AGENDA OF THE MEETING OF THE REGENTS OF THE UNIVERSITY OF NEW MEXICO
March 14, 2011, Monday
9:00 a.m. – 11:30 a.m. 1:00 p.m. – 3:00 p.m. Student Union Ballroom C
Regents Executive Session/Luncheon, 11:30 a.m. – 1:00 p.m. Cherry Silver Room

I. Confirmation of a Quorum: Adoption of the Agenda, Regent Gene Gallegos.......................... 1

II. Approval of Summarized Minutes of the January 11, 2011 and the February 15, 2011 Board Meetings, Regent Gene Gallegos................................. 2

III. Election of the 2011-2012 Officers of the Board of Regents, Regent Gene Gallegos

IV. Adoption of Policy Concerning Public Notice of Regents' Meetings................................. 3

V. President's Administrative Report, David J. Schmidly, President........................................ 4

VI. Comments from Regents' Advisors .................................................................................. 5

Richard Wood, President, Faculty Senate
Merle Kennedy, President, Staff Council
Lissa Knudsen, President, GPSA
Lazaro Cardenas, Jr. President, ASUNM
Steven Chreist, President, UNM Alumni Association
Anne Yegge, Chair, UNM Foundation
Maria Probasco, President, UNM Parent Association
Cynthia Stewart, President, UNM Retiree Association

VII. Comments from Regents

VIII. Public Comment: agenda items

IX. Regent Committee Reports

Academic/Student Affairs & Research Committee, Regent Carolyn J. Abeita, Chair

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   Richard W. Holder, Deputy Provost, Academic Affairs

B. Approval of Naming of Professor Bruce Milne as W.K. Kellogg Chair in Sustainable Environmental and Food Systems Endowed Chair............................................. 7

C. Approval of Naming of Dr. Loretta Cordova de Ortega as John D. Johnson, MD Endowed Chair, William Uher, VP HSC, UNM Foundation ......................................................... 8

D. Approval of Sustainable Building Certificate-UNM Valencia ........................................... 9
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   Rita Logan, Manager of Community Education, UNM Valencia

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   Suzanne Ortega, Provost & EVP Academic Affairs

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A. Regents’ Audit Committee Report, 1/20/2011 Meeting...................................................... 11
   Manu Patel, UNM Internal Auditor
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   Bruce Chenin, Chief Procurement Officer

2) Approval of Contracts: ...................................................................................................... 13
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   2) GE Medical System, Cerner Corporation
   3) Hill-Rom
   4) UNM Physical Plant/Utilities Division-Solar Turbines, Inc.
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3) Approval of: ....................................................................................................................... 14
   1) Capital Project for Human Tissue Repository
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   3) Architect Selection and Capital Project for the Laguna/DeVargas Residence Hall Refurbishment
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5) Approval of Management Services Agreement between the Board of Regents........... 15
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6) Approval of STC.UNM Annual Report and Financial Statements.............................. 16
   Lisa Kuuttila, Pres. STC.

B. Action Items:

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11) UNM Foundation Quarterly Performance Report, Anne Yegge, Chair UNM Foundation 21

12) Mid-Year Budget Review and FY 12 Budget Preview, Andrew Cullen, AVP Budget .... 22

X. Regent Committee Appointments

XI. Public Comment

XII. Vote to close the meeting and to proceed in Executive Session.
XIII. Executive Session will be held from 11:30 a.m. – 1:00 p.m. in the Cherry Silver Room, Scholes Hall

A. Discussion and determination where appropriate of threatened or pending litigation
   Pursuant to Section 10-15-1.H (7) NMSA (1978)

B. Discussion and determination where appropriate of potential purchase, acquisition or disposal of real property pursuant to Section 10-15-1.H (8) NMSA (1978)

C. Discussion and determination where appropriate of limited personnel matters pursuant to Section 10-15-1.H (2), NMSA (1978)

XIV. D. Vote to re-open meeting.

E. Certification that only those matters described in Agenda Item XIII. were discussed in Executive Session and if necessary, final action with regard to those matters will be taken in Open Session.

XV. Adjournment
MINUTES OF THE MEETING OF
THE REGENTS OF THE UNIVERSITY OF NEW MEXICO
January 11, 2011
Board of Regents Meeting 9:00 a.m. -1:00 p.m.
Student Union Building
Board of Regents Executive Session Luncheon
Cherry Silver Room

Attendance:

Regents present:
  Raymond G. Sanchez, President
  Jack L. Fortner, Vice President
  Don L. Chalmers
  J.E. “Gene” Gallegos
  James H. Koch
  Cate Wisdom

Regent not present:
  Carolyn J. Abeita

President:
  Dr. David J. Schmidly

Executive Vice Presidents present:
  David Harris, EVP
  Suzanne Ortega, Provost
  Paul Roth, Chancellor

Vice Presidents present:
  Eliseo Torres, Vice President, Student Affairs
  Julia Fulghum, Vice President, R&D
  Paul Krebs, Vice President, Athletics
  Helen Gonzales, Vice President for Human Resources
  Ava Lovell, Vice President and Controller
  Josephine Deleon, Vice President, Equity and Inclusion
  Carmen Alvarez Brown, Vice President Enrollment Management
  Stephen McKernan, HSC Vice President, Hospital Operations

University Counsel Present:
  Lee Peifer, Interim Sr. Associate University Counsel

Regents’ Advisors present:
  Richard Wood, President, Faculty Senate
  Merle Kennedy, President, Staff Council
  Lissa Knudsen, President, GPSA
  Lazaro Cardenas, Jr., President, ASUNM
Regent President Sanchez presided and called the meeting to order at 8:53 a.m.

I. Confirmation of a Quorum: Adoption of the Agenda, Regent Sanchez.

II. Approval of Summarized Minutes of the December 14, 2010 BOR Meeting

Motion approved unanimously to approve the minutes (1st Chalmers, 2nd Wisdom).

Regent Sanchez welcomed Dr. Schmidly back to UNM.

III. President’s Administrative Report, David Schmidly, President

Dr. Schmidly thanked everyone who sent well wishes and provided support during his convalescence. Dr. Schmidly said, “I certainly want to thank my doctors at the HSC—they did a terrific job. And I certainly want to thank and recognize Paul Roth for the outstanding leadership he provided as Acting President.”

Dr. Schmidly invited all to the special reception January 20th from 4:30 to 6:00 p.m. to thank Dr. Roth for his hard work and leadership during this time. “Paul not only maintained our momentum but, in my opinion, enhanced it, particularly with regard to some of the shared governance and budget issues that are really important to the faculty. Paul, I personally greatly appreciate your leadership.”

Dr. Schmidly announced that he will give a webcast at 2:00 p.m. on January 19th. The focus will be on financial issues and on the upcoming session of the New Mexico legislature. There will be places on campus where people who do not have computers can see the webcast. There will also be an opportunity for people to make remarks and ask questions. It will be a reaffirmation of our commitment to academic priorities.

Dr Schmidly reported there are several groups that are working on the budget; the President’s Strategic Advisory Team (PSAT), the Provost has a group that has provided a preliminary report on the academic priorities and programs and opportunities for cost containment. She has indicated she will have a final report with budget estimates associated with those recommendations at the end of the week. We have a tuition group that is working on tuition rates as well as tuition policy. That group includes faculty, staff and students, both graduate and undergraduate. The deans have an exercise in which they are looking at the impact of possible budget reductions. That report will be completed in the next couple of weeks.
The plan is to have this all go on-line in January. We have a cost containment group of about eighteen people that are reviewing and synthesizing all these reports, bringing them all together in a coherent set of recommendations. I hope that is completed in early February, that we can use that month to discuss those recommendations and hear from the various stake-holders and, toward the end of February, we will be able to finalize our recommendations. We plan to discuss them in a preliminary fashion with the BOR in March and then bring them in front of the BOR in April.

We have taken a look at the LFC recommendations. Yesterday the DFA and Governor’s recommendations came out. Marc Saavedra and David Harris and their groups have been working to compile what those mean to us and that will be factored into our planning as well.

This week there is an IT workshop. We’ll be looking at IT budgets and ways to find cost containment within the IT budget.

IV. Comments from Regents’ Advisors
(Reports received are included in the BOR E Book posted on Web Site)

Faculty Senate, Richard Wood, President

Dr. Wood welcomed Dr. Staidly back with best wishes for his continuing recovery. On behalf of the faculty, we’d like to offer our profound thanks to those who stepped in during Dr. Stimuli’s medical leave, and that’s a broad group of people, and particularly to Paul Roth for his dedicated work in Dr. Stimuli’s absence.

Dr. Wood: All of us in the room today are called to one goal in the coming weeks: to protect this institution. The great recession, political pressures, past decisions and other factors have combined to put the University of New Mexico at real risk. We must have no other goal in mind, as faculty, as staff, as students and as administrators, than protecting the university and its core mission. We can no longer pretend that doing so is the same thing as protecting a particular job, a particular discipline, a particular department; or that it’s the same thing as following the political dictates of any external constituency. It means making every decision serve the academic mission of the university.

Two examples of what that looks like: on the agenda today is the outline of a plan to address some of the needs of the Department of Chemistry. The failure of Bond D in the recent election ruined the university plan to deal with those infrastructure problems. The College, the Provost, and the Vice Provost for Research have committed funding for faculty lines and start up money, but simply could not find the immediate funding to address the physical needs. Faculty from across campus came together and took the problem to the EVP for Administration. Andrew Cullen and David Harris immediately recognized the need, took it to President Staidly and developed a plan to come up with funds to address the most immediate needs. Together, we took that urgent situation to the
F&F (Finance and Facilities) Committee of the BOR which also strongly endorsed the urgency of the project and its relationship to our mission. The plan before you today has the full backing of the faculty.

The Faculty Senate had a special meeting to focus on the budget yesterday, with strong participation from the office EVP for Administration, the Office of Planning, Budget and Analysis (OPBA), the office of the Provost, and the office of Governmental Relations. This is the kind of partnership we need to design the 2012 budget.

Regent Sanchez thanked Dr. Wood for bringing the Chemistry matter before the F&F Committee. It was very much appreciated. That’s the type of information the BOR needs and we appreciate the way you handled it.

Staff Council, Merle Kennedy, President

In addition to his report, Mr. Kennedy welcomed back Dr. Staidly and thanked Dr. Roth and the other administrators who stepped in during Dr. Stimuli’s absence.

GPSA, Lissa Knudsen, President

Ms. Knudsen commended the administration and Faculty Senate President Wood for the progress made over the last couple years as far as working together. She also commended the administration for focusing on the Chemistry building.

She commented that tuition is a “tax on students.” She urged caution in raising tuition and fees. If tuition is raised will the graduation rates be higher? Will there be better advisement? Will it help graduate a skilled workforce? The GPSA has not seen a serious effort to reduce the number of vice presidents. How many associate vice presidents do we have? GPSA is also concerned about the deficit in Athletics. No other department is allowed to run in deficit.

ASUNM, Lazar Cardenas, Jr., President

Welcomed back Dr. Schmidly and commended Dr. Roth and others who filled in while he was gone. Thanked all the constituency groups for working together.

Mr. Cardenas: You can tell everyone is pulling together to solve these problems. I want to report that not only to the BOR, but to the public as well. Every important decision is being made with the input from everyone here at the university. Even though it is bleak right now, I’m very optimistic for the future. I continue to look forward to collaborating with the faculty, the staff, the administrators and everyone here at the university. I look forward to a good year, a prosperous year, and I want to wish everyone a happy new year.

Alumni Association, Steve Chreist, President
In addition to his report, Mr. Chreist welcomed Dr. Schmidly back and thanked Dr. Roth.

Regent Sanchez thanked the association for hosting the receptions for legislators.

UNM Foundation, Anne Yegge, Chair (report in BOR eBook).

In addition to her report, Ms. Yegge welcomed Dr. Schmidly back and thanked Dr. Roth.

Parent Association, Maria Probasco, President

In addition to her report, Ms. Probasco thanked the administration for including parents in several of the cost containment committees.

Retiree Association, Beulah Woodfin, Past-President for Cynthia Stuart

In addition to her report, Ms. Woodfin said that the association strongly opposes cuts to tuition waivers, both for retirees and for current employees.

V. Regent’s Comments

Regent Chalmers welcomed Dr. Schmidly back and added his thanks to Dr. Roth. “A job well done”.

Regent Sanchez: The tone today isn’t something that just happened overnight. We’ve been trying to engage people. It started by recognizing we needed more input from everybody involved. There was a survey sent out and I commend President Schmidly and the Provost for pushing that forward. This university is going to survive whatever happens. We are now facing this budget issue. We are looking at what the DFA has recommended, what the LFC has recommended and what the four year institutions, especially the research universities, have been working on. We are not that far apart. In order to resolve the differences, it will require a very positive attitude on the part of everyone, and how we address the issues. We need to shine a light on what we’ve accomplished at this university. This university is outstanding in so many areas but we can lose sight of that when something adverse occurs. I’m looking forward to the legislative session. It’s a challenge, but out of challenges we grow. Regent Sanchez extended the thanks of the Board of Regents to everyone who has worked so hard to establish the cooperation and communication on campus. We face challenges ahead and together we can meet them. Thank you all very much for what you’ve done in the past and I know you’ll continue to do what’s best for this university in the future.

VI. Public Comment-Agenda Items (none)

VII. Lobo Development Corporation, Meeting of the Member, Steven R. Beffort, Secretary/Treasurer, Jason Galloway, Manager, Moss Adams.
Motion approved unanimously to move into the meeting of the Lobo Development Corporation (LDC) (1st Koch, 2nd Chalmers).

A. Approval of the Summarized Minutes of the March 20, 2009 Meeting (report in BOR eBook).

Motion approved unanimously to approve the minutes (1st Koch, 2nd Chalmers).

B. Approval of the FY 2009/2010 Audit (report in BOR eBook).

Motion approved unanimously to approve the audit (1st Chalmers, 2nd Koch).

Mr. Beffort introduced Jason Galloway from Moss Adams. Mr. Galloway stated that it was a clean, unqualified opinion on LDC financial statements.

At Regent Koch’s request, Mr. Beffort explained that the articles of incorporation of both LDC and Lobo Energy require an annual meeting of the member, that member being the Regents of UNM who are, in fact, the owners of these two separate, non-profit corporations.

Regent Gallegos asked what the expenses of $722 thousand dollars were. Mr. Beffort said they are up front expenses for the development of student housing. That number is a little misleading as there was a receivable of $492 thousand received after year end. In addition to student housing, there were expenses relating to economic development or commercial development that have not yet produced any income. He confirmed to Regent Gallegos that the expenses are “soft costs” such as consultants, attorneys, services.

VIII. Lobo Energy Inc., Meeting of the Member, Steven R. Beffort, CEO, Jason Galloway, Manager, Moss Adams.

A. Motion to open the meeting and approval of the Summarized Minutes of the March 20, 2009 Meeting (report in BOR eBook).

Motion approved unanimously to approve the minutes (1st Fortner, 2nd Wisdom).

B. Approval of the FY 2009/2010 Audit

Motion approved unanimously to approve the audit (1st Koch, 2nd Fortner).

Mr. Galloway stated that it was a clean, unqualified opinion on Lobo Energy Inc. financial statements.

C. Energy Conservation Presentation, Steven R. Beffort/Jason M. Strauss (report in BOR eBook)
Mr. Strauss: This information on the past decade of energy conservation at the university is broken down into two concepts; one being production increases with bringing the campus power plant on line, and two, the energy conservation program. Our power plant has reduced energy density (BTU/square foot) by 30%. The energy conservation program has produced net avoided costs of $4.1 million over the last 30 months. Over a decade the university has grown by 24% but we’re using 13% less energy.

Mr. Strauss told Regent Gallegos that there is some room for growth with the current energy generation system but that a second co-generation unit would allow the university to produce more of its own power and reduce its dependence on outside vendors. The co-generation unit that is on-line is used based on the cost of outside power so at times it runs at 100%, at other times less. Regent Chalmers was told that “net avoided costs” is net of all expenses.

The consumption reduction allowed us to postpone the purchase of a $2.5 million chiller and earned the university several Energy Star awards.

Regent Chalmers asked, “Net avoided costs were net of what expenses?” Mr. Strauss replied, “It is net of all expenses; that is contract payments, that is labor, that is paper, that is net of all the expenses we have.”

Regent Chalmers asked if the pro forma going into the contract had been compared to actual. Ms. Strauss stated that Energy Education, Inc. (EEI) said through performance year two we’d be at roughly $4.3 million. We’re at $4.1 million and some change. He said, “In my opinion, basically the contract is performing as they said it would perform and we’re getting the return on investment that was proposed to us.” Mr. Strauss told Regent Gallegos that, of the $2.3 million in the University Total Expenses line, $1.9 million was paid to the contract during a performance year. Payments will extend through year four. EEI has pledged, in the contract, support through at least a ten year period with no additional payments.

Mr. Strauss said that this success story is the result of leadership by the BOR, efforts of administration, faculty, staff, and students and work by the Physical Plant staff. It is a cultural shift that has happened on campus. It shows what can be achieved if everyone is working for the same thing.

There were no objections to adjournment of the meetings of Lobo Development Corp. and Lobo Energy, Inc. and the meetings were adjourned (1st Gallegos, 2nd, Wisdom).

IX. Regent Committee Reports

Finance and Facilities Committee, Regent Don Chalmers, Chair

A. Action Items:
1. Approval of Chemistry Department Renovation Project Scope and Financing, Andres Cullen, AVP Budget, David Bear, Interim Dean, Chemistry.

Motion approved unanimously to approve the Chemistry Department Project Scope and Financing (1st Chalmers, 2nd Gallegos).

Provost Ortega introduced Dr. Bear. Dr. Bear expressed gratitude to Dr. Wood and David Harris and their colleagues for their support of this proposal. Dr. Bear: The Department of Chemistry and Chemical Biology has been a separate academic unit since 1913. We've served over 7,000 students from more than 20 academic programs and generated over 16,000 student credit hours. Many of these students apply to UNM Health Sciences programs and virtually all of the students in the College of Engineering take two or more units of chemistry. The biggest limitation to our ability to attract new faculty has been the deteriorated state of our facilities.

B. Consent Items:

Motion approved unanimously to approve Consent Items 1, 2 and 3 (1st Chalmers, 2nd Gallegos)

1. Disposition of Surplus Property on list dated 12/23/2010, Bruce Cherrin, Procurement Officer (report in BOR eBook).

2. Approval of Contracts, Bruce Cherrin, Procurement Officer, Stephen McKernan, CEO UNM Hospital, (reports in BOR eBook):

   1) UNMH-Nuance
   2) UNMH-Cerner Corporation
   3) Office of VP for Research-Kratos Analytic.

3. Approval of Nominations for Hospital Board of Trustees, Stephen McKernan, CEO UNM Hospital, (reports in BOR eBook):

   Mr. McKernan noted that both positions are designated. Dr. Warren Laskey is Chief of Cardiology Service at UNM Hospital. He has served as Chief of Staff and it is traditional that after serving as Chief of Staff, that person then serves a two year term as a Trustee.

   Mr. McKernan said that Joyce Naseyowma-Chelan was nominated by the All Indian Pueblo Council.

   Chancellor Paul Roth thanked the Regents.

C. Information Items:

Ms. Lovell: These statements are for one third of the year. For Instruction and General (I&G) we’ve booked a little over one half of the tuition revenue and we’re at more than $46 million more revenue than expense. Research a little in the hole, due to the HSC gearing up on a large award received last year. In Clinical Operations, all of our patient operations, a little bit worse than break even. UNMH stand alone is $1.2 million favorable. Public Service is quite favorable at $4.7 million, partly due to the separation of our fund balances from the Foundation. Our Student Aid is showing unfavorable, but most of that income comes in at the end of the year. Student Activities favorable because we’ve booked one semester of fees. Auxiliaries and Athletics overall $600 thousand favorable. The detail of that is Athletics through October is $3.1 million unfavorable, but we have a lot of revenue still to book—football BCS revenue that come in December and January—and basketball always helps balance these books. Other auxiliaries, the bookstore is very favorable. Public Events big season is from February to April. The Golf Course is still struggling and we are working on that. Parking is doing well, Housing and Student Health are doing well. Sponsored Programs are all of our contracts and grants. We’re doing very well in bringing in Federal contracts and grants at the HSC and on Main Campus. Through October we are at $47 million favorable, being driven by the tuition revenue booked for the fall.

5. CEO Report & Dashboard Report UNM Hospital, Steve McKernan, CEO
UNM Hospital (report in BOR eBook).

Academic/Student Affairs & Research Committee, Regent Carolyn J. Abeita, Chair
(no report)

Audit Committee, Regent Gene Gallegos, Chair


Ms. Lovell explained that all component units of UNM are included in these financial statements. UNM is too large for one firm so Moss Adams is the primary auditor. They sign the overall opinion and audit most of the component units. They also do the “Single Audit” which is the audit of all federal funds at the university. KPMG sub-contracts under Moss Adams and they do the hospital, including behavioral health, and the medical group. Using the two firms allows us to keep the auditing in the state.

Ms. Lovell continued: An unqualified opinion is the best you can get. There are no qualifications on the overall UNM financial statements, all unqualified on the component units that Moss Adams does, same on the hospitals and the medical group. On the internal control reports written by the auditors, there are no material weaknesses and no material non-compliances. It was also an
unqualified opinion on the federal funds audit; unqualified, no material weaknesses and no findings.

The Lobo Club has three findings repeated from a prior year and an additional six findings in the current year. There is one current year finding at UNM Hospital on an edit exception and error report. The Cancer Center had a finding on how they were calculating contractual discount versus bad debt. At UNM there were two findings: physical inventory was not correct and there was a small over-expenditure of our budget authority. This was not the fault of the budget office fault. There was a calculation of a GASB 45 amount, which is an "other post-employment benefit." These are considered observations; they are not over-all financial statement findings.

Ms. Lovell confirmed to Regent Chalmers that the unfunded liability is the present value of the unfunded liability, discounted at 4.5%.

Regent Gallegos stated that the full report came before the Audit Committee. The report has been approved by the committee as well as approved by the State Auditor. The lead audit firm will be rotated for the next audit year; under state regulations this is the last year Moss Adams is eligible.

The report was accepted by the BOR as an information item.

HSC – Health Sciences, Regent Jack Fortner, Chair

A. Approval of Directors, UNM Medical Group, Inc. (UNMMG), Paul Roth, MD, Chancellor, HSC (report in BOR eBook)

Motion approved unanimously to approve the UNM Medical Group directors nominated by Dr. Roth (1st Fortner, 2nd Wisdom).

(Paul B. Roth, M.D., Carolyn Voss, M.D., Loretta Cordova de Ortega, M.D., Martha McGrew, M.D., Popo Moseley, M.D., Christopher M. Pacheco, Esq., John C. Russell, M.D., Donna M. Sigl, M.D., Chris Taylor, M.D., Thomas M. Wiliams, M.D., Cheryl L. Willman, M.D.).

Dr. Roth explained that the classes establish a staggered set of members; Class 1 will serve a one year term, Class 2 will serve a two year term and Class 3 will serve a three year term. Subsequently, all directors will serve three year terms.

Dr. Roth said he was honored to have served as Acting President.

X. Public Comment

Dr. Richard Wood, President, Faculty Senate: It’s an assumption in our political world that we should be shifting the burden of higher education from the taxpayers and onto the students. I don’t know that that’s a choice New Mexico citizens have made, but that’s what’s driving decision-making in Santa Fe. Is that really what we
want, as faculty, as staff, as students, as regents, as parents of students, as alumni
and retirees? Do we really want to go that direction? Challenge yourself, your
colleagues and your legislators with that question.

Regent Sanchez said that this BOR has said that that increasing tuition is the last
area they want to go to. Some people think that is the only area we can go, but there
are other areas that we are working on. Thank you for your comments.

XI. Adjournment

Vote to close the meeting and to proceed in Executive Session.

Motion approved unanimously to proceed in Executive Session at 10:50 a.m. (1st Gallegos,
2nd Wisdom).

X. Executive Session 10:50 a.m. – 12:40 p.m., Cherry Silver Room

A. Discussion where appropriate of threatened or pending litigation pursuant to

B. Discussion where appropriate of limited personnel matters pursuant to Section

XI. Vote to re-open the meeting

Motion approved at 12:40 p.m. to re-open the meeting (1st Koch, 2nd Fortner).

C. Certification that only those matters described in Agenda item X were
discussed in Executive Session. If necessary, final action with regard to those
matters will be taken in Open Session.

No action was taken in Executive Session.

IV. Adjournment.

Motion approved at 12:41 p.m. to adjourn the meeting (Regents Sanchez, Fortner, Koch,
Chalmers, Gallegos, Wisdom).
Attachments:

1. Lobo Energy Corp. Audit.
3. Chemistry Department Renovation Project Scope and Financing.
4. UNMMG Directors' Biographies.

Raymond G. Sanchez, President
Board of Regents

Carolyn J. Abeita, Secretary/Treasurer
Board of Regents
MINUTES OF THE MEETING OF
THE REGENTS OF THE UNIVERSITY OF NEW MEXICO
February 15, 2011
Board of Regents Meeting 9:00 a.m.
Roberts Room, Scholes Hall
Board of Regents Executive Session 11:08 a.m.
Roberts Room, Scholes Hall

Attendance:

Regents present:
   Jack L. Fortner, Vice President
   Carolyn J. Abeita, Secretary-Treasurer
   Don L. Chalmers
   J.E. “Gene” Gallegos
   James H. Koch
   Cate Wisdom

Regent not present:
   Raymond G. Sanchez, President

President:
   Dr. David J. Schmidly

Executive Vice Presidents present:
   David Harris, EVP & COO
   Suzanne Ortega, EVP & Provost
   Paul Roth, Chancellor HSC

Vice Presidents present:
   Eliseo Torres, Vice President, Student Affairs
   Julia Fulghum, Vice President, R&D
   Paul Krebs, Vice President, Athletics
   Helen Gonzales, Vice President for Human Resources
   Ava Lovell, Vice President and Controller
   Josephine Deleon, Vice President, Equity and Inclusion
   Carmen Alvarez Brown, Vice President Enrollment Management
   Stephen McKernan, HSC Vice President, Hospital Operations

University Counsel Present:
   Lee Peifer, Interim Sr. Associate University Counsel

Regents’ Advisors present:
   Richard Wood, President, Faculty Senate
   Merle Kennedy, President, Staff Council
   Lissa Knudsen, President, GPSA
I. Confirmation of a Quorum; Adoption of the Agenda, Regent Fortner

II. President’s Administrative Report, David Schmidly, President

Dr. Schmidly reported the university had heard from its accrediting agency, the Higher Learning Commission (HLC). The report the university submitted on advising was accepted and deemed to be an excellent progress report by the HLC staff. The report from the HLC noted UNM had given “...impressive evidence of the focus and intention, as well as the investment the university has made, to improve academic advising since the comprehensive visit.” Dr. Schmidly thanked the Regents, the administration, the Provost, all the colleges, students, faculty and staff for their efforts to strengthen advising.

III. Regents’ Comments (none)

IV. Public Comment-Agenda Items

Michael Thorning, Chief of Staff, Associated Students of UNM (ASUNM): Thank you to Student Affairs and Real Estate for working so closely with ASUNM. He thanked Dr. Walter Miller for forming an advisory team for future needs.

V. Approval of Preliminary Materials (Component II, Phase 1 Student Housing), Kim Murphy, Director, Real Estate (presentation in BOR eBook)

Discussion: Mr. Murphy introduced Vice President Torres. Dr. Torres said the process of increasing student housing on campus began in 1996. He thanked Kim Murphy, Amy Coburn, Mary Kinney, Bob Dolan, Walt Miller, student government and Lobo Development for all their work on this project.

Walter Miller, AVP, Student Life: ASUNM has been involved from the beginning of this project. 1965 was the last time a traditional facility for student housing was built, yet enrollment has been growing. Lobo Village addresses the need for housing for upper classmen. Current bed capacity is about two thousand four hundred.

Regent Koch noted the university is currently paying mortgages on four of the nine dorms.
In response to Regent Koch, EVP David Harris estimated that it would extend the completion of new dormitories from 2012 to 2014 if the university decided to start fresh and start this process as a capital project of the university. UNM has the bonding capacity to do it, but the American Campus Communities (ACC) proposal has also met with acceptance at the bond rating agencies. At the most optimistic, financing would take five months, architect selection two, design and drawings five to six months, another two to three months for the bid process and eighteen months for construction. Securing approvals from the BOR, the Higher Education Department and the State Board of Finance would also be required.

Regent Chalmers asked if there was enough positive cash flow from current dorms to finance their maintenance. Dr. Miller said the need is always greater than the money available.

EVP Harris reported to Dr. Schmidly that if the university were to take on this project itself it should not interfere with financing other academic needs on campus, such as the Biology building, because a different revenue stream would be committed to the dorms.

EVP Harris also stated he believed the existing dorms are maintained adequately and are safe. There just isn’t money to upgrade to the amenities students prefer.

Walter Miller clarified that when this project is complete, there will be thirty eight hundred beds, not thirty eight hundred rooms.

Walter Miller introduced Jamie Wilhelm, Mark Rogers, Matt Stein and Vic Young from ACC. They gave the presentation on Preliminary Materials (Component II: Phase I Student Housing).

Approval of the Preliminary Materials will, per the contract, allow the development of the project beyond the conceptual stage into a ground lease, priced-out drawings and construction budgets. During construction, emergency access through the university will be maintained, as well as “move in/move out.” The risk schedule that’s included shows a paid to date for architects, design fees and surveys. The approval of “Preliminary Materials” will enter the University and ACC into a risk sharing relationship in which, going forward, design risk is split on a fifty-fifty basis while a ground lease is negotiated. ACC is paying for everything, but the risk sharing would be to the extent if the project was terminated; there would be other remedies to completely own the project and plans.

Rates are based on existing on-campus room rent with a three percent annual increase and based on leases to students for an academic year rather than a calendar year. When complete, the employees on site will be employees of ACC. ACC will be responsible for all the operational aspects.

In the past, ACC has not experienced any problems regarding access to amenities by students residing in other non-ACC campus housing. “Communal activities” have not been defined yet; the leasing office and operations space for ACC will be there,
there may be an opportunity for Chartwells to lease space, there could be a fitness area, a social lounge, a theater. In response to a question regarding access by students from other dorms, ACC stated that security would be similar to what exists currently. An escort by one of the residents would be needed to walk through; there would not be free access to every hall, individual unit or bedroom.

Regent Chalmers noted that the University Foundation would be the recipient of any monies generated from naming rights.

Mr. Stein outlined the schedule: approval of Preliminary Materials in February will lead to a ground lease in May 2011, a phased GMP and Completion of Construction documents for Building A in April 2011, a GMP and Completion of Construction Documents for Buildings B, C and D in July 2011, abatement/demolition of Santa Anna and some SRC halls between May and August 2011. The project occupancy date is August 2012.

Mr. Wilhelm, ACC EVP for Public/Private Transactions, stressed that in order to meet 2012 opening a full budget will not be complete at the beginning of construction. There will be budget and permitting sufficient to begin demolition.

Regent Chalmers confirmed with ACC that a Guaranteed Maximum Price contract (GMP) for the entire project will be completed by August, 2011.

The rent schedule shows the minimum ground rent UNM would receive, $305 thousand. The pro forma ground rent and upside over minimum will vary depending on construction costs.

Regent Gallegos stated that ACC is a for-profit business and they want to negotiate as favorable a deal as they can. It needs to be favorable for the university, as well.

Regent Gallegos: The south campus development is eight hundred sixty four beds for $41 million, including $1.6 million to build roads, or $109 per square foot. The first year ground rent is $333,600. On main campus, there will be no fitness center built, no swimming pool, no roads, no parking lot. This project is for one thousand twenty six beds at a construction cost of $23.5 million, $92 per square foot. This project is about twenty per cent more beds than south campus. By ACC’s own calculation the revenue flow is about the same in both projects, $6 million plus. But they are proposing UNM receive potentially less ground rental for the main campus for what is more valuable land. Only ACC has control over the budget. If it goes over budget by $3 million, which is eight or nine percent, UNM’s ground rent is impacted $180 thousand, which is almost thirty per cent. UNM shouldn’t be at risk all out of proportion due to a construction budget increase. If the pro forma says the first year rental should be $485 thousand then that should be the rental. Under our master agreement negotiated in 2009, we are entitled to fair market value rental. We were not entering into a venture in which we were partnering with ACC as to the outcome of their budget. The terms should be as they were for the south campus, a fixed amount based on their projection of their costs. This plan should be rejected.
Regent Chalmers: The construction budget already includes a contingency of $1.7 million, so construction would have to cost $4.7 million over the projected amount for that to happen. The floor of $305 thousand is the fair market value of the land and we have the potential to share any upside. If they hit their budget, which would entail spending the full budget plus the contingency, we would get $484 thousand and go up from there. That’s significant—almost fifty percent above fair market value. If they come in under budget or don’t spend the full contingency, we’ll get more than $484 thousand for the first year.

Mr. Wilhelm said that at the time the fixed ground rent for the first five years of Lobo Village was negotiated ACC had a fully bid GMP contract. They can do the same thing on main campus in August 2011. In order to hit 2012 they have to do a split contract; begin demolition, for example, when students are away. To have the same situation as Lobo Village, the occupancy date would have to be bumped to 2013. The current proposal guarantees the university fair market value as determined by the university.

Regent Gallegos stated that UNM is not in business with ACC to share their risk or guarantee their 7.5 percent rate of return. That was never agreed to in the master agreement of 2009. “I object to the financial terms.” This hasn’t been negotiated as the south campus contract was. It seems to be completely on ACC’s terms. He noted that at the last minute he, Regent Chalmers and Regent Koch renegotiated as many as twenty items of concern with ACC on the Lobo Village lease to make it more fair to UNM. That was the negotiation that resulted in the ten year option to purchase should we feel it was necessary. There was a situation where ACC sought to reduce the guaranteed rental on Lobo Village for year five. They called through John Salazar and said their economics were such that the rent for year five needed to be $250 thousand instead of $375 thousand. We said no. After a few hours John Salazar called back and said it would be $375 thousand. “I just don’t see any negotiation on our part in this deal.”

Regent Chalmers said to give the impression that this hasn’t been vetted by people on the university’s side is not right. This fair market value, arrived at by Kim Murphy of UNM, passed through Lobo Development and through the Finance and Facilities Committee. Due to our desire to bring this housing on line by 2012, ACC does not have a guaranteed maximum price at this time.

Regent Chalmers made the following motion:

“I move that we adopt the recommendations of the Regents’ Facilities and Finance Committee and approve the American Campus Communities Preliminary Materials dated February 2, 2011 for the Component II: Phase I Main Campus student housing development with the following amendment to the Preliminary Materials:

“At page 44, delete the last paragraph that commences with ‘PLEASE NOTE.’ and substitute in lieu thereof:
"PLEASE NOTE: The above Rent Schedule proposal assumes that, should ad valorem taxes be assessed on the project, the real estate tax burden will be shared as agreed to in the Lobo Village lease provisions on tax risk sharing, with the understanding the ground rent will never fall below the guaranteed $305,000 minimum (increased annually by the percentage increase of tenant rental revenue)."

Motion passed, with Regents Wisdom, Koch, Abeita, Fortner and Chalmers voting yea and Regent Gallegos voting no, to approve the American Campus Communities Preliminary Materials dated February 2, 2011, for the Component II: Phase I Main Campus student housing development with the amendment proposed by Regent Chalmers (1st Chalmers, 2nd Koch). (Regent Sanchez na)

Further discussion: Regent Abeita asked if the renegotiated items of concern, mentioned by Regent Gallegos, regarding the Lobo Village agreement would be incorporated into the Main Campus agreement.

Mr. Wilhelm asked Mr. Salazar to correct him if he mis-stated anything. He said the Lobo Village ground lease will be the beginning point for this lease. It will be changed for items specific to main campus, ground rent, parking, and food service, for example, but the points referred to by Regent Gallegos will be included. Mr. Salazar did not correct any of Mr. Wilhelm's statements.

Regent Koch noted that more housing on campus should make it possible for more students to attend UNM which should result in increased tuition revenue.

VI. Approval of Nominations for Michael D. Daly and Robert M. Murphy to Lobo Development Corporation board of directors, Steven R. Beffort, Secretary/Treasurer, Lobo Development Corporation (report in BOR eBook)

Motion passed unanimously to approve the nominations (1st Gallegos, 2nd Abeita).


Motion passed unanimously to approve the Fiscal Watch Report as presented (1st Chalmers, 2nd Abeita).

Discussion: Ms. Lovell noted that although Athletics shows $1 million unfavorable, no BCS (Bowl Championship Series) revenue is included in this report. In response to Regent Koch, Ms. Lovell said that Athletics should be about break-even at the end of the fiscal year. A plan for the South Golf Course break-even has been submitted to Dr. Schmidly and the Cost Containment committee. The Cost Containment group is also working on Continuing Ed.

Chris Vallejos, AVP, Institutional Support Services, reported that UNM has begun to withhold revenue from NMSO (New Mexico Symphony Orchestra) ticket sales and is making progress on the money due UNM. NMSO has been paying UNM about
$1 thousand a week on its debt of $250 thousand. We have stated that we will not book another performance unless that performance is paid up. Their board will take up that issue today. NMSO has received very favorable treatment for dates at Popejoy Hall. We are looking at filling some of those dates with other shows in order to replace what revenue we were receiving.

VIII. Public Comment

Dr. Richard Wood, President, Faculty Senate: It was important to have this debate regarding the Main Campus student housing contract with ACC in public. Thank you for having it. The future of NMSO matters greatly to the faculty. While he believes NMSO should meet its commitment, he urges UNM to be flexible. NMSO serves the community in many ways. We don’t want to be responsible for killing the New Mexico Symphony Orchestra.

Mary Vosevich, Director, Physical Plant, reported on the efforts of the Physical Plant staff in dealing with the effects of the cold and the natural gas crises during the week of Jan. 31st. The switch to diesel from natural gas for the boilers cost approximately $51 thousand and, across campus, there was about $200 thousand in damage due to the very cold weather. Insurance claims will be filed for that damage. UNM has in excess of 11 million square feet in its buildings and PPD staff worked around the clock to monitor the grounds and buildings for damage.

Regent Abeita expressed thanks to everyone who worked through the crisis.

President Schmidly also commended Ms. Vosevich and her staff for the work they did for the university during that time.

IX. Adjournment

Vote to close the meeting and to proceed in Executive Session.

Motion passed to proceed in Executive Session at 11:08 a.m. (1st Abeita, 2nd Gallegos).

X. Executive Session 11:08 a.m. – 12:10 p.m., Roberts Room

A. Discussion, where appropriate, of threatened or pending litigation pursuant to Section 10-15-1.H (7) NMSA (1978).

B. Discussion, where appropriate, of potential purchase, acquisition or disposal of real property pursuant to Section 10-15-1.H (8) NMSA (1978).

C. Discussion, where appropriate, of limited personnel matters pursuant to Section 10-15-1.H (2) NMSA (1978).

XI. Vote to re-open the meeting

Motion passed at 12:10 p.m. to re-open the meeting.
D. Certification that only those matters described in Agenda item X were discussed in Executive Session. If necessary, final action with regard to those matters will be taken in Open Session.

Motion passed to certify no final action was taken in Executive Session. (1st Fortner, 2nd Abeita, Koch, Chalmers, Gallegos, Wisdom).

XII. Adjournment

Motion passed at 12:12 p.m. to adjourn the meeting (1st Koch, 2nd Wisdom).

Raymond G. Sanchez, President
Board of Regents

Carolyn J. Abeita, Secretary/Treasurer
Board of Regents
1.3 Subject: PUBLIC NOTICE OF REGENTS' MEETINGS

Adopted: September 12, 1996
Amended: December 8, 1998
Amended: March 11, 2002
Amended: September 9, 2003
Amended: March 14, 2005

Policy

1. This Policy is adopted pursuant to the New Mexico Open Meetings Act, § 10-15-1, et seq., NMSA 1978.

2. Regular Meetings.

a. Regular meetings of the Board of Regents will be held in the Student Union Building on the second Monday in March and on the second Tuesday in January, February, April, May, June, August, September, October, November, and December, unless otherwise announced in the Notice of Regular Meetings, pursuant to this Resolution.

b. Notice of Regular Meetings. Notice to the public of the regular meetings of the Board of Regents will specify the date, time, and place thereof and will state that a copy of the agenda will be available in the Public Affairs Office and at such other locations chosen by the President of the University, at least twenty-four (24) hours prior to the meeting. Notice will be given to those newspapers and broadcast stations that have filed a written request with the Public Affairs Office for such notices of meetings. Notice will be by mail, facsimile machine, or electronic mail at least ten (10) days prior to the meeting.

3. Special Meetings.

a. Special meetings of the Board of Regents may be called by the President of the Board or any four (4) members of the Board.

b. Notice of Special Meetings. Notice to the public of special meetings of the Board of Regents will specify the date, time, and place thereof and will state that a copy of the agenda will be available in the Public Affairs Office and at such other locations chosen by the President of the University, at least twenty-four (24) hours prior to the meeting. Notice will be given to those newspapers and broadcast stations that have filed a written request with the Public Affairs Office for such notices of meetings. Notice by mail, facsimile machine, or electronic mail will be given at least three (3) days prior to the meeting.

4. Emergency Meetings.

a. Emergency meetings of the Board of Regents may be called by the President of the Board or any four (4) members of the Board only in the event of unforeseen circumstances that, if not addressed immediately by the Board, will likely result in injury or damage to persons or property or substantial financial loss to the University. The Board will avoid emergency meetings whenever possible.

b. Notice of Emergency Meetings. Notice to the public of emergency meetings of the Board of Regents will specify the date, time, place, and subject matter thereof and will be given to those newspapers and
broadcast stations that have filed a written request with the Public Affairs Office for such notices of meetings. Notice will be by telephone, facsimile machine, or electronic mail and at locations chosen by the President of the University, at least twenty-four (24) hours prior to the meeting or by such other notice as soon as possible and as may be practicable under the circumstances.

5. **Compliance with the Americans with Disabilities Act.** In addition to the information specified above, all notices shall include the following language:

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in a meeting of the Board of Regents, please contact the Office of Public Affairs at least one week prior to the meeting. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Office of Public Affairs if an accessible format is needed.

6. **Telephone Meetings.** A member of the Board of Regents may participate in a regular, special, or emergency meeting of the Board by means of a conference telephone or other similar communications equipment when it is otherwise difficult or impossible for the member to attend the meeting in person. Each member participating by conference telephone must be identified when speaking, all participants must be able to hear each other at the same time, and members of the public attending the meeting must be able to hear any member of the Board who speaks during the meeting. The minutes of any meeting at which there is telephone participation shall identify the Regent(s) who was not physically present but who participated by conference telephone or other similar communications equipment.

7. **Closed Meetings (Executive Sessions).**

a. **Exceptions to Open Meetings Act.** Meetings of the Board of Regents may be closed, according to the procedures set out below, only if the matter to be considered falls within one of the enumerated exceptions defined in Section 10-15-1(H) of the Open Meetings Act or if closure can be implied from or required by other laws or constitutional principles which specifically or necessarily preserve the confidentiality of certain information.

b. **Closing an Open Meeting.**

Closing of a meeting shall be by a majority vote of a quorum of the Board during the open meeting, with the vote of each member being recorded. The motion shall state: (1) the authority for the closure (the statutory provision); and (2) the subject to be discussed with reasonable specificity. The matter to be discussed must have been included on the agenda, except for emergency matters.

c. **Calling a Closed Meeting Outside an Open Meeting.**

(1) Notice that a meeting will be closed, in whole or in part, will be given as specified above for a regular, special or emergency meeting, as appropriate, by so specifying either in the notice of the meeting or on the agenda. The notice shall state the specific provision of the law authorizing the closed meeting and shall state the subject to be discussed with reasonable specificity.

(2) The minutes of the next open meeting shall contain information about the closed meeting, including the date, time, place, and subject matter of the closed meeting, the names of the Regents present at the closed meeting, the names of the absent Regents, and a statement that the matters discussed in the closed meeting were limited only to those specified in the notice of the closed meeting.

d. **Action.** Any final action taken as a result of discussions in a closed meeting shall be made by a vote of the Board of Regents at an open public meeting, with the exceptions allowed under Section 10-15-1(H).

8. **Agendas.** A copy of the agenda for each regular and special meeting of the Board of Regents will be available at least twenty-four (24) hours prior to the meeting (and the notice of the meeting shall so state) at the Public Affairs Office and at such other locations chosen by the President of the University. Except for emergency matters, the Board shall take action only on items appearing on the agenda. The intent to close a regular meeting and the subject matter involved shall be included in the agenda.

9. **Public Input at Meetings.** An opportunity for public input regarding agenda items shall be provided at each regular meeting during Board consideration of the agenda item in question. The President of the Board of Regents shall determine the length of time to be allowed for public input for each agenda item, the sequence in which individuals may address the Board, and the length of time that will be allowed for each person to address the Board. The Board President may request that a group designate a spokesperson.

10. **Minutes.**

   a. The Board of Regents shall approve and keep written minutes of all its meetings. The minutes shall include, at a minimum: (1) the date, time, and place of the meeting; (2) the names of Regents in attendance and those absent; (3) a statement of what proposals were considered; and (4) a record of any decisions made by the Board and how each Regent voted.

   b. Draft minutes shall be prepared within ten (10) working days after the meeting and must be available for public inspection. The draft minutes must clearly indicate that they are not the official minutes and are subject to approval by the Board.

   c. Draft minutes shall be approved, amended, or disapproved at the next regular meeting where a quorum is present. Minutes shall not become official until approved by the Board of Regents. Official minutes are subject to public inspection.

   d. No minutes need to be kept during closed sessions, but information about the closed session must be recorded as specified in the "Closed Meetings" section of this resolution.

   e. Audio tapes of Board of Regents' meetings shall be kept for three years.

**References**


**Comments should be sent to BRPM@UNM.edu**

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Regents' Policy Manual Homepage

The University of New Mexico
Albuquerque, New Mexico

http://www.unm.edu/%7Ebrpm/r13.htm
Materials will be available at the meeting.
March 4, 2011

BOR Report from Staff Council President Merle Kennedy

The Staff Council continues to work diligently with the UNM Government and Community Relations Office to stay informed about the various pieces of legislation that may affect the UNM community. Of course, our main focus of interest is the budget and the various recommendations which will help achieve the solvency of our pension fund. On January 31st, the Staff Council joined many other constituent groups in Santa Fe for UNM Day. We had the pleasure of meeting and talking with many of our state representatives.

Marc Saavedra and his staff are always helpful and we enjoy working with them on Staff and University political issues. We are fortunate that the Government and Community Relations Office and President Schmidly’s administration show concern for legislation that affect staff and work with us to influence positive outcomes in Santa Fe.

In order to increase our understanding of the state budget process, in January, Staff Council representatives attended a workshop in Santa Fe entitled, “Legislative Outlook-Understanding the State Budget.” In addition, at our January business meeting Curt Porter, AVP from Academic Affairs/Office of the Provost, made a presentation to the Council about the Academic Affairs Budget Process.

The Staff Council participated in reviewing, not only the budget recommendations from the LFC and the BFA, but the cost-containment recommendations from various constituency groups across UNM on the Cost Containment task force. Those groups include the Deans, the Provost and the President’s Strategic Advisory Team. We look forward to continued participation in the budget process and in assisting with cost-containment strategies that will be strategic and fair.

In light of recent violent acts on our campus and across the nation, the Staff Council in conjunction with UNM Police Chief Guimond will launch a new initiative called, “UNM Staff Cares” in a few months. We intend to promote civility and courtesy among the entire UNM community. Using the many resources available to us on this campus, the Staff Council will seek to educate staff through information sessions and workshops about the various methods to help deal with important and anxiety-inducing issues such as, credit card debt, safety, eldercare, childcare, various healthcare topics and stress management.

At our January business meeting, the Staff Council presented Dean Jojola from the UNM Recycling Department, with a Staff Hero Award. Dean was instrumental in assisting the Council with our PAWS Charity Donation Drive. Dean helped collect, sort and deliver the many pet items UNM staff employees collected for the Animal Humane Association and the City of Albuquerque Animal Welfare Department.

At our February business meeting, the Staff Council heard reports from our twelve standing committees that work diligently on behalf of staff. Our committees include Career Development, Communications, Compensation, Employee Rights and Policy Review, Environ, Government Relations, Parking and Transportation, Rewards and Recognition, Rules and Elections, Work+Life, Student Success and the Retirement Committee. In addition to our committee reports, we also heard from Cinnamon Blair, UNM Director of Marketing, who spoke to us about cyber bullying and Rita Martinez Purson, Dean of Continuing Education, who spoke to us about the possible reduction of our tuition remission benefit and how it will affect Continuing Education.
The Staff Council is very concerned about the reduction of our tuition remission benefit. We do not support any reduction of these benefits for professional development classes since this is used by staff to update workplace skills and advancement. We also are concerned about possible reduction of tuition remission benefits for personal enrichment classes since these are used by staff to maintain work and life balance. A happy, healthy workforce adds to the success of any organization and the Staff Council believes there is value in personal enrichment courses.

At the end of March, the Staff Council will hold elections to fill 30 seats on the Council from staff representing their job grades. We have been notified by many staff across the campus that they would like to participate on the Staff Council as a representative but do not have the support of their supervisors. This issue continues to be a great concern to the Council. We believe that the time committed to Staff Council enriches the whole university community.

March 2, 2011 a number of Staff Councilors participated in a focus group facilitated by Research and Polling. We feel that providing input from staff is important to the smooth functioning of the University and to help everyone keep focused on our core mission.

The Staff Council is in the planning stages of organizing our Staff Appreciation Month of events and Annual Staff Appreciation Picnic. These events are scheduled for the month of July. This year, the Staff Council will partner with the Isotopes for our Picnic. With the prospect of no pay increases for the third year in a row coupled with an increased pension contribution, the Staff Council sees these staff appreciation events as a crucial way to acknowledge staff value to UNM. We hope to continue our partnerships with Human Resources, Student Affairs and the Employee Health Promotion Program to bring these events to staff. Our hope is that someday, the Staff Appreciation Picnic will be fully funded by the University instead of having it partially supported by staff through ticket sales (maybe when better economic days return).

The Staff Council is very appreciative of the support the Board of Regents has demonstrated to the UNM staff. We especially want to thank Regent Emily “Cate” Wisdom and Board President Raymond G Sanchez for their service to the University of New Mexico. Cate has been an advocate for students and Raymond has graciously given of his valuable time and experience to guide the Board of Regents and the University.
The Foundation is off to a productive start in fundraising this calendar year. Various initiatives and stewardship activities are taking place in anticipation of the public celebration event for the Changing Worlds campaign is scheduled for April 14, 2011 at 6:00 in the evening. Please mark your calendars.

<table>
<thead>
<tr>
<th>Gift Commitments</th>
<th>FYTD 10/11</th>
<th>FYTD 09/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Campus</td>
<td>$15,483,142</td>
<td>$15,802,553</td>
</tr>
<tr>
<td>HSC</td>
<td>$21,617,523</td>
<td>21,174,772</td>
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<tr>
<td>Athletics</td>
<td>$5,361,108</td>
<td>$2,420,565</td>
</tr>
<tr>
<td>Other Campus Units</td>
<td>$9,215,463</td>
<td>$9,692,409</td>
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<tr>
<td>Total</td>
<td>$51,677,236</td>
<td>$49,090,299</td>
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</table>

Specific highlights:
- 5.2% ($2.58M) ahead of last year’s progress.
- Our weekly gift average is $1.52M. We have achieved 66% of the $78M goal for the fiscal year.
- 138 proposals each with a value of at least $50,000 have been submitted to individuals, corporations and foundations from across the country. The total value of these proposals is over $95M.

UNM Libraries received a gift, valued at $1 million, from a couple who had never given a gift to the University before. This gift, the largest endowed gift ever given to the Libraries is designated for:
- Support of the Center for Southwest Research SWR and its southwest literature collection.
- Help to fund permanent positions at the Libraries.
- University Libraries Dean’s Fund.

College of Fine Arts received a $1,300,000 pledge to benefit the UNM Art Museum.

Arts and Sciences received a $400,000 pledge to benefit the College. Specifically, $200,000 for Chemistry, $100,000 for English and $100,000 for History.

Honors Program and School of Law jointly, received a $200,000 gift.
The Foundation continues to stay focused on major gift solicitations as well as planning and organizing regional campaign stewardship activities. A regional campaign event, co-hosted by two UNM alumni, one of whom is a Trustee of the Board, is scheduled in Houston on March 25. Dr. Schmidly and Dean Doug Brown are the featured speakers for the evening. The Foundation will focus on the Denver area in the upcoming months for the next regional campaign initiative.

The Foundation is also holding meetings with President Schmidly, Chancellor Roth and Paul Krebs to ensure we have coordinated cultivation and solicitation efforts for the Foundation’s top tier prospects between Main Campus, HSC and Athletics.

**Consolidated Investment Fund - Investment Performance**

**FY 10-11, December 31, 2010**

<table>
<thead>
<tr>
<th>Investment Performance Results</th>
<th>Market Value (millions)</th>
<th>Fiscal YTD Six Months</th>
<th>1-Year</th>
<th>2-Year</th>
<th>3-Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 10/11 (December 31, 2010)</td>
<td>$322.1</td>
<td>12.8%</td>
<td>11.2%</td>
<td>-0.9%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Policy Benchmark *</td>
<td></td>
<td>11.9%</td>
<td>11.7%</td>
<td>-1.2%</td>
<td>4.3%</td>
</tr>
<tr>
<td>General Benchmark **</td>
<td></td>
<td>16.4%</td>
<td>12.9%</td>
<td>0.2%</td>
<td>3.7%</td>
</tr>
</tbody>
</table>

| FY 09/10 (June 30, 2010)     | $283.2                 | N/A                  | 10.4%  | -4.0%  | 3.5%   |
| Policy Benchmark *           | N/A                    | 18.9%                | -3.9%  | 3.9%   |
| General Benchmark **         | N/A                    | 13.3%                | -4.5%  | 1.4%   |
| NACUBO/Commonfund ***        | N/A                    | 11.9%                | -4.4%  | 3.0%   |

* Policy Benchmark is a blended benchmark consisting of indices for all asset classes.
** General Benchmark: 70% S&P 500 Index and 30% Barclays Global Aggregate
*** NACUBO/Commonfund Endowment Study ($101 million to $500 million)

The Consolidated Investment Fund (CIF) market value as of December 31, 2010 was $322.1 million. This is an increase over the market value at June 30, 2010 ($283.2 million). A Request for Proposal for investment advisory services was issued on December 1, 2010 with a due date of February 1, 2011. The RFP has been closed and evaluations are underway. The current investment consultant, Hammond Associates, has been under contract since January 1, 2005.

*Note: As of January 31, 2011, the market value of the portfolio is $323.5 million and 13.9% for the fiscal year to date.*

Thank you for your leadership on behalf of the University and the Foundation.
Legislative Initiatives: On Monday, January 31, parents went to Santa Fe with a bus provided by Representative Eleanor Chavez. They went to Santa Fe and met with legislative representatives to promote the UNM Legislative Agenda. The tuition tax credit and full funding of the BA/MD Program were two of the top legislative issues parents addressed with the legislators. This was a new role for our parents and one that they felt quite comfortable with. They enjoyed visiting with the legislators and communicating with them the difficulties and cost of sending their kids to college.

Parent Involvement: Our parent volunteers have been busy representing the Parent Association on several University committees. I would like to thank the Administration for including parents in the decision making process during these very difficult economic times. A special thank you goes to the following parents for their dedication and commitment serving on these committees:

- Marilee Petranovich, Gallup Campus, Parent Club Chair serving on the Provost’s Committee on Academic Affairs Cost Containment Strategies
- David Garrett serving on the Tuition Policy Committee
- Bernadette Mirabal serving on the Tuition Amount Sub-Group

In light of the ongoing tight economic conditions, parents have communicated that they do not want to see tuition or student fee increases.

Parent Association Board of Directors Meeting: The Board met on February 3, 2011. At this meeting, the Board voted to revise the Association’s Budget. They voted unanimously to increase scholarships to students from seven $1,000 scholarships to thirty $1,000 scholarships for Academic Year 2011/2012. This increase is a result of due to the fundraising efforts and hard work of parents, sponsors, supporters and friends of the Association.

Scholarship Committee: The first meeting of the Scholarship Committee is on Thursday, March 10, 2011. The committee will be updating the Parent Association’s scholarship application form and criteria as it prepares to seek scholarship applications for academic year 2011/2012.
3\textsuperscript{rd} Annual Parent-Day-at-the-Pit and Silent Auction: Under the leadership of parents, Christina Kitsos and David Garrett, this event was a huge success. There were about 200 parents, students and friends of the Association in attendance. The initial report shows that we raised over $6,300 at the Silent Auction for student scholarships. We would like to thank Regent Carolyn Abeita and President and Mrs. David Schmidly for attending the event, speaking to parents, and also for bringing their credit cards to the Silent Auction. We would also like to thank the Athletics Department and in particular Argi Maniatis and Brad Hutchins for partnering with us and making this a positive experience for our parents. A special thank you also goes to Mr. Steve Stucker with KOB Eyewitness News 4 for doing a fabulous job as Master of Ceremonies. Our "Lobos" made us proud with their skill and hard work by giving us one more win at the Lobos vs Air Force basketball game.
UNM Retirees Association Report to the Regents of the University

March 7, 2011

A recent Albuquerque Journal article headline proclaimed, “UNM Retiree Plan in Trouble with the sub-heading “Outlook Bleak for Retiree Plan (Monday, January 10, 2011).” This article was followed by an Editorial piece that calls UNM’s retiree health plan a “generous benefit that falls under the ‘nice to have if the money’s there’ category”...(Albuquerque Journal, Saturday, January 15, 2011). These kinds of headlines instill fear in public institution retirees as well as future retirees who in lieu of private sector salaries have been promised “better benefits” as a recruitment and retention tool.

This topic has consumed by far the greatest amount of time, discussion and research by the Retiree’s Board as we have attempted to understand defined benefit plans, self­insurance and actuarial data and communicate accurate information to our membership. We were extremely pleased and, believe, fortunate that Vice President for Human Resources, Helen Gonzales agreed to meet with the Board at their last meeting, March 1 to respond to the many questions posed to the Board, clarify some of the more complex actuarial information, and listen to suggestions made by our membership about how to sustain the soundness of future benefits. In addition, President Schmidley’s Op Ed piece in the February 23rd Journal helped to allay some fears regarding the soundness of the future of UNM’s health insurance coverage.

Our goal is to be a resource to the Regents and decision-makers at the University by conveying retiree’s concerns about benefits as well as their constructive suggestions for change so that all current and future retirees can enjoy reasonable benefits for the long-term. The University has recognized the value of retiree’s input by including members of the organization on the various University benefits and solvency task force committees.

Several of our members, in large part, Beulah Woodfin continue to follow legislative issues for the Board so that we can inform our membership of upcoming bills that may require response or support.

Programs: The Retiree’s Association continues to provide pleasurable and meaningful programs for its membership: In February, Brian Sanderoff gave an extremely informative presentation “Current Hot Topics in New Mexico Politics: Trends & Predictions. Future programs for spring include: a Holding Pond Hike and a tour of the National Hispanic Cultural Center.

Plans are in progress for our May 19th annual meeting with the featured speaker being Dr. Alfredo Vigil who will discuss the “History of Health in New Mexico”. We have also convened the Nominating Committee to provide a slate of candidates for future office and Board positions.
Financial Audit: Jim Wiegman and Warren Baur presented the results of the financial audit that they conducted of the Retiree's Association in which they "commended the volunteer staff for the professional and accurate performance of their responsibilities".

Communications: The Association has upgraded its WEB capabilities to provide greater access to some areas and limit others by membership. In addition, we have added the capability to pay dues online.

Finally, in the past, the Staff Council provided some clerical/administrative support to the Retirees Association on the basis of an MOU created in 2007. Last year when the staff support person, Karin Retskin, retired, the then President of Staff Council terminated the MOU. The Association has been struggling somewhat to conduct all of its own support services. I recently approached Merle Kennedy, current staff council president, to see if we could restructure an agreement for some very limited support. Thanks to Merle and future Staff Council President, Kathy Clark, supported by Lisa Marbury and the new administrative support person, Kathy Meadows, we have recently been able to renegotiate some more limited support for the Retirees Association particularly with University systems that require a current UNM staff member to be the point of contact or have the authority enter data into a UNM system. We would like to thank all of the individuals involved in making this happen.
DATE: December 17, 2010

TO: Breda Bova, Ph.D.
    Chair, UNM Naming Committee

FROM: Brenda Claiborne, Dean College of Arts & Sciences
      Henry Nemecek, President & CEO, UNM Foundation

RE: Request for Endowed Professorial Chair Naming Approval, Nomination of UNM Faculty Chair Holder & Subsequent Approval by UNM Board of Regents

Endowed Fund Request

As prescribed by Board of Regents Policy 2.11 “Naming University Facilities, Spaces, Endowments and Programs” and University Business Policy 1020, “Naming Facilities, Spaces, Endowments and Programs” we seek approval to create and name the W.K. Kellogg Chair in Sustainable Environmental and Food Systems.

In November, 2010, the W.K. Kellogg Foundation agreed to donate $1,500,000 to create the above referenced endowed professorial chair. The Kellogg Foundation made a simultaneous gift of $150,000 to jump start the faculty activities related to the endowed chair. The purpose of the endowed chair is to promote social, environmental, and economic well-being through teaching, research, outreach, and economic development focused on sustainable agriculture. The Kellogg Foundation is especially impressed with the work of Bruce T. Milne, Ph.D., Professor of Biology and founding Director of the UNM Sustainability Studies Program.

The funds from the Kellogg Foundation are on deposit at the Foundation, and in the case of the endowed funds under investment management consistent with the investment guidelines of the Consolidated Investment Fund.

Faculty Nomination Request

This gift from the W.K. Kellogg Foundation is a direct and singular reaction to the accomplishments of Bruce T. Milne, Ph.D. The Kellogg Foundation strongly urges that Dr. Milne be named the inaugural holder of the W.K. Kellogg Chair in Sustainable Environmental and Food Systems.
Because of the growing importance of Sustainability Studies in higher education nationally and the outstanding work that Dr. Milne has performed in establishing and developing the Sustainability Studies Program, the College of Arts & Sciences formally nominates him to the post of W.K. Kellogg Chair in Sustainable Environmental and Food Systems.

**Action Requested**

We ask the UNM Naming Committee to recognize the generosity of the W.K. Kellogg Foundation by approving this request to name the fund as described above. If approved by the Committee, we further ask that President Schmidly or his appropriate designee also approve the request and forward the request and coincident approvals to the Regents' Academic Affairs Committee for their consideration and approval at the committee and full board levels. We also seek approval and appropriate routing for subsequent approvals for the nomination of Bruce Milne, Ph.D. as the inaugural holder of this endowed chair.
5.18 Subject: ENDOWED FACULTY CHAIRS  
Adopted: June 14, 2005

Applicability

This policy applies to the faculty of the University of New Mexico.

Policy

The quality of the faculty is one of the enduring hallmarks of a great institution. The University of New Mexico will have made great strides toward being a world-class institution when a large number of eminent scholars across many different areas of study are members of our faculty.

An endowed chair is an honor that can be bestowed on a scholar of distinction. This honor will allow an individual to conduct meaningful inquiry that will expand the frontiers of knowledge and instruct generations—as a result the reputation of the University will be enhanced. An endowed chair is a singular opportunity to recognize and sustain innovative intellectual work. The income derived from such an endowment can be used to provide salary support or to fund specific laboratory or other scholarly expenses.

The Role of the University of New Mexico Foundation

An endowed chair may be established by a gift or conferred pledge of $1.5 million. When the University of New Mexico Foundation (UNM Foundation) becomes aware of a donor's wish to establish an endowed chair, the UNM Foundation will communicate the intent of the donor to the President of the University, the Provost and Executive Vice President for Academic Affairs and the Executive Vice President for Health Sciences. Upon approval by the President, the UNM Foundation will oversee the details of the gift pledge and will ensure that a fundamental agreement is drafted. A resolution proposal by the UNM Foundation will be forwarded to the Board of Regents Academic and Student Affairs Committee. Appropriate University offices will receive copies of fundamental agreements and resolutions. The Board of Regents Academic and Student Affairs Committee will, if approved, forward the resolution to the Board of Regents for action.

The Role of the Regents of the University of New Mexico

The Board of Regents, as the governing body of the University, will act to approve both the establishment of a chair and its holder. In both cases their action will be preceded by review and approval by the Board of Regents Academic and Student Affairs Committee. (These actions can occur simultaneously or at different times).

Once the candidate to hold the chair has been approved by the Board of Regents, the University will take steps to invest in that individual and the chair. This ceremonial occasion would bring together the donors responsible for creating the chair, other donors and friends of the University with friends and family of the chair holder, friends and board members of the University and if appropriate, invited guests who share scholarly interests with the chair holder to celebrate with members of the academic community. Venues for such an event may vary; possible examples include the Alumni Memorial Chapel, the Student Union Building or on some occasion the outdoors. The UNM Foundation will be
responsible for planning and executing the event.

**Role of the Provost and Executive Vice President for Academic Affairs**

The Provost and Executive Vice President for Academic Affairs should ensure that chair holders provide a report of their activity during the course of an academic year. This ensures the academic integrity of the chair and also provides the donor with information on the positive outcomes of his or her gift.

**Implementation**

The University should seek to initiate this program for the academic year 2005-2006.

1. The UNM Foundation should not be in the position to dictate how funds are spent. There should, however, be some guidelines in place for how funds derived from an endowed chair are used.

2. At present, there are seventeen endowed chairs that conformed to guidelines approved and in place at the time of their creation. There is one chair that has been created at the $1 million level however, it should be noted that going forward all chairs should be at the $1.5 million level.

3. Thought and consideration must be given as to when to 'start this process' (would it be appropriate to honor all those currently in place at one event then to carry on one at a time from there on out).

**References**

Naming University Facilities, Spaces, Endowments, and Programs, *RPM 2.11*; Receipt and Investment of Gifts to the University, *RPM 7.13*.

Comments should be sent to BRPM@UNM.edu

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The University of New Mexico
Albuquerque, New Mexico

http://www.unm.edu/~brpm/r518.htm 2/22/2011
Date: January 20, 2011

To: Dr. David Schmidly, President, University of New Mexico

From: Dr. Breda Bova, Chair, UNM Naming Committee

Re: UNM Naming Committee Approvals from January 7, 2011

The Naming Committee has reviewed and voted on the following naming requests and recommends your approval. A copy of the departmental request along with the UNM Policy 1020 is attached for your reference.

1. Naming Request from the College of Arts and Sciences
   - W.K. Kellogg Chair in Sustainable Environmental and Food Systems (endowed chair)
     UNM Policy 1020 Section 3.2.5

2. Naming Request from the School of Medicine, Health Sciences Center
   - Naming the faculty holder of the John D. Johnson, M.D. Endowed Chair (naming holder of endowed chair)
     UNM Policy 1020 Section 3.2.5

Please call me at 277-7611, if you have any questions or wish to discuss in further detail.
2.11 Subject: NAMING UNIVERSITY FACILITIES, SPACES, ENDOWMENTS, AND PROGRAMS
Adopted: September 12, 1996
Amended: November 13, 2001
Amended: June 14, 2005

Applicability

This policy applies to the naming of facilities including buildings and structures, interior spaces, landscapes, roads, collections, programs, endowed chairs and professorships, schools and colleges on the various campuses of the University.

Policy

The University of New Mexico welcomes the opportunity to honor those who have rendered extraordinary service or support to UNM. Facilities, spaces, endowments or programs may be named for individuals or entities whose accomplishments or generosity advance the academic mission of the University, further the capacity of UNM to meet its teaching and scholarly objectives and to serve its community, and enhance the growth and reputation of UNM. A decision to construct or renovate a building, establish a chair or create a program is to be taken on the basis of established academic and other operational criteria and approved in keeping with the University’s established practices and academic mission. Naming will be independent of all appointment, admission and curriculum decisions which the University will continue to make in keeping with its established practices and academic mission. To ensure the appropriateness of the honor, the University will follow the guidelines listed in this policy as it makes decisions on a case-by-case basis with regard to naming facilities, spaces, endowments or programs.

1. Criteria for Selection of Honorees

Naming a facility, space, endowment or program for an individual, organization or corporation is one of the highest honors that the University can bestow. This recognition is a lasting and powerful affirmation of the honoree’s connection to the University’s mission. As such, honorees shall have exemplary character, an unqualified reputation for honesty, personal integrity and the highest standards of personal and professional ethics.

1.1 Extraordinary University Service

Honorees who have been employed by the University shall have given extraordinary service to the institution in a teaching, research, service or administrative field with such exceptional distinction that their contributions are widely recognized by their peers, both at the University and elsewhere. The recognition afforded the honoree may also include private financial contributions related to the naming opportunity. Honorees may not be in active service at the University or hold elected office at the time of the naming, unless the circumstances are exceptional.

1.2 Private Financial Support

Individuals who have not been University employees, corporations and other organizations may be considered for naming recognition if they have made significant financial contributions to the University related to the naming opportunity. Decisions regarding such recognition are made on a case-by-case basis in accordance with the approval process contained in this policy and any other applicable University policies and shall also take into consideration the total cost of the project, the availability of other funds and the level of financial contribution. A bequest or legacy gift from a donor who is still alive will not normally be considered for a naming opportunity.

The following guidelines should also be taken into consideration in determining a significant level of financial support in a given situation:

- New facilities—fifty percent (50%) of construction costs or three million dollars whichever is
greater.

- Renovation of facilities—seventy-five percent (75%) of the cost of renovating a facility.
- Existing facilities without renovation—seventy-five percent (75%) of the fair market value of the facility.
- Portable items—donation of the collection or at least fifty percent (50%) of the value of the collection.
- Tribute markers—fifty percent (50%) of the cost or value of associated items (e.g., trees, gardens).
- Endowed chairs and professorships—full funding of the endowment.
- Programmatic Entities—determined on a case-by-case basis.

2. Request for Approval

Since naming facilities, spaces, endowments and programs has a long-term impact on the University, the approval process is designed to ensure such action is in the best interest of the University. All naming requests will be reviewed by the Committee on Naming Facilities, Spaces, Endowments, and Programs in accordance with the guidelines and procedures found in "Naming Facilities, Spaces, Endowments, and Programs" Policy 1020, UBP. The Committee will submit recommendations to the President or other official with approval authority. A plan for any naming opportunity that involves private financial support must be submitted in writing to the Committee and the appropriate approving official prior to submission of a request for approval of a specific name. In the best interest of the University and prospective honorees, information relating to any naming request or plan should remain confidential until appropriate approvals have been obtained.

2.1 Naming facilities and spaces that are part of the outside environment of the University must be approved by the Board of Regents.

2.2 Naming facilities and spaces that are part of the interior space of the University must be approved by the President. At the discretion of the President, the request may be forwarded to the Board of Regents for approval.

2.3 Naming facilities and spaces that are made up of portable items which are identifiable because of a specific focus or purpose (for example, collections of art and/or artifacts) must be approved by the Provost/Executive Vice President for Academic Affairs or the Executive Vice President for Health Sciences, depending on the location.

2.4 The display of tribute markers which include plaques, medallions or other markers in association with features such as trees, benches or small monuments must be approved by the Executive Vice President for Administration.

2.5 Naming of endowed chairs and professorships must be approved by the Board of Regents.

2.6 The naming of academic or non-academic programmatic entities (such as departments, schools, colleges, institutes and centers) must be approved by the Board of Regents.

The Board of Regents reserves the right to review for approval, on a case-by-case basis, any naming request not specifically addressed above and not otherwise delegated by the Board of Regents to the President of the University.

3. Duration of Name

Naming of facilities, spaces, endowments and programs in honor of individuals is generally expected to last the lifetime of the facility, space, endowment or program. Naming of facilities, spaces, endowments and programs in honor of corporations or other organizations will have a set number of years attached to the naming which will be determined on
a case-by-case basis and listed in the signed gift agreement. Naming associated with a particular facility, space, endowment or program will not preclude further naming within the facility, space, endowment or program.

4. Request Processing

Every reasonable effort will be made to ensure that a naming request will be acted upon within sixty (60) days of the initial submission of that request to the Committee.

5. Recording and Reporting

The University Secretary will be responsible for recording the official decisions on all naming requests and reporting those decisions to the appropriate UNM officials.

Implementation

The President will develop detailed policies and procedures to ensure that the naming of facilities, spaces, endowments and programs is consistent with this Regents' policy. The President shall appoint a Committee on Naming Facilities, Spaces, Endowments, and Programs to review naming plans and requests and to make recommendations for approval. This amended policy does not apply to any arrangements that are in existence at the date the amendment is adopted.

References

"Naming Facilities, Spaces, Endowments, and Programs" UBPPM Policy 1020.

Comments should be sent to BRPM@UNM.edu

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The University of New Mexico
Albuquerque, New Mexico
1. General

The University of New Mexico Board of Regents adopted RPM 2.U "Naming Facilities, Spaces, Endowments and Programs" on November 13, 2001, and instructed the President to develop this policy to describe the process for obtaining approval to name a facility, space, endowment, or program in honor of an individual, corporation, or other organization. The University welcomes the opportunity to honor those who have rendered extraordinary service or support to UNM. The criteria listed in this policy may change with economic conditions and University priorities. Their purpose is to set reasonable guidelines which may need to be adapted to each specific situation. The guidelines in this policy on naming in honor of benefactors applies to all prospective donors to any University college, program, campus, or organization and to the UNM Foundation.

2. Criteria for Selection of Honorees

Naming a facility, space, endowment, or program for an individual, organization, or corporation is one of the highest honors that the University can bestow. This recognition is a lasting and powerful affirmation of the honoree's connection to the University's mission. As such, honorees shall have exemplary character, an unqualified reputation for honesty, personal integrity and the highest standards of personal and professional ethics.

2.1. Extraordinary University Service

Honorees who have been employed by the University shall have given extraordinary service to the institution in a teaching, research, service, or administrative field with such exceptional distinction that their contributions are widely recognized by their peers, both at the University and elsewhere. The recognition afforded the honoree may also include private financial contributions related to the naming opportunity. Honorees may not be current employees, individuals in active service at the University, or those holding elected office at the time of the naming, unless the circumstances are exceptional and approved by the Board of Regents.

2.2. Private Financial Support

Individuals who have not been University employees, corporations, and other organizations may be considered for such recognition if they have made significant financial contributions to the University. A bequest or legacy gift from a donor who is still alive will not normally be considered for a naming opportunity. Determination of what constitutes a significant financial contribution is made on a case-by-case basis taking into consideration the total cost of the project, the availability of other funds, and the following guidelines:

- New facilities -- fifty percent (50%) of new construction costs or three million dollars whichever is greater.
- Renovated facilities -- seventy-five percent (75%) of the cost of renovating a facility.
- Existing facilities without renovation -- seventy-five percent (75%) of the fair market value of the facility.
- Portable items -- donation of the collection or at least fifty percent (50%) of the value of the collection.
- Tribute markers -- fifty percent (50%) of the cost or value of associated items (e.g. trees, gardens).
• Endowed chairs and professorships -- full funding of the endowment.
• Programmatic Entities -- determined on a case-by-case basis.

Costs for the determination are defined by the University Office for Capital Projects for physical facilities and by the UNM Foundation for endowed positions.

3. Approval Process

Approval requirements for naming UNM facilities, spaces, endowments, and programs are based on the impact of such action on the University of New Mexico. Whenever there is a fundraising effort for a major facility, a plan must be developed which lists naming criteria and funding amounts for various components of the facility (e.g., rooms, laboratories, offices). This plan must be submitted to the Regents' Finance and Facilities Committee as an information item before specific individuals or organizations are approached for specific naming recognition. Whenever possible for other types of naming opportunities, a plan should be developed before specific donors are approached. Plans must include realistic goals, objective analysis of fund raising potential, lists of prospective donors, timelines specifying when the campaigns will begin and end, budgets for all fundraising activities, and contingency plans if the fundraising goals are not met.

All plans and specific requests for naming must be submitted by the appropriate dean/director or Branch Campus Advisory Committee through the dean's/director's vice president to the Committee on Naming Facilities, Spaces, Endowments, and Programs. If the request involves private funds, the vice president will submit the request to the Associate Vice President for Development who will forward it to the Committee. The Committee Chair will forward the Committee's recommendation and obtain the necessary approvals. Gift commitments must be signed by the donor and the Associate Vice President for Development and submitted in writing to the Committee. Every attempt will be made to make a named gift opportunity decision within sixty (60) days from submission of the plan to the Committee. In the best interest of the University and prospective honorees, information relating to any naming request or plan should remain confidential until appropriate approvals have been obtained.

3.1. Committee on Naming Facilities, Spaces, Endowments, and Programs

The Committee shall have the following members: Provost/Executive Vice President for Academic Affairs, Executive Vice President for Administration, Vice President for Advancement, Vice President for Student Affairs, Executive Vice President for the Health Sciences Center, Associate Vice President for Development, University Secretary (official record-keeper), the Senior Advisor to the President, and a faculty member appointed by the President. The President will name the Chair. The Committee is responsible for:

• reviewing naming opportunities and associated plans to ensure adequacy/appropriateness of funding proposal;
• reviewing specific naming requests to ensure they comply with Regents' policy and are in the best interests of the University;
• ensuring adequacy of funding proposals; and
• making recommendations to the President or the vice president with approval authority for the specific classification.

3.2. Request for Approval

The level of approval for naming UNM facilities, spaces, endowments, and programs depends on the classification of the item. The plan and each specific naming opportunity must be approved according to the following criteria.

3.2.1. Class I

Class I includes facilities and spaces that are part of the outside environment of the University; for example, buildings, complexes of buildings, roads, walkways, playing fields, parks, gardens, and agricultural or forestry plots. Names in this class must be approved by the Board of Regents upon recommendation of the President following consultation with the Committee on Naming Facilities, Spaces, Endowments, and Programs.
3.2.2. Class II

Class II includes facilities and spaces that are part of interior space of the University; for example, library/reading rooms, laboratories, seminar rooms, galleries, recreational courts, and lounges. Names in this class must be approved by the President following consultation with the Committee on Naming Facilities, Spaces, Endowments, and Programs. Depending on the specific Class II facility (for example, large public spaces) the President may decide to submit the request to the Board of Regents for approval.

3.2.3. Class III

Class III includes collections or groups of portable items, which are identifiable because of a specific focus or purpose; for example, collections of art and/or artifacts. Names in this class must be approved by the Provost/Executive Vice President of Academic Affairs or the Executive Vice President for Health Sciences, depending on the location of the Class III material, following consultation with the Committee on Naming Facilities, Spaces, Endowments, and Programs.

3.2.4. Class IV

Class IV addresses tribute markers, which include plaques, medallions or other markers usually in association with such features as trees, benches, or small monuments. The display of tribute markers must be approved by the Executive Vice President for Administration following consultation with the Committee on Naming Facilities, Spaces, Endowments, and Programs.

3.2.5. Endowed Chairs and Professorships

The Board of Regents, following consultation with the President and the Committee on Naming Facilities, Spaces, Endowments, and Programs shall approve the establishment of endowed chairs and professorships based on:

- the endowment levels established by the UNM Foundation;
- the appropriateness of the specific naming consistent with UNM policy;
- a plan for raising the full amount required to fund the endowment including the length of time for raising the funds and alternate arrangements if the funds are not raised within the specified time;
- guidelines for spending prior to full funding of the endowment; and
- a process for monitoring spending to assure conformance with intent.

3.2.6. Programmatic Entities

Naming of programmatic entities (academic and non-academic programs) whether separate organizational units or not (departments, schools, colleges, institutes, centers, conferences, symposia, activities, organizational units, etc.) will only take place in exceptional circumstances. The naming of programmatic entities is a sensitive matter and must include acceptance and agreement from many different constituencies on campus with final approval required from the Board of Regents upon recommendation of the President following consultation with the Committee on Naming Facilities, Spaces, Endowments, and Programs. Before recommending any such naming, the President must ensure:

- the proposed name is consistent with the University policy regarding honorees;
- the autonomy of the programmatic entity and the academic freedoms to which UNM is committed will be safeguarded; and
- the level of private financial support has been taken into consideration.

The Board of Regents reserves the right to review for approval, on a case-by-case basis, any naming request not specifically addressed above and not otherwise delegated by the Board of Regents to the President of the University.
4. Formal Recognition

When name recognition has been extended for a gift received, it must be honored in accordance with a written gift agreement signed by University officials and the donor(s). In the event of significant changes in circumstances, the University reserves the right to determine the form of name recognition, in consultation with the donor when possible. The University Secretary is responsible for recording the official decisions on all naming requests and reporting those decisions to the appropriate UNM officials with a copy to University Archives.

5. Duration of Name

Naming of facilities, spaces, endowments, and programs in honor of individuals is generally expected to last the lifetime of the facility, space, endowment, or program. Naming of facilities, spaces, endowments, and programs in honor of corporations or other organizations will have a set number of years attached to the naming which will be determined on a case-by-case basis and listed in the signed gift agreement; typically the duration of such naming shall not exceed twenty-five (25) years. Naming associated with a particular facility, space, endowment, or program does not preclude further naming within the facility, space, endowment, or program.

6. Implementation

This policy does not apply to any arrangements that are in existence at the date this policy was adopted, nor to arrangements that may be made pursuant to discussions with donors that had commenced at the date the policy was adopted, even though the arrangements do not conform to this policy.
Biographic Summary

Bruce T. Milne, Professor of Biology at the University of New Mexico since 1986, specializes in landscape ecology, fractal geometry, and scaling in complex systems. He received B.S. and M.S. degrees at the State University of New York at Albany, his Ph.D. from Rutgers, and was a lecturer in ecology at Harvard Graduate School of Design. The International Association for Landscape Ecology recognized him for the best paper published in the field in 1992 and again in 2006 as Distinguished Landscape Ecologist. Dr. Milne received one of the National Science Foundation's Presidential Young Investigator Awards. He served on review panels for the National Science Foundation, the Department of Energy and the Environmental Protection Agency. With students and post-docs, research topics have included the landscape ecologies of the Mexican Spotted Owl and the endangered Florida Panther, statistics of global human habitations, self-organization of artificial living systems, biodiversity and diffusion along river networks, ecotones and restoration of pinon-juniper woodlands, and scaling in ecosystems and bird populations. Dr. Milne founded the Sustainability Studies Program at the University of New Mexico which offers an undergraduate minor degree in sustainability studies through partnerships with the community. Since 2007 he and his students have contributed to writing campus Policy 2100 Sustainability, the Campus Carbon-neutral Plan, and have created the Education is Power campaign to reduce energy use as a means of mitigating budget cuts. With faculty from four colleges Dr. Milne leads a USDA-sponsored “Collaborative for Foodshed Development” to support Hispanic and other minority students seeking professional careers in sustainable environmental and food systems.
DATE: January 5, 2011

TO: Breda Bova, Ph.D.
Chair, UNM Naming Committee

FROM: Paul B. Roth, MD, MS, FACEP
Chancellor for Health Sciences
Dean, School of Medicine

William Uher, Vice President for HSC, UNM Foundation

RE: Request for Approval of Faculty Nomination of UNM Faculty Chair Holder & Subsequent Approval by UNM Board of Regents

As prescribed by Board of Regents Policy 2.11 “Naming University Facilities, Spaces, Endowments and Programs” and University Business Policy 1020, “Naming Facilities Spaces, endowments and Programs” we seek approval to name the faculty holder of the John D. Johnson, M.D. Endowed Chair created in honor of Dr. John D. Johnson, MD former chair of the Department of Pediatrics, School of Medicine, Health Sciences Center.

In September of 2006, the School of Medicine, Department of Pediatrics created the John D. Johnson Endowed Chair with private gifts and clinical revenue. The UNM Board of Regents approved the naming of the fund September 2006.

John D. Johnson, M.D., received his medical degree from Stanford University in 1965 and his pediatric training at Johns Hopkins and Stanford. In 1979, he joined the faculty at the University of New Mexico as a neonatologist and a pediatric endocrinologist and was promoted to professor in 1983. Dr. Johnson established an enviable reputation as a teacher, clinician, and investigator. His extensive research contributions have encompassed a variety of subjects related to developmental biology, neonatal bilirubin metabolism, and nutrition of the young infant.

In 1986, Dr. Johnson became the chairman of the Department of Pediatrics at the University of New Mexico and remained in that position until 1993. As chair he brought tremendous growth and success to the department, expanding both its clinical activities and research efforts. While chair of
the department Dr. Johnson was the principle driving force in establishing the Children’s Hospital of New Mexico, and the unique concept of a hospital within a hospital.

After retiring from the department chairmanship in 1993, Dr. Johnson remained at UNM as an active faculty member until 1998. Throughout his career he was known as a fair, honest, and dedicated individual who worked extremely hard and contributed substantially to the mission of the UNM Department of Pediatrics and the entire UNM Health Sciences Center. His accomplishments will be felt for many years to come. As the department continues to build on Dr. Johnson’s accomplishments, it is entirely fitting that an endowment to support this growth be named after him.

Faculty Nomination Request

Dr. Loretta Cordova de Ortega received her bachelor’s degree in Human Biology and Spanish from Stanford University and her M.D. from UNM School of Medicine. She served her residency at the UCSF Medical Center before returning to New Mexico to join the faculty in 1991 as a general pediatrician. Ortega’s practice focuses on children with special health care needs and chronic medical conditions.

Dr. Ortega served as interim chair of the Department of Pediatrics from 2006 until 2008 when she was named chair following a national search. Dr. Ortega assisted the School of Medicine to make great strides in promoting and supporting pediatric research, and has worked to strengthen all of the department’s clinical and academic programs, while providing excellent services to the children on New Mexico. As chair, Dr. Ortega also has continued to lead the department in providing the best possible education in pediatric medicine to its medical students and residents.

It is appropriate and thus, my recommendation, that Loretta Cordova de Ortega, M.D., Professor and Chair of the Department of Pediatrics be named the inaugural holder of the John D. Johnson, MD Endowed Chair.

Action Requested

We ask the UNM Naming Committee approve the nomination of Loretta Cordova de Ortega as the inaugural holder of the John D. Johnson, MD Endowed Chair. If approved by the Committee, we further ask that President Schmidly or his appropriate designee also approve the request and forward the request and coincident approvals to the Regents’ Academic Affairs Committee for their consideration and approval at the committee and full board levels.
MEMORANDUM

Date: January 20, 2011

To: Dr. David Schmidly, President, University of New Mexico

From: Dr. Breda Bova, Chair, UNM Naming Committee

Re: UNM Naming Committee Approvals from January 7, 2011

The Naming Committee has reviewed and voted on the following naming requests and recommends your approval. A copy of the departmental request along with the UNM Policy 1020 is attached for your reference.

1. Naming Request from the College of Arts and Sciences
   • W.K. Kellogg Chair in Sustainable Environmental and Food Systems
     (endowed chair)

     UNM Policy 1020 Section 3.2.5

2. Naming Request from the School of Medicine, Health Sciences Center
   • Naming the faculty holder of the John D. Johnson, M.D. Endowed Chair
     (naming holder of endowed chair)

     UNM Policy 1020 Section 3.2.5

Please call me at 277-7611, if you have any questions or wish to discuss in further detail.
2.11 Subject: NAMING UNIVERSITY FACILITIES, SPACES, ENDOWMENTS, AND PROGRAMS

Adopted: September 12, 1996
Amended: November 13, 2001
Amended: June 14, 2005

Applicability

This policy applies to the naming of facilities including buildings and structures, interior spaces, landscapes, roads, collections, programs, endowed chairs and professorships, schools and colleges on the various campuses of the University.

Policy

The University of New Mexico welcomes the opportunity to honor those who have rendered extraordinary service or support to UNM. Facilities, spaces, endowments or programs may be named for individuals or entities whose accomplishments or generosity advance the academic mission of the University, further the capacity of UNM to meet its teaching and scholarly objectives and to serve its community, and enhance the growth and reputation of UNM. A decision to construct or renovate a building, establish a chair or create a program is to be taken on the basis of established academic and other operational criteria and approved in keeping with the University's established practices and academic mission. Naming will be independent of all appointment, admission and curriculum decisions which the University will continue to make in keeping with its established practices and academic mission. To ensure the appropriateness of the honor, the University will follow the guidelines listed in this policy as it makes decisions on a case-by-case basis with regard to naming facilities, spaces, endowments or programs.

1. Criteria for Selection of Honorees

Naming a facility, space, endowment or program for an individual, organization or corporation is one of the highest honors that the University can bestow. This recognition is a lasting and powerful affirmation of the honoree's connection to the University's mission. As such, honorees shall have exemplary character, an unqualified reputation for honesty, personal integrity and the highest standards of personal and professional ethics.

1.1 Extraordinary University Service

Honorees who have been employed by the University shall have given extraordinary service to the institution in a teaching, research, service or administrative field with such exceptional distinction that their contributions are widely recognized by their peers, both at the University and elsewhere. The recognition afforded the honoree may also include private financial contributions related to the naming opportunity. Honorees may not be in active service at the University or hold elected office at the time of the naming, unless the circumstances are exceptional.

1.2 Private Financial Support

Individuals who have not been University employees, corporations and other organizations may be considered for naming recognition if they have made significant financial contributions to the University related to the naming opportunity. Decisions regarding such recognition are made on a case-by-case basis in accordance with the approval process contained in this policy and any other applicable University policies and shall also take into consideration the total cost of the project, the availability of other funds and the level of financial contribution. A bequest or legacy gift from a donor who is still alive will not normally be considered for a naming opportunity.

The following guidelines should also be taken into consideration in determining a significant level of financial support in a given situation:

- New facilities—fifty percent (50%) of construction costs or three million dollars whichever is
greater.

- Renovation of facilities—seventy-five percent (75%) of the cost of renovating a facility.
- Existing facilities without renovation—seventy-five percent (75%) of the fair market value of the facility.
- Portable items—donation of the collection or at least fifty percent (50%) of the value of the collection.
- Tribute markers—fifty percent (50%) of the cost or value of associated items (e.g. trees, gardens).
- Endowed chairs and professorships—full funding of the endowment.
- Programmatic Entities—determined on a case-by-case basis.

2. Request for Approval

Since naming facilities, spaces, endowments and programs has a long-term impact on the University, the approval process is designed to ensure such action is in the best interest of the University. All naming requests will be reviewed by the Committee on Naming Facilities, Spaces, Endowments, and Programs in accordance with the guidelines and procedures found in "Naming Facilities, Spaces, Endowments, and Programs" Policy 1020, UBP. The Committee will submit recommendations to the President or other official with approval authority. A plan for any naming opportunity that involves private financial support must be submitted in writing to the Committee and the appropriate approving official prior to submission of a request for approval of a specific name. In the best interest of the University and prospective honorees, information relating to any naming request or plan should remain confidential until appropriate approvals have been obtained.

2.1 Naming facilities and spaces that are part of the outside environment of the University must be approved by the Board of Regents.

2.2 Naming facilities and spaces that are part of the interior space of the University must be approved by the President. At the discretion of the President, the request may be forwarded to the Board of Regents for approval.

2.3 Naming facilities and spaces that are made up of portable items which are identifiable because of a specific focus or purpose (for example, collections of art and/or artifacts) must be approved by the Provost/Executive Vice President for Academic Affairs or the Executive Vice President for Health Sciences, depending on the location.

2.4 The display of tribute markers which include plaques, medallions or other markers in association with features such as trees, benches or small monuments must be approved by the Executive Vice President for Administration.

2.5 Naming of endowed chairs and professorships must be approved by the Board of Regents.

2.6 The naming of academic or non-academic programmatic entities (such as departments, schools, colleges, institutes and centers) must be approved by the Board of Regents.

The Board of Regents reserves the right to review for approval, on a case-by-case basis, any naming request not specifically addressed above and not otherwise delegated by the Board of Regents to the President of the University.

3. Duration of Name

Naming of facilities, spaces, endowments and programs in honor of individuals is generally expected to last the lifetime of the facility, space, endowment or program. Naming of facilities, spaces, endowments and programs in honor of corporations or other organizations will have a set number of years attached to the naming which will be determined on
a case-by-case basis and listed in the signed gift agreement. Naming associated with a particular facility, space, endowment or program will not preclude further naming within the facility, space, endowment or program.

4. Request Processing

Every reasonable effort will be made to ensure that a naming request will be acted upon within sixty (60) days of the initial submission of that request to the Committee.

5. Recording and Reporting

The University Secretary will be responsible for recording the official decisions on all naming requests and reporting those decisions to the appropriate UNM officials.

Implementation

The President will develop detailed policies and procedures to ensure that the naming of facilities, spaces, endowments and programs is consistent with this Regents' policy. The President shall appoint a Committee on Naming Facilities, Spaces, Endowments, and Programs to review naming plans and requests and to make recommendations for approval. This amended policy does not apply to any arrangements that are in existence at the date the amendment is adopted.

References

"Naming Facilities, Spaces, Endowments, and Programs" UBPPM Policy 1020.

Comments should be sent to BRPM@UNM.edu

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Regents' Policy Manual Homepage

The University of New Mexico
Albuquerque, New Mexico
1. General

The University of New Mexico Board of Regents adopted RPM 2.11 "Naming Facilities, Spaces, Endowments and Programs" on November 13, 2001, and instructed the President to develop this policy to describe the process for obtaining approval to name a facility, space, endowment, or program in honor of an individual, corporation, or other organization. The University welcomes the opportunity to honor those who have rendered extraordinary service or support to UNM. The criteria listed in this policy may change with economic conditions and University priorities. Their purpose is to set reasonable guidelines which may need to be adapted to each specific situation. The guidelines in this policy on naming in honor of benefactors applies to all prospective donors to any University college, program, campus, or organization and to the UNM Foundation.

2. Criteria for Selection of Honorees

Naming a facility, space, endowment, or program for an individual, organization, or corporation is one of the highest honors that the University can bestow. This recognition is a lasting and powerful affirmation of the honoree's connection to the University's mission. As such, honorees shall have exemplary character, an unqualified reputation for honesty, personal integrity and the highest standards of personal and professional ethics.

2.1. Extraordinary University Service

Honorees who have been employed by the University shall have given extraordinary service to the institution in a teaching, research, service, or administrative field with such exceptional distinction that their contributions are widely recognized by their peers, both at the University and elsewhere. The recognition afforded the honoree may also include private financial contributions related to the naming opportunity. Honorees may not be current employees, individuals in active service at the University, or those holding elected office at the time of the naming, unless the circumstances are exceptional and approved by the Board of Regents.

2.2. Private Financial Support

Individuals who have not been University employees, corporations, and other organizations may be considered for such recognition if they have made significant financial contributions to the University. A bequest or legacy gift from a donor who is still alive will not normally be considered for a naming opportunity. Determination of what constitutes a significant financial contribution is made on a case-by-case basis taking into consideration the total cost of the project, the availability of other funds, and the following guidelines:

- New facilities -- fifty percent (50%) of new construction costs or three million dollars whichever is greater.
- Renovated facilities -- seventy-five percent (75%) of the cost of renovating a facility.
- Existing facilities without renovation -- seventy-five percent (75%) of the fair market value of the facility.
- Portable items -- donation of the collection or at least fifty percent (50%) of the value of the collection.
- Tribute markers -- fifty percent (50%) of the cost or value of associated items (e.g. trees, gardens).
3. Approval Process

Approval requirements for naming UNM facilities, spaces, endowments, and programs are based on the impact of such action on the University of New Mexico. Whenever there is a fundraising effort for a major facility, a plan must be developed which lists naming criteria and funding amounts for various components of the facility (e.g., rooms, laboratories, offices). This plan must be submitted to the Regents' Finance and Facilities Committee as an information item before specific individuals or organizations are approached for specific naming recognition. Whenever possible for other types of naming opportunities, a plan should be developed before specific donors are approached. Plans must include realistic goals, objective analysis of fund raising potential, lists of prospective donors, timelines specifying when the campaigns will begin and end, budgets for all fundraising activities, and contingency plans if the fundraising goals are not met.

All plans and specific requests for naming must be submitted by the appropriate dean/director or Branch Campus Advisory Committee through the dean's/director's vice president to the Committee on Naming Facilities, Spaces, Endowments, and Programs. If the request involves private funds, the vice president will submit the request to the Associate Vice President for Development who will forward it to the Committee. The Committee Chair will forward the Committee's recommendation and obtain the necessary approvals. Gift commitments must be signed by the donor and the Associate Vice President for Development and submitted in writing to the Committee. Every attempt will be made to make a named gift opportunity decision within sixty (60) days from submission of the plan to the Committee. In the best interest of the University and prospective honorees, information relating to any naming request or plan should remain confidential until appropriate approvals have been obtained.

3.1. Committee on Naming Facilities, Spaces, Endowments, and Programs

The Committee shall have the following members: Provost/Executive Vice President for Academic Affairs, Executive Vice President for Administration, Vice President for Advancement, Vice President for Student Affairs, Executive Vice President for the Health Sciences Center, Associate Vice President for Development, University Secretary (official record-keeper), the Senior Advisor to the President, and a faculty member appointed by the President. The President will name the Chair. The Committee is responsible for:

- reviewing naming opportunities and associated plans to ensure adequacy/appropriateness of funding proposal;
- reviewing specific naming requests to ensure they comply with Regents' policy and are in the best interests of the University;
- ensuring adequacy of funding proposals; and
- making recommendations to the President or the vice president with approval authority for the specific classification.

3.2. Request for Approval

The level of approval for naming UNM facilities, spaces, endowments, and programs depends on the classification of the item. The plan and each specific naming opportunity must be approved according to the following criteria.

3.2.1. Class I

Class I includes facilities and spaces that are part of the outside environment of the University; for example, buildings, complexes of buildings, roads, walkways, playing fields, parks, gardens, and agricultural or forestry plots. Names in this class must be approved by the Board of Regents upon recommendation of the President following consultation with the Committee on Naming Facilities, Spaces, Endowments, and Programs.
3.2.2. Class II

Class II includes facilities and spaces that are part of interior space of the University; for example, library/reading rooms, laboratories, seminar rooms, galleries, recreational courts, and lounges. Names in this class must be approved by the President following consultation with the Committee on Naming Facilities, Spaces, Endowments, and Programs. Depending on the specific Class II facility (for example, large public spaces) the President may decide to submit the request to the Board of Regents for approval.

3.2.3. Class III

Class III includes collections or groups of portable items, which are identifiable because of a specific focus or purpose; for example, collections of art and/or artifacts. Names in this class must be approved by the Provost/Executive Vice President of Academic Affairs or the Executive Vice President for Health Sciences, depending on the location of the Class III material, following consultation with the Committee on Naming Facilities, Spaces, Endowments, and Programs.

3.2.4. Class IV

Class IV addresses tribute markers, which include plaques, medallions or other markers usually in association with such features as trees, benches, or small monuments. The display of tribute markers must be approved by the Executive Vice President for Administration following consultation with the Committee on Naming Facilities, Spaces, Endowments, and Programs.

3.2.5. Endowed Chairs and Professorships

The Board of Regents, following consultation with the President and the Committee on Naming Facilities, Spaces, Endowments, and Programs shall approve the establishment of endowed chairs and professorships based on:

- the endowment levels established by the UNM Foundation;
- the appropriateness of the specific naming consistent with UNM policy;
- a plan for raising the full amount required to fund the endowment including the length of time for raising the funds and alternate arrangements if the funds are not raised within the specified time;
- guidelines for spending prior to full funding of the endowment; and
- a process for monitoring spending to assure conformance with intent.

3.2.6. Programmatic Entities

Naming of programmatic entities (academic and non-academic programs) whether separate organizational units or not (departments, schools, colleges, institutes, centers, conferences, symposia, activities, organizational units, etc.) will only take place in exceptional circumstances. The naming of programmatic entities is a sensitive matter and must include acceptance and agreement from many different constituencies on campus with final approval required from the Board of Regents upon recommendation of the President following consultation with the Committee on Naming Facilities, Spaces, Endowments, and Programs. Before recommending any such naming, the President must ensure:

- the proposed name is consistent with the University policy regarding honorees;
- the autonomy of the programmatic entity and the academic freedoms to which UNM is committed will be safeguarded; and
- the level of private financial support has been taken into consideration.

The Board of Regents reserves the right to review for approval, on a case-by-case basis, any naming request not specifically addressed above and not otherwise delegated by the Board of Regents to the President of the University.
4. Formal Recognition

When name recognition has been extended for a gift received, it must be honored in accordance with a written gift agreement signed by University officials and the donor(s). In the event of significant changes in circumstances, the University reserves the right to determine the form of name recognition, in consultation with the donor when possible. The University Secretary is responsible for recording the official decisions on all naming requests and reporting those decisions to the appropriate UNM officials with a copy to University Archives.

5. Duration of Name

Naming of facilities, spaces, endowments, and programs in honor of individuals is generally expected to last the lifetime of the facility, space, endowment, or program. Naming of facilities, spaces, endowments, and programs in honor of corporations or other organizations will have a set number of years attached to the naming which will be determined on a case-by-case basis and listed in the signed gift agreement; typically the duration of such naming shall not exceed twenty-five (25) years. Naming associated with a particular facility, space, endowment, or program does not preclude further naming within the facility, space, endowment, or program.

6. Implementation

This policy does not apply to any arrangements that are in existence at the date this policy was adopted, nor to arrangements that may be made pursuant to discussions with donors that had commenced at the date the policy was adopted, even though the arrangements do not conform to this policy.

Comments may be sent to UBPPM@UNM.edu
http://www.unm.edu/~ubppm
SUSTAINABLE BUILDING CERTIFICATE

Program Description
The Sustainable Building Certificate provides a foundation for students who are pursuing a career in the building sector of the new green economy (see list of related employment opportunities below) and by those currently working in the building industry who wish to augment their skills and enhance opportunities for advancement.

The Sustainable Building Certificate focuses on green building principles and solutions as they apply to both residential and commercial construction. Regarding greenhouse gasses and fossil fuel use, buildings are a surprisingly large part of the problem. According to year 2000 data from the US Energy Information Administration, buildings account for forty-eight percent of all energy consumption and GHG emissions annually. Seventy-six percent of all power plant-generated electricity is used to operate buildings. Sustainable or green building encompasses an array of practices and techniques to reduce the impacts of buildings on the environment and human health.

Career and Educational Advancement Opportunities

Energy auditors
Solar system installers
Trainers
Building inspectors
Facility and property managers
Contractors and builders
Landscape designers
Design professionals – architects, engineers, planners, and interior designers
HVAC contractors
Building owners and developers

Program Learning Goals

The Sustainable Building Certificate provides students with quality instruction necessary to be successful in the green building sector of the economy.

Students will learn about advances in building science, building processes and building materials for both new and existing buildings. Upon successful completion of the required courses students will have developed the ability to:

1. Apply knowledge and skills related to sustainable building practices.
2. Interpret and apply energy codes and building rating systems.
3. Evaluate solar and other renewable energy options for new and existing buildings.
4. Conduct on-site energy audits (using a blower door and an infrared camera).
5. Evaluate building performance and energy code compliance using energy analysis software.

<table>
<thead>
<tr>
<th>Course</th>
<th>Credit hours</th>
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<tbody>
<tr>
<td>CNST 104 NCCER Core</td>
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<tr>
<td>CADT 150: Introduction to Computer Aided Drafting</td>
<td>3</td>
</tr>
<tr>
<td>CNST 204 Timber Framing</td>
<td>4</td>
</tr>
<tr>
<td>SUST 120 Introduction to Green Building</td>
<td>3</td>
</tr>
<tr>
<td>SUST 150 Renewable energy in buildings</td>
<td>3</td>
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<tr>
<td>SUST 230 Computer assisted sustainable design (BIM)</td>
<td>3</td>
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<tr>
<td>SUST 250 Home energy audits - HERS rater training RESNET (Residential Energy Services Network)</td>
<td>3</td>
</tr>
<tr>
<td>SUST 260 Green Building with LEED</td>
<td>3</td>
</tr>
<tr>
<td>SUST 295 Green Building Capstone Project/Internship</td>
<td>3</td>
</tr>
</tbody>
</table>

**Courses descriptions:**

**CNST 104** Required introduction to the National Center for Construction Education and Research for Certification. Topics studied include basic math, communications prints, methods, and ethics. Students demonstrate skills level through laboratory assignments.
4 credit hours

**CADT 150**: Introduction to Computer Aided Drafting. (3) This course is designed for students interested in developing computer-aided drafting skills. It consists of both lecture and system operation assignments. Lecture/lab: 3 hours. Prerequisite: Approval of the instructor.

**CNST 204** Timber Framing
Plan reading, elementary construction techniques, materials and construction documents; primary emphasis is on the current building code plan checking. Prerequisite: CNST 104
4 credit hours
SUST 120 Introduction to Green Building
This course is an introduction to green building, principles, materials and methods of construction as they apply to sustainable residential construction. It provides the decision-making framework for students to learn how homes can be built to be more energy efficient, healthy and comfortable.
3 credit hours

SUST 150 Renewable energy in buildings
This course is an introduction to solar and other renewable energy options for new and existing construction. Topics include: photovoltaic arrays, passive and active solar space heating and water heating, and wind energy. Students will use computer generated three-dimensional models to evaluate building performance and explore design options.
3 credit hours

SUST 230 Computer assisted sustainable design (BIM)
This course explores sustainable design using BIM (Building Information Modeling) and specialized energy analysis software. Students will learn core concepts of sustainability in building design, including systems, and materials.
3 credit hours

SUST 250 Home energy audits
Students will learn to perform residential energy audits using the Home Energy Rater System (HERS). The HERS codifies home energy audits for existing residential buildings.
3 credit hours

SUST 260 Green Building with LEED
This course is an introduction to the design and construction of high-performance green buildings. Topics include water and site design, LEED standards, green materials selection, and indoor air quality.
3 credit hours

SUST 295 Green Building Capstone Project/Internship
Students are assigned sustainable projects to expand their knowledge and skills by applying sustainable practices and policy in a workplace setting. They will work directly on sustainable projects and research in a workplace setting.
3 credit hours
DEGREE/PROGRAM CHANGE
FORM C

Fields marked with * are required

Name of Initiator: Cindy Chavez
Email: c2chavez@unm.edu
Date: 11-09-09

Phone Number: 505 925-8706
Initiator’s Rank / Title: Chairperson, Valencia County Branch
Faculty Contact: Cindy Chavez
Administrative Contact: Debra Venable
Department: CAD
Division: Business, Technology and Fine Arts
Program: SUSTAINABLE BUILDING CERTIFICATE
Branch: Valencia

Proposed effective term:
 Semester: Fall 2019

Course Information

Select Appropriate Program: Undergraduate Degree Program
Name of New or Existing Program: NEW Sustainable Building Certificate
Catalog Page Number: Select Category: Certificate
Select Action: New

Exact Title and Requirements as they should appear in the catalog.
See current catalog for format within the respective college (enter text below or upload a doc/pdf file)

□ This Change affects other departmental program/branch campuses

Reason(s) for Request *(enter text below or upload a doc/pdf file)

This degree will help us meet up and coming demands being placed on our communities to use sustainable building practices throughout communities. The Sustainable Building Certificate focuses on green building principles and solutions, as they apply to both residential and commercial construction. Regarding greenhouse gases and fossil fuel use, buildings are a surprisingly large part of the problem. According to year-2000 data from the US Energy Information Administration, buildings account for forty-eight percent of all energy consumption and GHG emissions annually. Seventy-six percent of all power plant-generated electricity is used to operate buildings. Sustainable or green building encompasses an array of practices and techniques to reduce the impacts of buildings on the environment and human health. SUSTAINABLE BUILDING CERTIFICATE_1.doc

Statements to address budgetary and Faculty Load Implications and Long-range planning*(enter text below or upload a doc/pdf file)

Funding for this degree comes from a grant and will fund an instructor for the next 3 years. Some of these courses can also be taught by the existing CADT teacher.
Academic Program Prioritization

Can be found online at:
http://provost.unm.edu/AcadProgPri.htm

Report of the Academic Affairs Review Panel

Administrative & Student Support Unit Evaluation Report

- Click here to read responses from Units
- Click here to read public comments
- Click here to comment on report

- Process for Evaluating Academic and Administrative Student Support Units
  - Administrative & Student Support Units conducting a Self-study Review
  - Review Panel Membership
  - Self-studies, Budget and FTE Trend Data

- Academic Priorities
- Guideline for White Paper Process for Academic Degree Programs
  - White Paper Proposals

- Guidelines for White Paper Process for Academic Administrative and Student Support Units
- Process for Evaluating Academic and Administrative Student Support Units
  - Administrative & Student Support Units conducting a Self-study Review
  - Review Panel Membership
  - Self-studies, Budget and FTE Trend Data

- Process and Criteria for Academic Program Prioritization
  - Comprehensive Degree Program Reviews

- Communication Plan and Timeline (Second Revision)

Click here for comments and suggestions
The Regents' Audit Committee met on January 20, 2011, and took the following action:

- Approved the minutes from the October 21, 2010 Audit Committee meeting. Chairman Gallegos followed up on items from the previous Committee meeting and informed the audience that he will be reviewing follow up items every meeting. Involved parties will be asked to provide updates. Mr. Wood, President of Faculty Senate asked if draft minutes can be distributed more broadly. The Committee agreed but indicated that the position of the Committee that there are no minutes until they are approved and everyone should know they are draft minutes until approved.

- Ava Lovell, Vice President HSCI/UNM Finance and University Controller discussed the scope of work for the annual external audit Request for Proposal (RFP) process. The previous RFP covered the period ending June 30, 2010. According to the State Procurement Code, the University will have to issue a new RFP for audit services. The State Auditor's letter dated April 14, 2006, stated Moss Adams' six-year rotation period ends June 30, 2011. Therefore, through an RFP process, Moss Adams could conduct University of New Mexico audit work for one more year. Per the State audit rule, Ms. Lovell sent a request letter to the State Auditor on December 15, 2010, to allow UNM to go out to bid as soon as possible. She has not received a response. UNM is a huge, complex organization that requires interim work starting in April. If UNM has to wait until after the legislative session is over to go to bid, Ms. Lovell feels UNM would not make the deadline for the financial statements. Moss Adams cannot bid alone for a three-year contract, but they can bid with someone else. Chairman Gallegos is concerned about a lack of rotation because after a few years the auditors may be auditing their own work. Ms. Lovell noted price is really a big issue. The external audit is expensive - after gross receipts tax it was over a million dollars last year. She feels Moss Adams intends to offer a one year price for their final year of eligibility. If the price is right, we might look at it for one year, and then go back out to bid. Ms. Lovell stated approval for the pricing will go before this committee and then to the full Board. Regent Koch agreed to contact the State Auditor to ask for an answer. Although this was an information item, Chairman Gallegos felt a motion to approve would be appropriate, Regent Koch moved to approve.

- Internal Audit Director Patel delivered a status report. To help the University control audit costs, he indicated that the annual external audit RFP should include coordination with Internal Audit in the areas of payroll, fixed assets additions and deletions, travel expenditures, etc.

- REDW, LLC presented the UNM Hospital Contracts and Grants audit dated June 2010. The Committee accepted and approved the audit.

- Internal Audit presented: Audit of Selected Payroll Processes. The Committee approved the audit, directing attention to the following:
  1. To help reduce exceptions, Administration should implement initiatives to hold employees, supervisors and department heads accountable for avoidable delays resulting in off-cycle payrolls, payments to terminated personnel, and late payroll for new hires.
  2. A notification period of 60 – 90 days is needed to communicate policy and procedure changes for audit recommendations 1 and 16.
  3. Consolidation of seven Employment Data Centers into three centers: 1) Human Resources for Staff Employees; 2) Academic Affairs for Faculty Contracts, Office of Graduate Studies and Student Employment hiring as one Employment Data Center; and, 3) HSC for the School of Medicine Academic Affairs, School of Medicine Faculty Hiring and Contracts Office and Graduate Medical Education hiring as one Employment Data Center.
4. Adoption of semi-monthly payroll cycle for all non-faculty employees, retaining monthly payroll cycle for faculty; there shall be only a single out of cycle payroll run for each corresponding payroll cycle, effective July 2011.

5. The Committee acknowledged implementation of the automated time keeping system (Kronos) at the University bookstore and that Kronos is working with the Physical Plant to fully implement the Kronos system. The Committee recommends phased implementation of the automated time keeping system at other departments for efficient time reporting processes.
Date: January 28, 2011

To: Bruce Cherrin, Chief Procurement Officer
   Purchasing Department

From: Debra L. Fondino
   Associate Director, University Services

Subject: Equipment Disposition – December 2010 and January 2011

Attached for your review and submission to the Board of Regents are the Surplus Property Disposition Detail lists for the months of December, 2010 and January, 2011.

Consistent with UNM Board of Regents Policy 7.9 and the Disposition of Surplus Property Act, 13-6-1, NMSA 1978, and based upon documentation submitted by the UNM departments responsible for the equipment, I certify that the equipment identified on the list is worn-out, unusable or obsolete to the extent that the items are no longer economical or safe for continued use by the University. I recommend that the items be deleted from UNM’s inventory and disposed of in accordance with the above noted Regents Policy and Surplus Property Act.
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Disposal Count: 10

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January 25, 2011

Additional Notes to Surplus listings dated 12/23/10 and 1/25/11:

1 – **Asset# 185391** is a 22-year old minus-135 freezer (Cryogenic Equipment) in the Cancer Research Facility which cannot be repaired due to unavailable parts. Safety and Risk Services will decommission the freezer and manage its disposition.

2 – **Asset# 145595** is a 30-year old Varian Chromatography Data Unit that no longer functions and is obsolete. It is no longer capable of providing any value or service to the Department of Biology given today’s modern science requirements.

3 – **Asset# 167823** is a 26-year old Beckman Ultra Centrifuge at the Department of Pathology that needs the rotor replaced. The cost of a new rotor for this particular model exceeds the cost of a new centrifuge.

4 – **Assets# 67900 et all:** PPD- Automotive & Fleet Services has 35 vehicles (24 of which have an acquisition cost of over $5,000) to send to auction. Eleven of these are either low-cost, such as the golf carts, or have already been approved for disposition over the past year. The vehicles have become too expensive to repair and maintain due to their high mileage or age or both.

5 – **Assets# 31933, #210173, #210172, #220303, #200055, #183549, and #210171** were picked up from the UNM HSC Department of Pathology and consist of a Zeiss Microscope camera, a Beckman spectrophotometer, a Mideo system, a Molecular Devices kinetic system, and a Spectra-Physics gas chromatography system with auto sampler and variable detector.

All of the equipment is a minimum of 15 years old and is obsolete. It has been in a Pathology storage room for many years. Pathology will be renovating this storage room into a new freezer room, starting in February 2011. It is time to dispose of these items.

6 – **Assets# 246767 and #245633** are two projectors from the University Library Endowments department. The higher Net Book Value is a result of a longer tax life assigned to projectors. At ten years old, these are obsolete with the department’s existing technology.

7 – **Assets# 146594 et all:** KNME Operations is disposing of 11 assets consisting of 8 TV Translators, 2 microwave transmitters and a computer video editor. The translators were purchased in 1982 and 1996 and were pulled out of service and replaced early this year with digital translators.

The transmitters were purchased in the ‘80’s and were pulled out of service and replaced this year. They were well past their 8-year useful life, parts were increasingly difficult to obtain, and as a result, it was no longer effective to keep them running.
The 2002 television editing systems were failing, with parts extremely difficult to obtain and therefore not effective to keep running.

8 — Asset# 190191 is a 1990 Spectrophotofluorometer from the Department of Chemistry. It was cannibalized to provide parts to keep an identical unit in service. With no remaining serviceable parts, it no longer has value to the department.

9 — Asset# 242625 is a 2000 Biorad Imager Video System from the Neurosciences department that is no longer functioning. Support is no longer provided by the manufacturer and it would therefore be cost prohibitive to maintain, repair or refurbish.
Date: February 25, 2011

To: Bruce Cherrin, Chief Procurement Officer
    Purchasing Department

From: Debra L. Fondino
    Associate Director, University Services

Subject: Equipment Disposition – February 2011

Attached for your review and submission to the Board of Regents is the Surplus Property Disposition Detail list for the month of February, 2011.

Consistent with UNM Board of Regents Policy 7.9 and the Disposition of Surplus Property Act, 13-6-1, NMSA 1978, and based upon documentation submitted by the UNM departments responsible for the equipment, I certify that the equipment identified on the list is worn-out, unusable or obsolete to the extent that the items are no longer economical or safe for continued use by the University. I recommend that the items be deleted from UNM's inventory and disposed of in accordance with the above noted Regents Policy and Surplus Property Act.
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Disposition Count: 27

Disposition Asset Value: 192,919.54

Disposition Book Value: 5,613.74
February 25, 2011

Additional Notes to Surplus listing dated 2/25/11:

1 – Assets# 262015, *16, *19, *21-23, *25-26, *27-32 are fourteen 2003 cash registers from Student Life Info Technology originally purchased for $5,500. They were used in all food service locations on campus and are now obsolete. These registers are out of warranty and will no longer be serviced by the vendor. New registers were purchased to replace them in Summer 2010.

2 – Assets# 208379 and # 208375 are 16-year old Panasonic color video cameras from Communication & Journalism that are now obsolete. Although there is a zero Net Book Value remaining, Surplus Property hopes to be able to recover any inherent remaining value for this type of item through a bid process.

3 – Asset# 238733 is a 12-year old Photography Copy System from the Office of the Medical Investigator that is not in working order. The 2-sq-ft glass plate on the unit is cracked in half, the light source does not work and the arms to hold the bulbs are broken. The estimated cost to repair at $5,000 was not cost effective.

4 – Asset# 227333 is a 13-year old Kachina ‘bonito’ NFS file server at the Center for Advanced Research Computing that is technologically obsolete. Its chipset and OS are no longer supported and its capacity is a fraction of that required for a modern fileserver at their supercomputing center.

5 – Asset# 229487 is a Phosphorimager Scanner/Radiation Monitor that is 13 years old at the Department of Molecular Genetics & Microbiology. It can no longer be serviced because it is obsolete and parts are no longer made or available.
MEMORANDUM

To: David Harris, Executive Vice President for Administration
From: Bruce Cherrin, Chief Procurement Officer
Subject: Contract Approval
Date: February 25, 2011

The following is being submitted for approval per Regent Policy 7.4. This will need to proceed to the full Board of Regents.

University of New Mexico Hospital

1. Fuji Computed Radiology (CR)
   
   **Source of Funds:** UNM Hospitals Operating Budget
   
   **Description:**
   Request for a 4 year service agreement with Fuji Medical Systems for 22 CR Reading stations and CR Plate Readers used throughout UNMH facilities, to include UH Main, BBRP, OSIS, and outside clinics. These CR Readers utilize a proprietary software only available from Fuji Medical the software is updated on average each year to improve algorithms and reduce radiation dose to Patients. This agreement is a renewal from previous 4 year agreement and incorporates an 8% reduction to annual operating costs executed prior.
   
   **Process:** Proposal # 103255-5, Preferred CR, Revision 100610
   
   **Costs:** FY 11 – FY 15 Operational includes annual maintenance and NMGRT totaling $718,395.00

2. GE Medical System
   Cerner Corporation
   
   **Source of Funds:** FY 11 and FY 12 UNM Hospitals Operating Budget
   FY 11 and FY 12 UNM Hospitals Capital Budget
   
   **Description:**
   This project will allow 56 additional patient monitored beds with 237 Cerner EMR connectivity engines that
provide real-time vital signs such as blood pressure, heart rate, and oxygen saturation levels which will be recorded directly into the in-patient electronic medical record. This will improve efficiencies for nursing staff, will standardize vital sign monitoring and will provide for real time accuracy of patient health status. In addition, there is a need to replace ten patient monitors that have reached the end of useful life and are no longer supported by manufacturer. Total purchase request is for 66 patient monitors, 8 central nurse station monitors, and 237 Cerner EMR connectivity engines that will link with the UNMH electronic medical record (EMR). Included in this project is the provision for additional emergency 110V outlets, IT data ports required for patient rooms currently without patient monitors and/or patient rooms requiring additional emergency outlets and IT data ports for EMR connectivity engines. Project also requires a refurbishment of the Neuroscience Unit (5 South, UNMH main), and replacement of six 30-year old headboard assemblies that will not incorporate the patient monitoring and EMR connectivity engines, one new IT wiring closet and two additional air conditioners necessary for IT infrastructure requirements based on additional IT wiring capacity.

**Process:**
The patient monitors will be obtained from GE Medical Systems utilizing UNMH Novation GPO agreement. The new patient monitors will also be standardized with the current monitors in use throughout UNMH. The EMR connectivity engines and software will be obtained from Cerner, our current CareAware electronic medical record provider. The electrical and IT wiring will be provided by UNMH approved on-call contractors.

**Cost:**
**FY11 and FY 12 Capital Budget:**
- Patient monitors and central monitors, GE Medical Systems $1,043,906
- Workstation on Wheels $243,000
- Construction and electrical wiring, UNMH approved on-call Contractors $248,400
- 6 Headboard assemblies, Amico $10,000
- IT Wiring costs, UNM approved on-call Contractors $1,092,090
- Total $2,637,396

**FY11 and FY 12 Operating Budget:**
- Hardware – computers, and tracking boards $222,650
- EMR connectivity engines, Cerner $734,000
- Grand total $3,594,046

3. **Hill - Rom**

**Source of Funds:** UNM Hospitals Capital Budget

**Description**
Request to purchase 25 patient care beds for ICU and 80 surgical medical patient beds. The new ICU beds offer powered transport mechanisms that allow for easier movement of the bed, the patient and all of the equipment the patient is connected to while being moved to another location of the hospital for surgery or a diagnostic test. In addition, the beds have a built-in scale in order to monitor the patient's weight, which is one of many indications of health status (for example, retaining fluid in the lungs or body); the mattress offers a treatment pressure relief surface to reduce the incidence of bed sores. The built-in scale also helps prevent back strain for the staff nurses, which happens when patients are moved to a portable scale for daily weigh in. Traction devices will be attached to the orthopedic beds to allow for patients to adjust positioning in the bed for comfort and patient care activities. The beds are also equipped with a patient position monitor, helping to reduce the number of falls out of bed by alerting the staff before this happens.

**Cost:**
- The cost for 25 ICU Beds $411,408
- The cost for 80 Medical Surgical Beds $787,263
- Total Bed Replacement Costs $1,198,671
University of New Mexico

4. UNM Physical Plant/Utilities Division – Solar Turbines Inc.

The Physical Plant Department’s Utilities Division operates a cogeneration unit that produces electricity and heating steam for the campus. One of the components of the cogeneration unit is a gas turbine manufactured by Solar Turbines. Per the manufacturer’s specifications the gas turbine must be overhauled every 30,000 hours of operation. The turbine has over 28,000 hours since the initial installation in 2005 and will be due for an overhaul in the next few months. The overhaul involves inspections and replacement of parts and can take several weeks to complete. The loss of the cogeneration unit for an extended period of time is expensive for the Utilities Division because it is a highly efficient source of utilities. To reduce the duration of the maintenance, the Utilities Division has elected to utilize the Solar Turbines exchange program. This program involves the manufacturer overhauling a different gas turbine and shipping it to UNM in preparation for the maintenance. The cogeneration unit is then brought down and the two gas turbines are exchanged significantly reducing the down time. The removed gas turbine is then sent to Solar Turbines for refurbishment. This maintenance is essential for the continued operation of the cogeneration unit.

Source of Funds: Utilities Surcharge Fund

Total Cost: $1,423,609.00 plus NMGRT
MEMORANDUM TO ADVANCE COMMITTEE AGENDA ITEMS TO THE BOARD OF REGENTS
THE UNIVERSITY OF NEW MEXICO

DATE: February 25, 2011

TO: David W. Harris, EVP for Administration, COO & CFO

FROM: Vahid Staples, Budget Officer, Office of Planning, Budget & Analysis

RE: Requested Approvals

RECOMMENDED ACTION:

Recommend to the Board of Regents Finance and Facilities Committee the following:

1. Request for Capital Project Approval for Human Tissue Repository

2. Request for Capital Project Approval for UNM Gallup Gurley Hall Air Handler Replacement

3. Request for Construction Manager at Risk Selection and Capital Project Approval for Baseball Stadium Renovation, Phase 1

4. Request for Architect Selection and Capital Project Approval for the Laguna / De Vargas Residence Hall Refurbishment

5. Request for Capital Project Approval for Student Family Housing on Buena Vista Avenue

Please see attached summaries and drawings.

cc: Chris Vallejos, Associate VP, Institutional Support Services
Mary Kenney, Robert Doran - PCD
W. Turner, C. Martinez, R. Henrard, R. Meyer, M. Dion, M. Gauer, T. Sanchez - OCP
Barbara Griffith, Program Operations Director, School of Medicine Pathology
Mary Vosevich, Director, Physical Plant Department
Robert Notary, Associate Director, PPD Engineering & Energy Services
Paul Krebs, Vice President, Athletics Department
Tim Cass, Associate Director, Athletics Department
Melissa Vargas, Strategic Planner, Provost’s Office
Brian Ward, Facilities Manager, Housing & Dining Services
REQUEST FOR CAPITAL PROJECT APPROVAL for
HUMAN TISSUE REPOSITORY
UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER
March 14, 2011

REQUESTED ACTION:

In accordance with Section 7.12 of the Board Of Regents Policy Manual and as required by the State of New Mexico Higher Education Department, project approval is requested to renovate a former teaching laboratory in the Basic Medical Sciences Building for the Human Tissue Repository.

PROJECT DESCRIPTION:

This project will renovate approximately 1,753 square feet of space on the third floor of the Basic Medical Sciences Building for use as a Human Tissue Repository (HTR). The project will create a 1,000 square foot tissue preparation laboratory as well as upgraded rooms for offices and HTR Data Management. New scientific benches, counters, a fume hood, and sinks will be provided. Mechanical, plumbing, and electrical systems will be upgraded to meet the program requirements. Information technology and communications systems will also be improved. Existing emergency power generation is already available, providing backup power for the low temperature freezers used.

RATIONALE:

The Human Tissue Repository is presently located in the basement of the Clinical and Transitional Sciences Center. The Principle Investigator has a National Cancer Institute supported contract for tissue collection and the existing facility is inadequate to meet the contract requirements. The new laboratory will accommodate expanded research and comply with contract and code issues.

FUNDING:
The total estimated Project Budget is $321,160:

- $321,160 is funded from the Pathology Department’s fund balances.
REQUEST FOR CAPITAL PROJECT APPROVAL for
UNM GALLUP GURLEY HALL AIR HANDLER REPLACEMENT
UNIVERSITY OF NEW MEXICO
March 14, 2011

REQUESTED ACTION:

In accordance with Section 7.12 of the Board of Regents Policy Manual and as required by the New Mexico Higher Education Department and New Mexico State Board of Finance, project approval is requested for the Gallup Gurley Hall Air Handler Replacement at the Gallup Campus of the University of New Mexico.

PROJECT DESCRIPTION:

This project will replace both aging and inefficient air handlers on the original section of Gurley Hall. The project will also change the thermostatic zoning in some spaces to match current usage and provide improved comfort for students and staff.

PROJECT RATIONALE:

The existing air handlers are at the end of their expected service lives and are no longer reliable. Replacement parts are very difficult to obtain and have lengthy delivery requirements. Therefore, this project is needed to ensure consistent temperature control of building spaces and reliable operation. In addition, replacement of the units will reduce the building’s utility consumption by up to 30% due to component improvements that are available. Modifications to the air supply ductwork and control systems will mitigate long-standing cooling and heating problems.

FUNDING:

The total estimated Project Budget is $400,000:

- $400,000 is funded from UNM Gallup Branch BR&R funds.
REQUEST FOR CONSTRUCTION MANAGER at RISK SELECTION and CAPITAL PROJECT APPROVAL for
BASEBALL STADIUM RENOVATION, PHASE 1
UNIVERSITY OF NEW MEXICO
March 14, 2011

REQUESTED ACTION:
In accordance with Section 7.12 of the Board of Regents Policy Manual and as required by the New Mexico Higher Education Department and New Mexico State Board of Finance, project approval is requested for the Baseball Stadium Renovation, Albuquerque, New Mexico, and approval is requested for the recommended Construction Manager at Risk.

RECOMMENDED FIRM:
Bradbury-Stamm Construction, Albuquerque, New Mexico

SELECTION RATIONALE:
1. This recommendation is based on a three part published selection process: Companies were required to respond to a Request for Qualifications, provide a Fee Proposal, and participate in a one hour Interview/Presentation before the Selection Committee.
2. The Selection Committee evaluated the Qualification and Fee Proposals of seven respondents. The top 3 firms were then invited to interview before the Selection Committee. The finalists are listed below in order of their ranking following the presentations.
   a. Bradbury-Stamm Construction
   b. Flintco West, Inc.
   c. Jaynes Corporation
3. The selection criteria included expertise in the construction of athletic facilities, experience with the CM at Risk process, and experience building in a university campus setting.
4. Also considered were project team member skills, proposed work plans and schedules.
5. The recommended contractor has strong New Mexico ties and a successful track record building facilities for UNM.
6. The recommended contractor had the highest qualifications and interview score, and the lowest score on fees compared to the other finalists considered.
7. The Selection Committee included Bob Doran, University Architect, Planning and Campus Development; Tim Cass, Sr. Associate Director, Athletics Department; Bill Turner, Director, Office of Capital Projects.

PROJECT DESCRIPTION:
The proposed scope of work for the University Baseball Stadium would provide additions and improvements to existing Lobo Field. Phase 1 includes a new playing field (earthwork, irrigation, retaining walls, fencing, and drainage) with a core of approximately 888 spectator seats, expandable for 3,000 spectators in future phases. Also included are the north sidewalk and entrance, partial west concourse, scoreboard and lighting, grass seating, new home and visitor dugouts, bullpen, and utilities for future restrooms and concessions. As additional
funding is received, scope such as batting cage, press box, field lighting and fan amenities will be included in future phases.

PROJECT RATIONALE:
The Baseball Stadium project will renovate and replace the existing Lobo Field located within the South Campus Athletics Complex. Lobo Field has been home to Lobo Baseball for 35 years, and it would be the Team’s primary practice and competition facility. The field is in need of complete upgrade and replacement. Currently, Athletics uses the Isotopes Park for most of their home games. The ability to practice and compete in the same facility is critical to the success of the Baseball Program and eliminates scheduling conflicts. The Program would also be able to host future in-state tournaments and conference championships.

FUNDING:
The total estimated Project Budget is $3,000,000:

- $2,000,000 is funded from 2010 New Mexico Severance Tax Bonds
- $1,000,000 is funded from Private Donors
REQUEST for ARCHITECT SELECTION and CAPITAL PROJECT APPROVAL
for the LAGUNA / DE VARGAS RESIDENCE HALL REFURBISHMENT
UNIVERSITY OF NEW MEXICO
March 14, 2011

REQUESTED ACTION:
In accordance with Sections 7.11 and 7.12 of the Board of Regents Policy Manual, and as
required by the New Mexico Higher Education Department and the New Mexico State Board of
Finance, capital project approval and architect selection is requested for Laguna / De Vargas
Residence Hall Refurbishment, UNM Central Campus, Albuquerque, New Mexico.

RECOMMENDED FIRM:
Greg Hicks & Associates, Albuquerque, New Mexico

SELECTION RATIONALE:
This recommendation is based on an “on call” selection process in accordance with State of NM
Procurement Regulations. The selection team included Brian Ward, Manager, Housing & Dining
Services; Bill Turner, Director, Office of Capital Projects; Rick Henrard, Group Manager, Office of
Capital Projects; and Brian Scharmer, Project Manager, Office of Capital Projects. A $92,135 fee
was negotiated based on the scope of consultant work. This firm has had a continuing relationship,
providing services on 11 projects, supporting the University of New Mexico since 2002. This firm
has experience and expertise, and produces the highest quality services.

PROJECT DESCRIPTION:
The project includes general refurbishment of approximately 88,000 s.f. of the Laguna (bldg 
#74) and De Vargas Residence Hall complex (bldg #75) on Main Campus. The facility consists
of three and four story units that house 350 students. The general scope of work includes
redesign and reconstruction of the building kitchen and lounge space for student use and
activities; student bedroom lighting upgrades; re-keying student rooms and installing electronic
security card access on main entryway perimeter doors; new bathroom fixture upgrades;
bedroom and common areas paint and woodwork refinishing; bedroom and common areas floor
finishes and ceiling refurbishment; bedroom and common areas furniture replacement, and
general building mechanical system upgrades. Depending on student occupancy and
construction scheduling this project may be completed in phases over multiple budget years.

PROJECT RATIONALE:
The Laguna and De Vargas Residence Hall complex was constructed in 1969 and have been
continually occupied. All university master plans and development plans show Laguna and De
Vargas Halls continuing to be a major asset in the housing program. The building is a suite style
hall with single and double occupancy rooms and shared bathroom space. In the last five years,
the building has received a new roof, new windows, wireless internet and a fully addressable fire
alarm system. In order to provide a high quality housing experience for students and remain
competitive in the housing market, this upgrade is required.

FUNDING:
The total estimated Project Budget is $2,300,000:

- $2,300,000 is funded from UNM Residence Life and Student Housing Plant Fund
  Balances.
REQUEST FOR CAPITAL PROJECT APPROVAL for
STUDENT FAMILY HOUSING ON BUENA VISTA AVENUE
UNIVERSITY OF NEW MEXICO
March 14, 2011

REQUESTED ACTION:

In accordance with Section 7.12 of the Board of Regents Policy Manual and as required by the New Mexico Higher Education Department and New Mexico State Board of Finance, project approval is requested for Student Family Housing on Buena Vista Avenue, window replacement and stucco renewal.

PROJECT DESCRIPTION:

The student family housing facility (UNM Buildings #317-329) located at South Campus consists of 13 separate building structures that house two-hundred units that range in size from 1 to 3 bedrooms. Renovations will include complete re-stucco of all exterior walls (approximately 250,000 s.f.), and complete replacement of all exterior soffits. In addition, there will be replacement of 460 windows and 138 sliding glass door units, signage for improving way-finding, and window treatments throughout. Depending on student occupancy and construction scheduling this project may be completed in phases over multiple budget years.

PROJECT RATIONALE:

The Family Housing units on Buena Vista were constructed in 1975 and have been continually occupied. All university master plans and development plans show these units continuing to be a major asset in the housing program. Over the last 24 months, the apartments have been re-roofed, parking lots have been repaired and a new fire alarm system has been installed. The exterior stucco is in need of renewal and the single pane windows are energy inefficient, as well as a maintenance problem. The new windows will provide energy savings, improved security and reduce noise levels. There is a need to improve signage throughout the complex providing way-finding from one building to another. In order to provide a high quality housing experience for students and their families, and remain competitive in the housing market, this upgrade is required.

FUNDING:

The total estimated Project Budget is $1,200,000:

- $1,200,000 is funded from UNM Residence Life and Student Housing Plant Fund Balances.
January 21, 2011

David W. Harris
Executive Vice President for Administration, COO, CFO
The University of New Mexico
Schloes Hall, Rm. 109 MSC 05-3350
Albuquerque NM 87131-0001

Dear E.V.P. Harris:

Lobo Energy, Incorporated has been providing services to The University of New Mexico since 1998 under a series of revised Agreements. The most current Revised Management Services Agreement (MSA) has been in effect for five years and expired November 1, 2010.

The two parties have drafted a Revised Management Services Agreement to become effective retroactive to November 1, 2010, for a five-year term.

The Board of Directors of Lobo Energy is seeking approval of this Agreement by the Board of Regents. Lobo Energy requests that this matter be added to the agenda as an action item for the February meeting of the Finance and Facilities Committee.

Sincerely,

/\s\nSteven R. Befort
President/C.E.O.

SRB/jmg
Attachment
Management Services Agreement
between the
Regents of
The University of New Mexico
and
Lobo Energy, Incorporated

Revised Effective November 1, 2010

WHEREAS, the Regents of the University of New Mexico (the “University”) desire the continued assistance and support of Lobo Energy, Inc. (“Lobo Energy”) in planning for future expansion of utilities systems and infrastructure, energy conservation, development, and other projects, and

WHEREAS, with respect to existing and any and all new utility systems and equipment, the University will continue to own, finance, operate, maintain and, in all respects, control the utility equipment and systems; and

WHEREAS, the Parties desire to enter into this Management Services Agreement to effectuate their mutual intent (the “Agreement”)

NOW, THEREFORE, the University and Lobo Energy, agree as follows:

I. SERVICES

1.1 UTILITY PROJECT MANAGEMENT SERVICES

1.1.1 The University will provide:

a. financing and funding for implementation of projects following completion of planning by Lobo Energy;
b. continuing contractual relationships with energy service suppliers, including the obligation to procure and pay for energy and services through normal public procurement processes for the University’s service requirements;
c. at its discretion, all resources capable of assisting and supporting Lobo Energy in its management and planning activities; and
d. cooperation and support to Lobo Energy as it discharges its obligation to provide project management services.

The University shall maintain ownership and control of all aspects of the projects, and continuing ownership, operation and maintenance of its utility equipment, systems, and administration.
1.1.2 Lobo Energy shall provide assistance to the University, as requested, for the management and supervision of its contracts that provide for the:

a. planning, design, engineering, contracting, energy conservation, and commissioning services for assigned projects;
b. procurement of equipment and services in the course of implementing the projects;
c. management of the University’s energy procurement strategies;
d. recommendations for obtaining cost-effective energy commodities and services from energy suppliers;
e. management of the University’s energy-related regulatory issues;
f. recommendations for appropriate actions and strategies in response to regulatory opportunities or events;
g. administrative tools capable of providing utility operational budgeting, capital project budgeting, major maintenance budgeting, cash flow tracking, and energy savings tracking; and
h. assistance with developing the energy and administrative capabilities described in items a through g above.

1.2 OTHER MANAGEMENT AND PLANNING SERVICES

1.2.1 The University will provide:

a. at its discretion, all resources capable of assisting and supporting Lobo Energy, Inc. in its management and planning activities; and
b. cooperation and support to Lobo Energy, Inc. as it discharges its obligation to provide project management services.

The University shall maintain continuing ownership, operation and maintenance of all infrastructure, buildings, commercial properties developed, and other assets for which Lobo Energy provides management services and planning activities;

1.2.2 Lobo Energy will provide, at the University’s request:

a. development planning services;
b. additional infrastructure development plans; and
c. other planning services as assigned.

1.3 Lobo Energy agrees to provide its cooperation and support to the University for the determination and provision of resources to all projects assigned to Lobo Energy.

II. REPORTING

Lobo Energy agrees to provide to the University:

a. project management reports that: 1) reflect the status of budget, schedule, and administrative matters and 2) shall be mutually agreed upon and developed as the project informational needs are identified;
b. an annual financial audit performed by an independent certified public accounting firm selected according to policy set for the University and its component units by the State Auditor; and
c. periodic reports and information reasonably requested regarding Lobo Energy’s operations.

III. PAYMENT FOR SERVICES

3.1 Utility Project Management. In consideration for provision of utility-related project management services provided under Paragraph 1.1.2 of this Agreement, the University agrees to pay Lobo Energy forty thousand dollars ($40,000) monthly for its expenses. In addition, the University agrees to pay Lobo Energy a mutually-agreed-upon monthly fee for the duration of other projects assigned to Lobo Energy by the University.

3.2 Planning Services. In consideration for provision of development planning activities, as well as other management and planning services provided under this Agreement, the University agrees to pay Lobo Energy a mutually-agreed-upon monthly fee for the duration of each project assigned to Lobo Energy by the University.

3.3 Payment of University Obligations to Lobo Energy. The University shall transfer all funds payable to Lobo Energy into the account it maintains for Lobo Energy, Inc. pursuant to this Agreement. Lobo Energy may transfer funds from its University account to its bank checking account as needed.

IV. AMENDMENT OF MANAGEMENT SERVICES AGREEMENT

This Agreement and any attachment(s) may be amended at any time by mutual agreement of the Parties. The Regents of The University of New Mexico must approve all amendments. This Agreement supersedes the previous ISA and MSA agreements between Lobo Energy and the University.

V. TERM OF AGREEMENT

5.1 Term. This Agreement shall be effective November 1, 2010, and shall continue for a term of five (5) years.

5.2 Extension of Term. This Agreement shall continue for consecutive one-year periods after its expiration or until such time as it is terminated pursuant to Paragraph 5.3.

5.3 Termination of Agreement. The University may terminate this Agreement thirty-days (30 days) after written notice to Lobo Energy. Upon termination of this Agreement, all rights and privileges granted, assigned or shared between Lobo Energy and the University shall terminate. Upon termination of this Agreement all property of Lobo Energy shall transfer to the University subject to the prior rights, if any, of any creditors of Lobo Energy.
VI. DISPUTE RESOLUTION

The Parties agree that any disputes between Lobo Energy and the University shall be first discussed at the project-management level to attempt to resolve the conflict. Upon lack of agreement, utility matters shall be referred to the senior management of Lobo Energy and the Physical Plant Director for discussion and resolution. Upon lack of resolution regarding utility or other matters, the University’s Executive Vice President for Administration shall hear the dispute and render the final decision. Both Parties agree to abide by that decision.

IN WITNESS HEREOF, the parties hereto have caused this Agreement to be executed.

Lobo Energy Incorporated

By __________________________
Steven R. Beffort, President

Date________________________

The Regents of The University of New Mexico

By __________________________
President

Date________________________

Approved by UNM Board of Regents on: __________________

Date
Annual Report to
The Board of Regents of
The University of New Mexico

February 10, 2011

Outline

- FY2010 Audit Report
  - Presented by Mr. Larry Carmony, Audit Partner, Moss Adams LLP
- STC.UNM's Value Proposition
- FY2010 Goals and Accomplishments
- STC.UNM Metrics 1995 through 2010
- STC.UNM Peer Institution Comparison
FY2010 Audit Report

Larry Carmony
Audit Partner, Moss Adams LLP
STC’s Value Proposition to UNM

Dr. Joseph Cecchi
Chair, STC Board of Directors
STC’s Value Proposition to UNM

:: STC provides high-value and essential services to UNM, and, by extension, to the region.

:: The following analysis allocates STC operating expenses and revenues across six categories of services.

:: Also shown is the relationship between each of these services and one or more strategic directions articulated in UNM’s Strategic Framework for 2008 and Beyond.

STC Contributes Directly to UNM’s Strategic Framework

<table>
<thead>
<tr>
<th>STC Service to UNM</th>
<th>Strategic Direction</th>
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<tbody>
<tr>
<td>Compliance with Bayh-Dole Act (IP prosecution, maintenance, and commercialization)</td>
<td>ECONOMIC &amp; COMMUNITY DEVELOPMENT</td>
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<tr>
<td>Support for economic development (Marketing/licensing/start-up companies)</td>
<td>ECONOMIC &amp; COMMUNITY DEVELOPMENT</td>
</tr>
<tr>
<td>Support of UNM faculty &amp; staff commercialization (Recruitment support, commercialization outreach, education, faculty retention)</td>
<td>SYSTEMIC EXCELLENCE</td>
</tr>
<tr>
<td>Academic Impact: Support for UNM research (CDAs, MTAs, IPAs, research agreements)</td>
<td>SYSTEMIC EXCELLENCE</td>
</tr>
<tr>
<td>Academic Impact: Support for UNM education (Student interns, outreach, Lobo VentureLab)</td>
<td>SYSTEMIC EXCELLENCE</td>
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<tr>
<td>Generate income from technology transfer</td>
<td>RESOURCE ENHANCEMENT</td>
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## STC Cost Allocation & Income Generation

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<td>($1,683,000)</td>
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<td>STC revenues from license income, patent sales, misappropriation, grants</td>
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<td>Sponsors' research funding commitments to UNM with substantial STC assistance</td>
<td>$1,142,347</td>
<td>$1,615,397</td>
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**February 10, 2011**

## STC Enhances UNM’s Financial Resources

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**February 10, 2011**
FY2010 Goals and Accomplishments

Lisa Kuuttila
President & CEO, STC.UNM

FY2010 Goals and Plans

1. Continue a vibrant UNM Inreach program, while looking for ways to expand
2. Expand outreach efforts locally, nationally and internationally, for STC technologies and the organization
3. Achieve key metrics, balancing pipeline and service metrics
4. Improve STC operations with organizational adjustments, technology and policies
**FY2010 Goals and Plans**

**Goal 1:** Continue a vibrant UNM inreach program, while looking for ways to expand

**Plans:**
- Hold 8 seminars at UNM covering a range of commercialization topics
- Employ 8-10 student interns from UNM: law, science, engineering and business
- Publish STC newsletters twice per year
- Hold 7th Annual Creative Awards event in spring 2010
- IP and commercialization presentations for inventors, departments and classes
- RFP, awards and management of gap-fund projects for FY2010
- Convene the Faculty Entrepreneurs Network
- Publish a 2010 STC calendar, highlighting technology commercialization at UNM

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**Goal 1 Plans:**

*Continue a vibrant UNM inreach program, while looking for ways to expand*

*Visits with Inventors*

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<tr>
<td><strong>Total:</strong></td>
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<td><strong>403</strong></td>
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</table>
Goal 1 Plans:
Continue a vibrant UNM inreach program, while looking for ways to expand
Hold 8 seminars at UNM covering a range of commercialization topics

Seminars

- Millipore Corporation: Overview and Collaboration Opportunities
  August 25, 2009 / Dr. Ruben Flores-Saaib

- Update on the Economy: Where Do We Go from Here from a Technology/Patent/Small Business Perspective?
  October 13, 2009 / Dr. Henry Coleman

- Open Innovation: The Story Behind the Story
  October 22, 2009 / Chuck Valauskas, Esq.

- I Have a Great Idea--Now What? Intellectual Property Basics for Inventors (podcast available)

February 10, 2011

Goal 1 Plans:
Continue a vibrant UNM inreach program, while looking for ways to expand
Employ 8-10 student interns from UNM, law, science, engineering and business

Legal Intern Activity

- Information Disclosure Statements (IDS)
  - 804 requested and 794 provided FY2010
  - 452 requested and 452 provided FY2009

- Novity Searches
  - Performed for 116 technologies FY2010
  - Performed for 166 technologies FY2009 (included clearing technologies’ backlog)

- Provisional Patent Applications (PPA’s)
  - 106 PPA’s filed in-house FY2010
  - 59 PPA’s filed in-house FY2009

- Issued Patents
  - 28 total issued for FY2010
  - 12 total issued FY2009

- Legal Intern Staff News
  - Meghan Shansky, a 3L, this fall, joined STC for the summer position. Meghan will attend Franklin Pierce in September for the Franklin Pierce Intellectual Property Exchange Program.
  - Max de Aquianda, a 2L, this fall, joined STC in May. Max hopes to intern at STC through his 3L year at UNM.
Goal 1 Plans:
Continue a vibrant UNM inreach program, while looking for ways to expand

Twice-A-Year Newsletter

February 10, 2011

Goal 1 Plans:
Continue a vibrant UNM inreach program, while looking for ways to expand

Gap Fund @ UNM

- RFP issued for fourth annual call for proposals
- 13 proposals received (compared with 14 last year)
- Gap Fund @ UNM Committee reviewed and selected projects

February 10, 2011
Goal 1 Plans:

Continue a vibrant UNM inreach program, while looking for ways to expand

Gap Fund @ UNM: 2010 Gap-Funded Projects

Title: IBD and Anti-Inflammatory Herbal Teas
- PI: Dr. Dorothy Vander Jagt, Dept. of Biochemistry and Molecular Biology

Title: Conjugated Polyelectrolyte Biocides: Research and Development Towards Practical Application
- PI: Dr. David Whitten, Dept. of Chemical and Nuclear Engineering and the Center for Biomedical Engineering

Award Recipients:
- Ladan Arissian, Ph.D.
- Plamen B. Atanassov, Ph.D.
- Stephen R. J. Brueck, Ph.D.
- Hitendra S. Chand, Ph.D.
- Jean-Claude Delis, Ph.D.
- Christos G. Chrysochoids, Ph.D.
- Lawrence A. Cole, Ph.D.
- Mr. Matthew Courtney
- Evangelos A. Contis, Ph.D.
- Abhay K. Dalve, Ph.D.
- L. Ralph Dawson, Ph.D.
- David Gerlach, M.D.
- Sang M. Han, Ph.D.
- Stephen L. Herbst, Ph.D.
- Walter Krodel, Ph.D.
- Sanjay Kulkarni, Ph.D.
- Luke F. Lyder, Ph.D.
- Christina C. Luhrs, Ph.D.
- Jonathan Phillips, Ph.D.
- Manalis E. Pappas, Ph.D.
- Mansoor Sheik-Allman, Ph.D.
- Gregory Sture, Ph.D.
- Gregory Von Winckel, Ph.D.
Goal 1 Plans:
Continue a vibrant UNM inreach program, while looking for ways to expand
Hold 7th Annual Creative Awards event in spring 2010
First Annual STC.UNM Innovation Fellow

FY2010 Goals and Plans

Goal 2: Expand outreach efforts locally, nationally and internationally, for STC technologies and the organization

Plans:
- Continue an active LVL program, reaching out to entrepreneurs and investors, while looking for new ways to catalyze start-ups
- Network and, with STC Board Community Relationships Committee support, represent STC, and speak at New Mexico business community forums
- Hold the 3rd CEO/VC Forum
- Complete backlog of outstanding commercialization agreements with Sandia
- Support UNM in economic development efforts
- Seek opportunities for visibility for STC, nationally and internationally, via speaking engagements and other avenues (serve on AUTM’s Public Policy Committee)
- Continue a vigorous marketing program for STC technologies, using technology automation wherever possible
- Pursue opportunities for assertion licensing
Goal 2 Plans:

Expand outreach efforts locally, nationally and internationally, for STC technologies and the organization
Continue a vigorous marketing program for STC technologies, using technology automation wherever possible

Marketing Activities

- Executed 42 email campaigns in Q4 of FY2010
  - In markets including antennas, beverage manufacturers, biomaterial, Botox, nanotechnology, chips, hardware security, cooling towers, diabetes, dielectric, education publishers, electronics, gene therapy, genomics, green chemicals, IV administration, air flow management, physics, macular degeneration, medical software, microfluidics, mobile networks, nanomedicine, ovarian cancer, protein expression, medical imaging, reaction simulations, fabrication methods, solid-state lighting, statin, stem cell, thermal management, tire manufacturing, tissue engineering, coatings, cleaning products, and plastics
- 5.26% average response rate from mass email marketing campaigns
- 185 marketing campaigns in FY2010
- ~16,500 initial marketing correspondence sent in FY2010
- Over 30 technology presentations to entrepreneurs/investors in FY2010
- Continue Twitter to advertise technologies, news, and events

February 10, 2011
Goal 2 Plans:

Expand outreach efforts locally, nationally and internationally, for STC technologies and the organization.

Continue an active LVL program, reaching out to entrepreneurs and investors, while looking for new ways to catalyze start-ups.

Commercialization Forum Series—Fall Semester 2009

- **New Mexico’s Economy—Where We’re Headed**
  - August 26, 2009 / STC co-sponsor for Albuquerque Chamber of Commerce Economy Watch Seminar

- **Venture Capital and Angel Investors: What You Should Know**
  - September 9, 2009 / Mr. John Chavez

- **Doing a Start-up on the Cheap: the Fifty250 Method (aka Cheap Bastard Start-up)**
  - September 30, 2009 / Mr. Bruce Fryer (podcast available)

- **Faculty Entrepreneurship: Creating Start-ups from University Research**
  - November 12, 2009 / Dr. Kevin Malloy (podcast available)

- **TVC CCET Seminar Series**
  - **Preparing and Presenting the Business Plan**
    - October 7, 2009
  - **Operations Startup, Monitoring, and Human Resources**
    - November 4, 2009
  - **Attracting Equity Investors and Lessons Learned**
    - December 2, 2009

Goal 2 Plans:

Expand outreach efforts locally, nationally and internationally, for STC technologies and the organization.

Continue an active LVL program, reaching out to entrepreneurs and investors, while looking for new ways to catalyze start-ups.

Commercialization Forum Series—Spring Semester 2010

- **Finding the Cute Baby: What They Won’t Teach You About New Companies in Business School**
  - February 2, 2010 / Mr. Bruce Fryer (podcast available)

- **The Dark Side of Business**
  - February 9, 2010 / Mr. Douglas M. Brown (podcast available)

- **To Boldly Go...**
  - February 17, 2010 / Ms. Jennifer A. Baird

- **TVC CCET Seminar Series**
  - **Show Me the Money**
    - February 24, 2010 / Greenwood Consulting Group
Goal 2 Plans:

Expand outreach efforts locally, nationally and internationally, for STC technologies and the organization
Continue an active LVL program, reaching out to entrepreneurs and investors, while looking for new ways to
catalyze start-ups

Potential Business Partners

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<td>20</td>
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Start-Up Companies FY2010

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<th>Company Name</th>
<th>KM Faculty</th>
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<td>Lotus Leaf Coatings</td>
<td>Jeff Brender (former faculty)</td>
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<tr>
<td></td>
<td>Dept. of Chemical &amp; Nuclear Engineering</td>
</tr>
<tr>
<td></td>
<td>School of Engineering</td>
</tr>
<tr>
<td></td>
<td>Sandia National Laboratories</td>
</tr>
<tr>
<td>Respria Therapeutics, Inc</td>
<td>Hugh Smyth (former faculty)</td>
</tr>
<tr>
<td></td>
<td>College of Pharmacy</td>
</tr>
<tr>
<td>Proteins, Inc.</td>
<td>Kimberly Leslie (former faculty)</td>
</tr>
<tr>
<td></td>
<td>Charles Morawski</td>
</tr>
<tr>
<td></td>
<td>Dept. of Biochemistry &amp; Molecular Biology</td>
</tr>
<tr>
<td></td>
<td>School of Medicine</td>
</tr>
<tr>
<td>SK Infratech, LLC</td>
<td>Sanjay Srivastava</td>
</tr>
<tr>
<td></td>
<td>Dept. of Electrical &amp; Computer Engineering</td>
</tr>
<tr>
<td></td>
<td>Center for High Technology Materials</td>
</tr>
<tr>
<td></td>
<td>School of Engineering</td>
</tr>
<tr>
<td>zhino</td>
<td>Gabriel Lohe (former faculty)</td>
</tr>
<tr>
<td></td>
<td>Dept. of Chemical &amp; Nuclear Engineering</td>
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</table>

February 10, 2011
Goal 2 Plans:

Expand outreach efforts locally, nationally and internationally, for STC technologies and the organization

Continue an active LVL program, reaching out to entrepreneurs and investors, while looking for new ways to catalyze start-ups

STC Spin-Outs with New Mexico VC Investment

COMET Solutions
- Flywheel Ventures
- ITU
- New Mexico Angels

ProtoHIT
- New Mexico Community Capital

Lotus Leaf Coatings
- New Mexico Angels

Respira
- Cottonwood

Intelicyt
- Village Ventures
- Verge

Nanocrystal
- Verge

nanoMR
- vSpring
- Sun Mountain Capital
- Puente Partners

Azano Pharma
- Puente Partners
Goal 2 Plans:

Expand outreach efforts locally, nationally and internationally, for STC technologies and the organization.

Complete backlog of outstanding commercialization agreements with Sandia.

Update: Q4 FY2010

- Six (6) commercialization agreements with Sandia completed in Q4 FY2010.
- 22 outstanding commercialization agreements to be completed. (no new joint inventions disclosed during Q4 FY2010).

Q4 FY2010 Activities

- STC was represented at 12 events/meetings related to New Mexico economic development during Q4 FY2010
  - New Mexico Angels
  - New Mexico Clean Energy Alliance
  - NMEDD State of Sonora, Mexico Visit
  - ASM Technology Business Plan Competition Awards Reception
  - Congressman Heinrich’s Science & Technology Advisory Committee Meeting
Goal 2 Plans:

Expand outreach efforts locally, nationally and internationally, for STC technologies and the organization. Seek opportunities for visibility for STC, nationally and internationally, via speaking engagements and other avenues (serve on AUTM’s Public Policy Committee).

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Expand outreach efforts locally, nationally and internationally, for STC technologies and the organization. Seek opportunities for visibility for STC, nationally and internationally, via speaking engagements and other avenues (serve on AUTM’s Public Policy Committee).

MOU Signed with Consortium of Japanese Universities

MOU signed with University Consortium for International Intellectual Property Coordination (UCIP) in June 2010

UCIP Members

- University of Yamanashi
- Niigata University
- Shizuoka University
- Shibaura Institute of Technology
- Shinsu University
- The University of Electro-Communications
- Yokohama National University

STC student intern, Eri Hoshi, instrumental in the MOU facilitation

STC Board member, Gregg Mayer, is advisor. He met with the UCIP President in July 2010 to discuss MOU and its implementation.

February 10, 2011
Goal 2 Plans:
Expand outreach efforts locally, nationally and internationally, for STC technologies and the organization.
Seek opportunities for visibility for STC, nationally and internationally, via speaking engagements and other avenues (serve on AUTM's Public Policy Committee)

STC/UCIP MOU Published in Japanese Daily Business & Technology Newspaper: Nikkan Kogyo Shimbun

Cooperation on Technology Transfer Between Japanese Universities Consortium and American University Technology Transfer Program
Tokyo, Japan, July 9, 2010. University Consortium for International Intellectual Property Coordination (UCIP) has signed a Memorandum of Understanding (MOU) establishing cooperation in the fields of technology, development and commercialization with STC-UNM, the technology transfer arm of the University of New Mexico (UNM) in the USA. Since STC-UNM is one of the leading university technology transfer programs in the United States, with considerable experience in commercializing academic inventions, UCIP expects to learn a great deal about transferring new technologies into the marketplace. This cooperation is a group of seven Japanese universities, including the University of Yamanashi, Waseda University, Shonan Institute of Technology, Shinshu University, Tokyo University, and the University of Electro-Communication and Yokohama National University.

In UNM is the largest university in the State of New Mexico and has a student population of about 35,000 with strong programs in the fields of engineering, physics, and the sciences. UNM is a participant in the Minority Business Enterprise (MBE) Demonstration Program in New Mexico, and conducts advanced research in fast cell technologies as does the University of Yamanashi.

STC-UNM has developed and operates a website called foliodirect, which is an online shopping center offering licensable technologies from multiple universities. Visitors can browse, license, purchase, and download products from any of the participating universities. Buyers typically purchase copyrighted and patented software, courses and instructional materials. Currently, foliodirect offers 51 technologies from 5 universities (UNM, University of Washington, Purdue University, Columbia University and the University of Cincinnati).

UCIP is interested in becoming a member of foliodirect and hopes that by using the website, it will encourage other Japanese and American universities to use it as a way to introduce their technologies to Japanese and American markets. The UCIP participating universities plan: to put together a package of their patented technologies to sell on foliodirect.

Recently, STC-UNM charged Samsung Electronics Company Limited and Taiwan Semiconductor Manufacturing Company Limited (TSMC) with patent infringement of a University of New Mexico invention that significantly improves the capabilities of microprocessor microprocessors in general. STC-UNM has requested that the U.S. International Trade Commission (ITC) in Washington, D.C., that the ITC commence an investigation into Samsung's and TSMC's violations of international law and if necessary, to take appropriate action to protect UNM's intellectual property rights.

Specifically, Samsung and TSMC are accused of infringing several patents held by UNM and STC-UNM, which protect the rights of STC-UNM to sell its products in the United States. The ITC complaint also seeks to have Samsung and TSMC pay damages for their infringement of UNM's intellectual property rights.

The ITC complaint was filed in June 2010, and the parties are currently working toward a resolution through negotiations. The ITC is scheduled to issue its decision in the coming months.

STC-UNM is a leading technology transfer organization in the United States and is well-known for its successful track record in commercializing academic inventions. The University of Yamanashi is a leading university in Japan and is well-known for its strong programs in engineering and technology.

The University of Yamanashi is a leading university in Japan and is well-known for its strong programs in engineering and technology.

February 10, 2011

Goal 2 Plans:
Expand outreach efforts locally, nationally and internationally, for STC technologies and the organization.

Pursue opportunities for assertion licensing

Stadheim & Grear

First assertion licensing agreement with Stadheim & Grear signed Q1 FY2008

Discussions with companies progressing

Settlement/license with Toshiba Corporation, NEC and Renesys

Litigation with Environmental Robots Inc. settled

ITC complaint filed in June 2010

Six assertion licensing agreements signed in FY2009

One assertion licensing agreement signed in FY2010

Two assertion licensing agreements terminated in FY2010

February 10, 2011
**Goal 2 Plans:**

Expand outreach efforts locally, nationally and internationally, for STC technologies and the organization.
Seek opportunities for visibility for STC, nationally and internationally, via speaking engagements and other avenues.
Serve on AUTM's Public Policy Committee.

**Patent Reform and Other Public Policy Matters**

- Letters to Secretary Locke regarding patent reform signed by other universities
- STC joined AUTM, WARF, Association of Medical Colleges, University of California, RPI, and others in an amicus brief supporting Stanford University's appeal to the U. S. Court of Appeals (Stanford v. Roche)
- Supporting Stanford University in an amicus brief to the U. S. Supreme Court

**New UNM Professional Science Masters Degree Program**

- STC joined a partnership with Anderson School of Management and the Nanoscience and Microsystems Degree Programs at UNM
- Proposal submitted to NSF in May 2010 was awarded
- This degree provides an educational experience emphasizing the innovation and entrepreneurial skills necessary to bring nanoscience to the marketplace
- STC will provide commercialization training through seminars and its student intern program
Goal 2 Plans:
Expand outreach efforts locally, nationally and internationally, for STC technologies and the organization
Seek opportunities for visibility for STC, nationally and internationally, via speaking engagements and other avenues (serve on AUTM's Public Policy Committee)
New UNM Professional Science Masters Degree Program: Favorable Comments from NSF
NSF review comments on the program proposal:

- "What is the evident commitment of the parent institution in supporting this program?... The panel believed that institutional support for this program is strong. The STC.UNM (technology transfer office) commits to making at least two paid internships available for participating students and to providing ongoing support in the way of coordinating activities, seminars, business plan review, assistance with patents, etc."
- "In addition to meeting the needs of employers, does the program in any sense contribute to local economic development, by supporting efforts of nascent firms to build on emerging areas of science and engineering, for example? Development of students' entrepreneurship capabilities and commercializing microsystems technology are major thrusts of this program. If funded, it has strong potential to effect a great deal of economic impact. The students would be engaged in multidisciplinary teams to develop and pitch a plan to a group of judges consisting of entrepreneurs, venture capitalists, etc. One of the judging criteria is the likelihood of the plan leading to a real business. The panel believed that this was a very strong component of the program and that the investigators should consider making it mandatory. Additionally, the commitment of STC.UNM, the university's technology transfer office, significantly strengthens this aspect of the proposal. It is also worth noting that New Mexico is highly ranked in terms of its capabilities in the areas of micro- and nanotechnology development. Specifically, one New York-based consultant ranked New Mexico 'fifth nationally in its ability to develop the state's economy through nanotechnology.' The efforts of UNM researchers and STC.UNM, which has formed numerous start-up companies based on UNM-developed technologies, contribute a great deal to this national recognition."

February 10, 2011

Summary Statement

1 "... The prospects and strategies for establishing a sustainable program have been considered. The involvement of STC.UNM appears to play critical roles in establishing relationships with industry, building cohorts, and fostering professional development..."
FY2010 Goals and Plans

**Goal 3:** Achieve key metrics, balancing pipeline and service metrics

**Plans:**

- Pipeline & Service Metrics
  - Disclosures
  - New U.S. patent applications filed
  - Issued patents
  - License/option agreements
  - Start-up companies
  - Licensing income
  - Patent cost reimbursement income
  - Research income facilitated by STC
  - Confidentiality agreements
  - Visits with inventors
  - Inter-institutional agreements signed
  - Company visits

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<td>11</td>
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<td>License/Option agreements</td>
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<td>25</td>
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<td>$938,398</td>
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February 10, 2011
FY2010 Goals and Plans

Goal 3: Achieve key metrics, balancing pipeline and service metrics

Plans:

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<th>FY2007</th>
<th>FY2008</th>
<th>FY2009</th>
<th>FY2010</th>
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<tr>
<td>Research income facilitated by STC</td>
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<td>Inter-institutional Agreements signed</td>
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<td>Company Visits</td>
<td>114</td>
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Goal 3 Plans:
Achieve key metrics, balancing pipeline and service metrics

FY2010 Data:

- STC filed patent applications on 88 of the 119 patent disclosures in FY2010 (74% vs. 62% in FY2009)
- STC generated $3,583,750 of new (agreements) license income in FY2010, representing 95% of total license income (vs. $460,322 of new income in FY2009 – 57% of total)
- Of the 122 total disclosures (patents & copyrights) received in FY2010, representing 81 lead inventors, 21 were first-time inventors (26% vs. 36% in FY2009)
Goal 3 Plans:
Achieve key metrics, balancing pipeline and service metrics
Total Number of Licenses/Options Yielding Income

Goal 3 Plans:
Achieve key metrics, balancing pipeline and service metrics
Total Dollar Amount of Licenses/Options Yielding Income
Goal 3 Plans:
Achieve key metrics, balancing pipeline and service metrics

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<td>$563,194</td>
<td>$805,111</td>
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<td>$834,876</td>
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<td>Patent expenses</td>
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FY2010 Goals and Plans

Goal 4: Improve STC operations with organizational adjustments, technology and policies

Plans:
- Continue technology innovations to STC internal database and links to inventors and external constituencies—focus this year on interface with UNM (invention reporting to sponsors and MTA tracking)
- Develop guidelines for faculty involved with start-ups and royalty distribution timing policy
- Complete review and re-issue all template agreements in light of new court cases
- Develop cash and equity management guidelines in collaboration with STC Finance & Compensation Committee
**Goal 4 Plans:**

Improve STC operations with organizational adjustments, technology and policies

Continue technology innovations to STC internal database and links to inventors and external constituencies—focus this year on interface with UNM (invention reporting to sponsors and MTA tracking)

**IT: Updates**

- **Infrastructure enhancements**
  - All workstations running Windows 7 + Office 2010
  - Formalization of many IT procedures and policies
  - Report creation for marketing (e.g., total responses, marketing campaign activity, etc.) and agreement management (e.g., desk audit templates, contact information updates, etc.)

- **Website**
  - 2,107 avg. unique visits for Q4 (vs. 2,875/Q3; 1,733/Q2; 2,165/Q1)

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**Goal 4 Plans:**

Improve STC operations with organizational adjustments, technology and policies

Continue technology innovations to STC internal database and links to inventors and external constituencies—focus this year on interface with UNM (invention reporting to sponsors and MTA tracking)

**IT: Updates**

- **Internal knowledge management system infrastructure review**
  - Performed at Brivea’s recommendation
  - The question: does it make sense to continue using our current solution—an application developed in-house—long-term?
Goal 4 Plans:

Improve STC operations with organizational adjustments, technology and policies
Continue technology innovation to STC internal database and links to inventors and external constituencies—focusing on an interface with UNM (invention reporting to sponsors and MTA tracking)

IT: Updates - Internal KMS

Answer: Wellspring Worldwide “Sophia”

- Selected from several options to replace internal knowledge management system with a commercial package
- Meets internal IT goals
  - Accessible online through web browser
  - Offsite storage/backup
  - Accessible to different types of constituencies (e.g., inventors, deans, venture capitalists, etc.)
  - Ongoing customization
  - Ongoing customer support
- Currently reviewing quote and contract

iEdison: Invention Reporting Under Bayh-Dole Act

- iEdison responsibilities delegated to STC from UNM
  - Election of title: notifies the federal agency sponsor that STC will retain ownership of invention and take steps to commercialize the invention
  - Utilization Reports: include stage of development, date of first commercial sale/use, number and type of licenses, gross income, licensing to small business, status of U.S. manufacturing, and identification of any FDA-approved product names
  - Patent Reporting: uploading of patent applications, government support clause and creation of confirmatory licenses
  - Parent/Child Relationships: designation in iEdison to show the combining of invention reports into patent reports
  - Issued Patent Reporting
  - Closed Files: STC notifies RTL of pending closed technologies. STC will assist RTL when inventors request rights to an invention

Statistics - iEdison
- As of Q4: 28 invention reports, 75 patent reports, 111 annual utilization reports remain outstanding (compared to as of Q3: 212 invention reports, 156 patent reports, 137 annual utilization reports outstanding)
- Identified 31 records that need to be closed

February 10, 2011
Personnel

Board of Directors

- Sandra Begay-Campbell, Secretary/Treasurer of the Board, Principal Member, Technical Staff, Sandia National Laboratories
- Mr. Douglas M. Brown, Dean, Anderson School of Management
- Dr. Joseph L. Cecchi, Chairman of the Board, Professor, Chemical & Nuclear Engineering, University of New Mexico
- Ms. Terri L. Cole, Vice Chairman of the Board, President & CEO, Greater Albuquerque Chamber of Commerce
- Dr. James D. Cramer
- Dr. Robert H. Fisher, CEO/Founder, Future of Health Care Forums
- Dr. Julia E. Fulghum, Vice President for Research, University of New Mexico
- Mr. Gene Gallegos, President, Gallegos Law Firm, P.C.
- Regent, University of New Mexico
- Ms. Maria Griego-Reby, President, Principal, Contract Associates, Inc.

February 10, 2011
Board of Directors (cont'd)

- Mr. David W. Harris
  Executive Vice President for Administration, University of New Mexico
- Ms. Elizabeth (Lisa) J. Kuutila
  President & CEO, STC-UNM
- Dr. Richard Larson
  Senior Vice President for Research, UNM-HSC, Senior Associate Dean, School of Medicine
- Ms. Diane MacArthur
  Chair and CEO, Dynamac Corporation
- Dr. Gregg L. Mayer
  President, Gregg L. Mayer & Co., Inc.
- Ms. Cindy McGill
  Vice President for Human Resources, Presbyterian Healthcare Services
- Mr. Fred Mondragon
  Secretary, New Mexico Economic Development Department
- Dr. Pope L. Mostley
  Chairman, Department of Internal Medicine, School of Medicine, University of New Mexico Health Sciences Center
- Dr. Suzanne Ortega
  Provost and Executive Vice President for Academic Affairs, University of New Mexico
- Dr. Paul B. Roth
  Executive Vice President, University of New Mexico Health Sciences Center
  Dean, School of Medicine, University of New Mexico
- Dr. David J. Schmidly
  President, University of New Mexico
- Dr. John H. Stithway
  Former Executive Vice President & Deputy Lab Director, Sandia National Laboratories
- Pedro F. Suarez, Esq.
  Board, Lewis, Cole, Foso, Gentry and Popeo, P.C.
- Ms. Gary Todd
  President, Albuquerque Economic Development, Inc. (AED)
- Ms. Charles L. Wolfboon
- Dr. Albert R. C. Westwood
  Vice President Emeritus, Sandia National Laboratories

February 11, 2010
STC Student Interns:
Summer 2010

:: Max De Azevedo (School of Law), Legal
:: Brian Sweeney (School of Law), Legal
:: Erin Sully (Biomedical Sciences), Legal
:: Meghan Strascina (School of Law), Legal
:: Denise Salazar (Anderson School of Management), IP Assistant
:: Phillip Garcia (Electrical & Computer Engineering), Technology Marketing
:: Mehran Daneshbod (Physics & Astronomy, Electrical & Computer Engineering), Technology Marketing
:: Eri Hoshi (School of Public Administration), Technology Marketing, International
:: Paulina San Millan (Anderson School of Management), Technology Marketing
STC Metrics

FY1995-2010

Impact, 1995-2010
Disclosure of New Ideas

February 10, 2011
Impact, 1995-2010
Option/License Agreements

February 10, 2011

Impact, 1995-2010
Royalty Income and Patent Cost Reimbursement Income

February 10, 2011
Peer Institution Comparison

FY2009
Commission on Higher Education (CHE) Peer Group

Peer Institutions

- University of Arizona (Tucson)
- University of Arkansas (Fayetteville)
- University of Colorado (Boulder)
- University of Iowa (Iowa City)
- University of Kansas (Lawrence), including medical center
- University of Kentucky (Lexington)
- University of Missouri (Columbia)
- University of Nebraska (Lincoln)
- University of Oklahoma, All Campuses
- University of Oregon (Eugene)
- University of South Carolina (Columbia)
- University of Tennessee (Knoxville)
- University of Texas (Austin)
- University of Utah (Salt Lake City)
- University of Virginia (Charlottesville)
- University of Washington (Seattle)
### Peer Institution Comparison

**Technology Transfer Office, Year Established**

<table>
<thead>
<tr>
<th>Technology Transfer Office/University</th>
<th>Year</th>
<th>Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Utah (Salt Lake City)</td>
<td>1968</td>
<td>41</td>
</tr>
<tr>
<td>University of Iowa (Iowa City)</td>
<td>1975</td>
<td>44</td>
</tr>
<tr>
<td>University of Virginia (Charlottesville)</td>
<td>1977</td>
<td>33</td>
</tr>
<tr>
<td>University of Tennessee (Knoxville)</td>
<td>1982</td>
<td>28</td>
</tr>
<tr>
<td>University of Washington (Seattle)</td>
<td>1982</td>
<td>28</td>
</tr>
<tr>
<td>University of Kentucky (Lexington)</td>
<td>1984</td>
<td>26</td>
</tr>
<tr>
<td>University of Oklahoma (all campuses)</td>
<td>1984</td>
<td>26</td>
</tr>
<tr>
<td>University of Missouri (Columbia)</td>
<td>1987</td>
<td>24</td>
</tr>
<tr>
<td>University of Arizona (Tucson)</td>
<td>1988</td>
<td>23</td>
</tr>
<tr>
<td>University of Arkansas (Fayetteville)</td>
<td>1990</td>
<td>21</td>
</tr>
<tr>
<td>University of Texas (Austin)</td>
<td>1991</td>
<td>20</td>
</tr>
<tr>
<td>University of Nebraska (Lincoln)</td>
<td>1992</td>
<td>19</td>
</tr>
<tr>
<td>University of Oregon (Eugene)</td>
<td>1992</td>
<td>19</td>
</tr>
<tr>
<td>University of Colorado (Boulder)</td>
<td>1993</td>
<td>18</td>
</tr>
<tr>
<td>University of South Carolina (Columbia)</td>
<td>1993</td>
<td>18</td>
</tr>
<tr>
<td>University of Kansas (Lawrence)</td>
<td>1994</td>
<td>17</td>
</tr>
<tr>
<td>University of New Mexico (Albuquerque)</td>
<td>1995</td>
<td>16</td>
</tr>
</tbody>
</table>

---

### Peer Institution Comparison

**Technology Transfer Office, Research Expenditures**

<table>
<thead>
<tr>
<th>Technology Transfer Office/University</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Washington (Seattle)</td>
<td>$1,076,044,804</td>
</tr>
<tr>
<td>University of Colorado (Boulder)</td>
<td>$716,000,000</td>
</tr>
<tr>
<td>University of Arizona (Tucson)</td>
<td>$555,252,000</td>
</tr>
<tr>
<td>University of Texas (Austin)</td>
<td>$483,000,000</td>
</tr>
<tr>
<td>University of Nebraska (Lincoln)</td>
<td>$400,000,000</td>
</tr>
<tr>
<td>University of Utah (Salt Lake City)</td>
<td>$354,653,777</td>
</tr>
<tr>
<td>University of Iowa (Iowa City)</td>
<td>$354,828,000</td>
</tr>
<tr>
<td>University of Missouri (Columbia)</td>
<td>$321,019,000</td>
</tr>
<tr>
<td>University of Tennessee (Knoxville)</td>
<td>$284,575,000</td>
</tr>
<tr>
<td>University of Virginia (Charlottesville)</td>
<td>$261,664,000</td>
</tr>
<tr>
<td>University of Kentucky (Lexington)</td>
<td>$266,650,000</td>
</tr>
<tr>
<td>University of South Carolina (Columbia)</td>
<td>$210,466,471</td>
</tr>
<tr>
<td>University of Kansas (Lawrence)</td>
<td>$207,116,000</td>
</tr>
<tr>
<td>University of New Mexico (Albuquerque)</td>
<td>$201,765,700</td>
</tr>
<tr>
<td>University of Oklahoma (all campuses)</td>
<td>$159,825,917</td>
</tr>
<tr>
<td>University of Arkansas (Fayetteville)</td>
<td>$115,926,249</td>
</tr>
<tr>
<td>University of Oregon (Eugene)</td>
<td>$110,323,683</td>
</tr>
</tbody>
</table>

---
Peer Institution Comparison

Disclosures/$2M Research Dollars

Peer Institution Comparison

Options/Licenses Executed Income/$2M Research

February 10, 2011
Peer Institution Comparison
Start-ups Formed/$2M Research

February 10, 2011
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STC.UNM
(A Component Unit of The University of New Mexico)

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FINANCIAL STATEMENTS

JUNE 30, 2010
MOSS-ADAMS LLC
Certified Public Accountants
Business Consultants

Independent Auditors' Report

Board of Directors
STC.UNM
and
Mr. Hector H. Balderas,
New Mexico State Auditor

We have audited the accompanying basic financial statements of STC.UNM, a component unit of The University of New Mexico, (Corporation) as of and for the years ended June 30, 2010 and 2009, as listed in the table of contents. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of June 30, 2010 and 2009, and the changes in financial position and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 11, 2010 on our consideration of the Corporation's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audits.
This management's discussion and analysis (MD&A) of the STC.UNM (formerly known as Science & Technology Corporation @ UNM) (the Corporation) provides an overview of the Corporation’s financial performance for the fiscal years ended June 30, 2010 and 2009.

Overview of the Financial Statements

The Statements of Net Assets of the Corporation provide both long-term and short-term information about the Corporation's overall financial status. The Statements of Revenue, Expenses, and Changes in Net Assets (deficit) provide information about the operating revenues and expenses and nonoperating revenues and expenses of the Corporation. The Statements of Cash Flows provide information about the sources and uses of cash by the Corporation.

Condensed Financial Information

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td>$1,297,432</td>
<td>$952,913</td>
<td>$1,130,636</td>
</tr>
<tr>
<td>Capital assets, net</td>
<td>36,842</td>
<td>56,740</td>
<td>84,350</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>608,484</td>
<td>664,828</td>
<td>664,200</td>
</tr>
<tr>
<td>Total operating revenues</td>
<td>5,642,573</td>
<td>2,835,589</td>
<td>2,665,276</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>5,288,915</td>
<td>3,055,613</td>
<td>2,574,065</td>
</tr>
<tr>
<td>Total nonoperating revenue and expenses</td>
<td>7,357</td>
<td>17,983</td>
<td>34,408</td>
</tr>
<tr>
<td>Change in net assets</td>
<td>380,965</td>
<td>(202,041)</td>
<td>65,679</td>
</tr>
<tr>
<td>Net assets, end of year</td>
<td>733,763</td>
<td>352,798</td>
<td>554,839</td>
</tr>
</tbody>
</table>

Financial Position

The Corporation’s current assets increased by $344,519 as of June 30, 2010 to $1,297,432, compared to $952,913 as of June 30, 2009; whereas, current assets decreased $177,723 to $952,913 as of June 30, 2009, compared to $1,130,636 as of June 30, 2008. The changes from year to year are primarily due to the activity level in the accounts receivable related to various license agreements from licensee companies. Capital asset purchases during fiscal years 2010, 2009 and 2008 were $13,811, $6,128 and $77,502, respectively, for leasehold improvements, computer equipment and furniture. Current liabilities remained constant in fiscal year 2010 compared to fiscal year 2009, as well as fiscal year 2009 compared to fiscal year 2008.
STC.UNM  
(A COMPONENT UNIT OF THE UNIVERSITY OF NEW MEXICO)  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2010 AND 2009

Capital Assets
During the years ended June 30, 2010, 2009 and 2008, the Corporation acquired $13,811, $6,128 and $77,902 respectively, in capital assets and had depreciation expense of $33,709, $33,938 and $22,222, respectively.

Comparison of Fiscal 2010 to Fiscal 2009 Results of Operations
Total operating revenue for fiscal year 2010 of $5,662,573 increased from $2,835,589 for fiscal year 2009, a net increase of $2,826,984. The net change is primarily due to increase in license income of $2,972,482 from prior year. One license agreement was the result of a settlement with a third-party company over STC's accusation of patent infringement. Another license agreement was entered into by STC with a third-party company for a portfolio of lithography technologies.

Total operating expenses increased by $5,288,915 for fiscal year 2010 compared to fiscal year 2009 due to increase in patent cost expense of $3,055,613 due to increase of $2,177,921 in licensing and royalty sharing distribution expense as a result of higher license income resulted in fiscal year 2010.

Comparison of Fiscal 2009 to Fiscal 2008 Results of Operations
Total operating revenue for fiscal year 2009 of $2,835,589 increased from $2,605,276 for fiscal year 2008, a net increase of $230,313. The net change is primarily due to increase in license income of $242,187 from prior year.

Total operating expenses increased by $481,608 for fiscal year 2009 compared to fiscal year 2008 due to increase in patent cost expense of $291,865 due to more licensee-directed foreign patent application filings as well as increased invention disclosure activity, and increase of $179,464 in licensing and royalty sharing distribution expense as a result of higher license income resulted in fiscal year 2009.

Contacting the Company's Management
This report is meant to accurately describe the financial condition and position of the Corporation.

If you have any questions about this report or need additional financial information, contact STC.UNM at 801 University Boulevard SE, Suite 101, Albuquerque, NM 87106.
<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operational funding from UNM</td>
<td>$954,000</td>
<td>$1,034,000</td>
</tr>
<tr>
<td>Patent funding from UNM</td>
<td>732,200</td>
<td>732,200</td>
</tr>
<tr>
<td>Patent cost reimbursement</td>
<td>198,510</td>
<td>264,008</td>
</tr>
<tr>
<td>Licensing and royalties</td>
<td>3,777,863</td>
<td>803,381</td>
</tr>
<tr>
<td><strong>Total operating revenue</strong></td>
<td><strong>5,662,573</strong></td>
<td><strong>2,835,589</strong></td>
</tr>
<tr>
<td>Operating expenses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Patent costs incurred</td>
<td>$1,062,666</td>
<td>$1,113,521</td>
</tr>
<tr>
<td>Patent cost reimbursement to UNM</td>
<td>66,012</td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>33,709</td>
<td>33,938</td>
</tr>
<tr>
<td>General and administrative</td>
<td>1,507,473</td>
<td>1,334,996</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td><strong>5,288,915</strong></td>
<td><strong>3,055,613</strong></td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td><strong>373,658</strong></td>
<td><strong>(220,024)</strong></td>
</tr>
<tr>
<td>Non-operating revenue and expenses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>942</td>
<td>4,958</td>
</tr>
<tr>
<td>Rental income</td>
<td>6,365</td>
<td>13,025</td>
</tr>
<tr>
<td><strong>Total non-operating revenue and expenses</strong></td>
<td><strong>7,307</strong></td>
<td><strong>17,983</strong></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>380,965</td>
<td>(202,041)</td>
</tr>
<tr>
<td>Net assets, beginning of year</td>
<td>352,798</td>
<td>554,839</td>
</tr>
<tr>
<td><strong>Net assets, end of year</strong></td>
<td><strong>$733,762</strong></td>
<td><strong>352,798</strong></td>
</tr>
</tbody>
</table>

See Notes to Financial Statements.
NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity. STC.UNM (formerly known as Science & Technology Corporation @ UNM) (the Corporation) is a component unit of The University of New Mexico (UNM). The Corporation was organized on April 26, 1993 to facilitate the commercialization of UNM faculty inventions and to manage UNM's Science & Technology Park in Albuquerque, New Mexico. The governing board consists of at least 20 members, including certain officers and faculty of UNM, the president of the Corporation, and 10 members of the community. The Corporation has no component units.

Basis of Presentation. The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America. The significant accounting policies are summarized below.

As a proprietary fund, the Corporation's financial statements are reported using the flow of economic resources measurement focus and the full accrual basis of accounting. Accordingly, revenue is recognized when earned and expenses are recognized as soon as the liability is incurred.

Operating revenue and expenses are those incurred which relate directly to facilitating commercialization of UNM faculty, staff and student inventions. All other revenue and expenses are considered nonoperating.

Accounting Standards. As a component unit of UNM, the Corporation follows proprietary fund accounting as set forth in Statement No. 20 of the Governmental Accounting Standards Board, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting. Under the provisions of that standard, the Corporation has elected not to apply Statements on Financial Accounting Standards issued by the Financial Accounting Standards Board after November 1989.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents. Cash and cash equivalents include deposits and funds invested in overnight repurchase securities. The Corporation is not subject to statutory or policy restrictions on the types of deposits. It does by policy require deposits to be collateralized at least 50%.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For purposes of the statement of cash flows, the Corporation considers all cash on hand and in banks and all highly liquid securities with maturities of three months or less to be cash equivalents.

Accounts Receivable. Accounts receivable represent the amount earned based on existing terms under license agreements but uncollected on accrued royalties earned from customers.

Accounts receivable are carried at original amount billed less an estimate made for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received. There is no allowance for doubtful accounts as of June 30, 2010 and June 30, 2009.

An account receivable is considered to be past due if any portion of the receivable balance is outstanding for more than 90 days. Interest is not charged on old accounts receivable.

Capital Assets. Capital assets are carried at cost. Depreciation is provided on the straight-line method based on estimated useful lives of three to seven years. Capital assets costing over $1,000 and with a useful life greater than a year are capitalized. Repairs and maintenance expenses are charged to expense as incurred.

Patent Costs. UNM, a related party, provides annual funding for patent costs. The funding revenue is deferred on receipt. As patent costs are incurred, expense is recognized and an equal amount of the deferred revenue is recognized as income. Subsequent reimbursement of any patent costs by a third party to the Corporation is remitted to UNM. If the Corporation uses proceeds to reimburse UNM, the payment is considered patent expense and royalty income.

Revenue Recognition. Up-front, nonrefundable licensing fees are recognized when earned. These fees are ordinarily earned when a license agreement is signed and the Corporation has no further obligations with respect to the license. Minimum annual royalty income is accrued as it is earned, if it is determined that collection is reasonably assured. Licensing fees and minimum annual royalty income accrued were $47,877 and $364,652 as of June 30, 2010 and 2009, respectively.
NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Operational and patent cost funding from UNM is recognized when all eligibility requirements have been met. Patent cost reimbursement is recognized when earned.

Income Taxes. The Corporation, as an organization described in Internal Revenue Code Section 501(c)(3), is exempt from federal income tax on its related income under Section 501(a). The Corporation engaged in no material unrelated activities and therefore no provision for income taxes has been made. The Corporation is a supporting organization of the University of New Mexico and not a private foundation.

Accrued Employee Benefits. The Corporation’s employees may accumulate paid personal time which is payable to the employee upon termination or retirement. Personal time costs are recognized as a liability when earned by the employee.

Investments in Stock. Investments in stock are carried at the estimated fair value. Management estimates the value of the stock utilizing the most recent rounds of financing completed and book value of the stock carried on the underlying companies’ financial statements.

Net Assets. Net assets are classified as follows:

- Invested in capital assets (net of related debt) is intended to reflect the portion of net assets which are associated with non-liquid, capital asset less outstanding capital asset related debt. STC.UNM does not have any debt related to its capital assets.

- Restricted net assets are net assets that have third-party (statutory or granting agency) limitations on their use.

- Designated net assets are unrestricted subject to Corporation-imposed limits by action of the Board of Directors. Designated net assets are earmarked for future programs and for investment.

- Unrestricted net assets represent liquid assets available for use.

NOTE 2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the entity’s deposits may not be returned to it.

As of June 30, the Corporation’s deposits were exposed to custodial credit risk as follows:

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insured</td>
<td>$250,000</td>
<td>$250,000</td>
</tr>
<tr>
<td>Uninsured and collateralized with securities held by the financial institution’s trust department, but not in the Corporation’s name</td>
<td>$1,527,881</td>
<td>$637,250</td>
</tr>
<tr>
<td>Total bank balance</td>
<td>$1,777,881</td>
<td>$887,250</td>
</tr>
</tbody>
</table>

The following schedule details the Corporation’s deposit accounts and collateral pledged at June 30, 2010:

<table>
<thead>
<tr>
<th>Bank Name/Operating Bank</th>
<th>Account/Type</th>
<th>Financial Statement Balance</th>
<th>Outstanding Bank Balance</th>
<th>Checks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank of America</td>
<td>Checking</td>
<td>$3,483</td>
<td>-</td>
<td>3,483</td>
</tr>
<tr>
<td>Bank of the West</td>
<td>Checking</td>
<td>1,216,581</td>
<td>555,019</td>
<td>1,771,600</td>
</tr>
<tr>
<td>Merchant</td>
<td>Checking</td>
<td>2,798</td>
<td>-</td>
<td>2,798</td>
</tr>
<tr>
<td>Petty Cash</td>
<td></td>
<td>1,222,862</td>
<td>555,019</td>
<td>1,777,881</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$1,222,962</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less FDIC insurance</td>
<td></td>
<td>250,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount to be collateralized</td>
<td></td>
<td>1,527,931</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minimum to be collateralized at 50% Collateral</td>
<td></td>
<td>$763,941</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FHLMC, matures 5/1/38, Cusip 3128QTBW3</td>
<td></td>
<td>687,200</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FNMA, matures 8/1/38, Cusip 31412SVZ3</td>
<td></td>
<td>455,497</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GNMA, matures 1/11/27, Cusip 362281LBW6</td>
<td></td>
<td>174,813</td>
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</tr>
<tr>
<td>GNMA, matures 8/20/35, Cusip 38375A4Z4</td>
<td></td>
<td>450,651</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount of excess collateral</td>
<td></td>
<td>$1,748,161</td>
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<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$984,220</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
NOTE 3. CAPITAL ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th></th>
<th></th>
<th>2009</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Beginning Balance</td>
<td>Increases</td>
<td>Decreases</td>
<td>Ending Balance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital assets being depreciated</td>
<td>$189,755</td>
<td>$12,711</td>
<td>-</td>
<td>$202,466</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>(133,015)</td>
<td>(33,709)</td>
<td>-</td>
<td>(166,724)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>$56,740</td>
<td>$19,002</td>
<td>-</td>
<td>$65,742</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital assets, net</td>
<td>$183,627</td>
<td>$6,128</td>
<td>-</td>
<td>$189,755</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NOTE 4. COMMITMENTS AND CONTINGENCIES

Occupancy Agreement. Effective January 31, 2008, the Corporation entered into an occupancy agreement with UNM for lease of office facilities. The occupancy agreement was amended on April 9, 2010 to extend the term of the lease until June 30, 2011. Future minimum payments required under the occupancy agreement are as follows:

Year ended June 30, 2011 $80,692

Insurance Coverage. The Corporation is exposed to various risks of loss from torts, theft, damage to, and destruction of assets; business interruption; and errors and omissions and natural disasters. The Corporation is insured under the University of New Mexico’s Risk Management for liability and casualty insurance, and through a private carrier for director and officer liability insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 5. DEFINED CONTRIBUTION PLAN

The Corporation sponsors a defined contribution retirement plan for eligible employees. Employees may contribute up to the maximum allowed by the Internal Revenue Service. The Corporation matched the employee’s contribution up to 12.4% and 11.65% of the employee’s base salary in 2010 and 2009, respectively. There is no waiting period for vesting. The Corporation contributions were $84,835 and $76,576 in 2010 and 2009, respectively. Employee contributions were $67,841 and $74,272 in 2010 and 2009, respectively.

NOTE 6. INCENTIVE COMPENSATION PLAN

The Corporation has in place an incentive compensation plan in which the finance and compensation committees of the Corporation’s board of directors has the discretion to provide a cash and/or stock incentive bonus based on performance. Stock bonuses vest 20% per year beginning when the award is made. Cash bonuses awarded to employees were $151,116 and $12,202 in 2010 and 2009, respectively.

NOTE 7. STEP ENDOWMENT

On June 13, 2006, the Board of Regents of UNM amended and restated the Technology Innovation Program Endowment which was first established in 1985. The name of the endowment was changed to the UNM Science & Technology Enhancement Program Endowment (the "STEP Endowment"). The purpose of the STEP Endowment is to assist individuals and companies associated with UNM with technological innovation leading to the formation and establishment of New Mexico businesses through STC.UNM. STC has used the STEP Endowment to make Technology-to-Market Gap Fund grants in order to mature STC technologies to the point that they will be licensed by an established company or form the basis of a new company, preferably in New Mexico. During fiscal year 2009, three awards totaling $58,645 were granted to UNM researchers. Beginning in fiscal year 2010, the STEP Endowment will no longer be available for funding the Technology-to-Market Gap Fund grants.

NOTE 8. STC QUASI-ENDOWMENT

During fiscal year 2010, the Board of Directors of STC approved an internal STC endowment policy for management of large one-time license-fee related payments received by STC. The STC share of such large one-time payments in excess of $500,000 will be allocated as follows: 80% to an endowment, the interest from which could be used to fund STC operations; and 20% to the STC Gap Fund at UNM. Inventor Recognition Awards Program and other strategic initiatives of STC, as determined by the Board’s Executive Committee. The STC Board-designated endowment will be accounted for under Net Assets.
Board of Directors
STC.UNM
and
Mr. Hector H. Balderas,
New Mexico State Auditor

We have audited the financial statements of STC.UNM, a component unit of The University of New Mexico, (Corporation) as of and for the year ended June 30, 2010, and have issued our report thereon dated October 11, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, the Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Albuquerque, New Mexico
October 11, 2010
STC.UNM (A COMPONENT UNIT OF THE UNIVERSITY OF NEW MEXICO)  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED JUNE 30, 2010

Prior Year
None

Current Year
None

STC.UNM (A COMPONENT UNIT OF THE UNIVERSITY OF NEW MEXICO)  
EXIT CONFERENCE  
YEAR ENDED JUNE 30, 2010

An exit conference was conducted on October 11, 2010 in which the contents of this report were discussed with the following:

STC.UNM (A Component Unit of the University of New Mexico)

Joseph Cecchi Chair, Board of Directors, STC  
David Harris Exec. Vice President for Administration, University of New Mexico; Member of Finance and Compensation Committee, Board of Directors, STC  
Elizabeth Kuuttila President & CEO, STC; Member of Board of Directors, STC  
Kyung Lee Salazar CFO, STC

Moss Adams LLP

Larry Carmody Partner
REQUEST FOR CONSTRUCTION MANAGER at RISK SELECTION
and CAPITAL PROJECT APPROVAL for
BASEBALL STADIUM RENOVATION, PHASE 1
UNIVERSITY OF NEW MEXICO
March 14, 2011

REQUESTED ACTION:
In accordance with Section 7.12 of the Board of Regents Policy Manual and as required by the New Mexico Higher Education Department and New Mexico State Board of Finance, project approval is requested for the Baseball Stadium Renovation, Albuquerque, New Mexico, and approval is requested for the recommended Construction Manager at Risk.

RECOMMENDED FIRM:
Bradbury-Stamm Construction, Albuquerque, New Mexico

SELECTION RATIONALE:
1. This recommendation is based on a three part published selection process: Companies were required to respond to a Request for Qualifications, provide a Fee Proposal, and participate in a one hour Interview/Presentation before the Selection Committee.
2. The Selection Committee evaluated the Qualification and Fee Proposals of seven respondents. The top 3 firms were then invited to interview before the Selection Committee. The finalists are listed below in order of their ranking following the presentations.
   a. Bradbury-Stamm Construction
   b. Flintco West, Inc.
   c. Jaynes Corporation
3. The selection criteria included expertise in the construction of athletic facilities, experience with the CM at Risk process, and experience building in a university campus setting.
4. Also considered were project team member skills, proposed work plans and schedules.
5. The recommended contractor has strong New Mexico ties and a successful track record building facilities for UNM.
6. The recommended contractor had the highest qualifications and interview score, and the lowest score on fees compared to the other finalists considered.
7. The Selection Committee included Bob Doran, University Architect, Planning and Campus Development; Tim Cass, Sr. Associate Director, Athletics Department; Bill Turner, Director, Office of Capital Projects.

PROJECT DESCRIPTION:
The proposed scope of work for the University Baseball Stadium would provide additions and improvements to existing Lobo Field. Phase 1 includes a new playing field (earthwork, irrigation, retaining walls, fencing, and drainage) with a core of approximately 888 spectator seats, expandable for 3,000 spectators in future phases. Also included are the north sidewalk and entrance, partial west concourse, scoreboard and lighting, grass seating, new home and visitor dugouts, bullpen, and utilities for future restrooms and concessions. As additional
funding is received, scope such as batting cage, press box, field lighting and fan amenities will be included in future phases.

PROJECT RATIONALE:
The Baseball Stadium project will renovate and replace the existing Lobo Field located within the South Campus Athletics Complex. Lobo Field has been home to Lobo Baseball for 35 years, and it would be the Team’s primary practice and competition facility. The field is in need of complete upgrade and replacement. Currently, Athletics uses the Isotopes Park for most of their home games. The ability to practice and complete in the same facility is critical to the success of the Baseball Program and eliminates scheduling conflicts. The Program would also be able to host future in-state tournaments and conference championships.

FUNDING:
The total estimated Project Budget is $3,000,000:

- $2,000,000 is funded from 2010 New Mexico Severance Tax Bonds
- $1,000,000 is funded from Private Donors
Executive Summary
University of New Mexico Consolidated Financial Report
FY 2011, 7 months ending 1/31/2011

This report covers current fund operations for the University, including Main Campus, Branch Campuses and HSC Campus.

This report displays the "Benchmark Rate" percentage. The Benchmark Rate is used as a guide to analyze how budgeted revenue is coming in or whether we are spending budgeted expenses too rapidly. For January, we would expect to see income and expense for 7 months of the year or 58% (7 months divided by 12 months) of the full year operating budget.

Instruction and General operations (approximately 90% of this operation resides on Main Campus) projected an unfavorable net margin of $5.7M for the FY 2011 UNM Operating Budget. This unfavorable budgeted net margin is comprised of a $5.0M use of balance at the Main Campus, a $450K use of balance at the Branch Campuses and a use of balance at the HSC Campus of $333K. The $5.0M use of balance at Main Campus is primarily due to Academic Affairs budgeting balance forwards. As of 1/31/11 these operations produced a favorable net margin of $86.8M. This results from recording actual tuition revenue on a semester basis, as opposed to a monthly basis, as shown by a 104% Benchmark rate for tuition revenue. In addition, F&A Revenues were up 7% overall compared to the operating budget and the total actual Instruction and General expenses are 6% less than budgeted.

The next block of information shows our Unrestricted Research operations. The activity in these operations is essentially 50% Main Campus and 50% HSC Campus. The FY 2011 UNM Operating Budget showed a use of balance of $11.9M, of which a $5.7M unfavorable net margin is related to Main Campus and a $6.2M unfavorable net margin is related to HSC Campus. The $5.7M use of balance at Main Campus is primarily due to Academic Affairs departments budgeting balance forwards. The budgeted use of balance at the HSC Campus primarily consists of $3.8M of budgeted Plant Transfers for anticipated HSC renovations and $1.1M budgeted for the School of Medicine Dean’s one-time support to SOM units. The actual unfavorable net margin is $1.1M as of 1/31/11 with the HSC Campus having an unfavorable net margin of $2.5M and the Main Campus producing a favorable net margin totaling $1.4M. The unfavorable net margin at the HSC is primarily due to a one month lag in the receipt of Tobacco Settlement Funds and the timing of transfers to Unrestricted Research at the School of Medicine.

The third block of numbers on the first page is a summary of our Clinical operations. These operations are essentially all the patient care activities of the HSC Campus, including the UNM Hospitals, SOM physician professional services, Cancer Center operations and Housestaff/Medical Residents who are being trained in the UNM and VA hospitals. The FY 2011 UNM Operating Budget projected an unfavorable net margin of $10.1M. The major factor contributing to this unfavorable net margin is the School of Medicine budgeting a use of balance of $12.2M for FY 2011. The budgeted use of balance is primarily due to the SOM support of remodeling projects related to the Ortho Clinic and Tri-Services buildings, funding of Endowments and expenditure of prior year gift revenue received too late in FY 2010 to be spent in that fiscal year. Actual Clinical operations show an unfavorable net margin of $5.2M as of 1/31/11. UNM Hospitals produced a favorable net margin of $289K and the remaining HSC Campus Units had an unfavorable net margin of $5.5M as of 1/31/2011. The results for the main UNMH are a positive net margin of $2.1M of which donation revenue represents $2.5M of that amount. The combined results for the Behavioral operations are running at a loss of $1.8M which is due to a decrease in inpatient census. The remaining HSC Units' unfavorable net margin as of 1/31/11 can be primarily attributed to the School of Medicine planned use of
balance on one time expenditures including funding the remodel of the first floor of Tri Services (the estimated cost of this project is $4.0M).

The fourth business category shown on the first page of this report is **Unrestricted Public Service**. The operations in this category include special projects funded by State Appropriations, for example Project ECHO, and non-endowed gifts flowing from the UNM Foundation to departments and many small events funded by user fees. The FY 2011 UNM Operating Budget projected an unfavorable net margin of $6.8M. This unfavorable budgeted net margin is comprised of a $6.0M use of balance at the Main and Branch Campuses and a budgeted use of balance of $800K at the HSC Campus. The $6.0M use of balance at the Main and Branch Campuses is primarily due to Academic Affairs departments budgeting balance forwards. Actual expense is greater than revenue by $1.1M as of 1/31/11 with HSC Campus having an unfavorable net margin of $3.3M and the Main and Branch Campuses producing a favorable net margin totaling $2.2M. The favorable net margin at the Main Campus is primarily due to increased gift revenue and expenses currently running less than budget. The unfavorable net margin at the HSC Campus is primarily due to the timing of transfers to Unrestricted Public Service at the School of Medicine.

Page 2 of this report begins with the **Student Aid** function. The FY 2011 UNM Operating Budget projected an unfavorable net margin of $8.0M. This unfavorable budgeted net margin is comprised of a $7.9M use of balance at the Main Campus and a budgeted use of balance of $141K at the HSC Campus. The budgeted use of balance at Main Campus is primarily due to Academic Affairs departments and Enrollment Management budgeting balance forwards for the payout of major and departmental scholarships in the new fiscal year. The actual unfavorable net margin is $3.6M as of 1/31/11. The revenue and expenditures are both ahead of the budget benchmark because they are recorded on the semester basis for scholarships and need-based aid to students. The unfavorable net margin is primarily due to Main Campus departments spending down prior year's surplus balances.

**Student Activities** are the operations of Student Government and Student organizations. The FY 2011 UNM Operating Budget shows a use of balance of $312K. These operations show a favorable performance of $1.8M as of 1/31/11. This results from recording actual fee revenue on a semester basis, as opposed to a monthly basis, as shown by a 82% Benchmark rate for fee revenue.

**Auxiliaries and Athletics**
The FY 2011 UNM Operating Budget for Auxiliaries and Athletics projected a use of balance of $304K. This use of balance is primarily due to a combination of Athletics budgeting a $198K use of balance, Student Health Center budgeting a use of balance of $100K, the Branch Campuses budgeting an unfavorable net margin of $8K and all other units budgeting a favorable net margin of $2K. Actual performance as of January 31, 2011 for the Auxiliaries and Athletics is a favorable net margin of $5.5M. Units with a positive net operating income through January are: Bookstore, Parking and Transportation, Ticketing Services, Taos & Lawrence Ranch, AVP Ops/Student Life, Housing and Food Service, Student Health Center, Student Union and the CE Conference Ctr.

**Sponsored programs** operations are our contract and grant research and public service projects funded by outside agencies and companies. These operations will always record a zero net revenue over expense by the nature of their funding. The agency pays for a service or research project, and normally any unspent funds must be returned to the agency.

The **total net** favorable revenue over expenses for UNM current operations is $83.0 million for the seven months ending 1/31/11, primarily driven by the favorable net margin of $86.8M in Instruction and General operations.
## University of New Mexico - Consolidated Total Operations Current Funds

<table>
<thead>
<tr>
<th></th>
<th>FY 2011 Operating Budget</th>
<th>FY 2011 Year-to-Date Actual</th>
<th>Fiscal YTD Favorable/(Unfavorable) Budget</th>
<th>Actual to Budget Benchmark Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Instruction and General</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees Revenues</td>
<td>139,717,741</td>
<td>144,773,623</td>
<td>5,055,882</td>
<td>104%</td>
</tr>
<tr>
<td>State/Local Appropriations</td>
<td>264,821,848</td>
<td>149,014,066</td>
<td>(115,807,782)</td>
<td>56%</td>
</tr>
<tr>
<td>F &amp; A Revenues</td>
<td>37,700,000</td>
<td>24,404,148</td>
<td>(13,295,852)</td>
<td>65%</td>
</tr>
<tr>
<td>Transfers</td>
<td>(51,361,080)</td>
<td>(20,050,282)</td>
<td>24,801,598</td>
<td>52%</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>20,018,290</td>
<td>13,292,876</td>
<td>(6,725,414)</td>
<td>66%</td>
</tr>
<tr>
<td><strong>Total Instruction and General Revenues</strong></td>
<td>410,875,999</td>
<td>304,904,431</td>
<td>(105,971,568)</td>
<td>74%</td>
</tr>
<tr>
<td>Salaries</td>
<td>259,128,889</td>
<td>145,105,276</td>
<td>114,023,613</td>
<td>56%</td>
</tr>
<tr>
<td>Benefits</td>
<td>80,919,361</td>
<td>39,885,343</td>
<td>41,034,018</td>
<td>49%</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>(51,381,880)</td>
<td>(26,580,282)</td>
<td>24,801,598</td>
<td>52%</td>
</tr>
<tr>
<td><strong>Total Instruction and General Expenses</strong></td>
<td>416,620,948</td>
<td>218,086,982</td>
<td>198,533,966</td>
<td>52%</td>
</tr>
<tr>
<td>Net Instruction and General Revenue/(Expense)</td>
<td>(5,744,949)</td>
<td>80,817,449</td>
<td>92,562,398</td>
<td></td>
</tr>
<tr>
<td><strong>Research</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State/Local Appropriations</td>
<td>11,458,608</td>
<td>6,406,179</td>
<td>(5,052,429)</td>
<td>56%</td>
</tr>
<tr>
<td>Transfers</td>
<td>23,569,677</td>
<td>11,661,832</td>
<td>(11,907,845)</td>
<td>49%</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>38,066,245</td>
<td>20,281,766</td>
<td>(17,784,489)</td>
<td>52%</td>
</tr>
<tr>
<td><strong>Total Research Revenues</strong></td>
<td>39,093,569</td>
<td>20,281,766</td>
<td>(17,811,803)</td>
<td>52%</td>
</tr>
<tr>
<td>Salaries</td>
<td>25,797,642</td>
<td>13,162,909</td>
<td>12,634,733</td>
<td>51%</td>
</tr>
<tr>
<td>Benefits</td>
<td>25,171,028</td>
<td>8,226,326</td>
<td>16,944,702</td>
<td>33%</td>
</tr>
<tr>
<td><strong>Total Research Expenses</strong></td>
<td>50,968,670</td>
<td>21,389,235</td>
<td>29,579,435</td>
<td>42%</td>
</tr>
<tr>
<td>Net Research Revenue/(Expense)</td>
<td>(11,875,101)</td>
<td>(1,107,469)</td>
<td>10,767,632</td>
<td></td>
</tr>
<tr>
<td><strong>Clinical Operations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State/Local Appropriations</td>
<td>25,443,700</td>
<td>13,276,167</td>
<td>(12,165,533)</td>
<td>52%</td>
</tr>
<tr>
<td>Physician Professional Fee Revenues</td>
<td>94,437,974</td>
<td>46,900,054</td>
<td>(47,447,920)</td>
<td>50%</td>
</tr>
<tr>
<td>Hospital Facility Revenues</td>
<td>805,056,905</td>
<td>361,317,952</td>
<td>(444,818,953)</td>
<td>60%</td>
</tr>
<tr>
<td>Other Patient Revenues, net of Allowance</td>
<td>86,059,465</td>
<td>50,278,973</td>
<td>(35,780,492)</td>
<td>58%</td>
</tr>
<tr>
<td>Mill Levy</td>
<td>87,560,907</td>
<td>51,201,247</td>
<td>(36,359,660)</td>
<td>59%</td>
</tr>
<tr>
<td>Investment Income</td>
<td>2,437,234</td>
<td>1,937,046</td>
<td>(500,188)</td>
<td>79%</td>
</tr>
<tr>
<td>Gifts</td>
<td>2,787,693</td>
<td>2,725,245</td>
<td>(62,448)</td>
<td>96%</td>
</tr>
<tr>
<td>Housestaff Revenues</td>
<td>30,929,031</td>
<td>18,353,192</td>
<td>(12,575,839)</td>
<td>59%</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>7,903,608</td>
<td>9,242,908</td>
<td>1,339,300</td>
<td>117%</td>
</tr>
<tr>
<td><strong>Total Clinical Operations Revenues</strong></td>
<td>944,375,145</td>
<td>555,416,794</td>
<td>(388,958,351)</td>
<td>59%</td>
</tr>
<tr>
<td>Salaries</td>
<td>537,898,311</td>
<td>310,885,259</td>
<td>227,012,352</td>
<td>58%</td>
</tr>
<tr>
<td>Benefits</td>
<td>11,433,709</td>
<td>4,762,274</td>
<td>6,671,435</td>
<td>59%</td>
</tr>
<tr>
<td>Housestaff Expenses</td>
<td>30,929,031</td>
<td>18,346,504</td>
<td>12,582,527</td>
<td>59%</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>377,494,963</td>
<td>226,671,951</td>
<td>150,823,012</td>
<td>60%</td>
</tr>
<tr>
<td><strong>Total Clinical Operations Expenses</strong></td>
<td>954,456,074</td>
<td>606,666,686</td>
<td>347,789,386</td>
<td>59%</td>
</tr>
<tr>
<td>Net Clinical Operations Revenue/(Expense)</td>
<td>(10,080,069)</td>
<td>(5,249,094)</td>
<td>4,830,975</td>
<td></td>
</tr>
<tr>
<td><strong>Public Service</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State/Local Appropriations</td>
<td>5,435,600</td>
<td>2,594,945</td>
<td>(2,440,895)</td>
<td>55%</td>
</tr>
<tr>
<td>Sales and Services Revenues</td>
<td>11,800,301</td>
<td>7,042,256</td>
<td>(4,758,043)</td>
<td>59%</td>
</tr>
<tr>
<td>Gifts</td>
<td>1,091,004</td>
<td>1,582,392</td>
<td>(571,388)</td>
<td>148%</td>
</tr>
<tr>
<td>Transfers</td>
<td>4,962,217</td>
<td>2,952,252</td>
<td>(2,009,965)</td>
<td>69%</td>
</tr>
<tr>
<td><strong>Total Public Service Revenues</strong></td>
<td>29,970,332</td>
<td>18,054,266</td>
<td>(11,916,066)</td>
<td>60%</td>
</tr>
<tr>
<td>Salaries</td>
<td>16,427,087</td>
<td>9,346,718</td>
<td>7,080,369</td>
<td>57%</td>
</tr>
<tr>
<td>Benefits</td>
<td>30,311,134</td>
<td>9,803,766</td>
<td>10,507,368</td>
<td>48%</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>36,738,221</td>
<td>19,150,484</td>
<td>17,587,737</td>
<td>52%</td>
</tr>
<tr>
<td><strong>Net Public Service Revenue/(Expense)</strong></td>
<td>(6,787,889)</td>
<td>(1,096,218)</td>
<td>5,671,671</td>
<td></td>
</tr>
</tbody>
</table>
### University of New Mexico - Consolidated Total Operations Current Funds

#### FY 2011

<table>
<thead>
<tr>
<th>Description</th>
<th>Operating Budget</th>
<th>Actual</th>
<th>Favorable/(Unfavorable)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Student Aid</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Gifts</td>
<td>2,416,550</td>
<td>2,714,464</td>
<td>297,914</td>
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<tr>
<td>State Lottery Scholarship</td>
<td>28,076,160</td>
<td>28,076,160</td>
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<tr>
<td>Transfers</td>
<td>12,657,069</td>
<td>12,139,026</td>
<td>(718,041)</td>
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<tr>
<td>Other Revenues</td>
<td>36,944</td>
<td>397,760</td>
<td>360,036</td>
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<tr>
<td>Total Student Aid Revenues</td>
<td>44,187,323</td>
<td>44,127,432</td>
<td>(59,891)</td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>2,893,335</td>
<td>1,869,344</td>
<td>1,023,991</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>3,675,115</td>
<td>1,644,923</td>
<td>2,033,192</td>
</tr>
<tr>
<td>Total Student Aid Expenses</td>
<td>52,210,246</td>
<td>47,687,708</td>
<td>4,522,538</td>
</tr>
<tr>
<td><strong>Net Student Aid Revenue/(Expense)</strong></td>
<td>(8,022,923)</td>
<td>(3,560,276)</td>
<td>4,462,647</td>
</tr>
<tr>
<td><strong>Student Activities</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Fee Revenues</td>
<td>5,286,346</td>
<td>4,308,627</td>
<td>(977,719)</td>
</tr>
<tr>
<td>Sales and Services Revenues</td>
<td>1,108,966</td>
<td>964,162</td>
<td>(144,804)</td>
</tr>
<tr>
<td>Transfers</td>
<td>374,848</td>
<td>459,537</td>
<td>84,989</td>
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<tr>
<td>Other Revenues</td>
<td>481,357</td>
<td>42,557</td>
<td>(438,800)</td>
</tr>
<tr>
<td>Total Student Activities Revenues</td>
<td>7,251,217</td>
<td>5,774,683</td>
<td>(1,476,534)</td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>3,868,479</td>
<td>2,379,910</td>
<td>1,500,509</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>3,675,115</td>
<td>1,644,923</td>
<td>2,033,192</td>
</tr>
<tr>
<td>Total Student Activities Expenses</td>
<td>7,563,594</td>
<td>4,024,833</td>
<td>3,538,761</td>
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<tr>
<td><strong>Net Student Activities Revenue/(Expense)</strong></td>
<td>(312,377)</td>
<td>1,750,050</td>
<td>2,062,427</td>
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<tr>
<td><strong>Auxiliaries and Athletics</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Branch Campuses Auxiliary Revenues</td>
<td>2,787,630</td>
<td>2,638,924</td>
<td>(148,706)</td>
</tr>
<tr>
<td>Main Campus Auxiliary Revenues</td>
<td>66,032,161</td>
<td>38,023,249</td>
<td>(28,008,012)</td>
</tr>
<tr>
<td>Athletics Revenues</td>
<td>29,220,863</td>
<td>19,171,938</td>
<td>(10,048,745)</td>
</tr>
<tr>
<td>Total Auxiliaries and Athletics Revenues</td>
<td>98,340,474</td>
<td>59,834,111</td>
<td>(38,206,363)</td>
</tr>
<tr>
<td>Branch Campuses Auxiliary Expenses</td>
<td>2,796,026</td>
<td>2,355,879</td>
<td>440,147</td>
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<tr>
<td>Main Campus Auxiliary Expenses</td>
<td>66,130,161</td>
<td>32,625,206</td>
<td>33,504,955</td>
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<tr>
<td>Athletics Expenses</td>
<td>29,418,783</td>
<td>19,372,973</td>
<td>10,045,810</td>
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<tr>
<td>Total Auxiliaries and Athletics Expenses</td>
<td>98,344,970</td>
<td>54,350,456</td>
<td>43,994,514</td>
</tr>
<tr>
<td><strong>Net Auxiliaries and Athletics Revenue/(Expense)</strong></td>
<td>(304,496)</td>
<td>5,480,053</td>
<td>5,764,549</td>
</tr>
<tr>
<td><strong>Sponsored Programs</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal Grants and Contracts Revenues</td>
<td>197,680,649</td>
<td>175,708,661</td>
<td>(21,971,789)</td>
</tr>
<tr>
<td>State and Local Grants and Contracts Revenues</td>
<td>37,793,111</td>
<td>18,068,577</td>
<td>(19,724,534)</td>
</tr>
<tr>
<td>Non-Governmental Grants and Contracts Revenues</td>
<td>20,509,544</td>
<td>14,528,533</td>
<td>(5,981,011)</td>
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<tr>
<td>Gifts</td>
<td>242,246</td>
<td>161,622</td>
<td>(80,624)</td>
</tr>
<tr>
<td>Transfers</td>
<td>980,186</td>
<td>3,502,924</td>
<td>2,524,738</td>
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<tr>
<td>Other Revenues</td>
<td>(3,385,901)</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Sponsored Programs Revenues</td>
<td>257,185,716</td>
<td>208,581,616</td>
<td>(48,604,100)</td>
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<tr>
<td>Salaries and Benefits</td>
<td>127,866,408</td>
<td>73,481,561</td>
<td>54,384,845</td>
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<tr>
<td>Other Expenses</td>
<td>129,219,319</td>
<td>139,100,055</td>
<td>(9,990,745)</td>
</tr>
<tr>
<td>Total Sponsored Programs Expenses</td>
<td>257,185,716</td>
<td>208,581,616</td>
<td>49,604,100</td>
</tr>
<tr>
<td><strong>Net Sponsored Programs Revenue/(Expense)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Contingencies</strong></td>
<td></td>
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<tr>
<td>Total Contingency Revenues</td>
<td>18,451,832</td>
<td>-</td>
<td>18,451,832</td>
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<tr>
<td>Total Contingency Expenses</td>
<td>(12,819,979)</td>
<td>-</td>
<td>(12,819,979)</td>
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<tr>
<td>Net Contingencies Revenue/(Expense)</td>
<td>31,262,811</td>
<td>-</td>
<td>31,262,811</td>
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<tr>
<td><strong>Net Current Revenue/(Expense)</strong></td>
<td>(11,845,793)</td>
<td>83,033,695</td>
<td>157,405,110</td>
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### Adjustments

**Beginning Net Assets Unrestricted**

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<tr>
<th>Amount</th>
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<tr>
<td>258,994,997</td>
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**Ending Net Assets Unrestricted**

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>342,028,692</td>
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### University of New Mexico - Consolidated Total Operations Current Funds

#### University of New Mexico - Results of Athletics and Auxiliary Operations

#### Results of Athletics Operations:

<table>
<thead>
<tr>
<th></th>
<th>FY 2011 Full Year Operating Budget</th>
<th>FY 2011 Year-to-Date Actual</th>
<th>Fiscal YTD Favorable/(Unfavorable) Budget</th>
<th>Actual to Budget Benchmark Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Athletics Revenues</td>
<td>32,469,528</td>
<td>21,127,908</td>
<td>(11,341,530)</td>
<td>66%</td>
</tr>
<tr>
<td>Athletics Transfers</td>
<td>(3,248,845)</td>
<td>(1,956,060)</td>
<td>1,292,785</td>
<td>60%</td>
</tr>
<tr>
<td>Total Athletics Revenues</td>
<td>29,220,683</td>
<td>19,171,938</td>
<td>(10,048,745)</td>
<td>66%</td>
</tr>
<tr>
<td>Athletics Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>13,382,324</td>
<td>7,744,778</td>
<td>5,637,546</td>
<td>58%</td>
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<tr>
<td>Grant-in-Aid</td>
<td>3,193,027</td>
<td>2,364,465</td>
<td>226,542</td>
<td>93%</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>12,843,432</td>
<td>6,663,710</td>
<td>4,179,722</td>
<td>62%</td>
</tr>
<tr>
<td>Total Athletics Expenses</td>
<td>26,418,783</td>
<td>19,371,973</td>
<td>10,045,810</td>
<td>66%</td>
</tr>
<tr>
<td>Net Athletics Revenue/(Expense)</td>
<td>(198,100)</td>
<td>(201,035)</td>
<td>(2,935)</td>
<td></td>
</tr>
</tbody>
</table>

#### Results of Auxiliary Operations:

#### VP for Institutional Support Services

<table>
<thead>
<tr>
<th>VP for Institutional Support Services Revenues</th>
<th>FY 2011 Full Year Operating Budget</th>
<th>FY 2011 Year-to-Date Actual</th>
<th>Fiscal YTD Favorable/(Unfavorable) Budget</th>
<th>Actual to Budget Benchmark Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bookstore Revenues</td>
<td>17,940,999</td>
<td>15,853,804</td>
<td>(2,087,195)</td>
<td>88%</td>
</tr>
<tr>
<td>Bookstore Transfers</td>
<td>(530,025)</td>
<td>(204,170)</td>
<td>325,855</td>
<td>39%</td>
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<tr>
<td>Total Bookstore Revenues</td>
<td>17,410,974</td>
<td>15,649,634</td>
<td>(5,652,599)</td>
<td>27%</td>
</tr>
<tr>
<td>Total Bookstore Expenses</td>
<td>17,410,974</td>
<td>13,607,566</td>
<td>(3,803,608)</td>
<td>78%</td>
</tr>
<tr>
<td>Net Bookstore Revenue/(Expense)</td>
<td></td>
<td>-</td>
<td>2,042,068</td>
<td></td>
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<tr>
<td>Golf Courses Revenues</td>
<td>2,555,127</td>
<td>1,091,378</td>
<td>(1,503,749)</td>
<td>42%</td>
</tr>
<tr>
<td>Golf Courses Transfers</td>
<td>(39,252)</td>
<td>(22,897)</td>
<td>14,355</td>
<td>58%</td>
</tr>
<tr>
<td>Total Golf Courses Revenues</td>
<td>2,555,875</td>
<td>1,068,481</td>
<td>(1,487,394)</td>
<td>42%</td>
</tr>
<tr>
<td>Total Golf Courses Expenses</td>
<td>2,555,875</td>
<td>1,068,481</td>
<td>(1,487,394)</td>
<td>42%</td>
</tr>
<tr>
<td>Net Golf Courses Revenue/(Expense)</td>
<td></td>
<td>-</td>
<td>(355,941)</td>
<td>(355,941)</td>
</tr>
<tr>
<td>Parking and Transportation Revenues</td>
<td>7,729,958</td>
<td>5,030,237</td>
<td>(2,699,721)</td>
<td>65%</td>
</tr>
<tr>
<td>Parking and Transfers</td>
<td>(2,438,497)</td>
<td>(1,553,108)</td>
<td>885,389</td>
<td>64%</td>
</tr>
<tr>
<td>Total Parking and Trans Revenues</td>
<td>5,291,461</td>
<td>3,477,129</td>
<td>(1,814,332)</td>
<td>66%</td>
</tr>
<tr>
<td>Total Parking and Trans Expenses</td>
<td>5,291,461</td>
<td>3,477,129</td>
<td>(1,814,332)</td>
<td>66%</td>
</tr>
<tr>
<td>Net Parking and Trans Revenue/(Expense)</td>
<td></td>
<td>-</td>
<td>386,538</td>
<td>386,538</td>
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<tr>
<td>Ticketing Services Revenues</td>
<td>928,295</td>
<td>700,326</td>
<td>(228,969)</td>
<td>76%</td>
</tr>
<tr>
<td>Ticketing Services Transfers</td>
<td>75,348</td>
<td>43,953</td>
<td>(31,395)</td>
<td>58%</td>
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<tr>
<td>Total Ticketing Services Revenues</td>
<td>1,003,643</td>
<td>744,279</td>
<td>(257,364)</td>
<td>74%</td>
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<tr>
<td>Total Ticketing Services Expenses</td>
<td>1,003,643</td>
<td>465,548</td>
<td>536,095</td>
<td>46%</td>
</tr>
<tr>
<td>Net Ticketing Services Revenue/(Expense)</td>
<td></td>
<td>-</td>
<td>278,731</td>
<td>278,731</td>
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<tr>
<td>Faculty Club Revenues</td>
<td>50,400</td>
<td>27,956</td>
<td>(22,444)</td>
<td>55%</td>
</tr>
<tr>
<td>Faculty Club Expenses</td>
<td>50,400</td>
<td>35,085</td>
<td>15,315</td>
<td>70%</td>
</tr>
<tr>
<td>Net Faculty Club Revenue/(Expense)</td>
<td></td>
<td>(7,129)</td>
<td>(7,129)</td>
<td></td>
</tr>
<tr>
<td>Young Ranch Revenues</td>
<td>55,536</td>
<td>-</td>
<td>(55,536)</td>
<td>0%</td>
</tr>
<tr>
<td>Young Ranch Expenses</td>
<td>55,536</td>
<td>30,603</td>
<td>24,933</td>
<td>42%</td>
</tr>
<tr>
<td>Net Young Ranch Revenue/(Expense)</td>
<td></td>
<td>(30,603)</td>
<td>(30,603)</td>
<td></td>
</tr>
<tr>
<td>Taos &amp; Lawrence Ranch Revenues</td>
<td>98,763</td>
<td>230,620</td>
<td>131,857</td>
<td>234%</td>
</tr>
<tr>
<td>Taos &amp; Lawrence Ranch Expenses</td>
<td>98,763</td>
<td>26,592</td>
<td>69,171</td>
<td>30%</td>
</tr>
<tr>
<td>Net Taos &amp; Lawrence Ranch Revenue/(Expense)</td>
<td></td>
<td>201,028</td>
<td>201,028</td>
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</tr>
<tr>
<td>Total VP for Institutional Support Services Revenues</td>
<td>34,188,632</td>
<td>23,269,480</td>
<td>(10,919,152)</td>
<td>68%</td>
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<tr>
<td>Total VP for Institutional Support Services Expenses</td>
<td>34,188,632</td>
<td>21,104,293</td>
<td>13,084,339</td>
<td>62%</td>
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<tr>
<td>Net VP for Institutional Support Services Revenue/(Expense)</td>
<td></td>
<td>2,165,167</td>
<td>2,165,167</td>
<td></td>
</tr>
</tbody>
</table>
# University of New Mexico - Consolidated Total Operations Current Funds

## VP for Student Affairs

<table>
<thead>
<tr>
<th></th>
<th>FY 2011 Full Year Operating Budget</th>
<th>FY 2011 Year-to-Date Actual</th>
<th>Fiscal YTD Favbl/(Unfavbl)</th>
<th>Actual to Budget Benchmark Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>AVP Ops/Student Life Revenues</td>
<td>2,170,654</td>
<td>1,624,814</td>
<td>(545,731)</td>
<td>75%</td>
</tr>
<tr>
<td>AVP Ops/Student Life Transfers</td>
<td>(236,000)</td>
<td>(30,374)</td>
<td>207,626</td>
<td>13%</td>
</tr>
<tr>
<td>Total AVP Ops/Student Life Revenues</td>
<td>1,932,659</td>
<td>1,594,440</td>
<td>(336,899)</td>
<td>63%</td>
</tr>
<tr>
<td>Total AVP Ops/Student Life Expenses</td>
<td>1,932,659</td>
<td>792,336</td>
<td>1,140,203</td>
<td>41%</td>
</tr>
<tr>
<td>Net AVP Ops/Student Life Revenue/(Expense)</td>
<td>-</td>
<td>602,104</td>
<td>802,104</td>
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</tr>
<tr>
<td>Housing and Food Service Revenues</td>
<td>24,843,630</td>
<td>9,017,656</td>
<td>(15,826,174)</td>
<td>35%</td>
</tr>
<tr>
<td>Housing Transfers</td>
<td>(4,037,394)</td>
<td>(3,828,151)</td>
<td>209,243</td>
<td>65%</td>
</tr>
<tr>
<td>Total Housing and Food Service Revenues</td>
<td>20,806,236</td>
<td>5,189,505</td>
<td>(15,616,661)</td>
<td>25%</td>
</tr>
<tr>
<td>Total Housing and Food Service Expenses</td>
<td>20,806,236</td>
<td>4,968,787</td>
<td>15,837,458</td>
<td>24%</td>
</tr>
<tr>
<td>Net Housing and Food Service Revenue/(Expense)</td>
<td>-</td>
<td>220,916</td>
<td>220,916</td>
<td></td>
</tr>
<tr>
<td>Student Health Center Revenues</td>
<td>6,669,064</td>
<td>5,748,378</td>
<td>(920,686)</td>
<td>86%</td>
</tr>
<tr>
<td>Student Health Center Expenses</td>
<td>6,769,064</td>
<td>3,775,807</td>
<td>2,993,257</td>
<td>56%</td>
</tr>
<tr>
<td>Net Student Health Center Revenue/(Expense)</td>
<td>(100,000)</td>
<td>1,972,571</td>
<td>2,072,571</td>
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</tr>
<tr>
<td>Student Union Revenues</td>
<td>2,147,429</td>
<td>2,093,899</td>
<td>(53,530)</td>
<td>98%</td>
</tr>
<tr>
<td>Student Union Expenses</td>
<td>2,147,429</td>
<td>1,767,251</td>
<td>380,178</td>
<td>82%</td>
</tr>
<tr>
<td>Net Student Union Revenue/(Expense)</td>
<td>-</td>
<td>326,648</td>
<td>326,648</td>
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<tr>
<td>Lobo Cash Revenues</td>
<td>24,330</td>
<td>(39,213)</td>
<td>(63,543)</td>
<td>-161%</td>
</tr>
<tr>
<td>Lobo Cash Expenses</td>
<td>24,330</td>
<td>20,602</td>
<td>(3,728)</td>
<td>85%</td>
</tr>
<tr>
<td>Net Lobo Cash Revenue/(Expense)</td>
<td>-</td>
<td>(59,815)</td>
<td>(59,815)</td>
<td></td>
</tr>
<tr>
<td>Total VP for Student Affairs Revenues</td>
<td>31,579,798</td>
<td>14,586,979</td>
<td>(16,992,819)</td>
<td>46%</td>
</tr>
<tr>
<td>Total VP for Student Affairs Expenses</td>
<td>31,679,798</td>
<td>11,324,974</td>
<td>20,354,824</td>
<td>36%</td>
</tr>
<tr>
<td>Net VP for Student Affairs Revenue/(Expense)</td>
<td>(100,000)</td>
<td>3,262,005</td>
<td>3,362,005</td>
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</tr>
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</table>

## Provost and Other Units

<table>
<thead>
<tr>
<th></th>
<th>FY 2011 Full Year Operating Budget</th>
<th>FY 2011 Year-to-Date Actual</th>
<th>Fiscal YTD Favbl/(Unfavbl)</th>
<th>Actual to Budget Benchmark Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>CE Conference Ctr Revenues</td>
<td>246,000</td>
<td>96,635</td>
<td>(146,365)</td>
<td>41%</td>
</tr>
<tr>
<td>CE Conference Ctr Transfers</td>
<td>(71,769)</td>
<td>35,709</td>
<td>107,476</td>
<td>-50%</td>
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<tr>
<td>Total CE Conference Ctr Revenues</td>
<td>174,231</td>
<td>135,344</td>
<td>(38,887)</td>
<td>78%</td>
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<tr>
<td>Total CE Conference Ctr Expenses</td>
<td>174,231</td>
<td>121,611</td>
<td>52,620</td>
<td>70%</td>
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<tr>
<td>Net CE Conference Ctr Revenue/(Expense)</td>
<td>-</td>
<td>13,733</td>
<td>13,733</td>
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<tr>
<td>Art Museum Revenues</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
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<tr>
<td>Art Museum Expenses</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
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<tr>
<td>Net Art Museum Revenue/(Expense)</td>
<td>-</td>
<td>(300)</td>
<td>(300)</td>
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<tr>
<td>Maxwell Museum Revenues</td>
<td>25,000</td>
<td>30,919</td>
<td>5,919</td>
<td>124%</td>
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<td>Maxwell Museum Expenses</td>
<td>27,500</td>
<td>40,319</td>
<td>(12,819)</td>
<td>147%</td>
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<td>Net Maxwell Museum Revenue/(Expense)</td>
<td>(2,500)</td>
<td>(9,400)</td>
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<td>Other Revenues</td>
<td>64,500</td>
<td>527</td>
<td>(63,973)</td>
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<td>Other Expenses</td>
<td>80,000</td>
<td>33,709</td>
<td>26,291</td>
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<td>Net Other Revenue/(Expense)</td>
<td>4,500</td>
<td>(33,182)</td>
<td>(33,182)</td>
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<tr>
<td>Total Provost and Other Units Revenues</td>
<td>283,731</td>
<td>166,790</td>
<td>(96,941)</td>
<td>63%</td>
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<td>Total Provost and Other Units Expenses</td>
<td>281,731</td>
<td>185,339</td>
<td>65,392</td>
<td>75%</td>
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<td>Net Provost and Other Units Revenue/(Expense)</td>
<td>2,000</td>
<td>(29,149)</td>
<td>(31,149)</td>
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## Auxiliary Totals

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<tr>
<th></th>
<th>FY 2011 Full Year Operating Budget</th>
<th>FY 2011 Year-to-Date Actual</th>
<th>Fiscal YTD Favbl/(Unfavbl)</th>
<th>Actual to Budget Benchmark Rate</th>
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<tbody>
<tr>
<td>Total Auxiliary &amp; Concessions Revenues</td>
<td>66,032,101</td>
<td>36,023,249</td>
<td>(28,008,912)</td>
<td>58%</td>
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<tr>
<td>Total Auxiliary &amp; Concessions Expenses</td>
<td>66,132,101</td>
<td>32,625,236</td>
<td>33,504,955</td>
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<td>Net Auxiliary Revenue/(Expense)</td>
<td>(90,000)</td>
<td>5,398,043</td>
<td>5,496,043</td>
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<td>Net Athletics Revenue/(Expense)</td>
<td>(198,100)</td>
<td>(201,035)</td>
<td>(2,935)</td>
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<td>Net Auxiliary and Athletics Revenue/(Expense)</td>
<td>(296,100)</td>
<td>5,197,008</td>
<td>5,493,108</td>
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<td>Net Branch Campuses Aux Revenue/(Expense)</td>
<td>(6,396)</td>
<td>283,045</td>
<td>291,441</td>
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<td>Net All Auxiliary and Athletics Revenue/(Expense)</td>
<td>(304,496)</td>
<td>5,480,053</td>
<td>5,784,549</td>
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### UNM Debt Service Schedule

**As of January 31, 2011**

<table>
<thead>
<tr>
<th>UNM Bond Issue</th>
<th>Fixed or Variable Rate Issue</th>
<th>Original Issue Amount</th>
<th>Outstanding Principal Balance as of June 30, 2010</th>
<th>Prinical Payment Due on June 30, 2011</th>
<th>Interest Payment Due on December 31, 2010</th>
<th>Interest Payment Due on June 30, 2011</th>
<th>FY 2011 Principal &amp; Interest</th>
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<tbody>
<tr>
<td>Sub Lien System Imp Revenue Bonds</td>
<td>Fixed Rate</td>
<td>$136,710,000</td>
<td>$136,710,000</td>
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<td>$3,386,860</td>
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<td><strong>Series 2007 A&amp;B</strong>: Interest Range: 3.996% to 5.28%</td>
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<td>Final Maturity Year: 2036</td>
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<tr>
<td>Sub Lien System Imp Revenue Bonds</td>
<td>Fixed Rate</td>
<td>$125,575,000</td>
<td>$122,125,000</td>
<td>$1,870,000</td>
<td>$2,791,701</td>
<td>$2,791,701</td>
<td>$7,453,402</td>
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<td><strong>Series 2005</strong>: Interest Range: 3.0% to 5.0%</td>
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<td>Final Maturity Year: 2035</td>
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<tr>
<td>(1) Hospital Mortgage Revenue Bonds</td>
<td>Fixed Rate</td>
<td>$192,250,000</td>
<td>$179,005,000</td>
<td>$4,570,000</td>
<td>$4,277,788</td>
<td>$4,224,150</td>
<td>$13,071,938</td>
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<td><strong>Series 2004</strong>: Interest Range: 2.0% to 5.0%</td>
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<td>Final Maturity Year: 2031</td>
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<tr>
<td>Sub Lien System Rfdg Revenue Bonds</td>
<td>Fixed Rate</td>
<td>$21,660,000</td>
<td>$12,665,000</td>
<td>$2,080,000</td>
<td>$329,857</td>
<td>$329,857</td>
<td>$2,739,714</td>
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<td><strong>Series 2003 A</strong>: Interest Range: 2.0% to 5.25%</td>
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<td>Final Maturity Year: 2018</td>
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<td>Sub Lien System Rfdg Revenue Bonds</td>
<td>Fixed Rate</td>
<td>$11,805,000</td>
<td>$10,285,000</td>
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<td>$249,905</td>
<td>$249,905</td>
<td>$749,810</td>
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<td><strong>Series 2003 B&amp;C</strong>: Interest Range: 1.35% to 5.625%</td>
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<td>Final Maturity Years: B 2024 &amp; C 2033</td>
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<tr>
<td>Sub Lien Sys Rfdg &amp; Imp Revenue Bonds</td>
<td>Fixed Rate</td>
<td>$58,860,000</td>
<td>$47,570,000</td>
<td>$2,045,000</td>
<td>$1,214,163</td>
<td>$1,214,163</td>
<td>$4,473,326</td>
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<tr>
<td><strong>Series 2002 A</strong>: Interest Range: 2.5% to 5.25%</td>
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<tr>
<td>Final Maturity Year: 2032</td>
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<tr>
<td>Sub Lien Sys Rfdg Revenue Bonds</td>
<td>Variable Rate</td>
<td>$25,475,000</td>
<td>$25,090,000</td>
<td>$200,000</td>
<td>$480,474</td>
<td>$480,474</td>
<td>$1,160,948</td>
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<td><strong>Series 2002 B</strong>: Synthetic Fixed Interest Rate: 3.83%</td>
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<td>Final Maturity Year: 2026</td>
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<tr>
<td>Sub Lien System Rfdg Revenue Bonds</td>
<td>Variable Rate</td>
<td>$37,840,000</td>
<td>$36,740,000</td>
<td>$250,000</td>
<td>$820,400</td>
<td>$820,400</td>
<td>$3,475,800</td>
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<tr>
<td><strong>Series 2002 C</strong>: Synthetic Fixed Interest Rate: 3.94%</td>
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<td>Final Maturity Year: 2030</td>
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<tr>
<td>Sub Lien System Imp Revenue Bonds</td>
<td>Variable Rate</td>
<td>$82,625,000</td>
<td>$41,020,000</td>
<td>$1,835,000</td>
<td>$266,385</td>
<td>$266,385</td>
<td>$1,115,001</td>
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<td><strong>Series 2001</strong>: 1/2 True Variable Rate</td>
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<tr>
<td><strong>Series 2001</strong>: 1/2 Synthetic Fixed Interest at 4.16% and 4.19%</td>
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<tr>
<td>Final Maturity Year: 2026</td>
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<tr>
<td>Sub Lien System Imp Revenue Bonds</td>
<td>Fixed Rate</td>
<td>$53,231,671</td>
<td>$33,886,944</td>
<td>$582,231</td>
<td>$266,385</td>
<td>$266,385</td>
<td>$1,115,001</td>
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<tr>
<td><strong>Series 2000 A&amp;B</strong>: Interest Range: 4.65% to 6.35%</td>
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<tr>
<td>Final Maturity Year: 2029</td>
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<tr>
<td>System Revenue Rfdg Bonds</td>
<td>Fixed Rate</td>
<td>$36,790,000</td>
<td>$22,365,000</td>
<td>$1,050,000</td>
<td>$674,906</td>
<td>$674,906</td>
<td>$2,884,812</td>
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<tr>
<td><strong>Series 1992 A</strong>: Interest Range: 5.6% to 6.25%</td>
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<tr>
<td>Final Maturity Year: 2030</td>
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</tbody>
</table>

**Grand Total**

| | $752,821,671 | $637,461,944 | $16,941,231 | $15,216,211 | $15,162,579 | $47,328,027 |

*Note: See attached matrix for funding sources.*

1. **Source**: UNM Hospital - Both UNM Hospital Principal and Interest payments are made on July 1st and January 1st.
2. **Variable Rate bonds** reflect the actual synthetically fixed interest rate that UNM pays.

It is noted that all ranges of interest rates and final maturity dates are reflective of Serial bonds. Term bonds are excluded per auditors and thereby concur with the Audit Report 2010.
### FY11 UNM Debt Service - Source of Funds

As of January 31, 2011

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<td>Student Fees - Facility</td>
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<td>X</td>
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<td>X</td>
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<td>Student Fees - IT</td>
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<td>Capitalized Interest</td>
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<td>Parking Services</td>
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<td>Bookstore</td>
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<td>Housing &amp; Dining Services</td>
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<td>Golf Course - North &amp; South</td>
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<td>UNM Development Revenues</td>
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</table>

**Note:** Capitalized interest was the funding source for the 2007A&B bonds through FY2010. Beginning FY2011, the other sources of funds identified above will be used to service debt associated with the Series 2007A&B bonds.

* Recent addition - proceeds will be used for various HSC projects.
### MAIN CAMPUS

<table>
<thead>
<tr>
<th>Instruction, Academic and Student Support Services</th>
<th>Total Revenues (A)</th>
<th>Faculty Salaries (B)</th>
<th>Student Salaries (B)</th>
<th>Benefits (B)</th>
<th>Other Expenditures (B)</th>
<th>Net Revenues / (Expenditures) (B-A)</th>
<th>Burn Rate</th>
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<td>AAA President Admin Office</td>
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</tr>
<tr>
<td>Sub-Total</td>
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</tr>
<tr>
<td>Sub-Total</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>TOTAL MAIN CAMPUS</td>
<td>1,617,676</td>
<td>64,631,929</td>
<td>40,863,957</td>
<td>9,787,855</td>
<td>27,991,445</td>
<td>29,960,933</td>
<td>12,242,000</td>
</tr>
</tbody>
</table>

### MAIN CAMPUS (2011-2012)

<table>
<thead>
<tr>
<th>Instruction, Academic and Student Support Services</th>
<th>Total Revenues (A)</th>
<th>Faculty Salaries (B)</th>
<th>Student Salaries (B)</th>
<th>Benefits (B)</th>
<th>Other Expenditures (B)</th>
<th>Net Revenues / (Expenditures) (B-A)</th>
<th>Burn Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>University Support Services</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>AAA President Admin Office</td>
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</tr>
<tr>
<td>ABA EVP Administration</td>
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<td></td>
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<tr>
<td>ABD Controller</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>ABE Associate VP for Facilities Mgmt</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>ADF Human Resources</td>
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<tr>
<td>ADG VP Institutional Support Services</td>
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<td></td>
</tr>
<tr>
<td>ADI Government &amp; Community Relations</td>
<td></td>
<td></td>
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<tr>
<td>AEI Information Technology</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>AEA VP Institutional Advancement</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Sub-Total</td>
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<td></td>
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</tr>
<tr>
<td>Sub-Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL MAIN CAMPUS</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

**Page 1 of 2**
### INTERCOLLEGIATE ATHLETICS

<table>
<thead>
<tr>
<th>Organization Level 3</th>
<th>Pooled Revenues</th>
<th>Transfers</th>
<th>Other Revenues</th>
<th>Total Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADC Intercolligate Athletics</td>
<td>713,871</td>
<td>4,560</td>
<td>(56,186)</td>
<td>682,185</td>
</tr>
<tr>
<td>TOTAL ATHLETICS</td>
<td>713,871</td>
<td>4,560</td>
<td>(56,186)</td>
<td>682,185</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Faculty Salaries</th>
<th>Staff Salaries</th>
<th>Student Salaries</th>
<th>Benefits</th>
<th>Other Expenditures</th>
<th>Total Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADC</td>
<td>0</td>
<td>200,998</td>
<td>68</td>
<td>0</td>
<td>207,587</td>
<td>468,643</td>
</tr>
<tr>
<td>TOTAL</td>
<td>0</td>
<td>200,998</td>
<td>68</td>
<td>0</td>
<td>207,587</td>
<td>468,643</td>
</tr>
</tbody>
</table>

### BRANCH CAMPUSES

<table>
<thead>
<tr>
<th>Branch</th>
<th>Pooled Revenues</th>
<th>Transfers</th>
<th>Other Revenues</th>
<th>Total Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGA Gallup Branch</td>
<td>9,002,661</td>
<td>613,075</td>
<td>80,011</td>
<td>7,649,697</td>
</tr>
<tr>
<td>AGB Los Alamos Branch</td>
<td>1,715,903</td>
<td>71,674</td>
<td>40,556</td>
<td>1,684,875</td>
</tr>
<tr>
<td>AGC Taos Branch</td>
<td>3,257,349</td>
<td>23,684</td>
<td>62,009</td>
<td>3,288,674</td>
</tr>
<tr>
<td>AGD Valencia County Branch</td>
<td>4,225,667</td>
<td>(1,314,783)</td>
<td>160,556</td>
<td>3,077,842</td>
</tr>
<tr>
<td>Sub-Total</td>
<td>17,201,580</td>
<td>(2,029,210)</td>
<td>349,534</td>
<td>15,521,898</td>
</tr>
</tbody>
</table>

| Fringe Benefit Pool  | 5,973,127       | (93,864)  | (74,302)       | 5,810,956      |
| Sub-Total            | 5,973,127       | (93,864)  | (74,302)       | 5,810,956      |

| TOTAL BRANCH CAMPUSES | 23,180,702      | (2,123,080) | 275,232        | 21,332,854     |

<table>
<thead>
<tr>
<th>Branch</th>
<th>Pooled Revenues</th>
<th>Transfers</th>
<th>Other Revenues</th>
<th>Total Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEALTH SCIENCES CENTER</td>
<td>20,034,033</td>
<td>(4,057,023)</td>
<td>(145,926)</td>
<td>16,084,082</td>
</tr>
<tr>
<td>AFD HS Library and Information Center</td>
<td>5,520,653</td>
<td>(312,820)</td>
<td>(13,819)</td>
<td>5,202,026</td>
</tr>
<tr>
<td>AFC School of Medicine</td>
<td>49,544,621</td>
<td>(5,177,998)</td>
<td>(1,394,645)</td>
<td>41,905,977</td>
</tr>
<tr>
<td>AFD College of Nursing</td>
<td>6,653,436</td>
<td>(23,031)</td>
<td>(180,212)</td>
<td>6,643,485</td>
</tr>
<tr>
<td>AFE College of Pharmacy</td>
<td>7,220,840</td>
<td>(434,456)</td>
<td>(398,297)</td>
<td>6,720,256</td>
</tr>
<tr>
<td>ASH HSC VP Research</td>
<td>41,516</td>
<td>(40,000)</td>
<td>0</td>
<td>916</td>
</tr>
<tr>
<td>Sub-Total</td>
<td>99,506,297</td>
<td>(10,048,332)</td>
<td>(2,071,078)</td>
<td>76,616,887</td>
</tr>
</tbody>
</table>

| Non-Operational Monitoring Activity | 51,214,096 | 12,000,02 | 7,701,464 | 33,459,498 |
| Fringe Benefit Pool               | 21,134,310 | (534)     | (848,513) | 20,285,263 |
| Sub-Total                         | 122,232,599 | 12,240,365 | 7,152,951 | 12,385,243 |

| TOTAL HEALTH SCIENCES CENTER     | 57,253,738   | 1,410,033 | 5,081,673    | 63,751,644     |

| GRAND TOTAL                       | 319,191,830 | (26,580,201) | 13,292,375 | 304,504,430 |
| Pooled Revenues                  | 73,103,888   | 61,194,249 | 10,887,139 | 193,185,265 |
| Transfers                        | 30,885,343   | 33,096,363 | 218,086,983 | 341,085,630 |

<table>
<thead>
<tr>
<th>Net Revenues/Expenditures Burn Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pooled Other Total Faculty Staff Student Other Total Burn Rate</td>
</tr>
<tr>
<td>54.41%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(B - A)</th>
</tr>
</thead>
<tbody>
<tr>
<td>77.02%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Burn Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>68.70%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Burn Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>78.93%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Burn Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>87.36%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Burn Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>117.06%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Burn Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>23.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Burn Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>51.24%</td>
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</table>

<table>
<thead>
<tr>
<th>Burn Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>70.09%</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Burn Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>56.33%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Burn Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>51.53%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Burn Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>49.96%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Burn Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>54.41%</td>
</tr>
<tr>
<td>Organization Level</td>
</tr>
<tr>
<td>-------------------</td>
</tr>
<tr>
<td>TOTALL INSTRUCTION</td>
</tr>
<tr>
<td>Instructional and Academic Student Support Services (Main &amp; Branches)</td>
</tr>
<tr>
<td>UNIVERSITY SUPPORT SERVICES (Main &amp; Branches)</td>
</tr>
<tr>
<td>Intercollegiate Athletics</td>
</tr>
<tr>
<td>TOTAL COMPENSATION (Main, Branches and Athletics)</td>
</tr>
</tbody>
</table>
## University of New Mexico
Compensation Analysis by Organization Level 3
For the seven month period ended January 31, 2011
Preliminary and Unaudited

<table>
<thead>
<tr>
<th>Organization Level 3</th>
<th>YTD Faculty Compensation</th>
<th>YTD Staff Compensation</th>
<th>Ge To Re Pa Salaries</th>
<th>Nonstaff Salaries</th>
<th>Student Employment</th>
<th>YTD Student Compensation</th>
<th>YTD Total Compensation</th>
<th>% of YTD Total Compensation</th>
<th>Full Year Compensation Original Budget</th>
<th>% of YTD Total Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Health Sciences Center</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>College of Nursing</td>
<td>2,378,341</td>
<td>788,411</td>
<td>75,582</td>
<td>-</td>
<td>7,556</td>
<td>1,825</td>
<td>899,735</td>
<td>3,291,724</td>
<td>3.40%</td>
<td>6,332,563</td>
</tr>
<tr>
<td>College of Pharmacy</td>
<td>2,170,546</td>
<td>1,362,354</td>
<td>196,262</td>
<td>45,217</td>
<td>30,236</td>
<td>3,054</td>
<td>1,274,669</td>
<td>3,897,669</td>
<td>2.88%</td>
<td>7,416,636</td>
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<tr>
<td>HS Library and Information Center</td>
<td>600,736</td>
<td>1,543,118</td>
<td>156,217</td>
<td></td>
<td>50,766</td>
<td>2,188</td>
<td>26,394</td>
<td>2,170,233</td>
<td>1.64%</td>
<td>3,963,581</td>
</tr>
<tr>
<td>School of Medicine</td>
<td>70,969,537</td>
<td>28,313,677</td>
<td>475,255</td>
<td>15,968,313</td>
<td>425,826</td>
<td>24,851</td>
<td>16,915,233</td>
<td>116,690,313</td>
<td>87.99%</td>
<td>58,951,044</td>
</tr>
<tr>
<td>VP/HEC Administration</td>
<td>800,459</td>
<td>5,119,878</td>
<td>9,760</td>
<td>21,541</td>
<td>13,076</td>
<td>359</td>
<td>45,250</td>
<td>6,601,173</td>
<td>4.58%</td>
<td>10,881,856</td>
</tr>
<tr>
<td>HSC/VP Research</td>
<td>190,214</td>
<td>1,821,052</td>
<td></td>
<td></td>
<td>37,956</td>
<td></td>
<td>976,956</td>
<td>1,934,602</td>
<td>47.54%</td>
<td>79,689,344</td>
</tr>
</tbody>
</table>

| **Sponsored Programs**                    |                          |                        |                      |                   |                   |                         |                        |                                |                                |
|                                          | 25,156,226               | 24,049,883             | 7,825,788            |                   | 1,507,024         | 2,064,239              | 14,865,157             | 60,055,166                     |                                | 125,260,744                       | 16.88%                              |

| **TOTAL Compensation (Main, Branches, Athletics, HSC and Sponsored Programs)** |                          |                        |                      |                   |                   |                         |                        |                                |                                |
|                                                                          | 354,565,109              | 130,797,267            | 71,026,103           | 19,034,862        | 5,569,475          | 2,795,753              | 46,910,193             | 431,114,059                     |                                | 597,919,378                       | 16.88%                              |
MEMORANDUM TO ADVANCE
COMMITTEE AGENDA ITEM TO
THE BOARD OF REGENTS
THE UNIVERSITY OF NEW MEXICO

DATE: February 25, 2011

TO: David W. Harris, EVP for Administration, COO & CFO

FROM: Chris Vallejos, AVP, Business Planning & Svcs, Institutional Support Services

RE: Office of Capital Projects Monthly Project Status Report

INFORMATION ITEM:

The attached report is submitted for information only.


cc: William C. Turner, Director, Office of Capital Projects
    Rick Henrard, Group Manager, Office of Capital Projects
    Tony Sanchez, Unit IT Support Manager, Office of Capital Projects
    Christina Martinez, Unit Administrator, Office of Capital Projects
## UNM Capital Projects
### Executive Summary Report

**All Projects**

<table>
<thead>
<tr>
<th>Category</th>
<th>Active Projects</th>
<th>Total SF</th>
<th>Total Funding</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td><strong>33</strong></td>
<td><strong>708,282</strong></td>
<td><strong>$165,783,046</strong></td>
<td><strong>$167,846,793</strong></td>
</tr>
<tr>
<td><strong>New Projects</strong></td>
<td><strong>1</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Completed Projects</strong></td>
<td><strong>8</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Major Capital**  
Projects > $500,000  
*Includes Active LOBO Development Projects*

<table>
<thead>
<tr>
<th>Category</th>
<th>Active Projects</th>
<th>Total SF</th>
<th>Total Funding</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td><strong>14</strong></td>
<td><strong>672,677</strong></td>
<td><strong>$163,218,762</strong></td>
<td><strong>$165,218,762</strong></td>
</tr>
<tr>
<td><strong>New Projects</strong></td>
<td><strong>0</strong></td>
<td></td>
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</tr>
<tr>
<td><strong>Completed Projects</strong></td>
<td><strong>2</strong></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

**Minor Capital**  
Projects between $1000 and $500,000

<table>
<thead>
<tr>
<th>Category</th>
<th>Active Projects</th>
<th>Total SF</th>
<th>Total Funding</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td><strong>19</strong></td>
<td><strong>35,605</strong></td>
<td><strong>$2,564,284</strong></td>
<td><strong>$2,628,031</strong></td>
</tr>
<tr>
<td><strong>New Projects</strong></td>
<td><strong>1</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Completed Projects</strong></td>
<td><strong>6</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Start/End</td>
<td>Project Name</td>
<td>Architect</td>
<td>Contractor</td>
<td>SF</td>
</tr>
<tr>
<td>----------</td>
<td>--------------------------------------------------</td>
<td>-------------------------------</td>
<td>--------------------------</td>
<td>------</td>
</tr>
<tr>
<td>4/30/2010</td>
<td>Baseball Facility Upgrade</td>
<td>Design Plus LLC.</td>
<td>TBD</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>1/31/2012</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Total Projects</strong></td>
<td><strong>1</strong></td>
<td><strong>Total SF</strong></td>
<td><strong>10/23/2006</strong></td>
<td><strong>College of Nursing Reorganization Remodel</strong></td>
</tr>
<tr>
<td>4/18/2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Projects</strong></td>
<td><strong>5</strong></td>
<td><strong>Total SF</strong></td>
<td><strong>10/3/2006</strong></td>
<td><strong>Castetter Addition Ph2</strong></td>
</tr>
<tr>
<td>6/17/2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Projects</strong></td>
<td><strong>7</strong></td>
<td><strong>Total SF</strong></td>
<td><strong>372,675</strong></td>
<td><strong>Total Cost</strong></td>
</tr>
<tr>
<td>2/28/2008</td>
<td><strong>Gallup Technology Center and Classroom Building</strong></td>
<td>Rhode May Keller McNamara Architecture</td>
<td>Flintco Inc.</td>
<td>74384</td>
</tr>
<tr>
<td>7/16/2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Projects</strong></td>
<td><strong>7</strong></td>
<td><strong>Total SF</strong></td>
<td><strong>372,675</strong></td>
<td><strong>Total Cost</strong></td>
</tr>
<tr>
<td>3/18/2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Projects</strong></td>
<td><strong>7</strong></td>
<td><strong>Total SF</strong></td>
<td><strong>372,675</strong></td>
<td><strong>Total Cost</strong></td>
</tr>
<tr>
<td>5/19/2008</td>
<td><strong>Mesa Vista Fire Protection Repair</strong></td>
<td>The Hensley Engineering Group</td>
<td>Various</td>
<td>22454</td>
</tr>
<tr>
<td>1/31/2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Projects</strong></td>
<td><strong>7</strong></td>
<td><strong>Total SF</strong></td>
<td><strong>372,675</strong></td>
<td><strong>Total Cost</strong></td>
</tr>
<tr>
<td>1/20/2009</td>
<td><strong>Nanotechnology &amp; Biotechnology Center</strong></td>
<td>M+W Zander</td>
<td>OCP</td>
<td>4700</td>
</tr>
<tr>
<td>2/28/2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Projects</strong></td>
<td><strong>7</strong></td>
<td><strong>Total SF</strong></td>
<td><strong>372,675</strong></td>
<td><strong>Total Cost</strong></td>
</tr>
<tr>
<td>3/15/2007</td>
<td><strong>University Arena (Pit) Additions and Renovations</strong></td>
<td>Molzen * Corbin &amp; Associates</td>
<td>Flintco Inc.</td>
<td>214000</td>
</tr>
<tr>
<td>1/31/2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Projects</strong></td>
<td><strong>7</strong></td>
<td><strong>Total SF</strong></td>
<td><strong>372,675</strong></td>
<td><strong>Total Cost</strong></td>
</tr>
<tr>
<td>1/12/2008</td>
<td><strong>UNM Dental Clinic</strong></td>
<td>Rohde May Keller McNamara Architecture</td>
<td>Klinger Constructors</td>
<td>16756</td>
</tr>
<tr>
<td>7/1/2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# Lobo Development / Real Estate Projects

<table>
<thead>
<tr>
<th>Start/End</th>
<th>Project Name</th>
<th>Architect</th>
<th>Contractor</th>
<th>SF</th>
<th>Project Funding</th>
<th>Est. Project Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/20/2009</td>
<td>Student Housing</td>
<td>American Campus</td>
<td>American Campus</td>
<td>292990</td>
<td>$41,599,983</td>
<td>$41,599,983</td>
</tr>
</tbody>
</table>

**Total Projects** 1  **Total SF** 292,990  **Total Cost** $41,599,983

## Pending

<table>
<thead>
<tr>
<th>Start/End</th>
<th>Project Name</th>
<th>Architect</th>
<th>SF</th>
<th>Project Funding</th>
<th>Est. Project Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>9/26/2008</td>
<td>UNM Child Care</td>
<td>Design Plus LLC.</td>
<td>15000</td>
<td>$150,000</td>
<td>$5,000,000</td>
</tr>
</tbody>
</table>

**Total Projects** 1  **Total SF** 15,000  **Total Cost** $5,000,000
# Projects Completed

## Project Location: HSC

<table>
<thead>
<tr>
<th>Project Start/End</th>
<th>Project Name</th>
<th>Project Mgr.</th>
<th>Architect</th>
<th>Contractor</th>
<th>SF</th>
<th>Project Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/18/2010</td>
<td>BMSB Lab 206 Renovation</td>
<td>Mary Gauer</td>
<td>In House</td>
<td>Consolidated Builders</td>
<td>849</td>
<td>$81,336</td>
</tr>
<tr>
<td>12/17/2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7/25/2008</td>
<td>BMSB Office of Diversity Remodel</td>
<td>Mary Gauer</td>
<td>OCP</td>
<td>Consolidated Builders</td>
<td>576</td>
<td>$28,181</td>
</tr>
<tr>
<td>11/15/2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7/22/2010</td>
<td>BRF: Lab 340 Renovation</td>
<td>Christy Dvorak</td>
<td>Masterworks Architects</td>
<td>Consolidated Builders</td>
<td>694</td>
<td>$73,365</td>
</tr>
<tr>
<td>12/20/2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2/19/2010</td>
<td>HSC: Library - Informatics Study Space</td>
<td>Kim Sylvester</td>
<td>Masterworks Architects</td>
<td>Klinger Constructors</td>
<td>1600</td>
<td>$315,000</td>
</tr>
<tr>
<td>12/17/2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5/5/2010</td>
<td>HSSB Room #215 - PT</td>
<td>Kim Sylvester</td>
<td>In House</td>
<td>Consolidated Builders</td>
<td>105</td>
<td>$12,500</td>
</tr>
<tr>
<td>12/10/2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Totals for HSC**

- Total Projects: 5
- Total SF: 3,824
- Total Cost: $510,382

## Project Location: Main Campus

<table>
<thead>
<tr>
<th>Project Start/End</th>
<th>Project Name</th>
<th>Project Mgr.</th>
<th>Architect</th>
<th>Contractor</th>
<th>SF</th>
<th>Project Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/22/2010</td>
<td>Travelstead Hall Backfill</td>
<td>Brian Scharmer</td>
<td>Gregory T. Hicks Architects</td>
<td>AIC General Contractor</td>
<td>19745</td>
<td>$385,000</td>
</tr>
<tr>
<td>12/20/2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/22/2008</td>
<td>Zimmerman West Wing 1st Floor Fire Suppression System</td>
<td>Brian Scharmer</td>
<td>Gregory T. Hicks Architects</td>
<td>AIC General Contractor</td>
<td>28020</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>12/3/2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Totals for Main Campus**

- Total Projects: 2
- Total SF: 47,765
- Total Cost: $1,585,000

## Project Location: Other

<table>
<thead>
<tr>
<th>Project Start/End</th>
<th>Project Name</th>
<th>Project Mgr.</th>
<th>Architect</th>
<th>Contractor</th>
<th>SF</th>
<th>Project Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/1/2007</td>
<td>Harwood Museum Expansion</td>
<td>Cindy Schaedig</td>
<td>Conran &amp; Woods Architects</td>
<td>Flintco Inc.</td>
<td>10000</td>
<td>$6,251,481</td>
</tr>
<tr>
<td>11/30/2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Totals for Other**

- Total Projects: 1
- Total SF: 10,000
- Total Cost: $6,251,481

**Grand Total**

- Grand Total SF: 61,589
- Grand Total Cost: $8,346,863
# New Projects

<table>
<thead>
<tr>
<th>Project Location: HSC</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/20/2010 BMSB: 3rd Floor Corridor Upgrades</td>
</tr>
</tbody>
</table>

**Totals for HSC**

| Total Projects | Total SF: 5,146 | Total Cost: $75,916 |

**Grand Total Projects**

| 1 |
MEMORANDUM

To: Board of Trustees
From: Stephen McKernan  
Chief Executive Officer
Date: March 4, 2011
Subject: Monthly Hospital Activity Update

The Hospital has been involved in a variety of activities.

Activities Levels: The Hospital activity levels have steadily risen during the year. Adult days are 4 percent above the prior year and discharges are 5 percent above the prior year. Pediatric inpatient workload is 2 percent above the prior year. Obstetrics and normal newborn is still showing a reduced workload with activity about 10 percent below the prior year. Clinic visits and emergency department visits are essentially equivalent to the prior year. Surgeries are about 6 percent above the prior year.

For the past 3 weeks, the Hospital has been at record census the past 3 weeks has been very high. All the pediatric and adult units have physically full and there have been numerous patient waiting in the Emergency Department and on the PALS line for admission. There would be apparent need for additional capacity to care for the patients.

Finances: The finances of the Hospital have been stable. This has been accomplished for by control of expenses, increasing efficiency and increase in volumes. The Hospital has had a slightly positive net margin for the first 7 months. Both revenues and expenses have increased about 3 percent, which is slightly less than to case mix adjusted volume increase, but consistent with actual total patient volume increases.

The Balance Sheet is stable. The accounts receivable are stable and the accounts payable have been reduced since June. Cash balances are up slightly. The Hospital is in compliance with all its bond covenants.

Strategic Planning: The Hospital is going to reinitiate its strategic planning process to assess the volume of patients and the resources that the Hospital has available and review the facility master plan and the time frames associated with the projects. After initial analysis, management will bring the information to the Board Strategic Planning Committee.

Human Resources: Turnover for nurses is still less than 10 percent, overall turnover rate is 11 percent. The number of full time equivalents on the staff is around 5,400, up fifty from the beginning of the year, but many of the positions are now hospital based and there are very few travelers or agency staff used by the hospital. The vacancy rate for nursing and for all staff is about 1 percent. The employee recognition banquets are going very well.

Information System: Progress continues to be made on the new scheduling and surgery systems and they should come live in the late fall. Additionally a new prescription system that links with pharmacies in the community should come live by this summer. A new structured documentation system for the emergency room should come live later this spring.

Quality Initiatives: The hospital continues to made good progress in its coding initiatives which are important in determining the acuity of the patients and other indexes. The hospital has a major initiative on
improving the core measure compliance rates and is working on a process to monitor these parameters directly from the medical record.

If there are any questions on this or other matters, please feel free to contact me.
<table>
<thead>
<tr>
<th>Measure</th>
<th>Actual</th>
<th>Budget</th>
<th>YTD</th>
<th>Prior Year</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patient Days (includes newborn) for UNMH</td>
<td>↑↑</td>
<td>↑↑</td>
<td>89,940</td>
<td>91,606</td>
<td>Med/Surg, ICU and Pediatric days up; OB and newborn days down from prior year</td>
</tr>
<tr>
<td>Discharges for UNMH</td>
<td>↑↑</td>
<td>↑↑</td>
<td>16,144</td>
<td>16,770</td>
<td>Med/Surg and SAC discharges up; OB and Newborn Nursery discharges down from prior year</td>
</tr>
<tr>
<td>Average Length of Stay for UNMH</td>
<td>&lt; 5.48</td>
<td>5.57</td>
<td>5.46</td>
<td>5.50</td>
<td></td>
</tr>
<tr>
<td>Outpatient Clinic Visits for UNMH</td>
<td>↑↓</td>
<td>268,114</td>
<td>288,111</td>
<td>270,537</td>
<td>Includes 18,334 Flu Shots YTD and 21,633 PYTD, core clinic visits in line with prior year</td>
</tr>
<tr>
<td>Emergency Department Visits for UNMH</td>
<td>-</td>
<td>44,867</td>
<td>45,605</td>
<td>44,317</td>
<td></td>
</tr>
<tr>
<td>Urgent Care</td>
<td>↑↑</td>
<td>3,020</td>
<td>7,582</td>
<td>670</td>
<td>New location opened January 25, 2011</td>
</tr>
<tr>
<td>Operations</td>
<td>↑↑</td>
<td>11,017</td>
<td>10,880</td>
<td>10,376</td>
<td>Improved from prior year and budget</td>
</tr>
<tr>
<td>Births</td>
<td>↑↑</td>
<td>2,061</td>
<td>2,212</td>
<td>2,225</td>
<td>In line with peer hospital trends</td>
</tr>
<tr>
<td>Days for all Behavioral Operations</td>
<td>↑↑</td>
<td>16,003</td>
<td>16,556</td>
<td>16,844</td>
<td>Trend reflects shift to Outpatient services</td>
</tr>
<tr>
<td>Visits for all Behavioral Operations</td>
<td>↑↑</td>
<td>80,745</td>
<td>82,819</td>
<td>79,021</td>
<td>Improved from prior year</td>
</tr>
<tr>
<td>UNM Care Enrollment</td>
<td>↑↑</td>
<td>29,354</td>
<td>32,000</td>
<td>23,729</td>
<td>Total enrollment 38,875</td>
</tr>
<tr>
<td>UNMCI Enrollment</td>
<td>↑↓</td>
<td>9,521</td>
<td>11,966</td>
<td></td>
<td>No new enrollments allowed</td>
</tr>
<tr>
<td>Net Income (Loss) for all Operations (In thousands)</td>
<td>↑ &gt; $0</td>
<td>↑ $289</td>
<td>$31</td>
<td>($1,675)</td>
<td></td>
</tr>
<tr>
<td>Case Mix Index (CMI) - w/o newborn</td>
<td>↑↑</td>
<td>1.537</td>
<td>1.524</td>
<td>1.515</td>
<td>Increased from prior year and budget</td>
</tr>
<tr>
<td>Days Cash on Hand for UNMH</td>
<td>↑↑</td>
<td>65.01</td>
<td>42.45</td>
<td>61.89</td>
<td>Improved from prior year and budget</td>
</tr>
<tr>
<td>FTEs (Worked) per adj patient day for all Operations</td>
<td></td>
<td>5.36</td>
<td>5.31</td>
<td>5.64</td>
<td></td>
</tr>
<tr>
<td>Hours of Care - UNMH Nursing</td>
<td></td>
<td>19.42</td>
<td>18.25</td>
<td>19.36</td>
<td></td>
</tr>
<tr>
<td>Paid FTE's for all Operations</td>
<td></td>
<td>5,272</td>
<td>5,273</td>
<td>5,329</td>
<td></td>
</tr>
</tbody>
</table>
Fundraising Performance Report
FY 10-11, December 31, 2010

Gift Commitments

<table>
<thead>
<tr>
<th></th>
<th>This Qtr</th>
<th>FYTD 10/11</th>
<th>GOAL</th>
<th>FYTD 09/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Campus</td>
<td>$11,007,179</td>
<td>$12,430,554</td>
<td>$22,376,084</td>
<td>$13,311,517</td>
</tr>
<tr>
<td>HSC</td>
<td>9,877,181</td>
<td>20,189,793</td>
<td>24,855,733</td>
<td>18,940,678</td>
</tr>
<tr>
<td>Athletics</td>
<td>2,047,239</td>
<td>4,457,284</td>
<td>7,000,000</td>
<td>2,198,233</td>
</tr>
<tr>
<td>Other Campus Units</td>
<td>2,856,344</td>
<td>7,260,767</td>
<td>23,768,183</td>
<td>7,809,623</td>
</tr>
<tr>
<td>Total</td>
<td>$25,787,943</td>
<td>$44,338,398</td>
<td>$78,000,000</td>
<td>$42,260,051</td>
</tr>
</tbody>
</table>

Gift Revenue

<table>
<thead>
<tr>
<th></th>
<th>This Qtr</th>
<th>FYTD 10/11</th>
<th>FYTD 09/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash/Cash Equivalents</td>
<td>$10,362,103</td>
<td>$17,954,872</td>
<td>$22,265,464</td>
</tr>
<tr>
<td>In-Kind</td>
<td>1,944,998</td>
<td>2,990,342</td>
<td>1,941,592</td>
</tr>
<tr>
<td>Pledges</td>
<td>924,780</td>
<td>1,512,480</td>
<td>2,808,301</td>
</tr>
<tr>
<td>Testamentary</td>
<td>12,556,062</td>
<td>21,880,704</td>
<td>15,244,694</td>
</tr>
<tr>
<td>Total</td>
<td>$25,787,943</td>
<td>$44,338,398</td>
<td>$42,260,051</td>
</tr>
<tr>
<td>New Endowed Accounts</td>
<td>24</td>
<td>38</td>
<td>14</td>
</tr>
<tr>
<td>New Endowed Funds</td>
<td>$8,252,099</td>
<td>$15,227,923</td>
<td>$4,458,075</td>
</tr>
</tbody>
</table>

Performance Measures

<table>
<thead>
<tr>
<th></th>
<th>FYTD 10/11</th>
<th>FYTD 09/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gift Commitment Income</td>
<td>$25,787,943</td>
<td>$44,338,398</td>
</tr>
<tr>
<td># of Gifts</td>
<td>10,489</td>
<td>18,941</td>
</tr>
<tr>
<td># of Donors</td>
<td>6,351</td>
<td>9,526</td>
</tr>
</tbody>
</table>

Cost/$ Raised

<table>
<thead>
<tr>
<th></th>
<th>FYTD10/11</th>
<th>FY09/10</th>
<th>FY08/09</th>
<th>FY07/08</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0.11</td>
<td>$0.12</td>
<td>$0.09</td>
<td>$0.10</td>
</tr>
</tbody>
</table>

* FYTD Value compares year-to-date expenditures to year-to-date gift commitments.

Gift Destinations

<table>
<thead>
<tr>
<th></th>
<th>This Qtr</th>
<th>FYTD 10/11</th>
<th>FYTD 09/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNM Foundation</td>
<td>$19,449,193</td>
<td>$31,827,001</td>
<td>$29,227,170</td>
</tr>
<tr>
<td>UNM (directly)</td>
<td>$579,112</td>
<td>$1,013,215</td>
<td>$1,034,024</td>
</tr>
<tr>
<td>Reported Gifts</td>
<td>$5,759,638</td>
<td>$11,498,182</td>
<td>$11,988,857</td>
</tr>
</tbody>
</table>

Reported Gifts = non-cash gifts including services & deposits made by KNME, KUNM, Lobo Club, and transactions reported by OVPR.

Consolidated Investment Fund - Spending Distribution
FY 10-11, December 31, 2010

<table>
<thead>
<tr>
<th>CIF Spending Distribution</th>
<th>FY10/11</th>
<th>FY09/10</th>
<th>FY08/09</th>
<th>FY07/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spending Distribution %</td>
<td>4.65%</td>
<td>4.65%</td>
<td>4.65%</td>
<td>4.65%</td>
</tr>
<tr>
<td>Total $ Distribution (millions)</td>
<td>$14,755,529</td>
<td>$15,409,388</td>
<td>$15,294,369</td>
<td>$14,085,493</td>
</tr>
<tr>
<td>Total $ Distribution/Unit</td>
<td>$10.98</td>
<td>$11.05</td>
<td>$11.75</td>
<td>$11.50</td>
</tr>
</tbody>
</table>
**UNM Foundation Budget vs. Actual**
FY 10-11, December 31, 2010

<table>
<thead>
<tr>
<th>Sources of Budget</th>
<th>Budget</th>
<th>FYTD</th>
<th>% Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNM Support</td>
<td>$1,204,207</td>
<td>$644,872</td>
<td>53.6%</td>
</tr>
<tr>
<td>Development Funding Allocation</td>
<td>5,774,648</td>
<td>2,716,636</td>
<td>47.0%</td>
</tr>
<tr>
<td>Short-Term Investment Income</td>
<td>978,358</td>
<td>256,842</td>
<td>26.3%</td>
</tr>
<tr>
<td>Unit Salary Reimbursement</td>
<td>690,519</td>
<td>314,036</td>
<td>45.5%</td>
</tr>
<tr>
<td>Unrestricted Gifts &amp; Other Revenue</td>
<td>500,000</td>
<td>80,343</td>
<td>16.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9,147,732</strong></td>
<td><strong>4,012,729</strong></td>
<td><strong>43.9%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Uses of Budget</th>
<th>Budget</th>
<th>FYTD</th>
<th>% Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries/Fringe Benefits</td>
<td>$7,703,713</td>
<td>$3,675,173</td>
<td>47.7%</td>
</tr>
<tr>
<td>Operating Expenditures</td>
<td>2,296,973</td>
<td>1,024,339</td>
<td>44.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10,000,686</strong></td>
<td><strong>4,699,512</strong></td>
<td><strong>47.0%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reserve Balances</th>
<th>Budget</th>
<th>FYTD</th>
<th>% Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus/(Deficit) from Operations</td>
<td>$(852,954)</td>
<td>$(686,783)</td>
<td>N/A</td>
</tr>
<tr>
<td>Beginning Reserve Balances</td>
<td>2,989,597</td>
<td>2,989,597</td>
<td>N/A</td>
</tr>
<tr>
<td>Ending Reserve Balances Projected</td>
<td>2,136,643</td>
<td>2,302,814</td>
<td>N/A</td>
</tr>
</tbody>
</table>

**Consolidated Investment Fund - Investment Performance**
FY 10-11, December 31, 2010

<table>
<thead>
<tr>
<th>Investment Performance Results</th>
<th>Market Value (millions)</th>
<th>Fiscal YTD</th>
<th>Six Months</th>
<th>1-Year</th>
<th>3-Year</th>
<th>5-Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 10/11 (December 31, 2010)</td>
<td>$322.1</td>
<td>12.8%</td>
<td>11.2%</td>
<td>-0.9%</td>
<td>4.6%</td>
<td></td>
</tr>
<tr>
<td>Policy Benchmark *</td>
<td>11.9%</td>
<td>11.7%</td>
<td>-1.2%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Benchmark **</td>
<td>16.4%</td>
<td>12.9%</td>
<td>0.2%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 09/10 (June 30, 2010)</td>
<td>$283.2</td>
<td>N/A</td>
<td>10.4%</td>
<td>-4.0%</td>
<td>3.5%</td>
<td></td>
</tr>
<tr>
<td>Policy Benchmark *</td>
<td>N/A</td>
<td>18.9%</td>
<td>-3.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Benchmark **</td>
<td>N/A</td>
<td>13.3%</td>
<td>-4.5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NACUBO/Commonfund ***</td>
<td>N/A</td>
<td>11.9%</td>
<td>-4.4%</td>
<td></td>
<td>3.0%</td>
<td></td>
</tr>
</tbody>
</table>

* Policy Benchmark is a blended benchmark consisting of indices for all asset classes.
** General Benchmark: 70% S&P 500 Index and 30% Barclays Global Aggregate
*** NACUBO/Commonfund Endowment Study ($101 million to $500 million)

**Consolidated Investment Fund - Asset Allocation**
FY 10-11, December 31, 2010

<table>
<thead>
<tr>
<th>Investment Class</th>
<th>Current Allocation</th>
<th>1-Year Policy Allocation</th>
<th>5-Year Policy Allocation</th>
<th>L-Term Policy Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Equity</td>
<td>19.6%</td>
<td>20%</td>
<td>22%</td>
<td>27%</td>
</tr>
<tr>
<td>International Equity</td>
<td>21.2%</td>
<td>20%</td>
<td>22%</td>
<td>28%</td>
</tr>
<tr>
<td>Fixed Income/Cash</td>
<td>19.7%</td>
<td>20%</td>
<td>21%</td>
<td>20%</td>
</tr>
<tr>
<td>Real Assets - Liquid</td>
<td>5.5%</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Real Assets - Illiquid</td>
<td>4.4%</td>
<td>5%</td>
<td>4%</td>
<td>0%</td>
</tr>
<tr>
<td>Marketable Alternatives</td>
<td>20.0%</td>
<td>20%</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Private Equity</td>
<td>9.6%</td>
<td>10%</td>
<td>6%</td>
<td>0%</td>
</tr>
</tbody>
</table>

**Consolidated Investment Fund - Development Funding Allocation**
FY 10-11, December 31, 2010

<table>
<thead>
<tr>
<th>Development Funding Allocation</th>
<th>Basis Points %</th>
<th>Dev Funding Allocation</th>
<th>Total Budget Expenditures</th>
<th>% Overall Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>FYTD 10/11</td>
<td>1.85%</td>
<td>$2.7</td>
<td>$4.7</td>
<td>58%</td>
</tr>
<tr>
<td>FY 09/10</td>
<td>1.85%</td>
<td>$5.4</td>
<td>$9.4</td>
<td>57%</td>
</tr>
<tr>
<td>FY 08/09</td>
<td>1.15%</td>
<td>$3.2</td>
<td>$8.3</td>
<td>39%</td>
</tr>
<tr>
<td>FY 07/08</td>
<td>1.10%</td>
<td>$3.6</td>
<td>$5.1</td>
<td>71%</td>
</tr>
</tbody>
</table>

FY 09/10 increase to 1.85% resulted from loss of budget revenue of approximately $1 million due to market decline and decline in short-term interest rates.
MEMORANDUM

TO: Members of the Board of Regents' Finance & Facilities Committee

THRU: David J. Schmidly, President
David W. Harris, EVP for Administration, COO and CFO

FROM: Andrew Cullen, Associate VP, Office of Planning, Budget & Analysis

DATE: March 2, 2011

SUBJECT: FY11 Mid-Year Budget Review and FY12 Budget Preview

As the 2011 legislative session draws to a close, and the University of New Mexico begins to develop its FY12 budget in earnest, the administration wants to brief the committee on the status of the FY11 budget and discuss the current factors driving the FY12 budget development. The focus of the facts and data in this presentation will be the Main Campus Instruction and General (I&G) budget since the monthly consolidated financial report, as presented earlier, touched on the other budget components within the overall university budget.

Fiscal Year 2010/11 Mid-Year Budget Update: The FY11 I&G budget as of 1/31/2011 can be summarized as follows:

- Revenues
  - Tuition & Fee Revenues: $4.0M projected surplus - enrollment increase
  - State/Local Appropriations: $5.694M less than budget - fall state rescission
  - F&A Revenues: Tracking greater than budget as a result of stimulus funding and an overall increase in research awards/activity

- Expenditures
  - Salaries: Under budget and tracking approximately $1.7M less than 1/31/2010
  - Benefits: Less than budget - projected 1% surplus at year-end
  - Other Expenses: Less than budget - overall slowing of expenditures as a result of uncertainty of FY12 budget

As a comparison to last year, the net I&G budget at 1/31/2010 was approximately $69.0M favorable. The net I&G budget at 1/31/2011 is approximately $86.8M favorable, with the conclusion being that overall I&G balances will grow beyond the ending balances from the previous fiscal year ending June 30, 2010.

Fiscal Year 2011/12 Budget Preview: In an effort to more fully engage students, faculty and staff in the budget development process, in the fall of 2010 the administration developed an
outline for a *Main Campus Three-Year Financial Strategic Plan*. The purpose of the plan was to remind all UNM constituents of our commitment to excellence in *teaching, research, patient care, and community service*, but to also acknowledge the following:

- Further budget cuts will be necessary and one-time funding must be replaced with permanent funding
- Many academic programs are already on the brink of not being able to deliver a quality curriculum and/or conduct meaningful research
- Morale is extremely low among faculty and staff
- Several groups are already working on approaches to help address the budgetary problems but are unaware of an overarching plan or even of each other’s activities

The acknowledgment of where we stand, both fiscally and emotionally, was the first step in building a partnership in developing the FY12 budget with constituency groups. Another key component of the plan was that it should be phased in over a three-year period, making the budget challenges, and needs for strategic academic reinvestment, seem manageable.

The plan included numerous guiding principles that are reflected in the initial budget scenario that follows later in this presentation. They are worth repeating:

- Mitigate against further reductions in fundamental teaching and research programs while continuing to support infrastructure and core services that aid our academic mission
- No further “across the board cuts” after the 3.2% rescission
- To the extent possible, protect core academic programs. If cuts are necessary, they will be guided by strategic priorities
- There will be broad input and consensus building between the students, faculty, staff and the administration prior to the Regents’ adoption of this plan and ultimately the university FY12 budget
- This will be a painful but fair and transparent process that will be sensitive not only to essential programmatic needs but to individuals as well

A key aspect of the financial plan was the formation of numerous working groups that would evaluate strategies to address the state budget reductions and replacement of one-time funds. These groups would act as a filter for cost-cutting and revenue generating ideas and provide a platform to discuss the merits of the strategies with individuals from across campus. The groups, in essence, provided a voice for constituent groups, and assured that all efforts were well coordinated so ideas could flow into the decision making and implementation processes. The groups formed as part of this collaborative process included:

- The President’s Strategic Advisory Team (PSAT)
- The Review Panel for Academic Affairs Administration & Student Support Units
- The Deans of the UNM Schools and Colleges
- Tuition Task Force Members
- Cost Containment Task Force Members

In addition, the budget offices of Academic Affairs and the Administration have actively engaged the Faculty Senate Budget Subcommittee over the course of the last year in an effort to
educate the Faculty Senate on the current UNM budget, key dates in the budget development cycle and reporting structures, both internally and externally. This give and take educational process has helped build trust between the administration and faculty and must become a permanent communication link between these critical constituent groups.

The overarching goal in the development of the FY12 budget has been to maximize reductions in expenditures and identify revenue opportunities in an effort to minimize the tuition and fee increase necessary for FY12. This must be accomplished, from a budgetary perspective, while addressing the following three significant revenue factors:

- Absorb the fall 2010 state rescission - $5.694M
- Absorb the pending state budget reduction – currently $9.495M for planning purposes
- Begin to replace the one-time funding that is currently included in the university permanent base budget - $13.041M

The challenge of addressing these revenue short-falls has been compounded, from an expenditure standpoint, by fixed cost increases and the need for reinvestment in academic programs in the following expenditure categories:

- Utilities and O&M - $875K
- Insurances - $2.1M
- Retirement benefits - $4.904M
- Core academic programs/entities - $2.544M

To offset these increases, significant permanent reductions to expenditures ($7.314M) and the pull-back of departmental balances ($5.742M) have been identified and approved for inclusion in the FY12 budget by the various working groups. The administration cannot stress enough the importance of the commitment and thoughtfulness provided by the working groups in the development of the expenditure reductions, without which the necessary tuition and fee increase would surely be higher.

I look forward to discussing the attached scenario with the committee during the F&F meeting and thank you for your consideration.
### Revenue

<table>
<thead>
<tr>
<th>State General Fund Increase (Decrease)</th>
<th>FY 2011-12</th>
<th>FY 2012-13</th>
<th>FY 2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workload Increase</td>
<td></td>
<td></td>
<td>6,096,118</td>
</tr>
<tr>
<td>Tuition Credit Rate ($100/ student or 3.1%)</td>
<td>(3,855,804)</td>
<td>(3,403,591)</td>
<td></td>
</tr>
<tr>
<td>Tuition Credit Formula Base Growth</td>
<td></td>
<td></td>
<td>(5,613,300)</td>
</tr>
<tr>
<td>Tuition Waivers Reduction</td>
<td></td>
<td>(4,088,544)</td>
<td></td>
</tr>
<tr>
<td>Other Reductions (RTW, Prorated, etc)</td>
<td></td>
<td>(361,479)</td>
<td></td>
</tr>
<tr>
<td>FY 12 Projected Reduction for ERB SWAP 1.75%</td>
<td>(3,881,900)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealized Revenue (Interest Income)</td>
<td>(1,000,000)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enrollment Growth - FY 11 Un-Budgeted Tuition - one time</td>
<td>3,500,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enrollment Growth - FY 11 Un-Budgeted Tuition - permanent</td>
<td>1,500,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Replace One-Time Funding Sources (see below)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total Funding Changes:**

<table>
<thead>
<tr>
<th></th>
<th>FY 2011-12</th>
<th>FY 2012-13</th>
<th>FY 2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(5,495,200)</td>
<td>(9,242,019)</td>
<td>0</td>
</tr>
</tbody>
</table>

### Expenditures

| Required Use of Funds | 9,601,739 | 1,801,605 | 1,713,705 |
| Strengthen Core Mission | 2,210,500 | 8,870,000 | 5,720,000 |

**Total Additional Spending Requirements:**

<table>
<thead>
<tr>
<th></th>
<th>FY 2011-12</th>
<th>FY 2012-13</th>
<th>FY 2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11,812,239</td>
<td>10,671,605</td>
<td>7,433,705</td>
</tr>
</tbody>
</table>

| Reduction of Expenditures | (7,376,556) | (410,582) | (300,000) |
| Administrative Fund Balance Pull-Back (One-Time Reduction) | (5,742,019) |            |            |

**Total Increase (Decrease) of Expenses:**

<table>
<thead>
<tr>
<th></th>
<th>FY 2011-12</th>
<th>FY 2012-13</th>
<th>FY 2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1,306,336)</td>
<td>10,261,023</td>
<td>7,133,705</td>
</tr>
</tbody>
</table>

|                                                       | (4,188,864)| (19,503,042)| (7,133,705)|

### Balance

<table>
<thead>
<tr>
<th></th>
<th>FY 2011-12</th>
<th>FY 2012-13</th>
<th>FY 2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(4,188,864)</td>
<td>(19,503,042)</td>
<td>(7,133,705)</td>
</tr>
</tbody>
</table>

### Surplus/Shortage

|                                                       | (4,188,864)| (19,503,042)| (7,133,705)|

### Transfers In (Out)

|                                                       | (8,100,000) |            |            |

### Net

|                                                       | (12,288,864) |            |            |
Detailed Schedules for Scenario vs. 15

**Required Use of Funds**
- Utility - Back Fill of Stimulus Funding: 4,941,000
- Utility Inflation - PNM Rate Case (13.4% Increase over Three-Years): 480,000
- Internal Audit - Audit Committee Recommendation: 75,000
- Bad Debt Expense - projection of 1% of tuition increase: -
- 3% Scholarship Transfer: 587,639
- A. ERB Recommended Legislation (.5% increase for 6 years): 1,022,100
- ERB Employer Shift of Funding (optional): -
- Tuition Waivers - G/A and T/A: 396,000
- Health Care Increase: 600,000
- Liability/Property Insurance Premium Increases: 1,500,000

**Subtotal**: 9,601,739

**Strengthen Core Mission**
- Faculty & Staff Compensation Increase (FY13 - 3%, FY14 - 2%): -
- Associated Fringe Benefit Increase @ 30%: -
- Formula Distribution - HSC: 395,000
- Faculty Sabbaticals: 400,000
- Absorption of RPSPs per Dean's Recommendation: 210,000
- UNM Press: 250,000
- Faculty Promotions: 200,000
- A&S Part-time faculty: 500,000
- Mid-Year Commitments: 255,500

**Subtotal**: 2,210,500

**Reduction of Expenditures**
- B. Budget Reductions (Provost Recommendation): 1,078,964
- C. Budget Reductions (Administrative Recommendation): 1,989,000
- C. Pooled Fringe Benefits Reduction: 475,465
- D. Information Technology Rapid Redesign: 2,962,000
- E. Dean's Council - Trigger Point: 871,127

**Subtotal**: 7,376,556

**Administrative Fund Balance Pull-Back (One-Time Reduction)**
- Academic Affairs (Total Amount $4,308,992): 3,000,000
- Administration (Total Amount $2,742,019): 2,742,019

**Subtotal**: 5,742,019

**Transfers in (out)**
- F. Transfer to Building Renewal & Replacement: 3,500,000
- Pause & Hold: 2,500,000
- Use of Balance: 2,000,000
- Voluntary Furlough: 100,000

**Subtotal**: 8,100,000
## ERB Pending Legislation

### General Fund Solvency

**Impact**

- 1.5% Swap becomes permanent + an additional employer/employee swap
- Reduction of GF to Main I&G Appropriation
- LFC => 1.75% = $3,881,900
- DFA => 2.00% = $4,436,400
- HAFC => 1.75% = $3,881,900

**Impact**

- Additional recommended swap does not go toward ERB solvency

### ERB Solvency

**Impact**

- Per M. Saavedra
- .5% Increase to Employees phased in over the next 4 Years
  - .125% Increase/year
- 3% Increase to Employers phased in over the next 6 Years
  - .5% Increase/year
### Student Services

<table>
<thead>
<tr>
<th>UNIT</th>
<th>Recommendation</th>
<th>Source</th>
<th>Initial Recommendation</th>
<th>FY 12 Recurring</th>
<th>Non-Recurring</th>
<th>FY 13 Recurring</th>
<th>FY 14 Recurring</th>
<th>Other</th>
<th>Budget/Cost Containment Task Force Committee Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accessibility Resource Center</td>
<td>Salary savings by reclassification and reduced FTE by 1.25</td>
<td>Provost</td>
<td>(278,515)</td>
<td>(54,325)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>African American Student Services</td>
<td>Consolidation of IT &amp; accounting functions and reduction of operating budget</td>
<td>Provost</td>
<td>(28,013)</td>
<td>(38,013)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>plus 3,305 fringes</td>
</tr>
<tr>
<td>American Indian Student Services</td>
<td>Consolidation of accounting functions</td>
<td>Provost</td>
<td>(15,525)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dean of Students</td>
<td>Eliminate Sr. Program Mgr and merge Dean of Students &amp; AVP of Student Life position</td>
<td>Provost</td>
<td>(167,680)</td>
<td>(167,680)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>El Centro de la Raza</td>
<td>Consolidation of IT &amp; accounting functions</td>
<td>Provost</td>
<td>(29,225)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VP for Student Affairs</td>
<td>Elimination of public relations position and eliminate lead copy of newsletter</td>
<td>Provost</td>
<td>(23,924)</td>
<td>(23,924)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Veterans Outreach Services</td>
<td>Eliminate external services</td>
<td>Provost</td>
<td>(42,802)</td>
<td>(42,420)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal Student Services</strong></td>
<td></td>
<td></td>
<td>(486,802)</td>
<td>(398,223)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Management/Administration

<table>
<thead>
<tr>
<th>UNIT</th>
<th>Recommendation</th>
<th>Source</th>
<th>Initial Recommendation</th>
<th>FY 12 Recurring</th>
<th>Non-Recurring</th>
<th>FY 13 Recurring</th>
<th>FY 14 Recurring</th>
<th>Other</th>
<th>Budget/Cost Containment Task Force Committee Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data and Reporting</td>
<td>Consolidate Enrollment Management Data &amp; Reporting with Institutional Research</td>
<td>Provost</td>
<td>(51,148)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Evaluation form shows $165K</td>
</tr>
<tr>
<td>Harwood Museum</td>
<td>Shift to Endowment Funding Source</td>
<td>Provost</td>
<td>(8,000)</td>
<td>(8,000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Evaluation form shows $142K</td>
</tr>
<tr>
<td>Information Technology</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Evaluation form shows $144K</td>
</tr>
<tr>
<td>VP for Enrollment Management</td>
<td>Reduction of administrative budget/senior administrative salary lines.</td>
<td>Provost</td>
<td>(15,725)</td>
<td>(15,725)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Evaluation form shows $144K</td>
</tr>
<tr>
<td>VP for Equity &amp; Inclusion</td>
<td>Shift remaining functions to senior diversity officer.</td>
<td>Provost</td>
<td>(135,920)</td>
<td>(135,920)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Evaluation form shows $144K</td>
</tr>
<tr>
<td>Registrar</td>
<td>Cost containment &amp; efficiencies, automate registrar office functions</td>
<td>Provost</td>
<td>(3,000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Evaluation form shows $293K</td>
</tr>
<tr>
<td><strong>Subtotal Management/Administration</strong></td>
<td></td>
<td></td>
<td>(178,194)</td>
<td>(178,194)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Teaching & Curriculum

<table>
<thead>
<tr>
<th>UNIT</th>
<th>Recommendation</th>
<th>Source</th>
<th>Initial Recommendation</th>
<th>FY 12 Recurring</th>
<th>Non-Recurring</th>
<th>FY 13 Recurring</th>
<th>FY 14 Recurring</th>
<th>Other</th>
<th>Budget/Cost Containment Task Force Committee Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic Program Review</td>
<td>Utilize virtual conferencing technologies to reduce travel costs</td>
<td>Provost</td>
<td>(5,400)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International Programs &amp; Studies</td>
<td>International Student Fees</td>
<td>Provost</td>
<td>(6,000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office of Support for Effective Teaching</td>
<td>Eliminate participation in APLU</td>
<td>Provost</td>
<td>(20,000)</td>
<td>(20,000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategic Curriculum Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>no evaluation form</td>
</tr>
<tr>
<td>University College Non-Degree</td>
<td></td>
<td></td>
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<td></td>
<td>no evaluation form</td>
</tr>
<tr>
<td><strong>Subtotal Teaching &amp; Curriculum</strong></td>
<td></td>
<td></td>
<td>(96,776)</td>
<td>(96,776)</td>
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## Provost Budget Reduction Recommendations

<table>
<thead>
<tr>
<th>UNT</th>
<th>Recommendation</th>
<th>Source</th>
<th>Initial Recommendation</th>
<th>FY'12 Recurring</th>
<th>Non-Recurring</th>
<th>FY'13 Recurring</th>
<th>FY'14 Recurring</th>
<th>Savings</th>
<th>Other</th>
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<tr>
<td><strong>Faculty/Staff Support</strong></td>
<td></td>
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<tr>
<td>Cars</td>
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<td>Provost</td>
<td>(23,772)</td>
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<tr>
<td><strong>Subtotal Faculty/Staff</strong></td>
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<td></td>
<td>(23,772)</td>
<td>(23,772)</td>
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<tr>
<td><strong>Research</strong></td>
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<tr>
<td>Latin American &amp; Iberian Institute</td>
<td></td>
<td>Provost</td>
<td>(5,000)</td>
<td>(5,000)</td>
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<td>no evaluation form</td>
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<tr>
<td><strong>Subtotal Research</strong></td>
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<td></td>
<td>(5,000)</td>
<td>(5,000)</td>
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</tr>
<tr>
<td><strong>Total Provost Recommendation</strong></td>
<td></td>
<td></td>
<td>(789,546)</td>
<td>(678,964)</td>
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<tr>
<td><strong>Extended University</strong></td>
<td></td>
<td>Reduction of $400,000 in recurring I&amp;G Funding</td>
<td>PSAT</td>
<td></td>
<td></td>
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<tr>
<td><strong>Subtotal Cost Containment Task Force</strong></td>
<td></td>
<td></td>
<td>(400,000)</td>
<td>(400,000)</td>
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</tr>
<tr>
<td><strong>Total Provost</strong></td>
<td></td>
<td></td>
<td>(1,189,546)</td>
<td>(1,078,964)</td>
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</table>
## Administrative Budget Reductions

<table>
<thead>
<tr>
<th>UNIT</th>
<th>Recommendation</th>
<th>Source</th>
<th>Initial Recommendation</th>
<th>FY12 Recurring</th>
<th>Non-Recurring</th>
<th>FY13 Recurring</th>
<th>FY13 Recurring</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNM Foundation</td>
<td>Reduction of $300,000 in recurring I&amp;G Funding</td>
<td>PSAT</td>
<td>(200,000)</td>
<td>(1,204,000)</td>
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</tr>
<tr>
<td>Alumni Relations</td>
<td>Reduction of $100,000 in recurring I&amp;G Funding</td>
<td>PSAT</td>
<td>(100,000)</td>
<td>(100,000)</td>
<td>(300,000)</td>
<td>(300,000)</td>
<td></td>
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</tr>
<tr>
<td>Athletics</td>
<td>Reduction of $100,000 in recurring I&amp;G Funding</td>
<td>PSAT</td>
<td>(100,000)</td>
<td>(285,000)</td>
<td></td>
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</tr>
<tr>
<td>Continuing Education</td>
<td>Eliminate use of tuition remission for non-academic programs and insist on &quot;break even&quot; results for Continuing Education</td>
<td>PSAT</td>
<td>(1,400,000)</td>
<td>(300,000)</td>
<td></td>
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</tr>
<tr>
<td><strong>Subtotal Cost Containment Task Force</strong></td>
<td>**</td>
<td></td>
<td><strong>(1,900,000)</strong></td>
<td><strong>(1,989,000)</strong></td>
<td><strong>-</strong></td>
<td><strong>(300,000)</strong></td>
<td><strong>(300,000)</strong></td>
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<tr>
<td>Fringe Benefits</td>
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</tr>
<tr>
<td>Dependent Eligibility</td>
<td>Admin</td>
<td></td>
<td>(34,959)</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>ERB Contributions</td>
<td>Admin</td>
<td></td>
<td>(81,195)</td>
<td></td>
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<tr>
<td><strong>Eliminate .25 FTE</strong></td>
<td></td>
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<td>(475,465)</td>
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<tr>
<td><strong>Subtotal Fringe Benefits</strong></td>
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<td></td>
</tr>
<tr>
<td><strong>Total Administration</strong></td>
<td></td>
<td></td>
<td><strong>(1,900,000)</strong></td>
<td><strong>(2,464,465)</strong></td>
<td><strong>-</strong></td>
<td><strong>(300,000)</strong></td>
<td><strong>(300,000)</strong></td>
<td></td>
</tr>
</tbody>
</table>
## UNM IT Cost Containment/Process Improvement Initiative

### Summary of Recommendations for FY12

<table>
<thead>
<tr>
<th>Cost Containment/Revenue Generation Strategy</th>
<th>Overview</th>
<th>FY 12 Reduction Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategy #1 - Main campus purchases of computers and servers &lt;$5k, computer hardware &gt;$5k, and computer supplies</strong></td>
<td>Negotiate greater purchasing discounts with vendors, further leveraging those discounts we already receive, and drive purchases through LoboMart. Then, a 10% surcharge will be placed on computer-related purchases from designated funding sources, which will be captured centrally. Direct cost increases to units will be mitigated by negotiated pricing reductions. Applies to main campus purchases on unrestricted accounts. Excludes HSC, Branches, and Agency accounts.</td>
<td><strong>Central IT = $33,629</strong>&lt;br&gt;<strong>Main Campus = $252,371</strong>&lt;br&gt;<strong>Hardware:</strong>&lt;br&gt;<strong>Central IT = $30,400</strong>&lt;br&gt;<strong>Main Campus = $129,600</strong>&lt;br&gt;<strong>Supplies:</strong>&lt;br&gt;<strong>Central IT = $10,883</strong>&lt;br&gt;<strong>Main Campus = $115,118</strong>&lt;br&gt;<strong>Total = $572,000</strong></td>
</tr>
<tr>
<td><strong>Strategy #2 – Main Campus purchases of software</strong></td>
<td>Similar to Strategy #1, the recommendation is to negotiate greater purchasing discounts with vendors on software, further leveraging those discounts we already receive, and drive purchases through LoboMart. Then, a 10% surcharge will be placed on purchases from designated funding sources, which will be captured centrally. Direct cost increases to units will be mitigated by negotiated pricing reductions. Applies to main campus purchases on unrestricted accounts. Excludes HSC, Branches and Agency accounts.</td>
<td><strong>Central IT = $93,000</strong>&lt;br&gt;<strong>Main Campus = $97,000</strong>&lt;br&gt;<strong>Total = $190,000</strong></td>
</tr>
<tr>
<td><strong>Strategy #3 – Reduction of budgets allocated to IT-related training and travel</strong></td>
<td>Reduce Central IT’s training and travel budget – currently at $325,000 for FY11 – by $150,000 for FY12. Resources spent on IT-related training and travel by other units on Main Campus should also be carefully reviewed for possible reduction. A strategy for more effective coordination of IT-related training and travel should be developed during FY12 for implementation in FY13.</td>
<td><strong>Central IT = $150,000</strong>&lt;br&gt;<strong>Main Campus TBD</strong>&lt;br&gt;<strong>Total = $150,000</strong></td>
</tr>
<tr>
<td><strong>Strategy #4 – University-wide cell phone stipend program</strong></td>
<td>Eliminate UNM-provided cell phones by moving to a stipend-only cell-phone program. This recommendation includes HSC and Branches.</td>
<td><strong>Total = $200,000</strong></td>
</tr>
<tr>
<td>Strategy #5 – Reduction of Central IT dues and memberships</td>
<td>Reduce Central IT’s line item for dues and memberships for FY12. Dues for National Lambda Rail of $350,000 should not be cut, due to connection to the research mission.</td>
<td>Total = $25,000</td>
</tr>
<tr>
<td>Strategy #6 – Reduction of Central IT “miscellaneous” expenses.</td>
<td>Reduce Central IT’s budget for miscellaneous expenses for FY12. Amount recommended correlates with the amount already set aside by the CIO for potential FY12 budget reductions.</td>
<td>Total = $275,000</td>
</tr>
<tr>
<td>Strategy #7 – Reduction of Central IT marketing budget</td>
<td>Reduce Central IT’s budget for marketing for FY12. The recommended reduction would not include reducing staff.</td>
<td>Total = $50,000</td>
</tr>
</tbody>
</table>
| Strategy #8 – Reduction of IT-related contract and professional services | Reduce both Central IT and Main Campus expenditures for external IT-related consulting and services (i.e. web design, application consulting and development, hosting). While a direct reduction to the Central IT budget can be made to accomplish a portion of this, it is important to note that capturing the savings from Main Campus will require additional due diligence. Excludes HSC, Branches and Agency accounts. | Central IT = $75,000  
Main Campus = $25,000  
Total = $100,000 |
| Strategy #9 – Reduction in Central IT and Main Campus IT staffing through attrition and more thorough evaluation of hiring pause exception requests | Identify and review all Central IT and Main Campus E-class jobs that become vacant during FY12. Savings will be achieved through decisions to hold certain positions open for longer periods of time; to redefine duties moving toward a service center model; or to not fill certain positions at all. Excludes HSC, Branches and Agency accounts. | Central IT = $224,000  
Main Campus = $176,000  
Total = $400,000 |
| Strategy #10 – Redeployment of Central IT revenue | Redeploy some Central IT-generated revenues to address UNM’s budget shortfall for FY12. Central IT at UNM is defined as an “internal services organization,” meaning that it has and generates revenue to cover operational and capital costs from both internal and external sources. Central IT would manage this redeployment with a commitment to protecting the IT services and functions that serve the core missions of the University. | Total = $1,000,000 |
| **Total Recommended IT-related Reductions for FY12** | **$2,962,000** |
## FY 11 Total Sources of ONE-Time Funding

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use of Balances</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Use of BRR funding</td>
<td>3,500,000</td>
</tr>
<tr>
<td>Pause &amp; Hold</td>
<td>2,500,000</td>
</tr>
<tr>
<td>Voluntary Furloughs</td>
<td>100,000</td>
</tr>
<tr>
<td>Stimulus Funding</td>
<td>4,941,000</td>
</tr>
<tr>
<td><strong>Total ONE-TIME FUNDING</strong></td>
<td><strong>13,041,000</strong></td>
</tr>
</tbody>
</table>
I. Confirmation of a Quorum: Adoption of the Agenda, Regent Gene Gallegos ................................................................. 1

II. Approval of Summarized Minutes of the January 11, 2011 and the February 15, 2011 Board Meetings, Regent Gene Gallegos ......................................................................................................................... 2

III. Election of the 2011-2012 Officers of the Board of Regents, Regent Gene Gallegos ......................................................................................................................... 3

IV. Adoption of Policy Concerning Public Notice of Regents' Meetings .................................................................................. 3

V. President's Administrative Report, David J. Schmidly, President ...................................................................................... 4

VI. Comments from Regents' Advisors .................................................................................................................................... 5

VII. Comments from Regents.........................................................................................................................................................

VIII. Public Comment: agenda items........................................................................................................................................

IX. Regent Committee Reports

Academic/Student Affairs & Research Committee, Regent Carolyn J. Abeita, Chair

Consent Agenda:
A. Approval of Creation of the W.K. Kellogg Chair in Sustainable Environmental and Food Systems Endowed Chair .......................................................... 6

Richard W. Holder, Deputy Provost, Academic Affairs

B. Approval of Naming of Professor Bruce Mine as W.K. Kellogg Chair in Sustainable Environmental and Food Systems Endowed Chair ........................................ 7

C. Approval of Naming of Dr. Loretta Cordova de Ortega as John D. Johnson, MD Endowed Chair, William Uher, VP HSC, UNM Foundation ... 8

D. Approval of Sustainable Building Certificate-UNM Valencia ................................................................. 9

Julie Degrees, Interim Dean of Instruction, UNM Valencia

Rita Logan, Manager of Community Education, UNM Valencia

Information:
E. Academic Implications of Proposed Cost Containment Strategies and Reorganization...... 10

Suzanne Ortega, Provost & EVP Academic Affairs

Audit Committee, Regent Gene Gallegos, Chair

A. Regents' Audit Committee Report, 1/20/2011 Meeting ............................................................................. 11

Manu Patel, UNM Internal Auditor

HSC - Health Sciences, Regent Jack Forman, Chair, no report

Finance and Facilities Committee, Regent Don Chalmers, Chair

A. Consent Agenda: (Finance & Facilities Committee meeting 3/7/2010)


Bruce Chernin, Chief Procurement Officer

2) Approval of Contracts: ................................................................................................................................. 13

1) UNMH-Fuji Computed Radiology (CR)

2) GE Medical System, Cerner Corporation

3) Hill-Rom

4) UNM Physical Plant/Utilities Division-Solar Turbines, Inc.

Steve McKernan, CEO Univ. Hospitals and Bruce Chernin, Chief Procurement Officer

3) Approval of:................................................................. 14

1) Capital Project for Human Tissue Repository

2) Capital Project for UNM Gallup Garley Hall Air Handler Replacement

3) Architectural Selection and Capital Project for the Laguna De Vargas Residence

Hill Refurbishment

4) Capital Project for Student Family Housing on Buena Vista Avenue

Val sal Staples, Budget Officer

5) Approval of Management Services Agreement between the Board of Regents....... 15

of the University of New Mexico and Lobo Energy, Inc.,

Steve Bellfort, President/CEO Lobo Energy

6) Approval of STC UNM Annual Report and Financial Statements......................... 16

Lisa Kuuttila, Pres. STC

B. Action Items:

7) Construction Manager at Risk Selection and Capital Project for Baseball Stadium

Renovation, Phase 1, Val sal Staples, Budget Officer ............................................................. 17

C. Information Items:


10) CEO UNM Hospitals Monthly &Dashboard Report, Steve McKernan, CEO UNM Hosp. 20

11) UNM Foundation Quarterly Performance Report, Anne Yegge, Chair UNM Foundation 21

12) Mid-Year Budget Review and FY 12 Budget Preview, Andrew Cullen, AVP Budget. ... 22

X. Regent Committee Appointments

XI. Public Comment

XII. Vote to close the meeting and to proceed in Executive Session.
XIII. Executive Session will be held from 11:30 a.m. – 1:00 p.m. in the Cherry Silver Room, Scholes Hall

A. Discussion and determination where appropriate of threatened or pending litigation
   Pursuant to Section 10-15-1.H (7) NMSA (1978)

B. Discussion and determination where appropriate of potential purchase, acquisition or
disposal of real property pursuant to Section 10-15-1.H (8) NMSA (1978)

C. Discussion and determination where appropriate of limited personnel matters pursuant

XIV. D. Vote to re-open meeting.

E. Certification that only those matters described in Agenda Item XIII. were discussed in
   Executive Session and if necessary, final action with regard to those matters will be
   taken in Open Session.

XV. Adjournment