

Minutes of the Regular Meeting of the Board of Regents of the University of New Mexico
March 12, 2018
Student Union Building (SUB) – Main Campus
Open Session - Ballroom C; Executive Session - Cherry Silver Room

Members present

Robert M. Doughty, President; Marron Lee, Vice President; Tom Clifford, Secretary Treasurer; Garrett Adcock; Suzanne Quillen; Brad Hosmer (joined telephonically)

Administration present

Garnett S. Stokes, President; David Harris, EVP for Administration, COO, CFO; Paul Roth, Chancellor for Health Sciences; Richard Wood, Interim Senior Vice Provost; Gabriel Lopez, VP for Research; Dana Allen, VP Alumni Relations; Eliseo 'Cheo' Torres, VP Student Affairs; Dorothy Anderson, VP HR; Elizabeth 'Libby' Washburn, President's Chief of Staff; Liz Metzger, Controller; Pamina Deutsch, Director, Policy Office; Michael Richards, Vice Chancellor for Clinical Affairs, UNM HSC; Lawrence Roybal, Interim VP for Equity and Inclusion; Eddie Nuñez, Athletics Director; Elsa Cole, University Counsel; Ava Lovell, HSC Sr. Exec. Officer of Finance and Administration; Francie Cordova, Director of OEO; Mike Chicarelli, Interim CEO UNM Hospital

Regents' Advisors present

Pamela Pyle, Faculty Senate President; Donna Smith, Retiree Association President; Rob Burford, Staff Council Pres-Elect

Presenters in attendance

Mike Chicarelli, Interim CEO UNM Hospital; Scot Sauder, Deputy University Counsel, HSC; Bill Uher, UNM Foundation, VP HSC Development; Cheryl Willman, Director & CEO, UNM Comprehensive Cancer Center; Christos Christodoulou, Dean School of Engineering; Mark Peceny, Dean College of Arts & Sciences; Alex Lubin, Interim Assoc. Provost for Faculty Development and Chair, American Studies Department; Alfred Mathewson, Co-Dean, UNM School of Law; Pamela Cheek, Interim Assoc. Provost for Curriculum & Assessment; Bruce Cherrin, Chief Procurement Officer; Fran Wilkinson, Senior Assoc. Dean of University Libraries; Richard Schuetz, Interim Dir. UNM Press; Nicole Dopson, Director of Financial Operations; Chris Vallejos, AVP, ISS; Lisa Marbury, Exec. Director, ISS; Vahid Staples, Budget Officer; Katherine Creagan, Modrall Sperling; Alice Letteney, CEO UNM-Valencia; Rick Goshorn, Dir. Business Operation, UNM-Valencia

Others in attendance

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

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

Regent President Rob Doughty called the meeting to order at 9:08 AM and confirmed a quorum with five regents present in person, and Regent Hosmer joined the meeting telephonically.

The motion to adopt the agenda passed unanimously (1st Lee; 2nd Clifford).

APPROVAL OF MINUTES

The motion to approve the minutes of the February 13, 2018 regular meeting of the Board of Regents passed unanimously (1st Lee; 2nd Adcock).

PUBLIC COMMENT

Scott Hughes, Professor at the School of Law, spoke in opposition to the Athletic Locker Room Renovation item. The documentation states this is in accordance with Policy 7.12; however, the policy is a one-page policy and is abysmally deficient as to the process for which capital projects are approved through the board of regents. This capital improvement does not appear to be consistent with the process stated in the policy and the \$150 per square foot estimate seems high for a locker room. Professor Hughes added the only rationale for the project, age of the locker room, is inadequate for decision-making, and should include project comparisons and relation to the mission of the University. Professor Hughes asked the board to defer this matter and put it through a proper capital improvements process.

Enrique Lamadrid, Professor Emeritus from the Department of Spanish and Portuguese, commented on the outsourcing of UNM Press warehouse. He has been involved with a number of titles throughout the years and has been impressed by the professionalism of the Press' editors, designers and staff. Professor Lamadrid spoke about early retirements, layoffs, and administrations' and deans' dismantling of the Press. The Press' reserve deficit was used as a black cloud to cast dispersions and accusations of mismanagement, but its origin and accumulation was never fully researched or explained by reporters. UNM Press is not a commercial press; it supports the publication of career-building monographs in the humanities and social

sciences by scholars across the nation. The treasure trove of books will be shipped out of state with the sacrifice of carefully wrought distribution contracts with many small, regional publishers. These efficiency measures will make the books more expensive and less available. He also questioned the need for a charter school in the former Press' warehouse space.

Lawrence Roybal, Interim VP for Equity and Inclusion, welcomed President Stokes and commented on behalf of the Division for Equity and Inclusion and the UNM Diversity Counsel, in endorsement of The Indigenous Peoples' Day Proclamation. Several people have been instrumental in highlighting the accomplishments of our Native American Community. Dr. Roybal recognized Pam Agoyo, Director of American Indian Student Services, and Special Assistant to the President for Native American Affairs, for her contributions.

REGENT ADVISORS COMMENTS

Pamela Pyle, Faculty Senate President, commented on the Locker Room renovation item. While the \$200K donor gift is incredibly generous, still another \$476.5K is needed to reach the full project amount, and the timing seems deleterious to the timing of the balancing of the University's budget and ultimately to reconciling the parts that constitute the entirety of the University's mission. Past regents have been dogged about fiduciary accountability for academic programs. In response, units have cut, shared services, done more with less, made do, put off COLAs, while losing faculty and damaging morale. To consider to invest in this endeavor is a slap in the face to all who have been financially challenged, yet remained fiscally responsible. Ms. Pyle commented the Athletics budget has yet to be seen. How can a department seek funds for an entirely new project when there is serious debt and no plan to pay it down? It also seems odd this project would move to the full board when the motion died on the table during Finance and Facilities Committee meeting last week. Colleagues report of the serious dilapidation of their buildings, why would this rise to the top, suddenly?

Ms. Pyle also commented on the agenda item, Development and Implementation of an Institute for the Study of State & Local Taxation. The random appearance of this on the agenda indicates communications are seriously amiss. The Faculty Handbook, A91, addresses the creation of an institute and outlines the requirement for the approval of the Faculty Senate and the Provost or the Chancellor. Approval must be obtained prior to initiating operation of a research center. There are processes and procedures that give validity.

COMMENTS FROM REGENTS

Regent Quillen commented the ASAR item #4 that included approval of the Development and Implementation of an Institute for the Study of State & Local Taxation, was not discussed in ASAR committee during discussion of the Masters of Studies in Law Differential Tuition item. The item was not on the ASAR committee agenda. Regent Quillen questioned how it got on the full board agenda.

ELECTION OF OFFICERS

Regent Doughty clarified that by state statute, election of Board of Regents' officers is on the second Monday in March.

Regent President Doughty asked for nominations for President of the Board:

Tom Clifford nominated Rob Doughty for President; Marron Lee seconded the nomination.
Suzanne Quillen nominated Brad Hosmer for President; Brad Hosmer seconded the nomination.

Rob Doughty asked for a roll-call vote on the nomination of Rob Doughty as President: Marron Lee, Tom Clifford, and Garrett Adcock voted for; Regents Quillen and Hosmer voted no.

Regent Hosmer commented the reason for his no-vote: *I cannot support any individual who has a direct conflict of interest, deriving direct or indirect income from the State and has shown over the last couple of years very little interest in integrating the different perspectives of members so that the board as a whole can make constructive decisions, so I vote no.*

Rob Doughty called the vote on the nomination of Brad Hosmer for President: Suzanne Quillen voted yes; Rob Doughty, Marron Lee, Garrett Adcock, and Tom Clifford voted no; Brad Hosmer abstained.

Regent President Doughty asked for nominations for Vice-President of the Board:

Rob Doughty nominated Marron Lee for Vice-President; Garrett Adcock seconded the nomination.
Brad Hosmer nominated Suzanne Quillen for Vice-President; Suzanne Quillen seconded the nomination.

Rob Doughty called the vote on the nomination of Marron Lee as Vice President: Marron Lee, Tom Clifford, Garrett Adcock, and Rob Doughty voted yes; Suzanne Quillen and Brad Hosmer voted no.

Regent Hosmer reiterated the reason for his no-vote: *I cannot support any individual who has a direct conflict of interest, deriving direct or indirect income from the State.*

Rob Doughty asked for a roll-call vote on the nomination of Suzanne Quillen for Vice-President: Regent Hosmer voted in favor; Rob Doughty, Marron Lee, Garrett Adcock, and Tom Clifford voted no.

Regent Doughty asked for nominations for Secretary/Treasurer of the Board:

Garrett Adcock nominated Tom Clifford for Secretary/Treasurer; Marron Lee seconded the nomination.

Rob Doughty asked for a roll-call vote on the nomination of Tom Clifford for Secretary/Treasurer: Marron Lee, Tom Clifford, Garrett Adcock, and Rob Doughty voted yes; Suzanne Quillen and Brad Hosmer voted no.

Regent Hosmer reiterated the reason for his no-vote: *I cannot support any individual who has a direct conflict of interest, deriving direct or indirect income from the State.*

THE PRESIDENT'S ADMINISTRATIVE REPORT

President Stokes highlighted her first eleven days on campus, beginning with attendance at UNM's 129th Birthday Celebration, a campus meet-and-greet, and meeting with the media. She has attended many events, including the Farris Engineering Building ribbon-cutting, Anderson School's annual Hall of Fame dinner, the Lobo-thon, and the Presidents' Meeting at the Mountain West (MW) Conference, the MW tournament and an alumni event in Las Vegas.

In order to facilitate a smooth and effective transition, President Stokes will conduct campus listening sessions to hear from faculty, staff, students and community members, as well as conduct a listening tour throughout New Mexico. As the flagship university and a Research One institution, UNM plays a significant role in the State. President Stokes noted that understanding the needs of New Mexico's communities will be important to her presidency and her tour will include branch campus visits. Through this outreach, President Stokes will develop priorities and goals.

President Stokes has heard from students about campus safety and will prioritize this need. She also expressed her priority for supporting student veterans. She is aware of the many campus climate discussions and this will be a focus, as well as further strengthening the research mission. She noted other important issues include faculty and staff salaries, facilities issues, and student success initiatives. She will hold a leadership retreat on strategic direction, in light of the existing plan and current process of re-engineering the institution, and will create opportunities to solicit input and collaborate with campus and the community. President Stokes plans to report to campus at the end of her first 100 days, and present a "state of the university" at the end of 200 days. She will update campus weekly and as needed. She will also provide weekly updates for the Regents and as needed.

President Stokes remarked on recent funding developments in the legislature, including funding for higher education resulting in an approximate 2% increase in UNM's I&G budget and a state-funded cost-of-living adjustment of approximately 2% (on I&G funds). The I&G increase is approximately \$4.678 million for Main Campus, and a little over \$1 million for the HSC. Branch campuses received separate increases. UNM received one-time funding for projects through the \$27 million GOB bill, which will be on the November ballot.

President Stokes met with the Budget Leadership Team (BLT) last week. She was impressed with the BLT and their unanimous vote passing FY19 budget recommendations. She will review the recommendations before the March 22 Budget Summit. Regents will be invited to meet with staff during this period to get more detailed information about the recommendations.

Regent Clifford thanked President Stokes for her comments and added praise to the basketball team for a great tournament and great season. He noted it will be critical for the Board of Regents to review budget materials as soon as possible before the summit. President Stokes concurred.

REGENT COMMITTEE REPORTS

CONSENT DOCKET

Regent Doughty addressed the consent docket. There were no requests to remove any items for discussion. Regent Doughty asked for a motion to approve.

1. Academic/Student Affairs and Research Committee (ASAR) Consent Items
 - a. Approval of Certificate in Hospitality Management (Taos Branch Campus)
 - b. Program Deletion: AAS Office & Business Technology (Valencia Branch Campus)

2. Finance and Facilities Committee (F&F) Consent Items
 - c. Approval of Disposition of Surplus Property for Main Campus for February 2018
 - d. Approval of Reappointments to the STC Board of Directors
3. Health Sciences Center Committee (HSC) Consent Items
 - e. Approval of UNM Hospitals Contracts with Fidelity Management Trust Company and Stryker Sales Corporation

The motion to approve the items on the consent docket passed with a unanimous vote in favor (1st Lee; 2nd Clifford).

HEALTH SCIENCES CENTER COMMITTEE

Approval of the Bernalillo County/UNM Hospitals Memorandum of Understanding

Mike Chicarelli presented the item. Scot Sauder was available to answer questions. Regent Lee asked for a summary of the MOU's history. Dr. Chicarelli said he has been involved during the past two years. Stakeholders at the table have been Bernalillo County, Indian Health Services, the All Pueblo Council of Governors, and UNM. Regent Lee commented she has been contacted by county commissioners who have concerns regarding how the mil is being spent. It is her understanding there was unanimous vote in favor of the MOU by the county commission. Regent Lee asked Dr. Paul Roth to comment about the concerns. Dr. Roth responded that the HSC is currently developing a format to represent how the mil levy funds are spent; going forward, quarterly reports will be presented to the commission. The Hospital Funding Act enables the mil levy, and voters voted on the general operation and maintenance of UNM Hospital, so those mil funds constitute about 10% of the hospital operating budget. In the past, there have been calculations of how the funds have been spent in various expenditure categories. The county commission requested a different method and there is current effort to work out the details. Regent Lee asked for an update after the details have been finalized.

Regent Quillen commented it is a huge step that the county commissioners accepted the task force recommendations.

The motion to approve the Bernalillo County/UNM Hospitals MOU passed with a unanimous vote (1st Adcock; 2nd Doughty).

Approval of Naming Requests from the UNM Cancer Center

Bill Uher, of the Foundation, requested board approval for two new endowments at the UNM Cancer Center; one is to create the Dana C. Wood Endowed Chair for Cancer Research, and the second is to create the Dana C. Wood Endowed Professorship in Cancer Research. These two endowments are made possible by a donor gift of \$1.875 million. \$1.5 million will be used to create the endowed chair; the remaining balance will used to create the endowed professorship. Mr. Uher introduced Dr. Cheryl Willman, Director of the Comprehensive Cancer Center, to add comments.

Dr. Willman commented Dana C. Wood is one of three brothers, all of whom grew up in Gallup, New Mexico. Their father was an engineer, and all three Wood brothers came to UNM and graduated from the College of Engineering. Many people know Dr. John Wood, who had leadership roles in the college. Dana won the computing science award at UNM as a freshman, and went on to get his Bachelors and Masters in Civil Engineering at UNM. He was a Lobo fan and a prominent engineering entrepreneur. He launched Leadertech, a software firm started in Albuquerque and expanded to Los Angeles.

In 2008, Dana sought treatment for a persistent pain in his back. The diagnosis was kidney cancer. He was treated at the UNM Comprehensive Cancer Center and in Pittsburgh, but lost his battle in April 2013. He left gifts to UNM's School of Engineering and the Cancer Center to support engineering scholarships and cancer research. The Cancer Center gift will support a broad range of research and treatment activities. Dana really wanted to support faculty. The Wood Chair brings the total endowments for professorships and chairs over the last seven years to almost \$19 million, and through this, nineteen endowed professors and chairs will be funded. These endowments have assisted UNM in recruiting outstanding faculty.

Regent Doughty asked the Dean of the School of Engineering, Dr. Christos Christodoulou, to present the next item before the vote.

ACADEMIC/STUDENT AFFAIRS AND RESEARCH COMMITTEE

Approval of Dana C. Woods Naming Opportunities

Dean Christodoulou thanked the board and those who gave the introduction and requested the approval for the Endowed Chair of Materials and Structures for the Civil Engineering Department. The School of Engineering will receive \$3 million: \$1 million for the Chair, \$500K for the Dana C. Woods Materials and Structures Lab, and \$1.5 million the Dana C. Wood FSAE Racing Lab at Farris Engineering Building.

Regent Doughty asked for a round of hands in recognition and a show of gratitude for Dana C. Woods and his family.

Regent Lee expressed appreciation and said fundraising is key, both on Main Campus and at the Health Sciences. She thanked Bill Uher and the Foundation.

The motion to approve the “Dana C. Wood Endowed Chair for Cancer Research”, and the “Dana C. Wood Endowed Professorship in Cancer Research”, passed with a unanimous vote (1st Clifford; 2nd Doughty).

The motion to approve the “Dana C. Wood Chair of Materials and Structures” within the Department of Civil Engineering, School of Engineering, passed with a unanimous vote (1st Lee; 2nd Clifford).

Approval of Dr. Maxine Baca Zinn Endowed Professorship

Dean Mark Peceny presented the item, stating Dr. Maxine Baca Zinn is a native New Mexican from Santa Fe who obtained her Masters in Sociology at UNM and went on to receive her PhD. at the University of Oregon. She had a distinguished career as a sociologist at Michigan State University; she was honored by many professional associations and was renowned for her scholarship on social inequality. The University is deeply honored that Dr. Baca Zinn has chosen to give \$500K to endow a professorship in the Department of Sociology; it will support scholars who pursue studies in social inequality. She returned to UNM because she values the mission the University serves as a Carnegie/Doctoral Research and flagship University committed to excellence and also to excellence in serving the diverse student population and a population where many students have significant financial need and are first generation students. She honors UNM because of its commitment to offering a first-class education for those students. This is an especially opportune time for this award because a couple of years ago, the academic program review for the Department of Sociology noted that no other department of sociology in the country had advanced farther or faster in terms of national reputation than UNM's.

Regent Doughty expressed appreciation and asked for a round of applause. Dean Peceny also expressed thanks to the Foundation.

The motion to approve the Dr. Maxine Baca Zinn Endowed Professorship passed unanimously (1st Lee; 2nd Quillen).

Endorsement of Indigenous Peoples' Day Proclamation

Alex Lubin presented the item and requested the Regents' endorsement of a proposal to have the University recognize Indigenous Peoples' Day. This request comes from students of the University's Kiva Club and has the endorsement of Academic Affairs and also went through ASAR committee a week ago. Across the nation and especially in regions where there are high populations of Native and Indigenous peoples, cities, states, and universities have endorsed proclamations to recognize Indigenous Peoples' Day. UNM, although a leader in educating Native American students, is a bit behind in recognizing this. These proclamations are important symbolic acknowledgements of indigenous presence in our communities at the present time, and as importantly, prior to the development of the United States, our state, and our campus. Adopting this will be an important step in supporting other efforts at UNM and will help cement UNM's competitive advantage nationally when it comes to recruiting and educating Native Americans and Indigenous students. To implement the Regents' endorsement, the UNM Policy Office will then propose revision to the Administrative Policy on Holidays to include an observance of Indigenous Peoples' Day. The day will be listed on the calendar, but will not be an HR holiday or school closure day. There was discussion in ASAR Committee that UNM does not currently formally recognize Columbus Day, so endorsing this will not require discussion of removal or replacement. This is a proclamation that represents a small, yet symbolic act, one which those in Academic Affairs believe makes an important statement about how UNM values Native and Indigenous communities on campus, in our city and our state.

The motion to endorse the Indigenous Peoples' Day Proclamation passed unanimously (1st Quillen; 2nd Adcock)

Approval of Differential Tuition for Masters of Studies in Law (MSL) and Development and Implementation of an Institute for the Study of State & Local Taxation

Alfred Mathewson presented the item and referred to slides included in the eBook. This program was initiated by former Dean Herring who sought to bring innovation to the Law School and to generate additional revenue while state budgets are declining. Dean Mathewson and Dean Parea came on board just before the State Board of Finance approved it in November 2015. The deans slowed the process of implementation in order to ensure the program would be rolled out properly on a path to excellence. The first class of twelve MSL students began studies in Fall 2017. The program has gotten off the ground and now what is being asked of the board is to let the program fly. Dean Mathewson reiterated the desire for excellence in the program; however, the program is unsustainable without the differential tuition, which was part of the original proposal and initial financial projections and plans for revenue generation. Without the differential tuition, the program will be mediocre and the deans have no interest in a mediocre program. Dean Mathewson presented more details, referring to slides in the eBook. He noted that this is a graduate degree, not a professional degree and graduates will not be able to practice law. New Mexico is not one of the six states in the country that allows one to practice law without a law degree, but the requirements in those states includes some law school and or apprenticeship, and none would allow practice with

just an MSL. The primary goal of the program is to attract students who have a career and want to enhance their current career with legal knowledge. This is the first new degree program since the School of Law was founded in 1947, so it is refreshing to see something new. There is a growing trend across the country for law schools to offer these programs. Dean Mathewson presented a list of other law schools that offer one or more similar masters programs, including regional competitors. Offering this program will keep UNM's law school competitive and keep students in state. Dean Mathewson presented more slides. He noted the cost of instruction will be the same as the JD program. Even with the tuition differential, the MSL program will still be among the least expensive in the nation.

The differential tuition at the law school has not changed since 2012-2013: \$352.34 per credit hour for residents and \$527.05 per credit hour for non-residents. The projected total annual MSL differential tuition revenue for the law school is estimated at almost \$74K per year, estimating 210 resident credit hours per year at \$352.34. Financial aid of 10.4%, \$7K, will be set aside. Dean Mathewson spoke about student debt loads; almost all MSL students pay living expenses from full-time wages. Dean Mathewson concluded by asking for the Regents' approval of the proposal.

Regent Clifford said he had spoken to the Dean about the State and Local Taxation process and agrees with the recommendation for the school to explore the option and bring it back to a future meeting. It is hard to overstate how much the State needs this function. There are dozens of professionals in the State, in and outside of government, who need this expertise, and there are not many schools around the country that offer this. Former Dean Desiderio was one of the more prominent state and local taxation experts in the country. There has been a lot of expertise in NM in the past, but much expertise is being lost through retirements. Professor Gerald Boyle, built a very strong program in public finance in the 1970s and 80s, and generated a whole generation of experts who sustained New Mexico. This built a solid analytical foundation for the State; New Mexico has done this before and it can be recreated.

Regent Doughty clarified the vote would be on the MSL differential tuition only.

The motion to approve the differential tuition for Masters of Studies in Law passed with a vote of 5-1-0; (1st Clifford; 2nd Hosmer); Regents Clifford, Adcock, Quillen, Doughty and Hosmer voted in favor; Regent Lee voted not in favor.

Higher Learning Commission & Assessment Update (information item)

Pamela Cheek presented an update on the University's current reaccreditation process and referred to material included in the eBook. In about a year, the Higher Learning Commission (HLC) will be conducting a site visit on Main Campus and a selected Branch Campus. Reaccreditation happens every ten years. The last was in 2009. Accreditation is important for federal funding, receipt of student financial aid, and for the effective transfer of student credits and degrees from UNM to other institutions and into UNM. It matters also to employers of UNM graduates who will recognize, if UNM is successfully reaccredited, students have received a quality degree. Reaccreditation is also important to the general public to have a flagship university that has been vetted to meet the highest standards. Overall, the key point behind the HLC accreditation is its assurance that UNM meets the highest standards of integrity and performing its work in delivering high quality programs. A crucial issue for the HLC to determine is that UNM has followed policy and academic standards in a scrupulous way as it delivers education and designs new programs. Dr. Cheek discussed the process and the remaining steps to the final site visit in March 2019.

There was discussion about the Regents providing a self-study that would provide an account to the HLC on the board's processes and follow-through on regents' policies. Dr. Cheek emphasized the importance of Regents' contribution to the process and encouraged them to go to the website, hlc2019.unm.edu, to find prior reports. In the prior reports, items flagged were the ratio of advisors to students, concerns about assessment processes, and concerns about governance structures and adherence to policies and procedures. Dr. Cheek discussed the evidence library and how UNM has addressed the assessment process concerns.

Regent Clifford thanked Dr. Cheek for her presentation. Regent Quillen commented the Regents have heard before of the importance of the self-study and requested a form that could be used. Dr. Cheek ensured she would provide the HLC governance criteria; the Regents may decide to respond as a group or individually.

FINANCE AND FACILITIES COMMITTEE

Approval of Contract for UNM Press Fulfillment Services-Longleaf Services, Inc.

Bruce Cherrin presented the request for Regents' approval on the UNM Press fulfillment services as approved in committee. Fran Wilkinson and Richard Schuetz were also present. Mr. Cherrin provided the update confirming Risk Management will cover property off-site. This was a regular RFP process.

Regent Clifford inquired about savings. Mr. Cherrin responded savings would be at least \$250K per year. Regent Clifford asked if anyone had any concerns. Mr. Schuetz pointed out UNM Press does distribute for other client publishers, and that is a concern because it is a change in the business model. Longleaf uses Ingram which is a book distributor in Tennessee, so

the books will be housed there. The client publishers for whom UNM distributes will be given the opportunity to join. This is the second step in a three-part plan to get the Press on solid financial footing. The first step was downsizing and the third step will be looking at the books that are published. Regent Clifford added that getting UNM Press on solid financial footing was what the Regents requested.

Interim Senior Vice Provost, Rich Wood, added the University is receiving a fair bit of commentary from the public. A small group of people is very upset about this move, but it may be based mostly on misunderstanding. UNM is not closing down the Press; this is a move to allow the Press to continue to exist and thrive and support publishing in New Mexico and the Southwest. There are however some costs, shedding primarily some distribution services. The hope is that this shift will continue to support the mission of the Press and do it well, and that UNM thinks this is the best way forward.

Regent Quillen inquired the support for the \$250K savings per year. Mr. Schuetz responded UNM Press is one of about 13 presses still maintaining in-house distribution, noting that the environment has become more complicated, including dealing with large partners like Amazon who have more and more requirements to meet. Another issue is replacement of a database that is no longer being supported by the vendor if distribution were not outsourced. Replacement would be anywhere from \$50-100K upfront cost and \$25-50K annual operating cost.

Regent Doughty inquired about the \$7 million deficit and asked for more information about how it is being handled. Dr. Wood responded University Libraries took over operations of UNM Press, and the rationale was that it was unfair to burden University Libraries with a debt for which it was not responsible. Regent Doughty asked Nicole Dopson, Director of Financial Operations, for further explanation. Ms. Dopson responded that per policy, any academic unit with a deficit must create a deficit reduction plan. Now that a sustainable plan for the recurring deficit for UNM Press has been found, a plan to pay down the deficit must be made. The plan could entail cost-cutting, generating more revenues, etc. Ms. Dopson confirmed there is not a deficit reduction plan in place currently for UNM Press. She also clarified the downsizing that has already taken place at the Press addressed the recurring deficit issue. In the future, the UNM Press deficit will be reported in the annual Categorization of Reserves report.

Dr. Wood added there is a shift in the publishing industry. Having an academic press has been seen as central to the academic mission of universities for decades and to not have an academic press diminished competitiveness. The publishing industry has restructured, which has become enormously difficult for the University to sustain, thus the accumulated deficit over time. The ongoing judgment of university leadership and of the Regents has been to protect the academic press while making adjustments.

The motion to approve the contract for UNM Press Fulfillment Services with Longleaf Services, Inc. passed with a unanimous vote (1st Clifford; 2nd Doughty).

Approval of Project: Construction Approval for Football Locker Room Renovation

Regent Lee explained the process of how items without committee recommendation come before the Board of Regents. Regent Clifford inquired about the capital outlay approval process. Chris Vallejos, VP for Institutional Support Services, stated the locker room project followed UNM's intake system; departments submit projects, PDC evaluates them and ensures funding approval, then begins defining the scope and design and meeting with stakeholders. Projects costing over \$350k are brought to the Board of Regents Finance and Facilities subcommittee, then to the full Board, and then to the Higher Education Department. If a project exceeds \$750K in cost, it is reviewed by the State Board of Finance. President Doughty inquired if this project had been presented to the Higher Education Department; Mr. Vallejos responded it had not, but would be after Regent approval.

Athletic Director Nuñez presented the project, stating funds were donated with intent, similar to previous presentations of endowment donations. He emphasized the locker renovations directly impact student athletes, and noted that Cherise Bannon, a women's basketball player, was named CoSIDA's Academic All-American Athlete of the Year in Women's Basketball. She has a 4.1 GPA, previously earned this award, and is the third campus student athlete awarded this title in their respective sports. He noted UNM has wonderful student athletes in Football as well, and stated that the football lockers have not been updated since 1994, lack functionality, are difficult to repair properly, and are not at the level necessary for UNM to be competitive. Mr. Nuñez stated safety and functionality are critical to overall student-athlete welfare and stated the proposed renovations are not for the "wow" effect as implied earlier. He posited instead that the "wow effect" is how student athletes performed at the Mountain West conference, representing UNM in a first class manner and garnering national publicity. He noted that new LED lighting would save money in the future.

Regent Lee requested Director Nuñez speak about the donor intent specifically. Mr. Nuñez noted that Larry Chavez, who donates funds to many areas of UNM, donated \$200K for renovation of the football lockers. Mr. Chavez also donates funds to the Athletics operating budget. An additional \$56K was raised from other donors for this project, and severance bonds from capital outlay help off-set some cost as well.

Regent Lee requested Director Nuñez address safety issues. Mr. Nuñez noted that functionality is the main focus, but safety issues include hinges falling off, hands being caught in doors, etc. Regent Lee requested Regent Adcock share his experience as a football player. Regent Adcock stated that as a general rule the security locks at the top of lockers are not functional. He had witnessed lockers collapse on people, rats in lockers, walls leaking, and other signs of disrepair.

Regent Clifford inquired about Mr. Chavez' donation to the operating budget. Mr. Nuñez explained that a portion of Mr. Chavez' annual donation goes to the general Athletics budget and a portion goes to the Football budget. Regent Clifford noted that that is helpful in terms of assisting with the deficit.

Regent Quillen inquired about the entire cost of the renovation and whether it was donor directed. Mr. Nuñez confirmed and added the entire amount from donations is in place. He also noted that Athletics was working diligently to prepare a budget and promised that past issues would not be repeated moving forward.

The motion to approve the football locker room renovation construction project passed with a unanimous vote (1st Doughty; 2nd Adcock).

●11:05 AM: Regent Hosmer disconnected from the phone and did not rejoin the meeting.

Approval of Project: Construction Approval for Johnson Center Expansion & Renewal

Chris Vallejos introduced the \$35 million Johnson Gym renovation project. Former student leaders, Texanna Martin and Jenna Hagengruber, presented graduate and undergraduate student support of the project ascertained through a series of student forums, tabling in Smith Plaza, and a detailed presentation of costs and justifications for several contemplated projects. They also surveyed students to gather feedback. Students provided overwhelming support for Johnson Gym renovations. Ms. Martin indicated that during design, doctoral and master students working on research were consulted. It was also noted that a student representative serves on the Johnson renovation committee and that ASUNM president Noah Brooks has met with Jim Todd, Director of Recreation Services, to provide feedback. The president of Student Veterans of UNM also brought forth positive feedback.

Regent Clifford requested more detailed information about the cost breakout. Mr. Vallejos confirmed he would distribute the requested information to the Board.

Regent Lee inquired how the renovation coordinates with the live-on requirement that will be implemented in August of 2018. Mr. Vallejos responded that an important component to the live-on requirement is keeping students engaged in the on-campus community. Student Support Services has partnered with Recreation Services, Student Affairs, the SUB and Student Housing to provide robust programming, including programming at Johnson Center, which currently involves three missions – Athletics houses the volleyball and ski teams there, the College of Education houses the Hess Program, and the third mission is open recreation for campus. There has been a challenge in balancing those missions. For instance, open recreation hours cannot be offered due to educational and other uses. Renovation will allow for more open recreation hours to create the programming needed for the live-in requirement, which includes programming for Johnson field as well. Student Support Services is actively working with Director Todd to balance general accessibility and the academic and athletic missions.

Regent Clifford inquired about inclusion of expansion of the weight room. Mr. Vallejos confirmed that it was being expanded but did not have specifics. He noted the weight and cardio room challenges are conflicts with physical education classes and expansion will allow more weights and cardio to the general public. He reiterated that students are the number one focus.

The motion to approve the Johnson Center Expansion and Renewal construction project passed with a unanimous vote (1st Adcock; 2nd Doughty).

Approval of Reallocation of UNM series 2017 bond Proceeds

Vahid Staples, UNM Budget Officer, sought approval to reallocate a portion of the 2017 UNM bonds between projects, with no change in the total bond amount of \$45,650,000. After original bond approval, the Regents requested additional recommendations from President Abdallah and Provost White for repurposing the Biology Annex, which were approved by the Board of Regents in December 2017. Mr. Staples noted the individual projects will return for further approvals on a per project basis. Biology Annex funding would increase by \$1.5 million to \$3.8 million, and funding allocated originally to the Art Annex will be split between the Biology Annex and Honors College, at a total of \$2.2 million. Mr. Staples noted the eBook contains memos from the Provost requesting the reallocation and from Modrall Sperlberg Lawyers speaking to the legal authority to do so.

The motion to approve the reallocation of UNM series 2017 bond proceeds passed with a unanimous vote (1st Clifford; 2nd Doughty).

Approval of UNM Valencia Branch General Obligation Bond Series 2018

Alice Letteney, CEO, UNM-Valencia Branch Campus, requested approval for the third and final issuance of a previously approved \$16 million local bond, for \$7 million. The eBook includes local advisory board approval, analysis developed by George Bowman Associates, and a list of projects to be completed with the proceeds. The original request to call for a capital outlay tax levy election was approved by the Board of Regents on September 12, 2014, the election was held on February 3, 2015, and passed in the taxing district by more than a 3:1 approval in the amount of \$16 million, planned in phases. Proposed projects include installation of solar panels, which will eventually save UNM Valencia 50% of its current electric bill (approximately \$250K/year), and other improvements – upgrading parking lots, structural evaluation and repairs, HVAC upgrades, among others. Dr. Letteney expressed gratitude for the support of local taxpayers, who have so far supported UNM Valencia on over 71% of their capital projects.

The motion to approve the UNM Valencia Branch General Obligation Bond Series 2018 passed with a unanimous vote (1st Adcock; 2nd Quillen).

Monthly Consolidated Financial Report through January 31, 2018

Liz Metzger presented the item and referred to material made available in the eBook.

Regent Clifford requested reports related to the budget process.

PUBLIC COMMENT

Jennifer Marley, junior, Native American Studies; Hope Alvarado, senior, College of Arts and Sciences; Tiayrra Curtis, Anderson School of Management; and Demetrius Johnson, graduating senior in the School of Engineering, all members of the KIVA Club, spoke in support of Indigenous Peoples' Day and thanked the board for its endorsement. This was one on a prior list of eleven (11) demands put forth by Kiva Club. Regent Clifford requested the Regents receive the list of the remaining ten demands.

Carla Wilhite, HSC, commented about transparency and implored the Regents to do right by the University and its constituents, to operate as a model of good governance, stating it is getting difficult to pretend these are just mistakes in governance, and not willful disregard of appropriate governance.

ADVISORS' REPORTS

Donna Smith; Pamela Pyle.

VOTE TO CLOSE THE MEETING AND PROCEED IN EXECUTIVE SESSION

The motion to close the meeting and proceed in closed session passed unanimously (1st Lee; 2nd Adcock).

The meeting closed at 11:51 AM; all members proceeded to the Cherry Silver room on third floor of the SUB; Regents Adcock, Clifford, Doughty, Clifford, and Quillen attended closed session along with University Counsel and others in Administration.

1. Discussion and determination where appropriate of limited personnel matters as permitted by Section 10-15-1.H(2), NMSA (1978)

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

The vote to re-open passed unanimously (1st Lee; 2nd Clifford); the meeting opened at 12:37; the doors to the Cherry Silver room were opened.

Regent Doughty certified that only those matters described in the closed session agenda were discussed in closed session and there was one item upon which regents would vote in open session.

Regent Quillen motioned:

I move that the Board deny the request for appeal petition submitted by Coach Robert Davie in accordance with Regents' Policy 1.5. This includes the original petition submitted on February 8, 2018 and the 3 supplemental petitions, with the most recent supplement being submitted on March 6, 2018; Regent Clifford seconded; the motion passed with a unanimous vote of 4-0-0; Regents Lee, Doughty, Clifford, and Quillen voting for.

Student Regent Adcock recused himself from the discussion and the vote.

ADJOURN

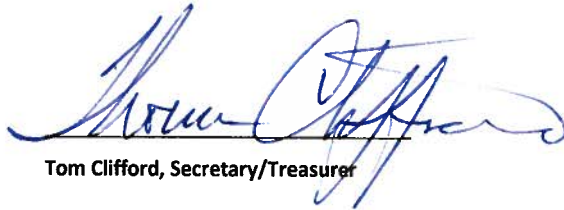
The motion to adjourn passed unanimously. (1st Lee; 2nd Clifford).
The meeting adjourned at 12:39 PM.

Approved:

Attest:



Robert M. Doughty III, President



Tom Clifford, Secretary/Treasurer