



**UNIVERSITY OF NEW MEXICO
BOARD OF REGENTS**

**Agenda
BUDGET APPROVAL**

**May 7, 2015
9:00 AM
Student Union Building, Ballroom C**

The Board of Regents of the University of New Mexico
Meeting in Open Session and Executive Session
May 7, 2015, 9:00 AM
Student Union Building, Ballroom C
Executive Session-Luncheon, Cherry Silver Room
revised* AGENDA

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Catherine Cullen, President, Parent Association
Carl Alongi, Chair, UNM Foundation Board of Trustees (*next quarterly report will be June 2015*)
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VIII. Public Comment (items not on agenda; limit 3 min. per speaker)

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

Executive Session-Cherry Silver Room

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

- X. Vote to re-open the meeting and certification that only those matters described in Agenda Items IX. were discussed in Closed Session and if necessary, final action with regard to those matters will be taken in Open Session.

XI. Vote to Adjourn

Minutes of the Meeting of the Board of Regents of the University of New Mexico
BUDGET SUMMIT
April 10, 2015
Student Union Building, Ballroom C
draft

Members present

Jack L. Fortner, President; Robert M. Dougherty, Vice President; Bradley C. Hosmer, Sec. Treasurer; James H. Koch; Marron Lee; Suzanne Quillen; Heidi Overton

Administration present

Robert G. Frank, President; Chaouki Abdallah, Provost and EVP for Academic Affairs; Paul Roth, Chancellor for Health Sciences; David Harris, EVP of Administration, COO, CFO; Steve McKernan, CEO UNM Hospitals; Elsa Cole, University Counsel; Liz Metzger, University Controller; Dorothy Anderson, VP HR; Helen Gonzales, Chief Compliance Officer; Eliseo 'Cheo' Torres, VP Student Affairs; Ava Lovell, Sr. Exec. Officer of Finance and Administration, HSC; Michael Dougher, Sr. Vice Provost and VP Research and Economic Development; Pamina Deutsch, Director Policy Office; Christopher Dyer, Exec. Director UNM Gallup; Alice Letteney, Exec. Director UNM Valencia; Wynn Goering, CEO UNM Los Alamos

Regents' Advisors present

Texanna Martin, GPSA; Rachel Williams, ASUNM; Reneé Delgado-Riley, Staff Council; Pamela Pyle, Faculty Senate

Presenters in attendance

Andrew Cullen, AVP, Planning, Budget and Analysis; Terry Babbitt, AVP Enrollment Management; Kevin Stevenson, Strategic Planner in the Office of the President; Chris Vallejos, AVP Business Planning and Services; Greg Heileman, Associate Provost for Academic Affairs; David Herring, Dean of the School of Law; Daniel Ortega, Dir. International Law Programs, School of Law; Marsha Baum, Professor, School of Law, Chair, AF&T Committee

Others in attendance

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

CONFIRMATION OF PRIOR SPECIAL MEETING IN EXECUTIVE SESSION

The Board of Regents met in closed session on April 10, 2015 from 7:44 to 8:55 AM in the Cherry Silver Room of the Student Union Building for discussion purposes only of threatened or pending litigation as permitted by Section 10-15-1H(7) of the Open Meetings Act (NMSA 1978). Members present were Jack Fortner, Robert Dougherty, Marron Lee, Heidi Overton, Suzanne Quillen, Jamie Koch, and Bradley Hosmer. University Counsel joined the meeting. The matters discussed at the meeting were limited only to litigation matters as specified in the notice and agenda for the meeting.

CALL TO ORDER, CONFIRMATION OF A QUORUM AND APPROVAL OF THE AGENDA

Regent President Fortner called the meeting to order at 9:24 AM. A quorum was confirmed. Regent Fortner announced the following modifications to the agenda:

1. Removal, ASAR Committee agenda items #1-Approval of Honorary Degree Candidates, and #4-Approval of Associates of Science in Health Information Technology (Valencia)
2. Removal, HSC Board of Directors agenda items #5-Update on HSC Research Mission, and #6-Review of Turnover of HSC Faculty and Staff
3. ASAR Committee consent agenda items, #3-Approval of Associate of Applied Science in Public Safety (Los Alamos), and #6-Approval of Program Elimination: AA Criminal Justice (Taos) and Secondary Education Certificate (Valencia)
4. Constituent and Public Comment under Part IV.D to be moved to after Part II. Approval of Minutes.

The motion to approve the agenda as modified passed by unanimous vote (1st Koch; 2nd Overton).

APPROVAL OF MINUTES

The motion to approve the minutes of the March 9, 2015 regular meeting passed by unanimous vote (1st Koch, 2nd Quillen).

CONSTITUENT AND PUBLIC COMMENT

Tom Solomon, of 350.org, presented to President Frank and the Board of Regents a letter of request to divest the UNM Endowment from fossil fuel investments, signed by Senator Gerald Ortiz y Pino and five other Senators and three Representatives, along with a 'UNM Go Fossil Free' petition with 3,670 signatures. Mr. Solomon addressed the issue of global warming, its primary cause, and the need for urgent action to convert the energy economy to renewable energy sources; he reiterated that UNM must divest. Regent Fortner directed President Frank to look in to options for further discussions.

Senator Ortiz y Pino spoke in favor of the University divestiture in fossil fuel investments and expressed hopes that discussions would lead to divestment. Regent Koch said the issue needs to come through the Regent committee structure. President Frank said the Regents delegated to the UNM Foundation a few months ago to address the issue, and a subcommittee at the Foundation has been created specifically to look at this. Regent Koch said the Foundation should come to Finance and Facilities Committee when it is ready to give its report. Regent Fortner said this is not just a financial issue, but there are scientific issues that need spirited debate.

David Ritchey, architect on staff to Albuquerque Public Schools, commented in favor of divestment from fossil fuel investments; he said the fossil fuel age is drawing to a close, and it is prudent to be an early divestor, rather than a late divestor.

Staff Council President, Renée Delgado-Riley, spoke about the complex issues addressed at the University and the diverse staff concerns among the nearly 5,000 staff members at UNM. Dr. Delgado-Riley encouraged continued staff involvement to address issues and said UNM Staff matter to this institution and they make a difference.

Faculty Senate President, Pamela Pyle, thanked Regent Doughty for his recent half-day visit to the School of Engineering in the spirit of the Regent Adopt a College for a Day initiative that was born over a year ago. Ms. Pyle encouraged the Regents to continue visiting the colleges to engage with faculty and learn firsthand about programs. She spoke about the high quality of faculty and the value of the education students receive at the University. She encouraged marketing UNM successes to a wider market. Although there are no compensation increases planned for the coming year, it is important for the sustainability and morale of the faculty and staff. On behalf of the faculty, Ms. Pyle stated concern for the use of funds from the health plan reserve to plug the current year budget shortfall. Regent Koch commented to balance the current year budget and fill a \$3.6 million deficit the University had two options, to cut academic programs or utilize funds from the health plan reserve. Regent Koch commented about enrollment declines and potential challenges for next year's budget.

President of GPSA, Texanna Martin, and President of ASUNM, Rachel Williams, spoke about the Student Fee Review Board (SFRB) process and they appreciate the student involvement during the budget process. Ms. Williams spoke about the timeline changes that involved beginning last summer with meeting with the units to understand why they need funding. Thirty-two units requested funding from student fees this year. The funding recommendations are a result of consensus among undergraduate and graduate students, and both presidents encouraged the Regents to approve the recommendations.

APPROVAL OF FY15 RENEWAL OF ANNUAL FINANCIAL STATEMENTS AUDIT CONTRACT WITH KPMG

Regent Hosmer presented the item. The three-year contract with KPMG was approved last year at the March 25, 2014 Board of Regents. The contract involved three, one-year renewal increments. Approval is for the first of the one-year increments.

The motion to approve the FY15 renewal of the annual financial statements audit contract with KPMG passed by unanimous vote (1st Hosmer; 2nd Doughty).

FY16 BUDGET: CONSIDERAION AND APPROVAL OF TUITION & FEE RATES AND COMPENSATION FOR FY2016

President Robert Frank welcomed Regent Marron Lee and welcomed back Regent Jamie Koch. President Frank gave a summary of the 2015 legislative results. Governor Martinez signed House Bill 2 into law yesterday. Of UNM's priorities, there were only \$275 K in vetoes. The \$2.1 million formula funding was approved and the budget scenario is based on that. In August, Administration engaged in a redesigned budget process to enhance dialogue and discussions on the budget and priorities. The expanded process was critical to the University's ability to grapple with a constantly changing funding environment, with changing oil prices and volatile enrollment being critical variables. President Frank thanked all those who were involved in developing the budget proposal. The priorities that emerged at the outset of this process remain the same, strategic investments in student success and in faculty and staff, and right-sizing the University. Each of the new funding initiatives as well as the strategic spending reductions were made within the framework of these top priorities. There are no recommendations for compensation today, but strategic investments in our faculty and staff are part of the budget proposal. Enrollment projections for next year are flat; this is a conservative estimate. For FY16, there will be a different approach to budget allocations. Initially, on July 1, 95% of budgets will be allocated to departments, with the remaining 5% held centrally. Enrollment will be evaluated at critical points in the Fall and Spring and the remaining 5% will be allocated when the numbers are clear. This is an important step toward implementing an agile budget model. There was discussion about how the 5% would be allocated.

Andrew Cullen introduced the FY2015/2016 budget development and a 39-page summary of administration's proposals and methodologies (**Exhibit A**). Page 4 of the summary outlined the proposed tuition and fee increases of 3.0% and 4.66%, respectively, giving a combined increase of 3.37%. The proposed increases would yield on average to a student taking 15 credit hours, an increase of \$150.20 in tuition, an increase of \$67.10 in fees, for a combined increase of \$217.30 on an annual basis. Regent Koch said that during the discussion, tuition and fees should be discussed separately.

Mr. Cullen referred to page 6 and explained that for the current year, a 1.5% decline in enrollment led to a \$3.6 million decrease in tuition and fee revenue. The current year shortfall will be covered by a one-time use of reserves.

Terry Babbitt spoke about enrollment projections (pages 7 through 13) and addressed the variables that influence enrollment: demographics, economics and institutional factors. Regarding demographics, of the number of students available, those graduating from New Mexico High Schools, the University gets about 25%, the largest percentage of any other flagship in the U.S. Institutional decisions affect who is accepted to the University and can limit the ability to increase enrollment. Enrollment risk factors are: improved employment rates, an economic variable, and decrease in legislative lottery scholarship percentage paid (projected at 85-90%). There was discussion about the decrease in lottery funds. Regent Doughty inquired about the projected decrease and any plans in 4 to 5 years. The University covered the 5% decrease last year, resulting in a \$280 K cost. Regent Koch inquired about dorm capacity and revenues generated from the dorms. Applications are down 9%. Chris Vallejos said the break-even is 78% capacity; the University is at about 88% capacity this year. At 90% capacity, about \$5 million funds are generated. The excess funds get transferred to capital for improvement and do not go to I&G.

Regent Koch talked about contingencies for next year if there is an enrollment decline. Regent Quillen commented that efforts toward retention have been successful. Terry Babbitt discussed retention rates and said non-traditional students are more vulnerable. Efforts like the Math Learning Lab (MaLL) have contributed to improved retention rates. Student Regent Overton commented on the importance of keeping in mind how the formula fund affects the budget; it has changed from awarding for credit hours to awarding for outcomes and completions. There was discussion about the formula fund. In the formula, the rate of earning a degree is not awarded, only raw numbers of completions.

Provost Abdallah presented the Academic Affairs proposed budget reductions (pages 16 through 18). The methodology was a 3-part approach: 1) look at staff retirement date, 2) for the non-academic units, review the programs that had funding available to cut without impacting services, and 3) reduce the enrollment growth and non-standard instructional funding, which is centrally held in the Provost Office. Total reductions came to \$1,749 K from both academic and non-academic units, or 1%. In summary, the

goal was to hold academic units harmless and hold graduate assistantships harmless within OGS. Overall the academic units will receive only a .34% reduction to their I&G base allocation. Regent Quillen inquired about the effort to consolidate units. There was request to units to consolidate their course offerings and eliminate courses in areas that would not impact the quality of the academic mission. About 30 units consolidated, resulting in roughly \$150 K savings. There was discussion about the Academic Affairs reserves levels.

Andrew Cullen presented the budget reductions from Administration and the methodology (pages 20 through 23). Overall, the proposed budget reductions from Administration are \$678 K.

Provost presented the list of Academic Affairs new initiatives, requests and allocations (page 24), an overall amount of \$2.195 million. Part of Academic Affairs initiatives request funds to address faculty compaction, \$689 K; faculty promotions, \$300 K; and faculty retention, \$240 K. There was discussion about faculty compaction and introductory courses. Regent Lee inquired as to percentage of students who take introductory courses and what the graduation rate is for students who take introductory courses and how many came out in 4 years. About 40% of students take at least one introductory course; 15-20% take about three courses. If students start in the summer, they can graduate in 4 years.

Andrew Cullen presented the list of Administration and SFRB funding requests, the total amount of \$3.755 million, with pooled fringe benefits of \$734 million, compliance initiatives of \$355 million, marketing and recruitment efforts of \$620 million, and mandatory student fee recommendations of \$1.305 million (page 24).

Regent Fortner called for a 10 minute recess at 11:34 am. The meeting reconvened at 11:58 am.

Dean Cecchi presented the School of Engineering request for undergraduate tuition differential (page 27 through 33).

The motion to approve the School of Engineering undergraduate differential tuition of \$15 per credit hour passed by unanimous vote (1st Koch; 2nd Lee).

Kevin Stevenson requested Regents' approval for the decrease in the tuition differential for the Speech and Hearing Sciences graduate differential tuition (page 27).

The motion to approve Speech and Hearing Sciences graduate differential tuition rate of \$119 per credit hour, a decrease of \$31 per credit hour from the existing differential rate of \$150 per credit hour, passed by unanimous vote (1st Doughty; 2nd Hosmer).

Kevin Stevenson presented the 4-year flat tuition model as recommended by Regent Hosmer (page 35). The model is cost-neutral to provide stability and predictability for tuition and fees and assuming a 3% per year tuition increase, the students would pay an up-front surcharge, and then pay a flat tuition for four years. The model Regent Hosmer recommended included fee stability along with tuition stability, however, the numbers in the model presented at the meeting reflected only tuition numbers. There was discussion about whether similar models at other universities have led to increased graduation rates. Regent Koch said the University benefits and not the students. Regent Overton said predictability is a benefit to the students. There was discussion about whether the models benefit the University or benefit the student. Regent Lee asked how many students graduate in 4 years. About 16% graduate in 4 years.

The proposed four-year guarantee and graduation incentive model recommended by Regent Doughty was presented (page 38). The model proposes 3% annual increase in tuition with a graduation incentive, if the student graduates in 4 years, the last semester's tuition would be credited back to the student as a scholarship. There was discussion about where the funds would come from to pay the final semester scholarship, a UNM cost estimated and projected at \$1.087 million. Administration would set aside funds from the annual 3% tuition increases. There was discussion about need-based versus merit-based scholarships. Regent Overton commented that many who graduate in 4 years are on scholarships that pay almost a full ride. There was discussion about possible future changes to the lottery scholarship that would lead to higher costs to the University. Of the current 4-year graduates, 78% receive the lottery scholarship.

Regent Hosmer said of the two four-year tuition models proposed, each is designed to serve a different purpose. Regent Doughty's proposed model raises very good questions that Regents in principle should address. Should the University invest more to encourage on-time graduation? Regent Hosmer proposed adding more in the budget toward achieving on-time graduation, with the added directive to let Administration come back to the Regents in May as to how they would utilize the funds toward that goal.

The motion that the Board of Regents increase expenditure in the budget by an amount and ask Administration to come back to the Board of Regents in May with how the funds will be divided between direct monetary incentives and programmatic investments did not pass by a vote of 2 to 5; Regents Hosmer and Overton voted in favor; Regents Fortner, Lee, Doughty, Quillen and Koch voted opposed (1st Hosmer; 2nd Overton).

Regent Fortner asked to hear from the student leaders. Rachel Williams, President of ASUNM, thanked Regents for their comments and said she would prefer the funds go toward programs such as CAPS (Center for Academic Program Support) and CEP (College Enrichment Program), because students on a 4-year track do not need a graduation incentive. Texanna Martin, President of GPSA, said she likes the ideas and she would like more discussion and to be able to take the ideas to her constituents for their input. Student Regent Overton said she appreciated Regent Doughty's model, but does not think we can change behavior with a financial incentive, and the funds would be better used elsewhere. There was further discussion.

The motion to adopt the four-year guarantee and graduation incentive plan proposed by Regent Doughty, and that student tuition for the 2015-2016 term be increased by 3% passed by a vote of 5 to 2; Regents Fortner, Lee, Koch, Quillen and Doughty voted in favor; Regents Hosmer and Overton voted opposed (1st Koch; 2nd Lee).

Regent Hosmer commented that Regent Doughty's plan has projected tuition increases, which the Regents are long overdue to consider, and projecting tuition increases has great virtue. Regent Hosmer addressed the question of whether a special tuition should be revenue neutral to the University.

Regent Hosmer motioned approval of the 4-year flat tuition model that is revenue neutral to the University; the motion was not seconded.

Kevin Stevenson presented the Branch Campus tuition increase proposals (page 39). There was discussion about the increases proposed by the Branches and those recommended by Administration. The increases recommended by Administration were to address putting all of the Branch Campus tuitions in line with each other, an issue for future discussions. Administration recommended approval of the increases proposed by each Branch.

The motion to approve the tuition increases proposed by the Branch Campuses passed by unanimous vote (1st Koch; 2nd Doughty).

There was discussion about Student Fees and the proposed increases.

The motion to approve the fees adopted by the Student Fee Review Board and as presented by Administration in the budget scenario passed by unanimous vote (1st Koch; 2nd Lee). (Exhibit A1)

Regent Fortner asked for a motion to recess the meeting for a 30-minute lunch break. Regent Hosmer motioned; Student Regent Overton seconded; the meeting went in recess at 1:36 PM. The meeting reconvened at 2:21 PM.

Chancellor Roth and Ava Lovell presented the FY2016 HSC Preliminary Budget proposal that was provided in the agenda eBook.

Chancellor Roth provided an introduction to the Board on the UNM Health Sciences Center (HSC) preliminary FY2016 budget presentation. The vision of the UNM HSC was discussed which involves working with community partners to help New Mexico make progress in health and health equality in the State. The HSC

organizational structure was briefly discussed and the departments within the Administration, Health System and Academic Units were identified. Chancellor Roth stated that the entire State is the HSC campus. The UNM Health System clinical encounters include patient care, outreach activities, education, community research, and tele-health sites. A map was presented which shows where the activities occur and the number of individuals served. The strategic initiatives, which drive the budget, were briefly discussed. Strategic goals for the HSC include: providing community-wide solutions to improve public health and health care, building New Mexico's workforce by providing a premier education, fostering discovery and innovation, enabling people and programs to achieve highest potential, working to create a well-integrated academic health center, and celebrating a culture of diversity, integrity and transparency. Chancellor Roth presented a pie chart, which showed the revenues for all UNM HSC components (**Exhibit B**). The total budgeted revenues for FY2016 preliminary budget are \$1.94 billion, which was a 4.2% increase over FY2015 projected revenues.

Ava Lovell presented a PowerPoint with the UNM Health Sciences Center budget planning for FY2016. There are two components to the budget, the UNM Health System, which includes the hospitals, Cancer Center, and all patient care, and the Academic Enterprise, which includes the schools, colleges, research and Administration. The budget was built on financial assumptions of a 5% growth in revenue driven by programmatic changes. The HSC will be opening the 4th Street Clinic and the Eubank Clinic and will be expanding women's programs, behavioral health based primary care, and adolescent addictions programs. Other revenue enhancement programs were discussed, which include clinical documentation improvement for ease of practice and some computer assisted coding initiatives. The Health System will be investing in critical pieces of software to aid in revenue generation for the hospital. There is also an increase in the necessary supplies required by the hospital as the volume of patients has increased, specifically commercial and Medicaid patients. The Medicaid Malpractice premium has also increased 19.8%. There will also be additional support on medical services in areas such as Pathology, Obstetrics, Critical Care, Pediatrics, Internal Medicine, and Family Community Medicine.

Ms. Lovell provided a high-level overview of Uncompensated Care and the change that has occurred due to the Affordable Care Act (ACA). In FY2011, the hospital had \$198 million reported in Uncompensated Care. In FY2013, the year before the ACA was implemented, the cost for Uncompensated Care reached \$241 million. The ACA began implementation halfway through FY2014, and the hospital reported a cost of \$229 million for Uncompensated Care. It is projected for FY2015 that Uncompensated Care will be \$122M and projected to be \$126 million in FY2016, which is a significant change. The ACA will be fully implemented in FY2016; however, 12% of all the University Hospital's care will be uncompensated. The ACA was never meant to wipe out all Uncompensated Care but to cover roughly 92%. Ms. Lovell stated that ACA only requires those who have an affordable option to purchase health care or be subject to the personal mandate. An affordable option was defined as 8% of a person's gross income, or 9.5% for family coverage. If their health insurance options are more than that percentage they will not be required to obtain insurance and will not be subject to the personal mandate. The 8% uninsured are those who are part-time employees of small companies without affordable options, low-income individuals with high deductible insurance, those who elect not to purchase insurance and undocumented immigrants. When Medicaid expanded, many of those previously uncompensated care individuals became eligible for coverage.

There was a discussion regarding the expansion of Medicaid. Many of the previous reimbursement components, such as the Federally Authorized Other Supplemental Medicaid Funding, Disproportionate Share, Upper Payment Limits, and SCI have gone away due to the expansion. In FY2015 the projected Medicaid number is \$283 million and projected at \$295 million for FY2016. Ms. Lovell stated that there was an operating loss in FY2014, which was supplemented with the TriWest one-time revenues. Ms. Lovell discussed the Bernalillo County and Sandoval County Mil Levy for UNM Hospital care. The first Mil Levy began in 1978 from the Bernalillo County for \$5M but did not originally include the Adult Psychiatric Center, which it does now. At that time, hospital operational expenses were only \$31 million so the Mil Levy covered 16% of the operating expenses. The Bernalillo County Mil Levy is projected to be \$93 million in FY2016, which would cover 9.3% of the \$1 billion operating expenses.

Information was provided to the Board on the budget of the UNM Health System. Due to the constant fluctuation within health care costs, the budget is re-forecasted every 3 months. Ms. Lovell discussed patient care revenues for the hospital, Medical Group, and SRMC which resulted in a 5.3% change in FY2016. Total projected patient care revenues for FY2015 are \$1.09 billion. Total budgeted FY2016 patient care revenues are

\$1.15 billion. The 5.3% increase in revenue is due to an increase in volume. Total revenue from both Bernalillo and Sandoval County Mil Levy is projected at \$99 million, which is a 0.6% change. The Hospital and SRMC both receive some contracts and grants within the cities they are located for outreach programs, which results in \$3.289 million in revenue. The UNM Health System does receive funding from the state within House Bill 2 for line items that include Carrie Tingley Hospital, Children's Psychiatric Hospital, and the Young Children's Health Center. These are considered Research and Public Service Programs (RPSPs). Total revenues for the UNM Health System for FY2016 are \$1.302 billion, which represents an overall increase of 4.6%.

Ms. Lovell reviewed the expenses for the UNM Health System. House Staff/Post Doc salaries are residents that are completing training at the hospital. The Legislature and the Governor provided more funding to the hospital to add more residents in order to increase the workforce in the State. Staff and other salaries include all staff of the hospitals and Medical Group which will have a slight increase specifically for licensed technical staff. There will be a slight increase in Fringe Benefits for all patient care costs. Facilities costs will also increase, driven by the old facilities, which require higher maintenance costs. Equipment in the hospital is small equipment under \$5 K such as beds and monitors. Depreciation is accounted for at SRMC and UNMH, as well as other operating expenses such as office supplies, laundry, housekeeping supplies and such. There are interest expenses on the bonds for the Pavilion, which is the new part of UNMH, and on SRMC. The HSC will look into bond refunding on those, which is expected to save between \$1 - \$1.3 million per year over the next 20 years. That request will go forward to the State Board of Finance (SBOF) in May. Total expenses for the FY2016 budget are \$1.299 billion, or a 7.7% increase.

There was a discussion regarding the net margin. Last year, the Medical Group brought the hospital up to a positive with the return on the TriWest investment. The hospital had an investment in a company called TriWest, which was sold and the hospital received equity distribution over a three-year period. A chart was presented that represented the TriWest and the Capital Initiatives; in FY2013 TriWest revenue was \$12.678 million, in FY2014 TriWest revenue was \$39 million, and in FY2015 TriWest revenue was \$12 million, for a total of \$64 million. This funding was set aside in capital initiatives for building clinics and other capital initiatives. The return on the TriWest investment cannot be put into salaries or recurring expenses because there is not a recurring funding stream. Those funds were set aside for non-recurring expenses. The Medical Group reserves had been built up prior to starting the new hospital at SRMC. The reserves were required to assist in helping doctors ramp up practices at SRMC. The total bottom line total net margin in FY2014 was \$5.7 million, projecting \$5.5 million in FY2015, and budgeted conservatively for FY2016 at \$470 K.

Ms. Lovell discussed the Academic Enterprise at the UNM HSC. As an academic medical center, all academics are tied in with the clinical practice of the hospital. The academic enterprise budget is based on medical student tuition. Chancellor Roth has decreased the medical student tuition by 1% partially due to the last accreditation which identified that student debt keeps rising every year. There are efforts in place to look at bringing down the medical school tuition. Prior to the decrease, HSC Administration had not increased tuition in 5 years, however the cost of living keeps rising so that is what is contributing to the rising medical student debt. Many students have high credit card debt, loans, and oftentimes parents incur debt for their students.

Regent Overton commented that part of the high costs and rising debt are attributed to resident interview expenses. Medical Students go on an average of 15 interviews and are required to pay for flights, hotels, meals, and other various travel expenses. These trips are required for a student to obtain a residency at a hospital.

Ms. Lovell reviewed the revenues for the HSC Academic Enterprise. The HSC Funding Formula through the Higher Education Department (HED) has increased \$505 K in the budget. The increase in total state funding, which includes the funding for new residents, totaled 1.4%. The Tobacco Settlement Funding, which the HSC relies on for the Poison Center and research, has been holding steady and sustained for FY2016. Salary Expenses for the Academic Enterprise were discussed and include increases for HSC faculty, either a 1% on a contract or adjustment to the 25th percentile. HSC staff would only increase per Regents' action. The salary increases apply to non-bargaining unit employees only. HSC utility costs have also increased by 1.85%. There was a discussion regarding the FY2016 increase in State funding. Increases included Internal Medicine Residencies \$535 K, Psychiatry Residencies \$202 K, General Surgery/Family Medicine Residencies \$168 K, Medical School I&G (non-recurring appropriation) \$225 K, HSC Mammography Services \$250 K, Hepatitis C/Project ECHO \$150 K, Native American Suicide Prevention \$200 K, Center for Native American Health \$150

K, and the UNM Pain Center \$50 K. An appropriation was eliminated for FY2016, which was the Out of County Indigent for \$662 K. These appropriations are included in House Bill 2, which the Governor has until April 10 to approve and sign.

There was a discussion regarding faculty compensation and the amount of funding needed to bring faculty in the School of Medicine up to the 25th percentile, which totals \$3.27 million, and up to the 50th percentile, which totals \$13.36 million. Also discussed were the amounts necessary to get the College of Nursing faculty up to the 50th percentile, which totals \$37 K, and the College of Pharmacy faculty up to the 50th percentile, which totals \$154K. A 1% faculty increase across all the entire HSC academic enterprise would total \$1.64 million, and a 1% staff increase would total \$815 K. Total fringe increase would total \$515 K.

Revenue within the HSC Academic Enterprise were identified and include a 5.8% increase in patient care, 1.4% increase in grants and contracts, 1.4% increase I&G/State funding, 3.8% decrease in facilities and administration, 0.5% decrease in tuition and fees, and 23.9% change in other revenues, allocations and transfers. Total percentage change for HSC Academic Enterprise revenues totaled 4.9%. Expense increases were identified and included \$474 K in faculty and staff compensation, which was a 5.6% change. Non-salary expense increases included \$135 K, which was a 3% change. The Academic Enterprise does not book depreciation. The net margin for the Academic Enterprise before non-recurring items totaled \$3.391 million. Capital, recruitment, startup, and scholarships total \$4.397 million. The total net margin after non-recurring items totaled \$1.006 million. Reserves will be used for items pledged out for several years. Ms. Lovell presented a chart which depicted revenue trends as well as compensation expenses trends for HSC all components from 2012 through the preliminary budget of 2016. Overall, for all UNM HSC components, revenues totaled \$1.914 billion and expenses totaled \$1.908 billion. The total net margin before non-recurring items totaled \$5.756 million. After non-recurring items were included, the net margin totaled a negative \$536 K.

The motion to approve the Health Sciences Center FY2016 Preliminary Budget passed by unanimous vote (1st Quillen; 2nd Overton).

REGENT COMMITTEE REPORTS

FINANCE AND FACILITIES COMMITTEE

Regent Koch announced that, due to the late hour, Controller Liz Metzger's presentation of the monthly consolidated financial report would come off the agenda. He asked Andrew to introduce the Gallup Branch bond agenda item.

UNM Gallup Branch: Series 2006 and 2007 Bond Refunding

Andrew Cullen presented the item. The Advisory Board of the University of New Mexico Gallup Branch requested approval for the issuance of approximately \$7.5 million general obligation refunding bonds to refund the Series 2006 and Series 2007 bonds. Based on current interest rates, the college can refund the bonds and generate present value savings of approximately \$562 K or 7.70% of the par amount refunded. Average annual savings, 2016 to 2022, is \$76.3 K.

The motion to approve the UNM Gallup Branch, Series 2006 and 2007 Bond Refunding passed by unanimous vote (1st Koch; 2nd Lee).

HEALTH SCIENCES CENTER BOARD OF DIRECTORS

Approval of UNMH Contract with Precyse Solutions

Steven McKernan presented the item. This is a three-year agreement for an on-call clinical documentation improvement specialist. Vendor selection went through an RFP process. There were three respondents to the RFP, and based on the selection criteria outlined in the document presented to the Regents, this vendor scored the highest. Total costs for first three years are estimated at \$2.9 million.

The motion to approve the UNMH Contract with Precyse Solutions, Inc. passed by unanimous vote (1st Hosmer; 2nd Quillen).

The Chancellor's Report

Chancellor Paul Roth gave the presentation and referred to slides provided in the agenda eBook. A report was provided to the Board on the UNM Health System Adult Capacity. This report is to bring information to the Board regarding capacity issues at the UNM Hospital and its ability to admit patients into beds at the hospital. The UNM Health System involves the entire clinical enterprise. Essentially, the Health System manages over 150,000 New Mexicans care over the course of any given year. There is a tiered approach to the delivery, particularly inpatient care. The UNM Hospital is an academic health center, considered tertiary and quaternary level inpatient care, and is the only Level 1 Trauma Center in the region. Many programs are not available in any other hospital in the State. In one month, UNMH typically receives roughly 500 patients that are referred by other New Mexico hospitals, including Presbyterian and Lovelace.

The UNMH has a unique and special relationship with Native American communities in New Mexico. The history of the hospital began as the Bernalillo County Indian Hospital. It was then contracted with Indian Health Service to Bernalillo County in 1952 and, on that basis, has an obligation to continue providing priority access to Native communities in New Mexico. The obligation would be to provide up to 100 beds for native patients when they arrive at the facility. In 1978, the County negotiated with UNM to assume operations of the County hospital. In exchange for UNM to assume the liability and costs associated with running the hospital, the County agreed that they would pass a Mil Levy Tax to help offset the costs for the University for the operations of the hospital.

Total UNM Health System beds total 599; there is an additional 101 bassinets at the Children's Hospital. Slides were presented which depicted the amount of average patients in adult licensed beds by month; and UNM is typically above the maximum safe occupancy amount. The national standard wait time for an emergency department bed is less than 4 hours, which UNM is above. In calendar year 2014, UNMH was unable to accept 529 tertiary care patients due to a lack of available beds; the hospital was on a "code purple" status, or maximum bed capacity, for 90% of 2014.

The factors that determine capacity include, the demand for service, efficiency in managing patient load, effectiveness in discharging patients, and the physical capacity or number of beds. Strategies in place to manage capacity include, maximizing efficiencies, developing full continuum of care, increasing the numbers and types of beds available, and exploring the need for a facility replacement. For maximizing efficiencies, the hospital can develop discharge planning, utilize the new Sandoval Regional Medical Center, expand ambulatory programs, expand behavioral health programs, and ultimately improve the Emergency Department process to expedite service. Developing the Continuum of Care has been a process since 2012 in order to facilitate expedited discharges, and UNMH has been exploring Public-Private Partnerships to create greater efficiencies and better outcomes with private sector providers. Another major goal is to expand the number of beds and the types of beds as there are too few beds to accommodate the statewide patient care needs. There are also many specialties that require special units, such as Oncology, Trauma, Neurosurgery and Cardiac. Chancellor Roth briefly reviewed the Dekker/Perich/Sabatini (DPS) letter regarding the Master Facility Plan and issues with the current facilities such as aged and undersized infrastructure, existing patient rooms not in compliance with current codes and standards, and buildings reaching their expected lifespan. Next steps involve development of the Health System strategic plan, working with KSA on market analysis and recommendations, and updating the current master facility plan.

Information item: UNM Health System Update to include Sandoval Regional Medical Center, Inc. Update
Steve McKernan presented the update. Materials were provided to the Regents and made available in the agenda eBook.

Regent Quillen left the meeting at 3:50 pm.

ACADEMIC AND STUDENT AFFAIRS AND RESEARCH COMMITTEE

Approval of Masters of Legal Studies Degree

David Herring, Dean of the School of Law, and Daniel Ortega, Director of the International Law Programs in the School of Law, presented the item. This 30 credit hour program is to meet the needs of non-lawyers who can use legal education in their current employment. It is a flexible program the students can

fashion the concentration to the best fit. The Law School benefits with these students in the classroom as they offer different perspectives. The law school can support the program with current staffing. There was discussion about the number of students and class sizes.

The motion to approve the Masters of Legal Studies Degree passed by unanimous vote (1st Hosmer; 2nd Doughty).

Approval of ASAR Consent Agenda Items

Regent Hosmer restated the consent items on the ASAR agenda: Item #3, Approval of Associate of Applied Science in Public Safety (Los Alamos) and Item #6, Approval of Program Elimination: AA Criminal Justice (Taos) & Secondary Education Certificate (Valencia). Regent Hosmer motioned approval of the consent agenda items as stated.

The motion to approve the ASAR consent agenda items as stated passed by unanimous vote (1st Hosmer; 2nd Overton).

Approval of Professor of Practice Policy Language in Faculty Handbook Section B

Marsha Baum presented the item. **Exhibit C** to the minutes displays the red-line changes to the Faculty Handbook, Sections 2.3.14 and 3.4.4, along with a document on the History and Rationale of the changes that were proposed and approved.

The motion to approve the Professor of Practice Policy Language in the Faculty Handbook passed by unanimous vote (1st Hosmer; 2nd Doughty).

Information Item: New Mexico Computer Science 4 All

Due to the duration of the meeting, this information item was not presented.

COMMENTS FROM ADVISORS

Advisors who wished to comment were able to do so during constituent and public comment at the beginning of the meeting.

PUBLIC COMMENT (there were no comments)

VOTE TO ADJOURN

Regent Fortner asked for a motion to adjourn.

Regent Lee motioned to adjourn the meeting; Regent Hosmer seconded; all were in favor; the motion passed. The meeting adjourned at 4:17 PM.

Approved:

Attest:

Jack L. Fortner, President

Bradley C. Hosmer, Secretary/Treasurer

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

Fiscal Year 2015/2016

Budget Development

Overarching Methodology

- Enrollment Decline/Revenue Shortfall



- Strategic Base Budget Reductions

Overarching Methodology

- New Initiative and Fee Shortfall



- Proposed Tuition and Fee Increase




Proposed Tuition and Fee Increase

Category	% Increase
Tuition	3.00%
Fees	4.66%
Tuition & Fees	3.37%

Annual Undergrad Resident Student Cost at 15 hrs	
Tuition	\$150.20
Fees	\$67.10
Tuition & Fees	\$217.30

FY 15 BUDGET RECAP

Challenges

-  1.5% Enrollment Decline in FY 15
-  Decrease in Tuition and Fee Revenues \$3.6m
 - Tuition-\$2.7m
 - Fees-\$900K
-  Unbudgeted Commitments and Cost Increases \$728K

FY 15 BUDGET RECAP

UNM Main Campus

Budget Development

Fiscal Year 2015

Summary (In Thousands)

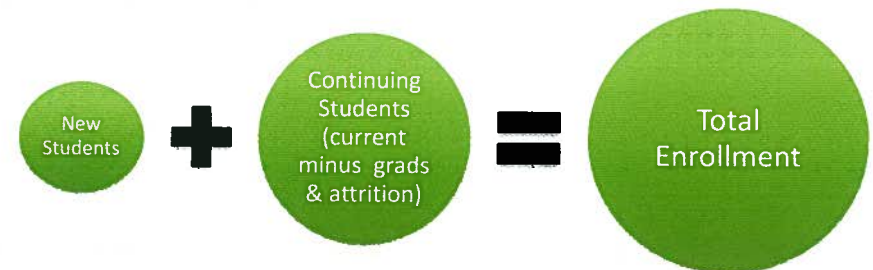
	FY 15 Original Budget	Budget Adjustments	FY 15 Revised Budget
State Appropriation	188,606	0	188,606
Tuition Revenues	134,007	-2,700	131,307
Mandatory Student Fee Revenues	32,202	-900	31,302
One-Time Use of Reserves	1,500	3,846	5,346
Miscellaneous Revenues/Transfers	-28,276	482	-27,794
Total Source of Funds	328,039	728	328,767
Expense Base	328,039	0	328,039
Base Adjustments	0	428	428
Fixed Costs	0	300	300
Total Use of Funds	328,039	728	328,767
Balance	0	0	0

FY 16 ENROLLMENT PROJECTIONS

- Variables Influencing Enrollment by Magnitude of Impact
 - Demographic
 - Economic
 - Institutional

FY 16 ENROLLMENT PROJECTIONS

- Enrollment projections are a function of new students plus continuing students minus completers and stop-outs



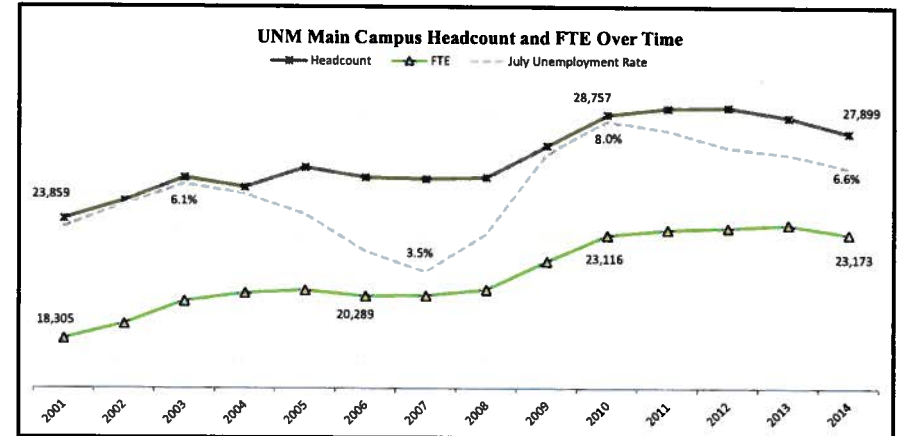
FY 16 ENROLLMENT PROJECTIONS

- Current demographic data for the primary New Mexico market of high school senior students

	2013-14	2014-15	Difference	% Change
NM High Schools Seniors	20,131	21,147	1016	5%
Albuquerque	5,007	5,398	391	8%
Rio Rancho	1,180	1,271	91	8%
Santa Fe	739	719	-20	-3%
Los Lunas	424	508	84	20%
Las Cruces	1,412	1,444	32	2%
Total Top Feeder Districts	8,762	9,340	578	7%

FY 16 ENROLLMENT PROJECTIONS

- Economic conditions are paradoxical for college attendance



FY 16 ENROLLMENT PROJECTIONS

- Institutional role has emphasized regaining beginning freshman enrollment

3.27.15	2014 Final	YTD 2014	YTD 2015	% YTD Change
Applications	12,338	11,192	13,032	16%
Admitted	7,420	6,305	6,990	11%

FY 16 ENROLLMENT PROJECTIONS

- Beginning freshman increase to the model, maintaining continuation rates, enrolling level number of new graduates, readmits and non-degree students would result in a slight enrollment increase
- Due to improving economic conditions, it is necessary to include a slight decrease of graduate and non-degree enrollments
- Very flat enrollment scenario

	Fall 2014 Census	Fall 2015 Projection	% Change
Headcount	27,889	27,879	-.04%
Student Credit Hours	336,618	336,778	.05%

FY 16 ENROLLMENT PROJECTIONS

- Current Risk Factors:
 - Improved employment rates
 - Decrease in Legislative Lottery Scholarship percentage paid (Projected at 85-90%)
 - Graduate Enrollment
 - Projections will be updated after fall pre-registration April 20-May 1

STATE FUNDING OVERVIEW

UNM

NM I&G Funding Formula

Fiscal Year 2016

Summary (In Thousands)

	Main Campus	Health Sciences Center	Total
Funding for Base Operating Costs	94	30	124
Student Credit Hours-End of Course	2,661	411	3,072
Awards	3,500	647	4,147
STEMH	973	532	1,505
At-Risk	1,416	321	1,737
Mission Specific-Research	1,158	1,138	2,296
Total Model Distribution	9,802	3,079	12,881
	76.10%	23.90%	

FY 15-State Appropriation-Pooled 188,606

5.7% Shaving-Base Reduction (10,765)

Model Distribution 12,881

FY 16 New Money 2,116**FY 16-State Appropriation 190,722**

FY 16 BUDGET RECOMMENDATION

Revenue Shortfall/Budget Reductions

Summary (In Thousands)

	FY 15 Revised Budget	Eliminate One-Time Funding and Balance Starting Base	Fund New Priorities and Requests	FY 16 Budget
State Appropriation	188,606	2,116	0	190,722
Tuition Revenues	131,307	0	4,728	136,035
Mandatory Student Fee Revenues	31,302	900	405	32,607
One-Time Use of Reserves	5,346	-5,346	0	0
Miscellaneous Revenues/Transfer	-27,794	-506	-828	-29,128
Total Source of Funds	328,767	-2,836	4,305	330,236
Expense Base	328,039	0	0	328,039
Base Adjustments	428	-2,852	0	-2,424
Fixed Costs	300	0	725	1,025
Funding Priorities			3,191	3,191
SFRB Funding Requests	0	0	405	405
Total Use of Funds	328,767	-2,852	4,321	330,236
Balance	0	-16	16	0

ACADEMIC AFFAIRS PROPOSED BUDGET REDUCTIONS METHODOLOGY

Overarching Methodology

- Strategic reductions
- Hold academic units harmless
- Hold graduate assistantship lines harmless within the Office of Graduate Studies

ACADEMIC AFFAIRS PROPOSED BUDGET REDUCTIONS METHODOLOGY

3 Part Approach

- Look at Staff Retirement data
- Non-academic units: review what programs had funding available to cut without impacting services
- Reduce the enrollment growth and non-standard instructional funding, which is centrally held in the Provost Office

ACADEMIC AFFAIRS PROPOSED BUDGET REDUCTIONS

UNM Main Campus-Academic Affairs
Fiscal Year 2016-Summary (In Thousands)

Colleges/Schools/Division	FY 15 I&G Allocation	Base Reduction	% Change
Provost Administrative Units	15,681	797	5.08%
Division of Equity and Inclusion	681	7	1.03%
VP Division of Enrollment Mgt.	5,483	50	0.91%
UNM West	1,924	19	1.00%
Extended University	4,201	333	7.92%
Vice President of Research	92	1	1.00%
Provost Monitoring-UNM Press	249	2	1.00%
Student Affairs	4,638	61	1.32%
Total Non-Academic Units	32,949	1,270	3.86%
University College	2,261	13	0.58%
School of Public Administration	1,253	13	1.00%
College of Fine Arts	11,181	42	0.38%
College of Arts and Sciences	62,992	128	0.20%
Anderson Schools of Management	8,913	17	0.19%
College of Education	14,561	61	0.42%
School of Engineering	15,279	27	0.18%
School of Law	6,319	63	1.00%
School of Architecture and Planning	3,629	3	0.09%
University Libraries	14,133	101	0.72%
Honors College	1,435	10	0.72%
Total Academic Units	141,956	478	0.34%
Total Academic/Student Affairs	174,905	1,749	1.00%

ACADEMIC AFFAIRS PROPOSED BUDGET REDUCTIONS METHODOLOGY

Summary:

- Hold academic units harmless
- Hold graduate assistantships harmless within OGS
- It is important to note that overall the academic units will only receive a .34% reduction to their I&G base allocation.
- Requested units to consolidate their course offerings and eliminate courses in areas that would not impact the quality of the Academic mission

PRESIDENT'S INDEPENDENT OFFICES PROPOSED BUDGET REDUCTIONS METHODOLOGY

Overarching Methodology

- Reduction of ad-hoc support for external funding requests and programmatic initiatives
- Current vacancies and opportunities for organizational restructuring
- Improving efficiency while maintaining adequate levels of service

EVP FOR ADMINISTRATION PROPOSED BUDGET REDUCTIONS METHODOLOGY

Overarching Methodology

- Multi-step approach in identifying budget savings
 - First, identify I&G allocations to "non-I&G" units and/or university-wide fringe benefits.

- Popejoy Hall \$150,000
- Ticketing Services \$ 75,000
- Workers/Unemployment Compensation \$200,000

EVP FOR ADMINISTRATION PROPOSED BUDGET REDUCTIONS METHODOLOGY

- Second, standardize percent of non-salary expenditures within Administrative units
- Finally, review vacancies as of March 31, 2015
 - Can duties be absorbed by current staffing levels
 - Maintain current service levels
 - Reduce service levels if acceptable to university operations

ADMINISTRATION PROPOSED BUDGET REDUCTIONS

UNM Main Campus-Administration
Fiscal Year 2016-Summary (In Thousands)

Division	FY 15 I&G Allocation	Proposed Vacancy Budget Reduction	Proposed Non-Salary Expense Budget Reduction	Total Budget Reduction	% Change
Presidents Office	1,496	0	31	31	2.07%
Internal Audit Department	802	0	0	0	0.00%
Univ Communication & Marketing	1,256	0	13	13	1.04%
University Counsel Office	1,167	0	13	13	1.11%
Office of Equal Opportunity	441	0	0	0	0.00%
Alumni Relations	646	0	7	7	1.08%
UNM Compliance Office	278	0	0	0	0.00%
UNM Foundation	321	0	0	0	0.00%
Total President and UNM Foundation	6,407	0	64	64	1.00%
Police Department	3,009	33	0	33	1.10%
Board of Regents	171	0	11	11	6.14%
OPBA	887	0	0	0	0.00%
EVP for Administration Office	818	0	0	0	0.00%
UNM Policy Office	158	0	0	0	0.00%
Safety & Risk Services	1,505	163	29	192	12.78%
Financial Services	7,012	60	0	60	0.86%
Institutional Support Services	35,105	90	0	90	0.26%
Athletics	899	0	11	11	1.26%
Human Resources	1,829	65	0	65	3.55%
Government & Community Relations	167	0	2	2	1.20%
Information Technologies	9,846	150	0	150	1.52%
Total EVP for Administration	61,406	561	53	614	1.00%
Total for Administration	67,813	561	117	678	1.00%

NEW INITIATIVES, REQUESTS AND ALLOCATIONS

Division	Increase/(Decrease)
UNM West	325
Academic Affairs-Commitments	53
Advisors	140
Faculty Compaction	689
Faculty Promotions	300
Faculty Retention	240
Graduate Resource Center	100
Introductory Studies Courses	100
LoboRESPECT Advocacy Center	106
LoboAchieve	40
GA/TA Tuition Waivers	102
Total for Academic Affairs	2,195
Administration-EMBA and Internal Auc	50
Utilities	333
Property and Liability Insurance	(42)
Pooled Fringe Benefits	734
Compliance Initiatives	355
Information Security/Privacy	400
Marketing and Recruitment Efforts	620
Mandatory Student Fees	1,305
Total for Administration and SFRB	3,755
Grand Total	5,950

FY 16 MANDATORY STUDENT FEES RECOMMENDATION

Mandatory Student Fees-Funding Requests
Fiscal Year 2016
Summary (In Thousands)

	Increase/(Decrease)
Fund FY 15 Enrollment Decline Revenue Shortfall	900
New Mexico Union	168
Library Acquisitions	25
IT Initiatives	106
Center for Academic Support (CAPS)	57
UNM Public Events (Popejoy)	15
Recreational Services	(9)
Global Education Office	(19)
Women's Center	1
KUNM	(7)
Community Learning and Public Service	36
Project for NM GS of Color	(18)
Parking and Transportation	50
Total	1,305

TUITION AND FEE ALTERNATIVES

- Differential tuition requests
 - School of Engineering Undergraduate
 - Speech and Hearing Sciences Graduate
- Review of current tuition model
- Proposed guaranteed tuition model
- Proposed 4-year graduation incentive model
- Branch Campus tuition increases

FY 16 PROPOSED DIFFERENTIAL TUITION REQUESTS

<u>Undergraduate</u>	<u>Existing Differential Rate (per credit hour)</u>	<u>Proposed Differential Rate (per credit hour)</u>	<u>Proposed Change (per credit hour)</u>	<u>Administration Recommendation</u>
School of Engineering	\$0.00	\$15.00	\$15.00	Approved

<u>Graduate</u>	<u>Existing Differential Rate (per credit hour)</u>	<u>Proposed Differential Rate (per credit hour)</u>	<u>Proposed Change (per credit hour)</u>	<u>Administration Recommendation</u>
School of Public Administration	\$50.00	\$75.00	\$25.00	Not Approved
Speech and Hearing Sciences	\$150.00	\$119.00	(\$31.00)	Approved



UNM SCHOOL OF ENGINEERING UNDERGRADUATE DIFFERENTIAL TUITION PROPOSAL



Joseph L. Cecchi
 Dean, School of Engineering
 UNM Board of Regents
 Budget Summit
 April 10, 2015

In accordance with UAP Policy 8210:2.2, the School of Engineering proposes an undergraduate differential tuition of \$15/credit hour

Comparison of (AY 15-16) UNM differential tuition to 22 peers (AY 14-15)

Institution	(AY 14-15) Base Tuition/ Year	Engineering Differential/Year	Total Engineering/Year
UNM	\$5,006*	\$450*	\$5,456
22 Peer Average	\$7,966	\$1,691	\$9,657
Difference	\$2,960 (59%)	\$1,241 (278%)	\$4,201 (77%)

This differential tuition represents an increase of ~ 9% above the base UNM tuition, compared to an average of ~21% for our 22 peers

With proposed differential tuition, UNM is still lower than any of our 22 peers

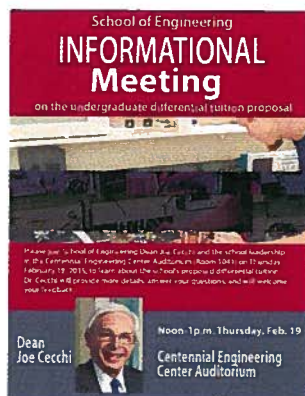
*assuming 30-36 credit-hours/year – the “15-18 credit hour/semester block”

How do we rank compared to our peers?

- US News rankings for undergraduate engineering programs lists 13 of our 22 peers above UNM
- This puts UNM near the middle of our 22 peers as far as undergraduate engineering rankings
- This is well above where our tuition and fees (including differential tuition) are relative to our peers

Faculty and Student Involvement in the Differential Tuition Proposal – Communication and Feedback

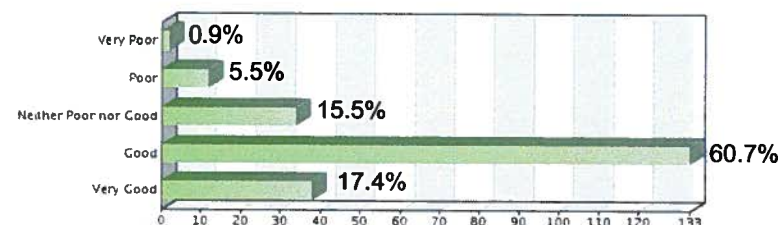
- 7/30/2014 – 10/22/2014 - extensive discussion at School of Engineering Leadership Council Meetings (chairs and associate deans) - Chairs discussed with their faculty
- 11/3/2014 - Proposal finalized and posted online
- 1/14/2015 – Leadership Council develops student communication and feedback plan
- 2/4/2015 – 2/11/2015 – Chairs and associate deans discuss proposal with groups (15-30) of students in each department
- 2/11/2015 – Dean sends provost student feedback
- 2/13/2015 – Dean sends email to all Engineering undergraduates inviting them to Information Meetings
- 2/18-19/2015 – Dean hosts information meetings
- 2/19/2015 – Differential tuition survey invitation sent to students
- 3/1/2015 – Survey closes



Student Survey: Overall Quality of Instruction

Question 1

What is your opinion as to the overall quality of instruction at UNM School of Engineering?

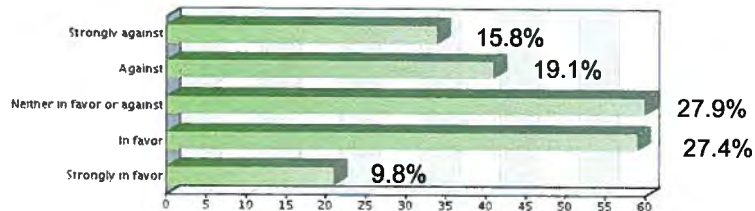


78% rated School of Engineering overall quality as “good” or “very good”

Student Survey: Opinion of Differential Tuition Proposal

Question 4

How do you feel about the School of Engineering proposal for a \$15/credit hour (\$450/year) differential tuition to be used entirely for undergraduate instructional purposes, including student aid (20%), TAs, advising personnel, faculty (including lecturers), and other operating expenses?



65% rated proposal as "neutral," "in favor" or "strongly in favor"

CURRENT TUITION MODEL

- Students pay tuition for every credit hour 1-14
- Credit hours 15-18 are offered at a discounted flat rate to incentivize larger course loads
 - \$5,007 tuition for 15-18 hours (11% discount)
 - \$5,646 for 12 hours
- 15 hour course loads each semester are critical to graduating in four years, but are only part of the equation
 - 55% of undergraduates take 15 or more credits per semester
 - Only 16% graduate in four years

	Freshman	Sophomore	Junior	Senior	Total
Fall	15	15	15	15	
Spring	15	15	15	15	
Total	30	30	30	30	120

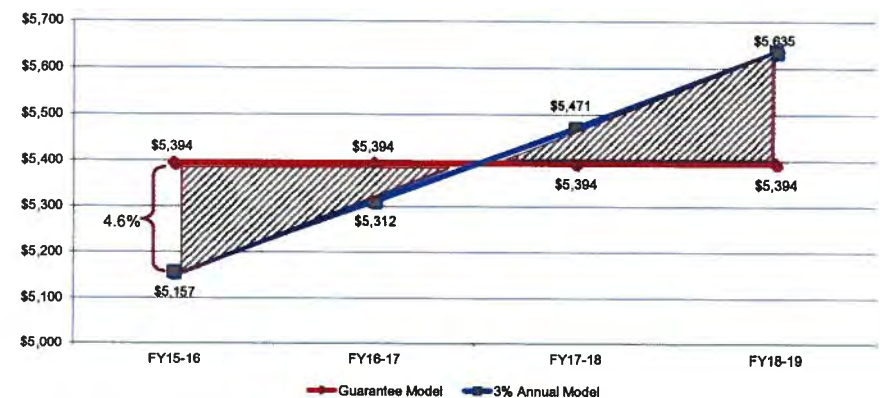
PROPOSED GUARANTEED TUITION MODEL

- Cost-neutral option that provides stability and predictability for tuition and fees
- Students pay up-front surcharge and receive flat tuition for four years
- Overall cost is equivalent to traditional increase model
 - Cost neutral to students, revenue neutral to university

Tuition Guarantee Model						
	2015 Cohort FY 16	2015 Cohort FY 17	2015 Cohort FY 18	2015 Cohort FY 19	4 Year Average	4 Year Total
Resident	\$5,157	\$5,312	\$5,471	\$5,635	\$5,394	<u>\$21,575</u>
% increase	3.00%	3.00%	3.00%	3.00%	3.00%	
\$ increase	\$150	\$155	\$159	\$164		
Guaranteed Tuition						
Resident	\$5,394	\$5,394	\$5,394	\$5,394		<u>\$21,576</u>
Surcharge	\$237					
Standard Tuition	\$5,157					

PROPOSED GUARANTEED TUITION MODEL

Guaranteed Tuition vs Traditional 3% Increase



REGENT DOUGHTY'S PROPOSED FOUR-YEAR GUARANTEE & GRADUATION INCENTIVE

- Students on track to graduate in four years would receive free tuition their final semester
 - New full-time freshmen students would be eligible for free tuition in their eighth semester
 - Students beginning their sophomore and junior years would be eligible for partial incentives
- Regents intend to increase tuition 3% per year
 - This provides stability and predictability for students and their families to plan
- Provides a comprehensive suite of student incentives that sets UNM apart from every flagship university in the country

REGENT DOUGHTY'S PROPOSED FOUR-YEAR GUARANTEE & GRADUATION INCENTIVE

Projected Tuition Increases					
	FY15-16	FY16-17	FY17-18	FY18-19	Total
Tuition	\$5,157	\$5,312	\$5,471	\$5,635	\$21,575
Annual % Increase	3%	3%	3%	3%	12.6%
Annual \$ Increase	\$150.20	\$154.71	\$159.35	\$164.13	\$628
Cumulative \$ Increase	\$150.20	\$304.91	\$464.26	\$628.38	

4-Year Graduation Incentive Phased	Incentives by Class				
	2012 Cohort	2013 Cohort	2014 Cohort	2015 Cohort	2016 Cohort
Class	Seniors	Juniors	Sophomores	Freshmen	HS Senior
Incoming Freshmen	3372	3471	3089	3200	3300
4-Yr Grad Rate	17%	18%	20%	22%	25%
Est. Eligible Students	573	625	618	704	825
Scholarship Amount	\$0	\$750	\$1,000	\$2,818	\$2,902
Total Cost	\$0	\$468,585	\$617,800	\$1,983,872	\$2,394,150

Lottery Estimate*	\$0	\$187,434	\$240,942	\$1,160,565	\$1,307,206
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UNM Cost	\$0	\$281,151	\$376,858	\$823,307	\$1,086,944
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*Lottery Estimate based on 8% of students receiving Lottery Scholarship and Scholarship covering 5% of tuition in FY17, 10% in FY18, 15% in FY19, and 20% in FY20

FY 16 BRANCH CAMPUSES PROPOSED TUITION INCREASES

The local Advisory Boards, with exception of the Valencia Advisory Board, scheduled to meet April 15, have met and have approved the following increases in resident tuition for FY 15/16. In the future, the Administration recommends implementing consistent tuition rates across the branch campuses: \$75 Resident and \$205 Non-Resident. There are no changes to student fees.

Resident		Branch Campus Proposal		Administration Recommendation	
Branch	Current Tuition	Branch Proposed Tuition	Tuition Increase	Administration Recommendation	Tuition Increase
Gallup	\$60.60	\$64.90	7.10%	\$75.00	23.76%
Los Alamos	\$69.25	\$74.00	6.86%	\$75.00	8.30%
Taos	\$72.00	\$75.00	4.17%	\$75.00	4.17%
Valencia	\$61.30	\$65.75	7.26%	\$75.00	22.35%

Non-Resident		Branch Campus Proposal		Administration Recommendation	
Branch	Current Tuition	Branch Proposed Tuition	Tuition Increase	Administration Recommendation	Tuition Increase
Gallup	\$160.60	\$172.00	7.10%	\$205.00	27.65%
Los Alamos	\$199.00	\$205.00	3.02%	\$205.00	3.02%
Taos	\$187.00	\$195.00	4.28%	\$205.00	9.63%
Valencia	\$170.50	\$184.25	8.06%	\$205.00	20.23%



THE UNIVERSITY of NEW MEXICO
New Mexico's Flagship University

UNM Main Campus
Budget Development
Fiscal Year 2016
Summary (in thousands)

Category	% Increase	Annual Undergrad Resident Student Cost at 15 hrs
Tuition	3.00%	Tuition \$150.20
Fees	4.66%	Fees \$67.10
Tuition & Fees	3.37%	Tuition & Fees \$217.30

Sources of Funds:	Projected		FY 16 Preliminary
	FY15 Revised	Changes	
State I&G General Fund:			
State Appropriation I&G Pooled Base ¹	188,606		188,606
Main Campus State Appropriation Change: HB2	0	1,610	1,610
HSC State Appropriation Change: HB2	0	506	506
Subtotal State I&G General Fund - FY 16 Budget	188,606	2,116	190,722
Tuition:			
Starting Base	134,007		134,007
Adjustment: Enrollment Increase/Decrease	-2,700	0	-2,700
Adjustment: Accumulated Bad Debt Payoff	0	1,182	1,182
Net Tuition Increase	0	3,546	3,546
Subtotal Tuition	131,307	4,728	136,035
Miscellaneous			
Administrative Overhead	0	130	130
F&A Revenues	21,000	-500	20,500
Land and Permanent Fund Revenue	8,800	0	8,800
Interest Income	800	0	800
Miscellaneous Fee Revenue (Testing fees, Thesis Binding, Library Fines)	192	0	192
Transfer to Student Aid	-11,005	-719	-11,724
Transfer to Plant	-11,533	0	-11,533
Net Other Transfers (F&A, Endowment Investment Income, misc.)	-18,240	526	-17,714
Main Campus Institutional Reserves: One-Time			
- Self-Insurance Reserve ³	1,600	-1,600	0
- Building Renewal and Replacement Reserves	1,000	-1,000	0
- Administrative Reserves	200	-200	0
- Student-Aid Reserves	146	-146	0
One-Time Use of Reserves	1,500	-1,500	0
Subtotal Miscellaneous	-5,541	-5,009	-10,550
Health Sciences Center Transfers:			
Health Sciences Center Base ²	-17,503		-17,503
Adjustment: Tuition True-Up	-305	0	-305
Health Sciences Center Formula Workload/Outcomes	0	-506	-506
Health Sciences Center Tuition - Estimate	0	-264	-264
Subtotal Transfers to Health Sciences Center from I&G Base	-17,808	-770	-18,578
Mandatory Student Fees:			
Starting Base	32,202		32,202
Adjustment: Enrollment Decline	-900	0	-900
One-Time Self-Insurance Reserve ³	900	-900	0
Net Mandatory Student Fee Increase	0	1,305	1,305
Subtotal Mandatory Student Fees	32,202	405	32,607
Total Sources of Funds:	328,767	1,470	330,236
Uses of Funds:			
I&G Allocations and Requests:			
Expenditure Base	295,837	0	295,837
Expenditure Base Reductions - Academic Affairs: 1.00%	0	-1,749	-1,749
Expenditure Base Reductions - Administration: 1.63%	0	-1,103	-1,103
Other Base Adjustments:			
UNM West	325	0	325
Academic Affairs	53	0	53
Administration	50	0	50
Fixed Costs:			
Health Care	0	0	0
Utilities	0	333	333
Property & Liability Insurance	-42	0	-42
Pooled Fringe Benefits	342	392	734
Funding Priorities:			
Advisors	0	140	140
Compliance Initiatives	0	355	355
Faculty Compaction	0	689	689
Faculty Promotions	0	300	300
Faculty Retention	0	240	240
Graduate Resource Center	0	100	100
Introductory Study Courses	0	100	100
IT - Information Security/Privacy/Applications/Software Maintenance	0	400	400
LoboRESPECT Advocacy Center	0	106	106
LoboAchieve	0	40	40
Marketing/Recruitment Efforts	0	620	620
GA/TA Tuition Waivers - expenditure increase tied to a tuition increase	0	102	102
Subtotal Allocations and Requests	296,565	1,065	297,629
Mandatory Student Fee Allocations and Requests:			
Expenditure Base	32,202		32,202
Funding Requests	0	405	405
Subtotal Mandatory Student Fee Allocations and Requests	32,202	405	32,607
Total Uses of Funds	328,767	1,470	330,236
Balance	0	0	0

Footnotes

1) UNM State Appropriation base is \$189,147,900. Extended University receives \$541,900.

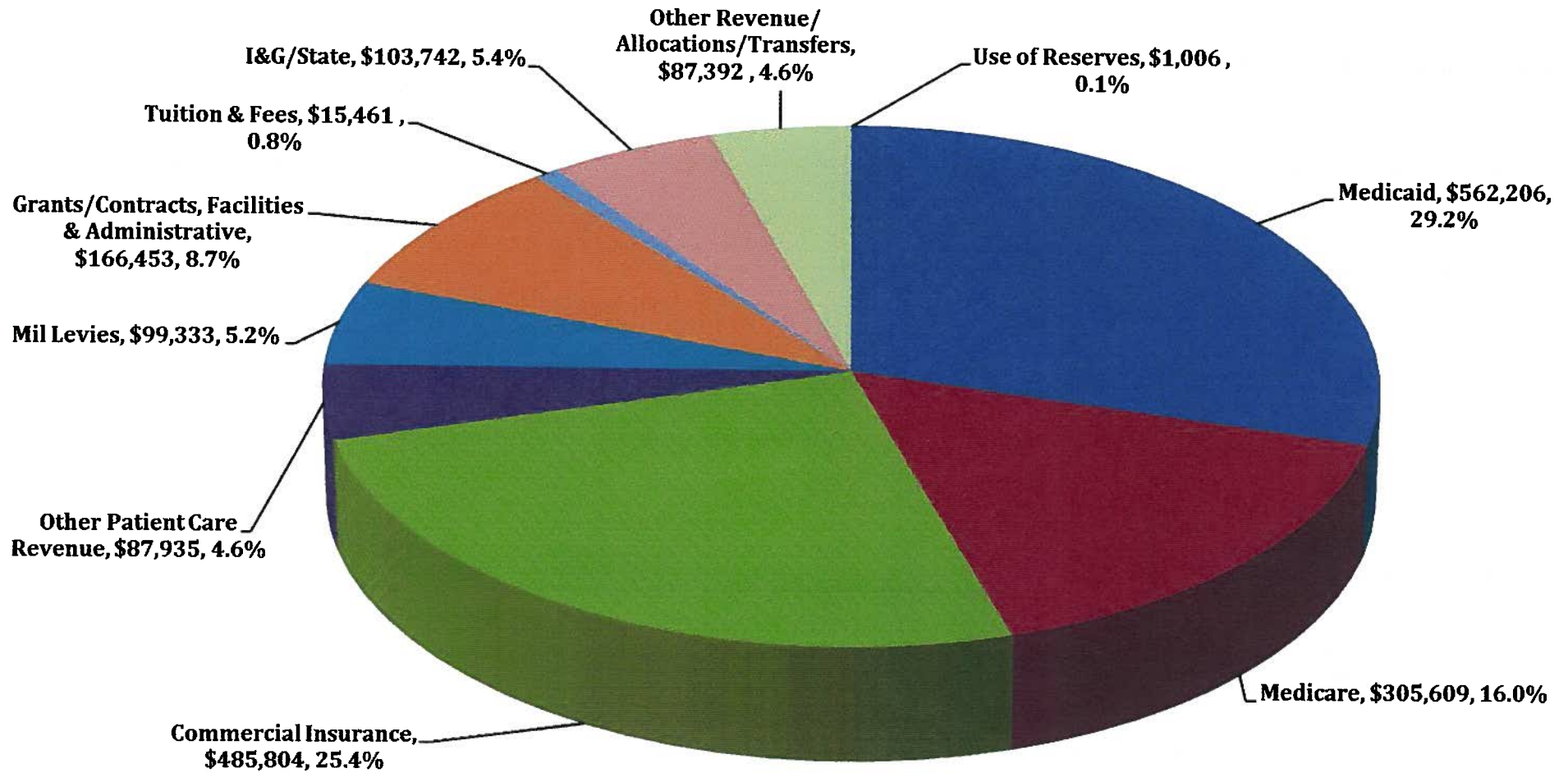
2) The HSC transfer base is net of a \$2.1M transfer from HSC to Main campus and a (\$19.6M) transfer to HSC from Main Campus.

The transfer to HSC includes HSC generated tuition revenue and State funding formula dollars per agreed upon amounts between HSC and Main campus and does not reflect total dollars generated by HSC. The transfer to HSC could increase or decrease each year per agreement due to incremental changes in tuition generated and/or in funding formula outcomes compared to the previous fiscal year.

3) Total FY 15 Use of Self-Insurance reserve is \$2.5M.

UNM HSC All Components - Revenues

FY 2016 Preliminary Budget
(In thousands)



Note: Includes UNM HSC Academic Enterprise and UNM Health System

Total Budgeted Revenues \$1,914,941
4.2% Increase over FY 2015 Projected

B2: Faculty Ranks and Titles

(Excerpts on Professor of Practice)

Policy

2.3.14 Professor of Practice

This title may be used to appoint individuals in the School of Architecture and Planning and the College of Fine Arts who have achieved distinction in practice, and who may benefit a professional program at the university by the integration of professional practice with teaching.

Specific titles will be granted with respect to the applicable professional program, "Professor of Practice in ____". Those holding these appointments will not have voting privileges except as described in Article II, Section 2 of the Faculty Constitution. Professors of Practice are not eligible for tenure.

The faculty of each School or College must approve the establishment of these positions. The School or College faculty will develop and adopt criteria for the appointment and reappointment consistent and parallel with faculty at the rank of full Professor, establishing specific guidelines and procedures for awarding these titles and subsequent performance review, including issues of service and teaching.

These appointments may be either full-time or fractional, i.e., less than 100%, when actively engaged in practice. Initial appointments may be granted for a term up to three years, with the approval of faculty within the academic department. Appointments may be renewed in terms of up to three years with the approval of faculty within the academic unit or department.

Full and part-time appointments of those designated Professors of Practice shall not exceed 10% of the FTE tenure/tenure-track faculty of each School or College. These positions may not be created from funding of vacated tenure/tenure-track positions in the professional program.

B3: Faculty Appointments and Contracts

(Excerpts on Professor of Practice)

Policy

3.4.4 Professor of Practice

Professors of Practice are chosen by academic units or departments in School of Architecture and Planning and the College of Fine Arts, with approval of the dean, and serve renewable terms of three years.



2.3.14 Professor of Practice

This title may be used to appoint individuals ~~in the School of Architecture and Planning and the College of Fine Arts~~ who have achieved substantial national and/or international distinction in practice, who have had a major impact on fields important to the mission of the University, and who may benefit a professional program at the university by the integration of professional practice within its teaching and research missions ~~with teaching~~. Appointment as Professor of Practice should only be made in exceptional circumstances to meet demonstrable need that cannot be met by regular faculty appointments. The Professor of Practice shall not be a substitute for regular faculty nor shall appointment as Professor of Practice be made as a matter of courtesy.

Specific titles will be granted with respect to the applicable ~~professional~~ program, "Professor of Practice in ____". Those holding these appointments will not have voting privileges except as described in Article II, Section 2 of the Faculty Constitution. Professors of Practice are not eligible for tenure.

The faculty of each School or College must approve the establishment of these positions. The School or College faculty will develop and adopt criteria for the appointment and reappointment consistent and parallel with faculty at the rank of full Professor, establishing specific guidelines and procedures for awarding these titles and subsequent performance review, including issues of service and teaching.

~~These appointments may be either full-time or fractional, i.e., less than 100%, when actively engaged in practice. Initial appointments may be granted for a term up to three years, with the approval of faculty within the academic department. Appointments may be renewed in terms of up to three years with the approval of faculty within the academic unit or department.~~

Full and part-time appointments of those designated Professors of Practice shall not exceed 10% of the FTE tenure/tenure-track faculty of each department, or in the absence thereof, each School or College. For a department of less than 10 FTE tenure/tenure-track faculty, no more than one Professor of Practice shall be appointed. ~~These positions may not be created from funding of vacated tenure/tenure-track positions in the professional program.~~

3.4.4 Professor of Practice

~~Professors of Practice are chosen by academic units or departments in School of Architecture and Planning and the College of Fine Arts, with approval of the dean, and serve renewable terms of three years.~~

Professors of Practice are chosen by department, school, or college, with approval of the dean, and serve renewable terms of three years. Initial appointments may be granted for a term up to three years, with the approval of faculty within the department, school, or college. Appointments may be renewed in terms of up to three years with the approval of faculty within the department, school, or college. These appointments may be either full-time or fractional (i.e., less than 100%) when the individual appointed is actively engaged in practice. Faculty involvement in the decision to appoint the Professor of Practice should be identical to the procedures used in all faculty hires within department, school, or college. Individuals appointed to these positions must be reviewed annually in accordance with Faculty Handbook Section B4.10 Annual Review of Continuing Non-tenure-track Faculty.

**History and Rationale of
Proposed Faculty Handbook Amendment
of "Professor of Practice" Title and Appointment**

History of the Title

In 2005, the School of Architecture and Planning proposed the addition of the title of "Professor of Practice" to faculty titles available at UNM. After careful review and revision of the proposal by the Academic Freedom and Tenure Committee in consultation with various University stakeholders in 2006 and 2007, the proposal was presented to the full faculty for a vote and was approved in November 2007. Following approval by the full faculty, the Board of Regents unanimously approved the Faculty Handbook provisions in January 2008.

The current version of the Professor of Practice title and appointment sections of the Faculty Handbook provides for appointment to the title in the School of Architecture and Planning and in the College of Fine Arts for three year terms with approval of the faculty in the academic unit or department. With approval of the faculty, each School or College may appoint up to 10% of the FTE tenure/tenure track faculty as Professors of Practice. The limited term appointments are renewable for additional three year terms with approval of the faculty within the academic unit or department.

History of the Proposed Amendment to Sections B 2.3.14 and B 3.4.4

In mid-Fall 2013, the Academic Freedom and Tenure Committee was approached by the Department of Communication and Journalism and the College of Arts and Sciences about the need to broaden the applicability of the title "Professor of Practice" into other schools and colleges at the University. During the 2013/2014 academic year, the Academic Freedom and Tenure Committee consulted with the Provost's Office and the Health Sciences Center as well as Faculty Senate leaders about the need for the expansion of the title and about proposal language. To ensure full consideration of the issue and input from all stakeholders and with the installation of new Committee members and the return to campus in Fall 2014, the Academic Freedom and Tenure Committee resumed consideration of the proposal and, after consultation with Faculty Senate leadership, the Committee on Governance, the Faculty Senate Policy Committee, the President's Office, the Provost's Office, and the Office of the Health Sciences Center's Vice Chancellor for Academic Affairs, the Academic Freedom and Tenure Committee finalized language for an expansion of the title of "Professor of Practice" for consideration by the full voting faculty of the University.

Summary of Proposed Amendment

The title of "Professor of Practice" may be used to appoint individuals who have achieved distinction in practice and who may benefit the University by the integration of professional practice within its teaching and/or research missions.

The faculty of each School or College must approve the establishment of these positions. The School or College faculty will develop and adopt criteria for the appointment and reappointment, establishing specific guidelines and procedures for awarding these titles and subsequent performance review.

These appointments may be either full-time or fractional (i.e., less than 100%) if still actively engaged in practice. Initial appointments may be granted for a term of up to three years,

with the approval of the faculty within the department, school, or college. Appointments may be renewed in terms of up to three years with the approval of faculty within the department, school, or college. Professors of practice shall not exceed 10% of the FTE tenure/tenure-track faculty of each academic unit or department.

Rationale for Proposed Amendment to "Professor of Practice" Title and Appointment

This policy recognizes that departments occasionally have a demonstrable need or exceptional opportunity to enhance the teaching or research missions through the contributions of people who have achieved distinction in the field. This title enables the appointment of such individuals as a mechanism to enhance program delivery or research. The changes to this policy expand the availability of this title to all disciplines and departments at UNM. The policy also places limits on number and length of appointment and requires regular review to ensure academic quality. The policy also acknowledges position papers published by AAUP on both the importance of tenure-track and tenured faculty and the Professor of Practice title. The AAUP statement "On Full-Time Non-Tenure-Track Appointments" has been upheld repeatedly by the organization and provides extensive detail supporting the importance of tenure and the negative repercussions of growth in non-tenure-track appointments. In summary:

"The AAUP has long held that all full-time teachers, irrespective of their titles, should either be tenured or probationary for tenure, except for those appointed under special circumstances (for example, short-term replacements for faculty members who are on leave). Following from this basic position, the AAUP has been sharply critical of full-time non-tenure-track appointments, pointing to the adverse effects of these appointments for individual faculty members, for students, for academic freedom, and for the academic profession as a whole."¹

In a statement on Professors of Practice,² AAUP cites common practices related to the Professor of Practice indicating, "They are usually appointed following a national search. Their academic performance is regularly evaluated according to criteria appropriate to their positions. The length of their renewable term appointments is typically five years rather than one year." The position taken in this policy statement regarding this title leaves departments with flexibility regarding the manner of search and appointment, yet follows the trend of renewable, but not indefinite, appointment and regular evaluation. The cycle to 3 years renewable is intended to meet departmental needs and provide a reasonable cycle for review and reappointment. Additional support can be found in a recent position paper related to the field of Journalism.^a

Revisions to the UNM title are intended to ensure continuation of the research mission of the university by limiting the percentage of Professor of Practice appointments to a small portion of faculty (no more than 10% of any department). Academic quality is supported through the establishment of rigorous credentials and regular review of performance.

¹ On Full-Time Non-Tenure-Track Appointments. AAUP, 1986, in *Policies & Reports*. Available online at: <http://www.aaup.org/report/full-time-non-tenure-track-appointments>

² Professors of Practice. AAUP, 2004, *Policies and Reports*. Available online at <http://www.aaup.org/report/professors-practice>

^aA recent position paper produced by three former journalism school deans under the auspices of the Carnegie-Knight Journalism initiative addresses the challenge of providing professional education founded on a solid academic background. This situation mirrors that of many fields which may find the Professors of Practice potentially meaningful additions to the faculty. This paper acknowledges the challenges of the profession yet calls for balancing those with the university mandate. The authors call for raising the standard of education to the graduate level and cite the critical role of research as a component of academic quality.

Educating journalists: A new plea for the university tradition. J. Folkerts, J. M. Hamilton, & N. Lemann, 2013. Columbia Journalism School.

Appointments to Committees and Boards

The President's Administrative Report
will be presented at the meeting

Tab 5

Budget Approval

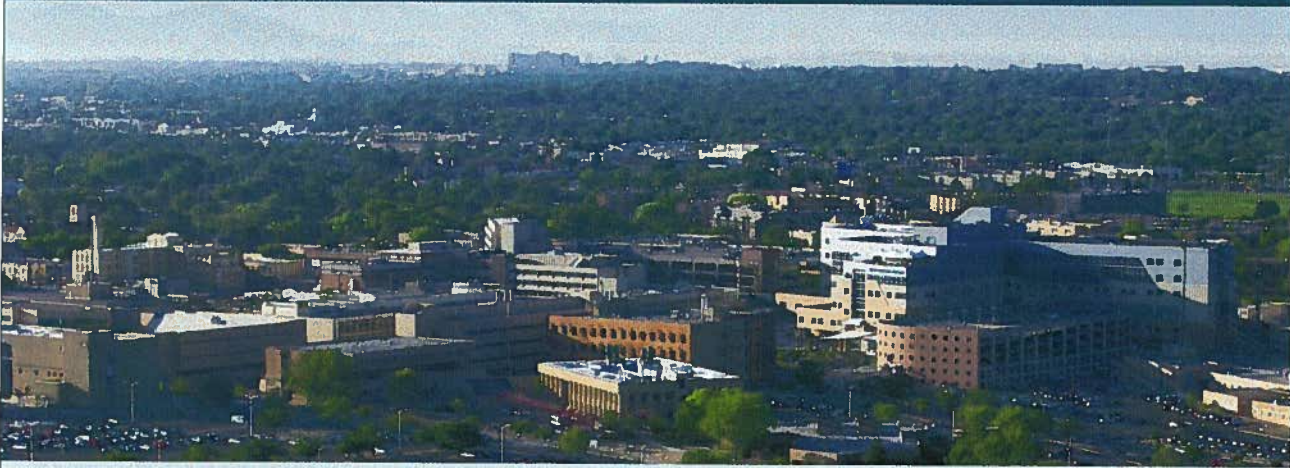
Budget materials will be presented at the meeting
(HSC Budget materials are included in the eBook)

UNM Health Sciences Center

FY 2016 Budget

Presentation to the HSC Board of Directors – May 1, 2015

Presentation to the UNM Board of Regents – May 7, 2015



Paul B. Roth, MD, MS, FACEP
Chancellor
UNM Health Sciences Center

Ava J. Lovell, CPA
Senior Executive Officer
for Finance & Administration
UNM Health Sciences Center

UNM Health Sciences Center Budget FY 2016

Presentation to:
HSC Board of Directors – May 1, 2015
UNM Board of Regents – May 7, 2015

Ava J. Lovell, CPA
Senior Executive Officer
for Finance & Administration

UNM HSC All Components Revenue/Expense Cycle

Academic

New revenues are essentially known

- Tuition
- I&G/State Formula
- Contracts and Grants



Determine how to spend new revenue



Expenses

- Faculty/Staff
- Facilities
- O&M
- Equipment
- Supplies

Clinical

Expenses are incurred when service is delivered

- Physicians/Nurses/Technicians/Staff
- Facilities
- O&M
- Equipment
- Supplies/Medical Supplies



Total expenses incurred



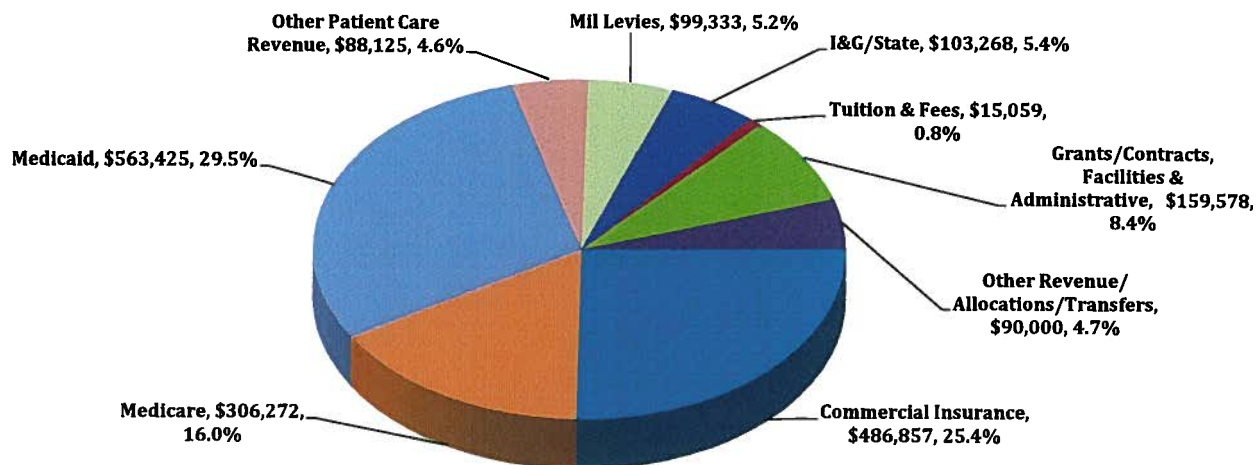
Revenues are only known after service is delivered and billing/collecting is complete

- **Billing**
 - Claims Editor
 - Bill Reconciliations
 - Contractual Adjustments
 - Patient Statements
- **Receivable Management**
 - Cash Posting/EOB
 - Account Write-Offs

3

UNM HSC All Components - Revenues

FY 2016 Budget
(In thousands)



Note: Includes UNM HSC Academic Enterprise and UNM Health System

Total Budgeted Revenues \$1,911,917
11.4% Increase over FY 2015

4

UNM Health System

FY 2016 - Financial Assumptions

- Expense growth in compensation and supplies driven by volume increases
- Medical malpractice premium increase of 19.8%
- Additional support for medical services including pathology, obstetrics, critical care, pediatrics, internal medicine and family community medicine
- 5% growth in revenue driven by programmatic changes
 - Revenue increases from throughput and operational efficiencies (Lean)
 - Expansion of outpatient services at 4th Street and Eubank clinics, women's clinics, behavioral health based primary care clinic and adolescent addictions program
- Clinical documentation improvement, ease of practice and computer assisted coding initiatives

UNM HEALTH SYSTEM

Uncompensated Care

Total Costs for Hospitals & Doctors

2011	\$198 Million				
2012	\$221 Million				
2013	\$241 Million				
2014	\$229 Million				
Projected 2015	\$122 Million				
Projected 2016	\$126 Million				

Note: We project that when the ACA is fully implemented by the end of 2016 our uncompensated care will still cost about \$126 million, or 12% of total care. Every 1% of uninsured patients = approximately \$10 million in costs for the UNM Health System.

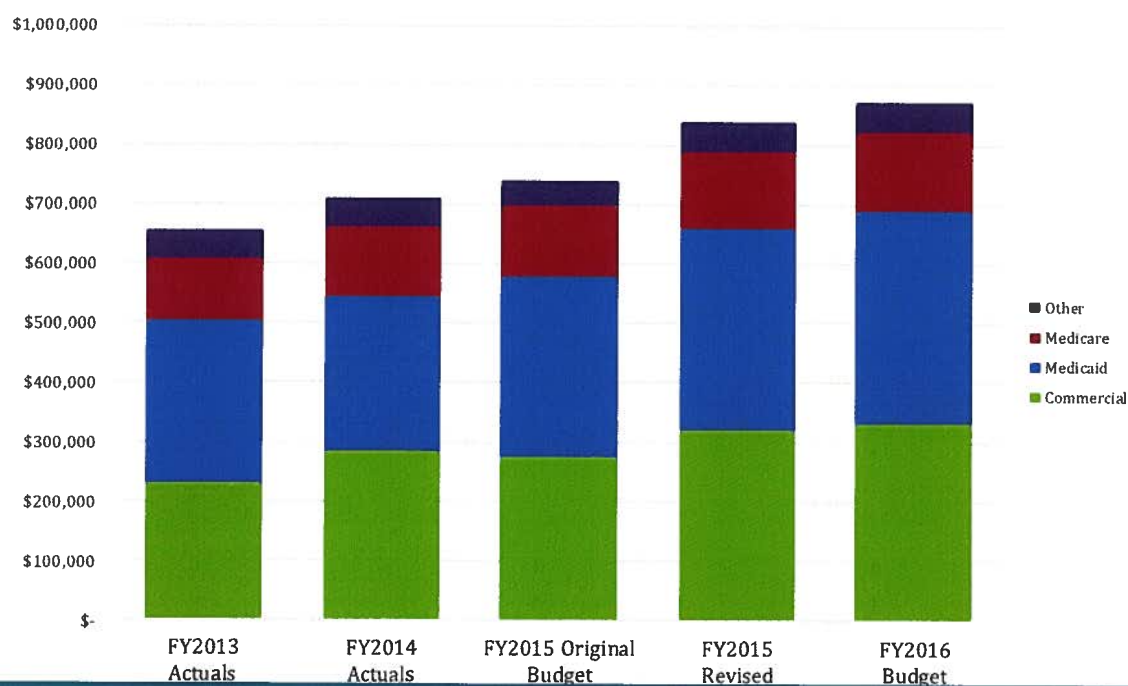
Who Are the Uninsured and Under-insured at UNM Hospitals?

- Primarily part-time employees or employees of small companies (49 or fewer employees) without an **affordable option**
- People who will be eligible for the exchange but choose not to enroll and will be subject to the personal mandate penalty
- Low income individuals with high deductible insurance who will not be able to afford their deductibles and coinsurance
- Dependents of employees whose employer-provided family coverage exceeds 9.5% of annual income
- Undocumented immigrants

13

UNM Hospitals

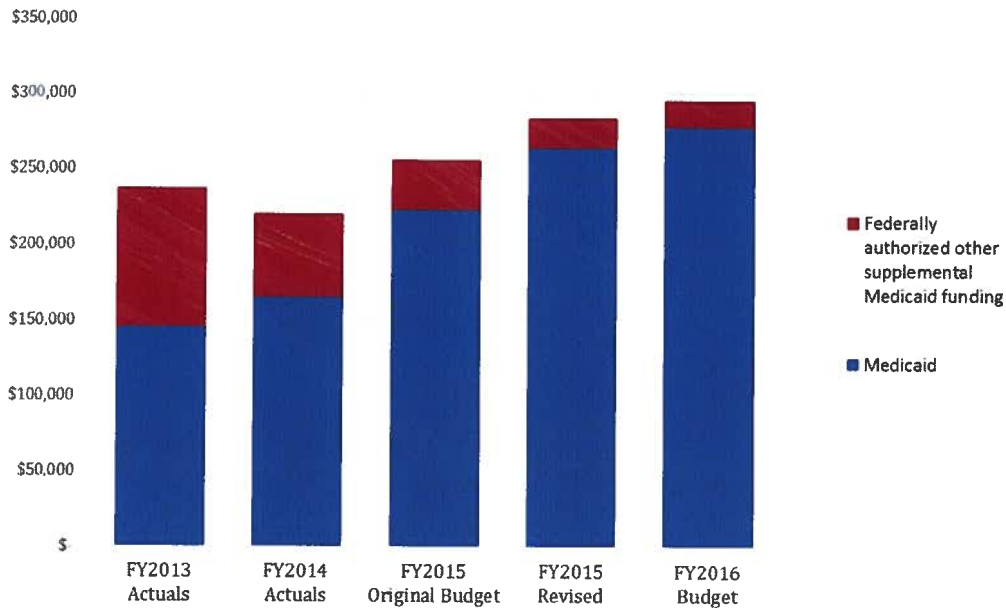
Components of Patient Revenue
(In thousands)



UNM Hospitals

Medicaid Reimbursement Components

(In thousands)

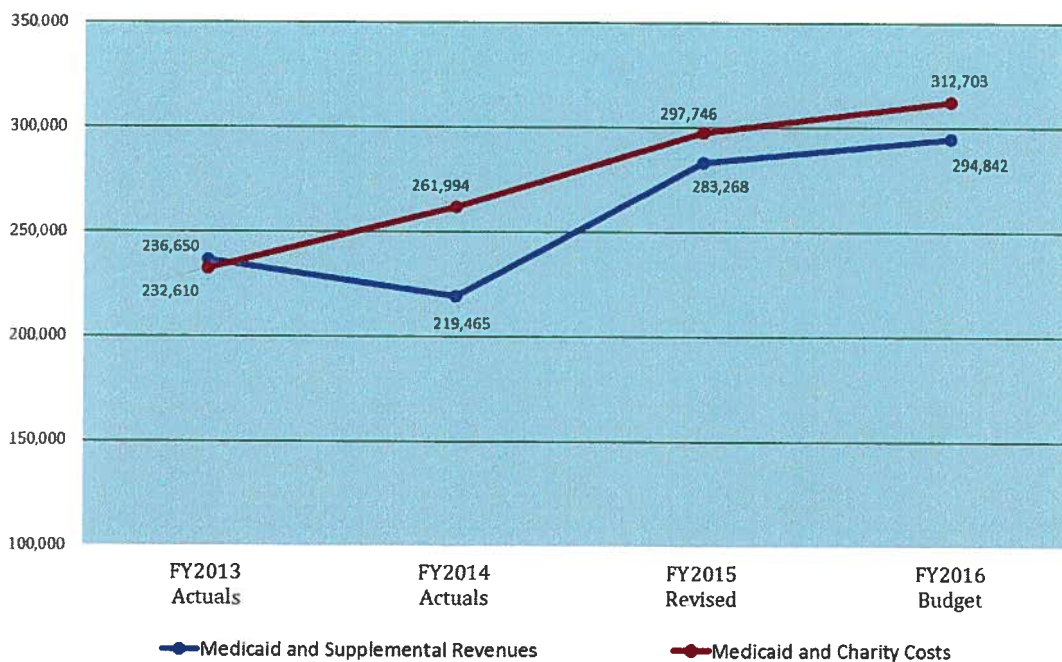


“Federally authorized other supplemental Medicaid funding” is comprised of the following: Disproportionate Share, Upper Payment Limit, and capitated childless adults Medicaid CHIP program.

UNM Hospitals

Medicaid Reimbursement versus Medicaid Costs

(In thousands)



UNM Hospitals

Bernalillo County Mil Levy

(In thousands)

	<u>FY 1980 Actuals</u>	<u>FY 2016 Budget</u>
Bernalillo County Mil Levy	\$5,008 *	\$93,216
Total Operational and Maintenance Expenses	\$31,250	\$1,007,344
Percent of expenses covered by Mil Levy	16.0%	9.3%

* Does not include Adult Psychiatric Center Mil Levy

UNM Health System

Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Revenues				
Patient Care				
UNM Hospitals	\$709,437	\$836,613	\$871,426	4.2%
UNM Medical Group	162,835	184,416	199,505	8.2%
Sandoval Regional Medical Center	53,652	71,912	77,500	7.8%
Total Patient Care	\$925,924	\$1,092,941	\$1,148,431	5.1%
Mil Levies **	100,003	98,777	99,333	0.6%
Grants & Contracts	3,569	3,083	3,289	6.7%
I&G/State	13,336	13,930	13,930	0.0%
Other Revenue	27,304	36,116	38,451	6.5%
Total Revenues	\$1,070,136	\$1,244,847	\$1,303,434	4.7%

** Note: Bernalillo and Sandoval Counties

UNM Health System

Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Expenses				
Housestaff/Post Doc Salaries	\$26,050	\$28,346	\$29,513	4.1%
Staff/Other Salaries	364,183	413,755	442,876	7.0%
Fringe Benefits	85,862	95,213	103,744	9.0%
Total Compensation Expenses	\$476,095	\$537,314	\$576,133	7.2%
Patient Care Costs	\$222,665	\$229,330	\$242,965	5.9%
Purchased Services/Service Contracts	251,795	313,411	343,897	9.7%
Facility Costs	24,649	28,483	30,326	6.5%
Depreciation	41,336	43,321	42,384	(2.2)%
Other Expenses/Supplies	38,780	43,883	52,947	20.7%
Total Non Salary Expenses	\$579,225	\$658,428	\$712,519	8.2%
Interest Expense	11,657	11,384	10,996	(3.4)%
Total Expenses	\$1,066,977	\$1,207,126	\$1,299,648	7.7%

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UNM Health System

Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget
Net Margin before Non-Recurring Items	\$3,159	\$37,721	\$3,786
Meaningful Use Revenue	120	-	-
Return on Investment - TriWest	39,872	12,030	-
Capital Initiatives	(26,000)	(37,360)	-
Use of UNMMG Reserves	(11,455)	(6,903)	(2,500)
Total Non-Recurring Items	\$2,537	\$(32,233)	\$(2,500)
Net Margin	\$5,696	\$5,488	\$1,286

	Return on Investment - TriWest	Capital Initiatives
FY 13	\$12,678,141	\$-
FY 14	39,872,529	(26,000,000)
FY 15	12,029,637	(37,360,139)
Total	\$64,580,307	\$(63,360,139)

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UNM Health System

FY 2016 Budget
(In thousands)

	UNM Hospitals	UNM Medical Group	UNM Sandoval Regional Medical Center	UNM Health System 6/30/2016 Total
Revenues	\$1,007,682	\$211,597	\$84,155	\$1,303,434
Expenses	1,007,345	208,198	84,105	1,299,648
Net Margin before Non-Recurring Items	\$337	\$3,399	\$50	\$3,786
Non-Recurring Items	-	(2,500)	-	(2,500)
Total Non-Recurring Items	\$-	\$(2,500)	\$-	\$(2,500)
Net Margin	\$337	\$899	\$50	\$1,286

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UNM Health System -

UNM Hospitals - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Revenues				
Patient Care	\$709,437	\$836,613	\$871,426	4.2%
Mil Levy	92,020	92,780	93,216	0.5%
Grants & Contracts	3,569	3,083	3,230	4.8%
I&G/State	12,521	13,117	13,117	0.0%
Other Revenue	23,063	27,313	26,693	(2.3)%
Total Revenues	\$840,610	\$972,906	\$1,007,682	3.6%

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UNM Health System

UNM Hospitals - Comparative Analysis: Prior Year - Current Year - Next Year (In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Expenses				
Housestaff/Post Doc Salaries	\$25,933	\$28,084	\$29,224	4.1%
Staff/Other Salaries	329,855	370,640	395,632	6.7%
Fringe Benefits	78,925	86,539	93,971	8.6%
Total Compensation Expenses	\$434,713	\$485,263	\$518,827	6.9%
Supplies/Medical Supplies	\$141,923	\$151,215	\$158,060	4.5%
University Clinicians Program	59,387	69,553	71,601	2.9%
Travel	691	636	687	8.0%
Patient Care Costs	46,357	42,691	42,459	(0.5)%
Telephone/Communication Costs	3,598	3,847	3,866	0.5%
Purchased Services	33,106	47,970	54,856	14.4%
Other Medical Services	27,693	33,904	42,659	25.8%
Sub Awards/Service Contracts	9,322	9,772	10,706	9.6%
O&M & Leases	16,498	18,572	20,849	12.3%
Utilities	6,316	6,738	6,920	2.7%
Depreciation	31,831	33,069	33,538	1.4%
Interest Expense	7,567	7,375	7,376	0.0%
Other Expenses	26,478	30,081	34,941	16.2%
Total Non Salary Expenses	\$410,767	\$455,423	\$488,518	7.3%
Total Expenses	\$845,480	\$940,686	\$1,007,345	7.1%

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UNM Health System

UNM Hospitals - Comparative Analysis: Prior Year - Current Year - Next Year (In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget
Net Margin before Non-Recurring Items	\$(4,870)	\$32,220	\$337
Return on Investment - TriWest	39,872	12,030	-
Capital Initiatives	(26,000)	(37,360)	-
Total Non-Recurring Items	\$13,872	\$(25,330)	-
Net Margin	\$9,002	\$6,890	\$337

	Return on Investment - TriWest	Capital Initiatives
FY 13	\$12,678,141	\$-
FY 14	39,872,529	(26,000,000)
FY 15	12,029,637	(37,360,139)
Total	\$64,580,307	\$(63,360,139)

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UNM Health System

UNM Medical Group - Comparative Analysis: Prior Year - Current Year - Next Year
(In thousands)

Revenues	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Patient Care	\$162,835	\$184,416	\$199,505	8.2%
I&G/State	815	813	813	0.0%
Other Revenue	3,546	8,301	11,279	35.9%
Total Revenues	\$167,196	\$193,530	\$211,597	9.3%

UNM Health System

UNM Medical Group - Comparative Analysis: Prior Year - Current Year - Next Year
(In thousands)

Expenses	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Staff/Other Salaries	\$12,560	\$13,976	\$15,214	8.9%
Fringe Benefits	2,973	3,841	4,621	20.3%
Total Compensation Expenses	\$15,533	\$17,817	\$19,835	11.3%
Patient Care Costs	\$19,065	\$23,360	\$25,460	9.0%
Purchased Services	115,568	139,595	153,618	10.0%
O&M & Leases	429	1,354	603	(55.5)%
Depreciation	393	681	390	(42.7)%
Other Expenses	5,614	6,104	8,292	35.8%
Total Non Salary Expenses	\$141,069	\$171,094	\$188,363	10.1%
Total Expenses	\$156,602	\$188,911	\$208,198	10.2%

UNM Health System

UNM Medical Group - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget
Net Margin before Non-Recurring Items	\$10,594	\$4,619	\$3,399
Meaningful Use Revenue	120	-	-
Use of UNMMG Reserves	(11,455)	(6,903)	(2,500)
Total Non-Recurring Items	\$(11,335)	\$(6,903)	(2,500)
Net Margin	\$(741)	\$(2,284)	\$899

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UNM Health System

UNM Sandoval Regional Medical Center - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

Revenues	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Patient Care	\$53,652	\$71,912	\$77,500	7.8%
Mil Levy	7,983	5,997	6,117	2.0%
Grants & Contracts	-	-	59	100%
Other Revenue	695	502	479	(4.6)%
Total Revenues	\$62,330	\$78,411	\$84,155	7.3%

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UNM Health System

UNM Sandoval Regional Medical Center - Comparative Analysis: Prior Year - Current Year - Next Year
(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Expenses				
Housestaff/Post Doc Salaries	\$117	\$262	\$289	10.3%
Staff/Other Salaries	21,768	29,139	32,030	9.9%
Fringe Benefits	3,964	4,833	5,152	6.6%
Total Compensation Expenses	\$25,849	\$34,234	\$37,471	9.5%
Supplies/Medical Supplies	\$12,044	\$15,319	\$16,878	10.2%
University Clinicians Program	-	310	1,000	222.6%
Travel	20	17	37	117.6%
Patient Care Costs	4,346	4,229	4,824	14.1%
Telephone/Communication Costs	85	90	125	38.9%
Purchased Services	3,902	2,885	3,235	12.1%
Other Medical Services	369	870	1,296	49.0%
Sub Awards/Service Contracts	1,378	1,536	2,286	48.8%
O&M & Leases	621	989	1,089	10.1%
Utilities	785	830	865	4.2%
Depreciation	9,112	9,571	8,456	(11.6)%
Interest Expense	4,090	4,009	3,620	(9.7)%
Other Expenses	2,294	2,640	2,923	10.7%
Total Non Salary Expenses	\$39,046	\$43,295	\$46,634	7.7%
Total Expenses	\$64,895	\$77,529	\$84,105	8.5%

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UNM Health System

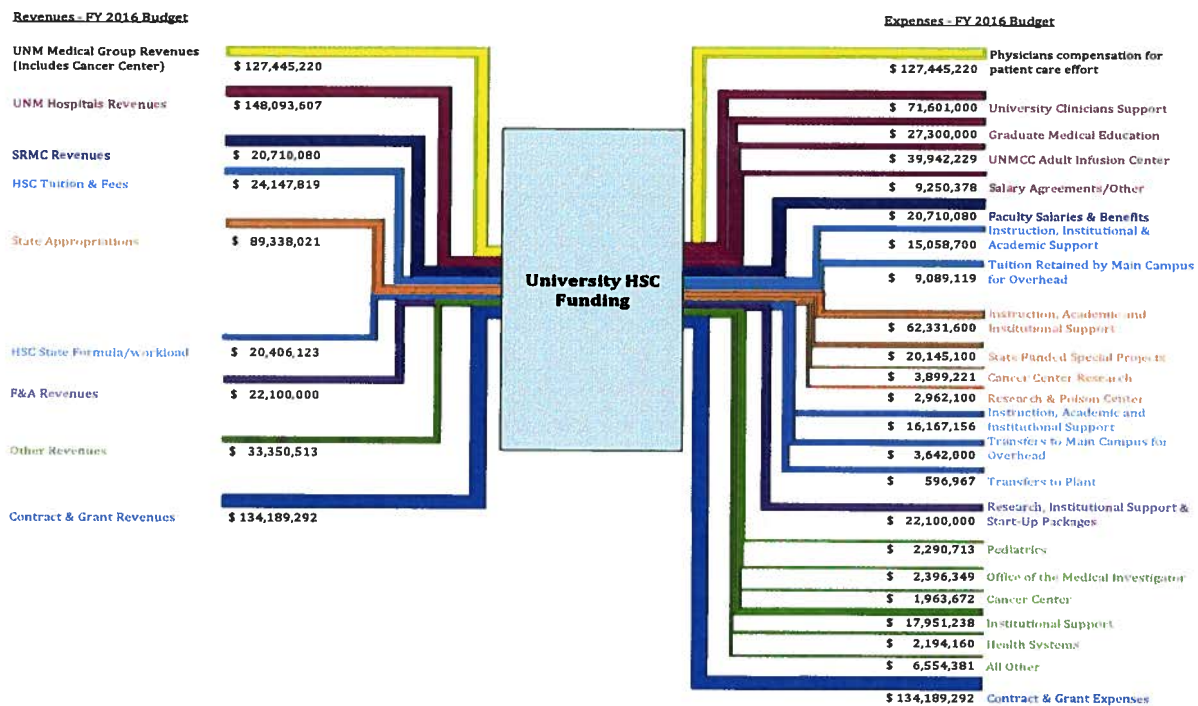
UNM Sandoval Regional Medical Center - Comparative Analysis: Prior Year - Current Year - Next Year
(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget
Net Margin before Non-Recurring Items	\$(2,565)	\$882	\$50
Total Non-Recurring Items	\$-	\$-	\$-
Net Margin	\$(2,565)	\$882	\$50

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UNM HSC Academic Enterprise

FY 2016 – Budget



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UNM HSC Academic Enterprise

FY 2016 – Financial Assumptions

Revenue

- Medical student tuition decrease 1%
- HSC Formula Funding increase of \$505,734
- Increase in all State Funding totaling 0.95%
- Tobacco Settlement Funding - FY15 Funding level sustained for FY16

Expense

- Salary increases for HSC Faculty 1% average on contract or adjust to 25th percentiles; HSC Staff increases 0%
- HSC Utilities increase 1.85%

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UNM HSC All Components

FY 2016 HSC Increase in State Funding

(The Governor signed HB2 on April 9, 2015)

Appropriations	Increases (Decreases)
Internal Medicine Residencies	\$535,000
Psychiatry Residencies	202,000
General Surgery/Family Medicine Residencies	168,000
Med School I&G (non-recurring)	VETOED 225,000
HSC Mammography Services (non-recurring)	250,000
Hepatitis C, Project ECHO	150,000
Native American Suicide Prevention (non- recurring from Indian Education fund balance)	200,000
Center for Native American Health (non- recurring from Indian Education fund balance)	VETOED 150,000
UNM Pain Center	VETOED 50,000
Out of County Indigent (this line item has been eliminated)	(662,600)
Total Change in State Funding	\$842,400 \$1,267,400

- The HSC requested \$8 M in capital funds to complete the health education building. The capital outlay bill contained \$4.3 M. The bill did not make it out of the legislature.
- Note: State funding for Trauma was cut by \$1 million. The estimated impact to Health Sciences Center is approximately (\$192,000)

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UNM HSC Academic Enterprise

Faculty Compensation

	<u>SOM 25th*</u>	<u>SOM 50th*</u>	<u>CON **</u>	<u>COP ***</u>
Professor	\$1,320,141	\$5,123,214	\$5,662	\$29,702
Associate Professor	768,715	3,559,075	9,366	84,586
Assistant Professor	<u>1,182,490</u>	<u>4,680,090</u>	<u>22,143</u>	<u>39,668</u>
All Ranks	<u>\$3,271,346</u>	<u>\$13,362,379</u>	<u>\$37,171</u>	<u>\$153,956</u>

* Data is based on FY14 Actuals and FY14 Benchmarks for the 50th Percentile from the American Association of Medical Colleges (AAMC)

** Data is based on FY15 Actuals and FY14 Benchmarks for the 50th Percentile from the American Association of Colleges of Nursing (AACN), currently above the 25th percentile

*** Data is based on FY15 Actuals and FY15 Benchmarks for the 50th Percentile from the American Association of Colleges of Pharmacy (AACP), currently above the 25th percentile

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UNM HSC Academic Enterprise

Comparative Analysis: Prior Year – Current Year – Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Revenues				
Patient Care	\$248,866	\$275,990	\$296,249	7.3%
Grants & Contracts	132,502	134,174	134,189	0.0%
I&G/State	83,401	88,545	89,338	0.9%
Facilities & Administrative	22,595	23,500	22,100	(6.0)%
Tuition & Fees	14,806	15,173	15,059	(0.8)%
Other Revenues/Allocations/Transfers	36,838	50,567	51,548	1.9%
Total Revenues	\$539,008	\$587,949	\$608,483	3.5%

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UNM HSC Academic Enterprise

Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Expenses				
Faculty Salaries	\$164,309	\$172,049	\$193,625	12.5%
Housestaff/Post Doc Salaries	31,166	31,753	32,162	1.3%
Staff/Other Salaries	70,919	77,384	79,840	3.2%
Fringe Benefits	71,335	80,655	93,287	15.7%
Total Compensation Expenses	\$337,729	\$361,841	\$398,914	10.2%
Patient Care Costs	\$1,431	\$1,330	\$1,389	4.4%
Travel	4,700	6,288	6,306	0.3%
Purchased Services/Service Contracts	26,891	35,490	32,969	(7.1)%
Facility Costs	12,262	16,933	13,785	(18.6)%
Other Expenses/Supplies	22,856	32,916	26,614	(19.1)%
Total Non Salary Expenses	\$68,140	\$92,957	\$81,063	(12.8)%
Total Grants & Contracts Expenses	\$124,136	\$125,554	\$125,648	0.1%
Total Expenses	\$530,005	\$580,352	\$605,625	4.4%

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UNM HSC Academic Enterprise

Comparative Analysis: Prior Year - Current Year - Next Year
(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget
Net Margin before Non-Recurring Items	\$9,003	\$7,597	\$2,858
Capital/Recruitment/Startup/Scholarships	(12,695)	(9,640)	(3,790)
Total Non-Recurring Items	\$(12,695)	\$(9,640)	\$(3,790)
Net Margin	\$(3,692)	\$(2,043)	\$(932)

UNM HSC Academic Enterprise

FY 2016 Budget
(In thousands)

	UNM SOM	UNM CON	UNM COP	HSC Library/ Informatics	HSC Research	HSC Administration	UNM HSC Academic Enterprise 6/30/2016 Total
Revenues	\$486,775	\$11,827	\$18,581	\$6,464	\$10,974	\$73,862	\$608,483
Expenses	485,815	11,822	18,440	5,355	10,908	73,285	605,625
Net Margin before Non-Recurring Items	\$960	\$5	\$141	\$1,109	\$66	\$577	\$2,858
Capital/Recruitment/ Startup/Scholarships	(951)	(555)	(290)	(1,145)	(288)	(561)	(3,790)
Net Margin	\$9	\$(550)	\$(149)	\$(36)	\$(222)	\$16	\$(932)

UNM HSC Academic Enterprise

UNM SOM - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Revenues				
UNM Medical Group Revenues	\$106,209	\$122,844	\$127,148	3.5%
UNM Hospitals Revenues	126,194	132,095	147,581	11.7%
SRMC Revenues	15,907	20,378	20,702	1.6%
Grants & Contracts	111,486	113,745	116,571	2.5%
Cigarette Tax Appropriations	3,177	3,227	3,177	(1.5)%
RPSP Appropriations	13,871	15,627	17,132	9.6%
I&G Appropriations	33,839	34,949	34,949	0.0%
Facilities & Administrative	9,293	8,979	9,933	10.6%
Tuition & Fees	8,914	8,977	8,975	0.0%
HSC/UNM Internal Transfers	(11,936)	(11,633)	(10,272)	(11.7)%
Other Revenues	10,585	13,278	10,879	(18.1)%
Total Revenues	\$427,539	\$462,466	\$486,775	5.3%

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UNM HSC Academic Enterprise

UNM SOM - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Expenses				
Faculty Salaries	\$149,804	\$155,846	\$175,737	12.8%
Housestaff/Post Doc Salaries	30,955	31,621	32,027	1.3%
Staff/Other Salaries	50,456	51,076	53,296	4.3%
Fringe Benefits	47,924	52,521	60,777	15.7%
Total Compensation Expenses	\$279,139	\$291,064	\$321,837	10.6%
Supplies/Medical Supplies	\$9,410	\$10,581	\$10,350	(2.2)%
Travel	3,948	5,121	5,258	2.7%
Student Costs	1,541	3,126	2,517	(19.5)%
Patient Care Costs	784	1,324	1,386	4.7%
Telephone/Communication Costs	1,832	1,836	1,813	(1.3)%
Purchased Services	18,272	21,839	21,789	(0.2)%
Sub Awards/Service Contracts	941	883	400	(54.7)%
O&M & Leases	5,412	9,567	6,609	(30.9)%
Utilities	762	873	489	(44.0)%
Interest Expense	973	969	965	(0.4)%
Other Expenses	2,503	5,938	4,372	(26.4)%
Total Non Salary Expenses	\$46,378	\$62,057	\$55,948	(9.8)%
Total Grants & Contracts Expenses	\$103,186	\$105,192	\$108,030	2.7%
Total Expenses	\$428,703	\$458,313	\$485,815	6.0%

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UNM HSC Academic Enterprise

UNM SOM - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget
Net Margin before Non-Recurring Items	\$(1,164)	\$4,153	\$960
Capital Expenditures	(756)	(1,374)	(563)
Recruitment/Startups/Scholarships	(5,220)	(1,000)	(1,200)
Non-Recurring Transfers	1,588	(2,221)	812
Total Non-Recurring Items	\$(4,388)	\$(4,595)	\$(951)
Net Margin	\$(5,552)	\$(442)	\$9

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UNM HSC Academic Enterprise

UNM CON - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Revenues				
UNM Hospitals Revenues	\$148	\$146	\$104	(28.8)%
Grants & Contracts	3,859	4,110	1,941	(52.8)%
I&G Appropriations	5,526	6,944	6,944	0.0%
Facilities & Administrative	153	140	117	(16.4)%
Tuition & Fees	2,316	2,602	2,473	(5.0)%
HSC/UNM Internal Transfers	(270)	(210)	(298)	41.9%
Other Revenues	983	1,053	546	(48.1)%
Total Revenues	\$12,715	\$14,785	\$11,827	(20.0)%

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UNM HSC Academic Enterprise

UNM CON - Comparative Analysis: Prior Year - Current Year - Next Year
(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Expenses				
Faculty Salaries	\$4,737	\$5,457	\$5,808	6.4%
Staff/Other Salaries	1,774	2,165	2,368	9.4%
Fringe Benefits	592	695	593	(14.7)%
Total Compensation Expenses	\$7,103	\$8,317	\$8,769	5.4%
Supplies/Medical Supplies	\$318	\$707	\$442	(37.5)%
Travel	94	244	172	(29.5)%
Student Costs	279	228	120	(47.4)%
Telephone/Communication Costs	79	86	82	(4.7)%
Purchased Services	207	337	130	(61.4)%
O&M & Leases	27	79	46	(41.8)%
Other Expenses	144	169	120	(29.0)%
Total Non Salary Expenses	\$1,148	\$1,850	\$1,112	(39.9)%
Total Grants & Contracts Expenses	\$3,859	\$4,110	\$1,941	(52.8)%
Total Expenses	\$12,110	\$14,277	\$11,822	(17.2)%

UNM HSC Academic Enterprise

UNM CON - Comparative Analysis: Prior Year - Current Year - Next Year
(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget
Net Margin before Non-Recurring Items	\$605	\$508	\$5
Recruitment/Startups/Scholarships	(217)	(131)	(555)
Non-Recurring Transfers	(535)	-	-
Total Non-Recurring Items	\$(752)	\$(131)	\$(555)
Net Margin	\$(147)	\$377	\$(550)

UNM HSC Academic Enterprise

UNM COP - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Revenues				
UNM Medical Group Revenues	\$22	\$109	\$289	165.1%
UNM Hospitals Revenues	7	8	15	87.5%
Grants & Contracts	6,135	5,880	6,346	7.9%
RPSP Appropriations	2,115	2,145	2,145	0.0%
I&G Appropriations	4,995	5,136	5,136	0.0%
Facilities & Administrative	889	782	827	5.8%
Tuition & Fees	3,126	3,144	3,144	0.0%
HSC/UNM Internal Transfers	(470)	(789)	(818)	3.7%
Other Revenues	1,073	1,086	1,497	37.8%
Total Revenues	\$17,892	\$17,501	\$18,581	6.2%

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UNM HSC Academic Enterprise

UNM COP - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Expenses				
Faculty Salaries	\$4,032	\$3,776	\$4,709	24.7%
Housestaff/Post Doc Salaries	208	133	135	1.5%
Staff/Other Salaries	3,042	3,771	3,866	2.5%
Fringe Benefits	816	908	1,197	31.8%
Total Compensation Expenses	\$8,098	\$8,588	\$9,907	15.4%
Supplies/Medical Supplies	\$749	\$877	\$526	(40.0)%
Travel	284	348	315	(9.5)%
Student Costs	400	301	280	(7.0)%
Patient Care Costs	2	-	3	100.0%
Telephone/Communication Costs	95	125	89	(28.8)%
Purchased Services	348	532	357	(32.9)%
Sub Awards/Service Contracts	107	105	69	(34.3)%
O&M & Leases	104	130	53	(59.2)%
Other Expenses	105	545	495	(9.2)%
Total Non Salary Expenses	\$2,194	\$2,963	\$2,187	(26.2)%
Total Grants & Contracts Expenses	\$6,135	\$5,880	\$6,346	7.9%
Total Expenses	\$16,427	\$17,431	\$18,440	5.8%

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UNM HSC Academic Enterprise

UNM COP - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget
Net Margin before Non-Recurring Items	\$1,465	\$70	\$141
Capital Expenditures	(15)	(25)	(15)
Recruitment/Startups/Scholarships	(307)	(776)	(275)
Non-Recurring Transfers	(982)	(117)	-
Total Non-Recurring Items	\$(1,304)	\$(918)	\$(290)
Net Margin	\$161	\$(848)	\$(149)

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UNM HSC Academic Enterprise

HSC Library/Informatics - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

Revenues	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Grants & Contracts	\$90	\$199	\$185	(7.0)%
I&G Appropriations	5,033	5,230	5,230	0.0%
Facilities & Administrative	12	-	-	0.0%
Tuition & Fees	450	450	467	3.8%
HSC/UNM Internal Transfers	57	33	33	0.0%
Other Revenues	600	619	549	(11.3)%
Total Revenues	\$6,242	\$6,531	\$6,464	(1.0)%

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UNM HSC Academic Enterprise

HSC Library/Informatics - Comparative Analysis: Prior Year - Current Year - Next Year
(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Expenses				
Faculty Salaries	\$845	\$1,112	\$1,214	9.2%
Staff/Other Salaries	2,158	2,507	2,324	(7.3)%
Fringe Benefits	115	121	123	1.7%
Total Compensation Expenses	\$3,118	\$3,740	\$3,661	(2.1)%
Supplies/Medical Supplies	\$374	\$526	\$315	(40.1)%
Travel	38	66	59	(10.6)%
Student Costs	9	12	24	100.0%
Telephone/Communication Costs	51	38	37	(2.6)%
Purchased Services	830	857	762	(11.1)%
O&M & Leases	155	81	125	54.3%
Other Expenses	28	140	187	33.6%
Total Non Salary Expenses	\$1,485	\$1,720	\$1,509	(12.3)%
Total Grants & Contracts Expenses	\$90	\$199	\$185	(7.0)%
Total Expenses	\$4,693	\$5,659	\$5,355	(5.4)%

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UNM HSC Academic Enterprise

HSC Library/Informatics - Comparative Analysis: Prior Year - Current Year - Next Year
(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget
Net Margin before Non-Recurring Items	\$1,549	\$872	\$1,109
Capital Expenditures	(1,228)	(1,268)	(1,145)
Non-Recurring Transfers	(200)	(250)	-
Total Non-Recurring Items	\$(1,428)	\$(1,518)	\$(1,145)
Net Margin	\$121	\$(646)	\$(36)

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UNM HSC Academic Enterprise

HSC Research - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Revenues				
UNM Medical Group Revenues	\$5	\$8	\$8	0.0%
UNM Hospitals Revenues	369	393	393	0.0%
SRMC Revenues	6	8	8	0.0%
Grants & Contracts	7,632	7,201	5,783	(19.7)%
Facilities & Administrative	74	70	70	0.0%
HSC/UNM Internal Transfers	1,108	1,090	989	(9.3)%
Other Revenues	3,073	3,438	3,723	8.3%
Total Revenues	\$12,267	\$12,208	\$10,974	(10.1)%

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UNM HSC Academic Enterprise

HSC Research - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Expenses				
Faculty Salaries	\$182	\$727	\$830	14.2%
Housestaff/Post Doc Salaries	4	-	-	0.0%
Staff/Other Salaries	1,601	2,686	2,504	(6.8)%
Fringe Benefits	725	1,089	1,137	4.4%
Total Compensation Expenses	\$2,512	\$4,502	\$4,471	(0.7)%
Supplies/Medical Supplies	\$229	\$254	\$105	(58.7)%
Travel	34	55	35	(36.4)%
Student Costs	-	26	7	(73.1)%
Patient Care Costs	7	-	-	0.0%
Telephone/Communication Costs	40	50	40	(20.0)%
Purchased Services	404	499	278	(44.3)%
O&M & Leases	60	83	152	83.1%
Other Expenses	(139)	49	37	(24.5)%
Total Non Salary Expenses	\$635	\$1,016	\$654	(35.6)%
Total Grants & Contracts Expenses	\$7,632	\$7,201	\$5,783	(19.7)%
Total Expenses	\$10,779	\$12,719	\$10,908	(14.2)%

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UNM HSC Academic Enterprise

HSC Research - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget
Net Margin before Non-Recurring Items	\$1,488	\$(511)	\$66
Capital Expenditures	(14)	(20)	(10)
Recruitment/Startups/Scholarships	(481)	-	(278)
Non-Recurring Transfers	(371)	(48)	-
Total Non-Recurring Items	\$(866)	\$(68)	\$(288)
Net Margin	\$622	\$(579)	\$(222)

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UNM HSC Academic Enterprise

HSC Admin - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

Revenues	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Grants & Contracts	\$3,301	\$3,039	\$3,363	10.7%
Cigarette Tax Appropriations	756	722	722	0.0%
RPSP Appropriations	1,916	1,917	1,255	(34.5)%
I&G Appropriations	12,173	12,648	12,648	0.0%
Facilities & Administrative	12,174	13,529	11,153	(17.6)%
I&G Main Campus Transfers	18,518	19,900	20,406	2.5%
HSC/UNM Internal Transfers	5,281	6,639	8,158	22.9%
Other Revenues	8,235	16,063	16,157	0.6%
Total Revenues	\$62,354	\$74,457	\$73,862	(0.8)%

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UNM HSC Academic Enterprise

HSC Admin - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget	Percent Change 2015-16
Expenses				
Faculty Salaries	\$4,709	\$5,131	\$5,326	3.8%
Staff/Other Salaries	11,888	15,178	15,483	2.0%
Fringe Benefits (includes pooled)	21,163	25,321	29,460	16.3%
Total Compensation Expenses	\$37,760	\$45,630	\$50,269	10.2%
Supplies/Medical Supplies	\$834	\$1,087	\$775	(28.7)%
Travel	302	454	467	2.9%
Student Costs	193	598	254	(57.5)%
Patient Care Costs	639	5	-	(100.0)%
Telephone/Communication Costs	160	143	189	32.2%
Purchased Services	6,831	11,425	9,652	(15.5)%
Sub Awards/Service Contracts	85	-	-	0.0%
O&M & Leases	1,703	2,028	1,556	(23.3)%
Utilities	4,040	4,092	4,756	16.2%
Interest Expense	1,196	1,315	1,434	9.0%
Other Expenses	318	2,203	570	(74.1)%
Total Non Salary Expenses	\$16,301	\$23,350	\$19,653	(15.8)%
Total Grants & Contracts Expenses	\$3,234	\$2,972	\$3,363	13.2%
Total Expenses	\$57,295	\$71,952	\$73,285	1.9%

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UNM HSC Academic Enterprise

HSC Admin - Comparative Analysis: Prior Year - Current Year - Next Year

(In thousands)

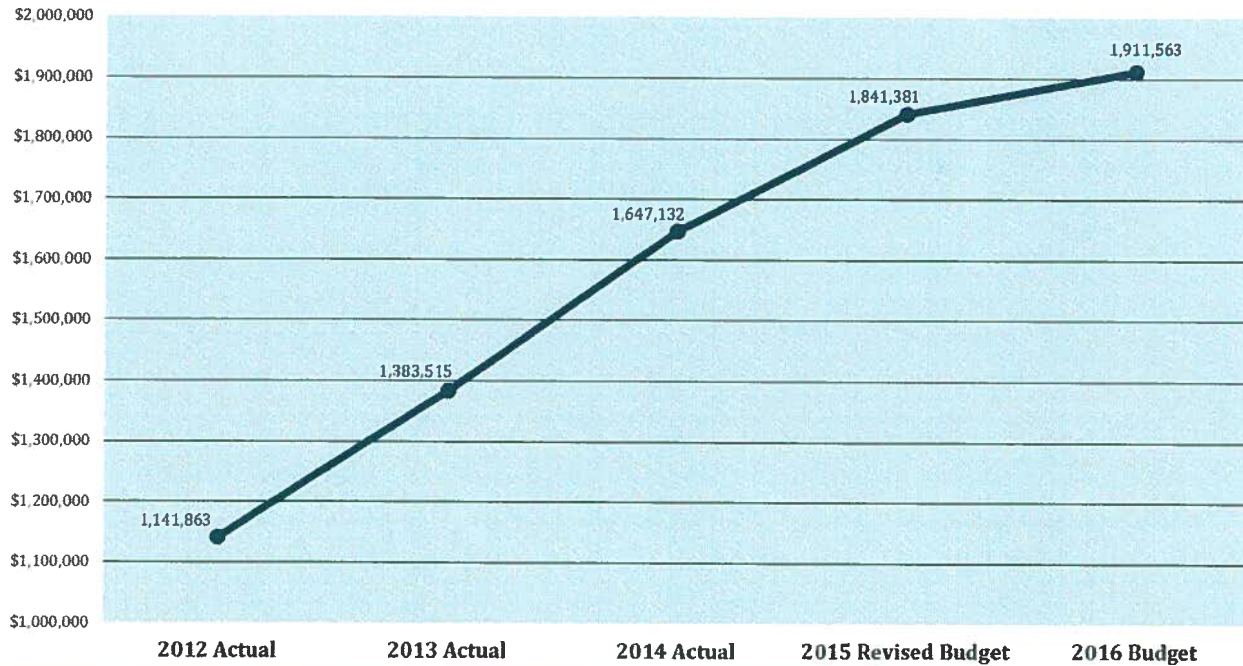
	FY 2014 Actuals	FY 2015 Revised Budget	FY 2016 Budget
Net Margin before Non-Recurring Items	\$5,059	\$2,505	\$577
Capital Expenditures	(17)	(178)	(117)
Non-Recurring Transfers	(3,938)	(2,232)	(444)
Total Non-Recurring Items	\$(3,955)	\$(2,410)	\$(561)
Net Margin	\$1,104	\$95	\$16

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UNM HSC All Components

Expense Trends

(In thousands)

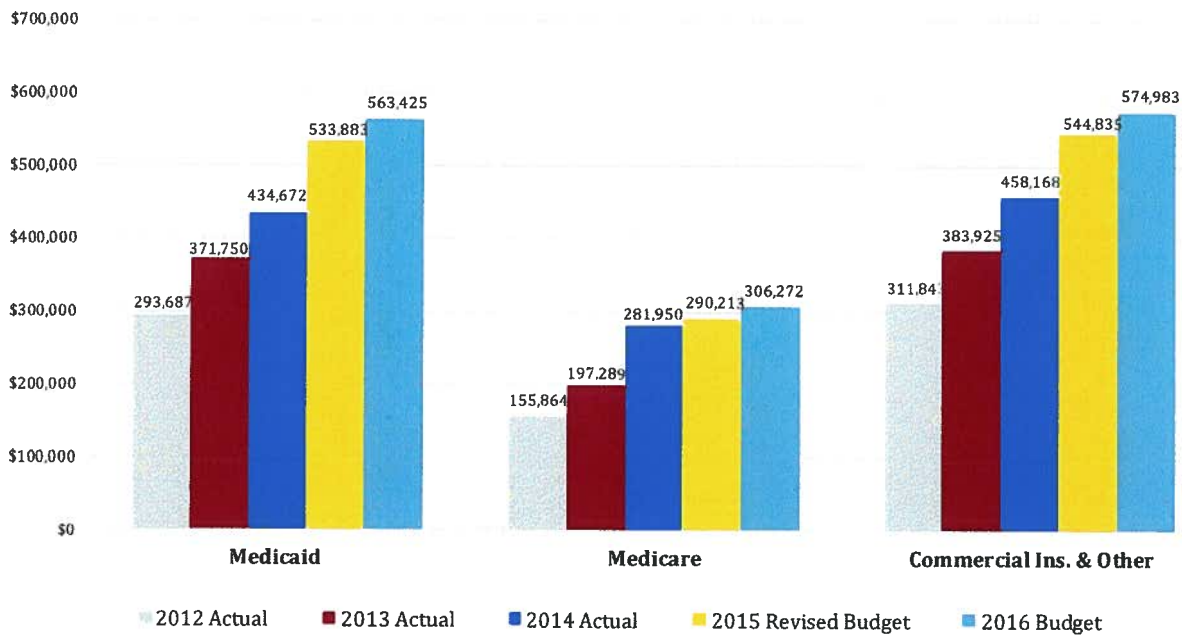


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UNM HSC All Components

Patient Revenue Trends

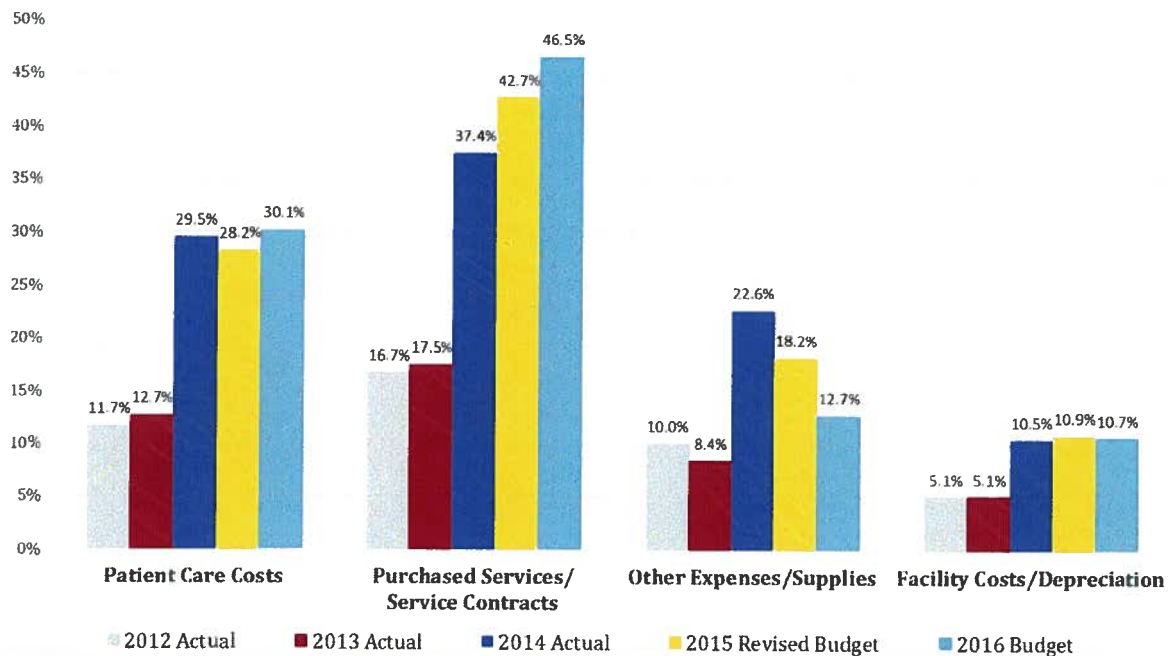
(In thousands)



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UNM HSC All Components

Expense Trends – (% of Non Compensation Expenses)

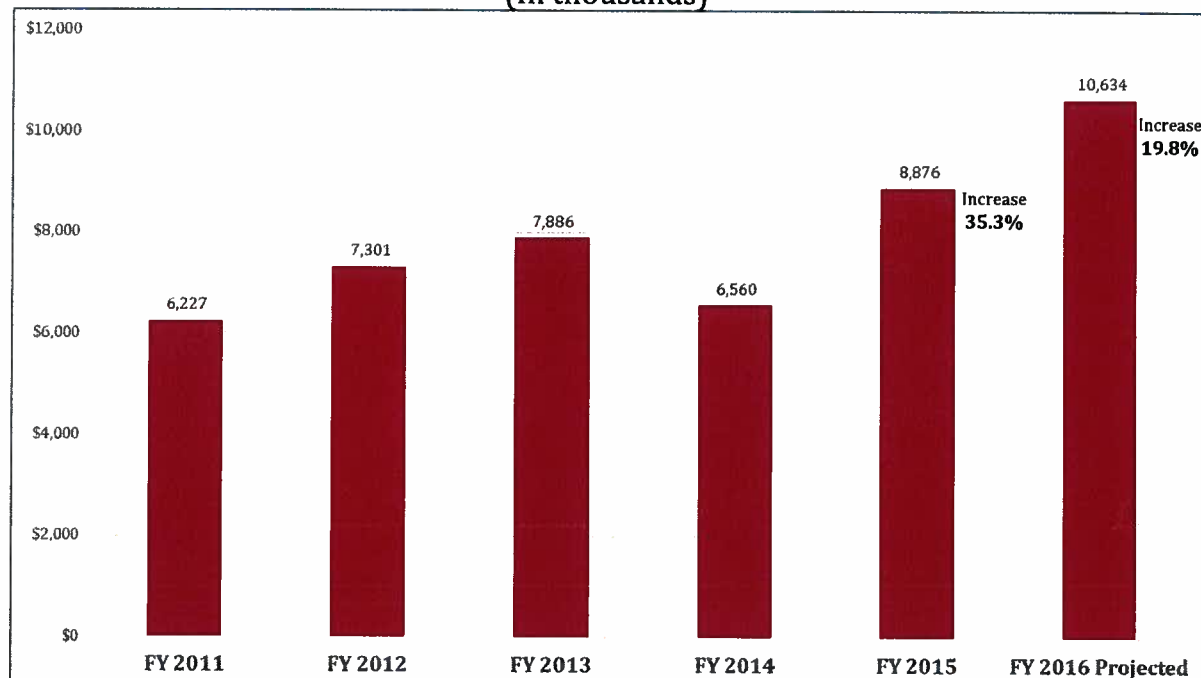


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UNM HSC All Components

Medical Malpractice Premiums

(In thousands)



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UNM HSC All Components

FY 2016 Budget
(In thousands)

	UNM HSC Academic Enterprise	UNM Health System	UNM HSC All Components 6/30/2016 Total
Revenues	\$608,483	\$1,303,434	\$1,911,917
Expenses	605,625	1,299,648	1,905,273
Net Margin before Non-Recurring Items	<u>\$2,858</u>	<u>\$3,786</u>	<u>\$6,644</u>
Use of UNMMG Reserves	-	(2,500)	(2,500)
Capital/Recruitment/Startup/Scholarships	<u>(3,790)</u>	<u>-</u>	<u>(3,790)</u>
Total Non-Recurring Items	\$(3,790)	\$(2,500)	\$(6,290)
Net Margin	<u>\$(932)</u>	<u>\$1,286</u>	<u>\$354</u>

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Questions ?



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Health Sciences Center

The overall FY2015 BAR impact to the **UNM HSC Academic Enterprise** is a favorable change in net revenues, transfers and expenditures of \$4,990,172, which is under 1 percent of the \$602.1 million original budget.

The primary drivers of this change are increases in budgeted revenue due to increased Patient Revenue of \$16.6 million due to volume, increases in (F&A) overhead recoveries on research contracts and grants totaling \$2 million, and an increase of \$3.5 million due to gains on restricted contracts.

Significant increases in budgeted expenditures are driven by increases in Clinical Faculty FTE and retention resulting in compensation totaling \$12.1 million which is related to increased patient volume.

Unrestricted

Significant Changes listed below:

- \$3,622,368 Increase - **Beginning Reserves** change from Original Budget to Audited FY14 Ending Reserves
- \$27,112,712 - Net increase in **Revenues** primarily due to:
 - \$4,785,044 - I&G net increase due to increase in F&A revenue and tuition differentials
 - \$33,116 - Student Social and Cultural Development net increase due to increase in Student Fund raising and club dues
 - \$3,460,115 - Research net increase due to increase in Gains on Restricted contracts
 - \$16,611,474 - Public Service net increase due to increase in Patient Revenue due to volume
 - \$30,168 - Internal Services net increase due to increase in External Sales & Services revenue
 - \$401,722 - Student Aid Grants & Stipends net increase due to increase in estimated Endowment and Scholarship revenue
 - \$1,791,073 - Independent Operations net increase mainly due to increase in Patient Revenue and VA Funding
- \$8,016,166 - Net increase in **Transfers** out primarily due to increased budgeted transfers to Plant Funds and transfers to Endowments
- \$14,106,374 - Net increase in **Expenditures** primarily due to:
 - (\$391,919) - I&G net decrease due to reduction in use of reserves
 - \$42,657 - Student Social & Cultural Development Increase in Student Fund raising activities
 - \$792,636 - Research net increase due to increases in expense for repairs and maintenance
 - \$12,075,802 - Public Service net increase due to Clinical Faculty FTE and retention resulting in compensation due to increased patient volume
 - (\$290,889) - Internal Services net decrease due to reduction in PPD & ARF expenditures net of internal charges
 - \$1,142,418 - Student Aid Grants & Stipends net increase due to increase in Endowment expenditures and Scholarships
 - \$735,669 - Independent Operations net increase due to increase in operating costs at OMI

Restricted

- \$2,342,520 - Net Decrease in **Revenues** primarily due to:
 - \$273,809 - I&G net increase in Restricted award revenues
 - (\$1,350,453) - Research net decrease in Restricted award revenues
 - (\$1,369,146) - Public Service net decrease in Restricted award revenues
 - \$103,270 - Student Aid Grants & Stipends net increase in Restricted award revenues
- \$2,342,520 - Net Decrease in **Expenditures and Transfers** primarily due to:
 - \$273,809 - I&G net increase in Restricted award expenses
 - (\$1,350,453) - Research net decrease in Restricted award expenses
 - (\$1,369,146) - Public Service net decrease in Restricted award expenses
 - \$103,270 - Student Aid Grants & Stipends net increase in Restricted award expenses

UNM Hospitals

The overall BAR impact to the **UNM Hospitals** FY 2015 original budget is a net favorable change in net revenues and expenditures of \$6,330,387, or 0.7% of the \$848.2 million budget.

Expenditures

- \$92,101,551 - Net increase in **Expenditures** primarily due to:
 - \$26,131,508 – Increase in staffing for new clinic on 4th Street, nurse case managers, nurses to staff beds, expansion of women’s services, nurses to conduct Medical Screening Exams (MSE) in the ER, outpatient primary care, rotor transport, quality, and transfer center
 - \$4,286,000 - Net increase in Medical Supplies due to pharmaceutical pricing shift to specialty pharmacy and increase in kidney transplant costs
 - \$61,684,043 - Net increase in All Other Expenses due to increased non-capital expenditures, equipment and facility repairs, software as a service and capital initiatives

Revenues

- \$98,431,938 - Net increase in **Revenues** primarily due to:
 - \$97,316,804 - Increase in Net Patient Revenues – Increase in volumes and Medicaid enrollment
 - 3% increase in patient volumes - \$51.6M
 - Medicaid enrollment within the State increased 36% from December 2013 to February 2015 - \$13M
 - \$1,457,347 - Net increase in Contract and Grant Revenues and Other Operating Revenues
 - 340b Retail Pharmacy program is projected at an increase of \$1.9 M over original budget
 - (\$342,213) - Net decrease in Other Non-Operating Revenues

UNIVERSITY OF NEW MEXICO
REQUEST FOR BUDGET REVISIONS
FISCAL YEAR 2014-15

UNM HEALTH SCIENCES CENTER

UNRESTRICTED
INSTRUCTION & GENERAL

	CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
<i>BEGINNING RESERVES</i>	\$3,757,759	\$733,702	\$4,491,461
<i>REVENUES</i>	113,130,329	4,785,044	117,915,373
<i>TOTAL AVAILABLE</i>	<u>\$116,888,088</u>	<u>\$5,518,746</u>	<u>\$122,406,834</u>
<i>EXPENSES</i>			
<i>INSTRUCTION</i>	\$76,200,951	(\$4,071,414)	\$72,129,537
<i>ACADEMIC SUPPORT</i>	12,240,949	(772,512)	11,468,437
<i>STUDENT SERVICES</i>	7,240,839	384,757	7,625,596
<i>INSTITUTIONAL SUPPORT</i>	15,380,015	3,766,772	19,146,787
<i>OPERATIONS & MAINTENANCE</i>	8,625,571	300,478	8,926,049
<i>TOTAL EXPENSES</i>	<u>\$119,688,325</u>	<u>(\$391,919)</u>	<u>\$119,296,406</u>
<i>TRANSFERS</i>	(\$6,686,813)	\$3,683,568	(\$3,003,245)
<i>ENDING RESERVES</i>	3,886,576	2,227,097	6,113,673
<i>TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES</i>	<u>\$116,888,088</u>	<u>\$5,518,746</u>	<u>\$122,406,834</u>
TO ADJUST BEGINNING RESERVES TO ACTUAL:			
Increase - To adjust Beginning Reserves to Actual		\$733,702	
TOTAL BEGINNING RESERVES		<u>\$733,702</u>	
TO INCREASE (DECREASE) REVENUE AS FOLLOWS:			
Increase in revenue - student tuition and fees, F&A revenue and marketing initiatives		\$4,785,044	
TOTAL INCREASE (DECREASE) IN REVENUES		<u>\$4,785,044</u>	
TRANSFERS (FROM) OR TO:			
To I&G		\$5,730	
To Research		1,709,913	
To Public Service		455,832	
To Plant Minor/Major		1,887,832	
From Main		(375,739)	
TOTAL TRANSFERS (FROM) OR TO		<u>\$3,683,568</u>	
TO INCREASE (DECREASE) EXPENDITURES AS FOLLOWS:			
Instruction - Reduction of Expenditure Authority		(\$4,071,414)	
Academic Support - Reduction of Expenditure Authority		(772,512)	
Student Services - Increase Expenditure Authority		384,757	
Institutional Support - Increase Expenditure Authority		3,766,772	
Operations & Maintenance - Increase Expenditure Authority		300,478	
TOTAL INCREASE (DECREASE) IN EXPENDITURES		<u>(\$391,919)</u>	

UNIVERSITY OF NEW MEXICO
REQUEST FOR BUDGET REVISIONS
FISCAL YEAR 2014-15

UNM HEALTH SCIENCES CENTER

UNRESTRICTED

STUDENT SOCIAL & CULTURAL DEVELOPMENT

	CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
<i>BEGINNING RESERVES</i>	\$24,331	\$32,914	\$57,245
<i>REVENUES</i>	20,260	33,116	53,376
<i>TOTAL AVAILABLE</i>	<u>\$44,591</u>	<u>\$66,030</u>	<u>\$110,621</u>
 <i>EXPENSES</i>	 \$57,580	 \$42,657	 \$100,237
<i>TRANSFERS</i>	(25,678)	(1,751)	(27,429)
<i>ENDING RESERVES</i>	12,689	25,124	37,813
<i>TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES</i>	<u>\$44,591</u>	<u>\$66,030</u>	<u>\$110,621</u>
 TO ADJUST BEGINNING RESERVES TO ACTUAL:			
Increase - To adjust Beginning Reserves to Actual		\$32,914	
TOTAL BEGINNING RESERVES		<u>\$32,914</u>	
 TO INCREASE (DECREASE) REVENUE AS FOLLOWS:			
Increase in revenue - COP Student Social & Cultural fund raising & club dues		\$33,116	
TOTAL INCREASE (DECREASE) IN REVENUES		<u>\$33,116</u>	
 TRANSFERS (FROM) OR TO:			
From I&G		(\$325)	
From Public Service		(1,426)	
TOTAL TRANSFERS (FROM) OR TO		<u>(\$1,751)</u>	
 TO INCREASE (DECREASE) EXPENDITURES AS FOLLOWS:			
Increase in expenses - Student Activities		\$42,657	
TOTAL INCREASE (DECREASE) IN EXPENDITURES		<u>\$42,657</u>	

UNIVERSITY OF NEW MEXICO
REQUEST FOR BUDGET REVISIONS
FISCAL YEAR 2014-15

UNM HEALTH SCIENCES CENTER

**UNRESTRICTED
RESEARCH**

	CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
<i>BEGINNING RESERVES</i>	\$10,621,153	\$4,034,785	\$14,655,938
<i>REVENUES</i>	10,439,436	3,460,115	13,899,551
<i>TOTAL AVAILABLE</i>	<u><u>\$21,060,589</u></u>	<u><u>\$7,494,900</u></u>	<u><u>\$28,555,489</u></u>
<i>EXPENSES</i>	\$22,600,235	\$792,636	\$23,392,871
<i>TRANSFERS</i>	(9,117,400)	(1,827,612)	(10,945,012)
<i>ENDING RESERVES</i>	7,577,754	8,529,876	16,107,630
<i>TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES</i>	<u><u>\$21,060,589</u></u>	<u><u>\$7,494,900</u></u>	<u><u>\$28,555,489</u></u>

TO ADJUST BEGINNING RESERVES TO ACTUAL:

Increase - To adjust Beginning Reserves to Actual
TOTAL BEGINNING RESERVES

\$4,034,785
\$4,034,785

TO INCREASE (DECREASE) REVENUE AS FOLLOWS:

Increase in revenue - Gains on Restricted Contracts & Grants and Other Revenues
TOTAL INCREASE (DECREASE) IN REVENUES

3,460,115
\$3,460,115

TRANSFERS (FROM) OR TO:

From I&G
To Research
From Public Service
To Plant Fund Minor/Major
To Main
TOTAL TRANSFERS (FROM) OR TO

(\$1,617,023)
191,324
(850,692)
384,359
64,420
(\$1,827,612)

TO INCREASE (DECREASE) EXPENDITURES AS FOLLOWS:

Increase in expenditures - primarily for Faculty start-up funding
TOTAL INCREASE (DECREASE) IN EXPENDITURES

\$792,636
\$792,636

UNIVERSITY OF NEW MEXICO
REQUEST FOR BUDGET REVISIONS
FISCAL YEAR 2014-15

UNM HEALTH SCIENCES CENTER

UNRESTRICTED
PUBLIC SERVICE

	CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
<i>BEGINNING RESERVES</i>	\$22,513,343	(\$3,125,582)	\$19,387,761
<i>REVENUES</i>	247,388,383	16,611,474	263,999,857
<i>TOTAL AVAILABLE</i>	<u>\$269,901,726</u>	<u>\$13,485,892</u>	<u>\$283,387,618</u>
 <i>EXPENSES</i>	 \$249,249,687	 \$12,075,802	 \$261,325,489
<i>TRANSFERS</i>	1,089,660	5,743,125	6,832,785
<i>ENDING RESERVES</i>	19,562,379	(4,333,035)	15,229,344
<i>TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES</i>	<u>\$269,901,726</u>	<u>\$13,485,892</u>	<u>\$283,387,618</u>
 TO ADJUST BEGINNING RESERVES TO ACTUAL:			
Decrease - To adjust Beginning Reserves to Actual		(\$3,125,582)	
TOTAL BEGINNING RESERVES		<u>(\$3,125,582)</u>	
 TO INCREASE (DECREASE) REVENUE AS FOLLOWS:			
Increase in revenue - Patient Clinical revenues due to increase in patient volume		\$16,611,474	
TOTAL INCREASE (DECREASE) IN REVENUES		<u>\$16,611,474</u>	
 TRANSFERS (FROM) OR TO:			
From I&G		(\$459,449)	
To Research		869,546	
To Public Service		258	
To Student Social Cultural		1,426	
To Student Aid		60,000	
From Independent Operations		(549,264)	
To Endowments		2,578,976	
To Plant Fund Minor/Major		3,055,988	
To Main		185,644	
TOTAL TRANSFERS (FROM) OR TO		<u>\$5,743,125</u>	
 TO INCREASE (DECREASE) EXPENDITURES AS FOLLOWS:			
Increase in expenses - primarily for Marketing initiatives & Faculty compensation due to increase in patient volume		\$12,075,802	
TOTAL INCREASE (DECREASE) IN EXPENDITURES		<u>\$12,075,802</u>	

UNIVERSITY OF NEW MEXICO
REQUEST FOR BUDGET REVISIONS
FISCAL YEAR 2014-15

UNM HEALTH SCIENCES CENTER

UNRESTRICTED
INTERNAL SERVICES

	CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
<i>BEGINNING RESERVES</i>	\$22,364	(\$25,941)	(\$3,577)
<i>REVENUES</i>	6,150	30,168	36,318
<i>TOTAL AVAILABLE</i>	<u>\$28,514</u>	<u>\$4,227</u>	<u>\$32,741</u>
 <i>EXPENSES</i>	 \$338,164	 (\$290,889)	 \$47,275
<i>TRANSFERS</i>	(332,014)	296,880	(35,134)
<i>ENDING RESERVES</i>	22,364	(1,764)	20,600
<i>TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES</i>	<u>\$28,514</u>	<u>\$4,227</u>	<u>\$32,741</u>
 TO ADJUST BEGINNING RESERVES TO ACTUAL:			
Decrease - To adjust Beginning Reserves to Actual		(\$25,941)	
TOTAL BEGINNING RESERVES		<u>(\$25,941)</u>	
 TO INCREASE (DECREASE) REVENUE AS FOLLOWS:			
Increase in projected revenue		\$30,168	
TOTAL INCREASE (DECREASE) IN REVENUES		<u>\$30,168</u>	
 TRANSFERS (FROM) OR TO:			
To Plant Fund Minor/Major		\$296,880	
TOTAL TRANSFERS (FROM) OR TO		<u>\$296,880</u>	
 TO INCREASE (DECREASE) EXPENDITURES AS FOLLOWS:			
Decrease in projected expense		(\$290,889)	
TOTAL INCREASE (DECREASE) IN EXPENDITURES		<u>(\$290,889)</u>	

UNIVERSITY OF NEW MEXICO
REQUEST FOR BUDGET REVISIONS
FISCAL YEAR 2014-15

UNM HEALTH SCIENCES CENTER

**UNRESTRICTED
STUDENT AID GRANTS & STIPENDS**

	<u>CURRENT BUDGET</u>	<u>PROPOSED INCREASE (DECREASE)</u>	<u>REVISED BUDGET</u>
<i>BEGINNING RESERVES</i>	\$9,427,071	\$664,016	\$10,091,087
<i>REVENUES</i>	1,578,816	401,722	1,980,538
<i>TOTAL AVAILABLE</i>	<u>\$11,005,887</u>	<u>\$1,065,738</u>	<u>\$12,071,625</u>
 <i>EXPENSES</i>	 \$4,380,187	 \$1,142,418	 \$5,522,605
<i>TRANSFERS</i>	(2,144,013)	(449,650)	(2,593,663)
<i>ENDING RESERVES</i>	8,769,713	372,970	9,142,683
<i>TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES</i>	<u>\$11,005,887</u>	<u>\$1,065,738</u>	<u>\$12,071,625</u>
 TO ADJUST BEGINNING RESERVES TO ACTUAL:			
Increase - To adjust Beginning Reserves to Actual		<u>\$664,016</u>	
TOTAL BEGINNING RESERVES		<u>\$664,016</u>	
 TO INCREASE (DECREASE) REVENUE AS FOLLOWS:			
Increase in projected revenue		<u>\$401,722</u>	
TOTAL INCREASE (DECREASE) IN REVENUES		<u>\$401,722</u>	
 TRANSFERS (FROM) OR TO:			
From Public Service		(\$60,000)	
From Endowments		(730,767)	
To Plant Fund Minor/Major		341,117	
TOTAL TRANSFERS (FROM) OR TO		<u>(\$449,650)</u>	
 TO INCREASE (DECREASE) EXPENDITURES AS FOLLOWS:			
Increase in projected expense		<u>\$1,142,418</u>	
TOTAL INCREASE (DECREASE) IN EXPENDITURES		<u>\$1,142,418</u>	

UNIVERSITY OF NEW MEXICO
REQUEST FOR BUDGET REVISIONS
FISCAL YEAR 2014-15

UNM HEALTH SCIENCES CENTER

**UNRESTRICTED
INDEPENDENT OPERATIONS**

	<u>CURRENT BUDGET</u>	<u>PROPOSED INCREASE (DECREASE)</u>	<u>REVISED BUDGET</u>
<i>BEGINNING RESERVES</i>	(\$9,169,970)	\$1,308,474	(\$7,861,496)
<i>REVENUES</i>	76,703,572	1,791,073	78,494,645
<i>TOTAL AVAILABLE</i>	<u>\$67,533,602</u>	<u>\$3,099,547</u>	<u>\$70,633,149</u>
<i>EXPENSES</i>	\$78,232,074	\$735,669	\$78,967,743
<i>TRANSFERS</i>	1,845,008	571,606	2,416,614
<i>ENDING RESERVES</i>	(12,543,480)	1,792,272	(10,751,208)
<i>TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES</i>	<u>\$67,533,602</u>	<u>\$3,099,547</u>	<u>\$70,633,149</u>

TO ADJUST BEGINNING RESERVES TO ACTUAL:

Increase - To adjust Beginning Reserves to Actual

TOTAL BEGINNING RESERVES

\$1,308,474

\$1,308,474

TO INCREASE (DECREASE) REVENUE AS FOLLOWS:

Increase in projected revenue - Primarily patient revenue & OMI related revenue

TOTAL INCREASE (DECREASE) IN REVENUES

\$1,791,073

\$1,791,073

TRANSFERS (FROM) OR TO:

To Research

\$6,445

To Public Service

552,604

To Plant Fund Minor/Major

12,557

TOTAL TRANSFERS (FROM) OR TO

\$571,606

TO INCREASE (DECREASE) EXPENDITURES AS FOLLOWS:

Increase in projected expense - Primarily patient related expense & OMI related expense

TOTAL INCREASE (DECREASE) IN EXPENDITURES

\$735,669

\$735,669

UNIVERSITY OF NEW MEXICO
REQUEST FOR BUDGET REVISIONS
FISCAL YEAR 2014-15

UNM HEALTH SCIENCES CENTER

**RESTRICTED
INSTRUCTION & GENERAL**

	CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
<i>REVENUES</i>	\$10,867,409	\$273,809	\$11,141,218
<i>TOTAL AVAILABLE</i>	<u>\$10,867,409</u>	<u>\$273,809</u>	<u>\$11,141,218</u>
<i>EXPENSES</i>			
<i>INSTRUCTION</i>	\$5,822,903	\$26,711	\$5,849,614
<i>ACADEMIC SUPPORT</i>	520,553	(117,634)	402,919
<i>STUDENT SERVICES</i>	4,573,953	367,214	4,941,167
<i>INSTITUTIONAL SUPPORT</i>	0	0	0
<i>OPERATIONS & MAINTENANCE</i>	0	0	0
<i>TOTAL EXPENSES</i>	<u>\$10,917,409</u>	<u>\$276,291</u>	<u>\$11,193,700</u>
<i>TRANSFERS</i>	(\$50,000)	(\$2,482)	(\$52,482)
<i>ENDING RESERVES</i>	0	0	0
<i>TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES</i>	<u>\$10,867,409</u>	<u>\$273,809</u>	<u>\$11,141,218</u>

TO INCREASE (DECREASE) REVENUE AS FOLLOWS:

Increase in I&G Restricted Awards	\$273,809
TOTAL INCREASE (DECREASE) IN REVENUES	<u>\$273,809</u>

TRANSFERS (FROM) OR TO:

From I&G for Cost Share	(\$2,482)
TOTAL TRANSFERS (FROM) OR TO	<u>(\$2,482)</u>

TO INCREASE (DECREASE) EXPENDITURES AS FOLLOWS:

Increase in expenses - I&G Restricted Awards including	\$276,291
TOTAL INCREASE (DECREASE) IN EXPENDITURES	<u>\$276,291</u>

UNIVERSITY OF NEW MEXICO
REQUEST FOR BUDGET REVISIONS
FISCAL YEAR 2014-15

UNM HEALTH SCIENCES CENTER

**RESTRICTED
RESEARCH**

	CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
<i>REVENUES</i>	\$71,405,221	(\$1,350,453)	\$70,054,768
<i>TOTAL AVAILABLE</i>	<u>\$71,405,221</u>	<u>(\$1,350,453)</u>	<u>\$70,054,768</u>
 <i>EXPENSES</i>	 \$72,233,617	 (\$1,020,290)	 \$71,213,327
<i>TRANSFERS</i>	(828,396)	(330,163)	(1,158,559)
<i>ENDING RESERVES</i>		0	0
<i>TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES</i>	<u>\$71,405,221</u>	<u>(\$1,350,453)</u>	<u>\$70,054,768</u>

TO INCREASE (DECREASE) REVENUE AS FOLLOWS:

Decrease in Research Restricted Awards	(\$1,350,453)
TOTAL INCREASE (DECREASE) IN REVENUES	<u>(\$1,350,453)</u>

TRANSFERS (FROM) OR TO:

From I&G for Cost Share	(\$89,271)
From Research for Cost Share	(\$56,537)
From Public Service for Cost Share	(\$191,324)
To Internal Service to return Cost Share	\$6,969
TOTAL TRANSFERS (FROM) OR TO	<u>(\$330,163)</u>

TO INCREASE (DECREASE) EXPENDITURES AS FOLLOWS:

Decrease in expenses - Research Restricted Awards	(\$1,020,290)
TOTAL INCREASE (DECREASE) IN EXPENDITURES	<u>(\$1,020,290)</u>

UNIVERSITY OF NEW MEXICO
REQUEST FOR BUDGET REVISIONS
FISCAL YEAR 2014-15

UNM HEALTH SCIENCES CENTER

**RESTRICTED
PUBLIC SERVICE**

	CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
<i>REVENUES</i>	\$41,177,935	(\$1,369,146)	\$39,808,789
<i>TOTAL AVAILABLE</i>	<u>\$41,177,935</u>	<u>(\$1,369,146)</u>	<u>\$39,808,789</u>
 <i>EXPENSES</i>	 \$41,489,455	 (\$1,386,891)	 \$40,102,564
<i>TRANSFERS</i>	(311,520)	17,745	(293,775)
<i>ENDING RESERVES</i>	0	0	0
<i>TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES</i>	<u>\$41,177,935</u>	<u>(\$1,369,146)</u>	<u>\$39,808,789</u>

TO INCREASE (DECREASE) REVENUE AS FOLLOWS:

Decrease in Public Service Restricted Awards	(\$1,369,146)
TOTAL INCREASE (DECREASE) IN REVENUES	<u>(\$1,369,146)</u>

TRANSFERS (FROM) OR TO:

From I&G for Cost Share	(\$2,926)
To Research to return Cost Share	\$37,683
From Public Service for Cost Share	(\$258)
From Independent Operations for Cost Share	(\$16,754)
TOTAL TRANSFERS (FROM) OR TO	<u>\$17,745</u>

TO INCREASE (DECREASE) EXPENDITURES AS FOLLOWS:

Decrease in expenses - Public Service Restricted Awards	(\$1,386,891)
TOTAL INCREASE (DECREASE) IN EXPENDITURES	<u>(\$1,386,891)</u>

UNIVERSITY OF NEW MEXICO
REQUEST FOR BUDGET REVISIONS
FISCAL YEAR 2014-15

UNM HEALTH SCIENCES CENTER

**RESTRICTED
STUDENT AID GRANT AND STIPENDS**

	CURRENT BUDGET	PROPOSED INCREASE (DECREASE)	REVISED BUDGET
<i>REVENUES</i>	\$2,941,519	\$103,270	\$3,044,789
<i>TOTAL AVAILABLE</i>	<u>\$2,941,519</u>	<u>\$103,270</u>	<u>\$3,044,789</u>
<i>EXPENSES</i>	\$2,941,519	\$103,270	\$3,044,789
<i>TRANSFERS</i>		0	
<i>ENDING RESERVES</i>	0	0	0
<i>TOTAL EXPENSES, TRANSFERS, & ENDING RESERVES</i>	<u>\$2,941,519</u>	<u>\$103,270</u>	<u>\$3,044,789</u>

TO INCREASE (DECREASE) REVENUE AS FOLLOWS:

Increase in Student & Fellowship Restricted Awards	\$103,270
TOTAL INCREASE (DECREASE) IN REVENUES	<u>\$103,270</u>

TRANSFERS (FROM) OR TO:

TOTAL TRANSFERS (FROM) OR TO	<u>\$0</u>
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TO INCREASE (DECREASE) EXPENDITURES AS FOLLOWS:

Increase in expenses - Student & Fellowship Restricted Awards	\$103,270
TOTAL INCREASE (DECREASE) IN EXPENDITURES	<u>\$103,270</u>

**UNIVERSITY OF NEW MEXICO HOSPITALS
REQUEST FOR BUDGET REVISION
FISCAL YEAR 2014-2015**

	ORIGINAL BUDGET FY 2014-2015	REVISED BUDGET FY 2014-2015	FY 2014 - 2015 REVISED TO ORIGINAL VARIANCE
BEGINNING BALANCE	\$ 179,434,039	\$ 178,857,366	\$ (576,673)
NET PATIENT REVENUES	718,508,747	815,825,551	97,316,804
CONTRACT AND GRANT REVENUES	18,619,001	2,876,012	(15,742,989)
OTHER OPERATING REVENUES	4,946,621	22,146,957	17,200,336
TOTAL OPERATING REVENUES	<u>742,074,369</u>	<u>840,848,520</u>	<u>98,774,151</u>
MILL LEVY	92,780,043	92,780,043	-
OTHER NON-OPERATING REVENUES	16,839,753	16,497,540	(342,213)
TOTAL REVENUES	<u>851,694,165</u>	<u>950,126,103</u>	<u>98,431,938</u>
SALARIES, WAGES, & BENEFITS	405,513,401	431,644,909	26,131,508
MEDICAL SUPPLIES	137,082,783	141,368,783	4,286,000
UNIVERSITY CLINICIANS PROGRAM	693,722	1,245,849	552,127
HOUSESTAFF	27,546,336	27,241,900	(304,436)
ALL OTHER EXPENSES	268,865,113	330,696,655	61,831,542
TOTAL OPERATING EXPENSES	<u>839,701,355</u>	<u>932,198,096</u>	<u>92,496,741</u>
INTEREST EXPENSE & BOND RELATED COSTS	8,541,944	8,146,754	(395,190)
TOTAL EXPENSES	<u>848,243,299</u>	<u>940,344,850</u>	<u>92,101,551</u>
NET GAIN/(LOSS)	<u>3,450,866</u>	<u>9,781,253</u>	<u>6,330,387</u>
ENDING BALANCE (Excludes CTH, CPC, OOCI)	<u>\$ 182,884,905</u>	<u>\$ 188,638,619</u>	<u>\$ 5,753,714</u>
NOTE:			
TOTAL CAPITAL OUTLAY	\$ 34,839,830	\$ 42,018,997	\$ 7,179,167
FUNDING FROM OTHER SOURCES (DONATIONS AND CAPITAL INITIATIVES FUND)	(4,589,026)	(7,949,222)	(3,360,196)
CAPITAL OUTLAY (FUNDED FROM CASH BALANCES)	<u>\$ 30,250,804</u>	<u>\$ 34,069,775</u>	<u>\$ 3,818,971</u>



THE UNIVERSITY of
NEW MEXICO

University Controller
Financial Services, Main Campus
Phone: (505) 277-5111
FAX: (505) 277-7662

MEMORANDUM

DATE: April 22, 2015

TO: David W. Harris
Executive Vice President for Administration

FROM: Elizabeth Metzger, CPA
University Controller

RE: Two (2) Items: One (1) Action Item and One (1) Information Items for Board of Regents' Finance & Facilities Committee Meeting

Action Item.

The Fiscal Watch Report that is to be submitted to the HED Executive Director through March 31, 2015 will be presented at the May 5, 2015 Finance & Facilities Committee meeting. The Report contains the following information: A comparison of the approved annual operating and plant fund budgets with the current year-to-date information, a comparison of the most current year to prior-year information, a Balance Sheet and a Statement of Cash Flows.

The Report is to be reviewed and approved by the Board of Regents at the May 5, 2015 Finance & Facilities Committee meeting.

Information Items.

The Monthly Consolidated Financial Reports for the month ended March 31, 2015 will be presented at the May 5, 2015 Finance & Facilities Committee meeting.

In order to present the most-timely financial information at this meeting, the Fiscal Watch Report and Monthly Consolidated Financial Reports will be emailed to the committee members no less than 48 hours in advance of the meeting. Handouts will be available the day of the meeting.



THE UNIVERSITY of
NEW MEXICO

University Controller
Financial Services, Main Campus
1 University of New Mexico
MSC 01 1300
Albuquerque, New Mexico 87131-0001
Phone: (505) 277-5111
FAX: (505) 277-7662

DATE: May 5, 2015

TO: Mr. Ron Spilman
Director, Institutional Finance
New Mexico Higher Education Department

RE: Financial Status as of March 31, 2015

By signing below, the parties are indicating they are aware that timely and routine processes are in place and being followed and where appropriate, reviewed and approved by the Board of Regents related to:

- Comparison of approved annual operating and plant fund budgets with year-to-date revenues, expenditures and transfers;
- Comparison of current year-to-date to prior year's activities in operating and plant fund revenues, expenditures and transfers;
- Statement of net assets; and
- Statement of cash flow.

University of New Mexico

James H. Koch, Chair, Board of Regents-F&F

Date

Robert G. Frank, President

Date

David W. Harris, Chief Financial Officer

Date

The University of New Mexico

Consolidated

Summary of Operating and Plant Funds

(Unadjusted and Unaudited)

Fiscal Year 2014-2015 as of March 31, 2015

Operating Funds	FY 2014-2015 Original Budget	FY 2014-2015 Actuals as of March 31, 2015	Percentage Earned/Spent
REVENUES			
Tuition and Mandatory Fees	\$ 181,992,378	\$ 166,371,548	91.4%
Student Fees	14,579,875	7,404,380	50.8%
State Appropriations	322,234,263	231,887,101	72.0%
Local Appropriations	7,063,190	4,928,043	69.8%
Endowment Income	1,344,385	-	N/A
Land & Perm Fund	8,228,869	7,132,092	86.7%
Gifts, Grants & Contracts	392,448,301	279,037,054	71.1%
Indirect Cost Recovery	42,563,382	31,927,438	75.0%
Sales & Services	340,492,599	296,078,785	87.0%
Other	42,461,676	31,204,625	73.5%
Use of Balance	9,908,056	-	0.0%
Total Revenue	\$ 1,363,316,974	\$ 1,055,971,066	77.5%
BEGINNING BALANCE	\$ 87,079,425	\$ 152,420,432	175.0%
TOTAL AVAILABLE	\$ 1,450,396,399	\$ 1,208,391,498	83.3%
EXPENDITURES			
Instruction	\$ 294,612,469	\$ 215,394,340	73.1%
Student Social & Cultural	9,553,029	6,771,255	70.9%
Research	196,047,502	150,653,794	76.8%
Public Service	344,669,576	253,214,987	73.5%
Academic Support	60,375,229	41,563,529	68.8%
Student Services	35,752,086	21,603,689	60.4%
Institutional Support	66,316,369	49,882,355	75.2%
Operations and maintenance of plant	50,793,366	37,172,689	73.2%
Student Aid	138,177,034	117,891,410	85.3%
Internal Services	1,631,713	-	0.0%
Auxiliary Enterprises	56,459,021	41,042,784	72.7%
Intercollegiate Athletics	31,671,746	26,904,129	84.9%
Independent Operations (clinical)	78,232,074	37,804,228	48.3%
Total Expenditures	\$ 1,364,291,214	\$ 999,899,189	73.3%
Net Transfers	\$ 30,844,831	\$ 36,934,444	119.7%
TOTAL EXPENDITURES & TRANSFERS	\$ 1,395,136,045	\$ 1,036,833,633	74.3%
ENDING FUND BALANCE	\$ 55,260,354	\$ 171,557,865	310.5%

Plant Funds	FY 2014-2015 Original Budget	FY 2014-2015 Actuals as of March 31, 2015	Percentage Earned/Spent
REVENUES AND TRANSFERS			
Student Fees	\$ 14,388,000	\$ 14,388,000	100.0%
UNM Bond Proceeds	100,000	524,823	524.8%
Gifts, Grants and Contracts	-	318,300	N/A
Interest Income	-	1,457,633	N/A
State/Local Bonds	27,012,850	10,639,672	39.4%
Land, Bldg and Equipment Rent	2,010,871	2,206,399	109.7%
Other	23,279,353	2,247,293	9.7%
Use of Balance	-	-	N/A
Total Revenues	\$ 66,791,074	\$ 31,782,120	47.6%
Plant Transfers	38,060,837	36,934,444	97.0%
Total Revenues and Transfers	\$ 104,851,911	\$ 68,716,564	65.5%
BEGINNING BALANCE	\$ 127,386,355	\$ 172,731,963	N/A
TOTAL AVAILABLE	\$ 232,238,266	\$ 241,448,527	104.0%
EXPENDITURES			
Capital Projects	\$ 46,310,839	\$ 36,168,256	78.1%
Building Renewal	27,000,000	14,401,240	53.3%
Equipment Renewal	11,600,000	1,118,580	9.6%
Auxiliary and Internal Service Renewal/Replacement	-	1,665,304	N/A
Debt Retirement	35,511,253	19,981,499	56.3%
Total Expenditures	\$ 120,422,092	\$ 73,334,879	60.9%
ENDING FUND BALANCE	\$ 111,816,174	\$ 168,113,648	N/A
CURRENT OPERATING & PLANT FUNDS	(47,389,252)	14,519,118	

The University of New Mexico

Consolidated

Comparison of Operating and Plant Funds (Unadjusted and Unaudited)

Fiscal Year 2014-2015 as of March 31, 2015

Operating Funds	FY 2014-2015 Actuals as of March 31, 2015	FY 2013-2014 Actuals as of March 31, 2014	% Variance Increase/ (Decrease)
REVENUES			
Tuition and Mandatory Fees	\$ 166,371,548	\$ 172,582,685	-3.6%
Student Fees	7,404,380	5,559,900	33.2%
State Appropriations	231,887,101	220,079,364	5.4%
Local Appropriations	4,928,043	4,991,119	-1.3%
Land & Perm Fund	7,132,092	5,967,911	19.5%
Gifts, Grants & Contracts	279,037,054	274,090,523	1.8%
Indirect Cost Recovery	31,927,438	31,816,284	0.3%
Sales & Services	296,078,785	265,576,020	11.5%
Other	31,204,625	25,821,833	20.8%
Total Revenue	\$ 1,055,971,066	\$ 1,006,485,639	4.9%
BEGINNING BALANCE	152,420,432	165,120,220	-7.7%
TOTAL AVAILABLE	1,208,391,498	1,171,605,859	3.1%
EXPENDITURES			
Instruction	\$ 215,394,340	\$ 205,858,600	4.6%
Student Social & Cultural	6,771,255	5,890,851	14.9%
Research	150,653,794	148,970,608	1.1%
Public Service	253,214,987	235,135,163	7.7%
Academic Support	41,563,529	38,667,299	7.5%
Student Services	21,603,689	21,275,272	1.5%
Institutional Support	49,882,355	44,408,861	12.3%
Operations and maintenance of plant	37,172,689	36,654,386	1.4%
Student Aid	117,891,410	125,031,768	-5.7%
Auxiliary Enterprises	41,042,784	37,694,767	8.9%
Intercollegiate Athletics	26,904,129	26,383,710	2.0%
Independent Operations (clinical)	37,804,228	38,014,646	-0.6%
Total Expenditures	\$ 999,899,189	\$ 963,985,931	3.7%
Net Transfers	36,934,444	32,405,789	14.0%
TOTAL EXPENDITURES & TRANSFERS	\$ 1,036,833,633	\$ 996,391,720	4.1%
ENDING FUND BALANCE	\$ 171,557,865	\$ 175,214,139	-2.1%

Plant Funds	FY 2014-2015 Actuals as of March 31, 2015	FY 2013-2014 Actuals as of March 31, 2014	% Variance Increase/ (Decrease)
REVENUES AND TRANSFERS			
Student Fees	\$ 14,388,000	\$ 14,388,000	0.0%
UNM Bond Proceeds	524,823	-	N/A
Gifts, Grants and Contracts	318,300	683,539	-53.4%
Interest Income	1,457,633	1,336,394	9.1%
State Bonds	10,639,672	5,061,646	110.2%
Land, Bldg and Equipment Rent	2,206,399	2,831,325	-22.1%
Other	2,247,293	2,015,676	11.5%
Total Revenues	\$ 31,782,120	\$ 26,316,580	20.8%
Plant Transfers	36,934,444	32,405,789	14.0%
Total Revenues and Transfers	\$ 68,716,564	\$ 58,722,369	17.0%
BEGINNING BALANCE	172,731,963	157,981,669	9.3%
TOTAL AVAILABLE	241,448,527	216,704,038	11.4%
EXPENDITURES			
Capital Projects	\$ 36,168,256	\$ 30,133,133	20.0%
Building Renewal	14,401,240	15,826,829	-9.0%
Equipment Renewal	1,118,580	1,230,197	-9.1%
Auxiliary and Internal Service Renewal/Replacement	1,665,304	1,498,917	11.1%
Debt Retirement	19,981,499	14,539,389	37.4%
Total Expenditures	\$ 73,334,879	\$ 63,228,465	16.0%
ENDING FUND BALANCE	\$ 168,113,648	\$ 153,475,573	9.5%
CURRENT OPERATING & PLANT FUNDS	14,519,118	5,587,823	

The University of New Mexico

Statement of Net Assets (Unaudited and Unadjusted) As of March 31, 2015

Assets

Current assets

Cash and cash equivalents	\$ 52,651,419
Short term investments	287,116,283
Accounts receivable, net	61,066,464
Patient receivables, net	1,086,524
Notes receivable, net	2,523,140
Due from related parties	79,924,204
Inventories	7,948,120
Other Receivables	1,211,619
Prepaid expenses and other assets	10,018,040
Total current assets	\$ 503,545,813

Noncurrent assets

Notes receivable - noncurrent	\$ 9,725,578
State Investment Council	207,068,445
Investments	428,858,064
Derivative instruments-interest rate swaps overlay note	1,905,994
Due From Component Units	26,520,098
Other noncurrent assets	1,295,446
Endowed fine art	6,008,807
Capital assets, net	927,865,935
Total noncurrent assets	\$ 1,609,248,367

Total Assets

2,112,794,180

Deferred Outflow of Resources

Deferred outflow of resources-interest rate swaps	\$ 10,581,948
Loss on defeased	1,235,212
Total deferred flow of resources	<u>11,817,160</u>

Liabilities

Current liabilities

Accounts payable	\$ 66,691,387
Accrued compensated absences	28,099,876
Other accrued liabilities	19,228,968
Unearned revenue	20,045,724
Bonds payable - current	14,352,934
Deposits and funds held for others	11,591,352
Due to fiduciary fund	1,007,754
Due to Component Units	1,909,426
Total current liabilities	\$ 162,927,421

Noncurrent liabilities

Bonds payable - noncurrent	\$ 390,972,043
Equipment loaned to UNM	3,613,967
Due to component units	191,419,869
Student loan program	12,400,610
OPEB Obligation	26,636,000
Derivative instruments-interest rate swaps	10,581,948
Deferred annuities payable	225,645
Total noncurrent liabilities	\$ 635,850,082

Total Liabilities

798,777,503

Net Assets

Invested in Capital Assets, net of Related Debt	\$ 542,260,516
Restricted for:	
Nonexpendable:	

Scholarships	119,404,531
State Investment Council	207,068,445
Grants, bequests and contributions	6,008,807

Expendable:

Scholarships and other	2,720,350
Grants, bequests and contributions	4,078,998
Capital Projects	6,782,118
Debt Service	17,049,164

Unrestricted	405,941,790
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Year-to-date change in net assets	14,519,118
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Total Net Assets

\$ 1,325,833,837

The University of New Mexico

Cash Flow

(Unaudited and Unadjusted)

For the nine months ended March 31, 2015

Cash flow from operating activities:

Payments from tuition and fees	\$ 175,150,763
Payments from grants and contracts	307,471,276
Payments from insurance and patients	215,357,334
Payments to suppliers	(264,931,200)
Payments for utilities	(15,125,288)
Payments to employees	(498,733,344)
Payments for benefits	(151,505,467)
Payments for scholarships and fellowships	(123,735,055)
Loans issued/collected to students and employees	7,119,947
Payments from sales and services	74,696,677
Other receipts	35,005,012
Net cash used by operating activities	\$ <u>(239,229,345)</u>

Cash flow from noncapital financing activities:

State appropriations	\$ 231,981,316
Local appropriations	4,928,043
Other non operating payments	(13,729,988)
Net cash provided by noncapital financing activities	\$ <u>223,179,371</u>

Cash flow from capital financing activities:

Interest pmts on bonds	\$ (11,988,167)
Capital appropriations	1,376,941
Local bonds	10,639,672
Capital Asset activity, net	(1,718,389)
Other receipts	3,275,959
Net cash used by capital financing activities	\$ <u>1,586,016</u>

Cash flow from investing activities:

Proceeds from sale & maturity of investments	\$ 268,609,103
Purchase of investments	(281,454,068)
Investment income	(3,998,169)
Net cash used by investing activities	\$ <u>(16,843,134)</u>

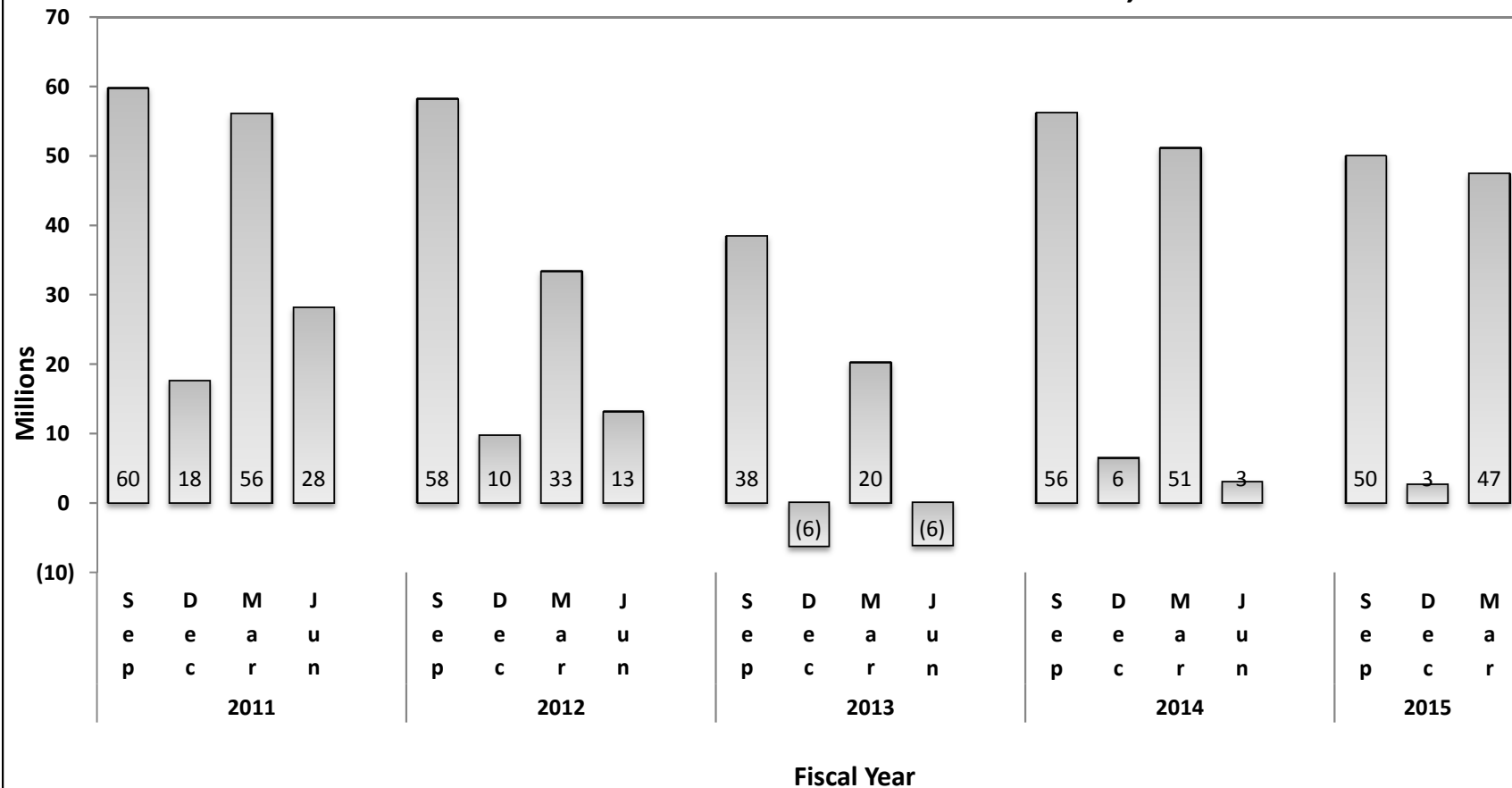
Net decrease from cash and cash equivalents

	\$ (31,307,092)
Cash and cash equivalents at beginning of year	<u>83,958,511</u>
Cash and cash equivalents end of the third quarter	<u>\$ 52,651,419</u>



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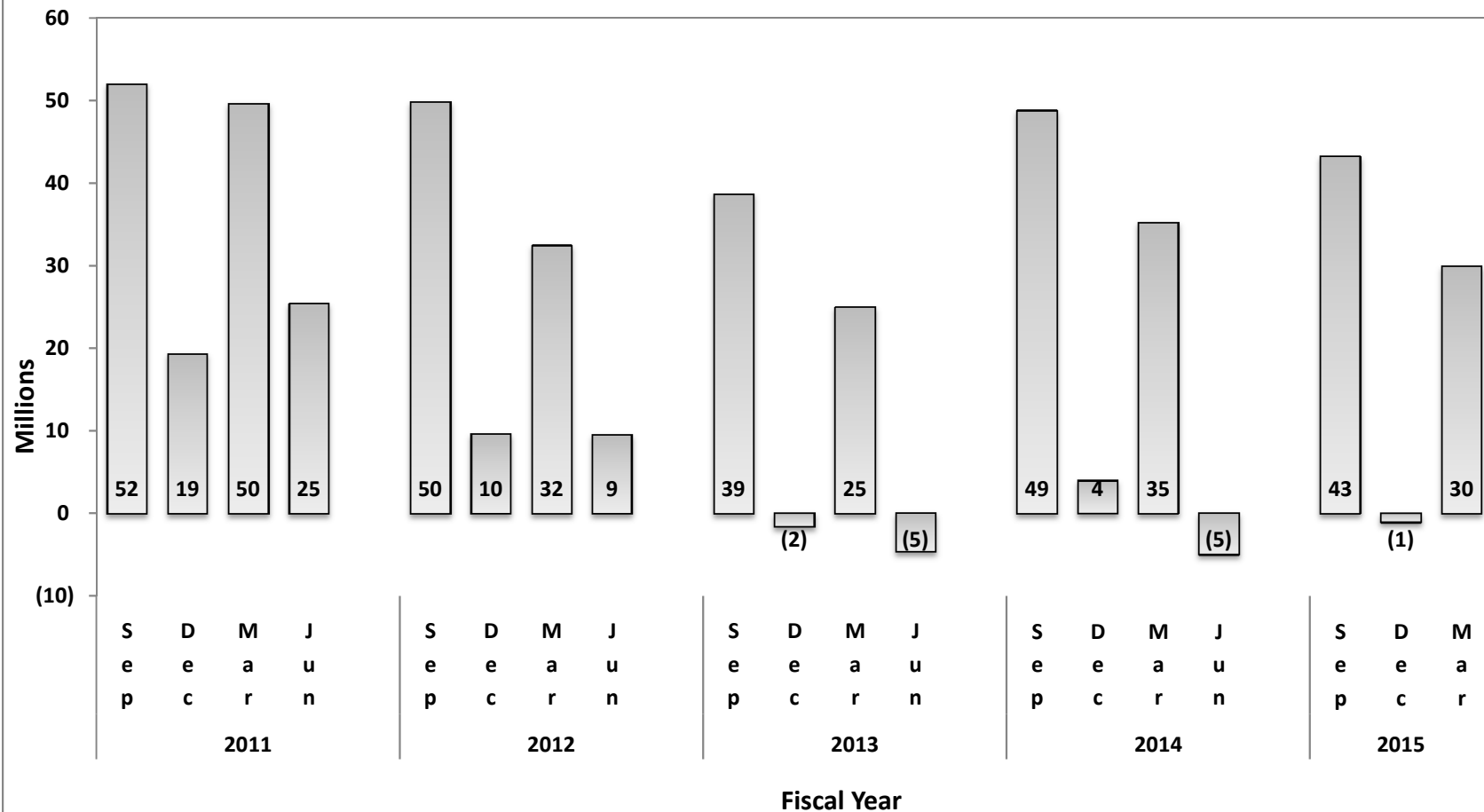
CONSOLIDATED Total Operations - 5 Year Net Revenue / (Expense) Fiscal Year to Date as of March 31, 2015





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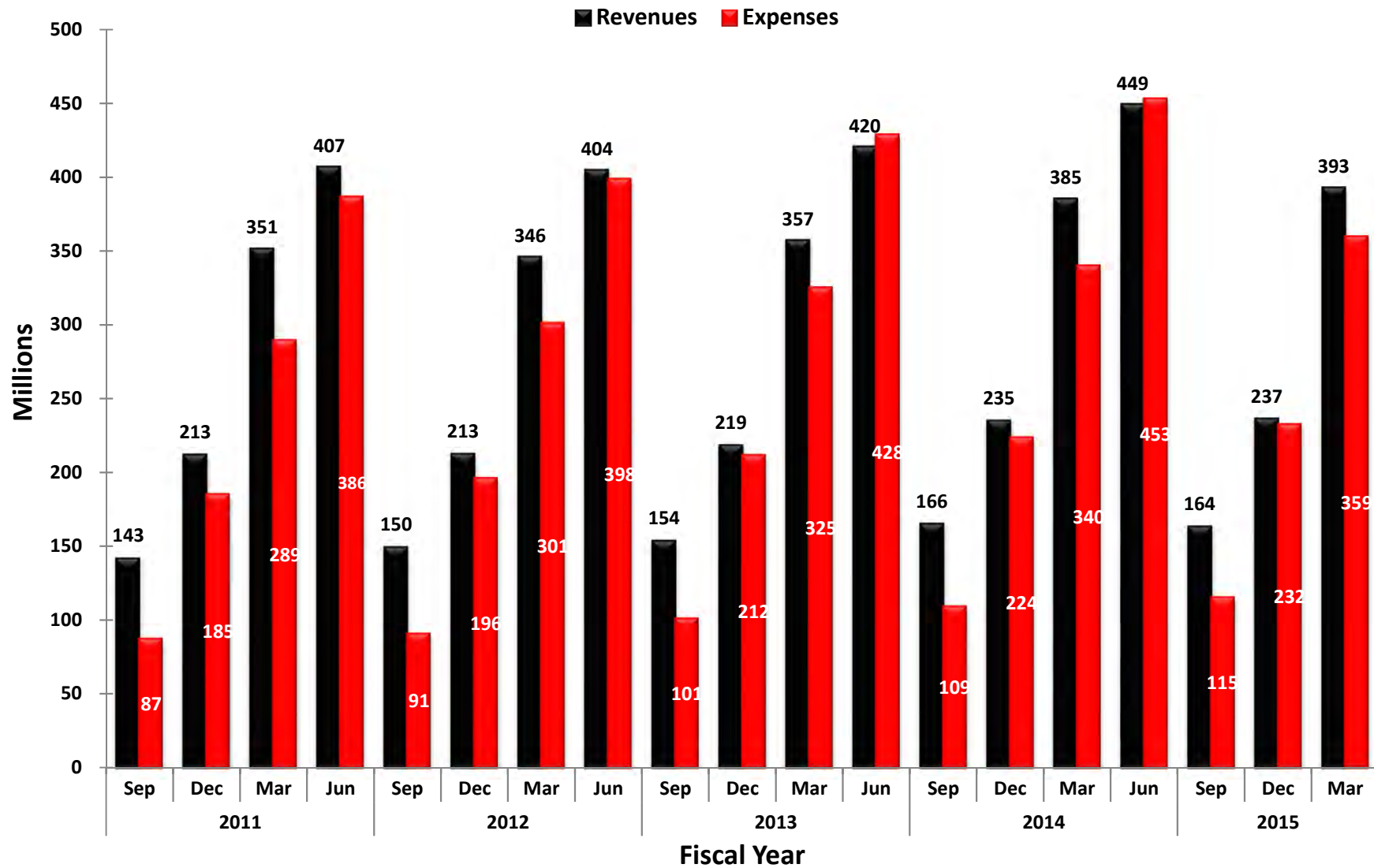
MAIN CAMPUS Operations - 5 Year Net Revenue / (Expense) Fiscal Year to Date as of March 31, 2015





YTD I&G Consolidated Revenues / Expenses (5 Year)

Fiscal Year to Date as of March 31, 2015



Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2015
Preliminary and Unaudited

University of New Mexico - Consolidated Total Operations Current Funds

	FY 2015 Full Year Operating Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2014 Year-to-Date Actual	FY 2015 YTD Actual Change From FY 2014 YTD Actual
Instruction and General						
Tuition and Fees Revenues						
Main Campus	148,853,887	144,197,662	(4,656,225)	97%	154,836,761	(10,639,099)
Branch Campuses	8,121,795	7,058,891	(1,062,904)	87%	7,963,223	(904,332)
HSC Campus	15,097,082	14,907,066	(190,016)	99%	14,328,875	578,191
Total Tuition and Fees Revenues	172,072,764	166,163,619	(5,909,145)	97%	177,128,859	(10,965,240)
State/Local Appropriations	283,183,490	212,387,617	(70,795,873)	75%	203,418,456	8,969,161
F & A Revenues	44,500,000	31,696,595	(12,803,405)	71%	31,582,082	114,513
Transfers	(50,797,449)	(41,440,065)	9,357,384	82%	(44,324,871)	2,884,806
Other Revenues	26,736,438	23,833,129	(2,903,309)	89%	17,241,034	6,592,095
Total Instruction and General Revenues	475,695,243	392,640,895	(83,054,348)	83%	385,045,560	7,595,335
Salaries	291,539,809	220,683,088	70,856,721	76%	212,400,308	(8,282,780)
Benefits	97,105,187	71,740,439	25,364,748	74%	66,579,986	(5,160,453)
Other Expenses	98,624,260	67,056,337	31,567,923	68%	60,814,221	(6,242,116)
Total Instruction and General Expenses	487,269,256	359,479,864	127,789,392	74%	339,794,514	(19,685,350)
Net Instruction and General Revenue/(Expense)	(11,574,013)	33,161,031	44,735,044		45,251,046	(12,090,015)
Research						
State/Local Appropriations	11,723,413	8,698,601	(3,024,812)	74%	8,384,761	313,840
Transfers	28,347,597	14,970,585	(13,377,012)	53%	13,509,871	1,460,714
Other Revenues	4,361,301	2,457,767	(1,903,534)	56%	1,634,655	823,112
Total Research Revenues	44,432,311	26,126,953	(18,305,358)	59%	23,529,287	2,597,666
Salaries and Benefits	27,670,130	17,638,901	10,031,229	64%	17,426,289	(212,612)
Other Expenses	23,786,310	12,649,674	11,136,636	53%	12,413,035	(236,639)
Total Research Expenses	51,456,440	30,288,575	21,167,865	59%	29,839,324	(449,251)
Net Research Revenue/(Expense)	(7,024,129)	(4,161,622)	2,862,507		(6,310,037)	2,148,415
Public Service						
State/Local Appropriations	4,590,850	3,443,138	(1,147,712)	75%	2,751,255	691,883
Sales and Services Revenues	17,420,898	13,168,547	(4,252,351)	76%	11,109,988	2,058,559
Gifts	8,539,427	8,654,206	114,779	101%	8,588,568	65,638
Transfers	3,622,213	898,450	(2,723,763)	25%	1,645,480	(747,030)
Other Revenues	6,787,094	5,794,351	(992,743)	85%	4,909,917	884,434
Total Public Service Revenues	40,960,482	31,958,692	(9,001,790)	78%	29,005,207	2,953,485
Salaries and Benefits	22,441,323	16,423,728	6,017,595	73%	15,659,205	(764,523)
Other Expenses	22,461,658	15,047,660	7,413,998	67%	13,491,103	(1,556,557)
Total Public Service Expenses	44,902,981	31,471,388	13,431,593	70%	29,150,308	(2,321,080)
Net Public Service Revenue/(Expense)	(3,942,499)	487,304	4,429,803		(145,101)	632,405

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2015
Preliminary and Unaudited

University of New Mexico - Consolidated Total Operations Current Funds

	FY 2015 Full Year Operating Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2014 Year-to-Date Actual	FY 2015 YTD Actual Change From FY 2014 YTD Actual
Student Aid						
Gifts	4,931,580	5,338,219	406,639	108%	4,456,671	881,548
State Lottery Scholarship	37,485,948	37,485,948	-	100%	37,485,948	-
Transfers	17,906,429	14,677,321	(3,229,108)	82%	12,513,316	2,164,005
Other Revenues	1,068,509	511,758	(556,751)	48%	1,183,521	(671,763)
Total Student Aid Revenues	61,392,466	58,013,246	(3,379,220)	94%	55,639,456	2,373,790
Salaries and Benefits	4,178,303	3,510,694	667,609	84%	3,599,195	88,501
Other Expenses	62,846,870	54,471,809	8,375,061	87%	58,158,704	3,686,895
Total Student Aid Expenses	67,025,173	57,982,503	9,042,670	87%	61,757,899	3,775,396
Net Student Aid Revenue/(Expense)	(5,632,707)	30,743	5,663,450		(6,118,443)	6,149,186
Student Social & Cultural Programs						
Fee Revenues	8,237,848	7,404,380	(833,468)	90%	5,559,900	1,844,480
Sales and Services Revenues	1,490,154	1,340,098	(150,056)	90%	1,314,369	25,729
Transfers	(669,528)	(892,805)	(223,277)	133%	355,574	(1,248,379)
Other Revenues	169,985	142,618	(27,367)	84%	85,631	56,987
Total Student Social & Cultural Programs Revenues	9,228,459	7,994,291	(1,234,168)	87%	7,315,474	678,817
Salaries and Benefits	4,499,398	3,366,862	1,132,536	75%	3,233,551	(133,311)
Other Expenses	4,902,249	3,481,514	1,420,735	71%	2,721,104	(760,410)
Total Student Social & Cultural Programs Expenses	9,401,647	6,848,376	2,553,271	73%	5,954,654	(893,722)
Net Student Social & Cultural Programs Revenue/(Expense)	(173,188)	1,145,915	1,319,103		1,360,819	(214,904)
Auxiliaries and Athletics						
Branch Campuses Auxiliary Revenues	2,484,467	1,746,843	(737,624)	70%	1,961,318	(214,475)
Main Campus Auxiliaries Revenues	54,242,922	48,404,819	(5,838,103)	89%	45,244,163	3,160,656
Athletics Revenues	33,034,361	27,653,853	(5,380,508)	84%	27,192,665	461,188
Total Auxiliaries and Athletics Revenues	89,761,750	77,805,515	(11,956,235)	87%	74,398,146	3,407,369
Branch Campuses Auxiliary Expenses	2,736,566	2,164,059	572,507	79%	1,670,252	(493,807)
Main Campus Auxiliaries Expenses	54,642,339	41,485,619	13,156,720	76%	38,028,491	(3,457,128)
Athletics Expenses	33,063,511	27,840,027	5,223,484	84%	27,278,316	(561,711)
Total Auxiliaries and Athletics Expenses	90,442,416	71,489,705	18,952,711	79%	66,977,060	(4,512,645)
Net Auxiliaries and Athletics Revenue/(Expense)	(680,666)	6,315,810	6,996,476		7,421,086	(1,105,276)

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2015
Preliminary and Unaudited

University of New Mexico - Consolidated Total Operations Current Funds

	FY 2015 Full Year Operating Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2014 Year-to-Date Actual	FY 2015 YTD Actual Change From FY 2014 YTD Actual
Sponsored Programs						
Federal Grants and Contracts Revenues	237,585,063	191,184,613	(46,400,450)	80%	188,841,889	2,342,724
State and Local Grants and Contracts Revenues	30,886,348	21,718,755	(9,167,593)	70%	21,226,980	491,775
Non-Governmental Grants and Contracts Revenues	32,387,918	26,529,029	(5,858,889)	82%	23,983,570	2,545,459
Gifts	-	67,183	67,183	N/A	193,741	(126,558)
Transfers	5,110,313	1,820,440	(3,289,873)	36%	3,337,750	(1,517,310)
Other Revenues	4,000	-	(4,000)	0%	-	-
Total Sponsored Programs Revenues	305,973,642	241,320,020	(64,653,622)	79%	237,583,929	3,736,091
Salaries and Benefits	139,054,266	100,637,814	38,416,452	72%	98,674,550	(1,963,264)
Other Expenses	166,919,376	140,682,206	26,237,170	84%	138,909,379	(1,772,827)
Total Sponsored Programs Expenses	305,973,642	241,320,020	64,653,622	79%	237,583,929	(3,736,091)
Net Sponsored Programs Revenue/(Expense)	-	-	-		-	-
Clinical Operations						
State/Local Appropriations	26,204,400	19,653,301	(6,551,099)	75%	18,841,859	811,442
Physician Professional Fee Revenues	122,952,580	91,796,649	(31,155,931)	75%	76,226,867	15,569,782
Hospital Facility Revenues	836,612,594	629,368,866	(207,243,728)	75%	505,776,729	123,592,137
Other Patient Revenues, net of Allowance	125,977,953	93,531,485	(32,446,468)	74%	87,184,235	6,347,250
Mil Levy	92,780,043	69,585,033	(23,195,010)	75%	68,727,860	857,173
Investment Income	13,274,528	10,029,004	(3,245,524)	76%	40,734,862	(30,705,858)
Gifts	4,021,645	2,805,088	(1,216,557)	70%	3,280,166	(475,078)
Housestaff Revenues	33,949,203	25,211,524	(8,737,679)	74%	26,108,943	(897,419)
Other Revenues	19,932,419	12,244,209	(7,688,210)	61%	20,195,196	(7,950,987)
Total Clinical Operations Revenues	1,275,705,365	954,225,159	(321,480,206)	75%	847,076,717	107,148,442
Salaries and Benefits	663,472,826	494,749,693	168,723,133	75%	461,794,297	(32,955,396)
Interest Expense	8,048,135	6,028,856	2,019,279	75%	6,195,770	166,914
Housestaff Expenses	33,947,881	25,602,338	8,345,543	75%	25,805,116	202,778
Other Expenses	561,445,745	417,382,378	144,063,367	74%	343,662,093	(73,720,285)
Total Clinical Operations Expenses	1,266,914,587	943,763,265	323,151,322	74%	837,457,276	(106,305,989)
Net Clinical Operations Revenue/(Expense)	8,790,778	10,461,894	1,671,116		9,619,441	842,453
Contingencies						
Total Contingency Revenues	(4,280,167)	-	4,280,167	0%	-	-
Total Contingency Expenses	1,963,050	-	(1,963,050)	0%	-	-
Net Contingencies Revenue/(Expense)	(6,243,217)	-	6,243,217		-	-
Net Current Revenue/(Expense)	(26,479,641)	47,441,075	73,920,716		51,078,812	(3,637,737)

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2015
Preliminary and Unaudited

University of New Mexico - Main Campus Athletics & Auxiliary Operations

	FY 2015 Full Year Operating Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2014 Year-to-Date Actual	FY 2015 YTD Actual Change From FY 2014 YTD Actual
Results of Athletics Operations:						
Athletics Revenues	36,421,474	30,394,065	(6,027,409)	83%	29,810,257	583,808
Athletics Transfers	(3,387,113)	(2,740,212)	646,901	81%	(2,617,593)	(122,619)
Total Athletics Revenues	33,034,361	27,653,853	(5,380,508)	84%	27,192,665	461,188
Athletics Expenses						
Salaries and Benefits	14,261,987	11,448,388	2,813,599	80%	11,018,041	(430,347)
Grant-in-Aid	4,095,878	3,972,185	123,693	97%	3,702,862	(269,323)
Other Expenses	14,705,646	12,419,454	2,286,192	84%	12,557,414	137,960
Total Athletics Expenses	33,063,511	27,840,027	5,223,484	84%	27,278,316	(561,711)
Total Net Athletics Revenue/(Expense)	(29,150)	(186,174)	(157,024)		(85,652)	(100,522)
Results of Auxiliary Operations:						
VP for Institutional Support Services						
Bookstore Revenues	15,474,125	13,107,606	(2,366,519)	85%	14,395,269	(1,287,663)
Bookstore Transfers	(453,860)	(262,500)	191,360	58%	(262,500)	0
Total Bookstore Revenues	15,020,265	12,845,106	(2,175,159)	86%	14,132,769	(1,287,663)
Total Bookstore Expenses	15,020,265	12,225,147	2,795,118	81%	12,937,116	711,969
Net Bookstore Revenue/(Expense)	-	619,959	619,959		1,195,653	(575,694)
Faculty & Staff Club Revenues	86,200	70,245	(15,955)	81%	70,865	(620)
Faculty & Staff Club Expenses	86,200	43,139	43,061	50%	52,589	9,450
Net Faculty & Staff Club Revenue/(Expense)	-	27,106	27,106		18,276	8,830
Food Service/Dining Revenues	3,322,800	2,216,921	(1,105,879)	67%	2,673,634	(456,713)
Food Service/Dining Transfers	(569,820)	(537,525)	32,295	94%	(316,592)	(220,933)
Total Food Service/Dining Revenues	2,752,980	1,679,396	(1,073,584)	61%	2,357,042	(677,646)
Total Food Service/Dining Expenses	2,752,980	1,282,442	1,470,538	47%	1,775,030	492,588
Net Food Service/Dining Revenue/(Expense)	-	396,954	396,954		582,012	(185,058)
Golf Courses Revenues	2,465,517	1,492,555	(972,962)	61%	1,426,514	66,041
Golf Courses Transfers	(39,252)	(73,539)	(34,287)	187%	(29,127)	(44,412)
Total Golf Courses Revenues	2,426,265	1,419,016	(1,007,249)	58%	1,397,387	21,629
Total Golf Courses Expenses	2,426,265	1,663,042	763,223	69%	1,661,405	(1,637)
Net Golf Courses Revenue/(Expense)	-	(244,026)	(244,026)		(264,019)	19,993
Housing	10,914,786	11,022,414	107,628	101%	11,583,219	(560,805)
Housing Transfers	(2,935,134)	(2,441,044)	494,090	83%	(3,100,680)	659,636
Total Housing Revenues	7,979,652	8,581,370	601,718	108%	8,482,539	98,831
Total Housing Expense	7,979,652	6,035,757	1,943,895	76%	5,551,529	(484,228)
Net Housing Revenue/(Expense)	-	2,545,613	2,545,613		2,931,010	(385,397)
Other	1,000,733	1,165,000	164,267	116%	(120,000)	1,285,000
Other Transfers	(1,500,000)	(1,040,000)	460,000	69%	-	(1,040,000)
Total Other Revenues	(499,267)	125,000	624,267	-25%	(120,000)	245,000
Total Other Expense	150	-	150	0%	7,901	7,901
Net Other Revenue/(Expense)	(499,417)	125,000	624,417		(127,901)	252,901

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2015
Preliminary and Unaudited

University of New Mexico - Main Campus Athletics & Auxiliary Operations

	FY 2015 Full Year Operating Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2014 Year-to-Date Actual	FY 2015 YTD Actual Change From FY 2014 YTD Actual
Parking and Transportation Revenues	8,618,293	7,160,783	(1,457,510)	83%	7,433,402	(272,619)
Parking and Trans Transfers	(2,363,987)	(1,446,680)	917,307	61%	(1,413,617)	(33,063)
Total Parking and Trans Revenues	6,254,306	5,714,103	(540,203)	91%	6,019,785	(305,682)
Total Parking and Trans Expenses	6,254,306	4,400,274	1,854,032	70%	4,094,135	(306,139)
Net Parking and Trans Revenue/(Expense)	-	1,313,829	1,313,829		1,925,649	(611,820)
Popejoy Events Revenues	7,674,664	6,905,686	(768,978)	90%	2,977,635	3,928,051
Popejoy Events Transfers	163,233	143,233	(20,000)	88%	149,730	(6,497)
Total Popejoy Events Revenues	7,837,897	7,048,919	(788,978)	90%	3,127,365	3,921,554
Total Popejoy Events Expenses	7,737,897	6,613,992	1,123,905	85%	2,769,334	(3,844,658)
Net Popejoy Events Revenue/(Expense)	100,000	434,927	334,927		358,031	76,896
Taos & Lawrence Ranch Revenues	51,873	74,049	22,176	143%	-	74,049
Taos & Lawrence Ranch Expenses	51,873	31,423	20,450	61%	28,414	(3,009)
Net Taos & Lawrence Ranch Revenue/(Expense)	-	42,626	42,626		(28,414)	71,040
Ticketing Services Revenues	956,023	871,540	(84,483)	91%	795,042	76,498
Ticketing Services Transfers	74,595	74,595	-	100%	75,348	(753)
Total Ticketing Services Revenues	1,030,618	946,135	(84,483)	92%	870,390	75,745
Total Ticketing Services Expenses	1,030,618	759,466	271,152	74%	713,695	(45,771)
Net Ticketing Services Revenue/(Expense)	-	186,669	186,669		156,695	29,974
Total VP for Institutional Support Services Revenues	42,940,789	38,503,339	(4,437,450)	90%	36,338,140	2,165,199
Total VP for Institutional Support Services Expenses	43,340,206	33,054,682	10,285,524	76%	29,591,149	(3,463,533)
Net VP for Institutional Support Services Revenue/(Expense)	(399,417)	5,448,657	5,848,074		6,746,992	(1,298,335)
VP for Student Affairs						
Lobo Cash Revenues	51,064	75,629	24,565	148%	34,941	40,688
Lobo Cash Expenses	51,064	118,230	67,166	232%	50,420	(67,810)
Net Lobo Cash Revenue/(Expense)	-	(42,601)	(42,601)		(15,479)	(27,122)
Student Health Center Revenues	7,718,432	6,884,317	(834,115)	89%	6,406,828	477,489
Student Health Center Expenses	7,718,432	5,849,112	1,869,320	76%	5,858,335	9,223
Net Student Health Center Revenue/(Expense)	-	1,035,205	1,035,205		548,493	486,712
Student Union Revenues	3,266,124	2,779,134	(486,990)	85%	2,251,286	527,848
Student Union Expenses	3,266,124	2,291,618	974,506	70%	2,344,044	52,426
Net Student Union Revenue/(Expense)	-	487,516	487,516		(92,758)	580,274
Total VP for Student Affairs Revenues	11,035,620	9,739,080	(1,296,540)	88%	8,693,055	1,046,025
Total VP for Student Affairs Expenses	11,035,620	8,258,960	2,910,992	75%	8,252,799	(6,161)
Net VP for Student Affairs Revenue/(Expense)	-	1,480,120	1,480,120		440,257	1,039,863

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2015
Preliminary and Unaudited

University of New Mexico - Main Campus Athletics & Auxiliary Operations

	FY 2015 Full Year Operating Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2014 Year-to-Date Actual	FY 2015 YTD Actual Change From FY 2014 YTD Actual
Provost and Other Units						
Art Museum Revenues	5,500	2,828	(2,672)	51%	2,051	777
Art Museum Expenses	5,500	188	5,312	3%	4,888	4,700
Net Art Museum Revenue/(Expense)	-	2,640	2,640		(2,837)	5,477
CE Conference Ctr Revenues	223,488	174,680	(48,808)	78%	148,107	26,573
CE Conference Ctr Transfers	(57,475)	(39,900)	17,575	69%	(12,529)	(27,371)
Total CE Conference Ctr Revenues	166,013	134,780	(31,233)	81%	135,578	(798)
Total CE Conference Ctr Expenses	166,013	116,476	49,537	70%	130,242	13,766
Net CE Conference Ctr Revenue/(Expense)	-	18,304	18,304		5,336	12,968
Maxwell Museum Revenues	40,000	40,255	255	101%	35,712	4,543
Maxwell Museum Expenses	40,000	12,491	27,509	31%	13,926	1,435
Net Maxwell Museum Revenue/(Expense)	-	27,764	27,764		21,786	5,978
Other Revenues	55,000	(15,463)	(70,463)	-28%	39,626	(55,089)
Other Expenses	55,000	42,822	12,178	78%	35,487	(7,335)
Net Other Revenue/(Expense)	-	(58,285)	(58,285)		4,139	(62,424)
Total Provost and Other Units Revenues	266,513	162,400	(104,113)	61%	212,967	(50,567)
Total Provost and Other Units Expenses	266,513	171,977	94,536	65%	184,543	12,566
Net Provost and Other Units Revenue/(Expense)	-	(9,577)	(9,577)		28,424	(38,001)
Auxiliary Totals						
Total Auxiliary Revenues	54,242,922	48,404,819	(5,838,103)	89%	45,244,163	3,160,656
Total Auxiliary Expenses	54,642,339	41,485,619	13,156,720	76%	38,028,491	(3,457,128)
Net Auxiliary Revenue/(Expense)	(399,417)	6,919,200	7,318,617		7,215,672	(296,472)
Net Athletics Revenue/(Expense)	(29,150)	(186,174)	(157,024)		(85,652)	(100,522)
Net Auxiliary and Athletics Revenue/(Expense)	(428,567)	6,733,026	7,161,593		7,130,020	(396,994)
Net Branch Campuses Aux Revenue/(Expense)	(252,099)	(417,216)	(165,117)		291,066	(708,282)
Net All Auxiliary and Athletics Revenue/(Expense)	(680,666)	6,315,810	6,996,476		7,421,086	(1,105,276)

Executive Budget Summary

University of New Mexico Consolidated Financial Report

FY 2015 UNM Operating Budget

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

Instruction and General operations projects a use of reserves of \$11.6M for the FY 2015 UNM Operating Budget. The use of reserves of \$9.6M is comprised of \$9.6M use of reserves at the Main Campus, a \$1.7M use of reserves at the Branch Campuses, and a 255K use of reserves at the HSC Campus. The \$9.6M use of reserves at Main Campus is primarily due to \$1.5M of one-time monies funding the I&G budget, \$432K SFRB one-time use of mandatory student fee reserves and Provost Academic Affairs budgeting \$6.9M of reserves. Within Provost Academic Affairs, Provost Administrative Units, College of Arts and Sciences and Extended University departments budgeted the largest use of reserves.

The next block of information shows our **Unrestricted Research** operations. The FY 2015 UNM Operating Budget shows a use of reserves of \$7.0M, of which a \$3.9M use of reserves is related to Main Campus and a \$3.2M use of reserves is related to HSC Campus. The \$3.9M use of reserves at Main Campus is primarily due to Provost Academic Affairs' departments budgeting reserves. The departments that budgeted the largest use of reserves are, Provost Administrative Units, College of Arts and Sciences, College of Education, School of Engineering, and VP Research & Economic Development. At the HSC Campus approximately \$737K of reserve balances were budgeted by the SOM to support research initiatives. The College of Pharmacy budgeted \$936K for faculty start-up funding, research development and lab support and professional development. The College of Nursing budgeted \$141K for institutional support costs. The HSC VP of Research budgeted \$442K of reserves for consulting services, inter-institution pilots, mini-sabbaticals and a new CTSC scholar and the accompanying start-up package. Additionally, at the HSC \$844K is budgeted for backfill renovations for spaces vacated by units moving to 1650 University during FY 2015.

The third business category shown on the first page of this report is **Unrestricted Public Service**. The operations in this category include special projects funded by State Appropriations, for example Project ECHO, and non-endowed gifts flowing from the UNM Foundation to departments and many small events funded by user fees. The FY 2015 UNM Operating Budget shows a use of reserves of \$3.9M. These reserves are comprised of \$2.8M use of reserves at the Main Campus and Branch Campuses and a use of reserves in the amount of \$1.1M at the HSC Campus. The \$2.8M use of reserves at the Main and Branch Campuses is primarily due to Provost Academic Affairs' departments budgeting reserves. The departments budgeting the largest use of reserves are: Provost Administrative Units, College of Fine Arts, College of Arts and Sciences, College of Education, School of Engineering, School of Law, School of Architecture Planning, University Libraries, and VP Research & Economic Development.

Page 2 of this report begins with the **Student Aid** function. The FY 2015 UNM Operating Budget projects a use of reserves of \$5.6M. These reserves are comprised of a \$4.7M use of reserves at the Main and Branch Campuses and a use of reserves of \$957K at the HSC Campus. The budgeted use of reserves at Main Campus is primarily due to Provost Academic Affairs' departments budgeting reserves in endowed spending indices for the payout of major and departmental scholarships in the new fiscal year. Those departments include: Provost Administrative Units, VP Division of Enrollment Management, College of Fine Arts, College of Education, and School of Law.

Student Activities are the operations of Student Government and Student organizations. The FY 2015 UNM Operating Budget shows a use of reserves of \$173K.

Auxiliaries and Athletics

The FY 2015 UNM Operating Budget for Auxiliaries and Athletics projected a use of reserves of \$681K. These reserves are primarily due to a combination of Athletics budgeting a \$29K use of reserves, VP-Institutional Support Services Debt Services budgeting a use of reserves of \$499K, and Popejoy budgeting a favorable net margin of \$100K. Branch Campuses budgeted a use of reserves of \$252K. *AVP Ops/Student Life, now called Food Service/Dining is included in the VP-Institutional Support Services in FY15. There is no AVP Ops/Student Life in VP-Student Affairs in FY15.*

Sponsored programs operations are our contract and grant research and public service projects funded by outside agencies and companies. These operations will always record a zero net revenue over expense by the nature of their funding. The agency pays for a service or research project, and normally any unspent funds must be returned to the agency.

The next block of numbers on the third page is a summary of our **Clinical Operations**. These operations are essentially all the patient care activities of the HSC Campus, including the UNM Hospitals, SOM physician professional services, Cancer Center operations and Housestaff/Medical Residents who are being trained in the UNM and VA hospitals. The FY 2015 UNM Operating Budget projects a favorable net margin of \$8.8M. UNM Hospitals budgeted a favorable net margin of \$6.9M; the School of Medicine budgeted a favorable net margin of \$1.9M.

UNM Debt Service Schedule

As of March 31, 2015

*Includes Hospital Debt

UNM Bond Issue	Fixed or Variable Rate Issue	Original Issue Amount	Outstanding Principal Balance on June 30, 2014	Principal Payment due on June 1, 2015	Interest Payment paid on December 1, 2014	Interest Payment due on June 1, 2015	FY 2015 Principal & Interest
Sub Lien System Imp Revenue Bonds ⁽¹⁾ Series 2014 A: Interest Range 3.0% to 5.0% Final Maturity Year 2033	Fixed Rate	\$10,980,000	\$0 Refunding 11/12/14	\$1,265,000	\$0	\$246,649	\$1,511,649
Sub Lien System Rfdg Revenue Bonds ⁽¹⁾ Series 2014 B: Interest Range 0.496% to 3.280% Final Maturity Year 2024	Fixed Rate	\$3,710,000	\$0 Refunding 11/12/14	\$345,000	\$0	\$44,302	\$389,302
Sub Lien System Rfdg Revenue Bonds ⁽¹⁾ Series 2014 C: Interest Range 1.5% to 5.0% Final Maturity Year 2035	Fixed Rate	\$100,085,000	\$0 Refunding 12/02/14	\$2,470,000	\$0	\$2,445,239	\$4,915,239
Sub Lien System Imp Revenue Bonds ⁽³⁾ Series 2012: Interest Range 2.0% to 5.0% Final Maturity Year 2032	Fixed Rate	\$35,215,000	\$31,890,000	\$1,345,000	\$749,700	\$749,700	\$2,844,400
Sub Lien System Imp Revenue Bonds Series 2007 A&B: Interest Range 4.096% to 5.302% Final Maturity Year 2036	Fixed Rate	\$136,710,000	\$129,780,000	\$1,915,000	\$3,242,812	\$3,242,812	\$8,400,624
⁽¹⁾ FHA Insured Hospital Mortgage Revenue Bonds Series 2004: Interest Range 2.0% to 5.0% Final Maturity Year 2031	Fixed Rate	\$192,250,000	\$159,420,000	\$5,495,000 (\$2,715,000 paid 7/1/2014) (\$2,780,000 due 1/2/2015)	\$3,843,575 (paid 1/2/2015)	\$3,908,150 (paid 7/1/2014)	\$13,246,725
Sub Lien Sys Rfdg Revenue Bonds ⁽²⁾ Series 2002 B: Variable Rate Demand Bonds - rates reset weekly Weekly rate as of June 30, 2014 was 0.05% Final Maturity Year 2026	Variable Rate	\$25,475,000	\$20,600,000	\$1,540,000	\$387,400	\$394,490	\$2,321,890
Sub Lien System Rfdg Revenue Bonds ⁽²⁾ Series 2002 C: Variable Rate Demand Bonds - rates reset weekly Weekly rate as of June 30, 2014 was 0.05% Final Maturity Year 2030	Variable Rate	\$37,840,000	\$34,315,000	\$910,000	\$664,090	\$676,006	\$2,250,096
Sub Lien System Imp Revenue Bonds ⁽²⁾ Series 2001: Variable Rate Demand Bonds - rates reset weekly Weekly rate as of June 30, 2014 was 0.07% Ceiling of 12% Final Maturity Year 2026	Variable Rate	\$52,625,000	\$33,190,000	\$2,170,000	\$350,657	\$663,800	\$3,184,457
System Revenue Bonds Series 2000 B: Interest Range 5.50% to 6.35% Final Maturity Year 2019	Fixed Rate	\$6,621,671	\$1,775,168	\$442,934	\$0	\$672,066	\$1,115,000
System Revenue Rfdg Bonds Series 1992 A: Interest Range 6.0% to 6.25% Final Maturity Year 2021	Fixed Rate	\$36,790,000	\$22,535,000	\$1,950,000	\$468,600	\$468,600	\$2,887,200
Grand Total		\$638,301,671	\$433,505,168	\$19,847,934	\$9,706,834	\$13,511,814	\$43,066,581

Note: See attached matrix for funding sources.

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

(2) Variable Rate bonds reflect the actual synthetically fixed interest rate that UNM pays.

It is noted that all ranges of interest rates and final maturity dates are reflective of Serial bonds.

(3) Series 2012 bonds refunded 2002A bonds,

(4) Series 2014A bonds refunded 2003A, 2003B bonds,

(5) Series 2014B bonds refunded 2003C bonds,

(6) Series 2014C bonds refunded 2005A bonds,

FY15 UNM Debt Service - Source of Funds

As of March 31, 2015

	Series 2014A	Series 2014B	Series 2014C	Series 2012	Series 2007A&B	Series 2004 (UNMH Bond)	Series 2002C	Series 2002B	Series 2001	Series 1992
Student Fees- Facility	X		X	X	X		X	X		X
Student Fees - IT			X	X						
Parking Services			X	X	X					X
UNM Hospital	X					X		X		X
Bookstore	X									X
Housing & Dining Services	X			X			X			
Building R&R	X							X		X
Real Estate Department	X	X			X			X		
Physical Plant Department			X	X	X			X	X	
Information Technologies			X	X						
Athletics					X					
KNME										X
Opto Bldg (CHTM Res Park)								X		
CRTC								X		
Continuing Education								X		
Golf Course - North & South							X			
HSC				X	X					
Interest on Reserve Funds	X						X	X		

Statements of Revenues, Expenses and Changes in Net Assets - UNM Regents Format
For the nine month period ended March 31, 2015
Preliminary and Unaudited

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

	FY 2015 Full Year Operating Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 67%
Instruction and General				
Instruction & General Appropriations	273,828,500	205,371,374	(68,457,126)	75%
State Special Project Appropriations	1,161,200	870,900	(290,300)	75%
Tobacco Settlement Appropriations	1,130,600	847,951	(282,649)	75%
Mill Levy	7,063,190	5,297,392	(1,765,798)	75%
Total Instruction and General Appropriations	<u>283,183,490</u>	<u>212,387,617</u>	<u>(70,795,873)</u>	<u>75%</u>
Research				
State Special Project Appropriations	6,795,050	5,096,288	(1,698,762)	75%
Tobacco Settlement Appropriations	979,800	734,850	(244,950)	75%
Cigarette Tax Appropriations	3,948,563	2,867,463	(1,081,100)	73%
Total Research Appropriations	<u>11,723,413</u>	<u>8,698,601</u>	<u>(3,024,812)</u>	<u>74%</u>
Public Service				
State Special Project Appropriations	4,590,850	3,443,138	(1,147,712)	75%
Total Public Service Appropriations	<u>4,590,850</u>	<u>3,443,138</u>	<u>(1,147,712)</u>	<u>75%</u>
Clinical Operations				
State Special Project Appropriations	25,352,700	19,014,526	(6,338,174)	75%
Tobacco Settlement Appropriations	851,700	638,775	(212,925)	75%
Total Clinical Operations Appropriations	<u>26,204,400</u>	<u>19,653,301</u>	<u>(6,551,099)</u>	<u>75%</u>

Statements of Revenues, Expenses and Changes in Net Assets - UNM Regents Format
For the nine month period ended March 31, 2015
Preliminary and Unaudited

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

	FY 2015 Full Year Revised Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 67%
Instruction and General				
Instruction & General Appropriations	189,217,900	141,913,425	(47,304,475)	75%
State Special Project Appropriations				
African American Student Services	72,700	54,525	(18,175)	75%
Disabled Student Services	191,900	143,925	(47,975)	75%
ENLACE	64,100	48,075	(16,025)	75%
Hispanic Student Center	158,100	118,575	(39,525)	75%
Minority Graduate Recruitment	118,600	88,950	(29,650)	75%
Native American Studies Intervention	356,400	267,300	(89,100)	75%
Pre-College Minority Student Math & Science	199,400	149,550	(49,850)	75%
Total State Special Project Appropriations	1,161,200	870,900	(290,300)	75%
Total Instruction and General Appropriations	190,379,100	142,784,325	(47,594,775)	75%
Research				
State Special Project Appropriations				
Center for Regional Studies (SW Research Ctr)	988,250	741,188	(247,062)	75%
Drought Study Consortium	99,700	74,775	(24,925)	75%
Manufacturing Engineering	561,900	421,425	(140,475)	75%
Morrisey Hall	47,600	35,700	(11,900)	75%
Resource Geographic Information System	66,300	49,725	(16,575)	75%
Utton Transboundary Resource Center	346,300	259,725	(86,575)	75%
Total State Special Project Appropriations	2,110,050	1,582,538	(527,512)	75%
Total Research Appropriations	2,110,050	1,582,538	(527,512)	75%
Public Service				
State Special Project Appropriations				
Bureau of Business Research (Census)	384,700	288,525	(96,175)	75%
College Prep Mentoring/School of Law	120,800	90,600	(30,200)	75%
College Preparatory Mentoring	171,500	128,625	(42,875)	75%
Corrine Wolfe Law Center/Child Abuse Training	171,900	128,925	(42,975)	75%
Family Development Program	518,600	388,950	(129,650)	75%
ISTEC	48,800	36,600	(12,200)	75%
Judicial Selection	23,000	17,250	(5,750)	75%
KNME-TV	1,177,300	882,975	(294,325)	75%
Land Grant Studies Program	131,800	98,850	(32,950)	75%
N. M. Historical Review	48,000	36,000	(12,000)	75%
Small Business Innovation & Research Outreach	224,400	168,300	(56,100)	75%
Southwest Indian Law Clinic	207,600	155,700	(51,900)	75%
Spanish Colonial Research Center (SW Research Ctr)	148,750	111,563	(37,187)	75%
Spanish Resource Center	41,800	31,350	(10,450)	75%
Substance Abuse Program	138,200	103,650	(34,550)	75%
Wildlife Law Education	96,400	72,300	(24,100)	75%
Total State Special Project Appropriations	3,653,550	2,740,163	(913,387)	75%
Total Public Service Appropriations	3,653,550	2,740,163	(913,387)	75%

Statements of Revenues, Expenses and Changes in Net Assets - UNM Regents Format
For the nine month period ended March 31, 2015
Preliminary and Unaudited

Detail of State/Local Appropriations

Branch Campuses - Total Operations Current Funds

	FY 2015 Full Year Revised Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 67%
Instruction and General				
Instruction & General Appropriations				
Gallup	9,481,500	7,111,125	(2,370,375)	75%
Los Alamos	1,905,100	1,428,825	(476,275)	75%
Valencia	5,715,600	4,286,700	(1,428,900)	75%
Taos	3,732,200	2,799,150	(933,050)	75%
Total Instruction & General Appropriations	20,834,400	15,625,800	(5,208,600)	75%
Mill Levy				
McKinley County	2,100,000	1,575,000	(525,000)	75%
Los Alamos County	702,500	526,875	(175,625)	75%
Valencia County	2,580,490	1,935,367	(645,123)	75%
Taos County	1,680,200	1,260,150	(420,050)	75%
Total Mill Levy	7,063,190	5,297,392	(1,765,798)	75%
Total Branch Appropriations	27,897,590	20,923,192	(6,974,398)	75%

Statements of Revenues, Expenses and Changes in Net Assets - UNM Regents Format
For the nine month period ended March 31, 2015
Preliminary and Unaudited

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

	FY 2015 Full Year Revised Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 67%
Instruction and General				
Instruction & General Appropriations	63,776,200	47,832,149	(15,944,051)	75%
Tobacco Settlement Appropriations				
Instruction & General	610,524	457,893	(152,631)	75%
Pediatric Specialty Education	260,038	195,029	(65,009)	75%
Trauma Specialty Education	260,038	195,029	(65,009)	75%
Total Tobacco Settlement Appropriations	1,130,600	847,951	(282,649)	75%
Total Instruction and General Appropriations	64,906,800	48,680,100	(16,226,700)	75%
Research				
State Special Project Appropriations				
Cancer Center	2,691,200	2,018,400	(672,800)	75%
Hepatitis C, Project ECHO	1,993,800	1,495,350	(498,450)	75%
Total State Special Project Appropriations	4,685,000	3,513,750	(1,171,250)	75%
Tobacco Settlement Appropriations				
Genomics, Biocomputing, Environmental Health	979,800	734,850	(244,950)	75%
Total Tobacco Settlement Appropriations	979,800	734,850	(244,950)	75%
Cigarette Tax Appropriations	3,948,563	2,867,463	(1,081,100)	73%
Total Research Appropriations	9,613,363	7,116,063	(2,497,300)	74%
Public Service				
State Special Project Appropriations				
Center for Native American Health	274,700	206,026	(68,674)	75%
Out of County Indigent	662,600	496,949	(165,651)	75%
Total State Special Project Appropriations	937,300	702,975	(234,325)	75%
Total Public Service Appropriations	937,300	702,975	(234,325)	75%
Clinical Operations				
State Special Project Appropriations				
Newborn Intensive Care Unit	3,350,200	2,512,651	(837,549)	75%
Office of the Medical Investigator	5,025,300	3,768,975	(1,256,325)	75%
Pediatric Oncology	1,303,500	977,625	(325,875)	75%
Poison and Drug Info Center	1,554,700	1,166,025	(388,675)	75%
Native American Suicide Prevention	99,700	74,774	(24,926)	75%
GME Residencies	902,400	676,800	(225,600)	75%
UNM Hospitals	13,116,900	9,837,676	(3,279,224)	75%
Total State Special Project Appropriations	25,352,700	19,014,526	(6,338,174)	75%
Tobacco Settlement Appropriations				
Pediatric Oncology	261,400	196,050	(65,350)	75%
Poison and Drug Info Center	590,300	442,725	(147,575)	75%
Total Tobacco Settlement Appropriations	851,700	638,775	(212,925)	75%
Total Clinical Operations Appropriations	26,204,400	19,653,301	(6,551,099)	75%

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2015
Preliminary and Unaudited

Main Campus - Total Operations Current Funds

	FY 2015 Full Year Operating Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2014 Year-to-Date Actual	FY 2015 YTD Actual Change From FY 2014 YTD Actual
Instruction and General						
Tuition and Fees Revenues	148,853,887	144,197,662	(4,656,225)	97%	154,836,761	(10,639,099)
State/Local Appropriations	190,379,100	142,784,325	(47,594,775)	75%	136,147,841	6,636,484
F & A Revenues	21,000,000	14,122,634	(6,877,366)	67%	15,243,987	(1,121,353)
Transfers	(53,864,849)	(42,884,085)	10,980,764	80%	(44,874,102)	1,990,017
Other Revenues	15,037,004	12,943,912	(2,093,092)	86%	10,438,255	2,505,657
Total Instruction and General Revenues	321,405,142	271,164,448	(50,240,694)	84%	271,792,742	(628,294)
Salaries	196,876,451	151,410,837	(45,465,614)	77%	147,193,356	(4,217,481)
Benefits	66,149,505	49,532,676	(16,616,829)	75%	47,029,162	(2,503,514)
Other Expenses	67,932,187	46,070,955	(21,861,232)	68%	43,885,743	(2,185,212)
Total Instruction and General Expenses	330,958,143	247,014,468	(83,943,675)	75%	238,108,260	(8,906,208)
Net Instruction and General Revenue/(Expense)	(9,553,001)	24,149,980	33,702,981		33,684,481	(9,534,501)
Research						
State/Local Appropriations	2,110,050	1,582,538	(527,512)	75%	1,455,038	127,500
Transfers	18,266,291	9,685,156	(8,581,135)	53%	10,225,234	(540,078)
Other Revenues	2,726,907	903,159	(1,823,748)	33%	801,442	101,717
Total Research Revenues	23,103,248	12,170,853	(10,932,395)	53%	12,481,714	(310,861)
Salaries and Benefits	13,998,518	7,752,423	(6,246,095)	55%	8,097,908	345,485
Other Expenses	12,974,771	6,566,918	(6,407,853)	51%	6,428,364	(138,554)
Total Research Expenses	26,973,289	14,319,341	(12,653,948)	53%	14,526,272	206,931
Net Research Revenue/(Expense)	(3,870,041)	(2,148,488)	1,721,553		(2,044,558)	(103,930)
Public Service						
State/Local Appropriations	3,653,550	2,740,163	(913,387)	75%	2,547,188	(192,975)
Sales and Services Revenues	8,482,495	5,968,334	(2,514,161)	70%	5,950,717	(17,617)
Gifts	6,486,067	7,017,955	531,888	108%	6,644,897	(373,058)
Transfers	309,403	(1,170,565)	(1,479,968)	-378%	273,540	1,444,105
Other Revenues	4,235,065	4,076,091	(158,974)	96%	4,004,745	(71,346)
Total Public Service Revenues	23,166,580	18,631,978	(4,534,602)	80%	19,421,087	789,109
Salaries and Benefits	12,905,947	10,113,798	(2,792,149)	78%	9,967,117	(146,681)
Other Expenses	13,016,978	8,106,063	(4,910,915)	62%	9,159,586	1,053,523
Total Public Service Expenses	25,922,925	18,219,861	(7,703,064)	70%	19,126,703	906,842
Net Public Service Revenue/(Expense)	(2,756,345)	412,117	3,168,462		294,385	117,732

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2015
Preliminary and Unaudited

Main Campus - Total Operations Current Funds

	FY 2015 Full Year Operating Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2014 Year-to-Date Actual	FY 2015 YTD Actual Change From FY 2014 YTD Actual
Student Aid						
Private Grants/Gifts	3,191,794	4,023,810	832,016	126%	3,361,420	(662,390)
State Lottery Scholarships	37,485,948	37,485,948	-	100%	37,485,948	-
Transfers	14,899,612	12,838,379	(2,061,233)	86%	11,278,832	(1,559,547)
Other Revenues	1,048,509	494,146	(554,363)	47%	1,164,322	670,176
Total Student Aid Revenues	56,625,863	54,842,283	(1,783,580)	97%	53,290,522	(1,551,761)
Salaries and Benefits	1,711,660	1,926,892	215,232	113%	1,938,584	11,692
Other Expenses	59,479,414	53,120,000	(6,359,414)	89%	56,421,977	3,301,977
Total Student Aid Expenses	61,191,074	55,046,892	(6,144,182)	90%	58,360,561	3,313,669
Net Student Aid Revenue/(Expense)	(4,565,211)	(204,609)	4,360,602		(5,070,039)	4,865,430
Student Social & Cultural Programs						
Fee Revenues	7,992,626	7,167,620	(825,006)	90%	5,306,441	1,861,179
Sales and Services Revenues	1,438,429	1,283,213	(155,216)	89%	1,271,020	12,193
Transfers	(656,957)	(880,384)	(223,427)	134%	324,087	(1,204,471)
Other Revenues	167,484	138,547	(28,937)	83%	83,131	8,594
Total Student Social & Cultural Programs Revenues	8,941,582	7,708,996	(1,232,586)	86%	6,984,679	677,495
Salaries and Benefits	4,490,338	3,346,764	(1,143,574)	75%	3,217,998	(128,766)
Other Expenses	4,603,954	3,359,412	(1,244,542)	73%	2,549,115	600,741
Total Student Social & Cultural Programs Expenses	9,094,292	6,706,176	(2,388,116)	74%	5,767,114	471,975
Net Student Social & Cultural Programs Revenue/(Expense)	(152,710)	1,002,820	1,155,530		1,217,565	(214,745)
Auxiliaries						
Auxiliaries Revenues	54,242,922	48,404,819	(5,838,103)	89%	45,244,163	3,160,656
Athletics Revenues	33,034,361	27,653,853	(5,380,508)	84%	27,192,665	461,188
Total Auxiliaries Revenues	87,277,283	76,058,672	(11,218,611)	87%	72,436,827	3,621,845
Auxiliaries Expenses	54,642,339	41,485,619	(13,156,720)	76%	38,028,491	(3,457,128)
Athletics Expenses	33,063,511	27,840,027	(5,223,484)	84%	27,278,316	(561,711)
Total Auxiliaries Expenses	87,705,850	69,325,646	(18,380,204)	79%	65,306,807	(4,018,839)
Net Auxiliaries and Athletics Revenue/(Expense)	(428,567)	6,733,026	7,161,593		7,130,020	(396,994)

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2015
Preliminary and Unaudited

Main Campus - Total Operations Current Funds

	FY 2015 Full Year Operating Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2014 Year-to-Date Actual	FY 2015 YTD Actual Change From FY 2014 YTD Actual
Sponsored Programs						
Federal Grants and Contracts Revenues	141,777,226	115,748,364	(26,028,862)	82%	116,193,768	(445,404)
State and Local Grants and Contracts Revenues	15,880,500	10,970,940	(4,909,560)	69%	10,323,537	647,403
Non-Governmental Grants and Contracts Revenues	11,797,000	9,845,057	(1,951,943)	83%	11,189,026	(1,343,969)
Gifts	-	67,183	67,183	N/A	193,741	(126,558)
Transfers	2,888,000	74,750	(2,813,250)	3%	1,561,974	(1,487,224)
Other Revenues	-	-	-	N/A	-	-
Total Sponsored Programs Revenues	172,342,726	136,706,294	(35,636,432)	79%	139,462,047	(2,755,753)
Salaries and Benefits	63,156,726	41,011,466	(22,145,260)	65%	41,547,131	535,665
Other Expenses	109,186,000	95,694,828	(13,491,172)	88%	97,914,915	2,220,087
Total Sponsored Programs Expenses	172,342,726	136,706,294	(35,636,432)	79%	139,462,047	2,755,753
Net Sponsored Programs Revenue/(Expense)	-	-	-		-	-
Contingencies						
Total Contingency Revenues	(10,485,021)	-	10,485,021	0%	-	-
Total Contingency Expenses	(2,692,510)	-	2,692,510	0%	-	-
Net Contingencies Revenue/(Expense)	(7,792,511)	-	7,792,511		-	-
Net Current Revenue/(Expense)	(29,118,386)	29,944,846	59,063,232		35,211,854	(5,267,008)

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2015
Preliminary and Unaudited

Branch Campuses - Total Operations Current Funds

	FY 2015 Full Year Operating Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2014 Year-to-Date Actual	FY 2015 YTD Actual Change From FY 2014 YTD Actual
Instruction and General						
Tuition and Fees Revenues	8,121,795	7,058,891	(1,062,904)	87%	7,963,223	(904,332)
State/Local Appropriations	27,897,590	20,923,192	(6,974,398)	75%	19,994,240	928,952
Transfers	(1,110,845)	(2,360,699)	(1,249,854)	213%	(1,819,866)	(540,833)
Other Revenues	494,882	693,801	198,919	140%	620,060	73,741
Total Instruction and General Revenues	35,403,422	26,315,185	(9,088,237)	74%	26,757,657	(442,472)
Salaries	21,759,686	15,403,595	(6,356,091)	71%	15,284,855	(118,740)
Benefits	6,436,146	4,742,963	(1,693,183)	74%	4,522,362	(220,601)
Other Expenses	8,973,831	5,182,375	(3,791,456)	58%	5,057,504	(124,871)
Total Instruction and General Expenses	37,169,663	25,328,933	(11,840,730)	68%	24,864,722	(464,211)
Net Instruction and General Revenue/(Expense)	(1,766,241)	986,252	2,752,493		1,892,935	(906,683)
Public Service						
State/Local Appropriations	-	-	-	N/A	-	-
Sales and Services Revenues	363,830	409,069	45,239	112%	398,329	10,740
Gifts	103,400	211,838	108,438	205%	154,725	57,113
Transfers	(32,000)	(44,894)	(12,894)	140%	11,793	(56,687)
Other Revenues	10,000	3,509	(6,491)	35%	15,305	(11,796)
Total Public Service Revenues	445,230	579,522	134,292	130%	580,151	(629)
Salaries and Benefits	334,552	285,182	(49,370)	85%	314,515	29,333
Other Expenses	189,233	191,913	2,680	101%	201,962	10,049
Total Public Service Expenses	523,785	477,095	(46,690)	91%	516,477	39,382
Net Public Service Revenue/(Expense)	(78,555)	102,427	180,982		63,674	38,753
Student Aid						
Private Grants/Gifts	116,550	118,985	2,435	102%	127,311	(8,326)
Transfers	413,154	408,590	(4,564)	99%	275,394	133,196
Other Revenues	20,000	17,612	(2,388)	88%	19,182	(1,570)
Total Student Aid Revenues	549,704	545,187	(4,517)	99%	421,887	123,301
Salaries and Benefits	-	7,557	7,557	N/A	3,782	(3,775)
Other Expenses	659,954	348,649	(311,305)	53%	345,922	(2,727)
Total Student Aid Expenses	659,954	356,206	(303,748)	54%	349,705	(6,501)
Net Student Aid Revenue/(Expense)	(110,250)	188,981	299,231		72,182	116,799

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2015
Preliminary and Unaudited

Branch Campuses - Total Operations Current Funds

	FY 2015 Full Year Operating Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2014 Year-to-Date Actual	FY 2015 YTD Actual Change From FY 2014 YTD Actual
Student Social & Cultural Programs						
Fee Revenues	245,222	236,760	(8,462)	97%	253,459	(16,699)
Sales and Services Revenues	850	14,016	13,166	1649%	11,091	2,925
Transfers	(40,000)	(39,850)	150	100%	(39,000)	(850)
Other Revenues	-	150	150	N/A	-	150
Total Student Social & Cultural Programs Revenues	206,072	211,076	5,004	102%	225,549	(14,473)
Salaries and Benefits	9,060	20,098	11,038	222%	15,552	(4,546)
Other Expenses	198,058	86,697	(111,361)	44%	127,893	41,196
Total Student Social & Cultural Programs Expenses	207,118	106,795	(100,323)	52%	143,446	36,651
Net Student Social & Cultural Programs Revenue/(Expense)	(1,046)	104,281	105,327		82,103	22,178
Auxiliaries						
Bookstore Revenues	2,272,555	1,745,817	(526,738)	77%	1,770,743	(24,926)
Housing and Food Service Revenues	191,082	131,059	(60,023)	69%	201,656	(70,597)
Transfers	-	(150,000)	(150,000)	N/A	(30,000)	(120,000)
Other Auxiliaries Revenues	20,830	19,967	(863)	96%	18,919	1,048
Total Auxiliaries Revenues	2,484,467	1,746,843	(737,624)	70%	1,961,318	(214,475)
Bookstore Expenses	2,263,142	1,740,061	(523,081)	77%	1,478,787	(261,274)
Housing and Food Service Expenses	452,458	105,271	(347,187)	23%	177,451	72,180
Other Auxiliaries Expenses	20,966	318,727	297,761	1520%	14,014	(304,713)
Total Auxiliaries Expenses	2,736,566	2,164,059	(572,507)	79%	1,670,252	(493,807)
Net Auxiliaries Revenue/(Expense)	(252,099)	(417,216)	(165,117)		291,066	(708,282)
Sponsored Programs						
Federal Grants and Contracts Revenues	5,735,125	4,616,057	(1,119,068)	80%	4,526,339	89,718
State and Local Grants and Contracts Revenues	2,337,411	785,416	(1,551,995)	34%	1,554,194	(768,778)
Non-Governmental Grants and Contracts Revenues	-	495,106	495,106	N/A	-	495,106
Gifts	-	-	-	N/A	-	-
Transfers	-	-	-	N/A	-	-
Other Revenues	4,000	-	(4,000)	0%	-	-
Total Sponsored Programs Revenues	8,076,536	5,896,579	(2,179,957)	73%	6,080,533	(183,954)
Salaries and Benefits	5,398,756	4,198,055	(1,200,701)	78%	4,153,245	(44,810)
Other Expenses	2,677,780	1,698,524	(979,256)	63%	1,927,288	228,764
Total Sponsored Programs Expenses	8,076,536	5,896,579	(2,179,957)	73%	6,080,533	183,954
Net Sponsored Programs Revenue/(Expense)	-	-	-		-	-
Net Current Revenue/(Expense)	(2,208,191)	964,725	3,172,916		2,401,960	(1,437,235)

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2015
Preliminary and Unaudited

Health Sciences Center - Total Operations Current Funds

	FY 2015 Full Year Operating Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2014 Year-to-Date Actual	FY 2015 YTD Actual Change From FY 2014 YTD Actual
Instruction and General						
Tuition and Fees Revenues	15,097,082	14,907,066	(190,016)	99%	14,328,875	578,191
State/Local Appropriations	64,906,800	48,680,100	(16,226,700)	75%	47,276,375	1,403,725
F & A Revenues	23,500,000	17,573,961	(5,926,039)	75%	16,338,095	1,235,866
Transfers	4,178,245	3,804,719	(373,526)	91%	2,369,097	1,435,622
Other Revenues	11,204,552	10,195,416	(1,009,136)	91%	6,182,719	4,012,697
Total Instruction and General Revenues	118,886,679	95,161,262	(23,725,417)	80%	86,495,161	8,666,101
Salaries	72,903,672	53,868,656	(19,035,016)	74%	49,922,097	(3,946,559)
Benefits	24,519,536	17,464,800	(7,054,736)	71%	15,028,462	(2,436,338)
Other Expenses	21,718,242	15,803,007	(5,915,235)	73%	11,870,973	(3,932,034)
Total Instruction and General Expenses	119,141,450	87,136,463	(32,004,987)	73%	76,821,532	(10,314,931)
Net Instruction and General Revenue/(Expense)	(254,771)	8,024,799	8,279,570		9,673,629	(1,648,830)
Research						
State/Local Appropriations	9,613,363	7,116,063	(2,497,300)	74%	6,929,723	186,340
Generated Revenues	180,000	298,769	118,769	166%	238,221	60,548
Transfers	10,081,306	5,285,429	(4,795,877)	52%	3,284,637	2,000,792
Other Revenues	1,454,394	1,255,839	(198,555)	86%	594,992	660,847
Total Research Revenues	21,329,063	13,956,100	(7,372,963)	65%	11,047,573	2,908,527
Salaries and Benefits	13,671,612	9,886,478	(3,785,134)	72%	9,328,381	(558,097)
Other Expenses	10,811,539	6,082,756	(4,728,783)	56%	5,984,671	(98,085)
Total Research Expenses	24,483,151	15,969,234	(8,513,917)	65%	15,313,052	(656,182)
Net Research Revenue/(Expense)	(3,154,088)	(2,013,134)	1,140,954		(4,265,479)	2,252,345
Public Service						
State/Local Appropriations	937,300	702,975	(234,325)	75%	204,067	498,908
Sales and Services Revenues	8,574,573	6,791,144	(1,783,429)	79%	4,760,942	2,030,202
Gifts	1,949,960	1,424,413	(525,547)	73%	1,788,946	(364,533)
Transfers	3,344,810	2,113,909	(1,230,901)	63%	1,360,147	753,762
Other Revenues	2,542,029	1,714,751	(827,278)	67%	889,867	824,884
Total Public Service Revenues	17,348,672	12,747,192	(4,601,480)	73%	9,003,969	3,743,223
Salaries and Benefits	9,200,824	6,024,748	(3,176,076)	65%	5,377,573	(647,175)
Other Expenses	9,255,447	6,749,684	(2,505,763)	73%	4,129,555	(2,620,129)
Total Public Service Expenses	18,456,271	12,774,432	(5,681,839)	69%	9,507,128	(3,267,304)
Net Public Service Revenue/(Expense)	(1,107,599)	(27,240)	1,080,359		(503,159)	475,919

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2015
Preliminary and Unaudited

Health Sciences Center - Total Operations Current Funds

	FY 2015 Full Year Operating Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2014 Year-to-Date Actual	FY 2015 YTD Actual Change From FY 2014 YTD Actual
Student Aid						
Gifts	1,623,236	1,195,424	(427,812)	74%	967,940	227,484
Investment Income	-	-	-	N/A	-	-
Transfers	2,593,663	1,430,352	(1,163,311)	55%	959,090	471,262
Other Revenues	-	-	-	N/A	18	(18)
Total Student Aid Revenues	4,216,899	2,625,776	(1,591,123)	62%	1,927,048	698,728
Salaries and Benefits	2,466,643	1,576,245	(890,398)	64%	1,656,828	80,583
Other Expenses	2,707,502	1,003,160	(1,704,342)	37%	1,390,805	387,645
Total Student Aid Expenses	5,174,145	2,579,405	(2,594,740)	50%	3,047,633	468,228
Net Student Aid Revenue/(Expense)	(957,246)	46,371	1,003,617		(1,120,585)	1,166,956
Student Social & Cultural Programs						
Fee Revenues	-	-	-	N/A	-	-
Sales and Services Revenues	50,875	42,869	(8,006)	84%	32,259	10,610
Transfers	27,429	27,429	-	100%	70,487	(43,058)
Other Revenues	2,501	3,921	1,420	157%	2,500	1,421
Total Student Social & Cultural Programs Revenues	80,805	74,219	(6,586)	92%	105,246	(31,027)
Salaries and Benefits	-	-	-	N/A	-	-
Other Expenses	100,237	35,405	(64,832)	35%	44,095	8,690
Total Student Social & Cultural Programs Expenses	100,237	35,405	(64,832)	35%	44,095	8,690
Net Student Social & Cultural Programs Revenue/(Expense)	(19,432)	38,814	58,246		61,151	(22,337)
Sponsored Programs						
Federal Grants and Contracts Revenues	90,072,712	70,820,192	(19,252,520)	79%	68,121,781	2,698,411
State and Local Grants and Contracts Revenues	12,668,437	9,962,399	(2,706,038)	79%	9,349,249	613,150
Non-Governmental Grants and Contracts Revenues	20,590,918	16,188,866	(4,402,052)	79%	12,794,544	3,394,322
Gifts	-	-	-	N/A	-	-
Other Revenues	-	-	-	N/A	-	-
Transfers	2,222,313	1,745,690	(476,623)	79%	1,775,776	(30,086)
Total Sponsored Programs Revenues	125,554,380	98,717,147	(26,837,233)	79%	92,041,350	6,675,797
Salaries and Benefits	70,498,784	55,428,293	(15,070,491)	79%	52,974,174	(2,454,119)
Other Expenses	55,055,596	43,288,854	(11,766,742)	79%	39,067,176	(4,221,678)
Total Sponsored Programs Expenses	125,554,380	98,717,147	(26,837,233)	79%	92,041,350	(6,675,797)
Net Sponsored Programs Revenue/(Expense)	-	-	-		-	-

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2015
Preliminary and Unaudited

Health Sciences Center - Total Operations Current Funds

	FY 2015 Full Year Operating Budget	FY 2015 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2014 Year-to-Date Actual	FY 2015 YTD Actual Change From FY 2014 YTD Actual
Clinical Operations						
State/Local Appropriations	26,204,400	19,653,301	(6,551,099)	75%	18,841,859	811,442
Physician Professional Fee Revenues	122,952,580	91,796,649	(31,155,931)	75%	76,226,867	15,569,782
Hospital Facility Revenues	836,612,594	629,368,866	(207,243,728)	75%	505,776,729	123,592,137
Other Patient Revenues, net of Allowance	125,977,953	93,531,485	(32,446,468)	74%	87,184,235	6,347,250
Mil Levy	92,780,043	69,585,033	(23,195,010)	75%	68,727,860	857,173
Investment Income	13,274,528	10,029,004	(3,245,524)	76%	40,734,862	(30,705,858)
Gifts	4,021,645	2,805,088	(1,216,557)	70%	3,280,166	(475,078)
Housestaff Revenues	33,949,203	25,211,524	(8,737,679)	74%	26,108,943	(897,419)
Other Revenues	19,932,419	12,244,209	(7,688,210)	61%	20,195,196	(7,950,987)
Total Clinical Operations Revenues	1,275,705,365	954,225,159	(321,480,206)	75%	847,076,717	107,148,442
Salaries and Benefits	663,472,826	494,749,693	(168,723,133)	75%	461,794,297	(32,955,396)
Interest Expense	8,048,135	6,028,856	(2,019,279)	75%	6,195,770	166,914
Housestaff Expenses	33,947,881	25,602,338	(8,345,543)	75%	25,805,116	202,778
Other Expenses	561,445,745	417,382,378	(144,063,367)	74%	343,662,093	(73,720,285)
Total Clinical Operations Expenses	1,266,914,587	943,763,265	(323,151,322)	74%	837,457,276	(106,305,989)
Net Clinical Operations Revenue/(Expense)	8,790,778	10,461,894	1,671,116		9,619,441	842,453
Contingencies						
Total Contingency Revenues	6,204,854	-	(6,204,854)	0%	-	-
Total Contingency Expenses	4,655,560	-	(4,655,560)	0%	-	-
Net Contingencies Revenue/(Expense)	1,549,294	-	(1,549,294)		-	-
Net Current Revenue/(Expense)	4,846,936	16,531,504	11,684,568		13,464,998	3,066,506



University Services

University Services Business Operations

UNM Copy Center

UNM Mailing Systems

UNM Records Management

<http://www.unm.edu/~univserv/>

UNM Surplus Property

UnivServ Shipping and Receiving

UNM Inventory Control

Chem Stores/CRLS

Print Management Program

Date: March 23, 2015

To: Bruce Cherrin, Chief Procurement Officer
Purchasing Department

From: Michelle Albro
Business Manager, University Services

Subject: Equipment Disposition – March 2015

Attached for your review and submission to the Board of Regents are the Surplus Property Disposition Detail lists for the month of March, 2015.

Consistent with UNM Board of Regents Policy 7.9 and the NM Disposition of Surplus Property Act, 13-6-1, NMSA 1978, and based upon documentation submitted by the UNM departments responsible for the equipment, I certify that the equipment identified on the monthly list is beyond repair, unusable or obsolete to the extent that the items are no longer economical or safe for continued use by the University. I recommend that the items be deleted from UNM's inventory and disposed of in accordance with the above noted Regents Policy and NM Surplus Property Act.

Surplus Property Department
Disposition Detail List
as of March 23, 2015

UNM#	Department surplussing equipment	Description	Manufacturer	Model#	Serial#	Year	Acquisition Cost	NBV	Method of Disposal	Disposal Date
225142	Physics Astronomy Department	COMPUTER CPU/SYSTEM	Apple	9500/200	XB6391WH8L7	3/5/1997	5,951.00	0.00	Cannibalized	3/17/2015
(1) 227733	Chemistry Department	SPECTROMETER	PerkinElme	OPTIMA2000	069N7052101	8/8/1997	84,006.00	0.00	Obsolete	2/27/2015
(2) 240691	Pathology Department	FREEZER	VWR	ULTIMA II	Y245-464421-ZJ	3/2/2000	18,802.00	0.00	Too Costly to Repair	3/17/2015
(3) 240855	Biology Department	COMPUTER FILE SERVER	SunMicro	E450	7H36E3	3/22/2000	40,173.00	0.00	Obsolete	3/17/2015
(4) 241396	Center for Telehealth	IMAGER VIDEO SYSTEM	Polycom	Network Unit	00BA39	5/5/2000	49,775.00	0.00	Obsolete	3/17/2015
251799	IM Translational Informatics Fac #1	COMPUTER CPU/SYSTEM	Dell	PRECISION 530	72FDR01	8/9/2001	5,032.00	0.00	Obsolete	3/17/2015
253142	Pharmacy Deans Office	PROJECTION UNIT	Epson	EMP 703	CWW0150585C	11/20/2001	8,856.00	0.00	Cannibalized	3/2/2015
(5) 256335	Neurosciences	ANALYZER BREATH	LAJolla	Alcohol Inhalat	w/Blood Analyzer	6/24/2002	11,720.00	0.00	Cannibalized	3/17/2015
257778	Pathology Medical Lab Sciences	WASHER CELL	FisherScien	120V/240V	23922949	9/20/2002	5,908.00	0.00	Beyond Repair	2/27/2015
258383	IT Classroom Technologies	PROJECTOR	EIKI	LC-X1100		10/23/2002	8,761.00	0.00	Obsolete	3/17/2015
267336	Earth Data Analysis Center	COMPUTER FILE SERVER	Microwave	Microway SprMic	16116	7/12/2004	8,965.00	0.00	Obsolete	3/20/2015
(6) N00001274	CID Biodefenses	Imaging System	Xenogen	IVIS 100		9/30/2004	143,814.00	0.00	Obsolete	3/17/2015
N00004592	Computer Science	Printer	HP	DesignJet 800	SG49S8101B	12/21/2004	6,090.82	0.00	Obsolete	3/2/2015
(7) N00007103	CRTC Research Director	Freezer	ThermoElect	11014H9D1D0020A	P20R229464	3/28/2006	23,398.22	0.00	Beyond Repair	3/17/2015
(8) N00007267	EDAC Staff #4	Server	SiliconMec	Rackform iServ Q300	SM20547	4/10/2006	10,398.00	0.00	Beyond Repair	3/20/2015
N00012407	IT Classroom Technologies	Audio/visual System	AdvPresent	Presentation System Bundle	JHFF140666L	6/30/2007	7,761.58	0.00	Obsolete	3/17/2015

Disposition value: \$439,411.62

Disposition bookvalue: 0.00

Total Disposition Items: 16

3/23/15

Additional Notes to the Surplus listings dated 3/23/2015:

1 - Asset# 227733 is an outdated Perkin Elmer spectrometer. Though it is still functional, the faculty member who used it has retired and it is too costly to refurbish for current use. Purchasing a new spectrometer costs less than refurbishing this outdated one. Attempts to transfer it to other departments for parts were not successful as well, due to the obsolete status of the technology.

2 - Asset# 240691 is a Revco -150 degree cryogenic freezer. Over the past 17 plus years, the compressor has been replaced twice at a price of over \$4K each. Currently the unit is malfunctioning again. After working with the service provider, Ultratech Services, it has been determined that it would be too costly to repair with no guarantees that it would function properly or if the repairs would last long enough to be cost-effective, deeming it more economical to purchase a new reliable unit.

3 - Asset# 240855 is a SunMicro Enterprise 450 computer file server that is 15 years old. The obsolete computing technology is no longer being used. It was retired years ago and replaced with three servers.

4 - Asset# 241396 is a Polycom View Station imaging video system that is nearly 15 years old and obsolete technology. It has been replaced with a new system.

5 - Asset# 256335 is a Vapor Chamber breath analyzer manufactured here at UNM. It no longer functions and has been cannibalized for other uses within the department.

6 - Asset# N00001274 is a Xenogen IVIS 100 imaging system that was purchased over ten years ago to satisfy a specific contract requirement. The contract work has been completed and the equipment is now outdated. There is no other foreseeable use for the equipment.

7 - Asset# N00007103 is a Kendro/ThermoElect ULT-140 freezer that is almost 10 years old and will cost more than \$7,130 to repair with no guarantee that the repairs will be effective. It has thus been deemed beyond repair.

8 - Asset# N00007267 is a SiliconMec server that is nearly nine years old. The motherboard is no longer working. Fixing the motherboard would require paying a premium for used parts that would not be guaranteed, rendering the server beyond repair. Additionally, the server has been replaced.

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



MEMORANDUM

DATE: January 29, 2015

TO: Debra Fondino, Assoc. Director-University Services

FROM: Stephen Cabaniss, Department Chair

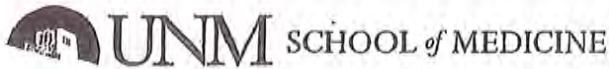
SEC

RE: UNM Tag #227733-Spectrometer

I am writing this memo to address the surplus equipment over \$10,000. The department is undergoing \$16M remodel that has required us to clean out research labs for remediation and remodeling. A surplus form for tag number # 227733 was submitted on 1/5/15 for an outdated spectrometer manufactured by Perkin Elmer. It is a functioning device, but the faculty member who used it has retired and a new spectrometer would cost less than refurbishing this outdated equipment. Attempts have been made to transfer it to others department for use as spare parts, but this has not yielded any takers.

Thank you for your consideration in this matter.

Asset Tag	Description	Acq Cost	NBV	Date
227733	Spectrometer	\$ 84,000 ^e	Ø	1997



Department of Pathology

March 2, 2015

University Services
MSC12 7020
Attn: Dora Dominguez

To whom it may concern,

We are requesting the surplus of a Revco -150 degree cryogenic freezer. This freezer was purchased for our laboratory over 15 years ago. Over the years the compressor on the freezer has been replaced 2 times at the price of over \$4000 each. In January of 2015 the freezer started to warm up and eventually ended up at -80 degrees. We have made several attempts to re-start the freezer, we have had several service calls with Ultratech Services and we have replaced the freezer capacitor. For the past 2 weeks we have restarted the freezer and the temperature has fluctuated between -40 degrees to -130 degrees. As per the advice of Ultratech Services since the compressor has been replaced 2 times on this freezer it would cost more to try to fix the freezer than to just replace the freezer and the new repairs may or may not continue to work efficiently. We work extensively with clinical trials in the hospital and we require patient samples to be kept at a consistent -150 degrees in order to perform translational studies to be used in the clinic. In order to continue in our research studies we will need a -150 degree freezer that is dependable in order to store our patient samples.

We would like to request that our Revco -150 degree cryogenic freezer be surplus.

Thank You

Sincerely,

Richard Larson

Nancy Risenhoover

<u>Asset Tag</u>	<u>Description</u>	<u>Acq Cost</u>	<u>NBV</u>	<u>Date</u>
240691	Freezer	\$ 18802.9	0	2000



March 9, 2015

ATTN: University Services – UNM Surplus Property

The Sevilleta LTER Program has requested the surplus of several obsolete computers, including a Sun Enterprise 450 (UNM Asset Tag #240855) that was purchased in the year 2000 for \$40,173. Due to the age of the machine and the advancement of computing technologies, this server was retired several years ago after being replaced by three Sun Fire X4140 servers. All hard drives have been pulled from the machine.

Sincerely,

Renee F. Brown
Systems Analyst II
Sevilleta LTER Program
Department of Biology
University of New Mexico
rfbrown@sevilleta.unm.edu

cc: Scott Collins, Sevilleta LTER Program Director

<u>Asset Tag</u>	<u>Description</u>	<u>Acq. Cost</u>	<u>NBV</u>	<u>Date</u>
240855	Computer file server	\$40,173 ⁰⁰	Ø	2000



Center for Telehealth

March 3, 2015

UNM Surplus Property
University Services Building
1642 University Blvd. NE
Albuquerque, NM 87102

Re: Request for Disposal of Surplus Property for UNM Center for Telehealth
dated 02/24/2015

To Whom It May Concern,

Our department has requested that a Polycom View Station be disposed of as surplus property. This item, UNM Tag # 241396, had an acquisition cost of more than \$10,000. Though this equipment is still in working order, it is now obsolete and has been replaced by a new system. If you require additional information, please let us know.

Thank You.

Sincerely,

A handwritten signature in black ink, appearing to read 'Denise M. Dion'.

Denise Dion, Ph.D.
Associate Director

<u>Asset Tag</u>	<u>Description</u>	<u>Acq Cost</u>	<u>NBV</u>	<u>Date</u>
241396	Imager Video System	\$ 49,775 ⁰⁰	17	2000



Explanatory Memo

March 3, 2015

To: University Services

From: Department of Neurosciences ORG 993A, 993B00, 993B09, 993B11, 993B12, 993B16, 993B18, 993C.

In the process of surplusing property, we were prompted to justify the disposal of Asset#256335, a Vapor Chamber manufactured here at UNM. When purchased, the acquisition cost of this property was \$11,720. This property no longer functions and was cannibalized for the other uses in the department. Please surplus this property in accordance with University Services procedures.

If you have any questions please contact Michael Riblett at 272-8805.

A handwritten signature in dark ink, reading 'Nora Perrone-Bizzozero'.

Nora Perrone-Bizzozero PhD, Acting Department Chair, SoM Neurosciences

<u>Asset Tag</u>	<u>Description</u>	<u>Acq. Cost</u>	<u>NBV</u>	<u>Date</u>
256335	Analyzer Breath	\$11,720 ⁰⁰	0	2002



THE UNIVERSITY OF NEW MEXICO
HEALTH SCIENCES CENTER

Ms. Dora Dominguez
University Services
University of New Mexico
1128 University Blvd NE
Albuquerque, NM 87102

Jan27, 2015

RE: Surplus of Asset No. N00002374

Dear Ms. Dominguez,

We would like to surplus the Xenogen IVIS 100 imaging system that was acquired by our lab at least 10 years ago at a cost of \$143,814.00. This imaging system was purchased to satisfy a contract requirement, but the contracted work has been completed and the equipment is now outdated. We do not foresee a need to use it any further.

We hope you can understand and approve our request to surplus this imaging system.

Sincerely,

Terry H. Wu, Ph.D.

<u>Asset Tag</u>	<u>Description</u>	<u>Acq Cost</u>	<u>NBV</u>	<u>Date</u>
N00001274	Imaging System	\$143,814 ⁰⁰	X	2004

Ultratech Services, Inc.**PO Box 37140****Albuquerque, NM 87176-7140****Phone (505) 266-8324****Fax (505) 266-8333****Estimate**

Date	Estimate #
12/3/2014	1959

Name / Address
UNM Attn: Iming Cheng email: martinezs@salud.unm.edu

			Project
Description	Qty	Cost	Total
Rebuild Kendro ULT -140 freezer, model no: QCX10140D15, serial no: P20R-229464PR.	1	1,805.00	1,805.00T
compressor	1	2,452.92	2,452.92
oil separator assembly	1	1,162.65	1,162.65
refrigerant charge kit	1	1,348.80	1,348.80
cap tube assembly	1	20.00	20.00
liquid line drier	1	25.00	25.00
EPA disposal	1	45.00	45.00
torch charge	1	25.00	25.00
dry nitrogen	1	40.00	40.00
shipping	1	80.00	80.00
NOTE: Unit is 15 years old. If unit is not functional after repairs are made, payment is still due.			
		Subtotal	\$7,004.37
		Sales Tax (7.0%)	\$126.35
		Total	\$7,130.72



University of New Mexico Cancer Center

THE OFFICIAL CANCER CENTER OF THE STATE OF NEW MEXICO
A NATIONAL CANCER INSTITUTE DESIGNATED CENTER

MEMO

To: University Services

From: Rae Ann Paden, Chief Administrative Officer, Cancer Center *RAP*

CC:

Date: January 5, 2015

Re: Surplus Freezer *[REDACTED]*

This memo is to request approval to surplus an extra low temperature chest freezer (Kendro ULT -140 freezer, model no: QCX10140D17, serial no: P20R-229464PR) we have in our possession. The freezer was purchased more than 15 years ago and it will cost more than \$7,130 to repair with no guarantee that the problem will be corrected.

Please see the attached quote for the repair and condition for details.

Thanks for your assistance.

Rae Ann Paden
Rae Ann Paden

Chief Administrative Officer, UNM Cancer Center

<u>Asset Tag</u>	<u>Description</u>	<u>Acq. Cost</u>	<u>NBV</u>	<u>Date</u>
N00007103	Freezer	\$23,398.22	Ø	2006



Earth Data Analysis Center

The University of New Mexico

Bandelier West, Room 111
Albuquerque, NM 87131-6031
Phone: 505-277-3622 ext. 230

Fax: 505-277-3614



MEMO

To: Dora Dominguez
From: Shirley Baros
Re: Surplus of UNM Tag# N00007267

The server with the UNM Tag# N00007267 was purchased and added to inventory on 04/27/2006. After running for nearly 9 years the motherboard gave out and is not longer functional. Due to the age of the server finding replacement parts is extremely difficult. Beyond the issue of finding parts for this system, replacing these parts would not meet a cost benefit analysis as we would be paying a premium for used parts that would likely fail soon after. Additionally, the services that this server provided have long since been replaced by newer hardware.

Due to the server being obsolete and unrepairable we are asking to surplus this piece of equipment.

Director & Geospatial Program Manager

Shirley Baros: 

<u>Asset Tag</u>	<u>Description</u>	<u>Acq. Cost</u>	<u>NBV</u>	<u>Date</u>
N00007267	Server	\$10,398.00	7	2006



University Services

University Services Business Operations	UNM Surplus Property
UNM Copy Center	UnivServ Shipping and Receiving
UNM Mailing Systems	UNM Inventory Control
UNM Records Management	Chem Stores/CRLS
http://www.unm.edu/~univserv/	Print Management Program

Date: April 22, 2015

To: Bruce Cherrin, Chief Procurement Officer
Purchasing Department

From: Michelle Albro *KKitts for M Albro*
Business Manager, University Services

Subject: Equipment Disposition – April 2015

Attached for your review and submission to the Board of Regents are the Surplus Property Disposition Detail lists for the month of April, 2015.

Consistent with UNM Board of Regents Policy 7.9 and the NM Disposition of Surplus Property Act, 13-6-1, NMSA 1978, and based upon documentation submitted by the UNM departments responsible for the equipment, I certify that the equipment identified on the monthly list is worn-out, unusable or obsolete to the extent that the items are no longer economical or safe for continued use by the University. I recommend that the items be deleted from UNM's inventory and disposed of in accordance with the above noted Regents Policy and NM Surplus Property Act.

Surplus Property Department
Disposition Detail List
as of April 20, 2015

UNM#	Department surplussing equipment	Description	Manufacturer	Model#	Serial#	Year	Acquisition Cost	NBV	Method of Disposal	Disposal Date
(1) 240104	Center for Telehealth	IMAGER VIDEO SYSTEM	Polycom	VIEWSTATN V.35	006125	1/21/2000	\$43,572.00	\$0.00	Obsolete	3/30/2015
(2) 255271	HS Library and Informatics Center	COMPUTER DISK SYSTEM	Dell	PowerVault 220S	9B8LD11	5/8/2002	\$14,223.00	\$0.00	Obsolete	3/30/2015
(2) 255821	HS Library and Informatics Center	COMPUTER DISK SYSTEM	Dell	PowerVault 220S	8WY5G11	5/30/2002	\$12,997.00	\$0.00	Obsolete	3/30/2015
255836	HS Library and Informatics Center	Server/PowerEdge 4600	Dell	PowerEdge 4600	GS11G11	5/30/2002	\$8,325.00	\$0.00	Obsolete	3/30/2015
261915	HS Library and Informatics Center	Server/PowerEdge 2650	Dell	PowerEdge 2650	CNKXK21	7/2/2003	\$6,407.00	\$0.00	Cannibalized	4/10/2015
262949	Psychiatry Psych	SCANNER SYSTEM	Avocet	Silent Scan3100	75149	8/28/2003	\$7,389.00	\$0.00	Too Costly to Repair	4/10/2015
264278	HS Library and Informatics Center	REMOTE CONTROL	Dell	TR SERIES	D50069	12/12/2003	\$5,652.00	\$0.00	Obsolete	4/10/2015
264500	HS Library and Informatics Center	COMPUTER FILE SERVER	Dell	POWEREDGE 2650	5JHRs31	1/8/2004	\$5,997.00	\$0.00	Cannibalized	4/10/2015
265290	HS Library and Informatics Center	COMPUTER FILE SERVER	Dell	POWEREDGE 2650	BQJ5441	3/1/2004	\$5,882.00	\$0.00	Cannibalized	3/30/2015
(3) 267222	HS Library and Informatics Center	NETWORKING SWITCH	Cisco	6509	CNM3AZOBRA	7/8/2004	\$80,531.00	\$0.00	Obsolete	4/10/2015
267279	Continuing Education Cont Ed	COMPUTER FILE SERVER	CreateCon	AMD Opteron	200406076	7/12/2004	\$9,500.00	\$0.00	Cannibalized	4/10/2015
267336	Earth Data Analysis Center	COMPUTER FILE SERVER	Microwave	Microway SprMic	16116	7/12/2004	\$8,965.00	\$0.00	Obsolete	3/20/2015
N00001417	TECHS	Computer Server	Dell	PowerEdge 2850	95V7M51	10/4/2004	\$6,364.70	\$0.00	Cannibalized	4/10/2015
N00001568	HS Library and Informatics Ctr	Computer Server	Dell	PowerEdge 2850	5GLRV51	12/3/2004	\$6,638.21	\$0.00	Cannibalized	4/10/2015
N00004619	TECHS	SERVER	Dell	POWEREDGE 1822	5W4JM71/9W4JM71	6/20/2005	\$8,119.98	\$0.00	Cannibalized	3/30/2015
N00006341	TECHS	Server Cabinet	Dell	PowerEdge Enclosure	H3FRP81	11/1/2005	\$5,137.15	\$299.62	Cannibalized	4/10/2015
N00006562	TECHS	Server	Dell	PowerEdge 1855 Blade Server	76XX191	1/19/2006	\$5,360.58	\$0.00	Obsolete	3/30/2015
(4) N00007267	EDAC Staff #4	Server	SiliconMec	Rackform iServ Q300	SM20547	4/10/2006	\$10,398.00	\$0.00	Beyond Repair	3/20/2015
N00009195	Economics Department	Smartboard	Mitsubishi	XD430U XGA	SB680-R1-002060	9/18/2006	\$9,203.88	\$0.00	Obsolete	4/10/2015
N00010818	NMTR Faculty #1	Server	HP	Proliant ML370 G5 Rack Server	USE650NFKN	2/1/2007	\$6,773.80	\$0.00	Obsolete	3/30/2015
(5) N00012323	TECHS	Projector	Epson	7900NL	GDFG6Y0115F	6/27/2007	\$38,721.54	\$0.00	Obsolete	4/10/2015
N00013321	UNM Public Events Gen Admin	Copier	Xerox	WC734P Color Copier	FKA610476	10/10/2007	\$7,500.00	\$0.00	Obsolete	3/30/2015
N00018563	HS Library and Informatics Ctr	Disk Storage	Dell	Power Vault MD1000	9J6MLH1	10/28/2008	\$9,106.05	\$0.00	Cannibalized	3/30/2015
N00024992	Technology Support	Server	Dell	PowerEdge R510	DP4D3M1	3/8/2010	\$5,308.68	\$0.00	Cannibalized	3/30/2015
N00028269	Mathematics Statistics	Firewall Appliance	WatchGuard	XTM 5 Series 520	80B1028E6-072B	11/16/2010	\$5,155.55	\$0.00	Obsolete	4/10/2015
N00036548	Gen Peds Faculty #09	StorageDevice/PowerVault124T	Dell	PowerVault 124T	BX5GJN1	6/22/2012	\$7,590.24	\$0.00	Beyond Repair	4/10/2015

Disposition Value \$340,818.36

Disposition Net book value \$299.62

4/21/15

Additional Notes to the Surplus listings dated 4/21/2015:

1 – Asset# 240104 is a Polycom View Station for UNM Cancer for Telehealth that was used as the technology to facilitate telehealth meetings via video-conferencing. It is obsolete and has been replaced by a new system.

2 – Asset# 255271, 255821 are Computer Disk Systems purchased in 2002. The storage units exceed the normal 8-10 year life expectancy. The primary function of this data storage units were replaced by a newer storage device with updated technology.

3 – Asset# 267222 is a Network switch that was purchased in 2004 and exceeds its normal 8-10 year life expectancy. The present condition of this item renders is completely inoperable.

4 – Asset# N00007267 is a server purchased in 2006 and is now obsolete. The server was used for nearly 9 years and the motherboard is no longer functional.

5- Assets# N00012323 is an Epson Model 7900 projector that was purchased in 2007 and is now obsolete. The projector has been replaced by current Epson projector which cost less than \$5,000.

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



Center for Telehealth

March 25, 2015

UNM Surplus Property
University Services Building
1642 University Blvd. NE
Albuquerque, NM 87102

**Re: Request for Disposal of Surplus Property for UNM Center for Telehealth
dated 03/19/2015**

To Whom It May Concern,

Our department has requested that a Polycom View Station be disposed of as surplus property. This item, UNM Tag # 240104, had an acquisition cost of more than \$10,000. Though this equipment is still in working order, it is now obsolete and has been replaced by a new system. If you require additional information, please let us know.

Thank You.

Sincerely,

Denise Dion, Ph.D.
Associate Director

*The polycom was used as the technology to facilitate telehealth meetings via video-conferencing.

<u>Asset Tag</u>	<u>Description</u>	<u>Acq. Cost</u>	<u>NBV</u>	<u>Date</u>
# 240104	Imager Video System	\$ 45,572.00	0	2000

MEMORANDUM

To: University Services

Date: March 19, 2015

Re: Surplus Disposition, UNM Property Tag # 255271

The Health Sciences Library and Informatics Center (HSLIC) desires to transfer the following item to Surplus Property:

Computer Disk System Storage, Dell, PowerVault 220S, Serial Number 9B8LD11

This item was purchased in May, 2002 with an original acquisition cost of \$14,223.00. Presently, this storage unit exceeds its normal 8-10 year life expectancy. The primary function of this data storage unit was replaced by a newer storage device with updated technology. Over the previous two years this particular item was cannibalized to use workable internal components on similar storage units awaiting replacement. The present condition of this item renders it completely inoperable.



Holly Shipp Buchanan
Chief Information Officer, Administration
And Academic Systems

<u>Asset Tag</u>	<u>Description</u>	<u>Acq Cost</u>	<u>NBV</u>	<u>Date</u>
# 255271	Computer Disk System	\$14,223.00	0	2002

MEMORANDUM

To: University Services

Date: March 19, 2015

Re: Surplus Disposition, UNM Property Tag # 255821

The Health Sciences Library and Informatics Center (HSLIC) desires to transfer the following item to Surplus Property:

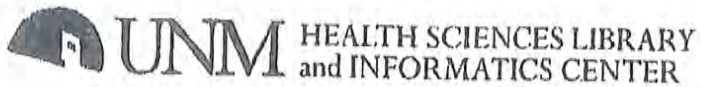
Computer Disk System Storage, Dell, PowerVault 220S, Serial Number 8WY5G11

This item was purchased in May, 2002 with an original acquisition cost of \$12,997.00. Presently, this storage unit exceeds its normal 8-10 year life expectancy. The primary function of this data storage unit was replaced by a newer storage device with updated technology. Over the previous two years this particular item was cannibalized to use workable internal components on similar storage units awaiting replacement. The present condition of this item renders it completely inoperable.

Holly Shipp Buchanan

Holly Shipp Buchanan
Chief Information Officer, Administration
And Academic Systems

<u>Asset Tag</u>	<u>Description</u>	<u>Acq. Cost</u>	<u>NBV</u>	<u>Date</u>
# 255821	Computer Disk System	\$12,997.00	0	2002



MEMORANDUM

To: University Services

Date: April 2, 2015

Re: Surplus Disposition, UNM Property Tag # 267222

The Health Sciences Library and Informatics Center (HSLIC) desires to transfer the following item to Surplus Property:

Network Switch, Cisco, Model 6509, Serial Number CNM3AZ0BRA

This item was purchased in July, 2004 with an original acquisition cost of \$80,531.00. Presently, this network switch exceeds its normal 8-10 year life expectancy. The primary function of this network switch unit was replaced by a newer device with updated technology. Over the previous year this particular item was cannibalized to use workable internal components on similar units awaiting replacement. The present condition of this item renders it completely inoperable. The net book value is currently \$ 0.00.

A handwritten signature in black ink that reads 'Holly Shipp Buchanan'.

Holly Shipp Buchanan, EdD
Chief Information Officer, Administration
and Academic Systems

<u>Asset Tag</u>	<u>Description</u>	<u>Acq Cost</u>	<u>NBV</u>	<u>Date</u>
267222	Network Switch	\$80,531.00	0	2004



Earth Data Analysis Center

The University of New Mexico

Bandelier West, Room 111
Albuquerque, NM 87131-6031
Phone: 505-277-3622 ext. 230

Fax: 505-277-3614



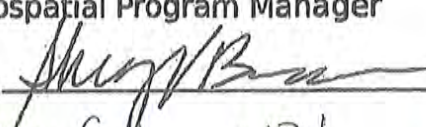
MEMO

To: Dora Dominguez
From: Shirley Baros
Re: Surplus of UNM Tag# N00007267

The server with the UNM Tag# N00007267 was purchased and added to inventory on 04/27/2006. After running for nearly 9 years the motherboard gave out and is not longer functional. Due to the age of the server finding replacement parts is extremely difficult. Beyond the issue of finding parts for this system, replacing these parts would not meet a cost benefit analysis as we would be paying a premium for used parts that would likely fail soon after. Additionally, the services that this server provided have long since been replaced by newer hardware.

Due to the server being obsolete and unrepairable we are asking to surplus this piece of equipment.

Director & Geospatial Program Manager

Shirley Baros: 

<u>Asset Tag</u>	<u>Description</u>	<u>Acq. Cost</u>	<u>NBV</u>	<u>Date</u>
N00007267	server	\$10,398.00	0	2006

MEMORANDUM

To: Inventory Control

From: T. Daniel McKinney
Unit Administrator (Temporary)
Health Sciences Library and Informatics Center

DM
3/4/2015

Date: February 23, 2015

Re: Annual Inventory: UNM Property Tag # N00012323 (Org Code 483C)

Research indicates UNM Property Tag # N00012323, Projector, Epson Model 7900, Serial gdfg6y0115f was transferred to Surplus Property without properly recording the UNM Property Tag Number on the Request for Surplus Property Disposal form. The following information is provided to justify the deletion of this asset:

UNM Property Tag # N00012323, Projector, Epson Model 7900, Serial gdfg6y0115f was procured in 2007 on Purchase Order (PO) Number P0049519 (attached) as a component part of a large audiovisual package for the initial outfitting of the Domenici Educational Center Auditorium. The total amount of the purchase order, including the equipment, additional cable management and gross receipts tax on the labor, was \$77,443.09. Installation of two Epson 7900NL projectors (included as the first two items listed on purchase order P0049519 and costing \$4,844.30 each) was included in the total cost.

The purchasing documents provided the serial numbers of these two projectors as GDFG6Y0116F and GDFG6Y0115F. In researching the matter, it appears UNM Property Tag # N00012323 was issued to provide accountability for the entire audiovisual system procured on purchase order P0049519. One may presume, the accountability tag was placed upon one of the Epson projectors to represent the entire system. Logically, the property tag appears to have been placed upon the projector with serial number GDFG6Y0115F. The inventory listing indicates an original cost of \$77,443.09, the exact amount paid on PO# P0049519. However, in checking the 2010 annual inventory listing, (the first time this item appears under any HSLIC Org Code) the serial number is listed as GDFG670115F. A likely typographical mistake as the "Y" and "7" are in such close proximity on a keyboard.

At some point, a second UNM Property Tag (#N00012801) was issued for the second EPSON 7900NL projector purchased as part of the Domenici Education Center Auditorium audiovisual equipment package on PO# P0049519. This tag was placed upon the Epson 7900NL projector with a serial number of GDFG6Y0116F. Inventory records indicate this serial number was properly recorded. The initial asset cost and current asset amount for UNM Property Tag #N00012801 are recorded as \$36,174.54, or one-half the total amount of PO# P0049519.

At some point between the FY2013 and FY2014 inventory process, the two projectors were removed from the auditorium and replaced by current Epson projectors which cost less than \$5,000.00 each, and therefore, are not accountable on UNM or HSLIC inventory records. The original EPSON projectors were

<u>Asset Tag</u>	<u>Description</u>	<u>Acq Cost</u>	<u>UBV</u>	<u>Date</u>
N00012323	Projector	38,721.54	0	2007

placed in temporary storage to be used as back-up projectors for HSC clients in the event a primary projector fails or is in need of repair.

In early December, 2014 usage records indicate keeping both of these eight year old Epson projectors is unnecessary and one projector will be forwarded to UNM Surplus Property. One may presume the UNM Property Tag was either illegible, or had been removed from the projector designated for disposition. Without the UNM property tag on the item, HSLIC personnel apparently checked the actual serial number of the projector, GDFG6Y0115F, against the accountable inventory list. Remember, the serial number was incorrectly entered at the time of purchase. At this point, without a matching serial number in the system, HSLIC personnel believed the Epson projector was not on the accountable records and recorded the projector on the "Request for Disposal of Surplus Property" form (attached) as not having a UNM Property Tag Number.

The "Request for Disposal of Surplus Property" form does indicate the serial number of the projector as "gdfg6y0115F", matching the serial number on the original purchase order.

The attached documents, reasonable evidence and logic persuades a reasonable person to conclude the projector listed on the attached "Request for Disposal of Surplus Property" form dated December 9, 2014 is, in fact, the Epson 7900NL purchased in 2007 on PO# P0049519.

3 Tabs

- 1 - Request for Deletion of Assets, UNM Property Tag #N00012323, Projector Epson 7900
- 2 - PO# P0049519, dated 12/6/2006, with property information and invoice # 6287, dated 4/25/2007
- 3 - Request for Disposal of Surplus Property (Copy), 12/9/2014 (Org Code 483A)

New Mexico Compilation Commission

13-6-1 . Disposition of obsolete, worn-out or unusable tangible personal property.

A. The governing authority of each state agency, local public body, school district and state educational institution may dispose of any item of tangible personal property belonging to that authority and delete the item from its public inventory upon a specific finding by the authority that the item of property is:

- (1) of a current resale value of five thousand dollars (\$5,000) or less; and
- (2) worn out, unusable or obsolete to the extent that the item is no longer economical or safe for continued use by the body.

B. The governing authority shall, as a prerequisite to the disposition of any items of tangible personal property:

- (1) designate a committee of at least three officials of the governing authority to approve and oversee the disposition; and
- (2) give notification at least thirty days prior to its action making the deletion by sending a copy of its official finding and the proposed disposition of the property to the state auditor and the appropriate approval authority designated in Section 13-6-2 NMSA 1978, duly sworn and subscribed under oath by each member of the authority approving the action.

C. A copy of the official finding and proposed disposition of the property sought to be disposed of shall be made a permanent part of the official minutes of the governing authority and maintained as a public record subject to the Inspection of Public Records Act [Chapter 14, Article 2 NMSA 1978].

D. The governing authority shall dispose of the tangible personal property by negotiated sale to any governmental unit of an Indian nation, tribe or pueblo in New Mexico or by negotiated sale or donation to other state agencies, local public bodies, school districts, state educational institutions or municipalities or through the central purchasing office of the governing authority by means of competitive sealed bid or public auction or, if a state agency, through the surplus property bureau of the transportation services division of the general services department.

E. A state agency shall give the surplus property bureau of the transportation services division of the general services department the right of first refusal when disposing of obsolete, worn-out or unusable tangible personal property of the state agency.

F. If the governing authority is unable to dispose of the tangible personal property pursuant to Subsection D or E of this section, the governing authority may sell or, if the property has no value, donate the property to any organization described in Section 501(c)(3) of the Internal Revenue Code of 1986.



The University of New Mexico
Purchasing Department
MSC01 1240
1 University of New Mexico
Albuquerque, NM 87131-0001
Telephone (505) 277-2036
FAX (505) 277-7774

MEMORANDUM

To: David Harris, Executive Vice President for Administration
From: Bruce Cherrin, Chief Procurement Officer
Subject: Contract Approval
Date: April 27, 2015

The following is being submitted for approval per Regent Policy 7.4. This will need to proceed to the full Board of Regents.

I. Institution Services Dining Services RFP – Compass Group USA (Chartwells Division)

In Winter 2014 and Spring 2015, UNM did a complete review of all UNM Food Service operations. The study asked for an inclusive and creative food service program that supports academic success and builds a sense of community. The selected contractor would be fully committed to providing an exceptional dining environment with delicious meals and convenience items that address diverse nutritional and cultural needs of students, faculty, staff and guests. Capital needs was also addressed. In addition emphasis was placed on La Posada, our dining facility that is focused on our resident students, to be a 24/7 operation to enhance the environment for those students.

This has increased the value proposition for students (resident and non-resident), added value to housing and transformed the on campus social and learning landscape for students.

A committee was formed that had representation from ASUNM, GPSA, North Campus, Housing, SUB, ISS Food Service and Purchasing.

In order to move forward in providing 24/7 food service, Request for Proposal #1707-15 was solicited on February 11, 2015 for "University of New Mexico Dining Services." There were a total of 3 respondents for the Request for Proposal.

In accordance with the criteria established for the procurement, the evaluation committee unanimously recommends awarding the procurement to Compass Group USA, Inc. by and through its Chartwells Division.

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

DATE: April 21, 2015

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

FROM: Chris Vallejos, Associate Vice President, Institutional Support Services

RE: Requested Approvals

RECOMMENDED ACTION:

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

1. Request for Capital Project Approval for UNM Taos Core Drainage, Landscaping and Site Lighting
2. Request for Approval to use Construction Manager at Risk for Farris Engineering Center

Please see attached summaries and drawings.

cc: Lisa Marbury, Executive Director, Institutional Support Services
R. Henrard, A. Coburn, C. Martinez, M. Dion, E. Schwaner – PDC

**REQUEST FOR CAPITAL PROJECT APPROVAL for
UNM Taos Core Drainage, Landscaping and Site Lighting Project
UNIVERSITY OF NEW MEXICO
May 7, 2015**

REQUESTED ACTION:

As required by Section 7.12 of the Board of Regents Policy Manual and as required by the New Mexico Higher Education Department and New Mexico State Board of Finance, project approval is requested for UNM Taos Core Drainage, Landscaping and Site Lighting Project, Taos Branch Campus, Taos, NM.

PROJECT DESCRIPTION:

University of New Mexico- Taos Core Drainage, Landscaping and Site Lighting project will provide and install Landscaping, irrigation, concrete sidewalks, landscape pavers, drainage structures, shade structures, and site lighting on approximately 61,000 sf of area located in the central core area of the UNM Taos (Klauer) Campus. This will provide new pathways to navigate the growing campus and gathering spaces for staff and students. This project will also correct existing drainage issues within this area as well as provide much needed ADA pathways between existing buildings and add site lighting along these pathways for enhanced campus safety and security.

RATIONALE:

The rationale for this project comes from the need to consolidate and improve the Taos Branch Campus central core area. The proposed project will pave the way for future expansion of the Taos Campus by facilitating the expansion of key infrastructure to enhance the students and staffs ability to easily and safely navigate the campus. Currently access to the existing buildings consists of a disjointed collection of pathways and stairs that severely hamper student and staff movement as well as failing to provide adequate ADA access to the existing buildings.

By incorporating new drainage structures and landscaping into this project, this begins to draw the collection of existing building into a coherent and user friendly central campus core. This will also eliminate the possibility of building flooding by controlling a major drainage pathway located in the central core.

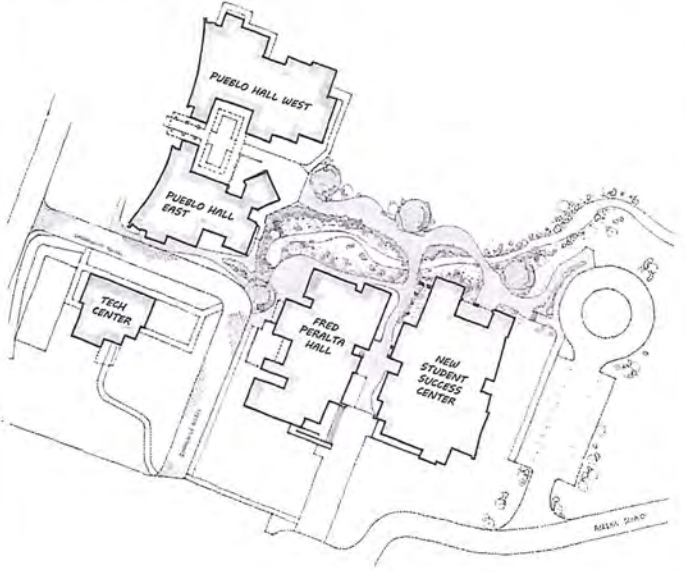

FUNDING:

The total estimated Project Budget is \$701,250:

- \$701,250 is funded from 2012 General Obligation Bonds

University of New Mexico - Klauer Campus

Schematic Hardscape Package

GENERAL NOTES:	PROJECT TEAM	SHEET INDEX
	<p>OWNER: UNIVERSITY OF NEW MEXICO - KLAUER CAMPUS 1157 COUNTY ROAD 110 RANCHOS DE TAOS, NM 87557 CONTACT: JIM POLLARD</p> <p>ARCHITECT: LIVING DESIGNS GROUP ARCHITECTS 122A DOÑA LUZ ST. TAOS, NM 87571 CONTACT: DOUGLAS PATTERSON, AIA T: 575.751.9481</p>	<p>1. COVER SHEET / PROJECT INFO</p> <p>2. SCHEMATIC HARDSCAPE PLAN</p> <p>3. HARDSCAPE SCOPE OF WORK</p>
SCHEMATIC RENDERING	VICINITY MAP	
	 <p>PROJECT LOCATION</p>	

ldg
architects

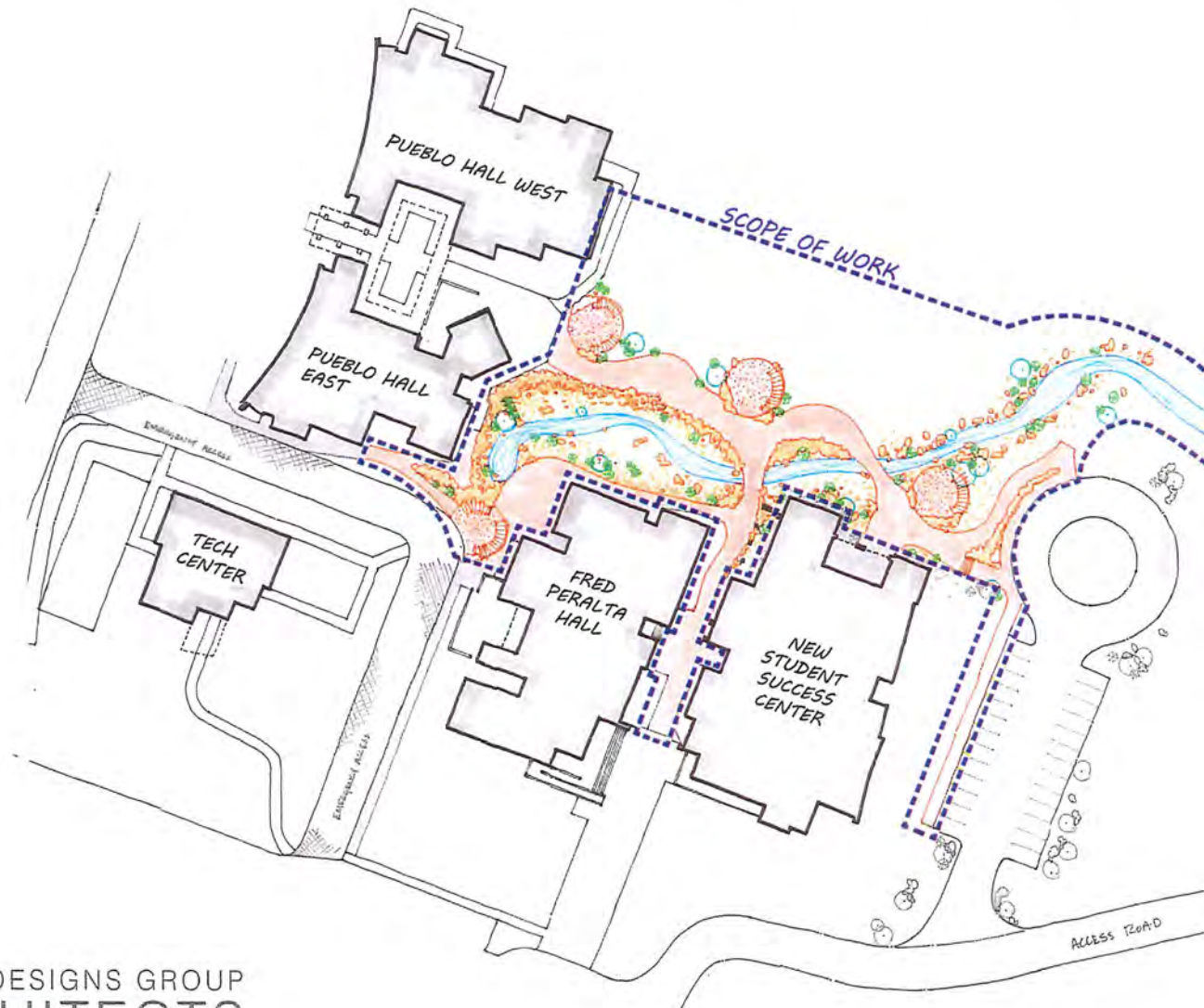
122A DOÑA LUZ
TAOS, NM 87571
t: 575.751.9481
f: 575.751.9483
www.ldgtaos.com

NOT FOR
CONSTRUCTION

UNM - KLAUER CAMPUS
STUDENT SUCCESS CENTER
Taos, New Mexico 87571

PROJ. NO: 2014-055
ISSUE DATE: 03.05.15
ISSUED FOR: PRESENTATION
REVISIONS:
NO. DATE DESCRIPTION
DRAFTED BY: RG
APPROVED BY: LDG
SCALE:
COVER SHEET

G-100



LOBO DEVELOPMENT

PARTNERSHIP + INVESTMENT + COMMUNITY

801 University Blvd. SE, Suite 207
Albuquerque, NM 87106
505-925-1600
<http://lobodevelopment.org>

April 13, 2015

Mr. David W. Harris
Executive Vice President for Administration, COO, CFO
The University of New Mexico
Albuquerque NM 87131-0001

Dear Executive Vice President Harris:

Lobo Development Corporation requests that the Annual Meeting of the Member be held during the Board of Regents' Finance and Facilities Committee meeting on May 5, 2015. There are two action items to be presented:

- A. Approval of the Summarized Minutes of the February 11, 2014 Meeting.
- B. Approval of the FY 2013-14 audit.

Thank you.

Sincerely,



Chris Vallejos
Secretary/Treasurer

LOBO DEVELOPMENT

PARTNERSHIP + INVESTMENT + COMMUNITY

Minutes of the February 11, 2014 Annual Meeting of the Member

REGENTS COMMITTEE REPORTS (presentation materials included in BOR E-Book)

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

Consent Items – agenda items 2, 3, 5, and 6 (Finance and Facilities)

5. Lobo Development Corporation Annual Meeting of the Member, a) Approval of meeting minutes from February 11, 2013 meeting, and b) approval of the FY 2012-13 audit report.

The motion to approve consent agenda items 2, 3, 5 & 6 passed unanimously with a quorum of Regents present and voting (1st Koch, 2nd Gallegos).

“Meeting of the Member” Process – Defined

Each year it is a requirement for Lobo Energy, Inc. and Lobo Development Corp. to have a “Meeting of the Member”. In each case the “Member” has been defined as the University Of New Mexico Board Of Regents.

The required meeting is typically held during a Board of Regents Meeting and includes the following agenda items, but may be altered to include other items as needed. The Chairman of the Board for each entity is responsible for carrying forward the agenda. If the Chairman is not available, or so desires, an Officer of the entity may act in the Chairman’s stead.

Typical Agenda for the “Meeting of the Member”:

1. Approval of the previous years’ Meeting of the Member minutes
2. Approval of the Annual Audit finding for Lobo Energy Inc. /Lobo Development Corp.
3. Adjournment of the Meeting of the Member

Directions for the Meeting of the Member for Lobo Development Corp.

1. President of the Board of Regents calls for the annual “Meeting of the Member” for Lobo Development Corp.
2. President of the Board of Regents calls for approval of the minutes from the previous years’ “Meeting of the Member” – **NOTE, as there was no Meeting of the Member in 2008, there is no approval for minutes in 2009 – this will begin in 2010.**
3. The Chairman/Officer of Lobo Development Corp. presents the Annual Audit Findings
4. President of the Board of Regents calls for approval of the Audit Findings presented by Lobo Development Corp.
5. President of the Board of Regents adjourns the “Meeting of the Member” for Lobo Development Corp.

Directions for the Meeting of the Member for Lobo Energy Inc.

1. President of the Board of Regents calls for the annual “Meeting of the Member” for Lobo Energy Inc.
2. President of the Board of Regents calls for approval of the minutes from the previous years’ “Meeting of the Member”
3. The Chairman/Officer of Lobo Energy Inc. presents the Annual Audit Findings
4. President of the Board of Regents calls for approval of the Audit Findings presented by Lobo Energy Inc.
5. President of the Board of Regents adjourns the “Meeting of the Member” Lobo Energy Inc.



LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Financial Statements

June 30, 2014 and 2013

(With Independent Auditors' Report Thereon)

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

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LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Official Roster

June 30, 2014

OFFICERS

David W. Harris
Paul B. Roth, M.D.
Chris Vallejos

MEMBERS

Louis Abruzzo
Stephen J. Ciepiela
Jack L. Fortner
Robert G. Frank, Ph.D.
Maria Griego-Raby
David W. Harris
James H. Koch
Paul Krebsfc
Paul B. Roth, M.D.
Chris Vallejos



KPMG LLP
Two Park Square, Suite 700
6565 Americas Parkway, N.E.
Albuquerque, NM 87110-8179

Independent Auditors' Report

The Board of Directors
Lobo Development Corporation
and
Mr. Hector Balderas, New Mexico State Auditor

We have audited the accompanying basic financial statements of Lobo Development Corporation, a component unit of the University of New Mexico (Lobo Development) as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the Lobo Development's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lobo Development Corporation as of June 30, 2014 and 2013, and the changes in its financial position and its cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.



Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 4 through 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2014 on our consideration of Lobo Development's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lobo Development's internal control over financial reporting and compliance.

KPMG LLP

Albuquerque, New Mexico
September 22, 2014

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Management's Discussion and Analysis

June 30, 2014 and 2013

The following discussion and analysis provides an overview of the financial position and activities of Lobo Development Corporation (Lobo Development) as of and for the fiscal years ended June 30, 2014, 2013 and 2012. This discussion should be read in conjunction with the accompanying financial statements and notes. Management has prepared the basic financial statements and the related note disclosures along with this discussion and analysis. As such, the financial statements, notes, and this discussion are the responsibility of Lobo Development's management.

Financial Highlights

Cash decreased in 2014 by \$86,867, resulting in cash on deposit with fiscal agent and cash on hand at the close of fiscal year 2014 of \$595,085. The decrease during fiscal year 2014 is primarily due to an increase in debt repayments partially offset by cash provided by operating activities. Cash decreased in 2013 by \$646,978, resulting in cash on deposit with fiscal agent and cash on hand at the close of fiscal year 2013 of \$681,952. The decrease during fiscal year 2013 is primarily due to a decrease in the amount of funding from UNM. Interest earned during fiscal year 2014 increased \$4,888 from \$4,768 to \$9,656 due to an increase in earnings on cash being held by The University of New Mexico (UNM), Lobo Development's fiscal agent.

Lobo Development's net position decreased \$228,547 during the year, from \$451,454 in 2013 to \$222,907 in fiscal year 2014, primarily as a result of distributions to UNM. During fiscal year 2013, Lobo Development's net position decreased \$709,809 during the year, from \$1,161,263 in 2012 to \$451,454 in fiscal year 2013, primarily as a result of decreased funding from UNM.

During the fiscal year, operating revenue increased by \$1,547,854 and operating expenses increased by \$142,703, resulting in an increase in net operating income of \$1,405,151. During fiscal year 2013, operating revenue decreased by \$766,848 and operating expenses increased by \$383,457, resulting in a decrease in net operating income of \$1,150,305.

Using This Annual Report

This annual report consists of a series of financial statements. The statements of net position, statements of revenues, expenses, and changes in net position, and statements of cash flows provide information about the activities of Lobo Development.

The statements of net position provide information about Lobo Development's overall financial status. The statements of revenues, expenses, and changes in net position provide information about the operating revenues and expenses and the nonoperating revenues and expenses of Lobo Development. The statements of cash flows provide information related to the cash inflows and outflows of Lobo Development.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Management's Discussion and Analysis

June 30, 2014 and 2013

Financial Information

Lobo Development's condensed financial information as of and for the fiscal years ended June 30, 2014, 2013, and 2012 are provided in the following table:

	2014	2013	2012
Current assets	\$ 595,085	681,952	1,335,930
Noncurrent assets	26,775,511	27,504,795	—
Total assets	\$ 27,370,596	28,186,747	1,335,930
Current liabilities	\$ 627,590	614,138	174,667
Noncurrent liabilities	26,520,099	27,121,155	—
Net position	222,907	451,454	1,161,263
Total liabilities and net assets	\$ 27,370,596	28,186,747	1,335,930
Operating revenue	\$ 2,761,184	1,213,330	1,980,178
Operating expenses	1,926,230	1,783,527	1,400,070
Operating income	834,954	(570,197)	580,108
Nonoperating revenue	9,656	4,768	10,291
Nonoperating expenses	1,073,157	144,380	—
Change in net position	(228,547)	(709,809)	590,399
Net position, beginning of year	451,454	1,161,263	570,864
Net position, end of year	\$ 222,907	451,454	1,161,263

Statements of Net Position

Assets – As of June 30, 2014 and 2013, Lobo Development has cash in the amount of \$595,085 and \$681,952, respectively, of which \$599,742 and \$679,765, respectively, is held by UNM, and (\$4,657) and \$2,187, respectively, is held in an operating bank account at a financial institution. Cash decreased primarily as a result of an increase in debt repayments partially offset by cash provided by operating activities.

Liabilities and Net Position – Lobo Development's net position at June 30, 2014 was allocated between unrestricted and net investment in capital assets. Lobo Development's net position at June 30, 2013 and 2012 was considered unrestricted.

Statements of Revenues, Expenses, and Changes in Net Position

Revenues – During the fiscal year ended June 30, 2014, Lobo Development generated operating revenue in the amount of \$2,761,184, which included lease payments from the three buildings purchased in year ended June 30, 2013. During the fiscal year ended June 30, 2013, Lobo Development generated operating revenue in the amount of \$1,213,330, which included a campus student housing project that was completed during the year. Other income amounted to \$9,656 and \$4,768 during the fiscal years ended June 30, 2014 and 2013, respectively, and was the result of interest earned from UNM.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Management's Discussion and Analysis

June 30, 2014 and 2013

Expenses – Total operating expenses increased \$142,703 during the fiscal year ended June 30, 2014 due to an increase of \$531,964 in depreciation, which was offset by decreases in project and administrative expenses of \$365,256 and \$24,005, respectively. The change was primarily due to the increasing costs in connection with the south campus project. Total operating expenses increased \$383,457 during the fiscal year ended June 30, 2013 due to an increase of \$257,005 in administrative expenses. This change was primarily due to hiring full-time employees, an intern, and a management consultant.

UNM is the fiscal agent of Lobo Development. UNM holds the majority of Lobo Development's net assets and invests the holdings in a commingled account with UNM's other investments. The pro rata interest earnings are credited to Lobo Development's account monthly and losses are charged at the end of the fiscal year. Lobo Development transfers funds to its checking account as needed.

Capital Assets and Debt Administration

Lobo Development's investment in capital assets as of June 30, 2014 amounts to (\$345,644) (net of accumulated depreciation). This investment in capital assets includes three buildings purchased during fiscal year 2013. Additional information concerning Lobo Development's capital assets may be found in note 5 in notes to the financial statements.

At the end of the current fiscal year, Lobo Development had total debt outstanding of \$27,121,155. This debt was incurred during the prior fiscal year for the purchase of the three buildings noted above. Additional information concerning Lobo Development's long-term debt may be found in note 6 in the notes to the financial statements.

Factors Impacting Future Periods

Lobo Development is currently involved in the commercial development of vacant UNM property and has been negotiating with several retailers. Once a firm commitment is received, work will begin on building the infrastructure to support the retail outlets on UNM property. It is not known when this expansion of business will transpire.

Anticipated revenue sources for 2014 include campus student housing ground rent, commercial development ground rent, real estate income, and commercial development infrastructure income.

Contacting Lobo Development's Financial Management

This report is meant to accurately describe the financial condition and position of Lobo Development.

If you have questions about this report or need additional financial information, contact Lobo Development Corporation at 801 University Boulevard SE, Suite 207, Albuquerque, New Mexico 87106-4345.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Statements of Net Position

June 30, 2014 and 2013

Assets	<u>2014</u>	<u>2013</u>
Current assets:		
Cash on deposit with fiscal agent	\$ 599,742	679,765
Cash on deposit with bank	(4,657)	2,187
Total current assets	<u>595,085</u>	<u>681,952</u>
Noncurrent assets:		
Capital assets (less accumulated depreciation of \$886,606)	26,775,511	27,484,795
Other assets	<u>—</u>	<u>20,000</u>
Total noncurrent assets	<u>26,775,511</u>	<u>27,504,795</u>
Total assets	<u>\$ 27,370,596</u>	<u>28,186,747</u>
Liabilities and Net Position		
Current liabilities:		
Current portion of long term debt	601,056	583,314
Accounts payable	26,534	30,824
Total current liabilities	<u>627,590</u>	<u>614,138</u>
Noncurrent liabilities:		
Long term debt	26,520,099	27,121,155
Total noncurrent liabilities	<u>26,520,099</u>	<u>27,121,155</u>
Net position:		
Net investment in capital assets	(345,644)	(199,674)
Unrestricted	568,551	651,128
Total net position	<u>222,907</u>	<u>451,454</u>
Total liabilities and net position	<u>\$ 27,370,596</u>	<u>28,186,747</u>

See accompanying notes to financial statements.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Statements of Revenues, Expenses, and Changes in Net Position
Years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Operating revenue:		
Project revenue	\$ 2,761,184	1,213,330
Total operating revenue	<u>2,761,184</u>	<u>1,213,330</u>
Operating expenses:		
Project expenses	731,703	1,096,959
Depreciation	709,285	177,321
Administrative expenses	485,242	509,247
Total operating expenses	<u>1,926,230</u>	<u>1,783,527</u>
Operating income	<u>834,954</u>	<u>(570,197)</u>
Nonoperating revenue:		
Interest income	9,656	4,768
Total nonoperating revenue	<u>9,656</u>	<u>4,768</u>
Nonoperating expenses:		
Interest expense	823,157	144,380
Distributions to UNM	250,000	—
Total nonoperating expenses	<u>1,073,157</u>	<u>144,380</u>
Nonoperating loss	<u>(1,063,501)</u>	<u>(139,612)</u>
Change in net position	<u>(228,547)</u>	<u>(709,809)</u>
Net position, beginning of year	451,454	1,161,263
Net position, end of year	<u>\$ 222,907</u>	<u>451,454</u>

See accompanying notes to financial statements.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Statements of Cash Flows
Years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Payments to suppliers of goods or services	\$ (1,221,236)	(1,750,049)
Payments received from contractors	—	7,000
Payments received from fiscal agent	2,761,184	1,213,330
Net cash provided by (used in) operating activities	<u>1,539,948</u>	<u>(529,719)</u>
Cash flows from capital and related financing activities:		
Proceeds from loan from fiscal agent	—	27,800,000
Earnest money received (paid) for asset purchase	20,000	(20,000)
Purchase of property, plant, and equipment	—	(27,662,116)
Distributions to UNM	(250,000)	—
Debt repayment to fiscal agent-principal	(583,314)	(234,412)
Debt repayment to fiscal agent-interest	(823,157)	—
Net cash used in capital and related financing activities	<u>(1,636,471)</u>	<u>(116,528)</u>
Cash flows provided by (used in) investing activity:		
Interest paid on deposits with fiscal agent	9,656	(731)
Net cash provided by (used in) investing activities	<u>9,656</u>	<u>(731)</u>
Net increase (decrease) in cash and cash equivalents	(86,867)	(646,978)
Cash and cash equivalents, beginning of year	681,952	1,328,930
Cash and cash equivalents, end of year	\$ <u><u>595,085</u></u>	<u><u>681,952</u></u>
Reconciliation of operating income to net cash provided by (used in) operating activities:		
Operating Income	\$ 834,954	(570,197)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Change in accounts receivable	—	7,000
Change in accounts payable	(4,291)	(143,843)
Depreciation expense	709,285	177,321
Net cash provided by operating activities	<u><u>\$ 1,539,948</u></u>	<u><u>(529,719)</u></u>

See accompanying notes to financial statements.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2014 and 2013

(1) Description of Business

Lobo Development Corporation, a component unit of The University of New Mexico (Lobo Development), is owned, controlled, and was established by The University of New Mexico's (UNM) Board of Regents.

Lobo Development was incorporated in the State of New Mexico on October 4, 2007 under the State of New Mexico's University Research Park and Economic Development Act.

Lobo Development was established to benefit the UNM Regents by relieving the University of responsibilities to acquire, own, manage and develop certain real estate in a commercially reasonable manner and to maximize the University's return from these assets; by contributing all of the corporation's net revenues to the University for the support of the teaching, research and service mission of the University; and by creating learning opportunities for students in this development activity. The activities of the corporation shall include the acquisition, development, disposition and rental of real estate for the benefit of the University.

Under the Memorandum of Agreement between the UNM Regents and Lobo Development signed in the first quarter of fiscal year 2009, Lobo Development may plan, direct, and coordinate its business activities in accordance with a mutually agreed upon development proposal and development agreement between Lobo Development and UNM. Lobo Development operations will be funded by an administrative fee assigned to approved projects. If Lobo Development revenues are more than sufficient to meet its anticipated financial obligations based on a mutually approved annual budget, it is the intent of the parties that excess revenue shall be distributed back to UNM. For the year ended June 30, 2014, \$250,000 was distributed back to UNM. For the year ended June 30, 2013, no amounts were distributed back to UNM.

During the year ended June 30, 2014, principal activities performed by Lobo Development focused on the South Campus Retail Project proposed by a developer under a Master Development Agreement (MDA) that was executed on December 20, 2012. Pursuant to the terms of the MDA, the developer submitted preliminary materials for review and approval by Lobo Development and UNM on November 21, 2013. The materials did not conform to the requirements of the MDA and the submittal was disapproved. Lobo Development staff worked extensively with the developer during the fiscal year to revise the materials and attempt to develop a financial structure that provided sufficient returns to the parties. After multiple iterations of the financial structure of the proposed project, it was determined that the proposed project was not feasible and the parties are in the process of terminating the MDA.

Lobo Development staff also completed feasibility studies on multiple sites that have been identified for commercial use in the UNM Consolidated Master Plan. Additional efforts focused on the feasibility of a University-affiliated hotel and conference center.

Lobo Development provides services only to UNM. Lobo Development does not have any component units.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2014 and 2013

(2) Summary of Significant Accounting Policies and Practices

(a) Basis of Accounting

As a proprietary fund, Lobo Development's financial statements are reported using a flow of economic resources measurement focus and the full accrual basis of accounting. Accordingly, revenues are recognized when they are earned and expenses are recognized as soon as the liability is incurred. Operating revenues and expenses are those incurred that relate directly to project management services. All other revenues and expenses are considered nonoperating.

The accompanying financial statements include only the accounts of Lobo Development, which has no component units.

(b) Net Position

For accounting and reporting purposes, Lobo Development reports its net position in the following net asset categories as applicable:

- Net investment in capital assets – capital assets net of accumulated depreciation and debt incurred to finance the capital asset acquisition
- Unrestricted – net position that is not subject to externally imposed constraints.

(c) Use of Estimates

The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the financial statements dates and the reported amounts of revenues and expenses during these reporting periods. Due to uncertainties inherent in the estimation process, actual results could differ from those estimates.

(d) Cash and Cash Equivalents

For purposes of the statement of cash flows, Lobo Development considers cash and cash equivalents to be cash deposits and amounts held by its fiscal agent.

(e) Revenue Recognition

Lobo Development recognizes operating revenue for services earned under the terms of the Memorandum of Agreement (MOA).

Lobo Development's revenue for fiscal year ending June 30, 2014 originated from the following sources: (1) Student Housing project/ACC Component I, (2) Student Housing project/ACC Component II, and (3) Rent from three occupancy leases. Revenue for fiscal year ending June 30, 2013 originated from the following sources: (1) Student Housing projects/ACC, (2) Real Estate/Mesa del Sol, and (3) City of Albuquerque Fire Station Land Sale. All revenue from these sources is originally paid to UNM and UNM determines which revenue streams are allocated to Lobo Development as payment for services provided.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2014 and 2013

(f) Income Taxes

Lobo Development is exempt from federal income tax on income related to its exempt purposes under Section 501(a) of the Internal Revenue Code (Code) as an organization described in Section 501(c)(3) of the Code.

(g) Capitalization Policy

Capital assets are recorded at original cost, or fair value if donated. Per Section 12-6-10 NMSA 1978, Lobo Development follows UNM's capitalization policy for moveable equipment includes all items with a unit cost of \$5,000 or more, and an estimated useful life of greater than one year. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, generally 39 years for buildings.

(3) Cash

Lobo Development's cash balances include cash on deposit with fiscal agent and an operating account. Lobo Development has no statutory policy requirements related to cash deposits. UNM serves as the fiscal agent for Lobo Development through which Lobo Development participates in a pooled bank account maintained by UNM. At June 30, 2014 and 2013, Lobo Development had a balance in that pooled account of \$599,742 and \$679,765, respectively. As fiscal agent, UNM requires the financial institution holding these pooled funds to maintain minimum collateral amounts. Interest is allocated monthly to Lobo Development's account based on its balance in the pooled bank account at the end of the preceding month.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the entity's deposits may not be returned to it. At June 30, 2014, the bank balance and the book balance in Lobo Development's separate checking account with Compass Bank were \$77,648 and (\$4,657), respectively. At June 30, 2013, the bank balance and the book balance in Lobo Development's separate checking account with Compass Bank were \$60,839 and \$2,187, respectively. Of the bank balance, the entire amount is insured by the Federal Deposit Insurance Corporation.

(4) Related-Party Transactions

Effective August 12, 2008, UNM and Lobo Development entered into a MOA containing the expectations and performance obligations that UNM is seeking from Lobo Development.

Pursuant to the MOA, UNM provides to Lobo Development, at no cost to Lobo Development, facilities support and general business office and associated workspace. Under the agreement, UNM provides cash and investment management activities for Lobo Development, at no cost to Lobo Development.

The MOA may be terminated by UNM, effective upon written notice to Lobo Development. Upon termination, all property of Lobo Development shall be transferred to UNM or other successor organization designated by resolution of the UNM Board of Regents.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2014 and 2013

(5) Capital Assets

Capital asset activity for the year ended June 30, 2014 was as follows:

	<u>Balance at June 30, 2013</u>	<u>Additions/ completions</u>	<u>Retirements/ disposals</u>	<u>Balance at June 30, 2014</u>
Buildings	\$ 27,662,116	—	—	27,662,116
Accumulated depreciation	(177,321)	(709,284)	—	(886,605)
Total capital assets	<u>\$ 27,484,795</u>	<u>(709,284)</u>	<u>—</u>	<u>26,775,511</u>

Capital asset activity for the year ended June 30, 2013 was as follows:

	<u>Balance at June 30, 2012</u>	<u>Additions/ completions</u>	<u>Retirements/ disposals</u>	<u>Balance at June 30, 2013</u>
Buildings	\$ —	27,662,116	—	27,662,116
Accumulated depreciation	—	(177,321)	—	(177,321)
Total capital assets	<u>\$ —</u>	<u>27,484,795</u>	<u>—</u>	<u>27,484,795</u>

(6) Long-Term Debt

A promissory note payable to UNM was issued to finance the capital assets purchase made in fiscal year 2013. Principal and interest payments are due monthly on the first day of each month. This note bears interest at 3% and matures May 1, 2020.

The following is a summary of debt transactions, including current portion, for the year ended June 30, 2014:

	<u>Balance at June 30, 2013</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance at June 30, 2014</u>	<u>Due within one year</u>
Note payable to UNM	\$ 27,704,469	—	(583,314)	27,121,155	601,056
Total long-term debt	<u>\$ 27,704,469</u>	<u>—</u>	<u>(583,314)</u>	<u>27,121,155</u>	<u>601,056</u>

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2014 and 2013

The following is a summary of debt transactions, including current portion, for the year ended June 30, 2013:

	Balance at June 30, 2012	Increase	Decrease	Balance at June 30, 2013	Due within one year
Note payable to UNM	\$ —	27,800,000	(95,531)	27,704,469	583,314
Total long-term debt	\$ —	27,800,000	(95,531)	27,704,469	583,314

At June 30, 2014, minimum future payments under this promissory note are as follows:

	Principal	Interest	Total
Fiscal year ending June 30:			
2015	\$ 601,056	805,415	1,406,471
2016	619,338	787,133	1,406,471
2017	638,176	768,295	1,406,471
2018	657,587	748,884	1,406,471
2019	677,588	728,883	1,406,471
2020	23,927,410	708,275	24,635,685
	\$ 27,121,155	4,546,885	31,668,040

(7) Contingencies

Lobo Development, through UNM, participates in the State of New Mexico Risk Management Program (Risk Management) that provides general liability at Lobo Development's expense. Worker's compensation insurance and property insurance are provided by private companies at Lobo Development's expense. The Risk Management program liability insurance coverage includes most employee liability claims; those claims falling outside this state program are in limited amounts and are covered by UNM from its operating budget. UNM's exposure is limited to \$1,000 per any first party incurred property loss, with the exception of theft, which has a \$5,000 deductible.

(8) Retirement Plan

Beginning in fiscal year 2013, Lobo Development created contribution 403(b) plan. The plan is available to all employees of Lobo Development, beginning the first day of the plan year quarter coincident with or next following the date the employee first performs their first day of service. Principal Financial Group administers the plan, and Lobo Development contributes the sum of (a) a 6% match for employees that contribute to the plan and (b) a discretionary contribution as determined by Lobo Development for employees who do not contribute to the plan. Lobo Development's contribution to the plan for the years ended June 30, 2014 and 2013 was \$13,083 and 12,143, respectively.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2014 and 2013

(9) Subsequent Events

Subsequent events are evaluated by management through the date the accompanying financial statements are available to be issued, which is September 22, 2014.



KPMG LLP
Two Park Square, Suite 700
6565 Americas Parkway, N.E.
Albuquerque, NM 87110-8179

**Independent Auditors' Report on Internal Control over Financial
Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

The Board of Directors
Lobo Development Corporation
and
Mr. Hector Balderas, New Mexico State Auditor:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Lobo Development Corporation, a component of the University of New Mexico (Lobo Development), which comprise the statement of net position as of June 30, 2014, and the related statement of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 22, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lobo Development's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lobo Development's internal control. Accordingly, we do not express an opinion on the effectiveness of Lobo Development's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lobo Development's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Lobo Development's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lobo Development's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Albuquerque, New Mexico
September 22, 2014

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Schedule of Findings and Response

Year ended June 30, 2014

Prior Year Findings

2013-01 Journal Entry Approval Process

Current year status – resolved

Current Year Findings

None.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Exit Conference

Year ended June 30, 2014

An exit conference was conducted on September 22, 2014. During this meeting, the contents of this report were discussed with the following individuals:

Lobo Development Corporation

Chris Vallejos	Secretary/Treasurer
Keelie L. Garcia	Administrative Operations Manager

KPMG LLP

John T. Kennedy	Partner
Mike Hoskins	Manager (via telephone)

LOBO ENERGY, INC.

April 16, 2015

David W. Harris
E.V. P. for Administration, COO, CFO
The University of New Mexico
Albuquerque NM 87131-0001

Dear Executive Vice President Harris:

Lobo Energy, Incorporated requests that the annual meeting of the member be held during the Finance and Facilities Committee meeting on May 5, 2015.

There are two action items for the agenda:

- Approval of the Minutes from the Annual Meeting of the Member held on February 7, 2014 and
- Approval of the FY 2013-14 audit

Although the Regents' Finance & Facilities Committee has approved the UNM audit, which includes the audit of Lobo Energy, the University Research Park and Economic Development Act requires that the auditor present the corporation's audit to the Board of Regents. We wish to fulfill that obligation. John T. Kennedy, KPMG, and Jason Strauss will present.

Thank you

Sincerely,



Jason Strauss
President/CEO

c: Chris Vallejos




Office of Planning, Budget & Analysis

MEMORANDUM

TO: Members of the Finance and Facilities Committee

THRU: Robert G. Frank, President
David W. Harris, EVP for Administration, COO, and CFO

FROM: Andrew Cullen, Associate Vice President – Planning, Budget and Analysis
Chris P. Vallejos, Associate Vice President – Institutional Support Services 

DATE: May 5, 2015

SUBJECT: **Approval of Capital Outlay Submission to the Higher Education Department**

RECOMMENDED ACTION

Attached for your approval is the Capital Outlay request spreadsheet that details projects that will construct and/or significantly improve and renew numerous facilities on the University of New Mexico's campuses. Staff recommends approval of the 2017 Capital Projects package so that it may be submitted to the Higher Education Department for Fiscal Year 2016-17.

As part of the HED's new budget process, the request must be submitted by their June 1, 2015 deadline. The list takes into consideration the state budget outlook, the fact that the request falls within the General Obligation Bond cycle, the significant facility needs of the institution and the belief that the University of New Mexico currently has bonding capacity that would allow for the issuance of bonds to fund, or partially fund, certain projects. In total the attached list is comprised of nineteen projects.

In a change from prior years, and due to the fact that the issuance of bonds is likely, there are several projects that require no State funding but are listed for informational purposes. In this regard, it is important that State officials fully understand the critical facility needs of the University of New Mexico and the fact that we are prepared to move our capital renewal plan forward with our own resources. Assuming State support, the argument can be made that we are fully leveraging tax-payer dollars.

We look forward to your feedback on the capital projects request as the University of New Mexico advances its facility improvements initiative. Thank you for your consideration.

**UNIVERSITY OF NEW MEXICO
CAPITAL OUTLAY PLAN**

	ESTIMATED PROJECT COST	2016 APPROPRIATION REQUEST	PREVIOUS APPROPRIATION	PRIVATE FUNDS & OTHER FUNDS	Potential UNM BONDS ⁽²⁾
MAIN CAMPUS & HSC FACILITIES					
INTERDISCIPLINARY SCIENCE BUILDING (P & A)	\$65,746,710	\$15,000,000	\$746,710	\$0	\$50,000,000
ANDERSON SCHOOL OF MANAGEMENT- Phase I ⁽¹⁾	\$25,000,000	\$0	\$721,500	\$7,000,000	\$17,278,500
HEALTH EDUCATION BUILDING - PHASE III	\$30,000,000	\$8,000,000	\$12,000,000	\$10,000,000	\$0
ADULT HOSPITAL REPLACEMENT ⁽¹⁾	\$400,000,000	\$0	\$0	\$400,000,000	\$0
JOHNSON CENTER EXPANSION & RENEWAL ⁽¹⁾	\$35,000,000	\$0	\$0	\$0	\$35,000,000
FARRIS ENGINEERING BUILDING RENOVATION	\$26,001,500	\$4,700,000 ⁽³⁾	\$21,301,500	\$0	\$0
SUBTOTAL	\$581,748,210	\$27,700,000	\$34,769,710	\$417,000,000	\$102,278,500
(1) Informational Only					
(2) Assumes Issuing UNM Bonds in FY16 or FY17					
(3) Amount includes \$1.55M that was in SB 159 and might be funded through a special session.					
INFRASTRUCTURE					
ADA COMPLIANCE	\$250,000	\$250,000	\$0	\$0	\$0
REPAVING and ROAD REPAIR (Campus Wide)	\$2,500,000	\$2,500,000	\$0	\$0	\$0
IT ELECTRICAL UPGRADES	\$2,200,000	\$2,200,000	\$0	\$0	\$0
DATA CENTER PLANNING	\$210,000	\$210,000	\$0	\$0	\$0
UTILITY PLANT RELIABILITY	\$750,000	\$750,000	\$0	\$0	\$0
SUBTOTAL	\$5,910,000	\$5,910,000	\$0	\$0	\$0
ATHLETICS					
LANDSCAPING IMPROVEMENTS - PHASE II	\$1,000,000	\$1,000,000	\$0	\$0	\$0
SOUND SYSTEM IMPROVEMENTS	\$600,000	\$600,000	\$0	\$0	\$0
SUBTOTAL	\$1,600,000	\$1,600,000	\$0	\$0	\$0
GALLUP BRANCH					
CAREER TECHNOLOGY EDUCATION CENTER- Phase I	\$4,860,000	\$3,645,000	\$0	\$1,215,000	\$0
PHYSICAL PLANT BUILDING	\$2,000,000	\$1,500,000	\$0	\$500,000	\$0
LOS ALAMOS BRANCH					
SUSTAINABILITY and INFRASTRUCTURE	\$1,000,000	\$750,000	\$0	\$250,000	\$0
STUDIO CLASSROOM RENOVATION	\$957,200	\$478,600	\$0	\$478,600	\$0
TAOS BRANCH					
STEM TECHNICAL CENTER - Phase II	\$4,800,000	\$4,176,000	\$0	\$624,000	\$0
VALENCIA BRANCH					
MECHANICAL, ELECTRICAL, and IT SYSTEM UPGRADES	\$4,800,000	\$3,600,000	\$0	\$1,200,000	\$0
SUBTOTAL	\$18,417,200	\$14,149,600	\$0	\$4,267,600	\$0
TOTAL	\$607,675,410	\$49,359,600	\$34,769,710	\$421,267,600	\$102,278,500

MEMORANDUM OF AGREEMENT
AMONG
THE REGENTS OF THE UNIVERSITY OF NEW MEXICO,
THE UNIVERSITY OF NEW MEXICO FOUNDATION, INC.
AND
UNIVERSITY OF NEW MEXICO LOBO CLUB, INC.

This Memorandum of Agreement (MOA) is made this ____ day of October ____, 2014, among the Regents of the University of New Mexico, a public corporation of the State of New Mexico (the University), the University of New Mexico Foundation, Inc., a New Mexico nonprofit corporation, (the Foundation), and the University of New Mexico Lobo Club, Inc., a New Mexico nonprofit corporation (the Lobo Club).

This agreement supersedes all previous memorandums of agreement between these parties.

RECITALS

WHEREAS, University formally recognizes the Foundation as a separate corporate entity established for the sole purpose of soliciting, receiving, managing, and distributing private gifts and donations given for the benefit of the University of New Mexico.

WHEREAS, the University formally recognizes the Lobo Club as a separate corporate entity established for the sole purpose of soliciting, managing, and distributing private gifts and donations given for the benefit of University of New Mexico athletic programs, and, as the primary organization for developing and coordinating fundraising activities for University athletic programs;

WHEREAS, the University further recognizes that the Lobo Club provides the following services: 1) creates and encourages an opportunity for private individuals and organizations to invest in the support of University athletic programs and services with the assurance that the benefits of these gifts and donations supplement state appropriations to the University; 2) assures donors that their contributions will be distributed and utilized to enhance the University's athletic programs; and 3) provides a medium for alumni and community leaders to participate in and contribute to the strengthening of University athletic programs through their participation in the solicitation and distribution of private gifts and donations; and,

WHEREAS, both the Lobo Club and the Foundation are affiliated entities of the University and carry out specific fundraising activities on behalf of the University;

WHEREAS, the University, the Foundation, and the Lobo Club understand and acknowledge that all gifts and donations received by the Lobo Club are given for the benefit of University athletic programs and, therefore, shall be managed, distributed, and utilized in accordance with policies and procedures established by the University, the Foundation, and the Lobo Club to assure accountability to the donor and to the public that supports the University; and,

WHEREAS, the University, the Foundation, and the Lobo Club, desire to ensure that their respective responsibilities are effectively coordinated to ensure non-duplicative and effective fundraising activities.

NOW, THEREFORE, it is agreed as follows:

LOBO CLUB AGREEMENTS

1.0 LOBO CLUB'S ORGANIZATION AND GENERAL FUNCTION:

- 1.1 The Lobo Club will not engage in any activities that could jeopardize its status as a tax-exempt organization under Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended and will operate at all times according to its Bylaws.
- 1.2 The Lobo Club grants a license to use the name the "Lobo Club" to the University and the Foundation. Such name will revert to the Lobo Club for its sole use upon termination of this agreement.
- 1.3 The Lobo Club agrees to provide solicitation, consultation, and other related services consistent with the University's plans, programs and policies in efforts to maximize private gifts and donations from various sources for the benefit of University athletics programs. To that end, the Lobo Club shall plan, direct, coordinate, and conduct activities for raising funds from private sources to provide financial support to the University for the following purposes: (a) student athlete scholarships; (b) upgrading University Athletics facilities; and (c) current and long term budgetary requirements of the athletics department. The Lobo Club will conduct fundraising programs, special events and any other programs initiated by the Vice President of Athletics/Director of Athletics and Lobo Club Board of Directors and approved by both all parties to support such purposes.
- 1.4 The parties acknowledge that the Foundation, in coordination with the University, takes primary responsibility for raising funds to support the general needs of the University, and that such fundraising efforts may benefit the Lobo Club and are consistent with this Agreement.
- 1.5 The Lobo Club acknowledges that the UNM Foundation operates coordinated fundraising activities among the University's many colleges, schools, and programs and the Lobo Club agrees that it will participate in such coordinated activities for the University. The Lobo Club further agrees that it will not consciously seek donations from potential donors whom the University has prioritized for other needs of the University, except with the approval of the Foundation President and Vice President of Athletics/Director of Athletics.
- 1.6 The Lobo Club agrees not to solicit or accept gifts, grants, conveyances, devices, bequests, or otherwise from any source for a use specified by the donor which is

inconsistent with goals and policies of the Department of Athletics and the University or with the rules and regulations of the NCAA and any conference with which the University may affiliate, as amended from time to time. The Lobo Club further recognizes that the Department of Athletics may authorize complementary fund-raising efforts in cooperation with the Foundation for which the Lobo Club is not responsible.

- 1.7 The Lobo Club will maintain policies and procedures for the review and acceptance of gifts and donations. The acceptance of any gift or donation that requires a matching obligation of the University or creates a future obligation of University resources must first be approved by the University.

2.0 MANAGEMENT OF GIFTS AND DONATIONS:

- 2.1 The parties agree that all funds contributed for University athletics programs, whether through the Lobo Club, the Foundation, or the University are to be used for the benefit of athletics programs and to be administered in accordance with the University's Administrative Policies and Procedures Manual.
- 2.2 When allowed by donor intent, the Lobo Club may manage funds contributed to it, using any of such funds as necessary, to generate additional contributions to University athletics programs. The Lobo Club agrees to deposit all funds received that are not retained for operating expenses in agency accounts established by the University for the Lobo Club. The Lobo Club is responsible for the oversight of the funds deposited in the accounts. Such funds will be invested by the University and all interest income earned on such accounts will be allocated to the Lobo Club.
- 2.3 The Lobo Club's receipt, transfer and/or sale of proposed gifts of real or personal property shall conform with the University Gift Policy, including the review with the Foundation's gift acceptance committee of any proposed transfer of an in-kind revenue generating gift to the UNM Foundation.
- 2.4 The Lobo Club shall refer donors who wish to create an endowed gift to benefit the University athletics program to the UNM Foundation so the Foundation can enter into an endowed gift agreement with the prospective donor. The Foundation has been charged by the University with the ownership, management, investments and distribution of all endowments for the benefit of the University as part of the Consolidated Investment Fund, and to administer the CIF in conformance with the joint Foundation Board/Regent's Consolidated Investment Fund Endowment Management Policy (CIF Policy).

3.0 DISTRIBUTION OF FUNDS:

- 3.1 The Lobo Club agrees, in consultation with the University, to establish a schedule for transferring funds received by the Lobo Club from its agency accounts to the University.

- 3.2 The Lobo Club may maintain a separate bank account and disburse funds maintained by the Lobo Club for those operating expenses incurred directly by or on behalf of the Lobo Club. The Lobo Club shall establish policies for the oversight of all disbursements of funds directly by the Lobo Club.
- 3.3 All funds or property transferred to the University by the Lobo Club will be subject to all state laws and regulations governing the disbursement and administration of public funds and public property, except to the extent of any specific conditions of the transfer that are acceptable to the University and do not require actions that are punishable as crimes under state law.

4.0 REPORTS AND ACCOUNTING:

- 4.1 The Lobo Club shall provide the University with the report of an annual audit performed by an independent certified public accounting firm selected by the University. This audit shall be in accordance with generally accepted auditing standards. The working papers associated with the Lobo Club's audit shall be maintained and be available to the University for three (3) years after the audit report date.
- 4.2 The Lobo Club agrees to provide any information regarding the financial operations of the Lobo Club to the University's internal audit staff upon a formal request to the Lobo Club's Executive Committee.
- 4.3 The Lobo Club shall at all times maintain adequate insurance coverage for all property held and managed by the Lobo Club for the University, and maintain appropriate liability insurance for its past and present officers and directors, either through coverage by the State's Risk Management insurance program or by separately acquired coverage.

THE UNIVERSITY AND THE FOUNDATION AGREEMENTS

5.0 THE UNIVERSITY'S PRIORITIES AND LONG RANGE OBJECTIVES:

The University and the Foundation recognize that the Lobo Club needs a clear statement of the University's long-range goals and athletic objectives. The University and the Foundation, therefore, agree to provide such information and to involve the Lobo Club as the University continues to develop planning goals for its intercollegiate athletics program.

6.0 STAFF SUPPORT:

- 6.1 All Lobo Club staff members will be employees of the University or the Foundation. Such employee benefits, and other personnel matters will be in compliance with

general University or Foundation personnel management policies . The University and the Foundation shall mutually agree to pay for the appropriate staff support required by the Lobo Club to fulfill its role and responsibilities. The Vice President of Athletics/Director of Athletics and the Lobo Club Board of Directors, in consultation with the Associate Athletics Director for Development/Executive Director of the Lobo Club ("ED"), will determine the staffing needs of the Lobo Club.

- 6.2 The Vice President of Athletics/Director of Athletics and the Foundation, in consultation and agreement with the Lobo Club, will select and oversee the ED. The Vice President of Athletics/Director of Athletics and the Foundation will agree as to the percentage of the ED's total compensation that will be paid by the Athletics Department and the Foundation. The ED shall be responsible for the recruiting and hiring of staff required to meet the needs and requirements of the Lobo Club enumerated in this agreement. The ED shall consult with the President of the Lobo Club or his or her representative in this regard.
- 6.3 The ED will be evaluated annually by the Vice President of Athletics/Director of Athletics (or designee) and the Vice President of Development for the Foundation. The Vice President of Athletics/Director of Athletics and the Vice President of Development for the Foundation shall consult with the President of the Lobo Club for his or her evaluation of the ED.

7.0 SPACE:

- 7.1 The University agrees to provide, at no cost to the Lobo Club, suitable office and meeting space for the use of the Lobo Club.
- 7.2 The University will pay the cost of utilities, maintenance and repairs, property insurance, and any other physical facility support services for the Lobo Club.

8.0 UNIVERSITY AND FOUNDATION SUPPORT SERVICES:

- 8.1 The University grants the Lobo Club license to use the name "University of New Mexico" and any other trademarks of the University in connection with its fund-raising activities and social functions.
- 8.2 The University agrees to provide the Lobo Club with certain services for which no separate charges will be assessed. Such services will include, but not be limited to, business, financial, legal, public relations, and consulting services.
- 8.3 The University agrees to provide, at no cost to the Lobo Club, the necessary computing support, including acquisition of appropriate hardware and software (with the exception of the donor database software, i.e. "Titan"), required by the Lobo Club to record and maintain the required membership and donor records.

- 8.4 The University shall cooperate with the Lobo Club in the development of its fundraising programs and campaigns, including providing information, data, plans, speakers, facilities for meetings on the University campus and such other materials and services as may reasonably be necessary for the successful conduct of fundraising programs, social functions and campaigns.
- 8.5 The Foundation shall cooperate with the Lobo Club in the development of the Lobo Club fundraising programs and campaigns, including providing information, data, plans, and such other materials and services as may reasonably be necessary for the successful conduct of fundraising programs and campaigns.
- 8.6 The furniture, fixtures and equipment currently owned by the Lobo Club shall remain the property of the Lobo Club.

JOINT AGREEMENTS

9.0 OPERATIONAL CONSIDERATIONS:

- 9.1 The "Lobo Club" name will remain the exclusive ownership of the Lobo Club.
- 9.2 The parties agree that, at all times and for all purposes of this Agreement, the Lobo Club and the Foundation, shall act in independent, separate legal capacities, and not as agents of the University. Within the limits and restrictions of the New Mexico Tort Claims Act, Section 41-4-1 et seq. NMSA 1978, each party agrees to be responsible for its own negligent acts or omissions which may occur during the performance of this agreement and which result in claims by individuals or entities not parties to this agreement.
- 9.3 It is mutually understood and agreed any alteration or variation of the terms of the Lobo Club's Articles of Incorporation or the Bylaws of the Lobo Club shall be submitted for approval to the Board of Regents of the University. No amendment to this Agreement will be valid unless made in writing and signed by all parties. No oral understandings or agreements not incorporated herein, and no alterations or variations of the terms hereof, unless made in writing between all parties, shall be binding on the parties.
- 9.4 All official notices required under this Agreement shall be given as follows:

Notice to University:

Vice President for Business and Finance
MSC05 3350
1 University of New Mexico
Albuquerque, NM 87131-0001

Copy to:

Vice President of Athletics/Director of Athletics
MSC04 2680

1 University of New Mexico
Albuquerque, NM 87131-0001

Notice to Lobo Club:

President
University of New Mexico Lobo Club
MSC04 2680
1 University of New Mexico
Albuquerque, NM 87131-0001

Notice to the Foundation:

President/CEO
University of New Mexico Foundation
700 Lomas Blvd, NE
Albuquerque, NM 87102

10.0 TERMINATION:

This agreement may be terminated by any party effective upon written notice to the other parties at least sixty (60) days in advance thereof. If for any reason this agreement is terminated or the Lobo Club is dissolved or liquidated, all accounts of the Lobo Club shall be transferred to the University or a successor organization(s) designated by a resolution of the Board of Regents on or before the date of termination. In such event, the University or other successor organization shall honor to the maximum extent possible the instructions of donors to the Lobo Club.

IN WITNESS HEREOF, the parties hereto have caused this Agreement to be executed.

The University of New Mexico
Lobo Club, Inc.

The Regents of the
University of New Mexico

By _____
President, The Lobo Club

By _____
President of the Board
of Regents

By _____
Secretary, The Lobo Club

By _____
Secretary/Treasurer of the Board
of Regents

The University of New Mexico Foundation, Inc.

By _____
President/CEO



Office of Planning, Budget & Analysis

MEMORANDUM

TO: Members of the Finance and Facilities Committee

THRU: Robert G. Frank, President
David W. Harris, EVP for Administration, COO, and CFO

FROM: Andrew Cullen, Associate Vice President – Planning, Budget and Analysis
Chris P. Vallejos, Associate Vice President – Institutional Support Services

DATE: May 5, 2015

SUBJECT: **Capital Facility Improvement Plan**

The Projects

After two successful bond issues in 2005 and 2007 to construct and/or renew facilities across campus, the University of New Mexico is poised to move forward with another *Capital Facility Improvement Plan* and a proposed financing package that would combine State and private funds with a new issuance of System Revenue Bonds.

As is the case with any bond issue, the specific capital projects, and their relevance in moving the University's strategic mission forward, must justify the issuance of debt. In the case of this proposed bond issue, there are five capital projects that have considerable support from executive management, academic leadership, and students, including:

- Physics & Astronomy, Interdisciplinary Science (PAIS) – New Facility
- Anderson School of Management – New Facility
- Johnson Center – Expansion & Renewal
- Farris Engineering Center – Renovated and Revitalized Building
- Child Care Addition – New Facility

At the current time, the exact funding needed for the Farris Engineering Center and Child Care Addition remains unclear. In the case of Farris, partial funding is included in legislation that would be part of the special session capital funding package being considered by State leadership. In the case of the Child Care facility, a fully vetted program has not yet been developed, and a business plan that would justify the construction and identify revenues to fund debt service and operating costs, is still in early stages of development. However, order of magnitude funding assumptions detailed below have been made for discussion purposes today.

Bonding Capacity

In order to maximize the University's ability to sustain its desired rating position (Moody's Investors Service – Aa2), the administration requested its Financial Advisor, First Southwest Company (FSWC), to perform a debt capacity analysis at various bond funding levels. As the attached memo from FSWC details, a key performance ratio used by rating agencies to

determine the University's rating is net revenues available for debt service (NRADS). This ratio is calculated by dividing NRADS by the maximum yearly aggregated debt service of the University.

Per FSWC, it is recommended that the University of New Mexico maintain at least 2.5 times coverage in this regard. Given the variable nature of net revenues over the course of the last three years, the administration is currently comfortable proposing, for initial scoping purposes, a debt issuance of \$125,000,000, which would result in 2.67 debt service coverage under the critical assumption that net revenues equal or exceed the average of the last three years, or approximately \$107 million.

Student Fees

A closer look at the list of projects reveals that student fees would need to be increased to fund the majority of debt service associated with the bond issue. In fact, only the Child Care facility, at this time, would be in a position to generate revenues to cover debt service. Under this assumption, an analysis of the impact on student fees is attached for your consideration.

The analysis reveals that in order to fund \$116 million in construction proceeds for academic facilities [\$125,000,000 less \$8,000,000 (child care) less \$1,000,000 (COI/CAP-I)] over a five-year phase-in period, student fees would need to be increased \$72.00 per year, which would represent a cumulative student fee increase over five years of \$360.00, or a 5.5% increase of tuition & fees over this same period of time.

The increase above assumes that student fees would fund the full cost of the Johnson Center Expansion & Renewal project, even though this facility is shared with faculty and staff who take advantage of working-out in Johnson Center while on campus. With this understanding, students have proposed that this cost be shared with faculty and staff. Under that assumption, the student fees necessary to fund the full list of projects would decrease, and thus the overall student fee increase necessary to fund the academic projects would decrease accordingly to approximately \$67.00 per year, which would represent a cumulative student fee increase over five years of \$335.00, or a 5.10% increase of tuition & fees over this same period of time.

The Project Budgets and Bond Issue Proceeds

The following list reiterates the proposed list of projects and the bond construction proceeds required to fund the projects. As discussed earlier during the Higher Education Department (HED) Capital Outlay submission approval, in some instances other sources must be realized to fully complete the project funding necessary to move forward with construction.

	<u>Bond Proceeds</u>	<u>Project Budget</u>
• Physics & Astronomy, Interdisciplinary Science	\$ 50,000,000	\$ 65,746,710
• Anderson School of Management	\$ 17,278,500	\$ 25,000,000
• Johnson Center	\$ 35,000,000	\$ 35,000,000
• Farris Engineering Center	\$ 4,700,000	\$ 26,001,500
• Child Care Addition	\$ 8,000,000	\$ 8,000,000
• Cost of Issuance and Capitalized Interest	\$ 10,021,500	\$ 0
Total Bond Issue	\$125,000,000	\$159,748,210

Financing Schedule

The following schedule is for illustration purposes only. Regent and student feedback will be necessary before assumptions can be made regarding student fee increases, which are a fiduciary responsibility of the Regents.

- May 2015 – Project presentations and financing plan overview
- June/July
 - Project and financing plan refinement
 - Constituent/stakeholder briefings
- August – Regent approval of projects, student fee and financing plan approvals
- September – Higher Education Department (HED) approval
- October – State Board of Finance (SBOF) approval
- November – Bond pricing and Regent approval

As currently constructed, this schedule poses several potential drawbacks, one of which is fully vetting the projects and the required student fee increase, with students during the summer break. Additionally, financial data suggests that September and January are the most advantageous months for public entities to issue debt because of favorable interest rates. Thus, delaying the schedule to accommodate the summer break might be considered to allow for more student input and to be able to take advantage of the historically favorable interest rate environment at the beginning of the calendar year.

We look forward to your feedback on the capital facility improvement plan and answering any questions you might have regarding the projects, the financing plan and/or the required student fee increase. Thank you for your consideration.



325 North St. Paul Street
Suite 800
Dallas, Texas 75201-3852

214-953-8705 Direct
800-678-3792 Toll Free

George H. Williford
Managing Director

george.williford@firstsw.com

Date: April 7, 2015

To: David W. Harris
Andrew Cullen

Cc: Jason Hughes
Erick Macha

Re: Debt Capacity Analysis

As requested, attached are schedules detailing the impact on debt service coverage from prospective issuance to finance \$75 million, \$100 million, \$125 million and \$150 million project costs. Also presented is a schedule illustrating the financing capacity which maintains 2.5X debt service coverage at a reasonable and justifiable net revenue level. All schedules take into account savings resulting from the 2014 refundings of 2003 and 2005 bond issues.

UNM's net revenues available for debt service ("NRADS") for the past three years were approximately \$134 million in FY 2014, \$95 million in FY 2013 and \$93 million in FY 2012. Based on the large increase in FY 2014 from FY 2013 and the fact that the increase included a significant amount of nonrecurring revenue, it seems more justifiable to reflect coverage and capacity based upon the 3 year average of NRADS from FY 2012 to FY 2014, or approximately \$107 million. Following is a summary of the projected debt service coverage based on issuance to finance the amount of proceeds, as shown, and reflecting coverage of aggregate annual debt service by NRADS of \$107 million:

<u>Schedule</u>	<u>Proceeds Generated to UNM</u>	<u>Debt Service Coverage</u>
1	\$75,000,000	2.88X
2	\$100,000,000	2.77X
3	\$125,000,000	2.67X
4	\$150,000,000	2.57X
A	\$170,790,000	2.50X

As has been discussed previously with UNM, in order to sustain desired rating position, coverage of annual debt service by supportable revenues should be maintained at levels well in excess of 2X. For that reason, capacity has been viewed from the perspective of an amount for which coverage of aggregate annual debt service would not decline to below 2.5X.

As stated, FY 2014 operations reflect a higher NRADS than prior years' and than the average used in above calculations. It should be pointed out that the rating agencies like to see at least three years of

sustained higher NRADS in order to give full credit for the increased net revenues. Until that point, they will likely not view the higher amount as a "normalized" level in their calculations and therefore UNM would not get the full positive benefit to its credit. Further, the rating agencies will not give credit to the higher amount to the extent that it contains one-time revenues which will not be recurring in annual operations over the long-term.

In structuring the prospective new money bond issues, we have assumed a modified wrap scenario, meaning some of the principal in the first ten years on the projected new financing has been deferred in order to generate the desired proceeds and maintain debt service coverage at reasonable levels. If an issue was structured with level annual debt service, aggregate annual debt service would increase and correspondingly coverage of annual debt service would decline below the levels shown.

As previously stated, UNM undertook refunding of the Series 2003A, B and C bond issues in October 2014 and refunding of the Series 2005 bond issue in November 2014. These refundings saved the University an aggregate amount in excess of \$20.9 million in future debt service. By refunding these bonds and lowering debt service, it does benefit UNM's credit position. Further, the debt service savings in effect can help create debt capacity for UNM with regard to financing of projects in the future. UNMH is also planning to refund the Series 2004 Hospital Revenue bonds for debt service savings. While a refunding of the Series 2004 Hospital Revenue Bonds will provide for lower debt service payable from hospital operations, it does not directly increase or enhance the debt capacity for UNM. However, although the savings from UNMH refunding does not directly add to UNM debt capacity because of separate security for the respective bond issues, because of the uncertainty in healthcare revenues and finances, a reduction of required annual debt service by UNMH will positively affect the perception of the rating agencies of UNM's credit position.

Hopefully this information illustrates the impact of financing for the reflected amounts of project costs, and reflects the potential debt capacity based on maintained debt service coverage and other assumptions. As always, please call on us with any questions, and as additional information is needed.

Schedule 3
University of New Mexico

Debt Capacity Analysis
\$125,000,000 Construction Proceeds

A	B	C	D	E	F	G	H	I	J	K
Year	Debt Service Prior to 2014 Refunding Bonds ⁽¹⁾	Combined 2014 Refunding Savings	Debt Service After 2014 Refunding Bonds ⁽¹⁾	Generates \$125,000,000 in Proceeds 6/1/2015 - 4.22%			AGGREGATE	Coverage by Net Revenues of \$107,000,000	Coverage by Net Revenues of \$134,000,000	Year
				Principal ⁽²⁾	Interest	Debt Service	Debt Service			
2015	\$ 34,753,955	\$ (730,022)	\$ 34,023,933	\$ -	\$ -	\$ -	\$ 34,023,933	3.14	3.94	2015
2016	34,701,493	(1,060,724)	33,640,769	865,000	5,574,850	6,439,850	40,080,619	2.67	3.34	2016
2017	34,641,662	(1,063,030)	33,578,632	945,000	5,557,550	6,502,550	40,081,182	2.67	3.34	2017
2018	34,584,170	(1,063,512)	33,520,658	1,030,000	5,529,200	6,559,200	40,079,858	2.67	3.34	2018
2019	34,529,641	(956,943)	33,572,698	1,020,000	5,488,000	6,508,000	40,080,698	2.67	3.34	2019
2020	34,464,248	(952,078)	33,512,170	1,130,000	5,437,000	6,567,000	40,079,170	2.67	3.34	2020
2021	34,388,956	(958,814)	33,430,142	1,270,000	5,380,500	6,650,500	40,080,642	2.67	3.34	2021
2022	34,012,680	(955,623)	33,057,057	1,705,000	5,317,000	7,022,000	40,079,057	2.67	3.34	2022
2023	33,918,340	(955,708)	32,962,632	1,885,000	5,231,750	7,116,750	40,079,382	2.67	3.34	2023
2024	33,473,586	(1,061,285)	32,412,301	2,530,000	5,137,500	7,667,500	40,079,801	2.67	3.34	2024
2025	33,241,147	(1,061,188)	32,179,960	2,890,000	5,011,000	7,901,000	40,080,960	2.67	3.34	2025
2026	33,147,278	(1,064,763)	32,082,515	3,130,000	4,866,500	7,996,500	40,079,015	2.67	3.34	2026
2027	27,034,640	(1,062,363)	25,972,278	3,290,000	4,710,000	8,000,000	33,972,278	3.15	3.94	2027
2028	27,003,284	(1,060,000)	25,943,284	3,455,000	4,545,500	8,000,500	33,943,784	3.15	3.95	2028
2029	26,967,611	(1,066,550)	25,901,061	3,625,000	4,372,750	7,997,750	33,898,811	3.16	3.95	2029
2030	25,850,277	(1,061,550)	24,788,727	3,805,000	4,191,500	7,996,500	32,785,227	3.26	4.09	2030
2031	21,319,250	(1,060,750)	20,258,500	4,000,000	4,001,250	8,001,250	28,259,750	3.79	4.74	2031
2032	21,319,275	(1,060,275)	20,259,000	4,200,000	3,801,250	8,001,250	28,260,250	3.79	4.74	2032
2033	18,997,700	(1,065,700)	17,932,000	4,365,000	3,633,250	7,998,250	25,930,250	4.13	5.17	2033
2034	18,998,525	(813,775)	18,184,750	4,540,000	3,458,650	7,998,650	26,183,400	4.09	5.12	2034
2035	17,135,725	(813,725)	16,322,000	4,720,000	3,277,050	7,997,050	24,319,050	4.40	5.51	2035
2036	9,807,000		9,807,000	4,910,000	3,088,250	7,998,250	17,805,250	6.01	7.53	2036
2037				5,155,000	2,842,750	7,997,750	7,997,750	13.38	16.75	2037
2038				5,415,000	2,585,000	8,000,000	8,000,000	13.38	16.75	2038
2039				5,685,000	2,314,250	7,999,250	7,999,250	13.38	16.75	2039
2040				5,970,000	2,030,000	8,000,000	8,000,000	13.38	16.75	2040
2041				6,265,000	1,731,500	7,996,500	7,996,500	13.38	16.76	2041
2042				6,580,000	1,418,250	7,998,250	7,998,250	13.38	16.75	2042
2043				6,910,000	1,089,250	7,999,250	7,999,250	13.38	16.75	2043
2044				7,255,000	743,750	7,998,750	7,998,750	13.38	16.75	2044
2045				7,620,000	381,000	8,001,000	8,001,000	13.37	16.75	2045
	<u>\$ 624,290,444</u>	<u>\$ (20,948,376)</u>	<u>\$ 603,342,068</u>	<u>\$ 116,165,000</u>	<u>\$ 112,746,050</u>	<u>\$ 228,911,050</u>	<u>\$ 832,253,118</u>			

(1) Variable rate assumed at 4.00% plus support costs for illustration.

(2) Includes all estimated costs of issuance.

Student Fee Analysis

Under the current interest rate environment, the University of New Mexico could anticipate a range of \$650,000 to \$800,000 in annual debt service payments for every \$10 million in bond proceeds. For estimating purposes, the Office of Planning, Budget & Analysis (OPBA) suggests using the mid-point of this range, or \$725,000.

As with any bond issue, a dedicated funding stream is necessary for all projects. In the case of an academic and/or student support facilities (Physics, Business and/or Recreation Center) student fees would be the primary source of the debt service payment.

With this in mind, the charts below depict the student fee increase necessary to fund \$116 million in capital projects, assuming a five year phase in period similar to the financing plan used in the 2005 bond issue for the renewal and/or replacement of academic facilities.

Student Fee Increase - \$116M in Construction Proceeds

Fiscal Year	Debt Service	FTE	Per Year Increase	% of T & F
FY17	\$1,682,000	23,345	\$72.00	1.10%
FY18	\$3,364,000	23,345	\$72.00	1.10%
FY19	\$5,046,000	23,345	\$72.00	1.10%
FY20	\$6,728,000	23,345	\$72.00	1.10%
FY21	\$8,410,000	23,345	<u>\$72.00</u>	<u>1.10%</u>
			\$360.00	5.50%

Under current tuition and fee rates, a \$360 increase in fees, as detailed above would represent a 5.50% cumulative increase in tuition and fees over the five-year period.

Student Fee and Faculty/Staff Increase for Rec. Center - \$116M in Construction Proceeds

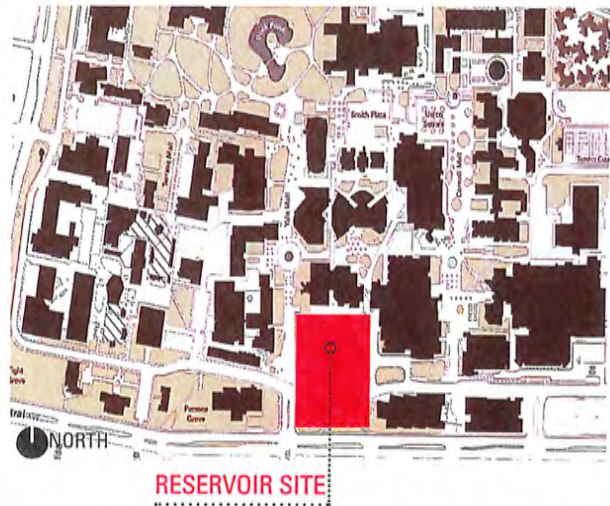
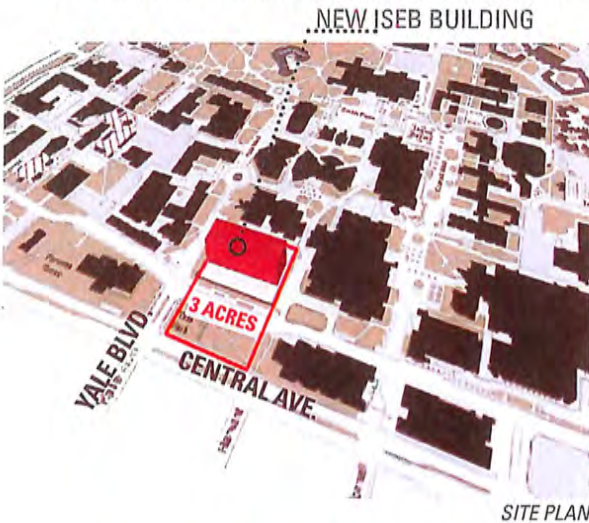
Fiscal Year	Debt Service	FTE	Per Year Increase	% of T & F
FY17	\$1,682,000	29,698	\$67.00	1.02%
FY18	\$3,364,000	29,698	\$67.00	1.02%
FY19	\$5,046,000	29,698	\$67.00	1.02%
FY20	\$6,728,000	29,698	\$67.00	1.02%
FY21	\$8,410,000	29,698	<u>\$67.00</u>	<u>1.02%</u>
			\$335.00	5.10%

Under current tuition and fee rates, a \$335 increase in fees, as detailed above would represent a 5.10% cumulative increase in tuition and fees over the five-year period. These numbers reflect faculty and staff paying an equal amount for the Recreation Center (\$85.00 per year after five years) under this "shared" funding plan.

Physics & Astronomy, Interdisciplinary Science (PAIS) *New Facility*

PROJECT OUTLINE

- New Physics & Astronomy, Interdisciplinary Science Facility
- Accommodate modern research labs and classrooms
- Modern facilities for Physics & Astronomy Department
- Enhance student achievement and retention in the STEM programs



Existing Physics & Astronomy Facility

NECESSITY

- Existing building over 50 years old
- Site & building unsuitable for high-end research
- New facility will attract and retain talented faculty and students
- Research grants mandate updated facilities
- Existing building undersized - compromises the teaching mission
- Existing building lacks state-of-the-art teaching facilities



Physics & Astronomy, Interdisciplinary Science (PAIS) *New Facility*

SCHEDULE

- Site capacity study, complete 2014
- Programming (3 months)
- Conceptual design (9 months)
- Final design (9 months)
- Construction (18 months)
- Goal: Complete new facility in 2019



FINANCIALS

Physics & Astronomy, Interdisciplinary Science

\$ 65,746,710 Estimate Total Project Cost

\$ 746,710 2014 STB Funding for planning

\$ 50,000,000 UNM Institutional funding

\$ 15,000,000 2016 State G.O. Bond request

PROJECT INFO

Building Area	137,000 sf
Project Budget	\$ 65,746,710

PROJECT BENEFITS

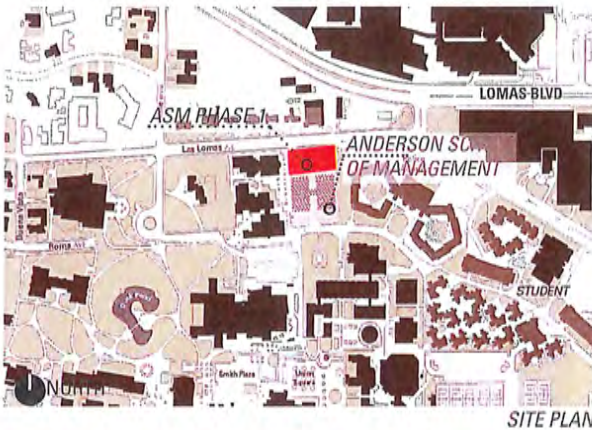
- Enhance students achievement in STEM curriculum
- Provide students opportunities for involvement in research
- Support interdisciplinary research in nanoscience, optics, physics and earth sciences
- Modern research labs
- Attract more grant funding
- Graduate more STEM students
- Create scientific synergies between physical and biological sciences

Anderson School of Management

New Facility

PROJECT OUTLINE

New teaching facility for business school.



CONSTRUCTION OF PHASE 1 NORTH OF EXISTING



CONSTRUCTION OF PHASE 2: DEMOLITION OF EAST BUILDING



DEMOLITION OF EXISTING WEST BUILDING

NECESSITY

- Existing facility outdated functionally & energy inefficient
- No longer accommodates educational objectives of Anderson School of Management
- Existing does not support collaborative learning or student study spaces
- Insufficient space for part-time faculty to meet with students
- No spaces for new faculty
- No space to grow enrollment
- The current quality of the facilities are not competitive with comparable schools



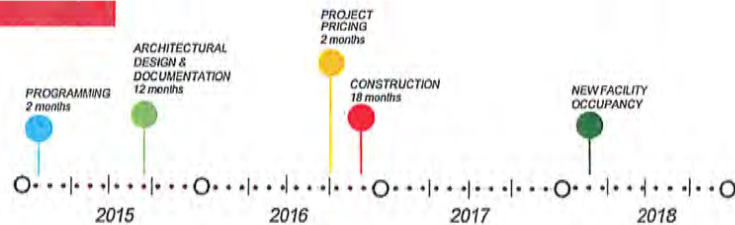
Existing Anderson School of Management

Anderson School of Management

New Facility

SCHEDULE

- Pre-Planning, complete
- Programming, complete
- Conceptual design scheduled for 2015
- Goal: Complete new facility in 2018.



FINANCIALS

Anderson School of Management project will be completed in two phases. The total estimated project cost is \$42,050,000.

- **Phase 1:** 65K SF, 4 story building addition
Estimated cost \$25,000,000
Demolition of west building, ASM
- **Phase 2:** 45K SF, 4 story building addition
Estimated cost \$17,050,00
Demolition of east building, ASM

\$25,000,000 Total Phase 1 Cost

\$ 721,500 2014 STB State Funding

\$ 7,000,000 Private Funding

\$17,278,500 UNM Institutional Funds

PROJECT DATA	
Phase 1 Area	65,000 sf
Phase 1 Budget	\$25,000,000
Phase 2 Area	45,000 sf
Phase 2 Budget	\$16,600,000

PROJECT BENEFITS

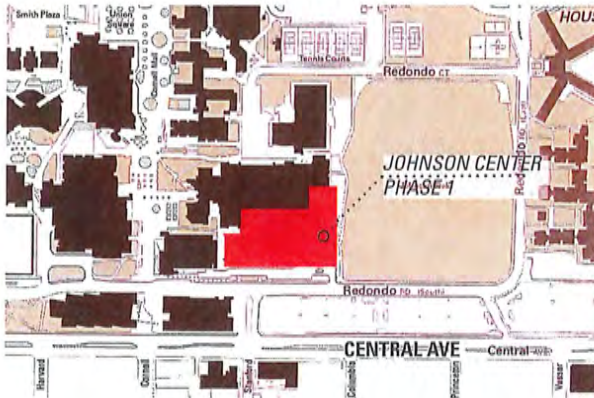
- Create collaborative learning environment
- Continue to attract and graduate Business leaders
- Elevate prominence and stature of quality graduate program
- Allow program growth and expansion opportunities currently unavailable

Johnson Center

Expansion & Renewal

PROJECT OUTLINE

- Expand and renew existing Johnson Center providing modern recreation facilities
- Project provides significant renovated space and new program at SE corner of existing (60,000 sf)



SITE PLAN



Existing Johnson Center southeast corner



Renewal & Expansion Concept South Elevation

NECESSITY

- Existing facility outdated, inefficient.
- Current facility lacks effective access and circulation
- Renewal will address and improve the functionality of the facility
- Project supports student success through healthy lifestyle
- Provides high quality, expanded recreational facilities for students, faculty and staff

PROJECT BENEFITS

- Expansion and renewal will connect Cornell Mall to Johnson Field
- Building entries & access improved
- Expanded social spaces and fitness activities for students

Johnson Center

Expansion & Renewal



Renewal & Expansion Concept East Elevation

SCHEDULE

- Pre-Planning (3 months)
- Programming (10 months)
- Conceptual design scheduled for (10 months)
- Goal: Complete new facility in 2019.



FINANCIALS

Initial scope for the Johnson Center Expansion and Renewal is estimated at \$35,000,000.

The full renewal and expansion of Johnson Center will require review of Facility Master Plan and substantial financial investment.

PROJECT DATA

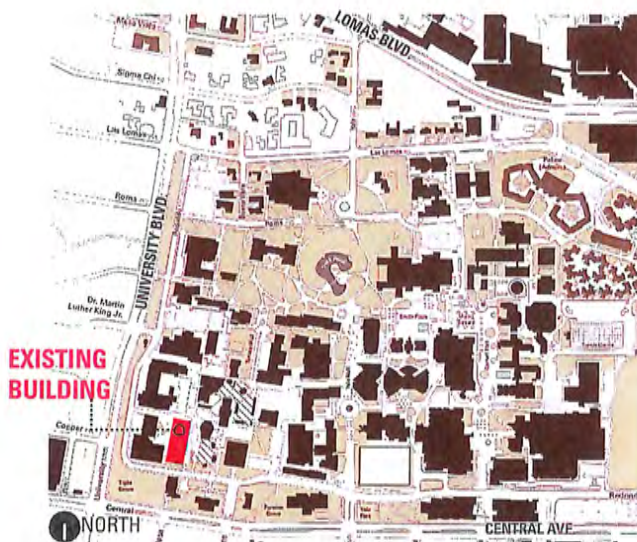
Phase 1 Area	TBD sf
Phase 1 Budget	\$35,000,000

Farris Engineering Center

Renovated and Revitalized Building

PROJECT OUTLINE

- Renovate and renew existing building.
- Relocate labs to Centennial Engineering Center for ongoing research.



Current 1960s Farris Engineering Center

NECESSITY

- Existing building does not comply with fire safety and building codes
- Current facility is outdated and not compatible with modern research and educational needs
- High operational and maintenance costs, chronic leaks
- Current state of facilities threatens future accreditation
- Inability to accommodate growing enrollments
- Current facility is not competitive for attracting and retaining outstanding faculty
- Impediment to attracting graduate students

Farris Engineering Center

Renovated and Revitalized Building



Remodel View Southwest Elevation



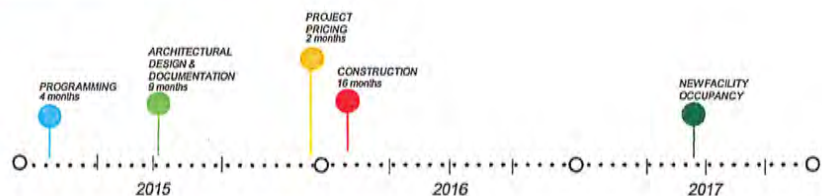
Remodel View East Elevation

PROJECT BENEFITS

- Revitalizes an existing building, to reinforce importance of UNM Engineering
- Amplifying a portfolio of major investments
- Graduates well trained engineers and computer scientists who contribute to the growth of key STEM sectors in the state
- Excellent student preparation for life: \$65,000 to \$90,000 starting salaries
- Aligns programs with the expectation of a top tier flagship university
- Attract high-quality faculty
- Attracts high quality faculty for more STEM student graduation
- Home to 3 premier research centers, from cyber-security to nanotechnology

SCHEDULE

- Programming, complete 2015
- Conceptual design (9 months)
- Final design (10 months)
- Construction (16 months)
- Goal: Complete new facility in 2017



FINANCIALS

\$ 26,001,500	Total Project Cost
\$ 801,500	2013 STB Funds for planning
\$ 20,500,000	2014 State GOB approved
\$ 4,700,000	Funding required

FY16 State Appropriations for Research and Public Service Projects (RPSPs) and Special Programs

1. Research and Public Service Projects (RPSPs)

- a. A RPSP is a line-item appropriations for a specific purpose. This includes research, public service and certain other activities that do not qualify to receive money from the higher education funding formula due to the scope and/or legislative intent of the project.
- b. Fiscal Year 2016 Research and Public Service Projects

FY16 RPSPs Funding			
Project Name	Amount Requested	Funding Appropriated	Funding Received
Degree Plans	\$ 300,000	\$ 75,000	\$ 75,000
Brain Safe	\$ 500,000	\$ 175,000	\$ 175,000
Venture Space	\$ 250,000	\$ -	\$ -
DPACC	\$ 250,000	\$ -	\$ -
Utton Center	\$ 300,000	\$ -	\$ -
Family Development	\$ 165,938	\$ 50,000	\$ 50,000
College Prep	\$ 185,538	\$ -	\$ -
Mentoring Institute	\$ 157,000	\$ -	\$ -
Southwest Indian Law Clinic*	\$ -	\$ 100,000	\$ -
American Indian Student Services*	\$ -	\$ 150,000	\$ -
Civic Leadership*	\$ -	\$ 50,000	\$ -
Medical School Residencies	\$ 905,000	\$ 905,000	\$ 905,000
Office of Medical Investigator	\$ 280,000	\$ -	\$ -
Center for Childhood Maltreatment	\$ 77,900	\$ -	\$ -
UNM Pain Center	\$ 1,908,200	\$ 50,000	\$ -
NM Health Workforce Analysis	\$ 270,000	\$ -	\$ -
BA/DDS	\$ 440,000	\$ -	\$ -
Project ECHO	\$ 3,210,000	\$ 150,000	\$ 150,000
Expanded Dental Hygienist	\$ 762,000	\$ -	\$ -
Medical School Rural Medicine	\$ 302,500	\$ -	\$ -
Native American Suicide Prevention*	\$ -	\$ 200,000	\$ 200,000
Native American Health Center*	\$ -	\$ 150,000	\$ -
Total	\$ 10,264,076	\$ 2,055,000	\$ 1,555,000

* Non-university priority

2. Special Appropriations (One-time funding)

- a. Endowment
 - i. Amended the higher education endowment fund to increase the university's potential for funding by creating a sector competition for a larger portion of money. The university now has the opportunity to receive \$3.41 million instead of \$1.65 million with the old formula.



- ii. HB2 included \$5.5 million for the higher education endowment fund.
 - iii. The Higher Education Department is in the process of writing the New Mexico Administrative Code for implementing the changes to the higher education endowment fund and is optimistic that the rule making process will be completed by July 1, 2015.
- b. Campus Security Funding
 - i. HB2 appropriates \$500,000 to provide grants to public universities to improve campus security equipment.
 - ii. The Higher Education Department is currently working on guidelines and an application process to distribute the grants.
- c. Other
 - i. Mammography Services
 - 1. HB2 appropriates \$250,000 to provide three-dimensional mammography services to women eligible for Medicaid and to conduct outreach and education concerning three-dimensional mammography.



The UNM Regents' Endowment Fund Portfolio
Quarterly Report for
3rd Quarter of Fiscal Year 2015
[1/1/2015 – 3/31/2015]

Total Portfolio Value (3/31/2015): \$2,715,227.72

Investment Total Returns

	3rd Quarter FY 2015	FY 2015 (to date)	% Return Since Inception (2006)
Regents' Portfolio	1.6%	8.7%	109.1%
S&P 500 Index	1.0%	7.1%	100.2%
Active Return	0.6%	1.6%	8.9%

Portfolio Dollar Value Weights (3/31/2015):

As individual equity securities:	32.9%
As exchange-traded funds (ETFs):	65.7%
As cash:	1.4%
	100.0%

Transactions during quarter

Please see Appendix 2.

Disbursements during quarter

None.

The Regents' Portfolio value on March 31 was \$2,715,227.72. The quarter saw slow global economic growth, weak commodity prices, and low inflation. By the end of the quarter, the Fed signaled a more patient stance on tightening than announced 90 days earlier.

The UNM Regents' Portfolio's return for the quarter was 1.6%, which exceeded that of the S&P 500 benchmark by 0.6%. The portfolio's return for fiscal year 2015 is 8.7% to date. The portfolio has a 109.1% total return since inception in 2006, which exceeds the benchmark by 8.9%.

The portfolio's sector weights (see page 2) are approximately equal to the S&P 500 benchmark's sector weights. The most under-weighted sector relative to the benchmark sector weight is the financial sector (under-weighted by 1.8%). The portfolio managers continue to expect the profitability of the financial sector to lag the other sectors given the low interest rate environment.

Positions in two energy firms were liquidated during the quarter. Shares of Tesoro Corp, a refining company, were sold to lock in strong profits. Shares of Continental Resources Inc were sold over concerns that the company, which largely relies on relatively-expensive fracking to produce oil, may be unable to survive another year at current oil prices.

Details of the portfolio's holdings are listed in Appendix 1, and transaction details for the quarter are given in Appendix 2.

Sector Dollar-Weights (3/31/2015):

	Regents' Portfolio	S&P 500	Delta
Consumer Discretionary	11.5%	12.7%	-1.1%
Consumer Staples	10.7%	9.5%	1.2%
Energy	7.8%	8.3%	-0.5%
Financials	14.2%	16.0%	-1.8%
Health Care	15.8%	14.9%	0.9%
Industrials	9.6%	10.2%	-0.6%
Information Technology & Telecommunication	23.1%	22.2%	0.9%
Materials	3.2%	3.2%	0.0%
Utilities	2.7%	3.0%	-0.3%
Cash	1.4%	0.0%	1.4%

Investment Center Director and Instructor

Leslie Boni (Email: lboni01@unm.edu)

Instructor, Securities Analysis

Mary Anne Majadillas (Email: maj@unm.edu)

Mailing Address

Robert O. Anderson School of Management
MSC05 3090
1 University of New Mexico
Albuquerque, NM 87131

Spring 2015 Students**Portfolio Managers**

Fernando Davila
Daniel Espinosa
Luis Giron
Rachel Greenberg
Melvin Kasozi
Thi Le
Thomas Martinez
John Mazzei
Matthew Nasi
Nolan Paranto
Niklas Podhraski
Sam Snelling
Brandon Vermillion
Will Fisher
Christian Otto
Sanjeev Paudel
Daniel Pitts
Mats Resaland

Securities Analysts

Will Fisher
Ryan Henderson
Peter Le
Alberto Lopez-Vega
Alfred McCloud
Meilin Pierce
Suhada Thanikkatt
Satar Thapa
Ai Yang
Daniel Espinosa
Luis Giron
Melvin Kasozi
Thomas Martinez
Akash Patel
Niklas Podhraski
Roman Sandoval
Xue Zhao

Appendix 1: Detailed Holdings (3/31/2015)

	Symbol	Description	Quantity (Shares)	Price (\$/Share)	Value (\$)	Weight
1	FCASH	Cash	36,997.30	1.00	36,997.30	1.4%
2	AAPL	APPLE INC	231.00	124.43	28,743.33	1.1%
3	ABC	AMERISOURCEBERGEN CORP	133.00	113.67	15,118.11	0.6%
4	ACXM	ACXIOM CORP	341.00	18.49	6,305.09	0.2%
5	ADBE	ADOBE SYS INC	93.00	73.94	6,876.42	0.3%
6	ALTR	ALTERA CORP	187.00	42.91	8,024.17	0.3%
7	AMZN	AMAZON.COM INC	38.00	372.10	14,139.80	0.5%
8	BIDU	BAIDU INC SPON ADR REP A ISIN #US0567521085 SE	88.00	208.40	18,339.20	0.7%
9	CA	CA INC COM	248.00	32.61	8,087.28	0.3%
10	CAH	CARDINAL HEALTH INC	144.00	90.27	12,998.88	0.5%
11	CHKP	CHECK POINT SOFTWARE TECHNOLOGIES ORD IL	330.00	81.97	27,050.10	1.0%
13	COG	CABOT OIL & GAS CP COM	646.00	29.53	19,076.38	0.7%
14	CVX	CHEVRON CORP NEW	294.00	104.98	30,864.12	1.1%
15	EBAY	EBAY INC	175.00	57.68	10,094.00	0.4%
16	FCX	FREEPORT MCMORAN INC	330.00	18.95	6,253.50	0.2%
17	FDX	FEDEX CORP COM ISIN #US31428X1063 SEDOL #214	200.00	165.45	33,090.00	1.2%
18	GOOG	GOOGLE INC CL C	26.00	548.00	14,248.00	0.5%
19	GOOGL	GOOGLE INC CL A	26.00	554.70	14,422.20	0.5%
20	HON	HONEYWELL INTL INC	445.00	104.31	46,417.95	1.7%
21	INFA	INFORMATICA CORP	200.00	43.86	8,771.00	0.3%
22	IYW	ISHARES US TECHNOLOGY ETF	1,243.00	104.96	130,465.28	4.8%
23	MCK	MCKESSON CORP	57.00	226.20	12,893.40	0.5%
24	MELI	MERCADOLIBRE INC	65.00	122.52	7,963.80	0.3%
25	MSFT	MICROSOFT CORP	1,450.00	40.66	58,949.75	2.2%
26	MSTR	MICROSTRATEGY INC CL A NEW ISIN #US594972408	77.00	169.19	13,027.63	0.5%
27	MU	MICRON TECHNOLOGY	673.00	27.13	18,258.49	0.7%
28	NDAQ	NASDAQ OMX GROUP INC	1,215.00	50.94	61,892.10	2.3%
29	NTAP	NETAPP INC COM ISIN #US64110D1046 SEDOL #2630	200.00	35.46	7,092.00	0.3%
30	ORCL	ORACLE CORP COM ISIN #US68389X1054 SEDOL #26	245.00	43.15	10,571.75	0.4%
31	PCLN	PRICELINE GROUP INC THE	10.00	1,164.15	11,641.50	0.4%
32	PPG	PPG INDUSTRIES	94.00	225.54	21,200.76	0.8%
33	QCOM	QUALCOMM INC	456.00	69.34	31,619.04	1.2%
34	SLB	SCHLUMBERGER LIMITED COM USD0.01	363.00	83.44	30,288.72	1.1%
35	SNDK	SANDISK CORP	135.00	63.62	8,588.70	0.3%
36	SPLK	SPLUNK INC COM USD0.001	120.00	59.20	7,104.00	0.3%
37	SYK	STRYKER CORP	635.00	92.25	58,578.75	2.2%
38	SYMC	SYMANTEC CORP	386.00	23.37	9,018.89	0.3%
39	T	AT&T INC COM ISIN #US00206R1023 SEDOL #283181	1,029.00	32.65	33,596.85	1.2%
40	TDC	TERADATA CORP DEL COM	131.00	44.14	5,782.34	0.2%
42	UNP	UNION PACIFIC CORP	530.00	108.31	57,404.30	2.1%
43	VZ	VERIZON COMMUNICATIONS	509.00	48.63	24,752.67	0.9%
44	WBA	WALGREENS BOOTS ALLIANCE INC COM ISIN #US9	869.00	84.68	73,586.92	2.7%
45	XBI	SPDR SER TR S&P BIOTECH ETF	516.00	225.50	116,358.00	4.3%
46	XLB	SELECT SECTOR SPDR TR SHS BEN INT MATERIAL	1,215.00	48.78	59,267.70	2.2%
47	XLE	SECTOR SPDR TR SHS BEN INT ENERGY	1,686.00	77.58	130,799.88	4.8%
48	XLF	SECTOR SPDR TR SHS BEN INT FINANCIAL	13,421.00	24.11	323,580.31	11.9%
49	XLI	SECTOR SPDR TR SHS BEN INT INDUSTRIAL	2,241.00	55.77	124,980.57	4.6%
50	XLK	SECTOR SPDR TR SHS BEN INT TECHNOLOGY	2,850.00	41.44	118,104.00	4.3%
51	XLP	SECTOR SPDR TR SHS BEN INT CONSUMER STAPL	4,442.00	48.74	216,503.08	8.0%
52	XLU	SECTOR SPDR TR SHS BEN INT UTILITIES	1,647.00	44.43	73,176.21	2.7%
53	XLV	SELECT SECTOR SPDR TR HEALTH CARE FORMER	2,934.00	72.50	212,715.00	7.8%
54	XLY	SELECT SECTOR SPDR TR CONSUMER DISCRETION	3,710.00	75.35	279,548.50	10.3%

Appendix 2: Transactions During the Quarter Ending 3/31/2015

Symbol	Description	Quantity (Shares)	Price (\$/Share)	Value (\$)
Purchases (3/31/2015)				
XLE	SECTOR SPDR TR SHS BEN INT ENERGY	700	\$ 76.61	(\$53,634.95)
Sales (3/31/2015)				
CLR	CONTINENTAL RESOURCES INC	200	\$40.17	\$8,033.85
CLR	CONTINENTAL RESOURCES INC	174	\$40.181	\$6,983.41
TSO	TESORO CORP	448	\$92.3142	\$41,348.04

Materials will be provided at the meeting

April 27, 2015

University of New Mexico
Health Sciences Board of Directors
1 University of New Mexico
Albuquerque, New Mexico 87131

Dear Members of the HSC Board of Directors:

Please find attached the list of UNM Health Sciences Degree Candidates for the Spring 2015 term for your approval.

Degree Candidate Summary

College/School	Count of Name
College of Nursing	39
BS in Nursing	32
Doctor of Nursing Practice	7
College of Pharmacy	85
Doctor of Pharmacy	85
Graduate Programs	50
Doctor of Philosophy	9
Graduate Certificate	1
Master in Occupational Therapy	4
Master of Public Health	3
Master of Science	3
Master of Science in Nursing	28
Post Mast Prof Nursing Cert	2
School of Medicine	169
Bachelor of Science	33
BS in Dental Hygiene	24
BS in Medical Laboratory Science	7
Doctor of Medicine	105
Grand Total	343

Sincerely,



Leslie A. Morrison, MD
Vice Chancellor for
Academic Affairs
Professor of Neurology & Pediatrics

**THE REGENTS OF THE UNIVERSITY OF NEW MEXICO
RESOLUTION**

SETTING FORTH THE TERMS OF THE PREVIOUSLY AUTHORIZED REGENTS OF THE UNIVERSITY OF NEW MEXICO GNMA-COLLATERALIZED TAXABLE HOSPITAL REVENUE BONDS, SERIES 2015 IN AN AGGREGATE PRINCIPAL AMOUNT OF \$_____; RATIFYING AND APPROVING THE EXECUTION AND DELIVERY OF DOCUMENTS AND AGREEMENTS RELATING TO SUCH BONDS; PRESCRIBING OTHER DETAILS CONCERNING SUCH BONDS; APPROVING THE DISTRIBUTION OF THE OFFICIAL STATEMENT; AND AUTHORIZING ANY OTHER NECESSARY ACTION TO EFFECT THE DELIVERY OF THE SERIES 2015 BONDS.

All terms not defined herein shall have the meanings given them in the Trust Indenture dated as of May 1, 2015 (the “Indenture”), by and between the Regents of the University of New Mexico (the “Regents”) and Wells Fargo Bank, National Association, as trustee thereunder (the “Trustee”).

WHEREAS, The Regents of the University of New Mexico (the “Regents”) have previously adopted on December 12, 2014 a parameters bond resolution (the “Bond Authorizing Resolution”) authorizing the issuance of the Series 2015 Bonds; and

WHEREAS, the Regents wish to adopt this resolution (the “Pricing Resolution”, and together with the Bond Authorizing Resolution and the Pricing Resolution, the “Resolution”) to supplement and amend the provisions of the Bond Authorizing Resolution by setting forth herein the final terms of the Series 2015 Bonds (defined herein and referred to as the “Bonds”); and

WHEREAS, the Regents hereby determine that it is in the best interest of the University that it currently refund its outstanding Regents of the University of New Mexico FHA Insured Hospital Mortgage Revenue Bonds (University of New Mexico Hospital Project), Series 2004 (the “2004 Bonds”) with the proceeds of the Bonds and other legally available funds and pay the costs of issuance related to the Bonds (the “Refunding Project”); and

WHEREAS, RBC Capital Markets, LLC has offered to purchase the Bonds pursuant to the Purchase Contract upon the terms and conditions set forth therein and herein and the Regents have determined and hereby determine to accept the offer of the Purchaser; and

WHEREAS, there has been on deposit with the University and presented to the Regents the following (collectively along with all other documents and agreements necessary for the issuance of the Bonds, the “Transaction Documents”):

- (A) the proposed form of Purchase Contract;
- (B) the proposed form of Continuing Disclosure Undertaking;

- (C) the form of the Preliminary Official Statement;
- (D) Indenture;
- (E) Financing Agreement; and
- (F) the FHA Documents.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF NEW MEXICO, AS FOLLOWS:

Section 1. Purchase Contract, Official Statement and Related Matters.

(a) Purchase Contract. The Regents hereby approve the terms of the Purchase Contract relating to the Bonds and authorize and approve the execution and delivery of the Purchase Contract by an Authorized Officer to the Purchaser.

(b) Official Statement. The Regents hereby authorize and approve the distribution of the Official Statement relating to the Bonds.

(c). Trustee. The Regents hereby appoint Wells Fargo Bank, National Association as Trustee for the Bonds under the Indenture.

(d). Other Necessary Actions. The Regents hereby authorize and approve any other necessary action to be performed by an Authorized Officer to effectuate the delivery of the Bonds to the Purchasers.

Section 2. The Series 2015 Bonds.

(a) Details. The Bonds shall be designated “The Regents of the University of New Mexico GNMA-Collateralized Taxable Hospital Revenue Bonds, Series 2015” (the “Bonds”). The Bonds shall be issued in the aggregate principal amounts of \$_____ and only as fully registered bonds in authorized denominations and numbered consecutively with such prefixes or other distinguishing designations as the Registrar may determine necessary or appropriate to distinguish one Bond from another.

(b) Dated Date, Interest Rates and Maturity Dates. The Bonds shall be dated as of date of delivery, and shall mature at such times and in such amounts and shall bear interest at the rates as indicated below:

Series 2015 Bonds

Maturity Date <u>(June 20)</u>	Principal <u>Amount</u>	Interest <u>Rate</u>
2016		
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		

The Bonds shall be issued and secured pursuant to the terms and provisions of the Indenture and shall have the specific terms, features and provisions as set forth in the Indenture.

(c) Net Effective Interest Rate. The net effective interest rate on the Bonds is _____ % and is less than the 4.50 % prescribed by the Parameters Resolution.

(d) Sale of the Bonds. The Bonds will be sold and delivered to the Purchaser in accordance with the Purchase Contract at the total purchase price for the Bonds as set forth in the Purchase Contract. All expenses, except for those to be paid by the Purchaser incurred in connection with the issuance of the Bonds and as set forth in the Purchase Contract are to be paid by the Regents.

(e) Approval of Documents; Authorization. The Transaction Documents and the Section 242 Mortgage Modification have been filed in the office of the Senior Executive Officer for Finance and Administration of UNMH and presented to the Regents. The terms and provisions of the Transaction Documents and the Section 242 Mortgage Modification are in all respects approved, authorized and confirmed, with such changes, modifications, additions and deletions therein as shall be necessary, desirable or appropriate. The Authorized Officers set forth in the Indenture, which includes the President, Vice President, and Secretary of the Board of Regents and the President, the Executive Vice President for Administration, Chancellor for Health Sciences, Chief Executive Officer and Administrator for UNMH, Senior Executive Officer for Finance and Administration of UNMH, and Administrator and Chief Financial Officer of UNMH

are hereby authorized to execute the Transaction Documents, the Section 242 Mortgage Modification and any documents required by FHA or any other documents that are required to be executed by the Regents.

Section 3. Miscellaneous.

(a) Resolution Irrepealable; Construction with Bond Authorizing Resolution. This Pricing Resolution shall be and remain irrepealable until the Bonds, the interest thereon shall be fully paid, canceled and discharged or there has been defeasance of the Bonds. It is the express intention of the Regents that the terms and provisions of this Pricing Resolution supplement the terms and provisions of the Bond Authorizing Resolution and that the terms and provisions of the Bond Authorizing Resolution which do not conflict with the terms and provisions hereof shall be operative and controlling with respect to the Bonds.

(b) Prior Redemption of the 2004 Bonds. The Regents have elected to redeem the 2004 Bonds maturing on and after July 1, 2015 on or about June 18, 2015, at a redemption price equal to 100% of the principal amount of the 2004 Bonds to be redeemed, plus accrued interest to the redemption date. The Regents hereby ratify the delivery of the conditional notice of redemption of the 2004 Bonds and all other notices required to be given in connection with the refunding of the 2004 Bonds.

(c) Severability. If any one or more provisions of this Pricing Resolution or the application thereof to any set of circumstances shall ever be held by final decision of a court of competent jurisdiction to be invalid or ineffective for any reason, such holding shall not affect the validity and enforceability of the remaining provisions and pledges of this Pricing Resolution or the application of such remaining provisions to other circumstances.

(d) Repealer Clause. All bylaws, orders and resolutions of the Regents or the University, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order or resolution, or part thereof, heretofore repealed.

(e) Ratification. All action heretofore taken (not inconsistent with the express provisions of the Resolution) by the Regents and Authorized Officers the University directed toward the Refunding Project, and toward the authorization, sale and issuance of the Bonds to the Purchaser is hereby ratified, approved, confirmed and determined to be in compliance with parameters set forth in the Bond Authorizing Resolution.

(f) Governing Law. This Pricing Resolution shall be governed by the laws of the State without reference to choice of law principles thereof.

(g) Effective Date. This resolution shall take immediate effect.

[Remainder of page intentionally left blank]

ADOPTED AND APPROVED this 7th day of May, 2015.

THE REGENTS OF THE UNIVERSITY OF
NEW MEXICO

[SEAL]

By _____
Jack L. Fortner, President

ATTEST:

By _____
Bradley C. Hosmer, Secretary and Treasurer

[Signature Page to Pricing Resolution]

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**THE REGENTS OF THE UNIVERSITY OF NEW MEXICO
RESOLUTION**

RATIFYING AND APPROVING THE EXECUTION AND DELIVERY OF THE FHA DOCUMENTS RELATING TO THE REGENTS OF THE UNIVERSITY OF NEW MEXICO GNMA-COLLATERALIZED TAXABLE HOSPITAL REVENUE BONDS; AND AUTHORIZING ANY OTHER NECESSARY ACTION TO EFFECT THE DELIVERY OF THE MORTGAGE MODIFICATION.

WHEREAS, the Board of Regents (the “Regents”) of the University of New Mexico (the “University”) is a state educational institution and body corporate under the Constitution and laws of the State of New Mexico with requisite corporate power to operate hospital facilities and to carry on its business as presently being conducted; and

WHEREAS, in connection with the financing of the University’s hospital facilities, the University executed a Mortgage Note in the original principal amount of \$183,399,000.00 (the “Note”), a Mortgage (the “Mortgage”) by which the University granted to Wells Fargo Bank, National Association (“Wells Fargo”) a first mortgage lien on certain real estate of the University, a Security Agreement, by which the University granted Wells Fargo a security interest in certain revenues, fixtures and equipment of the University (the “Security Agreement”), a Building Loan Agreement (the “Building Loan Agreement”), a Regulatory Agreement with FHA (defined below) relating to the construction of the Project and the FHA Mortgage Insurance (the “Regulatory Agreement”), all dated as of November 18, 2004; and

WHEREAS, the Note, the Mortgage, the Security Agreement, the Building Loan Agreement, and the Regulatory Agreement shall hereinafter be referred to as the “FHA Documents”; and

WHEREAS, the Note and the Mortgage were insured by the United States Department of Housing and Urban Development (“HUD”) acting by and through the Federal Housing Administration (“FHA”) under Section 242 of the National Housing Act and the regulations thereunder; and

WHEREAS, the Note was funded with the proceeds of those certain tax-exempt bonds styled as the Regents of the University of New Mexico FHA Insured Hospital Mortgage Revenue Bonds (University of New Mexico Hospital Project), Series 2004 (the “Bonds”); and

WHEREAS, the University completed the development and construction contemplated under the FHA Documents and completed the final endorsement of the Note, including related amendments to the FHA Documents in connection with the final endorsement of the Note on August 27, 2008; and

WHEREAS, the University desires to refund the Bonds and cause the FHA Documents to be assigned by Wells Fargo to Prudential Huntoon Paige Associates, LLC, a Delaware limited liability company, (the “Mortgagee”); whereupon Mortgagee shall reduce the interest rate payable by the University on the Note, re-amortize the Note, and modify the prepayment

provisions of the Note, and the University has requested and obtained the consent of HUD to modify the FHA Documents to effect such transaction (the “Mortgage Modification”); and

WHEREAS, Regents desire (i) to authorize the Mortgage Modification transaction contemplated above, (ii) to authorize the University to enter into any other necessary and ancillary documents, including any documents necessary for the Mortgage Modification, and (iii) to delegate to the University’s Authorized Officers (defined below) the authority to approve the final forms of such documents, in all cases subject to the parameters contained in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF NEW MEXICO, AS FOLLOWS:

Section 1. Appointment of Authorized Officers.

- (a) The actions of the Authorized Officers named below previously taken in connection with the University’s application for the Mortgage Modification are hereby ratified, approved and confirmed.
- (b) In connection with the Mortgage Modification, the University is authorized to execute or approve, as may be required, and deliver, among others, the following documents:
 - (i) Modifications to the FHA Documents;
 - (ii) Certification of the University’s compliance with the Regulatory Agreement;
 - (iii) an amendment to the University’s Mortgage Reserve Fund Agreement and Mortgage Reserve Fund Trust Fund Agreement; and
 - (iv) such other documents and agreements as may be required by HUD or the Mortgagee in connection with the Mortgage Modification.
- (c) The President, Vice-President and Secretary of the Board of Regents, and the President, Executive Vice President for Administration, Chancellor for Health Sciences, Chief Executive Officer and Administrator of UNMH, the Senior Executive Officer for Finance and Administration of UNMH and the Administrator and Chief Financial Officer of UNMH (each an “Authorized Officer”) are hereby authorized to execute any and all documents necessary and proper to carry out the purposes and intent of this Resolution including without limitation the execution of all documents herein referred to in accordance with HUD or the Mortgagee’s requirements.

Section 2. Valid and Binding Special, Limited Obligations. All of the documents, agreements, obligations and other undertakings entered into and executed by the University shall be and are valid and binding special, limited obligations and enforceable in accordance with their terms.

Section 3. Further Actions. Each Authorized Officer is authorized, on behalf of the University, to take all such further actions, and to cause to be prepared and executed on behalf of the University all such agreements, instruments and documents, and to make all such expenditures and incur all expenses deemed by any of them to be necessary or appropriate for carrying out the intent and purposes of this Resolution.

Section 4. Ancillary Documents. The officers and members of the Board of Regents of the University are hereby authorized, empowered and directed to do all such acts and things and to execute, attest, acknowledge and deliver all such other ancillary documents, certificates and agreements as may be necessary to implement the intent of this Resolution, including any documents necessary for the Mortgage Modification, subject to the parameters contained herein.

Section 5. Other Agreements. All other acts and doings of the officers, agents and employees of the University or members of its Board of Regents, including but not limited to the execution of other agreements, certificates and documents, which are in conformity with the purposes and intent of this Resolution and in furtherance of the Mortgage Modification, shall be and the same hereby are in all respects ratified, approved and confirmed.

Section 6. Ratification. All prior acts and doings of the officers, agents and employees or the members of the Regents and the University which are in conformity with the purposes and intent of this Resolution and in furtherance of the execution and performance of the documents described herein and the completion of the Mortgage Modification, shall be and the same hereby are in all respects ratified, approved and confirmed.

Section 7. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 8. Effective Date. This Resolution shall take immediate effect.

Section 9. Repealer Clause. All bylaws, orders and resolutions of the Regents or the University, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order or resolution, or part thereof, heretofore repealed.

Section 10. Governing Law. This Resolution shall be governed by the laws of the State of New Mexico without reference to choice of law principles thereof.

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ADOPTED AND APPROVED this 7th day of May, 2015.

THE REGENTS OF THE UNIVERSITY OF
NEW MEXICO

[SEAL]

By _____
Jack L. Fortner, President

ATTEST:

By _____
Bradley C. Hosmer, Secretary and Treasurer

[Signature Page to FHA Resolution]

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INSTITUTION'S 5 YEAR PLAN

INSTITUTION: University of New Mexico Health Sciences Center

DATE: 4/15/2015

Institution acronym	Priority	Project Title	Description	Month/Year Project to be started	Month/Year Project to be finished	Is this Project part of the next GOB Vote? Y or N	Cost of Project or Phase	Percentage to be funded from Legislative Funding (list % and describe funding)	Percentage to be funded from other sources (list % and describe funding)	New Construction	Renovation	Square Footage (GSF)
UNM-HSC	1	Health Education Building - Phase III	Completion of Domenici Education Center, this phase will allow HSC to address New Mexico's workforce storages by providing critical multidisciplinary space to train Medical student, Resident, Advanced Practice Nurses and PharmD's	Dec-15	Aug-18	Yes	\$ 30,000,000	66% GF/STB/GOB	33% Other Funds (\$10,000,000 HSC Funds)	Yes	No	85,000
UNM-HSC	2	Replacement Adult Hospital	Replacement hospital - to replace 350 beds in the existing 308 adult bed outdated University Hospital.	Mar-16	Dec-18	No	\$ 400,000,000		100% other funds	Yes		TBD
UNM-HSC	3	Child Psychiatry Inpatient Facility	36 bed adolescent behavioral health, inpatient unit includes dining, counseling, family and support areas.	Jan-16	Jan-18	No	\$ 20,000,000		100% other funds	Yes	No	TBD
UNM-HSC	4	Behavioral Health Center Triage Center	12-15 behaviorial health inpatient beds. Includes: 4-6 exam rooms, offices and support space.	Sep-15	Dec-17	No	\$ 12,000,000		100% other funds	No	Yes	TBD
UNM-HSC	5	Community-Based Clinic	Similar to North 4th Street and SW Clinics to expand Primary Care Services to the Community to increase access to health care.	Sep-15	Sep-16		\$ 5,000,000		100% other funds			
UNM-HSC	6	Community-Based Clinic	Similar to North 4th Street and SW Clinics to expand Primary Care Services to the Community to increase access to health care.	Jul-16	Jul-17		\$ 5,000,000		100% other funds			
UNM-HSC	7	Patient Care Equipment	Recurring Request	Jul-16		No	\$ 10,000,000	100% GF				NA
UNM-HSC	1	Community-Based Clinic	Similar to North 4th Street and SW Clinics to expand Primary Care Services to the Community to increase access to health care.	Dec-17	Dec-18		\$ 5,000,000		100% other funds			

INSTITUTION'S 5 YEAR PLAN

INSTITUTION: University of New Mexico Health Sciences Center

DATE: 4/15/2015

Institution acronym	Priority	Project Title	Description	Month/Year Project to be started	Month/Year Project to be finished	Is this Project part of the next GOB Vote? Y or N	Cost of Project or Phase	Percentage to be funded from Legislative Funding (list % and describe funding)	Percentage to be funded from other sources (list % and describe funding)	New Construction	Renovation	Square Footage (GSF)
UNM-HSC	2	Patient Care Equipment	Recurring Request	Jul-17		No	\$ 10,000,000	100% GF				NA
UNM-HSC	1	Community-Based Clinic	Similar to North 4th Street and SW Clinics to expand Primary Care Services to the Community to increase access to health care.	Jul-18	Jul-19		\$ 5,000,000		100% other funds			
UNM-HSC	2	Patient Care Equipment	Recurring Request	Jul-18		No	\$ 10,000,000	100% GF				NA
UNM-HSC	1	CDD Autism Center	To build a facility that provides clinical and diagnostic areas, a resource center, Tele-health training and communication facilities, to address the special needs of children with Autism and other developmental disabilities	Dec-19	Aug-20	No	\$ 25,700,000	100% GF/STB/GOB		Yes	No	60,000
UNM-HSC	2	Patient Care Equipment	Recurring Request	Jul-19		No	\$ 10,000,000	100% GF				NA
UNM-HSC	1	Patient Care Equipment	Recurring Request	Jul-20		No	\$ 10,000,000	100% GF				NA



**UNM Hospital Board of Trustees
Recommendation to HSC Board of Directors Finance and Audit Committee
April 2015**

Approval

(1) MedAssets Net Revenue Systems, LLC

Mailing Address:

100 North Point Center, East, Suite 200
Alpharetta, GA 30022

Officers Information:

Chairman and CEO: R. Halsey Wise
President, COO: Michael P. Nolte

Source of Funds: UNM Hospital Operating Budget

Description:

Request for three year agreement with MedAssets to provide appeals support for accounts with which UNMH has received clinical prior authorization and/or level of care denials and underpayments from third party payers. UNMH reviews all denials prior to referring to MedAssets and refers claims where the denial is based on medical necessity, canceled authorizations, denials for less than 30 day readmissions, or the account has exceeded the stop loss threshold. Insurance companies and third party payers have become more aggressive on claims payment denials, especially in regards to level of care. The insurance claims denials are usually for long lengths of stay or for large dollar accounts where review of the medical record is very time intensive. MedAssets will be paid on a contingency fee for successful appeals and ability to overturn underpayment claims. MedAssets employs a team of clinicians made up of nurses and doctors that conduct the review of the supporting documents in the medical record and incorporate the information in a formal written appeal to the insurance company agreeing that the level of care the patient received was medically necessary. Review of the documentation by a clinician is critical to determining if the level of care and other clinical services provided were appropriately documented and billed.

MedAssets will also be used to review zero balance accounts for underpayments. When a claim is identified as being underpaid or not paid according to contract, MedAssets will contact the payer to pursue the additional reimbursement on behalf of UNMH.

Previous Contract: N/A

Previous Term: N/A

Previous Contract Amount: N/A

Process: RFP P219-13

RFP Respondents: Managed Resources, Inc., Siemens Healthcare, Inc., MedAssets Net Revenue Systems, LLC, Raybar Group and TLC Consulting.

Selection Criteria: Four selection criteria were used in the first round of scores:

1. Fee Structure - 15 points possible
2. References – 25 points possible
3. Outcomes – 35 points possible
4. Experience – 25 points possible

Two vendors were selected for short list interviews using same selection criteria stated above and scored as following:

1. MedAssets Net Revenue Systems, LLC – 99.40
2. Siemens Healthcare, Inc. – 67.73

Selection Reason: MedAssets Net Revenue Systems, LLC selected with highest total score.

Cost:

1. Denial Management Retrospective Recovery Services based on contingency fee rate of 31% of collections recovered. Implementation fee of \$10,000.
2. Underpayment Recovery Services based on contingency fee of 25% of actual reimbursement recovered.
3. Total costs per fiscal year based on estimated claims recovered of \$6,300,000 is \$1,945,113.

(2) Cerner Health Services, Inc. (Formerly Siemens Medical Solutions)

Mailing Address:

2800 Rockcreek Parkway
Kansas City, MO 64117

Officers Information:

Chairman and CEO: Neal Patterson
President: Zane Burke

Source of Funds: UNM Hospital Operating Budget

Description:

Request for three year agreement with Cerner, Inc. to provide accounts receivable run out services to manage the collection for the accounts receivables for facility billing, coding, collections, denials, account clean-up, credit balances and cash application for the accounts that were billed using the old Invision billing system.

Previous Contract: N/A

Previous Term: N/A

Previous Contract Amount: N/A

Process: RFP P310-15

RFP Respondents: Optum, ProSource, McKesson, Parallon, Pyramid, MedAssets, Sunderland, Cerner, Navigant and ROI.

Selection Criteria: Seven selection criteria were used in the first round of scores:

1. Corporate Profile - 10 points possible
2. RIT Security Requirements – 10 points possible
3. Information Technologies Capabilities – 15 points possible
4. Service Requirements – 15 points possible
5. Implementation Plan / Workplan – 15 points possible
6. Approach and Methodology – 20 Points possible
7. Price Proposal – 15 points possible

Three vendors were selected for short list interviews using same selection criteria stated above and scored as following:

1. Cerner – 91
2. ROI - 74
3. McKesson Healthcare - 69

Selection Reason: Cerner Health Services, Inc. was selected based on highest total score.

Cost: Recovery on placements services based on contingency fee of 3.75%. Total costs per fiscal year based on estimated claims placed of \$104,000,000 is \$3,900,000.

Tentative Schedule

April 30
Master Facility Retreat

May 12
Health System Retreat

Early June
Board /Regent Retreat

June 5
HSC Board of Directors

June 12
Board of Regents

September 8
Higher Education Dept

October 20
State Board of Finance

MEMORANDUM

To: Board of Directors

From: Mike Richards
Executive Physician-in-Chief

Steve McKernan
Chief Operating Officer

Date: April 28, 2015

Subject: Monthly Health System Activity Update

The System has been involved in a variety of activities.

Activities Levels: There have been good increases in patient activities at UNM Health System in the first 9 months of 2015 compared to the prior year. The census at UNMH has been high reflecting increased demand since the start of the ACA. The staff is adapting practices to accommodate the patient loads.

Patient days have increased 4% overall, although adult patient days have increased 8%. Obstetric days had decrease 9% from the prior year. Discharges have decreased 3% overall with a 2% decrease for adults, a 5% increase for pediatrics but a 12% decline for obstetrics compared to the prior year.. The length of stay is 7% greater than the prior year. The Case Mix Index aggregate Length of Stay has increased from 3.6 to 3.7 and is relatively stable because of 6% increase in the case mix index.

Clinic visits have increased 2% over the prior year. The total emergency room and urgent care visits have increased 2%. Surgeries are 3% higher than the prior year and births are 8% lower than the prior year. The decrease in obstetrics activity is significant and an area of concern and an area of focus for management.

Medical Group RVU's have increased 7% over the prior year, which is a good measure of overall workload, with most of the increase being driven by SRMC.

Compared to budget, the Health System total RVU's are equal to budget, and clinic visits are 4% behind target, surgeries 4% below budget, patient days are 2% above target, but discharges are 9% below target, mostly because of the drop in deliveries.

Finances: UNM Health System ended the first 9 months with a \$11 million margin or 1% returns on revenue. Total operating revenues increased 25% to \$850 million while expenses increased 12% to \$890 million. UNMH ended with a 1% positive margin on \$658 million in total revenues. The Medical Group ended with at a breakeven margin on revenues of \$148 million. SRMC ended with breakeven margin on \$54 million in revenues. Some of the revenue increase was due to a movement of patient onto Medicaid. The Medicare and Commercial insurance revenues have also increased. Uncompensated care dropped by 50% for the first 9 months but it was offset by the substantial increase in contractual allowances related to the conversion of patients from charity and bad debt to Medicaid financial class status. We have also been involved in an initiative to lower the billed charge structure to make the system more affordable to patients with high deductible policies. For the first 9 months, we have made progress as the cost to charge ratio increase from .47 to .51.

The balance sheet is stable. The cash position increased but much of the increase is due to an increase in accounts payable, most particularly to UNM, which is common at this time of the year. Accounts receivable have increased because of activity level. We have made good progress in collecting Medicaid accounts that were in a pending approval status. The Health System current ratio stands at 2.2 this year and was 2.5 last year. UNMH met its debt covenant ratios. SRMC met all its debt covenant ratios.

Network Development: UNM Health System is working with providers in the metro area and around the state on developing a network to coordinate care for patients and to coordinate with insurance companies.

UNM is continuing to work with hospitals around the state on affiliation agreements and support for their programs. The UNM Health product is in the market with UNM and we continue to work on service standards for the patients with the UNM Health System providers and other network providers

SRMC: Activity levels at SRMC are good. Patient days are 28% higher than the prior year are close to budget. Discharges are 17% above the prior year but 5% below budget. Surgeries are 4% above the prior year but 2% below budget. Clinic visits are 11% above the prior year but 10% below budget. The activity has been more robust in the past five months. The finances are stable, with the income statement reporting a \$761 thousand positive margin on a net patient revenue increase of 43%. Expenses have increase 18%. The Total Loss dropped by \$5.5 million from the prior year. The balance sheet is stable with cash being \$4 million higher than the prior year and liabilities being the same as the the prior year. The debt ratios are being met.

Community Activities: We have been involved with Bernalillo County and Sandoval County on plans for care in the County and community. The focus is particularly on behavioral health care access and expansion of community based clinics. The County would like to partner with UNM on future development of the services in the community and on the campuses. We are also now focused on the mil levy and the support that UNM will seek from Bernalillo and Sandoval County.

Operations: The census remains very high. This has resulted in patient's stays in the Emergency Department and the Recovery Room to be much longer than standards. Many efforts are under way including increasing access through contracts with post-acute care providers to shorten length of stay and increase through put of patients at the hospitals. There is also a project that we are involved with to upgrade the electronic medical record and to improve documentation of the patient experience while trying ease practice for the physicians. This project is very much connected with the change this fall to the new ICD-10 coding process that is required by the federal government. The new data came out on the CMS star rating system for patient satisfaction. UNMH and SRMC both received 3 star ratings, which is good and better than competing hospitals in Albuquerque. The star rating system is part of the Medicare Value Based Purchasing system which has incentives and penalties for providers based on their criteria.

Strategic Planning: We finalizing the Strategic Plan for the Health System and the Master Facility Plan for the Health Sciences Center. We will begin briefing Governance this month on those projects. This process will include a reassessment of the assumptions on population growth and local market health care needs in light of the implementation of the Affordable Care Act.

If there are any questions on this or other matters, please feel free to contact me.

UNM Health System
Quality and Satisfaction Scores

	March-13	June-13	September-14	December-15	March-14	June-14	September-14	December-14	March-15
HCAHPS - Top Box (%) Rate the Hospital									
UNMH	64.0	65.0	65.0	69.0	73.0	65.0	68.0	71.2	67.1
SRMC	85.0	81.0	79.0	72.0	76.0	78.0	80.0	71.3	75.5
CGCAHPS - Top Box (%) Overall Doctor Rating									
UNMH		76.0		76.0		78.0		78.2	77.9
SRMC				78.0		79.0		85.1	87.3
CGCAHPS - Top Box (%) Recommend Office									
UNMH		85.0		84.0		86.0		85.4	84.1
SRMC				85.0		84.0		89.5	90.1
Composite Core Measure									
UNMH	90%	94%	97%	96%	96%	96%	97%		
SRMC	94%	85%	54%	77%	84%	86%	87%		

HCAHPS and Core Measure Quarterly
 CGCAHPS Every 6 months

UNM HS Total Operations - Stats
YTD March 31, 2015

	Total HS	Total HS Prior Year	FY 14 vs. FY 15		Total HS FY 15 Budget	Budget Variance
			\$ Change	% Change		
TOTAL PATIENT DAYS	129,979	124,550	5,429	4%	127,558	2,421
TOTAL DISCHARGES	21,583	22,157	(574)	-3%	23,694	(2,111)
TOTAL LENGTH OF STAY	6.0	5.6	0.4	7%	5.4	0.6
BEHAVIORAL						
Patient Days	20,555	18,190	2,365	13%	18,826	1,729
Discharges	1,950	1,666	284	17%	1,782	168
Length of Stay	10.5	10.9	(0.4)	-3%	10.6	(0.0)
<hr/>						
OUTPATIENT VISITS						
TOTAL OUTPATIENT CLINICS	572,015	559,528	12,488	2%	599,275	(27,260)
URGENT CARE	16,688	15,502	1,186	8%	15,710	979
EMERGENCY ROOM	71,186	69,143	2,043	3%	72,808	(1,622)
TOTAL OUTPATIENT VISITS	659,889	644,173	15,717	2%	687,792	(27,903)
<hr/>						
TOTAL SURGERIES	17,043	16,563	480	3%	17,217	(174)
<hr/>						
BIRTHS	2,220	2,416	(196)	-8%	2,437	(217)
ECT Stats	1,392	239	1,153	482%		
Total Work RVU's	2,233,808	2,086,698	147,110	7%	2,224,035	9,773
<hr/>						

UNM HS Total Operations - Income Statement
YTD March 31, 2015
(In thousands)

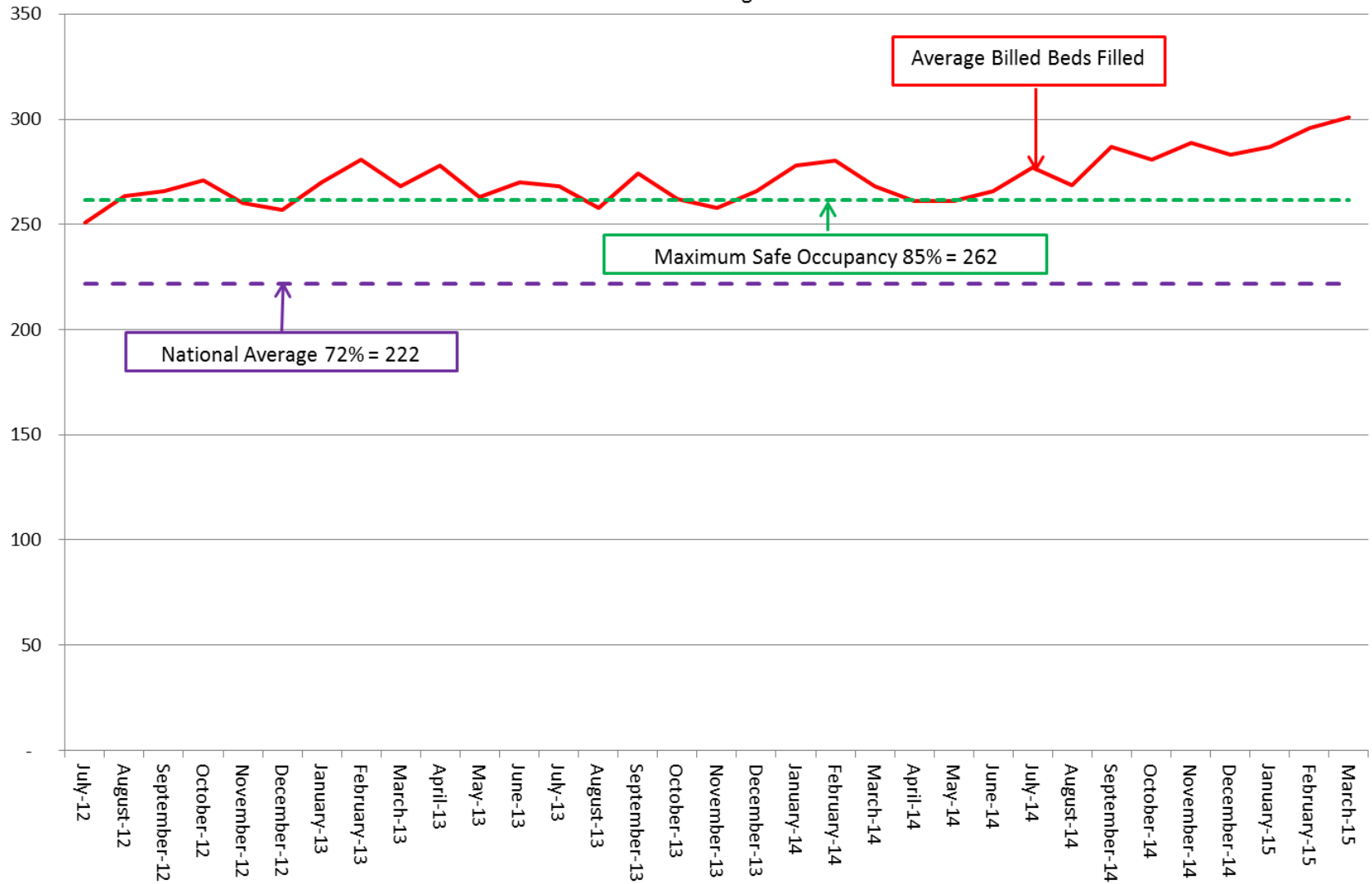
	Total HS	Total HS Prior Year	FY 14 vs. FY 15		Total HS FY 15 Budget	Budget Variance
			\$ Change	% Change		
Total NET Patient Revenue	820,624	661,482	159,142	24%	815,938	4,686
State/Local Contracts/Grants	2,347	13,195	(10,848)	-82%	2,357	(10)
Other Operating Revenues	26,624	4,821	21,804	452%	22,939	3,685
Total Operating Revenues	849,595	679,498	170,097	25%	841,234	8,361
Total Operating Expenses	890,652	792,260	98,392	12%	892,476	(1,823)
Total Operating (Loss) Gain	(41,058)	(112,762)	71,705	-64%	(51,242)	10,185
Total Net Non-Operating Revenue	52,005	117,757	(65,751)	-56%	57,157	(5,152)
Total Increase in Net Position	10,948	4,994	5,953	119%	5,915	5,033

UNM HS Total Operations -Balance Sheet
YTD March 31, 2015
(In thousands)

	Total HS	Total HS FY 2014	FY 14 vs. FY 15	
			\$ Change	% Change
ASSETS				
Cash & Cash Equivalents	316,079	244,543	71,536	29%
Total Net Patient Receivable	138,059	130,223	7,837	6%
Other Assets	185,001	184,844	157	0%
Total Net PP&E	415,973	424,884	(8,911)	-2%
Total Assets	1,055,113	984,493	70,619	7%
LIABILITIES				
Total Current Liabilities	248,367	181,694	66,673	37%
Total Long-Term Liabilities	286,048	293,049	(7,001)	-2%
Total Liabilities	534,415	474,744	59,672	13%
Total Net Position	520,697	509,750	10,948	2%
 <i>Current Ratio</i>				
	2.21	2.48	(0.27)	-11%

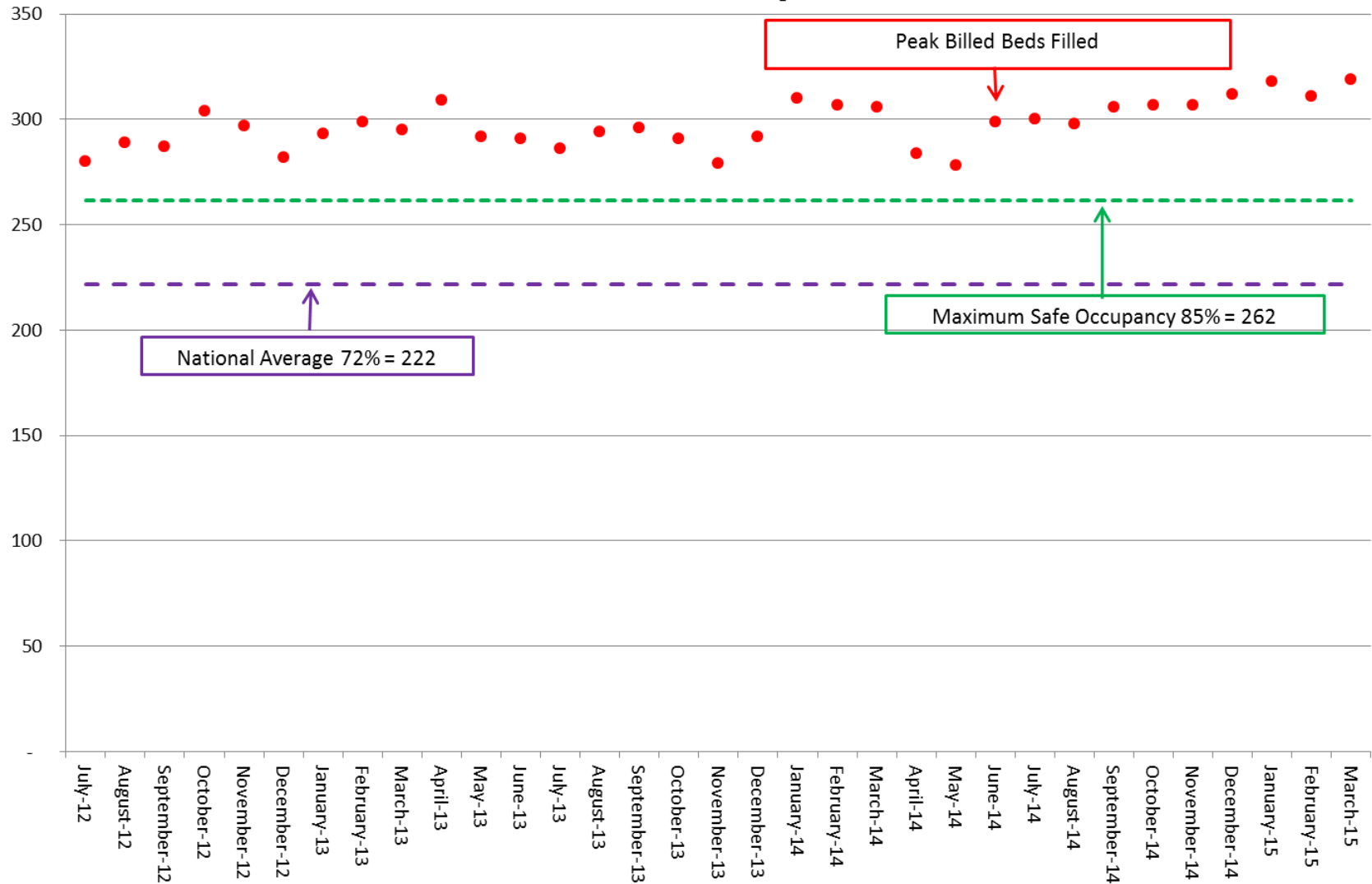
UNMH - Average Patients in Adult Licensed Beds (by Month)

Billed Data based on Midnight Census

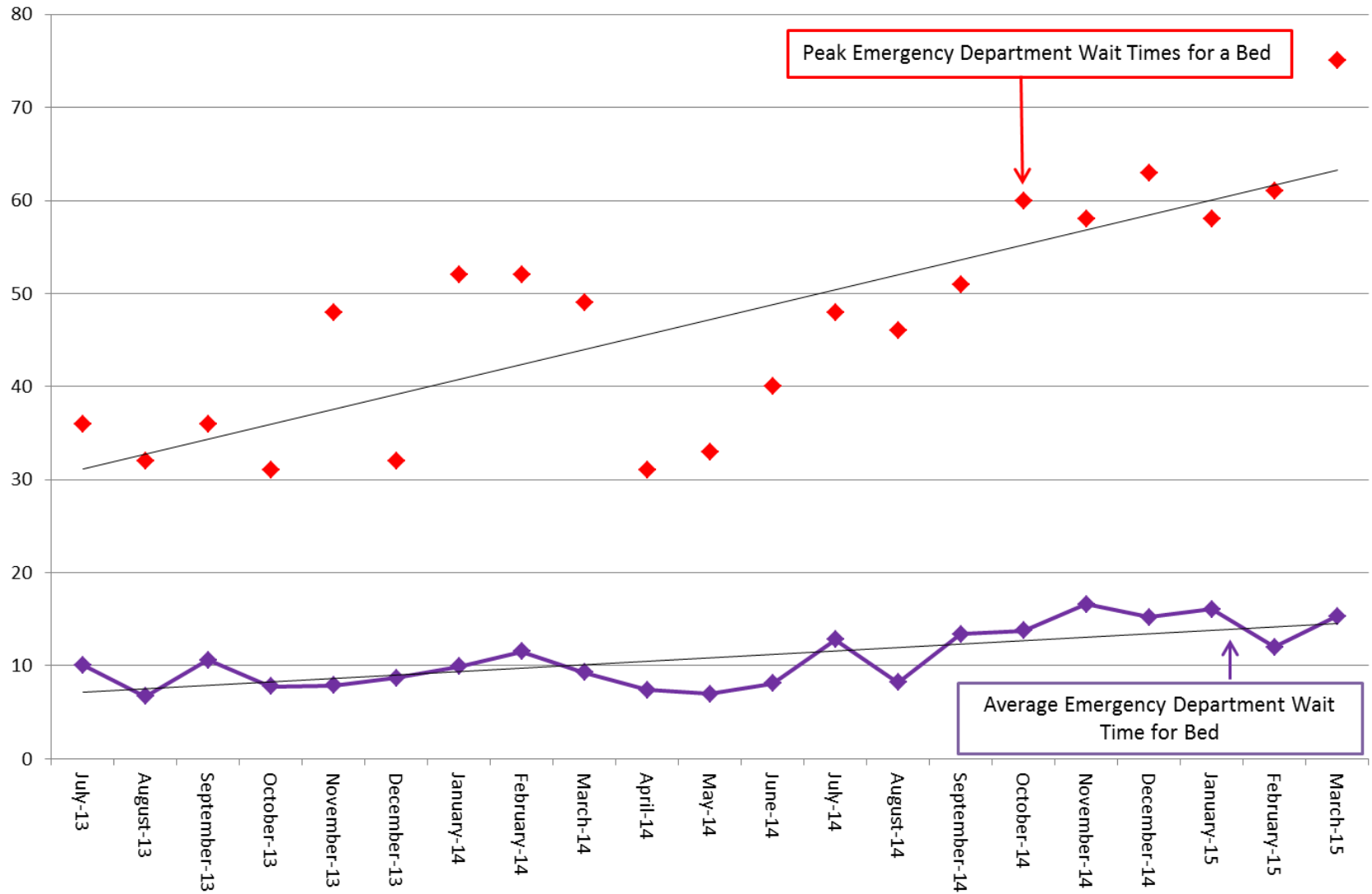


UNMH - Highest Day with Peak # of Patients with Admission Orders

Billed Data based on Midnight Census





Emergency Department Wait Times for a Bed








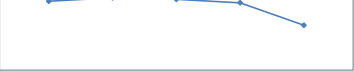


National Standard wait time is less than 4 hours



**Health Sciences Center
Metrics (Preliminary and Unaudited)**

Benchmark		Expected	FY 2011 3rd Quarter	FY 2012 3rd Quarter	FY 2013 3rd Quarter	FY 2014 3rd Quarter	FY 2015 3rd Quarter	Fiscal Year Trend
Approximate Cash Flow/(Use) from Operations * <i>(Amounts are in thousands)</i>	HSC	↑	\$8,574	\$7,718	\$5,329	\$10,061	\$16,383	
	UNMMG	↑	\$17,435	\$2,632	(\$1,199)	\$5,594	\$5,659	
	UNMH	↑	\$29,007	\$22,009	\$12,533	(\$2,310)	\$61,572	
	SRMC	↑	NA	NA	(\$1,648)	\$1,032	\$7,934	
* Approximate Cash Flow/(Use) from Operations = Operating Net Margin plus Depreciation Expense								
Operating Net Margin <i>(Amounts are in thousands)</i>	HSC	↑	\$8,574	\$7,718	\$5,329	\$10,061	\$16,383	
	UNMMG	↑	\$17,064	\$2,209	(\$1,601)	\$5,286	\$5,355	
	UNMH	↑	\$2,882	(\$3,749)	(\$11,124)	(\$25,995)	\$36,454	
	SRMC	↑	NA	NA	(\$7,219)	(\$5,686)	\$761	





Health Sciences Center Metrics (Preliminary and Unaudited)								
Benchmark		Expected	FY 2011 3rd Quarter	FY 2012 3rd Quarter	FY 2013 3rd Quarter	FY 2014 3rd Quarter	FY 2015 3rd Quarter	Fiscal Year Trend
Net Income/(Use of Reserves) <i>(Amounts are in thousands)</i>	HSC	↑	\$1,150	(\$3,736)	(\$1,717)	(\$413)	\$5,435	
	UNMMG	↑	\$16,464	\$1,511	\$949	(\$3,198)	(\$609)	
	UNMH	↑	\$2,882	\$349	(\$3,695)	\$13,878	\$11,096	
	SRMC	↑	NA	NA	(\$7,219)	(\$5,686)	\$761	
Uncompensated Care <i>(Amounts are in thousands)</i>	UNMMG	↓	\$29,651	\$29,366	\$36,126	\$31,903	\$12,783	
	UNMH	↓	\$121,869	\$123,917	\$142,376	\$133,816	\$72,201	
	SRMC	↓	NA	NA	NA	\$9,911	\$3,027	
Uncompensated Care as a Percentage of Total Patient Care			FY 2011	FY 2012	FY 2013	FY 2014	FY 2015 3rd Quarter YTD	
	UNM HEALTH SYSTEM	↓	22%	24%	23%	21%	9%	

**Health Sciences Center
Metrics (Preliminary and Unaudited)**

Benchmark		Expected	FY 2011 3rd Quarter	FY 2012 3rd Quarter	FY 2013 3rd Quarter	FY 2014 3rd Quarter	FY 2015 3rd Quarter	Fiscal Year Trend
Days Cash on Hand								
Days of Expense in Discretionary Reserves Year End Benchmark - 10 Days	HSC	↑	13.96	13.28	7.39	4.76	12.12	
ACMPE 30 Days *	UNMMG	↑	32.50	58.50	43.58	43.76	50.68	
UHC 75 Days **	UNMH	↑	66.20	58.62	46.34	61.52	66.51	
UHC 75 Days **	SRMC	↑	NA	NA	N/A	34.90	79.61	
* American College of Medical Practice Executives ** University HealthSystem Consortium								
Accounts Receivable Greater Than Ninety Days								
(Amounts are in thousands)	HSC	↓	\$1,160 20%	\$1,615 15%	\$248 2%	\$275 18%	\$108 5%	
	UNMMG	↓	\$3,479 13%	\$6,235 19%	\$4,466 15%	\$6,394 17%	\$11,554 26%	
	UNMH***	↓	\$60,776 26%	\$58,369 24%	\$51,080 23%	\$66,130 24%	\$81,419 27%	
	SRMC ****	↓	NA	NA	NA	\$852 13%	\$627 8%	
*** UNMH Account Receivable Greater Than Ninety Days excludes liens **** SRMC Account Receivable Greater Than Ninety Days reflects Net Accounts Receivable - all other receivables are shown at Gross								

**Health Sciences Center
Metrics (Preliminary and Unaudited)**

(Amounts are in thousands)

	Expected	FY 2011 3rd Quarter	FY 2012 3rd Quarter	FY 2013 3rd Quarter	FY 2014 3rd Quarter	FY 2015 3rd Quarter	Fiscal Year Trend
Proposals Submitted	↑	\$186,997	\$189,292	\$185,768	\$211,684	\$184,927	
Awards	↑	\$111,526	\$89,579	\$94,171	\$91,447	\$102,411	
Earned F&A	↑	\$17,506	\$16,770	\$15,568	\$16,338	\$17,574	
Contract & Grant Expense <i>(Includes Cost Share, Program Income and F&A Expense)</i>	↑	\$92,694	\$89,619	\$90,558	\$88,518	\$96,042	



UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER - University HSC Only*
2015 Fiscal Year-to-Date Summary through March 31, 2015 (Preliminary and Unaudited)
(In thousands)

* UNIVERSITY HSC ONLY INCLUDES: SOM, CON, COP, HSLIC, ADMIN, RESEARCH

	University HSC FY 2015 Revised Budget 3/31/2015	University HSC FY 2015 YTD 3/31/2015 Actual	University HSC FY 2014 Year End Actual	University HSC FY 2015 YTD Actual to FY 2015 Re-Forecasted Budget Benchmark Rate (75%)	University HSC FY 2015 YTD Actual to FY 2014 Year End Actual Benchmark Rate (75%)
1 UNM MEDICAL GROUP REVENUES	122,961	91,797	106,236	75%	86%
2 UNM HOSPITALS REVENUES	132,642	101,072	126,718	76%	80%
3 SRMC REVENUES	20,387	14,296	15,912	70%	90%
4 TUITION AND FEES	15,173	14,978	14,806	99%	101%
5 CIGARETTE TAX APPROPRIATIONS	3,949	2,867	3,932	73%	73%
6 RPSP APPROPRIATIONS	19,689	14,767	17,902	75%	82%
7 I&G APPROPRIATIONS	64,907	48,680	61,566	75%	79%
8 I&G MAIN CAMPUS TRANSFERS	19,900	15,002	18,518	75%	81%
9 F&A REVENUES (OH RETURN)	23,500	17,574	22,595	75%	78%
10 HSC/UNM INTERNAL TRANSFERS	(4,871)	(5,430)	(6,229)	111%	87%
11 MILL LEVY	0	0	0	N/A	N/A
12 OTHER REVENUES	35,538	23,365	24,550	66%	95%
13 CONTRACT AND GRANT REVENUES	134,174	102,493	132,502	76%	77%
TOTAL REVENUES	587,949	441,461	539,008	75%	82%
14 TOTAL COMPENSATION EXPENSES	370,279	274,253	337,729	74%	81%
15 SUPPLIES/MEDICAL SUPPLIES	14,032	8,417	11,916	60%	71%
16 UNIVERSITY CLINICIANS PROGRAM	0	0	0	N/A	N/A
17 HOUSESTAFF	0	0	0	N/A	N/A
18 TRAVEL	6,288	3,610	4,700	57%	77%
19 STUDENT COSTS	4,291	2,387	2,422	56%	99%
20 PATIENT CARE COSTS	1,330	956	1,431	72%	67%
21 TELEPHONE/COMMUNICATION COSTS	2,277	1,710	2,257	75%	76%
22 PURCHASED SERVICES	35,490	24,541	26,891	69%	91%
23 OTHER MEDICAL SERVICES	0	0	0	N/A	N/A
24 SUB AWARDS/SERVICE CONTRACTS	891	680	1,134	76%	60%
25 O&M & LEASES	11,967	5,148	7,461	43%	69%
26 UTILITIES	4,966	3,919	4,801	79%	82%
27 DEPRECIATION	0	0	0	N/A	N/A
28 INTEREST EXPENSE	2,284	1,625	2,169	71%	75%
29 OTHER EXPENSES	703	1,790	2,958	255%	61%
30 CONTRACT AND GRANT EXPENSES	125,554	96,042	124,136	76%	77%
TOTAL EXPENSES	580,352	425,078	530,005	73%	80%
OPERATING NET MARGIN	7,597	16,383	9,003		
NON-RECURRING ITEMS					
31 CAPITAL EXPENDITURES	2,865	916	2,030	32%	45%
32 MEANINGFUL USE REVENUE	0	0	0	N/A	N/A
33 RETURN ON INVESTMENT - TRIWEST	0	0	0	N/A	N/A
34 USE OF UNMMG RESERVES	0	0	0	N/A	N/A
35 RECRUITMENT/STARTUP/SCHOLARSHIPS	1,908	1,412	6,225	74%	23%
36 NON-RECURRING TRANSFERS	4,867	8,620	4,440	177%	194%
TOTAL NON-RECURRING ITEMS	9,640	10,948	12,695	114%	86%
NET INCOME/(USE OF RESERVES)	(2,043)	5,435	(3,692)		



UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER - UNM Hospitals Only
2015 Fiscal Year-to-Date Summary through March 31, 2015 (Preliminary and Unaudited)
(In thousands)

Clinical Operations

	UNM Hospitals FY 2015 Revised Budget 3/31/2015	UNM Hospitals FY 2015 YTD 3/31/2015 Actual	UNM Hospitals FY 2014 Year End Actual	UNM Hospitals FY 2015 YTD Actual to FY 2015 Re-Forecasted Budget Benchmark Rate (75%)	UNM Hospitals FY 2015 YTD Actual to FY 2014 Year End Actual Benchmark Rate (75%)
1 UNM MEDICAL GROUP REVENUES	0	0	0	N/A	N/A
2 UNM HOSPITALS REVENUES	836,613	629,369	709,438	75%	89%
3 SRMC REVENUES	0	0	0	N/A	N/A
4 TUITION AND FEES	0	0	0	N/A	N/A
5 CIGARETTE TAX APPROPRIATIONS	0	0	0	N/A	N/A
6 RPSP APPROPRIATIONS	13,117	9,838	12,520	75%	79%
7 I&G APPROPRIATIONS	0	0	0	N/A	N/A
8 I&G MAIN CAMPUS TRANSFERS	0	0	0	N/A	N/A
9 F&A REVENUES (OH RETURN)	0	0	0	N/A	N/A
10 HSC/UNM INTERNAL TRANSFERS	0	0	0	N/A	N/A
11 MILL LEVY	92,780	69,585	92,020	75%	76%
12 OTHER REVENUES	27,313	21,026	23,062	77%	91%
13 CONTRACT AND GRANT REVENUES	3,083	2,288	3,569	74%	64%
TOTAL REVENUES	972,906	732,106	840,609	75%	87%
14 TOTAL COMPENSATION EXPENSES	457,179	332,575	408,780	73%	81%
15 SUPPLIES/MEDICAL SUPPLIES	151,215	110,807	141,923	73%	78%
16 UNIVERSITY CLINICIANS PROGRAM	69,553	55,362	59,387	80%	93%
17 HOUSESTAFF	28,084	21,451	25,934	76%	83%
18 TRAVEL	636	479	691	75%	69%
19 STUDENT COSTS	0	0	0	N/A	N/A
20 PATIENT CARE COSTS	42,691	27,035	46,357	63%	58%
21 TELEPHONE/COMMUNICATION COSTS	3,847	2,886	3,598	75%	80%
22 PURCHASED SERVICES	47,970	38,691	33,106	81%	117%
23 OTHER MEDICAL SERVICES	33,904	26,439	27,692	78%	95%
24 SUB AWARDS/SERVICE CONTRACTS	9,772	7,379	9,322	76%	79%
25 O&M & LEASES	18,572	13,059	16,498	70%	79%
26 UTILITIES	6,738	5,045	6,316	75%	80%
27 DEPRECIATION	33,069	25,118	31,831	76%	79%
28 INTEREST EXPENSE	7,375	5,524	7,567	75%	73%
29 OTHER EXPENSES	30,081	23,802	26,478	79%	90%
30 CONTRACT AND GRANT EXPENSES	0	0	0	N/A	N/A
TOTAL EXPENSES	940,686	695,652	845,480	74%	82%
OPERATING NET MARGIN	32,220	36,454	(4,871)		
NON-RECURRING ITEMS					
31 CAPITAL EXPENDITURES	37,360	34,380	26,000	92%	132%
32 MEANINGFUL USE REVENUE	0	0	0	N/A	N/A
33 RETURN ON INVESTMENT - TRIWEST	(12,030)	(9,022)	(39,873)	75%	23%
34 USE OF UNMMG RESERVES	0	0	0	N/A	N/A
35 RECRUITMENT/STARTUP/SCHOLARSHIPS	0	0	0	N/A	N/A
36 NON-RECURRING TRANSFERS	0	0	0	N/A	N/A
TOTAL NON-RECURRING ITEMS	25,330	25,358	(13,873)	100%	-183%
NET INCOME/(USE OF RESERVES)	6,890	11,096	9,002		



UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER - UNMMG Only
2015 Fiscal Year-to-Date Summary through March 31, 2015 (Preliminary and Unaudited)
(In thousands)

Clinical Operations

	UNMMG FY 2015 Revised Budget 3/31/2015	UNMMG FY 2015 YTD 3/31/2015 Actual	UNMMG FY 2014 Year End Actual	UNMMG FY 2015 YTD Actual to FY 2015 Re-Forecasted Budget Benchmark Rate (75%)	UNMMG FY 2015 YTD Actual to FY 2014 Year End Actual Benchmark Rate (75%)
1 UNM MEDICAL GROUP REVENUES	184,416	138,147	162,835	75%	85%
2 UNM HOSPITALS REVENUES	0	0	0	N/A	N/A
3 SRMC REVENUES	0	0	0	N/A	N/A
4 TUITION AND FEES	0	0	0	N/A	N/A
5 CIGARETTE TAX APPROPRIATIONS	0	0	0	N/A	N/A
6 RPSP APPROPRIATIONS	813	610	815	75%	75%
7 I&G APPROPRIATIONS	0	0	0	N/A	N/A
8 I&G MAIN CAMPUS TRANSFERS	0	0	0	N/A	N/A
9 F&A REVENUES (OH RETURN)	0	0	0	N/A	N/A
10 HSC/UNM INTERNAL TRANSFERS	0	0	0	N/A	N/A
11 MILL LEVY	0	0	0	N/A	N/A
12 OTHER REVENUES	8,301	9,234	3,546	111%	260%
13 CONTRACT AND GRANT REVENUES	0	0	0	N/A	N/A
TOTAL REVENUES	193,530	147,991	167,196	76%	89%
14 TOTAL COMPENSATION EXPENSES	17,817	12,999	15,533	73%	84%
15 SUPPLIES/MEDICAL SUPPLIES	0	0	0	N/A	N/A
16 UNIVERSITY CLINICIANS PROGRAM	0	0	0	N/A	N/A
17 HOUSESTAFF	0	0	0	N/A	N/A
18 TRAVEL	0	0	0	N/A	N/A
19 STUDENT COSTS	0	0	0	N/A	N/A
20 PATIENT CARE COSTS	23,360	18,190	19,065	78%	95%
21 TELEPHONE/COMMUNICATION COSTS	0	0	0	N/A	N/A
22 PURCHASED SERVICES	139,595	105,905	115,568	76%	92%
23 OTHER MEDICAL SERVICES	0	0	0	N/A	N/A
24 SUB AWARDS/SERVICE CONTRACTS	0	0	0	N/A	N/A
25 O&M & LEASES	1,354	366	429	27%	85%
26 UTILITIES	0	0	0	N/A	N/A
27 DEPRECIATION	681	304	393	45%	77%
28 INTEREST EXPENSE	0	0	0	N/A	N/A
29 OTHER EXPENSES	6,104	4,872	5,614	80%	87%
30 CONTRACT AND GRANT EXPENSES	0	0	0	N/A	N/A
TOTAL EXPENSES	188,911	142,636	156,602	76%	91%
OPERATING NET MARGIN	4,619	5,355	10,594		
NON-RECURRING ITEMS					
31 CAPITAL EXPENDITURES	0	0	0	N/A	N/A
32 MEANINGFUL USE REVENUE	0	55	(120)	N/A	-46%
33 RETURN ON INVESTMENT - TRIWEST	0	0	0	N/A	N/A
34 USE OF UNMMG RESERVES	6,903	5,909	11,455	86%	52%
35 RECRUITMENT/STARTUP/SCHOLARSHIPS	0	0	0	N/A	N/A
36 NON-RECURRING TRANSFERS	0	0	0	N/A	N/A
TOTAL NON-RECURRING ITEMS	6,903	5,964	11,335	86%	53%
NET INCOME/(USE OF RESERVES)	(2,284)	(609)	(741)		



UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER - SRMC Only
2015 Fiscal Year-to-Date Summary through March 31, 2015 (Preliminary and Unaudited)
(In thousands)

Clinical Operations

	SRMC FY 2015 Revised Budget 3/31/2015	SRMC FY 2015 YTD 3/31/2015 Actual	SRMC FY 2014 Year End Actual	SRMC FY 2015 YTD Actual to FY 2015 Re-Forecasted Budget Benchmark Rate (75%)	SRMC FY 2015 YTD Actual to FY 2014 Year End Actual Benchmark Rate (75%)
1 UNM MEDICAL GROUP REVENUES	0	0	0	N/A	N/A
2 UNM HOSPITALS REVENUES	0	0	0	N/A	N/A
3 SRMC REVENUES	71,912	53,108	53,651	74%	99%
4 TUITION AND FEES	0	0	0	N/A	N/A
5 CIGARETTE TAX APPROPRIATIONS	0	0	0	N/A	N/A
6 RPSP APPROPRIATIONS	0	0	0	N/A	N/A
7 I&G APPROPRIATIONS	0	0	0	N/A	N/A
8 I&G MAIN CAMPUS TRANSFERS	0	0	0	N/A	N/A
9 F&A REVENUES (OH RETURN)	0	0	0	N/A	N/A
10 HSC/UNM INTERNAL TRANSFERS	0	0	0	N/A	N/A
11 MILL LEVY	5,997	4,194	7,983	70%	53%
12 OTHER REVENUES	502	353	441	70%	80%
13 CONTRACT AND GRANT REVENUES	0	59	0	N/A	N/A
TOTAL REVENUES	78,411	57,714	62,075	74%	93%
14 TOTAL COMPENSATION EXPENSES	33,972	25,138	25,732	74%	98%
15 SUPPLIES/MEDICAL SUPPLIES	15,319	11,209	12,044	73%	93%
16 UNIVERSITY CLINICIANS PROGRAM	310	188	0	61%	N/A
17 HOUSESTAFF	262	194	117	74%	166%
18 TRAVEL	17	19	20	112%	95%
19 STUDENT COSTS	0	0	0	N/A	N/A
20 PATIENT CARE COSTS	4,229	2,960	4,346	70%	68%
21 TELEPHONE/COMMUNICATION COSTS	90	67	85	74%	79%
22 PURCHASED SERVICES	2,885	2,151	3,902	75%	55%
23 OTHER MEDICAL SERVICES	870	606	369	70%	164%
24 SUB AWARDS/SERVICE CONTRACTS	1,536	1,066	1,377	69%	77%
25 O&M & LEASES	989	693	621	70%	112%
26 UTILITIES	830	619	785	75%	79%
27 DEPRECIATION	9,571	7,173	9,112	75%	79%
28 INTEREST EXPENSE	4,009	3,016	4,090	75%	74%
29 OTHER EXPENSES	2,640	1,854	2,040	70%	91%
30 CONTRACT AND GRANT EXPENSES	0	0	0	N/A	N/A
TOTAL EXPENSES	77,529	56,953	64,640	73%	88%
OPERATING NET MARGIN	882	761	(2,565)		
NON-RECURRING ITEMS					
31 CAPITAL EXPENDITURES	0	0	0	N/A	N/A
32 MEANINGFUL USE REVENUE	0	0	0	N/A	N/A
33 RETURN ON INVESTMENT - TRIWEST	0	0	0	N/A	N/A
34 USE OF UNMMG RESERVES	0	0	0	N/A	N/A
35 RECRUITMENT/STARTUP/SCHOLARSHIPS	0	0	0	N/A	N/A
36 NON-RECURRING TRANSFERS	0	0	0	N/A	N/A
TOTAL NON-RECURRING ITEMS	0	0	0	N/A	N/A
NET INCOME/(USE OF RESERVES)	882	761	(2,565)		



UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER - Consolidated HSC
2015 Fiscal Year-to-Date Summary through March 31, 2015 (Preliminary and Unaudited)
(In thousands)

Clinical and Academic Operations

	Consolidated HSC FY 2015 Revised Budget 3/31/2015	Consolidated HSC FY 2015 YTD 3/31/2015 Actual	Consolidated HSC FY 2014 Year End Actual	Consolidated HSC FY 2015 YTD Actual to FY 2015 Re-Forecasted Budget Benchmark Rate (75%)	Consolidated HSC FY 2015 YTD Actual to FY 2014 Year End Actual Benchmark Rate (75%)
1 UNM MEDICAL GROUP REVENUES	307,377	229,944	269,071	75%	85%
2 UNM HOSPITALS REVENUES	969,255	730,441	836,156	75%	87%
3 SRMC REVENUES	92,299	67,404	69,563	73%	97%
4 TUITION AND FEES	15,173	14,978	14,806	99%	101%
5 CIGARETTE TAX APPROPRIATIONS	3,949	2,867	3,932	73%	73%
6 RPSP APPROPRIATIONS	33,619	25,215	31,237	75%	81%
7 I&G APPROPRIATIONS	64,907	48,680	61,566	75%	79%
8 I&G MAIN CAMPUS TRANSFERS	19,900	15,002	18,518	75%	81%
9 F&A REVENUES (OH RETURN)	23,500	17,574	22,595	75%	78%
10 HSC/UNM INTERNAL TRANSFERS	(4,871)	(5,430)	(6,229)	111%	87%
11 MILL LEVY	98,777	73,779	100,003	75%	74%
12 OTHER REVENUES	71,654	53,978	51,599	75%	105%
13 CONTRACT AND GRANT REVENUES	137,257	104,840	136,071	76%	77%
TOTAL REVENUES	1,832,796	1,379,272	1,608,888	75%	86%
14 TOTAL COMPENSATION EXPENSES	879,247	644,965	787,774	73%	82%
15 SUPPLIES/MEDICAL SUPPLIES	180,566	130,433	165,883	72%	79%
16 UNIVERSITY CLINICIANS PROGRAM	69,863	55,550	59,387	80%	94%
17 HOUSESTAFF	28,346	21,645	26,051	76%	83%
18 TRAVEL	6,941	4,108	5,411	59%	76%
19 STUDENT COSTS	4,291	2,387	2,422	56%	99%
20 PATIENT CARE COSTS	71,610	49,141	71,199	69%	69%
21 TELEPHONE/COMMUNICATION COSTS	6,214	4,663	5,940	75%	79%
22 PURCHASED SERVICES	225,940	171,288	179,467	76%	95%
23 OTHER MEDICAL SERVICES	34,774	27,045	28,061	78%	96%
24 SUB AWARDS/SERVICE CONTRACTS	12,199	9,125	11,833	75%	77%
25 O&M & LEASES	32,882	19,266	25,009	59%	77%
26 UTILITIES	12,534	9,583	11,902	76%	81%
27 DEPRECIATION	43,321	32,595	41,336	75%	79%
28 INTEREST EXPENSE	13,668	10,165	13,826	74%	74%
29 OTHER EXPENSES	39,528	32,318	37,090	82%	87%
30 CONTRACT AND GRANT EXPENSES	125,554	96,042	124,136	76%	77%
TOTAL EXPENSES	1,787,478	1,320,319	1,596,727	74%	83%
OPERATING NET MARGIN	45,318	58,953	12,161		
NON-RECURRING ITEMS					
31 CAPITAL EXPENDITURES	40,225	35,296	28,030	88%	126%
32 MEANINGFUL USE REVENUE	0	55	(120)	N/A	-46%
33 RETURN ON INVESTMENT - TRIWEST	(12,030)	(9,022)	(39,873)	75%	23%
34 USE OF UNMMG RESERVES	6,903	5,909	11,455	86%	52%
35 RECRUITMENT/STARTUP/SCHOLARSHIPS	1,908	1,412	6,225	74%	23%
36 NON-RECURRING TRANSFERS	4,867	8,620	4,440	177%	194%
TOTAL NON-RECURRING ITEMS	41,873	42,270	10,157	101%	416%
NET INCOME/(USE OF RESERVES)	3,445	16,683	2,004		

GLOSSARY OF REPORT CATEGORIES

FINANCIAL STATEMENT CATEGORY		UNM	UNMMG	UNM Hospitals	SRMC
1	UNM MEDICAL GROUP REVENUES	Clinical revenue primarily based on Physician or Provider efforts and collection through UNMMG	Net patient services revenue including SCI & UPL from UNMMG Clinical operations	N/A	N/A
2	UNM HOSPITALS REVENUES	Revenue from University Hospital to the School of Medicine	N/A	Hospital facility revenue based on patient billings by UNMH	N/A
3	SRMC REVENUES	Revenue from SRMC to the School of Medicine	N/A	N/A	Hospital facility revenue based on patient billings by SRMC
4	TUITION AND FEES	Tuition & Fees, including tuition differentials	N/A	N/A	N/A
5	CIGARETTE TAX APPROPRIATIONS	Revenues received from the State as a calculated portion of Tax Revenue on the sale of tobacco products for use in Cancer Research	N/A	N/A	N/A
6	RPSP APPROPRIATIONS	Revenue received for current operations made available to UNM by act of NM State Legislature on an annual basis for Research, Public Service and Independent Operations	N/A	Revenue received for current operations made available to UNMH by act of NM State Legislature on an annual basis for Research, Public Service and Independent Operations	N/A
7	I&G APPROPRIATIONS	Revenue received for current operations made available to UNM by act of NM State Legislature on an annual basis for I&G operations	N/A	N/A	N/A
8	I&G MAIN CAMPUS TRANSFERS	Partial transfer of tuition and formula workload generated by Nursing, Pharmacy and SOM	N/A	N/A	N/A
9	F & A REVENUES (OH RETURN)	Revenue from recovery of indirect costs (F&A) incurred by a Contract or Grant also known as overhead return	N/A	N/A	N/A
10	HSC/UNM INTERNAL TRANSFERS	All transfers to/from HSC Unrestricted Funds excluding the I&G Main Campus Transfer and Transfers for Debt Service	N/A	N/A	N/A
11	MILL LEVY	N/A	N/A	Mil levy taxes collected on behalf of the Bernalillo County Treasurer and remitted to UNMH as required by the Hospital Funding Act.	Mil levy taxes collected on behalf of the Sandoval County Treasurer and remitted to SRMC as required by the Hospital Funding Act.
12	OTHER REVENUES	All other Revenues - not contained in any other category - Sales & Services (not Internal Service Center P18 sales), Gains on Sponsored Projects, Gifts, Endowment Spending Distributions, Investment Income, etc.	Other operating revenues	All other revenues not contained in any other category: Investment income, equity loss in Tricare, donated revenue, gain/loss on sale of assets, food, nutrition, catering & vending revenue, medical records revenue, rent revenue, all other non-operating revenue	All other revenues not contained in any other category: Investment income, donated revenue, gain/loss on sale of assets, food, nutrition, catering & vending revenue, medical records revenue, rent revenue, all other non-operating revenue
13	CONTRACT AND GRANT REVENUES	All Restricted Funds Revenue and Unrestricted Contract Revenue for example VA contracts	N/A	Revenue associated with restricted and unrestricted contracts and grants	N/A
14	TOTAL COMPENSATION EXPENSES	Salary, wages & benefits	Salaries and benefits considered to be operating and certain clinical expenses of UNMMG	Salary, wages & benefits	Salary, wages & benefits

GLOSSARY OF REPORT CATEGORIES

FINANCIAL STATEMENT CATEGORY	UNM	UNMMG	UNM Hospitals	SRMC
15 SUPPLIES/MEDICAL SUPPLIES	Office supplies, computer supplies, dues & memberships, postage charges, recruitment expenses, non capital equipment, computers, food, lab supplies, uniforms, training materials, etc.	N/A	Medical supplies for: lab, radiology, blood, pharmaceuticals, biologics, implantable devices, office supplies, computer supplies, photocopy expense, forms, linen, food, uniforms, and training materials.	Medical supplies for: lab, radiology, blood, pharmaceuticals, biologics, implantable devices, office supplies, computer supplies, photocopy expense, forms, linen, food, uniforms, and training materials.
16 UNIVERSITY CLINICIANS PROGRAM	N/A	N/A	Special clinician program to support SOM	Special clinician program to support SOM
17 HOUSESTAFF	N/A	N/A	Reimbursement of patient care services provided by residents who are employed by SOM.	Reimbursement of patient care services provided by SOM through UNMMG.
18 TRAVEL	Travel - in state, out of state, foreign, business meals, rental vehicles, new employee moving expenses, vehicle fuel etc.	N/A	Travel - in state, out of state, business meals, rental vehicles, flights, ground transportation, vehicle fuel etc.	Travel - in state, out of state, business meals, rental vehicles, flights, ground transportation, vehicle fuel etc.
19 STUDENT COSTS	Student tuition/fee expense, student travel, scholarships/fellowships, housing, insurance for students, student awards, etc.	N/A	N/A	N/A
20 PATIENT CARE COSTS	Patient Care costs for inpatient, outpatient care & lab, pharmacy and x-ray services for patients	Patient Care costs for inpatient, outpatient care & lab, pharmacy and x-ray services for patients	Patient Care costs for inpatient, outpatient care including Tricore laboratory expense, OR Instruments, NM Insurance pool premiums, kidney acquisition, step down care (snf) for IV dependent patients, radiation oncology and patient assistance	Patient Care costs for inpatient, outpatient care including Tricore laboratory expense, OR Instruments, NM Insurance pool premiums, kidney acquisition, step down care (snf) for IV dependent patients, radiation oncology and patient assistance
21 TELEPHONE/COMMUNICATION COSTS	Telephone, voicemail, cellular, long distance, paging and data networking charges	N/A	Telephone, voicemail, cellular, long distance, paging and data networking charges	Telephone, voicemail, cellular, long distance, paging and data networking charges
22 PURCHASED SERVICES	Alarm fees, internet fees, architectural services, auditing services, printing/copying/binding fees, conference/event fees, honoraria, insurance charges (general liability, professional liability), legal services, electronic journals & books, consultant fees, etc.	Includes payment to UNM SOM for physician and other provider services	Recruitment, professional, legal, auditing, consulting fees, promotional/graphics, IT Hosting Cerner, Siemens and PACS, safety and risk services, equifax, laundry, malpractice and liability insurance, etc.	Recruitment, professional, legal, auditing, consulting fees, promotional/graphics, IT Hosting Cerner, Siemens and PACS, safety and risk services, equifax, laundry, malpractice and liability insurance, etc.
23 OTHER MEDICAL SERVICES	N/A	N/A	Pathology contract, physician services, Executive Medical Directors, Medical Directors, dialysis services for UNM Care patients, OMI MOU, Adult Infusion net	Physician services
24 SUB AWARDS/SERVICE CONTRACTS	Unrestricted Sub Awards, Gain/Loss on Unrestricted Projects	N/A	All service contracts	All service contracts
25 O&M & LEASES	Plant maintenance and repairs, equipment repairs and maintenance, property insurance, auto insurance, facility rent expense	Building maintenance and repairs, equipment repairs and maintenance, repair parts, equipment rent, property insurance, auto insurance, facility rent expense, and housekeeping supplies	Building maintenance and repairs, equipment repairs and maintenance, repair parts, equipment rent, property insurance, auto insurance, facility rent expense, and housekeeping supplies	Building maintenance and repairs, equipment repairs and maintenance, repair parts, equipment rent, property insurance, auto insurance, facility rent expense, and housekeeping supplies
26 UTILITIES	Natural gas, electricity, steam, sewer, water, chilled water	N/A	Natural gas, electricity, steam, sewer, water, chilled water	Natural gas, electricity, steam, sewer, water, chilled water

GLOSSARY OF REPORT CATEGORIES

FINANCIAL STATEMENT CATEGORY		UNM	UNMMG	UNM Hospitals	SRMC
27	DEPRECIATION	N/A	The annual amortization for the furniture and equipment.	The annual amortization for the capital outlay associated with building, building improvement, fixed and moveable equipment which is based on the estimated useful lives of the assets as determined by the AHA "Estimated useful lives of Depreciable Hospital Assets".	The annual amortization for the capital outlay associated with building, building improvement, fixed and moveable equipment which is based on the estimated useful lives of the assets as determined by the AHA "Estimated useful lives of Depreciable Hospital Assets".
28	INTEREST EXPENSE	Transfers to cover debt service	N/A	Interest expense associated with the series 2004 FHA Insured Hospital Mortgage Revenue Bonds.	SRMC receives subsidy payments related to interest payments under the federal Build America Bond program. Under the program SRMC applies for subsidy funds commensurate with each bond payment, so the application for the subsidy is made semiannually. Also includes interest expense on the Series A & B Bonds.
29	OTHER EXPENSES	Banking fees, cost of goods sold, research costs, royalties, bad debt expense, other operating costs, Banner tax, etc.	Billings & collections expenses and other operating expenses of UNMMG	Programming, application, software and maintenance expenses, non capital equipment (less than \$5k), signs, dues & memberships, freight, postage, subscriptions, licenses/permits, Gap Tax, Intergovernmental Transfers for the SCI and IME, bond issuance costs, capital initiatives and other non-operating expenses.	Programming, application, software and maintenance expenses, non capital equipment (less than \$5k), signs, dues & memberships, freight, postage, subscriptions, licenses/permits, Gap Tax, Intergovernmental Transfers for the SCI and IME, bond issuance costs, capital initiatives and other non-operating expenses.
30	CONTRACT AND GRANT EXPENSES	All Restricted Funds Expense and Unrestricted Contract Expense for example VA contracts	N/A	N/A	N/A
31	CAPITAL EXPENDITURES	Equipment/furniture >\$5,000, Computer hardware, library acquisitions, etc.	N/A	This is capital initiatives in the case of UNM Hospitals.	N/A
32	MEANINGFUL USE REVENUE	N/A	Medicare and Medicaid programs provide incentive payments for hospital and physicians that make meaningful use of certified electronic health record technology.	Medicare and Medicaid programs provide incentive payments for hospital and physicians that make meaningful use of certified electronic health record technology.	N/A
33	RETURN ON INVESTMENT - TRIWEST	NA	NA	Dividend payments from investment in TriWest	NA
34	USE OF UNMMG RESERVES	N/A	To fund and support the mission of the Health Sciences Center.	N/A	N/A
35	RECRUITMENT/STARTUP/SCHOLARSHIPS	Chair and Startup Packages, Dean's Scholars/Professorships, and Recruitment Costs	N/A	N/A	N/A
36	NON-RECURRING TRANSFERS	Transfers from current unrestricted funds to plant funds or any other non-recurring transfers	N/A	N/A	N/A



UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER
Balance Sheet for the Health Sciences Center
2015 Fiscal Year as of March 31, 2015 (Preliminary and Unaudited)
(In thousands)

	University HSC	UNM Hospitals	UNMMG	SRMC
ASSETS				
1 Cash and cash equivalents	10,752	161,213	23,203	13,320
2 Marketable securities	16,127	34,522	-	-
Receivables:				
3 Patient, net	1,087	102,810	28,905	8,427
4 Receivable from Affiliates	84,591	4,448	5,493	253
5 Estimated third party payor settlements	-	32,035	-	775
6 County Treasurer	-	14,211	-	550
7 Contracts, Grants and Other	8,691	13,381	-	496
8 Other	3,132	16,044	653	3,348
Total Current Assets	124,380	378,664	58,254	27,169
Assets whose use is limited:				
9 Held by trustee for debt service & other	-	40,065	-	8,447
10 By UNM Hospital Board of Trustees	-	21,182	-	-
11 Board and Other Designated Assets	157,717	-	19,345	-
12 Endowments	108,722	-	-	-
13 Capital Assets, net of depreciation	260,889	240,271	2,840	124,054
TOTAL ASSETS	651,708	680,182	80,439	159,670
LIABILITIES				
14 Accounts Payable	8,070	55,184	5,356	4,419
15 Other accrued liabilities	40,860	48,341	-	3,143
16 Payable to Affiliates	1,352	63,177	29,439	817
17 Bonds payable - current	942	5,630	-	1,670
18 Interest payable bonds	415	1,887	-	1,496
19 Estimated third party payor settlements	-	24,809	-	700
20 Bonds payable - non current	17,200	148,295	-	130,210
21 Other liabilities - non current	23,654	7,683	-	-
22 Sponsored Project and Other Deferred Revenue	10,721	-	-	-
TOTAL LIABILITIES	103,214	355,006	34,795	142,455
NET POSITION				
23 Restricted - expendable grants, bequests and contributions	110,217	15,208	-	61
24 Restricted - trust indenture and debt agreement	-	26,220	19,345	8,446
25 Committed and Dedicated agreements	176,729	-	-	-
26 Discretionary Reserve	18,801	184,277	23,459	8,708
27 Assets invested in Capital, net of related debt	242,747	99,471	2,840	-
TOTAL NET POSITION	548,494	325,176	45,644	17,215
Current Ratio	2.41	1.90	1.67	3.24
Days Cash on Hand	N/A	66.51	50.68	79.61



UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER

Glossary of Report Categories

	University HSC	UNM Hospitals	UNMMG	SRMC
ASSETS				
1 Cash and cash equivalents	Funds on deposit with Financial Institution with UNM	Funds on deposit with Financial Institution	Funds on deposit with Financial Institution	Funds on deposit with Financial Institution, plus the remaining balance of the \$46m
2 Marketable securities	Funds invested in securities in accordance with UNM Investment policy	Funds invested in US Treasury	N/A	N/A
3 Patient, net	Pediatric/Newborn Transport Services, net of estimated contractual allowances and estimated bad debt	Patient Receivable after adjustments for discounts and allowances	Patient Receivable for care provided by UNM SOM facility and other practitioners, net of estimated contractual allowances and estimated bad debt	Patient Receivable for facility costs, net of estimated contractual allowances and estimated bad debt
4 Receivable from Affiliates	Related Party Receivables for goods or services provided to UNM Hospitals, UNMMG and SRMC	Related Party Receivable from University HSC and SRMC	Related Party Receivable for negative arbitrage for SRMC	Related Party Receivable from UNMMG and UNMH
5 Estimated third party payor settlements	N/A	Accounts Receivable for IME/GME /DSH	N/A	
6 County Treasurer	N/A	Bernalillo County Mil Levy Receivable	N/A	Sandoval County Mil Levy Receivable
7 Contracts, Grants and Other	Sponsored project receivables and other services invoiced by UNM such as OMI, Resident Physician contracts, etc.	Accounts Receivable from Contracts/UNM MG/Special Billing/Investments	N/A	Other receivable balances. As of year end, a receivable was recorded for the insurance proceeds associated with the damage in the OR due to the flood
8 Other	Prepaid contractual obligations, such as library subscription services and maintenance contacts	Prepaid Expense and Inventory	Pharmacy Inventory	Prepaid Expense and Inventory
9 Held by trustee for debt service & other	N/A	Debt/Mortgage reserve funds to include collateral and intangible assets	N/A	Funds held in Trustee Accounts, Mortgage reserve funds, bond debt service accounts
10 By UNM Hospital Clinical Operations Board	N/A	Investment in TriWest/Tricare Reference Laboratory	N/A	N/A



UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER

Glossary of Report Categories

	University HSC	UNM Hospitals	UNMMG	SRMC
11 Board and Other Designated Assets	Funds dedicated to UNM Hospitals Capital Initiatives and unexpended plant funds	N/A	Department, SOM Investment in UNMMG and Quality Reserves	The original bond proceeds were used to purchase GNMA's which collateralize the mortgage with Prudential
12 Endowments	Balance of endowed corpus funds generating revenue according to donor intent	N/A	N/A	N/A
13 Capital Assets, net of depreciation	Property, Plant and Equipment	Land, Property, Plant and Equipment	Furniture and Equipment	Land, Property, Plant and Equipment
LIABILITIES				
14 Accounts Payable	Unpaid balances owed to vendors for goods and services; amounts owed to employees for expense reimbursements	Amount owed to creditors	Unpaid balances owed to vendors for goods and services; accrued payroll and other payroll benefits and taxes	Unpaid balances owed to vendors for goods and services
15 Other accrued liabilities	Payroll withholding liabilities and estimated value of compensated absences	Accrued liabilities to include payroll, compensated benefit, and Incurred but not Recognized (IBNR) State Coverage Insurance	N/A	Accrued liabilities to include payroll, compensated benefits and other payroll benefits and taxes
16 Payable to Affiliates	Unpaid balances for services provided by UNM Hospitals, and UNMMG	Unpaid balances for services provided by University HSC	Unpaid balances for services provided by University HSC for purchased services, special arrangements, and indigent distribution	Unpaid balances for services provided by University HSC, UNMMG and UNMH
17 Bonds payable - current	Debt service payment that will be due within the next twelve months	Series 2004 Bonds payable in next year - FHA Insured Hospital Mortgage Revenue Bonds	N/A	Debt service payment that will be due within the next twelve months
18 Interest payable bonds	Interest Payable on outstanding debt	Interest Payable Series 2004 Bonds (FHA Insured Hospital Mortgage Revenue Bonds)	N/A	Interest Payable on Bonds
19 Estimated third party payor settlements	N/A	Medicare/Medicaid Settlements	N/A	Medicare/Medicaid Settlements
20 Bonds payable - non current	Outstanding balance due in the long-term for bond funding	Series Bonds Payable in the long-term (FHA Insured Hospital Mortgage Revenue Bonds)	N/A	Outstanding balance due in the long-term for FHA Insured Hospital Revenue Bonds



UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER
Glossary of Report Categories

	University HSC	UNM Hospitals	UNMMG	SRMC
21 Other liabilities - non current	Estimated future cost associated with Other Post Retirement Benefits (OPEB) and self-funded health insurance plan	Estimated future cost associated with Other Post Employment Benefits (OPEB) and bond premiums	N/A	The balance of the mortgage payable
22 Sponsored Project and Other Deferred Revenue	Prepaid contract and grant revenue, tuition, and other prepaid student fees	N/A	N/A	N/A
NET POSITION				
23 Restricted - expendable grants, bequests and contributions	Restricted monies used in accordance with donor intent, contracts and bequests	Restricted monies used in accordance with donor intent, contracts and bequests	N/A	Restricted monies used in accordance with donor intent, contracts and bequests
24 Restricted - trust indenture and debt agreement	N/A	Restricted monies for Debt Service, Collateral, and Mortgage Reserve	N/A	Restricted monies for Mortgage reserve, Bond Debt Service
25 Committed and Dedicated agreements	Funds that have been committed for future expenditures. Dedicated funds have a clear focused purposed with for specific use.	N/A	Department, SOM Investment in UNMMG and Quality Fund Balances	N/A
26 Discretionary Reserve	Remaining fund balance after accounting for all restricted, committed and dedicated funds	Chief operating fund for all financial resources except those accounted for in another fund	Other operating reserves	Chief operating fund for all financial resources except those accounted for in another fund
27 Assets invested in Capital, net of related debt	Property, Plant and Equipment after adjustment for related bond debt	Property, Plant and Equipment after adjustment for related bond debt	Furniture and Equipment after adjustment for related bond debt	Property, Plant and Equipment after adjustment for related bond debt

Tab 25

Update from the Provost
will be presented at the meeting



April 29, 2015

TO: Board of Regents Academic Student Affairs and Research Committee
FROM: Selena Salazar, Office of the University Secretary
SUBJECT: Spring 2015 Degree Candidates

The Faculty Senate approved the Spring 2015 Degree Candidates at the April 29, 2015 Faculty Senate meeting.

Included is the list of the Spring 2015 Degree Candidates. Please do not publish the candidates that are on the privacy flag list.

Degree Candidate Summary*

Degree Candidate Summary*	
Doctoral and MFA Degree	379
Master's Degree	579
Bachelor's Degree	2405
Associate's Degree	258
Total	3621

*Final number of conferred degrees will be slightly lower due to changes in student degree status that occur until the end of the semester.

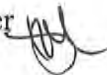
Please place this item on the next Board of Regents ASAR Committee meeting agenda for consideration.

Thank you.

Attachments

Student Activities Center

TO: Dr. Eliseo Torres, Vice President for Student Affairs

FROM: Debbie Morris, Director, Student Activities Center 

DATE: April 15, 2015

RE: ASUNM Constitutional Amendment-Spring 2015 Election

Constitutional Amendment 1 will implement gender-neutral pronouns in the language of the ASUNM Constitution to be consistent with the ASUNM Law Book.

The vote count was as follows:

Amendment 1

For	987	81%	Passed
Against	225	19%	

Associate University Legal Counsel, Nasha Torrez, has already reviewed this amendment for legal concerns.

The ASUNM President will be able to address any questions the Regents may have on the amendment. Please let me know if I can provide you with any further information.

cc: Nasha Torrez, Associate University Legal Counsel
Rachel Williams, ASUNM President
Jenna Hagengruber, ASUNM President-elect

East Asian Studies Baccalaureate Program Proposal

Executive Summary

This is a proposal for a new major in “East Asian Studies” that will replace the current Asian Studies major and be housed in the Department of Foreign Languages and Literatures. The East Asian Studies major will allow students to focus primarily on the language, culture and history of China or Japan, and acquire a higher degree of mastery and depth in Japanese and Chinese language and cultures. Administration of the East Asian Studies by faculty in the Department of Foreign Languages and Literatures will help streamline the program and requirements, enabling students to complete their degrees in a timely manner. Pending approval, we anticipate accepting majors in the Fall of 2015, if approved, or the Fall 2016, at the latest.

The shift from Asian Studies to East Asian Studies will advance the mission and strategic plans of the University of New Mexico and Department of Foreign Languages and Literatures, and reflects the realities of student demand and faculty resources in the area. Most current Asian Studies majors are in fact focused on the area of East Asia, specifically Japan and China. An East Asian Studies program not only will serve increasing student demand, but fits well with program offerings at other universities across the region and nation. This new major will also complement the University of New Mexico’s emphasis on promoting “global awareness of and sensitivity to multicultural issues in today’s interdependent world,” and will produce students who are equipped with an in-depth knowledge of China and Japan and the cultural and linguistic skills to bridge East and West. Considering that China and Japan are currently the world’s second and third largest economies, respectively, and represent areas of significant strategic interest, graduates with linguistic and cultural competencies in these areas will be an asset on an increasingly globalized job market.

With respect to the proposed program’s curriculum, students who major in East Asian Studies will choose either a Japanese track or a Chinese track. These tracks are roughly parallel, and will require students to complete a total of 30 hours of coursework. On each track, students must complete Japanese or Chinese language classes through the highest level offered, in addition to a variety of courses on East Asian cultures. While most of the required language, literature and culture courses will be offered by the Department of Foreign Languages and Literatures, this interdisciplinary program will also expect students to take at least one class in the History department, and give students the opportunity to take elective courses related to East Asia in other departments such as Religious Studies and Philosophy. We will strongly recommend students in the major earn some of their hours at universities in Asia. We are proposing nine new course numbers to support the major: CHIN 401, CHIN 343, CHIN 370, JAPN 341, JAPN 342, JAPN 345, JAPAN 370, JAPN 401 and JAPN 402. Most of these courses have previously been taught for many years using the topics numbers, and their addition is not expected to unduly impact faculty workloads.

Program goals and student learning outcomes of the East Asian Studies major will focus on cultivating both measurable linguistic proficiency in the target language and

knowledge of East Asian cultural practices, forms, and works in historical and contemporary contexts. All majors will be required to achieve a level of language proficiency in either Chinese or Japanese at the ACTFL level of “intermediate-high” or “advanced low.” Because the East Asian Studies major will be housed in the department of Foreign Languages and Literatures, evaluations and assessments will be performed in the same manner as other departmental programs (e.g. Classics, French, German). The proficiency of students in the target language will be assessed based on performance on a 10-minute oral presentation delivered by majors in an upper division language class, or through an oral proficiency interview conducted by a faculty member in Japanese or Chinese during the student’s last semester. Assessment of oral performance will be correlated with the ACTFL (American Council of Teachers of Languages) “Oral Proficiency Guidelines: Speaking.” We expect 60% of students to meet the “intermediate-mid” criteria and 25% to meet the “intermediate-high” or above standard. Cultural competency will be assessed through student performance on an essay in English submitted during a Spring semester upper-division Chinese or Japanese culture course.

As the East Asian Studies program will draw from, and make more efficient use of, the same resources that currently support the Asian Studies program, no additional faculty, staff, space, library, technology, media, or advising resources are required to meet the needs of the program. The present number of three tenure-track faculty (Ph.D.) and two lecturers (M.A.) is currently sufficient to offer the East Asian Studies major, although the addition one or two teaching assistants (and/or funding for part time instructors) is needed to teach some sections of lower division language courses. Interest in China has been growing and Japanese enrollments remain high. We can thus expect at least 20-25 students to declare majors the first year, with steady increases in the following years.



THE UNIVERSITY of NEW MEXICO

New Mexico's Flagship University

Office of the Provost and Executive Vice President for Academic Affairs
MSC05 3400
1 University of New Mexico
Albuquerque, NM 87131-0001
505.277.2611

**NEW ASSOCIATE DEGREE/UNDERGRADUATE CERTIFICATE PROGRAM
PRELIMINARY REVIEW AND PROPOSAL OUTLINE
UNM-Valencia, Associate Degree in Health Information Technology**

Executive Summary

1. Program Description

A consortium consisting of eleven community colleges in New Mexico was recently awarded a \$15M grant with a focus on healthcare and Health Information Technology (HIT). The grant funding, which came out of the Trade Adjustment Assistance Community College and Career Training (TAACCT) program, will benefit the New Mexico Skill Up Network (SUN). This provides the opportunity to establish an HIT program at UNM-Valencia. The UNM-Valencia Campus proposes to offer an associate degree program in HIT. The Associate of Science degree in HIT is designed to prepare students to maintain patient records and health information data in every health-care setting, including acute care, long-term, ambulatory care, insurance and federal agencies. Creating programs that directly connect students with workforce opportunities in a timely fashion directly fits with the community-based mission of the branch campuses.

This program is modeled course-for-course after the UNM-approved HIT program at the UNM-Gallup Campus. Pending approval, we could begin instruction in fall 2015.

2. Evidence of Need

The healthcare industry is the top-employing industry and one of the top-projected growth industries in New Mexico. Much of the projected growth is attributed to an aging baby boomer population, technological advances in medicine, and the Patient Protection and Affordable Care Act (ACA). New Mexico is expected to be fourth in the nation with a population of people aged sixty-five or higher by 2030.

UNM-Valencia is included in the Albuquerque metropolitan area. Central New Mexico Community College is the only other public two-year college in the area. While Central New Mexico in Albuquerque has a Health Information Technology program, UNM-Valencia's service area includes Valencia and Socorro counties as well as southwestern Tarrant County. Students in this service area reside between thirty and seventy-five miles from Albuquerque. An HIT program in Valencia County will make the program much more accessible to students in this area.

3. Program Content and Quality

This would be an associate degree program modeled course-for-course on the existing program at UNM-Gallup. It would consist of the general education core requirements of thirty-three hours, plus the Health Information Technology area of an additional thirty-eight hours.

Upon successful completion of the required courses for the program, students will demonstrate entry-level skills with the ability to:

1. Collect, maintain, and analyze health data and be familiar with health data standards and requirements
2. Collect, organize, and present healthcare statistics
3. Participate and comply in quality assessment and performance issues, and healthcare delivery systems
4. Design, maintain, and use health data, storage, security, and retrieval
5. Use and protect health information and communication technologies
6. Implement, maintain and demonstrate healthcare compliance, ethical, legal, and privacy issues
7. Develop, apply, and participate in human resource management, and financial and physical resources
8. Apply and validate clinical classification systems and support reimbursement methodologies
9. Demonstrate professional behavior

4. Evaluation and Assessment

The courses are a combination of didactic instruction, hands-on skills training and on-the-job practicum. Students will be assessed through both written and skills testing, as well as the completion of the practicum, which will be based on employer recommendation. In addition to the annual program and course assessment, we will rely on our Healthcare Advisory Council to help in ongoing evaluation of the program effectiveness.

5. Required Resources

The intent is to hire a program manager who will also teach within this program. This person would be paid through the TAACCT grant initially and through Carl Perkins Career Technical Education grant funds subsequently for the first three years. In addition, adjunct instructors will be hired to assist with teaching courses as needed. Minimum qualifications are a bachelor's degree in a related field and a minimum of two years professional work experience in a related instructional area.

Facilities already exist. No additional resources are being requested for this program.

6. Projected Enrollment and Costs

It is anticipated that three courses will initially be offered per semester (including summer), with an enrollment of fifteen students per course. Increases in course offerings would be determined in years two and three. In addition to the funds from the TAACCT grant, Valencia Campus will seek additional Carl Perkins CTE Grant funding for course start-up, which would fund the program for a minimum of three years.

Faculty and Budgetary Load Implications

Justification for program and courses:

The Affordable Care Act brought to the forefront at national level the need for electronic health records. A consortium consisting of eleven community colleges in New Mexico--Skill Up Network (SUN)—was recently awarded a \$15M grant with a focus on healthcare and Health Information Technology (HIT). This is an opportunity to establish an HIT program at UNM Valencia.

The Associate of Science degree in Health Information Technology (HIT) is designed to prepare students to maintain patient records and health information data in every health care setting including acute care, long-term, ambulatory care, insurance and federal agencies. After successful completion of the HIT Associate program, the graduate is awarded an Associate of Science in Health Information Technology.

The below information was taken from the DOL website and provides various information for future employment and wages.

**Projected Health Care Employment
in New Mexico and Its Regions, 2009 to 2019**

Region/Industry	2009	2019	Change	% Change
Central NM	53,360	63,250	9,890	18.50%
Eastern NM	16,080	20,210	4,130	25.70%
Northern NM	27,260	34,750	7,490	27.50%
Southwestern NM	13,890	18,130	4,240	30.50%
Ambulatory Health Care Services	2,070	55,440	13,370	31.80%
Hospitals	34,490	38,790	4,310	12.50%
Nursing & Residential Care Facilities	12,690	15,440	2,750	21.70%
Social Assistance	23,840	30,430	6,590	27.60%

TAACCC_021

Source: Occupational Employment Projections

Estimated NM Employment Change 2010 to 2020	
Health Care & Social Assistance	28.10%
NM Employment Projections with Largest Annual Projected Employment Change 2010 to 2020	
Medical Assistants	21.40%
Registered Nurses	25.90%
Emergency Medical Technicians and Paramedics	24.10%
Medical Records and Health Information Technicians	16.30%
Nursing Aides, Orderlies, and Attendants	21.30%
NM Occupations with the Fastest Projected Job Growth 2010 to 2020	
Home Health Aides	60.10%
Personal & Home Care Aides	53.00%
Medical Secretaries	31.40%

TAACCC_022

These are just a few of the position and wages found on the Department of Labor Web site.

Medical Secretary in 2013

Rate Type / Statistical Type	Entry level	Median	Experienced
------------------------------	-------------	--------	-------------

Annual wage or salary	\$22,890	\$29,580	\$33,150
Hourly wage	\$11.01	\$14.22	\$15.94

Wage Data Source: Labor Market Statistics, Occupational Employment Statistics & Wages Program

Entry level and experienced wage rates represent the means of the lower 1/3 and upper 2/3 of the wage distribution, respectively.

Medical Records and Health Information Technicians in 2013

Rate Type / Statistical Type	Entry level	Median	Experienced
Annual wage or salary	\$21,330	\$29,850	\$38,360
Hourly wage	\$10.26	\$14.35	\$18.44

Wage Data Source: Labor Market Statistics, Occupational Employment Statistics & Wages Program

Entry level and experienced wage rates represent the means of the lower 1/3 and upper 2/3 of the wage distribution, respectively.

Computer and Information Systems Managers in 2013

Rate Type / Statistical Type	Entry level	Median	Experienced
Annual wage or salary	\$69,750	\$95,060	\$118,950
Hourly wage	\$33.53	\$45.70	\$57.19

Wage Data Source: Labor Market Statistics, Occupational Employment Statistics & Wages Program

Entry level and experienced wage rates represent the means of the lower 1/3 and upper 2/3 of the wage distribution, respectively.

Medical and Health Services Managers in 2013

Rate Type / Statistical Type	Entry level	Median	Experienced
Annual wage or salary	\$60,670	\$88,560	\$125,340
Hourly wage	\$29.17	\$42.58	\$60.26

Wage Data Source: Labor Market Statistics, Occupational Employment Statistics & Wages Program

Entry level and experienced wage rates represent the means of the lower 1/3 and upper 2/3 of the wage distribution, respectively.

UNM Valencia is included in the Albuquerque MSA. CNM Community College is the only other public 2-year college in the area. While CNM in Albuquerque has a Health Information Technology program, UNM Valencia's service area, as determined by the NM Higher Education Department Geographical Area of Responsibility (GAR), includes Valencia and Socorro counties as well as southwestern Tarrant County. Students in this service area reside between 30 – 75 miles from Albuquerque. A Health Information Technology training facility in Valencia County will make the program much more accessible to students in this area. Completion of degree program will produce students whom we will send highly skilled into the workforce. While private, for-profit colleges in the Albuquerque Metro Area offer HIT programs at high-tuition rates, the students coming out of the UNM Valencia program will complete their degree program at a reasonable cost.

Impact on Long Range Planning:

This program is intended to train students to enter the workforce in a healthcare field. However, it could be transferred into the OILS bachelor degree programs UNM at main campus.

The healthcare industry is the top employing industry and one of the top projected growth industries in New Mexico. Much of the projected growth is attributed to an aging baby boomer population, technological advances in medicine, and the Patient Protection and Affordable Care Act (ACA). New Mexico is expected to be fourth in the nation with a population of 65 or higher by 2030. The ACA is catalyzing growth in healthcare professions, as the individual insurance mandate and expanded coverage options created by the Act are projected to increase the demand for healthcare services and providers. The ACA has highlighted the need for nurses, home health aides, medical assistants, nursing assistants, community health workers, community paramedics, and health information technicians. Further input from other clinics and doctor's offices in our service area indicates that this is a growing need. Our goal is to fulfill this need of employees with qualified and competent health information technology employees.

We will continually work with employers in the healthcare community, including First Choice Community Health, N.M. Direct Care Givers Coalition, Tricare, Quest, Skilled Healthcare, and numerous employers in a 7-county area whom we have established as Training Sites through our American Heart Association Training Center. In the coming months we will create a Healthcare Advisory Council to include many of these employers with whom we communicate on a regular basis for advice and direction in our ongoing quality improvement efforts.

Depending on the outcome of the SUN-PATH consortium and the potential of a statewide accreditation, the goal is for students who successfully complete this program to sit for the RHIT national certification.

Detailed Budget Analysis

UNM Valencia's Business, Technology & Fine Arts Division has six computer labs in which courses may be taught. At least two of these labs are available at various times throughout the day and evening and could accommodate new courses. All computer labs are equipped with the latest technology: which includes a smart symposium, computer, projector, DVD player, surround sound and smart board technology.

Carl Perkins funding will be sought for course start-up which could fund the program for a minimum of 3 years.

Faculty Workload Implications

The intent is to hire a program manager that will also teach within this program. In addition adjunct instructors will be hired to assist with teaching courses as needed. This faculty member will be paid through the Perkins grant for the first three years. 1-FTE faculty will be hired according to UNM pay scale. Benefits eligible.

There may be opportunity for current faculty to teach one or more of this courses depending on their full-time load equivalent and qualifications.

Faculty will be encouraged and/or required to seek professional development opportunities, particularly with regards to industry licensure and continuing education to remain current in the field. In addition, all UNM-Valencia faculty have access to the Teaching and Learning Center which provides training in the latest technologies available in the classrooms.

Executive Summary

Program Description

The University of New Mexico-Gallup Business and Technology department and Health Information Technology department are both requesting approval of a¹ Certificate in IT Health. The Certificate will articulate to the Associates in Health Information Technology at the University of New Mexico-Gallup campus, with an additional 26 credits needed to attain the HIT Associates, and upon graduation will be eligible to then matriculate to a Bachelor level HIM program, including the online Bachelor level program at Weber State for which we have an existing articulation Agreement. The IT courses from the proposed IT Health Certificate will matriculate to the Bachelors in Computer Science at the Albuquerque UNM campus.

The new Certificate in IT Health fits the UNM Gallup Branch's commitment to being responsive to community and student needs. Additionally, the new Certificate in IT Healthcare meets UNM Albuquerque's mission by educating and encouraging students to contribute to the local business and economic workforce and healthcare worker needs. The Certificate in IT Healthcare fits with existing courses in IT, and existing HIT courses, but is unique as this Certificate addresses a third area, which focuses on the provision of IT technology in healthcare settings and the unique needs of HIPAA and electronic reimbursement related to healthcare. The projected start date of this Certificate in IT Health is Fall 2015, based on the fact that all but three courses currently exist, and the additional three courses would begin in Summer 2016. Form B's have been written for the three new courses.

Evidence of Need with Justification

In a Spring 2014 all-campus wide online survey to students conducted by our IR staff, that assessed 'intended career', the field of Health Information Technology was chosen as third of all programs as "intended career", followed closely by Business and then Compute Science. Students would be recruited through General Studies, through IT advisement, through Nursing studies advisement, and through the Business Program. There is currently only one other program, CNM, which offers a similar E.HR Certificate. According to Department of Labor Statistics, there exists a 10.3% percentage vacancy rate in rural hospitals for high-level IT/systems specialists, compared to 6.6% in urban hospitals. A July 2014 survey of eight separate Health Information Department Managers, and hospital department IT Managers, indicated 86% supported the need for this type of workforce role.

The Certificate in IT Healthcare will meet the needs of local physician office and group practice offices that utilize technology in the documentation of medical encounter, patient billing, and electronic reimbursement. The Affordable Care Act mandated insurance coverage for all eligible adults, which is resulting in additional healthcare encounters, necessitating additional medical record documentation, storage of healthcare data, and electronic sharing of healthcare data. Federal mandates that physicians adopt Electronic Health Records by years 2015 and 2016, or face progressive financial penalties, provides additional needs for IT healthcare workers to assist physician offices with implementation and maintenance of E.HRs. An aging population (NM is expected to be 4th in the national with a population >65 years of age by 2030) necessitates additional healthcare encounters, with additional electronic management and storage of healthcare data. The most recent Bureau of Labor Statistics -- Job Outlook, highlights that "employment of health information technicians is projected to grow 22 percent from 2012 to 2022, much faster than the average for all occupations. The demand for health services is expected to increase as the population ages." (<http://www.bls.gov/ooh/healthcare/medical-records-and-health-information-technicians.htm>).

Program Content and Quality

The 45-credit Certificate in IT Health would include English 101, Math 121, as well as 19 credits from the Business Technology program and 17 credits from within Health Information Technology. Of these 45 credits, two courses in the HIT Program are being developed, and a third course is existing at ENMU and will be offered through the SunONLINE coursesharing platform. Enrolling students will come from a variety of backgrounds, including graduating high school students, from referrals from local, Tribal, and State workforce training programs, and from individuals with prior learning in the field of either IT or healthcare who have an interest in the combined, unique Certificate program. Additionally, there are an estimated 1700-2100 Veterans in McKinley County, some who may be interested in enrolling in this Certificate program as well *The Business Technology Departments currently has a seat count of 225 students this semester, with many of those students expressing an interest in combining their IT academics with healthcare courses.*

It is anticipated that the first year enrollment would begin with 30 students enrolled in this Certificate program, rising by 10% each year. The new program change will shift to meet and ensure a flawless articulation with the HIT Associates in Healthcare, with an additional 26 credits needed to attain an Associate's Degree in Health Information Management Technology, which has a mandated curriculum content through the CAHIIM accrediting body for Associates in Health Information Technology.

Student Learning Outcomes, and Evaluation and Assessment

- Students will be able to demonstrate proficiency in oral and written communication.
- Students will be able to solve information mathematical problems using critical thinking skills and problem solving skills related to technical applications regarding an E.H.R. system.
- Possess a basic conceptual understanding of system installation, networking, and security
- Understand healthcare regulatory requirements and standards behind an E.H.R. system
- Be familiar with healthcare structure, basic workflows and clinical processes
- Students will be able to demonstrate knowledge of implementation and management of an electronic health record system
- Be familiar with healthcare terminology, basic workflows, and clinical processes
-

Instructional delivery will be inperson lecture, inperson hands on activities, via online. Accreditation will not be sought for this certificate. The program learning outcomes will be measured by grades, course evaluation(during the semester and end-of the semester), observation of students performing task, analysis of student work programs (exams, essays, oral presentation), graduation rates, and the number of students progressing to advance degrees.

Human Resources: The total credit hours of 45 credits, among two departments, can be served by the current faculty, with the addition of an estimated additional 1.5 staff. plus one Adjunct HIT Instructor to teach a 2 credit, Term 3 summer course. The Business Technologies Department maintains an eligibility requirement for their faculty of an MBA, while the Health Information Technology Department has a requirement of a Bachelor's Degree with either RHIT or RHIA certification. In addition to departmental standards, it is important that the Business Technology and IT courses be taught by a Master's level in order to articulate to an advanced degree at the Bachelor's level. Technology needs will not change.

Additional space is not needed. Student Services will not be impacted by this change. **Projected**

Enrollment and Cost: Initial enrollment estimated at 30 with a five year projected increase to 48 students. Costs estimated at 1.5 full time faculty start base pay at 45,000 for one FT, effectively \$67,500 for 1.5 Staff. Additionally, \$2,000 is needed for a Term 3 Summer 2016 HIT Adjunct Instructor. The costs for the additional IT instructors, and the \$2000 for the HIT Program, will be borne by UNM Gallup.

University of New Mexico

Gallup Campus

IT Health Certificate

ASSUMPTIONS

The assumptions used in developing the business plan are an integral component of the business plan. The assumptions should provide validity to the marketing, operational, and financial projections. Therefore, this exhibit should be used to list all assumptions used in developing the plan. Attach all relevant documentation concerning market research data, all revenue and expense line items and related growth rates. The assumption line items listed below are not all-inclusive, but should be used as a guide to create a complete list of assumptions.

Description	FY16	FY17	FY18	FY19	FY20	FY21
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GENERAL ASSUMPTIONS

- 1) Certificate Enrollments are considered as "new" incoming students.
- 2) The tuition increases for the certificate program are 0% throughout the plan.
- 3) There is no state support throughout the plan.
- 4) The total credit hours for the certificate is 45.

REVENUES

Enrollment Initial - IT Health Certificate	30	33	36	40	44	48
Enrollment Increase - Student % (AC)	N/a	10.0%	10.0%	10.0%	10.0%	10.0%
% of Undergraduate Students from New Mexico	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Enrollment - FTE (UG)	18	30	33	37	40	44
Tuition Increases	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other Revenue (e.g. Fees)	0	0	0	0	0	0
Other Revenue Increase	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

EXPENSES

Staff salary percentage increase.	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Faculty salary percentage increase.	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Student Salary	0	0	0	0	0	0
Student salary percentage increase.	0.0%	0.0%	3.0%	3.0%	3.0%	3.0%
Insurance, Retirement, Other	31.0%	31.0%	31.0%	31.0%	31.0%	31.0%
PT Benefits	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%
Inflation for Current Expenses	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Maintenance & Repairs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Utilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Student Aid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Contingency	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Banner Tax	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Bad Debt	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Equipment/Start-up	0	0	0	0	0	0

University of New Mexico

Gallup Campus

IT Health Certificate

ASSUMPTIONS

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Description	FY16	FY17	FY18	FY19	FY20	FY21
HURDLE RATE (Obtain from Treasury Department)	10.0%					
FACULTY & STAFF						
Faculty						
Faculty 1 FT	45,000	0	0	0	0	0
Faculty 0.5	22,500	0	0	0	0	0
Faculty	0	0	0	0	0	0
Subtotal FT Faculty Positions	67,500	0	0	0	0	0
PT/Adjunct Faculty Summer Term 3	2,000	0	0	0	0	0
Total Faculty Positions	69,500	0	0	0	0	0
Contract-Admin/Professional						
Admin/Professional Staff	0	0	0	0	0	0
Admin/Professional Staff	0	0	0	0	0	0
Admin/Professional Staff	0	0	0	0	0	0
Total Office Admin/Professional Positions	0	0	0	0	0	0

University of New Mexico

Gallup Campus

IT Health Certificate

ASSUMPTIONS

The assumptions used in developing the business plan are an integral component of the business plan. The assumptions should provide validity to the marketing, operational, and financial projections. Therefore, this exhibit should be used to list all assumptions used in developing the plan. Attach all relevant documentation concerning market research data, all revenue and expense line items and related growth rates. The assumption line items listed below are not all-inclusive, but should be used as a guide to create a complete list of assumptions.

Description	FY16	FY17	FY18	FY19	FY20	FY21
Hourly Staff						
Hourly Staff	0	0	0	0	0	0
Hourly Staff	0	0	0	0	0	0
Hourly Staff	0	0	0	0	0	0
Hourly Staff	0	0	0	0	0	0
Total Office Hourly Staff	0	0	0	0	0	0

To Accompany Form C:

Budgetary and Faculty Load Implications for Certificate in IT Healthcare

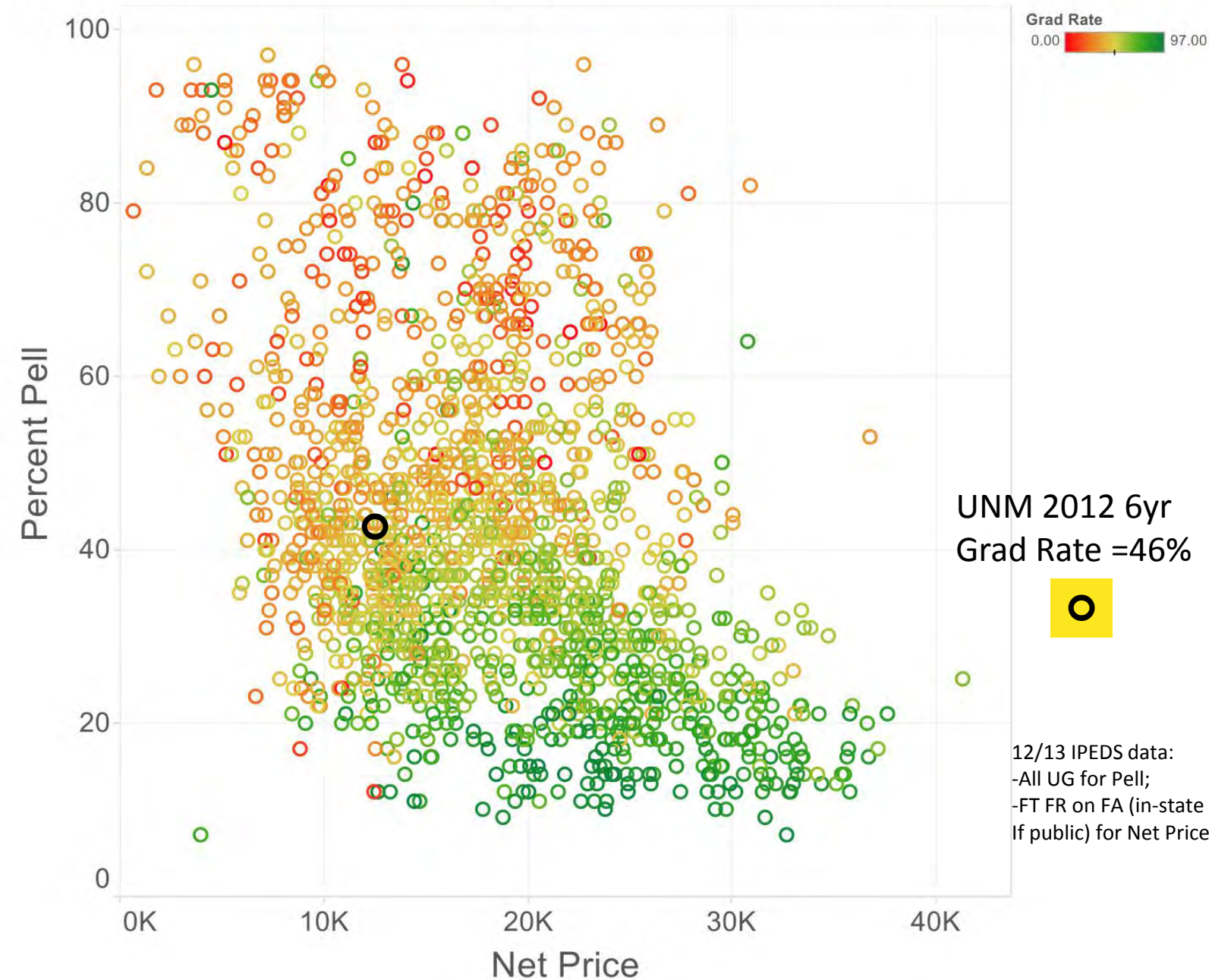
1. Budgetary and Faculty Load Implications: -
 - a) 1.5 Additional Instructor hours (at an anticipated cost of \$67,500) for IT courses will be requested as enrollment increases. UNM-Gallup Branch President Dr. Dyer has committed in a written letter to the Provost's Office (Dr. Greg Heileman) that UNM-G will assume the costs of these additional instructor positions. There will be no impact on IT instructors for the IT courses within the two years (Fall 2015-Spring 2017)
 - b) \$2,000 has been requested and approved to be paid by UNMG, through written communication from Dr. Dyer, for the Summer 2014 2 credit course.
2. Long Range Planning –This Certificate in IT Healthcare will continue to be offered indefinitely within the UNM Department of Business Technologies and Management and the Health Information Technology Program.

National Trends in the Economics of Higher Education

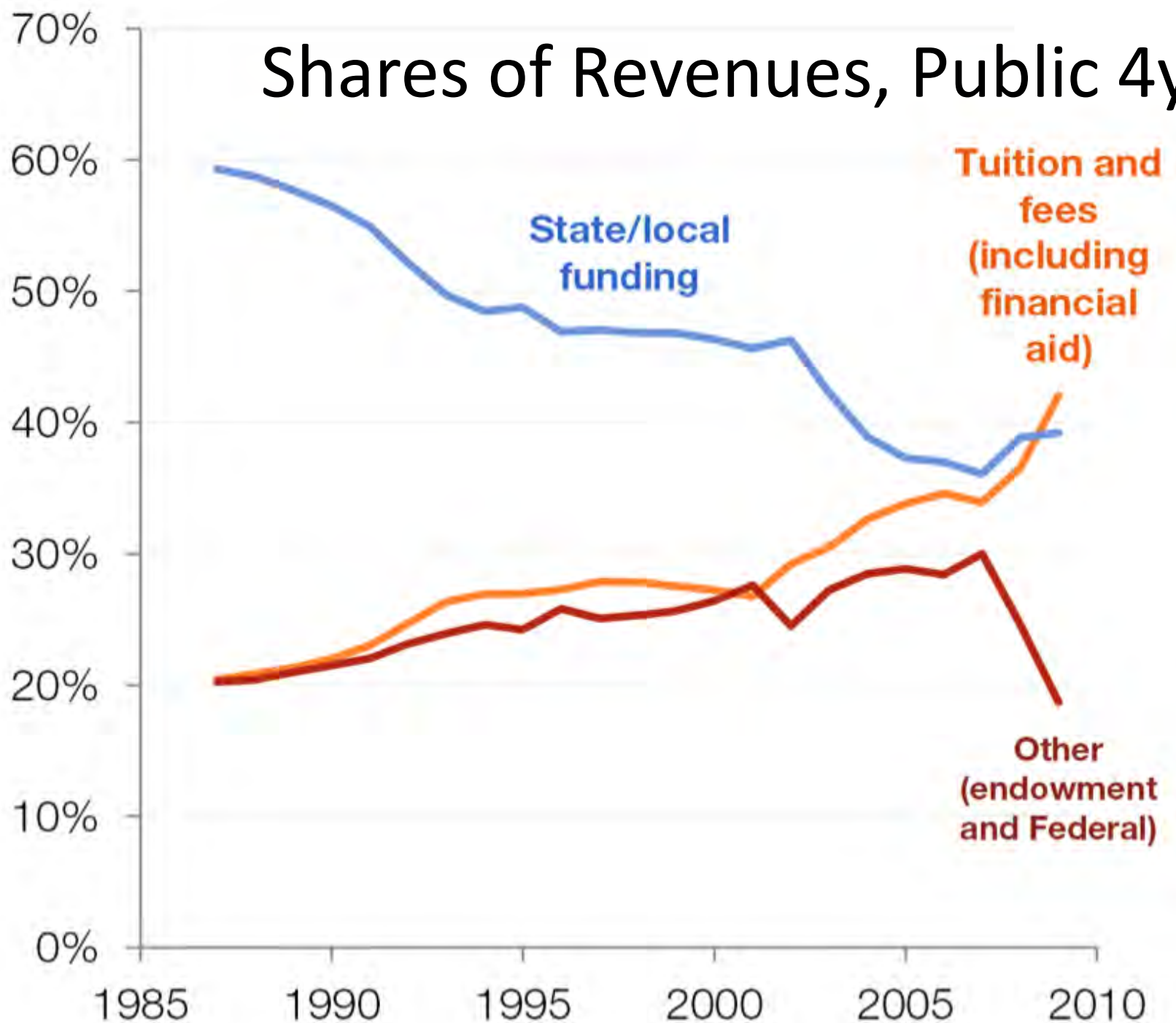
Information Item

Econ 295, Spring 2015
Robert Berrens

Figure 1. Scatterplot of Four-Year Colleges by Access, Affordability, and Completion



Shares of Revenues, Public 4yr

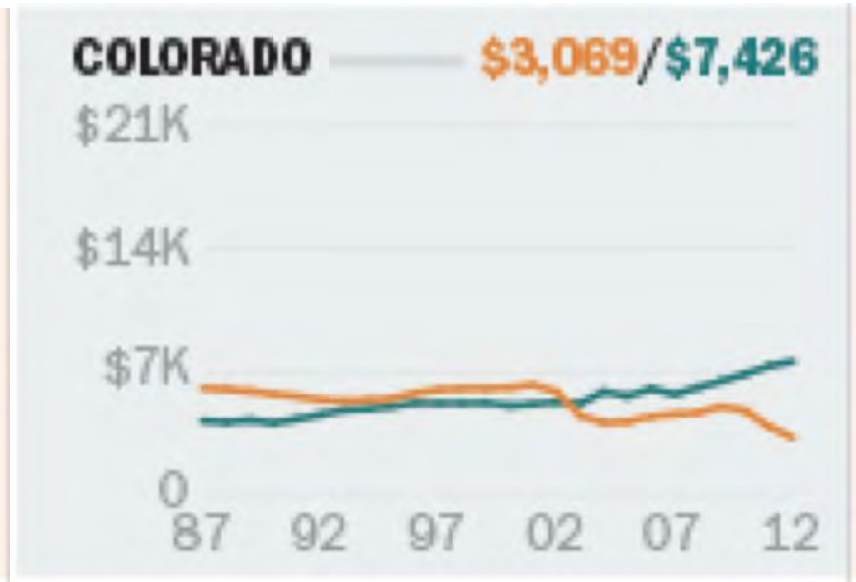


Decline in State Funding of Public Higher Education:

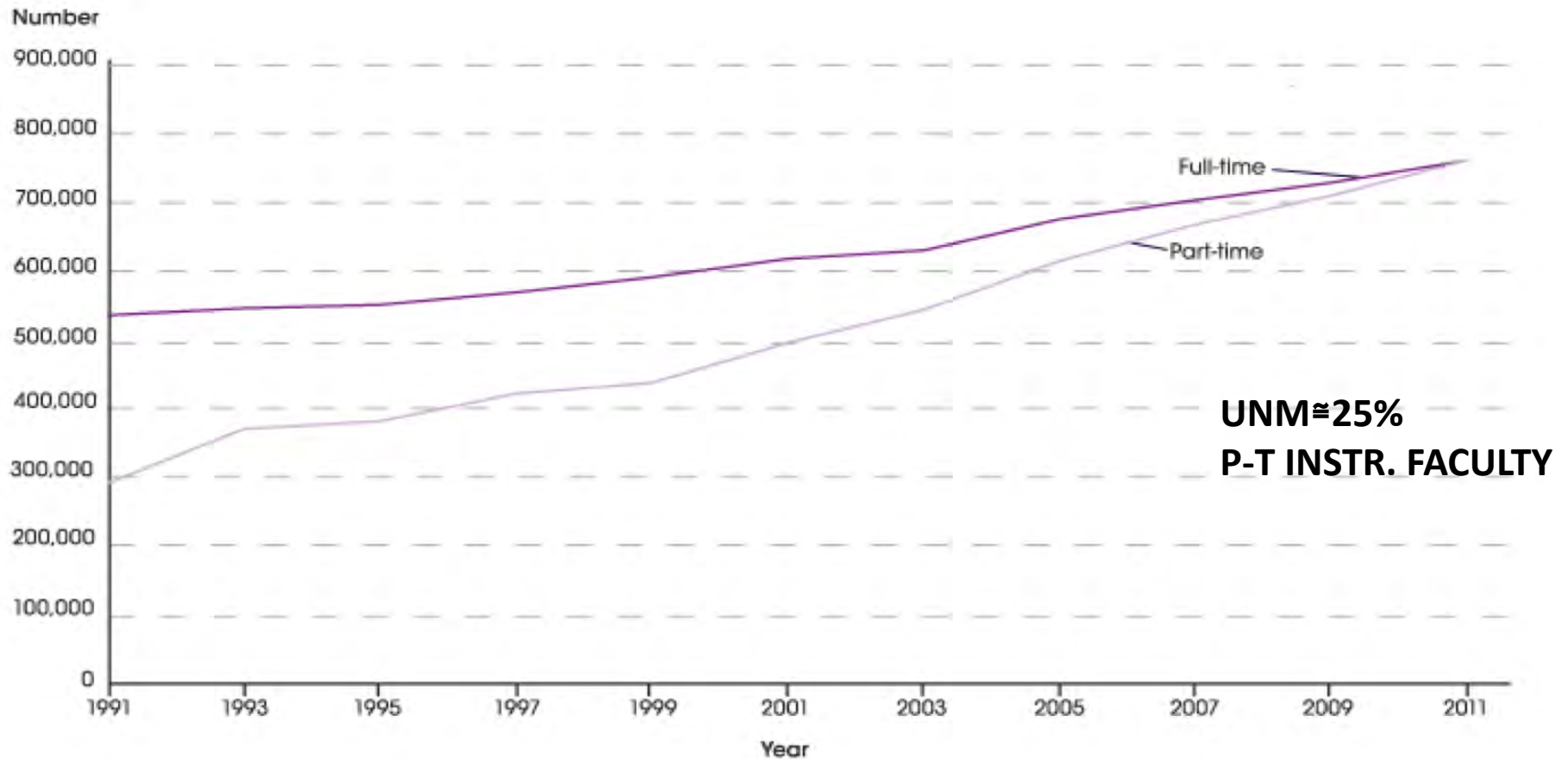
US Average 2011-2012 support per student, 2012\$,

State (\$5906) vs **Student (\$5,189)**

Source: Chronicle of Higher Education, 3/3/14



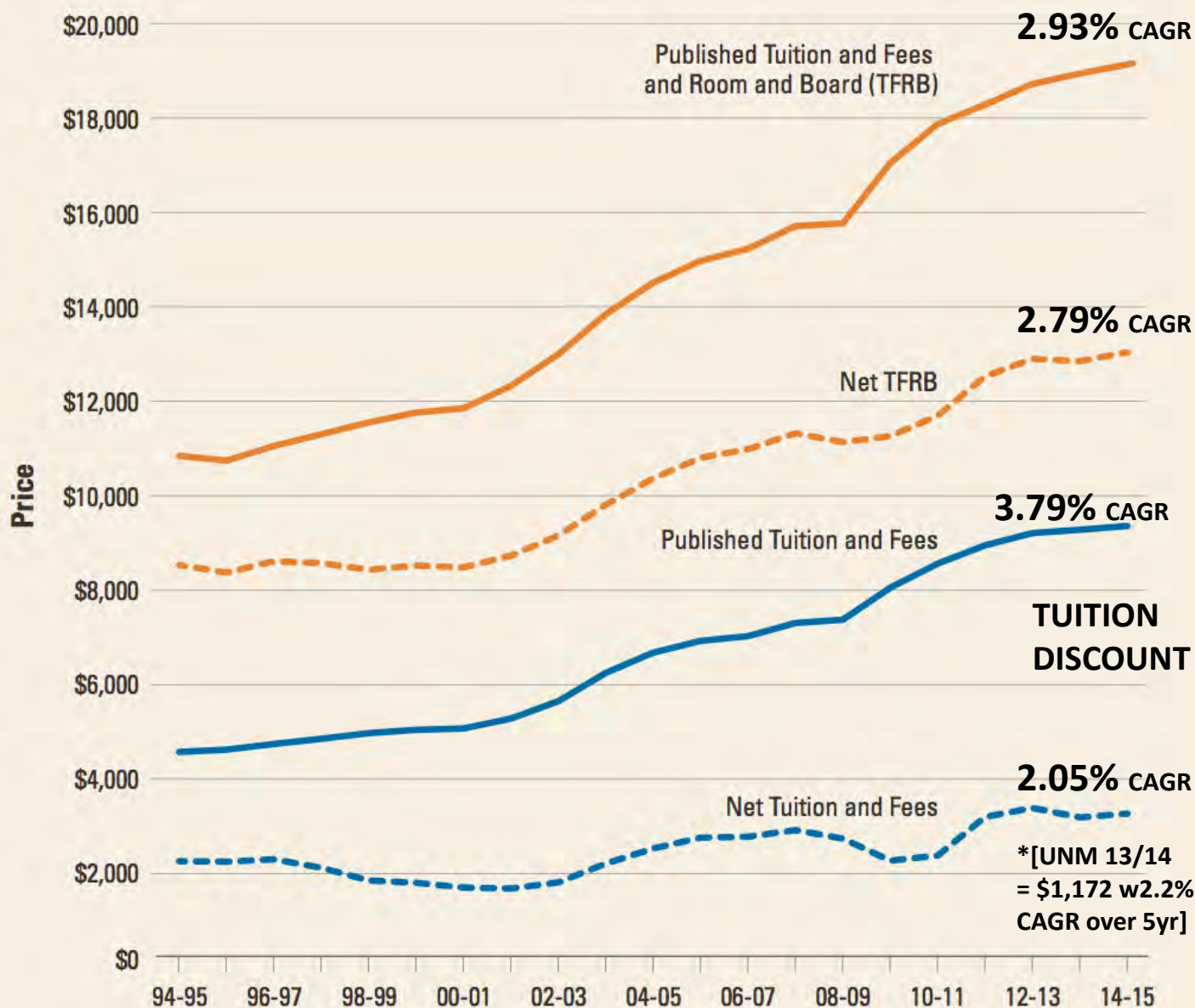
Number Teaching Faculty, Post-Secondary Institutions by Employment



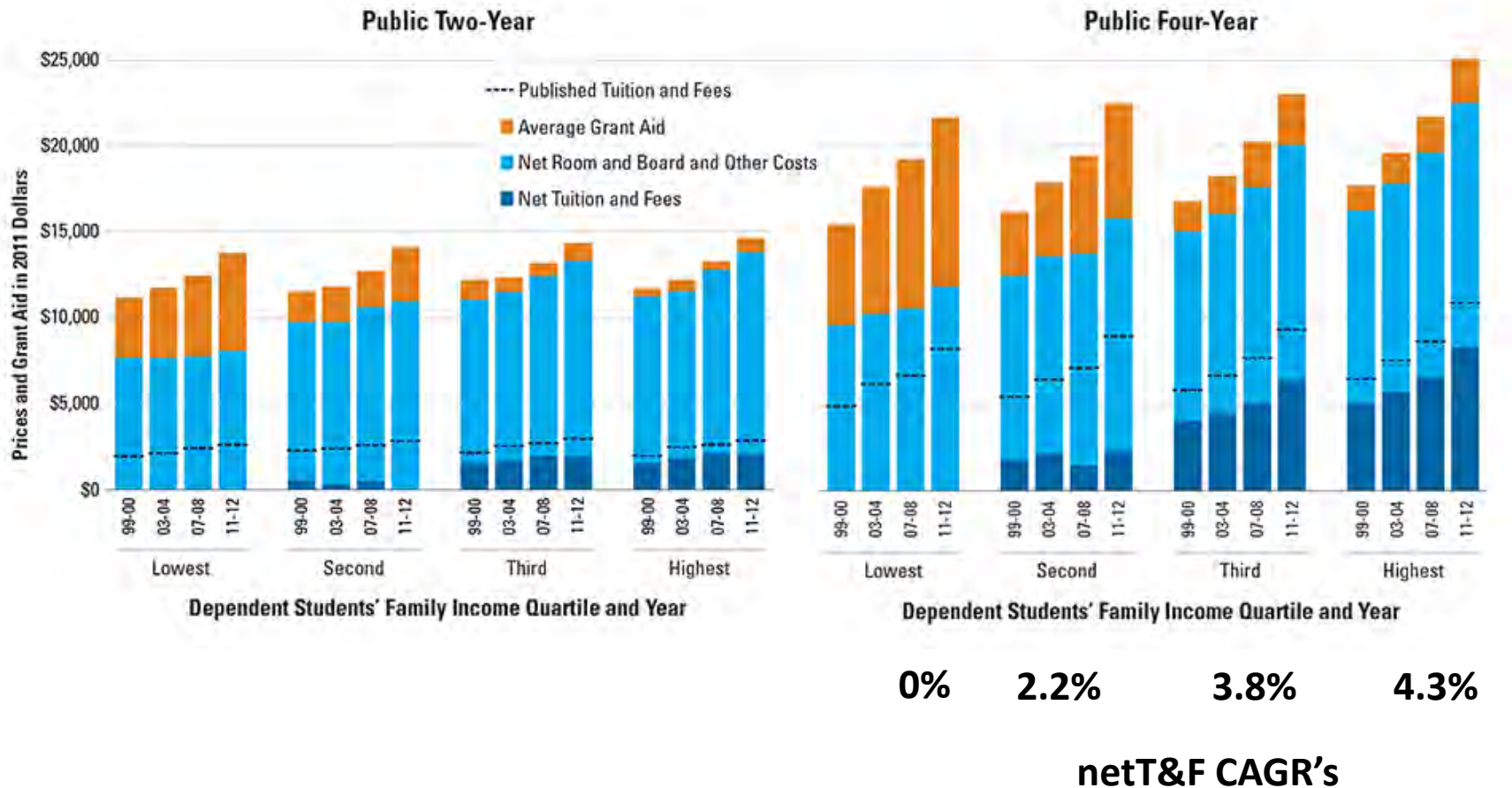
http://nces.ed.gov/programs/coe/indicator_cuf.asp

Number of instructional faculty members in degree-granting postsecondary institutions, by employment status, 1991 to 2011

FIGURE 12 Average Published and Net Prices in 2014 Dollars, Full-Time In-State Undergraduate Students at Public Four-Year Institutions, 1994-95 to 2014-15



Net Prices, by Income over Time: Public Institutions (2011\$)



Net Present Value of a Bachelor's Degree, 1970-2013

Thousands of dollars



Sources: U.S. Census Bureau and U.S. Bureau of Labor Statistics, Current Population Survey, March Supplement; U.S. Department of Education, Digest of Education Statistics 2012; The College Board, Trends in College Pricing 2013 and Trends in Student Aid 2013; U.S. Bureau of Labor Statistics, consumer price index.

Notes: Dollar figures are expressed in constant 2013 dollars. Shaded areas indicate periods designated recessions by the National Bureau of Economic Research.

Thank you

Questions?

Report on Regents' Audit Committee Meeting April 22, 2015

The **Regents' Audit Committee (Committee)** held a Meeting on April 22, 2015 and took the following action:

ACTION ITEMS:

- The Committee approved the minutes from the meeting of December 4, 2014.
- The Committee approved proposed meeting dates of June 18, August 18 and October 15, 2015. The October meeting date is provisional subject to a status of external audit.
- The Committee approved UNM-Taos Financial and Operational Efficiency Audit, Report 2015-02.

INFORMATION ITEMS:

- There were no Advisors' Comments.
- **Follow up items:**

Clery Coordinator. The Clery Coordinator position has been taken care of financially for fiscal year 2016. There is sufficient budget - approximately \$257,000 for the Coordinator, training, and educational materials. Clery Act trend data/crime statistics are not prepared because there is no Coordinator on board yet. Once the position is filled, Helen Gonzales, Main Campus Chief Compliance Officer will work with the Coordinator to identify the trends and compile the data. Chairman Hosmer asked about the University's exposure. There are 22 pending Clery Coordinator actions; either pending with Interim Coordinator Chester or awaiting the new hire. Ms. Gonzales replied that there is a Compliance Committee that is meeting regularly to support the Interim Coordinator. The Committee is confident that all elements are being met. Substantial activity is ongoing, and while there is a lot of work yet to be done, everything will be in line for the next reporting cycle (last year's data, due October 1, 2015). The UNM Police Department has requested crime statistics from campus security authorities. They are making a push to get all campus security authorities trained, and are continuing to identify geography, etc. If inspectors were to come, they would be OK with that. Regent Fortner asked if there is any duplication of effort with Clery Act and what UNM is doing with Title IX. Ms. Gonzales stated there is not duplication; however, there are places they align well together. Director Patel added that from an audit perspective there has been much progress between the 2012 Clery report and the 2013 Clery report. The policy statements and the data they send to the Department of Education are a lot better. If inspectors were to come, we would not be at 100 percent, but we would be a lot better than we were two years ago. Chairman Hosmer asked if 2012 was a letter grade of "D," and we aspire to an "A," what it would be now. Director Patel stated B-plus. Ms. Gonzales said she would say B-minus. The Provost is assisting with making sure faculty members are getting trained. The Provost said it is at a D-plus on that front. Chairman Hosmer asked Amy Wohlert, Chief of Staff, President's Office, if it still makes sense to consider an assistant for the current Interim Clery Coordinator. Ms. Wohlert stated there are now enough eyes on the problem, the budget, and a clear path forward in terms of hiring. UNM is also in the process of hiring a new OEO director who will oversee both Title IX and Clery operations. Through the Provost's Office, Dean of Students, and campus committees

there is good coordination with OEO, University Counsel, etc. We have gone from blissful ignorance, to panic, to awareness of what we have to do. Chairman Hosmer asked that the appropriate parties go back through the 22 items and add dates for completion.

University Guiding Principles. The last open session follow-up item is regarding guiding principles. Ms. Wohler led the discussion on that subject. She stated that at the last meeting, there was tentative approval of the principles and the policy that was written surrounding the principles. The Committee directed Ms. Wohler and her team to amend the preamble language, which they did. There are other efforts ongoing on campus, such as new members of the Faculty Senate Ethics Committee who were not present during the drafting of the principles. There are also student government changes. Ms. Wohler recommended that the good effort that has been accomplished be put out there now, partly due to the Human Resources evaluation component.

- **FY15 Financial Statements Audit Entrance Conference.** KPMG and Moss Adams presented the Entrance Conference for the FY15 External Audit. John Kennedy, Partner, KPMG, and DeVon Wiems, Partner, Moss Adams introduced their service teams and walked through the plan for the audit work. KPMG will perform the audit for Main Campus and non-clinical component units such as the UNM Foundation, Lobo Club, etc., as well as KNME and KUNM. Moss Adams will cover clinical operations including UNM Hospital, Sandoval Regional Medical Center, the UNM Medical Group, etc.

They will conduct an A-133 audit, which is transitioning to the terminology of Uniform Guidance Audit. The audit is conducted in accordance with government standards, the State Audit Rule, and other regulations. Chairman Hosmer asked if they make their own risk assessments when choosing which items to sample. Mr. Kennedy stated they do. The teams will communicate with this Committee at various times throughout the audit and will notify them if significant matters arise.

Mr. Kennedy informed the Committee that their responsibility is to provide reasonable but not absolute assurance relative to the financial statements, indicating they comply with GAAP and are materially correct and free of misstatement. They use a risk-based approach and will test certain internal controls of processes, in areas such as cash receipts, bond activity, investments, payroll, non-payroll expenditures, grants and contracts, accounts receivables, patient revenues, and information technology. They will test that issues resulting in findings last year are fully resolved, and look for any non-routine transactions. Mr. Kennedy stated they also look at NCAA activities such as contracts. There is a new accounting standard, GASB 68, relating to pensions. The underlying impact to UNM is unfunded pension liability at the state level now gets pushed down to UNM, so that UNM has to reflect their share of that unfunded liability. The number will be large but will be primarily a bookkeeping exercise. Rating agencies have recently come forward and said they are not going to view this negatively relative to the ratings for the most part.

For clinical operations, Moss Adams will focus on revenue cycle, as that is where most risk of error occurs. They will also look at accounts receivables, payroll, cash, investments, information technology, etc. The largest contingencies tend to be in malpractice. To a large degree, those liabilities are indemnified by the State and do not show up on the balance

sheet. There is bond refunding that may or may not occur before June 30. If it happens prior to June 30, they will look at that this year.

Chairman Hosmer noted that IT issues evolve fairly quickly. He asked for an assessment of their current IT auditing expertise. Both firms replied that they have staff members who audit IT year round and they consider themselves to be on the cutting edge both in tools and knowledge. However, their focus is limited – mostly to IT access controls. Moss Adams stated they have subject matter experts.

- **Audit and Compliance Committee Orientation.** UNM Internal Audit and UNM Health System Internal Audit provided the Committee with an orientation presentation. The Audit and Compliance Committee was created based on Regents' Policy 1.2. It is a standing committee of the Board of Regents. One member of the Committee should be a financial expert. The Committee meets at least four times per year and follows the Open Meetings Act. The Audit and Compliance Committee's responsibility includes review of the University's financial reporting, internal controls, risk management, performance of external audit, compliance with laws and regulations, internal policies, whistleblower program, and the compliance program. The Internal Audit department was established under Regent Policy 7.2, performs a comprehensive internal audit function, and has unrestricted access to all functions, records, property, and personnel. Internal Audit has the authority to obtain assistance from other departments. To maintain independence, the Internal Audit Department and Compliance Office report functionally to this Committee and administratively to the President's Office. Internal Audit is free from any interference in determining the scope of audits, and is empowered to obtain information as needed.

Purvi Mody, Executive Director, UNMH Compliance and Audit, informed the Committee that her office reports functionally to the audit committees of each health system entity. Audit reports are presented to these committees, then to the HSC Audit and Compliance Committee, and then to this Committee. As of March 2015, her department reports administratively to Steve McKernan, CEO, UNMH. They have full access to each of the Committee members and to the Board. They perform a separate risk assessment at each of the entities. In June, 2015 there will be a new risk assessment for the Hospital.

Ms. Mody stated that SRMC is now under a 501 community risk assessment and are required to do that. The Hospital is starting to incorporate some of that. Regent Fortner feels that type of assessment might be performed by Administration. Regent Koch stated that is not the case because of the independence. Chairman Hosmer added that risk and risk assessment is owned by this Committee. That does not mean that Internal Audit is a necessary instrument in mitigating that risk. It could be that this Committee reaches a risk assessment with all of the appropriate experts and then says the individual who owns that risk is the Provost, or Enrollment Management, etc., and the task may be passed on to the appropriate area. This Committee's task would then be to monitor how the plan is working. Chairman Hosmer would like to see this going forward in the next cycle. Ms. Mody addressed a previous question about the Cancer Center audits. She stated her office audits the clinics, and Main Campus Internal Audit covers the research areas. Mr. Patel wrapped up the presentation by stating that Internal Audit departments are required to comply with the standards and ethics of the Institute of Internal Auditors and also comply with guidelines of the American Institute of CPAs. The department is required to have a peer review every five

years. The last peer review was approved by this Committee in March, 2013. The Peer review was conducted by the Audit Director of NM State University and the former Audit Director of University of Texas Pan American.

Ms. Gonzales provided the Committee with Compliance Office orientation material and an overview of her professional background. She stated a big part of her role is assuring there are appropriate controls in place so that units can perform correctly, appropriately, ethically, etc. She works proactively with management to mitigate institutional risks. Ms. Gonzales has a compliance committee of individuals responsible for the various compliance obligations. She uses the seven elements of federal sentencing guidelines to help structure their work.

Key partnerships for her compliance office include HSC Compliance, Internal Audit, University Counsel, the Policy Office, etc. Compliance partners come to the quarterly meetings. Regent Fortner asked where the current Department of Justice investigation falls. Ms. Gonzales replied that it spans a number of places, including Office of Equal Opportunity, Student Affairs, and University Counsel (they are not a compliance partner, but have an advisory role to the Compliance Committee).

Her goals this year include developing a risk identification and mitigation reporting process, developing and maintaining a compliance directory, revising the Whistleblower policy, and launching a new ethics and anonymous compliance reporting system (completed). There is now a new hotline vendor available 24/7 (Ethicspoint from Navex Global began on March 26, 2015) with enhanced reporting capabilities. Starting at the next meeting, Ms. Gonzales will begin providing metrics from the hotline reporting.

Stuart Freedman, HSC Chief Compliance Officer provided an orientation presentation to the Committee. He informed the committee that compliance is sort of a “new profession.” It is only about 25 years old. The sentencing guidelines that Ms. Gonzales referred to are really at the core of compliance. In addition, they reach out to enforcement agencies to see what they have to say. The one that governs healthcare is the Office of the Inspector General under Health and Human Services. In 2012, the Freeh Report was a shocking jolt to academia.

Compliance creates a culture. Culture reflects behavior of all employees. It is about changing behavior. They make a concerted effort to do live training as well as on line, and to get out in front of people. It is important to connect and discuss emerging risk. They do investigations, but do not discipline people. Billing compliance is their highest risk. HSC Compliance recently had a peer review as well. They had two reviewers who came for two and a half days; one from the University of Pennsylvania’s Children’s Hospital, and the other is the Chief Compliance Officer from the University of Connecticut. They found two best practices that are now published on AAMC’s website. One involved their Code of Ethics program, and the other their Healthcare Provider Compliance Committee.

- Mr. Patel briefly reviewed financial report and expects to close out the fiscal year with a reserve of about \$8,000 to \$10,000.

Advisor Comments and Reports



Strategic Goals:

Goal 1: Maximize alumni and student engagement

The **Greater Albuquerque Area Alumni Chapter (GAAAC)** participated in an all-day community service event in Albuquerque, the **Spring Storm** on April 11th. Members of the alumni chapter volunteered at the UNM Health Science Center International Health Day in the SE part of Albuquerque. GAAAC volunteers gave out bottles of water, fruit, plated meals, and helped bag donated food for people attending the free event.

The UNM Alumni Association created the ***Aluminaria Award*** for recognition of alums who brighten the lives of others by doing everyday actions that often go unnoticed. The following alums were recently recognizes:

Earl Salazar, BA in Political Science '75; MPA '77, Governor of Ohkay Owingeh for his passion and commitment in leading, developing and mentoring young Native American leaders.

Marilou Joson, MA in Secondary Education '13, teacher extraordinaire in Gallup New Mexico for her patience in teaching math by using different resources to strengthen the learning process.

Daniel Ramczyk, BA '81; JD '83, Judge for the Albuquerque Metropolitan Court for his hard-working and dedicated volunteer service as a Big Brother, coach of high school student speech and debate and counselor for at risk teens with alcohol and drug addictions.

Jeffrey Candelaria, BUS '83, Bank of the West development officer for his professional networking and connecting businesses and building strategic alliances with his 15,000 clients.

Eric Toledo, MA Education Administration '99, Albuquerque entrepreneur for his efforts in launching and growing businesses in the area and serving the needs of residents.



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Amit Upadhye, MA in Architecture '98, internationally renowned architect for his continuing effort to return to UNM to inspire and help transition young architects into their professional careers.

Melissa Smith, BS in Family Studies '12, Community Service Chair and volunteer for the Greater Albuquerque Area Alumni Chapter for organizing and energizing Albuquerque area UNM alums to volunteer for local community service events.

Ann Marie Wilcox, BSN in Nursing '99, APS nurse for her dedication and kindness in serving those in need. While working as a nurse at Marie Hays Middle School, her desire to eliminate hunger led to her establishing the Westside Mobile Food Pantry which serves over 200 adults

To increase engagement of young alumni, the **Young Alumni Professional Development Committee** collaborated with Career Services and alumni volunteers to host a **Career Network/Mock Interview event** in April. Sixty plus students, alumni and volunteers participated.

To promote Hodgin Hall as the cornerstone of UNM's traditions, history and pride, the **Young Alumni Chapter** will host a **reception for new graduates** and their families at the Hodgin Hall Alumni Center. An over capacity crowd is anticipated.

The Alumni Relations Office is making extensive efforts to increase communications with Graduates during May, 2015. A record number of students are registering for the Mini Diplomas and attending Graduation events. The UNM Alumni Association will host **mini-diploma sign-ups** at several multi-cultural and school related graduation events, as well as a general sign up in the SUB. Grads who sign up online will receive a leatherette portfolio. New **Grad Wine and Cheese Reception** is scheduled for Thursday, May 7, 2015, at Hodgin Hall Alumni Center Plaza.

To engage and retain young alumni involvement, the Young Alumni Chapter participated at the **Run for the Zoo** event on May 3 by handing out information about UNM and the chapter and promotional shoelaces. The **Annual Beer and Baseball** event will take place on Saturday, June 20.



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Red Door Brewery will sponsor a beer tasting event prior to the Isotopes vs. Tacoma baseball game at Isotopes Park. Attendees will receive a souvenir tasting glass.

Over 30 graduates of the **Class of 1965** and their guests will participate in several events to celebrate their golden anniversary from graduating at UNM. Most will march in their golden robes during UNM's Commencement exercise on Saturday, May 9, at 9 am in the Wise Pies (aka The Pit) Arena. The Alumni Association and several schools are planning lunches, dinners and tours on Friday, May 8. A reception will be held at the Hodgkin Hall Alumni Center on Friday, May 8, 4 pm, followed by dinner for grads and special guests. Each 1965 grad will receive a memory book and commemorative gift.

The purpose of the **Lobo Living Room Series** is to engage UNM alumni, students, faculty, staff and the larger community by highlighting special programs and/or the talents, skills, and knowledge of our alumni. Past programs have varied from lectures, tours, behind the scenes and some off campus venues. All have had some tie to UNM. The series continues to be extremely successful and well attended. Over 90 attended "**An Evening with Dr. Cheryl Willman**" at the UNM Cancer Center. Following the reception attendees were captivated with the presentation and research taking place at the UNM Cancer Center. The presentation included the research of Dr. Willman: The use of comprehensive genomic technologies to identify novel targets for improved cancer diagnosis, risk classification, therapy and the future of cancer research with new clinical trials. Customized tours were conducted after the presentation. Over 70 people came to the UNM Alumni Center at Hodgkin Hall for "**The Heart of Collecting**" with **Judith Lavender**. Judith spoke about her family history and how her father started one of the biggest trading posts in the Gallup, New Mexico area. Her presentation recalled a desolate New Mexico territory and highlighted her family's tradition of trading with Native Americans: Hopi, Zuni, and Navajos. The highlight of Judith's presentation was her telling stories behind the collected items she acquired



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over a lifetime: rugs, jewelry, Kachini dolls, and Native American pottery. The next Lobo Living is scheduled for July 9 at Hodgkin Hall and will feature the music and history of **Mariachi Spectacular!**

We have expand the success of the **Alumni Collaborative** through targeted outreach to departments and programs across campus. Focusing first on Health Professions and Public Health, the Alumni Relations office partnered with the School of Medicine Alumni office to meet with members of each department's faculty to educate them on the value of alumni outreach and the help and tools available to assist them as they plan their events and communications. This outreach will continue across all sectors of UNM. We are working closely with the Provosts Office to provide alumni outreach guidance and assistance to departments facing their APR in preparation for Accreditation.

The Alumni Engagement Metrics Score will launch and with the first benchmark established the end of May. The model will seek input from stakeholders across campus. The score will give schools/colleges and departments a "snapshot" of alumni engagement activities and ways to follow up, segment, and target activities to increase engagement.

Social Media coverage continues as a brisk pace with the development of a new Pinterest site with extensive posts demonstrating all the great ways alumni can show their Lobo pride. The **Howler** continues to inform alumni of all the activities and events offered by the ARO and Alumni Association. The Howler open rate continues at a strong percentage.

The Alumni Association will host its annual **Volunteer Thank You Reception** on Friday, June 5, 2015 on the patio of Gardunos at Hotel Albuquerque from 6:00 – 8:00pm. You will receive an invitation to the event in the coming week.



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UNM Alumni Association is pleased to announce **Homecoming 2015** is scheduled for the week of October 12th-17th. This year's theme "**Live, Lobo and Prosper**" will play off the Star Trek original series characters and influence. There will be a number of special events planned throughout the week, and will culminate with the UNM Lobos taking on the Hawaii Rainbow Warriors on October 17th. Stay tuned as more events and details are to follow! Make sure to visit our Pinterest page to view some ideas on how you can start gearing up and getting excited for Homecoming 2015! Also remember to use our hashtags for all UNM Homecoming planning and events #lobohomecoming2015 #liveloboprospers. As a part of Homecoming, the Alumni Association will recognize alumni in 3 award categories: **Lobo, Zia, and Inspirational Young Alumnus**. Presentations of awards will take place at the **All University Breakfast** on Saturday, **October 17** beginning at 9:00 am at Hotel Albuquerque. The nomination deadline is June 19, 2015. Online nominations available at <http://www.unmalumni.com/awards.html>.

Continuing to promote student engagement and emphasizing future roles as members of the Alumni Association, the **Trailblazers Student Alumni Association** have solidified their leadership for the 2015-16 academic year with a new slate of officers. New officers for the **Trailblazer Executive Board for 2015-16** include Taryn Levels (Albuquerque), President; Emily Mize (Damascus, MD), VP Programs; Lauren Dennis (Albuquerque), VP Membership; and Matthew Pacheco (Española), VP Recruitment.

The **UNM Alumni Association's Scholarship program** for 2015-16 successfully completed with 81 application submissions. A 5-member committee reviewed the scholarship applications and awarded approximately \$22K to 3 graduate and 16 undergraduate students.

Our course, **Student Transition and Engagement Program (STEP)**, will conclude its run in the Organization, Information, and Learning Sciences (OILS) department with a 'graduation' pot luck luncheon at Hodgin Hall Alumni Center on May 5th. This 3 hour course has been supported by the UNM Alumni Association by providing alumni experts in finance, career planning, networking, mentorships, internships, community engagement,



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social networks, and health & wellness. The Association has also hosted several etiquette sessions at Hodgin Hall for this course. It is currently seeking a new academic home so alumni can continue to engage with current students.

Goal 2: Increase alumni advocacy for UNM

On Saturday, March 21, the New Mexico legislature wrapped up their 60-day session. The 2015 legislative session was a difficult session with challenging financial circumstances, however UNM had continual growth through the state budget process. Much of the outcome can be attributed to UNM's teamwork in Santa Fe: the government relations team and the commendable efforts of UNM faculty, staff, students as well as support and persistence from the Alumni Association's **Lobos for Legislation**.

A tracking system called **Lobo Metrics** was set up prior to the 2015 legislative session to record "touches" made by members of the Lobos for Legislation Committee to state legislators and the Governor and her staff. As of this report, 203 contacts * were made to legislators by 85 UNM alumni. Of the 40 total Senators, 37 were contacted for a total of 113 touch points. Of the 72 total Representatives, 48 were contacted for a total of 90 contacts. *Lobo Metrics only tracks the volunteer alumni who have taken the time to enter their contact information.



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Each spring the UNM Alumni Association Lobos for Legislation committee awards two awards: The **Higher Education Distinguished Service Award** and the **Twenty-Year Service Award**. The Lobos for Legislation committee will award the 2015 Higher Education Distinguished Legislator Award to Representative Larry Larrañaga, Speaker of the House. This award honors and pays tribute to a legislator who has provided exemplary service to the University of New Mexico during the past legislative session.

Chairman Larry Larranaga:

- *Instituted a new funding formula for higher education institutions. The new formula directly benefits high performing schools and award UNM over \$2 million through the new formula.
- *Higher Education Endowment Changes. Chairman Larranaga has spearheaded changes to the endowment for the past 3 years and this year was successful in finding a compromise that will benefit all institutions. He was also able to secure \$5.5 million for the endowment fund.
- *Farris Engineering Building. Chairman Larranaga has been our champion for this project over the past several years. This year was no different. He understands the need of the project and has been relentless in getting it completed. The above award and the Twenty Year Service Award will both be presents on Friday, June 5, 2015 at the UNM Alumni Association's annual *Volunteer Thank You Reception* at Garduños at the Hotel Albuquerque.

Lobos for Legislation is in the process of planning Legislative **Home Receptions** for the 2015 year in the Belen/Los Lunas area, the SE Hunning Highlands area of Albuquerque, the Far NE Heights in Albuquerque, and possibly a reception in southern New Mexico either in Deming or Las Cruces.



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The Alumni Association will host the annual **Chapter Leaders Council Meeting** June 3-5, in conjunction with the Alumni Association Board of Directors Meeting, June 5. Chapter leaders from across the country, as well as Constituency Chapter Leaders, will convene with an optional recruitment event on Wednesday, June 3. Gary Bednorz, UNM Student Recruitment Specialist, and his team cover the fundamentals of recruitment at college fairs. On Thursday, the leaders will meet to discuss chapter business and events in their respective areas of the country. A reception will follow with members of the UNM Alumni Collaborative team. Both groups will have the opportunity to network, and to partner to host alumni and donor events in major cities with chapter leaders.

Goal 3: Maximize benefits of technology

The priority of the **website** is to disseminate accurate and clear information on current Alumni news and events, regionally and nationally. The website is reviewed and updated on a daily basis. Content is also fed to Facebook and Twitter to provide the constituency many options in how they can interact with the Alumni Association.

From April 1-28, 2015 there were 13,291 page visits on the UNM Alumni Association website. *The top 10 most visited pages were:*

Page Title	Unique Views	Page Views
Home Page	1,299	1,662
Online Community		
- Calendar of Events	535	794
- Broadcast E-mail	394	447



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- Alumni Directory	275	1,017
- Login/Logout	220	347
About Us	262	324
Young Alumni Chapter	202	257
Events	201	374
Alumni Memorial Chapel	197	254
Alumni Perks	191	237

Extensive outreach to University departments has begun with education on the alumni data base and opportunities to participate in its improvement one key aspect of the discussions.

The most popular Facebook Post in April featured UNM's Fullbright scholars. Over 47 over-all posts celebrated UNM's outstanding alumni, faculty, students and institutional recognition.

Howler e-newsletter: The Howler e-newsletter was sent out in April. The number of alums opening the Howler was 13,835, staying consistent with January-March. There were 400 website click throughs as a result of the Howler.



Goal 4: Invest in a strategic and collaborative communications and marketing program

The **Alumni Collaborative**, made up of alumni professionals, development officers and other UNM staff responsible for alumni outreach efforts from the various schools and colleges on campus, including the athletic department, met in April to discuss data policies, and make plans for Golden Graduate Program. This “Community of Practice” group meets quarterly to discuss best practices in working with their constituents. The collaborative provides a vehicle by which the Alumni Relations Office can share event information and provide resources and services to enhance engagement throughout campus. The next meeting will cover opportunities for constituents to engage during Homecoming Week, and brainstorm how main campus can collaborate with branch campuses during homecoming.

The first **Senior Alumni Officer meeting** was hosted by the Alumni Relations Office to discuss higher level issues impacting alumni outreach. This group will continue to collaborate assisting UNM in reaching higher, measurable levels of Alumni engagement.