanson, sitting in for Beulah Woodfin, President, UNM Retiree Association

- Report in BOR book.
- UNM Retiree Association met at a general meeting, Jan Goodwin was the speaker. Have had two members since, we elected members of the board and in the process of reviving committees.

- Proceeding with our fundraising for our presidential scholar.
- A number of public events arranged for our retirees; the tour of Mesa del Sol and the tour of the Tamarind Institute.
- Other upcoming activities include a general meeting in the spring to find out and survey what our retirees are doing.

COMMENTS FROM REGENTS

Regent Don Chalmers

- Always nice to start the school year and I think we all start with a lot of hope. I congratulate the University on a lot of the things we heard today with Dr. Schmidly's report. I congratulate the Foundation on record year as well. It's going to be a tough year from a budget standpoint but if I look at the progress that we have made, we are hopeful that this year will be very successful. I know our football and basketball team are undefeated so far so I have a lot of hope.

Regent Sanchez

- At this time, I would like to welcome our two new Regents, Regent Gene Gallegos and Student Regent Cate Wisdom, this is their first full meeting.
 - Introduction and comments from Student Cate Wisdom
 - Introduction and comments from Regent Gene Gallegos

PUBLIC COMMENTS: Agenda Items

Howard Snell

- I wish to provide comment on agenda items IV (President's Report) VIII (BOR Calendar) and IX (Regent Committee Reports).
- For the Regents Calendar – I would just like to take the opportunity to encourage the Regents to consider a Student and Academic Research Committee meeting in October as opposed to November. The reason I ask for that is because when I appeared before you last as President of the Faculty Senate, I wish to present some results of analysis of faculty fluctuations at UNM and rightly so that was tabled so that it could be presented first to a Student and Academic Affairs Committee. In order to do that and still have time to present it to you, October would work much better than a meeting in November because your December meeting is often some times short and often occurs after many faculty are gone.
- In terms of the President's report, I just wanted to address real quickly the graduate student issues and as I have said before, encourage us all to remember that graduate students often select research active professors rather than teaching active professors and also that graduate students often select programs that have resources to support their research and most graduate students come in expecting

teaching stipends. So there is a resource issue with graduate student recruitment and retention that I think we need to always keep at the forefront of our goals for graduate students.

- Under Agenda Item IV, Regent Committee Reports, this is sort of awkward because I am going to talk about something that hasn't been presented yet, is that appropriate? I'd like to speak in favor of Vi Florez for the Chair. I have worked with Vi a lot and I think she is a wonderful candidate for that position so I think it is a good thing. In terms of the Audit Committee, the last comment I would like to make, under the Audit Committee materials in the red book it mentions a report by a Museums Collections Committee. I have not seen that full report but I have seen some and I would like to communicate some concerns that I and other curators of some of the major museums here at UNM have. One is that some of the early versions of material in that report that we were made knowledgeable of, dealt with increased responsibilities for faculty that are in charge of those collections and I think that is certainly appropriate as long as those increased responsibilities come with increased resources to meet those responsibilities. I personally curate a collection of 85,000 reptiles and amphibians collected from around the world. It is the basis of several hundred publications. We make many loans on an annual basis. Classes use that collection, graduate students use that collection and I work a fair amount of the summer providing those curatorial duties that I have. I receive no compensation for that summer time and my annual museum budget is \$6,000 which doesn't come close to meeting the responsibilities that we have for that collection. So if we have added responsibilities the museums are going to require added resources and I think that needs to be considered.

Regent Sanchez

- Thank you very much Howard and those comments regarding Audit will be taken under consideration.

APPROVAL OF BOR CALENDAR (August 2009-August 2010):

Regent Sanchez

- The next item, incidentally, is approval of the Board of Regents Calendar. This calendar will go through August of 2010. One of the things we are doing is we are going to allow the Chairs of the respective committees to be flexible, especially Academic and Student Affairs. They have asked for that flexibility and the Chair of that committee, Regent Abeita, is planning a schedule now and be sure that everyone works with her on those items that you want to come before her. That Committee, as you saw will be taking a more active role when it comes to academic and student issues. So thank you very much for your input relevant to that.
- With regard to Regent meetings, we normally have a meeting with New Mexico State during the respective ball games. This year, due to some of the fiscal

constraints that both Universities are facing, NMSU has requested that we not have that meeting and we have agreed.

- Other items are pretty much set through January. We have a March 8th meeting which may be moved back a little bit, it's an organizational meeting. In order to start dealing with issues, we may move that back closer to the time we deal with the budget.

Regent Abeita

- To address Howard's concerns about the scheduling for the Academic & Student Affairs Committee, we are working on a schedule understanding that there are a lot of time sensitive things that need to come before that Committee so we're anticipating meeting in September some time. We are trying to get this schedule flushed out understanding that often time if there are monthly meetings it's more informational but we're trying to gauge how to best do this. So that particular schedule is still in play but we're looking at a meeting probably in September and as needed. We can call meetings as needed.

Regent Sanchez

Hearing no objections, this calendar will be adopted subject to later changes.

REGENT COMMITTEE REPORTS

Academic / Student Affairs & Research Committee, Regent Carolyn J. Abeita, Chair

A. Recommendations for Approval of Chair holders for Two Endowed Chairs

Presentation by Provost Ortega – Dr. Vi Florez and Dr. Stuart Winter. We believe these nominations have gone through the appropriate academic channels, have the full endorsement of faculty, deans and our respective units and we would simply like to ask that you approve their holding of these positions.

Regent Sanchez

We have a recommendation from the Academic & Student Affairs Committee for approval of the Two Endowed Chairs, seconded, no objections, both Chairs will be endowed. **Motion approved** unanimously.

Audit Committee, Regent Raymond Sanchez (reporting since he attended meeting, Regent Gene Gallegos is Chair)

A. Report from Audit Committee Meeting, June 25, 2009

Please see report in book, we have approved one audit for publication and that is the Audit dealing with the University of New Mexico Press, audit of business practices and processes.

We have a new Chair of Audit Committee, that will be Regent Gene Gallegos.

Regent Sanchez

We have a recommendation for approval, seconded, no objections, Audit Committee Report is adopted. **Motion approved** unanimously.

HSC – Health Sciences, Regent Jack Fortner, Chair

No report.

Finance & Facilities Committee, Regent Don Chalmers, Chair

- A. Consent Agenda (note Addendum) (Note: We are removing Item 8, that will not be consent item.)

Regent Chalmers – Motion to approve the Consent Agenda including:

- B. Disposition of Surplus Property on Lists dated June 30 and July 20, 2009

- C. Approval of Contracts (Bruce Cherrin, Chief Procurement Officer and Steve McKernan, CEO UNMH)

- a. UNMH- Cardinal Health Pharmaceutical Distributor
- b. UNMH – Cardinal health
- c. UNMH – First Choice community Health Care
- d. UNMH – Signature Staffing
- e. MGA Healthcare New Mexico, Inc.
- f. UNMH Healthcare Laundry, Inc.
- g. UNMH – Network Services
- h. UNMH-Med Traveler Source
- i. UNMH – STAT IQ Solutions
- j. UNMH – Ikaria (Formally INO Therapeutics)
- k. UNMH – PharMedium Services, LLC
- l. UNMH – McFrank and Williams
- m. UNMH – Hill Rom
- n. UNMH – Cerner “mPages”
- o. UNM ITS – Dell Computers

- D. Approval of Capital Projects and Architect Selection

- a. Hodgin Hall Renovation, Phase I

- b. Family Practice Fire Sprinkler Project
 - c. UNM Cancer Treatment Center Second Floor Build Out
- F. Approval of Appointment of the Harwood Foundation Governing Board of Directors
(Marcia Winters, appointee; Linda Warning, Charles Strong and Catherine O’Neill, reappointees)
- I. Approval of Appointment to Lobo Energy, Inc. Board of Directors
(Tom Ruiz, reappointment)
- J. Approval of FY 2010 Capital Outlay Submission to the Higher Education Department
- K. Approval of FY 2011 Legislative Requests for BA/MD Program

Motion approved unanimously to approve Consent Agenda (1st Chalmers, 2nd Abeita).

Discussion of Items E, G and H:

- E. Approval of Real Property Purchase – Medical Office Building Occupied by UNMH, 1101-4 Medical Arts

Kim Murphy, Director, Real Estate – This item concerns approval to exercise an option to purchase a medical office building west of our main campus here on Medical Arts. Land owned by Sandia Foundation, we have assumed responsibility of those ground leases. Approval of this item will constitute the third out of five buildings. Purchase price is \$750,000. Payback is approximately 4 ½ years. We believe it is a sound, long term investment for the University and for UNMH.

Regent Gallegos and Regent Sanchez – Stated concerns about a thorough review of documents, review by legal and deadlines.

Kim Murphy, Director, Real Estate – Documents were reviewed by legal, goal was to get Regents’ approval today so they can move forward and get the other necessary approvals which would be Higher Education Department and State Board of Finance so that we could be prepared to close in November.

Regent Don Chalmers – Stated he also reviewed documents and had questions on rent, return of investment, etc. The sooner we exercise this, the better. To me this is a business decision that we need to determine if we want to invest \$750,000 to get a return of \$168,000 in rent a year and that totals to significantly over 20% return on investment. I don’t see anything that we are going to find out that is going to change those numbers.

Regent Koch – I think this should go back to the committee, a lot of questions to be asked.

Regent Sanchez – We can do one of two things, we can either send it back to F&F or I can appoint a sub-committee to review this and give us a recommendation. I agree, we ought to be a little more familiar with what the financial ramifications of this. It appears to me to be a straight forward business deal but we need to be prepared to answer those questions.

Regent Chalmers – This is a straight-forward business deal. If the Regents, for other reasons, are uncomfortable, we do have a September 17th F&F meeting and I would be glad to take it back and look at that. The result will end up being the same from a business standpoint because the rent and the price don't change. But if they feel more comfortable, I am glad to do that. If we needed to call a special meeting to accommodate the state agency, I am glad to work with that as well

Motion approved unanimously to approve re-refer to Finance & Facilities Committee. It will be left to the Chairman to determine whether or not a special meeting is called.

G. Approval of Naming Committee Recommendation for the UNM Business Center
(Completed at beginning of meeting.)

H. Approval of and Authorization to File Articles of Incorporation for UNM Sandoval Regional Medical Center, Inc.

Patrick V. Apodaca, University Counsel – We have circulated some proposed resolutions regarding both the Board's approval of the Articles and the Bylaws as well as the appointment of its new board members by this Board.

Regent Sanchez – We have a good explanation of this in F&F, the documentation provided was very good. There was a requirement in there that I recommend to the Board a member from the Board to serve as one of the initial member and I am going to request that Don Chalmers be made the member director from this board.

Motion approved unanimously that Don Chalmers be made the member director from the Board of Regents and adoption of resolutions.

Information Items:

L. UNM Master Plan Update

Presentation by Dale Dekker, Principal at Dekker Perich Sabatini. (Book presented as well.)

Mr. Dekker provided an overview of the process, major planning principles, neighborhood issues and a synopsis of the proposed mater plan.

The Plan will be posted on the Planning and Campus Development web page to allow for review. No public comment will be necessary at this meeting.

Comments can be emailed to Planning@unm.edu. A certified letter will be sent to all recognized neighborhood associations and their representatives inviting them to share this information with their constituent groups.

Notifications will also be given to internal organizations, including Faculty Senate, ASUNM, Staff Council, GOAS and others to encourage any public comment.

UNM staff and consultants will compile all written comments and develop additional recommendations for potential changes to the plan document if appropriate.

Recommendations will be posted on the UNM PCD web page no later than one week prior to the next Board of Regents meeting, September 28, 2009.

Comments by Regents Koch, Chalmers, Gallegos and Abeita

M. Monthly Consolidated Financial Report

Ava Lovell, VP HSC

Review of report (see attachment #3)

N. Capital Projects Status Report

Steve Beffort, VP Institutional Services

Review of report (in BOR book), 92 total projects

27 over \$500,000

65 between \$1,000 and \$500,000

Compliments to Mary Vosevich and her team that do an outstanding job of maintaining campus.

O. UNM Rating Agency Update

Andrew Cullen, AVP

Review of report (in BOR book)

P. FY 2009-10 Budget Revenue Update: Pause & Hold and Use of Balance of Funds

Andrew Cullen, AVP

Review of report (in BOR book)

Q. Information Pertaining to the Distribution of Endowed Funds

Previously covered by Ava Lovell, VP HSC

- R. UNM Debt Service and Unexpended Bond Proceeds Update
Andrew Cullen, AVP
Review of report (in BOR book)

PUBLIC COMMENT

- Carol Anda (regarding Community Health Coalition)
My name is Carol Anda and we are here today with the Community Coalition for Health Care Access to share our concerns with you about UNM Hospital access issues and medical debt issues. I have packets for each of the Regents that outline our concerns and Guadalupe Campos will share a letter with you first in Spanish and Alma Olivas will share it with you in English.
 - Guadalupe Campos – reading of letter in Spanish (attachment #4)
 - Alma Olivas - reading of letter in English (attached)

- Judith Binder (regarding Master Plan)
My name is Judith Binder, I am an alum, a retiree and a neighbor. Earlier John Perovich mentioned the beautiful campus. What he didn't say was that architecturally UNM has been unique in maintaining its architectural Spanish pueblo style. There are statements in various master plans including preservation and enhancement of the campus' unique architecture. Earlier, Dr. Schmidly spoke of the accreditation report and academic improvement. However, the report also stated that UNM, up until now, didn't really play well with neighbors. UNM is late in working in conjunction with the City and with local communities as I have checked the assurance section pages 10 and 11 and the advancement pages 4 and 5. Mr. Dekker in his fantastic presentation, under diversity, he included mixed land use. Does this master plan cover sustainability, zoning as well as carbon emissions? Please note that according to Mr. Cog, the Rio Grande Council of Governments, and the 2008 average traffic flow through the Big I was 180,000 autos a day. That was broken down, north, east, south and west. The preservation of what is left of the North Golf Course and the baron fairways as open space, green space, is essential for the physical health of the tens of thousands of people each day who come from all over the city and who are welcomed into our community. You, the Regents, and we, those who support you with our taxes, are all custodians of our environment. There must be a time when we say stop and a place where we must say there will be no more construction. However, it's very nice to be among people who can speak well and I have heard several people speaking and known how to use the word "quickly." Thank you very much.

- Loretta Naranjo-Lopez (regarding Master Plan)
My name is Loretta Naranjo-Lopez, I am a life long resident of Martinez Town and a member of San Ignacio Catholic Church and a leader with Albuquerque Interfaith. Also, I am an alumnus of the University of New Mexico, receiving my

Bachelors from the Anderson School of Management and a Masters from the Community and Regional Planning Program. The Martinez Town workgroup which includes Second Presbyterian Church, St. Paul Lutheran and Martinez Town House Services are here today to express their opposition to the Mountain Road extension. Some of the stories we have heard from the residents along Mountain Road are that resident's quality of life has diminished. The children cannot play in their front yard or ride a bicycle safely on Mountain Road. Another story is Balleo Rodriguez's son who has cerebral palsy. She takes her son Hiraldo in a wheel chair on Mountain Road which is very dangerous. The residents will tell you about the extreme air and noise pollution that we have to deal with every day because of the concentration of UNM's medical facilities near Martinez Town Santa Barbara neighborhood. The UNM Master Plan approval may be at the Board of Regents' scheduled meeting in September, yet it is apparent that construction is eminent. We are here today to express our concern that since Camino de Salud, an entrance into UNM's north campus was open, the traffic has increased in volume and speed on Mountain Road. The residents of Martinez Town Santa Barbara have provided the Board of Regents a nine page petition stating they are opposed to the opening of the Mountain Road onto the north frontage and into the UNM north campus. The residents are opposed to the Mountain Road Extension because of the negative impacts that are occurring already today in our neighborhood. Thank you for this opportunity to speak and I would like to thank Mr. Dekker for continuing to work with us and attempting to keep the traffic out of our neighborhood.

- Christina Chavez (regarding Master Plan)
Good afternoon, my name is Christina Chavez. I too, also live in Santa Barbara Martinez Town neighborhood. I have been a resident for well over 30 years and I am pleased to say that my daughters have graduated from UNM. I will make this short and brief. This is a letter from our president, Phil Hern (reading of letter, see attached). We would just like to reiterate do not close Mountain Road, keep the communication open with us. We do support growth of UNM provided it is green, healthy and in the best interest of our community. President Schmidly, I had a conversation with you before when we did the MOU with UNM and CNM, and I welcome you again to our neighborhood. We talked about a plan for our children and just thank you all for taking time to listen to us.

Motion approved unanimously to adjourn to Executive Session at 12:08 p.m.(1st Fortner, 2nd Gallegos).

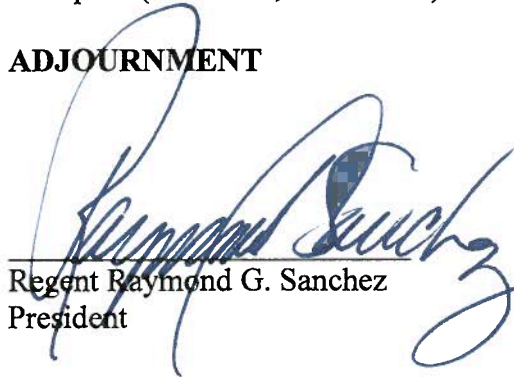
Executive Session was held from 11:30 a.m. – 1:00 p.m. in the Sandia Room.

- A. Discussion and determination, where appropriate, of limited personnel matters pursuant to Section 10-15-1 H (2), NMSA (1978).
- B. Discussion and determination, where appropriate, of matters subject to attorney-client privilege pertaining to threatened or pending litigation pursuant to Section 10-15-1 H (7) NMSA (1978).

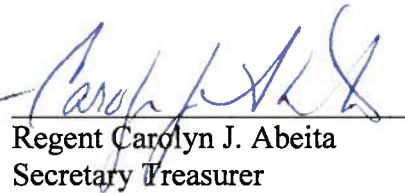
- C. Vote to re-open meeting at 11 p.m. (1st Fortner, 2nd Chalmers)
- D. Certification that only those matters described above were discussed in Executive Session and if necessary, ratification of actions, if any, taken in Executive Session.

Motion approved unanimously that no action was taken and to adjourn the meeting at 1:42 p.m. (1st Abeita, 2nd Fortner)

ADJOURNMENT



Regent Raymond G. Sanchez
President



Regent Carolyn J. Abeita
Secretary Treasurer

Attachments:

- 1. President's Administrative Report/Newsletter
- 2. President's Proposed Presidential Work Plan for FY 10 and Key Dashboard Indicators 2009/2010
- 3. Monthly Consolidated Financial Report (period ended June 30, 2009)

Proposed Presidential Work Plan for FY10

Key to Understanding this Document:

* = This is one of the President’s “Special Emphasis Goals” for FY10

Red Text = The President’s Proposed “Adelante Objectives” for FY10

Goal 1: Mission Vision and Strategic Plan

Carried Over from FY09 Work Plan:

- Implement the UNM Facility Master Plan, focusing this year on implementation of the student housing plan through Lobo Development.

New for FY10:

- Develop a shared vision for the academic enterprise focusing on academic excellence and student success.
- Develop a five-year financial plan for the university that facilitates fiscal equilibrium.
- Evaluate and align UNM’s yearly planning cycle to ensure that the challenges, opportunities, and goals related to the core missions are key drivers of the legislative agenda, budget development, and administrative priorities.

*Goal 2 – Accountability

President’s FY10 Adelante Objectives:

- Develop for presentation and approval by the Board of Regents a system of accounting procedures within all academic areas that ensure transparency and measurable standards that promote and clarify accountability. Include the following:
 - A comprehensive review of processes and procedures used by other four-year institutions in New Mexico, as well as other peer institutions, to identify best practices.
 - Development and institution of a process that provides for “encumbering of fund balances” within schools, colleges, and departments in a way that presents a true picture of how resources are encumbered, and specifically for what purposes.
- Begin the process of developing with faculty leadership a “Shared Governance Decision Matrix” that clarifies decision-making involvement and authority.
- Review Faculty Handbook Policies C100 (Academic Load) and C110 (Teaching Assignments) to ensure that these policies are appropriate to the current mission of the university and that they are applied fairly and consistently in all departments across campus.
- Clarify administrative roles, titles, accountabilities, and reporting structures to ensure transparency and knowledge of accountability.

- Establish the expectation and requirement that leaders within the academic enterprise (Provost, Deans, Department Chairs, etc.) shall take on primary accountability throughout the schools and colleges for the regular and rapid exchange of accurate information, as well as ongoing conversation and feedback related to emerging issues, opportunities, and challenges.
 - Develop and apply processes and practices to ensure that faculty have regular and meaningful access to Administration to share ideas, challenges, and concerns.
 - Hold all-school/college faculty meetings, with the faculty setting the agenda, to help administration understand the opportunities, challenges, and concerns that are unique to individual schools and colleges.
 - Hold a yearly schools and colleges review to allow deans to communicate with administration their strategic plans, as well as progress made and challenges encountered.

Carried Over from FY09 Work Plan:

- None

New for FY10:

- Implement processes that clearly involve Deans and Department Chairs in formulating short-term budget rescission decisions.

***Goal 3 – Academics and Student Success**

President’s FY10 Adelante Objectives:

- Develop comprehensive strategies that assist academic units to meet their enrollment and retention goals, with emphasis on improved advising.
- Review and improve principles and processes related to the awarding of scholarships to ensure clarity, consistency, and student-friendly practices.
- Complete a university-wide degree audit to ensure that degree requirements are up to date, thus providing a clear and useful tool for each student’s course planning and management of his/her time to graduation.
- Develop and implement a plan to improve academic advising that specifically addresses the understaffing of advisors in the University College Advising Center.
- Develop and implement a plan to ensure that UNM students have adequate access to computers necessary to support their success.
- Continue to Strengthen UNM’s Branch Campuses:
 - (Note: removed objective on hiring Executive Director for Gallup, as hiring has been completed.)
 - Continue to strengthen relationships between UNM’s Main Campus, HSC, and the Branch Campuses.
 - Develop a strategy that successfully prepares and attracts Branch Campus students to continue their education at UNM’s Main Campus or at HSC.
- Develop and implement an effective distance education model.

Carried Over from FY09 Work Plan:

- Explore potential models for new admissions standards that include less emphasis on test scores (Main Campus).
- Develop a plan and time frame for implementing recommendations contained in the University College evaluation.
- Continue to expand UNM connections in Mexico.

New for FY10:

- Develop and implement a comprehensive plan for enhanced and expanded services that will attract and retain talented graduate students.

Goal 3B – Research

Carried Over from FY09 Work Plan:

- None

New for FY10:

- Foster faculty research through improved procedures and processes in Main Campus Research Administration.
- Develop new policies related to research centers and institutes through a joint task force with Academic Affairs.
- Support proposal development, award reporting, and the implementation of streamlined/fast-tracked processes associated with ARRA (stimulus) grants at the federal and state level.
- Formalize the role of newly-appointed Director of Arts and Humanities Research Initiatives to increase research and support scholarly activity of faculty in the arts and humanities.
- Finalize the restructuring and reorganization of the Main Campus Research Office.

Goal 4 – Diversity of Leadership, Faculty and Staff

Carried Over from FY09 Work Plan:

- None

New for FY10:

- Establish process and procedures for hiring and retaining underrepresented faculty.
- Coordinate university-wide efforts to address recommendations by the Higher Learning Commission on UNM's Special Emphasis on Diversity.
- Organize the "ethnic centers" as components directly reporting to the VP for Equity and Inclusion, and move their funding from Special Project sources to the formula.

Goal 5 – Community Engagement

Carried Over from FY09 Work Plan:

- Complete redesign of the UNM website.
- Develop and launch the UNM “brand.”
- Revise MOUs with Tribes, Nations, and Pueblos.
- Develop and launch plans for a major UNM PK-20 initiative.
- Develop and implement a plan to address child care issues for students, staff, and faculty.

New for FY10:

- Develop and implement community visibility, engagement, and service expectations for UNM leaders, emphasizing the President’s office.
- Develop a collaborative PR initiative that utilizes existing resources from main campus, HSC and Athletics.
- Develop and launch a communication tool for UNM neighborhoods.
- Compile a non-exhaustive list of volunteer and community service provided by faculty, staff, and students.
- Increase community collaboration through stronger participation in business and economic development opportunities such as those with the Greater Albuquerque Chamber of Commerce, Albuquerque Economic Development, and/or Hispano Chamber.

Goal 6 – Legislative Role

Carried Over from FY09 Work Plan:

- Meet with and develop strong working relationships with state/legislative leaders.
- Develop message to legislators that communicates UNM’s Strategic Framework and links all legislative requests to the mission, vision, core values, and institution-wide strategies.
- Develop a mechanism that communicates UNM’s long-range tuition plan to the state legislature. (reworded)

New for FY10:

- Develop and implement a plan for UNM to take the lead role in working with the legislature to revise the funding formula for universities in New Mexico.

Goal 6B – Federal Relations and National Issues

Carried Over from FY09 Work Plan:

- None

New for FY10:

- Work with new NM Congressional delegation to obtain congressionally-directed funds for university programs, projects, and initiatives
- Develop a process for the identification of federal research priorities that are limited in number and focus on the areas of expertise of our faculty.
- Provide timely information and support to the NM Congressional delegation on education, research, and community initiatives.

***Goal 7 – Fund Raising**

President’s FY10 Adelante Objectives:

- Develop and implement a plan to focus fund raising efforts in areas that primarily support academic achievement through a) scholarships, and b) faculty chairs, and with a secondary focus on athletics.
- Develop and launch the “President’s Engagement and Outreach Initiative” to ensure that the President is actively involved with the key donor base and major constituencies throughout the state, including:
 - The Foundation Board of Trustees
 - Major donor events
 - Top 100 donors and potential donors
- Working with the UNM Foundation, identify and develop a strong base of volunteer leaders for the public phase of the capital campaign.

Carried Over from FY09 Work Plan:

- Establish structure and time line for forth-coming capital campaign.

New for FY10:

- Develop and implement a major strategy for revenue-generating programs for the summer of 2010.

Goal 8 – Economic and Resource Development

Carried Over from FY09 Work Plan:

- Clarify economic development in the UNM organizational structure.
- Develop plan to select firm/firms to develop land adjacent to UNM.

New for FY10:

- Begin the development of an initiative that will answer the question, “How can UNM best position itself to develop academic and research endeavors that involve public/private partnerships around renewable energy and sustainability?”

***Goal 9 – Rio Rancho Campus**

President’s FY10 Adelante Objectives:

- Open the first building on the UNM Rio Rancho Campus, and develop a plan for funding the new building over time.
- Create an overall operational funding model to be implemented for the fall 2010 semester, including the disposition of I&G funds that are generated by the Rio Rancho campus.

Carried Over from FY09 Work Plan:

- None

New for FY10:

- Develop a comprehensive academic plan for the Rio Rancho Campus, including programs to be offered by UNM, UNMHSC, and CNM.

Goal 10 – Health Sciences Center

Carried Over from FY09 Work Plan:

- Complete and open the new Cancer Center facility.
- Continue planning and break ground on the Sandoval Regional Medical Center.
- Resubmit the HSC's proposal for NIH Clinical and Translational Science Center.

New for FY10:

- Ensure appropriate university-wide preparation for H1N1 flu.
- Maintain full accreditation of all HSC educational programs.
- Strengthen the role and responsibilities of the HSC Regent Committee.

Goal 11 – Athletics

President's FY10 Adelante Objective:

- Continue to ensure that the renovation of the PIT moves forward on schedule and with adequate funding - including private funding - with a December 2010 completion date.

Carried Over from FY09 Work Plan:

- None

New for FY10:

- Develop and implement new budgeting strategies to secure a balanced budget as well as the long term financial stability of the Athletics Department.
- Actively implement the marketing plan to sell suites and club seats and meet identified targets.
- Partner with other areas of the university to extend outreach and exposure of UNM around New Mexico.
- Implement the plan to celebrate the accomplishments of UNM's student-athletes.
- Enhance summer school opportunities for student-athletes to ensure greater academic progress and graduation.

***Goal 12 – Relationship and Communication with Board of Regents**

President's FY10 Adelante Objectives:

- Develop procedures and processes that address concerns raised during the Higher Learning Commission's (HLC) April 2009 accreditation visit and subsequent request for a "monitoring report" due to the HLC in January 2011.
- The President and Provost will work with the Chair of the Regents' Academic and Student Affairs Committee to develop an active agenda that addresses major academic issues on all campuses.
- Engage the Association of Governing Boards to provide coaching and training on the roles, practices, and behaviors of highly effective boards.

Carried Over from FY09 Work Plan:

- Continue to revise, update, and make appropriate adjustments to Board policies.

New for FY10:

- None

Goal 13 – Technology

Carried Over from FY09 Work Plan:

- Assess and strengthen university-wide technology capabilities in the areas of distance education, communications, research, reporting, emergency response, and security.
- Evaluate strategic alliances with high performance computing at UNM and the new state High Performance Computing Center.

New for FY10:

- Implement the online degree audit system.
- Expand faculty development opportunities in the area of instructional technologies.

Executive Summary

University of New Mexico Consolidated Financial Report

FY 2009, 12 months ending 6/30/2009

This report covers current fund operations for the University, including Main Campus, Branch Campuses and HSC Campus.

The 2009 Full Year Budget column has been updated to reflect the UNM Revised Budget as approved by the Regents at their May 1, 2009 meeting.

This report displays the “**Benchmark Rate**” percentage. The Benchmark Rate is used as a guide to analyze how budgeted revenue is coming in or whether we are spending budgeted expenses too rapidly. For June, we would expect to see income and expense for 12 months of the year or 100% (12 months divided by 12 months) of the full year revised budget.

Instruction and General operations (approximately 90% of this operation resides on Main Campus) in the FY 2009 UNM Revised Budget projected an unfavorable net margin of \$9.4M. The major factors contributing to this budgeted unfavorable net margin are: the FY 2009 State General Fund Appropriation rescission of 2.5% (of which \$5.3M was at Main Campus and \$2.6M was at the HSC Campus) and increases in the utilities, instruction, academic support and student services expense budgets at Main Campus. As of 6/30/09 these operations produced an unfavorable net margin of \$424K. The \$9.0M favorable difference between the actual and revised budget net margin as of June 30, 2009 is primarily due to the Main Campus revised budget reflecting an increase in the expense budgets and the Main Campus Academic Affairs Division budgeting their entire balance forward and subsequently not spending the full amount.

The next block of information shows our **Unrestricted Research** operations. The activity in these operations is essentially 50% Main Campus and 50% HSC Campus. The FY 2009 UNM Revised Budget showed a use of balance of just over \$10.0 million, of which \$5.2 million is related to Main Campus and \$4.8 million is related to HSC Campus. The favorable net margin is \$3.5M as of 6/30/09. The favorable difference of \$13.5M between the actual and revised budget net margin as of June 30, 2009 is primarily due to both the Main and HSC Campuses revised budgets reflecting increases in the expense budgets and the Main Campus Academic Affairs Division budgeting their entire balance forward and subsequently not spending the full amount.

The third block of numbers on the first page is a summary of our **Clinical** operations. These operations are essentially all the patient care activities of the HSC Campus, including our four hospitals, SOM physician professional services, the Cancer Center operations and Housestaff/Medical Residents who are being trained in the UNM and VA hospitals. The FY 2009 UNM Revised Budget projected a favorable net margin of \$9.6M. Clinical operations actual revenues and expenditures ran slightly above the revised budget with benchmark rates of 104% and 101% respectively. Clinical operations show net revenue greater than expense by \$40.3 million as of 6/30/09 which is primarily due to a 10% increase in patient volume. UNM Hospital's actual net margin exceeded their revised budget amount by \$27.4M which was attributable to approximately \$21M more in SCI and a positive cost report settlement difference of approximately \$7M.

The fourth business category shown on the first page of this report is **Unrestricted Public Service**. The operations in this category include special projects funded by State Appropriations, for example project ECHO, and non-endowed gifts flowing from the UNM Foundation to departments, and many small events funded by user fees. The FY 2009 UNM Revised Budget projected an unfavorable net margin of \$6.5M. This unfavorable budgeted net margin is comprised of a \$759K unfavorable net margin at the Main and Branch Campuses and an unfavorable net margin at the HSC Campus of \$5.8M. The major factors contributing to this budgeted unfavorable net margin are: an increase in expenditures and transfers at Main Campus and an increase in expenditures at HSC Campus. Actual revenue is less than expense by \$1.4M as of 6/30/09 with HSC Campus having an unfavorable net margin of \$219K and the Main and Branch Campuses producing an unfavorable net margin totaling \$1.2M. The favorable difference of \$5.1M between the actual and revised budget net margin as of June 30, 2009 is primarily due to both the Main and HSC Campuses revised budgets reflecting increases in the expense budgets.

Page 2 of this report begins with the **Student Aid** function. Essentially all the expenditures in this category are recorded on the semester basis for scholarships and need-based aid to students. The FY 2009 UNM Revised Budget projected an unfavorable net margin of \$1.6M. This unfavorable budgeted net margin is driven by additional budgeted transfers and expenses at Main Campus. The \$4.7M unfavorable actual net margin as of 6/30/09 is primarily the result of UNM Foundation distributions that were not recorded until Fiscal Year 2010 because of the loss in value of certain investments.

Student Activities are the operations of Student Government and Student organizations. These operations show an unfavorable performance of \$233K as of 6/30/09 which differs by \$410K from the revised budgeted amount of \$177K favorable net margin.

Auxiliaries and Athletics

The FY 2009 UNM Revised Budget for Auxiliaries and Athletics projected a use of balance of \$2.0M. This \$2.0M use of balance is primarily due to a combination of Athletics budgeting a \$1.0 million projected use of balance, Housing budgeting a use of balance of \$4.6 million which is driven by transfers out of \$8.0 million, comprised of \$6 million to Plant for renovations and \$2 million to Plant for debt service, and all other units budgeting a favorable net margin of \$3.6M. Regarding actual performance as of June 30, 2009, the Auxiliaries and Athletics had an unfavorable actual net margin of \$4.8 million. Units with a negative net operating income through June are: Athletics, Public Events, Golf Courses, Young Ranch, Taos & Lawrence Ranch, Housing and Food Service, Student Health Center, Lobo Cash and the CE Conference Ctr. The unfavorable difference of \$2.8M between the actual and revised budget net margin as of June 30, 2009 is primarily due to a budgeted increase in revenues in Athletics and Golf Courses which did not materialize.

Sponsored programs operations are our contract and grant research and public service projects funded by outside agencies and companies. These operations will always record a zero net revenue over expense by the nature of their funding. The agency pays for a service or research project, and normally any unspent funds must be returned to the agency.

The **total net** favorable revenue over expenses for UNM current operations is \$32.3 million for the twelve months ending 6/30/09, primarily driven by the favorable net margin of \$40.3M in Clinical Operations and the combined unfavorable net margin of \$10.9M in the Public Service, Student Aid and Auxiliaries/Athletics operations.