

**THE UNIVERSITY OF NEW MEXICO**  
**Regents' Finance and Facilities Committee**  
**October 4, 2011 – Meeting Summary**

**Committee Members Present:** Regent Don Chalmers; Regent Jamie Koch; Regent Gene Gallegos

**Committee Members Absent:** none

**Non-voting Members Present:** none

**Other Attendees:**

**Chaouki Abdallah**, Academic Affairs; **Martha Bedard**, University Libraries; **Steve Beffort**, Lobo Development; **Breda Bova**, President's Office; **Cinnamon Blair**, UNM Communication & Marketing; **Pug Burge**, Health Sciences Center; **Bruce Cherrin**, Purchasing; **Mary Clark**, Staff Council; **Andrew Cullen**, Planning, Budget & Analysis; **Rachel Felix**, Office of the EVP for Administration; **Bob Fondino**, Health Sciences Center; **Helen Gonzales**, Human Resources; **Kathy Guimond**, UNM Police Department; **Tim Gutierrez**, Student Affairs; **David W. Harris**, EVP for Administration, COO and CFO; **Beverly Kloeppe**, Student Health; **Ava Lovell**, Finance; **Lisa Marbury**, Institutional Support Services; **Cenissa Martinez**, Office of the EVP for Administration; **Maureen McGuire**, University Counsel; **Steve McKernan**, UNMH; **Kim Murphy**, Real Estate; **Lee Peifer**, University Counsel; **Curt Porter**, Provost's Office; **Yang Qin**, Chemistry; **Johann van Reenen**, VP Research Office; **Katie Richardson**, GPSA; **Bill Robinson**, HR Benefits Consultant; **Tim Ross**, Faculty Senate; **Paul Roth**, Chancellor, Health Sciences; **Jaymie Roybal**, ASUNM; **Marc Saavedra**, Government Relations; **David J. Schmidly**, UNM President; **Vahid Staples**, Planning, Budget & Analysis; **Carol Stephens**, Policy Office; **Carolyn Thompson**, President's Office; **John Trotter**, Health Sciences Center; **Chris Vallejos**, Institutional Support Services; **Mary Vosevich**, Physical Plant; **Ellen Wenzel**, Regents' Office; **Donald Whitehead**, CRTC

**Regent Chalmers called the meeting to order at 9:05 a.m. in Scholes Hall, Roberts Room.**

**COMMENTS:**

**Faculty Senate.** Tim Ross updated the Committee about recent resolutions passed by the Faculty Senate. Resolutions include the Berlin Declaration, regarding open access at libraries, and a resolution in support of the Office of International Programs and Studies.

**Staff Council.** Mary Clark encouraged the Regents to resolve the Travel Policy issue, which has attracted media attention due to the misguided perception that UNM is not following the law.

**ASUNM.** Jaymie Roybal stated that she is looking forward to participation in the Tuition and Fees team.

**GPSA.** Katie Richardson stated that GPSA has 3 quasi-endowments held in trust by the UNM Foundation, which produce spending allowances that support student research and travel. The

GPSA would like to reinvest some balances back into those accounts, which requires F&F Committee approval. This issue may come before the Committee's attention next month.

**ACTION ITEMS:**

- 1. Meeting Summary from September 1, 2011. Regent Koch moved to approve, and Regent Gallegos seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
- 2. Disposition of Surplus Property for Main Campus on list dated September 16, 2011. Bruce Cherrin made the presentation. Regent Gallegos moved to approve, and Regent Koch seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
- 3. Contract Approvals:**
  - 1) UNMH – Siemens Medical Systems.** Bruce Cherrin and Steve McKernan made the presentation. Regents' approval was requested for a five-year service agreement to provide maintenance service and parts for five imaging technology equipment systems at UNMH. Total annual cost ranges from \$73,774 - \$213,695 per machine. The total cost of all machines for five years is \$3,263,510. In response to Regent inquiry, Siemens is the only company that can provide maintenance for the equipment. **Regent Koch moved to approve, and Regent Gallegos seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
  - 2) UNMH – Stryker Orthopedics.** Bruce Cherrin and Steve McKernan made the presentation. Regents' approval was requested for a two-year contract that provides surgical implants for hips, knees, shoulders and joints. Products orders are based on surgical case needs. **Regent Koch moved to approve, and Regent Gallegos seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
  - 3) UNMH – Phillips Medical.** Bruce Cherrin and Steve McKernan made the presentation. Regents' approval was requested for new Intervention Radiology replacement systems. Total cost of capital equipment is \$2.3 million. The five-year (FY13-17) maintenance cost associated with the equipment is \$1 million. **Regent Koch moved to approve, and Regent Gallegos seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
  - 4) UNMH – Siemens Medical Solutions.** Bruce Cherrin and Don Whitehead made the presentation. Regents' approval was requested for the purchase of a patient accounting system that will be used at Sandoval Regional Medical Center. **Regent Koch moved to approve, and Regent Gallegos seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
  - 5) UNM Human Resources – Employee Benefits.** Bruce Cherrin, Helen Gonzales, and Bill Robinson made the presentation. Regents' approval was requested for supplemental

employee benefits: Basic Life, Supplemental Life, Accidental Death & Dismemberment, Long Term Disability, and Short Term Disability. As a result of the RFP, Standard Insurance will be selected to provide insurance. The University and employees will save a total of \$1 million per year. In response to Regent inquiry, Standard provides insurance to many public employees in New Mexico. In response to Regent inquiry, the total length of the contract is 42 months. **Regent Koch moved to approve, and Regent Gallegos seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

- 6) **UNM Cancer Center – Varian Eclipse Treatment Planning System.** Bruce Cherrin and Don Whitehead made the presentation. Regents’ approval was requested to award Varian Medical Systems for the treatment planning system for Cancer Center Radiation Oncology Department. **Regent Koch moved to approve, and Regent Gallegos seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
  
4. **Approval of FY10-11 Undesignated Fund Balance.** Andrew Cullen and Curt Porter made the presentation. In accordance with Policy 7000, Regents’ approval was requested to accept the memorandum entitled, “Summary of FY11 Main Campus I&G Undesignated Reserve.” Detailed discussion followed on factors that drove reserve growth including the FY 12 administrative reserve pullback of \$5.7 million; FY 11 tuition growth of \$5.9 million; fringe benefit savings of \$4.5 million; FY 11 Use of Balance department pullback of \$2 million; and land and permanent fund revenue surplus of \$2 million. Regent Chalmers suggested that the University build the reserves from 3% to at least 5% to prepare for economic challenges. Possibilities for the allocation of the extra reserves were presented including allocation of a one-time bonus of \$1000 for employees who earn \$50,000 or less. Mary Clark stated her appreciation for this initiative that would improve morale for staff. President Schmidly stated that the intent was to bring this initiative before the Board of Regents next week so that the bonus could be implemented and provide timely relief before Christmas. Regent Koch requested more information on the possibility of raising minimum wage at UNM. The Regents expressed support for this initiative and requested that the proposal come forward for consideration by the full Board. **Regent Gallegos moved to approve, and Regent Koch seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
  
5. **Approval of Nomination of Luis Abruzzo to the Lobo Development Corporation Board of Directors.** Steve Beffort made the presentation. Regent approval was requested to nominate Luis Abruzzo to the Lobo Development Corporation Board of Directors. **Regent Koch moved to approve and Regent Gallegos seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
  
6. **Approval of Naming Request:**
  - 1) **NMERI Building (901 University Avenue, UNM Building #333).** Breda Bova made the presentation. Regents’ approval was requested to name the old NMERI building the “Regional Computer Forensic Laboratory.” **Regent Koch moved to approve, and**

**Regent Gallegos seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

- 2) **UNM PIT New Weight and Training Rooms.** Breda Bova made the presentation. Regents' approval was requested to honor the McKinnon family by naming the new weight room and training room at The Pit the "McKinnon Family Training Center." **Regent Koch moved to approve, and Regent Gallegos seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
7. **UNM Regents Travel Policy 7.7.** Lee Peifer made the presentation. Regent Chalmers stated that the Board has reviewed and spent lengthy discussions on the issue. Both of the proposed policies aggregate per diem rates from state statute. Both policies use higher rates for out-of-state travel. **Regent Koch moved to bring both proposals before the full Board of Regents for consideration. Regent Gallegos seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
8. **Recommendations for Consent Agenda Items on full Board of Regents' Agenda.** Regent Chalmers recommended items 2, 3, 5, and 6 to be placed on the Consent Agenda.

**INFORMATION ITEMS:**

**9. Contract Information:**

- 1) **UNMH – Cerner Corporation.** Bruce Cherrin made the presentation.
  - 2) **UNMH – JB Henderson.** Bruce Cherrin made the presentation.
  - 3) **UNM Department of Chemistry and Chemical Biology, Angstrom Engineering.** Bruce Cherrin made the presentation.
  - 4) **UNM Department of Pathology Associates of Albuquerque.** Bruce Cherrin made the presentation.
- 10. Capital Projects Monthly Status Report.** Chris Vallejos made the presentation.
- 11. UNM Health Plan Update.** Helen Gonzales made the presentation.
- 12. ~~IT Email, Messaging & Calendaring Evaluation Team Recommendations.~~** Item was removed from the agenda.
- 13. UNM Main Campus FY12-13 Strategic Financial Outline.** Andrew Cullen made the presentation.

**HSC BOD AGENDA ITEMS:**

- 14. Approval of Quasi Endowment by the Proposed Name of the George D. Montoya Research Scholarship Fund.** Regent Chalmers made the presentation. Regents' approval was requested for a \$50,000 quasi endowment fund for pathology. **Regent Chalmers moved to approve, and Regent Koch seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
  
- 15. Approval of Virginia P. Crenshaw Endowed Chair in Nursing.** Regent Chalmers made the presentation. Regents' approval was requested for the first endowed chair for the School of Nursing. **Regent Koch moved to approve, and Regent Chalmers seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
  
- 16. Capital Project Approval: UNM Hospitals, Second Floor Pathology.** Steve McKernan made the presentation. Regents' approval was requested for renovation of 300,000 sq. ft. to provide office space. Total project cost is \$800,000 and is funded by the Pathology department. **Regent Koch moved to approve, and Regent Chalmers seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

**EXECUTIVE SESSION:**

None

**Regent Chalmers moved to adjourn at 11:31 a.m., and Regent Koch seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**