

**MINUTES OF THE MEETING OF
THE REGENTS OF THE UNIVERSITY OF NEW MEXICO**

December 14, 2010

Board of Regents Meeting 9:00 a.m. – 12:00 p.m. 1:00 p.m. – 1:15 p.m.

Student Union Ballroom C

Board of Regents Executive Session Luncheon

12:00 p.m. – 1:00 p.m.

Cherry Silver Room

Attendance:

Regents present:

Raymond G. Sanchez, President
Jack L. Fortner, Vice President
Carolyn J. Abeita, Secretary-Treasurer
Don L. Chalmers
J.E. "Gene" Gallegos
James H. Koch
Cate Wisdom

President unable to attend:

Dr. David J. Schmidly

Acting President present:

Dr. Paul Roth

Executive Vice Presidents present:

David Harris, EVP
Provost Suzanne Ortega

Vice Presidents present:

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

University Counsel Present:

Lee Peifer, Interim Sr. Associate University Counsel

Regents' Advisors present:

Richard Wood, President, Faculty Senate
Merle Kennedy, President, Staff Council
Lissa Knudsen, President, GPSA

Lazaro Cardenas, Jr., President, ASUNM
 Steve Chreist, President, Alumni Association
 Anne Yegge, Chair, UNM Foundation
 Maria Probasco, President, Parent Association
 Cynthia Stuart, President, Retiree Association

Regent President Sanchez presided and called the meeting to order at 8:53 a.m.

I. Confirmation of a Quorum; Adoption of the Agenda Regent Sanchez

Motion approved unanimously to adopt the modified agenda (1st Koch, 2nd Fortner).

Regent Gallegos and Regent Koch will be excused from this meeting early to attend a funeral. Regent Sanchez modified the agenda to move Item **VIII**, the Proposed Health Sciences Center Governance Re-organization, up to follow Item **III**. The Public Comment and Advisor Comment Items, to the extent public or advisor comments have anything to do with the HSC re-org issue, will immediately follow. Those comments will be taken only from the advisors, faculty, staff and students. After those items, the next item will be number **IV**, the General Fund Revenue Update, then Item **V** and the rest of the agenda as written. There were no objections to the modifications from the Board and no objections from the Advisors.

II. Approval of Summarized Minutes of the November 9, 2010 BOR Meeting

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

III. President's Administrative Report, Dr. Paul Roth, Acting President

Dr. Roth noted Dr. Andrew Weil would speak at the Commencement ceremony for more than 1600 students.

Dr Roth said he has presented an outline for a Main Campus three-year strategic financial plan which will allow the best opportunity to protect the academic missions and meet the fiscal demands resulting from the economic downturn.

Dr. Roth presented the United States Environmental Protection Agency's Energy Star Award to Dr. John Trotter, Deputy EVPHS, honoring the HSC's Health Sciences and Services Building (HSSB) for energy conservation. System-wide, UNM has use-avoidance of more than 16%, perhaps as much as 18%. Past Energy Star recipients are the Barbara and Bill Richardson Pavilion and Carrie Tingley Hospital.

Regent Sanchez welcomed everyone in attendance. The BOR is pleased that they were interested and able to attend.

Regent Sanchez recognized Representative Lucky Varela and asked that he keep UNM's budget in mind during the legislative session.

Regent Sanchez asked for comment from the Regents' Advisors relative to the HSC Re-organization only.

VIII. Proposed HSC Governance Re-organization, Dr. Paul Roth, Acting President, EVP HSC (attachment 2).

Motion passed unanimously to adopt the amendments, as proposed by Regent Koch, to the HSC Governance Concept Paper (1st Koch, 2nd Gallegos).

Motion passed unanimously to adopt the Policy as presented (1st Koch, 2nd Abeita).

Motion passed unanimously to adopt the Resolution Regarding UNM Health Sciences Center Governance Reorganization, including amendment 14 proposed by Regent Gallegos (1st Chalmers, 2nd Fortner).

Amendments proposed by Regent Koch:

The phrase "intended by this Policy to operate independently from other operations of the University" be struck from the proposed change to Regents Policy 3.4.

In Section III of the Regents Policy Manual (RPM) 2.13 Concept Paper and in the "Applicability Section" of proposed Regents Policy 3.5, recommended that the HSC Board of Directors review the roles and responsibilities and recommend modifications to the Board of Regents for approval by December 2011. Regent Koch feels that we are moving too fast on a massive change like this and the first charge of the HSC Board of Directors should be to review and recommend any necessary changes.

In section III.A. of the RPM 2.13 and in the proposed Regents Policy 3.5, make it clear that the proposed board would operate under the Open Meetings Act and the Inspection of Public Records Act.

In section III.B. of the RPM 2.1 and in the proposed Regents Policy 3.5, make it clear that the President of the Board of Regents shall appoint the HSC Board of Directors.

In Section III.D.1 of the RPM 2.13 and proposed Regent Policy 3.5, delete item "h" and add item "m" that the HSC and the HSC Board coordinate budget requests and proposed legislation with the President of the University and the BOR Finance and Facilities Committee (F&F).

In Section III.D.2 of the RPM and in Section 3.2 of proposed Regents Policy 3.5, the transfer of money, personal property and real property, the HSC will coordinate with the University President and the BOR Finance and Facilities Committee until the HSC Board of Directors is appointed and acting.

In Section III.E. of the RPM and in Section 4 of proposed Regents Policy 3.5, add that proposed legislation and transfer of assets also be coordinated with the BOR, its applicable committees and the President of the University.

In Section III.F. of the RPM and in Section 5 of proposed Regents Policy 3.5, add approval by the BOR to MOAs by and between the HSC and each Subsidiary Corporation.

In Section III.G. of the RPM and on Pages 1 and 2 of the “Policy” section of proposed Regents Policy 3.6, add back wording in current Regent Policy regarding UNMH Board of Trustees appointments.

In Section IV.A. of the RPM 2.13 Concept Paper and Section 3 on Page 2 of proposed Regents Policy 3.4, amend to provide that, should the post of Chancellor for Health Sciences become vacant, the President of the BOR and the President of the University will appoint the advisory search committee.

Regent Koch stated that the changes he proposes make it clear that the HSC is not independent of the University.

Discussion on the amendments:

Regent Chalmers: Is concerned about HSC budget requests and proposed legislation after 2011.

Regent Koch: Believes this is covered in his amendment requiring review of the HSC Board roles and responsibilities for BOR approval in December 2011.

Regent Chalmers: The purpose of this reorganization is stream-lining and efficiency and not for separation between the HSC and the University—we are one university with one budget. I support your amendments and we should revisit all these things in December 2011 to make sure they’re working.

Regent Gallegos: My comment dovetails with Regent Chalmers, except I think amendment number 2 is only directed at defining the role of the Board of Directors. It is not as broad as I think Regent Chalmers was thinking and that I would like to see. That is to say, that this entire proposal looks good on paper but I think it would behoove us to see how it works in application in another year. And I think the amendment, if I understand it correctly, proposed by Regent Koch is limited to just a review of the Board of Directors roles as opposed to the overall proposition. It may not need to be part of the policy, but if we adopt this recommendation, at least a resolution or “sense of the Regents” that we take a look at it a year from now, when we see how it’s working. There are a lot of things that aren’t foreseen, as I say, that look good on paper then you try and implement them and they maybe don’t fit. In other words, broader than just re-looking at the role of the Board of Directors would be my recommendation.

Dr. Roth: In the rest of the proposal, it does talk about the HSC Board having responsibility for the finances. The reason Regent Koch wanted calendar year 2012 to be explicitly different than what the policy currently says is because very likely we will not have an HSC Board identified. As an alternative we do need to go through F&F for budgetary issues for this first calendar year. It is with the assumption that after calendar year 2012 the HSC Board, as defined in the policy, would assume that responsibility. Having said that, I think the points that Regent Chalmers and Regent Gallegos have made are important. There could easily be unintended consequences; there could be other changes that we will learn by putting this into operation that would necessitate modification of the policy that is before the Regents. It would seem reasonable to me, as Regent Gallegos suggested, that in the resolution that we would suggest that at the end of the calendar year, sometime in December, that there be a formal assessment of the policy, assure that it's, in fact, doing what we had intended it to do and some recommendations coming back to the Regents as a whole with regard modifications, or maybe it won't require any changes, but at least it gives us a mandate to reassess it on a formal basis by the end of next calendar year. I think that would actually be a very helpful modification in the resolution.

Regent Abeita: I appreciate the amendment to make sure that we have a mechanism to allow Finance & Facilities Committee, because we won't have a Board in place, and we are going through a budget cycle. It's a transition period. Regent Wisdom just pointed out that a member of the F&F Committee will be on the HSC Board, so there is dovetailing. I also am in support of a more formal review of this. We clearly have, at any time, the opportunity to review policy and make amendments. If something isn't working, not just in this reorganization but in any Regent Policy, we have the ability to review and amend at any time. The fact that it's not stated doesn't mean that we can't do it and we haven't done it. But I would second that we give a date. Another piece of this that each one of those Boards has a mandate to evaluate, at least once a year, their performance, their activity. That's part of the by-laws. I appreciate the fact that you're saying that, while we recognize the HSC is a distinct component unit, it is not pulling away from the university. That is one of the concerns that a lot of folks have said; that it is a model that we're just setting it up so there's another empire on the north side of Lomas. I think we need to be very clear, we want to make that piece of the University as effective and efficient as possible, but you have something in 3.5 Section 4, the HSC, the Board of Directors, the Chancellor shall coordinate their activities in budgeting, strategic planning, and master facility planning, you are required to deal with the BOR and all the other committees, so there is specific language in here that says you shall play with the rest of the family. Main Campus also has a responsibility to work with HSC when there's a matter that involves the HSC. There is language in here to make sure we are all working together. I support the amendments that help us focus on that, and I'm all for setting a definite date for review.

Regent Chalmers: One comment, and that's the problem with rushing into this, but what is written in number 2 is that the HSC Board of Directors will review, and I think that's great, but that's a responsibility of the BOR to review everything because we look at it not from the viewpoint only of the HSC. It might be working great for the HSC and not be working so great for the whole of the university. That's what I'm concerned about, that we do not create a separate organization. I would suggest, besides the review of each of the components, besides the review by the HSC Board of Directors, that this Board of Regents review the entire reorganization and have a date certain that we do that.

Regents' Advisors' Comments:

Dr. Richard Wood, Faculty Senate President: The faculty is very supportive of the overall goal of reorganizing HSC as described. The primary concern is that there be advisory roles for faculty, staff and students.

Merle Kennedy, Staff Council President: All concerns Staff Council had regarding representation were satisfied in a conversation with Dr. Roth—there are no objections.

Lissa Knudsen, GPSA President: GPSA supports the reorganization.

Public Comment:

Each of the following spoke in favor of the HSC Governance Re-organization Plan:

Nikki Katalanos, Chair, HSC Council.

Jeffery Griffith, Executive Vice Dean, School of Medicine.

Nancy Ridenour, Dean, College of Nursing.

Kevin Rogols, Administrator, UNM Sandoval Regional Medical Center.

Steve McKernan, CEO, University of New Mexico Hospital.

Carolyn Voss, VP for Clinical Affairs.

Elizabeth Fingado, UNM Medical Group Quality and Clinical Process Improvement employee.

Mike Richards, Chief of Staff, UNM Hospitals.

Richard Larson, VP for Research, HSC.

Cheryl Willman, Professor, School of Medicine, presented a letter, signed by all the Deans and Department Chairs in the School of Medicine, in favor of the reorganization plan.

Regent Fortner: Dr. Roth, in the restructuring, do you have an opinion on the faculty's recommendation that one of the community members of the Board be an official faculty representative?

Dr. Roth: I'm not opposed to that concept. Because of all the consensus building I've already done and because it is a substantive change, I felt it would be necessary to go back to all the constituents of the HSC to solicit their input and support for this change. I would be willing to visit it during the year and if everyone supports it, I certainly would support it as well.

Discussion on the Resolution:

Scot Sauder, Senior Associate University Counsel, Health Law Group: Before you, you have a set of resolutions that will effectuate the vote the board has just taken. It starts with a number of recitals that set the factual predicate along the lines of what the Regents just discussed. The first paragraph of that resolution adopts the reorganization as presented by Dr. Roth and just voted on by the regents. The second paragraph adopts Regent Policies 3.4, 3.5, 3.6 and 3.7 as presented, and as amended, by Regent Koch's proposed amendments. The third paragraph calls for the repeal of current Regent Policies 2.13, 2.13.1, 2.13.2, 2.13.3 and 2.13.4, all of those pertained to the Health Sciences Center and to the UNM Hospital and are being replaced by the four Regents Policies 3.4 through 3.7. The fourth paragraph approves and adopts Regents Policy 1.2 as amended, which pertains to the structure of the Regents and identifies the HSC Board in that policy. The fifth paragraph amends Regents Policy 2.16, which pertains to University Counsel and to the manner and method by which legal counsel outside the university is retained and as to the commencement or joined in litigation involving the university. This is amended to make it clear that the University Counsel's office is counsel to the University, including the Health Sciences Center and clarifies the roles and responsibilities of the Chancellor and the President relative to the other matters that I previously mentioned. The sixth paragraph deals with amendments and clarifying amendments relative to the appointment of key administrators and makes some conforming changes relative to the Chancellor for Health Sciences. The seventh paragraph deals with amendments and conforming amendments to Regents Policy 7.6 dealing with University business enterprises. The eighth paragraph deals with signature authority and makes some conforming and clarifying amendments as a result of the HSC Governance Re-organization as to contract signature authority. The ninth paragraph deals with risk management and clarifies and aligns risk management responsibility as to the Health Sciences Center along the lines required by the Joint Commission and by other accreditation agencies that impose that obligation on the Board of Trustees for purposes of accreditation. The last four paragraphs deal with by-laws. We are not asking the Regents to adopt the new Health Sciences Center by-laws, but rather to direct the new Health Sciences Center Board of Directors to look at and adopt a set of by-laws substantially in the form attached to these resolutions, but it's their responsibility to come back before this body to adopt a final form of by-laws. We needed to, as a result of this reorganization, amend and restate the Hospital Board of Trustees by-laws. Regent Sanchez gave formal notice to the County of those amendments and, as of yesterday, it was communicated to me that that County does not oppose any of those amendments. The twelfth paragraph deals with amending and restating the by-laws of the UNM Medical Group, which is the faculty practice organization for the

medical faculty at the School of Medicine. We reduce the size of the board from twenty-two voting members down to eleven; it makes it much more functional, much more nimble, and should enable it to meet its obligations. There are some technical amendments to allow email notice of meetings which were not permitted at the time we originally did the by-laws. And then we amend and restate the new UNM Sandoval Regional Medical Center by-laws, and in both the Medical Group's case and the Sandoval Regional case, the Regent member to cease to be a member of that board and we replace that position with, in Sandoval County's case, a member of the community in Sandoval County. That amendment, while it can be approved by the Regents, is subject to the final approval of the Federal Housing Commissioner under and pursuant to the mortgage loan documents that we just closed in November. With that, that's the resolution that's before the Regents.

Regent Gallegos: Mr. President, I would like to propose an amendment to the resolution. The amendment would be to add a resolution paragraph fourteen which shall read, "The Governance Re-organization for HSC hereby adopted shall come before the Board of Regents on or before December 2011 for assessment of its implementation and for evaluation of the need, if any, for modification or amendment."

Amendment 14 will be added to the final resolution for signature by Regent President Sanchez.

IV. General Fund Revenue Update and Outlook for 2011 Legislative Session, Tom Clifford, Chief Economist, New Mexico Legislative Finance Committee.
(Presentation is posted on Government Relations Web Site)

Dr. Clifford introduced Representative Lucky Varella. Regent Sanchez and the Board welcomed Representative Varella.

Regent Sanchez asked if Dr. Clifford had access to an estimate of the amount of money being held by the private sector that is not being spent out in the community.

Dr. Clifford: I don't have good numbers for you. The extent to which companies are using their retained earnings to finance capital investment is on the order of 80% rather than the 100% that is normally used. The other problem is that the banks have to re-capitalize. The banks are holding a lot of liquidity. If the tax reduction package goes through it will be a positive factor.

Regent Chalmers emphasized the point that revenues will not get back to 2008 levels until, perhaps, 2015. He asked if reserves were getting down to a dangerous level.

Dr. Clifford: I believe we do run some risk if proposals to draw down permanent funds, to borrow against permanent funds, or to borrow against future revenues are presented this session. That invites scrutiny of the bond rating. Our bond rating has not taken any kind of a hit through this cycle.

Regent Sanchez: Table 4 shows that higher education has taken a significant hit compared to other appropriations. We would ask that the LFC try to balance that so that higher education doesn't take quite as significant a hit as we have in the past. We would ask that serious consideration be given to research universities and looking at that formula.

V. Comments from Regents' Advisors

Reports received are included in the BOR E Book posted on BOR web site.

Faculty Senate, Richard Wood, President

In addition to the policies mentioned in his report, Dr. Wood said the Faculty Senate is also working on proposed changes to the Faculty Workload policy.

Staff Council, Merle Kennedy, President

In addition to his report, Mr. Kennedy congratulated the three winners of the Gerald May award: Marvin Gurule, Marion McGranahan, and Candyce Torres.

GPSA, Lissa Knudsen, President

Regarding the HSC reorganization, GPSA recommends working within the existing governance structure rather than creating another faculty senate, another staff council, and another GPSA and ASUNM.

ASUNM, Lazaro Cardenas, Jr., President

Alumni Association, Steve Christ, President

UNM Foundation, Anne Yegge, Chair

Ms. Yegge stated that the long term investment goals have been aligned with the Investment Policy Statement Asset Allocation.

Parent Association, Maria Probasco, President

Retiree Association, Cynthia Stewart, President

VI. Regent's Comments

Regent Abeita thanked all of the advisors and associations that are helping the university and the students during this difficult economic time.

Regent Fortner asked for a letter in recognition of the service of a sergeant in the Farmington police department who was killed by a roadside bomb in Afghanistan.

Regent Sanchez expressed gratitude for service of all armed services personnel. We are able to participate in all the university has to offer because they are there.

VII. Public Comment

Dawn Gunter stated that the numbers given for UNM in the Strategic Housing Plan are, in some cases, inaccurate and therefore UNM is shown in incorrect positions in some of the comparisons to other institutions. She reported that several students feel that they and their concerns have not been treated with the respect they are due. She asked that American Campus Communities (ACC) and Lobo Development Corporation (LDC) be held accountable for the accuracy of the information they present to the BOR.

Megan Chibanga asked that ACC be held to demolition and building only on the land in the plan that has been presented to the BOR. She encouraged a thorough look at the preliminary documents due in January: what the management structure will be, what land is encompassed in the various phases of development, and what the ultimate end goals are.

IX. Regent Committee Reports

Finance and Facilities Committee, Regent Don Chalmers, Chair

Motion approved unanimously to move items 1, 2 and 3 from Action Items to Consent Items (1st Chalmers, 2nd Fortner, Gallegos and Koch excused.)

Regent Chalmers noted that items listed as Action Items 1, 2 and 3 were approved as Consent Items at the F&F Committee meeting on 12/9/10.

A. Consent Agenda (Finance and Facilities Committee meeting 12/9/2010)

Motion approved unanimously to approve the three Consent Agenda items moved up from the Action Agenda (1st Chalmers, 2nd Fortner, Gallegos and Koch excused.)

1. Disposition of Surplus Property on list dated 11/10/2010, Bruce Cherrin, Procurement Officer (report in BOR book).
2. Approval of Contracts, Bruce Cherrin, Procurement Officer, Stephen McKernan, VP Hospital Operations, (reports in BOR book):
 - 1) UNMH-Lawson Software
 - 2) UNMH-Cerner Corporation
 - 3) Request for Approval to Use Construction Manager at Risk for Baseball Stadium Project
3. Approval of, Vahid Staples, Budget Officer, (reports in BOR book):

- 1) Capital Project Approval for Clinical Neurosciences Core Renovation
- 2) Capital Project Approval for UNM Gallup Gurley Hall Backfill.

B. Action Items

4. Approval of Resolution Student Housing Strategic Plan, Kim Murphy, Director Real Estate, Matt Stein, American Campus Communities.

Motion approved unanimously to accept Student Housing Strategic Plan Resolution (1st Chalmers, 2nd Fortner, Gallegos and Koch excused.)

Discussion:

Regent Sanchez asked that Mr. Murphy begin by addressing the students' concerns regarding lack of and tenor of communications from LDC and ACC.

Mr. Murphy stated that they have had seventy-seven meetings on the main campus housing program with students, faculty, staff, and neighborhoods, as well as open forums. He has not witnessed any inappropriate comments or attitudes at any of these meetings. He is concerned that anyone would come away from the meetings with that feeling. Because this is a progressive approval process many of the questions that were asked can be given a general direction, but details are not known. We have committed to develop those details and bring them back to those groups for review and comment.

Mr. Murphy: Noted at the F&F Committee meeting that some of the comparisons may not be completely revealing due to the mandatory "Freshmen on Campus." The lists will be expanded to include other universities. A report to the provost indicated that UNM is near the bottom of the list in terms of the percentage of students living on campus. I think the list should be expanded, but the conclusion is valid. Regarding the cost data, I believe the discrepancy on that table is the title; the majority of the figures are an academic year, not a semester amount. As we move forward, we will be functioning in a private sector market. We need to price our product so there is a perceived value to living on campus.

Regent Sanchez stated that the only information they have is what is presented to them and it is important that we are all on the same page with the same information. He can see there is a misinterpretation of it. Students are adults and should be treated with that respect and dignity. At the same time, students ought to recognize that they are adults and should understand that when you get into a give and take, sometimes responses aren't as you would like them to be. It's time to get past finger-pointing and blaming and try to communicate with one another so that we all understand what is going on. It is very important that information be accurate.

Mr. Murphy: We're here to review, consider and approve the Strategic Housing Plan. The Strategic Housing Plan is a business document. It provides the strategic direction for UNM and ACC relative to upgrading and expanding student housing. It addresses housing objectives, supply and demand, product mix, support services and amenities, locations and operations of student housing. Nothing is final until a ground lease agreement for a particular phase has been agreed to and approved by the BOR. There are three steps: one is the development proposal and site selection, two is the project design, detail budget and schedule, and three is contract agreement in the form of the ground lease. At each step there will be public meetings. We are committed to seek student and community input.

Mr. Murphy: In parallel to the Strategic Housing Plan, we have been working on the Phase One conceptual plan and design. This may have caused some confusion. Megan referred, earlier, to a graphic that was presented. It was an idea about how open space and recreational facilities could be expanded. Green space was shown where Santa Clara is now. That decision has not been made and will not be made until specific plans are made and brought forward for approval.

Mr. Murphy: We met with the Residence Hall Association in Sept., Nov., and Dec. regarding where this project is going and to seek their input. I believe the concerns revolve around two big issues. One is the delivery of an integrated, coordinated housing program by UNM and ACC. Included in that is how we are going to deliver a consistent residence life experience for UNM students, whether they live in UNM product or ACC-developed product and we have committed that we will work with the RHA and Housing, in the coming weeks, to develop an outline of an integrated management plan for student housing. It will be done by mid-March. The other issue is the availability of parking. It is important to the success of our student residential community that we accommodate access to the campus by those who bring cars. With respect to the first phase, we have determined that we have adequate supply on main campus. We will use some of the existing capacity in existing residential lots. We will be able to shift some permitted parking within other areas of the campus.

Regent Wisdom expressed concern regarding parking. Students are concerned not only with parking far from the residence life part of campus, but they are also concerned with their safety if they must park far away. She would like a timeline so that students will know when they can give input on this issue.

Mr. Murphy stated that there is nothing in their analysis or preliminary planning to indicate that it would be necessary for students to park in South Lot when they live on Main Campus.

Mr. Murphy introduced Matt Stein from ACC.

Mr. Stein apologized for anything he said that might have been taken as condescending. It was not meant to be. As far as presentation of inaccurate information, ACC did not intend to present anything that is slanted and not accurate. Without apples-to-apples information we would not be able to make the appropriate decision for either side of the partnership. In addition, the Strategic Housing Plan does not represent or suggest any rental rate structures for student housing going forward. What it states is there is a discrepancy between existing institutions for the product that's available and a comprehensive evaluation will have to take place.

Mr. Stein then gave a presentation on the Strategic Housing Plan.

Regent Chalmers said this plan had been vetted pretty thoroughly at LDC and F&F and they recommend it unanimously. It outlines the process that we'll be going through and it does not get into as much detail.

Regent Abeita stated that at the last two Regents' meetings there has been concern expressed about lack of communication and information regarding the housing plan. We need to get better at communication and information sharing with all the folks that are impacted. It may sound elementary, but it really does make a difference.

C. Information Items:

5. Contract Information: Physics and Astronomy-Micro Systems Engineering, Bruce Cherrin, Chief Procurement Officer (report in BOR book).

Regent Chalmers congratulated Dr. Fields on getting the grant to fund this purchase.

6. Outline for the Main Campus Three-Year Financial Strategic Plan, Andrew Cullen, AVP Planning, Budget & Analysis (report in BOR book).

Mr. Cullen: There are several significant dates that must be considered in developing this plan. The first is the end of the legislative session, March 19, 2011. The second is the Regents' meeting date of April 8th when the proposal for a tuition and fee increase for FY 2012 will be presented. That increase will consider a three year budget plan. We will develop a rough draft of what this three year phase-in plan might look like. After the first of the year, we will disseminate what we have heard from the constituency groups on how we might tackle the 2012 budget.

Dr. Roth: In order to address the \$28 million reduction to our bottom line, and after a lot of meetings with faculty, students and staff, it became obvious to me that it was simply not possible to adequately adjust to that type of

reduction without it significantly compromising our primary purpose of being: teaching our students. In an effort to invite input, this is simply a first step in articulating where we hope to go. At every step, before any decisions are made, we will have broad input that represents the wisdom of all of the groups that are vested in the advance and success of the University of New Mexico, prior to recommendations coming to the Regents. I believe we will be able to manage that very large number and we will do so without compromising our academic mission.

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

A. Consent Agenda

Motion approved unanimously to approve Consent Agenda items (1st Abeita, 2nd Wisdom, Gallegos and Koch excused.)

1. Approval of Fall 2010 Degree Candidates, Richard Wood, President, Faculty Senate.
2. Approval of ASUNM Constitutional Amendment Fall 2010 Election, Debbie Morris, Director of Student Activities.
3. Approval of UNM Taos Constitution and Bylaws, Kate O'Neil, Executive Director, UNM Taos.
4. Approval of Master of Science Degree in Biomedical Engineering, Steven Graves, Associate Professor, Chemical Nuclear Engineering.

Regent Sanchez complimented the ASUNM on raising the GPA required to hold an ASUNM office.

B. Information Items

5. Student Fee Update, Wynn Goering, Vice Provost, presenting for Richard Holder, Deputy Provost, Academic Affairs.

Discussion: Regent Abeita noted that there are several different fees students pay.

Mr. Goering: These course and curricular fees, which are based on the costs of specific classes or courses of study, are set administratively according to the Regents' Policy and the University Business Policies and Procedures Manual (UBPPM). Fee increases are not automatic.

Mr. Goering confirmed Regent Chalmers' understanding that student course and curricular fees are not covered by the lottery scholarship.

Regent Abeita said it is important to realize the financial burden the students bear. These fees may be overlooked when parents and students calculate the cost of their education. This information is important.

Regent Chalmers said that the number of years it takes a student to complete a degree may be the number one factor in how expensive an education really is. For each additional year a student spends getting a degree, tuition, living expenses, and fees all go up. He wondered if there was any data to show that, in response to this, students are taking more hours in order to graduate quicker. If not, they should be advised of it. He was told that over the past two years enrollment has increased as has the number of hours students are taking. The reasons for the increases are not clear.

Provost Ortega said that Dr. Schmidly directed, at least a year ago, that precisely this information be presented in marketing and orientation materials for students.

Regent Sanchez would like to see the information presented more graphically so students are really aware of the course fees for each class up front.

- 6. Academic Prioritization Update, Suzanne Ortega, Provost & EVP, Academic Affairs (no written report).

The Office of the Provost has coordinated essentially four streams of academic prioritization and analysis. We remain on track. Due on October 29th, was the response to my request to the deans to provide instructional efficiencies or maximizing instructional capacity plans. We instituted a two-stage academic degree prioritization process. Ten programs, five undergraduate and five graduate, have been asked to do comprehensive reviews that provide reasons for the programs and look for opportunities for consolidation or reorganization. From top to bottom, we are in the process of reviewing opportunities for cost containment. Forty four programs are under review. A committee, formed by people who understand the university but who do not have a stake in any one program, is to classify programs that directly deliver research or teaching, programs that directly support, and programs that indirectly support. They are to recommend cost containment opportunities identified and a potential price tag determined, reorganization opportunities, consolidation opportunities, phased reduction of I&G subsidies, need to improve the quality of the program and may need enhanced opportunities. A full report is expected December 20th. They will look for opportunities within units and across units.

Audit Committee, Regent Gene Gallegos, Chair (no report).

HSC – Health Sciences, Regent Jack Fortner, Chair (no report).

X. Public Comment – See items above.

XI. Adjournment

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

Motion approved with no dissenting votes to proceed in Executive Session at 11:57 a.m. (1st Chalmers, 2nd Abeita, Gallegos and Koch excused).

X. Executive Session 11:58 a.m. – 12:55 p.m., Cherry Silver Room. (Regents Gallegos and Koch were excused.)

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

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

XI. Vote to re-open the meeting.

Motion approved at 12:56 p.m. to re-open the meeting (1st Fortner, 2nd Abeita, Gallegos and Koch excused).

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

Motion approved to certify,

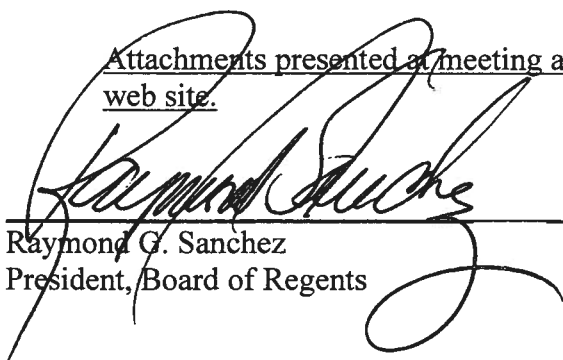
Motion approved to approve Honorary Degree candidates as presented.

Motion approved to deny appeal.

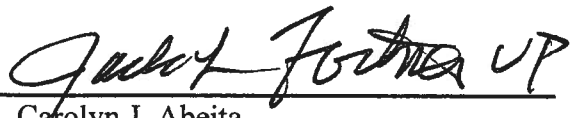
V. Adjournment.

Motion approved at 12:58 p.m. to adjourn the meeting (1st Abeita, 2nd Fortner, Gallegos and Koch excused).

Attachments presented at meeting are included in final BOR E Book posted on BOR web site.



Raymond G. Sanchez
President, Board of Regents



Carolyn J. Abeita
Secretary/Treasurer, Board of Regents

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