

The University of New Mexico
Board of Regents' Meeting
 May 10, 2011, 9:00 a.m.
 Student Union Building Ballroom C
 Meeting Minutes

Members present: President Jack L. Fortner, Vice President Don L. Chalmers, J.E. "Gene" Gallegos, James H. Koch, Jacob P. Wellman (Quorum).

Members unable to attend: Secretary-Treasurer Carolyn J. Abeita, Bradley C. Hosmer.

Administration present: President David J. Schmidly, Executive Vice President David Harris, Provost Suzanne Ortega, Chancellor Paul Roth, Vice President Julia Fulghum (R&D), Vice President Helen Gonzales (Human Resources), Vice President Paul Krebs (Athletics), Vice President Ava Lovell (Controller), Vice President Eliseo Torres (Student Affairs), Sr. Associate University Counsel Lee Peifer.

Regents' Advisors present: Incoming President Tim Ross for President Richard Wood (Faculty Senate), President Merle Kennedy (Staff Council), President Lissa Knudsen (GPSA), President Lazaro Cardenas, Jr., President Steve Chreist (Alumni Association), Chair Anne Yegge (UNM Foundation), President Maria Probasco (Parent Association).

I. Confirmation of a Quorum; Adoption of the Agenda, Regent Fortner

Motion passed, with no dissenting votes, to adopt the agenda at 9:00 a.m. (1st Chalmers, 2nd Gallegos).

II. President's Administrative Report, President David J. Schmidly

President Schmidly said he was yielding his time to the team that produced the institutional spot "Big Moments."

Typically, the 30 and 60 second institutional spots shown on television, particularly during football and basketball games, are produced by professional marketing firms at a cost of \$100 thousand to \$200 thousand.

UNM took a different approach and involved the students in our Interdisciplinary Film and Digital Media Program (IFDM), their faculty sponsors, and staff in the University Communication and Marketing Department in producing our spot, and they did it for under \$2,500. It is very well done.

President Schmidly introduced the students instrumental in the production as Emily Kennedy, Andrea Salazar, Jason Ponic and Tofer Flowers. The faculty mentors were Nick Flor from IFDM and Karolyn Cannata-Winge from Communication and Journalism. Cinnamon Blair, Director of Marketing and Tess Goering, Marketing Associate were also commended for their work on the spots.

Ms. Blair said this program, in its second year, is an opportunity for undergraduate students to collaborate with other student across disciplines, with faculty, with other departments, and with staff to create a 30 second spot that represents the image of the University of New Mexico. It is reinvented with new eyes every year. It's also an opportunity for faculty to work across disciplines and it gives us the opportunity to look at UNM in a fresh way every year. It is also a great opportunity for our professional interns.

Ms. Goering stated that every aspect of the spot involves students in some way. We involved a graduate student from Anthropology, student actors from the Department of Theater and Dance, a student composer created the background music and IFDM students volunteered their time on anything for which we needed help. She stressed all the students were volunteers who had no

expectation of reward. Some groups that partnered on the project were Athletics, the Office of the Secretary, University Libraries, KNME and Mesa del Sol.

The 30 second spot is currently airing on the CW network statewide and will be shown all summer. The 60 second spot is available now at <http://promo.unm.edu>. (The 30 second spot was played for those in attendance, followed by the 60 second spot.)

Televising the spots shown during athletic events on The Mountain and CBS College Sports is free.

III. Comment from Regents' Advisors

Faculty Senate, Tim Ross for Richard Wood, President. The report sent by Dr. Wood noted that the perception of shared governance has improved greatly. However, shared governance is new and fragile. We hope that the ideas, trust and momentum developed this year will be transmitted to the new leadership in student, staff, faculty and other Regents' Advisor groups in the coming year.

- **The University is required, in June this year, to submit a report to the Higher Learning Commission that addresses the progress made in shared governance.**
- **The Faculty is also required to submit their own report to the HLC discussing the matter of shared governance.**
- **We are in a search for an Interim Provost.**
- **We will be beginning a search for an Interim Dean for the College of Arts and Sciences.**
- **The Faculty Senate is working on a draft proposal to reorganize the current nineteen committees into six councils.**

Staff Council, Merle Kennedy, President. Mr. Kennedy thanked the BOR and the administration for the courtesy and help extended to the Staff Council and to him, personally. He noted that Consent Agenda Item H would add the Past President to the Staff Council Executive Committee for one year, in an effort to bring continuity to the council leadership. All 30 seats up for election in May were filled and the representatives will take office May 17, 2011. Mary Clark, President Elect, will stand for election as President.

GPSA, Lissa Knudsen, President. Ms. Knudsen enumerated many accomplishments of GPSA over the last couple of years. Ms. Knudsen introduced the GPSA President-Elect, Katie Richardson, a PhD student in Physics.

ASUNM, Lazaro Cardenas, Jr., President. Mr. Cardenas introduced Incoming President, Jamie Roybal.

UNM Alumni Association, Steve Chreist, President. Mr. Chreist noted the many activities planned by the Association to celebrate Commencement. The Board of Directors will meet June 3rd and do a tour of Lobo Village. He noted that the new President will be Waneta Tuttle, who received her Bachelor's, Master's and PhD from UNM.

UNM Foundation, Anne Yegge, Chair. The Foundation has had significant accomplishments over the last couple of years. Ms. Yegge will continue as Chair of the Foundation.

UNM Parent Association, Maria Probasco, President. Ms. Probasco recommended approval of Consent Agenda Items E & F, regarding the Association's Bylaws and MOU. University Counsel has reviewed the documents. Ms. Probasco will be serving as President of the Association for one more year.

IV. Comments from Regents

Regent Fortner detailed numerous examples, cited in a letter from Scott Carruthers, of the Daily Lobo's op-ed and front page coverage which have resulted in negative feedback from the African American community at UNM. The apparent cultural insensitivity displayed by the Daily Lobo is concerning, not only to the African American community, but to the UNM community at large.

Regent Fortner said this kind of coverage has a huge affect on the university's ability to recruit diverse students, diversity of thought, diversity of race, and on efforts to retain those students. Regent Fortner noted that the Daily Lobo has apologized for the recent editorial cartoon loosely based on the Lion King.

- **Regent Fortner and President Schmidly will be issuing a joint statement regarding this matter.**
- **The BOR and President Schmidly will be working with Scott Carruthers on this issue and to improve relations.**
- **An attitude of fear is not acceptable at UNM, just as racist remarks are unacceptable.**
- **The report Dr. Schmidly received from the consultants employed to study the issue recommended strategies UNM might consider to improve the climate for African Americans on the campus. It will be distributed to Scott Carruthers and to faculty, staff and student government groups on campus this week.**

V. Public Comment – Agenda Items (none)

VI. Regent Committee Reports

Academic/Student Affairs & Research Committee, Student Regent Jacob Wellman for Regent Bradley Hosmer, Chair

Consent Items:

- A. Approval of Spring 2011 Degree Candidates
- B. Approval of Doctorate of Nursing Practice
- C. Approval to Create Maralyn S. Budke Endowed Chair, Otolaryngology, HSC SOM
- D. Approval of Naming of Dr. Michael Spafford as Maralyn S. Budke Endowed Chair
- E. Approval of Revised UNM Parent Association Bylaws
- F. Approval of Revised UNM Parent Association MOU
- G. Approval of ASUNM Constitution
- H. Approval of Amendment to UNM Staff Council Constitution

Motion passed, with no dissenting votes, to approve all items on the Consent Agenda (1st Wellman, 2nd Chalmers).

Finance and Facilities Committee, Regent Don L. Chalmers, Chair

Consent Items:

- A. Disposition of Surplus Property-Main Campus-lists dated March 18, 2011 and April 15, 2011
- B. Disposition of Surplus Property for UNMH-list dated April 2011
- C. Approval of Capital Projects:
 - 1) UNMH Children's Psychiatric Center
- D. Approval of Non-endowed Funds for Endowment for Volleyball Scholarship
- E. Approval of Naming Request Opportunity at Lobo Field
- F. Approval of Nominations to UNMH Boards
 - Sandoval Regional Medical Center Board, Michael Olguin
 - UNM Hospital Board of Trustees, Michelle Coons
 - Carrie Tingley Board, Neall Evan Doren, Sarah Nelson House
- G. Approval of BAR for Tobacco Settlement Funds Rescission
 - **In developing next year's budget, keep in mind that some Tobacco Settlement Funds may be rescinded.**
- H. Approval of Fiscal Watch Report and Monthly Consolidated Financial Report

Motion passed, with no dissenting votes, to approve all items on the Consent Agenda (1st Chalmers, 2nd Gallegos).

Action Items:

- I. Discussion and Approval of Remediation Project at Pueblo Hall-UNM Taos Branch Campus, Advance of Funds and Repayment Plan, Vahid Staples, Budget Officer.

Motion passed, with no dissenting votes, to approve the Remediation Project at Pueblo Hall-UNM Taos Branch (1st Chalmers, 2nd Gallegos).

This project will replace the HVAC and make building envelope repairs at Taos Pueblo Hall. The heating and cooling systems are inadequate and extremely noisy. The mechanical systems are deficient. The total budget is \$1.8 million. \$250 thousand is from 2008 General Obligation Bonds, \$250 thousand will come from Taos Building Renewal and Replacement Funds and \$1.3 million will come from 2007 UNM Bond interest earnings. That \$1.3 million is a loan to the branch that will be repaid over a three year period.

- J. Approval of Long-Term Ground Lease with ACC for Main Campus Student Housing Component II, Phase 1

Motion passed, with no dissenting votes, to conditionally approve the lease as presented, while giving final authority to Regent Gallegos and EVP Harris to address and finalize issues of wording and exhibits. (1st Chalmers, 2nd Gallegos).

Regent Chalmers noted that the ultimate goal of building new housing on campus is student success.

Walt Miller, representing the Student Affairs Division, said they have been working toward building more student housing on campus for ten years. Now, the division, working with students, Lobo Development and ACC, the focus is to significantly increase the number of students who live on campus. We had discussions about other ways to accomplish this, but the institutional funding is not available. We have learned from Lobo Village how to do better with our internal housing, both ACC and UNM housing. We did not increase the price this year and we are trying to hold down the cost to students on UNM housing to give students a choice.

Regent Gallegos asked about the flow of revenue from these ACC projects. Kim Murphy said that it is anticipated that the ground rent from Lobo Village will be available to the Student Housing operation for investment in our existing facilities.

Regent Gallegos said that in Section 4.10 of the new rental agreement it calls for reimbursement of expenses for outside counsel and so forth, but then there is a provision for \$745 thousand for "lost income." Mr. Murphy's response was that it is anticipated that that money would also go to the Student Housing organization as a bridge of revenue to support their operation from the transition from our current housing stock to the new housing stock after ACC's project is completed. It would not to the Real Estate Department. Regent Gallegos observed that the news article was inaccurate. Mr. Murphy said it was largely inaccurate in his opinion.

Matt Stein, ACC, presented updates on the site plan and architectural appearance of the project. Each building will have a main circulation core at the entrance to the building that will contain an elevator, stairwell, laundry and kitchen facilities, and study rooms. There are quiet residential hallways off the circulation cores. The total project area is 265 thousand square feet. The residential common area is just over 200 thousand square feet and non-revenue generating space is just under 25%, very efficient buildings. There will be 1,027 beds, hall niches where natural light will be introduced into the hallways, 19 balconies and two large-group study rooms and an academic space of approximately 2,000 square feet.

Mr. Stein told Regent Koch that this project plus Lobo Village will be a net gain of approximately 1,600 rooms when SRC L & M and Santa Ana go off-line. Mr. Stein said this university's BOR is unique in its involvement and review of the lease documents and it has resulted in a better document for both sides.

Regent Koch said this proposal has been thoroughly vetted by Lobo Development and the F&F Committee. The projects' revenues will fund repair and enhancement of UNM current housing stock which will certainly enhance enrollment.

Regent Chalmers said the purpose today is to work out some wording of the ground lease for Phase II and exhibits to finalize. "What I would ask for in the motion is to conditionally approve what we have in front of us, and give the authority to Regent Gallegos and VP Harris to put the final wording on this."

Regent Gallegos noted that, at the F&F Committee, he had expressed an objection to the financial terms, though certainly not to the goals or operational terms. His objection is that our rental is reduced if and when the project goes over-budget, so that we are, in effect, guaranteeing the rate of return for ACC. He does not believe that is a proper provision, but the majority does and he respects that majority.

Regent Chalmers said that the document guarantees a floor amount, what UNM will get based on the fair market value. It does not, in effect, guarantee the rate of return to ACC.

Regent Fortner noted that there is an implied covenant that ACC will do their best.

Regent Wellman expressed appreciation to everyone involved for the immense amount of work done on the ACC projects.

Information Items:

K. FY11/12 Strategic Budget/Cost Containment Process

AVP Andrew Cullen summarized a letter submitted by himself and Dr. Wood. Strong elements of the process were shared governance, engaging students, faculty, staff, alumni and parents. It was mission-focused. Elements to improve: the student fee process, finding more ways to engage students in the budgeting process. In the larger picture, there is a certain point at which further cuts will erode the mission of the university and that case may need to be made to the public and in Santa Fe.

Regent Gallegos asked for clarification of the bullet under "elements to improve" which states that the final decision to pass the 1.75% ERB swap on to all staff and faculty employees was "...a product of direct political influence on what should be autonomous university decision making."

Mr. Cullen said it was a feeling on campus, because we had talked about holding harmless employees from the ERB swap and because we had gained a great deal of consensus on that issue. There were things in the paper, and the wave of public sentiment sweeping the country relating to public employees and the benefits they receive, fed the feeling that the "powers that be" wanted to shift that responsibility from the state to the employees. The perception is that public pension plans are too generous and this was a way to begin to make that shift. The university felt that, even if it could hold employees harmless, it would not contravene the legislature's intent.

Regent Fortner noted that the university gets input from many sources in coming to decisions. There are rarely "autonomous" university decisions.

President Schmidly said he believed there was a perception that we were going to raise tuition to offset the "swap" and thus we were not only disagreeing with the intent of what the legislature had passed and that the governor had signed into law, but that we were attempting to raise tuition to offset that. That was never the intention. We were simply trying to assist our employees who have not had raises for several years and are doing more with less, as we have reduced our work force.

Health Sciences Board, Regent Carolyn J. Abeita, Chair (no report)

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

VII. Public Comment (none)

VIII. Vote to close the meeting and to proceed into Executive Session

Motion passed at 10:30 a.m., with no dissenting votes, to proceed into Executive Session (1st Fortner, 2nd Chalmers).

IX. Executive Session

- A. Discussion and determination where appropriate of threatened or pending litigation pursuant to Section 10-15-1.H (7) NMSA (1978).
- B. Discussion and determination where appropriate of limited personnel matters pursuant to Section 10-15-1.H (2) NMSA (1978).
- C. Discussion and determination where appropriate of the purchase, acquisition or disposal of real property pursuant to Section 10-15-1.H (8) NMSA (1978).

X. D. Vote to Re-open the meeting.

Motion passed at 11:58 a.m., with no dissenting votes, to return to open session (1st Fortner, 2nd Chalmers).

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

Motion passed, with no dissenting votes, to certify (Fortner, Chalmers, Koch, Gallegos, Wellman).

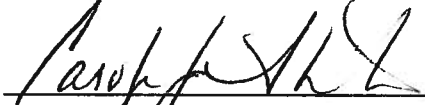
XI. Adjournment

Motion passed at 11:59 a.m., with no dissenting votes, to adjourn the meeting (1st Fortner, 2nd Koch).



Regent Jack L. Fortner

President



Regent Carolyn J. Abeita

Secretary/Treasurer