

THE UNIVERSITY OF NEW MEXICO
Regents' Finance and Facilities Committee
September 1, 2010 – Meeting Summary

Committee Members Present: Regent Don Chalmers; Regent Jamie Koch; Regent Raymond Sanchez; EVP and Provost Suzanne Ortega

Committee Members Absent: Regent Gene Gallegos; EVP Paul Roth; Mr. Jerry Geist

Non-voting Members Present:

Other Attendees:

John Archuleta, George K. Baum; **Martha Bedard**, University Libraries; **Lazaro Cardenas**, ASUNM; **Joseph L. Cecchi**, School of Engineering; **Bruce Cherrin**, Purchasing; **Andrew Cullen**, Planning, Budget & Analysis; **Rachel Felix**, EVP Office; **Bob Fondino**, HSC; **Helen Gonzales**, HR; **Kathy Guimond**, UNM Police; **David W. Harris**, EVP for Administration, COO and CFO; **John M. Henderson**, Maestas & Ward; **Jason Hughes**, First Southwest; **Merle Kennedy**, Staff Council; **Paul Krebs**, Athletics; **Ava Lovell**, Finance; **Lisa Marbury**, Institutional Support Services; **Cenissa Martinez**, EVP Office; **Steve McKernan**, UNM Hospital; **Susan McKinsey**, Communications & Marketing; **Chris Muirhead**, Modrall Sperling; **Kim Murphy**, Real Estate; **Curt Porter**, Provost's Office; **Laurel Prichard**, Daily Lobo; **Tony Sanchez**, Capital Projects; **Gil Santistevan**, CABQ Fire Dept.; **Scot Sauder**, University Counsel; **Donna Smith**, Safety and Risk Services; **Vahid Staples**, Planning Budget & Analysis; **Michael Thorning**, ASUNM; **William Turner**, Capital Projects; **Chris Vallejos**, Institutional Support Services; **Mary Vosevich**, Physical Plant Department; **Lisa Wauneka**, Internal Audit; **Ellen Wenzel**, Regents' Office; **Darren White**, City of Albuquerque; **George Williford**, First Southwest; **Richard Wood**, Faculty Senate

Regent Koch called the meeting to order at 8:00 a.m. in the Roberts Room at Scholes Hall.

COMMENTS:

Faculty Senate. Richard Wood stated faculty concerns about the budget cuts. It's important to see what that is like in the departments. He presented information on the I&G budget of College of Arts and Sciences. The operating budgets will suffer greatly from budget cuts. There are no easy decisions but the implications will be negative for each college operating budget.

Student Government. Michael Thorning represented ASUNM and stated that president Lazaro Cardenas was running late to the meeting. President Lazaro stated that he is in favor of making budget cuts rather than raising tuition.

Staff Council. Merle Kennedy stated that staff feels very involved. He provided a list of suggestions to cut expenses. While some of these suggestions may not be feasible, the staff appreciates the opportunity to share these suggestions and hopes that some of their ideas might be considered.

ACTION ITEMS:

1. **Meeting Summary from August 5, 2010. Regent Sanchez moved to approve and EVP Ortega seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
2. **Disposition of Surplus Property on list dated August 20, 2010.** Bruce Cherrin made the presentation. **Regent Sanchez moved to approve and EVP Ortega seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
3. **Approval of:**
 - 1) **UNMH – Medline.** Bruce Cherrin and Steve McKernan made the presentation. University Hospital requested Regents’ approval to purchase individual operating room preparation packets. Contract cost is \$1.8 million per year. In response to Regent inquiry, Medline is a novation supplier and this contract was the best bid.
 - 2) **UNMH – Hologic.** Bruce Cherrin and Steve McKernan made the presentation. University Hospital requested the Regents’ approval to purchase a new mammography digital system that will allow for processing 4-5 exams per hour, versus the current system that processes 2-3 exams per hour. The cost is \$1 million with an option to purchase.
 - 3) **3M Health Information Systems.** Bruce Cherrin and Steve McKernan made the presentation. University Hospital requested Regents’ approval to purchase software that is used by 80% of hospitals. The software includes a series of applications that will improve documentation of patient care. This is extraordinarily important for health care reform to make sure that the mortality index is properly stated. The 3M Health Information Systems are used by 80% of hospitals within the United States.
 - 4) **City of Albuquerque.** Bruce Cherrin and Steve McKernan made the presentation. The University requested the Regents’ approval of the city water and sewage billing system. The hospital spends \$300,000 per year on the water and sewage bill.

Regent Sanchez moved to approve items 3.1-3.4 and EVP Suzanne Ortega seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.

4. **Approval of:**
 - 1) **Architect Selection for Baseball Stadium Renovation.** Vahid Staples made the presentation. The recommended firm is Design Plus based on experience and expertise with University athletic facilities. Fee proposals are still under negotiation. The total estimated project budget is \$2 million. Vice President Krebs stated that the athletics department has \$2 million in severance tax bonds from the Governor’s capital outlay and \$1 million in private donations from two anonymous donors committed to this project. **Regent Koch moved to approve on the condition that the fee be brought to the Regents for final approval. Regent Sanchez seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
 - 2) ~~**Architect Selection for UNM Hospital Children’s Ambulatory Care Center.**~~ Item removed from agenda.

- 3) ~~Capital Project for UNM Hospital Orthopedics Clinic.~~ Item removed from agenda.
- 4) **Capital Project for UNMH Cancer Research and Treatment Center Neuro Clinic Backfill Renovation.** Vahid Staples made the presentation. University Hospital requested the Regents' approval for the neuro clinic backfill renovation project. Neuroscience is one of UNMH's advanced areas of patient care delivery. The project is 31,000 sq. ft. on the ground floor of the old cancer center. Renovations will convert this area into a comprehensive neuroscience department and outpatient clinic space to include: exam rooms, administration offices, conference rooms and support spaces. **Regent Sanchez 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 Quasi Endowment Account for UNM Foundation for the Department of Emergency Medicine.** Ava Lovell made the presentation. The Department of Emergency Medicine requests to add \$250,000 to the department's existing quasi endowment. **Regent Sanchez moved to approve and Regent Koch seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
6. **Approval of Appointments to the UNM Labor Management Relations Board.** Helen Gonzales made the presentation. There are three members of this board. Carol Oppenheimer, George Cherpelis, and Kathy McCorkel were recommended for appointment.. **Regent Koch moved to approve and Regent Sanchez seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting**

*****Item 7 moved to Information Items*****

8. **Recommendations for Consent Agenda Items on full Board of Regents' Agenda.** Don Chalmers recommended items 2-6 to be placed on the Consent Agenda.

INFORMATION ITEMS:

9. **City of Albuquerque's Request for Land for Fire Station on South Campus.** Kim Murphy, Darren White, and Gil Santistevan made the presentation.
10. **Status of UNM Budget, Update on 3.2445% General Fund Rescission and Recommendations for Budget Adjustments.** David Harris, Andrew Cullen, Ava Lovell, and Curt Porter made the presentation.
7. **Approval of the Parameters Resolutions related to the Restructuring of Series 2001 UNM Bonds.** Andrew Cullen made the presentation.
11. **Information: Moody's Investor Service Ratings Update.** Andrew Cullen, George Williford and Jason Hughes made the presentation.
12. **Information: UNM Bonds and Associated Debt Service Overview.** Andrew Cullen, George Williford and Jason Hughes made the presentation.
13. **Contract Information:**
 - 1) UNMH – Nurse Advice New Mexico (CSC CAP NM)
 - 2) UNMH – Heartland Hospice Services, LLC
 - 3) Office of Capital Projects – Nexstim Lab Equipment

4) Graduate Medical Education – BlueCross BlueShield of New Mexico

Bruce Cherrin and Steve McKernan made the presentations.

EXECUTIVE SESSION:

- A. Vote to close the meeting and proceed into executive session.
- B. Discussion and determination where appropriate of limited personnel matters relating to consideration of medical staff appointments, re-appointments and privileges *pursuant to Section 10-15-1H (2), NMSA (1978)*.
- C. Discussion and determination where appropriate of potential purchase, acquisition or disposal of real property *pursuant to Section 10-15-1 H (8), NMSA (1978)*.
- D. Vote to re-open the meeting.
- E. Certification that only those matters described in paragraphs B, C, D and E above were discussed in executive session, and any matter discussed in executive session will, if necessary, be subsequently ratified in the open session of the public meeting.

Regent Chalmers moved to adjourn at 10:25 p.m., and Regent Koch seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.