

Minutes of the Special Meeting of the Board of Regents of the University of New Mexico
August 17, 2018
Student Union Building (SUB) – Main Campus
Open Session – Ballrooms B & C

Members present

Garrett Adcock; Michael Brasher; Tom Clifford, Secretary Treasurer; Robert M. Doughty, President; Brad Hosmer; Marron Lee, Vice President; Suzanne Quillen

Administration present

Garnett S. Stokes, President; David Harris, EVP for Administration, COO, CFO; Paul Roth, Chancellor for Health Sciences; Richard Wood, Senior Vice Provost (for Chaouki Abdallah, Provost); Alfred Mathewson, Interim Chief Legal Counsel; Eddie Nuñez, Athletics Director; Dorothy Anderson, VP HR; Cheo Torres, VP Student Affairs; Dorothy Anderson, VP HR; Dana Allen, VP Alumni Relations; Cinnamon Blair, Chief University Marketing and Communications Officer

Regents' Advisors present

Becka Myers, ASUNM President; Boney Mutabazi, GPSA President; Rob Burford, Staff Council President; Steve Borbas, Retiree Association President

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 1:05 PM and confirmed a quorum. Regent Doughty asked for a motion to adopt the agenda.

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

APPROVAL OF MINUTES

The motion to approve the minutes of the July 19, 2018 special meeting and August 14, 2018 regular meeting passed with a unanimous vote (1st Lee; 2nd Clifford).

INFORMATION ITEM: SUMMARY OF COMMENTS MADE AT THE JULY 19, 2018 SPECIAL MEETING

Regent Doughty announced that if anyone wanted a summary of the comments made at the July 19 special meeting, there were hard-copies available on the table near the entrance to Ballroom C. Regent Doughty called attention to a link to the video of the July 19 meeting, posted online - the link was provided on the agenda.

INTRODUCTION BY UNM PRESIDENT, GARNETT S. STOKES

President Stokes recognized that UNM's student athletes are talented, dedicated young men and women. Their accomplishments are a point of pride for all supporters of the University of New Mexico. The University's fans, alumni, donors, as well as families and community leaders routinely support Lobo athletes, and their passion is evident each and every day. Athletic programs are vital to 'who we are' as an institution and as a community. She acknowledged it has been a difficult and emotional time for those who participate in, coach, and support Lobo Athletics. Administration has heard the criticisms, disbeliefs and anger, as well as the support. The fact that New Mexico's Attorney General weighed in to say that the board needs to reconsider the decision, has allowed the public additional time to thoroughly review the reports that describe and support the recommendations made to the Board on July 19.

Dr. Stokes noted that the beginning of her tenure coincided with UNM's Fiscal Year 2019 budget process, during which the Athletics Department was determined to be in ongoing and long-standing financial distress. Faculty were reeling from years of cuts to programs and faculty and staff alike had felt the sting of limited raises for many years. Student leaders feared that the Board would raise fees to close the gap in Athletics and they actually ended up reducing the amount of fees sent to support what was seen as a fiscally mismanaged and out-of-control Athletics Department. The Board of Regents demanded a solution to address over a decade of accumulated deficits, mis-projections, and the reality that the athletic expenditures continued to far outpace revenues. This amidst both internal and external audits, investigations, and a mandated fiscal oversight plan imposed by the New Mexico Department of Higher Education that put the entire University budget at risk and threatened a 10% holdback on the University's budget.

President Stokes addressed the financial obligation to budget responsibly and transparently, not just in athletics but throughout the University. The task force assembled in early April has made it possible to finally share revenue and

expenditures for Athletics by sport. The reality is, an institution the size of UNM does not have the resources to support 22 competitive Division I teams, which is higher than the average of 18.5 in the Mountain West Conference and 19 nationally. The University of Texas, with a \$230 million athletics budget, supports 20 sports. Alabama, with a highly revenue-generating football program, supports the minimum of 16.

UNM must also comply with Title IX, or issues of gender equity, causing the University to face difficult decisions and tough choices. On July 19, Athletics Director Nuñez presented his report to the Board of Regents. This was after consultation with many constituents inside and outside Lobo Athletics. The process and development of the report has been publicized since April 2018, and materials informing the direction of the report have been communicated and posted on the President's website, including financial documents, the Title IX report, and updates to the UNM community. Much of what was posted had been widely reported by the local media. President Stokes stated the timing was not perfect, as some people were away during the summer months; however, UNM conducted a fair and objective analysis and review, that thorough in the collection and assessment of important data and supplementary information.

Dr. Stokes noted there have been suggestions for UNM to simply find extra funding to cover costs, and she expressed gratitude to those who have offered possible solutions. She enumerated the situation:

1. There is the need to increase funding to all areas in the athletics department, not simply maintain current funding levels; costs are rising every year and the expectation is that this trend will continue.
2. The plan approved by the Board of Regents is not for the upcoming year alone, but is a long-range plan to ensure the stability of the department.
3. There is the imperative to invest in revenue-generating sports to build a sustainable Athletics Department that can in fact support all of the sports programs that are carried at the University.
4. The need for compliance with federal law, Title IX, by equitably balancing the participation opportunities for men and women.

President Stokes addressed the questions about urgency and why not make the cuts effective July 1, 2019, rather than immediately. This is solely for fairness to the athletes and coaches, as this timeframe will allow them to make decisions in their own best interests for the coming academic year. Dr. Stokes stated that a lack of clarity and clear direction for the Athletics Department jeopardizes all of its programs and will only continue to do so. Prolonging any uncertainties about structure and funding does not allow Athletics to plan for the future. Budgets have already been trimmed; further across-board cuts will negatively affect the student athlete experience and be detrimental to the competitiveness of all varsity sports. UNM will be left to manage the Title IX compliance issues. Dr. Stokes stated her obligated to ensure compliance with federal law when she is aware of potential problems. President Stokes recognized this is a very difficult decision and an incredibly emotional time for the students, staff, faculty, and for the leaders, including the Board. The outcome weighs heavily on every person involved.

PRESENTATION OF ADMINISTRATION PROPOSAL AND PLAN RELATIVE TO ATHLETICS DEPARTMENT FINANCIAL STABILITY, TO INCLUDE CONSIDERING THE DISCONTINUATION OF UNM MEN'S SOCCER, MEN AND WOMEN'S SKI TEAMS, BEACH VOLLEYBALL, AND DIVING AS INTERCOLLEGIATE SPORTS PROGRAMS

Athletic Director, Eddie Nuñez, thanked the Board, thanked those who were at the last meeting and at this meeting, and he also thanked the 100's of people with whom he has had the opportunity over the past several months to discuss this situation. AD Nuñez spoke about the difficulties imposed to student athletes, coaches, and the community by these proposals, and his recognition of the strong sense of identity to UNM and the value of intercollegiate athletics and what it provides young individuals.

AD Nuñez outlined the problems. There are currently not enough resources to sufficiently fund all of the athletic programs UNM currently sponsors, and there are serious Title IX compliance issues. He was tasked by President Stokes to develop a plan to address the challenges. The University is committed to solving the problems while ensuring also that all of its sports programs are competitive and successful for the future. The proposal recommends the roster management of several sports, eliminating the sponsorship of men's and women's skiing, of men's Soccer and beach volleyball, and phasing out of diving. The recommendations are the result of months of thorough and rigorous analysis. The foundational tenets of analysis were (1) addressing the financial situation, (2) complying with Title IX gender equity requirements, and (3) aligning with the Mountain West Conference. Analysis focused on reducing costs before discussing the elimination of sports. Analysis of budgets revealed limitations in enacting any further cuts. AD Nuñez noted the current Athletics budget ranks 8th in the Mountain West, with the expectation of a drop next year to 9th out of 11 institutions. UNM's Athletics budgets have stayed flat or decreased for five years. Aging athletic facilities must be addressed and a drastic reduction in staff makes support for student athletes more and more difficult to deliver. In addition, the department has accumulated a \$4.7 million deficit. The plan developed for HED and the Board of Regents includes repayment of the deficit beginning in 2021. The Pit deficit also requires an annual payment of \$1.7 million through 2036 (for an overall remaining deficit of \$31

million). In addition, costs are increasing yearly, including student athlete travel, recruitment travel, equipment, scholarship costs, student athlete medical costs, insurances, and cost of living. If action is not taken, revenues will remain flat or decrease. Athletic Department expenditures outpace revenues, and both internal and external audits and fiscal oversight by the HED have put the entire University at risk.

In terms of Title IX compliance, an independent consultant determined that as of summer 2018, UNM is positioned to be subject to scrutiny by the federal government for failing to comply with Title IX gender equity provisions. Continuing the status quo is not an option and the department, with the current budget, is not able to provide equal opportunities in terms of facilities and other needs of female student athletes. Stagnant or shrinking budgets make it impossible to add opportunities. Currently, coaches already subsidize budgets greatly through fundraising.

The solution to meet Title IX obligations is not independent from UNM's financial problems, as reflected in the recommended plan. Maintaining alignment with the Mountain West Conference (MWC) remains critical because of the many benefits realized by UNM and UNM's student athletes. Besides affiliation with one of the most prestigious, innovative conferences in the country, the MWC has provided UNM important national exposure. As a founding member of the MWC, UNM has benefited from other member universities' dedicated excellence to academics and athletics. Also, the financial benefit of conference membership has allowed UNM to support all sports.

The NCAA does require Division I FBS (Football Bowl Subdivision) schools to sponsor a minimum of 16 sports. The MWC requires members to sponsor football, men's and women's basketball, and volleyball. The recommended proposal to discontinue sports will align UNM with its peers in the types and total number of sports sponsored. UNM sponsors 22 sports; 10 for men and 12 for women. MWC averages 18.5, with an average of 8 men's sports and 11.3 women's sports. The NCAA averages 19.

The task force ultimately could not determine a solution to alleviate the department's financial burden, move the institution toward Title IX compliance, and align with the MWC that did not include sports elimination, and it began the process to determine which sports to eliminate, including men's Soccer, baseball, skiing, men's track and field, beach volleyball, and the phasing out of diving.

Track and field, as well as cross-country, was the only sport determined to remain competitive at the highest level even with roster management. The men's track and field and cross-country teams has achieved national excellence across the board academically and athletically and track meets have brought in over \$1 million to the community. If the men's teams were eliminated, coaches would still be retained for the women's team, yet UNM would lose NCAA-sponsored revenue for three sports, so the benefit financially to discontinue the men's teams was not feasible. Lastly, this team is associated with the MWC. Although UNM has a current plan in place with the community to help offset costs for men's and women's skiing, the task force needed to examine how to support the teams at the necessary level. The task force utilized some of the Title IX report information, and considered that there is limited participation in the NCAA for skiing, which is also not associated with the MWC. All of these factors made the ski programs in consideration for elimination. The task force considered baseball and Soccer for elimination and found they were comparable academically and athletically, as well as in terms of fundraising, endowments, overall costs of the programs. Ultimately, considering recent baseball facility investments and naming rights, and that other institutions in MWC are adding baseball teams, coupled with the rising costs of supporting men's Soccer in a far-away conference, made men's Soccer the clear candidate for elimination.

The task force considered long-term facility expectations for diving and the financial implications, leading to a recommendation to phase out diving. Currently, there is no Athletics facility maintenance plan and there are major issues across the board at every facility. Mr. Nuñez acknowledged that coaches do a tremendous job with the facilities they have. Mr. Nuñez acknowledged that in the 3.5 years of beach volleyball, UNM has not funded it at the level necessary and expected for an added sport. After assessing the Title IX report, it was determined that UNM could not meet the demands required to fully fund a budget and a facility, as well as add coaches, for beach volleyball.

AD Nuñez addressed why football was not considered for elimination, noting UNM is committed to having a Division 1 athletic program and remaining in the MWC. Eighty-eight percent of revenue distribution from the MWC is associated with football and aids all sports. Eliminating football would eliminate student athletes who pay tuition of approximately \$1 million. The football venue brings in, on average, 20,000 fans, assisting in ticket sales and opportunities to generate revenues for all sports. Football also provides revenues from donations and naming rights. The Dreamstyle \$10 million commitment was driven by the donor's passion for football, but benefits all sports. Football's national exposure and MWC affiliation also build UNM's brand, essential to future financial success. Finally, football has a high financial impact on the community during weekend games. Mr. Nuñez also noted that dropping to a different classification, as has been suggested, would not change expenditures.

AD Nuñez also addressed criticisms regarding transparency, stating that in addition to the posted documents, the department has communicated with campus, community members, donors, and student athletes. Once the task force had reviewed the Title IX report, the administration publicized that cutting sports had to be considered. He reiterated President Stokes' assertion that rendering a decision now eliminates uncertainty for the future. He asserted his belief in gender equity, financial accountability, and meeting challenges head on, noting he was tasked with developing a plan to address systemic departmental concerns regarding fiscal mismanagement and process deficiencies. The Athletics Department has been scrutinized by Board of Regents, community, state leadership, faculty, and the media for delaying correction of its problems, while also operating in a hyper-competitive environment, susceptible to the same challenges that institutions across the country are facing. Regrettably, after examining the issues at hand, the task force determined the current path is not sustainable and reductions are necessary. The department will continue to look for ways to mitigate rising costs and enhance efforts to better manage finances, including enhancing fundraising in all areas, and it will continue to educate everyone in the community about the impact of season tickets for all sports. In closing, AD Nuñez encouraged the board to support the administration's recommendations.

PUBLIC COMMENT

Rep. Patty Lundstrom, Member, NM House of Representatives, serving since 2001; currently Chair of the House Appropriations and Finance Committee: thanked the Board for allowing to provide comments on the persistent budget challenges of UNM Athletics and the issues surrounding Title IX non-compliance; thanked President Stokes for her determination to take on the fiscal problem, for her staff's work to analyze past fiscal mismanagement and look for meaningful solution; thanked President Stokes for meeting a few days earlier when Rep. Lundstrom provided potential solutions for the Regents' consideration, however no comment has been received; first concern is with the process, that communication with the teams, student athletes and UNM community, was not more open and collaborative; second, this process was triggered in October 2017 when the HED Secretary, Barbara Damron, placed UNM Athletics on enhanced fiscal oversight, during a time when the State's fiscal outlook was challenging, and that outlook has dramatically improved; requested the Board slow down and postpone the decision and work with the Legislature to define a path to solve the problem.

Rep. Larry Larrañaga, Member, NM House of Representatives and Member of the House Appropriations and Finance Committee: said he hoped the Regents had received the proposals from legislators; asked the Board to give strong consideration to the scenarios provided as well as to the input received from the business community, student athletes, UNM supporters and many others; pledged support in assisting in a continued review of this important issue of trying to save as many of the athletic programs at UNM as possible.

Dr. Ron Berg of Gallup, NM: urged the Board to consider the proposals that have been put forth, because there is a way out that benefits all.

Rep. Jimmy Hall, Member, NM House of Representatives: Representing Dist.28, NE Heights, a large portion of the constituency are UNM graduates or employed by UNM; has been in the Legislature for 14 years and he has received many questions from constituents, questioning the whole decision, and in particular about no action with regard to UNM Football; also wished to relay constituent concerns about outstanding Pit suite debts and whether those have been turned over to a collection agency; the Lobo Club has its own problems and why hasn't that become part of the solution; with regard to recruiting, why go to the ends of the world to recruit and not recruit NM athletes; finally, the Title IX non-compliance issue is unspeakable, and does not see anything in the plan that addresses this.

Rep. Bill Rehm, Member, NM House of Representatives, Dist.31, far NE Heights: in May, sent a letter to the Board and has not received acknowledgment that Regents received it; golden parachutes are designed for corporations to stop an adverse takeover of that corporation, they were not designed for public employees; need to change coaches to be at-will employees; assistant coaches throughout the U.S. make generally \$200K, or less, most head coaches, \$700K to \$1 million; UNM has paid over \$3 million in golden parachutes, and asked the Regents to take a position that they will not approve golden parachutes in the future; UNM is proposing cutting sports that are in the Olympics and these are teams that have won national recognition; UNM has made a commitment to the players that they come and play for four years, it should keep its word; UNM has not looked at all of the options.

Rep. Antonio "Moe" Maestas, Member, NM House of Representatives: good things happen in the context of discussion and recent conversation has been on how to solve this problem; Title IX is probably Dr. King's greatest legacy of the Civil Rights Act of 1964, and Title IX is the section 9 added in 1972 protecting the discrimination against women in education, and it's about opportunities; do not cut the women's sports programs and cutting men's Soccer does not add a single scholarship for women; and don't cut Soccer in a city where 65% of our 1st graders are Latino, it just does not make sense.

John Garcia, Executive VP Homebuilders Association of Central NM and a Ski New Mexico Board Member: the decision to cut sports to address what is in part management incompetence, the kids don't deserve that; urged looking at transfer of Pit debt; add private funding to public funding, as was done last year with the Ski Team; reconfiguring rosters to meet Title IX requirements; cutting a world class Soccer program shows a great lack of understanding for what is happening for good in this community; as well as letting go of a national championship ski program; it's about priorities, there needs to be a focus on the values of the University.

Tom Parker, Parent: read a letter from the Men's Soccer Team, the players wrote about their commitment to UNM and Lobo Soccer, to making good grades and about their successes on the field and in the classroom; the team was at practice for its game against Air Force.

Jason Hix, Alum and 1992-95 Lobo Soccer player: helped form the Golden Goal Club to support Soccer; the club members would have like to have been engaged with the issues and to be a part of the solution; encouraged engagement with the Legislators too.

Bill Weise, Retired Faculty, School of Medicine: today's discussion is not irrelevant to NM public health issues; the health of NM should be the primary focus; it is haphazard the way UNM deals with the community.

Duane Kinsley, Owner of Sports Systems: urged consideration of the economics of the decision; tourism is one of the largest industries in NM and the UNM Ski Team is important to the industry, the team members engage with fans and they have 10's of 1,000's of fans.

Mia Touchet, Alum and Attorney: read letters provided by other head coaches of Soccer programs throughout the country that asked for their letters to be read, letters that asked the Regents to reconsider their position regarding the Men's Soccer program.

Greg Williams, Alum and Attorney: administration's report had errors in calculating actual savings from cutting the sports programs; the Regents could not vote for a flawed report.

Michael Donovan, President, Ski New Mexico: perception is one of the main concerns; encouraged Regents to reconsider program cuts; the impacts of the UNM athletes are beyond competing; there is a win for everyone.

Chris Stagg, VP Public Affairs for Taos Ski Valley and Chairman of the State of NM Tourism Commission and UNM Alum: asked the Regents to reconsider their vote to eliminate the sports programs; the ski program may not be part of MWC, but it is in fact more competitive, competing nationally; the Rocky Mountains has the very best skiing in the world and NM is where the Rockies begins; the decision is short-sighted; cutting skiing does very little to solve the budget problem.

Rudolph Serrano, former NM Soccer player and owner of American Revolution Network: talked about some of the economics of team uniforms and working on business models to keep profits in the state and not lose the funds to other countries.

James Urbany, Alum and former UNM Lobo Soccer and ABQ Sol Team Member: there needs to be a process to arrive to the decisions.

Dorsey Tierney-Walker, Head Swim Coach: spoke about importance of Diving and by not having a diving team, the Swimming Team will enter the competitions 30 points under.

Julie Weddle, Head Dive Coach: asked Regents to reconsider decision to eliminate Diving; there is a misconception on the facilities, the team does not need a tower and therefore does not fall short in category of facility; there are 30 upcoming divers in the community that want to be Lobos.

Talia Passarelli, Swim and Dive Team Member: spoke about the impact of the cuts and the Title IX report by Helen Grant recommended roster management of the Swimming and Diving Team.

Allyson Concepcion, Senior on the Swim and Dive team: urged the board to not cut Diving.

Mark Gorham, Member of ABQ Business Community: the State is last in many areas and the decision to cut sports programs will further deteriorate NM's image; the board owed it to the community to table the decision and wait until the Legislative session.

Becka Myers, ASUNM President: need to listen to students; students did not know fully what the plan entailed, did not know details until the proposal was released on July 18; AD Nuñez and Student Regent Adcock were receptive to feedback, but there needed to be more engagement; this process didn't work for the students or for the community.

David E. Percy, APS Board member and parent of Soccer players: spoke about the importance of Soccer in the community.

Merna Brostoff, Retiree: read an excerpt from a February Board of Regents' meeting and said there is a failure of leadership at the top.

Fred K. Role, Retiree and Beach Volleyball supporter: talked about NCAA GPA requirements and cutting Beach Volleyball will reduce the GPA; four years ago, the Beach Volleyball program was added to address Title IX issues; urged the Regents to put off the decision until after further dialogue with the legislatures.

Jessica Dickman, Friend of Ski Team: spoke about the heart and history of the UNM Ski Team; the Ski Team earns the highest GPAs in the University and also makes UNM look great both nationally and internationally; if eliminate the Ski Team, will have eliminated 50 years of skiing at UNM.

Archie Garcia, ABQ Businessman: asked the Regents to delay the vote on elimination of the sports teams to provide time to meet with community leaders, legislators, and donors to find a solution; there have been eight years of budget overruns with no consequences to the perpetrators.

Alan Armijo, Director of Constituent Services in the Office of the Mayor: thanked the Regents for what they do for the state of NM; on behalf of Mayor Keller, as a community member, asked the board to defer the decision until the Legislature makes a decision and to reconvene after the legislative session.

Anne Barounos, Parent of a Ski Team Athlete: urged the Regents to not cut the Ski Team.

Justin Cooper, Former member of the Student Athletic Advisory Committee: urged collaboration and working harder on donor relations.

Guy Jackson, Alum and former Ski Team Member: spoke in support of the Ski Team and its impact on the NM tourism industry and state revenues; urged the Regents to allow the State Legislature to help in January.

Abbey Willison, Student and Member Beach Volleyball Team: spoke about the top sports in the Olympics and the UNM programs that attract international students to UNM; if cut sports, there's a good chance New Mexican will move away and never come back; in the long-term, there will be less fans and less support back to the school; spoke about efforts to become Title IX compliant by cutting women's team and then managing rosters of other women's teams in order to meet Title IX deficiencies; recommended looking at reducing athletic budgets across the board rather than cutting whole teams.

Kayla Long, Member of the Beach Volleyball Team: the recommendation to cut the Beach Volleyball program was short-sighted; offered recommendation on more efficient use of facilities.

Javier Carrasco, Alum and former UNM Lobo Soccer player: read an email sent to the Board; The University of New Mexico Men's Soccer Program focuses on 7 key tenets which alter the behavior of student athletes to produce model citizens across the country, and the key tenets of the men's Soccer program are, leadership, competitiveness, enthusiasm, self-belief, social responsibility, self-discipline, and team first; the decision to cut Men's Soccer is a demonstration of no regard for the state of New Mexico as children want to play the most popular sport in the world, and these children grow up wanting to be Lobos; viewing things as a whole - academics, community impact, winning, and the future – the UNM Men's Soccer Program is the best in the country.

Joe Downing, Interim Head Coach UNM Ski Team: spoke about the importance of athletic performance and academics and the UNM Ski Team's opportunities to lead and raise the bar for Athletics; encouraged all departments at UNM to perform at the same level; if the Ski Team is here to stay in the future, he would secure they will continue to lead the Athletics Department in both of those areas.

Tadeusz Niemyjski, Lobo Supporter: in support of Lobo Soccer and the Ski Team and the good coaches; Soccer is the most international sport and third most popular sport in the U.S.; it's wrong to eliminate the Soccer program.

Kyle Beasley, Immediate Past-President, Lobo Club: the Lobo Club's mission has always been to raise funds and support for the Athletic Department and it will continue to do so; Lobo Club has a very dedicated staff and very dedicated donor base; it has been successful in recent years but has recently been maligned; very little of the funds raised go to athletic operating budgets, most goes to facilities and debt service for those facilities; supports AD Nuñez who was asked to balance the athletics budget by July; hopes it's not too late for State solutions; the resources will have to be on a recurring basis.

Scott Gates, Alum and Former Lobo Club Board Member: it doesn't feel right to eliminate teams that create a positive impact nationally, something NM needs.

Paul Laur, Santa Fe Businessman: supporter of the Ski Team; other teams train with UNM's team; the UNM Ski Team's effect on quality of life is great here; the UNM Corporate Ski Cup The mission of the UNM Corporate Ski Cup is to promote awareness of and raise funds for the University of New Mexico Ski Team.

Ed Garcia (Steve Farrer yielded to Ed Garcia), Executive Chairman Garcia Auto Group, Long-time supporter of Lobo Athletics and minority owner of the pro Soccer team that is coming to ABQ: urged the Regents to ask tough questions about what decisions are best for the future of UNM Athletics, to not be afraid; some universities like Gonzaga do not have a football program.

Riachard Nordhaus, Regents' Professor Emeritus in School of Architecture + Planning: strongly supports UNM Ski program; it represents the best qualities of athletics; urged the Regents to engage in a better decision-making process that would also include collaboration.

Fred Hultberg, Alum: AD Nuñez is right the Soccer and Baseball programs are similar, they both have a high percentage of NM athletes; urged the Regents to wait to make their decision to give a chance that all sports could be saved; do not want to cut any sports, especially Soccer; there is going to be a pro Soccer team in ABQ next year.

Emily Hartshorn, ASUNM AG: cutting successful sports that provide equal opportunity to men and women does not seem like a solution; referred to data and recommendations presented in the Title IX report on men/women ratios, scholarships and promotions; encouraged the board to postpone the vote until better solutions can be reached.

Bill Gannon, Parent and ABQ Resident: spoke in support of the Soccer program, it is huge around the city and the state; the AD's report seems to be focused on an outcome of reducing four sports; there appears to be no effort to evaluate the athletic program in its totality and no attention to the cultural and community aspects; suggested to the board that an advisory group be formed to collect data first so that decisions can be made after analysis of the data.

Angelica Anaya-Allen, Attorney, Member Sandia Peak Ski Patrol and a parent: the UNM Ski Team provides an important contribution on an international level and they are one of two UNM teams that has won an NCAA championship; the Soccer team has come close to meeting that achievement; it appears the AD's report was aimed at terminating the participation of several sports teams, the teams that were listed in the report, and the majority of teams at UNM were not even considered for elimination; the limited analysis of the report is a very critical and basic flaw and should be basis for the Board of Regents to reject the report.

Earl Alden, ABQ Resident: spoke of the positive influence that the Men's Soccer program has on young children; the coach involves them in the game; young kids get to go out on the field before the game during introduction of the players; the Regents have the ability to change the decision; he urged the Regents to do it for the children.

- At 4:12 PM, Regent Doughty recessed the meeting for a 10-minute break.

ADMINISTRATION'S RESPONSE TO COMMENTS AND FREQUENTLY ASKED QUESTIONS

President Stokes responded to some of the concerns and questions raised during public commentary. She first noted that hearing the impassioned pleas of current and former student athletes solidified her full commitment to the value of participation in individual and team sports and athletics as an important component of the educational mission of a university.

President Stokes noted she met with Representative Lundstrom on Wednesday morning with Mr. Nuñez and Nicole Dopson, a member of the Budget Task Force for Athletics. She expressed her great respect for Representative Lundstrom and noted they had a very good conversation about concerns expressed to the legislature about this decision. The conversation was about increased state revenues and possible one-time money from the legislature, as well as discussion about ways UNM could move its own money around, to support athletics. She noted that they have been very carefully considering these possibilities, but that in considering ways to retain all the sports and be Title 9 compliant, the actual dollar figure associated is millions of dollars in recurring funds, and an additional millions of dollars in non-recurring funds. She noted that there is a prioritization process at UNM, and in the context of figuring out institutional priorities, it was a large request to make to the legislature without involving faculty, staff and students in UNM's careful, established process. She noted that in the face of that, some might say to delay a decision. President Stokes reiterated concerns, referencing what happened in the past with the ski team, which was immediately cut after a vote. She reiterated her commitment to allowing students and coaches enough warning to truly be able to make life decisions, and to allowing the Athletics Department to have a clear path forward, noting the administration has been moving forward, planning a proposal for the restructure of the Lobo Club to be released at the end of August, planning a restructure of Athletics' administration, and looking at ways to increase revenue. She noted that while she heard every word said during public commentary, she believed that this is the situation the University finds itself in.

Mr. Nuñez clarified that in respect to recruiting New Mexicans, UNM coaches have done an excellent job. UNM averages 130 student athletes, or about 30%, from New Mexico, which is good in comparison to other institutions. He noted that coaches strongly believe in recruiting in-state and will continue to do so. He also noted that in respect to overall student participation, it is imperative that Athletics continues to have open dialogue with students and the student government organizations.

ACTION ITEM: CONSIDERATION OF AND ACTION ON ADMINISTRATION'S PROPOSAL AND PLAN RELATIVE TO ATHLETICS DEPARTMENT FINANCIAL STABILITY, TO INCLUDE CONSIDERING THE DISCONTINUATION OF UNM MEN'S SOCCER, MEN AND WOMEN'S SKI TEAMS, BEACH VOLLEYBALL, AND DIVING AS INTERCOLLEGIATE ATHLETIC PROGRAMS

Regent Doughty asked if Regents had comments or questions.

Regent Clifford thanked President Stokes and AD Nuñez for their outstanding work and the information also posted on the President's website. This took a lot of time and looking at meeting minutes of Board of Regents meetings it is clear the Board and staff have discussed this issue for several months. It has not been a haphazard process. Recurring dollars are needed. With regard to testimony from legislators, they cannot commit funds before the Legislature, and there will be other priorities competing for those funds. Regent Clifford complemented President Stokes for her hard work, her courage and leadership to address this difficult problem.

Regent Doughty inquired to President Stokes the proposals from Representative Lundstrom. President Stokes asked AD Nuñez to address that. Nicole Dopson, Director of Financial Operations, and the budget group took some of the proposals for review. Ms. Dopson said the proposals that were given were four separate scenarios. The first scenario was the initial proposal from administration. Two scenarios had reinstatement of some sports with the addition of a new female sport. These did not resolve where the funds would come from and both scenarios had a continued recurring deficit, one at \$2.3 million, the other at \$500K. Ms. Dopson spoke more about the analyses of the scenarios and whether they addressed budget, deficit and Title IX issues. President Stokes clarified these were not proposals from Rep. Lundstrom, but another office was inquiring and preparing information for Rep. Lundstrom.

Regent Doughty asked David Harris to comment on what requests the University has made over the past couple of year to the Legislature asking for funding. David Harris responded that each and every year since the differential in state funding was created between UNM and NMSU, a senate finance amendment to House Bill 2 was submitted to create parity that

has never been funded. This has been at least six years. EVP Harris briefly described some history of athletics funding. Before Governor Martinez, when the revenues were robust, the Legislature, in addition to House Bill 2, would do a House Bill 2 Junior, where individual legislators were permitted to bring proposals forward, and that's how this happened. When the program of tuition waivers started in the 1980's, the impetus behind it was to bring more NM athletes into the university athletic programs. So the Legislature began to fund tuition waivers for the public universities to add athletics. Initially, it was UNM and NMSU at one level, the comprehensives at a different level. There was also the stipulation to play one of the comprehensives every year in basketball, and this has continued. So there was always this understanding. Since the Lottery Scholarship came on, many of the athletic scholarships are now provided through the lottery; nevertheless, there has continued a strong participation with NM athletes. But something is not right; parity is needed. This funding represents about a quarter of NMSU's athletic budget; they really need the funding, so UNM would never recommend that theirs be decreased. This history goes back thirty (30) years.

Regent Hosmer commented this has been an interesting discussion, a little one-sided, and a few of the commentators have recognized that this decision is driven by three constraints: 1) Title IX, where there is no choice in the matter, 2) the implicit membership in the Mountain West Conference (MWC), and 3) the budget deficits that have accumulated are to be zeroed out. The second and third are policy issues involving the priorities of the University and discussions are warranted; however, apart from discussion of all UNM priorities, it's difficult to do that. Unfortunately, there have not been discussions about University priorities over the last couple of years. Unfortunately, at this point, as administration has made clear, there is not much choice in delaying the decision because of the harm that implicitly that will do to individuals and teams. Regent Hosmer suggested that before jumping to the solution, to take a sounding support among the Board on whether the Regents wish to stay in the MWC and whether or not Regents wish to hold the University's athletic department budget to zeroing out the deficits that currently have accumulated, both past and present.

Regent Hosmer moved that the Regents affirm support for remaining in the Mountain West Conference; Regent Lee seconded. There was discussion.

Chief Counsel advised the Board it could discuss the matter, but this action was not on the agenda and therefore the Board could not vote on the motion. Regent Doughty reiterated and stated Regents could discuss the importance of being in the Mountain West Conference. Regent Lee requested AD Nuñez discuss aspects of UNM being in the MWC. AD Nuñez spoke of the benefits of being in the MWC. Regent Doughty affirmed the MWC is the best conference outside of the Power Five Conferences. AD Nuñez added the MWC is one of the most innovative conferences in the Group of Five conferences. Regent Doughty said he supports the UNM commitment to the MWC. Student Regent Adcock added the MWC is committed to the student athletes' well-being and safety.

There was further discussion on Regent Hosmer's motion. Legal Counsel advised there could be discussion as a predicate for making a decision on the administration's proposal. Regent Hosmer said getting the sense of the board would be okay.

Regent Hosmer continued with the question on the sense of the Board on whether it insist the athletic department zero out the budget deficit as it is and recoup some to the extent that it can. Regent Doughty commented the Board voted in March that the athletic department needed to balance its budget. He added that in February he had suggested consideration of forgiving the athletic deficit, but many spoke against that. Regent Doughty said that he changed his view after speaking with constituents and added it is not fair to faculty and students to do that. Regent Lee said with regard to athletic debt, every athletic department across the country carries one, but as a Regent she is committed to a balanced budget and to a more fiscally responsible athletic department that is run in a more effective manner.

Regent Quillen stated she was not in agreement to forgive the athletic deficit. It would have solved some immediate problems, but it is not fiscally responsible, and other departments also have debt. That path deserves a lot more debate with faculty and students. Regent Quillen said she was committed to move forward now with the deficit reduction plan.

Regent Doughty asked with regard to the sense of the board on remaining in the Mountain West Conference, if there were any other comments from Regents. There were none.

Regent Brasher commented there were statements made regarding Title IX – it is federal law. He asked for comment on the University's view on this. President Stokes responded that as President of the University, she has responsibility for UNM compliance with Title IX. The University is required to have someone in charge of Title IX. It involves more than just athletics, it is about issues of gender equity, which are very important to UNM. Regent Brasher agreed the social equity issue is critical, and inquired with regard to the male to female ratio, what is the picture down the road, the demographic situation for the University. Terry Babbitt, Vice Provost for Enrollment and Analytics, responded the demographics used to

be predominantly men, but now even at the national level, the numbers are 55% women and 45% men, and this is concerning. There is a problem getting men to go to school; they value more short-term benefits rather than long-term.

Regent Brasher added that he appreciated the representatives coming to the meeting and their comments, and he hoped they knew their involvement was appreciated.

Regent Quillen acknowledged the comments given at the meeting, and said she had read most all of the emails and letters that had been sent to the Regents' office. She talked about the vast complexity of the University, including the complex financials, which can take years to understand. She commented on her past few years as a Regent. She does not believe administration ever tried to mislead regarding deficits. The deficits accumulated incrementally through the years, and every year there was the plan that suite sales and ticket sales would be better than they were. Then the economy took a dive. When President Stokes and also the new AD were hired, they were told there were big issues that needed to be resolved. There has always been the plan that next year will be better, and we still don't see it. The endowment that we had hoped would come forward last year for the ski team didn't happen. Everybody wants to believe the best; that tomorrow will see an incredible infusion of dollars into the University, but that belief will not solve the problems. There is no easy answer. She thanked everybody who took the time to come to the meeting, for the comments, letters and emails sent. She thanked AD Nuñez and others for their hard work supplying information that was requested.

Regent Brasher referred to Representative Rehm's comments about golden parachutes, as that issue comes up from time to time. This is something, along with bonuses, that should be looked at in the future. Regent Brasher thanked the students for their comments and President Stokes for her work on this.

Regent Hosmer said the board heard in the public comment, a number of proposals and conjectures put forth to solve the problem and some may have merit; however, he believed administration was correct that the Regents could not temporize with the problem. He hoped administration would take advantage of the opportunity to review the comments and suggestions made by those who support Athletics and pull forward those of merit to bring to the Regents at a later date.

Regent Lee asked AD Nuñez if he had discussions with coaches about Title IX and if he had gotten input from them. AD Nuñez responded that he met with every coach and had discussions which included discussions of the Title IX report after it came out. Regent Lee stated there is a shocking inequity to UNM's women athletes and that it will be corrected. Regent Lee inquired to AD Nuñez the decision to cut a major men's sport and the criteria used to make the final decision. She asked if he considered the number of New Mexicans who are fielded on the teams and inquired the numbers on the baseball and Soccer teams who are New Mexicans. AD Nuñez responded 14 out of 35 on Baseball and 8 out of 29 on Men's Soccer. He stated the percentages this past year: 35% for Baseball; 24% for Soccer; 8% for the Ski Team, and over the last 4 years: 32.6% for Baseball; 27.9% for Soccer; 53.8% for Track; and 5.8% for Men's Ski, 0% for Women's Ski. Regent Lee inquired if football bowl games bring revenue. AD Nuñez responded the bowl revenues go into a pot that gets distributed between all members of the conference. All revenues from summer camps go back to the coaches.

Regent Quillen discussed with AD Nuñez the criteria for analyzing the sports programs. She also commented she agreed with Regent Brasher's comment about coaches' contracts and golden parachutes and hopes that will be looked at in future contract negotiations. Coaching leadership happens on and off the field, and one of the key criteria for maintaining a coaching position should be for the coaches to be able to meet their budget.

Student Regent Adcock inquired about sports facilities mentioned in reports and what was mentioned earlier regarding diving facilities. AD Nuñez confirmed Swimming and diving share facilities in Johnson gym. Student Regent Adcock mentioned the lack of a diving platform and whether that was a significant issue as stated in the Title IX report, because earlier comments indicated that it wasn't. AD Nuñez concurred. There was discussion about a Swimming/Diving program versus only Swimming. Student Regent Adcock mentioned the report states the low number of prospective in-state divers, whereas it was mentioned in public comment there is a robust pipeline into UNM Diving. AD Nuñez concurred and added with more study, more information has been made available. Student Regent Adcock inquired about prospects for future success of the Swimming program without a diving program, where the diving contributes to overall scoring at meets. AD Nuñez responded the proposal looked at long-term facility needs and would allow putting more funds toward the Swimming program to build it up for future, and with keeping diving as an option, funds would need to be split between the two programs, potentially compromising the enhancement of either down the road.

Student Regent Adcock made a motion to amend the proposal to reinstate the Diving program; Regent Lee seconded the motion. There was discussion.

Regent Lee inquired the investment that will be made into Johnson Gym. There was some facilities maintenance in the natatorium in 2008. Regent Doughty asked for confirmation the diving facilities are adequate and on par with peers in the Mountain West, as was stated earlier in public comment. There was confirmation. There was inquiry to the \$50K savings for elimination of the diving program. AD Nuñez reiterated the proposal is not just based on looking at savings but also long-term facility needs, that there are no maintenance reserves for any of the other facilities. Student Regent Adcock inquired who pays for maintenance of Swimming Diving facilities. That comes out of the University's Institutional Support Services budget. Student Regent Adcock inquired if the Diving program were kept, would any other sports programs be at jeopardy of being cut, to which AD Nuñez responded, no. Regent Doughty asked for a vote on the motion.

The motion to amend the proposal to reinstate the Diving program passed with a vote of 6-1-0; Regents Adcock, Brasher, Doughty, Hosmer, Lee and Quillen voted for; Regent Clifford voted against (1st Adcock; 2nd Lee).

Regent Doughty asked if there was a motion on the proposal that eliminates Men's Soccer, Men and Women's Ski Teams, and Beach Volleyball. Regent Clifford motioned to approve administration's proposal to eliminate those sports; Regent Lee seconded the motion. The motion passed unanimously.

ADJOURN

The motion to adjourn passed unanimously (1st Lee; 2nd Adcock); the meeting adjourned at 5:33 PM.

Approved:

Attest:



Robert M. Doughty III, President



Tom Clifford, Secretary/Treasurer