

**Minutes of the Regular Meeting of the Board of Regents of the University of New Mexico
March 9, 2015
Student Union Building, Ballroom C**

Members present

Jack L. Fortner, President; James H. Koch; Suzanne Quillen; Heidi Overton; Matthew Chandler; Robert M. Doughty

Members not present

Bradley C. Hosmer

Administration present

Robert G. Frank, President; David Harris, EVP of Administration, COO, CFO; Chaouki Abdallah, Provost and EVP for Academic Affairs; Paul Roth, Chancellor for Health Sciences; Elsa Cole, University Counsel; Dorothy Anderson, VP HR; Richard Larson, Executive Vice Chancellor HSC; Michael Richards, UNM Health System's Exec. Physician-in-Chief; Liz Metzger, University Controller; Helen Gonzales, Chief Compliance Officer; Eliseo 'Cheo' Torres, VP Student Affairs; Ava Lovell, Sr. Exec. Officer of Finance and Administration, HSC; Pamina Deutsch, Dir. Policy Office

Regents' Advisors present

Reneé Delgado-Riley, Staff Council; Pamela Pyle, Faculty Senate; Texanna Martin, GPSA; Bill Miller, Retiree Association; Carl Alongi, UNM Foundation

Presenters in attendance

David Green, Perkins+Will; Dale Dekker, Dekker/Perich/Sabatini; Terry Laudick, Chair, Innovate ABQ Board of Directors; Eric Weinstein, Aon Corporation; Henry Nemcik, President and CEO UNM Foundation; Andrew Cullen, AVP, Planning, Budget and Analysis; Francis Wilkinson, Senior Assoc. Dean University Libraries; Bruce Cherrin, Chief Procurement Officer; John Byram, Director UNM Press; Thomas Aguirre, Dean of Students; Greg Heileman, Associate Provost for Academic Affairs; Terry Babbitt, AVP Enrollment Management

Others in attendance

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

CONFIRMATION OF PRIOR SPECIAL MEETING IN EXECUTIVE SESSION

The Board of Regents met in closed session on March 9, 2015 from 7:48 to 9:05 AM in the Cherry Silver Room of the Student Union Building for discussion purposes only of limited personnel matters as permitted under Section 10-15-1H(2) of the Open Meetings Act (NMSA 1978). Members present were Jack Fortner, Robert Doughty, Heidi Overton, Suzanne Quillen, Jamie Koch, and Matt Chandler. Regent Hosmer was not present. The matters discussed at the meeting were limited only to personnel matters as specified in the notice and agenda for the meeting.

CALL TO ORDER, CONFIRMATION OF A QUORUM AND APPROVAL OF THE AGENDA

Regent President Fortner called the meeting to order at 9:17 AM. Regent Hosmer was not present. A quorum was confirmed. A modification to the agenda was made, Academic and Student Affairs Committee agenda item number 2, tab 21, was taken off the agenda. The agenda as modified was approved by unanimous vote (1st Koch, 2nd Chandler).

APPROVAL OF MINUTES

The motion to approve the minutes of the February 6, 2015 regular meeting passed by unanimous vote (1st Overton, 2nd Chandler).

PUBLIC COMMENT (no comments)

ELECTION OF OFFICERS

Regent Koch nominated Jack Fortner as President of the Board of Regents. Heidi Overton seconded the nomination. Regent Fortner asked if there were any other nominations. There being no other nominations, there was a vote and the vote was unanimous for Regent Fortner as President of the Board of Regents.

Regent Chandler nominated Robert Doughty to Vice President of the Board of Regents. Jamie Koch seconded the nomination. Regent Fortner asked if there were any other nominations. There being no other nominations, there was a vote and the vote was unanimous for Regent Doughty as Vice President of the Board of Regents.

Regent Quillen nominated Brad Hosmer to Secretary Treasurer of the Board of Regents. Heidi Overton seconded the nomination. Regent Fortner asked if there were any other nominations. There being no other nominations, there was a vote and the vote was unanimous for Regent Hosmer as Secretary Treasurer of the Board of Regents.

ADOPTION OF ANNUAL RESOLUTION CONCERNING PUBLIC NOTICE OF MEETINGS AND CONFIRMATION OF REGENTS' POLICY 1.3 "PUBLIC NOTICE OF REGENTS' MEETINGS" (Exhibit A)

The motion to adopt the Annual Resolution Concerning Public Notice of Meetings and Confirmation of Regents' Policy 1.3 "Public Notice of Regents' Meetings" passed by unanimous vote with a quorum of Regents present and voting (1st Doughty; 2nd Chandler).

PRESIDENT'S ADMINISTRATIVE REPORT

President Robert Frank gave a UNM legislative update and briefly addressed funding for higher education, performance funding, formula outcome measures, and funding for key UNM initiatives as well as proposed changes to the Lottery Scholarship. The University's LoboRESPECT Crisis Communication Program has been announced as a finalist for Accolades in Crisis Communication by the Council for the Advancement and Support of Education (CASE). President Frank noted a few of the action items on the agenda coming forward for Regents' approval: the plan to balance the current year budget, the funding plan for the UNM Foundation as continued implementation of recommendations of the Philanthropy Study Committee, and the plan to reintegrate the pre-65 retirees into the active healthcare pool. The President highlighted the Innovate ABQ development framework coming forward for Regents' approval. The vision for Innovate ABQ began to form in September 2012. The Rainforest in the Desert is based on Victor Hwang's Rainforest Model. This year, UNM will hold a follow-up Economic Development Summit to build upon progress since the last summit and serve as a catalyst for renewed energy and support for advancing economic development initiatives.

APPROVAL OF INNOVATE ABQ DEVELOPMENT FRAMEWORK

Andrew Cullen introduced the framework document that Perkins+Will (P+W) and Dekker/Perich/Sabatini (D/P/S) submitted which the Regents received a few days earlier. Mr. Cullen clarified that the request to the Regents was for Regents' acceptance of the site development framework, specifically on the First Baptist site at the corner of Central and Broadway, as well as acceptance of the district development framework. Mr. Cullen provided a brief overview of the past two years, including the site selection process and the funding partnership that occurred and led to the purchase of the First Baptist site in July 2014. In August 2014, STC.UNM entered into a contract with P+W and D/P/S for the planning services. The School of Architecture and Planning (SAP) and its students have been involved with P+W and D/P/S during the last three semesters in the design and planning process. An overall goal has been to reactivate the Central Avenue corridor. There will be baseline financial goals but much will depend upon how the development community, both locally and nationally, views this project. Mr. Cullen mentioned important factors including, increased commercialization for UNM researchers and Albuquerque-area and Statewide entrepreneurs, an increased talent draw for research faculty and students, and broader educational opportunities some of which have already been realized with the beginning of the University's Innovation Academy. Mr. Cullen introduced David Green to present the development framework.

David Green commented on the high level of collaboration with the School of Architecture and Planning, and much of that which was incorporated into the project came from the students and faculty at UNM.

Referring to powerpoint slides, Mr. Green discussed the Rainforest ecosystem, a model that sets up a framework for innovation, as opposed to a master plan process that stipulates what happens in year one, two, three and so on. UNM's research activity is the driver behind the intellectual capital that is being produced and can move into a transformative platform for economic development. The project is not just about a 7-acre site, but about a larger district that connects the University with the downtown. The critical component is the relationship between the grassroots entrepreneurial innovation and large institutional and academic work. Low-funded startup companies that are more nimble can take some of the work started at the University and commercialize and transform it in such a way that brings others in from the outside and keeps students here after they graduate. Other ventures are already happening in anticipation of the more formal development of the core site. The Epicenter, FatPipe, and the PNM Pop-up Pavilion are all examples. Things are happening more rapidly and substantively than what was originally imagined. Mr. Green outlined the details of the 7-acre site: the existing site is directly adjacent to downtown; there are already things happening with connections to the rail yard and stronger connections to downtown; reincorporating a highly connected smaller block system; and a priority on the public connection, which is the extension of Copper. A fundamental planning strategy is to reinforce the connections that need to be demonstrated throughout the process: the internal connections between researchers and entrepreneurs, as well as the external connections between the site and the district, and the district and the larger city. A critical part is the mix of commercial lab, commercial office, supportive retail, the potential for institutional development as well as hospitality. Mr. Green discussed the analysis going on at a detailed level to limit risk, with ongoing detail analyses to ensure efficiency and cost effectiveness, incremental incorporation of infrastructure, and setting up a platform of expectations for developers that are coming in. The first projects need to be primarily commercial driven. Details, principles and elements are put into a database that is interactive, with testing, evaluation and reset capabilities. Work must occur with the City and utilities to ensure efficient distribution of infrastructure and support systems. Parking needs are also addressed. Outcomes are based on current understandings of what the market will bear and where it is heading. The outputs are supplied to the Innovate Board. Projected investment at the site by all stakeholders is estimated at \$50-150 million with a 10-20 year implementation timeframe. Sixty percent to 80% of the funding will come from the private and commercial development community. There will be a highly iterative process to evaluate options for funding sources. At the low level and high levels of detail, costs and returns are tracked. Returns on the project will not only be financial, but educational as well which will benefit UNM in the short-term and the City and State in the long-term. Bringing people into the area and retaining students as well as increased property taxes are also actual benefits. Mr. Green said the document presented to the Regents will also be used as a window for the external development and research communities into Albuquerque. Clarity is important so people can understand it and get excited about it. Mr. Green introduced Dale Dekker of Dekker/Perich/Sabatini (D/P/S) to discuss the way forward.

Dale Dekker said that Perkins+Will (P+W) has put in a massive amount of work toward the project; the expertise it has brought will benefit the community and City for generations to come. There has been an RFIQ (Request for Interest and Qualifications) issued to gauge developer interest. There has been close work with the Innovate ABQ Board and with the City of Albuquerque. D/P/S has worked with the adjacent neighborhood associations. Verge, as well as other innovation and entrepreneur enterprises, have opened across the street. The City is embarking on a rapid transit system that will extend from the West Mesa on Route 66 to Tramway, with a stop at Innovate ABQ. It will connect Innovate ABQ to Nob Hill, the University and Downtown. The School of Architecture and Planning (SAP) has been involved with a number of studios looking at the whole site in the context of the city and the city growth patterns. Mr. Dekker introduced Terry Laudick, Chair of the Innovate ABQ Board of Directors.

Mr. Laudick thanked the Regents for their invitation to serve as the Innovate ABQ Board Chair as well as for the appointments of the other ten members to the Innovate ABQ Board. There is a significant level of experience, skills and knowledge represented on the Board; the members represent the public and private sectors, as well as entrepreneurs and innovators. The Innovate ABQ Board has completed the organizational structure and is now a licensed business, a not-for-profit with a tax-exempt status. The Innovate ABQ Board has met with Perkins+Will on a number of occasions to review the project and provide guidance. The Request for Interest and Qualifications (RFIQ) was issued in January, and a number of responses from highly qualified developers, both local and national, have been received. The interest at this stage gives confidence the project is moving in the right direction. The next step is to engage with an independent party with experience to review the RFIQs and assist in developing the framework for the

RFP. The plan is to issue the RFP in late April. There is momentum in the community seen in the enterprises going up around the perimeter of the site. Last week the Innovate ABQ Board met with Perkins+Will and Dekker/Perich/Sabatini to review the development framework and the Innovate ABQ Board unanimously approved it. The Board enthusiastically supports the site development framework as well as the district development framework, and it recommends and requests to the Board of Regents to also accept this proposal.

There was discussion about the Innovate ABQ operating budget. Revenues are coming in for a parking contract with Lovelace. There is projected \$163 K of funds available at the end of June 2015, enough funds to move into the next phase.

The motion to approve the Innovate ABQ Site Development Framework and the District Development Framework passed by unanimous vote with a quorum of Regents present and voting (1st Koch; 2nd Overton).

COMMENTS FROM REGENTS (there were no comments)

REGENT COMMITTEE REPORTS

FINANCE AND FACILITIES COMMITTEE

Approval of Health Plan Committee Recommendations

Regent Koch asked Eric Weinstein to give an overview of Aon Corporation, which was hired by the University in December 2014. Aon is one of the largest benefits consulting firms in the world and has a specific public sector and higher education practice. Aon works with over 800 public sector groups and has over 300 higher education clients across the country. The majority of Aon's clients in the U.S. and in New Mexico are self-insured. Aon supports The University's HR department as its benefits consultant, with benefits design and strategy, and financial reporting as it relates to benefits. There was discussion about premiums and the University's Health Plan reserve. Dorothy Richards confirmed the item presented for Regents' approval is the one-page list of 12 recommendations made by the Healthcare Plan Design Taskforce and that was approved by the Regents Finance and Facilities Committee (Exhibit B). Michael Richards presented the first eight recommendations; Dorothy Anderson presented recommendations 9 through 12. The Health Plan Committee endorsed items 1 through 9. Item 10, eliminate post-retirement health benefits for individuals hired effective after June 30, 2015, is currently under evaluation primarily to analyze which group will be impacted the most. There was discussion about the impact to the monthly premiums the active employees will pay due to the blending of the pre-65 retirees back into the active pool. Dorothy Anderson gave an example increase, for an active employee paying premiums for family coverage, the monthly premium will go up between \$1.60 per month and approximately \$17, for an employee who is on the Presbyterian Health Plan. The University also bears an increase to the portion of the premium it pays for the same employee, however the bottom line impact to the University in premium payments is close to zero after netting out the reduction in premiums for the pre-65 retirees after they are blended back into the active pool.

Student Regent Overton commented on the recent speculations that blending the pre-65 retirees back into the active pool would increase costs to the University and thereby compromise the academic mission of the University in budgetary terms. The presentations however do not indicate that to be the case, and it sounds like the Regents will be able to pass the partial blending of the pre-65 retirees and not have to compromise the University's academic mission. Regent Overton asked David Harris to comment, and EVP Harris agreed. The task force, led by Dr. Roth and EVP Harris, looked at this. Last Fall after the question was put to the active employees and they stated they felt they had an ethical responsibility to do this, the task force proceeded on that basis. EVP Harris said he did not believe this has a fiscal impact on the University; certainly not that it would threaten the University's basic mission. Student Regent Overton said she is in support of the recommendations; however, she wanted clarification this is cost neutral to the University so that the budget discussion during the next couple of months would not point back to today's decision as a direct reason to necessitate tuition or other budgetary decisions the Regents would have to make.

Regent Koch commented that health care is probably one of the biggest areas where the University could reduce costs but the University has not done that. The University could make some major changes, but they would be difficult to do. We have to look at all areas of the budget to find cost savings and health benefits is one of them. The decision today to partially blend the pre-65 retirees is cost neutral, but there are other decisions we could have made which could have potentially saved more, but we are not debating those today.

Regent Doughty thanked the Health Plan Committee for their hard work and at this point will support the recommendations but does not think it is fair to increase the premiums for the active employees by 2.5% and would like to have seen an alternative solution. Ms. Anderson responded that part of the reason for recommendation number 7, to defer the planned .25% VEBA contribution increase for VEBA participants, was to offset the increase to health premiums this next year. The VEBA percentage is calculated on total salary. Ms. Anderson said the one-year deferral in the planned VEBA increase that would offset, for those contributing, the premium increases will allow the opportunity to further evaluate premiums over the next year.

Student Regent Overton, responding to the increase in premiums, addressed the excess amount of funds reported in the University's Health Plan reserve and whether those excesses can be invested back into programs within the University's Health Plan as a way to offset increased premiums. She said she would be in favor of that use. Ms. Anderson explained that the first recommendation on the list for Regents' approval, increase engagement in disease management and wellness programs, will be a possible use for those excess reserve funds. Regent Quillen asked why there was no consideration for using the excess funds to offset premium increases this next year or at least keep the excess funds in the reserve pool for future use toward the health plan. David Harris said that is an option the Regents should consider.

Regent Fortner said that Faculty and Staff want to comment. Pamela Pyle, Faculty Senate President, presented a resolution, drafted by the Faculty on March 4, opposed to item number 10 on the recommendations list, eliminate post-retirement health benefits for individuals hired effective after June 30, 2015. The resolution titled, 'Faculty Senate Resolution on the Plan to Remove University-funded Post-retirement Healthcare Benefits,' stated the UNM Faculty opposes the action and urges the Board of Regents and Administration to abandon consideration of this plan. The resolution received a 73% response rate with 3 against and 1 abstention.

Renée Delgado-Riley, Staff Council President, spoke also in opposition to item number 10 on the recommendation list. This will hurt recruitment strategies to attract dedicated individuals to come work at the University. Dr. Delgado-Riley urged Administration to come up with a better model that would not hurt recruitment of future employees.

Regent Fortner clarified that the Regents would be voting on all twelve recommendations, including the last two (numbers 11 and 12) which are recommendations to evaluate each of the proposals.

The motion to approve the Health Plan Committee recommendations passed by a unanimous vote (1st Overton; 2nd Koch).

Approval of Consent Agenda

Regent Koch read the two items on the consent agenda, 1) Approval of Disposition of surplus property for main campus on the list dated February 16, 2015, and 2) Capital Project Approval - UNM Valencia Campus Chilled Water System Phase II (continuation). Regent Koch motioned approval of the consent agenda.

The motion to approve the Finance and Facilities Committee consent agenda as stated passed by unanimous vote (1st Koch; 2nd Doughty).

Approval of Strategic Pricing to Enhance Enrollment Strategies

Terry Babbitt presented the material that was included in the agenda book. Competition is extreme for traditional domestic and international students. Strategically pricing non-resident tuition is a financially sound tactic when capacity exists. Dr. Babbitt discussed 3 proposed scholarship strategies. The first strategy involves recruitment of international students. Scholarship rates for international students may

be determined by strategic opportunity or by volume. The second strategy involves recruitment of students from states to the east that have seen increases in high school graduates. The third strategy involves piloting a very small number of summer school courses as large volume, online classes at reduced rates to support student affordability and academic progress. There was discussion and clarification about the variation in scholarship amounts and which countries will be of focus for attracting international students.

The motion to approve the Strategic Pricing to Enhance Enrollment Strategies passed by a unanimous vote (1st Koch; 2nd Doughty).

Approval of UNM Foundation Funding

Henry Nemcik and Carl Alongi presented the material. Mr. Nemcik provided background to the Philanthropy Study that involved a Philanthropy Study Committee in 2012. The purpose of the study was to ensure the Regents felt comfortable with the metrics the foundation was using, the staffing levels, the productivity and other issues related to foundation management including funding of the Foundation. Philanthropy Study Committee approved five recommendations: 1) Institutional support be provided by the University to fund budgetary requirements net of other revenue streams, 2) Investigate how unexpended funds held by the Foundation or University could be invested in a higher yield, low risk strategy, 3) as revenue sources are variable due to economic conditions, the Foundation's reserve for operations must be increased by an annual allocation to provide funding for a predictable level of operations year-to-year, 4) recommend a funding model that calls for 16 total new hires to be added over the 5-year projected period, and 5) recommend that a 5-year projected model also be included. Progress has been made on all of the 5 recommendations. An objective in the UNM2020 Goals is for the Foundation endowment to reach \$500 million by 2020 and follow up with a \$1 billion campaign. President Frank initiated a funding strategy that allowed the Foundation to move up to 6 new development staff initially. There is a direct relationship between the number of development staff and the fundraising capacity. The Foundation saw a reduction of \$500 K to its operating budget last year, and it is now down to 25 development officer positions. Development officers generate between \$1.5-2.0 million per year per person after about 18 months to ramp up. The Foundation is on target this year. For every dollar invested by the University, the Foundation gives \$8.4 back to the University. There are two types of support that are common to every foundation in the U.S., the first is direct institutional support and the second is with a development funding allocation (DFA) which is a distribution from the endowment itself, like a fee. Nationally, these two types of support generate about 50/50 of funds to foundations, which holds true for UNM.

Regent Doughty commented on the amount of institutional support UNM provides the Foundation, currently in the amount of \$4.6 million, that it does not appear on the graph that the amount of institutional support provided to the Foundation translates to the amount that comes back to UNM. The graph does not show the cash to UNM increasing in response to increases in the amount of institutional support. Mr. Nemcik responded there is not a direct one to one correlation. There are some positions in the Foundation that do not generate revenue. The Foundation does not want to put further burden on the University budget, but it will dedicate the increased funding to development staff that will generate direct support.

There was discussion about the Foundation's request to increase the DFA from 140 to 160 basis points (bps). Regent Doughty asked why the funding to the Foundation cannot be provided 100% by the DFA, because institutional support monies could potentially be in I&G and used for the students at the University. Carl Alongi responded the DFA comes out of the earnings of the endowment before distributions are made to the University. DFA used to be 185 bps and was dropped to 140 bps in FY2013/2014 in exchange for additional institutional support. This current model of funding is consistent with general practices across the country. There was discussion on how the institutional support is calculated. Andrew Cullen explained that growing the Consolidated Investment Fund (CIF) is a 2020 goal and it grows in 2 ways, by new investments from private fund-raising opportunities and by earnings growth. There was discussion about the turnover rate of development officers and what the increased funding would be used for. The approximately \$700 K of increased funding to the Foundation that would come from raising the DFA from 140 to 160 bps would be spent on increasing the number of development officers from 25 to 31 and also adding 2 support people.

The motion to approve the UNM Foundation Funding passed by a vote of 5 to 1; Regents Fortner, Quillen, Koch, Chandler, and Overton voted for; Regent Doughty voted against (1st Koch; 2nd Chandler).

Monthly Consolidate Financial Report

Liz Metzger presented the January 31, 2015 financial report provided in the agenda eBook. Due to enrollment decline in the Fall and Spring semesters, the current projection to the overall budget is a \$3.6 million deficit. Regent Quillen asked when Administration became aware of the \$3.6 million deficit. Ms. Metzger and Terry Babbitt responded there was a 1.5% credit hour decrease in Fall enrollment which was reported to the Regents in the Fall. Spring enrollment is usually 92% of Fall enrollment, and there was a push to increase the Spring enrollment, but actual Spring enrollment had a little over a 2% decrease from budget.

Contract Approval: University Libraries and Health Sciences Library and Informatics Center-Elsevier ScienceDirect Electronic Journals

Fran Wilkinson and Bruce Cherrin presented the item. This is a joint procurement between Main Campus and HSC for a product called ScienceDirect. This includes about 2,500 electronic journals, which are heavily used by students and faculty. An excellent 5-year contract was negotiated. It allows for a 10% discount on electronic subscription fees, 10% content fee reduction and caps inflation at 4% annually. Journal inflation is typically between 6-8% annually.

The motion to approve the contract for University Libraries and Health Sciences Library and Informatics Center-Elsevier ScienceDirect Electronic Journals passed by a unanimous vote (1st Koch; 2nd Overton).

Approval of FY 2014/2015 Budget Revision

Andrew Cullen presented the material, requesting Regent approval of the budget revision for the current year FY2014/2015. The overall tuition and fees shortfall as a result of the enrollment decline is about \$3.6 million. Mr. Cullen presented a revised budget scenario which displayed the shortfall in tuition and fees. The total shortfall of tuition was \$2.7 million and the total shortfall of fees was \$900K. Looking at the overall deficit for the current year, the request is to true up the budget with the use of one-time dollars, which is appropriate in this instance, because enrollment is expected to be flat for next year. The overall tuition and fee base budget for FY16 will carry over the decline in enrollment projections to this revised level seen in FY15. In order to balance the books, the recommendation was a budget revision and the use of one-time dollars to balance the budget. The University has a central reserve which the Higher Education Department recommends at 3%. The overall I&G budget is \$330 million and 3% of that is \$9.5 million. Due to this enrollment decline, it is projected that the central reserve will be reduced to \$6.0 to \$6.5 million. Using one-time dollars, the central reserve will be replenished to the \$9.5 million mark. The recommendation was to use \$2.5 million of the self-insurance reserve, \$1 million out of the Building Renewal and Replacement reserve, \$200K out of reserves within the Administration, and \$146K from student aid reserves. The final amount from student aid reserves was viewed as somewhat appropriate due to the fact that there are fewer students on campus. The total is \$3.846 million which is slightly higher than \$3.6 million.

Regent Overton commented that there is \$95.6 million end reserve for Main Campus and wanted clarification on that reserve. Mr. Cullen stated that the \$95 million is the overall unrestricted year-end reserves as of June 30, 2014. That amount is made up of all funds including auxiliaries and many are dedicated for specific uses, such as repaving lots, buying buses, replacing HVAC or lighting, support for Research, and hiring of undergraduate and graduate students. Regent Overton expressed concern of the use of the self-insurance reserve toward the budget revision. She would be more in favor of using that money to go toward the health plan rather than balance the overall budget deficit. Mr. Cullen stated that there was a discussion in the Budget Leadership Team regarding the use of reserves. Many of the reserves held in academic affairs are dedicated toward faculty startups and academic initiatives. The use of the self-insurance reserve was Administration's decision in order to keep the central reserve intact. Regent Quillen and Regent Overton both commented that they would like to see the reserves for self-insurance invested in the health plan rather than the overall budget deficit reduction.

The motion to approve the FY 2014/2015 Budget Revision passed by a vote of 4 to 2; Regents Fortner, Koch, Chandler, and Doughty voted for; Regents Quillen and Overton voted against (1st Koch; 2nd Doughty).

Information Item: FY 2015/2016 Budget Development Update

Andrew Cullen presented the update and addressed three budget scenarios all of which project flat enrollment and include as a source of revenue an estimated \$2.1 million appropriation based on The House Appropriations and Finance Committee current recommendation. The first budget scenario, one of two presented in Finance and Facilities Committee (F&F), assumes no tuition and fee increase and a 1% reduction on the expenditure base. The 1% reduction would come from a pull-back from Instruction and General (I&G) dollars in the amount of \$2.4 million, the majority coming from the schools and colleges within Academic Affairs, which would see a \$1.7 million reduction. The second scenario, also presented in F&F Committee, assumes 3% tuition and fee increase and no reduction on the expenditure base. The third scenario presents a combination of tuition and fee increase of 3% and 1.3% expenditure base reductions. The 1.3% expenditure reduction, estimated at \$3.154 million, would come from strategic cuts, not across the board cuts, in three areas, 1) the President's Independent Offices and Development at \$108K, 2) Academic and Student Affairs at \$2.248K, and 3) EVP for Administration Independent Offices at \$798K. The third scenario addresses the need for focused, strategic budget reductions as developed and approved by the President's Office and respective EVPs; it includes a modest tuition increase for new student success and compliance initiatives, full funding for student fee review board recommendations, including one-time funding proprieties, and additional funding in the amount of \$596K for need-based aid-20% set aside. The current funding priorities listed in the third scenario are the following: Advisors, Compensation Compaction, Compliance Initiatives, Faculty Promotions, Faculty Retention, the Graduate Resource Center, Introductory Study Courses, IT expenditure on PCI compliance, and Marketing Recruitment Efforts.

Regent Doughty addressed administrative fees that other UNM entities pay to share in administrative services the Main Campus provides. Do those entities pay equal proportions of support fees to what UNM pays to the UNM Foundation for its administrative support. Andrew Cullen answered that no, the level of fees varies. The whole budget is \$2.6 billion, and we are cutting I&G to come up with \$3.6 million. Other areas need to be looked at, administrative fees is one of the areas. The administrative costs look out of proportion and if they were in proportion it looks like we could easily make up the \$3.6 million deficit.

Student Regent Overton said the Academic Affairs budget is about \$330 million, roughly one-third of the main campus budget. When two-thirds of our main campus budget goes to expenditures that are not academic affairs, it is hard to justify that. In agreement with Regent Doughty, we are chipping away at I&G and the funds that relate to student success. If anything, that should be our priority.

Regent Quillen agreed and said it does not make sense to take away from student success initiatives because they are a relatively small part of the budget and are the driver behind UNM's missions, goals and success which is centered on students. It does not make sense that we would not be putting more into student success drivers.

Regent Fortner addressed the 4-year flat tuition model and said it needs to be part of future discussion with the parameters and options clarified.

Information Item: Differential Tuition Requests for AY 2015/2016

Provost Abdallah introduced the agenda item. There are three differential tuition proposals to present as information only. Since a year ago, the Tuition and Fees Committee has addressed the process for bringing to the Regents the differential tuition requests from the colleges. The process starts early enough to involve constituent discussions and student feedback while also allowing time to bring proposals to the Regents before the budget summit. Nicole Dopson presented the slides provided in the agenda eBook. Provost commented that 100% of the funds collected from the differential tuitions stay in the academic unit, 20% goes toward financial aid. The School of Engineering will request a differential tuition of \$15 per credit hour; the School of Public Administration will request a \$25 per credit hour increase to the existing \$50 per credit hour differential tuition; and Speech and Hearing Sciences will request a \$31 per credit hour decrease to the current \$150 per credit hour differential tuition. The

Board of Regents Meeting Minutes

programs that have differential tuitions have one or more of the following characteristics: the market demands them, they cost more to deliver than the average, and the future salaries that a graduate receives is commensurate with the tuition level. There are currently nine programs that charge differential tuitions.

HEALTH SCIENCES CENTER BOARD OF DIRECTORS

The Chancellor's Report

Chancellor Paul Roth gave an overview of the Health Sciences Center (HSC). The vision statement is, "The University of New Mexico Health Sciences Center will work with community partners to help New Mexico make more progress in health and health equity than any other state." Dr. Roth outlined the six strategic plan goals: 1) Improve public health and health care to the populations we serve with community-wide solutions, 2) Build the New Mexico workforce by providing a premier education and transformative experience that prepares students to excel in the workplace, 3) Foster innovation, discovery and creativity, and translate our research and discoveries into clinical or educational practice, 4) Provide the environment and resources to enable our people and programs to do their best, 5) Deliver a well-integrated academic health center that provides high quality of care and service while being accessible to all New Mexicans, and 6) Nurture and embrace an environment of diversity, integrity and transparency. Each of the HSC goals has metrics which are reviewed every quarter. The HSC funding characteristics are such that most revenue derives from patient care. The HSC has about a \$1.7 billion operating budget. Approximately 78% of HSC revenues are related to clinical operations. Approximately 73% of School of Medicine faculty compensation is funded by patient care. Tuition and fees provide less than 1% of total revenue. There are plans to decrease tuition by 1% per year beginning next year in the School of Medicine; Dr. Roth will ask Regents' approval for the tuition decrease next year. State appropriations account for less than 6% of the total HSC operating budget. HSC is in the process of updating its strategic plan; the last one was in 2010. Projections, such as population growth trends that have reduced will be updated, demographics and market place assumptions will be incorporated to determine what specific clinical programs, educational and research programs the HSC will be supporting going forward. Dr. Roth outlined the 2015 strategic planning timeline going forward with a Capital Projects Committee Retreat in March as the venue for rolling out the assumptions and have discussion, and in April or May the Master Facility Plan (MFP) will be presented to the hospital boards. To address the capacity problems, part of the MFP plan will most likely include a replacement facility for UNM Hospital. The MFP, if approved at each level, will go to the HSC Board of Directors and UNM Board of Regents in June, to the NM Higher Education in July, and to the State Board of Finance at its September meeting. Following Regent request, Dr. Roth outlined the HSC governance structure.

Information Item: HSC Financial Update

Ava Lovell presented the update that was included in the agenda eBook. There was discussion about Medicaid payments and the SCI (State Coverage Initiative) patients. The SCI program, which had 10,000 to 12,000 patients enrolled, was eliminated and those individuals got swept up into the Medicaid expansion program. The HSC receives less for those individuals now.

ACADEMIC AND STUDENT AFFAIRS AND RESEARCH COMMITTEE

Update from the Provost

The University is in the final stages of hiring a new Vice President for Research and all four candidates have visited the UNM campus. The search committee is gathering feedback from the constituents who met the candidates and will start negotiations and begin discussions with the President and other senior leadership on the final selected candidate. Dr. Robert del Campo was hired as the Director for Innovation Academy, which is the academic side to the Innovate ABQ initiative. Dr. del Campo is an Associate Dean of Anderson School of Management and his position with Innovation Academy will be part time and funded through a 2-year grant from the Foundation. The goal is to launch many programs and start companies in this first 2 years. The Innovation Academy will be supported by an external board and will bring together people from the State of New Mexico in the business community to shape curriculum and initiatives. Provost Abdallah discussed the current issue of decreased enrollment at the University. One reason enrollment is lower than anticipated is also due to the fact that more students graduated in the Fall.

When more students graduate that also affects enrollment rates and the overall number of students on campus. The University hit a benchmark this year with higher 4, 5, and 6-year graduation rates. Provost discussed trends in education costs and state funding. The benefits of investing in education are not immediate, but long term. In budget discussions it is important to keep in mind that funding certain initiatives at this University is an excellent bargain for the State and citizens of New Mexico.

Approval of Honorary Degree Candidates (removed from the agenda)

Approval of Posthumous Degrees: Briana Hillard and Matthew Grant

Thomas Aguirre, the Dean of Students, presented the request for approval of the posthumous degrees. Briana Hillard and Matthew Grant were killed in an automobile accident in November 2014. Both were excellent students, involved in many co-curricular activities. Dr. Richard L. Wood, Chair of the Department of Sociology, requests on recommendation of the faculty of the Department of Sociology, the posthumous award of Bachelor of Arts degree in Sociology to Matthew Grant. Dr. Robert DelCampo, Associate Dean of the Anderson School of Management, supports recommendations from the Anderson School of Management faculty to award a posthumous degree with a concentration in Marketing Management. Both of these degrees received approval from the UNM Faculty Senate.

The motion to approve the Posthumous Degrees for Briana Hillard and Matthew Grant passed by unanimous vote (1st Overton; 2nd Doughty).

Approval of Key Management Personnel Security Managerial Resolution

Student Regent Overton presented the background. Since UNM has a top secret facility clearance, this is a routine process that needs to occur when there are new Regents on the board. The resolution was provided in the agenda eBook.

The motion to approve the Key Management Personnel Security Managerial Resolution passed by unanimous vote (1st Overton; 2nd Quillen).

Information Item: The Role and Value of Certificates in the Higher Education Environment

Dr. Greg Heileman addressed the transcribed certificates, not the certificates that are awarded through continuing education. Dr. Heileman discussed the statutes and policies that govern the certificate requirements and also the value of certificates in higher education.

Information Item: UNM Press Update

John Byram, Director of UNM Press, gave the presentation. Information and an update were provided to the Regents on UNM Press. UNM Press was established in 1929 as UNM's nonprofit scholarly press and was one of the original 18 publishers that founded the Association of American University Presses in 1937. UNM Press is the only university press on a campus out of 351 Hispanic-serving institutions. Annually, UNM Press publishes approximately 70 new titles and has more than 1,100 books in print and 550 electronic books in circulation. It collaborates with over 5,000 authors, institutions, agencies, and foundations worldwide. The goal is to develop, produce, and distribute quality books that reflect UNM's academic strengths, which include cultures of New Mexico and the Southwest. Another main goal of UNM Press is to extend UNM's international visibility and outreach while supporting the highest academic research standards. UNM Press is a support and outlet for faculty research which often results in faculty promotion or tenure. They are involved in knowledge transfer and record, disseminates, and preserves scholarly research for a wide range of audiences. In terms of economic development, UNM Press generates roughly \$1 million per year benefitting the State's economy. They also contribute \$150K annually to UNM for rent and services. One of the challenges of UNM Press is that it publishes content that was never intended to generate significant revenue. Historically, university presses have always relied on funding from their host universities in order to operate. UNM Press has received less than 50% of that provided to comparable press operations at other institutions. They have been consistent in keeping the budget and expenses on track, yet revenue year to year continues to be unpredictable with costs continually rising. Mr. Byram reiterated the importance of universities to continue to support presses because it is a significant outlet for the University as well as essential in publishing the rich history and culture of New Mexico.

COMMENTS FROM ADVISORS

Texanna Martin, President, GPSA, introduced 3 UNM graduate students, who had recently presented their research in Santa Fe, to present summaries of their research to the Regents. Jacqueline Kocer, of the Archaeology Department, presented her research on the Gallina culture that lived in the Chaco Canyon area. Theodore Edaaki, from the School of Architecture and Planning, presented his research on how the design process learned with the School prepares students to use their skills to provide comprehensive design solutions for a given community. Matthew Rush, from the School of Engineering, presented his current research of examining the primary cells of the heart valve on substrates with well-defined surface chemistry to determine the development of calcification, a disease state that is not well understood but highly prevalent in an aged population.

Pamela Pyle, President, Faculty Senate, commented on the University, the faculty, staff, administration, the budget, low enrollment, improved graduation rates and the need to revenue horizons. Each of the colleges in looking into course consolidations where possible and eliminating where needed. For this higher education institution, the way to remain competitive is to maintain an increased quality.

Carl Alongi, Chair UNM Foundation Board of Trustees, presented the Foundation's December 31, 2014 quarterly report. For the first half of this year, \$45 million has been raised so far.

Reneé Delgado-Riley, President, Staff Council, gave an update on the past year's areas of focus. There will be a symbolic signing of the Staff Council's strategic plan that will be placed in a time capsule to commemorate the Council's 25th anniversary dedication. Dr. Delgado-Riley discussed the support systems offered by UNM that help students assimilate into the University, advocated inclusive discussions around budget decisions and encouraged coming up with a better model than eliminating post-retirement benefits for newly hire employees.

PUBLIC COMMENT (there were no comments)

VOTE TO CLOSE THE MEETING AND PROCEED IN EXECUTIVE SESSION

The motion to close the meeting and proceed in Executive Session passed unanimously (1st Overton; 2nd Chandler). The meeting closed at 1:46 pm.

Executive Session agenda in the Cherry Silver Room.

1. Discussion of Honorary Degree Candidates
2. Discussion and determination where appropriate of limited personnel matters pursuant to Section 10-15-1.H(2), NMSA (1978)
3. Discussion and determination where appropriate of threatened or pending litigation pursuant to Section 10-15-1.H(7), NMSA (1978)
4. Discussion of strategic transactions of a public hospital under Section 10-15-1.H(9), NMSA (1978)
5. Discussion and determination where appropriate of the purchase, acquisition or disposal of real property pursuant to Section 10-15-1.H(8), NMSA (1978)
6. Proceed to Lobo A&B for further closed session and remainder of meeting

The meeting moved to Lobo A&B at 2:36 pm. for Regents to hear final arguments in the review of *R. Frank v. David Olguin*.

BOARD OF REGENTS' REVIEW IN CLOSED SESSION – Oral presentations, final arguments and decision in request for review by Complainant, R. Frank v. David Olguin, of the Academic Freedom and Tenure Committee decision of January 14, 2015. [Personnel matters, section 10-15-1.H(2), NMSA (1978)]

In closed session, the Regents heard final arguments from both sides. After completion of the final arguments, the Regents heard from Marsha Baum, Chair of the Academic Freedom and Tenure Committee, concerning interpretation of the Faculty Handbook. The Regents concluded closed session in deliberation of the final decision.

VOTE TO RE-OPEN THE MEETING AND CERTIFICATION THAT ONLY THOSE MATTERS DESCRIBED IN THE CLOSED SESSION AGENDA WERE DISCUSSED IN CLOSED SESSION AND FINAL ACTION WITH REGARD TO THOSE MATTERS WILL BE TAKEN IN OPEN SESSION

Board of Regents Meeting Minutes

The motion to open the meeting to announce Regents' final decision in *R. Frank v. David Olguin* passed by a unanimous vote (1st Chandler; 2nd Quillen). There was certification that only those matters described in the closed session agenda were discussed during closed session. The meeting opened at 3:24 pm.

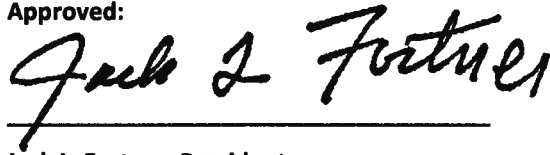
Regent Doughty read the decision of the Regents:

"The Board concludes that there are multiple adequate grounds for termination of Dr. Olguin's employment under the Adequate Cause section of the Faculty Handbook (Section 5.3.2). The Board finds that the More Complete Review Process (Section 4.9.7) was not required in this case. The Board finds that the More Complete Review Process (Section 4.9.7) would have been futile under the circumstances of this case. Accordingly, Dr. Olguin's termination from the University of New Mexico faculty is effective as of March 9, 2015." Regent Koch seconded. All were in favor. The decision passed.

VOTE TO ADJOURN

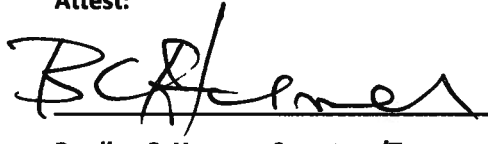
The motion to adjourn the meeting passed unanimously (1st Koch; 2nd Overton). The meeting adjourned at 3:28 pm.

Approved:



Jack L. Fortner, President

Attest:



Bradley C. Hosmer, Secretary/Treasurer

**UNIVERSITY OF NEW MEXICO BOARD OF REGENTS
2015-2016 ANNUAL NOTICE OF MEETINGS RESOLUTION**

WHEREAS, the Open Meetings Act of the State of New Mexico, Section 10-15-1, NMSA 1978, *et seq.* requires meetings of a quorum of the members of the Board of Regents, held for the purpose of discussing or adopting any proposed resolution, rule, regulation, or other formal action, to be conducted only after reasonable notice to the public; and

WHEREAS, Section 10-15-1 (D) of the Open Meetings Act requires the Board of Regents to determine annually what constitutes reasonable notice of its public meetings.

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents of the University of New Mexico:

All meetings of the Board of Regents shall be held pursuant to the procedures described in Regents Policy 1.3 ("Public Notice of Regents' Meetings") on the second Friday in January, February, April, May, June, August, September, October, November and December 2015, except in May 2015 the regular meeting will be held on Thursday, May 7, 2015. The Regents will continue also to meet the second Monday in March, in accordance with § 21-7-5, NMSA 1978.



Regents' Policy Manual - Section 1.3: Public Notice of Regents' Meetings

Adopted Date: 09-12-1996

Amended: 12-08-1998

Amended: 03-11-2002

Amended: 09-09-2003

Amended: 03-14-2005

Amended: 06-12-2012

Amended: 05-01-2013

Amended: 05-01-2014



Policy

1. This Policy is adopted pursuant to the New Mexico Open Meetings Act, NMSA 1978, § 10-15-1, *et seq.*

2. Regular Meetings.

a. Regular meetings of the Board of Regents will be held in the Student Union Building on the second Monday in March and on the second Friday in January, February, April, May, June, August, September, October, November, and December, unless otherwise announced in the Notice of Regular Meetings, pursuant to this Policy.

b. **Notice of Regular Meetings.** Notice to the public of the regular meetings of the Board of Regents will specify the date, time, and place thereof and will state that a copy of the agenda will be made available on the public Regents.unm.edu website and available at such other locations chosen by the President of the University, at least seventy-two (72) hours prior to the meeting. Notice will be given to those newspapers and broadcast stations that have filed a written request with the University Communication and Marketing Department for such notices of meetings. Notice will be by mail, facsimile machine, or electronic mail at least ten (10) days prior to the meeting and the written Notice will be placed on the public Regents.unm.edu website.

3. Special Meetings.

a. Special meetings of the Board of Regents may be called by the President of the Board or any four (4) members of the Board.

b. **Notice of Special Meetings.** Notice to the public of special meetings of the Board of Regents will specify the date, time, and place thereof and will state that a copy of the agenda will be made available on the public Regents.unm.edu website and available at such other locations chosen by the President of the University, at least seventy-two (72) hours prior to the meeting. Notice will be given to those newspapers and broadcast stations that have filed a written request with the Public Affairs Office for such notices of meetings. Notice will be by mail, facsimile machine, or electronic mail at least seventy-two (72) hours prior to the meeting and the written Notice will be placed on the public Regents.unm.edu website.

4. Emergency Meetings.

a. **Emergency meetings of the Board of Regents** may be called by the President of the Board or any four (4) members of the Board only in the event of unforeseen circumstances that, if not addressed immediately by the Board, will likely result in injury or damage to persons or property or substantial financial loss to the University. The Board will avoid emergency meetings whenever possible.

b. **Notice of Emergency Meetings.** Notice to the public of emergency meetings of the Board of Regents will specify the date, time, place, and subject matter thereof and will be given to those newspapers and broadcast stations that have filed a written request with the University Communication and Marketing Department for such notices of meetings. Notice will be by telephone, facsimile machine, or electronic mail and at locations chosen by the President of the University, at least twenty-four (24) hours prior to the meeting or by such other notice as soon as possible and as may be practicable under the circumstances.

c. **Report to the Attorney General.** Within five (5) days of taking action on an emergency matter, the Board of Regents shall report to the Attorney General's Office the action taken and the circumstances creating the emergency.

5. **Compliance with the Americans with Disabilities Act.** In addition to the information specified above, all notices shall include the following language: If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in a meeting of the Board of Regents, please contact the University Communication and Marketing Department at least one week prior to the meeting. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the University Communication and Marketing Department if an accessible format is needed.

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

7. **Closed Meetings (Executive Sessions).**

a. **Exceptions to Open Meetings Act.** Meetings of the Board of Regents may be closed, according to the procedures set out below, only if the matter to be considered falls within one of the enumerated exceptions defined in Section 10-15-1(H) of the Open Meetings Act or if closure can be implied from or required by other laws or constitutional principles which specifically or necessarily preserve the confidentiality of certain information.

b. **Closing an Open Meeting.** Closing of a meeting shall be by a majority vote of a quorum of the Board during the open meeting, with the vote of each member being recorded. The motion shall state: (1) the authority for the closure (the statutory provision); and (2) the subject to be discussed with reasonable specificity. The matter to be discussed must have been included on the agenda, except for emergency matters.

c. **Calling a Closed Meeting Outside of an Open Meeting.**

(1) Notice that a meeting will be closed, in whole or in part, will be given as specified above for a regular, special or emergency meeting, as appropriate, by so specifying either in the notice of the meeting or on the agenda. The notice shall state the specific provision of the law authorizing the closed meeting and shall state the subject to be discussed with reasonable specificity.

(2) The minutes of the next open meeting shall contain information about the closed meeting, including the date, time, place, and subject matter of the closed meeting, the names of the Regents present at the closed meeting, the

names of the absent Regents, and a statement that the matters discussed in the closed meeting were limited only to those specified in the notice of the closed meeting.

d. **Action.** Any final action taken as a result of discussions in a closed meeting shall be made by a vote of the Board of Regents at an open public meeting, with the exceptions allowed under Section 10-15-1(H).

8. **Agendas.** A copy of the agenda for each regular and special meeting of the Board of Regents will be available at least seventy-two (72) hours prior to the meeting (and the notice of the meeting shall so state) and will be placed on the Regents.unm.edu website, and available at such other locations chosen by the President of the University. Except for emergency matters, the Board shall take action only on items appearing on the agenda. The intent to close a regular meeting and the subject matter involved shall be included in the agenda.

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

10. Minutes.

a. The Board of Regents shall approve and keep written minutes of all its meetings. The minutes shall include, at a minimum: (1) the date, time, and place of the meeting; (2) the names of Regents in attendance and those absent; (3) a statement of what proposals were considered; and (4) a record of any decisions made by the Board and how each Regent voted.

b. Draft minutes shall be prepared within ten (10) working days after the meeting and must be available for public inspection. The draft minutes must clearly indicate that they are not the official minutes and are subject to approval by the Board.

c. Draft minutes shall be approved, amended, or disapproved at the next regular meeting where a quorum is present. Minutes shall not become official until approved by the Board of Regents. Official minutes are subject to public inspection.

d. No minutes need to be kept during closed sessions, but information about the closed session must be recorded as specified in the "Closed Meetings" section of this resolution.

e. Recordings of Board of Regents' meetings shall be kept for three (3) years.

References

Open Meetings Act, NMSA 1978, § 10-15-1 *et seq.*

Annual Organization Meeting of Board; Election of Officers; Bond of Secretary-Treasurer; Conditions, NMSA 1978, § 21-7-5.



**HEALTHCARE PLAN DESIGN TASKFORCE AND F&F COMMITTEE
RECOMMENDATIONS FOR BOARD OF REGENTS – March 9, 2015**

1. Increase engagement in disease management and wellness programs.
2. Continue collaborative efforts with UNM School of Pharmacy and explore other options to reduce Rx costs with improved service.
3. Full evaluation of a dedicated clinic/facility for student, employee, retiree and dependent use only.
4. UNM, UNMMG, SRMC and UNMH join to expand collective purchasing.
5. In FY16, evaluate plan designs with more incentives to increase LoboCare utilization.
6. In FY16, evaluate decreasing the number of TPAs administering UNM’s medical plans.
7. In FY16, defer the planned .25% VEBA contribution increase for VEBA participants.
8. In FY16 and FY17, evaluate implementing a High Deductible Health Plan (HDHP) and Health Savings Account (HSA).
9. In FY16, partially blend Pre-65 retiree experience (20%) with active employee experience and continue with 5% premium contribution rate shifts as scheduled:
 - a. FY16: Retiree 50% and UNM 50%
 - b. FY17: Retiree 55% and UNM 45%
 - c. FY18: Retiree 60% and UNM 40%
10. Eliminate post-retirement health benefits for individuals hired effective after June 30, 2015 (*introduced to F&F on 3.3.15*).
11. Evaluate establishing a surcharge for spouses/partners of active employees and retirees, if the spouse/partner has access to health care through his/her employer (*introduced to F&F on 3.3.15*).
12. Evaluate FY16 health plan premiums to ensure appropriate rates to cover claims and administrative costs incurred and reduce FY16 premiums for actives and retirees, if possible (*introduced to F&F on 3.3.15*).

Summary of FY16 Open Enrollment Tasks and Communications/Timeline:

Date	Task/Communication
Week of March 16, 2015	Begin Banner System testing for online <i>Open Enrollment</i> changes
March 25-26, 2015	Communicate <i>Open Enrollment</i> and Information Session dates (Emails, Newsletter, Various meetings around campus, etc.)
April 1, 2015	<ul style="list-style-type: none"> • Update <i>Open Enrollment</i> information (including rate changes, etc.) on HR website and in Banner • Update affiliate groups • Communicate Aon Dependent Verification Audit
April – May 13, 2015	<i>Open Enrollment</i> Information Sessions, email communications/reminders for faculty and staff
April 15, 2015	Send <i>Open Enrollment</i> home mailer communication and Mandatory Notices to UNM Copy/Mailing services for processing
April 29, 2015	<i>Open Enrollment</i> goes live
May 13, 2015	<i>Open Enrollment</i> period ends