Minutes of the Regular Meeting of
The Board of Regents of the University of New Mexico
March 22, 2022
9:00 AM Open Session-Student Union Building (SUB), Ballroom C
8:00 AM Closed Session-Cherry Silver Room, 3rd Level SUB
Livestreamed for public viewing

Members Present
Douglas M. Brown, Chair
Sandra K. Begay, Secretary-Treasurer
Jack L. Fortner
Randy Ko
William H. Payne
Robert L. Schwartz

Members Not Present
Kim Sanchez Rael, Vice Chair

Administration Present
Garrett S. Stokes, President; Douglas Ziedonis, EVP of UNM Health Sciences and CEO of the UNM Health System; Loretta Martinez, University Counsel; James Holloway, Provost and EVP for Academic Affairs; Teresa Costantinidis, SVP for Finance and Administration; Ava Lovell, Exec. Officer for Finance & Administration, HSC; Assata Zerai, VP for Equity and Inclusion; Connie Belmer, VP Alumni Relations; Tim Gutierrez, Int. VP Student Affairs; Terry Babbitt, President's Chief of Staff; Norma Allen, University Controller; Richard Larson, Exec. Vice Chancellor and VP for Research, HSC; Kate Becker, CEO UNM Hospitals; deans and others

Advisors Present
Tim Beckes, Retiree Association President; Mike Silva, Alumni Association President; Scott Sanchez, Staff Council President; Finnie Coleman, Faculty Senate President; Greg Romero, ASUNM President; David Saavedra, GPSA President

Presiders
Christos Christodoulou, Jim and Ellen King Dean of Engineering and Computing; Mahmoud Tahe, Distinguished Professor and Chair, Civil Engineering; Leo Lo, Dean College of University Libraries & Learning Sciences; William Stanley, Association Provost for Faculty Success; Kelly Ward, Director, Lobo Development Corp.; Bonnie White, CFO, UNM Hospital

CALL TO ORDER AND CONFIRMATION OF A QUORUM
Chairman Doug Brown called the meeting to order at 8:01 AM in the Cherry Silver Room on 3rd level of the SUB and confirmed a quorum of 6 members present, in person. Regent Kim Rael was unable to attend.

VOTE TO ADOPT THE AGENDA

• The motion to adopt the agenda passed unanimously (1st Fortner; 2nd Ko).

VOTE TO CLOSE THE MEETING A PROCEED IN EXECUTIVE SESSION
(1st Begay; 2nd Payne; roll call vote – all members voted yes)

The meeting closed at 8:02 AM. The doors to the Cherry Silver Room were closed.

The Executive Session agenda follows:

1. Discussions, and where appropriate determination, of matters subject to attorney-client privilege pertaining to threatened or pending litigation, as permitted by Section 10-15-1H(7), NMSA (1978)
2. Discussions of bargaining strategy preliminary to collective bargaining and collective bargaining between a policymaking body and an employee bargaining unit, as permitted by Section 10-15-1H(5), NMSA (1978)

3. Discussion of "limited personnel matters" as defined in and permitted by Section 10-15-1H(2), NMSA (1978) – regarding: employee appeals(s)

**VOTE TO RE-OPEN THE MEETING**
(1st Fortner; 2nd Ko; roll call vote – all members voted yes)

The meeting re-opened at 8:53 AM. The doors to the Cherry Silver Room were opened.

- The Regents proceeded to SUB Ballroom C for continuation of the meeting in Open Session [9:07 AM]

**CERTIFICATION THAT ONLY THOSE MATTERS DESCRIBED IN THE EXECUTIVE SESSION AGENDA WERE DISCUSSED IN CLOSED SESSION, AND IF NECESSARY, FINAL ACTION WITH REGARD TO CERTAIN MATTERS WILL BE TAKEN IN OPEN SESSION**

Regent Brown certified that only matters described in the executive session agenda were discussed during closed session and confirmed that there were two items upon which the Board would take action in open session:

- The motion to deny the appeal for Regents' discretionary review, dated January 15, 2022, passed with a vote of 5-1 (1st Fortner; 2nd Begay; Regents Fortner, Brown, Begay, Ko, Payne voted yes; Regent Schwartz voted no)

- The motion to deny the appeal for Regents' discretionary review, dated January 28, 2022, passed unanimously (1st Fortner; 2nd Payne)

**LAND ACKNOWLEDGEMENT STATEMENT**
Regent Brown read aloud UNM's Land Acknowledgement Statement:

Founded in 1889, The University of New Mexico sits on the traditional homelands of the Pueblo of Sandia. The original peoples of New Mexico – Pueblo, Navajo, and Apache – since time immemorial, have deep connections to the land and have made significant contributions to the broader community statewide. We honor the land itself and those who remain stewards of this land throughout the generations and also acknowledge our committed relationship to indigenous peoples. We gratefully recognize our history.

**APPROVAL OF MINUTES: March 14, 2022 REGULAR MEETING**

- The motion to approve the minutes of the March 14, 2022 regular meeting passed unanimously (1st Payne; 2nd Begay).

**REGENTS' RECOGNITIONS AND ACKNOWLEDGEMENTS**
The Regents acknowledged Douglas "Doug" Campbell's generous donation to the School of Engineering. Regent Chair Brown asked Dean Christos Christodoulou to introduce Mr. Campbell who joined the meeting via zoom. Doug Campbell, a UNM alum with both a Civil Engineering Bachelor's (2001) and Master's (2002) from UNM, pledged $5 million to the Civil Engineering department and will create the, *Gerald May Department of Civil, Construction and Environmental Engineering*. Campbell, Founder and CEO of the electric vehicle battery development company Solid Power, chose for his donation to honor a fellow Lobo, Gerald May, who was formative in his education and overall life experience—an engineering professor who made a direct impact on him and who, to this day, he credits for much of his success in his career and life. Gerald May was a longtime professor in the department, School of Engineering, dean and UNM president. The Gerald May Department of Civil, Construction and Environmental Engineering will be the first endowed department in UNM history. The Regents thanked Mr. Campbell for his generous support to the University.
The Regents recognized two faculty members who were recently awarded UNM’s annual Research and Creative Works Leadership Awards. Regent Brown asked Associate Provost for Faculty Success, William Stanley, to introduce the award recipients: Dr. Levi Romero, Associate Professor of Chicana and Chicano Studies; and Dr. Richard Antoine White, Professor of Tuba and Euphonium in the Department of Music. Dr. Levi was able to attend the meeting. The Regents congratulated both awardees for their research and thanked them for their leadership.

PUBLIC COMMENT

Paula Corbin Swain, Term-Teaching Faculty in the Department of Music, spoke in support of faculty pay raises and in particular for adjunct faculty, emphasizing equal pay for equal work.

Laura Hanford, Assoc. Professor of Secondary Teacher Education, spoke in support of faculty pay raises.

Manel Martinez-Ramón, Professor, spoke in support of the 7% faculty pay raises.

Jens Van Gessel, Teaching Assistant, spoke in support of the graduate workers union negotiations.

Greg Romero, ASUNM President, spoke in support of the budget proposal, adding that the budget process was very positive, student constituent voices were at the table; he spoke in support of the tuition and fee increases that would be proposed later in the meeting.

David Saavedra, GPSA President, spoke in support of the budget proposal; reminded the Regents of the Student Fee Review Board (SFRB) process and said its fee recommendations were accepted; confirmed that students’ input was valued during the budget process; he spoke in favor of the tuition and fee proposals.

Chairman Brown asked Provost Holloway to respond to the public comments made regarding faculty salary increases. Provost Holloway expressed appreciation for the comments and clarified that there are two raises that were approved by the New Mexico Legislature: a 3% raise, effective April 1, and a 4% raise, effective July 1. He explained that this somewhat unprecedented structure puts UNM in a 'new place', and the Provost assured faculty that UNM was working on a plan to implement the compensation increases.

APPROVAL OF THE PROPOSED FISCAL YEAR 2022-23 BUDGET PLANNING ASSUMPTIONS

Introduction and Remarks:

President Stokes opened the budget presentation with a summary review of the FY23 Legislative Appropriations that were approved in House Bill 2 (HB2), including Instruction and General (I&G) funding for Central Campus, Health Sciences and the Branches, as well as the HB2 special appropriations. The President Stokes outlined the University’s requests, going into the Legislative Session, and the funding that was ultimately approved. For I&G, UNM requested a 10% increase on the prior year’s funding for Central and the Branch Campuses in order to restore I&G levels to what they were before the FY21 cuts. The funding outcomes ended up at a 3% increase for the Central and Branch Campuses. The University requested a $40 million increase for the HSC, but received no increase in I&G levels over FY22. President Stokes outlined a summary of the budget recommendations that would be before the Regents for approval, including a 7.12% compensation plan, with a 3% increase to be applied as of April 1, 2022, and another 4% increase on July 1, 2022, as outlined in House Bill 2. Additionally, administration would be asking for the Regents’ approval on a 1% increase in mandatory student fees, a 3% tuition increase on undergraduate and graduate resident tuition, and a 5% tuition increase on non-resident tuition. [For HSC, a 1% tuition increase on resident tuition and 3% for non-resident] [Attachment A]

Regent Begay commented that the 7.12% compensation would not be fully funded by the state.

Regent Payne commented that the Branch Campus funding models are different from that of Central Campus’ in that the branches’ revenues include mil levy funding.

Central Campus – Tuition, Fees, and Compensation Proposal:
Teresa Costantinidis and Provost Holloway presented the item. In developing the budget proposal, the Budget Leadership Team's (BLT) goal was to ensure sufficient: 1) investment in compensation; 2) faculty startup funding; 3) investment in facilities, virtual infrastructures, safety and compliance, and 4) maintenance of sufficient reserve balances. The BLT’s Tuition and Fee Committee’s goal was to have a proposal to ensure: 1) affordability for all New Mexicans; 2) strong graduation and retention rates; 3) a simpler rate structure; and 4) competitive rates that keep in line with inflation. Provost Holloway outlined the critical strategic needs proposal totaling $14.7 million. The proposal is a composite list of what has been prioritized by administration including, $3 million for faculty startup funds; $2.4 million for strategic research, education and service; $1.8 million for athletics; $1.8 million for College of Arts & Sciences faculty replacement; and $1 million for enrollment and student success. [Attachment B]

Regent Fortner inquired the plan for the College of Arts and Sciences reduction. Provost responded that no one department will be in focus, and any reductions will primarily be through natural attrition.

SVP Costantinidis addressed funding shortfalls and must-fund needs. For the current fiscal year 2021-2022, there is a projected I&G deficit of $2.5 million, primarily related to tuition revenue shortfall. Additionally, the 3% compensation increase in 4Q FY22, and the 4% increase in FY23 will not be 100% funded by the state, leaving a $2 million gap that will need to be filled. Must-funds expenses total $6.9 million, of which $3.3 million is to cover the mandated 2% increase in the ERB (Education Retirement Board) employer contribution. Other must-fund expenses include: $3K for 2% cost increase in group health insurance; and $8K for the minimum wage increase to $15. [Attachment C]

SVP Costantinidis outlined the total unmet funding level of $17.1 million resulting from the sum of the needs as previously outlined ($40.5m), including the strategic funding needs ($14.7m); 7.12% compensation increase ($16.4m); must-funds ($6.9m); and the current year’s revenue shortfall ($2.5m), offset by the state funding of $23.4 million ($14.4m for compensation). The University is also seeing increased operating costs due to inflationary push.

SVP Costantinidis and Provost Holloway outlined the rationale and development of the tuition proposal, including a zero-growth enrollment assumption, analysis and alignment of base rates with peer institutions, and steps toward simplification of the current tuition model. The tuition proposal included a 3% increase to the base resident tuition with a 5% increase to the nonresident tuition - these increases would generate an estimated $13.3 million in revenue. Put against the total unmet funding needs, there is still a $3.8 shortfall. [Attachment D]

Regent Fortner inquired what tuition increase would be needed to close the full gap of $17.1 million. SVP Costantinidis responded that it would probably take another 4% more, with the rule of thumb being $1 million per percent increase; however, enrollment would also probably be affected.

There was discussion about the newly approved Opportunity Scholarship. Regent Schwartz asked how the scholarship would impact the budget assumptions. Provost Holloway responded that the rules of the scholarship were still being determined, but that the funding was relatively neutral from a UNM funds perspective, as it just changed who writes the check; however, from a student perspective, it would have an impact and may affect behavior.

Branch Campuses: Gallup, Los Alamos, Valencia, Taos – Tuition, Fees, and Compensation Proposal:
Provost Holloway presented the item. UNM-Gallup has seen declining revenue from lower mill levy revenues due to business closures in Gallup. UNM-Gallup has decided that it cannot and will not replace those revenues with tuition increases. Each of the branches’ advisory boards vote on their respective budgets to recommend to the Regents for approval. For tuition and fees, the UNM-Los Alamos and UNM-Valencia advisory boards recommend no increase in tuition and fees, and it is expected the UNM-Gallup advisory board will vote on no increases at its upcoming meeting. The UNM-Taos advisory board is slated to vote on a 3.85% and 3.73% tuition increase for resident and non-resident students, respectively, and an increase from $15 to $30 student
support fee charged per student. Compensation recommendations from the branch advisory boards are voted on as part of the branch budgets in budget meetings which will take place later in the spring. In the past, the advisory boards have agreed with the Legislative Appropriations signed by the Governor as regards to compensation increases. [Attachment E] 

Health Sciences Center – Tuition, Fees, and Compensation Proposal:
Doug Ziedonis introduced the item and Ava Lovell presented details. Dr. Ziedonis outlined the broad Health Sciences priority areas and the UNM Health System’s issues and priorities. Regarding compensation, the HSC receives only 6% of the required increase and so will have to find 94% of the required funding which will be a challenge. Dr. Ziedonis outlined the Health System’s key strategic initiatives and the HSC’s key academic strategic initiatives. [Attachment F] 

Ms. Lovell presented the FY23 Academic Enterprise financial assumptions, along with the expected impacts of the state appropriations and 7.12% compensation increase. Additionally, the 2% employer ERB increase will be partially funded by the state, leaving a $6 million shortfall. Ms. Lovell outlined a shortfall of $20.5 million for the Academic Enterprise that would be attributed to the 7.12% compensation increase, including fringe. The non-School of Medicine (SOM) units will be able to fund their shortfalls primarily with strategic use of reserves. The SOM compensation shortfall plan is being developed. Compensation is 87% of the HSC Academic Enterprise expenses. Ms. Lovell outlined the proposed tuition recommendations: a 1% base increase for resident tuition and 3% increase of non-resident, both at the undergraduate and graduate level, with a mandatory student fee increase of 1%. The proposed tuition increase will not apply to the School of Medicine’s MD program, nor the College of Pharmacy’s Pharm D program. Ms. Lovell presented financial assumptions for both UNM Hospitals and the Medical Group. [Attachment G] 

Ms. Lovell opened the floor for Regents’ questions. Regents inquired about hospital capacity due to COVID, the ERB funding increase, and CARES Act funding. There was discussion.

Student Regent Ko asked SVP Costantinidis how the administration predicts tuition revenue. SVP Costantinidis responded that estimated revenues are outputs from a tuition model based on projected inputs.

SVP Costantinidis closed the presentation with a summary of all the budget recommendations for approval for Central Campus, HSC, and the Branch Campuses. [Attachment H] 

There was further discussion. Regent Begay brought up the Regents’ Endowment as a source that could be utilized to fund the $3.8 million projection of unmet needs. Regent Brown responded with a reminder that there is a commitment to not dig into the corpus of the endowment; however, if there is an emergency, the University needs to look at what can be done internally, adding that he would be pleased to consider a recommendation from administration.

Regent Brown asked for a motion to approve the recommendations; Regent Fortner motioned; Regent Payne seconded; there was further discussion before the vote.

• The motion to approve the budget proposals for Tuition, Fees and Compensation passed unanimously (1st Fortner; 2nd Payne).

○ Chairman Brown called for a 5-minute break [11:16 AM]

REGENTS’ COMMITTEE REPORTS

APPROVAL OF CONSENT DOCKET
There being no requests to remove any items from the docket for discussion, Chairman Brown asked for a motion to approve the items listed on the docket; Regent Begay motioned; Regent Fortner seconded; there was discussion. Regent Payne said that there was an inquiry in F&F Committee about the origin of the Geology Museum being named after the Silver Family. He clarified that that was his only question about the agenda item (4.a). There was also discussion
and clarification that the approval item was for the renovation only and not for the name. Administration responded it would investigate the origin of the name and confirm the approval process. There being no further discussion, Chairman Brown asked for a vote on the motion:

1. [SSTAR]* Form C: Health Information Technology-AAS Degree (GA)
2. [SSTAR] Form C: Pre-Health Scholars Certificate (HSC) (New)
3. [SSTAR] Form D: Cert Technical & Professional Communication Graduate
4. [F&F]* Project Construction Approvals:
   a) Silver Family Geology Museum Renovation
   b) Northrup Hall Radiogenic Isotopes Lab HVAC
   c) UNM-Taos Harwood Museum HVAC Improvement
   d) Biomedical Research Facility BLS-2 Lab Airflow Modifications
5. [F&F] Approval of Lease: UNM Early Childhood Services Center, 4400 Alameda NE, Suites A & B, Albuquerque, NM 87113
6. [F&F] Approval of Appointments of Representatives from the Lobo Development Corporation to the South Campus Tax Increment Development District (TIDD) Board

* [SSTAR] Student Success, Teaching and Research Committee; [F&F] Finance & Facilities Committee

- The motion to approve the items on the consent docket passed unanimously (1st Begay; 2nd Fortner).

REVISIONS TO REGENTS’ POLICY 1.6, "SPECIAL RECOGNITION AND AWARDS"
Regent Rob Schwartz presented the item. The proposed revision to Regents’ Policy 1.6 establishes a process for nominations and recommendations to the Regents for three different awards that are already outlined in the original policy: the Meritorious Service Medal, Regents’ Recognition Medal, and the University Medal. The process will be similar to that for Honorary Degrees, outlined in the policy, except instead of the Honorary Degree Committee, the University President will solicit nominations and appoint a committee to review the nominations for the medals, after which the committee will make recommendations to the Regents for approval. Regent Schwartz clarified that it is the intention that these awards will be presented to recipients at commencement ceremonies. [Attachment I]

Regent Payne advocated for a process that would help to broaden the areas of recognition, so they would not tend to skew toward only certain categories.

- The motion to approve the revisions to Regents’ Policy 1.6 passed unanimously (1st Schwartz; 2nd Begay).

APPROVAL TO NAME THE DEPARTMENT OF CIVIL, CONSTRUCTION AND ENVIRONMENTAL ENGINEERING THE GERALD MAY DEPARTMENT OF CIVIL, CONSTRUCTION AND ENVIRONMENTAL ENGINEERING
Mahmoud Taha, Distinguished Professor and Chair, Civil Engineering Department, presented the item. Doug Campbell, the generous donor for this naming item, made a multi-year pledge of $5 million for the department, and the naming will be official once the $5m threshold has been reached. Mr. Campbell is a graduate of the department and credits Jerry May for providing helpful guidance during his undergraduate and graduate years at UNM. Gerald May was Professor of Civil Engineering for 35 years, he is Professor Emeritus and served as UNM’s 14th President.

- The motion to approve the naming item passed unanimously (1st Begay; 2nd Schwartz).

APPROVAL TO CREATE ENDOVED PROFESSORSHIP, THE JIM AND MARY LOIS FRIDAY HULSMAN LIBRARIAINSHP FOR STUDENT SUCESS
Leo Lo, Dean of the College of University Libraries and Learning Sciences, presented the item and talked about Jim Hulsman, a UNM alum and longtime coach and legend, having received numerous accolades in the coaching and education arena. Jim Hulsman was also Albuquerque High School’s head Basketball coach for 41 successful years. Mary Lois Friday Hulsman, a native Texan and UNM alumna, was also on the faculty at Albuquerque High and worked in Albuquerque Public Schools for 25 years. Jim Hulsman donated to Zimmerman Library a unique
and sizeable collection of documentation he had compiled on his players and Albuquerque’s Athletics, which distinguished him as a notable historian. The endowment reflects the Hulsman’s devotion to UNM and its students and their deep interest in giving back to the community. Their contributions to UNM total nearly $1 million. This endowment will support a different librarian every three years whose work will focus on projects directly devoted to the success of UNM students.

Regents Ko, Fortner, and Schwartz talked about how they each knew Jim Hulsman, his reputation as a legend and deep commitment to the students of Albuquerque High, and his ability to create an environment with a set of expectations that fostered achievement in his students.

• The motion to approve the endowed professorship passed unanimously (1st Payne; 2nd Fortner).

APPROVAL OF REVISIONS TO POLICY C07 – FACULTY MISCONDUCT AND PROGRESSIVE DISCIPLINE
Finnie Coleman, Faculty Senate President, presented the item. It has been a 5-year process to get the revisions to their final form. Dr. Coleman thanked University Secretary, Nancy Middlebrook, and Carol Stevens for their support, as well as the constituent feedback that was given. Dr. Coleman said he thought this was a strong and good policy.

Regent Fortner asked Regent Schwartz how this policy revision would affect the work on revising the Regents’ Policy on appeals to the Regents. Regent Schwartz responded that this and the union contracts will both affect any revisions to Regents’ Policy 1.5.

• The motion to approve the revisions to Policy C07 passed unanimously (1st Fortner; 2nd Begay).

APPROVAL OF REVISED ASUNM CONSTITUTION
Greg Romero, ASUNM President, and Ryan Regaliado, ASUNM VP, presented the item. This is a newly composed constitution that incorporates needed changes, some of which were needed to align with current practices that are in place. The changes regarding finances included senator salaries and an ASUNM fee to be levied on each undergraduate student in the amount of $35, to be increased by $5 every three years until the fee reaches a total of $50. This constitution revision received an 83% vote in favor at the March 9 student body vote.

Regent Ko expressed support for the changes, adding that he also thought they were sustainable.

Regent Fortner inquired about senator salaries and how donations are handled. There was discussion; President Romero said that donations are always anonymous.

• The motion to approve the revisions to the ASUNM Constitution passed unanimously (1st Begay; 2nd Schwartz).

RESEARCH AND CREATIVE WORKS LEADERSHIP AWARDS (information item)
The item was presented earlier in the meeting during Regents’ Recognitions and Acknowledgments.

APPROVAL OF THE SALE OF REAL PROPERTY TO TUCKER ACQUISITIONS, LLC
Kelly Ward presented the item. Lobo Development Corporation (LDC) and the UNM Real Estate Department seek Regents’ approval of the sale of real property located at the northeast corner of Gibson Boulevard SW and Alumni Drive SE on UNM’s South Campus. The contract buyer of the property is Tucker Acquisitions, LLC, and the LDC reviewed and approved the terms of the sale at its September 9, 2021 meeting. The agreement calls for final approval by the Board of Regents and notification to the Higher Education Department. The sale is Tract 3 of Gibson Commercial District Subdivision and is approximately 1.3 acres with a sales price of $1,694,658, or $30 per square foot. The tract will be developed as a Raising Cane’s Chicken Fingers fast food restaurant, of which there are over 600 establishments nationwide. The tract is located within
the recently approved South Campus Tax Increment Development District, and gross receipts
tax generated from construction and operation will accrue to the district to support infrastructure
improvements.

Regent Forner inquired about the use restrictions in the agreement. Mr. Ward responded that
there is an option to develop a coffee shop adjacent to Raising Canes. Regent Forner asked if
the covenant restrictions are on the deed itself, and Mr. Ward responded in the affirmative.
Regent Forner inquired about the other provisions. Mr. Ward said that there is a five-year
window for development of the land; after which time, if not developed according to the
provisions, UNM has the option to repurchase the parcel at a purchase price equal to this sale
price. UNM will also have the option to purchase the parcel, any improvements and interest in
leases at any time after the tenth year following closing of the property. Additionally, UNM will
have the right of first refusal should the buyer seek to sell the parcel at any time in the future.

Student Regent Ko commented that the sale supports a diversified use of the land.

- The motion to approve the sale of real property to Tucker Acquisitions passed
  unanimously (1st Begay; 2nd Payne).

**APPROVAL OF CAPITAL PROJECT: UNM HOSPITAL BEHAVIORAL HEALTH CRISIS
SYSTEM OF CARE (CRISIS TRIAGE)**

Bonne White presented the item. The design, professional services and indirect costs for this
project have already been approved ($4,650m); UNM Hospital (UNMH) is requesting approval of
$40 million to fund the construction of the facility. Bernalillo County and UNMH are collaborating
and jointly funding the project. Bernalillo County will be contributing $20 million, and UNMH will
contribute the remaining $20 million. The project will combine the Crisis Triage Center and the
Psychiatric Emergency Services (PES). The combined project will be referred to as Behavioral
Health Crisis System of Care.

Regent Bill Payne inquired about the funding coordination with the County. Ms. White responded
that UNM is in charge of the construction, and the County has a PO in place, confirming it has
reimbursed its share for the design work thus far. Regent Payne inquired how cost overruns, if
any, would be handled. Ms. White said that the possibility of overruns had not been addressed.

- The motion to approve the capital project, UNM Hospital Behavioral Health Crisis
  System of Care, passed unanimously (1st Forner; 2nd Payne).

Regent Forner said that he and his wife, who is a County Commissioner for San Juan County,
are very interested that San Juan County implement a similar behavioral healthcare model to this
one.

**APPROVAL OF COLLEGE OF NURSING AND PUBLIC HEALTH EXCELLENCE CAPITAL
PROJECT CONSTRUCTION**

Ava Lovell presented the item. Deans Christine Kasper (College of Nursing-CON) and Tracie
Collins (College of Population Health-COPH) presented details about each college and were
available to answer questions. The request was for project approval for the, College of Nursing
and Public Health Excellence Building (CON-PHE). The 93,740 GSF building will be located at
the UNM Health Sciences Albuquerque campus and will be a 3-story building that will include
offices, 2 classrooms and a research wet lab. Construction time is estimated to be 16 months,
with start in early Fall 2022 and ending January 2024. The project will contribute to 285 lost parking
spots, so mitigation efforts are underway to conserve total number of lost parking spots that will
be recouped at satellite locations. The new building will provide the required space to
accommodate undergraduate enrollment in both colleges to meet UNM strategic initiatives. In
addition, it will support modest increases for graduate programs, faculty positions, and research.
The building will provide efficient shared space geared toward collaboration, shared services,
and the creation of combined degrees to meet workforce demands.
The state is currently experiencing a healthcare workforce shortage, and the CON-PHE building will allow for program expansion to enable more healthcare professionals to be trained to work in New Mexico. The COPH was founded in 2016 and has seen an average annual growth of 31%, and the current space is not sufficient for the college or for research activities. Both of these colleges currently occupy spaces in multiple buildings and one goal of this project is to get them into one building.

The total estimated project budget for the CON-PHE building is $43,239,665, which will be funded by a FY2022 GO Bond ($30m); FY2022 House Bill 2 special appropriation bond ($2.5m); and Health Sciences Center matching funds ($10,739,665). Ms. Lovell presented design renderings of the building that will include an aesthetic park area.

Regent Payne asked if the current parking structure being built near the new hospital tower will have the capacity to make up for the lost parking spaces from this project. The new garage has a 1401 space capacity, additional spaces will be needed and are planned to be added at the Elks Parking Lot on University Boulevard, as well as the Donut Mart Parking Lot on Lomas Avenue.

Regent Ko thanked Ms. Lovell for the presentation and emphasized the need to address the parking issue on North Campus.

Regent Begay said she appreciated the level of detail presented, adding that there are a lot of changes taking place on North Campus which will warrant a walking tour there soon.

- The motion to approve the College of Nursing and Public Health Excellence Capital Project Construction passed unanimously (1st Begay; 2nd Payne).

ADVISORS’ COMMENTS
Tim Backes, Retiree Association President, reported on recent association activities including the Associations work in support of the ERB.
Mike Silva, Alumni Association Board President, reported on recent and upcoming events hosted by the association.
Scott Sanchez, Staff Council President, reported on recent Council activities and events.
Greg Romero, ASUNM President, reported on recent activities and events.
David Saavedra, GPSA President, reported on recent activities and events.
Finnie Coleman, Faculty Senate President, reported on recent faculty issues.

ADJOURN
There being no further business, Regent Brown asked for a motion to adjourn the meeting; Regent Fortner motioned; Regent Schwartz seconded; all were in favor; the meeting adjourned at 12:42 PM.

Approved: 

Attest:

Douglas M. Brown, Chair
Sandra K. Begay, Secretary/Treasurer
Legislative Appropriations for FY 23
House Bill 2 Summary of FY23 Recurring & G Appropriations to UNM

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HB 2 Summary of Special Appropriations

Recommendations for Approval Central Campus and HSC
- The Board of Regents approve the following:
  - 7.12% compensation plan (5% in Q4 FY22, 4% in FY23)
  - 1% increase in mandatory student fees (recommended by the SFRB)
  - $15 increase in the ASU/UNM fee
    - Approved by the student body in a constitutional referendum held 03/09/2022
  - Tuition simplification for Central Campus and HSC (remove discount)
    - Central Campus:
      - Increase in undergraduate resident tuition by 3%, with a flat rate at 15 credit hours
      - Increase in graduate resident tuition by 3%, with a flat rate at 12 credit hours
      - Increase in non-resident tuition (undergraduate and graduate) by 5%, with a flat rate at 12 credit hours
    - HSC:
      - 1% base increase undergraduate and graduate resident tuition
      - 3% increase in non-resident base tuition
      - No change in HSC tuition differentials

Recommendations for Approval Branches
- UNM-Los Alamos:
  - No change in tuition and fees
- UNM-Valencia:
  - No change in tuition and fees
- UNM-Gallup:
  - No tuition and fee increase contingent upon Advisory Board approval
- UNM-Taos:
  - Contingent upon Advisory Board approval:
    - Tuition
      - Current rates: $78/ct resident; $198.60/ct non-resident
      - Proposed rates: $81/ct resident (+3.85%); $206/ct non-resident (+3.73%)
    - Fees
      - Current rate: $15 Student Support (block fee per student, per semester)
      - Proposed rate: $30 Student Support (block fee per student, per semester)
Attachment B

Budget Priorities and Workplan
Budget Leadership Team’s (BLT) goal is to ensure we have sufficient:

- Investment in Compensation
- Faculty Startup Funding
- Reserve Balance
- Affordability for All New Mexicans
- Strong Graduation and Retention Rates
- A Simpler Rate Structure
- Competitive Rates that Keep in Line with Inflation

Units submitted $14.7M of funding proposals for critical strategic needs

President's Office

Emphasis on Community
- Alumni Relations: personal support for programming
- Develop Equity and Inclusion infrastructure, personnel, professional development
- Additional salaries needed to meet housing load
- Institutional cap: digital advertising
- $410,000

Focus on Compliance
- Staff salary and compliance role, case support
- Internal Audit system upgrades, policies, and professional development
- $215,000

Strategic Athletic Budget Planning
- Additional cost of attendance: travel, and backfill for unexpected increases
- Faculty base: non-preferred
- Non-athletes: preferred
- Non-athletes: preferred
- $11,099,065

SVP for Finance and Administration

Software and Technology
- Recurring software maintenance fees that are critical for operations
- Requested upgrades and training to boost institutional sustainability
- Staffing, training, and support
- $1,129,277

Compliance, IT Security, and Operations
- Recurring software maintenance fees that are critical for compliance
- Funding for positions that are critical for compliance
- $2,241,570

Safety
- UnAID: Six Additional Dispatchers Needed for Fingerprint Billing
- UNAIR: Critical Compensation Pay Increase for Dispatchers and Security
- $634,187

Attachment B Cont.

Enrollment and Student Success
- $1,000,450
- $1,000,450
- $1,000,450

A&S Faculty Replacement
- Over 5 years 80% of in A&S has decreased by 35%
- $1,200,000
- $1,200,000

Faculty Equity, Retention & Recruiting
- To achieve competitive faculty salaries requires $14M in 2021 dollars
- $1,200,000
- $1,200,000

Start-up Funds
- UNAM struggles to recruit faculty because of insufficient start-up funds.
- $3,000,000

Strategic Research, Education & Service
- $50,000
- $50,000
- $50,000

Attachment B Cont.

Compliance, IT Security and Operations, $415,000
- 15%

Strategic Research, Education & Service, $50,000
- 10%

Start-up Funds, $3,000,000
- 20%

attachment b cont.
We need to address a 2021-22 I&G deficit of $2.5M

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal Year 2021-22 Budget</th>
<th>Fiscal Year 2022 Projected Additions</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Appropriations (100%)</td>
<td>197,843,000</td>
<td>199,358,735</td>
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<tr>
<td>Tuition Revenue</td>
<td>119,073,347</td>
<td>116,895,361</td>
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<td>Other/Net Transfers out</td>
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<td>(10,999,092)</td>
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<td>295,254,187</td>
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<tr>
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<td>24,930,905</td>
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<td>Total Revenues</td>
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<td>294,924,739</td>
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<tr>
<td>(net)</td>
<td></td>
<td></td>
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<tr>
<td>Stipends</td>
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<td>Total I&amp;G Expenditures</td>
<td>296,645,293</td>
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<td>320,027,823</td>
<td>320,365,052</td>
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<tr>
<td>Projected Surplus (Deficit)</td>
<td>2,795,519</td>
<td>(2,542,029)</td>
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</table>

**FY22 projected I&G deficit because tuition revenue was not as much as expected**

We need to address a $2M shortfall in compensation funding

- A 7.12% compensation increase would require $16.4M of I&G funding
- We expect to receive $14.4M* of state funding
- FY23 compensation shortfall ($2M)

* Amounts given by HECD as of 3/15/22. Final amounts are still being finalized

We have must-fund expenses totaling $6.9M including an ERB obligation of $3.3M

**$6,889,603 needed for FY23 Must Fund Expenses:**

- **$325,768** Group Health Insurance 2% cost increase
- **$276,903** Group Health 1.7% plan design change
- **$795,432** Minimum Wage increase to $15.00
- **$3,301,500** ERB employer contribution 2% increase
- **$470,000** Faculty promotion and tenure increases including fringe
- **$300,000** Miscellaneous Fringe Benefits
- **$420,000** Property and General Liability Insurance
- **$1,000,000** For additional student aid

**NOTE:** With tuition increases, the need for aid also increases; we set aside 10% for aid for incremental increases in tuition revenue

Total Need is $40.5M, some portion of which we will need to make up through a tuition increase

**Summary of Needs:**

- **$2.5M** Shortfall from 2021-22
- **$16.4M** 7.12% compensation increase
- **$6.9M** Must-fund expenses
- **$14.7M** Funding proposals for strategic needs
- **$40.5M** Subtotal

- **$23.4M** Additional State Sources
- **$40.5M** Less: Needs

**($17.1M) Unmet Needs**

- We wouldn't raise tuition by $17.1M, so we will still have unmet needs.
UNM units are also facing increased operating costs

**Consumer Price Index (CPI)**
- Over last 12 months (January 2021 – January 2022), all items index increased 7.5% (before seasonal adjustment), 6.0% for all items less food and energy (Consumer Price Index – January 2022).

Our base tuition rates have been aligned with our peer NM research institutions, but we need to make adjustments to stay competitive.

In the tuition realm we have many moving parts

- Enrollment
- Enrollment assumption is 0% growth
- Rate
- Simplification
We propose setting a flat rate at 15 credit hours for resident undergrads, 12 credit hours for nonresident undergrads and both types of grads and eliminating the discounts and premiums.

Student fees to now follow same simplified methodology as tuition.

To pay for our increased needs we will include a 3% base resident tuition increase and 5% nonresident tuition increase, generating $13.3M of additional revenue.

It's important for us to consider the net price impact of a tuition and fee increase on students.

<table>
<thead>
<tr>
<th align="left">Undergraduate Resident T&amp;F: 15ch flat, plus 3% base tuition, 1% fee increase &amp; $35 ASUNM Inc fee</th>
<th>% of Students</th>
<th># of Students</th>
<th>Net T&amp;F Out-of-Pocket Per Semester</th>
</tr>
</thead>
<tbody>
<tr>
<td align="left">T&amp;F fully covered</td>
<td>21%</td>
<td>2,866</td>
<td>$0</td>
</tr>
<tr>
<td align="left">2.7% T&amp;F increase</td>
<td>18%</td>
<td>2,348</td>
<td>$99</td>
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<tr>
<td align="left">2.8% up to 19.1% T&amp;F increase</td>
<td>53%</td>
<td>6,760</td>
<td>$1,995</td>
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<tr>
<td align="left">19.2% T&amp;F increase</td>
<td>8%</td>
<td>1,038</td>
<td>$5,096</td>
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</tbody>
</table>

- Approximately 40% of students will pay less than $100
- Approximately 50% of students will pay on average $1,995
- Less than 10% of students have no aid and will pay the full T&F

With these assumptions, the ratio of state appropriations to tuition remains roughly the same.
### Summary

- In this scenario we can only pay for 77.8% of our unmet strategic needs
  - Additional Revenue Generated - $13.3M
  - Unmet Needs - $17.1M

We would still have $3.8M in unmet strategic needs

### Attachment D

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal Year 2022 Budget</th>
<th>Fiscal Year 2022 Projected Actuals</th>
<th>Fiscal Year 2023 Scenario</th>
<th>FY23 % Change from FY22 Proj.</th>
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<td>State Appropriations (NUC Ed.)</td>
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<td>190,359,735</td>
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<td>Tuition Revenue</td>
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<td>118,332,381</td>
<td>124,265,735</td>
<td>+4.2%</td>
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<tr>
<td>Other Revenues</td>
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<td>(10,089,685)</td>
<td>(10,703,911)</td>
<td>0%</td>
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<td>Total Revenues</td>
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<td>298,656,010</td>
<td>227,158,097</td>
<td>+7.3%</td>
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<td>Mandatory Student Fees</td>
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<td>25,937,059</td>
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<td>Total Revenues</td>
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<td>252,339,972</td>
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<td>Base Allocation</td>
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<td>294,534,739</td>
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<td>Tuition Revenue</td>
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<td>New Student Fee Increases</td>
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<td>Compensation (Estimated)</td>
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<td>-</td>
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<tr>
<td>Total Student Fee Allocations</td>
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<td>294,534,739</td>
<td>296,684,323</td>
<td>+8.8%</td>
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<td>Total Expenses</td>
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<td>322,068,849</td>
<td>332,282,805</td>
<td>+9.9%</td>
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<tr>
<td>Projected Surplus (Deficit)</td>
<td>2,791,519</td>
<td>(2,362,823)</td>
<td>(2,854,883)</td>
<td>-100%</td>
</tr>
<tr>
<td>Tuition Surplus (Deficit)</td>
<td>2,791,519</td>
<td>(2,362,823)</td>
<td>(2,854,883)</td>
<td>-100%</td>
</tr>
<tr>
<td>Non-Tuition Surplus (Deficit)</td>
<td>0</td>
<td>(482,815)</td>
<td>(482,815)</td>
<td>-100%</td>
</tr>
<tr>
<td>Total Surplus (Deficit)</td>
<td>2,791,519</td>
<td>(2,362,823)</td>
<td>(2,854,883)</td>
<td>-100%</td>
</tr>
</tbody>
</table>

### Attachment E

#### Branch Recommendations

Compensation recommendations from the Branch Advisory Boards are voted on as part of the branch budgets in budget meetings, which will take place later this Spring.

In the past, our Boards have agreed with the Legislative Appropriations signed by the Governor as regards to compensation increases.

Following are the tuition and fees recommendations:

**UNM-Los Alamos**

The Advisory Board met in January and voted to recommend no increase in tuition and fees.

**UNM-Valencia**

The Advisory Board met February 21 and recommended no increase in tuition and fees.

### Attachment E Cont.

We are asking you to approve the UNM-Gallup and UNM-Taos tuition and fee recommendations with the contingency of their subsequent Advisory Board approvals.

#### UNM-Gallup

The Advisory Board will meet today, March 22 at 4pm, and is expected to recommend no tuition and fee increase.

#### UNM-Taos

The Advisory Board will meet tomorrow, March 23 and will vote on the following proposal:

- **Tuition**
  - Current rates: $76/ct resident, $196/ct non-resident
  - Proposed rates: $89/ct resident (+17.3%), $204/ct non-resident (+11.4%)

- **Fees**
  - Current rate: $15 Student Support (block fee per student, per semester)
  - Proposed rate: $30 Student Support (block fee per student, per semester)
UNM-Taos is proposing a tuition and fee increase, the first since 2015. The tuition increase covers only a portion of the increased cost of instruction but brings the tuition closer to our cost. Likewise, the increase in fees reflects the expanded services that are newly provided to all UNM-Taos students, such as both in-person and 24-hour online tutoring, support for online learning resources available to all students regardless of class modality, and a community resource navigator who assists students locate mental and physical health services, food, housing, transportation, and other resources that students need to thrive in life and school. – Chancellor Mary Gutierrez

UNM Health System Issues & Priorities

COVID – Response & Recovery
• Public Health Orders / Cross Standards of Care (expires 3/11/22)
• How We Move Forward – “Rightsizing” Clinical Operations, Lessons Learned and New Norms
  - Telehealth/Remote work

Patient Experience, Access, and Quality of Care
• The Patient Relations Department - Patient Advocacy, Patient Experience, & PFACs
• Quality and Safety – Innovation: Everyone has great ideas (Lean/Shingo & Huron/Baldridge)

Our People - Workforce Engagement, Alignment, and Wellness
• System Issues / Ease of Practice & Personal Resilience, Peer Support, and Leadership Training
• Mentoring and Career Development
• About 6K staff, 350 AP employees, 1000 HSC clinical faculty, 700 Residents, & many students

Diversity, Equity, and Inclusion
• Community Partnerships & Impact
• Health Equity, Stigma, Anti-Racism, and Social Determinants of Health
• Office of Community Engagement UNMH, Inclusive Excellence Council (IEC)

UNM Health System Key Strategic Initiatives

UNM Hospital

- Adult Surgical, Critical Care, EM, & Advanced Diagnostics
- Backfill Plan
- Gallup Multi-Specialty Clinic including Women’s Specialty Clinic
- Behavioral Health – Crisis Triage Center & Child Psychiatric Center
- Outpatient Access: Discharge Clinic, Movement Disorder Center, Senior Health Clinic, Primary Care, and Uptown Clinic
- Telehealth Expansion

UNM ECG

- Radiation Oncology Capital Project

SRMC

- Orthopaedic Center of Excellence – now open
- Level III Trauma Certification
- Behavioral Health Programs
- Rio Rancho Campus Development Alignment

UNMH

- Rio Rancho Primary Care Clinic – now open
- Telemedicine Expansion
- Primary Care Strategic Plan and additional sites
- Truman Expansion – Roswell
- First Choice Community Health (FCHC) Partnerships

Health System Expansions

- Network Partnerships, Project ECHO, Office of Community Health, & Virtual Health
### UNM Health Sciences Key Academic Strategic Initiatives

<table>
<thead>
<tr>
<th>School of Medicine</th>
<th>College of Nursing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings and Space</td>
<td>CON Building &amp; Rio Rancho Campus Sim. Center</td>
</tr>
<tr>
<td>Orthopaedic Center of Excellence</td>
<td>Further Research Expansion</td>
</tr>
<tr>
<td>Research Growth and Structure</td>
<td>Development/UNM Foundation</td>
</tr>
<tr>
<td>Growth of GME Programs</td>
<td>Primary Care Strategic Plan</td>
</tr>
<tr>
<td>Clinical Expansion – New Tower, Child Psychiatric Center, Primary Care</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>College of Pharmacy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharmacist Provided Primary Care Strategic Plan</td>
</tr>
<tr>
<td>COP Building Renovation</td>
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<tr>
<td>Research Support/Infrastructure</td>
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<tr>
<td>FGHC Partnerships</td>
</tr>
<tr>
<td>Cannabis education for healthcare professionals and public</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>College of Public Health</th>
</tr>
</thead>
<tbody>
<tr>
<td>SPH Building</td>
</tr>
<tr>
<td>Executive Council for Public Health</td>
</tr>
</tbody>
</table>

### UNM HSC Academic Enterprise

**FY 2023 – Financial Assumptions**

**Net Margin**
- Balanced budget from recurring operations
- Strategic use of reserves
- SOM will use reserves for recurring operations due to the compensation and ERB increase

**Revenues**
- HSC & FG Appropriations
- HSC RFP House Bill 2 Appropriations
- F&A revenue increase 5% - expected growth in awards
- Tuition

**Expenses**
- Salary increases for HSC Faculty and Staff – 7.12% in preliminary budget
- Group Health Insurance – 3.7% increase
- Partially funded 2% employer ERB increase - $6M shortfall
- Utilities - 3% rate increase
- New Initiatives (delayed implementation)

### UNM Health Sciences Center

#### FY 2022 vs. FY 2023

<table>
<thead>
<tr>
<th>Program Area</th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>Percent Change</th>
</tr>
</thead>
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<tr>
<td>[Program 1]</td>
<td>[Data]</td>
<td>[Data]</td>
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<tr>
<td>[Program 2]</td>
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</table>

### UNM Health Sciences Center

#### FY 2023 Other Non-Operating, Section 5 and Section 10

<table>
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<tr>
<th>Program</th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>Percent Change</th>
</tr>
</thead>
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<td>[Program 1]</td>
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**VETOED**

### UNM Health Sciences Center

#### FY 2023 Other Non-Operating, Section 5 and Section 10

<table>
<thead>
<tr>
<th>Program</th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>Percent Change</th>
</tr>
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<tr>
<td>[Program 1]</td>
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<td>[Program 2]</td>
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**VETOED**

### UNM Health Sciences Center

#### FY 2023 Other Non-Operating, Section 5 and Section 10

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<th>Program</th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>Percent Change</th>
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</thead>
<tbody>
<tr>
<td>[Program 1]</td>
<td>[Data]</td>
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<tr>
<td>[Program 2]</td>
<td>[Data]</td>
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<td>[Data]</td>
</tr>
</tbody>
</table>

**VETOED**
Attachment G Cont.

UNM's SPH Six Deliverables to Impact NM Public Health

- Deliverable #1: Increase the number of students
  - More than double number of public health students to increase public health workforce for the private, non-profit, and public sectors.

- Deliverable #2: Increase the number of faculty
  - Increase from 13 to at least 24 to enhance quality education, research, and capacity for effective public health interventions statewide.

- Deliverable #3: Increase non-state research dollars
  - Double our total research dollar amount – increases research focused on New Mexico public health challenges and create jobs statewide.

- Deliverable #4: Create a Public Health Education Network Statewide
  - Partnership with HMCU and other higher education institutions, inventory public health educators to identify gaps and provide access to the Bachelor of Public Health faculty to support programs and students at other institutions, including expanding our pipeline programs.

- Deliverable #5: Expand Statewide Community Health Assessments
  - Partner with local Health Councils, County Public Health Offices, and community stakeholders to identify community needs.

- Deliverable #6: Lead two major public health intervention initiatives
  - (a) Two initiatives: (1) Implement the CDC’s Diabetes Prevention Program to reduce diabetes and obesity statewide, (2) Implement a new evidence-based addiction prevention best practices to reduce high-risk individuals substance misuse.

Attachment G Cont.

HSC Tuition Assumptions

- HSC Undergraduate Tuition
  - Tuition Simplification (Un-discount the block)
    - HSC tuition revenue generated $513,100
    - 1% Base increase resident, 3% non-resident

- HSC Graduate Tuition – 1% Base increase resident, 3% non-resident

- Mandatory Student Fee increase 1%

- HSC Tuition Differentials - No Change

Attachment G Cont.

UNM School of Medicine Average Faculty
(Physicians) Compensation by source

TUITION
STATE FUNDING
CONTRACTS & GRANTS
CLINICAL

Clinical challenges to Fund Compensation
- UNM has current negative bottom line
- No room for Volume increase
- No opportunity for Rate increase
- In-patient platform does not have margin to assist in SOM compensation increases

Attachment G Cont.

UNM HSC Academic Enterprise
FY 2023 Faculty & Staff 7.12% Salary Increase plus Fringe

All HSC Unrestricted

<table>
<thead>
<tr>
<th>Category</th>
<th>Salary - Fringe</th>
<th>Salary - Fringe</th>
<th>Salary - Fringe</th>
<th>Salary - Fringe</th>
<th>Salary - Fringe</th>
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<td>2,646,310</td>
<td>339,416</td>
<td>6,500,005</td>
<td>2,702,287</td>
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<td>80,000</td>
<td>10,000,000</td>
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<td>15,000</td>
<td>25,000</td>
<td>3,750,000</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Staff</td>
<td>25,000</td>
<td>45,000</td>
<td>6,000,000</td>
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</tbody>
</table>

Grand Total

<table>
<thead>
<tr>
<th>Category</th>
<th>Salary - Fringe</th>
<th>Salary - Fringe</th>
<th>Salary - Fringe</th>
<th>Salary - Fringe</th>
<th>Salary - Fringe</th>
<th>Salary - Fringe</th>
<th>Salary - Fringe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated State comp w fringe</td>
<td>526,125</td>
<td>1,052,250</td>
<td>172,430</td>
<td>3,504,632</td>
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</tr>
<tr>
<td>Shortfall - recurring cost</td>
<td>(333,120)</td>
<td>(666,240)</td>
<td>(111,250)</td>
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</tbody>
</table>

- Non SOM units will be able to fund shortfall
- SOM Compensation shortfall plan is being developed
- Compensation is 87% of HSC Academic Enterprise expenses

Attachment G Cont.
UNM HSC Academic Enterprise
FY 2023 ERB Increase

2% HSC ERB Increase $7,703,475
FY23 Estimated State ERB Funding 1,053,512
HSC ERB Shortfall $(6,649,963)

UNM Hospitals
FY 2023 – Financial Assumptions

Revenues
- Inpatient access
  - Inpatient volumes should normalize to FY21 post-OMICRON surge and crisis standards of care
  - Discharges to remain consistent with historical length of stay
  - Case Mix Index to remain flat
- Ambulatory access
  - Programs are being developed to identify preventable avoidable admissions,
    - expansion of home care offering
    - comprehensive navigation services
  - Primary Care clinics are expected to remain flat relative to revised FY22 projections
  - Specialty Care Clinics expected increase 2%
- Surgeries are also expected to remain flat to revised FY22 projections

UNM Medical Group
FY 2023 – Financial Assumptions

Revenues
- Continued growth and recovery from pandemic-related volume decreases and fluctuations
  - WRTPS – 8.1% above FY22 forecast
  - Rilled visits growth of 4%
  - Medical Group clinics will show a continued growth year-over-year in patient visits and net revenues
  - Collections – 5.2% increase over FY22 forecast
- Increase in managed care UPL to include $7M in funds for Anesthesiology. Offsets a decrease in BCBS contract rates specific to Anesthesiology
  - Average Commercial Rate (ACR) changed from 96% to 117% with the addition of Anesthesiology

Expenses
- FY23 expenses expected to return to original FY22 budget levels as employee vacancy rates decrease and there is increased activity supporting the Health System.
- Work From Home will continue to keep non-staffing expenses low for both supplies and lease rates while meeting employee needs.
Sandoval Regional Medical Center
FY 2023 – Financial Assumptions

Revenue
- Inpatient access and throughput
  - Inpatient volume to decline with the OMECOC surge and crisis standards of care easing down prior to the beginning of the fiscal year
  - Discharge rate to remain consistent with historical length of stay
  - Case Mix Index to remain flat
  - Medicaid IP rate increase
- Ambulatory access and throughput
  - Increased volume in Ortho COE
  - Decreased volume in Family Practice (2 providers have left and multiple other providers have reduced time)
  - Slight increase in surgical volumes for Orthopedics

Expenses
- Compensation adjustments – Full Year impact
- Benefits
- Decrease in contract labor usage
- Supplies and Pharmaceuticals CPI increase 3-4%
- Ortho COE full year impact

Summary of Recommendations for Approval
Central Campus and HSC
- We are recommending that the Board of Regents approve the following:
  - 7.12% compensation plan (3% in Q4 FY22, 4% in FY23)
  - 1% increase in mandatory student fees (recommended by the SFRB)
  - $15 increase in the ASUIMM fee
    - Approved by the student body in a constitutional referendum held 03/05/2022
  - Tuition simplification for Central Campus and HSC (remove discount)
    - Central Campus:
      - Increase in undergraduate resident tuition by 3%, with a flat rate at 15 credit hours
      - Increase in graduate resident tuition by 3% with a flat rate at 12 credit hours
      - Increase in non-resident tuition (undergrad and graduate) by 5%, with a flat rate at 12 credit hours
    - HSC:
      - 1% base increase undergraduate and graduate resident tuition
      - 3% increase in non-resident base tuition
      - No change in HSC tuition differentials

Summary of Recommendations for Approval
Branches
- UNM-Los Alamos:
  - No change in tuition and fees
- UNM-Valencia:
  - No change in tuition and fees
- UNM-Gallup:
  - No tuition and fee increase contingent upon Advisory Board approval
- UNM-Taos
  - Contingent upon Advisory Board approval:
    - Tuition
      - Current rates: $78/1ch resident; $198.60/1ch non-resident
      - Proposed rates: $81/1ch resident (+3.85%); $206/1ch non-resident (+3.73%)
    - Fees
      - Current rate: $15 Student Support (block fee per student, per semester)
      - Proposed rate: $30 Student Support (block fee per student, per semester)
Attachment 1

Regents' Policy Manual - Section 1.6: Special Recognition and Awards

Adopted Date: 09-12-1986
Amended: 11-14-1996

Applicability

This policy applies to awards of honorary degrees and other types of special recognition given on behalf of the University at the discretion of the Board of Regents. This policy does not preclude other kinds of awards and recognition by other units or officials of the University.

Policy

It is the practice of the Board of Regents of the University to recognize from time to time the contributions of special people to the University, to the state of New Mexico, or to the national or international community. The Board has established the following awards for this purpose.

1. Honorary Degrees. The University of New Mexico wishes to recognize and thereby encourage individuals by awarding special honors to those persons who have contributed significantly to the cultural or scientific development of the Southwest, or to the spiritual or material welfare of its people. At the same time, due regard should be paid to eminent individuals and scholars whose contributions are of general significance and transcend geographic limitations. In no case should a passing courtesy to the University of New Mexico, such as the delivery of a commencement address, be the sole or principal cause for such honorary awards. The award of an honorary degree to a person seeking or holding a political office does not indicate endorsement by the University of New Mexico. Political involvement should not prevent selection of an individual for an honorary degree. It is not the University's policy to award honorary degrees to active members of the faculty, staff, or administration. This does not preclude, in an exceptional case, the awarding of an honorary degree to an emeritus member of the faculty or to a former employee whose stature remains or becomes eminent in the years following active service with the University. In such exceptions, sufficient time shall have elapsed to insure objectivity in the process of selection. Honorary degrees will be awarded only upon the approval of the Regents, based on recommendations from the Honorary Degree Committee, whose membership is set out in the Faculty Handbook.

2. Regents' Meritorious Service Medal. The Regents' Meritorious Service Medal will be awarded to a member or members of the faculty and staff of the University of New Mexico in recognition of extraordinary and distinguished service to the University. The criteria for the faculty award will be outstanding teaching, service to students, research, scholarship, publications, performance in faculty and University governance, or other such contributions which have enhanced the institution. The criteria for the staff award will be outstanding performance of duties and meritorious service which have enhanced the University. Nominations for these awards may be submitted to the President by students, faculty, and staff. The final decision will be made by the Regents.
3. Regents' Recognition Medal. The Regents' Recognition Medal will be awarded by the Regents of the University of New Mexico to a person or persons, other than faculty or staff, who have performed outstanding service to the institution. The criteria for the award will be extraordinary and unselfish assistance to the University over an extended period of time. However, a single service might be recognized if, in the judgment of the Regents, circumstances warrant. Selection will be made by the Regents.

4. The University Medal. The University Medal will be awarded by the Regents of the University of New Mexico to a person of national or international accomplishment deserving of high honor. In keeping with the universal nature of the knowledge and public service which are embodied in the very essence of the University, the University Medal will be used to express the appreciation of the University for the accomplishments and contributions of the individual, which may be in any field of knowledge or public service of national or international character. No limits of residence or national origin are to be placed on this award. Since the desirability of honoring such persons should be both obvious and compelling, the Regents will not grant the award on a systematic basis, nor institute fixed time periods for making the award. The medal will be awarded only in the event that the attainments of a qualified individual are such that the administration and Regents are persuaded that this rare and special recognition is clearly deserved.

5. Special Commendation. A special commendation may be awarded to particularly meritorious nominees for any of the Regents' Meritorious Service Medal, the Regents' Recognition Medal or the University Medal.

Selection Process and Awards

Honorary degrees will be awarded only upon the approval of the University faculty and the Regents, and will be based on recommendations from the Honorary Degree Committee, whose membership is set out in the Faculty Handbook.

-The President of the University periodically will solicit and receive nominations for the Regents' Meritorious Service Medal, the Regents' Recognition Medal and the University Medal in time for the review process described here to take place before the next commencement. The President of the University will provide the charge and all nominations to the Regents' Special Recognition and Awards Committee, which will be comprised of one person appointed by the President of the Faculty Senate, one person appointed by the President of the Staff Council, one graduate student appointed by the President of the Graduate and Professional Student Association, one member appointed by the President of the Associated Students, a Chair appointed by the President of the University, and such additional members as the President of the University shall deem helpful. These additional members may be drawn from the UNM Foundation, school and colleges at the University, the branch campuses, alumni, athletics and elsewhere. The Committee will recommend particular nominees for each award to the Regents, which shall make final decisions with regard to the awards.

Except for Special Commendations, awards will be medals, or other appropriate signs of recognition, bearing as appropriate and as space permits, the seal of the University and other designs, and will be accompanied by a certificate upon which the nature of the service will be cited. Special Commendations shall be in the form of a certificate.

Implementation

Awards will be a silver alloy medal, or other appropriate device, bearing the seal of the University of New Mexico and other appropriate designs and will be accompanied by a certificate upon which the nature of the service will be cited.