UNIVERSITY OF NEW MEXICO BOARD OF REGENTS
NOTICE & AGENDA
Friday, August 17, 2018 Special Meeting

Open Session, 1:00 PM
Student Union Building, Ballrooms B&C
UNM Main Campus

The University of New Mexico Board of Regents will hold a special meeting on Friday, August 17, 2018 at 1:00 PM to cure claimed violations of the Open Meetings Act pertaining to its special meeting held on July 19, 2018. The location for the meeting will be Ballrooms B&C of the Student Union Building on UNM Main Campus. The agenda for this meeting is as follows:

1. Call to Order, Confirmation of a Quorum, Adoption of the Agenda.
   
   Regent President Rob Doughty

2. Approval of Minutes: July 19, 2018 special meeting; August 14, 2018 regular meeting

3. Information Item: Summary of comments made at the July 19, 2018 Special Meeting.
   
   NOTE: VIDEO OF JULY 19, 2018 SPECIAL MEETING MAY BE REVIEWED AT: https://www.youtube.com/watch?v=dhaxzIX6GTE

4. Information Item:
   i. Introduction, UNM President, Garnett S. Stokes
   ii. Presentation of Administration proposal and plan relative to Athletics Department financial stability, to include considering the discontinuation of UNM Men’s Soccer, Men and Women’s Ski Teams, Beach Volleyball, and Diving as intercollegiate sports programs, Director of Athletics, Eddie Nuñez


5. Public Comment (related to agenda item, comments limited to 3 minutes per person)

6. Administration’s Response to Comments and Frequently Asked Questions, (President Garnett S. Stokes and Director of Athletics, Eddie Nuñez)

7. Action Item:
a. Consideration of and action on Administration’s proposal and plan relative to Athletics Department financial stability, to include considering the discontinuation of UNM Men’s Soccer, Men and Women’s Ski Teams, Beach Volleyball, and Diving as intercollegiate athletic programs.

8. Adjournment

In compliance with the New Mexico Open Meetings Act (10-5-1 NMSA 1978), this notice and agenda is made available at least 72 hours before the meeting and accessible on the public website, regents.unm.edu/meetings/index.html.

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in a meeting of the Board of Regents, please contact the University Communication and Marketing department at least one week prior to the meeting. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the University Communication and Marketing department at ucam@unm.edu, 277-5813, if an accessible format is needed.
Minutes of the Special Meeting of the Board of Regents of the University of New Mexico
July 19, 2018
Student Union Building (SUB) – Main Campus
Open Session – Ballrooms A & B; Closed Session – Cherry Silver Room

Members present
Garrett Adcock; Michael Brasher; Tom Clifford, Secretary Treasurer; Robert M. Doughty, President; Marron Lee, Vice President; Suzanne Quillen

Members not present
Brad Hosmer

Administration present
Garnett S. Stokes, President; Chaouki Abdallah, Provost and EVP for Academic Affairs; David Harris, EVP for Administration, COO, CFO; Paul Roth, Chancellor for Health Sciences; Eddie Nuñez, Athletics Director; Ava Lovell, HSC Sr. Exec. Officer of Finance and Administration; Dorothy Anderson, VP HR; Liz Metzger, Controller; Dorothy Anderson, VP HR; Dana Allen, VP Alumni Relations; Walt Miller, AVP Student Life; Elizabeth ‘Libby’ Washburn, President’s Chief of Staff and Chief Compliance Officer

Regents’ Advisors present
Rob Burford, Staff Council President; Pamela Pyle, Faculty Senate President; Becka Myers, ASUNM President; Boney Mutabazi, GPSA President; Laurie Moye, UNM Foundation Chair

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

CALL TO ORDER, CONFIRMATION OF A QUORUM, ADOPTION OF THE AGENDA
Regent President Rob Doughty called the meeting to order at 9:06 AM and confirmed a quorum with six members present. Regent Doughty asked for a motion to adopt the agenda.

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

INTRODUCTION
President Garnett S. Stokes delivered the following introduction:

“Thank you Regent Doughty and Board Members. Theodore Roosevelt said, “In any moment of decision, the best thing you can do is the right thing, the next best thing you can do is the wrong thing, and the worst thing you can do is nothing.” It is clear that we have not always done the best thing in managing our athletics department. This must change. When the UNM Board of Regents hired me to be the President of UNM, I was well-aware that tackling the numerous challenges related to the Athletics department finances, operations and structure, would be high on the list of priorities. So too would be demonstrating to the public how serious we are about running a sound and successful athletics program aligned with the mission and values of out university. Today is a defining moment in terms of how we, and I mean all of us, do the right thing, the right thing, for UNM Athletics. I have loved college athletics for decades, from the time I was a student at Carson-Newman College, through my years at the University of Georgia, at Florida State University, and the University of Missouri. And I love athletics at UNM. Our student athletes are talented, dedicated, young men and women, and their accomplishments are a point of pride for all Lobos. Our fans, our alumni, our donors, our families, and our community, those leaders routinely support our student athletes, and their passion is evident every single day, and a healthy athletics program is vital to who we are as an institution and as a community. The beginning of my tenure coincided with the University’s fiscal year 2019 budget process, during which the Athletics department was determined to be in ongoing financial distress. Amidst both internal and external audits, investigations, and a mandated fiscal oversight plan imposed by the New Mexico Department of Higher Education that put the University’s entire budget at risk, this board demanded a solution to address over a decade of accumulated deficits, missed projections, and the reality that our athletic expenditures continue to far outpace our revenues. The review and analysis that was undertaken and ultimately the proposal that Athletics Director, Eddie Nunez, is going to present today, is not just about right-sizing a department, it’s about doing the right thing for Lobo Athletics. Let me briefly talk about the consequences of not doing the right thing. I have stated before that the high-profile financial challenges faced by the Athletics department have led to a wide-spread loss of trust in the University and athletics leadership that can no longer continue. News reports depict incompetence and
despair with poor attendance at athletic events; failures in the simple task of scanning tickets at out football stadium; student athletes training in a rented tent because we cannot afford to build a permanent weight room; impermissible trips and expenditures; and of course the myriad self-inflicted financial concerns. And then in May, a Title IX report revealed that we are not meeting our federally mandated obligations in offering opportunities for our female students proportional to our student body composition. A failure to act now to address the financial and equity concerns will jeopardize all of our athletic programs, cripple and further damage a department that has struggled with trust and accountability and lead to potential federal intervention for a university that is already operating under an agreement with the Department of Justice. We have a financial obligation to budget responsibly and transparently, not just in Athletics, but throughout our entire institution. As this report was developed, we listened to and consulted with many people inside and outside of Lobo Athletics. The timing hasn’t been perfect. People are away in the summer, some are. However, I want to thank the hundreds of people who have weighed in, in advance of this report. Given the level of interest and emotion on all sides of this issue, the University is faced with very difficult decisions and very tough choices. Any budget reduction measure must start at the top. To this end, we will continue at our institution reducing administrative costs, conducting a comprehensive review of our organizational structure, and review contracts and opportunities for shared services. This approach is one Athletics is currently undergoing as well. Additionally, we had to review our capacity and ability to sponsor our sports teams at the same rate that we have been. Regrettably, our current sponsorship levels are not sustainable and have not been sustainable for years. We have consistently said that all options were on the table and in addition to reducing our overhead costs, we will also eliminate our sponsorship of some sports. The recommendation and ultimate decision, one which will carry lasting and far-reaching effects, is undoubtedly a painful one. For those who believe that cutting sports is an easy out, nothing could be further from the truth. I am convinced however, after examining the data and the range of possibilities considered by our athletic director, that this is our best option for stabilizing the Lobo Athletics financial future and complying with our federal obligations. Yesterday, our Athletic Director, Eddie Nuñez, advised the student athletes, coaches and staff in the potentially impacted sports of his report conclusions and recommendations to discontinue their sports and to impose a roster management plan on two others. I concur with this recommendation. The decision to recommend the elimination of sports has understandably been met with sadness, anger, and sympathy for students, coaches, and supporters who are affected. I pledge that we will work to support our teams to the fullest and all scholarships will be honored through graduation. Eddie will be presenting his report but before we get to that, I want to tell all of you here in this room that I’m deeply aware that this is an incredibly difficult and emotional time for every one of those who participate in, coach, and support Lobo Athletics. The futures of these outstanding individuals have been uncertain for the past several months which has led to much apprehension and criticism about what is being contemplated. This outcome weighs heavily on me, especially as I look out on all of you this morning. These are things over which we as leaders lose sleep, when we have to make such tough recommendations. I know that there is nothing I can say to you that makes this situation any better. Please do know this, our recommendation has been made with great deliberation and with the sincere belief that our very painful choices are what is needed for the long term future success of UNM Athletics. Thank you.”

[see EXHIBIT]

PUBLIC COMMENT

The following provided comments in support of UNM Athletics, student athletes and respective sports programs, and many spoke about the effects to students, the University and the community if the proposed sports program cuts were approved: Lauren Twitty, on behalf of Women’s Volleyball team; Jeff Nelson, Volleyball Coach; Dorsey Tierney-Walker, Women’s Swim and Dive; Becka Myers, ASUNM President; Ford Parker, Men’s Soccer; Carlos Gutierrez, Men’s Soccer; Anthony Muñoz, Soccer; Simon Spangenberg, Soccer; James Schneebeck, former UNM Soccer goalie; Shamach Broussard, Men’s Soccer; Nick Williams, Soccer; Matthew Dorsey, Men’s Soccer; Steve Kraemer, alumnus, 1994-97 UNM Soccer program, NAI Maestas & Ward; Jeremy Fishbein, Men’s Soccer Coach; Michael Grange, parent; George Brooks, alumnus, Letterman, former coach, spoke re. Ski Team; Tom Parker, alumnus, parent; Kevin Martinez, alumnus, parent, soccer fan; Randy Royster, alumnus, former Alumni Association President, soccer fan; John Garcia, former NM Secretary of Tourism, ASM board member, spoke re. Ski Team; A.J. Herrara, high school coach; Bill Gannon, alumnus, parent; Julia Warren, 4-yr member indoor Volleyball team, pioneer player Beach Volleyball team; Pauline Matter, Volleyball alumna, indoor Volleyball assistant coach, 2000 Sidney Olympics; Matt Davidson, former member Ski Team; Greg Williams, alumnus, former President UNM Law Alumni Association, parent; Stacey Nenninger, real estate broker, supporter of Beach Volleyball; Kristin Cooper, parent and soccer supporter; Lori Finley, parent and supporter Men’s and Women’s Soccer; Elaine Romero, policy analyst for Ken Sanchez, read comments on behalf of the City Councilor, urged the Regents to not cut athletic programs, specifically Men’s Soccer; Nikki Gallegos, original Lobo Women’s Soccer player; Debra Pearson, original Lobo Women’s Soccer player; Timothy Mondloch, UNM student advisor and Regents’ Scholar; Leeroy Martinez,
new student orientation leader, athletic trainer ed program; Boney Mutabazi, GPSA President, spoke of the importance of athletics and requested that any decisions by the Board of Regents be sustainable in the future.

Riema Auld spoke about a negative experience of medical care she had at UNM Hospital.

- At 11:42 PM, Regent Doughty recessed the meeting for a 5-minute break.

DISCUSSION AND ACTION ON ATHLETICS

AD Nuñez expressed appreciation for the public comments, especially those from student athletes representing their sport and their commitment to the University. He noted the challenges faced by the Athletics Department, including audits, internal and external reviews, and finances and expressed the personal difficulty of determining next steps, considering the exceptional student athletes at UNM. He stated that a failure of adults led to current circumstances and that the department failed to keep promises to students. He also noted the failure to correct problems for years prior to his arrival. He echoed President Stokes’ statement that the Athletics Department and University are at a crossroads and noted the administration’s commitment to stabilize and right size Athletics. The discontinuation of sports is not a light decision; however, if changes are not made, UNM Athletics will see more of these type decisions in the future. He assured the regents that adopting the recommendations will position Athletics for success and allow programs to grow. [EXHIBIT]

In the process to determine next steps, the administration analyzed data, collected information, engaged constituents from all sports, gathered input from fans, and spoke to student leaders and state constituents. He noted two systemic problems: financials and Title IX compliance. In May, a Title IX consultant’s report concluded UNM needs to make significant changes to meet Title IX compliance. The plan put forth for consideration addresses finances and Title IX, and also aligns UNM Athletics with the Mountain West Conference.

The administration continues to develop ways to increase revenues, and has reviewed ticket sales, licensing contracts, multimedia rights contracts, naming rights, and how to bring more events into venues. Expense reductions have also been examined. Mr. Nuñez stated the departmental $33.5 million budget ranks eighth out of twelve Mountain West institutions, noting Athletics’ budgets have been flat or reduced for several years, resulting in over $700K reductions since 2016, mostly through staff vacancies. Numerous positions are on hold currently, but contribute to student athlete support and experiences and cannot be eliminated. Athletics has also worked with Main Campus on shared services, resulting in a $250K savings yearly, and examined cost-containment possibilities, such as more shared services, including compliance, communications, and academic areas, which they plan to pursue.

Mr. Nuñez stated Athletics appreciates the contribution of student fees and noted institutional leadership will need to ensure transparency regarding any proposed new student fees to support student athletes. Mr. Nuñez commented that the current proposal addresses Athletics’ debt and deficit obligations, but further detailed conversations will need to occur about the path forward. When making decisions to cut, modify or roster-manage sports, the administration considered many factors, including cost savings, donor impact, academics, athletics, conference affiliation and community engagement. He noted every team has had accomplishments.

AD Nuñez vowed Athletics will maintain responsible stewardship to support a thriving athletic department moving forward, noting the proposal focuses on sustainability with available resources. He concluded that Athletics can be an integral part of UNM with the acceptance of this proposal.

Regent President Rob Doughty inquired when the Athletics Department last conducted a Title IX review, before the May 2018 review. AD Nuñez responded one occurred in 2000, and four years ago UNM added women’s Beach Volleyball to alleviate potential compliance concerns. Mr. Nuñez noted that upon his arrival, it was evident UNM needed to look more deeply at gender equity and Title IX to ensure compliance, noting that Title IX is a federal mandate. Regent Doughty thanked AD Nuñez for his vigilance and noted the fact the gender equity analysis had not been completed for some time reflected poorly of the University. He apologized on behalf of UNM, stating that moving forward, Title IX has to be considered almost above everything else as an integral part of UNM’s mission.

Regent Doughty inquired if UNM will honor scholarships until graduation for student athletes in the proposed eliminated sports. Mr. Nuñez confirmed. Regent Doughty inquired if incoming freshmen with four-year soccer scholarships would be allowed to stay and finish the scholarship, to which AD Nuñez confirmed. Regent Doughty inquired if there was anyone from the administration present who would say that this was not guaranteed; there was no one.
Regent Doughty then inquired if students from proposed eliminated sports would be able to play elsewhere as transfers. AD Nuñez responded the NCAA has agreed that a student whose sport has been eliminated will have the opportunity to transfer without penalty as of the day the decision is made. He stated that he had assured students of this and met with the compliance office; Athletics is on standby to complete the process for students who request it.

Regent Clifford thanked President Stokes and AD Nuñez and noted he was unsure how many of the people who spoke during the public commentary portion have followed UNM’s financial problems, a subject discussed in every meeting for at least two years. He noted UNM is trying to dig itself out of a financial hole that is not solely related to Athletics, and the proposal addressed not just finances, but also Title IX compliance critical to federal support to campus. He emphasized the proposal was not targeting or casting judgement on any sport, that the regents appreciate all student athletes, and statements that the regents are out of touch with the community are untrue. He noted President Stokes and AD Nuñez have inherited a difficult situation and were charged with making Athletics viable as a contributor to campus, and he reiterated that the process to develop a proposal was not hasty. He noted the regents previously received recommendations from staff council, faculty and student government leadership that Athletics needed to find financial balance. Regents have also received community feedback. The regents asked staff to perform the analysis to ensure the process remained objective. He emphasized that in order to support sports properly, the programs need proper funding, as it would be an injustice to athletes to pretend programs can be maintained and then have to underfund them moving forward.

Regent Tom Clifford inquired about audits completed by the Office of the State Auditor and UNM Internal Audit, and the additional oversight requested by the State Higher Education Department. He requested that Controller Metzger summarize (and provide a written report afterward) the steps the administration has taken to address financial reporting deficiencies. Ms. Metzger responded Athletics hired a Chief Financial Officer at the beginning of 2018 and filled key vacancies in their business office to provide better control. Transactions are able to get processed more quickly with better oversight. Also, FY19 budgets will reflect each sport individually, to better identify costs. Currently these expense reports are pulled by sport outside of the Banner system. In FY19, they will be more easily prepared. A new software system implemented in Banner will process P-Card expenses, reimbursements, and other transactions and allow for faster review and processing; transactions will post in the general ledger more quickly for a much more accurate picture of what expenses are by sport at any given time. Staff in shared services have taken on business functions for Athletics, providing experience in processing transactions and skills in processing high volumes quickly. The Controller’s Office is involved in assisting Athletics in reviewing expenses almost daily. The administration feels confident that with so much assistance, oversight will be strong with a clean fiscal year-end. AD Nuñez added he has received appreciation from the State Auditor’s office and approval of all tasks handled thus far, and there are two remaining. He noted Athletics is making tremendous progress with audit responses. Regent Clifford noted the audit committee will receive a quarterly report, and expressly wanted the community to understand there is a continuing program to improve financial management of Athletics. Regent Clifford reiterated the need for AD Nuñez to communicate to departmental management and coaches the mandate that they be financially responsible for their programs.

Regent Marron Lee echoed Regent Clifford’s admonition and noted she expected monthly financial reports at the Finance & Facilities Committee meetings. Regent Lee also recalled that she was vocal when UNM cut sports in the 1990s and would rather have more student athletes on campus, as the intangible benefits the University receives from their work is incalculable. She reiterated the importance of Title IX compliance, noting that noncompliant institutions receive oversight by the Office of Civil Rights, which would put UNM at jeopardy of losing all federal funding. She requested Provost Abdallah provide information about UNM’s Pell grants. Provost Abdallah replied that 10,000 UNM students receive Pell grants for a total of approximately $40 million in aid. He noted UNM receives total federal financial aid of approximately $170 million. Regent Lee inquired how much it would cost and how many women’s sports would need to be added to become Title IX compliant. AD Nuñez responded initial attempts revealed the University would first have to address the financial situation, be able to grow budgets at some point, and still reduce men’s teams for the purpose of proportionality, so adding teams would ultimately cost between $5-7 million (recurring), including facility enhancements. Regent Lee inquired how much that translated to in student fees. EVP Harris responded about $500-600 more per student in fees. Mr. Nuñez noted that potentially two female sports would need to be added. He explained that Beach Volleyball was added to address Title IX, but the University finds itself in the position of being unable to support it properly.

Regent Lee inquired about the Beach Volleyball facilities. Mr. Nuñez noted the team currently plays at a restaurant/bar facility on Fourth Street. Regent Lee inquired about Diving facilities. Members of the diving team responded the closest tower is in Colorado Springs. Regent Lee request information about the Title IX consultant. Mr. Nuñez stated that Helen Grant, a national consultant, who has completed over 20 Title IX audits, has worked with the administration while they
were developing this proposal and has reviewed it to ensure the plan will not just sustain UNM for this year or next, but for at least five years into the future, with opportunities to ensure compliance and growth for women’s sports.

Regent Clifford inquired how the decision was made between Baseball and Soccer, as mentioned in the Title IX report. AD Nuñez stated that financial considerations, compliance, and Mountain West Conference alignment were all considered, and noted it was not a question of achievement or support for Baseball. Regent Brasher inquired if the same process were applicable to Track and Mr. Nuñez confirmed that roster management of the Track team underwent the same considerations. Regent Lee inquired what the average number of sports is for a Mountain West Conference institution and Mr. Nuñez stated 18.5. Regent Lee recalled that in financial discussions two years ago there was a projection that indicated seven sports might need to be cut. Mr. Nuñez discussed that a larger number of sports or larger teams could be cut to meet numbers, but the consideration was Title IX, financial status, and Mountain West conference alignment. Dropping seven sports would place UNM under the NCAA minimum.

Regent Lee noted that if no sports were cut, student fees would have to increase to $1400 per student, or equivalent funds would have to be taken from I&G, in perpetuity. Mr. Nuñez confirmed. Regent Lee inquired what Mr. Nuñez will do to change past behaviors. AD Nuñez stated that the action he took to review UNM’s Title IX compliance indicates he will be accountable. He vowed that he will take action to remain in compliance and to put a plan in place with the right staff in the right positions to ensure Athletics provides a significant benefit for student athletes at every opportunity available. Regent Lee reiterated that monthly reports will need to show transparency and that every single sport is in budget and added the regents are committed to monitoring and questioning Athletics to ensure accountability. AD Nuñez concurred.

Regent Suzanne Quillen thanked President Stokes, recalling a discussion about difficult decisions and her need for support from the regents. Regent Quillen noted that other decisions brought to the board, such as pre-retirement healthcare benefits and the unfunded retirement liability, have been deferred. She expressed her appreciation for soccer, and noted that the football budget was $8.2 million in FY18, reduced to $6.2 million for FY19. She inquired about the decision-making process as applied to football, considering it is twice as expensive as the next most expensive sport. Mr. Nuñez responded that Athletics is addressing football expenses further, including reducing meals for student athletes. Coaches have opted temporarily not to take recruiting trips. He noted that football will be held to the same accountability as all sports in managing its budget.

Regent Clifford inquired what would happen to the relationship with the Mountain West Conference if UNM eliminated football. Mr. Nuñez stated there are four core Conference sports – indoor volleyball, men’s and women’s basketball, and football. Regent Clifford inquired if UNM would have to leave if football were eliminated. Mr. Nuñez noted it would be a possibility.

Regent Michael Brasher stated he had spoken in general terms about the decision with President Stokes earlier in the week, before the final report was distributed. He acknowledged the many emails regents had received from the community and leaders, and expressed gratitude for those who spoke in the public commentary portion of the meeting, acknowledging the many contributions of the soccer community and the value brought to UNM from their efforts. He noted the deep sense of pride in student athletes. He expressed the need to address financial and Title IX issues, which are essential and critical to a functioning research institution, and the need to align with the Mountain West Conference. He also noted the need to examine future revenues and existing contracts to ensure collection of revenues. He acknowledged President Stokes’ and AD Nuñez’ hard work to develop a recommendation and expressed appreciation for the work of the other members of the board. He noted that from his perspective, the recommendations are the right thing to do.

Regent Lee reiterated to AD Nunez that she will want a monthly report and restated that the students who made the commitment to play as Lobos on eliminated teams will have their scholarships honored. With that, Regent Lee motioned adoption of the proposal; Regent Clifford seconded; there was further discussion.

Student Regent Garrett Adcock wanted to give comments, noting it was important to clarify his stance as a student representative and former student athlete, to respond to statements that arose during the public comment portion of the meeting. He read from a prepared statement indicating the board must hold true to the authority delegated to it by upholding the administration’s plan to bring financial stability to Athletics and ensure Title IX compliance, noting the board is tasked with improving the University’s future through thoughtful stewardship of assets, culture and environment. The regents’ manual states it is University policy for athletics to comply with the spirit and intent of Title IX, including remedying financial discrepancies between men’s and women’s programs. He emphasized it was clearly unfair to the young women, men and coaches that represent UNM, but requested understanding that if there were an alternative, the
regents would seek it. He stated that leadership demands fidelity to do the right thing above all else, even fairness, and expressed his support for the administration’s plan for the future of UNM’s athletic program.

**The motion to adopt administration’s athletics proposal passed with a unanimous vote in favor (1st Lee; 2nd Clifford).**

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

Regent Lee motioned to close the meeting and proceed in Executive Session; Regent Clifford seconded the motion; the motion passed unanimously with a vote of 6-0-0: Regent Adcock voted in favor of the motion; Regent Brasher voted in favor of the motion; Regent Doughty voted in favor of the motion; Regent Clifford voted in favor of the motion; Regent Lee voted in favor of the motion; Regent Quillen voted in favor of the motion.

The meeting closed at 12:51 PM. Members proceeded to the Cherry Silver room on third floor of the SUB.

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

Regent Doughty asked for a motion to go back into open session. Regent Lee motioned; Regent Brasher seconded; the motion passed unanimously. The meeting re-opened at 1:06 PM. The doors to the Cherry Silver room were opened. Regent Doughty announced there were no closed session discussions, the closed session personnel matter was not discussed and would be discussed at next month’s meeting. Regent Doughty asked for a motion to adjourn the meeting.

**ADJOURN**

The motion to adjourn passed unanimously (1st Lee; 2nd Brasher); the meeting adjourned at 1:06 PM.

Approved: Attest:

__________________________________  __________________________________
Robert M. Doughty III, President    Tom Clifford, Secretary/Treasurer

Minutes originated by Mallory Reviere and Emily Morelli; finalized by Mallory Reviere
EXHIBIT TO THE MINUTES OF THE JULY 19, 2018 MEETING OF THE UNM BOARD OF REGENTS

University of New Mexico Department of Athletics Analysis and Review
Overview

The University of New Mexico has a proud history of intercollegiate athletics, including three NCAA national championships and 30 conference championships. The University currently sponsors 22 varsity sports, with all but four competing in the Mountain West Conference.

Like many of its peers within the Mountain West Conference and around the country, UNM is faced with multiple challenges in maintaining a healthy and competitive athletics program. Foremost among these are the rapidly escalating costs associated with intercollegiate athletics. Over the past 12 months, it has become clear to University leadership that changes must be made to ensure the long-term financial viability of the Athletics Department. This took on more urgency as the scope of our financial challenges became apparent and University officials began to consider solutions. In March 2018, the UNM President established the UNM Athletics Budget Task Force to address the significant financial concerns and to make recommendations regarding FY 2018 and FY 2019, as well as to address the long-term financial health of UNM Athletics. In April 2018, the UNM Board of Regents approved a deficit-reduction plan for FY 2020-2029 that included $1.9 million in cost-savings per year from the reduction in sport offerings as part of an overall plan to address the need for $3.4 million in annual cost reductions and reallocation of resources.

In addition to the financial challenges facing UNM Athletics, a recent independent report commissioned by the University determined that UNM Athletics has potential issues with federal Title IX laws regarding gender equity. These two significant challenges require urgent action.

The University engaged a long-time respected college athletics administrator to review all aspects of the Athletics Department and analyze what changes ought to be made. While this review is ongoing, immediate action must be taken to address these issues. The Director of Athletics launched a comprehensive review and analysis to provide recommendations to the President regarding revenue opportunities, expenses reductions and cost containments, including what, if any, sports offerings would need to be eliminated. More than two dozen universities have eliminated varsity sports programs in the last five years to address financial, gender equity or other concerns, and despite the significant impact on student-athletes, this option must be considered.

The financial audit reports, the Title IX audit, and the large accumulating deficit have given the process urgency and left UNM with few good options. The recommendations provided within this report are truly the last, best options to ensure the long-term success of UNM Athletics.

This report provides the background of the challenges and recommendations for moving forward.

Current Financial Status

Due to specific, widely reported events regarding financial management, the Athletics Department, the University and the State of New Mexico conducted numerous financial audits of the Department, with the most recent of which was completed by UNM’s Office of Internal Audit in May 2018. These audits found fault with many financial reporting, accounting and auditing processes and procedures
within the Athletics Department. Since then, the Athletics Department has taken significant action to address these issues. Systemic faults revealed by the audits and internal budget reviews intensified an ongoing financial deficit. Prior to the infusion of institutional funds and land-sale proceeds, the Athletics Department’s projected deficit for FY18 stood at approximately $2.1 million. If the Department continues down its current path, the projections in future years will only increase the annual deficit. In addition, these annual deficits do not consider a cumulative deficit over the past 10 years of approximately $4.7 million, which Athletics is tasked to pay back at a $500,000 annual cost beginning in FY21, as outlined in the New Mexico Higher Education Department financial master plan approved by the UNM Board of Regents. It is simply not sustainable to operate an organization with escalating costs, declining revenues and deficit spending.

Over the past decade, expenses have continued to increase, revenues have decreased and the operating budgets for each sport program have been incrementally reduced. While there is guaranteed revenue from conference distributions and multimedia rights deals, as well as an apparel agreement (Nike), the fluctuations in all other areas have a significant impact on the Athletic Department’s bottom line from year to year. Significant shortfalls in budgeted ticket sales and fundraising efforts over the past two years, as well as expense budgets that were not properly adjusted to reflect the decline in revenue, have put the Athletics Department in deeper peril.

These financial challenges are significant and potential solutions are limited, having been further reduced by the findings in May 2018 of the Title IX audit.

**Current Title IX Status**

Title IX of the Education Amendments of 1972 “protects people from discrimination based on sex in education programs or activities that receive Federal financial assistance.” Compliance and enforcement of Title IX falls on the U.S. Department of Education’s Office of Civil Rights (OCR). As it relates to college athletics, Title IX commonly refers to gender equity in athletics departments, ensuring that men and women have equal opportunities and resources to compete.

The need to assess UNM’s compliance with Title IX in the near future resulted in the retention of Helen Grant Consulting, national experts in Title IX assessments. They were and charged with conducting a comprehensive, independent review of the Athletics Department’s Title IX practices.

In May 2018, the consultants presented their final report to the University, which was made public days later. Refer to the following link to access the UNM Athletics Title IX assessment:


*Exhibit A – Title IX Report*

UNM seeks to comply with all Title IX obligations, as well as University policies and procedures.
In UNM’s situation, reaching substantial proportionality is the only viable means for complying with the Accommodation of Interest and Abilities component of Title IX. As of July 1, 2018, UNM compliance with proportionality can only be achieved with the addition of women’s sports or the elimination of men’s and women’s sports, coupled with strict roster management.

Full-time undergraduate male students currently comprise 44.6% of UNM enrollment, with women comprising 55.4%. However, in athletics, 56.2% of student-athletes are male compared to 43.8% female.

AY 2016-2017 Undergraduate Enrollment & Participation Rate Analysis

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<th>Male</th>
<th>Female</th>
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<tr>
<td>Full-time Undergraduate Male Students:</td>
<td>8,765 (44.6%)</td>
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<tr>
<td>Full-time Undergraduate Female Students:</td>
<td>10,883 (55.4%)</td>
<td>19,648</td>
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<tr>
<td>Male Participants</td>
<td>317 (56.2%)</td>
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<tr>
<td>Female Participants</td>
<td>247 (43.8%)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>564</td>
<td></td>
</tr>
</tbody>
</table>

There is a minus 11.6% difference, favoring men, between the male and female participation rates and the male and female full-time, undergraduate enrollment rates, which is equivalent to approximately 145 participation opportunities—a significant number. The University has determined that the inequity and proportionality issue must be addressed immediately, or risk possible administrative action by OCR.

The Title IX report goes into detail regarding the awarding of financial aid, the adequacy of facilities, financial support for sports and many other related areas. It is the consultants’ recommendation that to comply with Title IX, UNM must consider implementation of Roster Management Plans and must consider the restructuring of its sports offerings (elimination of sports) to maximize participation opportunities for women in the current sports. The restructuring and “downsizing” of NCAA Division I athletics departments to address Title IX and financial concerns continues to increase across the country.

To simply reduce the number of men’s scholarships or add women’s sports could harm the competitive balance of UNM teams and would not align with the MWC sports offerings. In the short and long-term, UNM Athletics must achieve financial stability and gender equality. Unfortunately, in many cases, those goals are not congruent. Reducing costs would further exacerbate the Title IX concerns, whereas addressing gender equity issues will result in further deficits. The equation is complicated. The recommendations detailed below will address both concerns and include revenue enhancement, expense reductions, costs containment and debt/deficit service.


**Revenues**

**Conference Distribution and Media Rights**

Currently, the University each year receives approximately $1.1 million from the Mountain West Conference as part of conference-wide media deals with ESPN, CBS Sports Network and other partners. The media deals expire in 2020, and no one is confident that future media deals, whether with traditional broadcast outlets or through new entities in the game (Twitter, Amazon, Facebook, etc.), will result in an increase in per-school revenues. In fact, it is possible that future media deals may result in less revenue to schools.

Individual schools also receive revenue from selling their multimedia rights to third-party entities, and UNM is currently in the final year of a multi-year agreement with Learfield, valued for FY 2018-19 at $4,456,500 guaranteed. Our current agreement with Learfield, a UNM partner since 2007, is one of the most valuable in the Mountain West Conference and one of the most valuable in the Group of Five conferences. However, it is unlikely that future multimedia rights deals for UNM will result in a significant new influx of revenue, but can provide opportunities to increase support for the Athletics Department through marketing, graphics creation and video production support.

**Corporate Sponsorships and Partnerships**

Currently, UNM Athletics generates approximately $1 million from annual corporate partnerships, including the naming rights for The Pit and Dreamstyle Stadium. There are multiple opportunities to increase revenue through sponsorships and naming rights, such as the field in the football stadium, club and suite levels and other athletics facilities. Most of the revenue obtained from naming rights agreements goes directly to offset The Pit debt, as well as debt on the baseball stadium. Future revenue opportunities need to be developed to assist with Department operations and, more importantly, to help grow support for student-athletes. Corporate sponsorships play an important role that extends beyond the financial benefits. For example, UNM can enhance the fan experience by engaging corporate sponsors to create exciting fan zones to improve the game day experience.

**Ticket Sales**

Like most athletics departments, ticket sales from UNM men’s basketball, football and women’s basketball help drive the annual fiscal picture for the Athletics Department. Season ticket sales and individual game sales for football have been declining, and 2018 is projected to follow that trend. Fans have more options than ever before to watch games, as many other institutions are facing similar challenges and are realizing that even with a successful product on the field, ticket sales remain stagnant or in decline. Unfortunately, in past years, administrators did not decrease the budgeted revenue nor adjust expenses accordingly, which only added to the deficit. One thing is clear: our Lobo men’s basketball program is a source of pride for our state and the community, and fan support is strong. Regardless of the decline in ticket sales over the last couple of years, we are excited and hopeful for an upward trajectory in basketball ticket sales.
Efforts are underway to reorganize our ticket operations and to improve the customer experience, including implementation of new software and new platforms to provide better service to our fans. This new ticketing software system will modernize our current ticketing system by targeting new opportunities to grow ticket sales for all our sports. We are committed to providing fans with a better, more efficient ticket-buying experience, which then can translate into additional funds. Increasing the number of online ticket sales reduces the expense of traditional ticket sales conducted over the phone or in person.

**Lobo Club/Donations**

For FY18, the Lobo Club raised $2.2 million for the Lobo scholarship fund. Based on our history, the size of the potential donor base and continuing capital campaign payments, it is anticipated that UNM will see a modest year-over-year increase in donations. Over the past six months, Athletics and the Lobo Club staff have jointly focused on addressing the internal and external audit findings, as well as reviewing operations. The emphasis on establishing better policies and procedures has helped us to address all the consultant’s findings. In addition, a payment process was established that led The Lobo Club to sell 100% of suites and club seats for FY18. This has helped to establish trust with donors, which in turn has also led to FY19 increases in most fundraising categories, compared to FY18 at this time last year.

The focus moving forward is on fully restructuring the Lobo Club and growing the number of donors, increasing the amounts of donations and expanding offerings through endowments to support our coaches and student-athletes.

**Game Guarantees**

The college football game guarantee market continues to increase and UNM remains a coveted match-up for Power 5 schools that are willing to pay UNM fees of upwards of $1 million for scheduled games. While the guarantee amount has risen, it has become more difficult to schedule, with many teams’ slates filled up to eight to 10 years in advance. If UNM can secure future opponents for large guarantees, that might translate into an influx of monies, but these revenues are not guaranteed reoccurring commitments. In addition, there are competitive and safety concerns for our football student-athletes in scheduling multiple guarantee games in one season.

**Facility Revenues**

While the priority use for each of the UNM Athletics facilities is for its student-athletes and events, new revenue can potentially be generated through rental fees. The Pit currently is home to the PBR Rodeo, exhibition tennis matches, high school state basketball tournament games, high school state cheer competitions, several spirit competitions and the Harlem Globetrotters, in addition to University events such as graduation. UNM could seek out new revenue from hosting professional basketball exhibition games, promoters hosting tennis matches, concert promoters and by hosting the APS Metro Championship. Of course, UNM Athletics events and teams would continue to have priority, but UNM will place a higher priority on growing revenues from outside events.
Dreamstyle Stadium hosts events such as Nitro Circus, Sunrise Celebration, the state band competition, a UNM Cancer Center cycling fundraiser and some high school football games, in addition to the home slate of UNM football games. Potential revenue opportunities at Dreamstyle Stadium include concerts, monster truck shows, professional sporting events and the state high school football championship.

Several other UNM Athletics facilities, such as track, baseball, softball and our tennis facility, can be used as host venue for outside entities, thereby creating additional facility revenue.

**Other Revenues**

Other revenue streams include licensing, apparel, e-commerce/team store, parking, concession sales and health care reimbursements.

UNM Athletics currently has a shoe and apparel agreement with Nike through July 2020. The University may negotiate a new partnership with Nike at any time but may not contact any third-party vendors prior to February 2020. The partnership with Nike provides UNM with $1,050,000 in product, along with performance incentives. UNM’s Nike agreement is one of the best apparel deals in the Mountain West Conference. As in any renegotiation, there may be opportunities to increase the amount of Nike shoe and apparel product, as well as the possibility of cash and/or additional performance incentives and, of course, an agreement with a different apparel provider might also enhance revenues.

Concessions sales at UNM have been challenging over the last several years. Shrinking attendance at athletic events has led to an expected drop in concession revenues. UNM Athletics is working aggressively with our concessions partner, Levy, to increase revenue by gathering feedback from fans, by providing more options through creative offerings, and by engaging locally known vendors to build on New Mexico’s traditionally rich food culture. Initiatives such as the student-priced menus at basketball games have proven to be successful and the Department must continue to be creative in the concessions space. UNM has had an agreement with Pepsi for concession stand “pouring rights” for more than 10 years and is currently in the process of finalizing a new agreement with Pepsi. The previous pouring rights agreement was tops in the Mountain West Conference, and our expectation is that we will remain at the top of the Mountain West Conference in this category with the new agreement.

UNM Athletics works with the UNM Bookstore for e-commerce (internet merchandise sales) and event sales. Gross sales for FY15 were $22,241.97, $17,151.41 in FY16 and $13,240.35 in FY17 – clearly a downward trend. To help reduce expenses and increase revenue, all online traffic is now directed to the UNM Bookstore website, as the Lobo Den Store website has been discontinued. For team store and event sales, Athletics continues to work with the UNM Bookstore and has an agreement in place until June 2019, after which Athletics may remain in the partnership or engage with an industry leader. This will provide an opportunity starting in 2020 to leverage resources to combine e-commerce and the Team Store to better serve UNM constituents. These sale opportunities can be enhanced to generate additional revenue.
EXPENSE REDUCTIONS

Assuming revenues remain steady, if not on the decline, attention turns to expenses, where the rapidly escalating costs of sponsoring 22 sports does not look to slow anytime soon. The rising costs of providing financial aid through scholarships, head and assistant coaches’ salaries, health benefits and staff salaries, recruiting budgets, travel costs, student welfare, mental health support and operations are among just some of the areas that have imposed an enormous financial burden on the Athletics Department. In sponsoring sports, UNM must provide sufficient resources for the programs to be competitive and to ensure that we are providing our student-athletes with an excellent experience during their time at UNM.

UNM Athletics has already taken many steps to reduce expenses and has a plan in place to initiate further reductions.

Organizational Structure of the Athletic Department

A full review of the administrative structure, as well as an examination of staff responsibilities, is currently underway. Decisions on a reorganization of our Athletics Department will be made over the next several months. Understanding our Department’s direction moving forward is a critical piece in the implementation of an organizational plan. The reorganizational structure may include adding or eliminating positions. This will allow the Department to maximize resources and potentially lower expenses while protecting the support of our student-athletes.

In FY16, the Athletics Department had more than 137 full-time employees, a number that did not include tutors, graduate assistants and several other part time employees. To reduce expenses, the Department, like many other areas on campus, has continued to make significant sacrifices to its staff by eliminating positions or imposing a hiring freeze on vacant positions. Over the past four years, the Department has used staffing adjustments to help address financial challenges.

The Athletics Department now has 126 full-time employees, including coaches and staff members, who support our student-athletes through internal operations, including facilities, compliance, the athletic training room, finance, academic support, strength and conditioning. Those in external operations provide services that include development, marketing, video production, ticketing and communications. These employees—and these positions—are vital to maintaining operations and providing the best opportunity for success.

Since July 2016, Athletics has saved more than $700,000 between unfilled vacant positions or positions put on hold for cost savings. For FY 2019, to further assist with the budget shortfall, the already-reduced Athletics Department placed three additional positions on hold, for a savings of $96,000.

The Athletics Department is understaffed when measured against peers in the Mountain West Conference and similar-sized universities. In addition to not having enough personnel in key areas,
some UNM coach and staff salaries have fallen below the mean for the MWC. While a reduction in personnel may seem like an option to remedy the current financial challenge, UNM Athletics cannot do so without jeopardizing the health and safety of student-athletes, and compromising chances for competitive success and hampering efforts to increase revenue.

**Operational Expenses**

While a large share of UNM Athletics expenses is in salary and benefits for the 126 employees, the second-largest expense is the operation of the Department. Currently, the FY 2018 UNM Athletics budget is approximately $33.5 million, which ranks eighth out of the 12 Mountain West Conference schools.

As with reducing staff, any reduction in operational expenses can continue to jeopardize our student-athletes, staff and fans. Reductions in external areas such as marketing could result in less revenue.

The growing costs of maintaining facilities, providing medical and mental health assistance, equipment, uniforms, computers, insurance, travel, recruiting expenses and so many other areas, necessitated a comprehensive review of all expenses. For example, starting in the fall of 2018, the football team will not stay at a local hotel the night before home games, for a savings of approximately $35,000. This change to their routine will be re-evaluated after the season to assess the benefits of the savings toward the well-being of our student-athletes. Athletics is also looking at its event management practices and staffing services for all events to continue to reduce overall costs.

UNM Athletics is also exploring the potential for reimbursements from health insurance companies for student-athlete services rendered by Athletics trainers under the supervision of the team physicians.

**Cost Containment and University Investment in Athletics**

UNM Athletics must also take on cost containment strategies for long-term viability. These containment measures include the sharing or transferring of redundant services to University oversight and responsibility, a decrease in the number of scholarships provided to student-athletes and a reduction in the number of UNM Athletics sport offerings.

**Shared Services**

In the past six months, the Athletics Department has started to implement cost containment strategies by sharing some operational services with the Main Campus, a practice followed by many other departments on campus. The Athletics Business Department and the Athletics Human Resources Unit now report to Main Campus, with a dotted line to the Director of Athletics. The
University has assumed the financial costs of those units, saving the Department approximately $250,000 each year.

Consideration should also be given to the merging of the following areas, with employees in these units reporting to University officials but with a dotted reporting line to the Director of Athletics. Given that recent changes in NCAA rules have made the task of management much greater, this shared approach would strengthen communication and collaboration between Athletics and the University and ensure compliance and integrity in all endeavors.

**Athletics Compliance** - The unit could become a part of the Main Campus Compliance Office. While Athletics Compliance would still be managed day-to-day by the Director of Athletics, it would also be fully integrated with the Main Campus Compliance Office. The annual savings to Athletics would be approximately $150,000.

**Academic Services** - The Department’s Academic Support Services unit does tremendous work in supporting student-athletes’ progress towards graduation. Currently, there are seven staffers, along with 19 part-time tutors per semester who provide academic support. As its mission is directly tied to the University and is aligned with the Office of the Provost, consideration should be given to having the Office of the Provost assume financial and day-to-day oversight of Academic Support. It would more closely tie the academic areas to the University and would allow for a significant cost reduction for Athletics – approximately $250,000 annually.

**Athletics Communications** -- The unit would become a part of University Communications and Marketing, while day-to-day management would still reside in Athletics. This would lead to better continuity of messaging and daily collaboration, and Athletics would realize savings of approximately $200,000 a year.

**Institutional Support**

The Department must continue to work closely and in collaboration with the University in all its initiatives. UNM ranks eighth of 12 Mountain West Conference members in institutional support (Air Force not included), with the average athletics department receiving $9.31 million in institutional support in 2017. In 2017-18, the UNM provided Athletics with $6,477,683 in support. Of this total, $4,363,683 million was in direct funding, while $2,114,000 was a one-time transfer to support the current year budget deficit. As an institution, UNM must look at the opportunity to increase support of Athletics on a recurring basis.

**Student Support**

The University—especially Athletics—is keenly aware of the financial burdens placed on all students through tuition, room and board, fees and books. However, as UNM continues to study possible opportunities to help stabilize Athletics, a modest increase in student fees can be of substantial benefit to athletics.
In FY 2017-18, Athletics received $3,851,603 in total revenue was received from student fees. In preparing the Athletics’ budget for the 2018-19 academic year, the directive from the institution was that the student fee revenues to Athletics will drop to $3,681,708. By comparison, the average student fee-generated athletics revenue for Mountain West Conference departments was $4.98 million, ranking UNM sixth of 12 and below the average of other Group of Five conferences.

Athletics will continue to have open dialogue with UNM student leaders and university administration to see if opportunities to enhance revenues might arise in the future.

**Scholarship Opportunities**

A full scholarship for a UNM student-athlete is approximately $18,000, not including a Cost of Attendance supplement of $3,572. On the surface, reducing scholarships might seem to be a viable option to cut costs, but too many cuts can impede success for the entire Department, not to mention the individual sports affected. To truly begin to have a financial impact, UNM would need to eliminate almost 40 full scholarships, and those cuts would drastically impact the competitiveness of our teams, as coaches would have fewer available scholarships to offer high level student-athletes. Also, to help achieve compliance with Title IX, nearly all scholarship cuts would have to come in the men’s sports, which would severely limit their prospects for competitive success.

However, strategic and limited reductions in the number of scholarships in a sport that can save money, assist in balancing gender equity and not hamper the chances for success must be considered, to limit the number of sport programs that would need to be discontinued.

**Debt/Deficit Obligations**

The final area to be addressed for long-term stability in the Department of Athletics is the significant debt for The Pit renovation, as well as the $4.7 million accumulated deficit from the past 10 years. Alleviating these significant expenses from Athletics will go a long way to ensuring competitive success.

The Pit renovation was completed in 2010 at a cost of $60,600,000, funded by $18.6 million in state bonds and $42 million in UNM bonds. UNM relied on private philanthropy and suite sales to cover the costs of the renovation. The current annual debt payment on The Pit fluctuates yearly, but average annual payments going forward will be approximately $1,760,570. Suite sales revenues and facility naming rights revenues help address the annual debt payment. It is recommended that the University assume the annual debt payment from Athletics for the duration of the obligation, freeing up much-needed resources for student-athletes.

As noted previously, financial audits have identified a $4.7 million accumulated deficit, outlined in the Higher Education Department financial plan, which has been approved by the Board of Regents. As part of Athletics responsibility in this plan, they are scheduled to begin making an annual payment of more than $480,000 toward reducing that deficit starting in FY 2021. The University and Athletics need to seek alternative options for reducing the annual payments. These savings
would result in a significant annual savings for the Department, allowing it to infuse funds back into supporting the well-being of our student-athletes.

**State of New Mexico Support**

The State of New Mexico provided The University of New Mexico with $2,617,380 in funding for FY 2018. As part of UNM’s continued dialogue with state leaders, a concerted effort must be made to increase that state support, as it is a critical piece in sustaining a viable budget to support our student-athletes. In the past, the two Division I universities in the state have received an equal level of state funding, but in recent years it has not always been distributed evenly, and an emphasis should be placed on ensuring equal funding moving forward.

**Sport Programs**

Current budget realities and future financial projections, as well as the necessity of complying with federal gender equity guidelines, mean it simply unviable to sponsor 22 varsity sports. The financial and gender equity issues present a unique challenge for the University, and addressing an issue in isolation might exacerbate the other. Simply eliminating a sport to save money might not aid in Title IX compliance, while eliminating a sport for Title IX compliance might not save enough money. Similarly, adding a sport to move toward Title IX compliance would only deeped the financial challenge.

The decision to discontinue a sport is one of the most agonizing decisions that an institution can make. Since 1988, there has been a net loss of nearly 1,000 Division I men’s programs. In the past five years alone, more than 60 Division I men’s teams and more than 40 Division I women’s teams have been dropped around the country, and more eliminations are expected.

Eliminating a sports program does not result in an immediate savings, as the University would honor the financial aid for all current student-athletes in the affected sports through graduation. The immediate cost savings comes in the elimination of operations for the sport, including travel, equipment, salaries, etc.

In evaluating whether a sports offering should continue, some of the factors taken into consideration include, in no order:

- **Impact:** Number of student-athletes, coaches and staff affected by elimination
- **Title IX:** Compliance with federal equity laws and the need to try to continue sponsoring women’s sports with large participation numbers
- **Finances:** Impact on Department finances including costs, revenues and associated costs to support the program (Strength & Conditioning, Athletic Training, Academic Advisors, etc.)
Conference Affiliation: To continue to compete at the Division I level, UNM must sponsor a minimum of 16 varsity sports. To remain a member of the Mountain West Conference, it must sponsor at least four MWC-sponsored sports (these currently consist of UNM football, men’s and women’s basketball and volleyball); the ability for UNM to be competitive in a conference; costs associated with conference travel and the number of programs sponsored in the NCAA.

Facilities: Financial resources needed to build or to maintain competitive facilities; costs of facility maintenance and opportunity for success in recruiting and competition.

Program History: Recent and long-term on-field success of a program, as well as the number and impact of alumni from program.

Impact/Support: Fan and community interest in the program; its impact on local and state communities and throughout the region.

Private Support: Donor support for the program and the number of endowments, if any.

Scheduling: Conference scheduling; travel partners; levels of competition and ability for post-season competition.

Academics: Academic performance, including APR and GSR of a program; impact on Department academics.

There is no formula or matrix used to determine which programs should or should not be eliminated. Rather, these factors serve as data points in the analysis.

The Director of Athletics, senior athletics staff and the outside consultant gathered all relevant data and began a thorough and deliberate analysis.

The Director of Athletics recommends that a Roster Management Plan be implemented for all sports, with significant roster changes to Men’s Cross Country and Men’s Indoor and Outdoor Track & Field. It is also recommended that the Women’s Swimming and Diving team discontinue its diving program, and that several other UNM women’s teams increase the number of non-scholarship participation opportunities.

Based on the Foundational tenets: Finances, Title IX impact and Alignment with the Mountain West Conference, the Director of Athletics recommends to the President that UNM no longer sponsor the following varsity sports programs, effective July 1, 2019:

Men’s Skiing
Women’s Skiing
Men’s Soccer
Women’s Beach Volleyball
The data and rationale behind these sports programs can be found in Exhibit B.

Together, the reduction of sports and roster modifications of these sports offerings will save an estimated $1.148 million annually. This is expected to result in participation rates for FY 2019-20 of 57.22% for females and 42.78% for males once the reductions and RMPs are implemented. The elimination of these programs (and the roster modifications of others), will allow for the more effective use of available resources, including support staff in the training room, academics and media relations, etc.

The University will honor all scholarships through a student-athlete’s graduation from UNM, as per NCAA eligibility requirements. The University will also make all efforts to support those student-athletes who wish to continue their academic and athletic careers at another institution. Student-athletes who choose not to remain at UNM will forfeit their funding to complete their degrees at UNM.

CONCLUSION

Therefore, it is the recommendation of the Director of Athletics that the President ask the UNM Board of Regents to approve the following actions:

- Effective July 1, 2019, UNM Athletics will no longer sponsor men’s and women’s skiing, beach volleyball and men’s soccer as varsity sports;
- UNM will honor the scholarships of all current student-athletes in the four affected sports through their graduations, as long as they remain in good academic standing;
- The Department of Athletics will also discontinue the diving program and immediately institute a Roster Management Plan for men’s cross country, as well as outdoor and indoor track & field and many of our other sports.

In addition to these steps, the University and UNM Athletics will undertake the following actions over the next 12 months:

- The Department of Athletics will continue to examine its organizational structure, operational budgets and long-term expenses and make necessary and prudent changes to reduce expenses prior to the start of FY 2020;
- The Department of Athletics will aggressively pursue new and additional revenue streams prior to the start of FY 2020;
- The Department of Athletics will ensure that it continues to work toward Title IX compliance and make all necessary changes and adjustments to ensure compliance;
The Department of Athletics will further engage with constituents, including students, faculty, alumni, donors, Regents, local and state officials and community members to strengthen the Department by ensuring the long-term financial stability and competitiveness of our sports programs;

These recommendations address the challenges identified by the numerous financial audits of the Department of Athletics, the conclusions of the Title IX assessment and the administrative direction set forth in April 2018 by the Board of Regents regarding the accumulated deficit. There is no perfect solution to the significant challenges that the Department faces. These recommendations come after months of intensive analysis, discussion and deliberation and with the input of outside experts.

The reduction in the number of sports offerings and scholarship opportunities recommended above are not taken lightly. The impact on student-athletes – both past and present – on the coaches and staff leading those programs and on the greater New Mexico community, is recognized and understood. These are recommendations no university or administrator would ever want to propose or consider, but the current situation demands extreme measures and difficult decisions.

These recommendations are painful for all of us. Our students are at the core of all that we do and we understand that, if approved, these changes will forever impact the lives of many outstanding young men and women. We have pledged our full support to them, we will honor their scholarships through graduation and we will do all that we can to support them should they seek to continue their education and athletic careers at another institution.
### FY18, FY19 and FY20 Budget and FY18 Projected Actuals by Exhibit P21

<table>
<thead>
<tr>
<th>Revenue/Expense Description</th>
<th>FY18 Original Budget</th>
<th>FY18 Revised Budget</th>
<th>FY18 Projected Actuals (1) (2)</th>
<th>FY19 Budget</th>
<th>FY20 Proposed Budget</th>
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<tr>
<td><strong>Pooled Revenues (1)</strong></td>
<td></td>
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<td>NCAA/Mountain West Conference</td>
<td>5,200,000</td>
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<td>Special Events and Other Revenues</td>
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<td>Land Proceed Transfer</td>
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<td>Men's Basketball Tickets</td>
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(1) Revenues based on projected actuals through fiscal year-end 6/30/18
(2) Expenses based on fiscal year to date on non-salary expenses through 5/31/18, however projects salaries and fringes through 6/30/18
(3) Other sports tickets include men's and women's soccer and track, baseball, softball, and volleyball
Exhibit A

Title IX Report

Exhibit B

Sport Reductions and Roster Management Plans

Recommended for Elimination

Men’s Skiing

Multi-Year APR: 987, 972, 971, 971 (‘14-ʼ17) (ʼ17 lowest among UNM men’s sports)
2017 APR: 1000
GSR 86, 75, 80, 82 (ʼ14-ʼ17)
Competitive Success: 3 out of last 4 years finished in bottom half of conference; 7th in NCAA’s last season; NCAA only sponsors 11 Division I teams on the men’s side
Cost Savings: $315,694.00*
Endowments: 3 (both men and women)
Conference Affiliation: Rocky Mountain Intercollegiate Ski Association
Facilities: No True Athletic Facility
Impact: 12 student-athletes, 2 coaches (Between Men’s and Women’s Ski Program)
Support: There is donor support of the men’s ski program from individuals as well as from the State of New Mexico through tourism initiatives.

Men’s skiing is sponsored at the varsity sport level by just 11 institutions in Division I. While the sport is popular in select regions around the country, it simply does not have the sustainability and interest levels among college athletes on a broad scale. In addition, despite some ski opportunities within the state, there are very few Division I caliber New Mexico high school students who have been recruited to UNM and who ultimately choose to attend. Over the last four years, just one New Mexico men’s skiing prospective student-athlete enrolled at UNM. Not being affiliated with the Mountain West Conference and receiving no revenue from its affiliation with the Rocky Mountain Intercollegiate Ski Association is also a concern. The ski teams travel is very costly to UNM Athletics compared to other sports and the current team must travel a great distance to practice.
**Women’s Skiing**

**Multi-Year APR:** 984, 992, 986, 967 (’14-’17) (‘17 ranks last of all women’s sports)

**2017 APR:** 950 (ranks last of all UNM women sports)

**GSR:** 71, 75, 78, 71 (’14-’17)

**Competitive Success:**
- 3 out of last 4 years finished in bottom half of conference;
- Last season finished 7th in NCAA; NCAA only sponsors 12 Division I teams on the women’s side

**Cost Savings:** $315,694*

**Endowments:** 3 (both men and women)

**Conference Affiliation:** Rocky Mountain Intercollegiate Ski Association

**Facilities:** No True Athletic Facility

**Impact:** 8 student-athletes, 0 coaches** (women’s ski coaches also coach men’s skiing so total staff loss with both programs eliminated is 2)

**Support:** There is donor support of the women’s ski program from individuals as well as from the State of New Mexico through tourism initiatives.

Women’s skiing is sponsored at the varsity sport level by just 12 institutions in Division I. While the sport is popular in select regions around the country, it simply does not have the sustainability and interest levels among college athletes on a broad scale. In addition, despite some ski opportunities within the state, there are very few Division I caliber New Mexico high school students who can or have been recruited to UNM and who ultimately choose to attend. Not being affiliated with the Mountain West Conference and receiving no revenue from its affiliation with the Rocky Mountain Intercollegiate Ski Association is also a concern. The ski teams travel is very costly to UNM Athletics compared to other sports and the team must travel a great distance to practice.

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**Men’s Soccer**
UNM men’s soccer has a proud history in a state that has shown its support for the game. Not affiliated with the Mountain West Conference, the soccer team is affiliated with Conference USA which is good in men’s soccer but whose teams are located across the country, which creates a costly travel expense. In fact, men’s soccer has the second highest cost per participant than any other Lobo sport. Men’s soccer also has a large roster size (29) and reducing the roster size to save money and to assist in Title IX compliance would compromise the opportunity for competitive success.
Beach Volleyball

Multi-Year APR: 1000 ('17)
2017 APR: 1000
GSR No score yet
Competitive Success: 3-11 ('14-'15); 17-9 ('15-'16); 17-10 ('16-'17); 9-14 ('16-'17)
Cost Savings: $9,621 (would cost $342,707 to build new facility)
Endowments: 0
Conference Affiliation: Independent
Facilities: No facilities approximately $342,707 to build
Impact: 5 student-athletes, 0 coaches* (17 participants but all but 5 participate in indoor volleyball)
Support: Minimal support due to limited history

The UNM beach volleyball program is just four years old and is one of only 55 beach volleyball programs in the country. The program is not affiliated with a conference which presents scheduling challenges. More importantly, the program does not have adequate training or competition facilities. Building a training/competition facility would cost at least $340,000. In addition, to build a truly competitive program, UNM would need to invest in hiring a stand-alone head coach, create a stand-alone budget for beach volleyball separate from indoor volleyball and increase support staff in the department to better serve the student-athletes.

Women’s Diving

The UNM women’s swimming and diving program trains and competes in a facility that has had limited improvements and there simply is no funding to enhance the area or to construct a new one. Our facility also lacks a tower for platform diving which make it challenging for our student-athlete divers to train or compete. The program has struggled in recent years, with an average conference finish of seventh. There are few in-state prospective student-athletes. The swimming team members and the program would continue in its present form with more of an emphasis on strengthening their opportunity for success.

Men’s Cross Country and Track & Field

The recommendation is to modify the men’s track & field roster due to the high number of participants. To comply with Title IX, UNM must reduce the overall number of male student-athletes as the costs of increasing the number of female student-athletes is prohibitive. The reduction in grants-in-aid and the elimination of one coaching position will save approximately $100,000 annually. The Department is aware that there is a significant economic impact on the local community through home track meets (MLK Invitational, UNM Invitational, UNM Classic, UNM Don Kirby Elite & Invitational, and MWC Indoor Championship).
## Modification of Sports - Swimming and Diving (phasing out Diving); Significant Roster Management Men’s Cross Country and Track and Field

### 2017 - 2018 Participation Figures

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<tr>
<th></th>
<th>UNM Full-Time Undergraduate Males</th>
<th>UNM Full-Time Undergraduate Females</th>
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<td>Soccer</td>
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<td>Tennis</td>
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<tr>
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<td><strong>Total</strong></td>
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**M. Soccer** $743,574.32  
**M. Skiing** $360,911.00  
**W. Skiing** $147,834.00  
**Beach** $62,327.00  
**Diving** $76,572.00  
**Reduce Men’s Track Scholarships** $70,000.00  
**Elimination of Track Coach** $50,560.00  
**Reduce Sch. Men’s except FB&MBB** $20,000.00  
**Savings** $1,531,778.32  

**Estimate 2018 - 2019**  
- Male: $8,014.00  
- Female: $10,500.00  
- Difference: 4.75%  

**Estimate 2019 - 2020**  
- Male: $7,764.00  
- Female: $10,351.00  
- Difference: 0.08%  

**Estimate 2020 - 2021**  
- Male: $7,514.00  
- Female: $10,202.00  
- Difference: 0.37%  

**Estimate 2021 - 2022**  
- Male: $7,264.00  
- Female: $10,053.00  
- Difference: 0.83%  

### Exhibit to Minutes of July 19, 2018 Board of Regents
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Exhibit to Minutes of July 19, 2018 Board of Regents
### Based on 2017-2018 Participation Numbers

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<th>Sport</th>
<th>Scholarship</th>
<th>Walk-On</th>
<th>Athletes on Roster</th>
<th>Athletes Affected</th>
<th>Equivalencies</th>
<th>Coaches Affected</th>
<th>Notes</th>
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<td>Men's Skiing</td>
<td>8</td>
<td>4</td>
<td>12</td>
<td>12</td>
<td>5.16</td>
<td>2*</td>
<td>Same Coaches Coach WSKI; GA Should Grad SP19</td>
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<tr>
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<td>26</td>
<td>3</td>
<td>29</td>
<td>29</td>
<td>9.83</td>
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<td>Includes Director of Ops</td>
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<td>12 Women Play Indoor and Beach; Coaches would remained employed at UNM as they coach Indoor as well</td>
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<td>8</td>
<td>3.34</td>
<td>2*</td>
<td>Same Coaches Coach MSKI; GA Should Grad SP19</td>
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<td><strong>Total Women Affected</strong></td>
<td><strong>13</strong></td>
<td><strong>17</strong></td>
<td><strong>30</strong></td>
<td><strong>18</strong></td>
<td><strong>5.62</strong></td>
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<td><strong>Total Coaches Affected</strong></td>
<td><strong>7</strong></td>
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<td>Ski GA is not in total coach allotment; Should Grad SP19</td>
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Exhibit to Minutes of July 19, 2018 Board of Regents
Members present
Michael Brasher; Tom Clifford, Secretary/Treasurer; Brad Hosmer; Marron Lee, Vice President; Suzanne Quillen (telephonically)

Members not present
Garrett Adcock; Rob Doughty, President

Administration present
Garnett S. Stokes, President; Paul Roth, Chancellor for Health Sciences; David Harris, EVP for Administration, COO, CFO; Rich Wood, Senior Vice Provost (for Provost Abdallah); Alfred Mathewson, Interim Chief University Counsel; Ava Lovell, HSC Sr. Exec. Officer of Finance and Administration; Richard Larson, Executive Vice Chancellor, HSC; Dana Allen, VP Alumni Relations; Lawrence Roybal, Interim VP for Equity and Inclusion; Eddie Nuñez, Athletics Director; Cheo Torres, VP Student Affairs; Dorothy Anderson, VP HR; Liz Metzger, Controller; Cinnamon Blair, Chief University Marketing and Communications Officer

Regents’ Advisors present
John Brown, President, Alumni Association; Rob Burford, Staff Council President; Becka Myers, ASUNM President; Boney Mutabazi, GPSA President; Steve Borbas, President Retiree Association

Presenters in attendance
Emile Nakhleh, Director, GNSPI; Nicole Dopson, Director of Financial Operations; Rob Robinson, Fiscal Operations Director, Athletics; Bruce Cherrin, Chief Procurement Officer; Joey Evans, Director, University Benefits; Mark Tyndall, Aon Risk Solutions; Kim Kloeppe, Chief Operations Officer, Student Affairs; Martha McGrew, Executive Vice Dean, School of Medicine

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

CALL TO ORDER, CONFIRMATION OF A QUORUM, ADOPTION OF THE AGENDA
Regent Vice President Marron Lee called the meeting to order at 9:08 AM. A quorum was confirmed with five members present: four members present in person and Regent Suzanne Quillen was present by phone.

Before the agenda was adopted, the following modifications were put forward by members:

TABLE THE FOLLOWING ITEMS:
1. Approval of the Minutes of the July 19, 2018 special meeting. The minutes will be on the agenda of the August 17, 2018 Board of Regents special meeting for approval.
2. Regent Quillen requested Academic/Student Affairs and Research Committee action item #3 (KUNM Radio Board Bylaws) be tabled for future consideration after the Office of University Counsel has reviewed the document OMA compliance, especially in regards to section 7.4, page 5. There are also concerns over governance, whether this is an advisory board versus a board of directors.
3. Health Sciences Center Committee action item #6 (FY 2019 HSC RPSP). This item was removed from the agenda at the August 13, 2018 HSC Committee meeting.

Regent Tom Clifford moved approval to table the three items mentioned; Regent Hosmer seconded; motion passed unanimously. Regent Brasher requested the record show that he abstained from the vote on the ASAR item.

COMBINE DUPLICATE ACTION ITEMS FOR VOTE UNDER HSCC REPORT:
1. Consider and vote for Finance and Facilities Committee agenda action items 4.b. and 4.c. under Health Sciences Center Committee action item #1 (Approval of Creation of the Dr. Luis Ben Curet Professorship in OB/GYN and the Appointment of Dr. Luis A Izquierdo to the Curet Professorship).

Regent Tom Clifford moved approval to combine the F&F agenda items mentioned and to consider and vote on them under the HSCC report; Regent Brasher seconded; motion passed unanimously.
MOVE HSCC ITEMS ONTO THE CONSENT DOCKET:
1. Health Sciences Center Committee action items #3 (Lease Agreement with Ricoh USA, Inc.), #4 (Capital Project, Inpatient Pharmacy Renovation), and #5 (Appointment of Judge Joseph Alarid to UNMH Board of Trustees).

Regent Tom Clifford moved approval to move the HSCC items mentioned to the Consent Docket; Regent Brasher seconded; motion passed unanimously.

The motion to adopt the agenda as modified passed with a unanimous vote in favor (1st Brasher; 2nd Clifford).

APPROVAL OF MINUTES
The motion to approved the minutes of the June 12, 2018 regular meeting passed unanimously (1st Clifford; 2nd Brasher).

PUBLIC COMMENT no comments)
REGENT ADVISORS COMMENTS (no comments)
COMMENTS FROM REGENTS (no comments)

THE PRESIDENT’S ADMINISTRATIVE REPORT
President Garnett S. Stokes opened her report with an update on her statewide listening tour which started on May 16, with visits to all of the UNM Branch Campuses and will end August 16 with her visit to locations in San Juan County, including Farmington, San Juan College, and Chaco Canyon. During this tour, President Stokes will have visited or traveled through all 33 counties in NM, visited three reservations (Navajo Nation, Zuni Pueblo, and Taos Pueblo), and met over 1,100 people. As a follow-up, President Stokes will formulate initiatives based on the information gathered during the listening and learning tour and will outline common themes which include the need to grow the teaching workforce around the State and the need to explore ways to expand the healthcare workforce in rural areas. The goal is to continue building relationships that provide mutually beneficial outcomes for UNM and New Mexico.

President Stokes addressed the Veterans’ preference hiring program for staff jobs, developed in support of the President’s goal to make UNM a veteran friendly institution. The program is reserved for staff jobs only on all UNM campuses. An initial pilot program will run in order to evaluate the effectiveness of the program. More information will be posted online at, hr.unm.edu.

President Stokes addressed UNM enrollment and current factors impacting student choice, including Lottery Scholarship reductions, campus safety concerns, the improving economy, increased competition, and the new live-in requirement for freshmen. The President addressed how UNM will respond to the new challenges and closed by talking about student success, UNM’s improved graduation trends, the factors that have led to the improved student success trends, and the current outlook of threats to student success.

Regent Clifford thanked President Stokes for inviting him to join her recently while on her listening tour in Las Vegas, NM. He also expressed the importance of ensuring the UNM research agenda is supported by the needs of the State to address critical needs around New Mexico, for example, help some of the rural communities turn around economies. Regent Clifford stressed with regard to student success, the importance of targeted counseling to help students stay in school. President Stokes responded in agreement the value of intensive advising.

REGENT COMMITTEE REPORTS

CONSENT DOCKET
Regent Lee addressed the consent docket. There were no requests to remove any items for discussion. Regent Lee asked for a motion to approve.

1. Finance and Facilities Committee (F&F)
   a. Approval of Disposition of Surplus Property for Main Campus for June and July 2018
   b. Approval of Quarterly Financial Actions Report and Certification through June 30, 2018
   c. Approval of Appointment of Marcia Winter and Re-appointment of Stephanie Bennet Smith to the Harwood Foundation Governing Board

2. Health Sciences Center Committee (HSCC)
   a. Request for Approval of the UNM Hospitals Lease Agreement with Ricoh USA, Inc.
   b. Request for Capital Project Approval of the UNM Hospitals Inpatient Pharmacy Renovation
   c. Request for Approval of the Appointment of Judge Joseph Alarid to the UNMH Board of Trustees

The motion to approval the items on the Consent Docket passed unanimously (1st Clifford; 2nd Brasher).
ACADEMIC/STUDENT AFFAIRS AND RESEARCH COMMITTEE
Form D: Master of Science in Global and National Security
Dr. Emile Nakhleh presented the item and referred to slides that were provided in the eBook. Dr. Nakhe spoke about the nature of the degree, the rationale for it, the requirements and the current list of affiliated faculty who will be a part of the program. Dr. Nakhleh discussed the importance of the University’s close proximity to, and close collaboration with the two world-renowned nuclear and engineering labs - Sandia National Labs and Los Alamos National Labs (LANL). Nicole Dopson presented the budget numbers and talked about the seed funding that was received from LANL, the use of existing resources to offset costs, and that the budget is sustainable for the next three years. A differential tuition for the program will be requested and will go through this fall’s budget process.

Regent Clifford inquired the possibility of internships with the National Labs and if there was any commitment in place. Dr. Nakhleh responded in the affirmative and also responded the Labs like the inter-disciplinary nature of this degree.

Regent Hosmer thanked Dr. Nakhleh for spear-heading the Global and National Security Policy Institute (GNSPI) at UNM and this particular Master’s Degree, because there is a growing market demand for this.

The motion to approve the Form D, Master of Science in Global and National Security, passed with a unanimous vote (1st Hosmer; 2nd Brasher).

Staff Council Constitution Amendment
Rob Burford, Staff Council President, presented the item. The changes are minor, with the primary change to clarify the language of membership to the Council. This was approved in ASAR committee and had previously received 96% approval from staff.

The motion to approve the amendments to the Staff Council Constitution passed with a unanimous vote (1st Clifford; 2nd Brasher).

• Regent Lee requested the Board address the HSC Committee agenda items next and the Finance and Facilities agenda items after HSC. Regent Tom Clifford motioned approval; Regent Michael Brasher seconded; motion passed unanimously.

HEALTH SCIENCES CENTER COMMITTEE
Request for Approval of the Creation of The Dr. Luis Ben Curet Professorship in Obstetrics/Gynecology and the Appointment of Dr. Luis A. Izquierdo to the Curet Professorship
Dr. Richard Larson introduced the item which has two parts. These and the next item on the agenda recognize the contributions of UNM HSC’s great faculty over time. The request for the creation of the Dr. Luis Curet Professorship in OB/GYN is for the School of Medicine. This has been approved by the faculty, the Naming Committee, the Regents’ F&F Committee and the Regents’ HSC Committee. The financial requirement of $300K was exceeded, with $475K and pledges in excess of $500K. Dr. Larson asked Dr. Martha McGrew to speak more about Dr. Curet.

Dr. McGrew said she was honored and at the same time humbled to be able to tell about the people behind the Ben Curet Professorship in OB/GYN, to introduce two extraordinary human beings who happen to be Maternal Fetal Medicine physicians, physicians committed to giving mothers and babies the very best start in life:

“Dr. Ben Curet graduated from the University of Puerto Rico in San Juan. He completed his OB/GYN residency at the University of Wisconsin and a physiology fellowship at Yale. Dr. Curet has done groundbreaking research in several diseases of pregnancy that cause significant morbidity and mortality in mothers and babies, hypertensive disorders of pregnancy and gestational diabetes to name two. Dr. Curet’s work contributed to our understanding of these diseases in pregnancy and contributed to the reduction in the number of deaths and disability from those diseases. In 1988, Dr. Curet joined the University of NM as the Division Chief of Maternal Fetal Medicine. Here he added a new dimension to his career. Many of you know about our Milagro program where we care medically and compassionately for pregnant addicted women. Dr. Curet was the founder of that program in the 1980’s that continues to this day as a model for the comprehensive care of these women and their children.

Dr. Curet retired in 2000 and continued to work seeing patients and teaching at UNM and working internationally, particularly in Central America with the American College of Obstetrics and Gynecology in a program call Save the Mother. He is an icon world over for any provider who care deeply for the health of mothers and babies. Ben Curet, the human being is something you cannot fully appreciate in a CV – his commitment, his brilliance, his generosity in his work and in his personal life. To believe that he could have done it without the support of his family – who hold exactly the same values as Dr. Curet – would be a stretch indeed, Lydia Curet is a strong woman in her own right and has been an advocate for the same values as Dr. Curet. They have 4 children. One daughter, Dr. Myriam Curet, is an exceptional surgeon on faculty at Stanford and is
her with us today. She also happens to be one of my very best friends. This family is the model of a family that gives both philanthropically and through their good works embedded in the communities in which they live.

Dr. Curet was instrumental in my own career development and that of so many. His support and mentoring of me as a new faculty member in FCM who practiced obstetrics was invaluable. In those days, our departments had a bit of a strained relationship, but Dr. Curet took me under his wing, supported me, and thus gave me the opportunity to do something in my career that has probably been the most rewarding part of my career. Like so many young faculty, he gave me the opportunity to make a difference in the world. Dr. Curet, I am grateful and I know the thousands of moms and babies you have cared for directly and probably the thousands and millions who have been impacted by your work, either directly or indirectly, are eternally grateful.”

Dr. Curet thanked Dr. McGrew for her introduction, thanked the Board of Regents and the Health Sciences Center for establishing the Curet Professorship and providing the support needed to establish a number of medical programs that have benefitted many of the residents of New Mexico. Dr. Curet thanked Dr. Eve Espy, Chair of the Department of Obstetrics and Gynecology, for naming Dr. Luis Izquierdo as the first recipient of the Curet Professorship, and he thanked the UNM Foundation for its instrumental work in promoting the professorship. Dr. Curet thanked his wife, Lydia, and daughter, Myriam, for their support and love.

Dr. Larson asked for the Regents support of, The Dr. Luis Ben Curet Professorship.

The motion to approve the creation of, “The Dr. Luis Ben Curet Professorship in Obstetrics/Gynecology”, passed with a unanimous vote (1st Hosmer; 2nd Brasher).

Dr. Richard Larson requested the Regents approval to appoint Dr. Luis Izquierdo as the first holder of the Curet Professorship and asked Dr. McGrew to say a few words:

“Now, to Dr. Luis Izquierdo. Dr. Izquierdo, as Dr. Curet mentioned, is one of Dr. Curet’s trainees. Dr. Izquierdo received his MD from the Universidad Central de Caribe in Puerto Rico in 1981. He completed his OBGYN residency in Puerto Rico and came to UNM for his maternal fetal medicine fellowship. Dr. Izquierdo served at the Residency Director of the OBGYN program here at UNM. After spending some time at the University of Florida, he saw the light and returned to us tin 2013, much to the delight and joy of everyone I know.

Dr. Izquierdo’s medical expertise is in the area of maternal ultrasound. As you are well aware, OB ultrasound allows us to accurately date a pregnancy (good dates are important in preventing pre and post maturity), assess the blood flowin the placenta and to the developing fetus (particularly important in hypertensive disorders) to assess the fetal size and to diagnose fetal anomalies and prepare for high risk deliveries. Dr. Izquierdo has won numerous teaching awards and received a merit award for his work in underdeveloped and rural areas of Puerto Rico. Like Dr. Curet, Dr. Izquierdo is a remarkable human being, and he may be one of the most beloved physicians to have ever practiced at UNM — by patients, learners, staff and his colleagues. He too has a family committed to the values we all cherish at UNM — service to others. His wife, Daphne, like Lydia Curet, is positive force in the world. His son, Francisco, is a first year OB/GYN resident here at UNM and graduated from UNM and he has two children. Dr. Roth shared with us yesterday that Dr. Izquierdo delivered his first child. I myself was ultrasounded numerous times by Dr. Izquierdo during my pregnancy. I’m sure the diagnosis in his mind was, Neurotic doctor mother — but he said the most beautiful words I could imagine: Healthy Baby.

Dr. Izquierdo, you are so deserving as the first recipient of the Ben Curet Professorship. To both of you, you make a huge difference in our world, you save lives and improve health. This gift is a legacy to UNM so that others may follow in both of your footsteps. It is with great respect that I say thank you to you both.”

Dr. Izquierdo expressed thanks for the opportunity and said he will keep track of what Dr. Curet has done for the University.

Dr. Larson requested the Regents approval in appointing Dr. Izquierdo as the first professor to occupy the Dr. Ben Curet Professorship.

The motion to approve the appointment of Dr. Luis A. Izquierdo to the Curet Professorship passed with a unanimous vote (1st Hosmer; 2nd Clifford).

Request for the Approval of Dr. Christine Kasper as the UNM College of Nursing Crenshaw Chair

Dr. Larson requested approval to appoint Dr. Christine Casper as the holder of the Virginia P. Crenshaw endowed Chair of Nursing, noting the request had been approved by faculty, the Naming Committee, and the HSC Committee. This item did not seek approval from the Finance and Facilities Committee because it did not include new financials.
Dr. Casper has an illustrious career that began with an undergraduate degree at the University of Evansville, a Master’s degree from Rush University, and a PhD from the University of Michigan. She has held faculty positions at Johns Hopkins and other institutions, and comes to UNM from the National Veterans Administration with extensive experience, vast contacts nationally, and an illustrious career related to promoting and advancing research education and a variety of interdisciplinary work among nursing and other healthcare professions.

Dr. Casper thanked the Regents for the honor of her new position as Dean of the College of Nursing. She also thanked them for the honor for Crenshaw Chair, which has been important for moving forward the research and education mission of the College of Nursing, and important to her personally as it enables her to assist in research training for students and reestablish her personal research area in the genotoxicity of environmental heavy metal exposures, specifically uranium, in the state of New Mexico. It will also allow her to continue her long-standing collaborative relationship in computer science network analysis with Sandia National Laboratories.

The motion to approve Dr. Christine Kasper as the UNM College of Nursing Crenshaw Chair passed with a unanimous vote (1st Hosmer; 2nd Clifford).

- Dr. Roth took a few moments to introduce Kate Becker, UNM Hospital’s new CEO, and Dr. Arthur L. Culpepper, the HSC’s new Chief Compliance Officer.

FINANCE AND FACILITIES COMMITTEE

Approval of Athletics’ Enhanced Fiscal Oversight Program Report and Certification through June 30, 2018

Rob Robinson presented the fourth-quarter report of actual financials for April to June 2018 for the enhanced fiscal oversight program, noting figures are preliminary due to the fiscal year-end closing process. The detailed report allows for comparison of trends from quarter to quarter. For example, quarter four revenues of $6,484,273 are lower than quarter three revenues due to the timing of season for revenue-generating sports.

Regent Clifford suggested that a more beneficial comparison would be for same quarters each year to show trends, given the fluctuations experienced between quarters. Mr. Robertson concurred. Regent Clifford inquired if Mr. Robertson would be able to work with HED to integrate their reporting needs with UNM’s reporting, as discussed in committee. Mr. Robertson agreed; he will meet with HED this week to review.

Expenses for quarter four are significantly less than in previous quarters, demonstrating Athletics’ tightened expenditures during the fourth quarter to stay within the revised FY18 budget approved by the Board of Regents in April.

Report exhibits provide a detailed look at administration as well as program subunits. Also included is the 10-year deficit reduction plan with updated preliminary financials for FY18. FY18 began with a cumulative deficit of $4,713,999; preliminary actuals for FY18 show total revenues of $33,758,424 and total expenses of $33,536,802, ending the year with a positive net balance of $221,621, including the land sale proceeds from Regent support, as well as transfers from the Budget Office. The fiscal shared services agreement with the Office of Academic Affairs has been in effect for three months, allowing Athletics to make significant strides since January in the right direction. Mr. Robertson is looking forward to presenting this report, as well as Athletics’ detailed monthly financials report, to the HED.

Regent Clifford noted the deficit reduction plan ties to the budget that Athletics’ maintains but not to the HED report and inquired if it was included by request. He suggested a crosswalk between the Athletics reporting and HED report needs to be included. Mr. Robertson confirmed that they did. He noted that due to the nature of the HED report, it does not show any budget adjustments or restructuring that has taken place since January, so the inclusion of the deficit reduction plan table reflects true revenues and expenses, and the monthly financials report ties to that as well. Inclusion is also for the sake of transparency and accountability. Regent Clifford suggested that more information be included from Athletics’ reporting, and Mr. Robertson replied that Athletics provides their monthly financials report to HED as well.

The motion to approve the Enhanced Athletic Fiscal Oversight Program Report for quarter ending June 30, 2018, passed with a unanimous vote (1st Clifford; 2nd Brasher).

Approval of Contract for Medicare Retiree Health Plans

Bruce Cherrin requested approval for the RFP for Medicare Retiree Plans as submitted to the August Finance and Facilities Committee, with additional information provided. Joey Evans presented an overview of the RFP committee methodology, providing a history of UNM’s Medicare advantage plan and supplemental plan offerings to Medicare eligible retirees. He noted that UNM pays 30% of the overall premium for Medicare retirees, which is funded through the miscellaneous fringe pool. In the future, UNM plans to fund retiree healthcare through the Voluntary Employee Beneficiary Association (VEBA). The RFP was developed in collaboration with the Retiree Association, Benefits Department, and AON. UNM received proposals for Medicare plans from Blue Cross Blue Shield, Presbyterian, Aetna and Humana, and a Medicare supplemental
plan proposal from AARP/United Healthcare. Committee members included representatives from Benefits, faculty and staff, an HSC faculty member, and the UNM Retiree Association.

Mark Tyndall, from AON, and the former New Mexico Retiree Healthcare Authority executive director, presented information on the current distribution of Medicare eligible retirees in UNM’s various plans. He noted that UNM only received one bid for a supplemental plan, from United/AARP, which will be maintained as is. The Medicare Advantage Plans were the driver for an RFP, as they increased about 40% last year.

Projections for 2019 include a recommendation that the current Blue Cross Blue Shield PPO plan be replaced with a Humana plan, resulting in some premium savings for retirees. BCBS HMO memberships are expected to stay stable. Mr. Tindall recommended an extra offering for retirees accessing the Presbyterian system, through an AETNA plan that provides in-network options to Presbyterian and access to a national network. He projects that roughly 20% on Presbyterian will move to Aetna. AON’s projection shows a mix that will result in a slight reduction of overall premiums. He noted the procurement process results in access to at least as good a plan as current, access to the same provider networks, and the option for every to pay less in premiums if they wish.

Regent Clifford inquired about the total cost for the average participant in plan options, including co-pays and co-insurance, for comparison. Mr. Tyndall presented information on the plan design, noting that the plan options are very rich as long as participants stay in-network. From an actuarial value standpoint, every option would be at above a platinum level, meaning at least 90%. He noted that all participants are also responsible for paying for Medicare part B as well on top of cost. He noted that in the future, Aeon will present a more complete picture in terms of total cost, including the Medicare plan B cost, premium cost, and out-of-pocket costs on average.

Regent Lee requested any input from retirees present at the meeting. One retiree, who took part in the procurement process, noted she felt the products chosen presented good options for retirees.

The motion to approve the contract for Medicare Retiree Health Plans passed unanimously (1st Clifford; 2nd Brasher).

Approval of the Appointment of Eric (Rick) Siegel to the Lobo Development Board of Directors

David Harris introduced the item. Eric Siegel was also present. The Lobo Development Corporation has had a vacancy in its public member seat on the board for almost a year. Rick Siegel was recommended for this position; he is a successful local businessman and an ardent UNM supporter. Mr. Siegel said he appreciated the opportunity to serve UNM. Many in his family are alums of the University.

The motion to approve the appointment of Eric (Rick) Siegel to the Lobo Development Board of Directors passed with a unanimous vote (1st Clifford; 2nd Hosmer).

Approval of the Naming of the Lobo Landing in the Renovated Smith Plaza, “Nusenda Lobo Landing”

Kim Kloeppel, Associate Director of Student Affairs, requested approval for the naming of the “Nusenda Lobo Landing.” Nusenda donated $75K for the opportunity to name a portion of the recently completed Smith Plaza redesign, which includes a stage area for students, faculty, staff and community use. The area will be indicated by signage as the Nusenda Federal Credit Union Lobo Landing upon approval.

Regent Lee inquired if there was a Nusenda representative present; there was not.

Regent Brasher inquired about section 2 of Regents’ Policy Manual, Policy 2.11, on private financial support and whether this fell under a renovation and therefore following the seventy-five percent (75%) of the cost rule. Dr. Kloeppel indicated she had worked closely with the UNM Foundation regarding the donation level. Because the area is not a facility, but an outdoor facility, they determined 75% of the cost and then adjusted the figure based on the amount they felt was comparable for the Lobo landing area in order to ensure adherence to policy. Regent Brasher said he supported this item, but requested more information on the policy.

Regent Lee expressed appreciation for the Foundation and UNM Staff who work hard on naming opportunities and great partnerships.

The motion to approve the naming of the Lobo Landing in the renovated Smith Plaza, “Nusenda Lobo Landing”, passed with a unanimous vote (1st Clifford; 2nd Hosmer).

PUBLIC COMMENT (no comments)

ADVISORS’ COMMENTS
Dana Allen introduced John Brown, the Alumni Association’s new President, who took office July 1. Besides being a proud Lobo, Mr. Brown is a technology entrepreneur and seasoned corporate finance professional; he is Executive Chairman of Silent Falcon UAS Technologies. Mr. Brown said it was an honor to be associated with the UNM Alumni Association and he spoke about plans the Association has for the upcoming year, details of which were provided in the agenda eBook. Two of the biggest goals will be achieving better engagement of alums and working with President Stokes to find ways be involved in promoting University enrollment and recruitment. The Regents welcomed Mr. Brown and thanked him for his service.

Rob Burford, Staff Council President, spoke about work of staff across campus, including those in Housing, preparing for students to move on campus and orientation staff who have worked on summer orientations for incoming freshmen. This coming Sunday is Class Crawl after Freshmen Convocation; earlier in the month was the Staff Appreciation breakfast, Food Services served over 1,200 free burritos; UNM Physical Plant did a great job taking care of recent hail damage on campus. Campus Safety Week is upcoming.

Becka Myers, ASUNM President, commented about the newly renovated Smith Plaza; Welcome Back Days; Campus Safety Week; Red Rally on September 13; the start of the SFRB process; and excitement for the new school year.

Boney Mutabazi, GPSA President, commented on GPSA team building; active orientations for graduate students; recruiting graduate students to GPSA; working with ASUNM on the SFRB process; and welcomed regents to come to Friday Night Live in the SUB on Friday, August 17.

ADJOURN

There being no further business, Regent Lee asked for a motion to adjourn; Regent Brasher motioned; Regent Hosmer seconded; motion passed unanimously; the meeting adjourned at 10:41 AM.

Approved:  

Attest:

____________________________________  _________________________________
Robert M. Doughty III, President  Tom Clifford, Secretary/Treasurer
SUMMARY OF COMMENTS MADE AT THE
JULY 19, 2018 SPECIAL MEETING
OF THE BOARD OF REGENTS

Statement made by Garnett S. Stokes, Ph.D., University President:

“Thank you Regent Doughty and Board Members. Theodore Roosevelt said, ‘In any moment of decision, the best thing you can do is the right thing, the next best thing you can do is the wrong thing, and the worst thing you can do is nothing’. It is clear that we have not always done the best thing in managing our athletics department. This must change. When the UNM Board of Regents hired me to be the President of UNM, I was well-aware that tackling the numerous challenges related to the Athletics department finances, operations and structure, would be high on the list of priorities. So too would be demonstrating to the public how serious we are about running a sound and successful athletics program aligned with the mission and values of our university. Today is a defining moment in terms of how we, and I mean all of us, do the best thing, the right thing, for UNM.

I have loved college athletics for decades, from the time I was a student at Carson-Newman College, through my years at the University of Georgia, at Florida State University, and the University of Missouri. And I love athletics at UNM. Our student athletes are talented, dedicated, young men and women, and their accomplishments are a point of pride for all Lobos. Our fans, our alumni, our donors, our families, and our community, those leaders routinely support our student athletes, and their passion is evident every single day, and a healthy athletics program is vital to who we are as an institution and as a community.

The beginning of my tenure coincided with the University’s fiscal year 2019 budget process, during which the Athletics department was determined to be in ongoing financial distress. Amidst both internal and external audits, investigations, and a mandated fiscal oversight plan imposed by the New Mexico Department of Higher Education that put the University’s entire budget at risk, this board demanded a solution to address over a decade of accumulated deficits, missed projections, and the reality that our athletic expenditures continue to far outpace our revenues. The review and analysis that was undertaken and ultimately the proposal that Athletics Director, Eddie Nunez, is going to present today, is not just about right-sizing a department, it’s about doing the right thing for Lobo Athletics.

Let me briefly talk about the consequences of not doing the right thing. I have stated before that the high-profile financial challenges faced by the Athletics department have led to a wide-spread loss of trust in the University and athletics leadership that can no longer continue. News reports depict incompetence and despair with poor attendance at athletic events; failures in the simple task of scanning tickets at our football stadium; student athletes training in a rented tent because we cannot afford to build a permanent weight room; impermissible trips and expenditures; and of course the myriad self-inflicted financial concerns. And then in May, a Title IX report revealed that we are not meeting our federally mandated obligations in offering opportunities for our female students proportionate to our student body composition. A failure to act now to address the financial and equity concerns will jeopardize all of our athletic programs, cripple and further damage a department that has struggled with trust and accountability and lead to potential federal intervention for a university that is already operating under an agreement with the Department of Justice. We have a financial obligation to budget responsibly and transparently, not just in Athletics, but throughout our entire institution. As this report was developed, we listened to and consulted with many people inside and outside of Lobo Athletics. The timing hasn’t been perfect. People are away in the summer, some are. However, I want to thank the hundreds of people who have weighed in, in advance of this report.
Given the level of interest and emotion on all sides of this issue, the University is faced with very difficult decisions and very tough choices. Any budget reduction measure must start at the top. To this end, we will continue at our institution reducing administrative costs, conducting a comprehensive review of our organizational structure, and review contracts and opportunities for shared services. This approach is one Athletics is currently undergoing as well. Additionally, we had to review our capacity and ability to sponsor our sports teams at the same rate that we have been. Regrettably, our current sponsorship levels are not sustainable and have not been sustainable for years. We have consistently said that all options were on the table and in addition to reducing our overhead costs, we will also eliminate our sponsorship of some sports. The recommendation and ultimate decision, one which will carry lasting and far-reaching effects, is undoubtedly a painful one. For those who believe that cutting sports is an easy out, nothing could be further from the truth. I am convinced however, after examining the data and the range of possibilities considered by our athletic director, that this is our best option for stabilizing the Lobo Athletics financial future and complying with our federal obligations.

Yesterday, our Athletic Director, Eddie Nuñez, advised the student athletes, coaches and staff in the potentially impacted sports of his report conclusions and recommendations to discontinue their sports and to impose a roster management plan on two others. I concur with this recommendation. The decision to recommend the elimination of sports has understandably been met with sadness, anger, and sympathy for students, coaches, and supporters who are effected. I pledge that we will work to support our teams to the fullest and all scholarships will be honored through graduation. Eddie will be presenting his report but before we get to that, I want to tell all of you here in this room that I’m deeply aware that this is an incredibly difficult and emotional time for every one of those who participate in, coach, and support Lobo Athletics. The futures of these outstanding individuals have been uncertain for the past several months which has led to much apprehension and criticism about what is being contemplated. This outcome weighs heavily on me, especially as I look out on all of you this morning. These are things over which we as leaders lose sleep, when we have to make such tough recommendations. I know that there is nothing I can say to you that makes this situation any better. Please do know this, our recommendation has been made with great deliberation and with the sincere belief that our very painful choices are what is needed for the long term future success of UNM Athletics. Thank you.

Summary of Comments Made During the Public Comment Period of the Meeting:

The following provided comments in support of UNM Athletics, student athletes and respective sports programs, and many spoke about the effects to students, the University and the community if the proposed sports program cuts were approved: Lauren Twitty, on behalf of Women’s Volleyball team; Jeff Nelson, Volleyball Coach; Dorsey Tierney-Walker, Women’s Swim and Dive; Becka Myers, ASUNM President; Ford Parker, Men’s Soccer; Carlos Gutierrez, Men’s Soccer; Anthony Muñoz, Soccer; Simon Spangenberg, Soccer; James Schneebeck, former UNM Soccer goalie; Shamach Broussard, Men’s Soccer; Nick Williams, Soccer; Matthew Dorsey, Men’s Soccer; Steve Kraemer, alumnus, 1994-97 UNM Soccer program, NAI Maestas & Ward; Jeremy Fishbein, Men’s Soccer Coach; Michael Grange, parent; George Brooks, alumnus, Letterman, former coach, spoke re Ski Team; Tom Parker, alumnus, parent; Kevin Martinez, alumnus, parent, soccer fan; Randy Royster, alumnus, former Alumni Association President, soccer fan; John Garcia, former NM Secretary of Tourism, ASM board member, spoke re Ski Team; A.J. Herrara, high school coach; Bill Gannon, alumnus, parent; Julia Warren, 4-yr member indoor Volleyball team, pioneer player Beach Volleyball team; Pauline Matter, Volleyball alumna, indoor Volleyball assistant coach, 2000 Sidney Olympics; Matt Davidson, former member Ski Team; Greg Williams, alumnus, former President UNM Law Alumni Association, parent; Stacey Nenninger, real estate broker, supporter of Beach Volleyball; Kristin Cooper, parent and soccer supporter; Lori Finley, parent and supporter Men’s and Women’s Soccer; Elaine Romero, policy analyst for Ken Sanchez, read comments on behalf of the City Councilor, urged the Regents to not cut athletic programs, specifically Men’s Soccer; Nikki Gallegos, original Lobo Women’s Soccer player; Debra Pearson, original Lobo Women’s Soccer player; Timothy Mondloch, UNM student advisor and Regents’ Scholar; Leeroy Martinez,
new student orientation leader, athletic training education program; Boney Mutabazi, GPSA President, spoke of the importance of athletics and requested that any decisions by the Board of Regents be sustainable in the future.

Riema Auld spoke about a negative experience of medical care she had at UNM Hospital.

**Summary of Presentation by Athletics Director Eddy Nuñez:**

AD Nuñez expressed appreciation for the public comments, especially those from student athletes representing their sport and their commitment to the University. He noted the challenges faced by the Athletics Department, including audits, internal and external reviews, and finances and expressed the personal difficulty of determining next steps, considering the exceptional student athletes at UNM. He stated that a failure of adults led to current circumstances and that the department failed to keep promises to students. He also noted the failure to correct problems for years prior to his arrival. He echoed President Stokes’ statement that the Athletics Department and University are at a crossroads and noted the administration’s commitment to stabilize and right size Athletics. The discontinuation of sports is not a light decision; however, if changes are not made, UNM Athletics will see more of these type decisions in the future. He assured the regents that adopting the recommendations will position Athletics for success and allow programs to grow.

In the process to determine next steps, the administration analyzed data, collected information, engaged constituents from all sports, gathered input from fans, and spoke to student leaders and state constituents. He noted two systemic problems: financial and Title IX compliance. In May, a Title IX consultant’s report concluded UNM needs to make significant changes to meet Title IX compliance. The plan put forth for consideration addresses finances and Title IX, and also aligns UNM Athletics with the Mountain West Conference.

The administration continues to develop ways to increase revenues, and has reviewed ticket sales, licensing contracts, multimedia rights contracts, naming rights, and how to bring more events into venues. Expense reductions have also been examined. Mr. Nuñez stated the departmental $33.5 million budget ranks eighth out of twelve Mountain West institutions, noting Athletics’ budgets have been flat or reduced for several years, resulting in over $700K reductions since 2016, mostly through staff vacancies. Numerous positions are on hold currently, but contribute to student athlete support and experiences and cannot be eliminated. Athletics has also worked with Main Campus on shared services, resulting in a $250K savings yearly, and examined cost-containment possibilities, such as more shared services, including compliance, communications, and academic areas, which they plan to pursue.

Mr. Nuñez stated Athletics appreciates the contribution of student fees and noted institutional leadership will need to ensure transparency regarding any proposed new student fees to support student athletes. Mr. Nuñez commented that the current proposal addresses Athletics’ debt and deficit obligations, but further detailed conversations will need to occur about the path forward. When making decisions to cut, modify or roster-manage sports, the administration considered many factors, including cost savings, donor impact, academics, athletics, conference affiliation and community engagement. He noted every team has had accomplishments.

AD Nuñez vowed Athletics will maintain responsible stewardship to support a thriving athletic department moving forward, noting the proposal focuses on sustainability with available resources. He concluded that Athletics can be an integral part of UNM with the acceptance of this proposal.
**Statements, Discussion and Questions from the Regents:**

Regent President Rob Doughty inquired when the Athletics Department last conducted a Title IX review, before the May 2018 review. AD Nuñez responded one occurred in 2000, and four years ago UNM added women’s Beach Volleyball to alleviate potential compliance concerns. Mr. Nuñez noted that upon his arrival, it was evident UNM needed to look more deeply at gender equity and Title IX to ensure compliance, noting that Title IX is a federal mandate. Regent Doughty thanked AD Nuñez for his vigilance and noted the fact the gender equity analysis had not been completed for some time reflected poorly of the University. He apologized on behalf of UNM, stating that moving forward, Title IX has to be considered almost above everything else as an integral part of UNM’s mission.

Regent Doughty inquired if UNM will honor scholarships until graduation for student athletes in the proposed eliminated sports. Mr. Nuñez confirmed. Regent Doughty inquired if incoming freshmen with four-year soccer scholarships would be allowed to stay and finish the scholarship, to which AD Nuñez confirmed. Regent Doughty inquired if there was anyone from the administration present who would say that this was not guaranteed; there was no one.

Regent Doughty then inquired if students from the proposed eliminated sports would be able to play elsewhere as transfers. AD Nuñez responded the NCAA has agreed that a student whose sport has been eliminated will have the opportunity to transfer without penalty as of the day the decision is made. He stated that he had assured students of this and met with the compliance office; Athletics is on standby to complete the process for students who request it.

Regent Tom Clifford thanked President Stokes and AD Nuñez and noted he was unsure how many of the people who spoke during the public comment portion have followed UNM’s financial problems, a subject discussed in every meeting for at least two years. He noted UNM is trying to dig itself out of a financial hole that is not solely related to Athletics, and the proposal addressed not just finances, but also Title IX compliance critical to federal support to campus. He emphasized the proposal was not targeting or casting judgement on any sport, that the regents appreciate all student athletes, and statements that the regents are out of touch with the community are untrue. He noted President Stokes and AD Nuñez have inherited a difficult situation and were charged with making Athletics viable as a contributor to campus, and he reiterated that the process to develop a proposal was not hasty. He noted the regents previously received recommendations from staff council, faculty and student government leadership that Athletics needed to find financial balance. Regents have also received community feedback. The regents asked staff to perform the analysis to ensure the process remained objective. He emphasized that in order to support sports properly, the programs need proper funding, as it would be an injustice to athletes to pretend programs can be maintained and then have to underfund them moving forward.

Regent Clifford inquired about audits completed by the Office of the State Auditor and UNM Internal Audit, and the additional oversight requested by the State Higher Education Department. He requested that Controller Metzger summarize (and provide a written report afterward) the steps the administration has taken to address financial reporting deficiencies. Ms. Metzger responded Athletics hired a Chief Financial Officer at the beginning of 2018 and filled key vacancies in their business office to provide better control. Transactions are able to get processed more quickly with better oversight. Also, FY19 budgets will reflect each sport individually, to better identify costs. Currently these expense reports are pulled by sport outside of the Banner system. In FY19, they will be more easily prepared. A new software system implemented in Banner will process P-Card expenses, reimbursements, and other transactions and allow for faster review and processing; transactions will post in the general ledger more quickly for a much more accurate picture of what expenses are by sport at any given time. Staff in shared services have taken on business functions for Athletics, providing experience in processing transactions and skills in processing high volumes quickly. The Controller’s Office is involved in assisting Athletics in reviewing expenses almost daily.
The administration feels confident that with so much assistance, oversight will be strong with a clean fiscal year-end. AD Nuñez added he has received appreciation from the State Auditor’s office and approval of all tasks handled thus far, and there are two remaining. He noted Athletics is making tremendous progress with audit responses. Regent Clifford noted the audit committee will receive a quarterly report, and expressly wanted the community to understand there is a continuing program to improve financial management of Athletics. Regent Clifford reiterated the need for AD Nuñez to communicate to departmental management and coaches the mandate that they be financially responsible for their programs.

Regent Marron Lee echoed Regent Clifford’s admonition and noted she expected monthly financial reports at the Finance & Facilities Committee meetings. Regent Lee also recalled that she was vocal when UNM cut sports in the 1990s and would rather have more student athletes on campus, as the intangible benefits the University receives from their work is incalculable. She reiterated the importance of Title IX compliance, noting that noncompliant institutions receive oversight by the Office of Civil Rights, which would put UNM at jeopardy of losing all federal funding. She requested Provost Abdallah provide information about UNM’s Pell grants. Provost Abdallah replied that 10,000 UNM students receive Pell grants for a total of approximately $40 million in aid. He noted UNM receives total federal financial aid of approximately $170 million. Regent Lee inquired how much it would cost and how many women’s sports would need to be added to become Title IX compliant. AD Nuñez responded initial attempts revealed the University would first have to address the financial situation, be able to grow budgets at some point, and still reduce men’s teams for the purpose of proportionality, so adding teams would ultimately cost between $5-7 million (recurring), including facility enhancements. Regent Lee inquired how much that translated to in student fees. EVP Harris responded about $500-600 more per student in fees. Mr. Nuñez noted that potentially two female sports would need to be added. He explained that Beach Volleyball was added to address Title IX, but the University finds itself in the position of being unable to support it properly.

Regent Lee inquired about the Beach Volleyball facilities. Mr. Nuñez noted the team currently plays at a restaurant/bar facility on Fourth Street. Regent Lee inquired about Diving facilities. Members of the diving team responded the closest tower is in Colorado Springs. Regent Lee request information about the Title IX consultant. Mr. Nuñez stated that Helen Grant, a national consultant, who has completed over 20 Title IX audits, has worked with the administration while they were developing this proposal and has reviewed it to ensure the plan will not just sustain UNM for this year or next, but for at least five years into the future, with opportunities to ensure compliance and growth for women’s sports.

Regent Clifford inquired how the decision was made between Baseball and Soccer, as mentioned in the Title IX report. AD Nuñez stated that financial considerations, compliance, and Mountain West Conference alignment were all considered, and noted it was not a question of achievement or support for Baseball. Regent Brasher inquired if the same process were applicable to Track and Mr. Nuñez confirmed that roster management of the Track team underwent the same considerations. Regent Lee inquired what the average number of sports is for a Mountain West Conference institution and Mr. Nuñez stated 18.5. Regent Lee recalled that in financial discussions two years ago there was a projection that indicated seven sports might need to be cut. Mr. Nuñez discussed that a larger number of sports or larger teams could be cut to meet numbers, but the consideration was Title IX, financial status, and Mountain West conference alignment. Dropping seven sports would place UNM under the NCAA minimum.

Regent Lee noted that if no sports were cut, student fees would have to increase to $1400 per student, or equivalent funds would have to be taken from I&G, in perpetuity. Mr. Nuñez confirmed. Regent Lee inquired what Mr. Nuñez will do to change past behaviors. AD Nuñez stated that the action he took to review UNM’s Title IX compliance indicates he will be accountable. He vowed that he will take action to remain in compliance and to put a plan in place with the right staff in the right positions to ensure Athletics provides a significant benefit for student athletes at every opportunity available. Regent Lee reiterated that monthly reports will need to show transparency and that
every single sport is in budget and added the regents are committed to monitoring and questioning Athletics to ensure accountability. AD Nuñez concurred.

Regent Suzanne Quillen thanked President Stokes, recalling a discussion about difficult decisions and her need for support from the Regents. Regent Quillen noted that other decisions brought to the Board, such as pre-retirement healthcare benefits and the unfunded retirement liability, have been deferred. She expressed her appreciation for soccer, and noted that the football budget was $8.2 million in FY18, reduced to $6.2 million for FY19. She inquired about the decision-making process as applied to football, considering it is twice as expensive as the next most expensive sport. Mr. Nuñez responded that Athletics is addressing football expenses further, including reducing meals for student athletes. Coaches have opted temporarily not to take recruiting trips. He noted that football will be held to the same accountability as all sports in managing its budget.

Regent Clifford inquired what would happen to the relationship with the Mountain West Conference if UNM eliminated football. Mr. Nuñez stated there are four core Conference sports—indoor volleyball, men’s and women’s basketball, and football. Regent Clifford inquired if UNM would have to leave if football were eliminated. Mr. Nuñez noted it would be a possibility.

Regent Michael Brasher stated he had spoken in general terms about the decision with President Stokes earlier in the week, before the final report was distributed. He acknowledged the many emails regents had received from the community and leaders, and expressed gratitude for those who spoke in the public commentary portion of the meeting, acknowledging the many contributions of the soccer community and the value brought to UNM from their efforts. He noted the deep sense of pride in student athletes. He expressed the need to address financial and Title IX issues, which are essential and critical to a functioning research institution, and the need to align with the Mountain West Conference. He also noted the need to examine future revenues and existing contracts to ensure collection of revenues. He acknowledged President Stokes’ and AD Nuñez’ hard work to develop a recommendation and expressed appreciation for the work of the other members of the board. He noted that from his perspective, the recommendations are the right thing to do.

Regent Lee reiterated to AD Nunez that she will want a monthly report and restated that the students who made the commitment to play as Lobos on eliminated teams will have their scholarships honored. With that, Regent Lee motioned adoption of the proposal; Regent Clifford seconded; there was further discussion.

Student Regent Garrett Adcock wanted to give comments, noting it was important to clarify his stance as a student representative and former student athlete, to respond to statements that arose during the public comment portion of the meeting. He read from a prepared statement indicating the Board must hold true to the authority delegated to it by upholding the administration’s plan to bring financial stability to Athletics and ensure Title IX compliance, noting the board is tasked with improving the University’s future through thoughtful stewardship of assets, culture and environment. The Regents’ manual states it is University policy for athletics to comply with the spirit and intent of Title IX, including remedying financial discrepancies between men’s and women’s programs. He emphasized it was clearly unfair to the young women, men and coaches that represent UNM, but requested understanding that if there were an alternative, the Regents would seek it. He stated that leadership demands fidelity to do the right thing above all else, even fairness, and expressed his support for the administration’s plan for the future of UNM’s athletic program.
#4

**Information Item:**

*Introduction and Presentation*

*(materials for this item will be made available at the meeting)*

NOTE: A COPY OF ADMINISTRATION’S REVIEW AND ANALYSIS MAY BE REVIEWED AT:


NOTE: A COPY OF THE REVIEW AND ANALYSIS OF TITLE IX COMPLIANCE MAY BE REVIEWED AT:

#5

Public Comment

(related to agenda item, comments limited to 3 minutes per person)
Administration’s Response to Comments and Frequently Asked Questions

(materials for this item will be provided at the meeting)
#7

Action Item:

Consideration of and action on Administration’s proposal and plan relative to Athletics Department financial stability, to include considering the discontinuation of UNM Men’s Soccer, Men and Women’s Ski Teams, Beach Volleyball, and Diving as intercollegiate athletic programs.