

# UNIVERSITY OF NEW MEXICO BOARD OF REGENTS

Meeting Agenda

May 9, 2014

10:30 AM

Student Union Building, Ballroom C

Tab 1

Agenda

#### The Board of Regents of the University of New Mexico Meeting in Open Session and Executive Session May 9, 2014, 10:30 AM

## Student Union Building, Ballroom C / Executive Session-Luncheon in Cherry Silver Room revised AGENDA

(only change is meeting start time changed by 30 min., from 10:00 am. to 10:30 am.)

	<u>TAB</u>
I.	Call to Order, Confirmation of a Quorum and Adoption of the Agenda1  Regent President Jack L. Fortner
II.	Approval of Minutes: March 25, 2014 Budget Summit, March 28 Budget meeting, April 8, 2014 Regular Meeting and April 14, 2014 Special Meeting2
III.	Comments from Advisors
	Public Comment, specific to agenda items (limit 3 min. per speaker)
IV.	Fiscal Watch Report and Monthly Consolidated Financial Report
V.	The President's Administrative Report, <i>President Robert G. Frank</i>
	Comments from Regents
VI.	Budget Approval
/II.	Regent Committee Reports
	Finance and Facilities Committee, Regent James H. Koch, Chair
	Consent Items:  1. Disposition of Surplus Property for Main Campus on list dated 4/18/20147  Bruce Cherrin, Chief Procurement Officer
	2. Approval of Projects:  a. Chemistry Building Renovations – Phase I (Clark Hall)
	Chris Vallejos, AVP Institutional Support Services 3. Approval of Reappointment and Appointment to STC Board

Action item:	
4. Discussion and Approval of UNM West, Facilities Plan	
Academic/Student Affairs & Research Committee, Student Regent Heidi Overton,	
Vice Chair	
5. Update from the Provost, Chaouki Abdallah12	,
5. Opdate from the Provost, Chaouki Abdallari	
Action Item:	
6. Proposed AIMS Plan for UNM West.  Wynn Goering, CEO UNM West, Special Assistant to the President for Branch Affairs; Kathy Sandoval, Dir.  Albuquerque Institute for Mathematics and Science	
Consent Items:	
7. Approval of Form C: C1353-New AAS Environmental Technology – Los Alamos	
Branch	
8. Approval of Form C: New-National Security and Strategic Analysis Certificate15  Matthew R. Baca, Senior Program Manager, National Securities Studies Program	,
9. Approval of Form D: Masters in Public Policy, Departments of Economics,	
Political Science and Sociology, and the School of Public Administration	
<ol> <li>Approval of Form D: Graduate Certificate, Teaching English as a Second Language 17         Holbrook Mahn, Professor Language Literacy and Sociocultural</li> </ol>	
11. GPSA Constitutional Amendments	,
a. Combine Executive and Legislative Finance Committees	
<ul><li>b. Chief of Staff Position</li><li>c. Approval of 9 credit hours of tuition and fees to Council Chair and Chief of Staff</li></ul>	
Priscila Poliana, President Graduate and Professional Students Association	
Action Items:	
12. Spring 2014 Degree Candidates, Richard Holder, President Faculty Senate	1
Full list of degree candidates, including Health Sciences degree candidates (School of Medicine, College of Nursing, College of Pharmacy also receive approval from the Health Sciences Board of Directors)	
13. Approval of Faculty Senate Policy Revision C280-Leave without pay	1
Information Items:	
14. First MOOC Experience at UNM21	
Greg Heileman, Associate Provost for Curriculum	
<ul><li>15. Redesign of New Student Orientation</li></ul>	
Health Sciences Board, Regent Suzanne Quillen, Chair	
rieatti Sciences Board, Negent Suzanne Quinen, Chair	
Action Item: (candidates included in ASAR action item #12)	
1. Approval of Spring 2014 Degree Candidates	
a. UNM College of Nursing     b. UNM School of Medicine	
c. UNM College of Pharmacy	
Consent Items:	
Approval of Resolution appointing Dr. Michael Richards to the UNM Sandoval	
Regional Medical Center, Inc. Board of Directors24	
3. Approval of Resolution for the UNM Sandoval Regional Medical Center, Inc. Board	
of Directors Second Amended and Restated Bylaws	
4. Approval of Resolution for the ONW Medical Group, inc. Board of Directors Third  Δmended and Restated Rylaws	

	5. Approval of Resolution for the Appointments to the UNM Medical Group, Inc. Board
	of Directors
	Action Items:
	7. Approval of the Fiscal Year 2014/2015 Budgets and
	8. Approval of the Resolution for Capital Project and Architect Approval for UNM Hospitals, UNM Cancer Center Clinical Facility Build-Out
	Information Items:  9. HSC Financial Update and Update on Uncompensated Care
	Audit Committee, Regent Gene Gallegos, Chair (The next Audit Committee meeting will be on May 23, 2014.)
VIII.	Public Comment (items not on agenda; limit 3 min. per speaker)
IX.	<ol> <li>Vote to close the meeting and proceed in Executive Session         Executive Session-Cherry Silver Room     </li> <li>Discussion and determination where appropriate of the purchase, acquisition or disposal of real property pursuant to Section 10-15-1.H(8), NMSA (1978)</li> <li>Discussion and determination where appropriate of strategic and long-range business plans or trade secrets of public hospitals pursuant to Section 10-15-1.H(9), NMSA (1978)</li> <li>Discussion of personally identifiable information about any individual student pursuant to Section 10-15-1.H(3), NMSA (1978)</li> <li>Discussion and determination where appropriate of threatened or pending litigation pursuant to Section 10-15-1.H(7), NMSA (1978)</li> </ol>
X.	Vote to re-open the meeting and certification that only those matters described in Agenda Item IX. were discussed in Executive Session and if necessary, final action with regard to those matters will be taken in Open Session.
XI.	Vote to Adjourn
XII.	Addendum: Minutes approved at the HSC Board of Directors 5/02/14 Meeting

## Tab 2

Minutes

## Minutes of the Budget Summit of the Board of Regents of the University of New Mexico March 25, 2014

#### Student Union Building, Ballroom C

#### Members present

Jack L. Fortner, President; Conrad D. James, Vice President; Bradley C. Hosmer, Secretary/Treasurer; James H. Koch; Suzanne Quillen; J.E. Gene Gallegos; Heidi Overton (Quorum)

#### Administration present

Robert G. Frank, President; Paul Roth, Chancellor for Health Sciences; David Harris, EVP for Administration and COO; Chaouki Abdallah, Provost and EVP for Academic Affairs; Elsa Cole, University Counsel; Elizabeth Metzger, University Controller; Jewel Washington, Interim VP HR; Eliseo 'Cheo' Torres, VP Student Affairs; Paul Krebs, VP Athletics; Josephine De Leon, VP Equity and Inclusion; Michael Dougher, VP Research and Economic Development; Helen Gonzales, Chief Compliance Officer; Ava Lovell, Sr. Exec. Officer of Finance and Administration, HSC

#### Regents' Advisors present

Richard Holder, President, Faculty Senate; Gene Henley, President, Staff Council; Priscila Poliana, President, GPSA; Isaac Romero, President, ASUNM

#### Presenters in attendance

Marc Saavedra, Director Government Affairs; Terry Babbitt, AVP Enrollment Management; Andrew Cullen, AVP Planning, Budget and Analysis; Michael Duran, Chief HR Operations Officer

#### Others in attendance

Members of the administration, faculty, staff, students, the media and others.

#### CONFIRMATION OF PRIOR SPECIAL MEETING IN EXECUTIVE SESSION

The Board of Regents met in a special meeting in executive session from 7:47 to 8:32 am. on Tuesday, March 25, 2014, in the Cherry Silver Room of the SUB for discussion of limited personnel matters, threatened litigation and the purchase of real property in accordance with Section 10-15-1H(2, 7, and 8) of the Open Meetings Act (NMSA). All of the Regents were present and at conclusion of the meeting, there was certification that only those matters described in the notice of the meeting were discussed in closed session.

#### CALL TO ORDER

Regent President Fortner called the Budget Summit to order at 9:09 am., a quorum was confirmed and the agenda was unanimously approved.

Regent Fortner called Taona Enriquez, Major, USAF, Aide de Camp to Supreme Allied Commander Europe/Commander US European Command, forward to allow her to present a flag she flew on an Afghanistan mission for Dr. Santa Falcone, Professor in the School of Public Administration and Special Assistant in the Provost's Office. Major Enriquez studied under Dr. Falcone and wanted to present the flag to Dr. Falcone as a gift of appreciation and gratitude to Dr. Falcone for her tutelage, mentorship and friendship during the years that major Enriquez studied at UNM.

#### APPROVAL OF CONTRACT FOR UNM FY14 ANNUAL FINANCIAL STATEMENTS AUDIT

Regent Gallegos introduced the recommendation. After consideration of the requests for proposals (RFPs), KPMG in combination with Moss Adams was selected as the auditors for the FY14 annual financial statements and that there be a 3-year contract for those firms. KPMG will lead the audit and Moss Adams will audit the clinical functions of Health Sciences Center. The total 3-Year cost is approximately \$2.8 Million. The contract received approval in the Regents Audit Committee meeting.

(See Attachment A, memo from Elizabeth Metzger, University Controller)

The motion to approve KPMG LLP and Moss Adams LLP as the external auditors for the University of New Mexico's fiscal year 2014 financial audit, subject to approval from the Higher Education Department and the State Auditor's Office, was unanimously approved with a quorum of Regents present and voting (1st Gallegos, 2nd Hosmer).

## CONSIDERATION AND APPROVAL OF COMPENSATION AND TUITION RATES FOR FY15 AND PREVIEW OF FY15 BUDGET SCENARIO

#### **Introductory Comments**

President Frank commented that one of the most important things done at the University is approve the University budget. He commended the Strategic Budget Leadership Team (SBLT) for their hard work and difficult recommendations. The SBLT has been meeting weekly since November.

The recommendations that come before the Regents fall under two kinds of processes, the use of recurring dollars and the use of one-time funds. The amount of recurring dollars the University has is limited, which often creates holes in the budget. The budget recommendation out of the SBLT is very tight and focuses on using recurring dollars to cover recurring expenditures.

Based on the challenges given by the Regents at the last full Board meeting, the recommendations tightly adhere to what the Board has asked of Administration. As also directed at previous meetings, there has been diligent effort to spend down reserves. Last fall President Frank convened the SBLT and challenged them to meet a few priorities. First, begin the implementation of the new budget process, ROM (Results Oriented Management), reallocating at least \$3 million in internal efficiency savings. The ROM allocation fund was created to drive performance to fund the University's strategic investments; however, due to challenges presented in the budget and in the external environment, the entire 1% ROM will be allocated toward salary compensation. This will be done because human capital, the University's faculty and staff, is the University's greatest asset and must be preserved. Another important task of the SBLT was to maintain student success programs, as tremendous progress has been made in those area. As a result, for Main Campus, some of the Provost's academic plan initiatives are the only program investments maintained in the budget as all other investments have been stripped out of the budget. For Health Sciences, Chancellor Roth will address the HSC budget, which includes compensation increases for critical staff and faculty.

After months of careful budget considerations, the budget presented represents intense prioritization by the SBLT. The recommendations of the SBLT went to Senior Leadership of the University and were further sliced down to meet the challenges presented by the Regents. President Frank believes the budget focuses most importantly on human capital and will allow for compensation increases for faculty and staff across the Lobo enterprise.

#### 2014 Legislative Results

Marc Saavedra provided a brief presentation on the outcome of this past Legislative Session. The FY15 State budget will take effect July 1, 2014. Of the State funding, Public Education Department received 43%, Higher Education Department received 13%, judicial appropriations received 4%, and other appropriations makes up 40%, which includes Medicaid match money that hospitals receive every fiscal year.

The State appropriation process is designed out of sector equity and the office of Government Relations works diligently to track the sector percentages. UNM is roughly 38% of the higher education budget and we have 29% of the enrollment statewide. UNM's total higher education appropriation is \$312.9 million; out of this, \$16.4 million is new recurring dollars which includes compensation, ERB, projects at the HSC, new residency slots, and Research & Public Service Projects (RPSP). UNM's Main Campus total Instruction & General (I&G) funding is \$269.3 million. It was a great

Legislative session with a 59.5% increase from FY14, which stays on track at 38% of the higher education total budget. A team has been assembled by Provost Abdallah, EVP Harris, and Chancellor Roth to track the funding formula in the interim beginning in April.

The formula is going to continue to reward on performance however, we never receive 100% of the formula, as it is based on what is available in the budget. The University is required to make up any difference such as the compensation increase, which was only funded 60%. The office of Government Relations will continue to track what goes on at the State and Mr. Saavedra recognized his staff for their hard work.

Mr. Saavedra stated there was increase in I&G dollars by 4.8% and this year the University received \$5.6 million in new dollars. Regent Gallegos was concerned about the differences in Mr. Saavedra's report with I&G of \$269 million and what was being presented in the budget scenario of \$179 million. Mr. Saavedra stated the \$179 million is just the Main Campus number; the \$269 million is campus wide, including HSC and the Branches. The \$312 million is the full amount including direct appropriations to the HSC for the medical school and various RPSPs and includes the Branch Campuses.

In response to Regent inquiry regarding the Lottery Scholarship, the new bill applies to current and incoming freshman. Terry Babbitt stated the legacy students, students who have completed 3 or more semesters, retain eligibility criteria of the old lottery law, which is 12 credit hours and 2.5 GPA, and they will receive 8 semesters of funding. Current and incoming freshman will have to take a minimum of 15 credit hours, maintain a 2.5 GPA and will receive 7 semesters of funding. There is a prorated percentage for all students, both legacy and non-legacy, and the LFC predicts it will be 85-90% funding based on the amount of money available. EVP Harris stated the Lottery Scholarship is no longer going to be exclusively funded from the proceeds of the Lottery, but the Legislature has earmarked part of the Liquor Excise Tax to it. Mr. Saavedra stated the Legislature earmarked funds until FY18 which will go toward solvency and will be close to 90% funding.

In response to Regent inquiry, the \$5.6 million in new dollar I&G funding is discretionary.

Andrew Cullen stated the \$312 million I&G funding is broken out into the following: \$180 million for Main Campus I&G; \$5.6 million for additional dollars based on work load and performance outcomes; \$3 million for ERB contribution and compensation; Main Campus RPSPs are \$11 million; Gallup Campus \$9.5 million; Los Alamos \$2 million; Taos \$3.8 million; Valencia \$5.6 million; HSC I&G \$62 million; HSC RPSPs \$33 million. RPSPs are written into law by line and cannot be used to fund other than what they are earmarked for.

EVP Harris commented that Mr. Saavedra was trying to illustrate in his report that the NM Legislature, unlike in other states, makes a strong effort to fund higher education.

#### Presentation of Alternative Scenarios

Andrew Cullen mentioned the Strategic Budget Leadership Team (SBLT), which has been working since November and is comprised of members from all around campus. The SBLT does not necessarily back into a tuition and fee increase, rather, they look at the requests as they are generated on campus and filter through them. The requests go through Academic Affairs, Provost Abdallah, EVP Harris, and to President Frank. They began with \$20 million in new initiatives, including compensation and fixed cost increases such as ERB. If that package had been brought to the Regents it would have entailed a 7.25% tuition increase. Over the course of 2-3 months, the SBLT saw many presentations. The requests were then scaled down until the final recommendation from the SBLT included only \$14 million in new initiatives and fixed cost increases. Of the \$14 million, \$1.9 million comes from Provost Abdallah's year 3 of 5 academic plan. The recommendation also includes \$630K in need-based aid. The most important recommendation from the SBLT was the 3% compensation increase for faculty and the 2% compensation increase for Staff/GAs/TAs. Mr. Cullen stated the SBLT originally came up

with a tuition and fee increase of 3% to fund all of the must funds and initiatives. Due to Regents' request, they have tightened the budget and are recommending tuition and fee increase of 1.5%.

Regent Gallegos mentioned the Regents have asked in prior years to be brought in to the budget process earlier, around December or January, and this year that was not done. Recommendations from the SBLT could have been shared with the Regents two months ago. EVP Harris said the preliminary recommendations are blue sky types of items and it is not until the University knows what the appropriation levels are can it start to narrow down the recommendations. There is delay based on the three weeks the Governor has for veto. It was very helpful at last meeting when the Regents gave Administration some parameters to work with, but it is a fast-moving process and Administration does the best that it can working with the time constraints and when the funding information becomes available. Regent Gallegos recommended working with the prior year's budget and to provide information to the Regents at least a month, ideally two, in advance, not a week or day in advance.

Regent James would have liked to know about the prioritization of the strategic investments. He agreed the faculty and staff compensation increases requiring \$6 million and the must funds of \$3.29 million should be priorities, but these could have been communicated to the Regents earlier, because these are about strategic decisions for the University.

President Frank is also unsatisfied with the budget process and wants to improve it for next year. UNM is making budget decisions earlier than other universities in the State. Some universities have a conversation once, then they have a round robin and they come back a second time and make a decision. Perhaps an initial conversation at the March meeting would be better. President Frank has already told Administration and Staff that he will be looking to them for ideas for improvement of the process so there will be earlier engagement next year.

Andrew Cullen mentioned the State appropriation came on March 12. Assumptions about appropriation dollars can be made beforehand, during the Governor's veto window, however when this was done a couple years ago it was frowned upon so typically the University waits until the State appropriations are firm numbers.

Andrew addressed the proposed budget that included a 1.5% increase in tuition and fees and a 3% compensation increase for faculty and 2% compensation increase for staff (see Attachment B). He explained that there were only \$1.5 million of reserve balances, one-time dollars, used to fund recurring expenditures and so this is the only amount that would have to be made up for in next year's budget. The amount of reserve balances to fund I&G budget was \$13.5 million in 2010, primarily due to the \$62 million cut in State appropriations that occurred during 2009-2011.

Regent Gallegos asked about the institutional share of the land grant dollars. Mr. Cullen said \$8 million of the land grant dollars is classified as a reduction to expenditures, the institutional share line item shows the incremental portion of \$547.9 K.

The overall budget has \$5.6 million in new State money coming in with compensation funded by the State at only 60% leaving a shortfall of about \$2.2 million, so to get Faculty and Staff to a 1.5% compensation increase, the University needs to provide \$2.2 million to make up the shortfall, and that amount would come out of the \$5.6 million. The must funds use an additional \$1.8 million, which leaves \$1.6 million, from which \$1.077 million and the \$0.2 million are transferred to Health Sciences, so the funds that are left are only \$0.4 million.

With regard to the ERB contribution, that was not part of the \$5.6 million of new money from the State. To cover ERB, the State gave \$0.9 million, only 60%, but the total actual cost is \$1.5 million, so \$0.6 million is the shortfall the University has to cover.

Student Regent Overton asked for more detail about the Provost's Academic plan and if the committed funds should be categorized under must funds. Provost Abdallah said there are about \$1.9 million that could be categorized as must funds because the funds are basically committed dollars since it is for prospective faculty that have accepted position offers. Planning for hire of new faculty has to begin a year in advance. President Frank said the critical parts of the Provost's plan were retained such as current critical faculty hires, student success and veterans program.

Regent James asked for clarification of the \$62 million mentioned in State appropriations reduction and when those reductions occurred. Mr. Cullen stated it was around the time of the recession 2009. Provost commented they are now working on building up faculty hires that were put on hold at that time and the new hires are paying off because they directly contribute to improved graduation rates. Mr. Cullen mentioned that during the downturn of the economy, more people went back to school, the FTEs increased from roughly 26,000 to around 29,000, so there were more students at the time when there was less funding.

Student Regent Overton asked for clarification in the use of reserve balances. Mr. Cullen said there would be \$1.5 million use of reserves in I & G budget. The majority of the rest of the reserves are held up in plant, that is, funds for buildings or bond money not yet spent on buildings. There was large effort in the budget process to not use one-time dollars to fund recurring expenses and so only \$1.5 million of reserve balances were utilized in the I & G part of the budget.

Regent Gallegos inquired about funds that go to the UNM Foundation in the form of a donation. Mr. Cullen said the budget has \$4.8 million going to the Foundation in the form of a donation. It is a payment that each and every unit on campus makes, relative to their budget whereby 0.5% of each unit's budget is redirected to the Foundation.

Regent Koch asked if there would be discussion on Health Insurance. Regent Koch asked for the total amount paid by the University for medical insurance. Michael Duran said the total amount paid on health insurance is approximately \$70 million. Regent Koch said \$70 million is a significant number and should be looked at. Currently, all businesses are looking at how to reduce their health insurance burdens. Regent Koch said he was not prepared to vote on the budget until health insurance plan options could be presented to the Regents. Mr. Duran said some changes were made to the benefit plan where deductibles and out-of-pockets were increased. Regent Koch said he wanted to see more options before approving the FY15 budget; he didn't want to wait until FY16 to look at more options. Regent Koch said the University is self-insured, and the Regents need to look at all the plan options to see if costs to the University can be lowered.

Student Regent Overton said that after researching the proposal, she did not support putting the pre-65 retirees back in to the pool with active employees, after learning that the decision the University made last year in taking them out of the pool was in line with industry standards. Regent Overton supports exploring other options that could reduce their premiums, like a wellness health benefits program. She asked if Administration and the pre-65 Retirees would support exploring a wellness health benefits program.

• Regent Fortner proposed not taking action at the meeting, but to reconvene on Friday.

Andrew Cullen introduced the Branch Campus' proposals. Three of the four campuses, Gallup, Taos, Valencia, propose no change to tuition and fees for both resident and non-resident students. The Los Alamos Branch proposes a 4.6% and 4.9% increase for resident and non-resident tuition and fees, respectively. Los Alamos has a number of contracting grants that are expiring that have been used to fund core operations at the school, and the proposed increase would back fill the expected shortfall for FY15.

Regent Fortner said tuition is less expensive at the Branch Campuses, and he asked about the number of non-residents at the branch campuses. Mr. Cullen mentioned the branch campuses are dominated

by resident students rather than non-residents. Regarding the Branch Campus' revenue base, more of it is based on tuition and so any compensation increases that the branches follow along with provide even more challenges to the Branch Campuses and are more impactful on students at the branch level.

Three Differential Tuition requests were addressed: the Anderson School of Management requests a new undergraduate differential tuition of \$10 per student credit hour (SCH) and an increase of \$10 per SCH at the graduate level, bringing the resident and non-resident graduate differential tuitions to \$183.70 and \$190.10 per SCH, respectively; a \$24 per SCH increase for the School of Architecture & Planning Graduate program bringing the total to \$74.63 per SCH; and a new differential of \$150 per SCH for Department of Speech & Hearing graduate program. All three schools sited justification for the differential tuitions to be higher than average cost of their graduate programs.

Regent James asked how the differential tuition numbers are derived. Provost responded currently these numbers come from the college after they analyze their own costs and other similar program costs, and the differential tuitions cover above average costs the colleges incur to provide the degrees. To arrive at the fee, the colleges look at the total amount of funds they will need and then back in to the fee based on an estimate of the number of students projected to attend. The funds go directly to the colleges. Historically, the tuition differential requests went directly to the Board of Regents and did not go through the Strategic Budget Leadership Team (SBLT); however, this year Andrew Cullen recommended these requests go through the SBLT. Regent Quillen asked if the additional funds would be used to hire faculty; all three of the programs mentioned funds would be used for faculty or staffing needs, the School of Architecture and Planning also mentioned the funds would be used for lab equipment renewals and replacements.

Regent Hosmer inquired if we know what tuition increases are being implemented in other universities in the State. President Frank said he spoke to Presidents at other research institutes; NMSU is following the 'linearizing tuition' model that UNM used last year, so NMSU's tuition income will go up over 6%. Regent Quillen emphasized a difference where NMSU will offer a significant decrease to tuition for 12 credits and under. President Frank said the other universities (excepting information from Northern and Highland) are talking about 5% to around or slightly above 6% increase in tuition. This being informal information, either in the name of proposals or what they thought their regents would accept.

#### Academic Perspective

Provost Chaouki Abdallah spoke about taking the position as Provost less than three years ago, after which time the Regents endorsed and funded the 5-year academic strategic plan that he presented to the Board. The plan was subsequently endorsed the following year with some goal modifications that put focus on fixing salary inequities and retaining faculty. The results of those decisions are: almost 4% more graduates per year, about 125 students; a renewed focus on the first-year challenges at UNM; a thriving Honors College; more academic and financial support for undergraduate and graduate students; more need-based funding and a more dynamic academic core. The first year investment in the academic plan was almost \$4 million in new funding coming after almost 20% reduction in I&G base over the years 2009 to 2011. The second year investment in the plan added \$3 million more to academics, and the budget request this year is for around \$2 million in new funds. This request is in line with the original plan introduced almost 3 years ago, but the fund requests have been suitably adjusted downward to suit current demands and challenges. Provost quoted former Stanford President, Gerhard Casper, "the University is a wonderful, but fragile institution." The goals that President Frank and this Board have set for UNM are also wonderful but also very fragile, they include graduating well-educated students in larger numbers and on time, something that will have more impact on the economy of our state than most patents and companies will ever provide. The costs of achieving these goals may be growing but is dwarfed by the cost of not achieving them. Regent Hosmer has recently spoken about the effectiveness versus efficiency dilemma; in the last three years, we have been effective, and now we are turning our attention to being more efficient. I

request to the Regents today to consider that the cost of providing faculty and staff compensation is both effective and efficient, while the cost of retaining faculty is less effective and not so efficient, and the cost of replacing faculty is very expensive and not always effective. With a focus on the short-term, we may become efficient in the present only to sacrifice our future. Like a racecar driver, it is better to focus on the road and not on the walls. Three years ago you set us on a path to rebuild the academic strength of this institution, today is the best time to keep us on that track.

Regent Quillen said she had spent a lot of time reading letters written to Regents from faculty and staff that outlined compensation issues like salary inequities and compensation compression, and her conclusion is that it does not seem like a sustainable model to always count on increased student tuition to solve the University's problems. Provost said tuition is not seen as the sole solution, an example is the ROM initiative will produce some \$3 million that can be reallocated. Additionally, spending modifications occur to address issues like salary compressions and inversions. For instance, the academic plan was adapted to hire not 20 faculty but only 10, and used about \$1.0 to \$1.5 million so solve some salary inequities. We compare ourselves to our peer institutions. At the end of the day, the value of the degree is what is important. When comparing to other universities, tuition at UNM is still low compared to the value of education one receives. The cost or total amount may be going up, but looking at it on a per student basis, cost has been about \$11,000 constant within the U.S. for the last ten years. This is combination of state dollars and tuition spent on educating students, and it is more meaningful to look at the dollars on a per student basis. Since the number of students has been increasing at UNM, the amount spent per student is about \$9,000, compared to about \$11,000 at the national level. Part of the academic plan is to provide more support to the students, more advisors, implemented software, more financial aid, not just hire faculty, with the goal of graduating more students who are better prepared. We can save money today, but if we continue a plan where every year we do something reasonable, then in five years we will not have to do something drastic.

President Frank referred to a bar graph showing Statewide NM funding per Full Time Equivalent (FTE) (see Attachment C) from 1987 to 2012. The graph shows public FTE enrollment, educational appropriations and total educational revenue per FTE, depicting the proportion of State dollars paid toward the cost of education decreasing through the years versus the proportion of net tuition paid. Also shown is an increase in student enrollment through the years.

Regent Quillen urged the need to think outside the box to come up with long-term solutions so students will not have to shoulder the burden of rising costs.

Regent James said the trend of reduced state funding is a good thing and is something that has been going on nationwide for the past 30 to 40 years. Since roughly only 30% of individuals in the U.S. have higher education degrees, States' subsidies to higher education causes 70% of the population who do not earn college degrees to actually be contributing to funding of higher education. It will take some time and conversations with the public to inform them of the challenges the University faces with reduced financial support from the State and increased complexities and costs in healthcare, but it is important the public understand the directions the University is taking. The changes last year were necessary, but the changes need to be gradual.

President Frank commented UNM has one of the lowest based tuitions in the country, however the quality of faculty at UNM is extremely high. Even compared to Kent State, with a base tuition rate of around \$9,000, the quality of its faculty is not as high as that at UNM. Student Regent Overton attests to the quality of UNM's faculty having received her education here and so supports compensation increases, but not necessarily covered with tuition increases. She wanted to see more options. President Frank mentioned the 1% ROM and the effort to create \$3 million in efficiencies from the departments.

#### CONSTITUENTS AND PUBLIC COMMENT (specific to agenda items)

<u>Carol Stephens</u>, representing pre-65 retirees, appreciates Regent Koch's comments and the opportunity to meet with actuaries. She would like President Frank and the Regents to continue to follow their words of transparency.

<u>Barbara Gabaldon</u>, representing pre-65 retirees, said she was disappointment that the Health Benefits would be pushed under the table. She would like transparency of the Regents and Administration.

<u>Nicola Travison</u>, with District 1199 NM representing UNM Hospitals employee, there used to be a 2.7% increase every year. In regards to nurse turnover at the hospitals, it is above the national average, it costs about \$20 Million per year to replace those nurses.

<u>Bill Brown</u>, administrative director for District 1199 NM, requested that UNMH act on good faith in Union negotiations for increased compensation for UNMH staff.

<u>Carinna Rodriquez</u>, graduate student in Department of Speech and Hearing Sciences, spoke in favor of the Differential Tuition proposed by the Department of Speech and Hearing Sciences.

<u>Saimie Ragsdale</u>, graduate student in Department of Speech and Hearing Sciences, spoke in favor of the Differential Tuition proposed by the Department of Speech and Hearing Sciences. Would like the department to be able to hire an audiologist and to be able to have other specialists on board. Also, comparing costs of this program to other comparable

<u>Dean Doug Browne</u>, Dean of the Anderson School of Management (ASM), spoke about some areas that had not been addressed that would actually reduce costs to students. The reduction in the number of student credit hour requirement to obtain a degree from 128 to 120 credit hours will save the students money. Another area for savings to the student are faculty transitioning more and more to the use of electronic books. The market for faculty at ASM is national and salaries at other comparable universities are as much as \$66,000 more. In Arizona, tuitions are about 30% more on the undergraduate level. In business school, our tuitions are 31% less than those of our neighbors.' Overall, the value of our education is going to erode significantly if we cannot hang on to our good faculty and also attract new faculty.

<u>Bianca Encinias</u>, graduate student in School of Architecture and Planning, spoke in opposition to tuition increases including the differential tuition increases. She also said the University should not be opening offices in China and Mexico, but should be focusing on the students in and from the New Mexico school system.

<u>Maria Elena Corrale</u>, a student, spoke against the differential tuition increases. They are proposed and imposed too rapidly. She wants more transparency.

<u>Glen Effertz</u>, a pre-65 retiree, spoke about the increase to the health benefit costs and the decision to create a pre-65 pool, which with fewer people in the pre-65 retiree pool will cause the premiums to go up.

<u>Doris Williams</u>, President of United Staff United Union (USUNM), respectfully asked for UNM to match the 1.5% compensation increase funded by the State so that the total compensation increase would be 3%.

#### Comments from Regents' Advisors

<u>Faculty Senate</u>, <u>President Richard Holder</u>, <u>President Holder applauded the budget process and is happy about the proposed 3% raise for faculty</u>. It would be nice to get more but he understands, after

serving on the SBLT, that more of an increase would entail a significant tuition increase to support that. Faculty compensations are still running 10-12% below those of peer institutions. He appreciates the fragility of our institution.

<u>Staff Council, President Gene Henley</u>, President Henley spoke in favor of the budget and encouraged the Regents to pass which would allow for staff a 2% compensation increase. He also sat on the SBLT and appreciates the process and the opportunity to serve.

<u>GPSA President, Priscila Poliana</u>, President Poliana stated that she appreciates the comments from Regent Quillen, Regent Overton and Regent James on not putting the burden on students. She understands that some programs have a need for more funding but overall it is best to find efficiencies and avoid a tuition increase.

• Regent Fortner called for a break in the meeting. The meeting broke at 12:07 pm. and reconvened at 12:27 pm.

#### **HSC BUDGET PRESENTATION FY15**

Dr. Paul Roth, Chancellor for UNM Health Sciences, addressed the Health Sciences System pragmatic assumptions that went into developing the budget. Chancellor Roth reviewed the Health System, which consists of all the University's Hospitals including, UNMH, Sandoval Regional Medical Center (SRMC), Adult Psychiatric Hospital, Carrie Tingley, Child Psychiatric Hospital and the Cancer Center.

HSC is assuming a 6% growth next year and are building the primary care base through more advanced medical homes, expanding pharmacy programs, advanced tertiary programs, and emphasis to optimize the SRMC. FY15 financial assumptions include a 6% growth in revenues, additional reductions in expenses, and increased revenue because of lean methodologies and patient processing. They are reviewing ways to improve the revenue cycle which includes documenting, processing, billing and collecting the charges associated with the delivery of health care. HSC will also participate as one of the options for UNM employee health care this upcoming enrollment and is working closely with Maritain and Aetna. They are also building assumptions into the budget for increased compensation. There will be increased costs in medical supplies, volume, and the medical inflationary rate in the U.S. Finally, the SRMC is predicted to be very stable.

The most important factor in making budget assumptions for FY15 is the Accountable Care Act (ACA) at both the federal and state level. There is no experience with how Medicare will be reimbursed based on the new ACA requirements. There are questions surrounding the Medicaid Expansion and the Health Insurance Exchange. The State Coverage Insurance was an example of a lost funding stream due to the implementation of the ACA. There will be reductions in revenue streams; however, in FY15, Uncompensated Care is estimated to have an increased reimbursement of \$69 million and Commercial Insurances a slight increase in revenues of \$5.5 million. Chancellor Roth discussed the changes in payers due to healthcare reform and the projected reimbursement for FY15. Uncompensated Care Costs are projected to be at \$114 million. Commercial Insurance is likely to have a slight increase. Many unknowns may affect the budget next year. As the HSC begins seeing actual revenues coming in, they can adjust their program to reduce expenses associated with any potential reductions in revenue streams.

For the fifth year in a row, there will be no tuition rate increase. The HSC has received additional state funding to increase class size in nursing. The state has sustained support from the tobacco settlement, which accounted for support for research and primary care funding. There is an anticipated increase of 3.4% for the research facility and administration overhead for grants and contracts. Built into the budget are a 3% faculty compensation increase and a 1.5% staff compensation increase. If the Regents approve a 2% compensation increase for staff they can easily absorb that. They also negotiate with Unions in good faith at the Hospital level. Anticipated costs are for compensation relating to the ERB employer portion is 0.75% increase, the employee increase is

0.6%. VEBA will be another 0.25% increase at the employee level. Group Health Insurance increase is 7.25%, and no increases in HSC Utilities.

Ava Lovell presented the FY15 HSC budget. Overall FY15 budgeted revenues at almost \$1.7 billion or a 6.8% increase over FY14. The biggest unknown in revenues is through Medicaid. HSC is planning on using reserves of just under 0.4% or \$6.6 million on the academic side. For Uncompensated Care they are projecting \$114 million. The UNM Health System is all of the University's clinical operations. For revenues they are predicting a 6.9% overall increase and they are working on efficiencies with the SRMC and 4<sup>th</sup> Street Clinic. The expenses for the Health System are roughly \$1.2 billion with a 6.8% increase. There will be compensation increases, purchase service increases and physician service increases. The bottom line projection for FY14 is a \$1.2 million loss. They have built in compensation increases for faculty and staff into the budget. For the Academic Enterprise budget for FY15 all units will break even or use balances, such as the HSC Library, College of Pharmacy, and HSC Research. Overall, the HSC Academic Enterprise will use \$6.6 million of reserves and HSC All Components will use \$6.5 million of reserves for one-time items.

In response to Regent inquiry, the Cancer Center clinical side is embedded in the Health system but the education and research side is under the School of Medicine. Project Search is funded for next fiscal year.

• Regent Fortner announced the meeting would reconvene at 12:00 Noon, Friday, March 28, 2014 in the SUB Ballroom C, for further discussion, consideration and approval of the FY15 budget. He asked for a motion.

The motion to table the agenda item, to Approve FY15 Compensation and Tuition and Fee Rates until the reconvened meeting on Friday, March 28, 2014, was unanimously approved by a quorum of Regents present and voting (1st Gallegos, 2nd Koch).

Regent James commented in support of compensation increases but expressed concern about doing so on the backs of the students. He noted the need to consider the other added burdens imposed on employees, like VEBA and also on students in the potential reduction of financial aid from Lottery Scholarship funds.

#### **VOTE TO ADJOURN**

The motion to adjourn the meeting passed unan	imously (1 <sup>st</sup> James, 2 <sup>nd</sup> Overton).		
The meeting adjourned at 12:54 pm.			
Approved:	Attest:		
Jack L. Fortner, President	Bradley C. Hosmer, Secretary/Treasurer		

Minutes originated by: Mallory Reviere and Sara Gurule Minutes finalized by: Mallory Reviere

## Attachment A



University Controller 1 University of New Mexico MSCO1 1300 Albuquerque, NM 87131

**TO:** Gene Gallegos, Chair Regent's Audit Committee

FROM: Elizabeth Metzger, University Controller

**DATE:** March 25, 2014

**RE:** FY 2014 Audit - External Auditor Selection

This memo is to request the Audit Committee's approval of KPMG LLP and Moss Adams LLP as the external auditors for the University of New Mexico's fiscal year 2014 financial audit, subject to approval from the Higher Education Department and the State Auditor's Office.

Proposals were solicited on February 7, 2014 on behalf of the Financial Services Division for financial statements and compliance audits for the years ending 6/30/2014, 6/30/2015, and 6/30/2016.

Proposals and evaluation criteria were distributed to the 5-member evaluation committee on March 7, 2014. The committee consisted of the Lead Financial Officers for UNM Foundation, KNME, UNM Hospitals, Health Sciences Center, and the Main Campus. In accordance with appropriate selection criteria established for the procurement, the written proposals were evaluated for responsiveness to mandatory requirements.

The evaluation committee recommends awarding the contract to the combined proposal of KPMG LLP and Moss Adams LLP as the highest ranked offer. The total 3-year proposal cost is \$2,800,935 plus NM GRT. The total 3-year proposal for the previous audit contract was \$2,610,000 plus NM GRT. The costs to perform the services are a reduction of 2.2% for FY2014 from FY2013. FY2015 is a 4.1% increase over FY2014 and FY2016 is a 4.0% increase over FY2015.

The proposed audit fees for KPMG LLP and Moss Adams LLP for fiscal year 2014 are \$896,729 plus NM GRT.

The annual financial audit fees are paid by the units being audited, as follows: Main Campus, HSC Campus (excluding UNM Hospitals), UNM Hospitals, and the University of New Mexico component units including The University of New Mexico Foundation, Inc., The Robert O. Anderson Schools of Management Foundation, STC.UNM, The University of New Mexico Lobo Club, Lobo Development Corp., Lobo Energy, Inc., SRMC, The UNM Medical Group, and The University of New Mexico Alumni Association. Three small special purpose audits are also required: KNME Television and KUNM Radio stations' Corporation for Public Broadcasting audits and reports and the UNM Intercollegiate Athletics program NCAA review and report. Finally, a small state agency, the New Mexico Sentencing Commission is also included under the UNM audit contract.

## Attachment B

New Mexico's Flagship University

**UNM Main Campus** 

Fiscal Year 2014-2015	1.5% T & F
Summary	Proposal
Sources of Funds:	Порозаг
SB 313 State I&G General Fund:	
State Appropriation FY 15 Base	179,862,600
Reduction of FY14 Base - 4%	(7,216,180)
New Dollars from Outcomes Performance including Research	9,847,598
Workload Change for End of Course Student Credit Hours	3,016,389
Institutional Share	547,900
ERB 0.75% Increase (Funded at approx. 60%)	898,400
Compensation 1.5% Increase (Funded at approx. 60%)	2,170,733
General Fund Appropriation Sanding -0.275% I&G	(515,621)
General Fund Appropriation Sanding -0.275% Compensation	(5,970)
Subtotal SB 313 State I&G General Fund - FY 15 Budget	188,605,849
Fultion:	100,003,043
FY 15 Starting Base	133,971,255
Tuition Revenue - 1.5% Increase	2,323,343
Re-blocking of Graduate Tuition (Anderson, Architecture & Planning, and Public Administration)	(257,000)
Unbudgeted Tuition - Estimate	293,225
Subtotal Tuition	136,330,823
Mandatory Student Fees:	130,330,023
FY 15 Starting Base	30,255,600
Unbudgeted Fees - Estimate	2,171,192
FY 14 One-Time Use of Reserves	1,500,000
Subtotal Mandatory Student Fees	33,926,792
Total Revenues	324,936,672
Health Sciences Center Transfers:	324,330,072
Health Sciences Center FY 15 Base	(16,425,845)
Health Sciences Center FY 15 Formula Workload/Outcomes	(1,077,231)
Health Sciences Center FY 15 Tuition - Estimate	(225,000)
Subtotal Transfers to Health Sciences Center from I&G Base	(17,728,076)
Total Sources of Funds:	341,135,388
Uses of Funds:	
I&G Allocations and Requests:	
	300,965,645
·	(2,020,200)
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds)	(2,939,200)
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds) IT Reduction of Tuition Funding	(1,206,775)
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds) IT Reduction of Tuition Funding FY 15 Funding Requests (Details next page)	(1,206,775) 11,888,926
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds) IT Reduction of Tuition Funding FY 15 Funding Requests (Details next page) Subtotal Allocations and Requests	(1,206,775)
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds) IT Reduction of Tuition Funding FY 15 Funding Requests (Details next page) Subtotal Allocations and Requests Mandatory Student Fee Allocations and Requests:	(1,206,775) 11,888,926 <b>308,708,596</b>
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds) IT Reduction of Tuition Funding FY 15 Funding Requests (Details next page) Subtotal Allocations and Requests Mandatory Student Fee Allocations and Requests: FY 15 Expenditure Base	(1,206,775) 11,888,926 308,708,596 30,255,600
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds)  IT Reduction of Tuition Funding  FY 15 Funding Requests (Details next page)  Subtotal Allocations and Requests  Mandatory Student Fee Allocations and Requests:  FY 15 Expenditure Base  IT Increase in Fee Funding	(1,206,775) 11,888,926 308,708,596 30,255,600 1,206,775
Mandatory Student Fee Allocations and Requests: FY 15 Expenditure Base IT Increase in Fee Funding FY 15 Funding Requests (Detail next page)	(1,206,775) 11,888,926 308,708,596 30,255,600 1,206,775 964,417
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds)  IT Reduction of Tuition Funding  FY 15 Funding Requests (Details next page)  Subtotal Allocations and Requests  Mandatory Student Fee Allocations and Requests:  FY 15 Expenditure Base  IT Increase in Fee Funding	(1,206,775) 11,888,926 308,708,596 30,255,600 1,206,775
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds)  IT Reduction of Tuition Funding  FY 15 Funding Requests (Details next page)  Subtotal Allocations and Requests  Mandatory Student Fee Allocations and Requests:  FY 15 Expenditure Base  IT Increase in Fee Funding  FY 15 Funding Requests (Detail next page)	(1,206,775) 11,888,926 308,708,596 30,255,600 1,206,775 964,417
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds) IT Reduction of Tuition Funding FY 15 Funding Requests (Details next page)  Subtotal Allocations and Requests  Mandatory Student Fee Allocations and Requests: FY 15 Expenditure Base IT Increase in Fee Funding FY 15 Funding Requests (Detail next page)  Subtotal Mandatory Student Fee Allocations and Requests	(1,206,775) 11,888,926 308,708,596 30,255,600 1,206,775 964,417 32,426,792
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds) IT Reduction of Tuition Funding FY 15 Funding Requests (Details next page) Subtotal Allocations and Requests Mandatory Student Fee Allocations and Requests: FY 15 Expenditure Base IT Increase in Fee Funding FY 15 Funding Requests (Detail next page) Subtotal Mandatory Student Fee Allocations and Requests  Total Uses of Funds	(1,206,775) 11,888,926 308,708,596 30,255,600 1,206,775 964,417 32,426,792
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds)  IT Reduction of Tuition Funding  FY 15 Funding Requests (Details next page)  Subtotal Allocations and Requests  Mandatory Student Fee Allocations and Requests:  FY 15 Expenditure Base  IT Increase in Fee Funding  FY 15 Funding Requests (Detail next page)  Subtotal Mandatory Student Fee Allocations and Requests  Total Uses of Funds  Balance  Current Estimates	(1,206,775) 11,888,926 308,708,596 30,255,600 1,206,775 964,417 32,426,792 341,135,388 0
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds)  IT Reduction of Tuition Funding  FY 15 Funding Requests (Details next page)  Subtotal Allocations and Requests  Mandatory Student Fee Allocations and Requests:  FY 15 Expenditure Base  IT Increase in Fee Funding  FY 15 Funding Requests (Detail next page)  Subtotal Mandatory Student Fee Allocations and Requests  Total Uses of Funds  Balance  Current Estimates  Tuition Waivers for GA/TAs	(1,206,775) 11,888,926 308,708,596 30,255,600 1,206,775 964,417 32,426,792 341,135,388 0 1% Number \$ 34,000
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds) IT Reduction of Tuition Funding FY 15 Funding Requests (Details next page) Subtotal Allocations and Requests Mandatory Student Fee Allocations and Requests: FY 15 Expenditure Base IT Increase in Fee Funding FY 15 Funding Requests (Detail next page) Subtotal Mandatory Student Fee Allocations and Requests  Total Uses of Funds  Balance  Current Estimates Tuition Waivers for GA/TAS Net Tuition and Fee Increase	(1,206,775) 11,888,926 308,708,596 30,255,600 1,206,775 964,417 32,426,792 341,135,388 0 1% Number \$ 34,000 \$ 1,548,895
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds) IT Reduction of Tuition Funding FY 15 Funding Requests (Details next page) Subtotal Allocations and Requests Mandatory Student Fee Allocations and Requests: FY 15 Expenditure Base IT Increase in Fee Funding FY 15 Funding Requests (Detail next page) Subtotal Mandatory Student Fee Allocations and Requests  Total Uses of Funds  Balance  Current Estimates Tuition Waivers for GA/TAS Net Tuition and Fee Increase	(1,206,775) 11,888,926 308,708,596 30,255,600 1,206,775 964,417 32,426,792 341,135,388 0 1% Number \$ 34,000
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds)  IT Reduction of Tuition Funding FY 15 Funding Requests (Details next page)  Subtotal Allocations and Requests  Mandatory Student Fee Allocations and Requests: FY 15 Expenditure Base IT Increase in Fee Funding FY 15 Funding Requests (Detail next page)  Subtotal Mandatory Student Fee Allocations and Requests  Total Uses of Funds  Balance  Current Estimates  Tuition Waivers for GA/TAS  Net Tuition and Fee Increase  Compensation Increase (Salaries and Fringe) - Detail Below	(1,206,775) 11,888,926 308,708,596 30,255,600 1,206,775 964,417 32,426,792 341,135,388 0 1% Number \$ 34,000 \$ 1,548,895
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds)  IT Reduction of Tuition Funding FY 15 Funding Requests (Details next page)  Subtotal Allocations and Requests  Mandatory Student Fee Allocations and Requests: FY 15 Expenditure Base IT Increase in Fee Funding FY 15 Funding Requests (Detail next page)  Subtotal Mandatory Student Fee Allocations and Requests  Total Uses of Funds  Balance  Current Estimates Truition Waivers for GA/TAS Net Tuition and Fee Increase Compensation Increase (Salaries and Fringe) - Detail Below  Faculty	(1,206,775) 11,888,926 308,708,596 30,255,600 1,206,775 964,417 32,426,792 341,135,388 0 1% Number \$ 34,000 \$ 1,548,895 \$ 2,488,123
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds)  IT Reduction of Tuition Funding FY 15 Funding Requests (Details next page)  Subtotal Allocations and Requests  Mandatory Student Fee Allocations and Requests: FY 15 Expenditure Base IT Increase in Fee Funding FY 15 Funding Requests (Detail next page)  Subtotal Mandatory Student Fee Allocations and Requests  Total Uses of Funds  Balance  Current Estimates Tuition Waivers for GA/TAs	(1,206,775) 11,888,926 308,708,596 30,255,600 1,206,775 964,417 32,426,792 341,135,388 0 1% Number \$ 34,000 \$ 1,548,895 \$ 2,488,123 1,160,581
FY 15 Expenditure Base Reduction of 1% - (Internal Reallocation of Funds)  IT Reduction of Tuition Funding FY 15 Funding Requests (Details next page)  Subtotal Allocations and Requests  Mandatory Student Fee Allocations and Requests: FY 15 Expenditure Base IT Increase in Fee Funding FY 15 Funding Requests (Detail next page)  Subtotal Mandatory Student Fee Allocations and Requests  Total Uses of Funds  Balance  Current Estimates Tuition Waivers for GA/TAS Net Tuition and Fee Increase Compensation Increase (Salaries and Fringe) - Detail Below  Faculty GA/TA	(1,206,775) 11,888,926 308,708,596 30,255,600 1,206,775 964,417 32,426,792 341,135,388 0 1% Number \$ 34,000 \$ 1,548,895 \$ 2,488,123 1,160,581 173,481

#### Notes

UNM State Appropriation base is \$180,404,500. Extended University receives \$541,900.

Current Estimates are based on actual data through January 2014

 $3M\ I\&G$  revenue shortfall addressed as follows for FY 15:

 $\$1.5\mbox{M}$  one-time use of FY 14 mandatory student fee reserves.

\$1.5M permanent base adjustment of unbudgeted tuition and mandatory student fees.

#### <u>Assumptions</u>

ERB increase of 0.75% funded at approximately 60%. UNM to make up the difference. HSC receives ERB funding directly from the State.

Compensation increase of 1.5% funded at approximately 60%. UNM to make up the difference. HSC receives compensation funding directly from the State.

New Mexico's Flagship University

size Investments assation Increase - Faculty 3% assation Increase - Staff/GA/TA 2% 's Affairs tion Technologies - Licensing al Services FTEs (Bursar's Office, Payroll, Purchasing) d Museum of Art Activities Center for Academic Program Support (CAPS) dership Institute uncil h Office Fringe Benefits Lecturer Promotions aished Professors ted Faculty Hires cipilinary Faculty Hires on Offers Contracts Learning Assessment Advising Tool tee Online Application (OGS) in Curators f the University Secretary - Graduation Commencements for Student Aid - FY 15 3% Scholarships or to Student Aid - 20% of Tuition Increase to Need-Based Aid commendation mance Investments assation Increase - 0% tional Operations (Must Funds) lealth Insurance Premium Increase: rent Faculty/Staff direes - Pre 65 (Miscellaneous Fringe Benefits) if rees - Post 65 (Miscellaneous Fringe Benefits) //TA Premiums	1.5% T Propo	
FY 2014/15 FUNDING REQUESTS		
	I&G	Other
Strategic Investments		
Compensation Increase - Faculty 3%	3,481,743	-
Compensation Increase - Staff/GA/TA 2%	2,522,910	-
Veteran's Affairs	100,000	-
Information Technologies - Licensing	115,339	-
Financial Services FTEs (Bursar's Office, Payroll, Purchasing)	-	-
Harwood Museum of Art	-	-
Student Activities Center	-	-
Center for Academic Program Support (CAPS)	-	-
NM Leadership Institute	-	-
Staff Council	-	-
Research Office Fringe Benefits	-	-
Faculty/Lecturer Promotions	240,000	-
Distinguished Professors	40,000	-
Committed Faculty Hires	408,878	-
Interdisciplinary Faculty Hires	461,000	-
Minority Faculty Hires	255,000	-
Retention Offers	30,000	-
Faculty Contracts	100,000	-
College Learning Assessment	-	-
Starfish Advising Tool	85,000	-
Graduate Online Application (OGS)	80,000	-
Museum Curators	55,101	-
Office of the University Secretary - Graduation Commencements	50,000	-
Advisors	140,000	-
Fringe (Faculty & Staff)	381,315	-
Tuition Waivers	51,000	-
Transfer to Student Aid - FY 15 3% Scholarships	-	-
Transfer to Student Aid - 20% of Tuition Increase to Need-Based Aid	-	-
SFRB Recommendation	-	964,417
Performance Investments		
Compensation Increase - 0%	-	-
Institutional Operations (Must Funds)		
Group Health Insurance Premium Increase:		
Current Faculty/Staff	625,000	-
Retirees - Pre 65 (Miscellaneous Fringe Benefits)	500,000	-
Retirees - Post 65 (Miscellaneous Fringe Benefits)	200,000	-
GA/TA Premiums	175,000	-
VEBA Increase	300,000	-
ERB 0.75% Increase - Fringe Benefits Cost Increase	1,491,640	-
nsurances - Property and Liability	250,000	-
Workman's/Unemployment Comp (25% Rate Reduction)	(250,000)	-

11,888,926 964,417

39

**Total Funding Requests** 

#### **UNM Branch Campus FY 15 Budget Perspectives**

#### **Tuition**

Keeping tuition increases to a minimum has been a priority for UNM's branch campuses. Since the recession and associated budget cuts began in FY 09, branch campus tuition increases on average have been less than the total cuts imposed by the state tuition credit alone:

UNM Branch Campus Tuition/Fee Rates FY 10 - FY 14												
	Gallup Los Alamos Taos Valencia											
2009-10	60.90	% +/-	53.50	% +/-	57.00	% +/-	55.00	% +/-	5.0%			
2010-11	63.25	3.9%	55.50	3.7%	60.35	5.9%	59.75	8.6%	9.0%			
2011-12	71.00	12.3%	64.50	16.2%	69.10	14.5%	65.05	8.9%	9.5%			
2012-13	71.00	0.0%	67.00	3.9%	71.00	2.7%	65.05	0.0%	0.0%			
2013-14	71.00	0.0%	70.50	5.2%	71.00	0.0%	65.05	0.0%	0.0%			
TOTAL INC	CREASE	16.6%		31.8%		24.6%		18.3%	25.3%			

For FY 15 three branch campuses – Gallup, Taos and Valencia – are again recommending no tuition and fee increases. UNM-Los Alamos has a number of grants expiring and is adjusting to the lost revenue through a combination of increased tuition and expenditure reductions. The summary of FY 15 tuition and fee proposals under consideration by branch campus local advisory boards is as follows:

UNM Branch Campus Tuition/Fee Rates  FY 15 Proposed 1												
Resident Non-Resident												
	Tuition	Fee	Total	Total FT	+/-	Tuition	Fee	Total	Total FT	+/-		
UNM - Galllup	60.60	10.40	71.00	852.00	0.0%	160.60	10.40	171.00	1,945.20	0.0%		
UNM - Los Alamos <sup>2</sup>	69.25	4.50	73.75	895.00	4.6%	199.00	4.50	203.50	2,452.00	4.9%		
UNM - Taos <sup>3</sup>	68.00	3.00	71.00	867.00	0.0%	176.30	3.00	179.30	2,166.60	0.0%		
UNM - Valencia	61.30	3.75	65.05	780.60	0.0%	170.50	3.75	174.25	2,091.00	0.0%		

<sup>&</sup>lt;sup>1</sup> As of 3/11/14, pending final approval of branch advisory boards.

<sup>&</sup>lt;sup>2</sup> UNM-Los Alamos's fee schedule is as follows: Activity Fee (per hour), \$1.50; Facility Fee (1-4 hrs.), \$12.00; Facility Fee (5 or more hours, per hour), \$3.00; Print Mangement Fee, \$10 per enrollee, reflected here only in the FT total.

<sup>&</sup>lt;sup>3</sup> UNM-Taos charges a \$15.00 "Student Success" fee for each enrollee, reflected here only in the FT total.



#### Compensation

UNM branch campuses face challenges to the structure of their compensation packages – e.g., in the disparities between long-term and new employees created by years of no wage increases, or faculty salaries generally – that are similar to those of the main campus. However, with fewer and smaller revenue sources at their disposal, branch campuses have fewer available options to deal with these challenges.

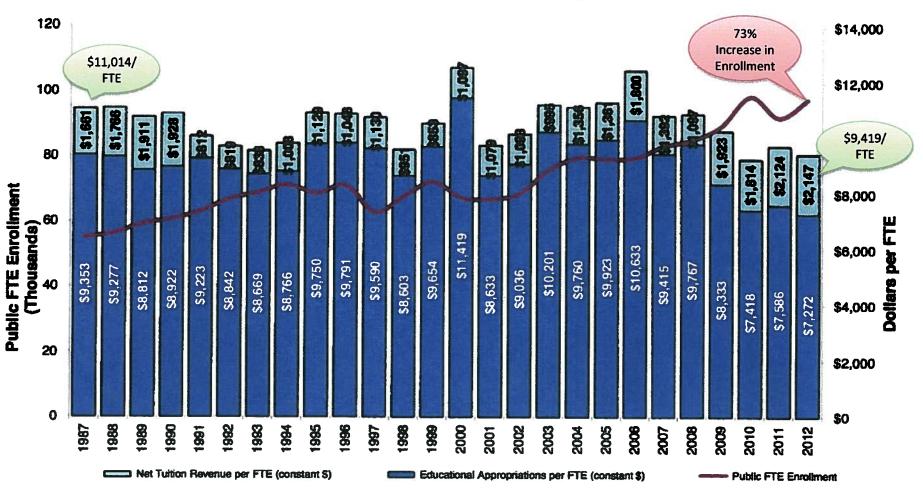
In the main campus budget, with tuition making up approximately 40% of I&G funds, the revenue generated by a 1% tuition increase is approximately equal to the expenditures of a .5% salary increase for faculty and staff. At UNM's branch campuses, tuition only accounts for around 20% of I&G budgets, so the 1% equivalency is less than .3% of a salary increase.

For those reasons branches strongly prefer compensation guidelines that allow them flexibility in the use of their resources to achieve desired ends. Mandated across-the-board salary increases are the hardest for branches to fund; mandated pools (overall compensation increased equal to some fixed percentage of total salaries) are better but also challenging. Establishing criteria for wage and salary adjustments based on available funds would the best option, from the branch perspective.

11 March 2014

# NM Statewide Funding per FTE

Public FTE Enrollment, Educational Appropriations and Total Educational Revenue per FTE, New Mexico — Fiscal 1987-2012



Note: Constant 2012 dollars adjusted by SHEEO Higher Education Cost Adjustment (HECA). Educational Appropriations include ARRA funds. Source: SHEEO

## Minutes of the Special Meeting of the Board of Regents of the University of New Mexico (reconvene of the Budget Summit on Tuesday, March 25, 2014)

#### March 28, 2014 Student Union Building, Ballroom C

#### Members present

Jack L. Fortner, President; Conrad D. James, Vice President; James H. Koch; J.E. Gene Gallegos; Heidi Overton; Suzanne Quillen joined by phone (Quorum)

Members not present: Bradley C. Hosmer, Secretary/Treasurer

#### Administration present

Robert G. Frank, President; David Harris, EVP for Administration and COO; Chaouki Abdallah, Provost and EVP for Academic Affairs; Elsa Cole, University Counsel; Elizabeth Metzger, University Controller; Jewel Washington, Interim VP HR; Michael Dougher, VP Research and Economic Development; Helen Gonzales, Chief Compliance Officer; Ava Lovell, Sr. Exec. Officer of Finance and Administration, HSC

#### Regents' Advisors present

Richard Holder, President, Faculty Senate; Gene Henley, President, Staff Council; Priscila Poliana, President, GPSA

#### Presenters in attendance

Andrew Cullen, AVP Planning, Budget and Analysis

#### Others in attendance

Members of the administration, faculty, staff, students, the media and others.

#### **CALL TO ORDER**

Regent President Fortner called the special meeting to order at 12:07 pm., stating the meeting was reconvening from the Tuesday, March 25, 2014 Budget Summit. A quorum was confirmed and the agenda was reaffirmed. Regent Fortner mentioned Regent Quillen was joining the meeting by phone.

#### APPROVAL OF FY15 COMPENSATION AND TUITION AND FEE RATES

Regent Fortner asked for a motion to take the agenda item off the table.

The motion to take off the table agenda item, Approval of FY15 Compensation and Tuition and Fee Rates, was unanimously approved by a quorum of Regents present and voting (1st Koch, 2nd James).

Regent Fortner stated the Regents were at the second part of the agenda item, approval of FY15 compensation and tuition and fees.

Regent Koch made a motion for no tuition increase, with an increase to faculty compensation of 3% and an increase to staff compensation of 2% and the University look at the health benefits to determine where the potential savings can be made and bring that to the Finance and Facilities Committee meeting on Friday, April 4, 2014 for approval.

Regent Fortner asked Regent Koch if he intended to include in his motion no increase to fees. Regent Koch confirmed his motion intended to include no increase to fees.

Regent James seconded the motion made by Regent Koch.

Regent James asked to expand the items Regent Koch mentioned in his motion with regard to balancing the budget, and for Administration to look at more areas than the item Regent Koch mentioned, to also look at different sources again that could potentially provide the funds for the faculty and staff compensation increases without increases in tuition and fees.

Regent Gallegos asked if Regent Koch intended by his motion to close the door to the proposed differential tuition rates proposed by the Anderson School of Management, the Department of Speech and Hearing Sciences and the School of Architecture and Planning.

Regent Fortner asked Andrew Cullen to comment. Andrew Cullen mentioned there were three differential tuition proposals and also a tuition and fee increase proposed by the UNM Los Alamos Branch campus.

Regent Koch said his motion did not intend to exclude the items mentioned by Mr. Cullen.

Regent Gallegos requested an amendment to Regent Koch's motion, to approve the three proposed differential tuition increases, the increase for the Los Alamos tuition and fees and a proposal to increase minimum staff at \$9.00 per hour to \$9.50 per hour.

(see Attachment A for Los Alamos tuition and fee increase proposal)

Regent Koch asked for the \$9.00 per hour wage increase to be separated out of the amendment and included in a different motion.

Regent Gallegos restated the amendment to be to approve the three proposed differential tuition increases and also the proposed increase for the Los Alamos tuition and fees.

Regent Koch accepted the amendment.

Regent Fortner asked if Regent James, who seconded the original motion, accepted the amendment as well. Regent James said he accepted the amendment proposed by Regent Gallegos.

Student Regent Overton asked for clarification on the motion.

There was discussion on the differential tuition proposals (see Attachment B), which include a new undergraduate differential tuition of \$10 per student credit hour (SCH), and an increase of \$10 per SCH for graduate students in the Anderson School of Management programs; a \$24.88 per SCH increase for the School of Architecture & Planning Graduate; and a new differential of \$150 per SCH for the Department of Speech & Hearing Sciences Graduate.

Regent Quillen asked about the process for bringing the tuition differentials to the Regents for approval and how does the University plan for the differential tuition increases and would there be more requests for differential tuitions in the next couple of months. Regent Gallegos mentioned the graduate students who spoke in favor of the differential tuition proposed for the Speech and Hearing Sciences at the Tuesday Budget Summit.

Provost Abdallah mentioned the differential tuition requests will come only once a year and will be brought to the Board of Regents during the Budget Summit, but new guidelines were in process for bringing the differential tuition requests to the Board of Regents for approval. Regent James asked if the proposals come through the Academic and Student Affairs and Research Committee (ASAR). Provost Abdallah said historically the requests had not come through ASAR. Provost outlined the current process for bringing differential tuition requests to the Board of the Regents: the units propose the differential tuition, the proposal goes to the Office of Academic Affairs, which reviews the requests and says, yes or no, or recommends a modification, and then the proposals are passed directly to the Board of Regents. Andrew Cullen said they are reviewing how to change the process

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for next year and it is still uncertain whether it will involve going through the committees. President Frank said Administration will be open to advice from the Regents. Regent James mentioned he is not comfortable with some of the justifications used for the differential tuitions.

Regent Fortner commented with regard to differential tuitions, they all seem to be necessary because the cost of the program is higher than the average cost. Provost Abdallah confirmed Regent Fortner's statement but said there are sometimes other justifications on top of that. Provost said it was also strongly recommended to the colleges that part of the differential tuition be put aside for student aide.

Regent Fortner restated the motion on the floor:

The motion on the floor of a 0% tuition and 0% fee increase, and to direct Administration to find money for a 3% compensation increase for Faculty and a 2% compensation increase for Staff; the motion includes approval of the tuition and fee increase requested by UNM Los Alamos and approval of the three differential tuition requests.

The Regents agreed to the motion on the floor as stated by Regent Fortner. Regent Fortner asked if there was further discussion. There being no further discussion, Regent Fortner asked for a vote on the motion. The motion received unanimous approval by the Regents, with a quorum of Regents present and voting. There were no dissenting votes.

#### <u>Health Sciences Budget – Approval of HSC FY15 Budget</u>

Ava Lovell made the presentation (see Attachment C) noting the one change to the budget numbers presented at the Tuesday, March 25 meeting, that being a Staff compensation increase of 2%, instead of 1.5% previously presented. The additional 0.5% increase to Staff compensations added \$368,630 to the expenditures. Other expenses were reduced so the salary increases could be added, creating no change to the bottom line.

Regent Gallegos asked that with the compensation increases of 3% for Faculty and 2% for Staff, if expenses will exceed revenue by \$5.5 million. Ms. Lovell said the \$5.5 is the expenditure side of the compensation increases that would be fully covered by the revenue side. Regent Gallegos asked about the deficit shown on the following page of \$6.6 million; Ms. Lovell said that was amount was attributable primarily to one time charges, capital, recruitment, startup and scholarships and so would be covered by reserve funds.

Regent James asked about new initiatives in Health Sciences and if the amount of the new State funding for FY15 would be sufficient. Ms. Lovell said the amounts were sufficient as all the requested funds for the initiatives were granted by the State.

Regent Fortner asked for a motion to approve the HSC budget.

The motion to approve the Health Sciences Center FY15 budget passed unanimously with a quorum of Regents present and voting (1<sup>st</sup> Gallegos, 2<sup>nd</sup> Overton).

At this time, the meeting was interrupted by a graduate student in the School of Architecture and Planning. She complained about the approval of the differential tuition increases.

President Frank proposed to the Regents they delegate to Administration the responsibility for developing a plan to find the resources to fund the compensation increases the Regents had just approved. He proposed that the plan be presented to the Finance and Facilities Committee meeting on Friday, April 4, 2014. The timetable would allow time for Administration to consult with the appropriate campus entities before bringing the plan to the next F&F meeting. The plan, if approved at the F&F meeting, could then go to the April 8, 2014 Board of Regents.

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Regent Gallegos said the approved raises amount to about \$6 million, with State appropriations funding about \$2.3 million of that. He thought there would be discussion at the meeting about where the money would come from and where there could be savings on the expense side of the budget. President Frank said Administration would need a few days to bring back a clearly developed plan. EVP Harris said a big portion of that can be covered.

Andrew Cullen said the 1% ROM could potentially contribute \$3 million, \$0.293 million in permanent tuition dollars, \$2.171 million in fees, these are new revenues going in to the base budget. Additionally, there are the State dollars.

Regent Gallegos noted that HED specifies UNM keep a certain reserve balance. Andrew Cullen said the central reserve is about \$9 Million and represents about 3% of the I & G budget.

Regent Fortner said the idea of 0% tuition and fee increase is to keep things affordable for students, but the differential tuition increases do not do that. Regent Fortner asked Terry Babbitt, AVP Enrollment Management, to reach out to the woman who spoke earlier during the meeting to see if she could receive financial aid.

Regent James requested Administration prioritize the strategic investments. Administration has been given a difficult task and some of the initiatives need to be prioritized. The Provost's request for an increased number of Advisors is something Regent James is supportive of as it directly influences student success at the University.

#### **VOTE TO ADJOURN**

lack I Fortner President	Bradley C Hosmer Secretary/Treasur	ror
Approved:	Attest:	
The meeting adjourned at 12:54 pm.		
The motion to adjourn the meeting passed u	nanimously (1 <sup>st</sup> Koch, 2 <sup>nd</sup> James).	

Minutes originated and finalized by: Mallory Reviere

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# UNM Branch Campus Tuition/Fee Rates FY15 Proposed 1

			Resident		Non-Resident					
	Tuition	Fee	Total	Total FT	+/-	Tuition	Fee	Total	Total FT	+/-
UNM - Gallup	60.60	10.40	71.00	852.00	0.0%	160.60	10.40	171.00	1,945.20	0.0%
UNM - Los Alamos 2	69.25	4.50	73.75	895.00	4.6%	199.00	4.50	203.50	2,452.00	4.9%
UNM - Taos 3	68.00	3.00	71.00	867.00	0.0%	176.30	3.00	179.30	2,166.60	0.0%
UNM - Valencia	61.30	3.75	65.05	780.60	0.0%	170.50	3.75	174.25	2,091.00	0.0%

<sup>1</sup>As of 3/11/14, pending final approval of branch advisory boards.

<sup>&</sup>lt;sup>2</sup> UNM-Los Alamos' fee schedule is as follows: Activity Fee (per hour), \$1.50; Facility Fee (1-4 hrs.), \$12.00; Facility Fee (5 or more hours, per hour), \$3.00; Print Mangement Fee, \$10 per enrollee, reflected here only in the FT total.

<sup>&</sup>lt;sup>3</sup> UNM-Taos charges a \$15.00 "Student Success" fee for each enrollee, reflected here only in the FT total.

# FY15 Differential Tuition Requests

	Current Differential (per SCH)	Requested Increase (per SCH)	FY15 Differential (per SCH)	
Anderson School of Management Undergraduate		\$10.00	\$10.00	
Anderson School of Management Graduate	\$173.70 (Resident) \$180.10 (Non-Resident)	\$10.00	\$183.70 (Resident) \$190.10 (Non-Resident)	
School of Architecture and Planning Graduate	\$49.75	\$24.88	\$74.63	
Department of Speech and Hearing Sciences Graduate	<del>-</del>	\$150.00	\$150.00	

## Attachment C

# UNM Health Sciences Center Budget Planning FY 2015 - Updated

Presentation to: UNM Board of Regents March 28, 2014

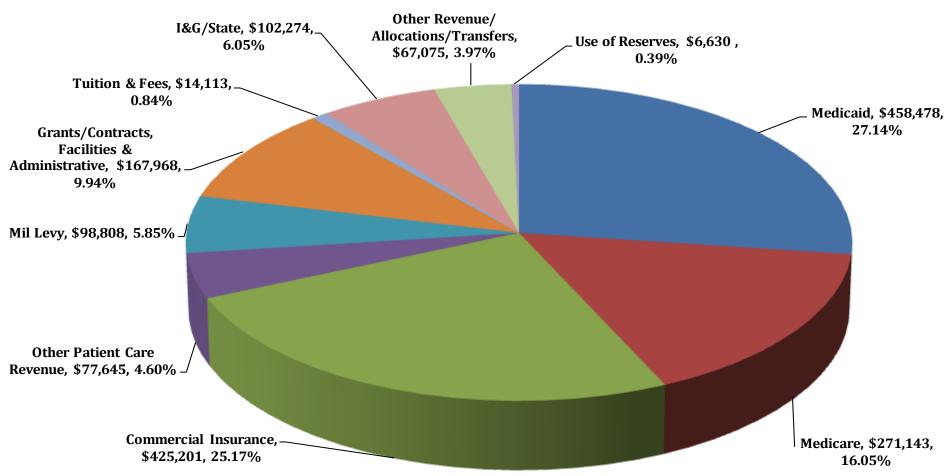
Ava J. Lovell, CPA

Senior Executive
Officer for Finance & Administration

## **UNM HSC All Components - Revenues**

FY 2015 Preliminary Budget

(in thousands)



Note: Includes UNM HSC Academic Enterprise and UNM Health System Total Budgeted Revenues \$1,689,335 6.79% Increase over FY 2014

# UNM HSC – FY 2015 Compensation

Faculty 3.0% Staff 2.0% (Unrestricted Funds Only)

	UNM SOM	UNM SOM (HPPHP)	UNM CON	UNM COP	HSC Res/Lib/Admin	UNM HSC Academic Enterprise 6/30/2015 Total
Faculty 3.0% Increase	\$2,491,295	\$123,659	\$172,430	\$153,442	\$156,030	\$3,096,856
Staff 1.5% Increase	803,102	17,760	25,853	38,375	220,799	1,105,889
Sub-total Increase	\$3,294,397	\$141,419	\$198,283	\$191,817	\$376,829	\$4,202,745
Staff Add'l 0.5% Increase	267,625	5,899	8,478	12,902	73,726	368,630
Total Compensation Increase FY 2015	\$3,562,022	\$147,318	\$206,761	\$204,719	\$450,555	\$4,571,375

#### **Estimated Fringe Increase**

\$959,988

Salary increases apply to non-bargaining unit employees only. All bargaining unit salary increases will be determined in good-faith negotiations as always.

Analysis Excludes Housestaff, UCP and Restricted Funds

Source: State Format FY 2014 Original Budget

# **UNM HSC Academic Enterprise**

FY 2015 Preliminary Budget (In thousands)

	UNM SOM	UNM CON	UNM COP	HSC Library/ Informatics	HSC Research	HSC Administration	UNM HSC Academic Enterprise 6/30/2015 Total
Revenues	\$432,806	\$14,274	\$17,737	\$6,399	\$14,902	\$52,414	\$538,532
Expenses	432,680	14,057	17,737	6,386	14,902	50,883	536,645
Net Margin before Non-Recurring Items	\$126	\$217	\$ -	\$13	\$ -	\$1,531	\$1,887
Capital/Recruitment/ Startup/Scholarships	(5,373)	(217)	(346)	(600)	(481)	(1,500)	(8,517)
Net Margin	\$(5,247)	<u>\$-</u>	\$(346)	<u>\$(587)</u>	\$(481)	\$31	\$(6,630)

# **UNM HSC All Components**

FY 2015 Preliminary Budget

(In thousands	;)
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	UNM HSC Academic Enterprise	UNM Health System	UNM HSC All Components 6/30/2015 Total
Revenues	\$538,532	\$1,144,253	\$1,682,785
Expenses	536,645	1,144,173	1,680,818
Net Margin before Non-Recurring Items	\$1,887	\$80	\$1,967
Capital/Recruitment/Startup/Scholarships  Total Non-Recurring Items	(8,517) \$(8,517)	<del>-</del> \$-	(8,517)
Net Margin	\$(6,630)	\$80	\$(6,550)

## Minutes of the Regular Meeting of the Board of Regents of the University of New Mexico April 8, 2014

#### Student Union Building, Ballroom C

#### Members present

Jack L. Fortner, President; Conrad D. James, Vice President; Bradley C. Hosmer, Secretary/Treasurer; Suzanne Quillen; J.E. Gene Gallegos; James H. Koch; Heidi Overton (Quorum)

#### Administration present

Robert G. Frank, President; Paul Roth, Chancellor for Health Sciences; David Harris, EVP for Administration and COO; Elsa Cole, University Counsel; Elizabeth Metzger, University Controller; Jewel Washington, Interim VP HR; Eliseo Torres, VP Student Affairs; Paul Krebs, VP Athletics; Michael Dougher, VP Research and Economic Development; Ava Lovell, Sr. Exec. Officer of Finance and Administration, HSC; Helen Gonzales, Chief Compliance Officer

#### Regents' Advisors present

Don Duszynski, President, Retiree Association; Priscila Poliana, President GPSA; Gene Henley, President, Staff Council; Richard Holder, President, Faculty Senate; Carl Alongi, Chair, UNM Foundation

#### Presenters in attendance

Bruce Cherrin, Chief Procurement Officer; Tom Neale, Interim Director of Real Estate; Dr. Kate O'Neill, Executive Director UNM Taos; Mario Suazo, UNM Taos Business Operations Manager; Pamina Deutsch, Director University Policy and Administrative Planning; John Hatz, Gallagher Benefits Services; Lisa Kuuttila, CEO and Chief Economic Development Officer STC.UNM; Dr. Thomas Williams, Exec. Vice Dean School of Medicine; Carol Parker, Interim Senior Vice Provost

#### Others in attendance

Members of the administration, faculty, staff, students, the media and others.

#### CONFIRMATION OF PRIOR SPECIAL MEETING IN EXECUTIVE SESSION

The Board of Regents had a special meeting in executive session from 7:50 am. until 8:44 am. on Tuesday, April 8, 2014, in the Cherry Silver Room of the SUB for discussion purposes only of limited personnel matters, threatened litigation and the purchase of real property in accordance with Section 10-15-1H(2, 7, and 8) of the Open Meetings Act (NMSA). Regents Jack Fortner, Gene Gallegos, Suzanne Quillen, James Koch and Bradley Hosmer and Student Regent Heidi Overton were present at the meeting. The matters discussed in the closed meeting were limited only to those described in the notice of the meeting.

#### CALL TO ORDER

Regent President Fortner called the meeting to order at 9:09 AM, and a quorum was confirmed. Regent Fortner noted the following agenda items (4 items) that would be taken off the agenda:

Removed from the agenda: <u>Finance and Facilities Committee item number 10</u>, Discussion and Possible Approval of Guaranteed 4-Year Tuition Plan

Removed from the agenda: <u>Academic/Student Affairs and Research Committee item number 2</u>, Approval of C1353-New AAS Environmental Technology-Los Alamos Branch

Removed from the agenda: <u>Academic/Student Affairs and Research Committee item number 3</u>, Approval of Form D-Masters in Public Policy

Removed from the agenda: <u>Health Sciences Board item number 6</u>, Approval of Form D-Professional Practice Doctoral Degree in Occupational Therapy.

The Academic/Student Affairs and Health Sciences items would be on the next month's agenda.

Regent Fortner asked for a motion to adopt the revised agenda.

The motion to adopt the revised agenda was unanimously approved with a quorum of Regents present and voting (1st James, 2nd Quillen).

#### APPROVAL OF MINUTES

Regent Fortner asked for a motion to approve the minutes of the March 10, 2014 regular meeting. The motion to approve the minutes of the March 10, 2014 regular meeting was unanimously approved (1st Quillen, 2nd Overton).

#### PRESIDENT'S ADMINISTRATIVE REPORT

President Frank discussed the quality of the University and highlighted some rankings that quantify the quality of the University. The value of UNM's faculty and staff is extraordinary, and relative to any measure they outperform the competition and are the University's most valuable asset. The ASU Center for Measuring University Performance (MUP) rankings were discussed specifically regarding five different categories including research, private support, faculty productivity, advanced training, and undergraduate performance. Out of 462 universities, UNM ranks 59<sup>th</sup> and is ranked in the top 50 for federal research and postdoctoral fellows.

Another set of measures that was discussed was the Global Research Benchmarking System (GRBS), which is a measure of faculty production and impact; including the number of publications and citations in the top 10%. UNM is ranked 37<sup>th</sup> among top public research Universities in the GRBS. Both the MUP and GRBS rankings place UNM as tied with 14 other public research universities.

The value of UNM's education is vast, the cost for in-state tuition is \$6,050, and many students have the benefit of the Lottery Scholarship. UNM is a tremendous value with great professors at the cutting edge of science, contributing the best knowledge at the best price in America.

President Frank discussed the UNM 2020 goals, which were made with the top American Research Universities in mind. Many of the goals were derived from the MUP rankings for the strategic plan. The goal for the Honors College was achieved, and brings UNM closer to becoming a destination university attracting students from NM, out of state, and out of the country. Other goals that were discussed include increasing the number of doctorates awarded, increase contract and grant funding, increase major faculty awards, and build a \$500 million endowment. UNM has great momentum making good progress and must continue to emphasize the goals that push us forward and maximize quality and value of UNM degree.

President Frank stated that former Student Regent Wellman received the Marshall Scholarship and will be going to England. In addition, Student Regent Heidi Overton was recognized for her outstanding achievements as a student. She was elected as a junior into the Alpha Omega Alpha, which represents the top 4% of her medical class. She was elected into the Gold Humanism Honor Society, which is recognition for excellence in clinical care, leadership, compassion, and dedication to service. She is only one of 11 students in her class to maintain an A average for the first 2 years of medical school. She was also the Clauve Award as an undergraduate.

President Frank discussed the Gates Foundation Study. President Frank and Kevin Stevenson participated in an expert panel to look at how to control costs of Higher Education. The Gates Foundation is interested in the work at UNM and the Education Advisory Board commissioned the panel. UNM is a national leader that is creating the best practices for the industry. UNM was recognized for its innovative work on understanding the cost drivers of the University, specifically regarding the implementation of Results Oriented Management (ROM) and transparency.

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President Frank discussed the wellness program option for retirees. Work has begun on the initiative. The hope is that this will have premium implications for retirees and will be expanded to the larger pool as it progresses.

**COMMENTS FROM REGENTS** (There were no comments from Regents at this time)

#### PUBLIC COMMENT (specific to agenda items)

Thomas Soloman, spoke about climate change and divestment. As NM's premier university, UNM has a moral obligation to protect its students' future from dangerous climate change. Instead, the UNM Endowment continues to invest in the fossil fuel companies that are driving global warming. He presented a petition signed by 120 faculty and staff at UNM and another 2200 students, alumni and tax payers calling for UNM to divest its endowment from fossil fuel companies. He also presented a letter signed by 8 state legislators who joined in the call. We asked the UNM's Endowment Consolidated Investment Fund to immediately freeze any new investments in these companies and to fully divest in 5 years.

<u>David Ritchie</u>, spoke about climate change and divestment. The financial issue is vast with the carbon investment bubble, and there will be a collapse of fossil fuel prices in the future. He encouraged the Board to adopt a strategy to divest from fossil fuels.

<u>Scott Alley</u>, spoke about UNM Retiree benefits. She stated that the Retiree Association was created because retirees care for the University. Retirees continue to give their time and efforts volunteering in various aspects of the University and around the city, many are on food stamps. ERB cut the COLA for UNM Retirees. She asked the Regents not to break the contract with UNM Retirees on their benefits. She stated that there are other ways to raise money for UNM that is not on the backs of retirees and their health benefits.

<u>Carol Stephens</u>, spoke about pre-65 retiree health benefits and said the University should have one covered group and that there was an implied contract. She stated the retirees were the staff and faculty that helped create this great University. A last minute change in health care benefits was presented that will profoundly affect the lives of employees and retirees and significantly increase the out of pocket costs. She asked Regents to require solutions that are fair to all and not made at the last minute. Decisions about health care costs should be made well in advance for people to be able to make spending plans and change in their health care providers. The University should have one covered group and should do the actuarial analysis.

<u>Leslie Eason</u>, spoke about pre-65 retiree health benefits and urged looking at wellness programs similar to what Sandia Labs offers. She said many changes had already happened in one year and urged taking time to make the other proposed changes. She asked to reestablish the blended pool of pre-65 retirees with active employees and asked to take out autism from the proposed benefits plans because it is not as of yet experience rated.

<u>Amy Neal</u>, spoke about health benefits and asked the Board to consider other options when it comes to meeting the budget shortfalls.

<u>Don Duszynski</u>, Professor Emeritus in the Biology Department, said the faculty and staff are the casualties here and asked that the University to not balance its budget on their backs.

<u>Beth Lehman</u>, an over 65 retiree who stands firm with the pre-65 retirees. She read a quote from an historical UNM HR document stating, active employees and early retirees share the same rate schedule. She asked the Regents to take some time to decide and not make last minute decisions.

<u>Hans Barsun</u>, co-chair of the Faculty Staff Benefits Committee, commented on the health benefits issue, specifically pertaining to retirees.

Pres. Frank stated that he appreciates the work of the Faculty Staff Benefits Committee.

Marcus Price, spoke about divestment from fossil fuels and urged the Board to adopt a policy to divest.

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<u>Debra Karnes Padilla</u>, a pre-65 retiree from the UNM Valencia campus where she ran the wellness center, asked the Regents to do the right thing when it comes to retiree health benefits.

Melissa O'Neill, said the health insurance premiums for the pre-65 group are unethical, perhaps illegal. Ms. O'Neill referred to a document she brought that stated, referring to pre-65 retirees, they would be covered under the same plan as the active employees. Her premiums have gone up 67.5% in the past year, and she questioned whether UNM is capable of maintaining its self-funded insurance plan and that maybe it should be audited.

<u>Leonard Gilmore</u>, a student in his second year of studies in Community Planning at UNM, spoke about Fossil Fuels and the 350.org protest against UNM Foundation investments in Fossil Fuel companies. He is a member of a Navajo Tribe in Northern Arizona where coal mining has seen forest relocation and people displacement. He urged a transition to renewable energy.

REGENTS COMMITTEE REPORTS (presentation materials included in BOR Agenda eBook)

#### FINANCE AND FACILITIES COMMITTEE, Regent James H. Koch, Chair

1. Monthly Consolidated Financial Report and Fiscal Watch report.

Liz Metzger gave the presentation. The Monthly Consolidated Financial Report was presented as of month end February 28, 2014. The financials are trending in a good direction and are in a better position than the same time last year. On the Consolidated Total Current Operations, there is a net balance of \$56 million and the Instruction & General exhibit is up from last year.

#### Consent Items – agenda items 2, 3 and 7 (Finance and Facilities)

- 2. Disposition of Surplus Property for Main Campus on list dated 3/14/2014
- 3. Contract Approval of UNM Physical Plant Kone
- 7. Approval of Appointments to Harwood Board Members

The motion to approve consent agenda items 2, 3 and 7 passed unanimously with a quorum of Regents present and voting (1<sup>st</sup> Koch, 2<sup>nd</sup> James).

#### Action Items – agenda items 4, 5, 6, 8, 9 (Finance and Facilities)

4. Approval of real property acquisition – 121 Civic Plaza Drive, Taos, NM

Tom Neale, Kate O'Neil, Jim Pollard, and Mario Suazo gave the presentation. Regents' approval was requested to acquire the real property at 121 Civic Plaza Dr. in Taos, NM. It is subject to a lease with purchase option, with \$1 per year in lease payments with a purchase option of \$1. The facility contains about 26,000 square feet and was built in 1929, with an extension in 1950. Historically, it was used as the Taos Armory. In 1977, it was converted to use as their civic center and the proposed use of the facility is to house the Health Sciences programs for the UNM Taos Branch Campus. This will come back to the Regents for approval of capital improvement of \$4.6 million.

Regent Fortner asked where the \$4.6 Million funds for renovation would come from. Mario Suazo stated the funds would come from local funds for design and engineering work of \$1.6 million and a General Obligation Bond request for \$4 Million scheduled for a vote in the Fall. There are also additional funds available from the Educational Gross Receipts Tax.

The motion to approve the real property acquisition of 121 Civic Plaza Drive, Taos, NM passed unanimously with a quorum of Regents present and voting (1st Koch, 2nd James).

5. Regents' Policy revisions to implement approval threshold changes.

Pamina Deutsch and Ava Lovell gave the presentation. Policy revisions to Regents' Policies, 7.4, 7.8, 7.9, 7.11, 7.12 and 7.13 were presented to the Board. The changes in the Regents' policies are required due to the recent approval at the March 10 meeting regarding the monetary threshold for

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items that come before the Board for approval. Per Regent Gallegos' request, the threshold changes were simplified to be set at \$1 million or more unless the State Board of Finance or the Higher Education Department requires otherwise, and \$400K for settlements. Minor changes were made at the F&F meeting to remove the wording "in excess of" to simply state \$1 million or more and \$400K or more.

The motion to approve the revisions to Regents' Policies 7.4, 7.8, 7.9, 7.11, 7.12 and 7.13 passed unanimously with a quorum of Regents present and voting (1<sup>st</sup> Koch, 2<sup>nd</sup> Gallegos).

6. Approval of contract proposal for student health benefits RFP

Jewel Washington, Bruce Cherrin, Mike Duran, and Elaine Phelps made the presentation. The Student Health Insurance RFP was presented to the Board. UNM has been providing student 100% of the costs for health insurance to graduate students on assistantships, as they are considered employees of the University, since 1990. Health Insurance for graduate students is a recruitment tool to get top talent at UNM. In 2012, Human Resources took over the administration of student insurance from the Student Health Program. This decision was made to deal with the new complexities with compliance of the Affordable Care Act (ACA). An RFP was put out to bid and four proposals came in with three finalists selected which include, Blue Cross Blue Shield Academic Health Plans, American International Group (AIG), and Associated Insurance Plans.

The committee voted to recommend AIG and the contract results in savings of \$745K, of which \$300 is from Instruction & General. The savings is also a result of adding International Students into the pool who will pay 100% of the costs. The voluntary enrollment of 440 students has been eliminated as these students can either join the Health Exchange or stay on their parents' health insurance. Medical Students pay 100% of their health insurance costs.

Regent Quillen expressed concern with leaving students with no coverage, because the Health Exchange closed on March 31.

Ms. Washington stated Student Health and Counseling (SHAC) helped students enroll into Health Exchange and Medicaid and led a massive campaign effort across campus. Eliseo "Cheo" Torres stated it was a great campaign and large effort to enroll students. He feels comfortable that they reached the students.

President Frank is very comfortable that we made a full out effort across the University to aid students in enrolling in Medicaid or the Health Exchange. President Frank requested Mr. Torres to provide a report on this from Student Affairs.

Regent Gallegos asked for clarification on the savings of \$745K savings.

Ms. Washington stated the cost savings came from a plan design change with the pharmaceutical part of the plan. This will also provide cost savings to the students as medications will be more affordable with fixed costs.

Under ACA, International Students are required to have health insurance and if they opt to receive coverage through UNM, they will pay 100% of the costs much like Medical Students.

Paying for the graduates on teaching assistantships is considered a recruiting tool along with every other peer institution to get the best and brightest GA's and TA's to come to the University. The plan fared well with the RFP committee. In response to Regent inquiry, it is standard practice to have students in a separate pool because it would be more expensive for the student and the University to add them to the active employee pool.

The motion to approve the student health benefits contract proposal passed 6-1; Regents Fortner, James, Koch, Gallegos, Overton and Hosmer in favor; Regent Quillen opposed (1st Koch, 2nd Gallegos).

8. Approval of proposed revisions to consolidated investment fund investment policy's asset allocation.

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Carl Alongi and Lisa Kuuttila gave the presentation, as it is a joint investment idea brought also by the STC. Lisa Kuuttila stated STC has been successful at spinning off new companies based on UNM technologies over the last 10 years at a rate of 5 to 10 new companies per year. The success is due in part to the funds the State of New Mexico has put through the State Investment Council (SIC) and the Small Business Investment Corporation (SBIC), along with various seed funds. Those funds have diminished due to the down turn and reallocation of funds since about 2007. The NM Angels and the Verge Fund offer new seed capital but it still presents a challenge. The goal is to keep these new companies and technologies here in NM, specifically regarding the Innovate ABQ project. The recommendation is for \$1 million to be allocated and overseen by an STC Board committee made up of experienced members in the start-up community. However, this group would only make co-investments so there would have to be a lead investor from the community making a financially prudent financial investment of at least \$100K which would be matched by the Foundation funds. Ms. Kuuttila has experience with this type of model as she successfully ran one at the Purdue Research Foundation.

Mr. Alongi stated the investment must be matched on at least a one to one basis by a co-investor with experience in early stage capital. STC must conduct its own due diligence or in concert with a co-investor and finally, provide the investment committee with reports regarding each specific early stage venture. As a committee, the recommendation is to allocate .5% or ½ of 1% of the overall endowment balance as of the previous year-end, which today would translate to approximately \$1.9 million. At this moment the request is for only \$1 million but could be adjusted as activity changes. With \$1 million, there is potential to do 10 different deals and since it is a co-investment, it probably will be equity in either an LLC or a C-Corp.

The motion to approve the revisions to the UNM Foundation's Consolidated Investment Fund Investment Policy's Asset Allocation passed unanimously with a quorum of Regents present and voting (1st Koch, 2nd Gallegos).

Regent Gallegos noted that over the last 2 years, the growth of the CIF with the 140 basis points has increased the yield for the operating budget of the Foundation by \$756K. He suggested that amount be transferred back to I&G funds.

Regent Fortner stated that it was his understanding that is going to occur.

EVP Harris stated there have been conversations with the Foundation and there will be a reduction of approximately \$500K in Foundation support next year, which will benefit the budget.

President Frank stated the goal is to get the Foundation as independent as it can. The hope is the markets continue to stay upright.

9. Discussion and approval of FY15 Group Health Insurance Renewals as they pertain to the FY15 Budget

Regent Koch, John Hatz and Jewel Washington gave the presentation. Regent Koch stated that he has been asking for information on the GAP coverage and the \$1,500 deductible since December 2012. He commended EVP David Harris for assisting him in getting the information and a quote on GAP coverage as quickly as it had not been done in a timely manner as requested, specifically pertaining to the pre-65 retirees.

Regent Koch provided the Regents and the audience with the information regarding the proposal on GAP coverage and the high deductible. He apologized to the retirees that the University did not move more quickly to allow more time for review of the information. Now the University is being faced again with having to make last minute decisions on the plan and the potential options.

Per the request of Regent Koch, Mr. Hatz reviewed the GAP proposal that was prepared by a different provider and stated that typically the GAP is on a voluntary basis. However, this plan would be only for the pre-65. The pre-65 plan would be transferred to a \$2,000 high deductible, and the out of pocket costs would be supplemented through the GAP coverage. The two pieces together would equal a premium equivalent funding rate. The proposal handed out is cost neutral to the University.

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Regent Koch stated that this plan would be only for the pre-65 and would help the unfunded liability, while the GAP coverage would assume the deductible for retirees.

Mr. Hatz reviewed some of the examples for the Board and stated that it is a natural progression of care analysis. It would specifically address what an individual would pay out of pocket if they utilize benefits, such as services or procedures, as outlined in the table. The cost differences with the GAP coverage and with the current and proposed plan were discussed. Mr. Hatz pointed out the proposed GAP plan does not include the out of pocket costs for prescription drugs; it is for medical only. Thus, the plan may not fully address or represent the entire out of pocket costs for retirees, as many of them are high prescription drug utilizers. The pharmaceutical piece of the analysis is missing and could potentially drive costs up under the GAP plan. Pharmaceuticals are covered under the UNM plan. In response to Regent Koch, the GAP plan at best is cost neutral, but he cannot comment if it is better or worse.

Regent Koch stressed the topic has been discussed for quite some time and the request for information has been out there for a while. There needs to be options presented regarding health care as it is a great concern for all, and he would like meetings set up for further discussion to include retirees in the dialogue. Regent Koch would like this GAP coverage and high deductible proposal to be tabled so that there can be further discussion.

Regent Gallegos asked for further clarification on the GAP plan and the monthly costs associated with the plan.

Mr. Hatz stated that the GAP plan with the \$2000 deductible and the proposed plan with the \$600 deductible are both cost neutral. It also does nothing to UNM's share of the cost.

Regent Gallegos wanted to emphasize that it has been over six months that Regent Koch has been asking for information regarding the GAP with the higher deductible that would save employees money and now brought to the table. EVP Harris stated that the Regents need to fully exhaust the health benefits discussion before a decision can be made. It could prove to be beneficial but all of the information needs to be reviewed and discussed.

- Regent Gallegos requested that there be a full presentation on the GAP matter at the next F&F meeting to then bring the information to the full Board.
- President Frank requested that they have 2 months to fully digest and prepare the information on the GAP and high deductible.

Mr. Hatz reviewed a proposed plan design for the FY15 UNM benefit plan. A memo was provided to the Regents that described the plan design, which was created to achieve a certain dollar amount of savings around \$2 million for the UNM health plan. Mr. Hatz reviewed the differences between the current plan design and the proposed plan. The deductibles have gone up, and the co-insurance and co-pays had mild changes. These high-level changes would achieve the targeted savings and would reduce the annual budget by \$3 million or \$1.9 million that is attributable to the University. Mr. Hatz stated that they have been working on plan design changes for several months and the original plan was somewhere in the middle of this proposed plan. Adjustments were then made to achieve the targeted savings.

In response to Regent inquiry, these proposed changes will put the University at a comfortable place for the upcoming ACA Excise Tax in 2018. In addition, the proposed plan has a slight increase to premium rates by 3.5%.

President Frank apologized to the Board for his misunderstanding the Regents expectations for the budget scenarios. The administration was left with the impression that the Regents only wanted one option for a budget scenario to come out of health benefits. He feels that these proposed changes to health benefits allow the University to meet the requirements of the ACA, while not utilizing reserves to cover the budget shortfall. The administration would like to stay with this current health plan as long as they can and not increase it in next year. President Frank is also working on changing the current budget process to avoid

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these last minute decisions and lack of timely information. The new budget model will begin in the summer and hopes to have Regent involvement in early stages.

The motion to approve the proposed FY15 Group Health Insurance Renewals as presented for the FY15 budget passed 4-3 with a show of hands; Regents Fortner, Hosmer, Gallegos and Koch in favor; Regents Quillen, James and Overton opposed (1st Koch, 2nd Gallegos).

HEALTH SCIENCES BOARD, Regent Suzanne Quillen, Chair

Action Item – agenda items 1, 2, 3, 4, 5 (Health Sciences Board)

1. Approval of Carrie Tingley Hospital Bylaws

Steve McKernan gave the presentation. Regents' approval was requested for minor adjustments for technical issues to the Carrie Tingley bylaws, which have been reviewed by the HSC committee.

The motion to approve the Carrie Tingley Hospital Bylaws passed unanimously with a quorum of Regents present and voting (1st Quillen, 2nd James).

2. Approval UNM Hospital surplus property disposition

Regent Quillen gave the presentation. Regents' approval requested for the disposition of UNM Hospital Surplus Property Disposition. There were 702 items listed for disposal and total disposition book value was \$281,229.97.

Regent Gallegos inquired about the infusion pumps. Mr. McKernan stated that the infusion pump is a mechanical device included in an IV that aids the medicine to dispense into the patient. The UNMH has moved to a new model of IV device.

The motion to approve the UNM Hospital surplus property disposition passed unanimously with a quorum of Regents present and voting (1st Quillen, 2nd James).

3. Approval of UNM Hospitals Contracts with Cardinal Health Pharmaceutical Distributor and Teletracking Technologies, Inc.

Steve McKernan gave the presentation. Regents' approval was requested for the UNM Hospitals contracts with Cardinal Health Pharmaceutical Distributor and Teletracking Technologies, Inc.

Cardinal is the distributor for the University Hospital's for all its medications. There are only three companies capable of these services in the US, and Cardinal has been the successful company. Cardinal also facilitates Novation pricing, work very closely with UNMH to get all the necessary medications.

The motion to approve the UNM Hospital contract with Cardinal Health Pharmaceutical Distributor passed unanimously with a quorum of Regents present and voting (1<sup>st</sup> Quillen, 2<sup>nd</sup> James).

Teletracking is a computer system that will allow for tracking of all the beds at both UNMH and SRMC. This will allow for better throughput of patients with this advanced model that is becoming standard practice in the US.

Regent Quillen stated the system increases efficiency because it tracks all activity in a hospital room. Mr. McKernan stated when the discharge order is written by the physician, it quickly sequences all required steps to get the room available for the next patient. It also allows for communication with rural hospitals regarding the availability of beds to take referrals into the hospital.

The motion to approve the UNM Hospital contract with Teletracking Technologies, Inc. passed unanimously with a quorum of Regents present and voting (1<sup>st</sup> Quillen, 2<sup>nd</sup> James).

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4. Approval of Regents' Policy revisions to implement approval of thresholds changes in UNM levels of authority

(This item approved earlier in the meeting under Finance and Facilities Committee item number 5.)

5. Approval to establish a quasi-endowed fund with UNM Foundation

Dr. Thomas Williams and Bill Uher gave the presentation. Regents' approval was requested to establish a Quasi-Endowment Fund with the UNM Foundation. This is a request from the School of Medicine, Department of Pathology. It will consist of \$1.5 million, with \$1.1 from the Budky Endowment and \$400K from the Anderson Endowment. The Pathology Department is going to contribute clinical service funds to fund this.

The motion to approve the quasi-endowed fund with UNM Foundation passed unanimously with a quorum of Regents present and voting (1<sup>st</sup> Quillen, 2<sup>nd</sup> James).

6. Approval of Form D – Professional Practice Doctoral Degree in Occupational Therapy

(Agenda item 6 was removed from the agenda at the beginning of the meeting)

#### <u>Information Item – agenda items 7 and 8 (Health Sciences Board)</u>

#### 7. HSC Financial Update

Ava Lovell gave the presentation. An update was provided to the Regents on the HSC financials through February 28, 2014. Cash Flow from Operations was discussed with HSC at \$8 million, UNMMG at \$6.2 million, UNMH at \$22 million due to depreciation, and SRCM at \$744K. For Operating Net Margins, both HSC and UNMMG do not book depreciation. UNMH is still favorable after deprecation of \$1.4 million. SRMC shows a loss of \$5.2 from depreciation due to the new building and equipment.

Regent James asked on the cash flow for SRMC if the Mil Levy funds from Sandoval County are reflected in the numbers. Ms. Lovell affirmed. Regent James stated that it represents a very strong change in the direction for SRMC because in FY13, the amount of mil levy money we received was close to \$22 million total and it is much lower this year. The fact that SRMC is only down \$660K is a significant improvement in the overall budget because of that Mil Levy change.

Ms. Lovell stated that HSC, UNMMG, and SRMC have used some balances. Uncompensated Care is an area that will be closely watched, specifically due to the implementation of the ACA. With Accounts Receivable, there are timing issues due to slow enrollment in Medicaid and the Hospital cannot bill until that is resolved. Chancellor Roth stated there may be a rise in bad debt as many employers are ramping up deductibles and shifting costs to the individuals.

8. Sandoval Regional Medical Center, Inc. Dashboard

Steve McKernan gave the presentation. He discussed the Sandoval Regional Medical Center, Inc. Dashboard, which gives an update on current operations and the various goals and targets.

#### ACADEMIC/STUDENT AFFAIRS AND RESEARCH COMMITTEE, Regent Bradley Hosmer, Chair

Regent Hosmer announced the information items number 4, College of Education Update, and number 5, College of Education Research Presentation, would not be presented at the meeting.

1. Update from the Provost (Provost did not give his update because he was not at the meeting.)

(Agenda items 2 and 3 were deleted from the agenda at the beginning of the meeting.)

Information Item - agenda item 8 (ASAR)

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#### 8. KUNM Annual Report

Carol Parker, Interim Senior Vice Provost, presented KUNM's annual report for 2013. KUNM bylaws require that the Board prepare an annual report for the Board of Regents that covers all actions taken, concerns raised, and recommendations made for each calendar year.

#### COMMENTS FROM REGENTS' ADVISORS

<u>Parent Association</u>, Jay Zook, Parent Association board member spoke for President Angi Gonzales-Carver about parent involvement in the recent Legislative Session. The Association's website proved to be a successful tool for collecting input from parents. The Association took input from the parents regarding the Lottery Scholarship and other issues to the Legislative roundhouse. Mr. Zook requested the Association be brought into discussions regarding proposed changes to the student health benefits offered and said the Association can help spread the word when changes are implemented.

Retiree Association, President Don Duszynski, (report found in BOR Agenda eBook).

<u>GPSA</u>, <u>President Priscila Poliana</u>, Priscila Poliana provided an update to the Board on current initiatives with GPSA and graduate students.

<u>Staff Council</u>, <u>President Gene Henley</u>, <u>President Henley</u> provided an update to the Board on Staff Council. He stated there was a lot of unrest with the discussions regarding health benefits and he received very little information to provide to staff. Many staff members may see a loss in income with the increases in health care and many stated that they would rather not have the compensation increase.

<u>Faculty Senate</u>, <u>President Richard Holder</u>, <u>President Holder</u> stated he understands this is a difficult decision and many people may continue to struggle even with the compensation increases. It is a tough time for all.

#### **PUBLIC COMMENT**

<u>Kevin Bean</u>, UNM Class of 1987, referred to the environmental and moral arguments and underlying economic issues related to Fossil Fuel investments. He said there is information available on divesting in Fossil Fuels with little risk.

#### VOTE TO CLOSE THE MEETING AND TO PROCEED IN EXECUTIVE SESSION

The Motion to close the meeting and proceed into Executive Session passed unanimously with a quorum of Regents present and voting (1<sup>st</sup> James, 2<sup>nd</sup> Hosmer). The meeting closed at 1:43 pm.

Executive Session 1:44 pm to 2:48 p.m. in the Cherry Silver Room

- 1. Discussion and determination where appropriate of the purchase, acquisition or disposal of real property pursuant to Section 10-15-1.H (8), NMSA (1978)
- 2. Discussion and determination where appropriate of threatened or pending litigation pursuant to Section 10-15-1.H (7), NMSA (1978)
- 3. Discussion and determination where appropriate of limited personnel matters pursuant to Section 10-15-1.H (2), NMSA (1978)
- 4. Discussion and determination where appropriate of strategic or long-range business plans of public hospitals that receive less than fifty percent of their operating budgets from direct public funds pursuant to Section 10-15-1.H(9), NMSA (1978)

The Motion to open the meeting passed unanimously; there was certification that only those matters described in the Executive Session agenda were discussed in closed session (1st Hosmer, 2nd Overton).

The meeting opened at 2:48 p.m.

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#### VOTE TO ADJOURN

The Motion to adjourn the meeting	passed unanimously (1 <sup>st</sup> James, 2 <sup>nd</sup> Gallego	os).
The meeting adjourned at 2:48 p.m.		
Approved:	Attest:	
Jack L. Fortner, President	Bradley C. Hosmer, Se	cretary/Treasurer

Minutes originated by: Mallory Reviere and Sara Gurule Minutes finalized by: Mallory Reviere

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### Minutes of the Special Meeting of the Board of Regents of the University of New Mexico April 14, 2014 Roberts Room, Scholes Hall

#### Members present

Conrad D. James, Vice President; Bradley C. Hosmer, Secretary/Treasurer

Members attending by phone: Jack L. Fortner, President; Suzanne Quillen; James H. Koch; Gene Gallegos; Heidi Overton (Quorum)

#### Administration present

Robert G. Frank, President (joined the meeting by phone); Elsa Cole, University Counsel; Jewel Washington, Interim VP HR; Andrew Cullen, AVP Planning, Budget and Analysis

#### Regents' Advisors present

Richard Holder, President, Faculty Senate; Gene Henley, President, Staff Council

#### Others in attendance

Members of the administration, faculty, staff, students, the media and others.

#### CALL TO ORDER

Regent Vice President Conrad James called the special meeting to order at 12:01 pm. A quorum was confirmed. The motion to adopt the agenda was unanimously approved (1<sup>st</sup> Hosmer, 2<sup>nd</sup> Quillen).

#### APPROVAL OF 2.5% COMPENSATON INCREASE FOR STAFF/GA/TAS FOR FY15 BUDGET

Andrew Cullen addressed the Regents. The Regents approved, at a previous meeting held on March 28, a 2.0% compensation increase for staff; the additional 0.5% increase to compensation would result in an increase to expenditures of about \$630K. There was discussion about the source of the funds to cover the additional expenditures. There was discussion about the budget process and the deadlines for approving the final budget and submission to the State. There being no further discussion, Regent James asked for a motion.

The motion to approve a 2.5% compensation increase for Staff/GA/TAs for the FY15 Budget was unanimously approved by a quorum of Regents present and voting (1st Hosmer, 2nd Gallegos).

#### **VOTE TO ADJOURN**

<u> </u>		
The motion to adjourn the meeting pa	ssed unanimously (1 <sup>st</sup> Fortner, 2 <sup>nd</sup> Hosmer).	
The meeting adjourned at 12:15 pm.		
Approved:	Attest:	
Jack L. Fortner, President	Bradley C. Hosmer, Secretary/Treasurer	

# Tab 3 Advisor Comments

#### UNIVERSITY OF NEW MEXICO ALUMNI ASSOCIATION BOARD OF REGENTS REPORT May 9, 2014

**Vision** (Why we exist): *The Alumni Association is a vital partner in the continued excellence of the University of New Mexico through the significant engagement of alumni.* 

**Mission** (What we are striving for): To serve as a bridge between alumni and the university ensuring the continued success of the university and enriching the lives of alumni.

Strengthen collaboration with campus constituents to meet the needs of UNM.

The Lobos for Legislation Awards Committee was established to recognize and honor New Mexico Legislators on a yearly basis to give out two awards: the Higher Education Distinguished Service Award and the Twenty-Year Service Awards. The awards will be given at the Alumni Association Board of Director's Volunteer Thank You Reception on June 6.

The purpose of the **Higher Education Distinguished Legislator Award** is to recognize a New Mexico state legislator who has made an extraordinary and exemplary contribution to higher education at the University of New Mexico during the immediate past legislative session. The recipient of the award must be an elected official currently serving in the New Mexico state legislature who has shown a demonstrated commitment to higher education at the University of New Mexico. The 2014 recipient of the award is **Representative Jim White.** 

The purpose of the **Twenty-Year Legislative Service Awards** is to recognize those state legislators who through their 20 years of dedicated public service have made a difference to the lives of all New Mexicans. The recipient of the award must have 20 years of service as an elected official in the State of New Mexico Legislature. The 2014 recipients are **Representatives Anna Crook, Bobby Gonzales, Larry Larrañaga, Sheryl Williams Stapleton, and Mimi Stewart.** Each will have a brick with their name placed in front of Hodgin Hall.

The Alumni Attitude Survey results were presented to President Frank's Senior Leadership Group, the Alumni Association's Executive Committee, College Deans, and representatives from the Foundation/Development Office, Executive Cabinet, Student Affairs, Academic Affairs, Communication, and Athletic Departments on March 18 and 19, college/department specific power point presentations were sent to the respective groups. Survey results will be used as the platform to focus UNM Alumni Relations Office and UNM Alumni Association programs and services on differentiated market segment values. Survey results will also be used to assist colleges and departments in developing strategies to increase their alumni engagement and philanthropic support.

Foster enduring

The Alumni Association and its New York Chapter along with the College of Fine

involvement with, pride in and commitment to UNM, its colleges, schools and programs.

**Arts** are promoting the premier of UNM Professor **Brad Ellingboe**'s composition, 'Star Song', at Lincoln Center in New York in May. Alumni are invited to participate in the concert and/or a fundraising dinner to be held following the concert, highlighting Professor Ellingboe and the artists. **Dean Kymberly Pinder** has also offered to accompany interested alumni and friends for a tour of the Museum of Modern Art.

Graduation events are being planned for UNM's **Golden Graduates** in the **classes of 1954 and 1964**. The Alumni Relations Office will be working with the Alumni Collaborative group to coordinate graduation and reunions/receptions for this special group of alumni. To date, 49 members of the 50 year/60 year classes will be marching at the Saturday graduation on May 17.

Engage students in ways that will develop lifetime ties to UNM.

**Graduation** is here and the Alumni Association looks forward to **welcoming the 2014 graduates** as alums. A graduation gift of an embossed leatherette UNM portfolio is given to all students who register to receive their miniature replica diplomas. The Association uses e-mails and post cards to inform the new grads of the many services and opportunities available to them, and to receive important contact and activity information back from the grads.

The **Young Alumni Advisory Board** is planning one of its largest events of the year, the **New Grad Wine and Cheese Reception**, on Thursday, May 15 at the Hodgin Hall Alumni Center. They expect over 300 grads and guests. Live music, door prizes and grad gifts will highlight the event.

After two months of recruitment, **fourteen new members** were added to the **Trailblazer** roster. The class includes a Regent Scholar, Presidential Scholars, ASUNM leaders, Emerging and Advanced Lobo Leaders, residence hall leaders, and members of the honor and cultural societies. They have elected new officers and are saying good bye to the Trailblazers who are seniors. They will be involved with Alumni Association events including assistance with the Golden Grads program, tours, and commencement.

Expand the tradition of philanthropy toward UNM among alumni.

The Alumni Association is currently calling for nominations for their prestigious Zia, Lobo, and Inspirational Young Alumnus Awards. These awards are given to alumni who have demonstrated leadership and service to the University and/or the State of New Mexico. The awards will be presented at the All University Breakfast on the Saturday of Homecoming. For Award Criteria and Nomination Submission, log onto <a href="http://www.unmalumni.com/awards.html">http://www.unmalumni.com/awards.html</a>.

Communicate effectively with our diverse group of alumni.

With the change of date/time of the previously scheduled football game for **Homecoming**, the steering committee is planning the new format for this year's events. The **Lobo football** game is currently scheduled for Friday, September 26, 6:00 pm against Fresno State. The week will kick off with a Men's Soccer game tailgate on Sunday, September 21<sup>st</sup>, followed by the **Faculty/Staff Appreciation Luncheon** on Wednesday, September 24. The homecoming theme will revolve around the 125<sup>th</sup> anniversary of UNM. The **premier of the documentary "UNM 125"** will be shown on Monday, May 22.

Develop and steward resources to ensure a sustained and dynamic association.

The **Alumni Association Board of Director's** will hold their last meeting for the 2013-14 term on Friday, June 6. Randy Royster, Alumni Association President, will **pass the gavel** to incoming Association President, Brian Colón, at the Board of Director's **Volunteer Thank You Reception**. The reception will be held at the Albuquerque Country Club, 601 Laguna Boulevard SW from 6:00 – 8:00pm. You all will be invited!

**Alumni chapter leaders** from around the country will join the Alumni Association Board of Directors at their June meeting. A separate day is set aside for the chapter leaders to be updated on UNM, the Association and other issues important to them as they represent the University around the country. We anticipate 20 representatives to attend, learn and experience a lot, then return to their communities invigorated and ready to serve as enthusiastic and educated ambassadors for the University.

In June, the **Young Alumni Professional Development Committee** has plans to host a speed networking event with local employers. They will address some of the results from the Alumni Attitude Survey in an attempt to develop a plan to engage young alumni in other career service and skills development projects. Later in the month, the Young Alumni Association will have their annual Beer and Baseball event.

Plans are under way for celebrating the **50**<sup>th</sup> **and 60**<sup>th</sup> **anniversaries** of UNM's 1954 and 1964 graduates. Events on Friday, May 16<sup>th</sup> include a walking tour of campus, robe fittings, a reunion reception, and the **50 Year Heritage Club** induction dinner at the Hodgin Hall Alumni Center. On Saturday, May 17<sup>th</sup>, the **Golden Grads** will lead the Commencement procession onto the floor of the PIT. Several Golden Grads will be hosted by their prospective school/college and participate in their convocation ceremonies.

Encourage community service and leadership among alumni and students.

**Spring College Fair Season** runs through May with alumni from every chapter and area around the country assisting with hosting the fairs. This is one of the most rewarding activities experienced by alumni outside the state of New Mexico. It also is a big contribution and serves a great benefit to the University.

Both students and parents appreciate the perspective provided by UNM alumni. Alumni enjoy the opportunity to share their knowledge, experience, and appreciation for the University.

The Board of Directors and Committee Chairs of the **Greater Albuquerque Area Alumni Association Chapter (GAAAC)** held their quarterly meeting on April 9 to organized long range activities for the summer and fall. The following spring dates were chosen to fulfill the chapter's mission of social, community service, professional development, marketing and networking:

- May 8, 5:30 pm: GAAAC members social at the UNM Faculty Staff House
- May 31, 8:00 am 12:00 pm: Community Service volunteer event at the **Storehouse** in Albuquerque

On April 26, the **Young Alumni Community Service Committee** to fulfill their philanthropic mission participated in a camping trip to clean various trails and wildlife areas in the east mountains.

Garner greater recognition and visibility for Alumni Association programs and service to the university and community.

The purpose of the **Lobo Living Room** is to engage UNM alumni, students, faculty, staff and the larger community by highlighting UNM programs and the talents of our many wonderful alumni. Past programs have varied from lectures, tours, behind the scenes and off campus venues, all of which have had some tie to UNM.

On Thursday, April 24 at 6:00PM, the **Lobo Living Room** provided 75 alumni and other guests a behind the scenes look at the world of Public Television.

Attendees saw what it takes to bring Public Television to their screens. Guests were given a tour of the facility and had the opportunity to experience both sides of the camera as they filmed and were video-taped using the Teleprompter for the **KNME Public Television** National Gettysburg Project. Guests also enjoyed fun photo ops in front of a Downton Abbey backdrop, as well as, a Downton Abbey inspired "Afternoon Tea" hosted by the UNM Alumni Association.

The fourteenth program in this series is scheduled on May 29. It will feature **A Night at the Santa Fe Opera** on Thursday, May 29 starting with a tour of the Santa Fe Opera facilities, costume and design studios at 5:30pm; 6:30 pm the performance of "Avastar", a family friendly performance; and concluding at 7:15 pm with a reception sponsored by the **UNM Alumni Association**, the **UNM Foundation**, and the **College of Fine Arts**.



### Faculty Senate

May 1, 2014

To: Board of Regents of the University of New Mexico

Subject: Faculty Concerns Regarding UNM Budget

I am writing on behalf of the Faculty Senate to convey our thoughts about the events of the last few weeks associated with setting next year's budget.

Faculty members are very concerned when there is political interference in the operation of the University. Even the perception of political pressure is anothema.

At the March Regents' meeting President Fortner asked President Frank to prepare a budget request that avoided any tuition increase. When he further stated that this instruction followed a discussion with Governor Martinez there was a gasp and the air went out of the room.

We are not so naive as to believe politics never influences decisions, but the appointment of Regents, and the terms and security of their office, is designed to shield the University as much as possible from political interference. We need our Regents to advocate for the University and to protect the University from political considerations. This case was egregious because other New Mexico universities were not treated in the same way, in that the other Boards made their tuition decisions without any overt political interference.

We want to make it clear that this is not an indictment of any one political party. Indeed, Governors of both major parties have tried to interfere with operation of the University in the recent past, and faculty found those instances objectionable as well.

We also recognize there was strong pressure from some students and some organized groups of students not to raise tuition. Only the administration, the faculty, and the staff realized that to award main campus employees any salary raise, and balance the budget without significant damage to the University, was impossible without a modest tuition increase.

When the Regents instructed the administration to raise salaries but avoid a tuition increase, they also suggested that we look to our "Cadillac" health care plan for some revenue. In the end the funds necessary to award what is at best cost-of-living increases for faculty and staff required not only a draconian change in the health care plan, but that the academic departments convert their 1% ROM pull back to a tax to add to the salary pot. In addition, many aspects of the Provost's academic plan had to be scrapped, and our contribution to the UNM Foundation was decreased. Each of these actions hurts the university both now and in the future.

On the HSC side, faculty were told a 3% increase in compensation had been anticipated and was thus in the budget. However, upon closer inspection, it now appears that some clinical operations in the School of Medicine will have to find it in their revenue and that some non-clinical departments will either have to find it in "reserves," or forgo an increase entirely. In Nursing and Pharmacy funds are being withdrawn from planned initiatives to form a raise pool. Tuition has only a small effect on the HSC budgets, so only increased funding from the state will address their concerns. But parity of "raises" was promised across both sides of Lomas and it does not appear that will happen.

Finally, although some changes in our health care plan (which in fact is not a "Cadillac" plan and is not very different from those of our peers) were probably inevitable, given the changing health care environment, the actual changes needed to balance the budget are quite severe, especially to the ranks of employees at the lower end of the pay scale. The changes came without much warning or discussion, adding to the general feeling that neither the Regents nor the administration value transparency. At the current time the administration is attempting to address some of these issues for the lower-paid employees, and that is much appreciated.

In the end faculty and staff got very small cost-of-living "raises" at the severe cost of taxing tiny departmental operating budgets, gutting the academic plan, mortgaging our future via the UNM Foundation, and eviscerating a good health care plan. All this was done to avoid adding \$90 to the current \$6,000 annual undergraduate tuition. It is noteworthy that the average undergraduate does not pay \$6,000 anyway because the student aid package funds all but about \$1,200 in tuition costs. UNM has the best "return on investment" of just about any flagship institution, and the 1.5% tuition increase requested by the administration would hardly have changed that equation.

The faculty appreciate that the Regents want to do what is right for the University, and that you work hard and long in the face of many competing interests. We respect and applaud that. We acknowledge the statement in Section 1.1 of the Regents' Policy Manual, "The Board's power to govern the University includes fiduciary responsibility for the assets and programs of the University." We submit the primary asset of the University is its excellent faculty. This faculty has taken years to assemble, but without the support of competitive salaries and benefit packages can be disassembled very quickly.

As we all now strive to get past the unfortunate recent events, it is important that we learn from them. It is to that end that I have written you with our concerns. The other members of the Faculty Senate have overwhelmingly endorsed this letter.

Copy: President Robert Frank
Provost Chaouki Abdallah
Chancellor Paul Roth
Faculty Senators

### Tab 4

Fiscal Watch Report and Monthly Consolidated Financial Report



University Controller
1 University of New Mexico
MSCO1 1300
Albuquerque, NM 87131

#### **MEMORANDUM**

DATE:

April 22, 2014

TO:

David W. Harris

**Executive Vice President** 

FROM:

Elizabeth Metzger, CPA, University Controller

RE:

One (1) Action Item and One (1) Information Item for Board of Regents'

Finance & Facilities Committee Meeting

#### Action Item.

The Fiscal Watch Report through March 31, 2014 that is to be submitted to the HED Executive Director will be presented at the May 6, 2014 Finance & Facilities Committee meeting. The Report contains the following information: A comparison of the approved annual operating and plant fund budgets with the current year-to-date information, a comparison of the most current year to prior-year information, a Balance Sheet and a Statement of Cash Flows.

The Report is to be reviewed and approved by the Board of Regents at the May 6, 2014 Finance & Facilities Committee meeting. In order to present the most-timely financial information at this meeting, Financial Reports will be emailed to the committee members no less than 48 hours in advance of the meeting. Handouts will be available the day of the meeting.

#### Information Item.

The Monthly Consolidated Financial Report for the month ended March 31, 2014 will be presented at the May 6, 2014 Finance & Facilities Committee meeting. In order to present the most-timely financial information at this meeting, Financial Reports will be emailed to the committee members no less than 48 hours in advance of the meeting. Handouts will be available the day of the meeting.

### The University of New Mexico

#### **Summary of Operating and Plant Funds** (Unadjusted and Unaudited) Fiscal Year 2013-2014 as of March 31, 2014

	FY 2013-2014							
0		FY 2013-2014		Actuals as of	Percentage			
Operating Funds		Original Budget		March 31, 2014	Earned/Spent			
REVENUES		450.005.005		455 505 505	0.4			
Tuition and Mandatory Fees Student Fees	\$	178,385,887	\$	172,582,685	96.7 35.2			
		15,796,651		5,559,900	35.2 74.3			
State Appropriations Local Appropriations		296,010,203		220,079,364 4,991,119	74.3			
Local Appropriations  Land & Perm Fund		14,617,450			57.8			
Gifts, Grants & Contracts		10,328,869 393,706,001		5,967,911 274,090,523	57.8 69.6			
,								
Indirect Cost Recovery Sales & Services		40,364,182		31,816,284	78.8 79.4			
		334,546,787		265,576,020	79.4 54.0			
Other		47,857,064		25,821,833				
Use of Balance	_	35,622,168	_	-	0.0			
Total Revenue	\$	1,367,235,262	\$	1,006,485,639	73.6			
BEGINNING BALANCE	\$	119,584,117	\$	165,120,220	138.1			
TOTAL AVAILABLE	\$	1,486,819,379	\$	1,171,605,859	78.8			
EXPENDITURES								
Instruction	\$	291,410,239	\$	205,858,600	70.6			
Student Social & Cultural		9,372,246		5,890,851	62.9			
Research		191,324,285		148,970,608	77.9			
Public Service		319,453,231		235,135,163	73.6			
Academic Support		57,019,918		38,667,299	67.8			
Student Services		34,110,489		21,275,272	62.4			
Institutional Support		62,756,373		44,408,861	70.8			
Operations and maintenance of plant		52,264,586		36,654,386	70.1			
Student Aid		143,915,940		125,031,768	86.9			
Internal Services		2,569,975		-	0.0			
Auxiliary Enterprises		61,357,470		37,694,767	61.4			
Intercollegiate Athletics		34,056,101		26,383,710	77.5			
Independent Operations (clinical)		77,014,981		38,014,646	49.4			
Total Expenditures	\$	1,336,625,834	\$	963,985,931	72.1			
Net Transfers	\$	31,396,205	\$	32,405,789	103.2			
TOTAL EXPENDITURES & TRANSFERS	\$	1,368,022,039	\$	996,391,720	72.8			
ENDING FUND BALANCE	\$	118,797,340	\$	175,214,139	147.5			

	FY 2013-2014							
Plant Funds	FY 2013-2014			Actuals as of	Percentage			
		Original Budget		March 31, 2014	Earned/Spent			
REVENUES AND TRANSFERS		44 808 008		44.000.000	0.50			
Student Fees	\$	14,797,835	\$	14,388,000	97.29			
UNM Bond Proceeds		150,000		<del>-</del>	0.09			
Gifts, Grants and Contracts		-		683,539	N/A			
Interest Income		-		1,336,394	N/A			
State/Local Bonds		27,846,830		5,061,646	18.29			
Land, Bldg and Equipment Rent		2,011,181		2,831,325	140.89			
Other		18,053,145		2,015,676	11.29			
Use of Balance	_	85,320,208		-	0.09			
Total Revenues	\$	148,179,199	\$	26,316,580	17.89			
Plant Transfers	_	34,811,930		32,405,789	93.19			
Total Revenues and Transfers	\$	182,991,129	\$	58,722,369	32.19			
BEGINNING BALANCE	\$	-	\$	157,981,669	N/A			
TOTAL AVAILABLE	\$	182,991,129	\$	216,704,038	118.49			
EXPENDITURES								
Capital Projects	\$	107,046,652	\$	30,133,133	28.19			
Building Renewal		27,400,000		15,826,829	57.89			
Equipment Renewal		11,800,000		1,230,197	10.49			
Auxiliary and Internal Service Renewal/Replacement		-		1,498,917	N/.			
Debt Retirement		36,744,477		14,539,389	39.69			
Total Expenditures	\$	182,991,129	\$	63,228,465	34.69			
ENDING FUND BALANCE	\$ _	-	\$	153,475,573	N/.			
CURRENT OPERATING & PLANT FUNDS		(786,777)		5,587,823				

# The University of New Mexico

#### **Comparison of Operating and Plant Funds** (Unadjusted and Unaudited) Fiscal Year 2013-2014 as of March 31, 2014

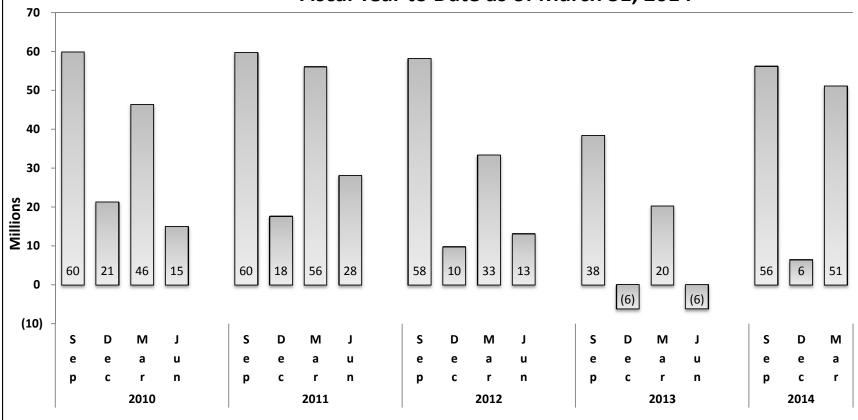
Operating Funds		FY 2013-2014 Actuals as of March 14, 2014	FY 2012-2013 Actuals as of March 14, 2013	% Variance Increase/ (Decrease)
REVENUES				
Tuition and Mandatory Fees	\$	172,582,685 \$	160,014,914	7.9%
Student Fees		5,559,900	5,226,938	6.4%
State Appropriations		220,079,364	209,833,870	4.9%
Local Appropriations		4,991,119	5,714,949	-12.7%
Land & Perm Fund		5,967,911	6,318,271	-5.5%
Gifts, Grants & Contracts		274,090,523	281,661,398	-2.7%
Indirect Cost Recovery		31,816,284	31,258,630	1.8%
Sales & Services		265,576,020	252,522,718	5.2%
Other		25,821,833	21,906,126	17.9%
Total Revenue	\$	1,006,485,639 \$	974,457,814	3.3%
BEGINNING BALANCE		165,120,220	175,300,745	-5.8%
TOTAL AVAILABLE		1,171,605,859	1,149,758,559	1.9%
EXPENDITURES				
Instruction	\$	205,858,600 \$	200,302,352	2.8%
Student Social & Cultural		5,890,851	6,020,517	-2.2%
Research		148,970,608	149,761,038	-0.5%
Public Service		235,135,163	228,619,494	2.9%
Academic Support		38,667,299	36,736,782	5.3%
Student Services		21,275,272	18,718,313	13.7%
Institutional Support		44,408,861	41,566,299	6.8%
Operations and maintenance of plant		36,654,386	37,364,515	-1.9%
Student Aid		125,031,768	119,877,753	4.3%
Auxiliary Enterprises		37,694,767	44,198,108	-14.7%
Intercollegiate Athletics		26,383,710	26,023,756	1.4%
Independent Operations (clinical)		38,014,646	36,874,837	3.1%
Total Expenditures	\$	963,985,931 \$	946,063,764	1.9%
Net Transfers	_	32,405,789	41,172,964	-21.3%
TOTAL EXPENDITURES & TRANSFERS	\$	996,391,720 \$	987,236,728	0.9%
ENDING FUND BALANCE	\$	175,214,139 \$	162,521,831	7.8%

		FY 2013-2014	FY 2012-2013	% Variance
DI . E 1		Actuals as of	Actuals as of	Increase/
Plant Funds		March 14, 2014	March 14, 2013	(Decrease)
REVENUES AND TRANSFERS				
Student Fees	\$	14,388,000	\$ 14,881,180	-3.3%
UNM Bond Proceeds		-	5,928,583	N/A
Gifts, Grants and Contracts		683,539	907,042	-24.6%
Interest Income		1,336,394	1,526,151	-12.4%
State Bonds		5,061,646	4,798,592	5.5%
Land, Bldg and Equipment Rent		2,831,325	1,354,032	109.1%
Other	_	2,015,676	 3,812,788	-47.1%
Total Revenues	\$	26,316,580	\$ 33,208,368	-20.8%
Plant Transfers	_	32,405,789	 41,172,964	-21.3%
Total Revenues and Transfers	\$	58,722,369	\$ 74,381,332	-21.1%
BEGINNING BALANCE		157,981,669	165,937,579	-4.8%
TOTAL AVAILABLE		216,704,038	240,318,911	-9.8%
EXPENDITURES				
Capital Projects	\$	30,133,133	\$ 43,096,620	-30.1%
Building Renewal		15,826,829	18,089,496	-12.5%
Equipment Renewal		1,230,197	1,497,630	-17.9%
Auxiliary and Internal Service Renewal/Replacement		1,498,917	552,726	171.2%
Debt Retirement		14,539,389	15,565,368	-6.6%
Total Expenditures	\$	63,228,465	\$ 78,801,840	-19.8%
ENDING FUND BALANCE	\$ _	153,475,573	\$ 161,517,071	-5.0%
CURRENT OPERATING & PLANT FUNDS		5,587,823	(17,199,422)	

		ty of New Mexico		
		ent of Net Assets		
		ed and Unadjusted) March 31, 2014		
Assets	AS OI	Maich 51, 2014		
Curr	ent assets			
	Cash and cash equivalents		\$	43,986,492
	Short term investments			302,798,194
	Accounts receivable, net			46,703,238
	Patient receivables, net			1,466,863
	Notes receivable, net Due from related parties			2,666,704 61,711,692
	Inventories			8,314,180
	Prepaid expenses and other assets			8,367,469
		Total current assets	\$	476,014,832
NT.				
None	current assets  Notes receivable - noncurrent		\$	10 202 205
	State Investment Council		Ф	10,392,305 199,607,367
	Investments			368,563,487
	Derivative instruments-interest rate			500,505,107
	swaps overlay note			2,150,888
	Due From Component Units			27,121,155
	Other noncurrent assets			1,057,509
	Endowed fine art			6,010,271
	Capital assets, net	Total noncurrent assets	•	952,492,806 1,567,395,788
		Total Assets	Ф	2,043,410,620
		1 0441 1 1550 15		2,010,110,020
Deferred Ou	tflow of Resources			
	Deferred outflow of resources-			
	interest rate swaps		\$	11,089,443
		Total deferred flow of resources		11,089,443
Liabilities				
Curr	ent liabilities			
	Accounts payable		\$	67,362,474
	Accrued compensated absences			26,662,246
	Other accrued liabilities			14,496,766
	Deferred revenue			19,810,374
	Bonds payable - current			13,803,652
	Deposits and funds held for others Due to Component Units			9,400,669 1,208,438
		Total current liabilities	\$	152,744,619
None	current liabilities			
	Bonds payable - noncurrent		\$	401,159,773
	Equipment loaned to UNM			3,975,047
	Due to component units Student loan program			176,697,074
	Student IOall DIOSIAIII			12 622 072
				12,632,973 25,386,000
	OPEB Obligation	waps		25,386,000
		waps		
	OPEB Obligation Derivative instruments-interest rate sy Deferred annuities payable	waps Fotal noncurrent liabilities	\$	25,386,000 11,089,443
	OPEB Obligation Derivative instruments-interest rate sy Deferred annuities payable		\$ <b>\$</b>	25,386,000 11,089,443 254,649
Nac Ave	OPEB Obligation Derivative instruments-interest rate sy Deferred annuities payable	Total noncurrent liabilities	_	25,386,000 11,089,443 254,649 631,194,959
	OPEB Obligation Derivative instruments-interest rate sy Deferred annuities payable	Γotal noncurrent liabilities  Total Liabilities	\$	25,386,000 11,089,443 254,649 631,194,959 783,939,578
Inve	OPEB Obligation Derivative instruments-interest rate so Deferred annuities payable	Γotal noncurrent liabilities  Total Liabilities	_	25,386,000 11,089,443 254,649 631,194,959
Inve	OPEB Obligation Derivative instruments-interest rate sy Deferred annuities payable	Γotal noncurrent liabilities  Total Liabilities	\$	25,386,000 11,089,443 254,649 631,194,959 783,939,578
Inve	OPEB Obligation Derivative instruments-interest rate sy Deferred annuities payable  sted in Capital Assets, net of Related Debt icted for:	Γotal noncurrent liabilities  Total Liabilities	\$	25,386,000 11,089,443 254,649 631,194,959 783,939,578
Inve	OPEB Obligation Derivative instruments-interest rate sy Deferred annuities payable  sted in Capital Assets, net of Related Debt icted for:	Fotal noncurrent liabilities  Total Liabilities  Scholarships State Investment Council	\$	25,386,000 11,089,443 254,649 631,194,959 <b>783,939,578</b> 472,644,077
Inve	OPEB Obligation Derivative instruments-interest rate sy Deferred annuities payable  sted in Capital Assets, net of Related Debt icted for: Nonexpendable:	Total noncurrent liabilities  Total Liabilities  Scholarships	\$	25,386,000 11,089,443 254,649 631,194,959 <b>783,939,578</b> 472,644,077
Inve	OPEB Obligation Derivative instruments-interest rate sy Deferred annuities payable  sted in Capital Assets, net of Related Debt icted for:	Fotal noncurrent liabilities  Total Liabilities  Scholarships State Investment Council Grants, bequests and contributions	\$	25,386,000 11,089,443 254,649 631,194,959 <b>783,939,578</b> 472,644,077 105,784,144 183,080,869 6,010,271
Inve	OPEB Obligation Derivative instruments-interest rate sy Deferred annuities payable  sted in Capital Assets, net of Related Debt icted for: Nonexpendable:	Fotal noncurrent liabilities  Total Liabilities  Scholarships State Investment Council Grants, bequests and contributions Scholarships and other	\$	25,386,000 11,089,443 254,649 631,194,959 <b>783,939,578</b> 472,644,077 105,784,144 183,080,869 6,010,271 2,386,741
Inve	OPEB Obligation Derivative instruments-interest rate sy Deferred annuities payable  sted in Capital Assets, net of Related Debt icted for: Nonexpendable:	Fotal noncurrent liabilities  Total Liabilities  Scholarships State Investment Council Grants, bequests and contributions  Scholarships and other Grants, bequests and contributions	\$	25,386,000 11,089,443 254,649 631,194,959 <b>783,939,578</b> 472,644,077 105,784,144 183,080,869 6,010,271 2,386,741 4,733,816
	OPEB Obligation Derivative instruments-interest rate sy Deferred annuities payable  sted in Capital Assets, net of Related Debt icted for: Nonexpendable:	Fotal noncurrent liabilities  Total Liabilities  Scholarships State Investment Council Grants, bequests and contributions  Scholarships and other Grants, bequests and contributions Capital Projects	\$	25,386,000 11,089,443 254,649 631,194,959 <b>783,939,578</b> 472,644,077 105,784,144 183,080,869 6,010,271 2,386,741 4,733,816 3,007,862
Inve Resti	OPEB Obligation Derivative instruments-interest rate sy Deferred annuities payable  sted in Capital Assets, net of Related Debt icted for: Nonexpendable:  Expendable:	Fotal noncurrent liabilities  Total Liabilities  Scholarships State Investment Council Grants, bequests and contributions  Scholarships and other Grants, bequests and contributions	\$	25,386,000 11,089,443 254,649 631,194,959 <b>783,939,578</b> 472,644,077 105,784,144 183,080,869 6,010,271 2,386,741 4,733,816 3,007,862 29,241,754
Inve Resti	OPEB Obligation Derivative instruments-interest rate sy Deferred annuities payable  sted in Capital Assets, net of Related Debt icted for: Nonexpendable:	Fotal noncurrent liabilities  Total Liabilities  Scholarships State Investment Council Grants, bequests and contributions  Scholarships and other Grants, bequests and contributions Capital Projects	\$	25,386,000 11,089,443 254,649 631,194,959 <b>783,939,578</b> 472,644,077 105,784,144 183,080,869 6,010,271 2,386,741 4,733,816 3,007,862
Inver Restr	OPEB Obligation Derivative instruments-interest rate sy Deferred annuities payable  sted in Capital Assets, net of Related Debt icted for: Nonexpendable:  Expendable:	Fotal noncurrent liabilities  Total Liabilities  Scholarships State Investment Council Grants, bequests and contributions  Scholarships and other Grants, bequests and contributions Capital Projects	\$	25,386,000 11,089,443 254,649 631,194,959 <b>783,939,578</b> 472,644,077 105,784,144 183,080,869 6,010,271 2,386,741 4,733,816 3,007,862 29,241,754



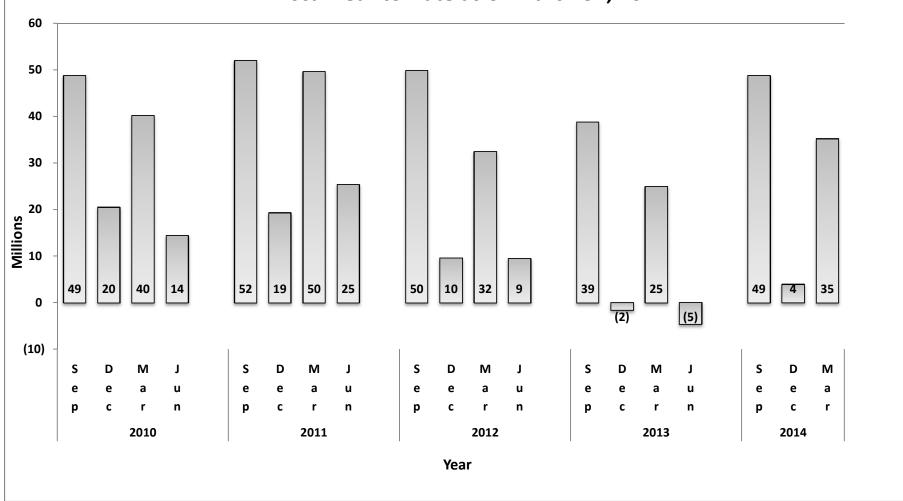
## CONSOLIDATED Total Operations - 5 Year Net Revenue / (Expense) Fiscal Year to Date as of March 31, 2014

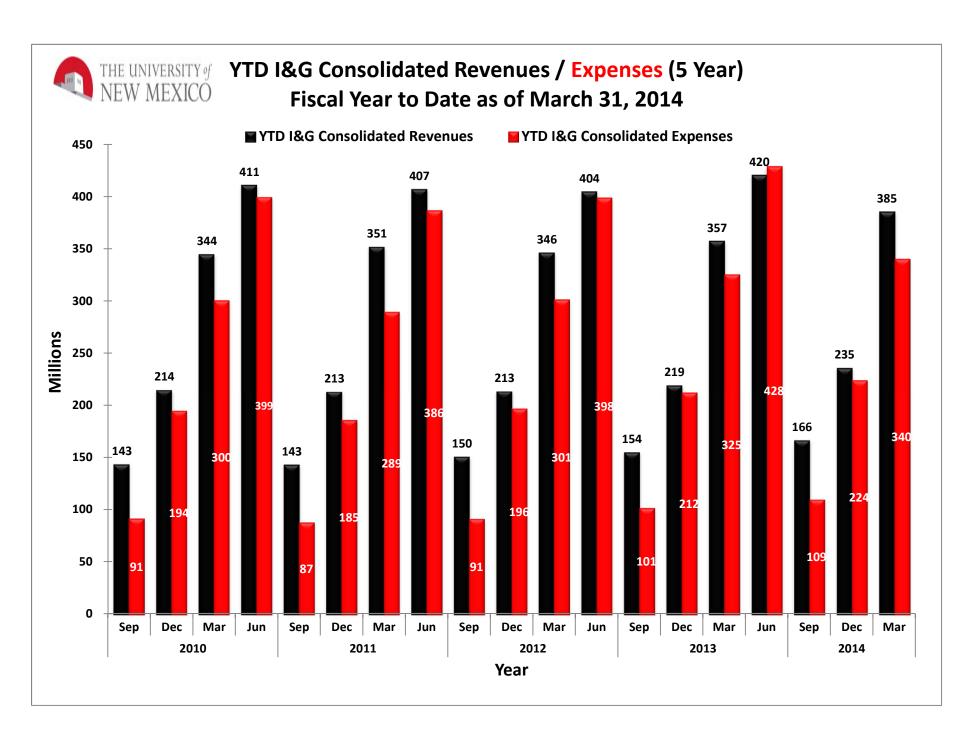


Year



## MAIN CAMPUS Operations - 5 Year Net Revenue / (Expense) Fiscal Year to Date as of March 31, 2014





# Executive Budget Summary University of New Mexico Consolidated Financial Report FY 2014 UNM Operating Budget

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

Instruction and General operations (approximately 90% of this operation resides on Main Campus) projected a use of prior year balances of \$12.2M for the FY 2014 UNM Operating Budget. This \$12.2M use of balance is comprised of a \$11.7M use of balance at the Main Campus, a \$489K use of balance at the Branch Campuses and a use of balance at the HSC Campus of \$21K. The \$11.7M use of balance at Main Campus is primarily due to \$3.0M of one-time monies funding the I&G Budget, Administrative units budgeting approximately \$1.5M of prior year balances and Academic Affairs budgeting approximately \$7.2M of prior year balances.

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 2014 UNM Operating Budget showed a use of prior year balances of \$10.6M, of which a \$5.6M use of prior year balance is related to Main Campus and a \$5.0M use of prior year balance is related to HSC Campus. The \$5.6M use of balance at Main Campus is primarily due to Academic Affairs departments budgeting prior year balances. At the HSC Campus approximately \$203K of balances were budgeted by SOM Departments to support Chairs' Letter of Offer packages. The College of Pharmacy budgeted \$348K for faculty bridge funding and faculty start-up funding. Additionally, at the HSC \$4.3M is budgeted for various capital projects during FY 2014.

The third 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 2014 UNM Operating Budget projected a favorable net margin of \$1.5M. This favorable budgeted net margin is comprised of a \$3.9M use of prior year balances at the Main and Branch Campuses and a favorable net margin of \$5.4M at the HSC Campus. The \$3.9M use of balance at the Main and Branch Campuses is primarily due to Academic Affairs departments budgeting prior year balances. There are \$3.4M of budgeted prior year balances within non-endowed spending indices and approximately \$500K of budgeted prior year balances within Academic Affairs General Public Service indices. The favorable net margin budgeted at the HSC Campus is primarily due to Patient Revenues.

Page 2 of this report begins with the **Student Aid** function. The FY 2014 UNM Operating Budget projected a use of prior year balances of \$8.8M. This use of prior year balances is comprised of a \$7.0M use of balance at the Main and Branch Campuses and a budgeted use of balance of \$1.8M at the HSC Campus. The budgeted use of balance at Main Campus is primarily due to Academic Affairs departments and Enrollment Management budgeting prior year balances within endowed spending indices for the payout of major and departmental scholarships in the new fiscal year.

**Student Activities** are the operations of Student Government and Student organizations. The FY 2014 UNM Operating Budget shows a use of prior year balances of \$122K.

#### **Auxiliaries and Athletics**

The FY 2014 UNM Operating Budget for Auxiliaries and Athletics projected a use of prior year balances of \$237K. This use of balance is primarily due to a combination of Athletics budgeting a \$65K use of balance, AVP Ops/Student Life budgeting a use of balance of \$131K and the Branch Campuses budgeting a use of balance of \$41K.

**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 next block of numbers on the third 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 2014 UNM Operating Budget projected a use of prior year balances of \$8.1M. UNM Hospitals budgeted a favorable net margin of \$13K. The major factor contributing to this use of balance is the School of Medicine budgeting a use of balance of \$8.1M for FY 2014. The budgeted use of balance is primarily due to the SOM Chair Packages for FY 2014.

	FY 2014	FY 2014	Fiscal YTD	Actual to Budget	FY 2013	FY 2014 YTD Actual
	Full Year	Year-to-Date	Favrbl/(Unfavrbl)	Benchmark Rate	Year-to-Date	Change From
	Operating Budget	Actual	Budget	75%	Actual	FY 2013 YTD Actual
Instruction and General						
Tuition and Fees Revenues						
Main Campus	153,710,683	154,836,761	1,126,078	101%	143,399,107	11,437,654
Branch Campuses	8,328,453	7,963,223	(365,230)	96%	8,500,760	(537,537)
HSC Campus	13,605,343	14,328,875	723,532	105%	12,786,718	1,542,157
Total Tuition and Fees Revenues	175,644,479	177,128,859	1,484,380	101%	164,686,585	12,442,274
State/Local Appropriations	271,068,741	203,418,456	(67,650,285)	75%	194,295,293	9,123,163
F & A Revenues	40,300,000	31,582,082	(8,717,918)	78%	31,036,485	545,597
Transfers	(49,037,357)	(44,324,871)	4,712,486	90%	(49,463,465)	5,138,594
Other Revenues	18,019,852	17,241,034	(778,818)	96%	16,476,051	764,983
Total Instruction and General Revenues	455,995,715	385,045,560	(70,950,155)	84%	357,030,949	28,014,611
Salaries	280,556,884	212,400,309	68,156,575	76%	206,346,460	(6,053,849)
Benefits	92,631,618	66,579,986	26,051,632	72%	60,684,720	(5,895,266)
Other Expenses	95,042,322	60,814,220	34,228,102	64%	57,918,130	(2,896,090)
Total Instruction and General Expenses	468,230,824	339,794,515	128,436,309	73%	324,949,310	(14,845,205)
Net Instruction and General Revenue/(Expense)	(12,235,109)	45,251,045	57,486,154		32,081,639	13,169,406
Research						
State/Local Appropriations	10,292,896	8,384,761	(1,908,135)	81%	7.629.399	755,362
Transfers	25,678,299	13,509,871	(12,168,428)	53%	19,698,354	(6,188,483)
Other Revenues	4,237,463	1,634,655	(2,602,808)	39%	1,637,026	(2,371)
Total Research Revenues	40,208,658	23,529,287	(16,679,371)	59%	28,964,779	(5,435,492)
Salaries and Benefits	28,682,475	17,426,289	11,256,186	61%	18,265,373	839,084
Other Expenses	22,131,976	12,413,035	9,718,941	56%	11,817,135	(595,900)
Total Research Expenses	50,814,451	29,839,324	20,975,127	59%	30,082,508	243,184
Net Research Revenue/(Expense)	(10,605,793)	(6,310,037)	4,295,756		(1,117,729)	(5,192,308)
Public Service						
State/Local Appropriations	3,667,844	2,751,255	(916,589)	75%	2,625,714	125,541
Sales and Services Revenues	16,130,010	11,109,987	(5,020,023)	69%	11,766,964	(656,977)
Gifts	8,296,995	8,588,568	291,573	104%	8,355,119	233,449
Transfers	2,082,045	1,645,480	(436,565)	79%	589,170	1,056,310
	2,082,045 5,305,384	4,909,917			3,560,172	1,349,745
Other Revenues			(395,467)	93%		
Total Public Service Revenues	35,482,278	29,005,207	(6,477,071)	82%	26,897,139	2,108,068
Salaries and Benefits	18,400,745	15,659,205	2,741,540	85%	14,927,841	(731,364)
Other Expenses	22,464,594	13,491,102	8,973,492	60%	11,139,331	(2,351,771)
Total Public Service Expenses	40,865,339	29,150,307	11,715,032	71%	26,067,172	(3,083,135)
Net Public Service Revenue/(Expense)	(5,383,061)	(145,100)	5,237,961		829,967	(975,067)

	FY 2014	FY 2014	Fiscal YTD	Actual to Budget	FY 2013	FY 2014 YTD Actual
	Full Year	Year-to-Date Actual	Favrbl/(Unfavrbl)	Benchmark Rate 75%	Year-to-Date Actual	Change From FY 2013 YTD Actual
	Operating Budget	Actual	Budget	15%	Actual	F1 2013 11D Actual
Student Aid						
Gifts	3,898,881	4,456,671	557,790	114%	3,595,578	861,093
State Lottery Scholarship	37,485,948	37,485,948	-	100%	31,861,170	5,624,778
Transfers	15,276,031	12,513,316	(2,762,715)	82%	13,615,703	(1,102,387)
Other Revenues	1,257,262	1,183,522	(73,740)	94%	313,382	870,140
Total Student Aid Revenues	57,918,122	55,639,457	(2,278,665)	96%	49,385,833	6,253,624
Salaries and Benefits	3,659,692	3,599,194	60,498	98%	3,271,412	(327,782)
Other Expenses	63,022,380	58,158,705	4,863,675	92%	53,133,220	(5,025,485)
Total Student Aid Expenses	66,682,072	61,757,899	4,924,173	93%	56,404,632	(5,353,267)
Net Student Aid Revenue/(Expense)	(8,763,950)	(6,118,442)	2,645,508		(7,018,799)	900,357
Student Activities						
Fee Revenues	6,266,414	5,559,899	(706,515)	89%	5,226,938	332,961
Sales and Services Revenues	1,448,714	1,314,370	(134,344)	91%	1,380,498	(66,128)
Transfers	458,483	355,574	(102,909)	78%	761,060	(405,486)
Other Revenues	74,024	85,631	11,607	116%	106,172	(20,541)
Total Student Activities Revenues	8,247,635	7,315,474	(932,161)	89%	7,474,668	(159,194)
Salaries and Benefits	4,185,076	3,233,550	951,526	77%	3,264,655	31,105
Other Expenses	4,184,468	2,721,105	1,463,363	65%	2,821,918	100,813
Total Student Activities Expenses	8,369,544	5,954,655	2,414,889	71%	6,086,573	131,918
Net Student Activities Revenue/(Expense)	(121,909)	1,360,819	1,482,728		1,388,095	(27,276)
Auxiliaries and Athletics						
Branch Campuses Auxiliary Revenues	2,582,001	1,961,318	(620,683)	76%	2,352,969	(391,651)
Main Campus Auxiliaries Revenues	53,874,662	45,244,164	(8,630,498)	84%	49,114,316	(3,870,152)
Athletics Revenues	31,193,563	27,192,665	(4,000,898)	87%	26,310,227	882,438
Total Auxiliaries and Athletics Revenues	87,650,226	74,398,147	(13,252,079)	85%	77,777,512	(3,379,365)
Branch Campuses Auxiliary Expenses	2,623,366	1,670,252	953,114	64%	2,152,040	481,788
Main Campus Auxiliaries Expenses	54,005,162	38,028,492	15,976,670	70%	44,449,808	6,421,316
Athletics Expenses	31,258,763	27,278,317	3,980,446	87%	26,790,785	(487,532)
Total Auxiliaries and Athletics Expenses	87,887,291	66,977,061	20,910,230	76%	73,392,633	6,415,572
Net Auxiliaries and Athletics Revenue/(Expense)	(237,065)	7,421,086	7,658,151		4,384,879	3,036,207

	FY 2014 Full Year	FY 2014 Year-to-Date	Fiscal YTD Favrbl/(Unfavrbl)	Actual to Budget Benchmark Rate	FY 2013 Year-to-Date	FY 2014 YTD Actual Change From
	Operating Budget	Actual	Budget	75%	Actual	FY 2013 YTD Actual
Sponsored Programs						
Federal Grants and Contracts Revenues	245,218,468	188,841,888	(56,376,580)	77%	202,791,892	(13,950,004)
State and Local Grants and Contracts Revenues	31,983,112	21,226,980	(10,756,132)	66%	18,588,518	2,638,462
Non-Governmental Grants and Contracts Revenues	29,505,707	23,983,570	(5,522,137)	81%	23,680,238	303,332
Gifts	-	193,741	193,741	N/A	189,233	4,508
Transfers	3,740,817	3,337,750	(403,067)	89%	3,173,941	163,809
Other Revenues	4,000		(4,000)	0%	-	
Total Sponsored Programs Revenues	310,452,104	237,583,929	(72,868,175)	77%	248,423,822	(10,839,893)
Salaries and Benefits	144,253,271	98,674,550	45,578,721	68%	95,382,071	(3,292,479)
Other Expenses	166,198,833	138,909,379	27,289,454	84%	153,041,751	14,132,372
Total Sponsored Programs Expenses	310,452,104	237,583,929	72,868,175	77%	248,423,822	10,839,893
Net Sponsored Programs Revenue/(Expense)	-		<u> </u>		-	-
Clinical Operations						
State/Local Appropriations	25,531,808	18,841,859	(6,689,949)	74%	18,221,682	620,177
Physician Professional Fee Revenues	108,032,042	76,226,867	(31,805,175)	71%	73,526,271	2,700,596
Hospital Facility Revenues	684,748,925	505,776,729	(178,972,196)	74%	480,445,449	25,331,280
Other Patient Revenues, net of Allowance	103,030,503	87,184,235	(15,846,268)	85%	76,170,600	11,013,635
Mil Levy	91,886,992	68,727,860	(23,159,132)	75%	68,232,915	494,945
Investment Income	1,137,891	40,734,862	39,596,971	3580%	8,053,594	32,681,268
Gifts	3,435,064	3,280,166	(154,898)	95%	3,179,907	100,259
Housestaff Revenues	32,457,691	26,108,943	(6,348,748)	80%	23,838,946	2,269,997
Other Revenues	19,155,866	20,195,196	1,039,330	105%	12,431,134	7,764,062
Total Clinical Operations Revenues	1,069,416,782	847,076,717	(222,340,065)	79%	764,100,498	82,976,219
Salaries and Benefits	607,173,020	461,794,297	145,378,723	76%	439,147,839	(22,646,458)
Interest Expense	8,701,516	6,195,770	2,505,746	71%	6,688,357	492,587
Housestaff Expenses	32,457,691	25,805,116	6,652,575	80%	24,126,362	(1,678,754)
Other Expenses	422,389,564	343,662,093	78,727,471	81%	304,492,170	(39,169,923)
Total Clinical Operations Expenses	1,070,721,791	837,457,276	233,264,515	78%	774,454,728	(63,002,548)
Net Clinical Operations Revenue/(Expense)	(1,305,009)	9,619,441	10,924,450		(10,354,230)	19,973,671
Contingencies						
Total Contingency Revenues	15,130,454	-	(15,130,454)	0%	-	-
Total Contingency Expenses	5,817,161		(5,817,161)	0%	-	-
Net Contingencies Revenue/(Expense)	9,313,293		(9,313,293)		-	-
Net Current Revenue/(Expense)	(29,338,603)	51,078,812	80,417,415		20,193,822	30,884,990

	FY 2014	FY 2014	Fiscal YTD	Actual to Budget	FY 2013	FY 2014 YTD Actual
	Full Year Operating Budget	Year-to-Date Actual	Favrbl/(Unfavrbl) Budget	Benchmark Rate 75%	Year-to-Date Actual	Change From FY 2013 YTD Actual
	Operating Baaget	Actual	Duager	1070	Actual	112010 11D Actual
University of New Mexico - Results of Athletics and Auxilia	ry Operations					
Results of Athletics Operations:						
Athletics Revenues	34,732,446	29,810,258	(4,922,188)	86%	30,155,654	(345,396)
Athletics Transfers	(3,538,883)	(2,617,593)	921,290	74%	(3,845,427)	1,227,834
Total Athletics Revenues	31,193,563	27,192,665	(4,000,898)	87%	26,310,227	882,438
Athletics Expenses			, , , ,			·
Salaries and Benefits	13,671,699	11,018,041	2,653,658	81%	11,019,905	1,864
Grant-in-Aid	3,976,253	3,702,862	273,391	93%	3,431,215	(271,647)
Other Expenses	13,610,811	12,557,414	1,053,397	92%	12,339,665	(217,749)
Total Athletics Expenses	31,258,763	27,278,317	3,980,446	87%	26,790,785	(487,532)
Total Net Athletics Revenue/(Expense)	(65,200)	(85,652)	(20,452)		(480,558)	394,906
Results of Auxiliary Operations:						
VP for Institutional Support Services						
Bookstore Revenues	17,992,468	14,395,269	(3,597,199)	80%	16,221,290	(1,826,021)
Bookstore Transfers	(350,000)	(262,500)	87,500	75%	(225,301)	(37,199)
Total Bookstore Revenues	17,642,468	14,132,769	(3,509,699)	80%	15,995,989	(1,863,220)
Total Bookstore Expenses	17,642,468	12,937,116	4,705,352	73%	14,783,092	1,845,976
Net Bookstore Revenue/(Expense)	-	1,195,653	1,195,653		1,212,897	(17,244)
Faculty & Staff Club Revenues	82,000	70,865	- (11,135)	86%	30,192	40,673
Faculty & Staff Club Expenses	82,000	52,589	29,411	64%	21,962	(30,627)
Net Faculty & Staff Club Revenue/(Expense)	-	18,276	18,276		8,230	10,046
Golf Courses Revenues	2,294,163	1,426,514	(867,649)	62%	1,535,513	(108,999)
Golf Courses Transfers	(39,252)	(29,127)	10,125	74%	(29,439)	312
Total Golf Courses Revenues	2,254,911	1,397,387	(857,524)	62%	1,506,074	(108,687)
Total Golf Courses Expenses	2,254,911	1,661,406	593,505	74%	1,619,631	(41,775)
Net Golf Courses Revenue/(Expense)	-	(264,019)	(264,019)		(113,557)	(150,462)
Housing	11,250,500	11,583,219	332,719	103%	10,759,288	823,931
Housing Transfers	(2,485,566)	(3,100,680)	(615,114)	125%	(4,402,145)	1,301,465
Total Housing Revenues	8,764,934	8,482,539	(282,395)	97%	6,357,143	2,125,396
Total Housing Expense	8,764,934	5,551,529	3,213,405	63%	5,983,173	431,644
Net Housing Revenue/(Expense)		2,931,010	2,931,010		373,970	2,557,040
Other	950,000	(120,000)	(1,070,000)	-13%	-	(120,000)
Other Transfers	(950,000)		950,000	0%	-	-
Total Other Revenues	-	(120,000)	(120,000)	N/A	-	(120,000)
Total Other Expense		7,901	(7,901)	N/A	-	(7,901)
Net Other Revenue/(Expense)		(127,901)	(127,901)		-	(127,901)

	FY 2014 Full Year	FY 2014 Year-to-Date	Fiscal YTD Favrbl/(Unfavrbl)	Actual to Budget Benchmark Rate	FY 2013 Year-to-Date	FY 2014 YTD Actual Change From
	Operating Budget	Actual	Budget	75%	Actual	FY 2013 YTD Actual
Parking and Transportation Revenues	8,442,677	7,433,402	(1,009,275)	88%	7,103,147	330,255
Parking and Trans Transfers	(2,357,537)	(1,413,617)	943,920	60%	(1,810,631)	397,014
Total Parking and Trans Revenues	6,085,140	6,019,785	(65,355)	99%	5,292,516	727,269
Total Parking and Trans Expenses	6,085,140	4,094,136	1,991,004	67%	4,196,191	102,055
Net Parking and Trans Revenue/(Expense)	<u> </u>	1,925,649	1,925,649		1,096,325	829,324
Popejoy Events Revenues	4,444,649	2,977,635	(1,467,014)	67%	7,765,579	(4,787,944)
Popejoy Events Transfers	149,730	149,730		100%	54,002	95,728
Total Popejoy Events Revenues	4,594,379	3,127,365	(1,467,014)	68%	7,819,581	(4,692,216)
Total Popejoy Events Expenses	4,594,379	2,769,334	1,825,045	60%	7,564,834	4,795,500
Net Popejoy Events Revenue/(Expense)	-	358,031	358,031		254,747	103,284
Taos & Lawrence Ranch Revenues	53,578	<del>-</del>	(53,578)	0%	36,707	(36,707)
Taos & Lawrence Ranch Expenses	53,578	28,414	25,164	53%	26,585	(1,829)
Net Taos & Lawrence Ranch Revenue/(Expense)	-	(28,414)	(28,414)		10,122	(38,536)
Ticketing Services Revenues	845,295	795,042	(50,253)	94%	846,898	(51,856)
Ticketing Services Transfers	75,348	75,348	- (======)	100%	(42,921)	118,269
Total Ticketing Services Revenues	920,643	870,390	(50,253)	95%	803,977	66,413
Total Ticketing Services Expenses	920,643	713,695	206,948	78%	656,903	(56,792)
Net Ticketing Services Revenue/(Expense)	<del>-</del> _	156,695	156,695		147,074	9,621
Young Ranch Revenues	-	-	-	N/A	11,802	(11,802)
Young Ranch Expenses	<u> </u>			N/A	4,484	4,484
Net Young Ranch Revenue/(Expense)	<u> </u>	<u>-</u>	<u>-</u>	N/A	7,318	(7,318)
Total VP for Institutional Support Services Revenues	40,398,053	33,981,100	(6,416,953)	84%	37,853,981	(3,872,881)
Total VP for Institutional Support Services Expenses	40,398,053	27,816,120	12,581,933	69%	34,856,855	7,040,735
Net VP for Institutional Support Services Revenue/(Expense)	-	6,164,980	6,164,980		2,997,126	3,167,854
VP for Student Affairs						
AVP Ops/Student Life Revenues	3,311,105	2,673,634	(637,471)	81%	2,930,259	(256,625)
AVP Ops/Student Life Transfers	(127,500)	(316,592)	(189,092)	248%	(459,397)	142,805
Total AVP Ops/Student Life Revenues	3,183,605	2,357,042	(826,563)	74%	2,470,862	(113,820)
Total AVP Ops/Student Life Expenses	3,314,105	1,775,030	1,539,075	54%	1,808,782	33,752
Net AVP Ops/Student Life Revenue/(Expense)	(130,500)	582,012	712,512		662,080	(80,068)
Lobo Cash Revenues	33,385	34,941	1,556	105%	29,425	5,516
Lobo Cash Expenses	33,385	50,420	17,035	151%	32,067	(18,353)
Net Lobo Cash Revenue/(Expense)	-	(15,479)	(15,479)		(2,642)	(12,837)
Student Health Center Revenues	7,465,022	6,406,828	(1,058,194)	86%	6,496,031	(89,203)
Student Health Center Expenses	7,465,022	5,858,335	1,606,687	78%	5,529,218	(329,117)
Net Student Health Center Revenue/(Expense)	<u> </u>	548,493	548,493		966,813	(418,320)
Student Union Revenues	2,537,528	2,251,286	(286,242)	89%	2,080,307	170,979
Student Union Expenses	2,537,528	2,344,044	193,484	92%	2,009,047	(334,997)
Net Student Union Revenue/(Expense)	-	(92,758)	(92,758)		71,260	(164,018)
Total VP for Student Affairs Revenues	13,219,540	11,050,097	(2,169,443)	84%	11,076,625	(26,528)
Total VP for Student Affairs Expenses	13,350,040	10,027,829	3,356,281	75%	9,379,114	(648,715)
Net VP for Student Affairs Revenue/(Expense)	(130,500)	1,022,268	1,152,768		1,697,511	(675,243)
	<u></u>	Page 5				

	FY 2014 Full Year Operating Budget	FY 2014 Year-to-Date Actual	Fiscal YTD Favrbl/(Unfavrbl) Budget	Actual to Budget Benchmark Rate 75%	FY 2013 Year-to-Date Actual	FY 2014 YTD Actual Change From FY 2013 YTD Actual
Provost and Other Units						
Art Museum Revenues	5,500	2,051	(3,449)	37%	1,398	653
Art Museum Expenses	5,500	4,888	612	89%		(4,888)
Net Art Museum Revenue/(Expense)	<u> </u>	(2,837)	(2,837)		1,398	(4,235)
CE Conference Ctr Revenues	200,000	148,107	(51,893)	74%	178,749	(30,642)
CE Conference Ctr Transfers	(43,431)	(12,529)	30,902	29%	(37,531)	25,002
Total CE Conference Ctr Revenues	156,569	135,578	(20,991)	87%	141,218	(5,640)
Total CE Conference Ctr Expenses	156,569	130,242	26,327	83%	162,240	31,998
Net CE Conference Ctr Revenue/(Expense)	<u> </u>	5,336	5,336		(21,022)	26,358
Maxwell Museum Revenues	40,000	35,712	(4,288)	89%	28,668	7,044
Maxwell Museum Expenses	40,000	13,926	26,074	35%	11,595	(2,331)
Net Maxwell Museum Revenue/(Expense)		21,786	21,786		17,073	4,713
Other Revenues	55,000	39,626	(15,374)	72%	12,426	27,200
Other Expenses	55,000	35,487	19,513	65%	40,004	4,517
Net Other Revenue/(Expense)	<u> </u>	4,139	4,139		(27,578)	31,717
Total Provost and Other Units Revenues	257,069	212,967	(44,102)	83%	183,710	29,257
Total Provost and Other Units Expenses	257,069	184,543	72,526	72%	213,839	29,296
Net Provost and Other Units Revenue/(Expense)	<u> </u>	28,424	28,424		(30,129)	58,553
Auxiliary Totals						
Total Auxiliary & Concessions Revenues	53,874,662	45,244,164	(8,630,498)	84%	49,114,316	(3,870,152)
Total Auxiliary & Concessions Expenses	54,005,162	38,028,492	15,976,670	70%	44,449,808	6,421,316
Net Auxiliary Revenue/(Expense)	(130,500)	7,215,672	7,346,172		4,664,508	2,551,164
Net Athletics Revenue/(Expense)	(65,200)	(85,652)	(20,452)		(480,558)	394,906
Net Auxiliary and Athletics Revenue/(Expense)	(195,700)	7,130,020	7,325,720		4,183,950	2,946,070
Net Branch Campuses Aux Revenue/(Expense)	(41,365)	291,066	332,431		200,929	90,137
Net All Auxiliary and Athletics Revenue/(Expense)	(237,065)	7,421,086	7,658,151		4,384,879	3,036,207

As of March 31, 2014 \*Includes Hospital Debt

As of March 31, 2014						*Includes Hospital	Debt
UNM Bond Issue	Fixed or Variable Rate Issue	Original Issue Amount	Outstanding Principal Balance on June 30, 2013	Principal Payment due on June 1, 2014	Interest Payment paid on December 1, 2013	Interest Payment due on June 1, 2014	FY 2014 Principal & Interest
Sub Lien System Imp Revenue Bonds  (3) Series 2012: Interest Range 2.00% to 5.00% Final Maturity Year 2032	Fixed Rate	\$35,215,000	\$33,200,000	\$1,310,000	\$766,050	\$766,050	\$2,842,100
Sub Lien System Imp Revenue Bonds Series 2007 A&B: Interest Range 4.00% to 5.95% Final Maturity Year 2036	Fixed Rate	\$136,710,000	\$131,620,000	\$1,840,000	\$3,281,441	\$3,281,441	\$8,402,882
Sub Lien System Imp Revenue Bonds Series 2005: Interest Range 3.0% to 5.0% Final Maturity Year 2035	Fixed Rate	\$125,575,000	\$115,950,000	\$2,470,000	\$2,678,626	\$2,678,626	\$7,827,252
(1) FHA Insured Hospital Mortgage Revenue Bonds <b>Series 2004</b> : Interest Range 2.0% to 5.0% Final Maturity Year 2031	Fixed Rate	\$192,250,000	\$164,660,000	\$5,240,000 (\$2,580,000 paid 7/1/2013) (\$2,660,000 paid 1/2/2014)	\$3,963,788 (paid 1/2/2014)	\$4,020,600 (paid 7/1/2013)	\$13,224,387
Sub Lien System Rfdg Revenue Bonds Series 2003 A: Interest Range 2.0% to 5.25% Final Maturity Year 2018	Fixed Rate	\$21,660,000	\$8,480,000	\$1,135,000	\$222,600	\$222,600	\$1,580,200
Sub Lien System Revenue Bonds Series 2003 B&C: Interest Range 1.35% to 5.625% Final Maturity Years B 2024 & C 2033	Fixed Rate	\$11,805,000	\$9,505,000	\$285,000	\$232,954	\$232,955	\$750,909
Sub Lien Sys Rfdg Revenue Bonds  (2) Series 2002 B: Variable Rate Demand Bonds - rates re Weekly rate as of June 30, 2013 was 0.06%  Final Maturity Year 2026	Variable Rate set weekly	\$25,475,000	\$22,090,000	\$1,490,000	\$420,673	\$423,024	\$2,333,697
Sub Lien System Rfdg Revenue Bonds  (2) Series 2002 C: Variable Rate Demand Bonds - rates re Weekly rate as of June 30, 2013 was 0.06% Final Maturity Year 2030	Variable Rate set weekly	\$37,840,000	\$35,190,000	\$875,000	\$689,392	\$693,243	\$2,257,635
Sub Lien System Imp Revenue Bonds  (2) Series 2001: Variable Rate Demand Bonds - rates rese Weekly rate as of June 30, 2013 was 0.06% Ceiling of 129 Final Maturity Year 2026		\$52,625,000	\$35,275,000	\$2,085,000	\$377,757	\$705,500	\$3,168,257
System Revenue Bonds Series 2000B: Interest Range 5.5% to 6.35% Final Maturity Year 2019	Fixed Rate	\$53,231,671	\$2,248,820	\$473,652	\$0	\$641,348	\$1,115,000
System Revenue Rfdg Bonds Series 1992 A: Interest Range 5.6% to 6.25%	Fixed Rate	\$36,790,000	\$17,460,000	\$1,840,000	\$523,800	\$523,800	\$2,887,600
Final Maturity Year 2021  Grand Total		\$729,176,671	\$575,678,820	\$19,043,652	\$13,157,080	\$14,189,186	\$46,389,918
Note: See attached matrix for funding sources.		ŢU, I I U, U I	ŢJ. 5,01 0,0 <b>2</b> 0	₩10,040,00 <b>2</b>	Ţ.5,101,00 <b>0</b>	Ţ,.OU,100	<b>4.0,000,010</b>

Note: See attached matrix for funding sources.

<sup>(1)</sup> Source: UNM Hospital - Both UNM Hospital Principal and Interest payments are made on July 1st and January 1st.

<sup>(2)</sup> 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.

<sup>(3)</sup> Series 2012 bonds refunded 2002A bonds,

#### FY14 UNM Debt Service - Source of Funds

As of March 31, 2014

Student Fees- Facility Student Fees - IT Capitalized Interest Parking Services **UNM Hospital** Bookstore Housing & Dining Services Building R&R Real Estate Department Physical Plant Department Telecommunications Athletics Information & Technology Funds KNME Popejoy Hall MTTC Bldg. Opto Bldg (CHTM Res Park) CRTC Continuing Education Equipment R&R Golf Course - North & South

HSC

Interest on Reserve Funds

		Solice Contracts			Series Series					
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S. S	Series	Solice	Series		Series Constant	Sollies Apply	Series	Series	John Series	3
Х	Х	Χ			Χ	Х	Х		Х	
Х		Х								
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Х	Χ	Х				Х			Χ	
			Χ		Х		Χ		Х	
					Х	Х			Х	
Х					Х	Х				
Х					Х		Х		Х	
Х	Х			Χ			Х			
Х	Х	Х						Х		
Х		Х								
	Х									
		Х				Х				
									Х	1
						Х				
							Х			1
							Χ			-
							Χ			4
							Χ			4
		Х								-
						Х				-
Х	Χ									-
Χ					Χ	Χ	Χ			J

Statements of Revenues, Expenses and Changes in Net Assets Format for Regents For the nine month period ended March 31, 2014 Preliminary and Unaudited

#### Detail of State/Local Appropriations Consolidated - Total Operations Current Funds

	FY 2014 Full Year Operating Budget	FY 2014 Year-to-Date Actual	Fiscal YTD Favrbl/(Unfavrbl) Budget	Actual to Budget Benchmark Rate 75%
Instruction and General				
Instruction & General Appropriations	261,986,155	196,606,515	(65,379,640)	75%
State Special Project Appropriations	1,055,900	791,925	(263,975)	75%
Tobacco Settlement Appropriations	1,130,600	847,951	(282,649)	75%
Mill Levy	6,896,086	5,172,065	(1,724,021)	75%
Total Instruction and General Appropriations	271,068,741	203,418,456	(67,650,285)	75%
Research				
State Special Project Appropriations	6,086,446	4,570,559	(1,515,887)	75%
Tobacco Settlement Appropriations	979,800	734,850	(244,950)	75%
Cigarette Tax Appropriations	3,226,650	3,079,352	(147,298)	95%
Total Research Appropriations	10,292,896	8,384,761	(1,908,135)	81%
Public Service				
State Special Project Appropriations	3,667,844	2,751,255	(916,589)	75%
Total Public Service Appropriations	3,667,844	2,751,255	(916,589)	75%
Clinical Operations				
State Special Project Appropriations	24,680,108	18,203,084	(6,477,024)	74%
Tobacco Settlement Appropriations	851.700	638,775	(212,925)	75%
Total Clinical Operations Appropriations	25,531,808	18,841,859	(6,689,949)	74%

### Detail of State/Local Appropriations Main Campus - Total Operations Current Funds

	FY 2014 Full Year Operating Budget	FY 2014 Year-to-Date Actual	Fiscal YTD Favrbl/(Unfavrbl) Budget	Actual to Budget Benchmark Rate 75%
Instruction and General Instruction & General Appropriations	180,474,555	135,355,916	(45,118,639)	75%
State Special Project Appropriations		, ,	(,,,	
African American Student Services	22.873	17.155	(5,718)	75%
Disabled Student Services	192,400	144,300	(48,100)	75%
ENLACE	64,329	48,247	(16,082)	75%
Hispanic Student Center	107,143	80,357	(26,786)	75%
Minority Graduate Recruitment	117,646	88,234	(29,412)	75%
Native American Studies Intervention	354,047	265,535	(88,512)	75%
Pre-College Minority Student Math &Science	197,462	148,097	(49,365)	75%
Total State Special Project Appropriations	1,055,900	791,925	(263,975)	75%
Total Instruction and General Appropriations	181,530,455	136,147,841	(45,382,614)	75%
Research				
State Special Project Appropriations	077.050	700 007	(0.4.4.400)	750/
Center for Regional Studies (SW Research Ctr)	977,850	733,387	(244,463)	75%
Manufacturing Engineering	556,900 47.500	417,675 35.625	(139,225)	75% 75%
Morrisey Hall Resource Geographic Information System	47,500 65,400	49,051	(11,875) (16,349)	75% 75%
Utton Transboundary Resource Center	292,400	219,300	(73,100)	75% 75%
Total State Special Project Appropriations	1,940,050	1,455,038	(485,012)	75%
Total Research Appropriations	1,940,050	1,455,038	(485,012)	75%
Total Neseal CIT Appropriations	1,940,030	1,433,030	(403,012)	1376
Public Service				
State Special Project Appropriations				
Bureau of Business Research (Census)	378,200	283,650	(94,550)	75%
College Prep Mentoring/School of Law	119,593	89,695	(29,898)	75%
College Prepatory Mentoring	168,107	126,080	(42,027)	75%
Corrine Wolfe Law Center/Child Abuse Training	170,300	127,725	(42,575)	75%
Family Development Program	438,500	328,875	(109,625)	75%
ISTEC	48,595	36,446	(12,149)	75%
Judicial Selection	22,800	17,100	(5,700)	75%
KNME-TV	1,168,900	876,675	(292,225)	75%
Land Grant Studies Program	131,800	98,850	(32,950)	75%
N. M. Historical Review	47,600	35,700	(11,900)	75%
Small Business Innovation & Research Outreach	125,000	93,750	(31,250)	75%
Southwest Indian Law Clinic	208,200	156,150	(52,050)	75%
Spanish Colonial Research Center (SW Research Ctr)	120,650	90,488	(30,162)	75%
Spanish Resource Center	41,105	30,829	(10,276)	75% 75%
Substance Abuse Program Wildlife Law Education	136,500 70,400	102,375 52,800	(34,125)	75% 75%
Total State Special Project Appropriations	3,396,250	2,547,188	(17,600) (849,062)	75%
Total Public Service Appropriations	3,396,250	2,547,188	(849,062)	75%
Total Labile Get vice Appropriations	0,000,200	2,071,100	(0-5,002)	1370

Statements of Revenues, Expenses and Changes in Net Assets Format for Regents For the nine month period ended March 31, 2014 Preliminary and Unaudited

## Detail of State/Local Appropriations Branch Campuses - Total Operations Current Funds

	FY 2014 Full Year Operating Budget	FY 2014 Year-to-Date Actual	Fiscal YTD Favrbl/(Unfavrbl) Budget	Actual to Budget Benchmark Rate 75%	
Instruction and General					
Instruction & General Appropriations					
Gallup	9,118,300	6,838,725	(2,279,575)	75%	
Los Alamos	1,876,000	1,407,000	(469,000)	75%	
Valencia	5,350,000	4,012,500	(1,337,500)	75%	
Taos	3,418,600	2,563,950	(854,650)	75%	
Total Instruction & General Appropriations	19,762,900	14,822,175	(4,940,725)	75%	
Mill Levy					
McKinley County	2,100,000	1,575,000	(525,000)	75%	
Los Alamos County	686,500	514,875	(171,625)	75%	
Valencia County	2,539,386	1,904,540	(634,846)	75%	
Taos County	1,570,200	1,177,650	(392,550)	75%	
Total Mill Levy	6,896,086	5,172,065	(1,724,021)	75%	
Total Branch Appropriations	26,658,986	19,994,240	(6,664,746)	75%	

#### Detail of State/Local Appropriations Health Sciences Center - Total Operations Current Funds

	FY 2014 Full Year Operating Budget	FY 2014 Year-to-Date Actual	Fiscal YTD Favrbl/(Unfavrbl) Budget	Actual to Budget Benchmark Rate 75%
Instruction and General Instruction & General Appropriations	61,748,700	46,428,424	(15,320,276)	75%
Tobacco Settlement Appropriations Instruction & General Pediatric Specialty Education Trauma Specialty Education Total Tobacco Settlement Appropriations Total Instruction and General Appropriations	610,524 260,038 260,038 1,130,600 62,879,300	457,893 195,029 195,029 847,951 47,276,375	(152,631) (65,009) (65,009) (282,649) (15,602,925)	75% 75% 75% 75%
rotal instruction and General Appropriations	02,079,300	47,270,373	(13,002,923)	13/6
Research State Special Project Appropriations Cancer Center Hepatitis C, Project ECHO Total State Special Project Appropriations	2,663,774 1,482,622 4,146,396	2,002,049 1,113,472 3,115,521	(661,725) (369,150) (1,030,875)	75% 75% 75%
Tobacco Settlement Appropriations Genomics, Biocomputing, Environmental Health Total Tobacco Settlement Appropriations	979,800 979,800	734,850 734,850	(244,950) (244,950)	75% 75%
Cigarette Tax Appropriations	3,226,650	3,079,352	(147,298)	95%
Total Research Appropriations	8,352,846	6,929,723	(1,423,123)	83%
Public Service State Special Project Appropriations Center for Native American Health Total State Special Project Appropriations	271,594 271,594	204,067 204,067	(67,527) (67,527)	75% 75%
Total Public Service Appropriations	271,594	204,067	(67,527)	75%
Clinical Operations State Special Project Appropriations Newborn Intensive Care Unit Office of the Medical Investigator Pediatric Oncology Poison and Drug Info Center Native American Suicide Prevention UNM Hospitals Total State Special Project Appropriations  Tobacco Settlement Appropriations Pediatric Oncology Poison and Drug Info Center Total Tobacco Settlement Appropriations	3,283,396 4,797,800 1,282,197 1,524,915 100,000 13,691,800 24,680,108 261,400 590,300 851,700	2,471,071 3,607,502 964,047 1,147,365 74,998 9,938,101 18,203,084 196,050 442,725 638,775	(812,325) (1,190,298) (318,150) (377,550) (25,002) (3,753,699) (6,477,024) - (65,350) (147,575) (212,925)	75% 75% 75% 75% 75% 73% 74%
		,	-	
Total Clinical Operations Appropriations	25,531,808	18,841,859	(6,689,949)	74%

## The University of New Mexico

Cash Flow		
(Unaudited and Unadjusted)		
For the nine months ended March 31, 2014		
Cash flow from operating activities:		
Payments from tuition and fees	\$	185,576,612
Payments from grants and contracts		310,025,776
Payments from insurance and patients		166,750,022
Payments to suppliers		(237,378,097)
Payments for utilities		(19,737,664)
Payments to employees		(486,382,375)
Payments for benefits		(132,263,575)
Payments for scholarships and fellowships		(128,576,803)
Loans issued/collected to students and employees		1,204,230
Payments from sales and services		79,970,929
Other receipts		25,578,948
Net cash used by operating activities	\$	(235,231,997)
Cash flow from noncapital financing activities:		
State appropriations	\$	220,079,364
Local appropriations		4,991,119
Other non operating payments		24,803,711
Net cash provided by noncapital financing activities	\$	249,874,194
Cash flow from capital financing activities:		
Interest pmts on bonds	\$	(9,278,998)
Capital gifts & grants	Ψ	5,981,849
Capital Asset activity, net		(15,636)
Other payments		(132,438)
Net cash used by capital financing activities	\$	(3,445,223)
Cosh flow from investing activities:		
Cash flow from investing activities:	Φ	126 656 265
Proceeds from sale & maturity of investments  Purchase of investments	\$	126,656,265
		(163,096,752)
Investment (CIF Adjustmt)	ø	(18,971,761)
Net cash used by investing activities	\$	(55,412,248)
Net decrease from cash and cash equivalents	\$	(44,215,274)
Cash and cash equivalents at beginning of year		88,201,766
Cash and cash equivalents end of the second quarter	\$	43,986,492

## Tab 5

## President's Administrative Report

## UNM Police Chief Kathy Guimond Announces Retirement

Search for new chief to begin in 2014 By Karen Wentworth — December 20, 2013



Kathy Guimond, UNM chief of police

UNM's long-serving chief of police, Kathy Guimond, has announced plans to retire in June 2014. Guimond is the first female chief at the University of New Mexico and has served as the chief for more than 18 years.

"Serving at UNM has been an honor," Guimond said. "Universities are very complex environments and present unique challenges for law enforcement. It has been a pleasure to work with my colleagues on this campus for nearly two decades."

"Kathy has brought a blend of compassion, level-headed thinking and dedication to the position," UNM President Robert Frank said. "She has engaged her colleagues and built strong professional and personal relationships across the university and the community. I would like to thank Kathy for her service and commitment to UNM. We will miss her greatly."

Along with her duties as police chief, Guimond is one of the senior marshals at UNM. The marshals assist with planning official university functions such as commencement. Guimond also serves as the vice president for the Board of Directors for the New Mexico Coalition Against Domestic Violence.

A graduate of the 173rd Session of the FBI National Academy in Quantico, Va, Guimond came to UNM after retiring from the Northern Illinois University Police Department where she served as a lieutenant, sergeant and police officer for more than 21 years. In Illinois, she was a catalyst for a change in Illinois' domestic violence law, and was instrumental in developing the Sexual Assault Response Team (SART) that is now utilized around the country, including at UNM.

She was also employed at Kishwaukee Community College in Illinois, where she taught courses in constitutional law, crime prevention and police-community relations. She holds a B.A. from Northern Illinois University with double majors in history and political science. She did graduate work is in political science (public law).

David Harris, executive vice president for Administration said Guimond's announcement six months prior to her departure will allow the University the opportunity to do a thorough search for a replacement. "Kathy's extensive experience, professionalism and dedication have served UNM very well. We will miss her tremendously," Harris said. "It will be difficult to replace her, so we are giving ourselves plenty of time to find the right candidate and make a smooth transition."

A national search for the next UNM chief of police will begin in early 2014.



April 15, 2014

Jack L. Fortner
President
UNM Board of Regents
MSC05 3300
University of New Mexico

Dear President Fortner,

It is my honor and pleasure to nominate Dr. Breda Bova for the UNM Board of Regents Meritorious Service Medal. As you know, Breda is a longtime UNM faculty member and administrator, and truly embodies everything that it means to be a Lobo. During her tenure at UNM, she has had a profound impact on our UNM community. In her roles as a professor, administrator, advisor, and NCAA representative she has worked tirelessly for the betterment of the University, and its students, faculty, staff, and alumni.

Breda's service to the University is extensive. She spent eight years in the Office of the President as a Senior Advisor and Chief of Staff for five different UNM Presidents. Prior to her role in the President's Office, she served as the Associate Dean for the College of Education for eight years. She is concluding her 16<sup>th</sup> year as our NCAA Faculty Representative, where her responsibilities include the certification of all of UNM's student athletes.

Just as impressive as Breda's UNM accomplishments are the wide array of honors and awards she has received for her commitment to our community. Earlier this year, our Alumni Association recognized her with the prestigious Erna S. Ferguson Award. She has received the 2011 Distinguished Public Service Award from the State of New Mexico, the 2006 Spirit of Achievement Award, the Student Services Award from the University of New Mexico in 2003, the Zia Award-Outstanding Alumnae from the University of New Mexico in 2002, a Distinguished Woman of the Year Award for the State of New Mexico from New Mexico Commission on the Status of Women in 1997, and the Woman on the Move Award from the YMCA, in the category Educational Administration, also in1997. She has served as chair of the board of the United Way of Central New Mexico, and is a graduate of the 1998 class of Leadership New Mexico.

I could fill countless pages with Breda's accomplishments and accolades, which would only serve to reinforce what we all already know to be true – Breda has had a profound impact on UNM and our community, and exemplifies the greatness of our University. It is a privilege to recommend her for this much deserved honor.

Best regards,

Robert G. Frank

Rat 5. FRANK

President



#### Office of Planning, Budget & Analysis

#### **MEMORANDUM**

TO:

Members of the Board of Regents' Finance & Facilities Committee

THRU:

Robert G. Frank, President

David W. Harris, EVP for Administration, COO, and CFO

FROM:

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

DATE:

April 4, 2014

SUBJECT: UNM University Based Retirement Community (UBRC) Update

While visiting Innovation Square in Gainesville, Florida as part of what was to become the University's Innovate ABQ initiative, several administrators also had the opportunity to briefly tour Oak Hammock, the University of Florida's University Based Retirement Community (UBRC). This project has proven to be very successful for the University and more so its residents, and has rekindled the University of New Mexico's interest in pursuing a similar project here in Albuquerque.

With this understanding, in June of 2013 the University issued a RFP to solicit and select a team capable of developing a UBRC project with the following objectives:

- Support lifelong learning for seniors in an environment that supports and complements the aging process
- Develop a financially viable, self-sustaining project
- Enhance educational synergies between UNM and the UBRC
- Design a project with green principles in mind, and
- Bring alum and newcomers into the Albuquerque and UNM communities

The results of that RFP selection process, a scope of work for the initial phase of the development effort (which will serve as the basis of determining *if* the University of New Mexico should pursue a UBRC project) and initial market research results are included in this information packet for your consideration.

I look forward discussing the information with the F&F Committee during your April 4, 2014 meeting. Thank you for your consideration.



March 31, 2014

Mr. Andrew Cullen, AVP Development, Budget and Analysis University of New Mexico Albuquerque, NM 87131

## RE: Step 1: Organization, Market Research, and Project Visioning for proposed UNM retirement community

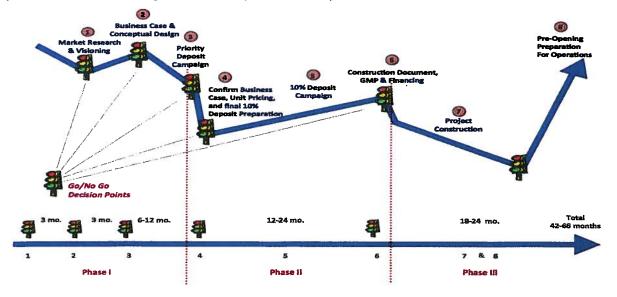
#### Dear Andrew:

ARI and RDG Planning and Design (RDG) and Piper Jaffray are pleased to present this proposal to continue exploring the feasibility of a university based retirement community (UBRC) for the University of New Mexico (UNM). ARI and RDG Planning and Design (RDG) and Piper Jaffray are pleased to present this proposal to complete the next elements of the plan. ARI is the team leader and project development consultant (represented by Lydia Pugh, Tony Ewert and Leslie Bram), RDG is the architectural firm for the project (represented by John Birge, Martin Shukert and David Dahllquist), and Piper Jaffray is the investment banking firm for the project (represented by Matt Weaver and Matt Hinson). Market research completed for the project earlier this year was prepared by PMD Advisory Services (represented by Michael Starke and Keith Evans). A summary of the research findings is attached.

The following includes a description of the 1) Scope of Work, 2) Deliverable and 3) Project Fees and Schedule.

#### **SCOPE OF WORK**

We articulate the development process of a UBRC as a series of activities and decision points over a period of time. The diagram below represents this process.



Steps 1 and 2 (on the far left end of the diagram) are a series of discovery activities to assess market and financial feasibility for a proposed retirement community. During the steps the project is conceptual; however, as we begin to uncover positive indicators (such as the results of the market study completed in early 2014) we lean into next steps to support possible development while recognizing the need to inform and get buy-in from project stakeholders at UNM.

Work on Step 1 (Market Research and Visioning) began at with the preparation of three market related site analyses and a full market study of one site (referred to as the "Central" site) closest to the University. Based on evidence of a significant age and income qualified senior market, UNM leadership indicated an interest in completing the remainder of Step 1 activities described below. ARI provides "project development coordinator" services for the UNM development team with the primary goal of providing leadership and structure to the development process for the proposed University Based Retirement Community/Continuing Care Retirement Community (UBRC/CCRC).

#### Step One: Organization, Market Research, and Project Visioning

<u>Goal:</u> To organize the sponsorship and project team; to determine the market feasibility of the proposed project; and to envision, design and confirm the basic goals and elements of the proposed project with the UNM leadership.

#### Questions to be answered during this phase:

#### What is the composition and structure of the sponsor of the proposed project?<sup>1</sup>

- a. Draft the mission and statement of purpose.
- b. Examine alternatives for the Sponsor's corporate identity including the Articles of Incorporation and corporate by-laws defining the governance structure.
- c. Consider candidates and timing for creation and implementation of the Sponsor's Board of Directors.

#### What is the vision for the proposed project?

- a. Explore and begin to define possible relationships between UNM and the UBRC/CCRC.
- b. Outline the compelling reasons to create this new community.
- c. Craft the inspirational message for both residents and staff as to "why" this community is being created. Define the culture and the key components that will make this new community successful.
- d. What are the characteristics for residents to call this new community "home"?
- e. Discuss the degree of engagement, access, control and integration desired as part of broader surrounding intergenerational neighborhoods, including the University.
- f. Describe 'a day in the life of a resident' of the new community. Define image and design themes that reinforce the culture of the community and its relationship with the surrounding neighborhoods, the city of Albuquerque and the University.
- g. Articulate the goals for the project.

#### What is the potential market for this new community?<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Not all activities related to composition and structure will be completed in Step 1; however, recommendations will be developed and initial steps will be undertaken to ensure a smooth transition to Step 2 (if UNM agrees to move forward).

- a. Explore the depth of the market in the Primary Market Area (PMA) of Albuquerque, New Mexico.
- b. Develop a plan to determine the size and interest of UNM alumni and constituents in the proposed new community (to be carried out in Step 2).
- c. Suggest preliminary project size and scope, i.e. number & type of residences, assisted living, memory care, and skilled nursing accommodations and pricing ranges for the various residences (to incorporate into the financial feasibility model).
- d. Explore possible characteristics of the residences for this market.
- e. Determine the most attractive and feasible residency structure for the community:
  - Type A, B, C, or combination;
  - Traditional non-refundable; or.
  - Graduated refund provisions, or both?

## What programs and amenities should be considered to reflect the lifestyles and interests of the market and the mission of the new community including but not limited to:

- a. Linkages/affiliations with the University of New Mexico
- b. Independent Living Commons. What "lifestyle" systems do we need to be competitive in the future? What do we want to be known for in terms of life experiences? What "lifestyle" elements should be approached in connection with the City of Albuquerque and The University of New Mexico? Some examples of these "lifestyle" systems and their impact:
  - 1. Dining. The current trend is having multiple choices (bar, formal, performance, informal, grill, deli).
  - 2. Wellness and Fitness. What level of activities do we need to consider?
  - 3. Creative Discovery. What types of activities, hobbies, participatory experiences and clubs would the residents be interested in?
  - 4. Educational. Can we actively engage the University of New Mexico in a structured curriculum or should the curriculum be developed by the residents?
  - 5. Assembly/Performance. A number of communities are providing fixed seat environments in addition to large spaces for moveable chairs and tables.
- c. Healthcare. How do we continue to improve the residents experience in Healthcare via "neighborhood" or "resident centered" (small house) care models?
- d. Technology
- e. Special features that create uniqueness in Albuquerque.

#### What is the vision for an environmentally responsible project?

Discuss the sustainability strategy and message for this new community along with an outline of goals in relation to the site, energy, water, materials and indoor air quality.

## What are the estimated costs that will be incurred to get the proposed project to permanent financing (preliminary business case)?

- a. Identify and estimate all of the components of the budget to complete the market confirmation process (priority deposit campaign).
- b. Identify and estimate all of the components of the budget to complete the 10% conversion campaign.

<sup>&</sup>lt;sup>2</sup> The answer to this question will emerge from an iterative process that spans several Steps. Preliminary recommendations for items a. through i. have been completed; however, financial modeling (beginning in Step 1) and subsequent consumer research to refine product and pricing (Step 2) is proposed for Step 2 of the process.

c. Identify funding sources for the 'pre-finance development costs'.

At the end of this Step, the UNM leadership will have enough information to determine if they wish to proceed to the next step, discontinue the project, or change course with the project.

#### 1. Deliverable

Step 1 deliverable will include Business Case for a UBRC at UNM and a set of supporting documents including:

- a. Market study (completed)
- b. Vision
  - Goals
  - Influences on physical space and activities from discussions with appropriate UNM faculty/staff about potential relationships and programming
- c. Architectural program of spaces and area summary
- d. Lifestyle and operational concepts summary
- e. Preliminary opinion of capital construction cost
- f. Environmental strategy
- g. Visual imagery study
- h. Site analysis and site-- "test fit" master plan with block diagram of building elements
- i. Business Case pro forma
  - Capital construction cost
  - Time/schedule assumptions for all steps and phases (as outlined in overall conceptual approach and methodology)
  - Marketing and development assumptions
  - Cost of furnishing and equipping the UBRC assumptions
  - Financing assumptions and capital structure
  - Operational assumptions including entrance fees, monthly fees, staffing, occupancy, start-up costs, etc.

#### 2. PROJECT FEES AND SCHEDULE

Estimated time to complete Step One is three months. The professional fees for ARI and RDG are shown in the chart below. Reimbursable expenses for travel related expenses including airfare, vehicle rental, lodging and meals, and reproduction of architectural drawings and documents are included in the fees.

UNM Development Expens	es (through S	Step 1)		•
Step 1: Organization, Visioning a	nd Prelimina	ry Feasibi	lity	
Month	Jan-Mar-14	14-Apr	14-May	14-Jun
Architect & Engineering Services				
Consultant: RDG Planning and Design		\$13,000	\$18,000	\$23,000
Market Research				
Consultant: PMD Advisory Services (already paid)	\$25,000			
<b>Development &amp; Financial Services</b>				
Consultant: ARI		\$23,000	\$23,000	\$23,000
Financing Services				
Consultant: Piper Jaffray				
(reimbursable expenses only)	WWW.			\$5,000
Total Monthly Development Expenses for Step 1		\$36,000	\$41,000	\$51,000
Cumulative Development Expenses for Step 1		\$36,000	\$77,000	\$128,000
Total Cumulative Development Expenses	\$25,000	\$61,000	\$102,000	\$153,000

To indicate acceptance of our proposal as such, please sign below and return to:

Lydia Pugh, Principal ARI 5225 Alkali Creek Road Billings, MT 59106 lydia@agingri.org

ARI, RDG and Piper Jaffray will contract for and invoice separately for the services and/or expenses described and summarized in the table above.

Sincerely,	
Lin	Rush
Cogara	1
Lydia Pugh	
ARI	

ACCEPTED FOR THE UNIVERSITY OF NEW MEXICO AND ARI, RDG AND PIPER JAFFRAY ARE AUTHORIZED TO PROCEED WITH STEP ONE BY:

David Harris, EVP, Administration

The University of New Mexico

Date

ATTACHMENT 1: SUMMARY OF MARKET RESEARCH FOR UNM UBRC



#### Turning mature market data into management decisions®

#### **MEMORANDUM**

TO:

Mr. Andrew Cullen, UNM

FROM:

Michael Starke, PMD

DATE:

March 31, 2014

SUBJECT: Summary of the PMD Senior Housing Market Study for the Central Site Market

Area

#### Introduction

The purpose of this engagement was to complete a supply and demand market analysis to determine market depth to support a potential University Based Retirement Community (UBRC) which would be affiliated with the University of New Mexico (UNM) and located in Albuquerque, NM.

As UNM began their exploration of the concept of developing a UBRC in the Albuquerque area three sites surfaced as possible locations for a UNM related CCRC. Those sites were:

- North Site located at 3280 Civic Centre Dr., Rio Rancho, NM 87144
- Central Site located at 1603 Mesa Vista Road NE, Albuquerque, NM 87106
- South Site located off Stryker Road SE Albuquerque, NM 87105

PMD completed a preliminary analysis of each site and market area and delivered those assessments to UNM. Based on those three assessments, it was determined that the Central Site (or a site near the Central Site) had the best access to the deepest market in the area. PMD proceeded with a full market analysis of the market area defined for the Central Site.

#### **Central Site**

The UNM central site is located at 1603 Mesa Vista Road NE, Albuquerque, NM 87106. The site is an infill location on a cul-de-sac located just west across University Blvd. NE from the UNM main campus. The site is bordered to the north by commercial and semi-industrial business as well as the University's vehicle transportation maintenance facility. To the west of the site is additional acreage that could be added to the site if an existing building were acquired.

#### **Proposed Community Description**

The concept which the UNM is considering would be a full service CCRC. It is envisioned that this community would have independent living, assisted living, dementia care and nursing on the campus. As part of the service package, residents would lead a life free from the chores of home maintenance and upkeep. The new community would have a strong connection to UNM and it is intended that residents would have the opportunity to be actively involved in the UNM campus life and that UNM students would be engaged in multiple ways in the CCRC.



#### Site Evaluation

PMD evaluated the campus for UNM Central Site using an objective, 16-criteria site evaluation tool and the site scored 82 out of 100 which classifies the site as a "Good" location for the development and operation of a senior living community.

#### Market Area Demographics

The UNM Central Site market area has a similar proportion of age 75 and older population households compared to New Mexico and the U.S.

- The age 75 and older UNM Central Site PMA population increased at an annual rate of 2.1% between 2000 and 2013 to a total of 37,092 persons in 2013. A gain of 2,042 persons is projected for the PMA's age 75 and older population by 2016 for a projected annual increase of 1.8%.
- Long-range population projections show the influence of aging Baby Boomers in the UNM Central Site PMA following the population as they age into older age cohorts with average annual rates of change ranging from 5.1% to 10.2% during varying five-year intervals between 2016 and 2035. The long-term population projections for the UNM Central Site PMA indicate continued growth and depth in the age 75 and older population in the PMA. This is a very good indicator for the continued development of senior living and care services in the PMA.
- The majority of both the age 65-74 and 75 and older age cohorts within the UNM Central Site PMA were homeowners 66% and 75% respectively in 2013.
- The 2013 median income for age 75 and older households in the UNM Central Site PMA of \$42,977 represented a 3.9% average annual increase above the 2000 median. PMA median income for age 75 and older households is projected to decrease by 0.4% to a median of \$42,420 in 2016.
- The estimated adjusted median home value for households age 75 and older was about \$194,000 in 2013.

#### **Competitive Products**

The UNM Central Site market area currently contains the following existing number of senior living residences: Independent Living – 923 residences – 92% occupied; Assisted Living – 546 licensed beds – 88% occupied; Dementia Care residences – 218 licensed beds – 93% occupied; Nursing – 1,583 licensed beds – 92% occupied.

There are four planned communities in the UNM Central Site market area which will add: Independent Living – 131 residences; Assisted Living – 74 licensed beds; Dementia Care residences – 36 licensed beds; Nursing – 88 licensed beds. In addition, a Del Webb active adult community has been announced that will add over 500 homes for residents over the age of 55 in the far western portion of the market area. These types of projects usually draw younger residents (age 55-74) and the community should not have a negative material impact on the proposed UBRC.

#### **Market Demand Analysis**

In order to conduct the market feasibility tests for the proposed products, the Senior Market Report data for the UNM Central Site market area was used with PMD's proprietary demand models for independent living (entrance fee), assisted living, dementia care and skilled nursing.

The demand analysis indicated that the market should be able to support about 116 – 193 additional independent living residences with a minimum monthly fee of \$3,500 (2016 dollars) and entrance fees of \$275,000+; 129 - 171 additional assisted living residences with a minimum monthly fee of \$4,800 based on a minimum household income of \$40,000 and asset spend down; and 43 – 58 additional assisted living dementia care residences with a minimum monthly fee of \$6,500 based on a minimum household income of \$50,000 and asset spend down. There is no market for additional nursing beds in the PMA, however, based on the number of beds located in poor quality facilities in the PMA the new proposed UNM CCRC could expect to "steal" residents from the poor quality facilities to initially fill a moderate sized nursing facility.

#### Recommendations

PMD recommends that UNM continue due diligence to develop the concept and evaluate the financial feasibility of developing a UBRC in the Albuquerque market. Following is PMD's recommended product mix and pricing structure for the proposed community.

#### **UNM Central Site Proposed Product Mix - LifeCare**

Independent Living Apartments	Number by Type	Size Sq. Ft.	Proposed 2016 Entrance Fee 50% Refund	Proposed 2016 Monthly Fee
1 Bedroom/1 Bath	24	750	\$275,000	\$3,500
1 Bedroom/1.5 Bath/Den	58	950	\$325,000	\$4,150
2 Bedroom/2 Bath	55	1125	\$360,000	\$4,650
2 Bedroom/2 Bath/Den	25	1350	\$410,000	\$5,300
Second Person Charge				\$1650
Total IL Residences	162			

#### **Assisted Living**

Studio	36	375	N/A	\$4,800
1 Bedroom/1 Bath	24	450	N/A	\$5,650
Total AL Residences	60			

#### **Memory Support**

Studio	24	350	N/A	\$6,500
1 Bedroom/1 Bath	12	425	N/A	\$7,750
Total Memory Support Residences	36			

#### **Skilled Nursing Beds**

S 192286 1 S	2000 Dec 2000					
Private Beds	24	300	N/A	\$315		
Total Nursing Beds	24					

## Tab 6

## Approval of FY2014/2015 UNM Consolidated Budget

(materials will be provided before the meeting)

## Approval of FY2013/2014 Budget Adjustment Request (materials will be provided at the meeting)

# Tab 7 Disposition of Surplus Property



#### **University Services**

University Services Business Operations
UNM Copy Center
UNM Mailing Systems
UNM Records Management
http://www.unm.edu/~univserv/

UNM Surplus Property
UnivServ Shipping and Receiving
UNM Inventory Control
Chem Stores/CRLS
Print Management Program

Date:

April 18, 2014

To:

Bruce Cherrin, Chief Procurement Officer

**Purchasing Department** 

From:

Debra L. Fondino

Associate Director, University Services

Subject:

Equipment Disposition – April 2014

Attached for your review and submission to the Board of Regents is the Surplus Property Disposition Detail list for the month of April, 2014.

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.

#### Surplus Property Department Disposition Detail List as of 04/18/2014

Department surplussing equipment Safety & Risk Services Center for High Tech Materials CHTM Center for High Tech Materials CHTM Cell Biology Administration Center for High Tech Materials CHTM Pathology Department CHTM PI #14	PROCESSOR I SURFACE PROFILER I VIEWER INFRARED RECORDER INK I COMPUTER CPU/SYSTEM SCANNER SYSTEM Computer	Axon Dell	Model# SERIES 90 ALPHA STEP 100 PV320A+ 3000 E4200-400 Genepix 4200A Precision 690 MT	Serial# 68365 1187 19820 00937 9999844 99994 9T6GXB1	Year 1/1/1984 4/27/1988 9/16/1999 10/31/1990 7/3/1998 7/8/2004 10/17/2006	Cost 20,082.00 19,170.00 13,933.00 15,785.00 5,995.00 80,419.00 5,785.05	NBV Method Of Disposal 0.00 Obsolete 0.00 Cannibalized 232.20 Beyond Repair 0.00 Obsolete 0.00 Obsolete 0.00 Obsolete 0.00 Obsolete	4/11/2014 4/11/2014 4/11/2014 3/28/2014 4/11/2014 4/4/2014
NMTR Faculty #1	Tape library	Dell JJTech	Precision 690 MT Qualstar RLS-4221	9T6GXB1	10/17/2006 8/13/2007	5,785.05 12,964.05	0.00 Obsolete 0.00 Obsolete	4/11/2014 3/28/2014

Disposition value:

\$174,133.10

Disposition bookvalue:

232.20

Total Dispositon Items: 8

#### Additional Notes to Surplus listings dated 4/18/14:

- 1 Asset# 165888 is from the department of Safety and Risk Services (SRS). The Radiation Safety Program in SRS was transferred to the Health Sciences Center. As part of the Radiation Detector items being surplused this year, this Processor is 30 years old, and the HSC Radiation Program does not need the equipment. Therefore, the Radiation Safety Officer in SRS has cleared the equipment for release and disposition.
- **2 Assets# 183292 and 238588** are from the Center for High Tech Materials (CHTM). The Surface Profiler is 16 years old and was cannibalized for replacement parts used in other pieces of equipment at their facility. All that remains is the outer casing. The Viewer Infrared is 15 years old, no longer functions properly and has become outdated.
- **3 Asset# 191668** is a 1990 Gould Recorder Ink utilized in the Department of Cell Biology and Physiology. It is an obsolete piece of equipment that would now be too costly to operate and maintain.
- **4 Asset# 267210** is a GenePix 4200A Scanner System from the Department of Pathology. Turnaround time for technology in the field of genomics is extremely fast at about 1-2 years. As this machine is almost 10 years old, it is outdated and no longer possesses the required specifications necessary for research. Faculty in the department were given the opportunity to claim the machine for research use before disposal and all declined due to the outdated nature of the machine.
- **5 Asset# N00013024** is a 2007 Tape Library in the New Mexico Tumor Registry department used to support SEER\*DMS, the previous cancer collection database. The tape library was starting to have carousel issues and was upgraded by SEER. SEER funded the replacement.

Note: Any item of value in this list will be re-sold through all means available, i.e.: Request for Bid, Auction house, special auction, online sale, to recover the maximum monies to reinvest in the mission of the requesting department.

## Tab 8

Approval of Projects Chemistry Building Phase I (Clark Hall)



#### Office of Capital Projects

#### MEMORANDUM TO ADVANCE COMMITTEE AGENDA ITEMS TO THE BOARD OF REGENTS THE UNIVERSITY OF NEW MEXICO

DATE:

April 23, 2014

TO:

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

FROM:

Chris Vallejos, Associate Vice President, Institutional Support Services

RE:

Requested Approvals

#### RECOMMENDED ACTION:

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

- Request for Capital Project Approval for Chemistry Building Renovations Phase I (Clark Hall)
- 2. Request for Capital Project Approval for Taos Core Student Success Center

Please see attached summaries and drawings.

cc: Lisa Marbury, Interim Executive Project Director, Institutional Support Services Vahid Staples, Budget Officer, Office of Planning, Budget & Analysis Robert Doran, University Architect, Planning & Campus Development R. Henrard, C. Martinez, C. Carian, E. Schwaner, T. Sanchez – OCP REQUEST FOR CAPITAL PROJECT APPROVAL for Chemistry Building Renovations - Phase I (Clark Hall) UNIVERSITY OF NEW MEXICO May 9, 2014

#### 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 Chemistry Building Renovation - Phase I, on UNM's Main Campus.

#### PROJECT DESCRIPTION:

This project will renovate portions of the approximately 81,339 sf chemistry facility. Primary renovations will be focused on safety and code compliance including Mechanical, Electrical, and Plumbing, (MEP), and information-technology (IT) system upgrades. Within the Clark Wing, core restrooms for the entire facility will be re-located and made to comply with ADA requirements. Within the Reibsomer wing, the project will include renovations to approximately 12,703 sf of research space, and will include additive alternates to the project of an additional 850 sf of research space if affordable. Research lab renovations will take place primarily on the third, second and basement floors. (Some labs on the first and third floors were previously renovated in 2010 and 2008) The project will achieve LEED Silver Certification.

#### PROJECT RATIONALE:

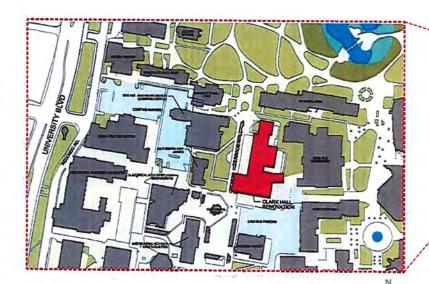
The Chemistry Department serves over 8,000 undergraduates and graduate students from more than twenty different degree-granting programs, and generates over 20,000 student credit hours. Many of these students apply to UNM Health Sciences programs including medicine, pharmacy, nursing and dental hygiene. Virtually all of the students in the College of Engineering take two or more semesters of chemistry. Chemistry courses are also part of the requirements for College of Arts & Sciences programs in Physics & Astronomy, Earth & Planetary Sciences, and Biology. In addition to the undergraduate program, Chemistry and Chemical Biology offers both a Master's of Science (M.S.) and Ph.D in chemistry. In the spring of 2013 the Department had 47 full-time Ph.D students and 3 M.S. level students all actively engaged in research. Grants: Chemistry has 16 tenure-track and tenured faculty members representing the traditional disciplines of organic, inorganic, physical, and biological chemistry. However, the focus is on interdisciplinary fields that work on real-world problems. Despite the low number of researchers, dropping to 13.5 in 2010, the average annual grant income for the past 3 years has held at over \$2,500,000.

#### **FUNDING:**

The total estimated Project Budget is \$16,000,000:

\$16,000,000 is funded from 2012 General Obligation Bonds

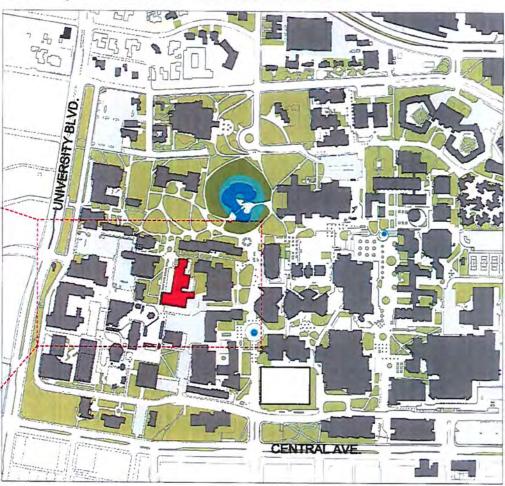




#### **ENLARGED SITE**

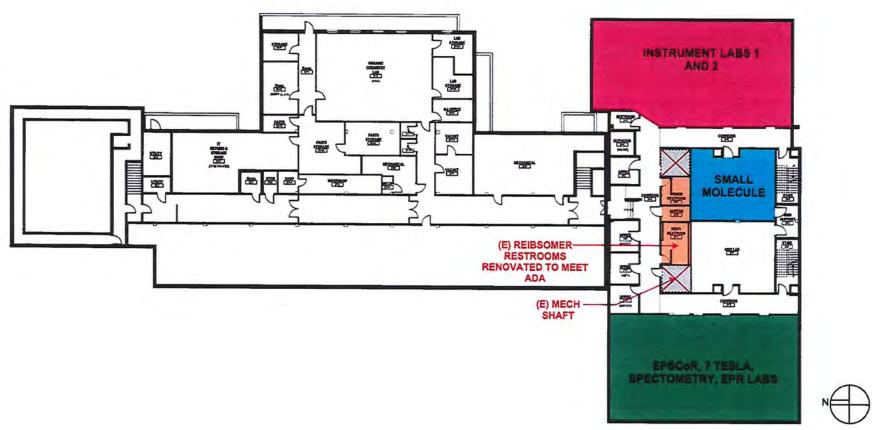
N.T.S.

#### University of New Mexico - Clark Hall Renovation



OVERALL SITE CONTEXT - WEST SIDE OF MAIN CAMPUS

N.T.S.



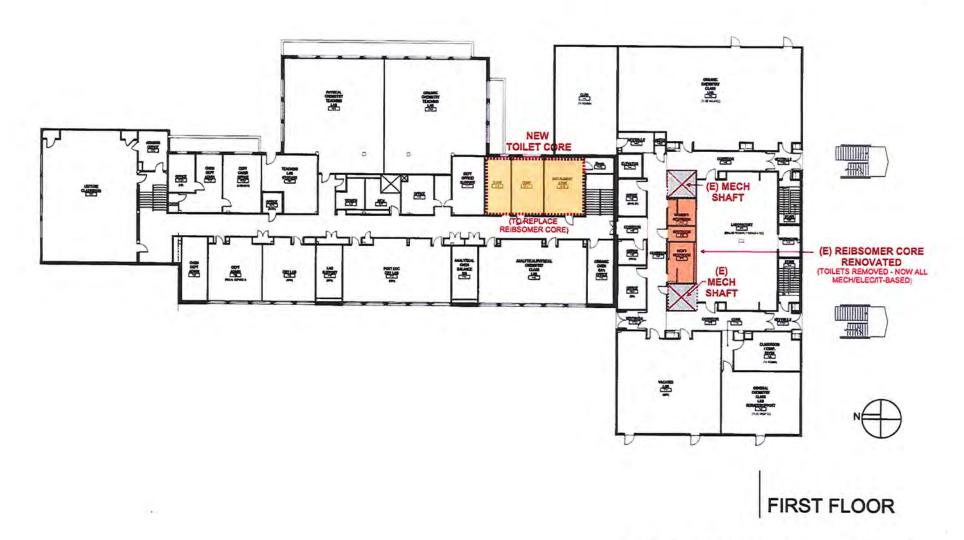


**BASEMENT** 

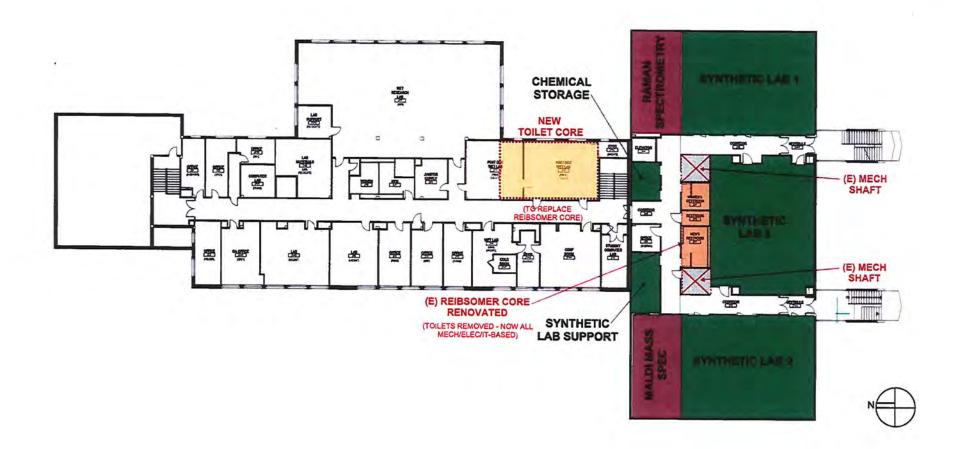
Building 22 - Clark Hall Chemistry Rennovation

Rev 0

April 2, 2014



Building 22 - Clark Hall Chemistry Rennovation
Rev 0 April 2, 2014

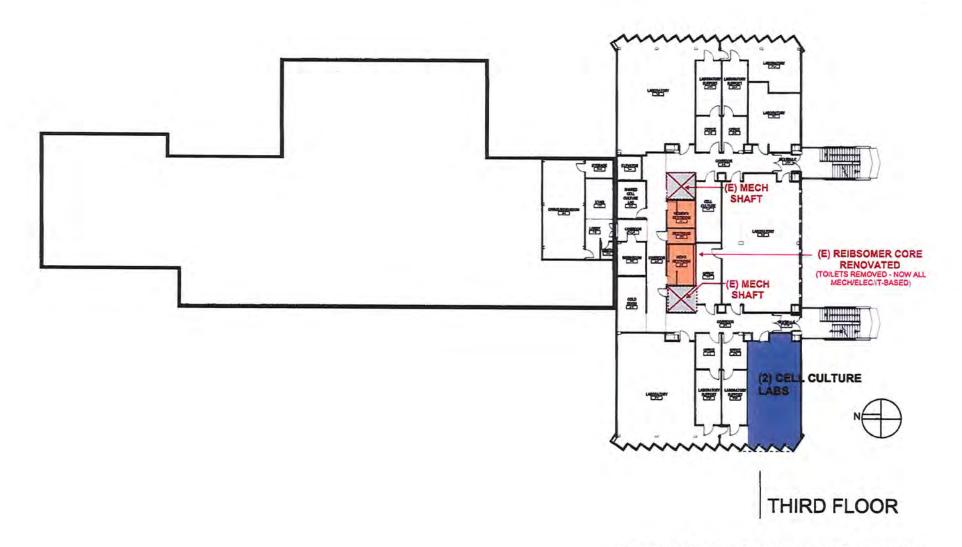


SECOND FLOOR

Building 22 - Clark Hall Chemistry Rennovation

Rev 0

April 2, 2014



Building 22 - Clark Hall Chemistry Rennovation
Rev 0 April 2, 2014

## Tab 9

## Approval of Projects-Taos Core Student Success Center

REQUEST FOR CAPITAL PROJECT APPROVAL for Taos Core Student Success Center UNIVERSITY OF NEW MEXICO May 9, 2014

#### 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 Core Student Success Center, at the UNM Taos Branch Campus.

#### PROJECT DESCRIPTION:

The Taos Student Success Center includes a renovation and addition to Padre Martinez Hall. The project will design, engineer, and construct an approximately 7,600 sf addition as well as refresh and repair an existing 7,221 sf of the building. This will complete the Student Services Center and Classroom Building. The scope includes mechanical, IT, electrical, and HVAC upgrades, controls, finishes, furniture and equipment for staff offices, new and renewed general classrooms. Additionally it will provide an open student service area for admissions, counseling, general student gathering, and spaces for formal and informal study. Building service spaces including one centrally located IT equipment room to serve the full building, and bathrooms and janitorial closet will be added to meet the expanded building needs. Classrooms will be wired with appropriate IT and electrical outlets designed to support additional audiovisual and enhanced learning environments equipment. Flexible/movable wall system and classroom furniture will also be provided.

#### PROJECT RATIONALE:

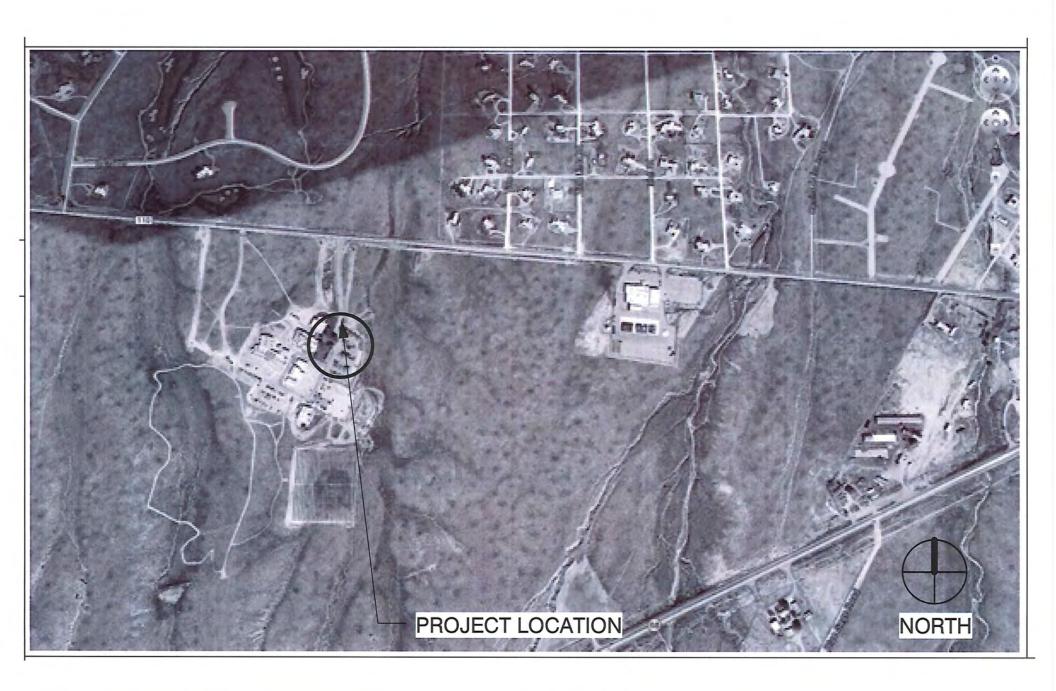
The project is needed to consolidate and improve the Taos Branch Campus educational and student financial services, the need for which has been compounded by a 14% increase in enrollment in the last year. The proposed project will pave the way for future expansion of the Taos Campus by facilitating the expansion of key programs addressing the educational needs of the community.

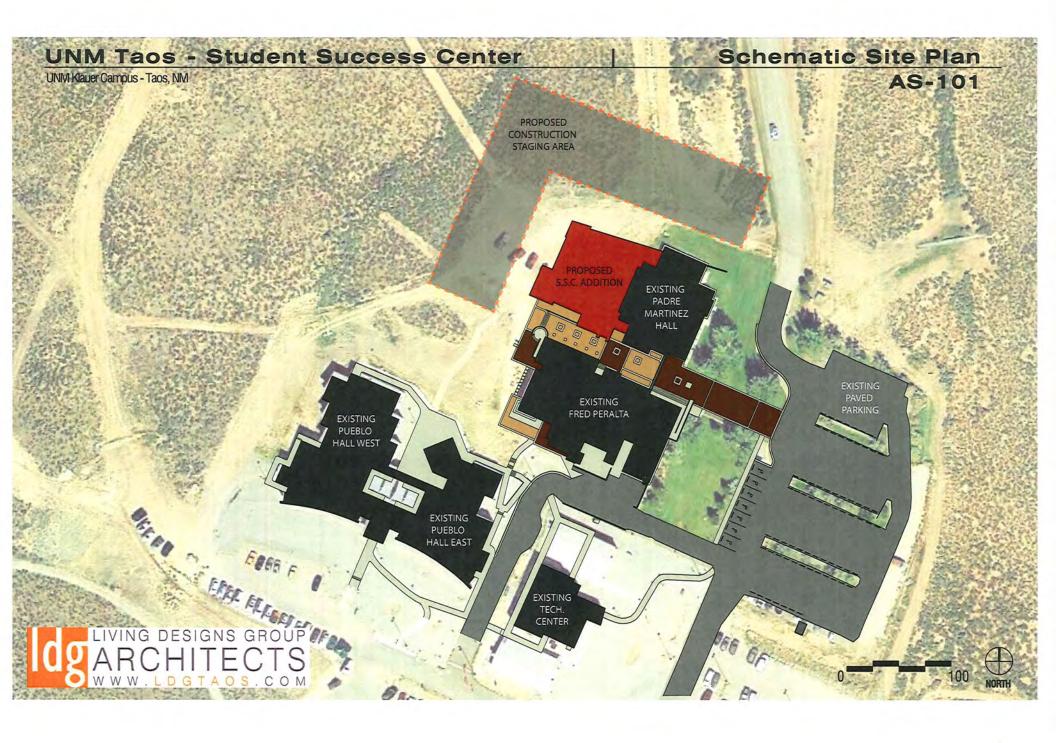
Paramount among future expansion issues is the pressing need to centralize student services. In an era of increased emphasis on recruitment, retention and graduation, UNM-Taos can no longer rely on cramped, repurposed office spaces in separate buildings to provide high quality student services. By centralizing these services into one expanded location, UNM-Taos will be able to create an efficient and effective network of providers, better equipped to insure communication and coordination of these critical needs.

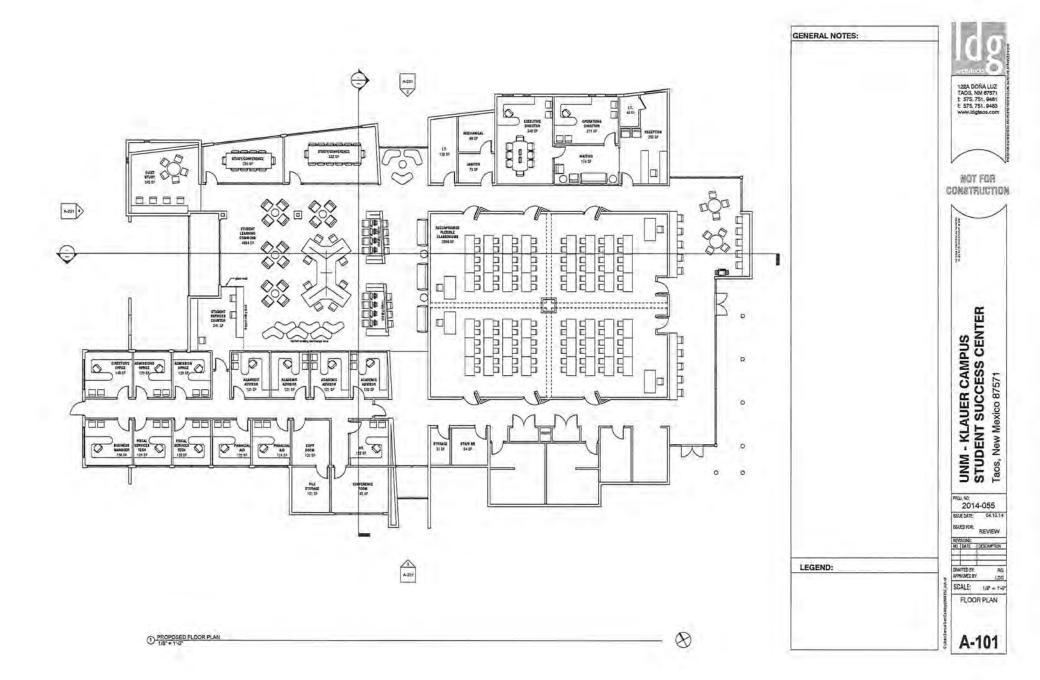
#### FUNDING:

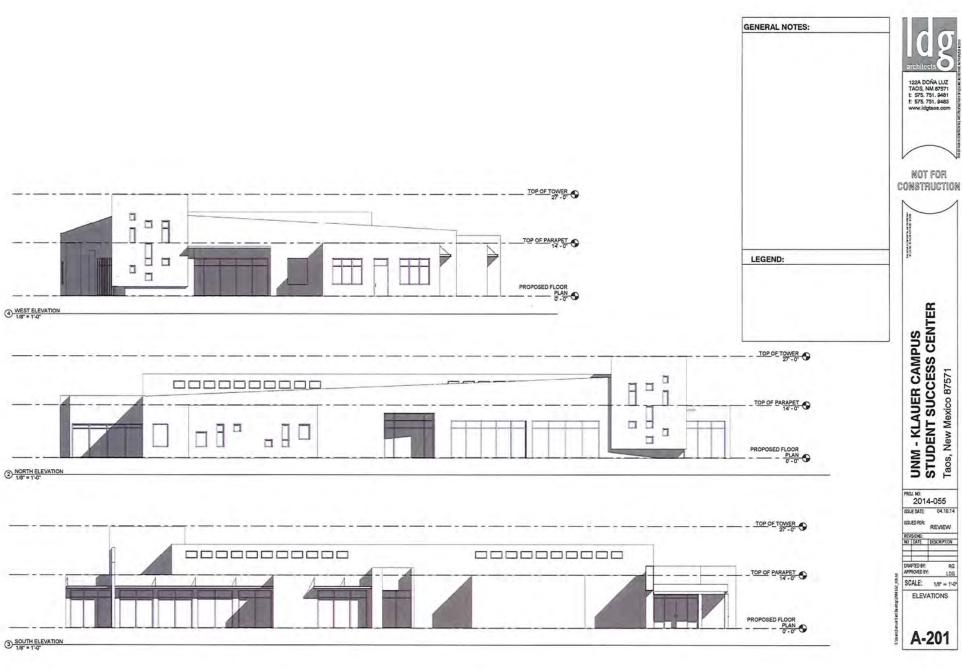
The total estimated Project Budget is \$3,688,000:

- \$1,231,788 is funded from 2012 General Obligation Bonds
- \$1,000,000 is funded from 2013 Severance Tax Bonds
- \$1,456,212 is funded from Taos Educational Gross Receipts Tax





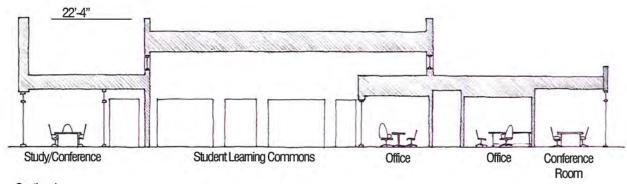




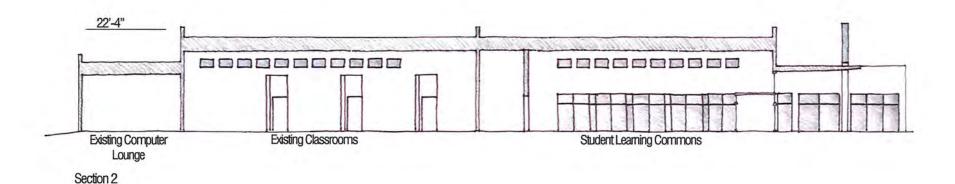


UNM Klauer Campus

Taos, NM



Section 1





# Tab 10



TO:

The University of New Mexico Board of Regents

**Finance & Facilities Committee Meeting** 

FROM:

STC.UNM

**Board of Directors** 

DATE:

May 6, 2014

RE:

Reappointment of Cindy McGill and Richard Larson to the STC.UNM Board of Directors

Appointment of Joseph Cecchi to the STC.UNM Board of Directors

The STC.UNM Board of Directors submits for approval the reappointments of Cindy McGill and Richard Larson to its Board of Directors for a four-year term, beginning July 1, 2014 and ending June 30, 2018. Ms. Cindy McGill and Dr. Richard Larson were recommended for reappointment by the STC.UNM Nominations Committee and approved by the STC.UNM Board of Directors at its February 6, 2014 board meeting, subject to the Regents' approval.

Ms. Cindy McGill Dr. Richard S. Larson bio attached bio attached

The STC.UNM Board of Directors submits for approval the appointment of Joseph Cecchi to the academic dean position on its Board of Directors for a four-year term, beginning July 1, 2014 and ending June 30, 2018. Dr. Cecchi, Dean of the School of Engineering, has been appointed by UNM President Robert Frank (as authorized by STC Bylaws, see attached letter) and approved by the STC.UNM Board of Directors at its April 25, 2014 board meeting to replace retiring Anderson School Dean Doug Brown, subject to the Regents' approval.

Dr. Joseph L. Cecchi

bio attached

#### Bio



Ms. Cindy McGill
Senior Vice President, Human Resources, Presbyterian Healthcare Services, Retired

#### Education

BBA - Business, UNM
MM - Human Relations and Organization Behavior, University of Phoenix
Advanced Rate School, Edison Electric Institute
Public Dispute Program, Massachusetts Institute of Technology/Harvard

#### Business/Research Background

Ms. McGill recently retired as Senior Vice President for Human Resources at Presbyterian Healthcare Services (PHS). In this role, she was responsible for human resources functions in the areas of compensation, benefits, recruitment, training and development and employee retention for over 9,500 PHS employees, which included delivery system, health plan and medical group employees as well. Prior to her position at PHS, Ms. McGill spent over 27 years at Public Service Company of New Mexico (PNM), where she held numerous management positions including Senior Vice President of Public Policy and Strategy, Vice President of Regulatory Policy and Vice President of Customer Services.

#### Particular Knowledge and Skills

Ms. McGill has extensive experience and expertise in public policy, strategy development, and general management. In addition to Ms. McGill's professional responsibilities, she is also active in the community. She currently serves as Chair of United Way's Women in Philanthropy Council and sits on the Board and Executive Committee for Albuquerque Economic Development. Her previous community activities include service on the Boards of the Greater Albuquerque Chamber of Commerce (Immediate Past Chairman), Presbyterian Healthcare Services and the Susan G. Komen Breast Cancer Foundation. Her many honors include induction into the Robert O. Anderson School of Management Hall of Fame, receiving the YWCA Woman on the Move award and being named an Honorary Commander of Kirtland Air Force Base.

#### Bio



Dr. Richard S. Larson
Executive Vice Chancellor
Vice Chancellor for Research, Health Sciences Center, UNIM

#### Education

AB - Chemistry, summa cum laude, University of North Carolina at Chapel Hill PhD - Immunology, Harvard University MD - Harvard Medical School

#### **Business/Research Background**

Dr. Larson is the Executive Vice Chancellor and Vice Chancellor for Research at the University of New Mexico Health Sciences Center. Dr. Larson oversees research endeavors at the Health Sciences Center as well as strategic planning and a number of operational, clinical and educational programs. Several of these programs support enhancement of diversity in our workforce. As an established scholar and leader, Dr. Larson's many accolades include the College of American Pathology Lansky Award for his leadership in and contribution to the practice of pathology and laboratory medicine, UNM Regents Lectureship for contributions to UNM, and the American Cancer Society Designated National Investigator for the Coaches against Cancer and Hoops for Lymphoma/Leukemia.

#### Particular Knowledge and Skills

Dr. Larson's accomplishments include over 100 published manuscripts and numerous patents. In addition, he edited the book *Bioinformatics and Drug Discovery* which was published in 2005, with a second edition published in 2012. His publication on the use of the novel non-DNA amplification platform for determining the presence of DNA mutations was chosen as manuscript of the year and appeared in the 2002 *Yearbook of Pathology and Laboratory Medicine*. In 2006, he and his collaborators at UNM and Sandia National Laboratories were awarded the Chief Scientist Award for their hand-held bio-agent sensor from the Defense Intelligence Agency. The hand-held detector was selected by *R&D Magazine* as one of the top products of 2010.

Dr. Larson is extensively involved in supporting and initiating several commercial ventures in New Mexico. He currently has commercial partnerships with Senior Scientific, Adaptive Methods, and Sandia National Laboratories and is a member of the Board of Directors for TriCore Reference Laboratory, New Mexico's 12th largest company where he has been involved in founding, operating and governance for over the last 11 years. He has also served on the Board of Directors for the National Center for Genome Research. In 2001, he co-founded Cancer Services of New Mexico, a non-profit organization which serves, free of charge, over 2,000 New Mexicans suffering from cancer each year. He is President of the Cancer Services of New Mexico Foundation, and serves on the Board of Directors for Cancer Services of New Mexico.



TO:

Dr. Robert G. Frank, President, The University of New Mexico

FROM: Sandra Begay-Campbell, Chair, STC.UNM Board of Directors

DATE: March 11, 2014

SUBJ: Recommendation to Appoint Joseph L. Cecchi as Academic Dean Member of the STC.UNM Board

of Directors

Dear President Frank:

Doug Brown will be retiring as Dean of the Anderson School of Management, effective June 30, 2014, and will no longer be eligible to serve as the academic dean member of the STC Board of Directors. As President of the University of New Mexico, you are authorized by the STC.UNM Bylaws to make appointments and re-appointments to this position. As Chair of the STC.UNM Board of Directors, I am recommending that Joseph L. Cecchi, Interim Dean of the School of Engineering, be appointed to a 4-year term as the academic dean member of the STC. UNM Board of Directors.

If you approve, his appointment will be submitted to the STC Board for approval at its April 25, 2014 meeting and then submitted for final approval to the Board of Regents at its May 9, 2014 meeting. Dr. Cecchi's term would begin on July 1, 2014 and end June 30, 2018.

Thank you for your consideration of this matter.

Sincerely,

Sandra Begay-Campbell

Chair, STC.UNM Board of Directors

Sandusegytunglell

cc: Elizabeth J. (Lisa) Kuuttila

CEO & Chief Economic Development Officer

STC.UNM

APPROVED BY

Robert G. Frank

President

The University of New Mexico



Dr. Joseph L. Cecchi Dean, School of Engineering, UNM

#### Education

BA – Physics, Knox College
MA and PhD – Physics, Harvard University
MBA - Anderson School of Management, The University of New Mexico

#### **Business/Research Background**

In 1994, Dr. Cecchi joined the University of New Mexico as a Professor of Chemical and Nuclear Engineering and as Chair of the Department of Chemical & Nuclear Engineering. In 2001, Dr. Cecchi was appointed Dean of the School of Engineering and served until 2009. His tenure as Dean was the second longest in the School of Engineering's history. He oversaw the funding, planning and construction of the \$43 million Centennial Engineering Center and the creation of three new strategic research centers and several interdisciplinary degree programs. As Dean, Dr. Cecchi was also responsible for increasing contacts between the School of Engineering and the business community and helped to recruit high technology companies to New Mexico. In 2011, he accepted the position of Provost and Professor of Engineering at the Masdar Institute of Science and Technology in Abu Dhabi, UAE. Masdar is a three-year-old graduate, research-driven university in partnership with MIT, concentrating on sustainable energy systems. Dr. Cecchi returned to UNM in 2012 as a Professor in the Department of Chemical & Nuclear Engineering and serves as Senior Advisor to the Provost for national laboratory relations. In 2014, Dr. Cecchi was appointed Dean of UNM's School of Engineering. Prior to coming to UNM, Dr. Cecchi was at Princeton University from 1972-1994, where he held joint appointments in the Department of Chemical Engineering and the Princeton Plasma Physics Laboratory. He was also Director of the Graduate Program in Plasma Science and Technology at Princeton. From 1991-1994, Dr. Cecchi was the Director of the New Jersey SEMATECH Center of Excellence (NJSCOE) for Plasma Etching, where he led a consortium of researchers from four universities and a private laboratory.

Dr. Cecchi served as a member of STC's Board of Directors 2001-2011 and as Chair from 2004-2011. Under his leadership, STC experienced significant growth and recognition as an innovative technology-transfer program and contributor to economic development in New Mexico. In recognition of his service to STC, the STC.UNM Board of Directors has renamed the STC.UNM Lobo VentureLab the Joseph L. Cecchi VentureLab.

#### Particular Knowledge and Skills

Dr. Cecchi's research focuses on fabrication at the microscale and below. He has worked extensively in semiconductor manufacturing, particularly plasma etching of dense patterns with sub-200 nm features, plasma enhanced chemical vapor deposition, and chemical mechanical planarization (CMP). Current interests include nanotechnology and microsystems. Dr. Cecchi and his students have authored more than 100 research publications and presented more than 150 papers at national and international conferences. He testifies regularly as an expert witness in semiconductor manufacturing litigation.

# Tab 11 UNM West Facilities Plan



Date: 23 April 2014

To: UNM Board of Regents

From: Wynn Goering

Re: UNM West Facilities Plan

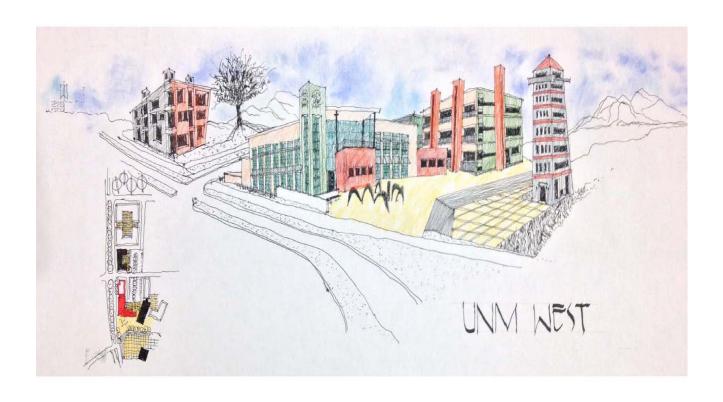
The attached facilities plan for UNM West is presented in response to a request for information regarding the potential capital implications of a collaboration with the charter school AIMS@UNM. The plan itself, however, is a broader effort to outline the next phase of construction at UNM West. It is driven by UNM West's strategic plan and program needs, and is consistent with the university's five-year capital planning matrix which will be presented to the Board of Regents later in the summer. We are seeking your acceptance of this plan on that basis.

As presented here, the facilities plan is neutral with respect to a potential collaboration with AIMS at this time. It is, however, designed to accommodate that collaboration as well as potential participation from other partners like SRMC, CNM, or the Rio Rancho Public Schools. Specific projects will obviously depend on mutually agreed upon needs and levels of investment.

# **UNM West Facilities Plan**

2014-2020

Draft Summary 4 -14





A Campus of the University of New Mexico New Mexico's Flagship University

# **Premises**

#### Mission

UNM West is dedicated to inspiring student success through quality higher education resulting in community vitality in Rio Rancho and the surrounding area.

# **Program**

All planning at UNM West is driven by program. Three programmatic elements are key to carrying out its mission and making UNM West viable:

- 1. A core curriculum that functions as a gateway to a broad range of disciplines at UNM;
- 2. A select set of programs that students can complete in their entirety at UNM West;
- 3. Innovative academic programming in areas key to the economic development of the region, especially health sciences and technology.

Core curriculum development is a meticulous process of (a) identifying courses that fulfill general graduation requirements <u>and</u> the prerequisites necessary to pursue individual degrees; (b) working with the relevant UNM departments to determine how best to staff them; and (c) scheduling them in times and sequences that allow students to make reasonable progress. The chart below reflects the first part of this process.

UNM Core and Prerequisite Matrix						
Writing and Speaking	Mathematics	Natural Sciences	Social Sciences	Humanities	Foreign Language	Fine Arts
General	General	General	General	General	General	General
ENG 101 ENG 102 C&J 130 PHIL 156	MAT 120 (101,102,103) MAT 121 MAT 129 STAT 145	ASTR 101 (L) ENVS 101(L) GEOG 101 ANTH 150	SOC 101 PSYCH 105 AMST 185 ANTH 130	ENG 107 ENG 150 AMST 186	SPAN 101 SPAN 102 SPAN 201 SPAN 202	DANC 105 MUS 139
Prerequisite	<u>Prerequisite</u>	<u>Prerequisite</u>	Prerequisite	Prerequisite		
ENG 219 (management)	CS 150 (management)  MAT 180 calc for business, premed  MATH 111 for El. Ed.  MATH 214	BIOL 123 (L) (nursing)* BIOL 201 (L) (premed/pharm) BIOL 202 (L) (premed/pharm) BIOL 203 (L) (sustainability) BIOL 237 (nusring)* BIOL 238 (nursing)* BIOL 239 (L) (nursing)* CHEM 111 (L) (nursing)* CHEM 121 (L) (premed/pharm) CHEM 301 (L) (premed/pharm) CHEM 302 (L) (premed/pharm) CHEM 302 (L) (premed/pharm) PHYC 151 (L) (premed/pharm)	ECON 105 (management)	HIST 101 HIST 102 HIST 161 HIST 162		
		NUTR 244 (nursing)				

The second program element for UNM West is the development of a set of degrees that students can complete in their entirety in Rio Rancho. UNM West will offer the following beginning in Fall 2014, with more to be added and developed in subsequent years:

Communications Business Administration (BBA) Sociology Public Administration (MPA)

Criminology Nursing (BSN)

Psychology Emergency Medical Training (EMT Basic)

Liberal Arts Special Education Dual Licensure

# **Operations**

Tuition and fee revenue generated at UNM West will drive the business plan. That means steady growth is essential to the progress of the campus. Through the core curriculum planning and degree completion options listed above, the goal is to drive up average enrollment per class (efficiency) and increase the number of classes offered (productivity).

	FY14	FY15	FY16	FY17	FY18	FY19	FY20
ENROLLMENT / REVENUE							
FACTORS							
Enrollment HC	2,045	2,822	3,894	5,374	7,417	8,158	8,566
FTE equivalent	205	282	389	537	742	816	857
% increase		38.0%	38.0%	38.0%	38.0%	10.0%	5.0%
# classes offered	184	212	243	280	322	354	372
average enrollment per class	11.1	13.3	16.0	19.2	23.0	23.0	23.0
increase in # classes offered	base	15.0%	15.0%	15.0%	15.0%	10.0%	5.0%
increase in average enrollment per class	base	20.0%	20.0%	20.0%	20.0%	0.0%	0.0%

# **Facilities Usage**

Facilities usage is driven by the program considerations and enrollment benchmarks above.

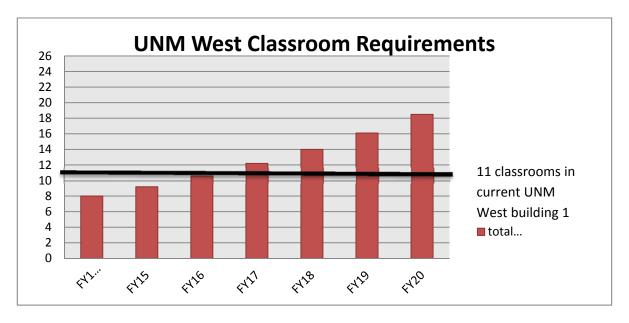
## Space utilization

Preliminary analysis of current space utilization at UNM West indicates that Building 1, administrative offices, student support spaces and classrooms provides approximately 130 net assignable sq. footage per FTE equivalent. This falls well within the medium norm for UNM and its peer institutions. The analysis of future campus needs focuses on classrooms as the primary need to support 5 year growth projections based on UNM West's academic planning. Support spaces and student and administrative spaces are calculated to allow for enrollment and faculty growth.

#### Classrooms

31 hours of classroom usage translates to 10 class sections per week. The single building at the present UNM West campus has 11 general purpose classrooms, so at median utilization rates it would accommodate approximately 110 class sections per semester. Additional classrooms, laboratories and support facilities will be needed to meet projected student enrollments. Utilization analysis based on projected enrollment, and taking into account current teaching spaces, indicates that UNM West will need additional classrooms by 2017. Current growth projections show 8 additional general classrooms will be required by 2020.

This plan allows for the addition of 10 general classrooms in 2017 to allow for continued sustainable growth and curriculum additions through the next 5 to 7 years.



# **Teaching Laboratories**

UNM West is committed to serving the workforce needs of the emerging healthcare sector of Rio Rancho and Sandoval County. Teaching facilities for health science disciplines, including nursing, pre-pharmacy, pre-medicine, and allied health, require laboratories in general chemistry, physical chemistry, organic chemistry, biology and physics.

To allow STEM curriculum and enrollment growth at UNM West four wet labs are required: one for Biology, one for Organic Chemistry and two for General Chemistry. Chemistry laboratory sections allow for 24 students per section in General Chemistry with 18 for Organic Chemistry. Biology sections are capped at 24 students. Phase I lab development can have limited lab sharing between Biology and Earth and Planetary Sciences with additional labs required as enrollment grows. General Chemistry may co-locate for a short period with 300 level Chemistry labs as courses are added. Additional instrument support rooms will be required.

12 to 15 sections per semester are estimated allowing for full course offerings and student enrollments to grow to a maximum capacity Phase I development. With significant laboratory constraints on the main campus we anticipate UNM West usage to fill up quickly.

# **Support**

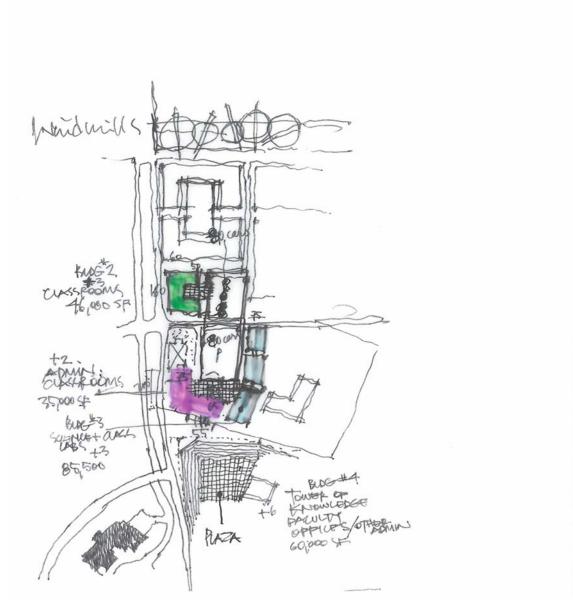
Six full-time faculty are being hired to teach at UNM West starting in Fall 2014. The business plan anticipates more being added each year through FY 2018 for a total of twelve FTE. Seven administrative professional staff positions will also be realized by FY 2018. Additional offices will be required to support new hires. Offices will initially be accommodated in Building #2 development. Twenty have been planned.

As the campus continues to grow the development of a centralized student support, office, and administration building is appropriate and should be planned for. Previously constructed office spaces in Building 1 and planned Building 2 can be repurposed for specialized uses adjacent to specific classroom functions and departments as the building functions are refined.

# **Campus Development**

UNM West's Phase I building plan is based on realistic growth and academic plan developments. Campus development will be driven by the concept of a right sized plan with a campus core that will serve as a destination, rather than a stop, for UNM students. The planned campus will accommodate a much wider programmatic menu than the current single building by including space for educational or healthcare partners.

The proposed site plan incorporates a projected 10 year development of 4 to 5 buildings with a unifying landscape. Facilities will be planned to meet expanding enrollment and curriculum based needs for classrooms, wet and dry class-laboratories and faculty and student support offices. Phase I development will create a core campus with multi-story buildings with adjacent parking, landscaping and a public plaza core, conjoining the campus in a cohesive site.



Proposed UNM West Site Plan for Phase I Development (Steve Borbas Planning)

# **Capital Projects**

The following capital projects are proposed with draft preliminary estimated capital costs.

1.	Building #2	\$12 million	Occupancy 2017
2.	Campus core infrastructure	\$3.5 million	Planned construction in 2018
<b>3.</b>	Building #3	\$11.5 million	Occupancy 2020
4.	Building #4	\$12 million	Occupancy TBD post 2020
<b>5.</b>	<b>Building #3 discrete addition</b>	\$11 million	Occupancy TBD post 2020

Estimates are a preliminary guide for capital budget plans and to develop funding plans. They will be refined, reexamined and adjusted for inflation as projects are developed and programmed. Projected dates coincide with state funding (GO bond) cycles; targets will be adjusted based on actual enrollment needs.

# **Project Scope Description**

## 1. Building #2 – \$12,000,000

Plan, design, site prep, construct, equip and furnish a 33,000 sf classroom building. Building #2 at the UNM West campus will include multipurpose classrooms, teaching laboratories and faculty offices. The cost estimate includes architectural and engineering fees, site and infrastructure preparation, building construction, materials testing, testing and balancing, IT, furnishing, equipment and construction administration costs.

# 2. Campus Core infrastructure – \$3,500,000

Paving and landscaping parking lots, providing integrated walkways and conjoining landscaping. Developing paved road access through campus, constructing a continuous redundant utility loop for phase I campus development including ducts for future expansion, and increasing fiber connectivity.

# 3. Building #3 – \$11,500,000

Plan, design, site prep, construct, equip and furnish a 20,500 sf building to accommodate further growth in STEM disciplines. Building #3 at the UNM West campus will include wet labs and dry labs for Chemistry, Biology and Earth and Planetary Sciences courses with building support and student study areas.

# 4. Building #4 – \$12,000,000

Plan, design, site prep, construct, equip and furnish a four story student support center, including administrative and faculty offices. The 15,500 sf building is conceptualized as a monument building identifying the campus. A core landscape and hardscape will accompany the building's development to provide a distinctive outdoor environment.

## 5. Building #3 discrete addition - \$11,000,000

A continuation of Building #3 on the UNM West Campus. This building will be planned and constructed based on curriculum and enrollment growth. The facility plan will be revised to both right size and adjust the utilization for the building addition phase.



# CITY OF RIO RANCHO RESOLUTION

**RESOLUTION NO.** 

**ENACTMENT NO.** 

SPONSOR: DISTRICT 1 CITY COUNCILOR CHUCK WILKINS & DISTRICT 4 CITY COUNCILOR MARK SCOTT

# CITY OF RIO RANCHO SUPPORT FOR ALBUQUERQUE INSTITUTE FOR MATHEMATICS AND SCIENCE (AIMS) CHARTER SCHOOL TEMPORARILY LEASING AVAILABLE SPACE AT UNM WEST

**WHEREAS:** Rio Rancho voters, property owners, and community members have supported education through various means such as property taxes, bonds, and a Municipal Higher Education Facilities Gross Receipts Tax; and.

**WHEREAS:** UNM West has made an effort to maximize the use of their existing facilities while providing a service to the community; and,

**WHEREAS:** UNM West has made a substantial investment in the City of Rio Rancho and is working on expanding its campus and programs; and,

WHEREAS: AIMS Charter School expanding to Rio Rancho by temporarily leasing available space at UNM West provides parents and students with additional academic choice; and,

WHEREAS: The existing AIMS Charter School in Albuquerque, which is affiliated with UNM, serves sixth through twelfth grade students and has a 100 percent graduation rate; and,

WHEREAS: A National Blue Ribbon School for 2013 based on its overall excellence, AIMS provides a focused education on advanced math, science, and technology skills while preparing its graduates for post-secondary education; and.

**WHEREAS:** Recent charrettes conducted by UNM West and CNM revealed a need for a focus on the academic disciplines of science, technology, engineering, and mathematics (STEM).

# NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF RIO RANCHO:

- 1) The Governing Body supports AIMS efforts to expand to Rio Rancho and begin offering classes to 40 sixth-grade students beginning next school year.
- 2) The Governing Body supports UNM West temporarily leasing available space at its

1 2	current facility to AIMS as it will grow baccalaureate and gradu	I not impact or diminish UNM West's commitment to
3	grow baccalaureate and grade	late programs in No Nancho.
4	3) The Governing Body will contin	nue to ensure that revenues from the
5	,	cilities Gross Receipts Tax will be applied to
6	. •	oters which are: (1) the acquisition, construction,
7	renovation or improvement of f	acilities of a four-year post-secondary public
8		in the municipality and acquisition of or
9		e facilities or (2) payment of municipal higher
10	education facilities gross receip	ots tax revenue bonds.
11	() TI ()	
12	students in Rio Rancho.	diverse educational opportunities for parents and
13	students in Rio Rancho.	
14 15		
16	ADOPTED THIS 23 <sup>rd</sup> DAY OF APRIL	2014
17	7,501 125 11110 20 5711 01 711 1112	- 2011.
18		
19		, Mayor
20		
21		
22		Date
23		
24	ATTEOT.	
25	ATTEST:	
26 27		
28	Stephen Ruger, City Clerk	<del></del>
29	(SEAL)	

# Tab 12

Update from the Provost (will be presented at the meeting)





# Albuquerque Institute for Mathematics and Science at ULA A State of New Mexico Charter School

Bobby Cordova, Assistant Principal

April 7, 2014

# Request for Waiver of Section 22-8B-4(L) Pursuant to Section 22-2-2.1(B)(3)

To: Hanna Skandara
Secretary of Education
Public Education Department
State of New Mexico
300 Don Gaspar Avenue, Room 209
Santa Fe, New Mexico 87501- 2744

By: The Albuquerque Institute for Mathematics and Science @ UNM

A State Chartered, Grades 6 - 12 Charter School

School Code: 524 001

School Director: Governing Board Chair:

Katharina Sandoval-Snider Dr. Stephen Cabaniss
AIMS@UNM UNM Chemistry Department Chair
933 Bradbury Drive SE MSC03 2060
Albuquerque, NM 87106-4374 Albuquerque, NM 87131-0001

(505) 559 – 4249 (505) 277 – 4445 ksandoval@aims-unm.org cabaniss@unm.edu

# Please Note:

- + Approval has been granted by the Governing Board (Attachment 1)
- + Approval is supported by the teachers at the school (Attachment 2)

# I. Applicable Statutes:

NMSA 1978, Section 22-2-2.1. Additional department duties; waiver of certain requirements.

- B. Upon receiving a waiver request from a school that exceeds educational standards and in addition to the requirements set forth in Subsection A of this section, the department may waive:
  - other requirements of the Public School Code that impede innovation in education if the waiver request is supported by the teachers at the requesting school and the requesting school's local school board.

NMSA 1978, Section 22-8B-4. Charter schools' rights and responsibilities; operation.

L. With the approval of the chartering authority, a single charter school may maintain separate facilities at two or more locations within the same school district; but, for purposes of calculating program units pursuant to the Public School Finance Act, the separate facilities shall be treated together as one school.

# III. Specific Request:

Pursuant to the authority granted the Secretary in Section 22-2-2.1(B)(3), the Albuquerque Institute for Mathematics and Science (AIMS@UNM), whose current facility is located on the UNM South Campus and within the boundaries of the Albuquerque Public Schools, requests that the restrictions in Section 22-8B-4(L) be waived to permit AIMS@UNM to open a separate facility at a location on or near the UNM West Campus and within the boundaries of the Rio Rancho Public School District.

# III. Eligibility:

The waiver authority in Section 22-2-2.1(B) is limited to those schools that exceed educational standards, and paragraph (B)(3) looks for innovations in education.

Pursuant to the Public Education Department (PED) School Grading Reports for both 2012 and for 2013, AIMS@UNM has consistently received a Final Grade of A and has ranked 1st in all

categories compared to its cohort schools. According to the 2013 PED School Grade Report, 100% of the school's students participated in the annual statewide assessment. Of those, 94.4% tested Proficient and Advanced in Reading and 94% tested Proficient and Advanced in Math.

In addition to the objective recognition by the Public Education Department that AIMS@UNM exceeds educational standards, in 2013 the school was recognized by the United States Department of Education as a Blue Ribbon School, was ranked by the Washington Post as the 46<sup>th</sup> best public or private High School in the United States, and was classified by Newsweek as being in the top 25% of all public schools in the country.

The school has received a grant from the Daniel's Fund to replicate its success at another facility. The essential question for the grant is whether the success of AIMS@UNM is a fortuitous accident caused by the specific composition of location, teachers, parents and students; or if AIMS@UNM found a manner of creating an educational environment that can result in the same success in another community, with other teachers, with different parents, and with distinct students. Establishment of another facility allows AIMS@UNM to test this question and to demonstrate the educational innovation of its programs. The restrictions in Section 22-8B-4(L) impede such innovation in education.

# III. Relevant History and Rationale:

Upon receiving the grant from the Daniel's Foundation, AIMS@UNM applied to its chartering authority to raise its enrollment cap and to establish another facility on another UNM campus. In doing so, AIMS@UNM entered into conversation with the then-Director of Options for Parents at PED, the bureau which houses the Charter School Division, Dr. Tony Gerlitz. Dr. Gerlitz requested background information, which was provided, conducted a special site visit to view the existing facility and evaluate the proposal, and gave advice on how to construct the request and the amendment.

Specifically, Dr. Gerlitz advised the school to discuss all the relevant information in the materials to be submitted to the Public Education Commission, but to focus on the enrollment cap on the amendment page. The reason for this was that, at the time, the PEC was requiring that specific facilities be approved as appropriate by the Public School Facility Authority (PCFA), but was

not requiring specific approval of an address beyond the PCFA certification. The enrollment cap was, however, explicit in the charter and could only be changed by an approved amendment to the charter.

In the materials submitted to the PEC (see Attachment 3), in Section 2.1 (page 3), AIMS@UNM specifically identified that in seeking an additional facility, possible locations included the Los Lunas Campus, North UNM Campus, or West Side Campus.

The PEC heard this matter at its regular hearing on February 1, 2013 (see Attachment 4, containing the relevant pages of the transcript). At the hearing, Dr. Gerlitz stated unambiguously:

This is a school that has consistently achieved very fine results academically in all respects. There's a tremendous demand for the school. And the amendment in front of us is in two parts -- and, again, it's related: to increase the enrollment cap from the current 360 students in grades six through twelve, to 720 students in grades six through twelve. And then the second amendment is to get approval to inhabit a second building on the University of New Mexico campus to house that requested increase in enrollment.

Page 99, Lines 13-23.

After the presentation by the school's Director and Legal Counsel, Dr. Gerlitz went on to state:

Madame Chair, members of the Commission, after going through the documents submitted by the AIMS at UNM School, it is our recommendation that both of these amendments be approved. Thank you.

Page 103, Lines 23-25 & Page 104, Lines 1-2.

Following the recommendation from Dr. Gerlitz, there was discussion between the PEC and the school, including one Commissioner – Bergman – finding a typographical error on page 15 of the packet (see Page 104, lines 6-11). After some further discussion, a motion was made by Commissioner Carr to approve the amendment (singular), followed by a roll call vote after which the Secretary, Commissioner Bergman, announced that the amendment (singular) was approved, after which the Commission Chair announced that the vote on the amendments (plural) was unanimous (Page 109, Line 19 through Page 111, Line 11).

AIMS@UNM left the meeting with the full understanding that the school had been approved for a new facility located on any of the campuses identified in the amendment packet.

Should there have been any doubt about the school being authorized to move to any of the campuses identified in the amendment packet, on Monday, April 15, 2014, Bradley Richardson, an Education Administrator with PED's Options for Parents Charter Schools Division sent an email to the Director of AIMS@UNM in which he relayed a concern if the school were looking to move to the Los Lunas Campus: "I think that a Valencia County location will take the PEC somewhat by surprise, so you might want to include a rationale for that location." (Attachment 5.)

After the school's Director forwarded the amendment packet to Mr. Richardson, he responded back on April 17, 2013 with an email titled: You Are an ACE! In the email he acknowledged the PEC was made aware through the supporting material of the various locations under consideration. (Attachment 6.)

Further, having had that specific interchange, there was no mention from PEC or from PED with any problem in locating the new facility at any of the locations in the amendment packet. AIMS@UNM has proceeded in good faith reliance upon the direction it has received and the communications it has maintained. The requested waiver – should it be granted – will merely permit AIMS@UNM to proceed in the direction it disclosed to the PED, PED and AG in February 2013, and in reliance upon the support from the PED and PEC for moving in such direction.

In the end, the acceptable facility identified by UNM for the expansion of the school was its West Campus, located within the boundaries of the Rio Rancho Public School. This was brought to the Regents in February 2014 and approved in principle in March 2014, with final details to be presented at the May 2014 Regents meeting. Thanks to some unwarranted publicity by detractors of competition in education, with no advertising, the campus has a waiting list exceeding its capacity and will select its initial students by lottery.

# IV. Exceptionality of AIMS Program

In 2012, the AIMS expansion received a Daniels Foundation Grant, primarily because of its high level of performance throughout the Charter term. Currently the school enjoys a 94% proficiency in both reading and mathematics, which exceeds the performance of school districts located within Sandoval County boundaries, as well as the state in general.

Since 2006, AIMS students have continuously made steady improvements in achievement; particularly in the areas of math and science. According to the CREDO study, AIMS is one of only six schools in the State of New Mexico that outperforms the traditional public schools. The school has consistently met AYP goals each year, increasing student proficiency yearly. Analysis of incoming sixth graders over the past three years shows an increase in math proficiency of 40%, science by 45%, and reading by 38% with current levels at 95%, 95% and 90% proficient and advanced respectively. By their senior year, AIMS students reach a proficiency of over 98%. The achievement gap has diminished from 38% in reading to 1% currently, and math from 28% to less than 1%. Most recently, AIMS was named as a National Blue Ribbon School; one of only 11 charter schools in the nation to receive this honor. Additionally, the Washington Post named AIMS as the 48th most rigorous school (public or private) in the nation and Newsweek has named the school as one of the top 25% best schools in the nation.

For this reason, the Albuquerque Institute for Math and Science is considered to be an exceptional school in New Mexico and the students of Sandoval County will benefit from this school if offered in the Rio Rancho School District.

Based on the forgoing history and for the foregoing reasons, AIMS@UNM respectfully request that the Secretary of Education use the authority conferred upon her through Section 22-2-2.1(B)(3) to grant the school a waiver of the restrictions in Section 22-8B-4(L) so that it may continue its innovation in education at a facility outside the boundaries of the Albuquerque Public Schools.

Respectfully Submitted,

Katharina Sandoval-Snider

Director, AIMS@@UNM

Attachment 1: Minutes of Governing Board Approval

Attachment 2: Support by the Teachers at the School

Attachment 3: Amendment Packet Submitted to PEC

Attachment 4: Transcript of Feb 1, 2013 PEC Meeting

Attachment 5: Email from Bradley Richardson April 15, 2013

Attachment 6: Email from Bradley Richardson April 17, 2013

Attachment 7: Charter School Division Post Amendment site visit and analysis
April 2013

Attachment 8: Letters of Support

Attachment 9: Rio Rancho City Council Resolution of Support

Above Request for Waiver sent via electronic mail on April 7, 2014 from the School Director's email:

TO: Lorianne Romero <a href="mailto:Lorianne.Romero@state.nm.us">CC: Timothy Callicutt @state.nm.us</a>

CC: Paul J. Aguilar < Paul J. Aguilar@state.nm.us>



# Albuquerque Institute for Mathematics and Science

Due to its exceptional performance, we the undersigned teachers of the Albuquerque Institute for Math and Science at UNM respectfully request a waiver be granted to allow establishment of an expansion within the Rio Rancho school district fall of 2014.

Last Name	First Name	Sign-In
Detterrera	Paul	P
Delmore	Jerry	an
Eckert	Steve	Stoping dent
Ellís	Michael	16-10
Fey	Linda	Linda Les
Frazier	Donald	Sall-shi
Gravina	Susan	SUMPORIVA
Hamilton	Marvin	
Harrís	Michael	The of the
Hinkle	Nadía	Ololin An
Hostetler	Andrew	Andrew Att test
Logan	Brianna	13 /m
Mitchell	Ben	Mar Mark
Mosa	Tahany	The last
Sanders	Randy	Low Aux Struck
Stiefel	Sonja	MANAST HOLL
Tyler	Reggie (	Stank of
Watje	Phílíp	Pt
Wingenbach	Chris	11/11/

# DRAFT \*\*\* Agenda \*\*\* DRAFT

# **AIMS Board of Trustees Meeting**

# December 12, 2013 11:30 a.m. – 1:00 p.m. AIMS@UNM Conference Room

- 1. Approval of Minutes from November
- 2. Approval of Agenda
- 3. Comments from Community- 15 minute time limit, speakers limited to 3 minutes each
- 4. School Director Report
- 5. Financial Items: BARs, Statements, Check vouchers
- 6. Replication siting
- 7. Adjournment



# Albuquerque Institute for Mathematics and Science 933 Bradbury SE Albuquerque, New Mexico 87106

(505) 559-4249 www.aims-unm.org

## **Regular Meeting**

Albuquerque Institute for Mathematics and Science Governing Council

	: December 12, 2013 : 11:45 am	iathematics and s	science Governin	g Council
Locat	ion: First floor conference room, 800 Ur	niversity Blvd		
	ing Type: ⊠Regular □Special	☐ Proposed	□Approved	
Atten	dance:			
<u>Mem</u>	bers:	Present		Absent
Dr. St	eve Cabaniss, President	$\boxtimes$		
Bob V	Valton, Vice President	$\boxtimes$		
	athryn Watkins, Secretary	$\boxtimes$		
	ortuin, member	$\boxtimes$		
Breda	Bova, member			$\boxtimes$
Dr. Ali	icia Aragon			$\boxtimes$
Dr. Ke	erry Howe	$\boxtimes$		
_	Mitchke	$\boxtimes$		
Other	Attendees: Katharina Sandoval-Snider,	Jolene Jaramillo		
1. 11. HII.	Approval of November Minutes as an Second: Howe Motion passed unanimous Approval of Agenda Motion to move item 5 to item 3 Second: Watkins Motion passed-unanimous Financials were examined and approvance BARS were submitted:  1) Bar 14: Transfer within 100(2) Bar 15: Transfer within 200(3) Bar 16: Transfer from 2000	Walton ed by Mitchke. 0 function (1100 o 0 function (1100 o	Operational)	Watkins Cabaniss
	Vouchers were also reviewed and pres	sented		
	Motion to approve BARS as presented Second: Walton Motion carried: unanimous	: Mitchk	e	
copy of	Motion to approve vouchers as presenthe meeting minutes are available for public inspection		_	

A copy of the meeting minutes are available for public inspection at Albuquerque Institute for Math and Science at 933 Bradbury SE, Albuquerque, NM 87106, within 10 calendar days for proposed minutes and 2 calendar days of approval for approved minutes.

The AIMS@UNM shall comply with subtitle A of Title II of the Americans with Disabilities Act of 1990. Should you require specific accommodation(s) please contact Katharina Sandoval-Snider at (505) 559-4249 5 business days prior to the meeting



# Albuquerque Institute for Mathematics and Science 933 Bradbury SE Albuquerque, New Mexico 87106 (505) 559-4249 www.aims-unm.org

Second: Walton

Motion carried: unanimous

IV. Comments from the Community: 15 minute time limit, speakers limited to 3 minutes each. None

V. School Director Report

Sandoval-Snider

- 1. Went to Washington to receive Blue Ribbon award
- 2. Dr. Goering visited the school and there was discussion about the West campus as a potential replication site for AIMS. Dr. Goering thought he had one classroom that could be dedicated to AIMS. Final decision by February.
- 3. Soccoro Public Schools visited AIMS to see data presentation and teacher research.
- 4. Billy Sparks helped with the press release! He will next have a discussion with the Superintendent of Rio Rancho about the replication and possible location on the West campus
- 5. Met with Secretary Skandara about Charter Leadership concerns and replication of AIMS model
- 6. Presented to the full Regents on December 10th. They seemed responsive to replication. I've included the power point I presented.
- VI. Report on replication

Sandoval-Snider

Feedback on meetings and presentations to Regents was positive. Sandoval met with Academic Affairs committee, Facilities Committee and full Regents. Approval was unanimous, with few concerns. One concern raised concerned housing of sixth graders in same building as college students. Sandoval elaborated on the structure of the school in addressing this concern, and reiterated the school performance. Mr. Sparks will initiate talks with Rio Rancho Public Schools Superintendent about possible replication to the west side.

Sandoval: placement of expansion on the West UNM would be ideal. Sandoval assured Board that amendment approval had been received by both PEC and PED on Feb. 1, with citation of all three potential sites included and approved. Post amendment analysis from the PED CSD addressed the amendment but raised no issues. As UNM West is an expansion itself of the UNM Main, it main alleviate any of the concerns of a Branch site like Los Lunas.

Motion to approve expansion location to UNM West: Walton

Second: Howe

Motion carried: unanimous

# VII. Meeting was adjourned 12:30 pm

A copy of the meeting minutes are available for public inspection at Albuquerque Institute for Math and Science at 933 Bradbury SE, Albuquerque, NM 87106, within 10 calendar days for proposed minutes and 2 calendar days of approval for approved minutes.

The AIMS@UNM shall comply with subtitle A of Title II of the Americans with Disabilities Act of 1990. Should you require specific accommodation(s) please contact Katharina Sandoval-Snider at (505) 559-4249 5 business days prior to the meeting

# ALIDS LACIDERS

# Albuquerque Institute for Mathematics and Science

933 Bradbury SE Albuquerque, New Mexico 87106 (505) 559-4249 www.aims-unm.org

# Respectfully Submitted:

Katharina Sandoval-Snider

Director

Dr. Steve Cabaniss, President

A copy of the meeting minutes are available for public inspection at Albuquerque Institute for Math and Science at 933 Bradbury SE, Albuquerque, NM 87106, within 10 calendar days for proposed minutes and 2 calendar days of approval for approved minutes.

The AIMS@UNM shall comply with subtitle A of Title II of the Americans with Disabilities Act of 1990. Should you require specific accommodation(s) please contact Katharina Sandoval-Snider at (505) 559-4249 5 business days prior to the meeting

Albuquerque Institute for Math and Science at UNM

# **Amendment Proposal**

Presented on 2/1/2013

# **Table of Contents**

1	Current Situation and Request			
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# Introduction

"Albuquerque Institute for Mathematics and Science @UNM (AIMS@UNM) is committed to preparing its students, grades six thru twelve, for college, community, and beyond through a rigorous focus on math and science and an emphasis on global participation."

# 1 Current Situation

The need for the AIMS program far exceeds the space. The Albuquerque Institute for Math and Science at UNM is currently housed on the University of New Mexico south campus. The current building is located at 933 Bradbury St. S.E. and is presently at physical capacity of the building with 312 students enrolled, even though the current charter cap is set at 360 students. 62% of the sixth grade openings are taken by siblings of current students, leaving only 22 openings for new students. There are 520 students on the school wait list.

# 2 Proposal

The current location is ideal for delivery of the mission of the school. The current location however is "land locked" with little opportunity for expansion. For this reason, the Albuquerque Institute for Math and Science is requesting an increase in its enrollment cap from 360 to 720 students, grades 6-12 to allow for the establishment of an additional location of the school. Both schools would have a singular mission and would share administration and resources.

# 2.1 Objectives

Should the amendment request be approved, the AIMS administration will immediately pursue earlier informal negotiations with the University of New Mexico to secure space for a sixth grade class of approximately 60 students, to arrive fall of 2013. An additional location near the current established building would be ideal, however other possible locations include:

- Los Lunas Campus
- North UNM Campus
- West Side Campus

## 2.2 Approach

The additional location would begin with 60 sixth graders, and increase in grade level each year, until reaching a maximum enrollment of 360 students, grade 6-12. This would be in addition to the existing campus located on the UNM South Campus. It is crucial that the students on the additional campus be able to easily access the University of New Mexico and CNM campuses. This is due to the Dual Enrollment requirement of the Charter. It is not unusual for AIMS students to graduate with 50 or more credit hours from UNM. The new additional campus would have an assistant principal on site, with oversight provided by the current Principal.

#### 2.3 Benefits

The benefits of maintaining the current location while starting another sixth grade at an additional location and slowly adding an additional class each year includes:

- Maintenance of the culture that has been established at AIMS, while providing a strong supportive model for establishment of the same culture at the additional site.
- Gradual growth that would minimize financial and operational risk and encourage measured deliberate implementation of the program at an additional site.
- an ability to structurally and culturally maintain the integrity of this
  established and successful program in such a way as to encourage it's
  replication in the new site
- Allow the stability of the established school to encourage the same stability at the new site.

# 3 Current Program

The Albuquerque Institute for Math and Science at UNM is now in its eighth year of operation, having renewed in 2010. The school is due for renewal again in 2015. Factors which contribute to the potential successful expansion of the program include; the stability of the current program, the large geographical area from which the school draws and the performance of the school over the course of the charter.

# 3.1 Stability

The current administration has 25 years of administrative experience and has been with the school for the past 7 years. Prior to this, the current administration was an administrator for the Career Enrichment Center with APS, oversaw APS summer school, and founded the APS Early College Academy.

By MOU with the University of New Mexico, the Governance Council is made up of four University of New Mexico professors (College of Engineering, College of Education, College of Arts and Sciences and the President's Designee respectively). Two members are from the Community at large (Economic Development and Sandia National Laboratories) and there is also a parent representative. The average Governance Council member has three years' experience with the AIMS GC. Three of the seven members have been GC members since the school opened in 2005.

AIMS is fortunate to have very little turnover in instructional staff each year. This may in part be due to the teaching environment; the teachers of AIMS believe in the purpose and mission of the school, and are therefore of common mind and goal. When a new position is available, AIMS uses a rigorous hiring process to find top-quality teachers who are experts in their content areas. Teachers at the school have discretion over their collaborative meeting time and agenda, and they spend over 100 hours per year in collaboration and planning time. AIMS utilizes annual performance contracts and performance based pay to ensure that only the highest-quality teachers remain at the school. The average instructor has been with the school for a little over five years, with six teachers having been with the school since it opened in 2005

### 3.2 Demographics and Impact

Demographically the school is just about evenly split between Hispanic and Anglo populations. (Figure 1) Approximately 30% are eligible for Free and Reduced lunch and 42% of the student population receiving special education services.

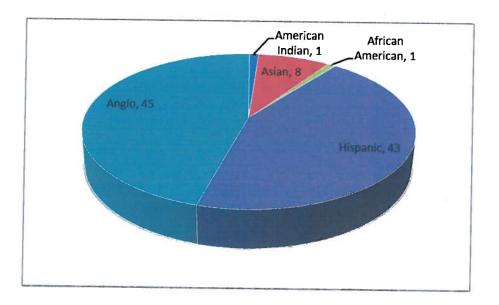


Figure 1

Geographically, the families of AIMS are spread out between Santa Fe and Los Lunas. The majority of families come to AIMS from the West Mesa and South Valley of Bernalillo County. Other locations represented include: Corrales, Placitas, Bernalillo, Santa Fe, East Mountains, Los Lunas, Bosque, and Peralta. Transportation to and from the school is provided for the most part by parents, although many students also utilize public transportation including city buses as well as the New Mexico Rail Runner.

The fact the AIMS families are so spread out, and the large distances that the families are willing to drive to attend AIMS, suggests that direct impact to any specific school in the greater Albuquerque Area would be minimal. A representation of the location of AIMS families is below. Each "bubble"

represents the numerical number of families living in that general location. (Figure 2)

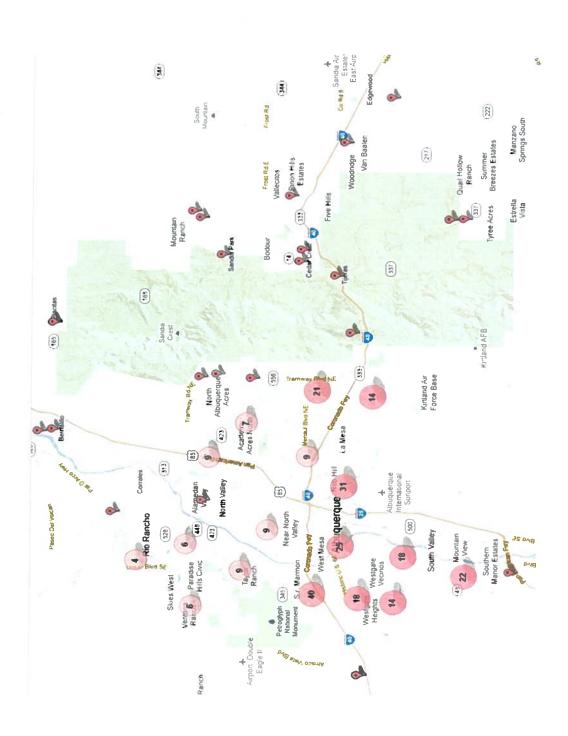


Figure 2

### Albuquerque Institute for Math and Science at UNM Amendment Request

Parents who bring their children to AIMS are attracted to the schools specific mission and rigor. Although there are several schools within a three mile distance from the main facility of AIMS at UNM, the impact of an additional school would have minimal impact on the student population of those schools should the additional site be in close proximity to the current location. Below is a listing of schools within a three mile area of the school at this time, along with grades served and current population of the school. (Figure 3)

School	Grades	#	Mid	#	Miles
Albuquerque High School	9th-12th	1600			2.59
La Resolana Leadership Academy	6th-8th	74			1.26
Ralph J Bunche Academy	K-8th	104	6th-8th	37	1.26
Early College Academy	9th-12th	200			2.39
Academy of Trades and Technology	9th-12th	110			2
Robert F Kennedy Charter	9th-12th	<300	Day and I	Night Schoo	1
Christine Duncan Charter	K-8th	112	6th-8th	45	1.33
Immanuel Lutheran School	K-8th	200	6th-8th	60	2
Jefferson Middle School	6th-8th	950			2.26
St. Charles Borromeo	K-8th	300	6th-8th	70	0.6
Cien Aguas International School	6th-8th	55			1.26

Figure 3

Albuquerque High School is a comprehensive high school and therefore does not have the focused mission of AIMS. Early College Academy does have a similar mission to AIMS, however ECA does have transportation provided to the students, and therefore AIMS would most likely not impact the enrollment of the ECA. La Resolana Leadership Academy does have a middle school; however its mission is different from AIMS. Ralph Bunch, Academy of Trades and Technology and Robert F Kennedy, Christine Duncan and Cien Aguas Charter Schools all have very different missions and serve different populations than AIMS. The parochial schools of Immanuel Lutheran and St. Charles do send children to AIMS, and so those children come back into the public school system. Jefferson Middle, a comprehensive middle school has a large wait list for transfer students into the school and most likely would not be negatively impacted by an AIMS expansion.

### 3.3 Performance

Over the past 5 years the school has implemented a practice of utilizing both internal and external assessments to inform curriculum and drive instruction. The Administration disaggregates student test scores to teachers; by teacher and student. This has allowed the school to identify highly effective teachers in the classroom, as well as teachers who had little or even negative effect on student performance, and facilitate corrective measures.

A five year trend in math scores demonstrates improvement in proficiency from nearly 40% in 2007-2008 to nearly 100% proficient in 2011-2012. (Figure 4)

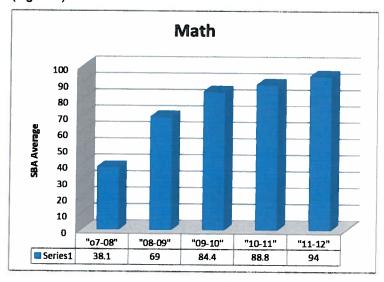


Figure 4

Performance has also increased within subgroups, with the performance gap narrowing significantly between Hispanic and Anglo subgroups. (Figure 5)

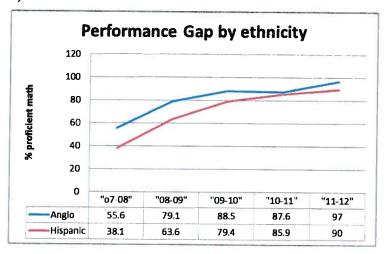


Figure 5

The same trend can be seen over time within the gender subgroups. (Figure 6)

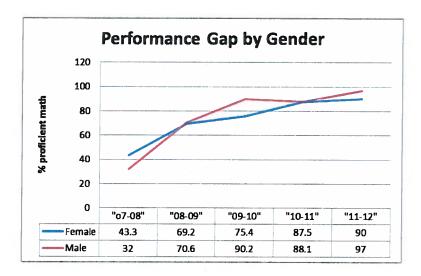


Figure 6

Reading reflects the same increase in general performance over a five year term. (Figure 7)

A little over 40% proficiency in reading during the 2007-2008 school year progressively increases to nearly 100% proficiency by the 2011-2012 school year.

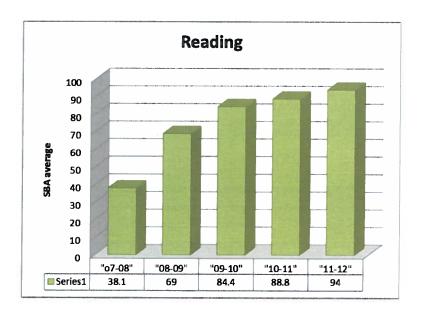


Figure 7

Again the performance gap between the Hispanic and Anglo subgroups diminishes during the five year term. The same can be seen within the gender subgroups over the same time period. (Figures 8 & 9)

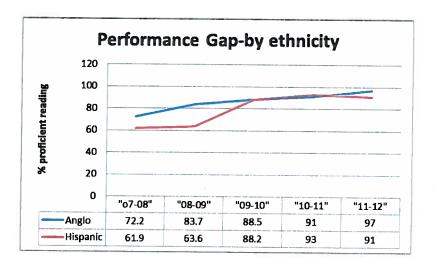


Figure 8

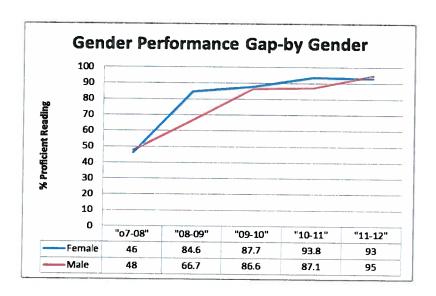


Figure 9

An analysis of a singular class over the years allows a comparison of the same group of students over the years.

An example is an analysis of the class of 2013 over a five year period of time as seen below. In 2007-2008 proficiency of this group of students was 42%

in math. As the years progress however, the proficiency of this group steadily increases, until finally reaching 100% during the 2011-2012 school year. (Figure 10)

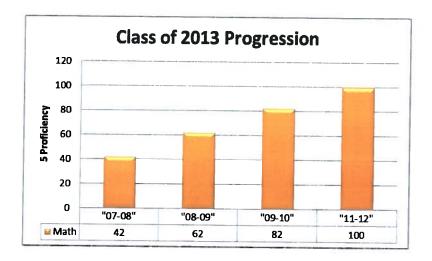


Figure 10

If we look at the ethnic and gender subgroups, again significant improvement is demonstrated. There is a performance gap between Hispanic and Anglo subgroups in 2007-2008, although across the board the performance is sadly lacking in both groups. (Figure 11)

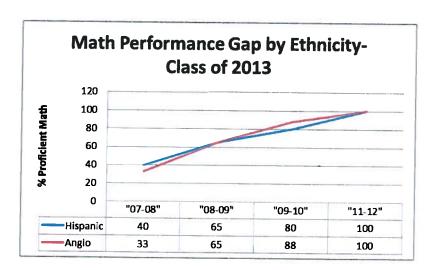


Figure 11

However, as the years progress for these students, the performance not only increases for both these groups, but by 2011-2012 the performance gap has disappeared as both groups reach 100% proficiency.

With math performance between gender groups, there is a significant difference between males and females, with females far outscoring male students. Again, however, over the years, both groups have improved with again the performance gap disappearing as both groups become 100% proficient. (Figure 12)

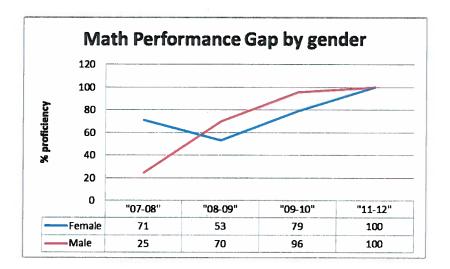


Figure 12

This same trend is mirrored in the reading scores over the years for this same group of students. In 2007-2008 reading proficiency was below 40%. As this same group progressed through the years however, proficiency increased significantly until reaching 100% during the 2011-2012 school year. (Figure 13)

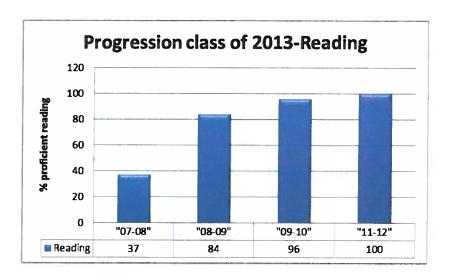


Figure 13

Just as with the performance between the Hispanic and Anglo subgroups, the performance gap was non-existent, however the scores themselves were abysmal. Progression through the years for this group of students however, culminated in a 100% proficiency by 2011-2012, with no performance gap. (Figure 14)

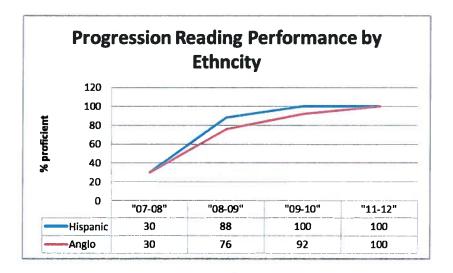


Figure 14

Mirroring the performance gap between gender groups, there is a significant gap between male and female performance, with females scoring around 69% while their male counterparts scored 25% proficient. Again, as the years progressed, not only did the gap disappear, but both groups were 100% proficient by 2011-2012. (Figure 15)

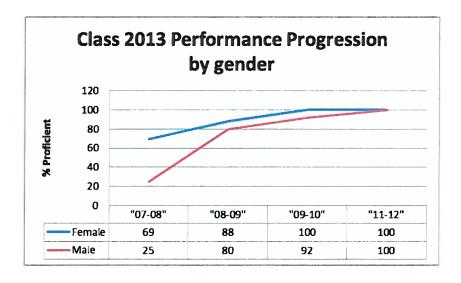


Figure 15

### 4 Costs

In March of 2012, the Albuquerque Institute for Math and Science received a Daniels Foundation Grant of \$175,000.00 to help fund establishment of an additional campus for the school. Additionally, the following is an analysis of the projected revenue current through 2017. Additional budget analysis is found in the Appendix.

### AIMS @ UNM Projected Revenue

Funded Budget Year	Prior Year Mem	40 Day Mem	Unit Value	SEG	Difference
		<u> </u>	\$	\$	
2011-2012	261	301	3,668.18	2,277,490.90	
			\$	\$	\$
2012-2013	295	302	3,668.18	2,174,378.63	(103,112.27)
-			\$	\$	\$
2013-2014	295	420	3,668.18	3,050,435.38	876,056.75
			\$	\$	\$
2014-2015	420	480	3,668.18	2,669,165.55	(381,269.83)
			\$	\$	\$
2015-2016	480	540	3,668.18	2,922,582.14	253,416.59
			\$	\$	\$
2016-2017	540	540	3,668.18	2,776,975.00	(145,607.14)
					\$
					602,596.37

Revenue difference from 2012-2013 where no growth was calculated is \$602,596.

### Notes:

Unit value remained constant at \$3,668.18.

A/B program remained constant at 72.800 units.

At-Risk remained constant at 0.054 index.

T&E remained constant at 1.087 index.

40 Day membership counts identify the school meeting the projected growth of:

2013-2014: 65 new students at main site and 60 at new site.

2014-2015: 60 new students at new site.

2015-2016: 60 new students at new site.

Student growth was identified in 6th grade which has a lower cost index.

### 5 Conclusion

The Albuquerque Institute for Math and Science at UNM is a highly successful State Charter School, with a history of high performance. The success of the school has resulted in a greater need than is physically possible at the original site. As the original site is optimum for the mission of the school, and is the sources of much of the culture of the school, it is desirable to start another location near to the original site in effort to attend to at least some of the demand for the program. The growth, performance, stability and range of families attending the school, limit's the risk inherent in any expansion of a Charter School. For this reason, the Albuquerque Institute for Math and Science is requesting an amendment that would allow an additional site of 60 sixth graders beginning the fall of 2013, and adding a grade level each year until a 12<sup>th</sup> grade is implemented, in essence doubling the enrollment cap to 720 students by the year 2019.

# Albuquerque Institute for Math and Science at UNM Amendment Request

Appendix A:

# Page 16 of 19

Acrised 1-24-12

### STATE CHARTER SCHOOL CHA E/AMENDMENT REQUEST FORM

This Request Form MUST include a copy of the governing body infinites from the inceding at which the a nendment was approved.

\*An approved thater application is a <u>restrict</u> between the charter school and the chartering authority. (22 8H 9 [X] KMSA 1976)

\*Any revision or amountmost to the terms of the charter shall be made only with the approval of the chartering authority and the governing body of the charter school. (22 6R 9 [E] NMSA 1978)

Please complete and submit this form to: Kelly Callahan, General Manager — Options for Parents/Charter School Division (kells, callaha logistale.nt.us)

Or, inset to: Public Education Department Charter Schools Division, Room 301 300 Non Gespan

Surdia Fc. VM 8/501 2/86

Name of State-Chartered School: Albuquenque Institute for Mathematics and Science at UNM

Date submitted: December 14th, 2012 \_\_\_\_\_\_ Contact Name: \_Katharina Sandaval-Snider E-mail: \_ksandaval@nims-unm.org

Current Charter Application Section and Page	Corrent Charter Statement(s)	Proposed Revision/Amendment Statement(s)	Rationals for Revision/Amendment	Date of Governing Bod Approval
•	"Maximum carollment for the school is 16ft students" school is 16ft students" scraing Council President or Designer, 12 Council President or Designer, 12		The current location can only accommodate about 319 student comfortably. Currently the demand for the program expends physical space available.  AIMS (i) UNM has received a Duniels Foundation grant to replicate(expand) its successful model in a second location.	12/17/2012
7	<u> </u>	lic Education Department use only		
Director/General Manager		Dute	(max + 4)	
Public Education Commi		Date		
☐ APPROVED	DENIED			

# Program Cost Review 2012-2013 Fiscal Year

	PROGRAM UNITS					PROGRAM DOL	LARS	
		2011/2012	2012/2013	Diff	2011/2012	2012/2013	Diff\$	Diff%
Unit Value - SEG					\$ 3,668.18	\$ 3,668.18	\$ -	0.00%
Kindergarten	1.440			-	\$ -	\$ 21	\$ -	#DIV/0!
Grades 1-12	****	355.015	355.015	-	\$ 1,302,258.92	\$ 1,302,258.92	\$ -	0.00%
National Board Certifie	d			-	\$ -	\$ -	š -	#DIV/0!
Class C	1.000			-	\$	\$	\$ -	#DIV/0!
Class D	2.000			(#X)	\$ -	\$	, \$ -	<b>■</b> 10 (20°)
3/4 DD	2.000			-	\$ -	\$	\$ -	#DIV/0! #DIV/0! 0.00% #DIV/0!
A/B Program	0.700	72.800	72,800	-	\$ 267,043.50	\$ 267,043.50	\$ -	0.00%
Ancillary	25.000			-	\$ -	\$ -	\$ -	#DIV/0!
Fine Arts	0.050			-	\$	\$ -	\$ -	#DIV//OI
Bilingual	0.500			-	\$ -	\$ -	\$   -	#DIV/0!
***T&E	1.038	37.220	37.220	-	\$ 136,529.66	\$ 136,529.66	\$ -	0.00%
District Size	Formula			-	\$ -	\$ -	\$ -	#DIV/0!
School Size	Formula	123.900	123.900	-	\$ 454,487.50	\$ 454,487.50	\$ -	0.00%
Growth	0.500	ELEVA-	21	-	\$ -	\$ -	\$ -	#DIV/0!
At-Risk	0.054	15.930	15.930	-	\$ 58,434.11	\$ 58,434.11	\$ -	0.00%
Safe & Harmless	0.050				\$ -	\$ -	\$ -	#DIV/0!
TOTAL		604.865	604.865		\$ 2,218,753.70	\$ 2,218,753.70		0.00%
Less: PED 2% Fee					\$ (44,375.07)	\$ (44,375.07)	\$ 0	0.00%
TOTAL FUNDING					\$ 2,174,379.00	\$ 2,174,379.00	\$ -	0.00%

	PROGRAM UNITS					PROGRAM DOLLARS											
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2015-2017	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016-2017	<b>2013 CHT</b> \$	2014 (617 \$	2015 Oiff \$	2016 Diff \$	2017 Diff :
Unit Value - SEG							5 1,598.87	\$ 3,668.18	\$ 3,668.18	\$ 3,668.18	\$ 3,668.18	\$ 1,668.18	\$ 68	ş -	\$ -	\$ -	\$ -
Kindergarten							5	\$ =	4		ė		£				
Graces 1-12	314.360	355.015	355.015	485.640	548.340	611.040	\$1,131,340,77	\$1,302,258.92	\$1,302,258.92	5178141494	5 2 011, 409.82	\$2,241,404,71	5 170,918	<b>3</b> -	5 -	3 -	> -
National Board Certified						( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( )	\$	\$	\$ 1,500,230.32	\$ 4,04-0434	\$ 5'mm' 403795	\$2,641,404.71	2 1/2/275	<b>)</b> -	\$ 475,156	\$ 225,995	5 225,999
Class C							5	\$ -			4		<b>.</b>	<b>,</b>	\$ -	\$	5 (*)
Class D							\$				ė	6 700	; -	<b>,</b>		\$ -	\$ ==
3/400											ė	\$ 1	· ·	5 -	5 -	5 -	5 -
A/BProgram	96,000	72,800	72,800	72,800	72,800	72,800	\$ 201,536.72	\$ 267,043.50	\$ 267,043,50	\$ 267,043.50	\$ 267,043,50	\$ 267,043.50		<b>&gt;</b> -	<b>&gt;</b> -	\$ -	5 -
Ancillary		1000					\$	\$ 200,000.00	\$ 200,000 10	\$ 207,043.30	\$ 207,043.30	\$ 267,043.50	\$ 65,507	3	5	\$ -	5 -
Fine Arts								2	-	3	\$ (E)	> ==	5 -	5	5 -	\$ -	5
Bilingual								¢ :		,	ş -	\$	5 -	\$ -	5	\$ -	\$ -
*** & E	49.258	37.220	37.220	48.584	54.039	59,494	5 177.273.14	\$ 136,529,66	5 136,529,66	¢ 470.744.00	\$	5 00	5 -	5 -	5 -	\$ -	Ş -
District Size	SHOW.				J-1,403	33474	5 211,232.34	\$ 130,323.00	\$ 134323.00	\$ 178,214.86	\$ 198,224.78	\$ 218,234.70	\$ (40,743)	5 -	\$ 41,685	\$ 20,010	5 20.01
School Size	145.116	123,900	123,900		100		5 522,253.62	\$ 454,487.50	\$ 454.487.50	3	5 -	5	5 -	5 -	5 -	\$ -	\$
Growth	53.485		243,700	112.800	111,900		5 192,485.56	\$ 434,467.3U	100000000000000000000000000000000000000	\$ 442 mm	\$ ==	5	\$ (67,766)	\$ -	5 (454,488)	5 -	\$ -
At-Risk	14,616	15,930	15,930	22.680	25.920	29,160	5 52,601.08	5 58,434.11	\$ 893,935.47 \$ 58,434.11	\$ 413,770.70	\$ 410,469.34	5	\$ (192,486)	\$ 893,935	5 (483,165)	\$ (3,301)	5 (410.46
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TOTAL FUNDING										\$ (54,472.77)	\$ (59,644.53)	\$ (56,672.94)	\$ 1,175	\$ (17,879)	5 7,721	\$ (5,172)	5 2.97
TOTAL ORDING							\$2,231,942.00	\$2,174,379.00	\$3,050,436,00	\$2,669,166.00	\$ 2,922,583.00	\$2,776,975.00	\$ (57,563)	\$ 876,057	5 (381,270)	5 253,417	5 (145,60

1	BEFORE THE PUBLIC EDUCATION COMMISSION
2	STATE OF NEW MEXICO
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9	TRANSCRIPT OF PUBLIC MEETING PROCEEDINGS
10	February 1, 2013 9:00 a.m.
11	Mabry Hall - Jerry Apodaca Education Building 300 Don Gaspar
12	Santa Fe, New Mexico
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19	REPORTED BY: Cynthia C. Chapman, RMR-CRR, NM CCR #219
20	Bean & Associates, Inc. Professional Court Reporting Service
21	201 Third Street, NW, Suite 1630 Albuquerque, New Mexico 87102
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25	JOB NO.: 6394K(CC)

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2



1 vote, the amendment has been approved -- or the motion has been approved. 2 3 THE CHAIR: Thank you. By a unanimous 4 vote, the amendments presented by Aldo Leopold 5 School, are approved. 6 MS. NEWELL: Thank you very much. 7 (Applause.) 8 THE CHAIR: Next on the agenda, 9 Albuquerque Institute of Math and Science. Will 10 those representatives please come forward? would introduce yourselves for the record, and if 11 12 your name is uniquely spelled, please spell it for 13 the reporter and tell us your position with the 14 school. 1.5 MS. SNIDER: Madame Chair, members of the 16 Commission, my name is Kathy Sandoval-Snider, S-N-I-D-E-R. I am the director of Albuquerque 17 18 Institute for Math and Science, shortly known as 19 AIMS. To my left is general counsel for AIMS, and 20 the board makes him go with me to keep me in line. 21 MR. IVEY-SOTO: Thank you very much. 22 name is Daniel Ivey-Soto. Last name is spelled 23 I-V-E-Y, dash, capital S-O-T-O. 24 THE CHAIR: Thank you very much for that.



Director Gerlicz?



MR. GERLICZ: Madame Chair, members of the Commission, The Albuquerque Institute of Math and Science, or AIMS at UNM, is/was, originally chartered, you remember, as High Tech High back in 2004, and came in front of this Commission in 2006 for an amendment to change its name to AIMS at UNM.

They are located in a building on the UNM campus. They currently serve six through twelve grades. Ms. Sandoval, the principal, has been at that school since the year 2016. This is a school -- excuse me -- 2006. That's wishful thinking, perhaps.

This is a school that has consistently achieved very fine results academically in all respects. There's a tremendous demand for the school. And the amendment in front of us is in two parts -- and, again, it's related: to increase the enrollment cap from the current 360 students in grades six through twelve, to 720 students in grades six through twelve. And then the second amendment is to get approval to inhabit a second building on the University of New Mexico campus to house that requested increase in enrollment.

So it is not to increase grades. It will be a six-through-twelve grade school still, but to





be housed in two separate buildings. That's the amendment in front of us. Thank you.

THE CHAIR: Thank you. Would you care to make a presentation at this point?

MS. SNIDER: Certainly, Madame Chair, members of the Commission.

THE CHAIR: Please use the microphone.

And you can lock that down with that clip there, if you would prefer.

MS. SNIDER: Thank you. The Albuquerque Institute for Math and Science has been -- we have renewed once, and we are now in the seventh year of that renewal. We'll be renewing again next year.

What we have noticed is that the rule that allows for siblings is taking up most of our sixth-grade class room right now. There's only 22 slots available for the community at large.

We are located at the University of New Mexico, and our families are spread out across Albuquerque, with a large concentration on the West Side and in the South Valley; although, our families stretch all the way from the East Mountains to Santa Fe and all the way down to Los Lunas and Peralta.

What we are noticing and getting some





feedback on from parents is a demand for accommodation for new sixth-graders that would like to come into AIMS. And so what we are asking is that we have an additional site. The Daniels Foundation has given us a grant of \$175,000 dollars to help us replicate this program.

The program is extremely stable. My board members -- I've got three of the seven board members have been with me since 2006.

The average age -- or experience -- of the board members on my board is between two and three years. So there's not a lot of turnover. There's not a lot of turnover, obviously, in the administration. And there is not -- there is little or no turnover in my instructors. Many of them have been with me since 2006.

As a result, we have a stable community and a stable philosophy, if you will. And we would like to replicate that on another site in order to accommodate the demand. We are asking that -- we are working right now with the University of New Mexico to grant us a site, just as they have on the South Campus that we are located on now.

We cannot expand the South Campus -- the South Campus building that we have, because we're

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landlocked. There is no room to expand. We are surrounded by other organizations. And so we would like to explore going to the North Campus.

Obviously, I cannot -- just as with Aldo Leopold, I cannot commit public funds until I have permission from this Commission.

That's all I have. If you have any questions, I would be happy to answer them.

MR. IVEY-SOTO: And, Madame Chair, members of the Commission, you know, part of the success of AIMS at UNM has been that we are, overall, a small school, given that we service grades six through twelve, that -- and that we have a common mission.

And -- and one of the things -- one of the decisions that we have made, even though it costs us in terms of SEG funding, is that, at this point, we only admit children, for the most part, in the sixth grade. Even when we have attrition of children who leave in other grades, we don't replace those -- we don't go to the public and have a lottery to replace two or three positions in the tenth grade or whatnot; because, what we found is that our program is sufficiently intense -- as, in fact, the director of the Charter School Division was talking about in the last presentation, our curriculum is



2.5



sufficiently intense that if we -- if we start admitting in the ninth, tenth or eleventh grades to fill attrition vacancy, that those students can't catch up.

And so we, for the most part, at sixth grade, that's where you come in, and you're with us the whole way.

We are -- I will note, by the way, we are about a mile and a half south of I-40. But I will also note that we have -- I think the last three years -- 100 percent of our graduating class going to four-year colleges and universities, which I don't know if that's the -- the only time that that's happened in New Mexico, but it's certainly unique. And -- and it shows the strength of the program that we have.

We also have most of our students graduating with between 20 and 40 college credit hours under their belt before they start university.

THE CHAIR: Thank you for that information. Director Gerlicz, what is your recommendation?

MR. GERLICZ: Madame Chair, members of the Commission, after going through the documents submitted by the AIMS at UNM School, it is our

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recommendation that both of these amendments be 1 2 approved. Thank you. 3 THE CHAIR: Thank you. Are there questions from Commissioners? Commissioner Bergman. 4 COMMISSIONER BERGMAN: I see you don't 5 6 have the documents in front of you. But, on Page 15 7 of the documents that were in our packet, the very last sentence reads you will, in essence, double the 8 9 enrollment cap to 720 students by the year 2012. 10 That's obviously a misprint. What year do you anticipate having 720 students? 11 MS. SNIDER: Commissioner Bergman, members 12 13 of the Commission, that is absolutely true. I did 14 catch that, and I sent it to Director Gerlicz yesterday with a "Holy cow; please, that's not what 15 I want." By 2019, we would be full up. 16 Thank you for that. 17 18 COMMISSIONER BERGMAN: Thank you. THE CHAIR: Commissioner Gant and then 19 20 Toulouse. COMMISSIONER TOULOUSE: 21 Madame Chair, 22 since Commissioner Gant is deferring to me --23 THE CHAIR: Oh. 24 COMMISSIONER TOULOUSE: I realize I'm new, 25 so I'm asking more questions. But I do have a





background in the education community, and I know I worked with the director here when she was working with APS.

My only question is, will you be able, as time goes on, to find the qualified teachers for the level of classes you teach? Because I know that's a very hard thing, whether it's for the lower level college classes, or for the public schools in general. And that would be my only concern with taking on that many more students is you can give them the same quality of education. Thank you.

MS. SNIDER: Madame Chair, Commissioner
Toulouse, that is also a concern of mine. However,
we are extremely fortunate at AIMS in that we have a
large number of applicants that have a desire to
work at my school. And, so, if I can, when I can do
this correctly, staff and myself will be spread out
over these two -- these two campuses.

It's absolutely vital that the mission of the school and the culture of the school be replicated. And to do that, you need to have similar staff at both places until that culture can be raised up.

THE CHAIR: Commissioner Gant.

COMMISSIONER GANT: Madame Chair, members,





for clarification -- and maybe I missed it; my old eyes here -- but you talked about -- you mentioned that you want to move to the North Campus.

MS. SNIDER: Uh-huh.

COMMISSIONER GANT: Is that correct?

MS. SNIDER: That is correct.

COMMISSIONER GANT: Have you had any discussions at all with the leadership of UNM? Ιs there any facilities at all up there?

MS. SNIDER: Madame Chair, Commissioner Gant, thank you for that question. And yes, we We have a formal MOU with the University of New Mexico. And with that comes an understanding that we want to maintain a relationship with the University of New Mexico. We have had discussions with the leadership of the University of New Mexico, and we are in the process of identifying potential places at the North Campus. That, obviously, would be ideal.

COMMISSIONER GANT: Madame Chair, I know this is going to sound picky and all that, but I have to ask it.

Again, I serve on the PSCOC. And a lot of the problems we're starting to see now -- because you have reached the magic number, you've been

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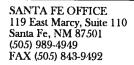


But my real question is back to the lease assistance that -- and I've read many leases between charter schools. In your charter school lease with UNM, is it a wrap-around, where they pay the maintenance and they pay everything like that? Or are you paying utilities and maintenance and repair, et cetera, et cetera? Because in many, the charter schools are paying the whole ball of wax and dipping into their operational dollars to keep the school open physically.

Explain your relationship and your lease with me.

MS. SNIDER: Thank you, Madame Chair,
Commissioner Gant. We -- it is a wrap-around; in
other words, if I understand your terminology, the
University of New Mexico provides all the
electricity, the heat, the maintenance, the upkeep,
the landscape, the garbage; they provide all of
that. And so, as a result, in our lease
reimbursement, our dollar-per-square-foot is -- is
within a -- it's not in the astronomical region.
It's one of the lower dollar-per-square-foot. We
are very fortunate with that.

COMMISSIONER GANT: I was just wondering,





because there's a lot of discussion about capping leases. And I don't want you to get trapped into something like that.

And the last question, Madame Chair, is the University going to be responsible for any renovation or expansion to the facilities they may loan you -- they may lease to you?

MS. SNIDER: Madame Chair, Commissioner Gant, my understanding is, yes, they will do the renovation. There's not -- there's not a huge amount of renovation that needs to be done immediately, because I'm only adding a sixth grade first. And then we will grow up over the years.

That allows a measured growth. It allows conference of stability, and it also minimizes risk. And so I always want to say that, with the grant that we have received from the Daniels Foundation, that will also assist. And so we're looking at matching funds at this time.

COMMISSIONER GANT: Madame Chair. You're correct in what a wrap-around is. It's all those things. Thank you, Madame Chair.

THE CHAIR: Thank you. Are there other questions? Commissioner Bergman?

COMMISSIONER BERGMAN: Thank you. Is that

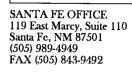




1	Daniels is that a one-time deal, or do you think
2	they're going to come up with some are you hoping
3	or do you not know?
4	MS. SNIDER: I always hope, Commissioner.
5	I never plan or plot. I will tell you that if I do
6	this well, not openly. But I will tell you, if I
7	do this correctly, and I so far, I think I've got
8	a good batting average I believe that I will be
9	able to entice the Daniels to continue to fund us.
10	COMMISSIONER BERGMAN: Thank you. They
11	got the bucks. They ought to pony up some of them.
12	Thank you.
13	THE CHAIR: Are there other questions from
14	Commissioners? Hearing none, the Chair will
15	entertain a motion.
16	COMMISSIONER CARR: Madame Chair?
17	THE CHAIR: Commissioner Carr.
18	COMMISSIONER CARR: I move to approve the
19	amendment presented by the Albuquerque Institute of
20	the Math and Science.
21	COMMISSIONER PERALTA: Second.
22	THE CHAIR: Who seconded? I'm sorry.
23	COMMISSIONER BERGMAN: Commissioner
24	Peralta.
25	THE CHAIR: Moved by Commissioner Carr,



1	second by Commissioner Peralta, to approve the
2	amendment presented by Albuquerque institute of Math
3	and Science. May we have a roll-call vote?
4	Commissioner Bergman?
5	COMMISSIONER BERGMAN: Commissioner Carr.
6	COMMISSIONER CARR: Yes.
7	COMMISSIONER BERGMAN: Commissioner
8	Conyers.
9	COMMISSIONER CONYERS: Yes.
10	COMMISSIONER BERGMAN: Commissioner
11	Peralta.
12	COMMISSIONER PERALTA: Yes.
13	COMMISSIONER BERGMAN: Commissioner Pogna.
14	COMMISSIONER POGNA: Yes.
15	COMMISSIONER BERGMAN: Commissioner
16	Toulouse.
17	COMMISSIONER TOULOUSE: Yes.
18	COMMISSIONER BERGMAN: Commissioner Gant.
19	COMMISSIONER GANT: Yes.
20	COMMISSIONER BERGMAN: Commissioner
21	Shearman.
22	THE CHAIR: Yes.
23	COMMISSIONER BERGMAN: Commissioner
24	Bergman votes "yes." Madame Chair, by an
25	eight-to-nothing vote, the motion is approved.





THE CHAIR: Say that again, 1 2 Commissioner Bergman. COMMISSIONER BERGMAN: By an 3 eight-to-zero -- forgive my English -- the amendment 4 5 is approved. THE CHAIR: Thank you. 6 COMMISSIONER BERGMAN: I'm thinking 7 baseball. 8 THE CHAIR: The motion to approve the 9 amendments presented by Albuquerque Institute of 10 Math and Science is unanimous. Congratulations. 11 MS. SNIDER: Madame Chair, Commissioners, 12 13 thank you. 14 (Applause.) THE CHAIR: Next, I would invite the 15 representatives from the Ralph J. Bunche Charter 16 School to come to the table, please. Good morning. 17 MS. WILSON: Good morning. 18 If you would introduce THE CHAIR: 19 yourselves, please spell any unique names, and give 20 us the position you hold with the school, please. 21 Good morning. I'm Penne 22 MS. WILSON: That's P-E-N-N-E. I am -- good morning. 2.3 Wilson. am Penne Wilson, P-E-N-N-E. I am principal of Ralph 24 J. Bunche Academy. And with me is Terry Locke, 2.5



FW: You are an ACE!

From: ksandoval@aims-unm.org Sent: Sun, Mar 23, 2014 at 8:00 pm

To: daniel@inaccord.pro

----Original Message----

From: "Richardson, Bradley, PED" <Bradley.Richardson@state.nm.us>

Sent: Wednesday, April 17, 2013 4:28pm

To: "Sandoval-Snider, Kathy" <ksandoval@aims-unm.org>

Subject: You are an ACE!

Kathy,

Thank you so much for everything you sent in today. It is very helpful!

I see also that I did not do a very good job remembering that you had included Los Lunas as one of the locations to be considered for the second campus! There it is in the supporting material that was provided to the PEC as they considered AIMS@UNM's charter amendment request. If they are now surprised to hear about it in the report, then Tony can refer them to the documentation they had back in February.

Again, my thanks, Kathy, for all the good work!

Cheers, Brad

Education Administrator
Options for Parents - Charter Schools Division
NM Public Education Department
300 Don Gaspar
Santa Fe, New Mexico 87501

Phone: 505.827.6698

Email: bradley.richardson@state.nm.us

The New Mexico Charter Schools Division supports and advances vibrant and innovative public schools of choice which are models of educational excellence and which cultivate a passion for learning and respect for the teaching profession. We envision our work cultivating communities of passionate learners and teachers who inspire educational excellence for all.

(N.B. Please be mindful that any communication above is not intended and should not be construed as providing legal advice.)

Katharina Sandoval-Snider Principal, Albuquerque Institute for Mathematics and Science at UNM From: ksandoval@aims-unm.org
Sent: Sun, Mar 23, 2014 at 8:04 pm

To: daniel@inaccord.pro

His original inquiry about los lunas site possibility. Previous email was in response

----Original Message----

From: "Richardson, Bradley, PED" <Bradley.Richardson@state.nm.us>

Sent: Monday, April 15, 2013 4:40pm

To: "Sandoval-Snider, Kathy" <ksandoval@aims-unm.org>

Cc: "Gerlicz, Tony, PED" <Tony.Gerlicz@state.nm.us>, "Ehlert, Karen R., PED"

<karen.ehlert@state.nm.us>

Subject: Follow Up on Site Visit

Dear Kathy,

It was delightful to meet with you and your team last week and get to understand AIMS @ UNM a bit better. As a side note, I fell ill with a nasty head cold by the end of our visit - an unfortunate and unrelated coincidence. The hot tea you provided sustained me! I am only just back to work this morning and I need to follow up with you.

During the meeting you said that you were scanning the documents that we needed to check. When you complete the scanning, can you e-mail them to me? That way I can complete a "report" to you and update our files. If you need a list of the documents, please let me know.

Part of the Charter Schools Division routine now is to provide the PEC with reports that updates them on all schools that we have visited since their previous meeting. At its April 26 meeting, the PEC will expect an update on AIMS@UNM's plan to expand to a second campus. During our visit last week, you mentioned that the second AIMS@UNM campus might reside at UNM's Valencia County campus - a direction strongly supported by the school's governing council but by no means finally decided. The description of the pushback you have received from educators in Valencia County suggests that the exploratory phase for the second campus is in full swing.

Can you provide a brief one-to-two paragraph update on where the AIMS is with regards to the development of the second campus and the thinking that guided the school's governing council to explore a Valencia County campus? I think that a Valencia County location will take the PEC somewhat by surprise, so you might want to include a rationale for that location. (For example, does the current campus draw heavily from that area already?) You might also provide a note as to the sustainability of two campuses under a single administration at such a remove.

Because we have to prepare and send these reports to the PEC this Thursday, I have to ask you to send your text in to either Tony or to me by the end of Wednesday, April 17. I apologize, Kathy, for asking you to do this on such a short notice. If you are simply unable to do this, can you send me bullet points covering these topics, and I can stitch together a brief narrative.

Thank you, Kathy. I look forward to hearing back from you.

With best regards, Brad Richardson

Education Administrator

Options for Parents - Charter Schools Division NM Public Education Department 300 Don Gaspar Santa Fe, New Mexico 87501

Phone: 505.827.6698

Email: bradley.richardson@state.nm.us

The New Mexico Charter Schools Division supports and advances vibrant and innovative public schools of choice which are models of educational excellence and which cultivate a passion for learning and respect for the teaching profession. We envision our work cultivating communities of passionate learners and teachers who inspire educational excellence for all.

 $(N.B.\ Please\ be\ mindful\ that\ any\ communication\ above\ is\ not\ intended\ and\ should\ not\ be\ construed\ as\ providing\ legal\ advice.)$ 

Katharina Sandoval-Snider Principal, Albuquerque Institute for Mathematics and Science at UNM

### **NM PED-Charter Schools Division**

2<sup>nd</sup>/3<sup>rd</sup> Year Site Visit Charter School Checklist Report Albuquerque Institute of Math and Science at UNM

3<sup>rd</sup> Year Site Visit: April 9, 2013 Liaison: <u>Bradley Richardson</u>, Karen Ehlert

Please have the following documents prepared and ready for review the day of the 2<sup>nd</sup> or 3<sup>rd</sup> Year Site Visit:

### **ACADEMIC FRAMEWORK**

Sch	ool Improvement  EPSS Plan and/or Continuous School Improvement Plan School's plan has not been entered into the WebEPSS. The deadline for this is June 21, 2013.
$\boxtimes$	Charter School Mission and Goals (if different from above).
	Albuquerque Institute for Mathematics and Science @UNM (AIMS@UNM) is committed to preparing its students, grades six thru twelve, for college, community, and beyond through a rigorous focus on math and science and an emphasis on global participation. Src: Charter.
	<ol> <li>School Goals:</li> <li>Seventh grade proficiency levels in science according to the New Mexico Standards Based Assessment, will increase by 5 percent at the proficient and Advanced levels for the 2010-2011 school year.</li> <li>Seventh grade proficiency levels in math according to the New Mexico Standards Based Assessment, will increase by 5 percent at the proficient and Advanced levels for the 2010-2011 school year.</li> <li>Eleventh grade college readiness indicators will increase by 5 percent over a period of 2010-2011 school year on internal formative assessments designed during the 2009-2010 school year.</li> <li>Src: Charter.</li> </ol>
	Student Performance Goals:  1. Each year, 100 percent of all Albuquerque Institute for Mathematics and Science @ UNM graduates will be accepted into at least one four-year college or university.  2. Each year, 100 percent of all Albuquerque Institute for Mathematics and Science @ UNM graduates will have 2 units of a critical language.  3. Each year, 90 percent of all students at Albuquerque Institute for Mathematics and Science @ UNM will successfully complete a Service Learning project.  Src: School Charter
$\boxtimes$	School Literature (Flyers, Brochures, News Letters Web site etc.) Parent/Student Handbooks Team reviewed the handbook.
	School Assessment Data: Short cycle assessment, curriculum based measures, portfolios, formative assessments, etc.  Team reviewed composite data/graphs of the school's Discovery results.
$\boxtimes$	School Report Card(s) The school has a state grade of "A" with student proficiency in both reading and math over 90%.

### ORGANIZATIONAL FRAMEWORK

### School Governance and Leadership

List of Governing Board Members, officers, terms, contact information and committee assignments; have changes been updated to CSD with regard to the Board of Finance?

### AIMS@UNM Current Governing Council

<u>Name</u>		<u>Role</u>	Position
Dr. Steve Cabaniss,	President	Dean, College of Arts and Sciences	UNM A & S
Bob Walton,	Vice President	President, Economic Development	Community
Dr. Kathryn Watkins,	Secretary	Faculty, College of Ed	COE
Joe Fortuin,	Member	Gen. Manager, Sennheiser	Community
Breda Bova,	Member	VP. UNM	UNM Admin
Dr. Alicia Aragon		Sandia Nat. Lab	Community
Dr. Kerry Howe		Faculty, College Engineering	C of Engineer.
Mr. Curt Mitchke		CFO Airproducts	Community
Open		Parent	

- Record of Governing Board Membership statutory training and plan for future training (2011-12 Certificates of Completion for all current Board members provided.)

  Training hours are recorded for S. Cabaniss, B. Walton, A. Aragon, and K. Howe (NMSBA Conference, Nov. 2012) [Alan Clawson attended, but is no longer on the governing council.]
- Governing Council Minutes and proof of Open Meetings Act compliance from last three meetings

  Team reviewed prior three months of meeting agenda and minutes. Compliance is apparent,
- Head administrator evaluation process

  Governing Council uses the HOUSSE with summaries provided in letter format.
- Enrollment/admission policy with forms and lottery documentation

  Team discussed this and received assurances that lottery documentation does not contain any items other than student name, parent/guardian contact information.
- Board Evaluation tool. Does your Board evaluate itself?

  Team reviewed Board Self Evaluation Tool

### Special Education/Student Assistance Team/ELL

- Special Education Any concerns? Any issues? Anything you want us to know?

  The school reports no concerns. In conversation with the Special Education Coordinator, the team learned that the school has identified three ELL students, two of whom have now been exited from the program due to meeting English Language proficiency.
- Documentation of delivery of services and related services for special education students

  The school reports that the school has a psychologist on contract, as well as provides a full range of services as required.
- Documentation of Student Assistance Team (SAT) process

  The school reports that the SAT is proactive and meets regularly, including at each student/parent conference.
- Records of English Language Learner testing/placement/program

  See note above (under Special Education).

### **Facility**

E-Occupancy Certificate/PSFA approval (New Mexico Condition Index [NMCI], if applicable) Is there any move / expansion / facility modification planned?

- CSD has a copy of the "E" Occupancy Certificate.
- The school has an approved charter amendment to expand the school to a second campus. The school reports that it has
  explored several options. Of those identified in its charter amendment supporting documents, the UNM Valenica County
  campus in Los Lunas is being investigated further.

### FINANCIAL FRAMEWORK

### Fiscal Responsibility

None noted.

Charter school audit results; are there repeat audit findings that haven't been resolved? If so, how is the board/management addressing this issue?

At the time of the site visit, the audit had not been released, and so was not discussed. The results of this audit will have to be considered in the coming school year.

### **ADDITIONAL INFORMATION (OPTIONAL)**

$\boxtimes$	Charter school Awards/Accomplishments/Recognitions The school reports that it has applied to become a Blue Ribbon School
$\boxtimes$	Challenges/Concerns faced by the charter school None noted.
$\boxtimes$	Other relevant/pertinent information about the charter school

### **Commendations:**

- 1. CSD commends AIMS@UNM for a strong, directed, collaborative and ultimately successful administrative team.
- CSD recognizes AIMS@UNM for its clear focus and consistent work on mission and goals, from implementing curriculum and instructional support to communications with the community.
- 3. CSD applauds the administration's swift and positive move in addressing concerns around fiscal management.
- 4. CSD applauds the achievement of the faculty and students in contributing to the school grade of "A", as well as high levels of reading and math proficiency.
- 5. CSD observed engaged students and teachers in a positive learning environment.

### **Recommendations:**

 CSD recommends that as AIMS@UNM comes to a decision on the location of its second campus, that it communicates its choice to the CSD, who will in turn keep the Public Education Commission informed.

### **Next Steps:**

- 1. Please ensure that the school's EPSS Plan is uploaded into WebEPSS. The deadline for this is June 21, 2013.
- 2. The CSD has no records that indicate that B. Bova and J. Fortuin have participated in the required hours of annual training for governing council members. Please provide a status report or training plan for these Governing Council members.



## State of New Mexico House of Representatives Santa Fé

### LARRY A. LARRAÑAGA R - Bernalillo

R - Bernalillo District 27

7716 Lamplighter NE Albuquerque, NM 87109 Home Phone: (505) 821-4948 E-mail: larry@larranaga.com

### COMMITTEES:

Agriculture & Water Resources Appropriations & Finance Rules & Order of Business

### **INTERIM COMMITTEES:**

Investments Oversight
Legislative Finance
Public School Capital Outlay Oversight
Water & Natural Resources

April 4, 2014

Hanna Skandera, Secretary of Education New Mexico Public Education Department 300 Don Gaspar, Room 209 Santa Fe, NM 87501

Re: Formal Support for Waiver of the Albuquerque Institute For Math and Science

Dear Secretary Skandera.

This letter is in support of a waiver request by the Albuquerque Institute for Math and Science, which is currently located on the South Campus at the University Of New Mexico.

The request is to allow an expansion of a campus within Sandoval County: namely within the Rio Rancho School District Boundaries. I believe AIMS will provide an exceptional option for the students in Sandoval County.

In 2012, AIMS received a Daniels Foundation Grant, primarily because of its high level of performance throughout the Charter term. Currently the school enjoys a 94% proficiency in both reading and mathematics, which exceeds the performance of schools located within Sandoval County boundaries, as well as the state in general.

Since 2006, AIMS students have continuously made steady improvements, particularly in the areas of math and science. The school has consistently met AYP goals each year. Analysis of incoming sixth graders over the past three years shows an astounding increase in math proficiency. By their senior year, AIMS students reached a proficiency of over 98%.

This has earned AIMS the honor of being named a National Blue Ribbon School, as well as been recognized by the Washington Post as the 48<sup>th</sup> most rigorous school and being named by Newsweek in the top 25% best schools in the nation.

For these reasons, I believe the Albuquerque Institute for Math and Science to be an exceptional school in New Mexico and assure anyone that the students of Sandoval County will benefit from this school if offered in the Rio Rancho School District.

Thank you for your consideration.

Sincerely yours,

Larry A. Larranaga



### State of New Mexico House of Representatives Santa Té

**NATE GENTRY** 

Minority Whip R - Bernalillo District 30

3716 Andrew Drive, NE Albuquerque, NM 87110 Home Phone: (505) 508-0782 E-mail: natefornm@gmail.com COMMITTEES: Health, Government & Indian Affairs

Judiciary

INTERIM COMMITTEES:

Courts, Corrections & Justice Economic & Rural Development Mortgage Finance Authority Act Oversight

April 7, 2014

The Honorable Hanna Skandera, Secretary of Education New Mexico Public Education Department 300Don Gaspar Room 209 Santa Fe, NM 87501

RE: Support for Waiver Request of the Albuquerque Institute for Math and Science

Dear Secretary Skandera,

The this letter is in support of the waiver request by the Albuquerque Institute for Math and Science which would allow an expansion within the Rio Rancho School District Boundaries. I believe the school exceeds educational performance standards of the Rio Rancho School District and will provide an exceptional option for the students of Sandoval County.

In 2012, the AIMS expansion received a Daniels Foundation Grant, primarily because of its high level of performance throughout the Charter term. Currently the school enjoys a 94% proficiency in both reading and mathematics, which exceeds the performance of school districts located within Sandoval County boundaries, as well as the state in general.

Since 2006, AIMS students have continuously made steady improvements in achievement; particularly in the areas of math and science. According to the CREDO study, AIMS is one of only six schools in the State of New Mexico that outperforms the traditional public schools. The school has consistently met AYP goals each year, increasing student proficiency yearly. Analysis of incoming sixth graders over the past three years shows an increase in math proficiency of 40%, science by 45%, and reading by 38% with current levels at 95%, 95% and 90% proficient and advanced respectively. By their senior year, AIMS students reach a proficiency of over 98%. The achievement gap has diminished from 38% in reading to 1% currently, and math from 28% to less than 1%. Most recently, AIMS was named as a National Blue Ribbon School; one of only 11 charter schools in the nation to receive this honor. Additionally, the Washington Post named AIMS as the 48th most rigorous school (public or private) in the nation and Newsweek has named the school as one of the top 25% best schools in the nation.

For this reason, I believe the Albuquerque Institute for Math and Science to be an exceptional school in New Mexico and I believe that the students of Sandoval County will benefit from this school if offered in the Rio Rancho School District.

Thank-you in advance for your consideration.

Very truly yours,

Nate Gentry

State Representative

FW: AIMS

From: Daniel A. Ivey-Soto

Sent: Tue, Apr 15, 2014 at 12:28 pm

To: 'Kathy Sandoval-Snider'

Draft Wilkins and Scott AIMS Resolution for April 23 2014 PW.doc (101.3 KB)

From: CHUCK WILKINS [mailto:CWILKINS@ci.rio-rancho.nm.us]

Sent: Monday, April 14, 2014 1:38 PM

To: Ivey-Soto, Daniel

**Subject:** AIMS

Hi Senator,

Attached is the update resolution. The last a final version should be on the City website Friday.

**Thanks** 

**Chuck Wilkins** 



### CITY OF RIO RANCHO RESOLUTION

RESOLUTION NO.

**ENACTMENT NO.** 

SPONSOR: DISTRICT 1 CITY COUNCILOR CHUCK WILKINS & DISTRICT 4 CITY
COUNCILOR MARK SCOTT

# CITY OF RIO RANCHO SUPPORT FOR ALBUQUERQUE INSTITUTE FOR MATHEMATICS AND SCIENCE (AIMS) CHARTER SCHOOL TEMPORARILY LEASING AVAILABLE SPACE AT UNM WEST

WHEREAS: Rio Rancho voters, property owners, and community members have supported education through various means such as property taxes, bonds, and a Municipal Higher Education Facilities Gross Receipts Tax; and.

WHEREAS: UNM West has made an effort to maximize the use of their existing facilities while providing a service to the community; and,

WHEREAS: UNM West has made a substantial investment in the City of Rio Rancho and is working on expanding its campus and programs; and,

WHEREAS: AIMS Charter School expanding to Rio Rancho by temporarily leasing available space at UNM West provides parents and students with additional academic choice; and,

WHEREAS: The existing AIMS Charter School in Albuquerque, which is affiliated with UNM, serves sixth through twelfth grade students and has a 100 percent graduation rate; and,

WHEREAS: A National Blue Ribbon School for 2013 based on its overall excellence, AIMS provides a focused education on advanced math, science, and technology skills while preparing its graduates for post-secondary education; and,

**WHEREAS:** Recent charrettes conducted by UNM West and CNM revealed a need for a focus on the academic disciplines of science, technology, engineering, and mathematics (STEM).

### NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF RIO RANCHO:

- 1) The Governing Body supports AIMS efforts to expand to Rio Rancho and begin offering classes to 40 sixth-grade students beginning next school year.
- 2) The Governing Body supports UNM West temporarily leasing available space at its

	current facility to AIMS as it will r grow baccalaureate and gradua	not impact or diminish UNM West's commitment to te programs in Rio Rancho.
;	3) The Governing Body will continu	ue to ensure that revenues from the
	Municipal Higher Education Fac	ilities Gross Receipts Tax will be applied to
	applicable uses approved by vol	ters which are: (1) the acquisition, construction,
	renovation or improvement of ta	cilities of a four-year post-secondary public
		the municipality and acquisition of or
		facilities or (2) payment of municipal higher
	education facilities gross receipt	s lax revenue bonus.
	4) The Governing Body supports of	liverse educational opportunities for parents and
•	students in Rio Rancho.	myorse educational opportunities for parents and
	stadents in the randing.	
ADO	OPTED THIS 23 <sup>rd</sup> DAY OF APRIL 2	2014.
		, Mayor
		Date
ATT	TEST:	
<u></u>	- Law Davids Clark	<u> </u>
	phen Ruger, City Clerk	
(9E	EAL)	

# Editorial: AIMS critics raise a trot line of red herrings

A abqjournal.com/386470/riowest/aims-critics-raise-a-trot-line-of-red-herrings.html

Albuquerque Journal Editorial Board

It's No. 48 on The Washington Post's 2014 list of most challenging high schools – public and private.

It's in the top 25 percent of Newsweek's 2014 top 2,000 schools in the country.

It's a 2013 National Blue Ribbon School designated by the U.S. Department of Education.

It received an "A" from the New Mexico Department of Education in 2012 and 2013.

More than 94 percent of its students are proficient in reading and math, with no achievement gap.

That recognition and achievements – and more importantly, that level of education – are what New Mexico students, parents, employers, taxpayers and leaders have been seeking for years.

Oh, and it's all absolutely free to any 6-12 public school student in New Mexico who applies and wins admission through a lottery.

We're talking about the Albuquerque Institute for Mathematics and Science charter school.

And yet despite all the aforementioned, some state and Rio Rancho officials are still doing everything they can to keep AIMS from expanding that impressive track record to a second campus. Really.

Because while rational parents, taxpayers, employers and government officials would partake in a bidding war to get a public school of this caliber in their neighborhood, Rio Rancho Public Schools Superintendent Sue Cleveland has raised an entire trot line of red herrings to block the school from opening with just sixth graders in two classrooms on the UNM West campus.

And the Public Education Commission, which oversees state charter schools, has bitten. Action on the proposed AIMS expansion has been delayed until the commission's May 9 meeting.

AlMS' focus is on dual college enrollment, and its state charter requires it to be on a UNM campus. State law mandates it be in a state-owned building soon. It has operated as an exemplary example of educating all comers (30 percent of its students qualify for subsidized lunch, 42 percent are in special education).

Yet some folks just don't want to see anything different in the City of Vision.

Even if all statistics show that something different is great for all involved. And that's simply myopic.

Cleveland says there is concern about putting middle school students on the same campus as college students. But the current AIMS campus is on UNM south, its upperclassmen take courses at UNM and adjacent Central New Mexico Community College, and all AIMS students must adhere to a strict dress code that allows faculty, staff and security with both schools to keep an eye out for the

younger students.

Cleveland also says allowing rooms on the UNM West campus to be used by 40 AIMS sixth-graders could impede UNM West's goal of expanding its programs and offering more courses. That would have more credibility if UNM actually had a plan for making UNM West a viable offshoot. To date you can shoot a cannon down hallways and not hit anyone.

Another Cleveland concern is that Rio Rancho voters recently approved a higher education tax and could become upset if the UNM West campus, which the tax supports, is used for another purpose. But AIMS will be paying UNM rent – and you don't have to get an "A" in math to figure out that getting paid so a nationally-recognized public school program can educate students in a space that would have been sitting empty is a better deal than not educating students and not getting paid.

Nevertheless, Cleveland has convinced fellow members on the UNM West Advisory Council to question the expansion, and the PEC to take some more time "to collect relevant facts and documents" related to a fishing expedition that appears to be more about fear of competition than anything else.

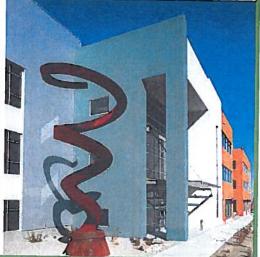
So here are some relevant facts to chew on: Last year the PEC approved a charter amendment allowing AIMS to establish another location. Last month University of New Mexico regents approved an "agreement in principle" that will allow AIMS in a UNM West building.

Those facts, and AIMS' impressive state and national track record, should be enough to cut all those red herrings loose once and for all.

30 percent of AIMS students qualify for free or reduced-price lunch.







# STATE-OF-THE-ART PLUG & PLAY CALL CENTER SUBLEASE

2351 HP WAY NE :: RIO RANCHO, NM 87144

### TOTAL AVAILABLE - 82,446 ± RSF

- First Floor 33,180± RSF 336 Call Center Workstations
- First Floor 19,038± RSF Computer Lab/Datacenter
- Third Floor 30,228± RSF 317 Call Center Workstations

#### **LEASE RATE:**

\$16.50/SF Full Service - Tenant pays janitorial

### **MASTER LEASE EXPIRES:**

November 30, 2024

#### **FEATURES:**

- Located in Rio Rancho's City Center near US 550 and NM 528
- "Plug and Play" environment with Herman Miller cubicles in place
- Immediate occupancy
- Computer lab includes: CAT 6 cabling, separate Liebert cooling system, dual fiber feed and raised floor
- Fully sprinkled
- Parking ratio: 8 per 1,000
- In-suite breakrooms, furnished conference rooms and meeting rooms
- On-site dry cleaning services available

### **COMMON AREA AMENITIES:**

Lobby

Receiving Dock

Cafe

Restrooms

Coffee Bar

FOR MORE INFORMATION CONTACT:

Terri Dettweiler, SIOR First Vice President 505 837 4912 terri.dettweiler@cbre.com

Brent Tiano, CCIM Associate 505.837.4907 brent.tiano@cbre.com

Marguerite Haverly

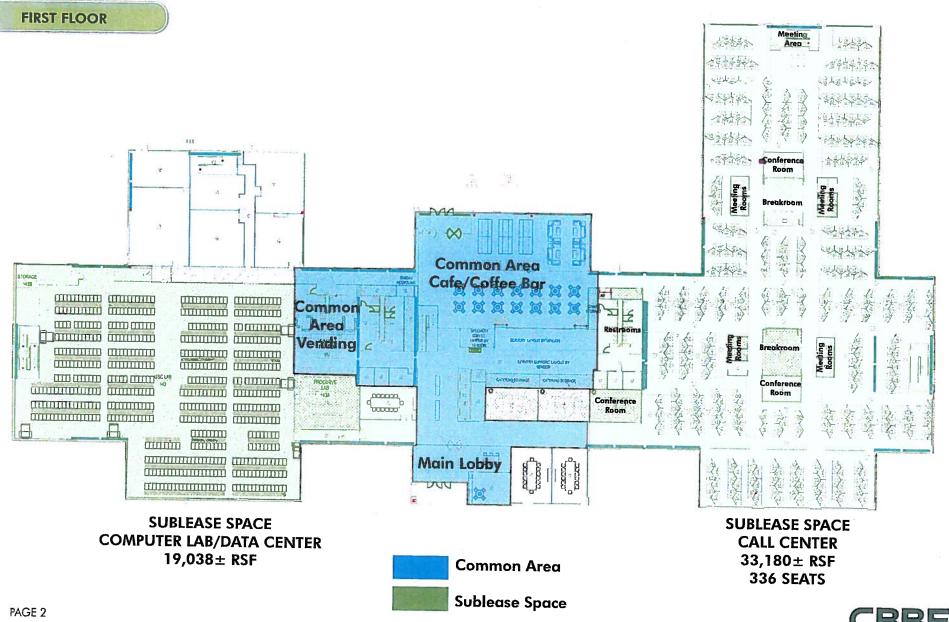
Associate 505.837.4902 marguerite.haverly@cbre.com

CBRE | 6100 Uptown NE | Suite 300 | Albuquerque, NM 87110 | T. 505.837.4999 | F. 505.837.4994 | www.cbre.com/abq



2351 HP WAY NE :: RIO RANCHO, NM 87144

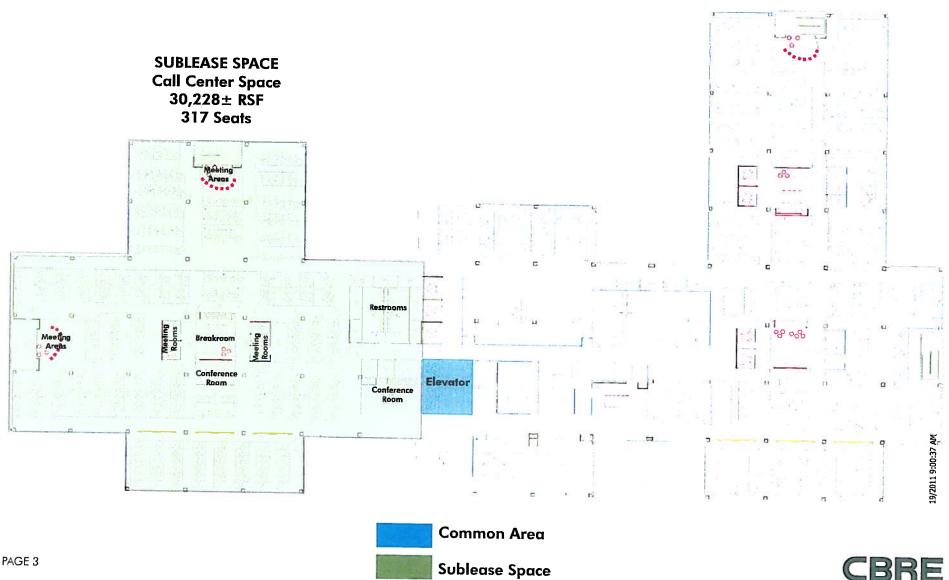




2351 HP WAY NE :: RIO RANCHO, NM 87144



THIRD FLOOR



2351 HP WAY NE :: RIO RANCHO, NM 87144

FOR SUBLEASE

### **BUILDING SPECIFICATIONS**

Total Sublease Space Available: 82,446± RSF
 Computer Lab/Data Center: 19,038± RSF

Total Office/Call Center Space: 63,408 ± RSF (demisable)

Parking: 8:1,000Ceiling Clear Height: 9'6"

Sprinklers: Fully Sprinklered
 HVAC: 2 separate systems.

Data Center has separate cooling (see below).
Office has closed loop chilled water system

Power: Single Feed at 12.47 KV

### CALL CENTER OFFICE (1ST FLOOR): 33,180± RSF

336 seats

Raised floor for cabling

• Plug and Play Herman Miller furnishings (via a bill of sale)

### CALL CENTER OFFICE (3RD FLOOR): 30,228± RSF

317 seats

Raised floor for cabling

Plug and Play Herman Miller furnishings (via a bill of sale)

### FIRST FLOOR RECEIVING AREA:

• To be shared with Sublessor (receiving only, no distribution)

10' X 12' roll up door

### COMMON/SHARED AREAS:

Lobby, café and main level restrooms

 Café and Coffee bar operated by Sublessor, Hours: Café: 7 am – 2pm, Coffee: 6am – 3/4pm

### SECURITY SYSTEM:

Sublessor to provide common area card access control to building perimeter.
 Sublessee will be permitted to install security system within the subleased premises

### COMPUTER LAB/DATA CENTER (1ST FLOOR): 19,038± RSF:

- Designed 70 W/SF on the computer floor, or 1,190 kW for the +/-17,000 USF
- Dual fiber feed with single source power
- Sublessor will allow installation of sub-tenant specific equipment. (generators and UPS)
- CAT 6 cabling

#### Sublessor will leave:

- Buses and Racks
- CAT 6 cabling
- Lieberts/cooling units (11 units)- via a Bill of Sale
- Raised Floor
- 3 humidifiers
  - There are windows in the Data Center (with black out shades)
  - Lab is in NOT currently submetered
- Mechanical: The existing +/- 17,307 USF data center/lab is currently serviced by (11) 40 ton Computer Room Air Conditioners, CRAC Units. The units provide chilled water cooling which is provided by (2) 300 ton chillers and is distributed through a piped distribution system pumped by (3) 25 Sublessor end suction pumps. Air is distributed through the space by a pressurized supply air plenum beneath the 18" raised floor and enters the space through perforated floor tiles. Air is returned to the CRAC units through the open space. Before the space was a data center/lab, it was designed to be an open office space. The rooftop air conditioning unit, duct mains, and boiler heating capacity were installed to serve this space as office space.
- Electrical: The data center/lab power distribution is fed from a dedicated switchboard in the UPS room. It serves the CRAC units, computer cabinet power via overhead busway, general power in the space, and the outdoor air-cooled chiller and associated pumps. The busway power consists of dry type transformers/switchboards on the raised floor. Lighting consists of specific fixtures aligned with computer racks to coordinate with diffusers and busway. Grounding is provided below the raised floor.

2351 HP WAY NE :: RIO RANCHO, NM 87144



Interstate

25

16 Minutes

14 Miles



IN-SUITE CONFERENCE ROOMS



### **PRESBYTERIAN RUST MEDICAL CENTER**













































2351 HP WAY NE :: RIO RANCHO, NM 87144



### **RIO RANCHO CITY CENTER**



2351 HP Way is located within Rio Rancho's City Center, or Central Business District. This area boasts a number of impressive businesses, educational campuses and economic drivers for Rio Rancho and

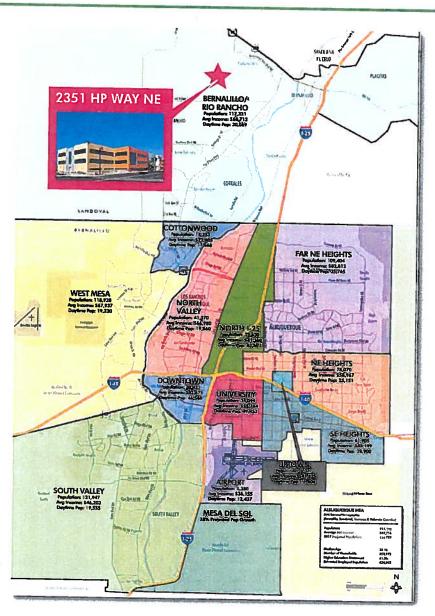
Sandoval County. These include the University of New Mexico (UNM West), Central NM Community College (CNM), UNM Regional Sandoval Medical Center, City Hall and the Santa Ana Star Center. The synergies created by the growth and development of Rio Rancho's City Center, coupled with the expansion of Presbyterian Medical's Rust Medical Center make City Center and Rio Rancho a destination location ready for future growth.

### CITY

The City of Rio Rancho is located on the southern border of Sandoval County. Sandoval County is the State of New Mexico's second most populous and fastest growing county. Sandoval County includes the incorporated municipalities of Bernalillo, Cuba, Corrales, Jemez Springs, Rio Rancho and San Ysidro, numerous unincorporated communities, the chartered community of Cochiti Lake, all or portions of nine Indian pueblos, three Navajo Chapters and part of the Jicarilla Apache Reservation. The municipalities of Rio Rancho, Bernalillo, and Corrales all border each other in Southern Sandoval. The City of Rio Rancho comprises over 100 square miles of land and is just 35 minutes from the Albuquerque International Sunport and 45 minutes from Santa Fe, the cultural center of the Southwest. The City of Rio Rancho has an estimated 2014 population of 93,207 and as the state's fastest-growing city, is setting high standards for both quality of life and conducting business. Rio Rancho residents also enjoy a moderate four-season climate, affordable housing options, and one of the state's lowest crime rates.

### **STATE**

The State of New Mexico is also one of four minority-majority states in the Union. Taking into account UNM New Mexico's largest university and the state's most populous MSA (909,344 - 2014 Population Estimate) the Albuquerque/Rio Rancho metro area offers a unique and cultural experience.





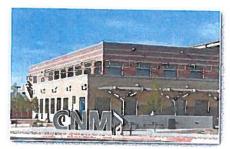
2351 HP WAY NE :: RIO RANCHO, NM 87144



### **EDUCATION**

Rio Rancho has an educated population with approximately 30 percent of its citizens holding a Graduate, Bachelor or Associates Degree. As a community, Rio Rancho values education. The public school district is considered among the best in the state with state-of-the-art schools that focus on technology-related programs. A second high school has been built on a 150-acre campus east of the City's Central Business District. In addition the University of New Mexico (UNM) and Central NM Community College (CNM) have both constructed new west side campuses in the Rio Rancho City Center directly adjacent to 2351 HP Way. The presence of Intel in the community also draws a highly-educated trailing spouse population.

As the newest city in a state saturated with tradition and history, Rio Rancho uniquely combines the convenience of modern master-planning and pro-business government with the cultural values intrinsic to its geographic location. The City borders on Albuquerque, the Town of Bernalillo, the Santa Ana Pueblo, and the Village of Corrales. With the creation of the City Center, Rio Rancho's Central Business District, the development of a major university and community college, low cost of living, and a rapidly growing population, the City of Rio Rancho is solidly fulfilling its nickname and self-imposed mandate as "The City of Vision."





### CITY OF RIO RANCHO RANKINGS

- Rio Rancho was named "One of the 10 best towns for families" in 2013 by Family Circle Magazine
- In 2012, 2010 & 2006, Rio Rancho was named one of America's Best Places to Live by Money Magazine.
- Rio Rancho was named the "Best Place to Raise Kids in New Mexico" in 2010.
- In April 2008, Rio Rancho was named "Best Place to Live and Launch" by Fortune Small Business Magazine.
- In 2010 Rio Rancho was named "One of Americas Fastest Growing Cities" by BusinessWeek





#### **UNM-Los Alamos**

Associate of Applied Science in Environmental Technology
Executive Summary
Dawn Venhaus, Department Chair of Science
March 25, 2014

The Environmental Technology program goal is to provide an opportunity for students in Northern New Mexico to gain the education, certification, and experience to qualify for entry level technician jobs in a variety of environmental science specialties. The program would enable them to specialize in biological, geological, or chemical based environmental sampling and testing. This would be achieved through traditional coursework combined with hands on experience with industry standard techniques and equipment. Many of the jobs in this area require specialized training that proves a barrier to interested and otherwise qualified individuals. This program would provide a path for students to overcome these challenges and be successful in a lucrative and fulfilling career.

The Associate of Applied Science in Environmental Technology program fulfills the mission of both UNM and UNM-Los Alamos through its strong partnerships with regional employers, high quality instruction, and an emphasis on experiential learning through mentorships and internships. This program would allow students to gain direct experience working with experts in the field prior to seeking employment as technicians. The vision for this program is that it will remain responsive both to student goals and the changing job market.

This is a unique opportunity that fills a need which is indicated by the number of jobs available, the Bureau of Labor Statistics' projected 15-24% job growth in targeted fields, the regional employers willing to partner with UNM-LA, letters of support from LANL, House Joint Memorial 7, and the lack of programs that offer a certificate or AAS in environmental technology. Los Alamos National Laboratory, Bandelier National Monument, New Mexico Consortium, New Mexico Environmental Department, DOE Oversight Bureau, and Portage, Inc. are represented on the Advisory Board. In order to meet this need, we plan an aggressive recruitment campaign prior to the 2014/2015 academic year targeting traditional students, returning veterans who are interested in retraining, those seeking jobs who may be encountering obstacles to employment. This last group will be identified through contacts with the program partners and non-profits and state organizations that provide services to the unemployed. The following table represents the projected enrollment figures for the program:

Year	Projected Enrollment
1	Minimum 10 students
2	Minimum 20 students
Following years	Minimum 20 students

In order to make this program financially sustainable and provide the highest quality of coursework for students, we have drawn heavily on existing courses, created partnerships that would supplement UNM-LA's capabilities, and identified opportunities for students to gain experience in their field. Much of the lab coursework will be conducted in the field with professionals working in their jobs. Students will have the opportunity to observe and participate in these activities. This partnership will increase student

learning and drastically reduce the amount of new equipment needed. This strategy will enhance student's hands on experience, but will not replace the required internship. If equipment is needed in the classroom, the program coordinator and advisory board will reach out to regional partners for donation of equipment.

This program draws heavily on existing UNM-LA courses, and requires a minimum of 63 credit hours. The curriculum consists of courses designed to enhance each student's academic capabilities including writing and communication, mathematical reasoning, and scientific methods in the physical sciences. All the courses were carefully chosen with extensive input from the Advisory Board in order to give graduates the best background for careers as a technician. Eight new courses were created for the program, six of which are required for graduation. They include Environmental Policy, Field Methods I & II, HAZWOPR, Maps and Geospatial Laboratory, Fermentation and Bio-Production, Internship, and Topics. While the program is science and math based it includes courses in writing, philosophy, business technology, statistics, economics, and computer technology which provides the student with critical thinking, problem solving, and communication skills needed for a successful career. This coursework will meet the program goals of:

- 1. Students will be proficient in verbal and written communication skills
- 2. Students will have proficiency with industry standard equipment and techniques including GIS, ArcGis, HAZWOPR, water, soil and biological sampling, field methods, sample analysis, and chain of custody
- 3. Students will be familiar and able to comply with laws and policies that apply to their job
- **4.** Students will have had at least a one semester internship directly related to their desired job
- **5.** Students will understand the Biology, Chemistry, Geology, and Physics related to their job as an environmental technician

In order to maintain a high quality and relevant program, the advisory board and program coordinator will review the program on a yearly basis and making suggestions on changes that will meet regional needs. In addition, the program will be assessed on financial sustainability and educational effectiveness through analysis of imbedded course outcomes assessment, review of student performance in internships, student satisfaction, student job placement, and program costs.

New resources for this program are minimal and include: 3-5 additional TPT faculty for new classes, additional time commitment for program coordinator, supplies for labs which will be covered by lab fees comparable to existing fees, and oversight of partnerships with local employers providing internships, equipment, and mentoring for students in the program. Below is a table that outlines the new monetary needs of the program over the next three years.

	Year 1	Year 2	Year 3
Faculty	\$12,000	\$12,000	\$12,000
Student Outreach	\$1,000	\$1,000	\$1,000
Miscellaneous	\$750	\$750	\$750
Total Expenses	\$13,750	\$13,750	\$13,750

# National Security and Strategic Analysis (NSSA) Undergraduate Certificate University College, UNM May 4, 2014

#### **Executive Summary**

The undergraduate certificate in National Security and Strategic Analysis (NSSA) is an interdisciplinary certificate designed to prepare students for careers in national security within the intelligence community (IC) and other governmental agencies, national and international companies, policy think tanks, and non-governmental organizations worldwide. The primary focus is student understanding of policy and data analysis from a broad range of open source information collection methods, and use of the analysis tools by governmental and non-governmental organizations engaged in strategic planning, policy development, and decision making. This is an interdisciplinary effort integrating techniques and methodology of information and policy analysis with knowledge of national security, such as: national and international political movements; social, cultural, religious and demographic trends; climate and environmental stresses; technology and information; and terrorism, weapons of mass destruction (WMD) and nonproliferation issues. The capstone activity is to demonstrate superior comprehension of strategic analysis through completion of a field or research analysis project related to a national security issue. Such analysis, and the recognition of this effort, combined with a baccalaureate degree will provide broader career opportunities for the student.

The Certificate has grown out of the UNM National Security Studies Program (NSSP), which is designated by the federal government as one of sixteen national IC Centers for Academic Excellence (IC-CAE). The NSSP was developed in 2009 to fulfill IC-CAE grant requirements. Since its inception, the NSSP has become a recognized and valued program at UNM with over 100 participating students, and several NSSP sponsored new courses at UNM in the areas of critical analysis, critical languages, and multicultural studies. NSSP students represent the ethnic diversity of the university and are the clear strength of the program. Many UNM faculty representing diverse disciplines actively engage in the program. UNM NSSP scholars have gained employment in national security related areas or gone on to graduate schools with programs offering opportunities such as those the UNM certificate would provide.

There is strong and growing governmental and private hiring demand for individuals demonstrating critical subject matter expertise coupled with the ability to engage in strategic analysis. This is exemplified by congressional mandates enacting the program and providing federal funding for such an interdisciplinary perspective, and the development of similar programs at many other institutions. The certificate will further the UNM IC-CAE student career objectives, and assist students in gaining entrance to graduate programs in international affairs, business, law, engineering, humanities and the sciences. It will also help students secure their career choices in the US military.

Since its inception, the NSSP has had a Faculty Advisory Committee consisting of over 15 members from almost all UNM colleges and schools. This committee will be constituted as the Undergraduate NSSA Faculty Certificate Committee under the University College auspices, which will administer the certificate program. The committee will continue and expand upon its

charge of providing program content, evaluation and assessment. As noted the program's spectrum is quite broad and it is through the committee that a broad range of expertise is integrated into content, evaluation and assessment.

Current faculty is expected to teach the listed courses to satisfy the credit hours toward obtaining the certificate. There are approximately 40 courses per year in various departments that are already offered (and funded) by those departments to a range of UNM students. The certificate will not add any additional cost to UNM programs. In addition, part time instructors (PTI) or Research Faculty would teach any specialized courses or topics courses offered based on program interest. Any funding for PTI instructors would come from external funding, existing PTI budgets, or alternate existing courses would be substituted. Faculty qualified to teach these courses are generally from Political Sciences, Management, and Engineering or are retired from a national laboratory or agency.

An important metric in an evaluation and assessment is certificate enrollment, which is expected to be at 30-60 students per year, with up to 100 students enrolled in the program at any one time. Students will enroll in the certificate from all colleges with expected concentrations from Engineering, A&S, and Management. The enrollment estimate is based on the number of students who have been designated as NSSP scholars; a designation requiring a 3.0 grade point average or better.

The NSSA Certificate directly supports efforts of UNM to provide good and current career opportunities for students upon graduation. The NSSA Certificate program also supports the UNM goal to work more closely with the National Nuclear Security Administration (NNSA) national laboratories (Sandia and Los Alamos) and the several Department of Defense (DOD) facilities in New Mexico. It will provide UNM students with a competitive advantage for many good career positions in New Mexico, nationally, and internationally.

A National Security and Strategic Analysis (NSSA) Undergraduate Certificate, when combined with a BA/BS degree in a discipline will open additional career opportunities for UNM students. There are several natural student populations interested in such an undergraduate certificate in National Security and Strategic Analysis. First, there are a number of students graduating from UNM who will continue their education at UNM with a career goal involving security and analysis relating to government, business or many other non-governmental organizations (NGOs) and international organizations. Sandia National Laboratories (SNL), Los Alamos National Laboratory, Kirtland Air force Base and other federal installations in or near Albuquerque are national security focused organizations and a NSSA certificate will be beneficial in securing a position at these institutions.

### MASTER'S IN PUBLIC POLICY AT UNM

### Departments of Economics, Political Science and Sociology, and the School of Public Administration

#### **EXECUTIVE SUMMARY**

Economic uncertainty, high poverty rates, low graduation rates and drought are among the challenges facing the state of New Mexico. The proposed Master's in Public Policy (MPP) program would train a new generation of analysts who can serve the state by identifying and championing data-driven policy options. The applied research, critical thinking, oral presentation and writing skills of MPP graduates will contribute to improved decision-making in local and state government agencies, in Native communities, and in the private and non-profit sectors.

- 1. Program Description: The MPP will be administered jointly by the School of Public Administration and the Departments of Economics, Political Science and Sociology, and will use existing courses in these departments to build an academically demanding and individually specialized curriculum to train professionals who can rigorously analyze policy, budget, and program questions. The curriculum will emphasize data analysis and interpretation, critical thinking, and oral and written communication. Students completing the MPP will have the skills to become professional policy analysts for government agencies, non-profit advocacy and research groups, and private firms. Representatives from these organizations will serve on an advisory board that will help align the program with community and employer needs.
- 2. Evidence of Need: At present, there is no degree program available within the state of New Mexico for students seeking graduate-level training in public policy. Both UNM and NMSU offer the Master in Public Administration (MPA) degree, but these differ in notable ways from the proposed MPP degree. The key difference between the two degrees is that the MPP is designed to train policy analysts for both the public and private sectors, while the MPA's major goal is to train public and nonprofit managers.

Potential employers in State and Local governments have identified a strong need for professionals who can rigorously analyze policy, budget, and program questions. Desired skills include critical thinking, data analysis and interpretation, and oral and written communication. Officials in State agencies are keenly interested in developing a pipeline of well-trained students from this program to support the work of state government. Letters of support accompany this proposal.

Although "Policy Analyst" does not appear as an occupation category in the NM Workforce Solutions database, some of our targeted jobs might be categorized as "Budget Analyst" and "Management Analyst." New Mexico's Department of Workforce Solutions projects that growth in Analyst positions will exceed average job growth, and that employers will need to fill 570 new Analyst positions in the next ten years. (See table in Appendix I.) Taken together with the interest of government officials, and the small size of the program, we foresee robust demand for MPP graduates.

- 3. Program Content: The MPP will be a 2-year, 48-credit program in which students acquire the methodological and statistical skills and the substantive knowledge necessary to enter the workforce as qualified policy analysts. Students will pursue a core curriculum that includes advanced training in applied econometrics, economic analysis of public policy, public policy and the political process, organizational behavior, policy and diversity, public management and ethics, and financial management. Students will also develop expertise in a substantive policy area such as Social Welfare, Economic Development, Health, Education, the Environment, Security, Criminology and Native American communities. A required internship that forms the basis for a comprehensive policy report will give students practical policy analysis experience. An ongoing public policy seminar will develop leadership, writing, presentation and other professional skills by, in part, hosting policy analysts from across the state as guest presenters.
- 4. Evaluation and Assessment: A successful MPP program will produce students who can: (1) evaluate research literature pertaining to policies and programs, (2) analyze data with appropriate statistical methods and commonly used statistical software, (3) produce well-argued and technically rigorous policy reports that provide politically feasible and institutionally sensitive recommendations, and (4) effectively communicate the content of these reports to general and diverse audiences verbally and in writing. The comprehensive policy report will serve as the basis for evaluation of these learning outcomes.

After four years of operation, the program would be eligible for accreditation by the Network of Schools of Public Policy, Affairs, and Administration (NASPAA).

- <u>5. Required Resources</u>: The program will rely primarily on existing courses. Two new courses will provide the a the policy seminar and internship. A part-time faculty director will teach these courses and coordinate the program with the assistance of a .5FTE program coordinator and a .25 FTE graduate assistant. The program will also require resources to develop a website, recruit students and send a representative to the annual NASPAA meeting.
- <u>6. Projected Enrollment</u>: The program will enroll (and graduate) about 10 students each year. At any given time, there will be about 20 students enrolled.
- 7. Costs: Total costs are about \$55,000 annually. The Dean of Arts and Sciences and the Director of the School of Public Administration have agreed to cover the estimated \$10,000 annual cost for the MPP Director's course releases. The Provost's Office has committed the remaining \$45,000. See documentation in the Budget tab of this proposal.

At full enrollment, revenues from tuition will be in the \$135,000 to \$247,000 range, depending on the number of students paying out-of-state tuition. Revenues will therefore more than cover costs, and the program could conceivably offer more programming and student support under a revenue-sharing arrangement.

#### **TESOL Graduate Certificate**

### **Executive Summary**

**Program Description:** The Graduate Certificate in *Teaching English as a Second Language (TESOL)* is a graduate and postgraduate course of study designed for teachers who to gain an understanding of effective pedagogical theory and practice in teaching English Language Learners (ELLs) as they earn their TESOL endorsement. It is also designed to prepare teachers who want to teach adults both internationally and in this country. This 15-credit certificate program consists of five courses that can be completed within one year.

**Evidence of Need:** This program will help teachers meet the educational needs of students in Albuquerque and in New Mexico. Albuquerque Public Schools (APS), the largest district in the state and one of the largest in the nation, provides educational services to over 94,566 children of whom 46,593 (53%) are Hispanic, 4,170 (5%) Native American, and 13,624 (16%) English Language Learners (ELLs). Over 57% of the teachers and administrators in the Albuquerque Public Schools (APS) are UNM/COE graduates. Approximately 20% (62,393) of New Mexico's K-12 students are ELLs.

**Program Content:** The courses, listed below, will provide the content for the TESOL Graduate Certificate. They are all standing courses in LLSS, and, therefore there is no budgetary impact nor curricular change apart from implementing the graduate certificate.

LLSS 556 – First and Second Language Development

LLSS 482 – Teaching English as a Second Language\*

LLSS 453 - Theoretical and Cultural Foundations of Bilingual Education\*

LLSS 558 - Literacy Across Cultures

LLSS 559 - Second Language Literacy

\*available for graduate credit

The TESOL Graduate Certificate goals include having graduates obtain understandings of: theories of first and second language acquisition and development; the role language and culture play in education; the nature of different programs designed to meet the needs of ELLs; effective methods and strategies in teaching ELLs; the nature of second language literacy and effective instructional strategies to promote it; and the role of family and community in a child's education.

**Evaluation and Assessment:** The TESOL Graduate Certificate, which addresses the core values of the COE, will help LLSS account for graduate and non-degree graduate students who take TESOL endorsement courses at UNM. Currently there is no mechanism to track these students, making it very difficult to assess student learning outcomes and comply with TK20 and NCATE reporting requirements. Based on surveys distributed to LLSS courses, it is estimated that approximately 350 non-degree students

took endorsement courses from 2006-2011. This number includes students who want to teach adults. There is, also, no means for these students to verify with future employers that they have successfully completed a TESOL preparation program. The TESOL Graduate Certificate would allow LLSS to market the TESOL program more widely and would attract more students to UNM.

**Required Resources:** The only required resource will be the creation of an online form on TK20, which will be used to enroll students and monitor their progress in the completion of the TESOL Graduate Certificate.

Projected Enrollment and Costs: The number of students beginning the pursuit of the TESOL Graduate Certificate should average about 25-30 students a semester. Most of these students will be APS teachers and those from outlying school districts seeking a TESOL endorsement. There will also be students who are pursuing an advanced degree and who would like to simultaneously work toward a TESOL Graduate Certificate. Students could also be drawn from Special Education, Health Education, Literacy, Educational Thought, Speech and Hearing, Linguistics among other programs. Since all of the courses are currently being taught and have already been populated with students who will now be getting a TESOL Graduate Certificate, there will be no additional costs.

Additional Information: Faculty in the LLSS TESOL/Bilingual Program: Rebecca Blum-Martinez, LLSS
Sylvia Celedon-Pattichis, LLSS
Leila Flores-Duenas, Teacher Education
Carlos Lopez LeivaHolbrook Mahn, LLSS
Lois Meyer, LLSS
Julia Scherba de Valenzuela, Special Education
Chris Sims, LLSS

#### Student Activities Center

TO:

Dr. Eliseo Torres, Vice President for Student Affairs

FROM:

Debbie Morris, Director of Student Activities

DATE:

April 17, 2014

RE:

**GPSA** Constitutional Amendments

Spring 2014 Election

The following amendments were approved in the GPSA Election held April 7-10, 2014.

Amendment 1: For 285 Against 26 Approved by 92% This amendment reflects a combination of the Executive and Legislative Finance Committees and allows for a single Finance Committee, and streamlines the budget and appropriations process.

Amendment 2: For 255 Against 54 Approved by 83% This amendment introduces the position for a Chief of Staff to the GPSA. The Chief of Staff aids the President and the Graduate and Professional student body by managing the GPSA office, GPSA Budget, and advising and representing the GPSA President when necessary.

Amendment 3: For 224 Against 86 Approved by 72% This amendment approves payment for 9 credit hours of tuition and fees allocated to the Council Chair and the Chief of Staff, and increase the tuition and fees allotted for President from 9 credit hours up to 12 credit hours.

Melanie Baise has reviewed these amendments and found no legal concerns. I recommend these amendments be presented at the next Board of Regents meeting. Priscila will present these amendments to the Academic/Student Affairs and Research Committee meeting and address any questions the Regents may have on the amendments.

Please let me know if there is any further information I can provide.

cc: Melanie Baise, Associate University Legal Counsel Priscila Poliana, GPSA President Texanna Martin, GPSA President-elect Maria Elena Corral, GPSA Council Chair



April 23, 2014

TO:

Board of Regents Academic Student Affairs and Research Committee

FROM:

Selena Salazar, Office of the University Secretary

SUBJECT:

Spring 2014 Degree Candidates

The Faculty Senate approved the Spring 2014 Degree Candidates at the April 22, 2014 Faculty Senate meeting.

Included is the list of the Spring 2014 Degree Candidates. Please do not publish the candidates that are on the privacy flag list.

### **Degree Candidate Summary\***

Doctoral and MFA Degree 458

Master's Degree

781

Bachelor's Degree

2399

Associate's Degree

263

Total 3901

Please place this item on the next Board of Regents ASAR Committee meeting agenda for consideration.

Thank you.

Attachments



### Faculty Senate

#### Memorandum

Date: May 5, 2014

To: Board of Regents

From: Richard Holder, Faculty Senate President

Cc: Carol Parker, Interim Senior Vice Provost, Office of the Provost

Re: Proposed Revision of Policy C280 "Leave Without Pay"

Because Policy C280 "Leave Without Pay" has not been updated since 1978, the Faculty Senate conducted a full review of the Policy and approved updates included in the attached draft that:

- 1. Allow leave without pay for part-time and full-time faculty.
- 2. Clarify the faculty member's responsibilities pertaining to continuation or cancellation of insurance benefits during the time a faculty member is on leave without pay. These responsibilities are listed in item 7 of the Policy Statement.

Although not all faculty policies require Board of Regent approval, Policy C280 was approved in the past by the Regents. Therefore, these changes are being submitted to the Board of Regents for consideration and approval.



### **C280: Leave Without Pay**

Approved By: Faculty Senate and Board of Regents

Last Updated: Draft 3/6/14

Responsible Faculty Committee: Policy Committee

Office Responsible for Administration: Provost and the Chancellor for Health Sciences

Revisions to the Policy Rationale, Policy Statement, and Applicability sections of this document must be approved by the full Faculty Senate.

### **POLICY RATIONALE**

A University of New Mexico (UNM) faculty member may encounter a situation that is not covered by other faculty leave policies and may need to request leave without pay. This document describes which faculty members are eligible for leave without pay and the procedures for requesting and granting leave without pay.

### **POLICY STATEMENT**

Any faculty member, except for adjunct appointments, is eligible for a leave of absence without pay after two years of service at UNM subject to the following stipulations:

- 1. Leaves without pay will be granted only when in the opinion of appropriate UNM officials such a leave will be of distinct benefit to this institution as well as to the individual concerned.
- 2. Leaves without pay will not normally be granted to persons wishing to accept a regular faculty appointment at another institution. Such an arrangement usually puts UNM at a considerable disadvantage, since it would be required to keep the position here open on a temporary basis until the person on leave returns or decides not to return to UNM.
- 3. Before the leave without pay is approved, the department chairperson and/or the dean concerned must have agreed that the assignments usually carried out by the person requesting the leave may and will be carried out satisfactorily by others—normally including one or more temporary employees from the outside— without any extra cost to UNM.
- 4. It is to be understood that if a faculty member has not attained tenure, a leave of absence without pay will normally extend the probationary period.
- 5. Leave of absence without pay is not counted toward retirement or toward years of service when figuring seniority for promotion.

- 6. While a faculty member is on leave without pay, UNM will not continue to pay its share toward retirement or Social Security benefits.
- 7. The faculty member's insurance benefits will continue while the faculty member is on leave without pay, unless the faculty member actively cancels his or her insurance through UNM Human Resources. The faculty member will be responsible for paying his or her portion of the benefit premiums. UNM will continue its contribution to premiums. The faculty member should refer to <a href="UAP Policy 3600">UAP Policy 3600</a> "Eligibility for Benefit Plans" for requirements pertaining to continuation, cancellation, and reinstatement of benefit plans.

### APPLICABILITY

All UNM academic faculty and administrators, including the Health Sciences Center and Branch Campuses.

Revisions to the remaining sections of this document may be amended with the approval of the Faculty Senate Policy and Operations Committees in consultation with the responsible Faculty Senate Committee listed in Policy Heading.

### **DEFINITIONS**

No specific definitions are required for this Policy

### WHO SHOULD READ THIS POLICY

- Faculty
- Academic staff
- Academic deans and other executives, department chairs, directors, and managers

#### RELATED DOCUMENTS

#### Faculty Handbook

Section B: "Academic Freedom and Tenure," 2.3.2, 3.4.2, and 4.10.

C200: "Sabbatical Leave"

C205: "Annual Leave"

C210: "Sick Leave"

C215: "Parental Leave"

C220: "Holidays"

C225: "Professional Leave"

<u>C230</u>: "Military Leave of Absence"

C235: "Leave for Service Abroad"

C240: "Leave of Absence Incident to Political Activity"

C245: "Faculty Absence from Assigned Duties"

University Administrative Policies and Procedures Manual:

Policy 3440 "Family and Medical Leave"

Policy 3600 "Eligibility for Employee Benefit Plans"

"Request for Leave Without Pay" form available from the Faculty Contracts and Services Office or the HSC Faculty Contracts Office.

### CONTACTS

Direct any questions about this Policy to the Faculty Contracts and Services Office or the HSC Faculty Contracts Office.

### **PROCEDURES**

- 1. A leave without pay or any combination of a sabbatical leave and a leave without pay will not generally exceed one year in duration, although when the best interests of UNM would be so served and with the concurrence of the department chairperson, the dean, and the Provost or the Chancellor for Health Sciences, the President may approve a two-year absence. However, except in rare cases, as approved by the President, a faculty member shall not be absent from UNM for more than two of any five consecutive years, and it is not contemplated that even such a proportion of absence shall be the norm.
- 2. Requests for leaves of absence without pay or any combination of a leave without pay and a sabbatical leave, as described in item 1, should be submitted through the applicant's department chairperson to the dean as early as possible, but no later than four months in advance of the date the proposed leave will begin. The dean forwards the request with his/her recommendation to the Provost or the Chancellor for Health Sciences, who in turn submits all pertinent material to the President with his/her recommendations. The President makes the final decision.

#### HISTORY

April 22, 2014—Approved by the Faculty Senate

August 29, 1978—Approved by Regents May 10, 1978—Approved by Faculty

May 18, 1975—Approved by Regents April 8, 1975—Approved by Faculty

February 1, 1975—Approved by Regents

March 14, 1974—Approved by Regents March 12, 1974—Approved by Faculty

### Tab 21

#### **Experiences from UNM's First MOOC**

Gregory L. Heileman

Academic Affairs University of New Mexico

#### MOOC Offering - Course Page





Courses Specializations Institutions About ▼ | Greg Heileman ▼



#### Web Application Architectures

Learn how to build and deploy modern web application architectures applications that run over the Internet, in the "cloud," using a browser as the user interface.



#### About the Course

This course explores the development of web application architectures from an engineering perspective. We will consider the fundamental design patterns and philosophies associated with modern web application architectures, along with their major components. By the end of this course, I expect you to be able to:

- Design, develop and deploy a modern web application. This course is not about how to build a pretty web page, it's about how to build and deploy the full stack of protocols and technologies associated with a complete web app. That said, it is not possible for you to become an expert in this area in a few weeks. My goal, rather, is to put you on the right path by providing a solid foundation and framework for understanding web applications, allowing you to dig deeper and learn more on your own. The next bullet points describe how we're going to do thic
- · Understand the major architectural components in web apps, and how they fit together. Modern web apps are complex. A typical application has a database along with numerous scripts on one end of the web stack, a web server in the middle that delivers information over the Internet, and a user's browser on the other end of the web stack. Even getting started in trying to understand these components can be overwhelming. Consider just the programming languages involved in a typical web stack: from the database

#### Sessions

Mar 24th 2014

Go to class

#### Course at a Glance

6 weeks

@ 6-9 hours of work / week

English

⊞ English subtitles

#### Instructors



Greg Heileman University of New Mexico

Categories

Information, Tech & Design

#### MOOC Offering - Support



- Greg Heileman Instructor
- Kate Hawkins UNM/Coursera partner support
- Michael Hickman Community teaching assistant
- Kevin Warne Community teaching assistant
- Matthew Maez CAPS, Program specialist, online tutoring
- Ricardo Piro-Rael CAPS, Online tutor

#### Analytics – Students (as of April 18, 2014)



Reach

31,015
Total learners joined

0

with Signature Track

182 12,509 (40%)
countries learners from emerging economies



#### Engagement

24,298

visited the course

18,827 ⊞ watched a lecture 9,233

1,349



Participated - 39%

Learners who submitted an exercise or joined a discussion.

Audited — 37%

Learners who only watched lectures.

Only visited — 24%

Learners who only visited the course website.



The number of students who enrolled in UNM's Web Application Architectures MOOC:

- Is more than the number of students enrolled at UNM main campus (undergraduate and graduate).
- Would not fit in the Pit, but could just about fill University Stadium.
- And it would be a very interesting group to bring together!
- What's the value of this reach?

#### Analytics – Students



Continents	Countries	
North America - 32%	United States - 26%	
Asia - 29%	India - 14%	
Europe - 27%	Canada - 3%	
South America - 5%	China - 3%	
Africa - 5%	United Kingdom - 3%	
Oceania - 2%	Russian Federation - 3%	
	Brazil - 3%	
	Spain - 2%	
	Ukraine - 2%	
	Germany - 2%	
	Pakistan - 2%	
	Poland - 1%	
	Australia - 1%	
	France - 1%	
C.I. Hailaman	Mexico - 1%	17 / 20

#### Analytics – Students



>= 70

0.04%

0.2%

60 - 69

2%

#### Gender & Age

#### **Female**

40%

0.3%

< 20

1%

8%

20 - 29

33%

**18%** Your Session Coursera

Male

**82%** 60%

Your Session Coursera

5%

30 - 39

26%

40 - 49

14%

50 - 59

6%

#### Analytics – Students



E_	lucation	Statu
	luculion	Sidiu

S Yes, I am currently a full-time student. - 22%

Yes, I am currently a part-time student. - 11%

No, I am not currently a student. - 67%

#### Highest Education Level

Doctorate degree - 5%

Professional school degree - 2%

Master's degree - 32%

Bachelor's degree - 39%

Associate degree - 4%

Some college but no degree - 9%

High school diploma - 8%

Some high school - 2%

Some primary or elementary school - 0.5%

No schooling completed - 0.1%

#### **Employment Status**

Employed full-time - 57%

Employed part-time - 6%

Self-employed full-time - 5%

Self-employed part-time - 4%

Unemployed and looking for work - 16%

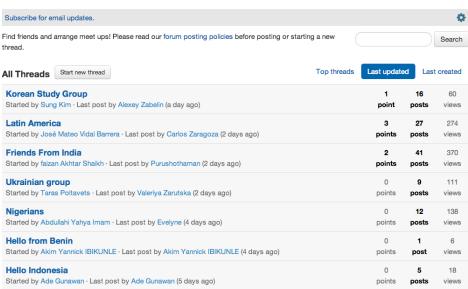
Unemployed and not looking for work - 7%

Other - 3%

#### Student Engagement – Study Groups



#### **Study Groups**



#### Student Engagement – Forums

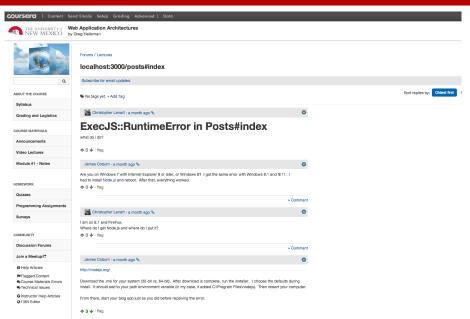


- Thousands of forum posts have occurred.
- Stanford Study:
  - Lower performing students tend to ask more questions on forums.
  - Higher performing students tend to answer them.

Peer Learning: Many issues are resolved by the students, and just they way you want it to happen.

#### Student Engagement – Forums





#### Student Engagement - Networking



#### Cesar Augusto de Andrade (Guto) via LinkedIn

To: Greg Heileman <a href="heileman@ece.unm.edu">heileman@ece.unm.edu</a> Reply-To: Cesar Augusto de Andrade (Guto) Greg, please add me to your Linkedin network April 5, 2014 12:23 PM Hide Details

#### Linked in ...



#### Hello teacher.

Congratulations, because the Web Application Architecture in Coursera have the approach is very simple and the content is perfect. I work with software development here in Brazil e and I'd like to add you to my network on LinkedIn.

[]s

- Cesar Augusto de Andrade (Guto)

Accept

View Profile

You are receiving Invitation emails. Unsubscribe.

This email was intended for Greg Heileman (Professor & Associate Provost at University of New Mexico). Learn why we included this. © 2014, LinkedIn Corporation. 2029 Stierlin Ct. Mountain View, CA 94043, USA

#### Student Engagement – Recruiting



Forums / General Discussion

Help

#### LinkedIn - Feel free to connect



https://www.linkedin.com/profile/view?id=29395565&trk=nav\_responsive\_tab\_profile

In case you're prompted to enter an email address: gwasowski@salesforce.com

in case you're prompted to enter an email address. gwasowskiesaicsiorec.com

↑ 0 ↓ · flag





I have co-founded a software company in Kenya, East Africa at 22! http://www.linkedin.com/profile/view? id=143478773&trk=nav\_responsive\_tab\_profile\_pic

**↑** 0 **↓** · flag

#### Analytics – Student Learning



#### **Student Lectures Activity**

Click on a lecture title to see more detailed information about the in-lecture guiz (lectures with no questions won't have a link).

This report was prepared on Sun, 20 Apr 2014 00:11:39 GMT.

Title	# of Users Watched	Recent Activity
Module 1 Overview	18982	
Module 1 Lecture 1	18642	
Module 1 Lecture 2	16865	
Module 1 Lecture 3	15757	
Module 1 Lecture 4	14929	
Module 1 Lecture 5	14278	
Module 2 Overview	12246	

#### Analytics – Student Learning



#### **Student Quizzes Activity**

Click on a guiz title to see more detailed information about a particular guiz and the guestions in it (guizzes with no guestions won't have a link).

This report was prepared on	Sun, 20 Apr 2014 00:11:42 GMT.						
Title	# of Users Submitted	Recent Activity	Raw Score Histogram	Min	Max	Avg	Std
Module 1 Quiz Lectures 1-2	9866			0.40	9.00	7.98	1.22
Module 1 Quiz Lectures 3-4	8592			0.00	2.00	1.40	0.49
Module 2 Quiz Lectures 1-2	6034		1	0.00	5.00	4.20	0.96
Module 2 Quiz Lectures 3-4	5481			0.00	7.00	5.85	1.24
Module 2 Quiz Lectures 5-6	5298		[	0.00	6.00	5.34	1.02
Module 3 Quiz Lectures 1-2	4306		11	0.00	6.00	5.29	0.83
Module 3 Quiz Lectures 3-5	3918	India	1	0.00	6.00	4.91	1.11

#### Analytics – Student Learning



#### **Student Assignments Activity**

This report was prepared on Sun, 20 Apr 2014 00:11:33 GMT.

Title	# of Users Submitted	Recent Activity	Raw Score Histogram	Min	Max	Avg	Std
Programming Assignment 1: Part1	4399		LI	0.00	100.00	60.05	40.75
Programming Assignment 2: Part1	3093			0.00	100.00	84.12	29.93
Programming Assignment 3: Part1	934		<b></b>	0.00	100.00	84.20	23.94
Programming Assignment 4: Part1	0			0.00	0.00	0.00	0.00

#### My Takeaways



- MOOCs per se are not the "big idea" it's how this technology aligns
  with today's learners. How they access content, interact with one
  another, network and learn, as well as how institutions are using this
  medium.
- I will never, ever teach the same way again.
- I'm constantly thinking about my class, how to make it better, what I can do next.
- A Flip with a Twist: Next semester we're working with NMEL to flip this MOOC into an online class at UNM.

### Tab 22

# NSO Redesign





Sonia Gipson Rankin Associate Dean University College Chair, NSO Redesign Committee

# NSO Redesign centered around a new academically centered mission statement

Our mission is to welcome students to the UNM community and introduce them to their role in the creation of new knowledge. We will do this by sharing resources and strategies that encourage students to reach ambitious academic goals and exceed their own expectations.

### Changing How Students Attend Orientation

- Combining College Enrichment Program and LobOrientation
  - welcome approximately 300 students and 150 family members and friends each week for 12 weeks
- Incorporating technology and interactive sessions using UNM's newly redesigned student-centered learning facility, CTLB, and more diverse spaces across campus.
- Moving from 1 ½ days to 2 full days
  - last half day being set up in a conference style format
  - Students and parents get to select what sessions interest them

## Faculty Involvement

- 1. New Student Orientation Family Connection Luncheon
  - Weekly lunches with parents and family members
- Coffee Talk with Parents
  - Weekly coffee with parents discussing academic expectations
- 3. College Mixer for First-Year Students
  - Reception with first year students, families, and faculty during convocation Sunday
- 4. Freshman Convocation

### ExceedU

- ExceedU, two days of freshman Welcome Days designed to open the doors of UNM to first year students early and help them prepare for the academic expectations of college.
  - Sessions by faculty and staff from the Libraries, Career Services, English, Math, CAPS, and Honors
  - Evening and weekend activities coordinated by Residence Life,
     Student Activities, Parents Association, and President's Office

### Tab 23



#### Office of the Dean

April 23, 2014

TO: HSC Board of Directors

FROM: Nancy Ridenour, PhD, RN, APRN, BC, FAAN

Dean, College of Nursing

SUBJECT: Spring 2014 Degree Candidates

The CON Faculty approved the Spring 2014 Degree Candidates at the April 21, 2014 Faculty Business Meeting.

Included is the list of the approved Degree Candidates. Please do not publish the candidates that are on the privacy flag list.

Degree Candidate Summary\*

Doctor of Philosophy	/ 2
Master's Degree	28
Post-Master's Certificate	4
Bachelor's Degree (RN to BSN)	) 16
Bachelor's Degree (Basic Entry BSN)	47
Tota	I 97

<sup>\*</sup>Final number of conferred degrees will be slightly lower due to changes in student degree status that occur until the end of the semester.

Please place this item on the next Board of Director's meeting agenda for consideration. I will not be able to attend the meeting on May 2. However, Dr. Amy Levi, Interim Executive Associate Dean will be in attendance.

Thank you.

Attachments



April 25, 2014

TO: UNM Board of Regents

FROM: Dr. Thomas Williams, Executive Vice Dean

SUBJECT: Spring 2014 Degree Candidates

The School of Medicine Faculty approved the Spring 2014 Degree Candidates at the April 25, 2014 General Faculty Meeting.

Included are the lists of the Spring 2014 Degree Candidates. Please do not publish the candidates that are on the privacy flag list.

#### Degree Candidate Summary\*

Total	149
Associate's Degree	0
Bachelor's Degree	64
Master's Degree	10
Doctoral Degree	75

<sup>\*</sup>Final number of conferred degrees will be slightly lower due to changes in student degree status that occur until the end of the semester.

Please place this item on the next Board of Regents meeting agenda for consideration.

Thank you.

Attachments



March 26, 2014

TO:

**HSC Board of Directors** 

FROM:

Lynda Welage, Pharm.D., Dean, College of Pharmacy

SUBJECT:

**Spring 2014 Degree Candidates** 

Included is the list of the Spring 2014 Degree Candidates. Please do not publish the candidates that are on the privacy flag list.

Degree Candidate Summary\*

	Doctor of
80	Pharmacy Degree
	Ph.D.
	Pharmaceutical Sciences –
1	PEPPOR
81	Total

<sup>\*</sup>Final number of conferred degrees will be slightly lower due to changes in student degree status that occur until the end of the semester.

Please place this item on the next HSC Board of Directors meeting agenda for consideration.

Thank you.

**Attachments** 

### Tab 24

# RESOLUTIONS OF THE REGENTS OF THE UNIVERSITY OF NEW MEXICO APPOINTING A DIRECTOR OF UNM SANDOVAL REGIONAL MEDICAL CENTER, INC.

WHEREAS, in accordance with Article III, Section 8(d) of the UNM Sandoval Regional Medical Center, Inc. ("UNM SRMC") Amended and Restated Bylaws (the "Bylaws") and pursuant to Sec. 21-28-4.B, NMSA (1978) of the University Research Park and Economic Development Act, Carolyn Voss, M.D. ("Dr. Voss") was appointed by the Regents as a Director of the UNM SRMC Board of Directors (a "Director"), by virtue of her serving as UNM Health System Chief Clinical Affairs Officer of the UNM Health Systems, a position formerly known as the Vice President of Clinical Affairs;

WHEREAS, Dr. Voss has resigned from the role of UNM Health System Chief Clinical Affairs Officer, and has therefore resigned from her position as a Director of UNM SRMC; and

WHEREAS, Michael Richards, M.D. ("Dr. Richards") has been appointed and now serves as Interim UNM Health System Chief Clinical Affairs Officer and by virtue of said appointment is qualified to serve as a Director;

#### NOW, THEREFORE, BE IT:

**RESOLVED**, that Dr. Richards, be, and he hereby is, appointed as a Class A Director of UNM SRMC, to serve in such capacity for a term ending on June 30, 2016, and until his successor is appointed and qualified.

ON_	PASSED, APPROVED, AND ADOPTED BY VOTE OF THE BOARD OF REGENTS
	By:
	Jack Fortner, President of the Board of Regents



#### Office of the Chancellor for Health Sciences

#### **MEMORANDUM**

TO:

Michael Richards, W.D., UNIVI Health System Executive Physician-in-Chief

FROM:

Paul B. Roth, M.D. MS, FACEP, Chancellor for Health Sciences

CC:

Richard Larson, M.D., Ph.D., Executive Vice Chancellor and Vice Chancellor

for Research

Stephen McKernan, UNM Health System Chief Operations Officer

Ava Lovell, UNM HSC Senior Executive Finance Officer

Scot Sauder, Esq., Sr. Associate University Counsel and Health Law Section

Lead Lawyer

RE:

UNM Health System Chief Clinical Affairs Officer

I am pleased to appoint you as Interim UNM Health System Chief Clinical Affairs Officer to perform the duties identified in the job description attached to this Memorandum. This appointment shall be effective as of January 1, 2014, and shall continue until such time as this position is filled on a permanent basis. At present, I do not anticipate an adjustment to your compensation as you perform these duties as most are subsumed within your current job title. With this job title, pursuant to the Amended and Restated Bylaws of UNM Sandoval Regional Medical Center, Inc. ("SRMC"), I will nominate you to the Board of Regents to serve as a member of the Board of Directors for SRMC. Also, please be aware that pursuant to University Administrative Policies and Procedure Manual, Policy 2010, Exhibit B-2, the role of Health System Chief Clinical Affairs Officer has certain delegated signature authority for certain types of clinical agreements. I invite you to discuss those signature authority delegations with the Office of University Counsel Health Law Section.

If you have any questions, please let me know and I look forward to working with you in this new, expanded role.

### Health System Chief Clinical Affairs Officer Job Description

Under the supervision and in support of the Chancellor, the Health System Chief Clinical Affairs Officer ("Health System CMO") will be responsible for assisting each component unit chief medical officer in ensuring that safe, effective and high quality care — in conformity with UNM Health System policies and standards — is delivered to the citizens of New Mexico who choose one or more parts or units of the UNM Health System for their health care. In doing so, the Health System CMO will work in close collaboration with the Health System COO, and will support the mission and vision of UNM, the HSC, and the UNM Health System. These responsibilities include:

- (a) Working for the Chancellor and in coordination with the Health System Chief Operations Officer ("Health System COO") and each component unit Chief Medical Officer ("CMO"), responsible for guiding and effectuating the integration of, and collaboration, between and among the component units and clinical services of the UNM Health System.
- (b) Working for the Chancellor, and in coordination with the Health System COO, clinical leadership of the academic components, and each component unit CMO, the Health System CMO will have primary accountability for developing, imple-menting, and overseeing the administration of a quality improvement and patient safety strategy for the UNM Health System and facilitates component units' conformity with UNM Health System policies and/or standards.
- (c) Support the educational and research missions of the HSC.
- (d) Working for the Chancellor, work with the governance boards of the UNM Health System to ensure appropriate governance oversight of the clinical activities performed within the UNM Health System.
- (e) In coordination with the Health System COO, clinical leadership of the academic components, and each component unit CMO,
  - 1. Assisting in developing and gaining approval for the operating and capital budgets of the clinical operations of the component units;
  - 2. Developing appropriate prioritization of UNM Health System resources to be applied to mission support at the HSC;

- 3. Assisting the component unit CEOs and CMOs in achieving Health System quality and safety goals and the reporting of same.
- (f) Working for the Chancellor and in coordination with the Health System COO, clinical leadership of the academic components, and each component unit CMO, develop and assist in administration of the strategic and operating plans for the UNM Health System.
- (g) In coordination with the Health System COO, each unit CMO, and clinical leadership of academic components, the Health System CMO will have primary accountability for developing, implementing and overseeing the administration of Medical Staff and other provider oversight functions, including, without limitation, oversight of the development and administration of credentialing and/or privileging standards and processes, clinical standards, peer review processes, scope of practice, etc. to ensure conformity with UNM Health System policies and/or standards.
- (h) In coordination with the Health System COO, clinical leadership of the academic components, and each component unit CMO, responsible for overseeing patient-centered practice operations within the UNM Health System clinical components to ensure conformity with UNM Health System policies and/or standards.
- (i) Working for the Chancellor and in coordination with the Health System COO, clinical leadership of the academic components, and each component unit CMO, assist and guide the development of coordinated information technology for the clinical operations and for the administrative operations of the UNM Health Sys-tem.
- (j) Working for the Chancellor and in coordination with the Health System COO, clinical leadership of the academic components, each component unit CMO and the Office of University Counsel, overseeing and providing input and guidance into the management of the claims and lawsuits involving the UNM Health System and its units and developing and implementing a proactive loss control system including overseeing the administration of such system to ensure conformity with UNM Health System policies and/or standards

### Tab 25



#### GOVERNANCE AND NOMINATING COMMITTEE

## Resolutions Recommending Approval of UNM Sandoval Regional Medical Center, Inc. Second Amended and Restated Bylaws

WHEREAS, the UNM Sandoval Regional Medical Center, Inc. ("SRMC") proposes to further amend and restate its Amended and Restated Bylaws (the "SRMC Bylaws"), and such amendments must be approved by governance of the University of New Mexico (the "University"), including, without limitation, the Governance and Nominating Committee (the "GNC") of the Health Sciences Center Board of Directors (the "HSC BoD"), the HSC BoD, and the Board of Regents. The specific amendments to the SRMC Bylaws are described more fully in Exhibit A (Memorandum – RE: Second Amended and Restated Bylaws of UNM Sandoval Regional Medical Center, Inc.) attached to this Resolution and incorporated herein as though fully set forth in these Resolutions;

WHEREAS, this Committee having considered the Exhibit A materials and the presentations made relative to the proposed amendments to the SRMC Bylaws are satisfied with these proposed revisions and believe that such amendments should be recommended for approval to the HSC BoD.

NOW THEREFORE, BE IT RESOLVED that the Committee hereby recommends to the HSC BoD that the proposed amendments to the SRMC Bylaws as identified above and as described in Exhibit A should be approved.

ADOPTED BY A VOTE OF THE MEMBERS OF THE GOVERNANCE AND NOMINATING COMMITTEE OF THE HEALTH SCIENCES CENTER BOARD OF DIRECTORS AT A MEETING HELD ON May 1, 2014.

Regent Lt. Gen. Bradley Hosmer, its Chair



#### **MEMORANDUM**

TO: Regent Lt. Gen. Bradley Hosmer, Chair, Governance and Nominating Committee

FROM: Jamie Silva-Steele, RN, BSN, MBA, Interim President and Chief Executive

Officer, UNM Sandoval Regional Medical Center, Inc.

Date: May 1, 2014

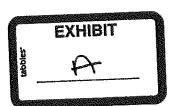
RE: Second Amended and Restated Bylaws of UNM Sandoval Regional Medical

Center, Inc.

I respectfully submit for your consideration the attached the Second Amended and Restated Bylaws of UNM Sandoval Regional Medical Center, Inc., ("SRMC"), which were approved by the SRMC Board of Directors ("Board") on March 26, 2014. A summary of the revisions are listed below:

- Monthly Meetings of the Board have been revised to require Regular Meetings of the Board, at least quarterly, to provide flexibility (Article III, Section 3).
- Notice of Meetings has been increased from 2 days to 3 days to conform to the SRMC Board of Directors' Policy on Public Notice and Open Nature of Meetings of the Board of Directors (Article III, Section 3).
- Changes to the positions of Director (Article III, Section 8):
  - o The maximum number of Directors has been increased from 10 to 11.
  - The Director position previously entitled Chief Operating Officer of the UNM
    Hospitals has been retitled to be Chief Operation Officer of the UNM Health System to
    reflect the accuracy of the position in attendance.
  - The Director position held by the Vice President of Clinical Affairs of the UNM Health Sciences Center has been replaced with the Executive Physician-in-Chief of the UNM Health System.
  - The Director position held by the Executive Vice Dean of the UNM School of Medicine has been eliminated.
  - The Director nominated and represented by UNM Medical Group, Inc. has been removed.

1 University of New Mexico · HSSB Room 318 Albuquerque, New Mexico 87131-0001 Phone 272-2377 Fax 272-1938



- However, the number of Directors, whom must be a resident of Sandoval county, has increased from 1 Director to 3 Directors (the increase in these Sandoval community members are derived from the elimination of the 2 aforementioned positions);
- Electronic signatures are permitted in Board actions. (Article III, Section 14).
- The Board may delegate to the Chair and President/CEO the power to appoint subordinate Officers or agents (Article IV, Section 3).
- The Executive Committee membership has been revised to replace the President and Chief Executive Officer and Chairs of the Committees with 3 members of the Board, one of which must be a community member (Article V, Section 1).
- The Chief of the Medical Staff of SRMC now holds a position on the Finance/Strategic Planning Committee (Article V, Section 2).
- The Audit and Compliance Committees, previously 2 separate committees, are now combined (Article V, Section 3).
- Minor grammatical and gender neutral edits were made throughout the document.

## SECOND AMENDED AND RESTATED BYLAWS OF UNM SANDOVAL REGIONAL MEDICAL CENTER, INC.

## ARTICLE I: NAME

The name of the Corporation shall be:

UNM SANDOVAL REGIONAL MEDICAL CENTER, INC.

The Corporation has been formed as a nonprofit corporation under the New Mexico Nonprofit Corporation Act, N.M. STAT. ANN. § 53-8-1 *et seq.*, and the New Mexico University Research Park and Economic Development Act, N.M. STAT. ANN. § 21-28-1 *et seq.* 

## ARTICLE II: MEMBER AND MEMBERSHIP

Section 1: <u>Members</u>. The Regents, as a body corporate, shall be the sole member (the "<u>Member</u>") of the Corporation. The Regents shall have all the rights and privileges granted to it by the New Mexico Nonprofit Corporation Act, the University Research Park and Economic Development Act, the Articles of Incorporation, and these Bylaws.

Section 2: <u>Annual Meeting of the Member</u>. The Annual Meeting of the Member for the election of Directors, and for the transaction of such other business as properly shall come before the meeting, shall be held following the close of the fiscal year of the Corporation and within sixty days of the delivery to the member of the Corporation's final audit for such fiscal year as provided for under these Bylaws, but in no case later than December of each year.

Section 3: <u>Special Meetings</u>. Special Meetings of the Member shall be called at any time by the Regents. A Special Meeting may be requested by the President and/or the Chief Executive Officer of the Corporation or upon Resolution of the Board of Directors. Conduct of Special Meetings is in the sole discretion of the Member.

Section 4: <u>Place of Meetings</u>. All meetings of the Member shall be held at such places within the State of New Mexico as shall be specified in the respective notices of such meetings or waivers thereof.

Section 5: <u>Notice of Meetings</u>. Notice of the Annual Meeting and of every Special Meeting described hereinabove shall be served personally or by mail on the members of the Regents, not less than ten (10) days nor more than fifty (50) days before the meeting. All notices shall state the place, day and time where the meeting is to be held and notices of Special Meetings shall also state the purpose or purposes for which the meeting is called. If mailed, such notice shall be directed to each Regent at the address of each Regent as it appears on the books or records of the Corporation. Additionally, notice is deemed given if made by electronic communication.

The Member, as a body corporate, may waive notice of a meeting by executing and filing in the corporate records a written waiver of notice. The attendance of any Regent at any meeting shall constitute a waiver of notice of the meeting, except where a Regent attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 6: <u>Action of Members Without a Meeting</u>. Any action required or permitted to be taken at a meeting of the Member, or any action which may be taken at a meeting of the Member, may be taken without a meeting if a consent in writing, setting forth the action is signed by the Member.

## ARTICLE III: BOARD OF DIRECTORS

Section 1: <u>Management</u>. The affairs and the property of the Corporation shall be managed by the Board of Directors (the "<u>Board</u>"). The Directors shall act only as a Board, and individual Directors shall have no power as such.

Section 2: <u>Annual Meeting</u>. The Annual Meeting of the Board for the election of Officers (as hereinafter defined) and for the transaction of such other business as properly shall come before the meeting shall be held as soon as practicable following the Annual Meeting of the Member; provided, however, that an organizational meeting of the Board, for the election of Officers and transaction of other business, may be held after the first appointment of the voting Directors enumerated in Article III, Section 8(a) – (d) of these Bylaws. Such Annual Meeting of the Board shall be a general meeting and open for the transaction of any business within the powers of the Board without special notice of such business, except in any case where special notice is required by law, by the Articles of Incorporation, or by these Bylaws.

Section 3: <u>Regular Meetings</u>. <u>Regular Meetings</u> of the Board shall be held at <u>least quarterly</u> at such places within the State of New Mexico as shall be specified by the Board of Directors, one of which shall be designated as the Annual Meeting. Such <u>Regular Meetings</u> shall be general meetings and open for the transaction of any business within the powers of the Board without special notice of such business, except

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in any case where special notice is required by law, by the Articles of Incorporation, or by these Bylaws.

Section 4: <u>Special Meetings</u>. Special Meetings of the Board shall be called at any time by the Secretary upon the request of the President and/or the Chief Executive Officer of the Corporation or no less than one-quarter of the Directors then in office.

Section 5: <u>Place of Meetings</u>. All meetings of the Board shall be held at such places within the State of New Mexico as shall be specified in the respective notices of such meetings or waivers thereof.

Section 6: <u>Notice of Meetings</u>. Notice of every Annual or <u>Regular Meeting</u> of the Board shall be served personally or by mail on each Director not less than ten (10) days nor more than fifty (50) days before the meeting. Notice of every Special Meeting shall be served personally or by mail on each Director not less than <u>three</u> (3) days before the meeting. Notices or waivers of notice do not need to state the purpose or purposes for which the meeting is called, but shall state the time and place of the meeting. If mailed, such notices shall be directed to each Director entitled to notice at his address as it appears on the books or records of the Corporation. Additionally, notice is deemed given if made by electronic communication.

A Director may waive notice of a meeting by executing and filing in the corporate records a written waiver of notice. The attendance at any meeting shall constitute a waiver of notice of the meeting, except where a member attends for the expressed purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 7: Quorum. At all meetings of the Board of Directors the presence of a majority of the Directors then in office shall be necessary and sufficient to constitute a quorum, and except as otherwise provided by law or by these Bylaws, the act of a majority of the Directors present at a meeting at which there is a quorum shall be the act of the Board.

Section 8: Number, Composition, and Election of Board of Directors. The Corporation shall have not less than three (3) nor more than eleven (11) Directors, as determined by the Member by resolution (each a "Director" and collectively, the "Directors"). Pursuant to the requirements of the University Research Park and Economic Development Act, the Member, by and through the Regents, will appoint all Directors. The Directors shall include the following individuals, who shall be voting Directors:

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In these Bylaws, the Directors appointed by virtue of their positions as described in Section 8(a) through (c) and (i) hereinabove shall be referred to individually as a "Positional Director," and, collectively, as the "Positional Directors." Additionally, in these Bylaws, the Directors appointed

- (a) The Chancellor for Health Sciences of the UNM Health Sciences Center (the "Chancellor");
  - (b) The Chief Operating Officer of the UNM Health System;
  - (c) The Executive Physician-in-Chief of the UNM Health System;
- (d) At least thirty (30) days prior to the Annual Meeting of the Member, Board of Trustees of UNM Hospitals may nominate one individual to serve as a Director, subject to the Member's Conflict of Interest policies; the Member shall consider such nominee at the Annual Meeting and, if acceptable to the Member, may, upon a majority vote of the Regents, appoint such individuals to serve as a Director of the Corporation; provided, however, that, in the event that the Member finds a nominee unacceptable, the Board of Trustees of UNM Hospitals shall nominate another individual for the Member's consideration at a Special Meeting of the Member and, if such substitute nominee is acceptable to the Member, may, upon a majority vote of the Regents, appoint such individual to serve as a Director; provided, further, however, that if after two (2) consecutive rounds of any such nomination with respect to a particular Non-Positional Director vacancy, the Regents find such nominees unacceptable, then the Regents may select and appoint an individual who is independent and not a faculty member of the UNM to serve as a Director of the Corporation;
- Member, the Board of County Commissioners of Sandoval County (the "Sandoval County Commission") may nominate one individual to serve as a Director, subject to the Member's Conflict of Interest policies; the Member shall consider such nominee at the Annual Meeting and, if acceptable to the Member, may, upon a majority vote of the Regents, appoint such individuals to serve as a Director of the Corporation; provided, however, that, in the event that the Member finds a nominee unacceptable, the Sandoval County Commission shall nominate another individual for the Member's consideration at a Special Meeting of the Member and, if such substitute nominee is acceptable to the Member, may, upon a majority vote of the Regents, appoint such individual to serve as a Director; provided, further, however, that if after two (2) consecutive rounds of any such nomination with respect to a particular Non-Positional Director

as described in Section 8(d), (e), and (g) shall be referred to individually as a "Non-Positional Director" and, collectively, as the "Non-Positional Directors." With respect to the Positional Directors, it is acknowledged that the job titles associated with such Positional Directors may change over time and, therefore, it is intended that the successor job title to the current, specified job title shall be deemed to apply to such Positional Directors without the necessity of amending these Bylaws.

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. (d) . The Dean of the UNM School of Medicine (the "UNM SOM Dean") or, if the UNM SOM Dean is the same person as the Chancellor, then the Executive Vice Dean of the UNM SOM.

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vacancy, the Regents find such nominees unacceptable, then the Regents may select and appoint an individual who is independent and not a faculty member of the UNM to serve as a <u>Director</u> of the Corporation;

- (t) The then sitting Chief of the Medical Staff of UNM Sandoval Regional Medical Center duly elected by the active medical staff of the same; and
- (g) At least thirty (30) days prior to the Annual Meeting of the Member, the members of the Board shall nominate three (3) individuals who are residents of Sandoval County, New Mexico and who are not employees of the Corporation, the University of New Mexico, the University of New Mexico Hospital, UNM Medical Group, Inc. or Sandoval County, New Mexico to serve as Directors, subject to the Member's Conflict of Interest policies; the Member shall consider such nominee at the Annual Meeting and, if acceptable to the Member, may, upon a majority vote of the Regents, appoint such individuals to serve as Directors of the Corporation; provided, however, that, in the event that the Member finds any of the nominees unacceptable, the Board shall nominate another individual who meets the qualifications identified in this Section 8(h) for the Member's consideration at a Special Meeting of the Member and, if such substitute nominee is acceptable to the Member, may, upon a majority vote of the Regents, appoint such individual to serve as a Director; provided, further, however, that if after two (2) consecutive rounds of any such nomination with respect to a particular Non-Positional Director vacancy, the Regents find such nominees unacceptable, then the Regents may select and appoint an individual(s) who meets the qualifications identified in this Section 8(h) to serve as a Director of the Corporation.

Section 9: <u>Vacancy</u>. Except as otherwise provided in this Section 9, any vacancies occurring among the Directors shall be filled by the Member at a Special Meeting. A vacancy shall occur upon the death or incapacity of a Director, or his or her resignation or removal as hereinafter provided. Subject to the provisions of Section 11 hereinbelow, each Positional Director shall continue as a Director only for so long as such individual occupies the position qualifying him/her for said appointment, or until his/her earlier death or resignation. A vacancy shall be filled for the remainder of the unexpired term of the Director whose death, incapacity, resignation or removal gave rise to the vacancy.

Section 10: Term of Office of Directors. The Initial Directors named in the Articles of Incorporation shall serve until the voting Directors enumerated in Article III, Section 8(a) – (g) of these Bylaws shall have been first appointed by the Member and qualified. The <u>Directors</u> shall be divided into three classes, designated Class A, Class B, and Class C. Each class shall consist of one-third of the <u>Directors</u> or as close an approximation as possible. In this connection, one of the Non-Positional Directors shall

Deleted: 1 (g) . At least 30 days prior to the Annual Meeting of the Member, or at least three (3) days prior to the Member's consideration of the first appointment of the Positional Directors enumerated in Article III, Section 8(a) - (d) of these Bylaws, the Board of Directors of UNM Medical Group, Inc. may nominate one of its members to serve as a Director, subject to the Member's Conflict of Interest policies; the Member shall consider such nominee at the Annual Meeting and, if acceptable to the Member, may, upon a majority vote of the Regents, appoint such individual to serve as a Director of the Corporation; provided, however, that, in the event that the Member finds such nominee unacceptable, the Board of Directors of UNM Medical Group, Inc. shall nominate another one of its members for the Member's consideration at a Special Meeting of the Member and, if such substitute nominee is acceptable to the Member, may, upon a majority vote of the Regents, appoint such individual to serve as a Director; provided, further, however, that if after two (2) consecutive rounds of any such nomination with respect to a particular Non-Positional Director vacancy, the Reg ... [1] Deleted: gh Deleted: ¶ Deleted: h Deleted: ¶ Deleted: or at least three (3) days prior to the Member's consideration of the first Deleted: 41 Deleted: is Deleted: a Deleted: is Deleted: a an Deleted: a Deleted: a Deleted: such Deleted: i Deleted: i **Deleted:** director Comment [A1]: Will revise this section if B, C, or D, above changes per the discussions

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serve as a Class B <u>Director</u> and one of the Non-Positional Directors shall serve as a Class C <u>Director</u>. The Chancellor shall serve as a Class B Director, <u>Chief Operating Officer</u>, <u>UNM Health System</u> shall serve as a Class A Director, and the <u>Executive Physician-in-Chief</u> shall serve as a Class A Director, The remaining Directors shall be divided into the three (3) classes in as close an approximation to one-third as possible. The initial term of office of the <u>Directors</u> of Class A shall expire at the annual meeting to be held following the end of fiscal year 2010, the initial term of office of the <u>Directors</u> of Class B shall expire at the annual meeting to be held following the end of fiscal year 2011, and the initial term of office of the <u>Directors</u> of Class C shall expire at the annual meeting to be held following the end of fiscal year 2012. After the initial terms specified above for each Class of Director, Directors shall serve for a term of not more than three (3) years from and after their election by the Regents and may be reelected for any number of terms. All Directors shall serve in their respective offices until their successors are appointed and qualified.

Section 11: <u>Resignation and Removal of Directors</u>. Any Non-Positional Director may be removed by a majority vote of the Regents at any time with or without cause and with or without notice at a meeting of the Member. Any Non-Positional Director may resign at any time upon providing written notice to the Chairman of the Board and to the Member.

With respect to the Positional Directors, each such Positional Director may be removed by a majority vote of the Regents for good cause with prior written notice to such Positional Director. In this connection, "good cause" shall mean:

- (a) The failure of such Positional Director to continue in the position giving rise to such Positional Director's appointment as a Director as set forth in Sections 8 and 9 of this Article;
- (b) The inability of such Positional Director to substantially perform his/her material duties as a Director by failing to attend three (3) consecutive <u>Regular Meetings of the Board;</u>
- (c) Willfully engaging in illegal conduct or gross misconduct, which is materially and demonstrably injurious to the Corporation. For purposes of this provision, no act or failure to act on the part of such Positional Director shall be considered "willful" unless it is done in bad faith or without reasonable belief that such Positional Director's action or omission was in the best interests of the Company.

With respect to the Director serving as a result of Section 8(g) (the "Chief of the Medical Staff"), if at any time during his or her term as the Medical Staff Chief Director, the Medical Staff Chief Director shall for any reason cease to be the Chief of

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the Medical Staff of the UNM Sandoval Regional Medical Center or a member of the active medical staff of the UNM Sandoval Regional Medical Center, such fact shall be considered to be a "deemed resignation" from the Board of Directors of the Corporation.

Section 12: <u>Compensation and Expense Reimbursement</u>. The Directors shall not receive compensation for their services as <u>Directors</u> but the Board may authorize reimbursement for reasonable and necessary expenses incurred by Directors in connection with the performance of their duties in accordance with policies to be established by the Board.

#### Section 13: Indemnification.

- Any person made a party to any action, suit or proceeding by reason of the fact that he or she, his/her testator or intestate, is or was a Director, Officer or employee of the Corporation, or of any corporation which he or she served as such at the request of the Corporation, shall be indemnified by the Corporation against the reasonable expenses, including attorney's fees, actually and reasonably incurred by him in connection with the defense of such action, suit or proceeding, civil or criminal, in which he or she is made a party by reason of being or having been a Director or Officer. The indemnification may include any amounts paid to satisfy a judgment or to compromise or settle a claim, or incurred in connection with any appeal of any such action, suit or proceeding. A Director, Officer or employee shall not be indemnified in relation to matters as to which it shall be adjudged in such action, suit or proceeding on the basis that he or she has breached or failed to perform the duties of his office and the breach or failure to perform constitutes willful misconduct or recklessness. The foregoing right of indemnification shall not be deemed exclusive of any other rights to which any such Director, Officer, or employee may be entitled as a matter of law.
- (b) Expenses incurred in defending any action or proceeding for which indemnification is required pursuant to this Section 13 following authorization thereof by the Board shall be paid by the Corporation in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of the indemnified party to repay such amount if it shall ultimately be determined that the indemnified party is not entitled to be indemnified as authorized in this Section 13.
- (c) The indemnification provided by this Section 13 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office,

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to the extent that additional rights to indemnification are authorized in the Articles of Incorporation.

(d) The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of the New Mexico Non-Profit Corporation Act or the New Mexico University Research Part and Economic Development Act.

Section 14: <u>Action Without A Meeting.</u> Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board, or of any Committee thereof, may be taken without a meeting if all members of the Board or Committee, as the case may be, consent thereto in writing and the writing or writings are filed with the minutes of proceedings of the Board or Committee. Written consents representing actions taken by the Board or Committee may be executed by telex, telecopy, a software which allows for electronic signatures and has an appropriate authentication system, or facsimile transmission, where such facsimile shall be valid and binding to the same extent as if it were an original.

Section 15: <u>Telephonic Meetings</u>. Unless otherwise restricted by the Articles of Incorporation or these Bylaws, members of the Board of Directors, or any Committee, may participate in a meeting of the Board, or any Committee, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

## ARTICLE IV: OFFICERS

Section 1: <u>Number of Officers</u>. The Officers of the Corporation shall be a Chairman of the Board, a President and Chief Executive Officer, one or more Vice-Presidents, a Secretary, and a Chief Financial Officer (together with the additional officers appointed pursuant to Section 3 below, shall be referred to individually as an "<u>Officer</u>" and collectively, as the "<u>Officers</u>"). One person may hold two of the aforesaid offices. With the exception of the Chairman of the Board, Officers need not be Directors.

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Section 2: Election of Officers. Except for those Officers serving by virtue of their position (the "Ex-Officio Officers"), the Officers shall be elected annually at each Annual Meeting of the Board by a plurality of the votes cast and may succeed themselves in office. Except for the Ex-Officio Officers, each person elected as an Officer shall continue in office until the next Annual Meeting after his election, or until his successor shall have been duly elected and qualified, or until his earlier death, resignation or removal in accordance with these Bylaws. Except for Ex-Officio Officers, vacancies of Officers caused by death, incapacity, resignation, removal, or increase in the number of Officers may be filled by a majority vote of the Board at a Special Meeting called for that purpose or at any regular meeting. As to the Ex-Officio Officers, any Ex-Officio Officer may be removed from his/her office for "good cause" as defined in Section 11 of Article III of these Bylaws.

Section 3: <u>Additional Officers</u>. The Board, at any meeting may by resolution appoint such additional Officers and such agents and employees as it may deem advisable. The Board may delegate to the Officers in Sections 5 and 6, the power to appoint subordinate Officers (other than the Officers identified in Sections 6, 8, and 9 of this Article) or agents and to determine their terms of office. Any such appointments will be reported at the subsequent Board meeting.

Section 4: <u>Removal of Officers</u>. Except for the Ex Officio Officers, any Officer may be removed at any time with or without cause and with or without notice, by a vote of the majority of the Board at any meeting of the Board.

Section 5: <u>Chairperson of the Board</u>. The Chairperson of the Board shall be elected from among the Directors; provided, however, that in all cases, the Chairperson of the Board shall be the Chancellor. The Chairperson of the Board shall preside at all meetings of the Members of the Board and shall have such other powers and duties as may be assigned to him or her from time to time by the Board or as prescribed by these Bylaws.

Section 6: President and Chief Executive Officer. The President and Chief Executive Officer shall have general supervision over the affairs and property of the Corporation and over its several Officers, and shall generally do and perform all acts incident to the office of the President and Chief Executive Officer, and shall have such additional powers and duties as may from time to time be assigned to him/her by the Board. When authorized by the Board, the President and Chief Executive Officer may sign and execute, in the name of the Corporation, deeds, mortgages, promissory notes, security agreements, pledge agreements, financing statements, bonds, contracts or other instruments authorized by the Board, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other Officer or agent of the Corporation.

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Section 7: The Vice-Presidents. The Board may elect one or more Vice-Presidents. At the request of the President and Chief Executive Officer, or in his absence or disability, the Vice-Presidents, in the order designated by the Board, shall perform all the duties of the President and Chief Executive Officer and, when so acting, shall have all the powers and be subject to all the restrictions upon the President and Chief Executive Officer. When authorized by the Board, any Vice-President may also sign and execute, in the name of the Corporation, deeds, mortgages, bonds, contracts, or other instruments authorized by the Board, except in cases where the signing and execution thereof shall be expressly delegated by the Board, or by these Bylaws to some other Officer or agent of the Corporation. The Vice-Presidents shall perform such other duties as from time to time may be assigned to them by the Board and/or by the President and Chief Executive Officer, as the case may be.

Section 8: <u>Chief Financial Officer</u>. The Chief Financial Officer shall report to the President and Chief Executive Officer and shall have charge and custody of, and be responsible for, all the funds of the Corporation and shall keep or cause to be kept and shall be responsible for the keeping of accurate records of the assets, liabilities and transactions of the Corporation. He/she shall deposit all moneys and other valuable effects of the Corporation in the name of and to the credit of the Corporation in accordance with accounting procedures approved by the Board, consistent with the policies of the UNM, in such banks, trust companies, or other depositories as may be approved by the Board. He/she shall disburse the funds of the Corporation based upon proper vouchers for such disbursements. In general, he shall perform all the duties incident to the office of Chief Financial Officer and such other duties as may from time to time be assigned to him by the Board. If required by the Board, the Chief Financial Officer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board shall determine. The expense of such bond shall be paid by the Corporation.

Section 9: Secretary. The Board shall elect a Secretary who shall report to the President and Chief Executive Officer and act as Secretary of, and keep the Minutes of all meetings of the Board and of the Member in one or more books provided for that purpose; and whenever required by the President and Chief Executive Officer shall perform like duties for any Committee, provided that in the absence of the Secretary, the Member or a majority of the Directors present at any meeting thereof may designate any person to act as Secretary for such meeting. The Secretary shall see that all notices are duly given in accordance with these Bylaws and as required by law; he or she shall be custodian of the Seal of the Corporation and shall affix and attest the Seal to any and all documents specifically or generally authorized by the Board to be executed on behalf of the Corporation under its Seal. He shall have charge of the books, records and papers of the Corporation relating to its organization as a Corporation, and shall see that all reports, statements and other documents required by law are properly kept or filed, except to the extent that the same are to be kept or filed by the Chief Financial

Officer. In general, he or she shall perform all the duties incident to the office of Secretary and such other duties as may from time to time be assigned to him by the Board and by the President and Chief Executive Officer.

### ARTICLE V: COMMITTEES

Section 1: Executive Committee. A majority of the initial Directors set forth in the Articles of Incorporation, present at a meeting of the Board at which there is a quorum may initially appoint an Executive Committee to serve during the interim until the first Annual Meeting of the Board, and thereafter, the Executive Committee shall be appointed annually at the Annual Meeting of the Board by a majority of the Directors present at a meeting of the Board at which there is a quorum. The Executive Committee shall consist of the Chairman of the Board, and three (3) members of the Board elected by the majority members of the Board, one of which must be a community Board member, Vacancies in members of the Committee may be filled by a majority of the Directors present at a meeting of the Board at which there is a quorum. Except for those members serving on the Executive Committee by virtue of their office, any member of the Executive Committee may be removed from membership on said Committee at any time with or without cause by a vote of the majority of the Directors present at any meeting of the Board at which there is a quorum, but only upon the recommendation of the Chairman of the Board.

The Executive Committee shall, during the intervals between meetings of the Board, possess and exercise all of the powers of the Board in the management of the affairs and property of the Corporation, except that the Executive Committee may not take or possess the authority to take any of the actions proscribed in Section 7 of this Article. The presence of a majority of the members of the Executive Committee shall be necessary and sufficient to constitute a quorum, and the act of a majority of the members of the Executive Committee present at a meeting at which there is a quorum shall be the act of the Executive Committee. The Executive Committee shall keep full and fair records and accounts of its proceedings and transactions. All actions by the Executive Committee shall be reported to the Board at its next meeting succeeding such action and shall be subject to revision and alteration by the Board, provided that no rights of third persons shall be affected by any revisions or alteration.

Section 2: Finance/Strategic Planning Committee. A majority of the whole Board may appoint a Finance/Strategic Planning Committee consisting of at least three (3) Directors (one of which shall be the then sitting Chief of the Medical Staff of UNM Sandoval Regional Medical Center) and such Committee shall recommend or determine the form, time, and manner in which funds of the Corporation shall be invested, as such majority shall authorize. The Board shall enact rules and regulations for governance of

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the Finance/Strategic Planning Committee and shall report to the Board as the Board shall require.

Section 3: Audit and Compliance Committee. A majority of the whole Board will appoint an Audit and Compliance Committee consisting of at least three (3) Directors, who will be three of the Non-Positional Directors appointed pursuant to Section 8(d), (e), (f) and (g) of Article III. The basic purpose and responsibility of the Audit and Compliance Committee shall be to advise and assist the Board in fulfilling its responsibilities to the Corporation and the Member in connection with monitoring the integrity of this Corporation's financial statements, financial and accounting practices, internal controls, business ethics, and compliance with laws, regulations, and policies that may have a material impact on the financial statements of the Corporation. In this connection, the Audit and Compliance Committee will review and assess the qualitative aspects of financial reporting, the Corporation's processes to manage business and financial risk, and compliance with significant applicable legal, ethical, and regulatory requirements. The Audit and Compliance Committee shall, when necessary, work in collaboration with the Internal Audit Department of the Member and shall report to the Board as the Board shall require and to Audit Committee of the Regents as the Regents may require.

Section 4: Other Committees. A majority of the Directors present at a meeting of the Board at which there is a quorum may from time to time, by Resolution, create such other Committees of Directors, Officers, or other faculty members or employees, with such functions, powers, and duties as the Board shall determine. The Board shall enact rules and regulations for the governance and authority of any such Committee; provided, however, that any Committee appointed pursuant to this section which is not comprised of all Directors shall not have the power of the Board.

Section 5: <u>Minutes of Committees</u>. Each Committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required. All actions by any Committee formed as provided in this Article V, other than the actions by the Audit Committee, shall be reported to Executive Committee of the Board at its next meeting succeeding such action and shall be subject to revision and alteration by the Executive Committee of the Board and ultimately, the Board.

Section 6: Meetings and Action of Committees. Meetings and actions of Committees shall be governed by, and held and taken in accordance with, the provisions of Section 5 of Article III (place of meetings), Section 14 of Article III (by telephone), Section 6 of Article III (notice and waiver of notice), Section 7 of Article III (quorum), and Section 14 of Article III (action without a meeting) of these Bylaws, with such changes in the context of such provisions as are necessary to substitute the Committee and its members for the Board of Directors and its members; provided, however, that the time of regular meetings of Committees may be determined either by

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resolution of the Board of Directors or by resolution of the Committee, that Special Meetings of Committees may also be called by resolution of the Board of Directors and that notice of Special Meetings of Committees shall also be given to all alternate members, who shall have the right to attend all meetings of the Committee. With the exception of the Audit Committee, the Board of Directors may adopt rules for the governance of any Committee not inconsistent with the provisions of these Bylaws.

Section 7. Limitations of Powers of Committees. None of the Committees of the Board created as provided in this Article V shall have the power or authority to (a) amend, alter or repeal these Bylaws, (b) elect, appoint or remove any member of any Committee or any Director or Officer of the Corporation, (c) amend the Articles of Incorporation, restate the Articles of Incorporation, adopt a plan of merger, or adopt a plan of consolidation with another corporation, (d) authorize the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Corporation, (e) authorize the voluntary dissolution of the Corporation or revoke proceedings thereof, (f) adopt a plan for the distribution of the assets of the Corporation, (g) amend, alter or repeal any resolution of the Board which by its terms provides that it shall not be amended, altered or repealed by a Committee, or (h) as otherwise provided by law, these Bylaws or by resolution of the Board. The presence of a majority of the members of any such Committee formed by the Board as provided in this Article V shall be necessary and sufficient to constitute a quorum, and the act of a majority of the members of any such Committee present at a meeting at which there is a quorum shall be the act of such Committee.

ARTICLE VI:
AUDIT

An annual audit of unlimited scope of all of the operations of the Corporation shall be conducted by a Certified Public Accountant, and a copy of that audit report and any support documents requested shall be made available to the Member, the President of the University, the Vice-President for Finance and Administration of the University, the Chancellor, the Dean of the UNM SOM, the Audit Committee of the Regents, and the New Mexico Public Regulation Commission.

## ARTICLE VII: MISCELLANEOUS PROVISIONS

Section 1: Offices. The Board may establish, from time to time, one or more offices of the Corporation at any place or places within the State of New Mexico, and may maintain such office or offices for such period or periods of time as it may deem expedient.

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Section 2: <u>Fiscal Year-End</u>. The Fiscal Year of the Corporation shall end on June 30 in each year.

Section 3: <u>Commercial Paper</u>. All checks, drafts and other orders for the payment of money out of the funds of the Corporation shall be executed on behalf of the Corporation by such Officer or Officers, or employee or employees, as the Board may, by Resolution, from time to time determine.

Section 4: <u>Deposits</u>. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust company or other depositories as the Board may from time to time select or as may be selected by any Officer or employee of the Corporation to whom such power may from time to time be delegated by the Board; and for the purpose of such deposit, any Officer or any employee to whom such power may be delegated by the Board may endorse, assign and deliver checks, drafts and other orders for the payment of money which are payable to the order of the Corporation.

## ARTICLE VIII: SEAL

The Corporation shall have no corporate seal.

## ARTICLE IX: AMENDMENT OF BYLAWS

The Bylaws may be amended by the Board of Directors at any Annual, Quarterly, or Special Meeting. Directors shall be entitled to at least ten (10) days' notice in writing by mail, or in person of the meeting time and place at which the amendment is to be voted upon. The written notice must include a copy of the proposed amendment. No amendment to the Bylaws shall be effective until approved by the Regents. These Bylaws may also be amended in whole or in part by formal action of the Regents acting as the Member.

We certify that the original Bylaws of the Corporation were adopted by the Board of Directors on September 30, 2009, and approved by the Regents on August 11,
2009 and the above and foregoing Second Amended and Restated Bylaws of the
Corporation were adopted by the Board of Directors on
Y
Chairman of the Board
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Secretary

APPROVED BY THE REGENTS OF THE UNIVERSITY OF NEW MEXICO ON \_\_\_\_\_, 2014

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President of the Board of Regents of the University of the New Mexico

#### UNM Sandoval Regional Medical Center, Inc. ("SRMC")

#### UNM Board of Regents, as Member of SRMC

#### Meeting Frequency

- Annual Meeting: following the close of the fiscal year of the Corporation and within sixty days of the delivery to the member of the Corporation's final audit for such fiscal year as provided for under these Bylaws, but in no case later than December of each year.
- <u>Special Meeting</u>: called at any time by the Regents; may be requested by the President, SRMC CEO, or upon Resolution of the Board of Directors

#### **SRMC Board of Directors**

#### Meeting Frequency

- Annual Meeting: as soon as practicable following the Annual Meeting of the Member
- Regular Meetings: at least quarterly
- Special Meetings: called at any time by the Secretary upon the request of the President and/or the Chief Executive Officer of the Corporation, or no less than one-quarter of the Directors then in office

#### Membership

- At least 3 but not more than 11 Directors, currently there are 9 Directors:
  - o Chancellor for Health Sciences of the UNM Health Sciences Center
  - o Chief Operating Officer of the UNM Health System
  - o Executive Physician-in-Chief of the UNM Health System
  - o 1 representative of UNM Hospital Board of Trustees
  - 1 member, nominated by the Board of County Commissioners of Sandoval County
  - o SRMC Chief of the Medical Staff
  - o 3 Sandoval County residents

#### Term

• These Directors are each assigned into a Class A, B, or C where each of these classes is a 3 year term and each class is a staggered appointment to ensure that the Board membership maintains a historical continuity.

Class A (Term Expires at Annual Meeting\*\* to be Held After 6/30/2013)

## Class B (Initial Term Expires at Annual Meeting\*\* to be Held After 6/30/2014)\*

Class C (Initial Term Expires at Annual Meeting\*\* to be Held
After 6/30/2015)\*

Position	Name of Individual	Position	Name of Individual	Position	Name of Individual
CEO, UNM Hospitals	Stephen McKernan	Chancellor for Health Sciences	Paul B. Roth, M.D., M.S., F.A.C.E.P.	Representative of UNM Medical Group, Inc. Board of Directors	Martha McGrew, M.D.
Vice President of Clinical Affairs (Health System Chief Clinical Affairs Officer)	Carolyn D.Voss, M.D.	Dean, UNM School of Medicine (or the Executive Vice Dean, as may be appropriate)	Thomas Williams, M.D.	Community Representative	Charlotte Garcia
Representative of UNMH Board of Trustees	[CURRENTLY VACANT]	County Commissioners of Sandoval County	Manu RainBird	Chief of the Medical Staff	Brad Cushnyr, M.D.

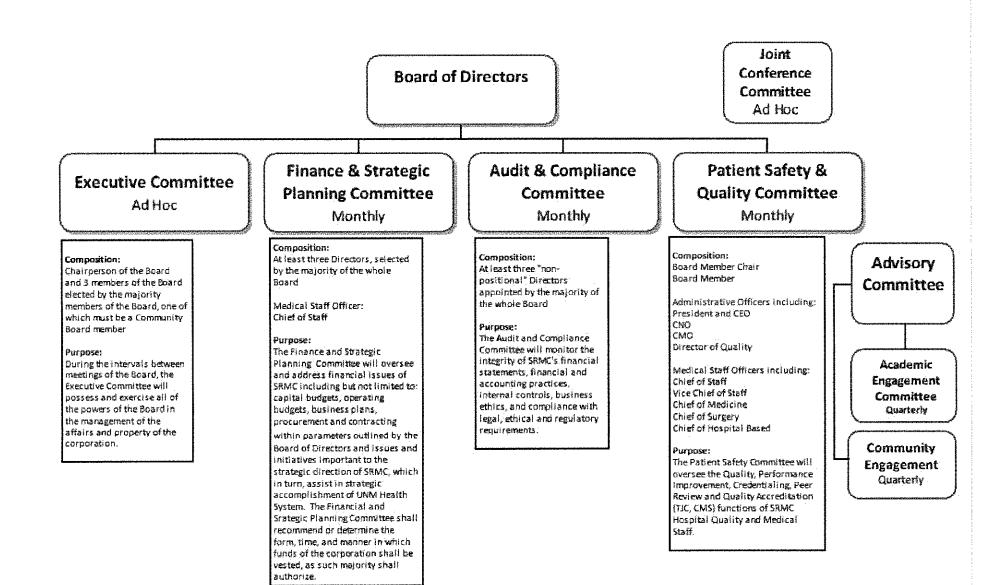
<sup>\*</sup> After initial term, both Class B and Class C (as well as Class A) all are three-year terms of office

<sup>\*\*</sup> Annual Meeting is a meeting of the Board of Regents as the sole member of the Corporation.

The Fiscal Year 2011 Annual Meeting has not yet occurred as it cannot occur until the Annual Audit is published. It can now occur and should initial be held by the HSC Board of Directors and then reported on to the Board of Regents. Same is true of UNM Medical Group, Inc.



#### **Governance Committee Structure**



## Tab 26



#### GOVERNANCE AND NOMINATING COMMITTEE

# Resolutions Recommending Approval of UNM Medical Group, Inc. Third Amended and Restated Bylaws

WHEREAS, the UNM Medical Group, Inc. ("UNMMG") proposes to further amend and restate its Second Amended and Restated Bylaws (the "UNMMG Bylaws"), and such amendments must be approved by governance of the University of New Mexico (the "University"), including, without limitation, the Governance and Nominating Committee (the "GNC") of the Health Sciences Center Board of Directors (the "HSC BoD"), the HSC BoD, and the Board of Regents. The specific amendments to the UNMMG Bylaws are described more fully in Exhibit A (Memorandum – RE: Third Amended and Restated Bylaws of UNM Medical Group, Inc.) attached to this Resolution and incorporated herein as though fully set forth in these Resolutions;

WHEREAS, this Committee having considered the Exhibit A materials and the presentations made relative to the proposed amendments to the UNMMG Bylaws are satisfied with these proposed revisions and believe that such amendments should be recommended for approval to the HSC BoD.

NOW THEREFORE, BE IT RESOLVED that the Committee hereby recommends to the HSC BoD that the proposed amendments to the UNMMG Bylaws as identified above and as described in Exhibit A should be approved.

ADOPTED BY A VOTE OF THE MEMBERS OF THE GOVERNANCE AND NOMINATING COMMITTEE OF THE HEALTH SCIENCES CENTER BOARD OF DIRECTORS AT A MEETING HELD ON May 1, 2014.

Regent Lt. Gen. Bradley Hosmer, its Chair



#### **MEMORANDUM**

TO: Regent Lt. Gen Bradley Hosmer, Chair, Governance and Nominating Committee

FROM: Michael Richards, MD, MPA, Executive Physician-in-Chief, UNM Health System

Chair, UNM Medical Group, Inc. Board of Directors

Date: May 1, 2014

RE: Third Amended and Restated Bylaws of UNM Medical Group, Inc.

I respectfully submit for your consideration the attached the Third Amended and Restated Bylaws of UNM Medical Group Inc., ("UNMMG"), which were approved by the UNMMG Board of Directors ("Board") on April 16, 2014. A summary of the revisions are listed below:

- Notice of Meetings has been increased from 2 days to 3 days to conform to the UNMMG Board of Directors' Policy on Public Notice and Open Nature of Meetings of the Board of Directors (Article III, Section 6).
- Changes to the following position: (Article III, Section 8):
  - Deletion of Senior Associate Dean for Clinical Affairs for UNM SOM, and addition of the COO of UNM Health System.
- The Class renewal periods and appointment terms were clarified and revised from starting on the fiscal year to now start on the calendar year (Article III, Section 10).
- Electronic signatures are permitted in Board actions (Article III, Section 14).
- Where the position of Senior Associate Dean of Clinical Affairs of the UNM SOM was previously Vice Chair, this position is now removed and the Vice Chair shall be a member approved by the Board. (Article V, Section 1).

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- The Audit and Compliance Committees, previously 2 separate committees, are now combined (Article V, Section 3).
- Deleted unnecessary language because those Sections ("Regular Meetings" and "Special Meetings") are not necessary to govern the Board meeting and actions (Article V, Section 6).
- Minor grammatical and gender neutral edits were made throughout the document.

#### UNM Medical Group, Inc. ("UNMMG")

#### UNM Board of Regents, as Member of UNMMG

#### Meeting Frequency

- Annual Meeting: following the close of the fiscal year of the Corporation and within sixty days of the delivery to the member of the Corporation's final audit for such fiscal year as provided for under these Bylaws, but in no case later than December of each year.
- Special Meeting: called at any time by the Regents; may be requested by the President,
   Chief Executive Officer of the Corporation, or upon Resolution of the Board of Directors

#### **UNMMG Board of Directors**

#### Meeting Frequency

- Annual Meeting: as soon as practicable following the Annual Meeting of the Member
- Regular Meetings: at least once each fiscal quarter
- Special Meetings: called at any time by the Secretary upon the request of the President and/or the Chief Executive Officer of the Corporation, or no less than one-quarter of the Directors then in office

#### Membership

- At least 3 but not more than 26 Directors, currently there are 11 Directors:
  - o Dean of the UNM School of Medicine, or nominee
  - o Chief Operating Officer of the UNM Health System
  - o 6 members as nominated by the Committee of Chairs of the UNM School of Medicine
  - o 2 members as nominated by the Physician Advisory Group (whom are also members of the Physician Advisory Group)
  - 1 independent non-faculty member as nominated by the Dean of the UNM School of Medicine, or nominee

#### Term

• These Directors are each assigned into a Class A, B, or C where each of these classes is a 3 year term and each class is a staggered appointment to ensure that the Board membership maintains a historical continuity.

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## THIRD AMENDED AND RESTATED BYLAWS OF UNM MEDICAL GROUP, INC.

## ARTICLE I: NAME, PURPOSES, POWERS AND RESTRICTIONS

Section 1: Name. The name of the Corporation shall be:

UNM MEDICAL GROUP, INC.

The Corporation has been formed as a nonprofit corporation under the New Mexico Nonprofit Corporation Act, N.M. STAT. ANN. § 53-8-1 et seq., and the New Mexico University Research Park and Economic Development Act, N.M. STAT. ANN. § 21-28-1 et seq.

Section 2: <u>Purposes</u>. The Corporation is organized by the Regents of the University of New Mexico (the "<u>Regents</u>") exclusively for charitable, educational and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 or with corresponding provisions of any future United States Internal Revenue Code (hereinafter, the "<u>Code</u>"). Specifically, the Corporation is organized to facilitate and enhance the clinical, educational, and research functions of the faculty of the University of New Mexico School of Medicine ("<u>UNM SOM</u>") and in connection therewith, the medical staffing of health care facilities in support of and under the operating aegis of the Health Sciences Center of the University of New Mexico ("<u>UNM HSC</u>"); to secure clinical, and office facilities in which to house and support such health care facilities; to secure equipment and supplies in connection with such health care facilities; to perform business functions related to staffing such health care facilities, including, without limitation, employment, payroll, contracting, and fiscal services; and to perform other functions as reasonable to promote the social welfare of New Mexico through the advancement of health care.

The purposes stated in these Bylaws are limited to those purposes that come within the meaning of and comply with Section 501(c)(3) of the Code or with corresponding provisions of any future Code. In furtherance of the charitable, educational and scientific purposes specified in this Article I, the Corporation is organized, and at all times hereafter shall be operated, exclusively for the benefit of, to perform the functions of, or to carry out the purposes of, the University of New Mexico. To that end, the Corporation shall be operated, supervised, or controlled by the University of New Mexico.

Section 3: <u>Powers and Restrictions</u>. The Corporation shall have as powers its stated purposes and all powers implicit in its stated purposes or granted by law to nonprofit corporations in the State of New Mexico qualified under Section 501(c)(3) of the Internal Revenue Code and the University Research Park Act, N.M. STAT. ANN. § 21-28-1 et seq., and without limiting the generality of the foregoing to take and hold, by bequest, devise, gift, purchase, lease, or any other means, any property, whether real, personal, tangible or intangible, without limitation as to amount or value; to sell, convey and dispose of any such property or the income therefrom for any of the beforementioned purposes, without limitation, except such limitations, if any, as may be contained in the instrument under which such property is received, the Articles of Incorporation, these Bylaws of the Corporation, or any laws applicable thereto.

No part of the net earnings of the Corporation shall inure to the benefit of any private individual, and no part of the activities of the Corporation shall consist in carrying on propaganda, or otherwise attempting to influence legislation or participating in or intervening in any political campaign on behalf of any candidate for public office.

Notwithstanding any other provision of the Articles of Incorporation or these Bylaws, the Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt under Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code and the related Regulations as they now exist or as they may hereafter be amended, or by any organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as they now exist or as they may hereafter be amended.

Upon the dissolution or other termination of the Corporation, no part of the property of the Corporation nor any of the proceeds thereof shall be distributed to, or inure to the benefit of any private individual, any individual Regent or any Officer or Director of the Corporation, but all such property and proceeds shall, subject to the discharge of valid obligations of the Corporation and to applicable provisions of law and the Articles of Incorporation, be disposed of as directed by the Board of Directors of the Corporation and by the Regents as provided in the Articles of Incorporation.

## ARTICLE II: MEMBER AND MEMBERSHIP

Section 1: <u>Members</u>. The Regents, as a body corporate, shall be the sole member (the "<u>Member</u>") of the Corporation. The Regents shall have all the rights and privileges granted to it by the New Mexico Nonprofit Corporation Act, the University Research Park and Economic Development Act, the Articles of Incorporation, and these Bylaws.

Section 2: <u>Annual Meeting of the Member</u>. The Annual Meeting of the Member for the election of Directors, and for the transaction of such other business as properly shall come before the meeting, shall be held following the close of the fiscal year of the Corporation and within sixty days of the delivery to the member of the Corporation's final audit for such fiscal year as provided for under these Bylaws, but in no case later than December of each year.

Section 3: <u>Special Meetings</u>. Special Meetings of the Member shall be called at any time by the Regents. A Special Meeting may be requested by the President and/or the Chief Executive Officer of the Corporation or upon Resolution of the Board of Directors.

Section 4: <u>Place of Meetings</u>. All meetings of the Member shall be held at such places within the State of New Mexico as shall be specified in the respective notices of such meetings or waivers thereof.

Section 5: Notice of Meetings. Notice of the Annual Meeting and of every Special Meeting described hereinabove shall be served personally or by mail on the members of the Regents, not less than ten (10) days nor more than fifty (50) days before the meeting. All notices shall state the place, day and time where the meeting is to be held and notices of Special Meetings shall also state the purpose or purposes for which the meeting is called. If mailed, such notice shall be directed to each Regent at the address of each Regent as it appears on the books or records of the Corporation. Additionally, notice is deemed given if made by electronic communication.

The Member, as a body corporate, may waive notice of a meeting by executing and filing in the corporate records a written waiver of notice. The attendance of any Regent at any meeting shall constitute a waiver of notice of the meeting, except where a Regent attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 6: <u>Action of Members Without a Meeting</u>. Any action required or permitted to be taken at a meeting of the Member, or any action which may be taken at a meeting of the Member, may be taken without a meeting if a consent in writing, setting forth the action is signed by the Member.

#### ARTICLE III: BOARD OF DIRECTORS

Section 1: <u>Management</u>. The affairs and the property of the Corporation shall be managed by the Board of Directors (the "<u>Board</u>"). The Directors shall act only as a Board, and individual Directors shall have no power as such.

Section 2: Annual Meeting. The Annual Meeting of the Board for the election of Officers (as hereinafter defined) and for the transaction of such other business as properly shall come before the meeting shall be held as soon as practicable following the Annual Meeting of the Member; provided, however, that an organizational meeting of the Board, for the election of Officers and transaction of other business, may be held after the first appointment of the voting Directors enumerated in Article III, Section 8(a)—(e) of these Bylaws. Such Annual Meeting of the Board shall be a general meeting and open for the transaction of any business within the powers of the Board without special notice of such business, except in any case where special notice is required by law, by the Articles of Incorporation, or by these Bylaws.

Section 3: <u>Regular Meetings</u>. Regular Meetings of the Board shall be held at such places within the State of New Mexico as shall be specified by the Board of Directors, one of which shall be designated as the Annual Meeting. Such Regular Meetings shall be held not less frequently than one each fiscal quarter and shall be general meetings and open for the transaction of any business within the powers of the Board without special notice of such business, except in any case where special notice is required by law, by the Articles of Incorporation, or by these Bylaws.

Section 4: <u>Special Meetings</u>. Special Meetings of the Board shall be called at any time by the Secretary upon the request of the President and/or Chief Executive Officer of the Corporation or upon the request of no less than one-quarter of the Directors then in office.

Section 5: <u>Place of Meetings</u>. All meetings of the Board shall be held at such places within the State of New Mexico as shall be specified in the respective notices of such meetings or waivers thereof.

Section 6: <u>Notice of Meetings</u>. Notice of every Annual or Regular Meeting of the Board shall be served personally or by mail on each Director not less than ten (10) days nor more than fifty (50) days before the meeting. Notice of every Special Meeting shall be served personally or by mail on each Director not less than three (3) days before the meeting. Notices or waivers of notice do not need to state the purpose or purposes for which the meeting is called, but shall state the time and place of the meeting. If mailed, such notices shall be directed to each Director entitled to notice at his address as it appears on the books or records of the Corporation. Additionally, notice is deemed given if made by electronic communication.

A Director may waive notice of a meeting by executing and filing in the corporate records a written waiver of notice. The attendance at any meeting shall constitute a waiver of notice of the meeting, except where a member attends for the expressed purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

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Section 7: Quorum. At all meetings of the Board of Directors the presence of a majority of the Directors then in office shall be necessary and sufficient to constitute a quorum, and except as otherwise provided by law or by these Bylaws, the act of a majority of the Directors present at a meeting at which there is a quorum shall be the act of the Board.

Section 8: <u>Number, Composition, and Election of Board of Directors.</u> The Corporation shall have not less than three (3) nor more than twenty-six (26) Directors, as determined by the Member by resolution (each a "<u>Director</u>" and collectively, the "<u>Directors</u>"). Pursuant to the requirements of the University Research Park and Economic Development Act, the Member, by and through the Regents, will appoint all Directors. The Directors shall include the following individuals, who shall be voting Directors: <sup>1</sup>

(a) The Dean of the UNM SOM or an individual nominated by the Dean of the UNM SOM to serve as a Positional Director on his or her behalf ("Dean of the UNM SOM or Nominee") for approval by the Board of Regents;

#### (b) The Chief Operations Officer of the UNM Health System;

(c) At least thirty (30) days prior to the Annual Meeting of the Member, or at least three (3) days prior to the Member's consideration of the first appointment of the Positional Directors, the Committee of Chairs of the UNM SOM may nominate six individuals from among its members to serve as Directors; the Member shall consider such nominees at the Annual Meeting and, if acceptable to the Member, may, upon a majority vote of the Regents, appoint such individuals to serve as Directors of the Corporation; provided, however, that, in the event that the Member finds any one or more of the nominees unacceptable, the Committee of Chairs of the UNM SOM shall nominate another individual or other individuals from among its members for the Member's consideration at a Special Meeting of the Member and, if such substitute nominee is acceptable to the Member, may, upon a majority vote of the Regents, appoint such individuals to serve as Directors; provided, further, however, that if after two (2) consecutive rounds of any such nomination with respect to a particular

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<sup>. (</sup>b). The Senior Associate Dean for Clinical Affairs of UNM SOM,¶

In these Bylaws, the Directors appointed by virtue of their positions as described in Section 8(a) through (d) hereinabove shall be referred to individually as a "Positional Director," and, collectively, as the "Positional Directors." Additionally, in these Bylaws, the Directors appointed as described in Section 8(e) shall be referred to individually as a "Non-Positional Director" and, collectively, as the "Non-Positional Directors." With respect to the Positional Directors, it is acknowledged that the job titles associated with such Positional Directors may change over time, and, therefore, it is intended that the successor job title to the current, specified, job title shall be deemed to apply to such Positional Directors without the necessity of amending the Bylaws.

Director vacancy covered by this subsection, the Regents find such nominees unacceptable, then the Regents may select and appoint a member or members of the UNM SOM Committee of Chairs to serve as Director(s) of the Corporation;

(d) At least thirty (30) days prior to the Annual Meeting of the Member, or at least three (3) days prior to the Member's consideration of the first appointment of the Positional Directors, the Physician Advisory Group or any successor organization of the Corporation may nominate to the Dean of the UNM SOM or Nominee who, if he or she concurs in the nomination, shall nominate to the Member two (2) individuals from among its members to serve as Directors; the Member shall consider such nominees at the Annual Meeting and, if acceptable to the Member, may, upon a majority vote of the Regents, appoint such individuals to serve as Directors of the Corporation; provided, however, that in the event that the Member finds any one or more of the nominees unacceptable, the Dean of the UNM SOM or Nominee shall nominate another individual or other individuals from among the members of Physician Advisory Group or any successor organization of the Corporation for the Member's consideration at a Special Meeting of the Member and, if such substitute nominee(s) is acceptable to the Member, may, upon a majority vote of the Regents, appoint such individuals to serve as Directors; provided, further, however, that if after two (2) consecutive rounds of any such nomination with respect to a particular Director vacancy covered by this subsection, the Regents find such nominee unacceptable, then the Regents may select and appoint a member of the Active Medical Staff of the UNM Hospitals to serve as a Director of the Corporation; and

(e) At least thirty (30) days prior to the Annual Meeting of the Member, or at least three (3) days prior to the Member's consideration of the first appointment of the voting Directors, the Dean of the UNM SOM or Nominee may nominate one (1) independent non-faculty member to serve as a Director, subject to the Member's Conflict of Interest policies; the Member shall consider such nominees at the Annual Meeting and, if acceptable to the Member, may, upon a majority vote of the Regents, appoint such individual to serve as a Director of the Corporation; provided, however, that, in the event that the Member finds a nominee unacceptable, the Dean of the UNM SOM or Nominee shall nominate another individual for the Member's consideration at a Special Meeting of the Member and, if such substitute nominee is acceptable to the Member, may, upon a majority vote of the Regents, appoint such individual to serve as a Director; provided, further, however, that if after two (2) consecutive rounds of any such nomination with respect to a particular Non-Positional Director vacancy, the Regents find such nominees unacceptable, then the Regents may select and appoint an individual who is independent and not a faculty member of the UNM to serve as a Director of the Corporation.

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Section 9: <u>Vacancy</u>. Except as otherwise provided in this Section 9, any vacancies occurring among the Directors shall be filled by the Member at a Special Meeting. A vacancy shall occur upon the death or incapacity of a Director, or his or her resignation or removal as hereinafter provided. Subject to the provisions of Section 11 hereinbelow, each Positional Director shall continue as a Director only for so long as such individual occupies the position qualifying him/her for said appointment, or until his/her earlier death or resignation. With respect to the Non-Positional Director identified in Section 8(e), if a vacancy shall have occurred as a result of removal by the Member as set forth in Section 11, prior to the appointment of a replacement Director, the members of the Clinical Department where such individual served or serves as a Chair, shall have an opportunity to nominate to the Member an individual to serve in replacement of the individual removed as a Director and, if acceptable to the Member, shall be appointed to serve as a Director to serve out the remaining term of the individual replaced. A vacancy shall be filled for the remainder of the unexpired term of the Director whose death, incapacity, resignation or removal gave rise to the vacancy.

Section 10: Term of Office of Directors. The Initial Directors named in the Articles of Incorporation shall serve until the voting Directors enumerated in Article III, Section 8(a) - (e) of these Bylaws shall have been first appointed by the Member and qualified. The Directors shall be divided into three classes, designated Class A, Class B, and Class C. Each class shall consist of one-third of the Directors or as close an approximation as possible. In this connection, one of the Positional Director identified in Section 8(d) shall serve as a Class B Director and one of the Positional Directors identified in Section 8(d) shall serve as a Class C Director. The Dean of the UNM SOM or Nominee shall serve as a Class B Director and the Chief Operations Officer of the UNM Health System shall serve as a Class C Director. The remaining Positional Directors shall be divided into the three (3) classes in as close an approximation to onethird as possible. The term for Class A shall commence on January 1, 2012 and shall expire on December 31, 2014. The term for Class B shall commence on January 1, 2013 and shall expire on December 31, 2015. The term for Class C shall commence on January 1, 2014 and shall expire on December 31, 2016. Subsequently, Directors shall serve for a three-year term with one Class of Directors (i.e., Class A, B, or C) being up for appointment each year. Directors may be reelected for any number of terms. All Directors shall serve in their respective offices until their successors are appointed and qualified.

Section 11: <u>Resignation and Removal of Directors</u>. Any Non-Positional Director may be removed by a majority vote of the Regents at any time with or without cause and with or without notice at a meeting of the Member. Any Non-Positional Director may resign at any time upon providing written notice to the President and to the Member.

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**Deleted:**, and the Senior Associate Dean of Clinical Affairs shall serve as a Class A Director

Deleted: The Initial term of office of the directors of Class A shall expire at the annual meeting to be held during fiscal year 2008, the initial term of office of the directors of Class B shall expire at the annual meeting to be held during fiscal year 2009, and the Initial term of office of the directors of Class C shall expire at the annual meeting to be held during fiscal year 2010.

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With respect to the Positional Directors, each such Positional Director may be removed by a majority vote of the Regents for good cause with prior written notice to such Positional Director. In this connection, "good cause" shall mean:

- (a) The failure of such Positional Director to continue in the position giving rise to such Positional Director's appointment as a Director as set forth in Sections 8 and 9 of this Article;
- (b) The inability of such Positional Director to substantially perform his/her material duties as a Director by failing to attend three (3) consecutive <u>Regular Meetings</u> of the Board;
- (c) Willfully engaging in illegal conduct or gross misconduct, which is materially and demonstrably injurious to the Corporation. For purposes of this provision, no act or failure to act on the part of such Positional Director shall be considered "willful" unless it is done in bad faith or without reasonable belief that such Positional Director's action or omission was in the best interests of the Company.

Section 12: <u>Compensation and Expense Reimbursement</u>. The Directors shall not receive compensation for their services as directors but the Board may authorize reimbursement for reasonable and necessary expenses incurred by Directors in connection with the performance of their duties in accordance with policies to be established by the Board.

#### Section 13: Indemnification.

Any person made a party to any action, suit or proceeding by reason of the fact that he, his testator or intestate, is or was a Director, Officer or employee of the Corporation, or of any corporation which he served as such at the request of the Corporation, shall be indemnified by the Corporation against the reasonable expenses, including attorney's fees, actually and reasonably incurred by him in connection with the defense of such action, suit or proceeding, civil or criminal, in which he is made a party by reason of being or having been a Director or Officer. The indemnification may include any amounts paid to satisfy a judgment or to compromise or settle a claim, or incurred in connection with any appeal of any such action, suit or proceeding. A Director, Officer or employee shall not be indemnified in relation to matters as to which it shall be adjudged in such action, suit or proceeding on the basis that he has breached or failed to perform the duties of his office and the breach or failure to perform constitutes willful misconduct or recklessness. The foregoing right of indemnification shall not be deemed exclusive of any other rights to which any such Director, Officer, or employee may be entitled as a matter of law.

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- (b) Expenses incurred in defending any action or proceeding for which indemnification is required pursuant to this Section 13 following authorization thereof by the Board shall be paid by the Corporation in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of the indemnified party to repay such amount if it shall ultimately be determined that the indemnified party is not entitled to be indemnified as authorized in this Section 13.
- (c) The indemnification provided by this Section 13 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office, to the extent that additional rights to indemnification are authorized in the Articles of Incorporation.
- (d) The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of the New Mexico Non-Profit Corporation Act or the New Mexico University Research Part and Economic Development Act.

Section 14: Action Without A Meeting. Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board, or of any Committee thereof, may be taken without a meeting if all members of the Board or Committee, as the case may be, consent thereto in writing and the writing or writings are filed with the minutes of proceedings of the Board or Committee. Written consents representing actions taken by the Board or Committee may be executed by telex, telecopy, a software which allows for electronic signatures and has an appropriate authentication system, or a facsimile transmission, where, such facsimile shall be valid and binding to the same extent as if it were an original.

Section 15: <u>Telephonic Meetings</u>. Unless otherwise restricted by the Articles of Incorporation or these Bylaws, members of the Board of Directors, or any Committee, may participate in a meeting of the Board, or any Committee, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

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#### ARTICLE IV: OFFICERS

Section 1: <u>Number of Officers</u>. The Officers of the Corporation shall be a Chairman of the Board, a President, a Chief Executive Officer, one or more Vice-Presidents, a Secretary, and a Chief Financial Officer (together with the additional officers appointed pursuant to Section 3 below, shall be referred to individually as an "<u>Officer</u>" and collectively, as the "<u>Officers</u>"). One person may hold two of the aforesaid offices. With the exception of the Chairman of the Board, the President, and the Chief Executive Officer, Officers need not be Directors.

Section 2: <u>Election of Officers</u>. Except for those Officers serving by virtue of their position (the "<u>Ex-Officio Officers</u>"), the Officers shall be elected annually at each Annual Meeting of the Board by a plurality of the votes cast and may succeed themselves in office. Except for the Ex-Officio Officers, each person elected as an Officer shall continue in office until the next Annual Meeting after his election, or until his successor shall have been duly elected and qualified, or until his earlier death, resignation or removal in accordance with these Bylaws. Except for Ex-Officio Officers, vacancies of Officers caused by death, incapacity, resignation, removal, or increase in the number of Officers may be filled by a majority vote of the Board at a Special Meeting called for that purpose or at any regular meeting. As to the Ex-Officio Officers, any Ex-Officio Officer may be removed from his/her office for "good cause" as defined in Section 11 of Article III of these Bylaws.

Section 3: <u>Additional Officers</u>. The Board, after consultation with and the concurrence of the President and the Chief Executive Officer, at any meeting may by resolution appoint such additional Officers and such agents and employees as it may deem advisable. The Board may delegate to any Officer or Committee the power to appoint such subordinate Officers or agents and to determine their terms of office.

Section 4: <u>Removal of Officers</u>. Except for the Ex Officio Officers, any Officer may be removed at any time with or without cause and with or without notice, by a vote of the majority of the Board at any meeting of the Board.

Section 5: <u>Chairman of the Board</u>. The Chairman of the Board shall be elected from among the Directors; provided, however, that in all cases, the Chairman of the Board shall be the Dean of the UNM SOM or Nominee to serve as a Positional Director on his behalf. The Chairman of the Board shall preside at all meetings of the Members of the Board and shall have such other powers and duties as may be assigned to him from time to time by the Board or as prescribed by these Bylaws.

Section 6: <u>President</u>. The President shall be the Executive Vice Dean of the SOM and have general supervision over the affairs and property of the Corporation and over

its several Officers, and shall generally do and perform all acts incident to the office of the President, and shall have such additional powers and duties as may from time to time be assigned to him by the Board. When authorized by the Board, the President may sign and execute, in the name of the Corporation, deeds, mortgages, promissory notes, security agreements, pledge agreements, financing statements, bonds, contracts or other instruments authorized by the Board, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other Officer or agent of the Corporation. The President shall be hired and/or terminated by the Dean of the UNM SOM or Nominee, with prior advice from the Board of Directors.

Section 7: Chief Executive Officer. The Chief Executive Officer shall report to the President and, as directed by such, shall also have general supervision over the affairs and property of the Corporation and over its several Officers, and shall generally do and perform all acts incident to the office of the Chief Executive Officer, and shall have such additional powers and duties as may from time to time be assigned to him by the Board. When authorized by the Board, the Chief Executive Officer may sign and execute, in the name of the Corporation, deeds, mortgages, promissory notes, security agreements, pledge agreements, financing statements, bonds, contracts or other instruments authorized by the Board, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other Officer or agent of the Corporation. The Chief Executive Officer shall be hired and/or terminated by the Dean of the UNM SOM, with prior advice from the Board of Directors.

Section 8: The Vice-Presidents. The Board may elect one or more Vice-Presidents. At the request of the President, or in his absence or disability, the Chief Executive Officer and/or the Vice-Presidents, in the order designated by the Board and the President, shall perform all the duties of the President and, when so acting, shall have all the powers and be subject to all the restrictions upon the President. When authorized by the Board, any Vice-President (s) may also sign and execute, in the name of the Corporation, deeds, mortgages, bonds, contracts, or other instruments authorized by the Board, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other Officer or agent of the Corporation. The Vice-Presidents shall perform such other duties as from time to time may be assigned to them by the Board and/or by the President and the Chief Executive Officer.

Section 9: <u>Chief Financial Officer</u>. The Chief Financial Officer shall report to the Chief Executive Officer and shall have charge and custody of, and be responsible for, all the funds of the Corporation and shall keep or cause to be kept and shall be responsible for the keeping of accurate records of the assets, liabilities and transactions of the Corporation. He/she shall deposit all moneys and other valuable effects of the

Corporation in the name of and to the credit of the Corporation in accordance with accounting procedures approved by the Board, consistent with the policies of the UNM, in such banks, trust companies, or other depositories as may be approved by the Board. He/she shall disburse the funds of the Corporation based upon proper vouchers for such disbursements. In general, he shall perform all the duties incident to the office of Chief Financial Officer and such other duties as may from time to time be assigned to her/him by the Board of Directors, the President, and/or the Chief Executive Officer. If required by the Board, the Chief Financial Officer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board shall determine. The expense of such bond shall be paid by the Corporation.

Section 10: Secretary. The Board shall elect a Secretary who shall report to the Chairman of the Board and act as Secretary of, and keep the Minutes of all meetings of the Board and of the Member in one or more books provided for that purpose; and whenever required by the Chief Executive Officer, shall perform like duties for any Committee, provided that in the absence of the Secretary, the Member or a majority of the Directors present at any meeting thereof may designate any person to act as Secretary for such meeting. The Secretary shall see that all notices are duly given in accordance with these Bylaws and as required by law; he shall be custodian of the Seal of the Corporation and shall affix and attest the Seal to any and all documents specifically or generally authorized by the Board to be executed on behalf of the Corporation under its Seal. He shall have charge of the books, records and papers of the Corporation relating to its organization as a Corporation, and shall see that all reports, statements and other documents required by law are properly kept or filed, except to the extent that the same are to be kept or filed by the Chief Financial Officer. In general, he shall perform all the duties incident to the office of Secretary and such other duties as may from time to time be assigned to him by the Board and by the Chief Executive Officer.

## ARTICLE V: COMMITTEES

Section 1: Executive Committee. A majority of the initial Directors set forth in the Articles of Incorporation, present at a meeting of the Board at which there is a quorum may initially appoint an Executive Committee to serve during the interim until the first Annual Meeting of the Board, and thereafter, the Executive Committee shall be appointed annually at the Annual Meeting of the Board by a majority of the Directors present at a meeting of the Board at which there is a quorum. The Executive Committee shall consist of the Chairman of the Board, and one (1) of the members of the Board referenced in Section 8(c) of Article III. The Chairman of the Board shall serve as the chairperson of the Executive Committee and a member, as approved by the Board, shall serve as vice chairperson of the Executive Committee. Vacancies in members of the Committee may be filled by a majority of the Directors present at a meeting of the

Deleted: the Senior Associate Dean of Clinical Affairs of the UNM SOM, and

**Deleted:** the Senior Associate Dean of Clinical Affairs of the UNM SOM

Board at which there is a quorum, with the concurrence of the President. Except for those members serving on the Executive Committee by virtue of their office, any member of the Executive Committee may be removed from membership on said Committee at any time with or without cause by a vote of the majority of the Directors present at any meeting of the Board at which there is a quorum.

The Executive Committee shall, during the intervals between meetings of the Board, possess and exercise all of the powers of the Board in the management of the affairs and property of the Corporation, except that the Executive Committee may not take or possess the authority to take any of the actions proscribed in Section 7 of this Article. The presence of a majority of the members of the Executive Committee shall be necessary and sufficient to constitute a quorum, and the act of a majority of the members of the Executive Committee present at a meeting at which there is a quorum shall be the act of the Executive Committee. The Executive Committee shall keep full and fair records and accounts of its proceedings and transactions. All actions by the Executive Committee shall be reported to the Board at its next meeting succeeding such action and shall be subject to revision and alteration by the Board, provided that no rights of third persons shall be affected by any revisions or alteration.

Section 2: <u>Finance Committee</u>. A majority of the whole Board may appoint a Finance Committee consisting of at least three Directors and such Committee shall recommend or determine the form, time, and manner in which funds of the Corporation shall be invested, as such majority shall authorize. The Board shall enact rules and regulations for governance of the Finance Committee and the Finance Committee shall report to the Board as the Board shall require.

Section 3: Audit and Compliance Committee. A majority of the whole Board will appoint an Audit and Compliance Committee consisting of at least three (3) Directors, one of whom will be the Non-Positional Director appointed pursuant to Section 8(e) of Article III of these Bylaws who shall chair the Audit and Compliance Committee. The basic purpose and responsibility of the Audit and Compliance Committee shall be to advise and assist the Board in fulfilling its responsibilities to the Corporation and the Member in connection with monitoring the integrity of this Corporation's financial statements, financial and accounting practices, internal controls, business ethics, and compliance with laws, regulations, and policies that may have a material impact on the financial statements of the Corporation. In this connection, the Audit and Compliance Committee will review and assess the qualitative aspects of financial reporting, the Corporation's processes to manage business and financial risk, and compliance with significant applicable legal, ethical, and regulatory requirements. The Audit and Compliance Committee shall, when necessary, work in collaboration with the Internal Audit Department of the Member and shall report to the Board as the Board shall require and to Audit Committee of the Regents as the Regents may require.

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Section 4: Other Committees. A majority of the Directors present at a meeting of the Board at which there is a quorum may from time to time, by Resolution, create such other Committees of Directors, Officers, UNM SOM faculty members or employees, with such functions, powers, and duties as the Board shall determine. The Board shall enact rules and regulations for the governance and authority of any such Committee; provided, however, that any Committee appointed pursuant to this section which is not comprised of all Directors shall not have the power of the Board.

Section 5: <u>Minutes of Committees</u>. Each Committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required. All actions by any Committee formed as provided in this Article V, other than the actions by the Audit Committee, shall be reported to Executive Committee of the Board at its next meeting succeeding such action and shall be subject to revision and alteration by the Executive Committee of the Board and ultimately, the Board.

Section 6: Meetings and Action of Committees. Meetings and actions of Committees shall be governed by, and held and taken in accordance with, the provisions of Section 5 of Article III (place of meetings), Section 14 of Article III (by telephone), Section 6 of Article III (notice and waiver of notice), Section 7 of Article III (quorum), and Section 14 of Article III (action without a meeting) of these Bylaws, with such changes in the context of such provisions as are necessary to substitute the Committee and its members for the Board of Directors and its members; provided, however, that the time of regular meetings of Committees may be determined either by resolution of the Board of Directors or by resolution of the Committee, that Special Meetings of Committees may also be called by resolution of the Board of Directors and that notice of Special Meetings of Committees shall also be given to all alternate members, who shall have the right to attend all meetings of the Committee. With the exception of the Audit Committee, the Board of Directors may adopt rules for the governance of any Committee not inconsistent with the provisions of these Bylaws.

Section 7. Limitations of Powers of Committees. None of the Committees of the Board created as provided in this Article V shall have the power or authority to (a) amend, alter or repeal these Bylaws, (b) elect, appoint or remove any member of any Committee or any Director or Officer of the Corporation, (c) amend the Articles of Incorporation, restate the Articles of Incorporation, adopt a plan of merger, or adopt a plan of consolidation with another corporation, (d) authorize the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Corporation, (e) authorize the voluntary dissolution of the Corporation or revoke proceedings thereof, (f) adopt a plan for the distribution of the assets of the Corporation, (g) amend, alter or repeal any resolution of the Board which by its terms provides that it shall not be amended, altered or repealed by a Committee, or (h) as otherwise provided by law, these Bylaws or by resolution of the Board. The presence of a majority of the members of any such Committee formed by the Board as provided in this Article V shall be

Comment [A1]: This is deleted because these sections are not necessary to govern the meeting and actions.

Deleted: Section 3 of Article III (regular meetings), Section 4 of Article III (special meetings) necessary and sufficient to constitute a quorum, and the act of a majority of the members of any such Committee present at a meeting at which there is a quorum shall be the act of such Committee.

## ARTICLE VI:

An annual audit of unlimited scope of all of the operations of the Corporation shall be conducted by a Certified Public Accountant, and a copy of that audit report and any support documents requested shall be made available to the Member, the Health Sciences Center Board of Directors (through its Finance, Audit, and Compliance Committee), the President of the University, the Executive Vice-President for Finance & Administration of the University, the Chancellor for Health Sciences of the UNM HSC, the Dean of the UNM SOM and the Dean of the UNM SOM's Nominee, the Audit Committee of the Regents, and the New Mexico Public Regulation Commission.

## ARTICLE VII: MISCELLANEOUS PROVISIONS

Section 1: Offices. The Board may establish, from time to time, one or more offices of the Corporation at any place or places within the State of New Mexico, and may maintain such office or offices for such period or periods of time as it may deem expedient.

Section 2: <u>Fiscal Year-End</u>. The Fiscal Year of the Corporation shall end on June 30 in each year.

Section 3: <u>Commercial Paper</u>. All checks, drafts and other orders for the payment of money out of the funds of the Corporation shall be executed on behalf of the Corporation by such Officer or Officers, or employee or employees, as the Board may, by Resolution, from time to time determine.

Section 4: <u>Deposits</u>. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust company or other depositories as the Board with the concurrence of the President and/or the Chief Executive Officer may from time to time select or as may be selected by any Officer or employee of the Corporation to whom such power may from time to time be delegated by the Board with the concurrence of the President and/or the Chief Executive Officer; and for the purpose of such deposit, any Officer or any employee to whom such power may be delegated by the Board with the concurrence of the President and/or the Chief Executive Officer, may endorse, assign and deliver checks, drafts and other orders for the payment of money which are payable to the order of the Corporation.

### ARTICLE VIII: SEAL

The Corporate Seal of the Corporation shall be circular in form and shall have inscribed around the border the name of the Corporation, and in the center, the words "Corporate Seal, State of New Mexico 2007" shall be inscribed. If and when so directed by the Board, a duplicate of the seal may be kept and used by such other Officer or employee of the Corporation as may be designated.

# ARTICLE IX: AMENDMENT OF BYLAWS

The Bylaws may be amended by the Board of Directors at any Annual, Quarterly, or Special Meeting. Directors shall be entitled to at least ten (10) days' notice in writing by mail, or in person of the meeting time and place at which the amendment is to be voted upon. The written notice must include a copy of the proposed amendment. No amendment to the Bylaws shall be effective until approved by the Regents. These Bylaws may also be amended in whole or in part by formal action of the Regents acting as the Member.

We certify that the <u>original Bylaws</u> of the Corporation were adopted by the Board of Directors on <u>February 14</u>, 2007, and approved by the Regents on <u>February 14</u>, 2007 and the above and foregoing Third Amended and Restated Bylaws of the Corporation were adopted by the Board of Directors on [March \_\_\_, 2014], and approved by the Regents on [May\_\_\_, 2014].

Chairman of the Board

Secretary

APPROVED BY THE REGENTS OF THE UNIVERSITY OF NEW MEXICO ON

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Deleted: [March\_\_\_ 2014]

Deleted: [May\_\_\_, 2014

, 2014
President of the Board of Regents of the University of the New Mexico

# Tab 27



### GOVERNANCE AND NOMINATING COMMITTEE

# Resolutions Approving and Recommending Election of UNM Medical Group, Inc. Directors

WHEREAS, UNM Medical Group, Inc. ("UNMMG") is in the process of obtaining the approval of its Third Amended and Restated Bylaws under which UNMMG has, among other things, restructured the composition of its Board of Directors and restated the terms of office for such Directors;

WHEREAS, UNMMG has determined, because of the restructured composition of its Board of Directors as set forth in the proposed Third Amended and Restated Bylaws to seek the appointment and reelection of all the members of its Board of Directors, which nominees, the Board classes in which they will serve, and their terms of office are described more fully in Exhibit A attached to these Resolutions and incorporated herein by this reference;

WHEREAS, pursuant to the requirements of the University Research Park and Economic Development Act, Section 21-28-1 et seq., NMSA 1978, the Board of Regents must appoint and elect the members of the Board of Directors of UNMMG and, therefore, pursuant to Regents Policy 3.5 and the Charter for this Governance and Nominating Committee (the "Committee") of the Health Sciences Center Board of Directors ("HSC BoD"), the nominees to the Board of Directors of UNMMG, must be presented for consideration to this Committee and then the HSC BoD with a recommendation for approval to the Board of Regents;

WHEREAS, the Committee, having considered the Exhibit A materials and the presentations made to the Committee in respect of the nominees to UNMMG Board of Directors, finds and concludes that such nominations and nominees are reasonable and approval of the same is in the best interest of the UNMMG.

## NOW, THEREFORE, BE IT:

RESOLVED, that the Committee hereby approves and recommends to the HSC BoD that the individuals identified in Exhibit be elected as Directors of UNMMG, effective immediately, to serve in the capacity indicated in Exhibit A and for the term indicated in Exhibit A.

ADOPTED BY A VOTE OF THE MEMBERS OF THE GOVERNANCE AND NOMINATING COMMITTEE OF THE HEALTH SCIENCES CENTER BOARD OF DIRECTORS AT A MEETING HELD ON May 1, 2014.

Lt. Gen. Bradley Hosmer, its Chair

## Nominations to the UNM Medical Group, Inc. Board of Directors

### Class A Directors (Term ending FY 2015)

### Nominees from the UNM School of Medicine Committee of Chairs:

Martha McGrew, M.D., Chair, Department of Family and Community Medicine, UNM School of Medicine—Class A

Thomas Williams, M.D., Executive Vice Dean, President, UNM Medical Group, Professor, Department of Pathology, UNM School of Medicine—Class A

### Nominees from the Physician Advisory Group:

Robert Avery, M.D., Associate Professor, Division of Ophthalmology, Department of Surgery—Class A

### Nominee from the Community:

Mr. Chris Pacheco, Community Board Member - Class A Class B Directors (Term ending FY 2016)

### Positional Directors:

Michael Richards, M.D., UNM Health System, Executive Physician In Chief, Chairman of the Board, UNM Medical Group, Professor, Department of Emergency Medicine, UNM School of Medicine—Class B

### Nominees from the UNM School of Medicine Committee of Chairs:

Pope Moseley, M.D., Chair, Department of Internal Medicine, UNM School of Medicine—Class B

Philip Wiest, Chair, Department of Radiology, UNM School of Medicine—Class B

### Nominees from the Physician Advisory Group

John Brandt, M.D., Vice Chair, Department of Pediatrics—Class B

### Class C Directors (Term ending FY 2017)

### Positional Directors:

Stephen W. McKernan, UNM Health System, Chief Operations Officer, CEO, University of New Mexico Hospitals<sup>1</sup>—Class C

<sup>&</sup>lt;sup>1</sup> Newly added voting positional Director under the terms of the Third Amended and Restated Bylaws of UNM Medical Group.

## Nominees from the UNM School of Medicine Committee of Chairs:

Loretta Cordova de Ortega, M.D., Chair, Department of Pediatrics, UNM School of Medicine—Class C

Cheryl Willman, M.D., CEO and Director, UNM Cancer Center, Professor, Department of Pathology, UNM School of Medicine—Class C

# Tab 28



## GOVERNANCE AND NOMINATING COMMITTEE

## Resolutions Approving and Recommending Appointment of Charlie Lopez to the Advisory Board of UNM Carrie Tingley Hospital

WHEREAS, the Advisory Board of UNM Carrie Tingley Hospital (the "CT Advisory Board") is an affiliated organization within the meaning of Regents Policy 7.17 and pursuant to the Amended and Restated Bylaws of the CT Advisory Board, the Board of Regents must appoint and elect the members of the Board of Directors of the CT Advisory Board and, therefore, pursuant to Regents Policy 3.5 and the Charter for this Governance and Nominating Committee (the "Committee") of the Health Sciences Center Board of Directors ("HSC BoD"), the nominees to the CT Advisory Board, must be presented for consideration to UNM Hospital Board of Trustees, this Committee and then to the HSC BoD with a recommendation for approval to the Board of Regents;

WHEREAS, Charlie Lopez has been nominated to serve as a member of the CT Advisory Board as described in Exhibit A attached to these Resolutions and incorporated herein by reference and the UNM Hospital Board of Trustees has recommended the approval of such nomination;

WHEREAS, the Committee, having considered the Exhibit A materials and the presentations made to the Committee in respect of Mr. Lopez' nomination to serve as a member of the CT Advisory Board, finds and concludes that such nominations and nominees are reasonable and approval of the same is in the best interest of the UNM Hospitals, including the UNM Carrie Tingley Hospital and its stakeholders.

### NOW, THEREFORE, BE IT:

RESOLVED, that the Committee hereby approves and recommends to the HSC BoD that Charlie Lopez be elected as Director of the CT Advisory Board, effective immediately, to serve in such capacity as provided in the Amended and Restated Bylaws of the CT Advisory Board.

ADOPTED BY A VOTE OF THE MEMBERS OF THE GOVERNANCE AND NOMINATING COMMITTEE OF THE HEALTH SCIENCES CENTER BOARD OF DIRECTORS AT A MEETING HELD ON May 1, 2014.

Lt. Gen. Bradley Hosmer, its Chair



### **MEMORANDUM**

April 23, 2014

TO:

**HSC Board of Directors** 

FROM:

Michael Olguin // 0

UNM Hospitals, Board of Trustees, Chair

SUBJECT:

Board Appointment, UNM Hospital Board of Trustees

At the April 25, 2014, meeting of the UNMH Board of Trustees, the trustees approved the nomination of Charlie Lopez, to the Carrie Tingley Hospital Advisory Board. The UNMH Board of Trustees requests the approval of the Governance and Nominating Committee of the HSC Board of Directors, and the HSC Board of Directors, with final approval by the Board of Regents. Mr. Lopez' CV is attached for review.



## **Charlie Lopez**

**KEY POSITION: SECURITY TRAINING MANAGER** 

**EDUCATION:** BACHELOR OF SCIENCE; OCCUPATIONAL EDUCATION

WORK HISTORY:

Chenega Global Services - National Training Center

July 2012 - Current

Security Training Manager

Serves as a key member of the senior contract management team responsible for the management and operation of the Protection Program Training Department at the Department of Energy (DOE) National Training Center (NTC). Provides Executive Management and Leadership for the analysis, design, development, implementation, and evaluation of Safeguards and Security training including; Program Planning and Management, Protective Force, Physical Security, Information Security, Personnel Security, Unclassified Visits and Assignments, by Foreign Nationals, Nuclear Materials Control and Accountability and the NTC Work for Others program though the application of Lean 6 Sigma and Earned Value Management principles. Served as the Chairman of the DOE Training Managers Working Group and Co-Chairman for the DOE Work Place Violence Working Group.

Chenega Global Services - National Training Center

July 2010 - July 2012

Special Projects Training Evaluation and Work for Others Manager

Responsible for the overall management, budget, and operations for the Site Certification Program, Training Approval Program, Training Needs Assessment Program, Training Evaluation Program, Curriculum Tracks Program, and DOE Competency and Equivalency Program and the development and management of a cost-effective Work for Others Program in accordance with Federal requirements. Effectively applies sound business principles, practices, and techniques to project and resource management to conduct the annual NTC Training Needs Assessment. Facilitates DOE Working Groups to determine effective training strategies, modalities, and technologies to accommodate a wide range of Federal and contractor requirements.

Chenega Global Services - National Training Center

August 2008 - July 2010

Information Systems Security Manager: Security Department

Provided Protection Program management and training delivery in the areas of Cyber Security, Personnel Security, Information Security, and Physical Security. Served as Communication Security (COMSEC) Control Officer and NTC point-of-contact for all classified and unclassified information system security issues. Used knowledge of DOE directives to develop and revise all required NTC security documentation. Assisted other DOE Office of Health, Safety and Security (HSS) Program Offices in the development of site and system security plans.

Echota Technologies

July 1998 – August 2008

Operations Officer - Protective Force Training Department

Managed operations for all Protective Force Training at the NTC's live-fire range. Developed course curriculum, provided facilities oversight, for the Protective Force Training Department. As an NTC senior subject matter expert, provided assistance in several Class B investigations across the DOE complex. Managed the conduct of all tactical-related courses and personnel at the NTC to include Special Response Team (SRT), SRT Instructor Certification, Basic Tactical Entry, Precision Rifle Forward Observer Certification, Advanced Weapons System Instructor Certification, Officer Survival, Tactical Leadership, and Opposition Force. Provided oversight of NTC PFT course development and revision. Performed the duties as Chief Range Officer for the DOE Annual Security Protection Officer Competition (SPOTC). Conducted all DOE SRT site certifications, including the audit of all training materials and testing/evaluation methods.

City of Albuquerque – Albuquerque Police Department Police Officer: Special Weapons and Tactics (Retired) February 1985 - March 2004

Responsibilities include the enforcement of all Federal, State and local laws. Provided training in the area of Firearms, Use of Force, Pursuit Driving ensuring contemporary standards were provided to officers of the Albuquerque Police Department. Assisted in the analysis and development of departmental procedures for Tactical Operations. Performed public relations programs by instructing and participating in the Citizens Police Academy as well as other programs and demonstrations that fostered a positive relationship between the department and public sector

### Education

Wayland Baptist University, Albuquerque, New Mexico Bachelor of Science, Occupational Education Centennial Scholar Award 2009, President's List 2006-09 GPA 3.9, Magna Cum Laude 2009 – Who's Who Among American Universities and Colleges Member

Albuquerque Police Department, Albuquerque, New Mexico N.M. Law Enforcement Academy Certificate (85-0215-p)

### Training (certificates available upon request)

U.S. Department of Energy - National Training Center

- Special Response Team I
- Special Response Team II
- Special Response Team III
- Tactical Crisis Resolution Assaulter
- Basic Crisis Negotiations
- Basic Firearms Instructor Certification
- Advanced Firearms Instructor Certification
- Intermediate Force Instructors Certification
- Basic Instructors Certification
- Basic Armorer Certification
- Advanced Armorer Certification

### Albuquerque Police Department (State-certified)

- Northwestern University Officer Survival
- Caliber Press Street Survival
- Criminalistics Field Investigator Certification
- Drug and Immigration Profile
- Adlerhorst Advanced Police Service Dog
- Crime Scene Investigation and Processing
- University of NM Death Investigation
- Urban Rifle Instructor
- Instructor Development
- Rappel Instructor (Basic)
- Rappel Instructor (Advanced)
- Advanced SWAT School (School of Americas)

- Security Police Officer III Instructor Certification
- Basic Tactical Entry
- Live Fire Shoot House Instructor Certification
- Office of Security Instructor Certification
- Curriculum Development
- Introduction to Job Task Analysis
- Job Task Analysis
- Introduction to Basic Survey
- DOE Derivative Classifier
- TACLANE Certification (General Dynamics)
- Chemical Agent Instructor (Def-Tec)
- Aerosol Agent Instructor (Def-Tec)
- Diversionary Device Instructor (Def-Tec)
- Less Lethal Instructor (Def-Tec)
- Less Lethal Instructor (International Association Chiefs of Police)
- Diversionary Device Instructor (International Association Chiefs of Police)
- Chemical Agent Instructor (International Association Chiefs of Police)
- SWAT Supervisors Tactics and Management

### Representative List of Publications and Presentations

- Developed the State of New Mexico Active Shooter Response Curriculum
- Qualified as an Federal Expert Witness in the area of Tactical Operations and Management
- Authored articles for the DOE Human Capitol Newsletter
  - o 2010 NTC Training Needs Assessment
  - o 2012 DOE Workplace Violence

### **Access Authorization Level**

Maintains a current and active DOE "Q" Clearance.

# Tab 29



## FINANCE, AUDIT, AND COMPLIANCE COMMITTEE

## Resolutions Recommending Approval of UNM Health Sciences Center Fiscal Year 2014/2015 Budgets

WHEREAS, the UNM Health Sciences Center and each of its component units as described in Regents Policy 3.4, have prepared and presented their proposed Fiscal Year 2015 operating budgets and, pursuant to applicable law and Regents Policies, must by approved by University governance including, without limitation, the Finance, Audit, and Compliance Committee (the "Committee") of the UNM Health Sciences Center Board of Directors (the "HSC BoD"), the HSC BoD, and the Board of Regents, as described more fully in Exhibit A attached to these Resolutions and incorporated herein by this reference;

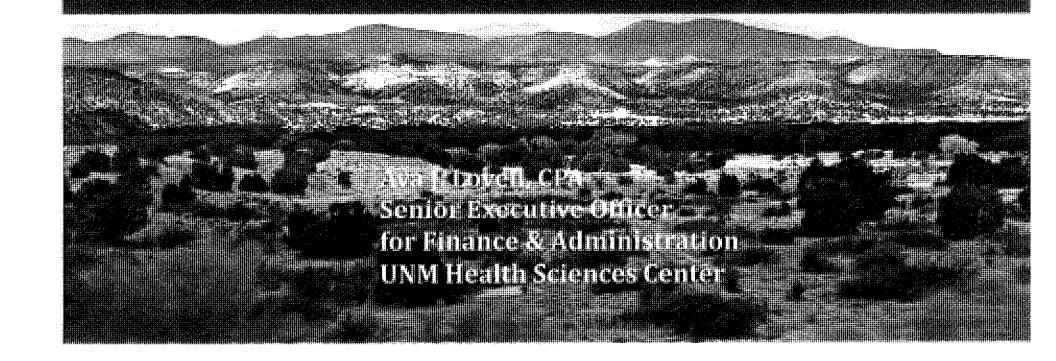
WHEREAS, the Committee, having considered the Exhibit A materials, the presentations made to the Committee in respect of the proposed Fiscal Year 2015 operating budgets, the assumptions underlying the Fiscal Year 2015, finds and concludes that the proposed Fiscal Year 2015 budgets for the UNM Health Sciences Center and each of its component units are reasonable and approval of the same is in the best interest of the UNM Health Sciences Center (and each of its component units).

NOW, THEREFORE, the Committee hereby approves and recommends to the HSC BoD that it approve, the Fiscal Year 2015 budgets for the UNM Health Sciences Center and each of its component units described in the Exhibit A materials.

ADOPTED BY A VOTE OF THE MEMBERS OF THE FINANCE, AUDIT, AND COM-PLIANCE COMMITTEE OF THE HEALTH SCIENCES CENTER BOARD OF DIRECTORS AT A MEETING HELD ON May 2, 2014.

Conrad James its Chair

FY 2015 Budget & FY 2014 Revised Budget
Presentation to:
HSC FACC & Board of Directors - May 02, 2014
UNM Board of Regents - May 09, 2014



# **UNM Health System**

# FY 2015 - Programmatic Assumptions:

- Overall growth expected at 6%
- Expand community based primary care Medical Home
- Expand Pharmacy Management Services to First Choice, First Nation and School based clinic programs
- Expand Radiopharmacy Clinical Services
- Advance tertiary programs
  - Cancer Care
  - Children's Services
  - Trauma/Critical Care
  - Neuroscience
  - Cardiovascular
- Optimize SRMC
  - Community based
  - Specialty expansion
    - Ortho Joint Replacement
    - Bariatric Surgery and Sleep Medicine
    - Breast Cancer Surgery
    - Renal Disease
    - Minimally Invasive Spine Surgery



# **UNM Health System**

# FY 2015 - Financial Assumptions:

- 6% growth in revenue driven by programmatic changes
   \$74.2M
- Revenue increases from operational efficiencies (LEAN)
- Improvements in Revenue Cycle
- UNM Employee Health Plan expansion
  - UNM Health System entered into a joint venture with a private insurance company to provide additional access for UNM employees to services provided at UNMH as well as collaborated with community partners.
- Expense growth in compensation, medical services and supplies driven by volume increases
- Stabilize SRMC

# **UNM HSC Academic Enterprise**

# FY 2015 – Programmatic Assumptions:

- Education to address healthcare workforce shortages
  - College of Nursing expansion for Baccalaureate and Advanced degree programs
  - Continue to build Interprofessional Education teams
  - Begin Residency expansions in Primary Care, General Surgery, Family Community Medicine and Psychiatry
- Research
  - Cancer Center P30 National Institutes of Cancer Grant renewal Fall 2014
  - Clinical Translational Science Center (CTSC) Grant Renewal Spring 2015

# **UNM HSC Academic Enterprise**

# FY 2015 – Financial Assumptions:

## Revenue

- No rate increase on any HSC Tuition or Fees; Tuition increases due to Enrollment
- HSC Formula Funding increase of \$1,077,231
- Increase in State Funding totaling \$5,722,502 or 6.2%
- Tobacco Settlement Funding FY14 Funding level sustained for FY15
- F&A increase of \$700,000, or 3.4%

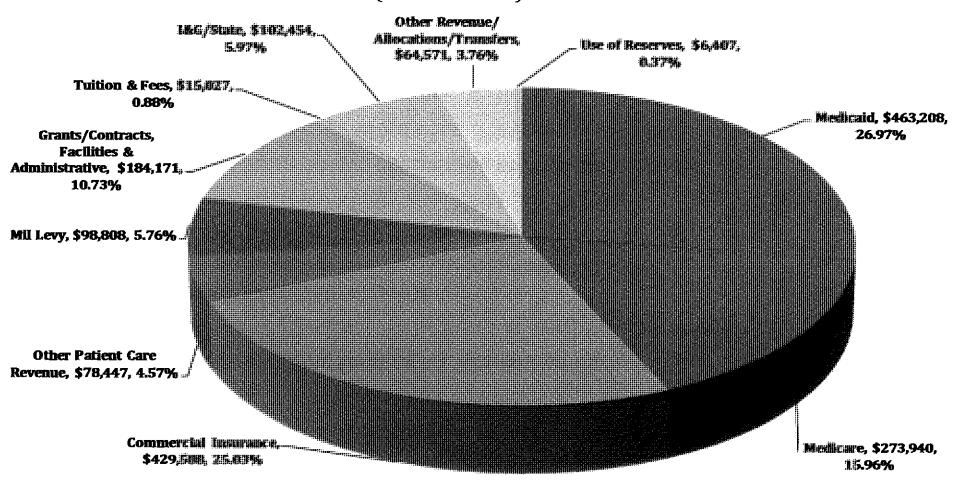
## Expense

- Salary increases for HSC Faculty 3%; UNM Staff 2.5%
- Salary increases apply to non-bargaining unit employees only
- Employer ERB increase on all Salaries, .75%; Employee ERB increase .6%
- VEBA increase for VEBA Participants, .25%
- Group Health Insurance increase, 7.25%
- No rate increase on HSC Utilities

# **UNM HSC All Components - Revenues**

FY 2015 Budget

(in thousands)



Note: Includes UNM HSC Academic Enterprise and UNM Health System

Total Budgeted Revenues \$1,716,621 8.5% Increase over FY 2014

# **UNM Health System**

Comparative Analysis: Prior Year - Current Year - Next Year (In thousands)

Revenues	FY 2013 Actuals	FY 2014 Revised	FY 2015 Budget	Percent Change 2014-15
Patient Care	\$828,091	\$893,683	\$981,919	9.9%
Mil Levies **	112,062	99,403	98,808	(0.6)%
Grants & Contracts	5,543	16,731	18,886	12.9%
I&G/State	12,966	13,185	13,779	4.5%
Other Revenue	16,094	9,045	18,867	108.6%
Total Revenues	\$974,756	\$1,032,047	\$1,132,259	9.7%

<sup>\*\*</sup> Note: Bernalillo and Sandoval Counties

# **UNM Health System**

Comparative Analysis: Prior Year - Current Year - Next Year (In thousands)

				Percent
	FY 2013	FY 2014	FY 2015	Change
	Actuals	Revised	Budget	2014-15
Expenses				
Housestaff/Post Doc Salaries	\$24,905	\$27,145	\$28,133	3.6%
Staff/Other Salaries	351,537	364,245	385,879	5.9%
Fringe Benefits	80,723	87,553	91,825	4.9%
<b>Total Compensation Expenses</b>	\$457,165	\$478,943	\$505,837	5.6%
Patient Care Costs	\$192,048	\$216,045	\$226,741	5.0%
Travel	726	915	1,011	10.5%
Purchased Services/Service	720	715	1,011	10.5 /0
Contracts	230,548	249,859	276,847	10.8%
Facility Costs	22,694	25,065	27,672	10.4%
Depreciation	41,255	41,728	42,317	1.4%
Other Expenses/Supplies	30,944	48,014	51,941	8.2%
Total Non Salary Expenses	\$518,215	\$581,626	\$626,529	7.7%
Interest Expense	12,049	11,935	11,803	(1.1)%
Total Expenses_	\$987,429	\$1,072,504	\$1,144,169	6.7%

# UNM Health System Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2013 Actuals	FY 2014 Revised	FY 2015 Budget
Net Margin before Non-Recurring Items	\$(12,673)	\$(40,457)	\$(11,910)
Return on Investment - TriWest  Meaningful Use Revenue	12,678 2,954	39,873 -	12,030
Use of UNMMG Reserves  Total Non-Recurring Items	(12,406) \$3,226	\$39,873	\$12,030
Net Margin_	\$(9,447)	\$(584)	\$120

# **UNM Health System**

FY 2014 Revised Budget

(In thousands)

	UNM Hospitals	UNM Medical Group	Sandoval Regional Medical Center	UNM Health System 6/30/2014 Total
Revenues	\$810,452	\$164,878	\$56,717	\$1,032,047
Expenses	838,598	169,082	64,824	1,072,504
Net Margin before Non- Recurring Items	\$(28,146)	\$(4,204)	\$(8,107)	\$(40,457)
Return on Investment - TriWest	39,873	<u>-</u>	<u>-</u>	39,873
Total Non-Recurring Items	\$39,873	\$-	\$-	\$39,873
Net Margin	\$11,727	\$(4,204)	\$(8,107)	\$(584)

# **UNM Health System**

FY 2015 Budget

(In thousands)

	UNM Hospitals	UNM Medical Group	Sandoval Regional Medical Center	UNM Health System 6/30/2015 Total
Revenues	\$874,162	\$189,068	\$69,029	\$1,132,259
Expenses	886,115	189,027	69,027	1,144,169
Net Margin before Non- Recurring Items	\$(11,953)	\$41	\$2	\$(11,910)
Return on Investment - TriWest	12,030		*	12,030
Total Non-Recurring Items	\$12,030	\$-	\$-	\$12,030
Net Margin	\$77	\$41	\$2	\$120

# FY 2015 HSC Funding - New State Funding

Appropriations	Increases (.275% Sanding Reflected)
1.5% Salary Increase (I&G and RPSPs)	\$1,359,100
ERB Support	560,400
Sanding/Rounding on Base Appropriations	(245,798)
Med School Faculty	573,400
Hepatitis C, Project ECHO	498,600
Nurse Expansion	274,100
Office of the Medical Investigator	149,600
Graduate Nursing Education	1,650,700
Internal Medicine Residencies	533,500
Psychiatry Residencies	201,400
General Surgery/Family Medicine Residencies	<u>167,500</u>
Total New State Funding	<u>\$5,722,502</u>

Note: All appropriations were reduced (sanded) by .275%

# **UNM HSC Faculty Compensation**

# Amount required to reach 25th & 50th Percentile

All Ranks	\$2,888,076	\$12,435,726	\$10,266	\$129,860
Assistant Professor	1,004,602	4,417,937		47,203
Associate Professor	791,255	3,143,520	5,633	75,298
Professor	\$1,092,219	\$4,874,269	\$4,633	\$7,359
	SOM 25th*	SOM 50th*	<u>CON **</u>	<u>COP ***</u>

<sup>\*</sup> Data is based on FY13 Actuals and FY13 Benchmarks for the 50th Percentile from the American Association of Medical Colleges (AAMC)

<sup>\*\*</sup> Data is based on FY14 Actuals and FY12 Benchmarks for the 50th Percentile from the American Association of Colleges of Nursing (AACN), currently above the 25<sup>th</sup> percentile

<sup>\*\*\*</sup> Data is based on FY14 Actuals and FY14 Benchmarks for the 50th Percentile from the American Association of Colleges of Pharmacy (AACP), currently above the 25th percentile

# UNM HSC – FY 2015 Compensation

Faculty 3.0% Staff 2.5% (Unrestricted Funds Only)

	UNM SOM	UNM SOM (HPPHP)	UNM CON	UNM		UNM HSC Academic Enterprise 6/30/2015 Total
Faculty 3.0% Increase	\$2,491,295	\$123,659	\$172,430	\$153,442	\$156,030	\$3,096,856
Staff 2.5% Increase	1,338,503	29,600	43,088	63,958	367,998	1,843,147
Total Compensation Increase FY 2015	\$3,829,798	\$153,259	\$215,518	\$217,400	\$524,028	\$4,940,003

## **Estimated Fringe Increase**

\$1,037,401

Salary increases apply to non-bargaining unit employees only. All bargaining unit salary increases will be determined in good-faith negotiations as always.

Analysis Excludes Housestaff, UCP and Restricted Funds

Source: State Format FY 2014 Original Budget

# UNM HSC Academic Enterprise

FY 2014 Revised Budget (In thousands)

	UNM SOM	UNM CON	UNM COP	HSC Library/ Informatics	HSC Research /	ILSC Administration	UNM HSC Academic Enterprise 6/30/2014 Total
Revenues	\$428,870	\$12,402	\$16,249	\$6,033	\$12,346	\$54,201	\$530,101
Expenses	428,832	12,180	15,975	6,033	12,346	50,514	525,880
Net Margin before Non-Recurring Items	\$38	\$222	\$274	\$-	\$-	\$3,687	\$4,221
Capital/Recruitment/ Startup/Scholarships	(6,050)	(890)	(976)	-	(409)	(1,809)	(10,134)
Net Margin	\$(6,012)	\$(668)	\$(702)	<b>\$</b> -	\$(409)	\$1,878	<b>\$(5,91</b> 3)

# **UNM HSC Academic Enterprise**

FY 2015 Budget (In thousands)

	UNM SOM	UNNI	UNM COP	HSC Library/ Informatics	HSC Research	HSC Administration	UNM HSC Academic Enterprise 6/30/2015 Total
Revenues	\$452,452	\$14,368	\$17,963	\$6,601	\$13,893	\$60,648	\$565,925
Expenses	452,326	14,368	17,963	6,588	13,893	58,964	564,102
Net Margin before Non-Recurring Items	\$126	\$-	\$-	\$13	\$-	\$1,684	\$1,823
Capital/Recruitment/ Startup/Scholarships	(5,373)	-	(346)	(650)	(481)	(1,500)	(8,350)
Net Margin	\$(5,247)	<b>\$-</b>	\$(346)	<b>\$(637)</b>	\$(481)	\$184	\$(6,527)

# **UNM HSC All Components**

FY 2014 Revised Budget (In thousands)

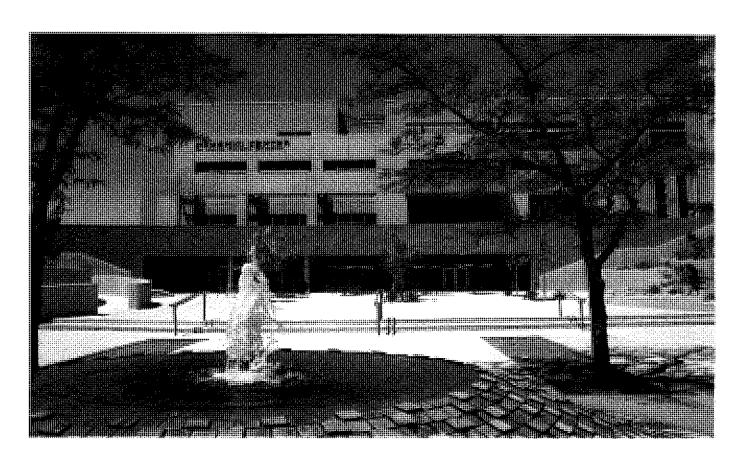
	UNM HSC Academic Enterprise	UNM Health System	UNM HSC All Components 6/30/2014 Total
Revenues	\$530,101	\$1,032,047	\$1,562,148
Expenses	525,880	1,072,504	1,598,384
Net Margin before Non-Recurring Items	\$4,221	\$(40,457)	\$(36,236)
Return on Investment – TriWest	-	39,873	39,873
Capital/Recruitment/Startup/Scholarships	(10,134)	-	(10,134)
Total Non-Recurring Items	\$(10,134)	\$39,873	\$29,739
Net Margin	\$(5,913)	\$(584)	\$(6,497)

# **UNM HSC All Components**

FY 2015 Budget (In thousands)

	UNM HSC Academic Enterprise	UNM Health System	UNM HSC All Components 6/30/2015 Total
Revenues	\$565,925	\$1,132,259	\$1,698,184
Expenses	564,102	1,144,169	1,708,271
Net Margin before Non-Recurring Items	\$1,823	\$(11,910)	\$(10,087)
Return on Investment – TriWest	_	12,030	12,030
Capital/Recruitment/Startup/Scholarships	(8,350)		(8,350)
Total Non-Recurring Items	\$(8,350)	\$12,030	\$3,680
Net Margin	\$(6,527)	\$120	\$(6,407)

# Questions?



# Tab 30



#### FINANCE, AUDIT, AND COMPLIANCE COMMITTEE

## Resolutions Recommending Approval of UNM Health Sciences Center Fiscal Year 2014 Budget Revisions

WHEREAS, the UNM Health Sciences Center and each of its component units as described in Regents Policy 3.4, have prepared and presented their proposed Fiscal Year 2014 operating budget adjustment/revisions as described more fully in Exhibit A attached to these Resolutions and incorporated herein by this reference and, pursuant to applicable law and Regents Policies, such budget adjustment/revisions must by approved by University governance including, without limitation, the Finance, Audit, and Compliance Committee (the "Committee") of the UNM Health Sciences Center Board of Directors (the "HSC BoD"), the HSC BoD, and the Board of Regents;

WHEREAS, the Committee, having considered the Exhibit A materials, the presentations made to the Committee in respect of the proposed Fiscal Year 2014 operating budget adjustment/revisions and the assumptions underlying the Fiscal Year 2014 budget adjustment/revisions, finds and concludes that the proposed Fiscal Year 2014 budget adjustment/revisions for the UNM Health Sciences Center and each of its component units are reasonable and approval of the same is in the best interest of the UNM Health Sciences Center (and each of its component units).

NOW, THEREFORE, the Committee hereby approves and recommends to the HSC BoD that it approve, the Fiscal Year 2014 budget adjustment/revisions for the UNM Health Sciences Center and each of its component units as described in the Exhibit A materials.

ADOPTED BY A VOTE OF THE MEMBERS OF THE FINANCE, AUDIT, AND COMPLIANCE COMMITTEE OF THE HEALTH SCIENCES CENTER BOARD OF DIRECTORS AT A MEETING HELD ON May 2, 2014.

Conrad James, its Chair

#### **Health Sciences Center**

The overall BAR impact to the UNM HSC Academic Enterprise is a favorable change in net revenues, transfers and expenditures of \$281,802, which is well under .5 percent of the \$560.1 million original budget.

The primary drivers of this change are increases in budgeted revenue due to increased Facilities and Administrative (F&A) overhead recoveries on research contracts and grants totaling \$1.6 million. The Housestaff revenue budget was increased by \$2.4 million due to an increase in VA funding.

Significant increases in budgeted expenditures are driven by one-time supplemental pay costs of \$1,000 per staff employee totaling \$1.1 million and Housestaff compensation costs of \$2 million. These increases are offset by budget reductions in overall expenses in the amount of \$1.7 million and decreased compensation, overhead, and equipment expenses at CTH and CPC in the amount of \$1 million.

#### Unrestricted

Significant Changes listed below:

- \$3,927,073 Increase Beginning Reserves change from Original Budget to Audited FY13 Ending Reserves
- \$4,264,984 Net increase in **Revenues** primarily due to:
  - \$1,839,867 I&G net increase due to increase in F&A revenue and Tuition differentials
  - o \$11,623 Student Social and Cultural Development net increase due to increase in Student Fund raising
  - \$973,992 Research net increase due to increase in Gains on Restricted contracts and Sales and Services
  - o (\$3,042,277) Public Service net decrease due to decrease in Patient Revenue at Cancer Center
  - \$9,412 Internal Services net increase due to increase in External Sales & Services revenue
  - o \$737,137 Student Aid Grants & Stipends net increase due to increase in estimated Endowment revenue
  - \$3,735,230 Independent Operations net increase mainly due to increase in VA Funding
- \$4,018,476 Net increase in Transfers out primarily due to increased budgeted transfers to Plant Funds and transfers to Endowments
- \$528,310 Net increase in **Expenditures** primarily due to:
  - o (\$523,118) 1&G net decrease due to reduction of offsetting Contingency expense for transfer to Plant Funds
  - o \$31,128 Student Social & Cultural Development Increase in Student Fund raising activities
  - o (\$372,302) Research net decrease due to reductions in expense for transfers to Plant Funds
  - o \$796,352 Public Service net increase due to Supplemental pay and Supplies and Expense
  - o (\$87,365)- Internal Services net decrease due to reduction in PPD & ARF expenditures net of internal charges
  - o (\$72,920) Student Aid Grants & Stipends net decrease due to decrease in Endowment expenditures
  - \$756,535 Independent Operations net increase due to estimated Group Health Insurance, Professional Liability Insurance and Housestaff Salaries

#### Restricted

- \$3,624,872 Net Increase in Revenues primarily due to:
  - o (\$745,790) 1&G net decrease in Restricted award revenues primarily in CME
  - \$4,535,252 Research net increase in Restricted award revenues
  - o (\$101,885) Public Service net decrease in Restricted award revenues
  - o (\$62,705) Student Aid net decrease in Restricted award revenues
- \$3,624,872 Net Increase in Expenditures and Transfers primarily due to:
  - o (\$745,790) I&G net decrease in Restricted award expenses primarily in CME
  - \$4,535,252 Research net increase in Restricted award expenses
  - o (\$101,885) Public Service net decrease in Restricted award expenses
  - o (\$62,705) Student Aid net decrease in Restricted award expenses

UNRESTRICTED INSTRUCTION & GENERAL				
INSTRUCTION & GENERAL		CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
	BEGINNING RESERYES	\$3,971,231	\$1,119,463	\$5,090,69
	REVENUES	106,829,270	1,839,867	108,669,13
	TOTAL AVAILABLE	\$110,800,501	\$2,959,330	\$113,759,83
	EXPENSES			
	INSTRUCTION ACADEMIC SUPPORT	\$72,051,452	(\$1,150,953)	\$70,900,49
	STUDENT SERVICES	11,287,072 6,702,217	125,870 299,063	11,412,94 7,001, <b>2</b> 8
	INSTITUTIONAL SUPPORT	13,768,832	396,541	14,165,3
	OPERATIONS & MAINTENANCE TOTAL EXPENSES	8,267,206 \$112,076,779	(193,639) (\$523,118)	8,073,56 \$111,553,6
	TRANSFERS	(\$5,379,151)	\$3,827,562	
	ENDING RESERVES	4,102,873	(345,114)	15,551,5 3,757,7:
	TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES	\$110,800,501	\$2,959,330	\$113,759,8
to an ilict reculbing recepted	TO ACTUAL.			
O ADJUST BEGINNING RESERVES I Increase - To adjust Beginning Reserves			\$1,119,463	
TOTAL BEGINNING RESERVES			\$1,119,463	
O INCREASE (DECREASE) REVENUE	E AS FOLLOWS:			
Increase in Non-Resident tuition			\$69,446	
Increase in COP PharmD tuition differential	ential		67, <b>6</b> 94 3,467	
Increase in Occupational & Vocational	tuition		99,260	
Increase in F&A revenue	I. (This is the		1,600,000	
TOTAL INCREASE (DECREASE) IN RE	venues		\$1,839,867	
Increase in transfer from Public Servic Increase in transfers from Public Servi Increase in transfers from Public Servi Increase in transfers from Independen Increase in transfers to Plant Fund Ma Increase in transfers to Plant Fund Mir Decrease in transfers to Main Campus Increase in transfers to Main Campus Increase in transfers from Mein Campus Increase in transfers from Mein Campu	Addiation Safety Support Lesearch Support Lesearch Support Losest Share PSPs  / College of Pharmacy for Instruction for 1650 Debt Service vice COP MOU BSGP admin fees/COP Continuing Ed by College of Pharmacy for Instruction ce for BA/MD hiring pian ce for RPSPs LOperations for RPSPs for for 1650 Backfili for for CON Repair and Remodel, Basement Refurbish and 1650 Move Support for SRS Radiation Safety transition to HSC for BA/MD Program		(71,000) 445,200 750,000 172,975 (202,855) (500,000) 513,600 (\$30,265) (\$508,566) (\$175,019) (\$347,890) (794,815) 1,800,000 1,174,065 (221,728) 34,923 (59,301)	
OTAL TRANSFERS (FROM) OR TO			\$3,827,562	
O INCREASE (DECREASE) EXPENDI' Increase in Instruction expenses - Sup			ହ୍ୟୁଦ୍ୟ କ୍ୟୁଦ୍	
	C expense reduced, transfer to Plant Fund Major		\$232,672 (1,700,000)	
Decrease in Instruction expenses - Co	lege of Nursing Instruction expense		(117,539)	
Increase in Instruction expenses - Coll			389,701	
	pol of Medicine Self Supporting expense es - Supplemental Pay for HSC t&G Units		267,083 54,360	
Increase in Acedemic Support expense	· · · · · · · · · · · · · · · · · · ·		66,009	
increase in Student Services expenses	- Supplemental Pay for HSC I&G Units		51,050	
	- Undergraduate Medical Education Self Supporting expense		168,111	
increase in Inst Support expenses - Su Increase in Inst Support expenses - Dir			67,888 91,213	
			61,300	
Increase in Inst Support expenses - inc			127,410	
Increase in Inst Support expenses - Increase in Inst Support expenses - HS	C College of Public Health Planning Program Director position and increased fite			
Increase in Inst Support expenses - inc Increase in Inst Support expenses - HS Increase in Operations & Maintenance	expenses - Supplemental Pay for HSC I&G Units		54,960	
Increase in Inst Support expenses - inc Increase in Inst Support expenses - HS Increase in Operations & Maintenance Decrease in Operations & Maintenance	expenses - Supplemental Pay for HSC I&G Units expenses - Custodial Subcontract expense		54,960 (310,166)	
Increase in Inst Support expenses - Inc Increase in Inst Support expenses - HS Increase in Operations & Maintenance Decrease in Operations & Maintenance Increase in Operations & Maintenance	expenses - Supplemental Pay for HSC I&G Units		54,960	

		CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
	BEGINNING RESERVES REVENUES TOTAL AVAILABLE	\$0 24,730 \$24,736	\$0 11,623 \$11,623	\$0 36,353 <b>\$36,35</b> 3
	EXPENSES TRANSFERS ENDING RESERVES TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES	\$51,380 (26,650) 0 \$24,730	\$31,128 (43,836) 24,331 \$11,623	\$82,508 (70,486) 24,331 \$36,353
TO ADJUST BEGINNING RESERVES T To adjust Beginning Reserves to Actua TOTAL BEGINNING RESERVES			\$0	
TO INCREASE (DECREASE) REVENUE Increase in Student Social & Cultural fu TOTAL INCREASE (DECREASE) IN RE	nd raising		\$11,623 \$11,623	
TRANSFERS (FROM) OR TO: Increase in transfers from I&G for COP Increase in transfers from Public Servic TOTAL TRANSFERS (FROM) OR TO			(\$160) (\$43,676) (\$43,836)	
TO INCREASE (DECREASE) EXPENDIT Increase in expenses - Student Activitie TOTAL INCREASE (DECREASE) IN EXI	\$		\$31,128 \$31,128	

UNRESTRICTED RESEARCH				
		CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
	BEGINNING RESERVES REVENUES TOTAL AVAILABLE	\$11,640,899 9,432,357	\$3,441,131 973,992	\$15,082,030 10,406,349
	IUIAL AVAILABLE	\$21,073,256	\$4,415,123	\$25,486,379
	EXPENSES	\$22,679,209	(\$372,302)	\$22,306,907
	TRANSFERS ENDING RESERVES	(7,237,675) 5,631,722	(202,006) 4,989,431	(7,439,681) 10,621,153
	TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES	\$21,073,256	\$4,415,123	\$25,488,379
TO ADJUST BEGINNING RESERVES TO ACTUAL	:			
Increase - To adjust Beginning Reserves to Actual			\$3,441,131	
TOTAL BEGINNING RESERVES			\$3,441,131	
TO INCREASE (DECREASE) REVENUE AS FOLLO	ows:		<b>A-2</b> : <b>2-</b> :	
Increase in Sales & Services Increase on Gains on Restricted Contracts & Gran	ts and Other Revenues		\$524,064 449,928	
TOTAL INCREASE (DECREASE) IN REVENUES	& and Other Neverides		\$973,992	
TRANSFERS (FROM) OR TO:				
Increase in transfers from I&G F&A	_		(\$1,671,000)	
Increase in transfers from i&G for Radiation Safety Increase in transfers from i&G for Research Suppo			(445,200) (750,000)	
Increase in transfers to I&G for RPSPs	at.		202,655	
Increase in transfers to I&G by College of Pharmac	by for Instruction		500,000	
increase in transfers to Restricted for Cost Share	IF A disable Disable Decision Barba Nov. Unc. Cited on Conding S. FORA		413,359	
Increase in transfers from Public Service for ACGN Increase in transfers to Public Service to adjust Ins	ME Accreditation Biostats Positions, MFM New Hires, Start-up funding & FOM http://doi.org/10.1007/j.j.com/		(420,135) 188,590	
Increase in transfers to Public Service for SOM sut			919. <b>9</b> 81	
Increase in transfers to Public Service for Year 2 of			24,939	
Increase in transfers to Public Service for HEROS:			106,240	
Increase in transfers from Student Aid for ACGME	Accreditation Biostats Position		(5,714)	
Increase in transfers to Main			34,500	
Decrease in transfers from Main for Compliance Su increase in net transfers to Main for Endowments 8			76,739 245,041	
Increase in transfers to Plant Funds	1 Support Social Supplies		377,999	
TOTAL TRANSFERS (FROM) OR TO			(\$202,006)	
TO INCREASE (DECREASE) EXPENDITURES AS I	FOLLOWS:			
Increase in expenses - Compensation Supplementa	ai Pay		\$96,833	
Decrease in expenses - Banner Tax	4. Tours from the District		(80,462)	
Decrease in expenses - Other Expense, Mainly due TOTAL INCREASE (DECREASE) IN EXPENDITURE			(469,135) ( <b>\$372,302</b> )	
NAACHW = Native American Aliance for Communi	(to the old) and (the Bases			

		CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
	BEGINNING RESERVES REVENUES	\$23,372,577 232,330,608	(\$2,199,160) (3,042,277)	\$21,173,417 229,288,331
	TOTAL AVAILABLE	\$255,703,185	(\$5,241,437)	\$250,461,748
	EXPENSES	\$227,820,96 <b>7</b>	\$796,352	\$228,617,319
	TRANSFERS	422,175	(1,091,089)	(668,914)
	ENDING RESERVES	27,460,043	(4,946,700)	22,513,343
	TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES	\$255,703,185	(\$5,241,437)	\$250,461,748
TO ADJUST BEGINNING RESERVES 1	TO ACTUAL.			
Decrease - To adjust Beginning Reser			(80 400 400)	
TOTAL BEGINNING RESERVES	TO TO ACTUAL		(\$2,199,160) (\$2,199,160)	
			(\$2,199,100)	
TO INCREASE (DECREASE) REVENUE	E AS FOLLOWS:			
Decrease in Patient revenues TOTAL INCREASE (DECREASE) IN RE	VENUER		(\$3,042,277)	
TO TAL INCREASE (DECREASE) IN RE	VERUES		(\$3,042,277)	
TRANSFERS (FROM) OR TO:				
Decrease in transfers from I&G F&A			\$71,000	
increase in transfers to I&G by College			508,586	
Increase in transfers to I&G for BA/MD			175,019	
Increase in transfers to I&G for RPSPs			347,890	
Increase in net transfers to i&G COP N	10U BSGP admin fees/COP Continuing Ed		30,265	
Increase in transfers to Restricted for (			172,913	
Increase in transfers from Research to	adjust Institutional Support		(188,590)	
Increase in transfers from Research fo Increase in transfers from Research fo	r Your 3 of N. 6 CLRM Andre-		(919,981)	
	r HEROS support, MOU BSGP and COP Support		(24,939)	
Increase in transfers from I&G for 1650	Debt Service		(106,240)	
	CGME Accreditation Biostats Positions, MFM New Hires, Start-up funding & FOM		(513,600)	
Increase in transfers to Student Aid			420,135 46,347	
increase in transfers from Student Aid			(12,885)	
Increase in transfers to Student Social	Cultural for COP Student Organization		43,676	
increase in transfers from Main Interna			(5,100)	
Increase in net transfers from Independ	lent Operations to return Housestaff funding		(351,500)	
Increase in transfers to Independent O	perations for Cost Share		1,000	
increase in transfers to Independent O			4,000	
Increase in net transfers to Endowmen Increase in transfers to Main Research	5		1,728,206	
Increase in transfers to Main Research Increase in transfers to Main Public Se	nine.		77,500	
Increase in transfers to Main Public Sel	YILE		55,000	
	ds for SOM to recoup prior year transfers		(1,500)	
TOTAL TRANSFERS (FROM) OR TO	to to the control prior year transfers		(2,648,291) (\$1,091,089)	
			(91,031,063)	
TO INCREASE (DECREASE) EXPENDIT				
Increase in expenses - Compensation 5			\$453,051	
Increase in expenses - Operating Supp			343,301	
TOTAL INCREASE (DECREASE) IN EXP	'ENDITURES		\$796,352	
NAACHW = Native American Alliance for				

		CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
	BEGINNING RESERVES REVENUES	\$184,153 5,000	(\$256,228) 9,412	(\$72,075) 14,412
	TOTAL AVAILABLE	\$189,153	(\$246,816)	(\$57,663)
	EXPENSES	\$331,614	(\$87,365)	\$244,249
	TRANSFERS	(326,614)	2,338	(324,276)
	ENDING RESERVES	184,153	(157,113)	22,364
	TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES	\$189,153	(\$246,816)	(\$57,663)
TO ADJUST BEGINNING RESERVES T Decrease - To adjust Beginning Reser TOTAL BEGINNING RESERVES			(\$256,228) (\$256,228)	
TO INCREASE (DECREASE) REVENUI Increase in External Sales revenue Mi TOTAL INCREASE (DECREASE) IN RE	scellaneous		\$9,412 \$9,412	
TRANSFERS (FROM) OR TO: Increase in transfers from Independen Increase in transfers to Plant Funds fo TOTAL TRANSFERS (FROM) OR TO	t Operations r equipment depreciation and upgredes		(\$1,525) 3,863 \$2,338	
TO INCREASE (DECREASE) EXPENDI			40.000	
Increase in expenses - ARP Compens			\$8,800	
			2,380	
Increase in expenses - Misc Compens	ation Supplemental Pay		2,684	
Oecrease in net expenses - PPD			(141,059)	
Decrease in net expenses - ARF			(57,142)	
	TI IS		96,972	
Increase in net expenses - Miscellanes TOTAL INCREASE (OECREASE) IN EX			(\$87,365)	

		CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
	BEGINNING RESERVES REVENUES	\$10,589,692 1,254,833	\$180,567	\$10,770,259
	TOTAL AVAILABLE	\$11,844,525	737,137 \$917,704	1,991,970 <b>\$12,762,229</b>
	EXPENSES	\$5,132,082	(\$72,920)	\$5,059,162
	TRANSFERS ENDING RESERVES	(2,090,322) 8,802,765	366,318 624,306	(1,724,004) 9,427,071
	TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES	\$11,844,525	\$917,704	\$12,762,229
TO ADJUST BEGINNING RESERVES TO				
increase - To adjust Beginning Reserves TOTAL BEGINNING RESERVES	to Actual		\$180,567 \$180,567	
TO INCREASE (DECREASE) REVENUE A				
increase in estimated Student Scholarship Increase in estimated Endowment revenue			\$216,305 \$520,832	
TOTAL INCREASE (DECREASE) IN REVE	NUES		\$737,137	
TRANSFERS (FROM) OR TO:				
Increase in transfers from i&G for State S	cholarships - includes transfers for SOM		(\$177,058)	
Increase in transfers to Public Service Increase in transfers from Public Service			12,885 (46,347)	
increase in transfers to Research for ACG	ME Accreditation Biostats Position		5,714	
Increase in transfers to Main Campus Res	search		25,250	
Increase in net transfers to Endowments			408,176	
Increase in transfers to Plant Funds			137,698	
TOTAL TRANSFERS (FROM) OR TO			\$366,318	
TO INCREASE (DECREASE) EXPENDITUR				
Increase in expenses - Compensation Sur	plemental Pay		\$8,634	
Decrease in expenses - Endowments			(\$985,276)	
Increase in expenses - Scholarships			903,722	
TOTAL INCREASE (DECREASE) IN EXPE				

		CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
	BEGINNING RESERVES REVENUES	(\$7,586,394) 72,878,400	\$1,641,300 3,735,230	(\$5,945,094 76,613,63
	TOTAL AVAILABLE	\$65,292,006	\$5,376,530	\$70,668,536
	EXPENSES TRANSFERS ENDING RESERVES TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES	\$77,014,981 907,801 (12,630,776) \$65,292,006	\$756,535 1,159,189 3,460,806 \$5,376,530	\$77,771,516 2,066,990 (9,169,970 \$70,668,536
TO ADJUST BEGINNING RESERVES TO Decrease - OMI To adjust Beginning Re Increase - Housestaff To adjust Beginn Increase - CTH To adjust Beginning Re Increase - CPH To adjust Beginning Re TOTAL BEGINNING RESERVES	eserves to Actual ing Reserves to Actual serves to Actual		(\$77,947) 371,282 651,028 696,937 \$1,641,390	
TO INCREASE (DECREASE) REVENUE Increase in OMI revenues Increase in Housestaff VA funding reve Increase in CTH Patient revenues Increase in CPH Patient revenues TOTAL INCREASE (DECREASE) IN REV	nues		\$19,677 2,380,122 751,262 584,169 \$3,735,230	
TRANSFERS (FROM) OR TO: Increase in transfers to I&G for RPSPs Increase in transfers to Restricted for C Increase in transfers from Public Service Increase in transfers from Public Servic Increase in transfers from Public Servic Increase in transfers to Internal Ser Increase in transfers to Plant Fund TOTAL TRANSFERS (FROM) OR TO	o retum Housestaff funding e for Cost Share e for Imaging Tech Salaries		\$794,815 13,349 351,500 (1,000) (4,000) 1,525 3,000 \$1,159,189	
	uppiemental Pay se OMI staff Salaries sstaff Professional Liability Insurance, Group Insurance and Misc Fringe Salaries Equipment & Administrative Overhead les CPH & Administrative Overhead		\$45,610 6,803 1,249,596 733,414 (642,087) (636,803) \$756,535	

	CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
REVENUES	\$11,278,121	(\$745,790)	£10.820.0
TOTAL AVAILABLE	\$11,278,121	(\$745,790)	\$10,532,3 \$10,532,3
F-17-2-1-2-2-2	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		,
EXPENSES INSTRUCTION			
ACADEMIC SUPPORT	\$6,452,022	(\$743,294)	\$5,708,7
STUDENT SERVICES	127,200	383,146	510,3
INSTITUTIONAL SUPPORT	4,746,853	(262,585)	4,484,2
OPERATIONS & MAINTENANCE	0	0	
TOTAL EXPENSES	\$11,326,075	(\$622,733)	£10 505 5
TRANSFERS			\$10,703,3
ENDING RESERVES	(\$47,954)	(\$123,057)	(\$171,0)
TOTAL EXPENSES, TRANSFERS, & ENDING	0	0	
	RESERVES \$11,278,121	(\$745,790)	\$10,532,33
TO INCREASE (DECREASE) REVENUE AS FOLLOWS: Decrease in I&G Restricted Awards - Continuing Medical Edu TOTAL INCREASE (DECREASE) IN REVENUES  TRANSFERS (FROM) OR TO:	cation Awards Ended = =	(\$745,790) (\$745,790)	
Decrease in I&G Restricted Awards - Continuing Medical Edu TOTAL INCREASE (DECREASE) IN REVENUES	cation Awards Ended =		

		CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
	REVENUES	\$65,166,291	\$4,535,252	\$69,701,5
	TOTAL AVAILABLE	\$65,166,291	\$4,535,252	\$69,701,5
	EXPENSES	\$65,670,538	\$5,146,734	\$70,817,2
	TRANSFERS ENDING RESERVES	(504,247)	(611,482) 0	(1,115,7
	TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES	\$65,166,291	\$4,535,252	\$69,701,5
TO INCOFA	SE (DECDEASE) DEVENUE AS EOU LOWS.			
Increase in	SE (DECREASE) REVENUE AS FOLLOWS: n Research Restricted Awards REASE (DECREASE) IN REVENUES		\$4,535,252 \$4,535,252	
Increase ii TOTAL INCF	n Rèsearch Restricted Awards REASE (DECREASE) IN REVENUES S (FROM) OR TO:		\$4,535,252	
Increase in TOTAL INCF TRANSFERS Increase i	n Rèsearch Restricted Awards REASE (DECREASE) IN REVENUES			
Increase in TOTAL INCP TRANSFERS Increase i TOTAL TRA	n Research Restricted Awards REASE (DECREASE) IN REVENUES  S (FROM) OR TO: in transfers from Unrestricted for Research Cost Share		\$4,535,252 (\$611,482)	
Increase in TOTAL INCR TRANSFERS Increase in TOTAL TRA	n Research Restricted Awards REASE (DECREASE) IN REVENUES  S (FROM) OR TO: in transfers from Unrestricted for Research Cost Share NSFERS (FROM) OR TO		\$4,535,252 (\$611,482)	

	CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
REVENUES TOTAL AVAILABLE	\$34,753,979 <b>\$34,753,979</b>	(\$101,885) (\$101,885)	\$34,652,0 <b>\$34,652,0</b>
EXPENSES TRANSFERS ENDING RESERVES	\$35,054,595 (300,616)	(\$76,434) (25,451)	\$34,978,1 (326,0
TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES	\$34,753,979	(\$101,885)	\$34,652,0
TO INCREASE (DECREASE) REVENUE AS FOLLOWS: Decrease in Public Service Restricted Awards TOTAL INCREASE (DECREASE) IN REVENUES		(\$101,885) (\$101,885)	
Decrease in Public Service Restricted Awards			

TOTAL AVAILABLE \$2  EXPENSES \$2  TRANSFERS ENDING RESERVES	4,944 (\$62,70 4,944 (\$62,70 4,944 (\$50,09 0 4,944 (\$62,70	99) \$2,88 <b>2,2</b> 3 99) \$2,894,84
EXPENSES TRANSFERS ENDING RESERVES TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES  TO INCREASE (DECREASE) REVENUE AS FOLLOWS: Decrease in Student & Fellowship Restricted Awards TOTAL INCREASE (DECREASE) IN REVENUES  TRANSFERS (FROM) OR TO: Increase in transfers from Unrestricted for Student & Fellowship Cost Share	4,944 (\$50,09 (12,60	99) \$2,894,84 06) (12,60
TRANSFERS ENDING RESERVES TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES  \$2.  TO INCREASE (DECREASE) REVENUE AS FOLLOWS: Decrease in Student & Fellowship Restricted Awards TOTAL INCREASE (DECREASE) IN REVENUES  TRANSFERS (FROM) OR TO: Increase in transfers from Unrestricted for Student & Fellowship Cost Share	0 (12,60	06) (12,60
TRANSFERS ENDING RESERVES TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES  \$2.  TO INCREASE (DECREASE) REVENUE AS FOLLOWS: Decrease in Student & Fellowship Restricted Awards TOTAL INCREASE (DECREASE) IN REVENUES  TRANSFERS (FROM) OR TO: Increase in transfers from Unrestricted for Student & Fellowship Cost Share	0 (12,60	06) (12,60
TO INCREASE (DECREASE) REVENUE AS FOLLOWS: Decrease in Student & Fellowship Restricted Awards TOTAL INCREASE (DECREASE) IN REVENUES  TRANSFERS (FROM) OR TO: Increase in transfers from Unrestricted for Student & Fellowship Cost Share		Λ
TO INCREASE (DECREASE) REVENUE AS FOLLOWS: Decrease in Student & Fellowship Restricted Awards TOTAL INCREASE (DECREASE) IN REVENUES  TRANSFERS (FROM) OR TO: Increase in transfers from Unrestricted for Student & Fellowship Cost Share	4,944 (\$62,70	<u> </u>
Decrease in Student & Fellowship Restricted Awards TOTAL INCREASE (DECREASE) IN REVENUES  TRANSFERS (FROM) OR TO: Increase in transfers from Unrestricted for Student & Fellowship Cost Share		05) \$2,882,23
Increase in transfers from Unrestricted for Student & Fellowship Cost Share	(\$62,70 (\$62,70	
	(0.10.00	201
•	(\$12,60 ( <b>\$12,60</b>	
TO INCREASE (DECREASE) EXPENDITURES AS FOLLOWS:		
Decrease in expenses - Student & Fellowship Restricted Awards TOTAL INCREASE (DECREASE) IN EXPENDITURES	(\$50,09 ( <b>\$50,0</b> 9	<del></del>
TALLE GENERAL (SEATERAL) IN PUR PURILAMEN	(400)00	

		ORIGINAL OGET FY 2013 - 2014		REVISED DGET FY 2013 - 2014	TC	3 - 2014 REVISED ORIGINAL 'ARIANCE
BEGINNING BALANCE	\$	147,940,562	\$	164,717,153	\$	16,776,591
NET PATIENT REVENUES		666,488,040		662,186,082		(4,301,958)
CONTRACT AND GRANT REVENUES		5,997,223		16,569,157		10,571,934
OTHER OPERATING REVENUES		8,752,348		4,022,548		(4,729,800)
TOTAL OPERATING REVENUES	<del></del>	681,237,611		682,777,787		1,540,176
MILL LEVY		91,886,992		91,861,429		(25,563)
OTHER NON-OPERATING REVENUES		6,693,062		41,961,036		35,267,974
TOTAL REVENUES	***************************************	779,817,665		816,600,252		36,782,587
SALARIES, WAGES, & BENEFITS MEDICAL SUPPLIES UNIVERSITY CLINICIANS PROGRAM HOUSESTAFF ALL OTHER EXPENSES		390,355,620 122,160,907 726,126 25,903,464 226,818,912		387,210,874 129,852,316 1,179,818 26,078,996 248,884,183		(3,144,746) 7,691,409 453,692 175,532 22,065,271
TOTAL OPERATING EXPENSES		765,965,029		793,206,186		27,241,157
INTEREST EXPENSE & BOND RELATED COSTS		8,794,873		8,677,180		(117,693)
TOTAL EXPENSES		774,759,902	<del></del>	801,883,366		27,123,464
NET GAIN/(LOSS)		5,057,763		14,716,886		9,659,124
ENDING BALANCE (Excludes CTH, CPC, OOCI)	<u>s</u>	152,998,325	\$	179,434,039	\$	26,435,715
NOTE: TOTAL CAPITAL OUTLAY FUNDING FROM OTHER SOURCES (DONATIONS AND CAPITAL INITIATIVES FUND) CAPITAL OUTLAY (FUNDED FROM CASH BALANCES)	\$ 	35,441,048 (5,000,000) 30,441,048	\$	32,356,745 (2,868,603) 29,488,142	\$	(3,084,303) 2,131,397 (952,906)

### Tab 31



#### FINANCE, AUDIT, AND COMPLIANCE COMMITTEE

#### Resolutions Recommending Approval of Capital Project for UNM Cancer Center Facility Build Out

WHEREAS, the UNM Hospitals proposes to undertake a capital project under which UNM Hospitals will build out, among other things, certain shelled out but previously unfinished areas of the UNM Cancer Center to create additional multi-disciplinary clinics and increased capacity for chemotherapy infusion and other transplantation services and thereby enable the UNM Cancer Center to add additional lines of cancer care service to New Mexicans (the "UNMCC Clinical Facility Build Out Project") and pursuant to Regents Policy 7.12, such capital project must be approved by governance of the University of New Mexico (the "University"), including, without limitation, the Finance, Audit and Compliance Committee (the "Committee"), the Health Sciences Center Board of Directors (the "HSC BoD"), and the Board of Regents. As a part of the UNMCC Clinical Facility Build Out Project, UNM Hospitals' retained RMKM Architecture PC, to serve as its architect. The UNMCC Clinical Facility Build Out Project is described more fully in Exhibit A attached to these Resolutions and incorporated herein as though fully set forth in these Resolutions:

WHEREAS, this Committee, having considered the Exhibit A materials and the presentations made relative to the proposed UNMCC Clinical Facility Build Out Project, finds and concludes that undertaking the UNMCC Build Out Project is in the best clinical and operational interest of the UNM Health Sciences Center, the UNM Health System, UNM Hospitals, and the UNM Cancer Center and their patients and will improve patient access to clinical care involving cancer and, therefore, should be approved.

NOW THEREFORE, BE IT RESOLVED that the Committee hereby recommends to the HSC BoD that the UNMCC Clinical Facility Build Out Project as identified above and as described in Exhibit A should be approved.

ADOPTED BY A VOTE OF THE MEMBERS OF THE FINANCE, AUDIT AND COMPLIANCE COMMITTEE OF THE HEALTH SCIENCES CENTER BOARD OF DIRECTORS AT A MEETING HELD ON May 2, 2014.

By: Corned James, its Chair

REQUEST FOR CAPITAL PROJECT ARCHITECT APPROVAL for UNM Hospital, UNM Cancer Center Clinical Facility Build Out A/E Approval & Project Approval UNIVERSITY OF NEW MEXICO April 15, 2014

#### 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 the New Mexico State Board of Finance, project approval is requested for UNM Hospital, UNM Cancer Center Clinical Facility Build Out – A/E Approval and Project Approval.

#### PROJECT DESCRIPTION AND RATIONALE:

The University of New Mexico Cancer Center (UNMCC) was designated in 2003 by the New Mexico Legislature as the Official Cancer Center of the State of New Mexico and in 2005 as one of the nation's 68 pre-eminent National Cancer Institute (NCI) Designated Cancer Centers. As part of its statewide cancer diagnosis and treatment, research, education, and community outreach programs are two dedicated facilities on the UNM Health Sciences Center campus: the UNM Cancer Research Facility and the UNM Cancer Treatment and Clinical Research Facility. The later facility, located at 1201 Camino de Salud NE, is licensed and operated as a UNM Hospital-based ambulatory clinical facility and management of its clinical operations is integrated between UNM Hospital and UNM Cancer Center. When this ambulatory clinical facility was first opened in September 2009, the building's entire second floor, the south half of the fourth floor, and the café space were left "shelled" to be completed at a later date. This project is to complete the finish out of these facility components in order to meet significant patient need. With the tremendous growth in the UNMCC clinical practice since 2009, utilization of the finished clinic space is fully maximized with greater than 93-98% daily occupancy of all multidisciplinary cancer clinics, 103% occupancy of chemotherapy infusion space, and 110-120% utilization of radiation oncology, necessitating the addition of a second evening shift for the provision of radiation treatment. In FY13, the Center treated over 13,500 New Mexicans in over 120,000 ambulatory visits. Secondly, the institution committed to the NCI in 2010, during the Center's competitive renewal of the NCI Designation, that this finish out would be completed prior to the next renewal (in 2015), based on patient need and program growth. The finish-out project will be concentrated in three locations (2<sup>nc</sup> floor, 4th floor, and cafe) and upon completion will facilitate the opening of six new cancer service lines.

#### Physical Spaces to Be Completed in the Finish-Out:

- 2<sup>nd</sup> Floor North: Multidisciplinary Cancer Clinics: The UNM Women's Cancer Center
- 2<sup>nd</sup> Floor South: Multidisciplinary Cancer Clinics Integrating Surgical Oncology Specialties
- 4th Floor South: Expansion of Chemotherapy Infusion; Bone Marrow/Stem Cell Transplantation
- First Floor: Café /Food Service

#### New Cancer Service Lines to be Added or Expanded as a Result of the Finish-Out:

- Hematologic Malignancies: Bone Marrow and Stem Cell Transplantation Program
- Phase I (First in Man) Clinical Trials Program / Experimental Therapeutics Newest Cancer Therapies
- Adolescent and Young Adult Oncology Program (Ages 16-39)
- Cancer Survivorship Program
- Multidisciplinary Clinics Integrating Surgical Oncology Subspecialties (Genitourinary, Pulmonary/Thoracic, Head & Neck, Gastrointestinal/Hepatobiliary Cancers, and Orthopedic Oncology)
- · Creation of Dedicated Space for the UNM Women's Cancer Center

#### 1. Finish Out of the Second Floor Multidisciplinary Clinic Space - North and South Clinics

The 2<sup>nd</sup> floor will be built out as multidisciplinary cancer clinics with emphasis on Women's Cancer Services (north half) and clinics that integrate surgical oncology specialists (south half). The 2<sup>nd</sup> floor is 24,544 square feet and 95% Construction Documents have already been completed as part of the original Cancer Center Architect/Engineer contract. The new floor plan will include 31 exam rooms, 5 large exam rooms, 2 treatment/cystoscopy rooms, 2 provider workrooms, 1 MD workroom, 4 nurse stations, and 6 triage and support spaces.

2<sup>nd</sup> Floor North: This space will be designated for the *UNM Women's Cancer Center* with a dedicated waiting room and multidisciplinary clinic space (for integrated medical oncology, radiation oncology, surgical oncology, plastic/reconstructive surgery, genetic counseling providers, and others) for patients with breast and gynecologic malignancies (cervical, ovarian, endometrial cancers). Two new programs will also be housed in this new space: 1) an *Adolescent and Young Adult* (AYA: ages 16-39) *Cancer Program:* across the nation, cancer patients of these ages fall "between the cracks" between adult and pediatric oncology and have some of the poorest overall cancer

survival rates; and 2) a *Cancer Survivors Program* for both children and adults. The impact of consolidating these services provides backfill opportunities on the existing 3<sup>rd</sup> floor to house two new programs: 1) *A Phase I Cancer Clinical Trials Program:* providing patients with advanced malignancies access to the earliest new experimental cancer drugs; and 2) *Hematologic Malignancies: Bone Marrow and Stem Cell Transplantation Program:* the State of New Mexico does not have an accredited bone marrow/stem cell autologous transplantation program and New Mexican patients and their families must travel out of state for such services. 2<sup>nd</sup> Floor South: This space will be completed to accommodate new and expanded clinics that integrate several surgical oncology/cancer surgery subspecialties including providing minor surgical procedures for other cancer services.

The estimated Maximum Allowable Construction Cost for the second floor less equipment and furnishings is \$5,035,765 (\$220 per sq. ft.).

#### 2. Finish Out of the 4th Floor Infusion Space

The south side of the 4<sup>th</sup> floor will be finished to increase chemotherapy infusion capacity with minor renovations to the infusion pharmacy. It is 7,700 square feet and has an approved schematic plan. Design Development and Construction Documents will need to be completed. The new space includes 29 additional infusion bays (16 open station, 4 private rooms, 3 private observation rooms, 6 transplant), 6 phlebotomy, nurse stations, triage, pharmacy support space, 2 new private registration, 2 staff toilets, 2 patient toilets, 1 clean supply, 1 medication room. In the southwest corner, a new dedicated infusion space will house an autologous bone marrow and stem cell transplant program for patients with hematologic malignancies (primarily leukemia and lymphoma). In the southeast corner, 4 beds will provide temporary housing to extremely ill patients who need transfer to UNMH or more intensive care.

The MACC less equipment and furnishings for the 4th floor is estimated to be \$2,478,446 (\$344 per sq. ft.; this higher cost is due to the creation of 29 individual patient care/infusion units, each of which must by fully and separately equipped with gases and electricity and other critical support).

#### Café

A primary concern for the Center's patients, family, and supportive care providers is the lack of food service in the facility, particularly for patients who are undergoing long infusion procedures, radiation oncology treatments, or who have multiple procedures and appointments in one day, which is common. The shelled food space will be finished as a café to provide breakfast, lunch, snacks, and a coffee and juice bar, as well as cater daily meetings in the Center's Education Wing. An RFP will be released to identify a vendor to operate the café; several local restaurant businesses have expressed significant interest. The café will be on two levels: 1) the primary level on the 1<sup>st</sup> floor (2,989 gross sq. ft.) consists of eating/seating space, demonstration kitchen for nutritional seminars, and final prep kitchen, with an exterior patio area for more seating; and 2) a second level (1,312 gross sq. ft.) on the Ground floor, consists of dry storage, cold prep area, primary refrigerators and freezers, dishwashing and dish storage, refuse room, Café Manager's office, and Café staff restroom. The overall total is 4,301 gross square feet.

The MACC for the café is estimated to be \$751,269 (\$187 per sq. ft.).

The total Maximum Allowable Construction Cost for this project is estimated to be \$8,265,480. Should the project be approved by HED and the State Board of Finance in the fall of 2014, the schedule is to be complete before November-December 2015.

The Architect per UNM Policy 7.11 adopted September 12, 1996 is the Architect who designed the original building: RMKM Architecture PC, 400 Gold Avenue SW, Studio 1100, Albuquerque, NM 87102; 505-243-5454

In addition, RMKM is being listed on the UNM Purchasing "Sunshine" Portal as a sole source for thirty days per NM State Procurement Policy.

#### PROJECT FUNDING:

This project will be funded by the UNM Hospital Capital Improvement Projects Fund and the Cancer Center. A detailed proforma indicates the Center would be able to return the revenue for this project to the UNMH Fund within 4.5 years, though a longer pay back period may be developed to allow the Center to also invest in research and education programs.

The total Project Budget is currently estimated to be \$11,660,240 and includes the following estimated costs:

MACC: \$8,265,480
Furnishings and Equipment: \$2,090,041
NM GRT @ 7.0%: \$ 762,819
A/E Professional Fees: \$ 541,900

### Tab 32

# HSC Financial Update and Update on Uncompensated Care

			Me	Health Science trics (Preliminary a				
Benchmark		Expected	FY 2010 3rd Quarter YTD	FY 2011 3rd Quarter YTD	FY 2012 3rd Quarter YTD	FY 2013 3rd Quarter YTD	FY 2014 3rd Quarter YTD	Fiscal Year Trend
Approximate Cash Flow/(Use) from Operations * (Amounts are in thousands)	нѕс	•	\$12,014	\$8,574	\$7,718	\$5,329	\$10,061	
	UNMMG	•	\$1,888	\$17,435	\$2,632	(\$1,199)	\$5,594	
	UNMH	•	\$25,141	\$29,007	\$22,009	\$12,533	(\$2,310)	
	SRMC	•	NA	NA	NA	(\$1,648)	\$1,032	
* Approximate Cash Flow/(Use) from Operations = Operating Net M	argin plus Deprecia	tion Expense						
Operating Net Margin (Amounts are in thousands)	нѕс	•	\$12,014	\$8,574	\$7,718	\$5,329	\$10,061	
	UNMMG	•	\$1,582	\$17,064	\$2,209	(\$1,601)	\$5,286	
	UNMH	•	\$419	\$2,882	(\$3,749)	(\$11,124)	(\$25,995)	
	SRMC	•	NA	NA	NA	(\$7,219)	(\$5,686)	

				Health Sciences Ce s (Preliminary and				
Benchmark		Expected	FY 2010 3rd Quarter YTD	FY 2011 3rd Quarter YTD	FY 2012 3rd Quarter YTD	FY 2013 3rd Quarter YTD	FY 2014 3rd Quarter YTD	Fiscal Year Trend
Net Income/(Use of Reserves) (Amounts are in thousands)	HSC	•	\$1,808	\$1,150	(\$3,736)	(\$1,717)	(\$413)	
	UNMMG	•	\$1,082	\$16,464	\$1,511	\$949	(\$3,198)	
	UNMH	•	\$419	\$2,882	\$349	(\$3,695)	\$13,878	
	SRMC	•	NA	NA	NA	(\$7,219)	(\$5,686)	
Uncompensated Care (Amounts are in thousands)	UNMMG & UNMCC	•	\$22,980	\$29,651	\$29,366	\$36,126	\$31,903	
	UNMH	•	\$104,975	\$121,869	\$123,917	\$142,376	\$133,816	
	SRMC	•	NA	NA	NA	\$1,239	\$9,911	

		M		ciences Cente				
Benchmark		Expected	FY 2010 3rd Quarter	FY 2011 3rd Quarter	FY 2012 3rd Quarter	FY 2013 3rd Quarter	FY 2014 3rd Quarter	Fiscal Year Trend
Days Cash on Hand  Days of Expense in Discretionary Reserves Year End  Benchmark - 10 Days	HSC	•	NA	13.96	13.28	7.39	4.76	
ACMPE 30 Days *	UNMMG	•	53.10	32.50	58.50	43.58	43.76	
UHC 75 Days **	UNMH	•	63.71	66.20	58.62	46.34	61.52	
UHC 75 Days **  * American College of Medical Practice Executives  ** University HealthSystem Consortium	SRMC	•	NA	NA	NA	NA	34.90	
Accounts Receivable Greater Than Ninety Days (Amounts are in thousands)	HSC	•	\$1,574 13%	\$1,160 20%	\$1,615 15%	\$248 2%	\$275 18%	
	UNMMG	•	\$5,278 19%	\$3,479 13%	\$6,235 19%	\$4,466 15%	\$6,394 17%	
	UNMH***	•	\$41,950 22%	\$60,776 26%	\$58,369 24%	\$51,080 23%	\$66,130 24%	
*** UNMH Account Receivable Greater Than Ninety Days excludes liens **** SRMC Account Receivable Greater Than Ninety Days reflects Net Accounts Re	SRMC ****	·	NA e shown at Gross	NA	NA	NA	\$852 13%	

### Health Sciences Center Metrics (Preliminary and Unaudited)

(Amounts are in thousands)

			(Amou	its are in thousands)			
	Expected	FY 2010 3rd Quarter YTD	FY 2011 3rd Quarter YTD	FY 2012 3rd Quarter YTD	FY 2013 3rd Quarter YTD	FY 2014 3rd Quarter YTD	Fiscal Year Trend
Proposals Submitted	<b>1</b>	\$178,815	\$186,997	\$189,292	\$185,768	\$211,353	
Awards	•	\$98,787	\$111,526	\$89,579	\$94,171	\$91,320	
Earned F&A	•	\$15,643	\$17,506	\$16,770	\$15,568	\$16,338	
Contract & Grant Expense (Includes Cost Share, Program Income and F&A Expense)	•	\$87,652	\$92,694	\$89,619	\$90,558	\$88,518	



### UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER - University HSC Only\* 2014 Fiscal Year-to-Date Summary through March 31, 2014 (Preliminary and Unaudited) (In thousands)

* UNIVERSITY HSC ONLY INCLUDES: SOM, CON, COP, HSLIC, ADMIN, RESEARCH	FY 2014 Re-Forecasted Budget	University HSC FY 2014 YTD 3/31/14 Actual	University HSC FY 2013 Year End Actual	University HSC FY 2014 YTD Actual to FY 2014 Re-Forecasted Budget Benchmark Rate (75%)	University HSC FY 2014 YTD Actual to FY 2013 Year End Actual Benchmark Rate (75%)
1 UNM MEDICAL GROUP REVENUES	124.203	76,227	110,686	61%	69%
2 UNM HOSPITALS REVENUES	117,015	102,607	100,233	88%	102%
3 SRMC REVENUES	16,136	11,690	11,848	72%	99%
4 UNM CANCER CENTER CLINICAL REVENUES	0	0	13,300	N/A	0%
5 TUITION AND FEES	13,738	14,373	13,177	105%	109%
6 CIGARETTE TAX APPROPRIATIONS	3,227	3,079	3,363	95%	92%
7 RPSP APPROPRIATIONS	17,736	12,958	15,924	73%	81%
8 I&G APPROPRIATIONS	62,879	47,276	60,089	75%	79%
9 I&G MAIN CAMPUS TRANSFERS	17,666	13,889	18,615	79%	75%
10 F&A REVENUES (OH RETURN)	20,800	16,338	21,459	79%	76%
11 HSC/UNM INTERNAL TRANSFERS	(2,071)	(3,308)	(3,270)	160%	101%
12 MILL LEVY	0	0	0	N/A	N/A
13 OTHER REVENUES	12.381	10.144	13,316	82%	76%
14 CONTRACT AND GRANT REVENUES	123,387	95,004	131,070	77%	72%
TOTAL REVENUES	527,096	400,277	509,810	76%	79%
15 TOTAL COMPENSATION EXPENSES	344,220	256,902	319,157	75%	80%
16 SUPPLIES/MEDICAL SUPPLIES	9,544	8,139	11,723	85%	69%
17 UNIVERSITY CLINICIANS PROGRAM	0	0	0	N/A	N/A
18 HOUSESTAFF	0	0	0	N/A	N/A
19 TRAVEL	4,895	3,211	4,656	66%	69%
20 STUDENT COSTS	2,610	1,862	2,123	71%	88%
21 PATIENT CARE COSTS	871	579	852	66%	68%
22 TELEPHONE/COMMUNICATION COSTS	2,002	1,692	2,294	85%	74%
23 PURCHASED SERVICES	19,954	16,743	24,091	84%	69%
24 OTHER MEDICAL SERVICES	0	0	0	N/A	N/A
25 SUB AWARDS/SERVICE CONTRACTS	515	782	1,499	152%	52%
26 O&M & LEASES	6,323	5,324	6,900	84%	77%
27 UTILITIES	4,262	3,553	4,874	83%	73%
28 DEPRECIATION	0	0	0	N/A	N/A
29 INTEREST EXPENSE	2,169	1,627	2,169	75%	75%
30 OTHER EXPENSES	12,377	1,284	297	10%	432%
31 CONTRACT AND GRANT EXPENSES	114,996	88,518	122,407	77%	72%
TOTAL EXPENSES	524,739	390,216	503,042	74%	78%
OPERATING NET MARGIN	2,358	10,061	6,768		
NON-RECURRING ITEMS					
32 CAPITAL EXPENDITURES	1,720	1,608	1,386	93%	116%
33 MEANINGFUL USE REVENUE	0	0	0	N/A	N/A
34 RETURN ON INVESTMENT - TRIWEST	0	0	0	N/A	N/A
35 USE OF UNMMG RESERVES	0	0	0	N/A	N/A
36 RECRUITMENT/STARTUP/SCHOLARSHIPS	5,695	4,271	6,995	75%	61%
37 NON-RECURRING TRANSFERS	520	4,594	4,478	884%	103%
TOTAL NON-RECURRING ITEMS	7,935	10,474	12,859	132%	81%
NET INCOME/(USE OF RESERVES)	(5,577)	(413)	(6,091)		



### UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER - UNM Hospitals Only 2014 Fiscal Year-to-Date Summary through March 31, 2014 (Preliminary and Unaudited) (In thousands)

#### **Clinical Operations**

	UNM Hospitals FY 2014 Re-Forecasted Budget	UNM Hospitals FY 2014 YTD 3/31/14 Actual	UNM Hospitals FY 2013 Year End Actual	UNM Hospitals FY 2014 YTD Actual to FY 2014 Re-Forecasted Budget Benchmark Rate (75%)	UNM Hospitals FY 2014 YTD Actual to FY 2013 Year End Actual Benchmark Rate (75%)
1 UNM MEDICAL GROUP REVENUES	0	0	0	N/A	N/A
2 UNM HOSPITALS REVENUES	681,483	505,777	653,478	74%	77%
3 SRMC REVENUES	0	0	0	N/A	N/A
4 UNM CANCER CENTER CLINICAL REVENUES	0	0	0	N/A	N/A
5 TUITION AND FEES	0	0	0	N/A	N/A
6 CIGARETTE TAX APPROPRIATIONS	0	0	0	N/A	N/A
7 RPSP APPROPRIATIONS	13,241	9,938	12,966	75%	77%
8 I&G APPROPRIATIONS	0	0	0	N/A	N/A
9 I&G MAIN CAMPUS TRANSFERS	0	0	0	N/A	N/A
10 F&A REVENUES (OH RETURN)	0	0	0	N/A	N/A
11 HSC/UNM INTERNAL TRANSFERS	0	0	0	N/A	N/A
12 MILL LEVY	91,861	68,728	91,229	75%	75%
13 OTHER REVENUES	7,136	7,835	11,521	110%	68%
14 CONTRACT AND GRANT REVENUES	16,731	13,195	5,798	79%	228%
TOTAL REVENUES	810,453	605,473	774,992	75%	78%
15 TOTAL COMPENSATION EXPENSES	410.897	306,700	392.663	75%	78%
16 SUPPLIES/MEDICAL SUPPLIES	139,574	104,796	130,787	75%	80%
17 UNIVERSITY CLINICIANS PROGRAM	59,793	44,783	53,208	75%	84%
18 HOUSESTAFF	27,035	20,007	24,861	74%	80%
19 TRAVEL	692	524	674	76%	78%
20 STUDENT COSTS	0	0	0	N/A	N/A
21 PATIENT CARE COSTS	45,101	34,881	40,001	77%	87%
22 TELEPHONE/COMMUNICATION COSTS	3,496	2,625	3,554	75%	74%
23 PURCHASED SERVICES	34,480	23,230	23,715	67%	98%
24 OTHER MEDICAL SERVICES	23,159	20,382	23,680	88%	86%
25 SUB AWARDS/SERVICE CONTRACTS	9,203	6,971	7,947	76%	88%
26 O&M & LEASES	16,329	12,158	15,039	74%	81%
27 UTILITIES	6,171	4,727	6,118	74%	77%
28 DEPRECIATION	32,230	23,685	32,885	73%	72%
29 INTEREST EXPENSE	7,593	5.688	7,770	75%	73%
30 OTHER EXPENSES	22,843	20,309	20,578	89%	99%
31 CONTRACT AND GRANT EXPENSES	0	0	0	N/A	N/A
TOTAL EXPENSES	838,598	631,468	783,480	75%	81%
OPERATING NET MARGIN	(28,146)	(25,995)	(8,488)		
NON-RECURRING ITEMS					
32 CAPITAL EXPENDITURES	0	0	0	N/A	N/A
33 MEANINGFUL USE REVENUE	0	0	(255)	N/A	0%
34 RETURN ON INVESTMENT - TRIWEST	(39,873)	(39,873)	(12,678)	100%	315%
35 USE OF UNMMG RESERVES	0	0	0	N/A	N/A
36 RECRUITMENT/STARTUP/SCHOLARSHIPS	0	0	0	N/A	N/A
37 NON-RECURRING TRANSFERS	0	0	0	N/A	N/A
TOTAL NON-RECURRING ITEMS	(39,873)	(39,873)	(12,933)	100%	308%
NET INCOME/(USE OF RESERVES)	11,727	13,878	4,445		



### UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER - UNMMG Only 2014 Fiscal Year-to-Date Summary through March 31, 2014 (Preliminary and Unaudited) (In thousands)

#### **Clinical Operations**

	UNMMG FY 2014 Re-Forecasted Budget	UNMMG FY 2014 YTD 3/31/14 Actual	UNMMG FY 2013 Year End Actual	UNMMG FY 2014 YTD Actual to FY 2014 Re-Forecasted Budget Benchmark Rate (75%)	UNMMG FY 2014 YTD Actual to FY 2013 Year End Actual Benchmark Rate (75%)
1 UNM MEDICAL GROUP REVENUES	162,919	117,973	155,686	72%	76%
2 UNM HOSPITALS REVENUES	0	0	0	N/A	N/A
3 SRMC REVENUES	0	0	0	N/A	N/A
4 UNM CANCER CENTER CLINICAL REVENUES	0	0	0	N/A	N/A
5 TUITION AND FEES	0	0	0	N/A	N/A
6 CIGARETTE TAX APPROPRIATIONS	0	0	0	N/A	N/A
7 RPSP APPROPRIATIONS	0	0	0	N/A	N/A
8 I&G APPROPRIATIONS	0	0	0	N/A	N/A
9 I&G MAIN CAMPUS TRANSFERS	0	0	0	N/A	N/A
10 F&A REVENUES (OH RETURN)	0	0	0	N/A N/A	N/A N/A
11 HSC/UNM INTERNAL TRANSFERS 12 MILL LEVY	0	0	0	N/A N/A	N/A N/A
13 OTHER REVENUES	2,726	1,894	4,046	69%	47%
14 CONTRACT AND GRANT REVENUES	0	0	0	N/A	N/A
14 CONTRACT AND GRAINT REVENUES	0	0	0	IV/A	IN/A
TOTAL REVENUES	165,645	119,867	159,732	72%	75%
15 TOTAL COMPENSATION EXPENSES	16,520	11.615	16,233	70%	72%
16 SUPPLIES/MEDICAL SUPPLIES	0	0	0	N/A	N/A
17 UNIVERSITY CLINICIANS PROGRAM	0	0	0	N/A	N/A
18 HOUSESTAFF	0	0	0	N/A	N/A
19 TRAVEL	0	0	0	N/A	N/A
20 STUDENT COSTS	0	0	0	N/A	N/A
21 PATIENT CARE COSTS	16,600	13,569	10,940	82%	124%
22 TELEPHONE/COMMUNICATION COSTS	0	0	0	N/A	N/A
23 PURCHASED SERVICES	119,720	84,562	117,399	71%	72%
24 OTHER MEDICAL SERVICES	0	0	0	N/A	N/A
25 SUB AWARDS/SERVICE CONTRACTS	0	0	0	N/A	N/A
26 O&M & LEASES	474	327	496	69%	66%
27 UTILITIES	0	0	0	N/A	N/A
28 DEPRECIATION	705	308	412	44%	75%
29 INTEREST EXPENSE	0	0	0	N/A	N/A
30 OTHER EXPENSES	7,925	4,200	4,439	53%	95%
31 CONTRACT AND GRANT EXPENSES	0	0	0	N/A	N/A
TOTAL EXPENSES	161,944	114,581	149,919	71%	76%
OPERATING NET MARGIN	3,701	5,286	9,813		
NON-RECURRING ITEMS					
32 CAPITAL EXPENDITURES	0	0	0	N/A	N/A
33 MEANINGFUL USE REVENUE	0	0	(2,699)	N/A	0%
34 RETURN ON INVESTMENT - TRIWEST	0	0	0	N/A	N/A
35 USE OF UNMMG RESERVES	8,500	8,484	12,406	100%	68%
36 RECRUITMENT/STARTUP/SCHOLARSHIPS	0	0	0	N/A	N/A
37 NON-RECURRING TRANSFERS	0	0	0	N/A	N/A
TOTAL NON-RECURRING ITEMS	8,500	8,484	9,707	100%	87%
NET INCOME/(USE OF RESERVES)	(4,799)	(3,198)	106		



### UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER - SRMC Only 2014 Fiscal Year-to-Date Summary through March 31, 2014 (Preliminary and Unaudited) (In thousands)

#### **Clinical Operations**

	SRMC	SRMC	SRMC	SRMC	SRMC
	FY 2014	FY 2014	FY 2013	FY 2014 YTD Actual	FY 2014 YTD Actual
	Re-Forecasted Budget	YTD 3/31/14	Year End	to FY 2014 Re-Forecasted Budget	to FY 2013 Year End Actual
		Actual	Actual	Benchmark Rate (75%)	Benchmark Rate (75%)
				· · · · · · · · · · · · · · · · · · ·	
1 UNM MEDICAL GROUP REVENUES	0	0	0	N/A	N/A
2 UNM HOSPITALS REVENUES	0	0	0	N/A	N/A
3 SRMC REVENUES	48,514	37,234	18,927	77%	197%
4 UNM CANCER CENTER CLINICAL REVENUES	0	0	0	N/A	N/A
5 TUITION AND FEES	0	0	0	N/A	N/A
6 CIGARETTE TAX APPROPRIATIONS	0	0	0	N/A	N/A
7 RPSP APPROPRIATIONS	0	0	0	N/A	N/A
8 I&G APPROPRIATIONS	0	0	0	N/A	N/A
9 I&G MAIN CAMPUS TRANSFERS	0	0	0	N/A	N/A
10 F&A REVENUES (OH RETURN)	0	0	0	N/A	N/A
11 HSC/UNM INTERNAL TRANSFERS	0	0	0	N/A	N/A
12 MILL LEVY	7,542	5,656	20,833	75%	27%
13 OTHER REVENUES	661	311	272	47%	114%
14 CONTRACT AND GRANT REVENUES	0	0	0	N/A	N/A
TOTAL REVENUES	56,717	43,201	40,032	76%	108%
	<u> </u>				
15 TOTAL COMPENSATION EXPENSES	24,994	19,443	23,364	78%	83%
16 SUPPLIES/MEDICAL SUPPLIES	12.041	9,079	6,980	75%	130%
17 UNIVERSITY CLINICIANS PROGRAM	1,709	944	117	55%	807%
18 HOUSESTAFF	110	83	44	75%	188%
19 TRAVEL	24	16	52	69%	31%
20 STUDENT COSTS	0	0	0	N/A	N/A
21 PATIENT CARE COSTS	4,268	3,156	2,544	74%	124%
22 TELEPHONE/COMMUNICATION COSTS	74	56	110	76%	51%
23 PURCHASED SERVICES	2,928	2,539	3,944	87%	64%
24 OTHER MEDICAL SERVICES	280	327	905	117%	36%
25 SUB AWARDS/SERVICE CONTRACTS	1,140	886	429	78%	207%
26 O&M & LEASES	417	255	443	61%	57%
27 UTILITIES	791	592	599	75%	99%
28 DEPRECIATION	8,953	6,718	7,958	75%	84%
29 INTEREST EXPENSE	4,342	3,055	3,675	70%	83%
30 OTHER EXPENSES	2.753	1.738	2.866	63%	61%
31 CONTRACT AND GRANT EXPENSES	0	0	0	N/A	N/A
TOTAL EXPENSES	64,823	48,886	54,030	75%	90%
TO THE EXILENCES		·		7070	7070
OPERATING NET MARGIN	(8,107)	(5,686)	(13,998)		
NON-RECURRING ITEMS					
32 CAPITAL EXPENDITURES	0	0	0	N/A	N/A
33 MEANINGFUL USE REVENUE	0	0	0	N/A	N/A
34 RETURN ON INVESTMENT - TRIWEST	0	0	0	N/A	N/A
35 USE OF UNMMG RESERVES	0	0	0	N/A	N/A
36 RECRUITMENT/STARTUP/SCHOLARSHIPS	0	0	0	N/A	N/A
37 NON-RECURRING TRANSFERS	0	0	0	N/A	N/A
TOTAL NON-RECURRING ITEMS	0	0	0	N/A	N/A
NET INCOME/(USE OF RESERVES)	(8,107)	(5,686)	(13,998)		



### UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER - Consolidated HSC 2014 Fiscal Year-to-Date Summary through March 31, 2014 (Preliminary and Unaudited) (In thousands)

**Clinical and Academic Operations** 

	Consolidated HSC	Consolidated HSC	Consolidated HSC	Consolidated HSC	Consolidated HSC
	FY 2014	FY 2014	FY 2013	FY 2014 YTD Actual	FY 2014 YTD Actual
	Re-Forecasted Budget	YTD 3/31/14	Year End	to FY 2014 Re-Forecasted Budget	to FY 2013 Year End Actual
		Actual	Actual	Benchmark Rate (75%)	Benchmark Rate (75%)
1 UNM MEDICAL GROUP REVENUES	287,122	194,200	266,372	68%	73%
2 UNM HOSPITALS REVENUES	798,498	608,384	753,711	76%	81%
3 SRMC REVENUES	64,650	48,923	30,775	76%	159%
4 UNM CANCER CENTER CLINICAL REVENUES	0	0	13,300	N/A	0%
5 TUITION AND FEES	13,738	14,373	13,177	105%	109%
6 CIGARETTE TAX APPROPRIATIONS	3,227	3,079	3,363	95%	92%
7 RPSP APPROPRIATIONS	30,976	22,896	28,890	74%	79%
8 I&G APPROPRIATIONS	62,879	47,276	60,089	75%	79%
9 I&G MAIN CAMPUS TRANSFERS	17,666	13,889	18,615	79%	75%
10 F&A REVENUES (OH RETURN)	20.800	16,338	21,459	79%	76%
11 HSC/UNM INTERNAL TRANSFERS	(2,071)	(3,308)	(3,270)	160%	101%
12 MILL LEVY	99,403	74,384	112,062	75%	66%
13 OTHER REVENUES	22,904	20,183	29,155	88%	69%
14 CONTRACT AND GRANT REVENUES	140,119	108,199	136,868	77%	79%
14 CONTRACT AND GRANT REVENUES	140,117	100,177	130,000	1170	1770
TOTAL REVENUES	1,559,910	1,168,818	1,484,566	75%	79%
15 TOTAL COMPENSATION EXPENSES	796.631	594,660	751,417	75%	79%
16 SUPPLIES/MEDICAL SUPPLIES	161,160	122,013	149,490	76%	82%
17 UNIVERSITY CLINICIANS PROGRAM	61,502	45,727	53,325	74%	86%
18 HOUSESTAFF	27,145	20,090	24,905	74%	81%
19 TRAVEL	5,611	3,752	5,382	67%	70%
20 STUDENT COSTS	2,610	1,862	2,123	71%	88%
21 PATIENT CARE COSTS	66,841	52,185	54,337	71%	96%
22 TELEPHONE/COMMUNICATION COSTS	5,572	4,373	5,958	78%	73%
23 PURCHASED SERVICES	177,082	127,074	169,149	72%	75%
24 OTHER MEDICAL SERVICES	23,438	20,709		88%	84%
	•	•	24,585		84% 87%
25 SUB AWARDS/SERVICE CONTRACTS 26 O&M & LEASES	10,858	8,640	9,875	80%	
	23,543	18,065	22,878	77%	79%
27 UTILITIES	11,225	8,872	11,591	79%	77%
28 DEPRECIATION	41,887	30,711	41,255	73%	74%
29 INTEREST EXPENSE	14,104	10,370	13,614	74%	76%
30 OTHER EXPENSES 31 CONTRACT AND GRANT EXPENSES	45,898 114,996	27,532 88,518	28,180 122,407	60% 77%	98% 72%
	<u> </u>				
TOTAL EXPENSES	1,590,104	1,185,151	1,490,471	75%	80%
OPERATING NET MARGIN	(30,194)	(16,333)	(5,905)		
NON-RECURRING ITEMS					
32 CAPITAL EXPENDITURES	1,720	1,608	1,386	93%	116%
33 MEANINGFUL USE REVENUE	0	0	(2,954)	N/A	0%
34 RETURN ON INVESTMENT - TRIWEST	(39,873)	(39,873)	(12,678)	100%	315%
35 USE OF UNMMG RESERVES	8,500	8,484	12,406	100%	68%
36 RECRUITMENT/STARTUP/SCHOLARSHIPS	5,695	4,271	6,995	75%	61%
37 NON-RECURRING TRANSFERS	520	4,594	4,478	884%	103%
TOTAL NON-RECURRING ITEMS	(23,437)	(20,915)	9,633	89%	-217%
			<u> </u>		
NET INCOME/(USE OF RESERVES)	(6,757)	4,582	(15,538)		



#### **GLOSSARY OF REPORT CATEGORIES**

FINANCIAL STATEMENT CATEGORY	UNM	UNMMG	UNM Hospitals	SRMC
1 UNM MEDICAL GROUP REVENUES	Clinical revenue primarily based on Physician or Provider efforts and collection through UNMMG	Net patient services revenue including SCI & UPL from UNMMG Clinical operations	N/A	N/A
2 UNM HOSPITALS REVENUES	Revenue from University Hospital to the School of Medicine	N/A	Hospital facility revenue based on patient billings by UNMH	N/A
3 SRMC REVENUES	Revenue from SRMC to the School of Medicine	N/A	N/A	Hospital facility revenue based on patie billings by SRMC
4 UNM CANCER CENTER CLINICAL REVENUES	Cancer Center patient revenue posted from the global billings and Infusion Suite net income. Clinical Adult Infusion Suite/RO/MO	N/A	N/A	N/A
5 TUITION AND FEES	Tuition & Fees, including tuition differentials	N/A	N/A	N/A
6 CIGARETTE TAX APPROPRIATIONS	Revenues received from the State as a calculated portion of Tax Revenue on the sale of tobacco products for use in Cancer Research	N/A	N/A	N/A
7 RPSP APPROPRIATIONS	Revenue received for current operations made available to UNM by act of NM State Legislature on an annual basis for Research, Public Service and Independent Operations	N/A	Revenue received for current operations made available to UNMH by act of NM State Legislature on an annual basis for Research, Public Service and Independent Operations	N/A
8 I&G APPROPRIATIONS	Revenue received for current operations made available to UNM by act of NM State Legislature on an annual basis for I&G operations	N/A	N/A	N/A
9 I&G MAIN CAMPUS TRANSFERS	Partial transfer of tuition and formula workload generated by Nursing, Pharmacy and SOM	N/A	N/A	N/A
10 F & A REVENUES (OH RETURN)	Revenue from recovery of indirect costs (F&A) incurred by a Contract or Grant also known as overhead return	N/A	N/A	N/A
11 HSC/UNM INTERNAL TRANSFERS	All transfers to/from HSC Unrestricted Funds excluding the I&G Main Campus Transfer and Transfers for Debt Service	N/A	N/A	N/A
12 MILL LEVY	N/A	N/A	Mil levy taxes collected on behalf of the Bernalillo Country Treasurer and remitted to UNMH as required by the Hospital Funding Act.	Mil levy taxes collected on behalf of th Sandoval Country Treasurer and remitt to SRMC as required by the Hospital Funding Act.
13 OTHER REVENUES	All other Revenues - not contained in any other category - Sales & Services (not Internal Service Center P18 sales), Gains on Sponsored Projects, Gifts, Endowment Spending Distributions, Investment Income, etc.	Other operating revenues	All other revenues not contained in any other category: Investment income, equity loss in Tricore, donated revenue, gain/loss on sale of assets, food, nutrition, catering & vending revenue, medical records revenue, rent revenue, all other non-operating revenue	All other revenues not contained in an other category: Investment income, donated revenue, gain/loss on sale of assets, food, nutrition, catering & vencevenue, medical records revenue, ren revenue, all other non-operating revenue.
14 CONTRACT AND GRANT REVENUES	All Restricted Funds Revenue and Unrestricted Contract Revenue for	N/A	Revenue associated with restricted and unrestricted contracts and grants	N/A



#### GLOSSARY OF REPORT CATEGORIES

CINANOIAL CTATEMENT CATEGORY				00000
FINANCIAL STATEMENT CATEGORY	UNM	UNMMG	UNM Hospitals	SRMC
15 TOTAL COMPENSATION EXPENSES	Salary, wages & benefits	Salaries and benefits considered to be operating and certain clinical expenses of UNMMG	Salary, wages & benefits	Salary, wages & benefits
16 SUPPLIES/MEDICAL SUPPLIES	Office supplies, computer supplies, dues & memberships, postage charges, recruitment expenses, non capital equipment, computers, food, lab supplies, uniforms, training materials, etc.	N/A	Medical supplies for: lab, radiology, blood, pharmaceuticals, biologics, implantable devices, office supplies, computer supplies, photocopy expense, forms, linen, food, uniforms, and training materials.	Medical supplies for: lab, radiology, blood, pharmaceuticals, biologics, implantable devices, office supplies, computer supplies, photocopy expense, forms, linen, food, uniforms, and training materials.
17 UNIVERSITY CLINICIANS PROGRAM	N/A	N/A	Special clinician program to support SOM	Special clinician program to support SOM
18 HOUSESTAFF	N/A	N/A	Reimbursement of patient care services provided by residents who are employed by SOM.	Reimbursement of patient care services provided by SOM through UNMMG.
19 TRAVEL	Travel - in state, out of state, foreign, business meals, rental vehicles, new employee moving expenses, vehicle fuel etc.	N/A	Travel - in state, out of state, business meals, rental vehicles, flights, ground transportation, vehicle fuel etc.	Travel - in state, out of state, business meals, rental vehicles, flights, ground transportation, vehicle fuel etc.
20 STUDENT COSTS	Student tuition/fee expense, student travel, scholarships/fellowships, housing, insurance for students, student awards, etc.	N/A	N/A	N/A
21 PATIENT CARE COSTS	Patient Care costs for inpatient, outpatient care & lab, pharmacy and x-ray services for patients	Patient Care costs for inpatient, outpatient care & lab, pharmacy and x-ray services for patients	Patient Care costs for inpatient, outpatient care including Tricore laboratory expense, OR instruments, NM Insurance pool premiums, kidney acquisition, step down care (snf) for IV dependent patients, radiation oncology and patient assistance	Patient Care costs for inpatient, outpatient care including Tricore laboratory expense, OR instruments, NM Insurance pool premiums, kidney acquisition, step down care (snf) for IV dependent patients, radiation oncology and patient assistance
22 TELEPHONE/COMMUNICATION COSTS	Telephone, voicemail, cellular, long distance, paging and data networking charges	N/A	Telephone, voicemail, cellular, long distance, paging and data networking charges	Telephone, voicemail, cellular, long distance, paging and data networking charges
23 PURCHASED SERVICES	Alarm fees, internet fees, architectural services, auditing services, printing/copying/binding fees, conference/event fees, honoraria, insurance charges (general liability, professional liability), legal services, electronic journals & books, consultant fees, etc.	Includes payment to UNM SOM for physican and other provider services	Recruitment, professional, legal, auditing, consulting fees, promotional/graphics, IT Hosting Cerner, Siemens and PACS, safety and risk services, equifax, laundry, malpractice and liability insurance, etc.	Recruitment, professional, legal, auditing, consulting fees, promotional/graphics, IT Hosting Cerner, Siemens and PACS, safety and risk services, equifax, laundry, malpractice and liability insurance, etc.
24 OTHER MEDICAL SERVICES	N/A	N/A	Pathology contract, physician services, Executive Medical Directors, Medical Directors, dialysis services for UNM Care patients, OMI MOU, Adult Infusion net	Physician services
25 SUB AWARDS/SERVICE CONTRACTS	Unrestricted Sub Awards, Gain/Loss on Unrestricted Projects	N/A	All service contracts	All service contracts
26 O&M & LEASES	Plant maintenance and repairs, equipment repairs and maintenance, property insurance, auto insurance, facility rent expense	Building maintenance and repairs, equipment repairs and maintenance, repair parts, equipment rent, property insurance, auto insurance, facility rent expense, and housekeeping supplies	Building maintenance and repairs, equipment repairs and maintenance, repair parts, equipment rent, property insurance, auto insurance, facility rent expense, and housekeeping supplies	Building maintenance and repairs, equipment repairs and maintenance, repair parts, equipment rent, property insurance, auto insurance, facility rent expense, and housekeeping supplies
27 UTILITIES	Natural gas, electricity, steam, sewer, water, chilled water	N/A	Natural gas, electricity, steam, sewer, water, chilled water	Natural gas, electricity, steam, sewer, water, chilled water

11



#### **GLOSSARY OF REPORT CATEGORIES**

FINANCIAL STATEMENT CATEGORY	UNM	UNMMG	UNM Hospitals	SRMC
28 DEPRECIATION	N/A	The annual amortization for the furniture and equipment.	The annual amortization for the capital outlay associated with building, building improvement, fixed and moveable equipment which is based on the estimated useful lives of the assets as determined by the AHA "Estimated useful lives of Depreciable Hospital Assets".	The annual amortization for the capital outlay associated with building, building improvement, fixed and moveable equipment which is based on the estimated useful lives of the assets as determined by the AHA "Estimated useful lives of Depreciable Hospital Assets".
29 INTEREST EXPENSE	Transfers to cover debt service	N/A	Interest expense associated with the series 2004 FHA Insured Hospital Mortgage Revenue Bonds.	SRMC receives subsidy payments related to interest payments under the federal Build America Bond program. Under the program SRMC applies for subsidy funds commensurate with each bond payment, so the application for the subsidy is made semiannually. Also includes interest expense on the Series A & B Bonds.
30 OTHER EXPENSES	Banking fees, cost of goods sold, research costs, royalties, bad debt expense, other operating costs, Banner tax, etc.	Billings & collections expenses and other operating expenses of UNMMG	Programming, application, software and maintenance expenses, non capital equipment (less than \$5k), signs, dues & memberships, freight, postage, subscriptions, licenses/permits, Gap Tax, Intergovernmental Transfers for the SCI and IME, bond issuance costs, capital initiatives and other non-operating expenses.	Programming, application, software and maintenance expenses, non capital equipment (less than \$5k), signs, dues & memberships, freight, postage, subscriptions, licenses/permits, Gap Tax, Intergovernmental Transfers for the SCI and IME, bond issuance costs, capital initiatives and other non-operating expenses.
31 CONTRACT AND GRANT EXPENSES	All Restricted Funds Expense and Unrestricted Contract Expense for example VA contracts	N/A	N/A	N/A
32 CAPITAL EXPENDITURES	Equipment/furniture >\$5,000, Computer hardware, library acquisitions, etc.	N/A	N/A	N/A
33 MEANINGFUL USE REVENUE	N/A	Medicare and Medicaid programs provide incentive payments for hospital and physicians that make meaningful use of certified electronic health record technology.	Medicare and Medicaid programs provide incentive payments for hospital and physicians that make meaningful use of certified electronic health record technology.	N/A
34 RETURN ON INVESTMENT - TRIWEST	NA	NA	Dividend payments from investment in TriWest	NA
35 USE OF UNMMG RESERVES	N/A	To fund and support the mission of the Health Sciences Center.	N/A	N/A
36 RECRUITMENT/STARTUP/SCHOLARSHIPS	Chair and Startup Packages, Dean's Scholars/Professorships, and Recruitment Costs	N/A	N/A	N/A
37 NON-RECURRING TRANSFERS	Transfers from current unrestricted funds to plant funds or any other non-recurring transfers	N/A	N/A	N/A



#### UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER

Balance Sheet for the Health Sciences Center 2014 Fiscal Year as of March 31, 2014 (Preliminary and Unaudited) (In thousands)

		University HSC	UNM Hospitals	UNMMG	SRMC
	ASSETS				
1 Cash and cash equivalents		26,471	134,823	18,572	4,88
2 Marketable securities		17,647	34,270	-	
Receivables:					
3 Patient, net		1,467	77,364	25,188	6,6
4 Receivable from Affiliates		54,059	7,581	4,885	1
5 Estimated third party payor settlements		-	25,903	-	1,1
6 County Treasurer		-	14,654	-	8
7 Contracts, Grants and Other		16,002	3,982	-	8
8 Other	_	2,485	14,854	997	2,4
	Total Current Assets	118,131	313,431	49,642	16,9
Assets whose use is limited:					
9 Held by trustee for debt service & other		-	42,953	-	21,9
10 By UNM Hospital Board of Trustees		-	21,991	-	•
11 Board and Other Designated Assets		89,012	-	22,208	
12 Endowments		102,869	-	-	
13 Capital Assets, net of depreciation		267,191	246,746	1,874	130,4
	TOTAL ASSETS	577,203	625,121	73,724	169,3
	LIABILITIES				
14 Accounts Payable		7,065	32,860	5,371	5,4
15 Other accrued liabilities		35,975	44,902	-	2,6
16 Payable to Affiliates		2,633	36,533	24,555	2,9
17 Bonds payable - current		843	5,240	-	4,7
18 Interest payable bonds		442	1,954	-	1,6
19 Estimated third party payor settlements		-	19,677	-	
20 Bonds payable - non current		18,182	154,180	-	138,7
21 Other liabilities - non current		24,252	7,593	-	
22 Sponsored Project and Other Deferred Revenue	_	9,353	-	-	
	TOTAL LIABILITIES	98,745	302,939	29,926	156,0
	NET POSITION				
23 Restricted - expendable grants, bequests and contributions		104,876	14,175	-	
24 Restricted - trust indenture and debt agreement		-	26,466	-	12,4
24 Restricted - trust indentale and debt agreement		119,366	-	22,208	
25 Committed and Dedicated agreements 26 Discretionary Reserve		6,049	181,818	19,716	8
25 Committed and Dedicated agreements		248,167	99,723	1,874	
25 Committed and Dedicated agreements 26 Discretionary Reserve	TOTAL NET POSITION	· · · · · · · · · · · · · · · · · · ·		· · · · · · · · · · · · · · · · · · ·	
25 Committed and Dedicated agreements 26 Discretionary Reserve	TOTAL NET POSITION =	248,167	99,723	1,874	13,3: 2



### UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER Glossary of Report Categories

	University HSC	UNM Hospitals	UNMMG	SRMC
ASSETS				,
1 Cash and cash equivalents	Funds on deposit with Financial Institution with UNM	Funds on deposit with Financial Institution	Funds on deposit with Financial Institution	Funds on deposit with Financial Institution, plus the remaining balance of the \$46m
2 Marketable securities	Funds invested in securities in accordance with UNM Investment policy	Funds invested in US Treasury	N/A	N/A
3 Patient, net	Pediatric/Newborn Transport Services, net of estimated contractual allowances and estimated bad debt	Patient Receivable after adjustments for discounts and allowances	Patient Receivable for care provided by UNM SOM facility and other practitioners, net of estimated contractual allowances and estimated bad debt	Patient Receivable for facility costs, net of estimated contractual allowances and estimated bad debt
4 Receivable from Affiliates	Related Party Receivables for goods or services provided to UNM Hospitals, UNMMG and SRMC	Related Party Receivable from University HSC and SRMC	Related Party Receivable for negative arbitrage for SRMC	Related Party Receivable from UNMMG and UNMH
5 Estimated third party payor settlements	N/A	Accounts Receivable for IME/GME /DSH	N/A	
6 County Treasurer	N/A	Bernalillo County Mil Levy Receivable	N/A	Sandoval County Mil Levy Receivable
7 Contracts, Grants and Other	Sponsored project receivables and other services invoiced by UNM such as OMI, Resident Physician contracts, etc.	Accounts Receivable from Contracts/UNM MG/Special Billing/Investments	N/A	Other receivable balances. As of year end, a receivable was recorded for the insurance proceeds associated with the damage in the OR due to the flood
8 Other	Prepaid contractual obligations, such as library subscription services and maintenance contacts	Prepaid Expense and Inventory	Pharmacy Inventory	Prepaid Expense and Inventory
9 Held by trustee for debt service & other	N/A	Debt/Mortgage reserve funds to include collateral and intangible assets	N/A	Funds held in Trustee Accounts, Mortgage reserve funds, bond debt service accounts
10 By UNM Hospital Clinical Operations Board	N/A	Investment in TriWest/Tricore Reference Laboratory	N/A	N/A
11 Board and Other Designated Assets	Funds dedicated to UNM Hospitals Capital Initiatives and unexpended plant funds	N/A 14	Department, SOM Investment in UNMMG and Quality Reserves	The original bond proceeds were used to purchase GNMA's which collateralize the mortgage with Prudential



### UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER Glossary of Report Categories

	University HSC	UNM Hospitals	UNMMG	SRMC
12 Endowments	Balance of endowed corpus funds generating revenue according to donor intent	N/A	N/A	N/A
13 Capital Assets, net of depreciation	Property, Plant and Equipment	Land, Property, Plant and Equipment	Furniture and Equipment	Land, Property, Plant and Equipment
LIABILITIES				
14 Accounts Payable	Unpaid balances owed to vendors for goods and services; amounts owed to employees for expense reimbursements	Amount owed to creditors	Unpaid balances owed to vendors for goods and services; accrued payroll and other payroll benefits and taxes	Unpaid balances owed to vendors for goods and services
15 Other accrued liabilities	Payroll withholding liabilities and estimated value of compensated absences	Accrued liabilities to include payroll, compensated benefit, and Incurred but not Recognized (IBNR) State Coverage Insurance	N/A	Accrued liabilities to include payroll, compensated benefits and other payroll benefits and taxes
16 Payable to Affiliates	Unpaid balances for services provided by UNM Hospitals, and UNMMG	Unpaid balances for services provided by University HSC	Unpaid balances for services provided by University HSC for purchased services, special arrangements, and indigent distribution	Unpaid balances for services provided by University HSC, UNMMG and UNMH
17 Bonds payable - current	Debt service payment that will be due within the next twelve months	Series 2004 Bonds payable in next year - FHA Insured Hospital Mortgage Revenue Bonds	N/A	Debt service payment that will be due within the next twelve months
18 Interest payable bonds	Interest Payable on outstanding debt	Interest Payable Series 2004 Bonds (FHA Insured Hospital Mortgage Revenue Bonds)	N/A	Interest Payable on Bonds
19 Estimated third party payor settlements	N/A	Medicare/Medicaid Settlements	N/A	N/A
20 Bonds payable - non current	Outstanding balance due in the long-term for bond funding	Series Bonds Payable in the long-term (FHA Insured Hospital Mortgage Revenue Bonds)	N/A	Outstanding balance due in the long-term for FHA Insured Hospital Revenue Bonds
21 Other liabilities - non current	Estimated future cost associated with Other Post Retirement Benefits (OPEB) and self-funded health insurance plan	Estimated future cost associated with Other Post Employment Benefits (OPEB) and bond premiums	N/A	The balance of the mortgage payable
22 Sponsored Project and Other Deferred Revenue	Prepaid contract and grant revenue, tuition, and other prepaid student fees	15 N/A	N/A	N/A



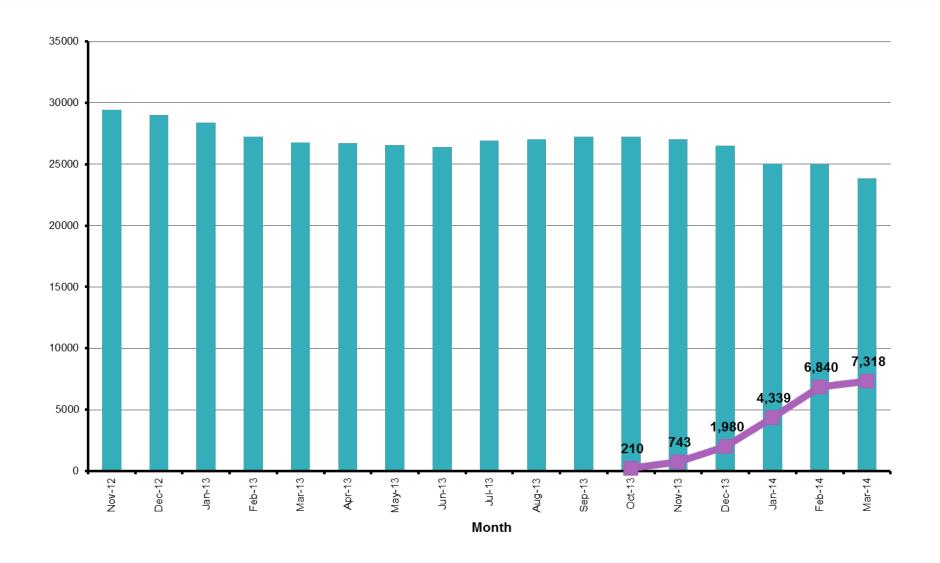
### UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER Glossary of Report Categories

	University HSC	UNM Hospitals	UNMMG	SRMC
NET POSITION				
23 Restricted - expendable grants, bequests and contributions	Restricted monies used in accordance with donor intent, contracts and bequests	Restricted monies used in accordance with donor intent, contracts and bequests	N/A	Restricted monies used in accordance with donor intent, contracts and bequests
24 Restricted - trust indenture and debt agreement	N/A	Restricted monies for Debt Service, Collateral, and Mortgage Reserve	N/A	Restricted monies for Mortgage reserve, Bond Debt Service
25 Committed and Dedicated agreements	Funds that have been committed for future expenditures. Dedicated funds have a clear focused purposed with for specific use.	N/A	Department, SOM Investment in UNMMG and Quality Fund Balances	N/A
26 Discretionary Reserve	Remaining fund balance after accounting for all restricted, committed and dedicated funds	Chief operating fund for all financial resources except those accounted for in another fund	Other operating reserves	Chief operating fund for all financial resources except those accounted for in another fund
27 Assets invested in Capital, net of related debt	Property, Plant and Equipment after adjustment for related bond debt	Property, Plant and Equipment after adjustment for related bond debt	Furniture and Equipment after adjustment for related bond debt	Property, Plant and Equipment after adjustment for related bond debt



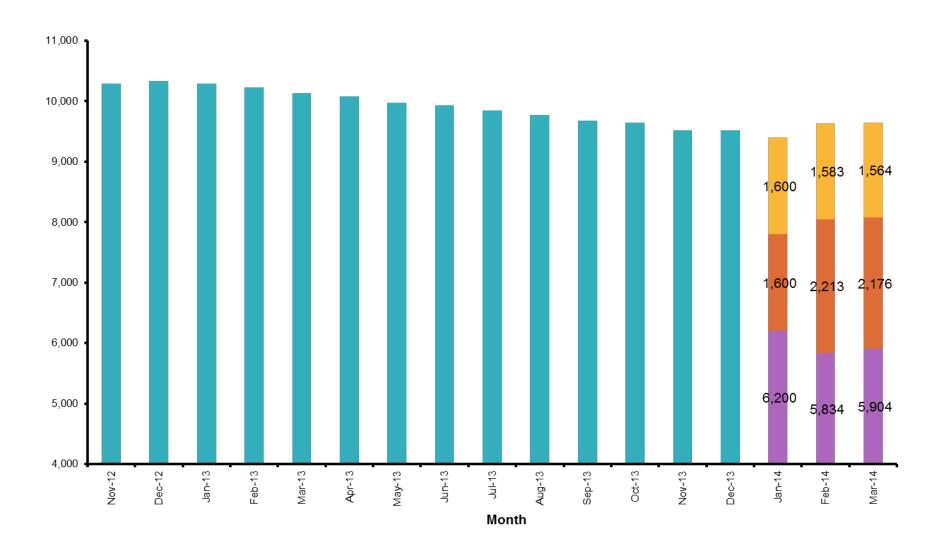
# UNM Care Enrollment Through March 2014

UNM Care Medicaid Applications





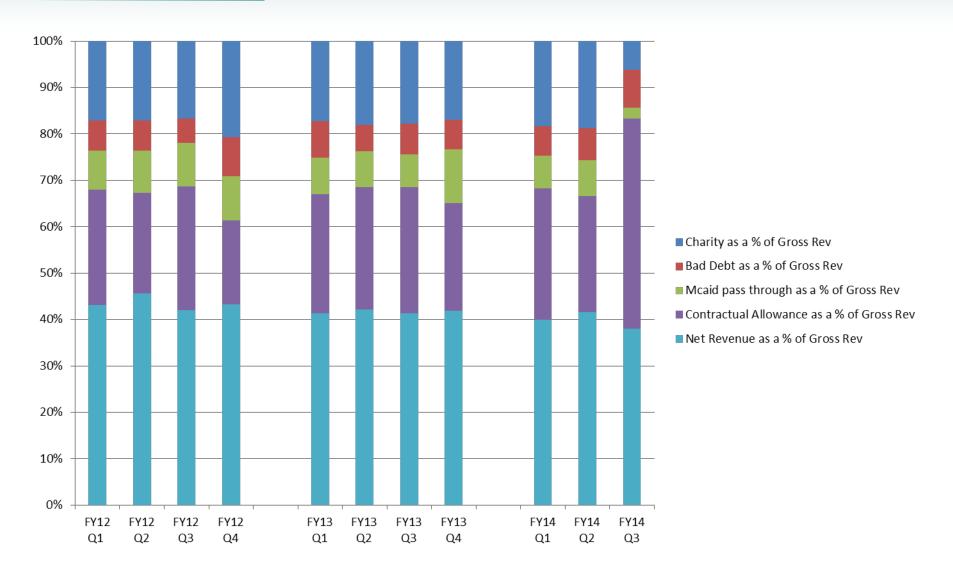
### **UNMCI Enrollment**





### Components of Net Patient Revenue Trend

### **UNM HOSPITALS**



# Tab 33 SRMC Monthly Update



### Finance and Audit Committee Dashboard Report Year To Date as of March 2014

	3 Mo. Trend	Desired	Actual	YTD	YTD Budget	Prior YTD	Comment
Patient Days for SRMC	• • • •	<b></b>	+	7,139	8,626	3,219	Reflects ramp up of second year operations. Med/Surg Days represent 80% of actual volume.
Discharges for SRMC	•	<b>↑</b>	+	1,857	2,862	1,000	Reflects ramp up of second year operations
Average Length of Stay for SRMC	•			3.84	3.01	3.22	
Days for Behavioral Operations	•	<b>+</b>	<b>+</b>	1,861	1,618	800	Reflects ramp up of second year operations
Outpatient Clinic Visits for SRMC		<b>+</b>	+	20,183	27,373	10,581	Specialty visits represents 61% of actual volume
Emergency Department Visits for SRMC				10,721	11,493	6,842	Reflects ramp up of second year operations
Operations	-	<b>+</b>	+	2,603	2,693	805	
Net Income (Loss) for all Operations (in thousands)	•	> \$0		(\$5,686)	\$0		
Case Mix Index (CMI) - w/o newbom		<b>+</b>	+	1.408	1.261	1.256	Increased from Budget
Days Cash on Hand for SRMC		<b>+</b>	<b>+</b>	34.90			Greater than Debt Covenants of 21 days
Human Resources:					r Samuel	1 N 10	
FTEs (Worked) per adj patient day for all Operations				4.36			
Hours of Care - SRMC Nursing	-			14.61			Hours of Care - SRMC Nursing contains all services provided by the Nursing departments (Days, Other, TypeJ, and Ambulatory).
Paid FTE's for SRMC	•			358			



#### **MEMORANDUM**

TO:

**UNM Sandoval Regional Medical Center (SRMC) Board of Directors** 

FROM:

Jamie Silva-Steele, RN, BSN, MBA, Interim President and Chief Executive Officer

RE:

**Monthly Hospital Update** 

DATE:

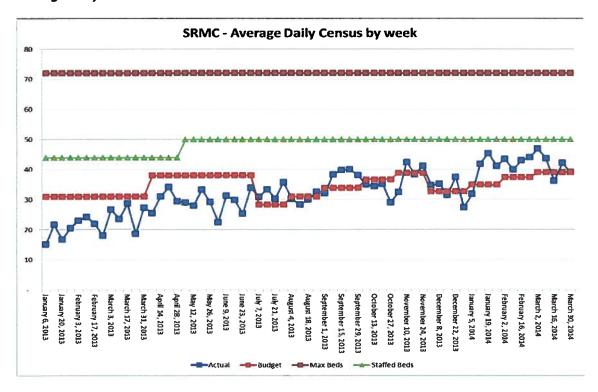
April 23, 2014

In the month of March, the average daily census dropped primarily on the Medical Surgical units. Inpatient Surgical cases were down due to UNM surgical providers being out for educational conferences and community surgeons on leave. Combined, these provider outages impacted Med Surg census. Clinic visits were also impacted and down from prior month. Emergency Room visits were up from prior month. Radiology visits hit an all-time high of 621 studies. We have kept FTEs utilization flat while continuing to recruit and fill open positions. We just started interviewing for the CFO position. The Director of Inpatient Med Surg has been filled completing our priority to fill vacant director/management level positions. We are fully focused on preparing for The Joint Commission (TJC) accreditation visit anticipated sometime after May 20<sup>th</sup>. Our Bariatric Surgery program will be surveyed on May 2<sup>nd</sup> by the American College of Surgeons. Please let me know if you have any questions and thank you for your on-going support.

#### **Operational Summary:**

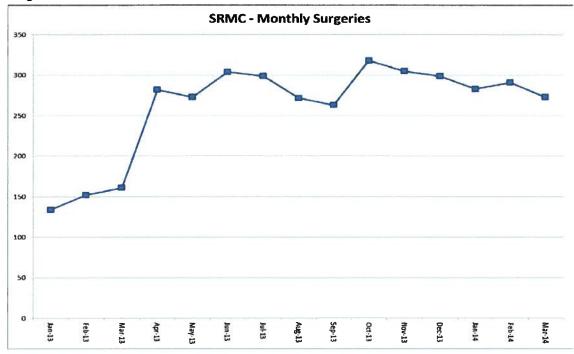
The following tables and graphs represent a summary of patient care activities through the end of March 2014.

#### Average Daily Census

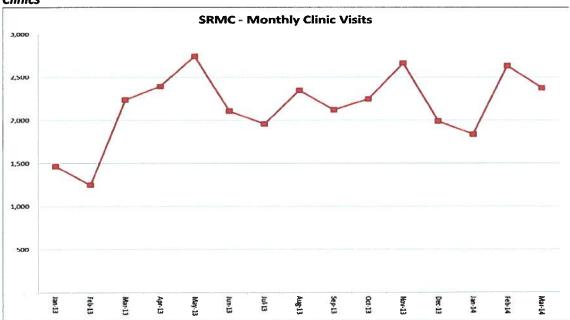




### Surgical Cases

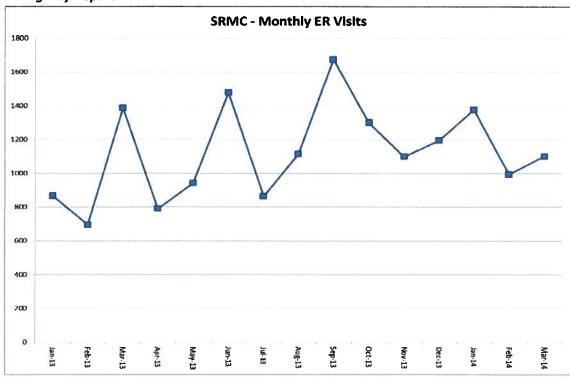


### **Clinics**

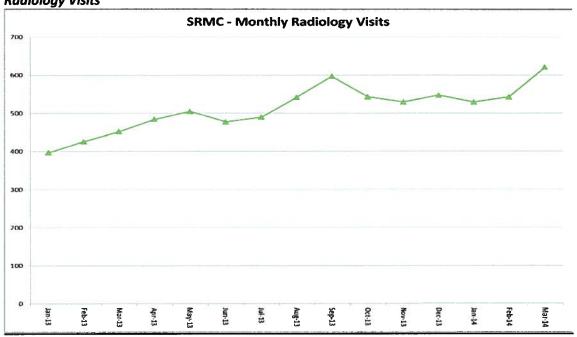




### **Emergency Department**



### Radiology Visits



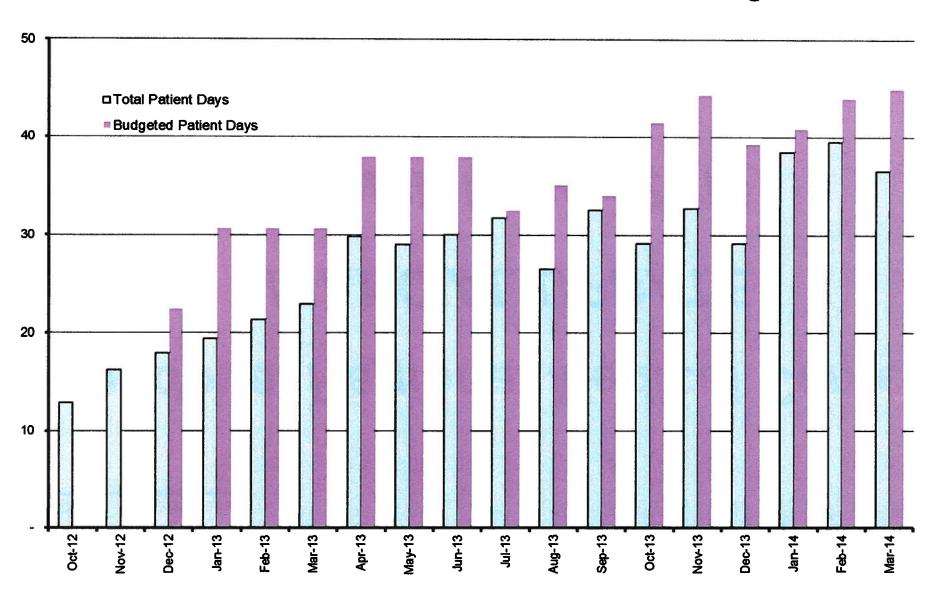


# Sandoval Regional Medical Center FINANCIAL UPDATE Through March 2014



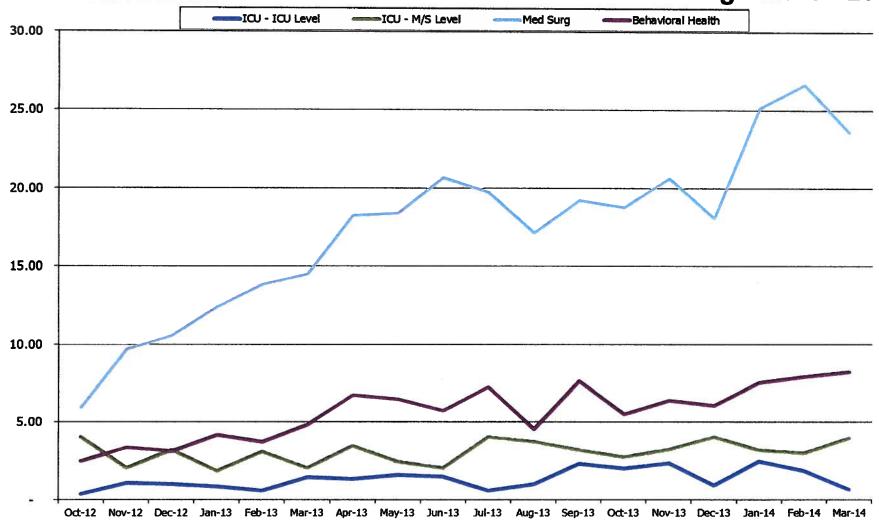
### Sandoval Regional Medical Center

Average Daily Census Through March 2014





### Sandoval Regional Medical Center Average Daily Census by Unit Through March 2014



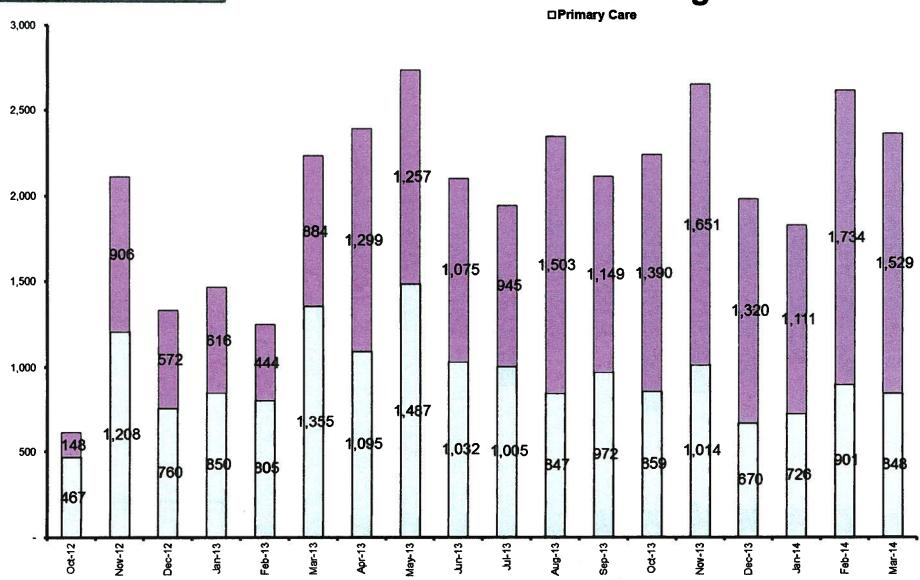


# SANDOVAL REGIONAL MEDICAL CENTER INPATIENT STATISTICS Through March 2014

	YTD ACTUAL	YTD BUDGET	PRIOR YTD	Act / Bud Variance	Act / PYTD Variance
PATIENT DAYS					
ICU	1,393	1,365	1,002	2%	39%
MEDSURG	5,746	7,264	2,277	-21%	152%
BEHAVIORAL HEALTH	1,861	1,619	789	15%	136%
TOTAL DAYS	9,000	10,248	4,068	-12%	121%
DISCHARGES					
ICU and MEDSURG	1,857	2,862	999	-35%	86%
BEHAVIORAL HEALTH	135	132	65	2%	108%
TOTAL DISCHARGES	1,992	2,994	1,064	-33%	<u>87%</u>
LENGTH OF STAY					
ICU and MEDSURG	3.84	3.02	3.28	27%	17%
BEHAVIORAL HEALTH	13.79	12.26	12.14	12%	14%
TOTAL LENGTH OF STAY	4.52	3.42	3.82	32%	18%
CMI ADJUSTED PATIENT DAYS	28,016	29,660	12,015	-6%	133%
CMI ADJUSTED DISCHARGES	6,201	8,665	3,143	-28%	97%

### Sandoval Regional Medical Center, Inc.

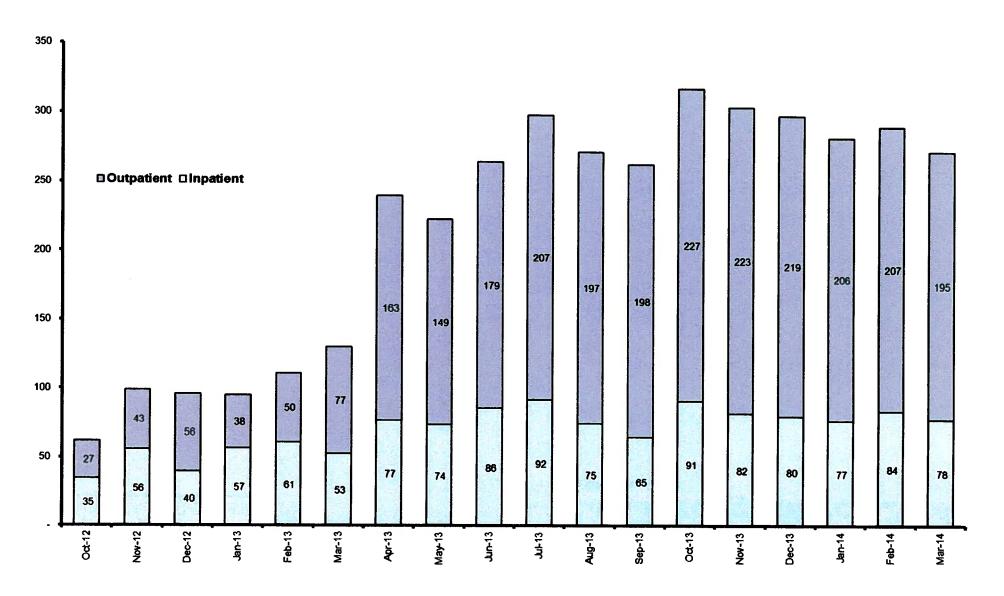
### Sandoval Regional Medical Center Visits by Primary and Specialty Speciali Larough March 2014





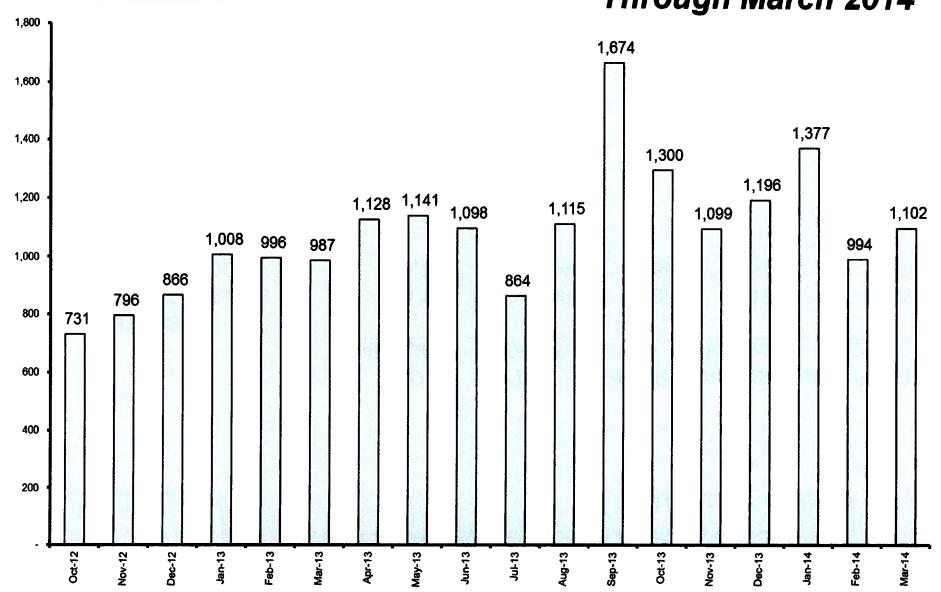
### Sandoval Regional Medical Center

### Operations by Type Through March 2014





### Sandoval Regional Medical Center ER visits Through March 2014



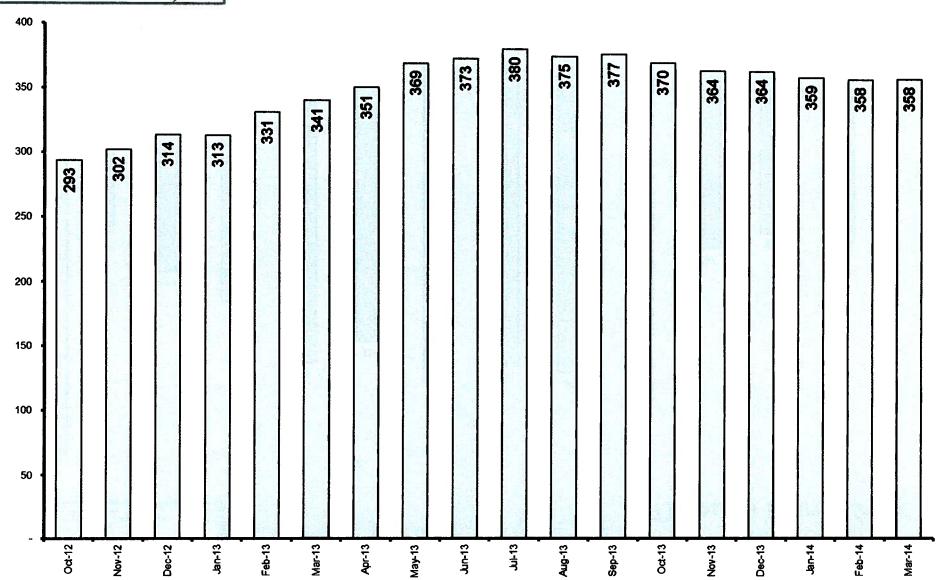


## SANDOVAL REGIONAL MEDICAL CENTER OUTPATIENT & ANCILLARY STATISTICS Through March 2014

	YTD ACTUAL	YTD BUDGET	PRIOR YTD	Act / Bud Variance	Act / PYTD Variance
<b>OUTPATIENT VISITS</b>			<u> </u>		
OUTPATIENT CLINICS	20,183	24,239	10,055	-17%	101%
EMERGENCY ROOM	10,721	11,494	6,865	-7%	56%
OBSERVATION (Days)	897	-	-		
ANCILLARY STATISTICS OPERATIONS	2,603	2,386	711	9%	266%
FTE'S	358	392	331	-9%	8%
CASE MIX INDEX	1.408	1.261	1.256	12%	12%



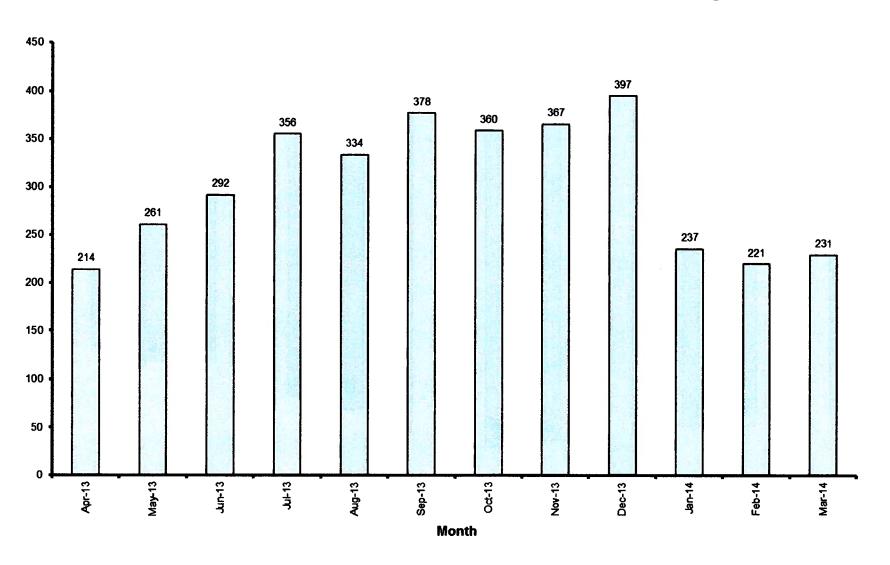
### Sandoval Regional Medical Center FTEs Through March 2014





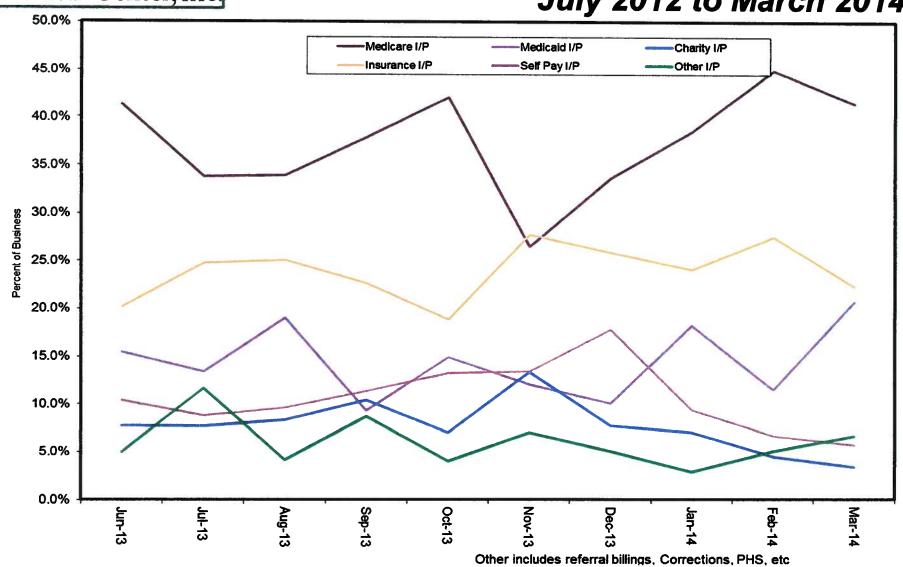
### SRMC Financial Assistance

### **Enrollment**Through March 2014



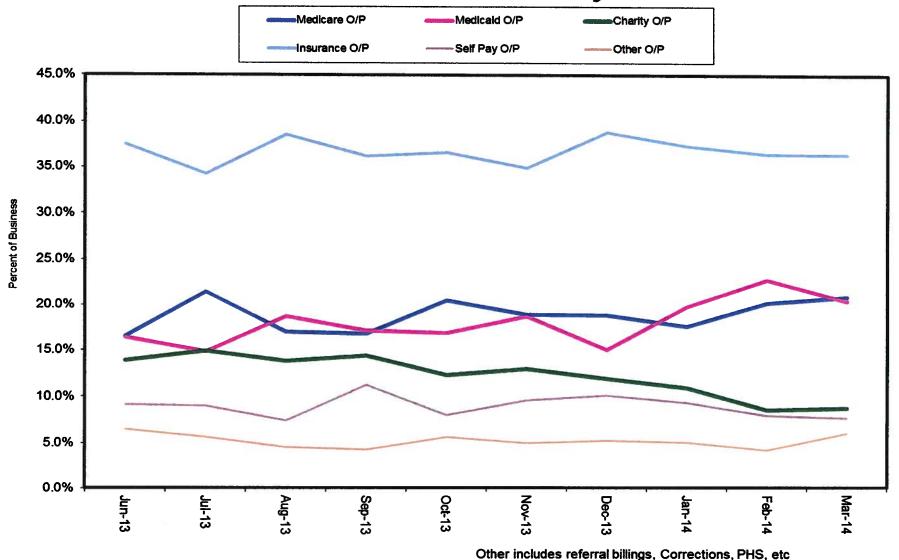


### Sandoval Regional Medical Center Inpatient Payer Mix Chart by Month July 2012 to March 2014





# Sandoval Regional Medical Center Outpatient Payer Mix Chart by Month July 2012 to March 2014





### Sandoval Regional Medical Center INCOME STATEMENT FY 2014 YTD THROUGH MARCH 2014

	YT		YT	D BUDGET	BUDGET VARIANCE				
REVENUE									
Gross Patient Charges	\$	91,407,465		\$	132,065,157		\$	(40,657,692)	
Less: Contractual Discounts		(54,173,601)			(85,842,350)		·	31,668,749	
Net Patient Service Revenues		37,233,864	40.7%		46,222,807	35.0%		(8,988,943)	
Other Operating Revenues		309,285			270,000			39,285	
Total Operating Revenues	\$	37,543,149		\$	46,492,807	_	\$	(8,949,658)	
OPERATING EXPENSES					<del> </del>	_			
Employee Compensation		16,259,694	36.1%		18,943,739	39.0%		(2,684,045)	
Benefits		3,183,203	7.1%		3,451,224	7.1%		(268,021)	
University Clinician's Program		944,000	2.1%		-	0.0%		944,000	
Medical Services		3,342,550	7.4%		3,464,504	7.1%		(121,954)	
Medical Supplies		8,657,522	19.2%		9,191,088	18.9%		(533,566)	
Depreciation		6,717,589	14.9%		6,778,630	13.9%		(61,041)	
Equipment & Maintenance		1,859,206	4.1%		2,967,750	6.1%		(1,108,544)	
Purchased Services		2,538,953	5.6%		2,307,882	4.7%		231,071	
Occupancy & Utilities		742,549	1.6%		715,867	1.5%		26,682	
Other Supplies & Other		779,174	1.7%_		810,003	1.7%		(30,829)	
Total Operating Expense	\$	45,024,440		\$	48,630,687		\$	(3,606,247)	
Operating Margin	\$	(7,481,291)		\$	(2,137,880)		\$	(5,343,411)	
NON OPERATING REVENUE/EXPENSE									
Sandoval County Mill Levy		5,656,499			6,045,426			(388,927)	
Bond and Mortgage Interest Expense		(9,538,356)			(9,589,438)			51,082	
BAB Subsidy and Interest Inc on GNMA		6,482,981			6,396,089			86,892	
Non Operating Expense (MIP)		(806,637)			(716,144)			(90,493)	
Donations		1,292			1,949			(657)	
Total Non-Operating Revenues	\$	1,795,779		\$	2,137,882	<del></del>	\$	(342,103)	
Total Increase (decrease) to Net Assets	\$	(5,685,512)	-	\$	2		\$	(5,685,514)	

UNM								INCOME	STA	IT	EMENT	BY	QL	JARTER
Sandoval Regional									FOR.	JU	LY throu	gh M		
Medical Center, Inc.		Quarter FY14 onthly Avg			d Quarter FY14  Monthly Avg			Month of nuary 2014			Month of oruary 2014			Month of larch 2014
REVENUE		Olitilly Avg	-		WONTHIN AVE	-	Ja	ilual y 2014	-	rei	Tuary 2014		IV	iarch 2014
Gross Patient Charges	\$	9,019,277		\$	10,544,253		\$	11,132,817		\$	10,878,939		\$	10,705,113
Less: Contractual Discounts	•	(6,184,235)		•	(7,220,494)		•	(7,120,217)		•	(6,693,943)		•	(6,480,983)
Net Patient Service Revenues		2,835,042	31.4%		3,323,758	31.5%		4,012,600	36.0%		4,184,996	38.5%		4,224,130
Other Operating Revenues		27,134	_		38,680			36,126			36,870			38,854
Total Operating Revenues	\$	2,862,176		\$	3,362,438		\$	4,048,726	•	\$	4,221,866		\$	4,262,984
OPERATING EXPENSES					*	•			-			•		
Employee Compensation		1,976,690	39.0%		1,759,215	37.0%		1,552,014	26.7%		1,693,249	29.2%		1,806,713
Benefits		358,421	7.1%		320,411	6.7%		418,721	7.2%		334,998	5.8%		392,990
University Clinician's Program		-	0.0%		170	0.0%		944,000	16.3%		-	0.0%		
Medical Services		376,978	7.4%		317,736	6.7%		348,264	6.0%		487,352	8.4%		422,794
Medical Supplies		950,444	18.7%		997,321	21.0%		868,782	15.0%		918,027	15.8%		1,027,423
Depreciation		735,555	14.5%		778,713	16.4%		771,615	13.3%		739,667	12.7%		757,369
Equipment & Maintenance		270,150	5.3%		209,775	4.4%		256,337	4.4%		197,557	3.4%		223,370
Purchased Services		234,875	4.6%		218,624	4.6%		425,161	7.3%		450,571	7.8%		302,729
Occupancy & Utilities		86,326	1.7%		67,414	1.4%		111,251	1.9%		96,718	1.7%		73,36
Other Supplies & Other		83,662	1.6%		87,288	1.8%		110,291	1.9%		78,301	1.3%		77,73
Total Operating Expense	\$	5,073,101		\$	4,756,496		\$	5,806,436	_	\$	4,996,440		\$	5,084,485
Operating Margin	\$	(2,210,925)		\$	(1,394,058)		\$	(1,757,710)		\$	(774,574)		\$	(821,501
NON OPERATING REVENUE/EXPENSE														
Sandoval County Mill Levy		671,714			671,714			369,215			628,500			628,500
Bond Interest Expense		(542,010)			(542,010)			(542,011)			(542,010)			(542,010
BAB Subsidy,Interest Inc on GNMA,Mtg Int		184,860			193,714			204,472			242,355			240,172
Non Operating Expense (MIP)		(81,958)			(87,279)			(86,582)			(123,387)			(88,959
Donations		217			142			218	-					
Total Non-Operating Revenues	\$	232,823		\$	236,281		\$	(54,688)		\$	205,458		\$	237,703
•	<u>  \$                                  </u>	(1,978,102)		\$	(1,157,778)	•	\$	(1,812,398)		\$	(569,116)		<u>Ş</u>	(583,798
Summary of non recurring:		========			<b>5.57.400</b>						(500 504)			
Referral Billing		588,024			567,190			582,704			(582,704)			444.00
Cost report settlement		2.50			159,271			114,000			1,048,472			114,000
FY13 cash collected in excess of net AR		:: <del>-</del> :			-			929,765			_			•
FY14 cash collected in excess of net AR		-			24 200			186,047			_			
Purchase of OR supplies		-			31,289			_			-			
Purchase of items in Storage		(4.200.070)			85,945			110			(102.240)			(460.700
Increase (decrease) to net assets		(1,390,078)			(314,084)			36.0%	=		(103,348) 38.5%			(469,798 39.5%
Collection % age		31.4%			31.5%			36.0%			38.5%			39.5%

38.4%

42.3%

42.8%

38.0%

Collection % age including referral billing

40.5% 14



### Sandoval Regional Medical Center BALANCE SHEET As of March 31, 2014

	March 31, 2014	June 30, 2013
CURRENT ASSETS	34	
Cash & cash equivalents	4,879,631	6,143,766
Cash Held by Trustee for operating capital	4,326,041	2,823,188
Patient Accounts Receivable, net	6,654,814	6,016,748
Estimated third party payer settlements	1,139,250	1,574,229
Due from UNMMG/UNMH/SOM	110,753	3,797,045
Mill Levy Receivable	844,132	126,280
Other Receivables	863,102	633,977
Prepaid Mortgage Payments	5,112,312	2,760,569
Inventory and Prepaid Expenses	2,462,899	2,774,524
TOTAL CURRENT ASSETS	26,392,934	26,650,326
NON-CURRENT ASSETS		
Capital assets, net	130,446,729	136,485,863
Held by trustee for capital acquisition	4,422,128	4,739,611
Held by trustee for mortgage reserve fund	3,100,839	1,677,025
Held by trustee for debt service	5,027,052	5,593,869
TOTAL NON-CURRENT ASSETS	142,996,748	148,496,368
TOTAL ASSETS	169,389,682	175,146,694
CURRENT LIABILITIES		
Accounts Payable	3,381,845	4,573,119
Interest Payable	1,626,031	3,252,063
Accrued Payroll Liabilities	2,675,481	1,937,972
Due to UNMMG/UH/SOM	2,907,772	899,475
TOTAL CURRENT LIABILITIES	10,591,129	10,662,629
NON-CURRENT LIABILITIES		
Bonds Payable	143,425,000	143,425,000
Due to UNM Medical Group - Negative Arbitrage	2,040,000	2,040,000
TOTAL NON-CURRENT LIABILITIES	145,465,000	145,465,000
TOTAL LIABILITIES	156,056,129	156,127,629
NET ASSETS		
Unrestricted	877,246	8,924,125
Restricted for bequests and contributions	2,375	858
Restricted in accordance with the Trust Indenture	12,453,932	10,094,082
TOTAL LIABLITIES AND NET ASSETS	169,389,682	175,146,694



### Sandoval Regional Medical Center FINANCIAL RATIOS As of March 31, 2014

	March 31, 2014	June 30, 2013	Per Debt Covenants
Days Cash on Hand			
Bank	34.90	54.37	> 21
Bank plus Equity Fund at Wells Fargo	65.85	79.35	> 21
Debt Service Coverage Ratio			
Mortgage	1.38	0.05	> 1.5
Bonds	1.26	0.04	> 1.5
Current Ratio	2.49	2.50	> 1.5
Days in AP	49	93	< 80
Days in A/R	48.97	114.39	< 80

### Sandoval Regional Medical Center, Inc.

### Sandoval Regional Medical Center

### STATEMENT OF CASH FLOWS

Nine months ended March 31, 2014 and Year Ended June 30, 2013

rechear Center, inc.	2014		2013
Cash flows from operating activities:			
Cash received from medicare, medicaid, insurance and patients	\$ 37,030,777	\$	10,500,116
Cash payments to employees	(15,483,058)		(17,915,711)
Cash payments to suppliers	(23,195,058)		(36,506,129)
Cash payments from University of New Mexico	5,694,589		(1,996,517)
Other receipts	309,285		271,244
Net cash provided by (used in) operating activities	4,356,535		(45,646,997)
Cash flows from noncapital financing activities:		_	
Cash received from Sandoval County mill levy	4,938,647		20,706,239
Cash received from contributions	1,292		1,083
Net cash provided by noncapital financing activities	 4,939,939	_	20,707,322
Cash flows from capital financing activities:		_	
Cash payments to UNMMG for negative arbitrage fund			(2,600,000)
Cash received from federal bond subsidy	1,619,205		2,225,243
Purchases of capital assets	(678,455)		(14,684,197)
Inflows (outflows) to trustee accounts	566,817		32,579,642
Interest payments on capital assets-related to debt - bonds	(6,504,126)		(6,504,125)
Interest payments on capital assets-related to debt - mortgage	(4,660,262)		(5,560,718)
Cash payments for mortgage reserve fund	(1,423,814)		(1,677,025)
Principal payments on mortgage	(2,351,743)		(2,760,569)
Cash payments for mortgage-related activities (Mortgage servicing, MIP, GNMA guaranty)	(806,637)		(789,272)
Net cash provided by capital financing activities	(14,239,015)		228,979
Cash flows from investing activities:			
Interest on investments	381,285		25,201
Interest on GNMA	 4,799,974		6,139,996
Net cash provided by (used in) investing activities	5,181,259		6,165,197
Net increase (decrease) in cash and cash equivalents	 238,718		(18,545,499)
Cash and cash equivalents, beginning of year	 8,966,954	_	27,512,453
Cash and cash equivalents, end of year	\$ 9,205,672	\$	8,966,954

# Tab 34 Addendum

### Minutes of the Meeting of the UNM Health Sciences Center Board of Directors April 4, 2014

#### Domenici Center for Health Sciences Education Bldg., Room 3010

UNM Health Sciences Center Board of Directors (the "Board") members present: Suzanne Quillen,

Chair, Michael Olguin, Conrad James, Mel Eaves, Ann Rhoades

UNM Leaders present: President Bob Frank

UNM Health Sciences Center ("HSC") Leaders present: Chancellor Paul Roth and other members of the

Health System and Health Sciences Center leadership

Others present: members of the HSC faculty and staff; community members

Chair Suzanne Quillen called the meeting of the Board to order at 2:05 p.m. The Chair established that a quorum of the members of the Board was present.

#### Approval of Agenda

A motion was made to adopt the published agenda. The motion was seconded. There was no discussion. The motion passed with a vote of 4-0-0.

#### Approval of Minutes of Prior Meeting

A motion was made to approve the minutes of the March 7, 2014 meeting of the Board. The motion was seconded. There was no discussion. The motion passed with a vote of 4-0-0.

#### Chancellor's Report

Dr. Richard Larson, Acting Chancellor, provided an administrative report that included:

- The Health Sciences Center has received an award of a \$10 million grant from the National Institutes of Health to establish an Institute on Alcohol Abuse & Alcoholism.
- The Annual Innovations Awards was held to honor the Health Sciences Center 22 patent winners this year.
- The UNM College of Nursing Nurse Midwifery Program was ranked fifth in the nation by *U.S. News and World Report*. The UNM College of Nursing overall was ranked 79<sup>th</sup> out of 1500 College of Nursing in the United States. Discussion.

#### UNM Health System Update Including SRMC Update

Mr. Steve McKernan and Dr. Mike Richards provided an overview of the UNM Health System that included:

- Health System Activity Report with a focus on finances. Discussion.
- Health System Strategic Planning. Discussion.
- Update on Sandoval Regional Medical Center, Inc. (SRMC) including an overview of the SRMC Dashboard. Discussion.
- Mr. Paul Herzog, Chief Operating Officer, UNM Hospitals, was introduced.
- Jamie Silva-Steele and her team were recognized for the advancements made at SRMC. Discussion.

#### **Public Comment**

There was no public comment.

#### **Reports from Board Committees**

Governance and Nominating Committee ("GNC")

#### Request to Approve the Carrie Tingley Hospital Bylaws

Director Rhoades, Acting Chair, GNC, introduced the request to approve the Carrie Tingley Hospital Bylaws as amended and restated, highlighting that the changes were predominantly administrative. Mr. McKernan concurred that most of the changes were administrative to be more synchronized with Regents Policy.

A motion was made to approve the Carrie Tingley Hospital Bylaws. The motion was seconded. No discussion; with a vote of 4-0-0 in favor. Motion passed.

### Finance, Audit, and Compliance Committee ("FACC")

#### **FACC Action Items**

Request for Approval of a Resolution Recommending Approval of UNM Hospitals Surplus Property Disposition

Regent James introduced the Resolution Recommending Approval of the UNM Hospitals Surplus Property Disposition list and Mr. Steve McKernan provided background information.

A motion was made to approve the Resolution Recommending Approval of the UNM Hospitals Surplus Property Disposition. The motion was seconded. No discussion; with a vote of 4-0-0 in favor. Motion passed.

Request for Approval of Resolutions Recommending Approval of Extension of Cardinal Health Pharmaceutical Distribution Contract with UNM Hospitals and UNM Hospitals Contract with TeleTracking Technologies, Inc.

After an introduction from Regent James, Mr. McKernan provided a brief background on the rationale for the request for a UNM Hospitals contract extension with Cardinal Health Pharmaceutical Distribution.

A motion was made to approve the Resolution Recommending Approval of the Extension of the Cardinal Health Pharmaceutical Distribution Contract with UNM Hospitals. The motion was seconded. No discussion; with a vote of 4-0-0 in favor. Motion passed.

Mr. McKernan provided a brief background on the rationale for the Resolution Recommending Approval of the UNM Hospitals Contract with TeleTracking Technologies, Inc.

A motion was made to approve the Resolution Recommending Approval of the UNM Hospitals Contract with TeleTracking Technologies, Inc. The motion was seconded. Discussion; with a vote of 4-0-0 in favor. Motion passed.

Request for Approval of Resolution Recommending Approval of Revisions to Regents' Policies to Implement Approval Threshold Changes

Regent James introduced the Request for Approval of the Resolution Recommending Approval of Revisions to Regents' Policies to Implement Approval Threshold Changes and Ms. Ava Lovell provided background. She noted that, with the past approvals obtained to change thresholds, this Resolution addresses the necessary changes to the pertinent Regents' Policies and making the changes. She added that the Regents' Finance & Facilities Committee discussed this Resolution at their meeting and it was requested that the language of "\$1 Million or more" be incorporated. Regent James added that with regard to Regents' Policy 7.1.3, discussed at the FACC meeting and the concerns voiced at that meeting, that these concerns were discussed and addressed at this morning's Regents' Finance & Facilities Committee and with changes made to the original proposition, this item will be reviewed by the UNM Board of Regents.

A motion was made to approve the Resolution Recommending Approval of Revisions to Regents' Policies to Implement Approval Threshold Changes. The motion was seconded. No discussion; with a vote of 4-0-0 in favor. Motion passed.

Request for Approval of Resolution Authorizing the Establishment of UNM School of Medicine
Department of Pathology Quasi-Endowment Fund

Regent James introduced the Request for Approval of the Resolution Authorizing the Establishment of the UNM School of Medicine Department of Pathology Quasi-Endowment Fund. Dr. Douglas Clark,

Chair, Department of Pathology, provided background on the Quasi-Endowment that will supplement an existing endowment to create the Maralyn Budke and Robert Anderson Chair in Cancer Drug Discovery. Discussion.

A motion was made to approve the Resolution to Approve the establishment of the UNM School of Medicine Department of Pathology Quasi-Endowment Fund. The motion was seconded. No discussion; with a vote of 4-0-0 in favor. Motion passed.

Dr. Larson formally introduced Dr. Doug Clark, Chair, Department of Pathology, to the Health Sciences Center Board of Directors.

#### **FACC Information Items**

#### **HSC Financial Update**

Ms. Ava Lovell presented an HSC financial overview of the metrics including Approximate Cash Flow, Net Operating Margin, Net Income, Uncompensated Care, Days Cash on Hand, Accounts Receivable Greater Than Ninety Days and Research.

#### **General Action Items**

#### Request for Approval of Form D - Professional Practice Doctoral Degree in Occupational Therapy

Regent Quillen introduced the Request for Approval of Form D – Professional Practice Doctoral Degree in Occupational Therapy. Dr. Janet Poole provided background on the rationale supporting this request for this advanced degree. Discussion was held to clarify the primary purpose for the demand of this degree as academic versus career-oriented, clarification on what the professional impact would be with this degree above and beyond a Master's degree (become an evidenced-based practitioner, develop outcome studies, personal advancement), and Board concerns voiced on the need to be very deliberate about new degree programs and ensure that a degree is what the nationwide trend supports as vital and necessary. The question was asked on why there are so few of such degree programs around the country and whether there is a lack of demand. It was noted that this degree program reflects a new nationwide trend that instead of moving to a PhD it is moving toward a doctorate in professional practice so that an emphasis is placed on the clinical and practice aspect at a higher level. Further discussion was held.

A motion was made to not approve the Request for the Approval of Form D + Professional Practice Doctoral Degree in Occupational Therapy and but to move this item to the full UNM Board of Regents with no recommendation. The motion was seconded. No discussion; with a vote of 4-0-0 in favor. Motion passed.

#### General Information Items

"Advancing the Academic Health System for the Future - AAMC Healthcare Advisory Panel"

Mr. Anthony Masciotra, UNM Medical Group, Inc., presented an overview of the study outcomes of the Association of American Medical Colleges Healthcare Advisory Panel that looked at what the changing role of the clinical practice in academic medical centers, how will it advance given the changes in healthcare reform and other changes in the industry, what is the future vision of the clinical enterprise in an academic center, key factors for success, challenges, etc. Discussion. *Action Required: The Board requested the full report*.

Review: HSC Board of Directors Action Required Log

The Board reviewed the current Board Action Required Log. Action Required: follow-up on <u>University of</u> Texas v. Fisher.

Regent Quillen noted that the UNM Hospitals Board of Trustees February 28, 2014 draft Meeting Minutes, the Sandoval Regional Medical Center, Inc. Board of Directors February 26, 2014 Meeting Minutes, the Carrie Tingley Hospital Advisory Board January 27, 2014 Meeting Minutes, and the Office of the Medical Investigator Board September 24, 2013 were included in the agenda for informational purposes.

A motion was made to adjourn the open meeting and to convene in executive session. The motion was seconded. No discussion; with a vote of 4-0-0 in favor. Motion passed.

A motion was made for the Board to reconvene in open session and to certify that only those matters described in agenda item XII were discussed in executive session. The motion was seconded. No discussion; with a vote of 3-0-0 in favor. Motion passed. Director James was not in the room and did not vote.

A motion was made to adjourn the meeting. The motion was seconded. No discussion; with a vote of 3-0-0 in favor. Motion passed.

Minutes were prepared by Patrice Martin and finalized on April 9, 2014.

Approval of Minutes		
ALDWY WILL		
Regent Suzanne Quillen, Chair	Date	,

#### Attachments:

<sup>&</sup>quot;Resolution Recommending Approval of UNM Hospital Surplus Property Disposition"

<sup>&</sup>quot;Resolution Recommending Approval of Extension of Cardinal Health Pharmaceutical Distribution Contract with the UNM Hospitals"

<sup>&</sup>quot;Resolution Recommending Approval of the UNM Hospitals Contract with TeleTracking Technologies, Inc."

<sup>&</sup>quot;Resolution Recommending Approval of Revisions to Regents' Policies to Implement Approval Threshold Changes"

<sup>&</sup>quot;Resolution Authorizing the Establishment of UNM School of Medicine Department of Pathology Quasi-Endowment Fund"



### Resolutions Recommending Approval of Disposition of Surplus Property

WHEREAS, the UNM Hospital (the "UNM Hospital") proposes to dispose of its surplus property and pursuant to Regents Policy 7.12, such disposition must be approved by governance of the University of New Mexico (the "University"), including, without limitation, the Health Sciences Center Board of Directors (the "HSC BoD"), and the Board of Regents. The disposition of surplus property of the University of New Mexico Hospital is described more fully in Exhibit C attached to these Resolutions and incorporated herein as though fully set forth in these Resolutions;

WHEREAS, this Finance, Audit, and Compliance Committee (the "Committee") of the HSC BoD, having considered the Exhibit A materials and the presentations made relative to the proposed disposition of surplus property of the University of New Mexico Hospital and having been satisfied that the process for the disposition of surplus property of the University of New Mexico Hospital, meets the requirements of the New Mexico Law, finds and concludes that the disposition of surplus property of the University of New Mexico Hospital identified above and as described in Exhibit C should be approved.

NOW THEREFORE, BE IT RESOLVED that the Committee hereby recommends to the HSC BoD that the UNM Hospital's proposed disposition of surplus property of the University of New Mexico Hospital as identified above and as described in Exhibit C should be approved.

ADOPTED BY A VOTE OF THE MEMBERS OF THE FINANCE, AUDIT AND COMPLIANCE COMMITTEE OF THE HEALTH SCIENCES CENTER BOARD OF DIRECTORS AT A MEETING HELD ON March 31, 2014.

Conrad lamae ite Chair



### Resolutions Recommending Approval of Extension of Cardinal Health Pharmaceutical Distribution Contract

WHEREAS, the UNM Hospital (the "UNM Hospital") proposes to extend the terms of the existing Cardinal Health Pharmaceutical Distribution Contract through April 30, 2015, at the University of New Mexico Hospital and pursuant to Regents Policy 7.12. such action must be approved by governance of the University of New Mexico (the "University"), including, without limitation, the Health Sciences Center Board of Directors (the "HSC BoD"), and the Board of Regents. The extension of the existing contract is described more fully in Exhibit A attached to these Resolutions and incorporated herein as though fully set forth in these Resolutions;

WHEREAS, this Finance, Audit, and Compliance Committee (the "Committee") of the HSC BoD, having considered extending the terms of the existing Cardinal Health Pharmaceutical Distribution Contract through April 30, 2015, the Exhibit A materials and the presentations made relative to the proposed extension of the terms of the existing Cardinal Health Pharmaceutical Distribution Contract through April 30, 2015, and having been satisfied that the process for extending the terms of the existing Cardinal Health Pharmaceutical Distribution Contract through April 30, 2015, meets the requirements of the New Mexico Procurement Code, finds and concludes that the extension of the terms of the existing Cardinal Health Pharmaceutical Distribution Contract through April 30, 2015, identified above and as described in Exhibit A should be approved.

NOW THEREFORE, BE IT RESOLVED that the Committee hereby recommends to the HSC BoD that the UNM Hospital's proposed extension of the terms of the existing Cardinal Health Pharmaceutical Distribution Contract through April 30, 2015, as identified above and as described in Exhibit A should be approved.

ADOPTED BY A VOTE OF THE MEMBERS OF THE FINANCE, AUDIT AND COMPLIANCE COMMITTEE OF THE HEALTH SCIENCES CENTER BOARD OF DIRECTORS AT A MEETING HELD ON March 31, 2014.

Conrad James its Chair



### Resolutions Recommending Approval of Purchase of TeleTracking from TeleTracking Technologies, Inc.

WHEREAS, the UNM Hospital (the "UNM Hospital") proposes to purchase TeleTracking from TeleTracking Technologies, Inc., a bed board solution for use by the UNM Helath System to maximize the use of hospital beds at UNMH and SRMC to improve the efficiency of patient placement in beds. Pursuant to Regents Policy 7.12, such retention must be approved by governance of the University of New Mexico (the "University"), including, without limitation, the Health Sciences Center Board of Directors (the "HSC BoD"), and the Board of Regents. The purchase of TeleTracking from TeleTracking Technologies, Inc., is described more fully in Exhibit A attached to these Resolutions and incorporated herein as though fully set forth in these Resolutions;

WHEREAS, this Finance, Audit, and Compliance Committee (the "Committee") of the HSC BoD, having considered the Exhibit A materials and the presentations made relative to the proposed purchase of TeleTracking from TeleTracking Technologies, Inc.,and having been satisfied that the process for the purchase from JM Smith Corporation, d/b/a QS/1 Data Systems, meets the requirements of the New Mexico Procurement Code, finds and concludes that the purchase from TeleTracking Technologies, Inc. for the proposed TeleTracking software identified above and as described in Exhibit A should be approved.

NOW THEREFORE, BE IT RESOLVED that the Committee hereby recommends to the HSC BoD that the UNM Hospital's proposed purchase of TeleTracking from TeleTracking Technologies, Inc., as identified above and as described in Exhibit A should be approved.

ADOPTED BY A VOTE OF THE MEMBERS OF THE FINANCE, AUDIT AND COMPLIANCE COMMITTEE OF THE HEALTH SCIENCES CENTER BOARD OF DIRECTORS AT A MEETING HELD ON March 28, 2014.

Conrad James its Chair



### Resolutions Recommending Approval of Revision to Regents' Policies to Implement Approval Threshold Changes

WHEREAS, the Management of University of New Mexico (the "Management") proposes to revise Regents' Policies 7.4 ("Purchasing"), 7.8 ("Signature Authority for Contracts"), 7.9 ("Property Management"), 7.11 ("Selection of Architects for UNM Projects") and 7.12 ("Approval of Construction Projects") and pursuant to Regents Policy 7.12, and such amendments must be approved by governance of the University of New Mexico (the "University"), including, without limitation, the Health Sciences Center Board of Directors (the "HSC BoD"), and the Board of Regents. The revision to Regents' Policies 7.4, 7.8, 7.9, 7.11 and 7.12 is described more fully in Exhibit B attached to these Resolutions and incorporated herein as though fully set forth in these Resolutions:

WHEREAS, this Finance, Audit, and Compliance Committee (the "Committee") of the HSC BoD, having considered the Exhibit B materials and the presentations made relative to the revision to Regents' Policies 7.4, 7.8, 7.9, 7.11 and 7.12 finds and concludes that the revision to Regents' Policies 7.4, 7.8, 7.9, 7.11 and 7.12 identified above and as described in Exhibit B should be approved.

NOW THEREFORE, BE IT RESOLVED that the Committee hereby recommends to the HSC BoD that Management's proposed revision to Regents' Policies 7.4, 7.8, 7.9, 7.11 and 7.12 as identified above and as described in Exhibit B should be approved.

ADOPTED BY A VOTE OF THE MEMBERS OF THE FINANCE. AUDIT AND COMPLIANCE COMMITTEE OF THE HEALTH SCIENCES CENTER BOARD OF DIREC-TORS AT A MEETING HELD ON March 31, 2014.

By: Conrad James, its Chair



### Resolutions Authorizing Establishment of UNM School of Medicine Department of Pathology Quasi-Endowment Funds

WHEREAS, the Department of Pathology (the "Department") in the UNM School of Medicine has proposed to establish a quasi-endowment fund from the Department's operational reserves, described and funded with initial contributions as follows:

### Name of Quasi-Endowment

Amount of Initial Contribution

Department of Pathology Endowed Chair in Cancer Drug Discovery

\$377,000

In this Resolution, this quasi-endowment funds shall be referred to collectively as the "Department of Pathology Quasi-Endowment Fund." A description of intended purposes of the Department of Pathology Quasi-Endowment Fund as presented to the Finance, Audit, and Compliance Committee (the "Committee") of the UNM Health Sciences Center Board of Directors (the "HSC BoD") is attached to these Resolutions as Exhibit "D" and incorporated in these Resolutions as though set forth fully herein.

WHEREAS, the UNM School of Medicine proposes to establish the Department of Pathology Quasi-Endowment Fund and to govern the use, management and disposition of the initial contributions to the Department of Pathology Quasi-Endowment Fund in accordance with all applicable Regents Policies and with University Administrative Policy Manual, Policy 7500 governing "Endowments" and as described more fully in Exhibit "D."

WHEREAS, the Committee, having considered the Exhibit "D" materials and the presentations made relative to the Department of Pathology Quasi-Endowment Fund, finds and concludes that establishment of the proposed Department of Pathology Quasi-Endowment Fund together with the use, management and disposition of the initial contributions to the Department of Pathology Quasi-Endowment Fund described in Exhibit "D" further academic and research missions of the UNM School of Medicine and of the University as a whole and, therefore, should be approved.

NOW THEREFORE, BE IT RESOLVED that the Committee hereby recommends to HSC BoD that the Department be authorized to establish the Department of Pathology Quasi-Endowment Fund and further recommends to the HSC BoD that the govern-

ance of the use, management and disposition of the initial contribution to the Department of Pathology Quasi-Endowment Fund should be in accordance with all applicable Regents Policies and with the requirements of University Administrative Policy Manual, Policy 7500 governing "Endowments" with the uses, management and disposition of the initial contributions to the Department of Pathology Quasi-Endowment Fund as described in Exhibit "D."

ADOPTED BY A VOTE OF THE MEMBERS OF THE COMMITTEE AT A MEETING HELD ON MARCH 31, 2014.

By: Onu D. Johnson Conrad James, its Chair



UNM Hospital Board of Trustees March 28, 2014 Meeting Minutes Pavilion Conference Room 1500

Agenda Item	Subject/Discussion	Action/Responsible Person
Voting Members Present:	Michael Olguin, William Lang, Christine Glidden, Nick Estes, Debbie Johnson, Warren Laskey, Raymond Loretto, Jerry McDowell	
Ex-Officio Members Present:	Michael Richards, Stephen McKernan, David Pitcher	
County Officials Present:	Emily Madrid	
I. Call to Order	A quorum being established, Michael Olguin, Chair, called the meeting to order at 9:07 a.m.	
II. Adoption of Agenda The Chair, Mr. Michael Olguin, requested a motion to adopt the submitted.		Ms. Debbie Johnson made a motion to adopt the agenda. Ms. Christine Glidden seconded the motion. There being no objections, the motion carried.
III. Public Input	Bill Browne, Executive Director, 1199 New Mexico, stated that employees have been hearing for 5 years that no wage increases were budgeted. He stated the employees would like to see a wage increase added to the budget. He also noted there is a 2.7% difference per year of experience for new hires, but existing employees do not get caught up. He stated it would behoove employees to leave and return at a later date to earn the wages they deserve. He further stated that the employees expect a significant raise very soon and is concerned that we are losing employees at an alarming rate.	
	Nicola Trevisan, Staff Representative at 1199NM and Social Worker, reiterated the message that the employees have heard for years is that no wage increases have been budgeted. She stated this has a compounding effect on moral. She	

	Agenda Item	Subject/Discussion	Action/Responsible Person
		stated the partnership between the hospital and the employees is in trouble.	
		Lorie MacIver, VP of Licensed and Technical, 1199NM, stated she is not here to ask for a raise, as it is all for naught. She stated leadership is an action, not a position. She noted an example that a nurse who has worked for 3 years could leave to work at another local hospital and add \$10.00 to their base rate, just by leaving.	
IV.	Announcements	Mr. Stephen McKernan announced the passing of a resolution by the county related to the renegotiation of the lease.	
		He also invited the board members to participate in two educational meetings hosted by America's Essential Hospitals and the American Hospital Association's Western Hospital Symposium in June.	
V.	Approval of Minutes	UNM Hospitals Board of Trustees meeting minutes for March 28, 2014.	Ms. Debbie Johnson made a motion to approve the minutes of the March 28, 2014, Board meeting. Ms. Christine Glidden seconded the motion. There being no objections, the motion carried.
VI.	Consent Agenda	Following review of the consent items, the Chair, Mr. Michael Olguin, requested a motion to approve the consent items, which were recommended for approval by the Finance Committee.	Ms. Debbie Johnson made a motion to approve the purchase items on the consent agenda. Mr. Jerry McDowell seconded the motion. There being no objections, the motion passed unanimously.
		Following review of the revisions to the Carrie TIngley Hospital bylaws, Mr. Michael Olguin, requested a motion to approve as submitted, per recommendation by the Finance and Audit Committee.	Mr. Nick Estes made a motion to approve. Dr. Raymond Loretto seconded the motion. There being no objections, the motion passed unanimously.
		Following review of the Clinical Privileging descriptions, the Chair, Mr. Michael Olguin, requested a motion to approve as submitted, as recommended for approval by the POCEC.	Mr. William Lang made a motion to approve. Dr. Warren Laskey seconded the motion. There being no objections, the motion passed unanimously.
		Following review of the updated Board of Trustees policies, the Chair, Mr. Michael Olguin, requested a motion to approve as submitted, per recommendation by the	Dr. Raymond Loretto made a motion to approve. Mr. Jerry McDowell seconded the

	Agenda Item	Subject/Discussion	Action/Responsible Person
		Finance & Audit Committee.	motion. There being no objections, the motion passed unanimously.
VII.	Board Initiatives	Mr. Stephen McKernan presented an update to the Strategic Plan.	
		Mr. Rodney McNease, presented an update on the FastTrack Program.	
VIII.	Administrative Reports	<u>CEO Report</u> – The CEO report is in the packet, but noted the hospital has been extraordinarily busy the past few weeks.	Mr. Stephen McKernan
IX.	Updates	Financial Report Card - The financial dashboard was presented by Ms. Ella Watt.	Ms. Ella Watt
X.	Committee Reports	Performance Oversight & Community Engagement Committee The Performance Oversight & Community Engagement Committee met on March 21, 2014.	
		Finance and Audit Committee The Finance and Audit Committee report is in the Board book.	
XI.	Other Business	None	
XII.	Closed Session	At 10:24 AM, the Chair, Mr. Michael Olguin, requested a motion to close the open session of the meeting to the public for purposes of discussion and determination, where appropriate, of limited personnel matters per Section 10-15-1.H (2); and discussion and determination, where appropriate of matters subject to the attorney-client privilege regarding pending or threatened litigation in which UNMH is or may become a participant, pursuant to Section 10-15-1.H (7); and discussion of matters involving strategic and long-range business plans or trade secrets of UNMH pursuant to Section 10-15-1.H (9), NMSA.	Mr. William Lang made a motion to move to closed session. Ms. Debbie Johnson seconded the motion. The motion passed unanimously.
XIII.	Certification	After discussion and determination where appropriate, of limited personnel matters per Section 10-15-1.H (2); and discussion and determination, where appropriate of matters subject to the attorney-client privilege regarding pending or threatened litigation in which UNMH is or may become a participant, pursuant to Section 10-15-1.H (7); and discussion of matters involving strategic and long-range business plans or trade secrets of UNMH pursuant to Section 10-15-1.H (9), NMSA, the Board certified that no other	

	Agenda Item	Subject/Discussion	Action/Responsible Person
		items were discussed, nor were actions taken.	
XIV.	Vote to Re-Open meeting	At 12:04PM, the Chair, Mr. Michael Olguin, requested a motion to be made to return the meeting to open session.	Mr. William Lang made a motion to return to open session. Dr. Raymond Loretto seconded the motion. The motion passed unanimously.
		The Chair, Mr. Michael Olguin, requested a motion to be made that the Board accept the minutes of the meeting of those committees that were presented in Closed Session to acknowledge for the record that those minutes were, in fact, presented to, reviewed, and accepted by the Board and for the Board to accept and approve the recommendations of those Committees as set forth in the minutes of those committees meetings.	
XV.	Adjournment	The next scheduled Board meeting will be April 25, 2014 @ 9:00 am. There being no further business, Mr. Michael Olguin, adjourned the meeting at 12:06PM.	

Michelle Coons, Secretary UNM Hospital Board of Trustees



## **SRMC Board of Directors Meeting Minutes**

March 26, 2014 8:00 a.m. - 11:00 a.m.

UNM Sandoval Regional Medical Center, 4th Floor Board Room Teleconference 1-888-557-8511 Passcode 2502228# Rio Rancho, New Mexico

1.0	CALL TO ORDER AND CONFIRMATION OF QUORUM	
	Dr. Paul Roth called the meeting to order and a quorum was confirmed	Accept as information
	at 8:12 a.m.	
2.0	VOTE TO APPROVE THE AGENDA	
	Dr. Paul Roth presented the Agenda to the Board for review.	Upon a motion and a
		second, the Board
		voted to approve the
		agenda. Motion passed
2.0	VOTE TO ADDROVE THE MANUFEC OF TRANSPORT OF A PARTY NAMED IN CO.	unanimously.
3.0	VOTE TO APPROVE THE MINUTES OF FEBRUARY 26, 2014 MEETING	
	Dr. Paul Roth presented the Minutes to the Board for approval.	Upon a motion and a
		second, the Board
		voted to approve the minutes. Motion
		passed unanimously.
4.0	ANNOUNCEMENTS FROM DIRECTORS	passed dilatilitiously.
7.0	Ms. Silva-Steele announced that SRMC is hosting a Board of Directors	Accept as information
	reception with SRMC Management on April 10, 2014.	Accept as information
	reception with shire management on April 10, 201 i.	
	Ms. Silva-Steele also announced that SRMC has filled the Chief Nursing	
	Officer position with Pam Demarest.	
5.0	PUBLIC COMMENT	
	None	
6.0	OLD BUSINESS	
6.1	<u>Marketing Update</u>	Accept as information
	Ms Melissa Romine provided an update on all ongoing marketing	
	activities.	
	<ul> <li>Onging outreach activities within the community.</li> </ul>	
	<ul> <li>New and improved website now functional.</li> </ul>	
	A meeting with all Sandoval County Tribal Leaders, SRMC	
	Leadership, and Health System Leadership is being scheduled in	
	June 2014.	
	Ms. Silva-Steele thanked Ms. Romine and her team for all their hard work and efforts.	
7.0		
		Accent as information
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	e , , , , , , , , , , , , , , , , , , ,	
	This program is a interdisciplinary comprehensive approach to spine	
	problems.	
<b>7.0</b> 7.1		Accept as information



7	7.2	The Center will be located on the second floor of the UNM Sandoval Regional Medical Center. A naming and ribbon cutting ceremony is scheduled on April 25, 2014 to include Dr. Yeung.  Ms. Silva-Steele introduced Ms. Candra Thompson, Director of Ambulatory Services and announced that she has been leading the Minimally Invasive Task Force.  Bariatric Program  Ms. Jennifer Ogden, Bariatric Program Manager, provided a presentation on the SRMC Bariatric Program. She stated that SRMC has recently acquired provisional accreditation status from the American College of Surgeons. A total of 80 procedures have been performed since	Ms. Ogden will provide another presentation to include photos at a future Board meeting.
		beginning this program in June 2013.	
8	3.0	REPORT FROM SRMC COMMITTEES	
8	3.1	<ul> <li>Academic Enagagement Committee</li> <li>No meeting held</li> </ul>	
8	3.2	Finance/Audit Committee  Mr. McKernan gave a verbal update on the March 25, 2014 Finance  Committee meeting and presented the minutes of February 20, 2014 for acceptance by the Board.	Upon a motion and a second, the Board voted to accept the minutes. Motion passed unanimously.
	0.6	CEO REPORT	
	9.1	Ms. Jamie Silva-Steele stated that the month of February continued to see high patient volumes. We have continued to recruit and fill vacancies allowing us to increase our census on the Nursing units.  Leadership Rounding continues to help improve internal communication, address employee concerns and recognize staff efforts. A new monthly Employee Newsletter has been developed and are planning our calendar for community outreach efforts.	Accept as information
		Turnover rate for February was 2.4% compared to a 3% turnover rate in January. The Chief Nursing Officer position was filled with Pam Demarest. The Director of Radiology and Director of Emergency Department were also filled. Other Director/Manager and Executive positions are posted and are moving forward accordingly.  Ms. Silva-Steele informed the Board that SRMC is beginning to prepare	
		for The Joint Commission accreditation site review later this summer and added that the CAP Survey for the Lab was successful.  Patient Satisfaction scores continue to remain positive.  SRMC is holding walk-in hours for people to sign up for Medicaid and the	
		SRMC is holding walk-in hours for people to sign up for Medicaid and the Exchanges.	



enter, me.	
SRMC is actively participating with the Sandoval County Health Council and the Rio Rancho Economic Development Corporation.	
Ms. Silva –Steele presented zip code data on the types of patients we are seeing and the population we are serving.	
Dr. Roth acknowledged all who have contibuted to the hospital moving in a positive direction. Mr. Geist supported the comment.	Accept as information
CMO REPORT	
Dr. Ogburn provided a handout and update on the recent, new, and expanded services at SRMC.	Accept as information
Dr. Ogburn mentioned that he anticipates the breast program to be a really good service and that the goal is to integrate this program with the UNM Cancer Center to provide state of the art outpatient and inpatient services to women from throughout New Mexico.	
Dr. Ogburn has also been meeting internally with folks in regards to expanding the educational programs at SRMC.	
Discussion ensued.	The Board recommended reevaluating the utilization of the dashboard and suggested integrating the dashboard into the CEO report to show trends.
Ms. Fernandez reviewed the SRMC financials through February 28, 2014. Please refer to the March 26, 2014 financial presentation for detailed information.	The target for the average daily census will be added to the monthly financial report.
Ms. Fernandez reviewed the FY15 Operating Budget in detail.	Upon a motion and a second the Board voted to approve the FY15 Operating Budget. Motion passed unanimously.
	SRMC is actively participating with the Sandoval County Health Council and the Rio Rancho Economic Development Corporation.  Ms. Silva – Steele presented zip code data on the types of patients we are seeing and the population we are serving.  **Board Comments/Questions**  **Dr. Roth acknowledged all who have contibuted to the hospital moving in a positive direction. Mr. Geist supported the comment.  **Dr. Ogburn provided a handout and update on the recent, new, and expanded services at SRMC.*  Dr. Ogburn mentioned that he anticipates the breast program to be a really good service and that the goal is to integrate this program with the UNM Cancer Center to provide state of the art outpatient and inpatient services to women from throughout New Mexico.  Dr. Ogburn has also been meeting internally with folks in regards to expanding the educational programs at SRMC.  **Dr. Pinancial Report**  Ms. Silva-Steele and Ms. Fernandez presented the dashboard.  Discussion ensued.*  Ms. Fernandez reviewed the SRMC financials through February 28, 2014.  Please refer to the March 26, 2014 financial presentation for detailed information.



	nter, inc.	
12.0	SRMC BOARD OF DIRECTORS INITIATIVES	
12.1	Chief Financial Officer Job Description/Selection Process  Ms. Silva-Steele presented the CFO job description and selection process. The timeline for this process is approximately four weeks.	Upon a motion and a second the Board voted to approve the CFO job description and selection process.  Motion passed unanimously.
12.2	SRMC Bylaw Revisions  Ms. Silva-Steele summarized the changes to the bylaws. Dr. Brad Cushnyr recommended further amending the bylaws as it relates to the Finance/Strategic Planning Committee to include a position on the committee delineated to the sitting Chief of Staff.  Next steps, the bylaw revisions will go to the HSC Board of Directors and forwarded to Board of Regents for final approval.	Upon a motion and a second the Board voted to approve the amended bylaws. Motion passed unanimously.
12.3	SRMC Board of Directors Committee Structure Ms. Silva-Steele presented the committee structure.  Next steps, the bylaw revisions will go the HSC Board of Directors and forwarded to Board of Regents for final approval.	Upon a motion and a second the Board voted to approve the committee structure. Motion passed unanimously.
12.4	The Joint Commission (TJC)  Ms. Silva-Steele reported that we are moving towards Joint Commission accreditation to be consistent with the Health System. SRMC is currently accredited with DNV since the opening of the hospital in July 2012. The TJC site visit is anticipated for mid May. Full accreditation is required by August 15, 2014 as DNV accreditation status subsides on this date.  Ms. Silva-Steele presented the Quality and Accountability performance scorecard that will be updated monthly and presented to the Board on a regular basis.	Accept as information
13.0	CLOSED SESSION	
13.1	Motion was made to close the Open Session and convene in Closed Session; the motion was seconded and passed unanimously.	
13.2	Dr. Roth presented the Closed Session Agenda to the Board for review	Upon a motion and a second, the Board voted to approve the agenda. Motion passed unanimously.
14.0	RECONVENE IN OPEN SESSION	
14.1	Certification that those matters discussed in Closed Session and issuance of final action of such items including:	
		i



14.2	Motion to ratify actions taken in closed session to include but not limited   Upon a motion				
		cal Staff Privileges and Comr		second, the Board	
				voted to approve those	
14.3	New Ap				providers requesting
	0	Burkenbine-Yamaguchi, Candy L., MD	Medicine/Internal Medicine	UNMH	Medical Staff Privileges
	0	Clapper, Keri E., CNP	Medicine/Critical Care	UNMH	and Committee meeting minutes.
	0	Cruz, Mario MD	Medicine/ Psychiatry	UNMH	Motion passed
	0	Lewis, Stephen F., MD	Medicine/ Psychiatry	UNMH	unanimously.
	0	Menke, Jake M., AAC	Hospital Based/ Anesthesia	UNMH	
	0	Rogers, Kendall M., MD	Medicine/ Internal Medicine	UNMH	
	0	Winham, Whitney M., MD	Hospital Based/ Pathology	UNMH	
	0	Zimmer, William D., MD	Hospital Based/ Radiology	UNMH	
14.4	Reappoi	<u>intments</u>			Upon a motion and a
	0	Appenzeller, Peter MD	Hospital Based / Pathology	UNMH	second, the Board voted to approve
	0	Bair, Rebecca B., MD	Medicine/ Hospitalists	UNMH	reappointments for
	0	Bankhurst, Arthur D., MD	Medicine/ Rheumatology	UNMH	Appenzeller-Zucker.  Motion passed
	0	Bereiter, Jeanne A., MD	Medicine/ Psychiatry	UNMH	unanimously.
	0	Bocklage, Therese J., MD	Hospital Based /Pathology	UNMH	
	0	Bolton, Jonathan W., MD	Medicine/ Psychiatry	UNMH	
	0	Cass, Shane P., MD	Medicine/Family Practice	UNMH	
	0	Crookston, Kendall P., MD	Hospital Based / Pathology	UNMH	
	0	Cushnyr, Brad W., MD	Hospital Based / Radiology	UNMH	
	0	Dell, Megan J., MD	Hospital Based /Emergency Medicine	UNMH	
	0	Dunivan, Gena C., MD	Surgery/ Gynecology	UNMH	
	0	Elifritz, Jamie M., MD	Hospital Based / Radiology	UNMH	
	0	Fair, Joanna R., MD	Hospital Based / Radiology	UNMH	
	0	Femling, Jon K., MD	Hospital Based /Emergency Medicine	UNMH	
	0	Ford, Hilary M., MD	Hospital Based / Anesthesiology	UNMH	
	0	Gaffney, Andrew PA	Medicine/ Cardiology	ABQ HP	
	0	Garcia, Phillip C., PA	Medicine/ Hospitalists	UNMH	
	0	Gonzales, David A., MD	Medicine/ Hospitalists	UNMH	
	0	Hanson, Joshua A., MD	Hospital Based / Pathology	UNMH	
	0	Hart, Blaine L., MD	Hospital Based / Radiology	UNMH	



	0	Hatch, Gary MD	Hospital Based / Radiology	UNMH	
	0	Horvath, Andrew E., MD	Hospital Based / Pathology	UNMH	
	0	Kennedy, George E., MD	Hospital Based /Emergency Medicin	ne UNMH	
	0	Ketai, Loren H., MD	Hospital Based / Radiology	UNMH	
	0	Luke, Matthew M., MD	Hospital Based / Pathology	UNMH	
	0	Mason, Mindy D. CNP	Medicine/Critical Care	UNMH	
	0	McCarty, Carolyn, DO	Hospital Based / Radiology	UNMH	
	0	McKee, Mary S. MD	Hospital Based / Radiology	UNMH	
	0	McLaughlin, Steven MD	Hospital Based /Emergency Medicin	ne UNMH	
	0	Mikola, Elizabeth MD	Surgery/ Orthopedics	UNMH	
	0	Minoletti, Sherry F., PA	Medicine/ Hospitalists	UNMH	
	0	Mlady, Gary W., MD	Hospital Based / Radiology	UNMH	
	0	Nelson, Michael (Tim), MD	Surgery/General Surgery	UNMH	
	0	Richards, Allison A., MD	Surgery/ Orthopedics	ABQ HP	
	0	Richards, Allyson MD	Hospital Based / Radiology	UNMH	
	0	Richards, Michael E., MD	Hospital Based /Emergency Medicin	ne UNMH	
	0	Rupp, Frederick W., MD	Hospital Based / Radiology	UNMH	
	0	Russell, John C., MD	Surgery/General Surgery	UNMH	
	0	Sever, Cordelia E., MD	Hospital Based / Pathology	UNMH	
	0	Sibbitt, Wilmer L., MD	Medicine/ Rheumatology	UNMH	
	0	Siegel, David MD	Hospital Based / Anesthesiology	UNMH	
	0	Simmons, Michael C. MD	Hospital Based / Radiology	UNMH	
	0	Telepak, Robert J., MD	Hospital Based / Radiology	UNMH	
	0	Veesart, Janet L., MD	Hospital Based /Emergency Medicin	ne UNMH	
	0	Williamson, Michael R., MD	Hospital Based / Radiology	UNMH	
	0	Williamson, Susan L., MD	Hospital Based / Radiology	UNMH	
	0	Wood, Bryan MD	Medicine/ Hospitalists	UNMH	
	0	Zucker, Myra, Path. Asst.	Hospital Based / Pathology	UNMH	
14.5	Expansi	<u>ons</u>			Upon a motion and a
5	0	Koshkin, Eugene MD	Anesthesiology/ Hospital Based UN	МН	second, the Board
	0	Rivers, William E., MD	PM & R/ Medicine UN	МН	voted to approve expansions for Koshkin-
	0	Sood, Akshay MD	Pulmonary/ Medicine UN	МН	Sood. Motion passed unanimously.



14.6	Resigna	tions & Application Wi	ithdraws			Information Only	
	0	Blanchard, Janet MD	Internal Medicine/Medicine	UNMH	Reqstg. UNMH Only	•	
	0	Castillo, Caroline MD	Radiology/Hospital Based	АВН НР	No longer w/ABQ Hi		
	0	Garcia, Jose MD	Anesthesiology/ Hospital Based	UNMH	Resigned		
	0	Kratzert, Wolf Benjamin MD	Radiology/Hospital Based	UNMH	Resigned		
	0	Montaser, Anoosh MD	Surgery/ Clinical Service	UNMH	Resigned		
	0	Turner, Krista MD	Internal Medicine/Medicine	UNMH	Resigned		
	Motion was made to approve general ratification of items in closed session, second; unanimously approved.						
15.0	15.0 ADJOURNMENT/NEXT MEETING						
	Motion was made to adjourn the meeting, second; unanimously approved. Meeting adjourned at 10:36 a.m.						
	The next meeting will be held on April 23, 2014 at						
	8:00-11:00am at UNM SRMC, Board Room // Teleconference at 1-888-557-8511 Passcode 2502228#						
	MEMBERS/GUESTS IN ATTENDANCE						

MEMBERS/GUESTS IN ATTENDANCE				
Board Members Present:	Board members Absent:			
Dr. Paul Roth				
Mr. Steve McKernan	Guests Present:			
Dr. Tom Williams (phone)	Mr. Scot Sauder			
Dr. Martha McGrew	Ms. Rosalyn Nguyen			
Ms. Charlotte Garcia	Ms. Roberta Houchen			
Mr. Jerry Geist (phone)	Mr. Sterling Fluharty			
Dr. Brad Cushnyr	Ms. Candra Thompson			
Mr. Manu RainBird	Dr. Howard Yonas			
Dr. Michael Richards	Dr. Fred Harrington			
	Ms. Jennifer Ogden			
Staff Members Present:	Mr. Larry Ryan			
Ms. Jamie Silva-Steele				
Dr. Tony Ogburn				
Ms. Darlene Fernandez				
Ms. Pam Demarest				
Ms. Correen Bales				