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Minutes of the Regular Meeting of the Board of Regents of the University of New Mexico
May 11, 2018
Student Union Building (SUB) – Main Campus
Open Session - Ballroom C; Executive Session - Cherry Silver Room

Members present

Garrett Adcock; Michael Brasher; Tom Clifford; Rob Doughty; Brad Hosmer; Marron Lee; Suzanne Quillen

Administration present

Garnett S. Stokes, President; Paul Roth, Chancellor for Health Sciences; Chaouki Abdallah, Provost and EVP for Academic Affairs; David Harris, EVP for Administration, COO, CFO; Elsa Cole, University Counsel; Ava Lovell, HSC Sr. Exec. Officer of Finance and Administration; Dana Allen, VP Alumni Relations; Lawrence Roybal, Interim VP for Equity and Inclusion; Eddie Nuñez, Athletics Director; Cheo Torres, VP Student Affairs; Dorothy Anderson, VP HR; Elizabeth 'Libby' Washburn, President's Chief of Staff; Liz Metzger, Controller; Michael Richards, Vice Chancellor for Clinical Affairs, UNM HSC;

Regents' Advisors present

Harold Lavender, President, Alumni Association; Pamela Pyle, Faculty Senate President; Danelle Callan, Staff Council President

Presenters in attendance

Norma Allen, Director for University Budget Operations; Irene Vasquez, Chair, Chicana and Chicano Studies; Maria Lane, Chair, Department of Geography and Environmental Studies; Rob Robinson, CFO, Athletics; Lisa Marbury, Exec. Director, ISS

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 8:12 AM and confirmed a quorum.

VOTE TO CLOSE THE MEETING AND PROCEED IN EXECUTIVE SESSION (Cherry Silver Room)

All seven members of the board were present in person during closed session; administration present during closed session: Garnett S. Stokes, Elizabeth Washburn.

1. Discussion and determination where appropriate of limited personnel matters as permitted by Section 10-15-1(2), NMSA (1978)
2. Discussion and determination where appropriate of threatened or pending litigation permitted by Section 10-15-1.H(7), NMSA (1978)

VOTE TO RE-OPEN THE MEETING

The vote to open the meeting passed unanimously (1st Lee; 2nd Clifford).

Regent Doughty certified that only those matters described in the closed session agenda were discussed during closed session, and there were no items upon which final action was taken.

- Members moved to Ballroom C for Open Session

ADOPTION OF THE AGENDA

Open Session commenced at 9:10 AM; Regent Lee moved to remove from the agenda the Finance and Facilities Action Item #2, Approval of Projects; Regent Tom Clifford seconded the motion; there was discussion; motion passed unanimously. Regents voted to adopt the modified agenda.

The motion to adopt the agenda as modified passed unanimously (1st Adcock; 2nd Brasher).

APPROVAL OF MINUTES

The motion to approved the minutes of the April 17, 2018 regular meeting passed unanimously (1st Lee; 2nd Adcock).

PUBLIC COMMENT

Victor Padilla, alumnus; Rosa Isela Cervantes, Director, El Centro de la Raza; Joe Garcia, adjunct faculty member in the Chicana/o Studies Program; and Sarah Quevedo, Chicana/o Studies Major; spoke in favor of the graduate Chicana and Chicano Studies Programs on the agenda and urged the regents to give their approval.

REGENT ADVISORS COMMENTS (no comments)

COMMENTS FROM REGENTS (no comments)THE PRESIDENT'S ADMINISTRATIVE REPORT

President Stokes acknowledged the upcoming commencement ceremonies, noting 1400 student participants will be in the Saturday ceremony at Dreamstyle Arena, with 3,480 UNM Main and branch campus degrees awarded. Regent Doughty noted the event will include also the presidential installation ceremony. President Stokes updated the Board regarding her listening tour, beginning with completed Town Hall events on Main Campus and at the HSC (recordings are available on Facebook) and her plans to continue on-campus meetings over the summer as well as weekly trips around the state. She is coordinating with alumni, the UNM Foundation, and Branch campuses to organize her tour, beginning with a visit to UNM Los Alamos.

President Stokes updated the Board on her priority initiatives, starting with student veterans. The administration is planning campus-wide training to assist faculty and staff in understanding the special issues associated with veterans and active service members and families. The President will hold a welcoming event in August when student veterans will have a dedicated student advisor. This initiative will see a \$50K allocation in this year's budget, as well as additional funds in FY19. She spoke about the importance of inclusion and diversity on the campus and noted the College of Nursing's expansion at UNM West to help mitigate the shortage of nurses in New Mexico, with an initial cohort of eight students and admissions underway for the program. President Stokes highlighted research achievements, including Professor of Biology, Felicia Smith's, article in *Science* regarding mammal size and how her NSF-funded project collected extensive data on the loss of the largest species on every continent over time. President Stokes noted the upcoming CTSC hackathon on May 18-20, and then stood for questions.

Regent Lee inquired about UNM's hiring policy regarding veterans. Dorothy Anderson, VP for Human Resources, was not present in the room at the time, but Provost Abdallah noted that this information will be provided to the regents in follow up.

APPROVAL OF FY 2018-2019 CONSOLIDATED BUDGET & FY 2017-2018 BUDGET ADJUSTMENT REQUEST (BAR)

Norma Allen presented the consolidated UNM FY19 budget for approval, a \$2.96 billion overall budget is an increase of 1.7% over last year's original budget. Main campus shows a 3.9% increase, the HSC a 0.7% increase, and the Branches a 4.1% increase. State appropriations, tuition and fees constitute 45% of revenues, with 21% coming from federal contracts and grants, and 16% from auxiliary unit sales and services. Main Campus expenditures increased by 3.9%, with the largest increase in Instruction & General (I&G). Plant fund expenditures comprise approximately 21%. The total main campus increase of \$32.7 million, or 3.9%, is driven mainly by capital projects funding (PAIS and Johnson Center), a \$6.6 million increase in state appropriations, and a 1% compensation increase.

Regent Brasher inquired about the actual dollar figure for the compensation increase. Ms. Allen responded that it is approximately \$4.5 million.

Branch revenues increased 4.1% to \$52.5 million, due to state appropriations of \$19 million, grants and contracts of \$12 million, and \$8.7 million in local government appropriations. Tuition and fees comprise \$7.7 million of revenues. Branch campus expenditures are predominantly I&G, at approximately \$34 million. The overall budgets for each campus increased over last year, with the exception of Gallup due to an enrollment decline.

Ava Lovell, Senior Executive Officer for Finance & Administration, presented the HSC FY19 budget, overall \$2 billion attributing to a 0.7% increase over last year. Patient care comprises approximately 75% of revenue; State funding provides about 5% of revenues; and the Bernalillo County mil levy provides approximately 5%. Research revenues and expenditures increased by 14%. Budget expenditures are approximately \$2 billion, with UNM Hospital expenditures totaling around \$1 billion. Academic enterprise expenditures total \$700 million, with a break-even budget. The HSC received an increase in state appropriations, with the Office of Medical Investigator receiving the largest increase, and a compensation increase comprising most of the rest.

The Health System budget increase is driven by outpatient volume increases at the hospital, cancer center and pharmacy. Medicare reductions in the 340B are offset by other increases, such as specialty pharmacy; the impact of reductions is smaller than originally indicated. The HSC continues to look at new Medicaid (MCO) contracts mandated by July 1, due to the state's expanded Medicaid program. Expenses will increase approximately \$5.5 million due to inflation and volume-driven cost increases.

The UNM Hospital's budget will remain break-even at \$1.1 billion in revenue and expenses. The Medical Group will remain at \$200 million in revenues and expenses, with a break-even bottom line. The SRMC revenues and expenses will decrease slightly due to the departure of community surgeons, leaving for other venues, with a plan to backfill with UNM surgeries,

with a break-even budget. Overall, the UNM Health System budget for 2019 will be break-even. Ms. Allen and Ms. Lovell stood for questions.

Regent Clifford thanked EVP Harris' staff for their time and assistance. He stressed the process needs more and earlier regent involvement and also inquired about enrollment. Provost Abdallah stated the budget reflects a 2.5% enrollment decline and noted enrollment is monitored weekly. Regent Clifford expressed concern, noting the 2.5% decrease in enrollment coupled with a 4% increase in expenditures is a 6.5% increase in spending for the population UNM serves, or over three times the rate of general inflation; if compounded over time, higher education will be unaffordable for the majority of New Mexicans. Although UNM tries to remain affordable and is comparably so to some degree, Regent Clifford stressed that UNM has a responsibility to manage resources better. He added plant fund expenditures comprise almost 25% of the budget, indicating UNM is top heavy on facilities and that administration needs to develop a thorough capital projects process and strategic plan to ensure right-sizing.

Regent Brasher agreed with Regent Clifford and noted that students and families are also subject to annual tax increases. Regent Brasher stated he wanted to ensure that he abstained from voting on any items relating to public broadcasting. President Doughty indicated there was public broadcasting funding in the budget, and clarified that if Regent Brasher voted in favor of the budget, he was abstaining on items related to public broadcasting. It was also clarified Regent Brasher referred to both television and radio broadcasting funds.

Regent Doughty asked for a motion to approve the FY 2018-2019 Consolidated Budget & FY 2017-2018 Budget Adjustment Request; Regent Lee motioned; Regent Hosmer seconded; the vote was 6-1 in favor; Regents Adcock, Clifford, Doughty, Hosmer, Lee, and Quillen voted for; Regent Brasher voted no; motion passed.

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)
 - a. Posthumous Degree Request for Alexander Blue
2. Health Sciences Center Committee (HSC)
 - b. Approval of the Nomination of Ms. Karen Lanin to the Carrie Tingley Hospital Advisory Board
3. Finance and Facilities Committee (F&F)
 - c. Approval of Quarterly Financial Actions Report and Certification through March 31, 2018 and Monthly Consolidated Financial Reports through March 31, 2018
 - d. Approval of Disposition of Surplus Property for Main Campus for April 2018
 - e. Approval of Appointment to STC.UNM Board of Directors

The motion to approve the items on the Consent Docket passed unanimously (1st Lee; 2nd Brasher).

ACADEMIC/STUDENT AFFAIRS AND RESEARCH COMMITTEE

Spring 2018 Degree Candidates

Faculty Senate President, Pamela Pyle, presented the item and announced the most up-to-date numbers by college and department.

The motion to approve the 2018 degree candidates passed with a vote of 6-0-1; Student Regent Adcock abstained because his name was on the list of candidates (1st Lee; 2nd Brasher).

Form D: PhD and MA in Chicana and Chicano Studies

Dr. Irene Vasquez presented the item and referred to slides that were included in the eBook. Much of the content for the MA/PhD Chicana and Chicano Studies program also applies to the graduate certificate, the next item on the agenda for approval. This is a milestone in New Mexican education and in the history of higher education institutions. With the offering of the MA/PhD as well as the Graduate Certificate, UNM will be offering the most comprehensive education in Chicana/o Studies in the country. Over the past five years, the department has increased its undergraduate enrollment by 376%. Many of these students will stay at UNM if the graduate programs are offered. Dr. Vasquez discussed the strong case for the program, including the existing faculty, facility and curriculum capacity, largely resting on 41+ affiliated faculty. The programs teach skills to prepare students for the future, including problem solving, investigation and research, critical thinking, collaboration, information data management, interpersonal skills, and leadership. Dr. Vasquez addressed statewide career placement opportunities, budgetary implications and additional benefits the programs would

bring to the University. Currently, the program is revenue neutral; not seeking funds to establish the program, but to grow the program over the next four years. This will be much the same as Latin American Studies offering its MA/PhD program, and the Information and Library Science PhD is of the same format. It is important to recognize that forty-eight percent of the population of the State is Hispanic and 48% of the population of undergraduate students is Hispanic; however, there are only 24% Hispanic students enrolled in graduate programs.

Regent Clifford inquired about the budget and what commitments may be required in the future. Dr. Vasquez responded the plan is to initially admit, 6 to 10. A core value of this discipline is retention and graduation, which has led to a high success rate for students. Dr. Vasquez emphasized faculty commitment to the students and to supporting the graduate level program. Regent Clifford emphasized the importance of not only preparing students for entering the job market by equipping them with valuable skills, but also guide students by imparting information about the labor market, why the skills are valuable, and what their next steps may be.

The motion to approve the PhD and MA in Chicana and Chicano Studies passed with a unanimous vote (1st Brasher; 2nd Hosmer).

Form D: Graduate Certificate in Chicana and Chicano Studies

This is a 12 unit, specialized certificate in Chicana and Chicano Studies that would be offered to currently existing students and many students in graduate programs looking for this specialization.

The motion to approve the Graduate Certificate in Chicana and Chicano Studies passed with a unanimous vote (1st Brasher; 2nd Hosmer).

Form D: New Mexico Joint Doctoral Program in Geography

Dr. Marie Lane presented the item and referred to information that was included in the eBook. The program will be the State's first ever PhD program in Geography, it will be offered jointly between UNM and NMSU. The program focuses on integrative human-environment dynamics and is designed to capitalize on existing resources, facilities, faculty, and courses from both institutions and to add research capacity to UNM and the State in all of these areas. By pooling expertise with NMSU, the program will provide top-notch research training that is integrated across different geo-spatial methods and across environmental, cultural, and policy domains. Students will take classes at both campuses, either remotely or in person. Students can live in either city and still participate fully in the program. Both faculties will be involved using creative distance learning approaches.

Dr. Lane discussed why the program is needed in the areas of unmet demand for advanced training in this area, such that people who are looking for interdisciplinary PhD research training that spans geospatial, environmental and cultural domains currently have to go out of state for the training, and secondly, the potential is not being met for a research institution if the highest level research training in Geography is not offered. Faculty are trained to perform doctoral level research and to mentor the next generation of researchers, and currently these talents are not being leveraged. Dr. Lane presented the budget estimates for the first six years of the program; the plan is to start small, with about 5 spots per year and build to 25 students. Surveying current Masters students at UNM, at regional institutions, and organizations, survey results show demand for those 5 slots per year is expected to be robust. Dr. Lane discussed job opportunities within and outside the State, including areas of research leadership, in academics, and in business. NMSU is adding graduate funding lines and library resources, UNM is committed to fund a program coordinator, a faculty line, and 3 graduate funding lines. These are believed to be minimal investments for a large increase in research capacity. Dr. Lane requested regents approval.

There was discussion. The NMSU regents have already approved this program and once UNM regents approve it, the program will go forward as one item accompanied with an MOU.

The motion to approve the New Mexico Joint Doctoral Program in Geography passed with a unanimous vote (1st Lee; 2nd Adcock).

HEALTH SCIENCES CENTER COMMITTEE

Approval of UNM Health Sciences Center Spring 2018 Graduates

Dr. Roth commented the names for the HSC degree candidates were included in the comprehensive Spring 2018 degree candidate list presented by Faculty President, Pamela Pyle, which was approved earlier in the meeting; therefore, no vote was taken.

FINANCE AND FACILITIES COMMITTEE

Approval of Enhanced Athletic Fiscal Oversight Program Report and Certification through March 31, 2018

Athletics Director, Eddie Nunez, opened the presentation stating that Athletics had presented the revised budget to the Regents Finance & Facilities committee earlier in the week. He noted that Athletics continues to refine its operations daily in collaboration with a task force developed by President Stokes and expressed enthusiasm regarding several planned graduation celebrations for student athletes, then he stood for questions from the regents.

Regent Lee inquired about ticket sales. AD Nunez stated football tickets are currently on sale and basketball tickets would go on sale the next week. Regent Lee inquired if Monday was the targeted date and Director Nunez confirmed.

Regent Quillen requested an update regarding the development of criteria to determine possible cuts. Regent Doughty reminded her the deadline is July 1. AD Nunez added that Athletics is aggressively pursuing the development of preliminary criteria in discussion with donors, student athletes, coaches, and others. In addition, they will meet with a consultant and with President Stokes before formalizing any criteria. Currently, they are considering Title IX, finances, donor intent, endowments, community influence, and wins and losses, noting financial considerations have many contributing factors, including NCAA and Mountain West support. He continues to meet with staff and community members to ensure due diligence, with a delivery goal of July 1. He expressed appreciation for task force members. Regent Quillen reiterated the need for metrics. Mr. Nunez concurred.

Regent Lee requested Rob Robinson, Athletics Chief Financial Officer, provide an update regarding plans for monthly monitoring and metrics. Mr. Robinson noted that the FY18 breakout by sport will continue in FY19 and act as a point of comparison in order to make midyear adjustments in grants and aid, based on actual figures for dynamic metrics such as spending, ticket sales, and fundraising. Regent Lee confirmed this plan was included in the meeting eBook.

President Doughty inquired if Athletics will be providing actual figures of money raised versus the percentage based on ticket sales. Mr. Robinson confirmed. President Doughty inquired about ticket sales and the coordination between the ticket office and Athletics. EVP Harris noted Athletics funds positions within the ticket office, but expressed the process could be more dynamic. President Doughty reiterated the need to get basketball tickets on sale ASAP.

Regent Adcock reiterated his concern with cutting sports and inquired if there was a need to cut a sport, would the NCAA grant free transfers to student athletes. AD Nunez noted Athletics intends to do everything possible to mitigate issues and is communicating with the NCAA. He stated that if Athletics decides to manage rosters or propose eliminations, students will have the opportunity to remain at UNM with their scholarships honored. UNM will also support athlete transitions to other schools.

Regent Clifford inquired if administration knew when the Higher Education Department planned to respond to submitted reports. EVP Harris noted UNM will meet soon with HED staff. Regent Brasher inquired if EVP Harris had any sense of the State's status. EVP Harris replied that Deputy Secretary Jacobson indicated delays in reviewing data due to staff limitations, but EVP Harris felt the Regents' efforts to balance the FY18 and FY19 budgets is a large step in satisfying concerns.

Regent Brasher thanked President Doughty for his persistence in obtaining information. He also stated that in his profession his firm has some underwriting with UNM and he wanted to acknowledge this publicly.

EVP Harris acknowledged the efforts of Nicole Dopson, Vahid Staples and Norma Allen in obtaining additional data. He noted President Stokes' efforts as well. Regent Lee expressed her gratitude.

The motion to approve the Enhanced Athletic Fiscal Oversight Program Report for quarter ending March 31, 2018, passed with a unanimous vote (1st Clifford; 2nd Brasher).

Approval of Capital Outlay Request Package for 2019-2020 Projects Submission to the Higher Education Department (Action); Five-year Capital Project Plans (Information)

Lisa Marbury presented the capital outlay request, first responding to Regent Clifford's earlier remark about improving the process for setting forth capital outlay, stating that her office welcomes further conversation.

The capital outlay request includes:

- \$11 million collaboration between the Provost's Office and the CIO, focusing on learning environments and technology upgrades, and includes cameras to address campus safety;
- \$3 million HSC request for a Movement Disorders Clinic; and
- \$19 million in branch requests.

Regent Doughty requested that Chris Vallejos, Associate Vice President for Institutional Support Services, and Provost Chaouki Abdallah expound on an ROTC program request. Mr. Vallejos noted that an ROTC program request has been on the

capital plan for a number of years with the vision of consolidating the Main and branch ROTC programs, which UNM hosts, into a single facility. The five-year plan calls for \$18 million in funds; this year, UNM received \$6.8 million Phase I funds. Mr. Vallejos felt it appropriate to request further appropriations. Provost Abdallah agreed that although a new Fine Arts building is now top priority, in light of available funds, it made sense to seek more ROTC funds, noting that the ROTC consolidation, while different from President Stokes' veterans' initiative, envisions facility space for the Veteran's Resource Center.

President Doughty motioned to amend the capital outlay plan to add \$6 million for ROTC Phase II of the 2019 Capital Outlay Request, accelerating the project by enhancing the ROTC Phase I \$6.81 million appropriation. Regent Brasher seconded the motion to amend. The motion to amend passed unanimously.

Regent Brasher noted that some of the projects included in the request will actually save money through energy saving components and some are expansion items that will add expense. He inquired if there were calculations related to increased operational expenses. Ms. Marbury explained that as projects are fleshed out more fully through programming and scope work, this information is developed. As they move toward presenting to HED, they focus attention on energy savings and cost reductions. Regent Brasher requested explanation of the "other" category in terms of funding sources. Ms. Marbury stated that most of the projects are STB requests. She explained that the Movement Disorder Clinic has a \$3.5 million matching contribution from the HSC, categorized as "private" and "other." For the branch requests, there is a mandate for each branch to participate with a 25% match for any project. Regent Brasher inquired if all requests had funding, and Ms. Marbury confirmed they would be funded if the State provides appropriations.

The motion to approve the amended Capital Outlay request package for 2019-2020 projects submission to the HED passed unanimously (1st Adcock; 2nd Brasher).

PUBLIC COMMENT (no comments)

ADVISORS' REPORTS

Harold Lavender, UNM Alumni Association President, gave his last advisors' report as his term as president ends in June. John Brown will be the new Association's President. The regents thanked Mr. Lavender for his service to the University. Mr. Lavender called attention to the monthly report provided in the agenda eBook and highlighted that the June 8 board meeting will honor Rep. Jim Smith as the 2018 Higher Education Distinguished Service Legislator. Mr. Lavender stated the Alumni Association has made a strong commitment to support President Stokes in any way it can. This has been discussed in public forums, the Alumni Association wants Dr. Stokes to be successful and to be here for a long time. Regent Clifford requested Mr. Lavender initiate a process to give input to President Stokes and also to the Athletic Director regarding sentiments in the community and what alumni are saying. Mr. Lavender responded he will commence such a process and added UNM has over 180K alumni.

Danalle Callan, Staff Council President, gave her last report as president. Rob Burford will be the president for the next fiscal year. May 23 will be the Staff Appreciation luncheon and elections for Precinct Representative will be held at the end of May. The regents thanked Ms. Callan for her service this past year.

Pamela Pyle, Faculty Senate President, reported on the recent Faculty/Staff-hosted meet and greet with President Stokes and also a recent pre-primary democratic gubernatorial forum; another forum is planned for the Fall to host anyone polling over 10%. Ms. Pyle announced she will continue to serve as Faculty Senate President for the next fiscal year. The regents thanked Ms. Pyle for her service.

There was no closed session following open session.

ADJOURN

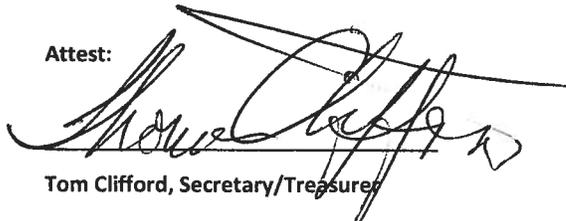
There being no further business, Regent Doughty asked for a motion to adjourn; Regent Lee motioned; Regent Brasher seconded; motion passed unanimously; the meeting adjourned at 10:54 AM.

Approved:



Robert M. Doughty III, President

Attest:



Tom Clifford, Secretary/Treasurer