

**Minutes of the Regular Meeting of the Board of Regents of the University of New Mexico
December 11, 2015
Roberts Room, Scholes Hall**

Members present

Jack L. Fortner, President; Robert M. Doughty, Vice President; Bradley C. Hosmer, Secretary Treasurer; Ryan Berryman; Marron Lee; Suzanne Quillen; James H. Koch

Administration present

Robert G. Frank, President; Chaouki Abdallah, Provost and EVP for Academic Affairs; David Harris, EVP of Administration, COO, CFO; Paul Roth, Chancellor for Health Sciences; Michael Dougher, VP for Research and Economic Development; Josephine De Leon, VP Equity and Inclusion; Amy Wohlert, President's Chief of Staff; Elsa Cole, University Counsel; Dorothy Anderson, VP HR; Ava Lovell, Sr. Exec. Officer of Finance and Administration, HSC; Eliseo Torres, VP Student Affairs; Paul Krebs, VP Athletics; Liz Metzger, University Controller; Helen Gonzales, Chief Compliance Officer; Cinnamon Blair, Chief University Marketing and Communications Officer

Regents' Advisors present

Jenna Hagengruber, ASUNM; Stefan Posse, Faculty Senate; Crystal Davis, Staff Council; Texanna Martin, GPSA

Presenters in attendance

Bruce Cherrin, Chief Procurement Officer; Chris Vallejos, AVP ISS; Tom Neale, Director Real Estate; Kyle Bodhaine, COO, SC3 International; Steve Chavez, CEO, SC3 International; Andrew Cullen, AVP OPB&A; Thomas Tkach, Director Public Events, Popejoy; Cinnamon Blair, Chief University Marketing and Communications Officer; Laurie Moye, Vice-Chair of UNM Foundation Board of Trustees

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 December 11, 2015 in the Cherry Silver Room on third level of the Student Union Building (SUB). Regent Fortner called the meeting to order at 7:50 AM and confirmed a quorum. Members present were Jack Fortner, James Koch, Marron Lee, Bradley Hosmer, Robert Doughty, and Ryan Berryman. The meeting was closed for the purposes of discussion and determination where appropriate of the purchase, acquisition, or disposal of real property pursuant to section of Section 10-15-1H(8) of the Open Meetings Act (NMSA 1978); for the purposes of discussion and determination where appropriate of matters involving only one source or contents of competitive sealed proposals under the Procurement Code, pursuant to Section 10-15-1H(6) of the Open Meetings Act (NMSA 1978); and discussion and determination where appropriate of threatened or pending litigation pursuant to Section 10-15-1H(7) of the Open Meetings Act (NMSA 1978). President Bob Frank, EVP David Harris, and University Counsel Elsa Cole were also present. The matters discussed were limited to those specified in the notice and agenda for the meeting. There were four matters upon which action was taken in closed session.

The motion to give the UNM Director of Real Estate authority to proceed as directed by the Regents regarding the Sanchez property on Sunshine Terrace passed by unanimous vote in closed session (1st Koch; 2nd Lee).

The motion to give the UNM Director of Real Estate authority to proceed as directed by the Regents regarding the DeBlasie Family properties on Sunshine Terrace passed by unanimous vote in closed session (1st Koch; 2nd Lee).

The motion to approve the direction proposed by University Counsel regarding the Brain Safe matter for resolution of the matter passed by unanimous vote in closed session (1st Hosmer; 2nd Fortner).

The motion for the UNM Director of Real Estate to move forward as directed for the acquisition of the Yale Reservoir passed by unanimous vote in closed session (1st Koch; 2nd Berryman).

Regent Jack Fortner asked for a motion to open the meeting. There was certification that only those matters specified in the closed session agenda were discussed and there were no items upon which to take further action in open session. The motion to open the meeting passed unanimously (1st Lee; 2nd Hosmer). The meeting opened at 8:44 AM. The motion to adjourn the meeting passed unanimously. The meeting adjourned at 8:45 AM.

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

Regent President Fortner called the meeting to order at 9:11 AM. A quorum was confirmed. Regent Fortner asked for a motion to approve the agenda.

The motion to approve the agenda passed by unanimous vote with a quorum of Regents present and voting. (1st Koch; 2nd Berryman).

APPROVAL OF MINUTES

Regent Fortner asked for a motion to approve the minutes of the November 20, 2015 meeting.

The motion to approve the minutes of the November 20, 2015 regular Board of Regents meeting passed by unanimous vote (1st Doughty; 2nd Lee).

PUBLIC COMMENT (No Comments)

APPROVAL OF 2015 REGENTS' MERITORIOUS SERVICE AWARD RECIPIENTS

Regent Fortner said that one of the fun things that Regents do is to approve the Regents' Meritorious Service Award recipients. Regent Fortner asked for the motions, one at a time, and presentations afterwards.

Regent Koch said we have two outstanding coaches here. Regent Koch wanted to say a few words about why he nominated Bob Davie. The University is very fortunate, because Bob Davie is the highest ranked coach that UNM has ever hired. He's been at Notre Dame and Texas A&M, and normally, UNM wouldn't be in the ballpark to get someone like him, but he came and took over a program that we were not very successful with. What he has done since he came is build a very solid base, and people don't realize how successful it is to have a 7 and 5 season. For us to have a person of his quality, I move that we give him the Regents' Meritorious Service Award. Regent Fortner added that he is excited about Bob Davie. He took over a program that was almost in shambles. Regent Fortner thanked Coach Davie for what he has done for Lobo Athletics, most importantly, what he has done for the student athlete.

The motion to bestow the 2015 Regents' Meritorious Service Award to Coach Bob Davie passed unanimously (1st Koch; 2nd Lee).

Regent Koch spoke about why he nominated Coach Joe Franklin to receive the award. With Joe Franklin, the University's track program has high academics and is a winner, most recently gaining an NCAA National Title, only UNM's second ever NCAA title. Regent Koch expressed his appreciation for Coach Franklin and moved the Regents give him the Regents' Meritorious Service Award. Regent Fortner recognized the national championship that Joe Franklin achieved for UNM and thanked Coach Franklin for what he does for student athletes.

The motion to bestow the 2015 Regents' Meritorious Service Award to Coach Joe Franklin passed unanimously (1st Koch; 2nd Berryman).

Regent Fortner asked Regent Marron Lee to speak. Regent Lee nominated Dr. Cheryl Willman to receive the Regents' Meritorious Service Award. Dr. Willman is the Director and CEO of the UNM Cancer Center. She is also Professor of Pathology and Internal Medicine at UNM School of Medicine where she holds the Maurice and Marguerite Liberman Distinguished Chair in Cancer Research. As many know, under Dr. Willman's leadership and planning, the National Cancer Institute (NCI) recognized the University of New Mexico Cancer Center with a Comprehensive designation. UNM is now one of 69 NCI-Designated Cancer Centers in the nation, and one of only 45 with a Comprehensive designation. This is a great distinction; we have become a

destination Cancer Center, and it's a great honor to have it attached to the University of New Mexico. Regent Lee made a motion.

The motion to bestow the 2015 Regents' Meritorious Service Awards to Dr. Cheryl Willman passed unanimously (1st Lee; 2nd Berryman).

Regent Lee nominated Dr. Arthur Kaufman to receive the Regents' Meritorious Service Award, for over 40 years of outstanding academic and community health leadership at UNM and because he has brought national acclaim to the University by his acceptance into the National Academy of Medicine, one of the highest honors that a doctor can achieve and the Regents are proud to have Dr. Kaufman as part of the University of New Mexico community. Regent Lee made a motion.

The motion to bestow the 2015 Regents' Meritorious Service Awards to Dr. Arthur Kaufman passed unanimously (1st Lee; 2nd Berryman).

The awards were presented to the recipients. Dr. Willman could not attend and planned to attend the next Board of Regents meeting to accept the award. As the awards were presented, photographs were taken. Following are the inscriptions that were placed on the awards:

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*The University of New Mexico Board of Regents
is proud to bestow the
2015 Regents' Meritorious Service Award to
Bob Davie
for outstanding leadership and dedication to
UNM Athletics, promoting athletic and
academic excellence, taking the
Lobo Football Team to a 7-5 record and
bowl for the first time since 2007*

*

*The University of New Mexico Board of Regents
is proud to bestow the
2015 Regents' Meritorious Service Award to
Joe Franklin
for outstanding leadership and dedication to UNM Athletics,
promoting athletic and academic excellence, and taking the
Lobo Women's Cross Country Team to its
First NCAA National Title
with a team score of 49 points, attaining
UNM's Second National Title*

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*The University of New Mexico Board of Regents
is proud to bestow the
2015 Regents' Meritorious Service Award to
Cheryl L. Willman, MD
in recognition of her scientific and
academic leadership in the
National Cancer Institute designation
of UNM as a
Comprehensive Cancer Center*

*

*The University of New Mexico Board of Regents
is proud to bestow the
2015 Regents' Meritorious Service Award to
Arthur Kaufman, MC
for over 40 years of outstanding academic and
community health leadership at UNM
and for his induction into the
National Academy of Medicine*

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THE PRESIDENT'S ADMINISTRATIVE REPORT

President Robert Frank opened his report by thanking the Board. This month the Regents bestow an insurance premium holiday so that all UNM employees with health insurance benefits will receive more money in their December paycheck. President Frank gave an update on the budget process. Administration has committed to reducing staff positions by 100 by June 30, 2016. The effort is a positions management issue as well as a reduction of expenditures because there are vacant positions that have been unfunded for years that need to be cleaned up. Administration has held several town halls for faculty, staff, and students which have been opportunities to hear thoughts and advice from each of those constituency groups. The dialogue has begun with the Budget Leadership Team (BLT), which is a multi-stakeholder group to look at budget proposals and make recommendations to President Frank who then makes recommendations to the Regents. The Legislative Finance Committee (LFC) met in December and received the State's budget projections, which are down \$50 million from projections two months prior. They are projecting \$232 million in new revenues and several LFC members think they are unduly optimistic. This situation is much like last year's State budget as projections are moving in line with the price of oil.

President Frank reflected on the success of the University, including a record-high 3rd semester retention rate, along with higher 4-year and 6-year graduation rates. There has been tremendous success in Lobo Athletics, highlighted by the UNM Women's Cross Country team winning the NCAA Championship led by Coach Joe Franklin. There have been great performances by all of the University's athletic teams and coaches. The University's Branding Initiative is underway, South Campus Development will be ramping up, and Innovate ABQ will be discussed at future Regent meetings. There is strong momentum on all of the University's key initiatives.

At this month's commencement ceremonies for Fall 2015 graduates, the University is recognizing two distinguished faculty members with the 2015 Presidential Award of Distinction. Dr. Jeffrey Brinker is a member of the National Academy of Engineering and is a world leader in materials science with 43 patents and 4 R&D 100 Awards. Dr. Brinker is shared between the University of New Mexico and Sandia National Labs. He is a tremendously successful researcher and one of his principle collaborators is Dr. Cheryl Willman. Dr. Patricia Crown is the other distinguished faculty member who is a member of the National Academy of Sciences. Dr. Crown is one of the foremost Anthropologists in the United States and is an expert on Chaco Canyon. There will be 1,944 students receiving degrees for Fall 2015, including 1,300 bachelor's degrees and 450 graduate degrees awarded. The students have worked hard for their degrees, and President Frank is proud of all of the graduates.

COMMENTS FROM REGENTS (No Comments)REGENT COMMITTEE REPORTSFINANCE AND FACILITIES COMMITTEEMonthly Financial Report for Main Campus (Information Item)

Controller Liz Metzger gave a summary of the fiscal status as of the end of October. There are no significant changes from the last report in the areas of enrollment, tuition revenue and expenditures; however, administration is working on reductions on the expenditure side, which will show up later as milestones after actual Spring enrollment numbers come in.

Approval of Consent Agenda

Regent Koch announced there would be only one consent item on the Finance and Facilities Committee agenda, item number 2, Disposition of Surplus Property for Main Campus for November 2015. The report shows a total disposition value \$81,450.

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

Approval of UNM golf Course Maintenance – Mountain West GolfScapes, Inc.

Bruce Cherrin and Chris Vallejos presented the item. In the Fall of 2015, an RFP was submitted for the maintenance of the UNM Gold Courses, which is comprised of the Championship Course and the North Course. Maintenance for the courses was outsourced 8 years ago. The RFP committee received 2 proposals and unanimously recommended proceeding with Mountain West GolfScapes, Inc. The sources

of funds will be the Golf Course Operating Budget. The plan is to enter into a 4-year agreement with the option of two, 2-year extensions not to exceed eight years. Total cost is \$1,185,506 per year. The annual cost is 10% lower than the previous year and costs have come down by \$500K over the past 8 years. The University has a very good partnership with Mountain West GolfScapes and it does a great job.

The motion to approve the UNM Golf Course Maintenance – Mountain West GolfScapes, Inc. passed by unanimous vote (1st Lee; 2nd Berryman).

Capital Project Approval – Ferris Engineering Center Renovation

Chris Vallejos presented the item. The plan is for a comprehensive renovation of the building originally built in 1967-68 to modernize lab facilities and research spaces, streamline the floor plan, and get the building to code. This will enhance the engineering complex on campus to allow the School of Engineering to remain competitive. The project cost is \$23.3 million, for which \$801K will be funded from 2013 Severance Tax bonds, \$20.5 million funded from 2014 General Obligation Bonds and \$2 million funded from 2015 Special Session Severance Tax Bonds. The plan is to continue renovation through 2017 for opening in 2018.

The motion to approve the Ferris Engineering Center Renovation Capital Project passed by unanimous vote (1st Koch; 2nd Berryman).

Capital Project Approval –Gallup Zollinger Library, Completion of Shell Space

Chris Vallejos presented the item. The Zollinger Library is on UNM-Gallup campus. Shell space of approximately 8,250 square feet will be refurbished and finished off for UNM-Gallup students. Cost of the project is \$1.350 million, for which \$1 million will come from 2014 General Obligation Bonds and \$350K will be funded from the Gallup Campus Matching Funds.

The motion to approve the Gallup Zollinger Library Capital Project, Completion of Shell Space, passed by unanimous vote (1st Koch; 2nd Lee).

Request for Approval of Naming Item: New Anderson School of Management building

Amy Wohlert, Chair of the Naming Committee, presented the item. The request is for naming of the new Anderson School of Management building, the McKinnon Center for Management. The space is part of the exterior environment and requires Board of Regent approval pursuant to Regent's Policy 2.11. The McKinnon family has donated \$5 million as a seed gift to start off the building. The amount is less than the standard naming policy recommendation of 50% of total building cost, but in this case the committee considered a number of factors. First, the McKinnon family has been very generous to the University in the past, and it is important to recognize its generosity and importance to the business school. The family has also generous given toward UNM's tennis facility. Second, The Anderson School has a robust plan for continuing to seek donations for naming of the interior spaces, and Regents' approval is also being requested for that. There is a very high probability of success for the donations that the school will be seeking as there is a very generous business community in this State.

The motion to approve the Naming requests for the new Anderson School of Management building s presented passed by unanimous vote (1st Koch; 2nd Lee).

Request for Approval of Naming Item: Re-naming of Lobo Baseball Field

Paul Krebs presented the item to request approval for naming the baseball field, Santa Ana Star Field. Tamaya Enterprises is making a \$1 million gift to be paid \$100K each year over ten years for the naming rights. There was brief discussion about the partnership with Santa Ana Pueblo that includes the coaches, nutritionists, strength and training staff, and doing clinics with the youth in the Pueblo.

The motion to approve the naming request for re-naming the Lobo Baseball Field to "Santa Ana Star Field" passed unanimously (1st Koch; 2nd Fortner).

Approval of Lobo Development Corporation Board of Directors, Reappointment of Louis Abruzzo, Stephen Ciepiela, and Maria Griego-Raby

Regent Koch presented the item. This is for reappointment of members on the Lobo Development Board. Louis Abruzzo is a real estate owner, strong businessman, and has been outstanding on Lobo Development. Steve Ciepiela is an investor, former president of the alumni association, an avid lobo and letterman, and nothing but great on the board. Maria Griego-Raby has served on the Board of Regents, and she really loves the University. Regent Koch motioned approval.

The motion to approve the reappointments of Louis Abruzzo, Stephen Ciepiela, and Maria Griego-Raby to the Lobo Development Corporation Board of Directors passed by unanimous vote (1st Koch; 2nd Lee).

Approval of Ground Lease Agreement with 54 Development

Tom Neale presented the item. Steve Chavez and Kyle Bodhaine were present to answer questions. Brian Urlacher called in to the meeting at 10 am. to convey his support for the agreement. The agreement is for Phase I of the UNM Sports and Entertainment District at UNM's South Campus, located on approximately one-acre at the southeast corner of University Boulevard and Avenida Cesar Chavez. The project is the result of a multi-year effort to bring mixed-use development to South Campus that will provide year round entertainment amenities supporting the local community, students, athletic patrons, and faculty, staff, and employees of the Science and Technology Park. The programmed uses include an Urlacher's branded sports grill, multiple restaurant venues, retail space, a craft beer taproom, and a large outdoor performance and community space. The proposed transaction structure is a long-term ground lease from the UNM Board of Regents to Lobo Development Corporation (LDC) for the land necessary to support the proposed project. Lobo Development Corporation will enter into a sub-ground lease with the developer. The tenant will be 54 Development, LLC. Terms of the lease will be 40 years with four, 5-year renewal options. Ground rent will be \$75K per year with 10% escalations every five years; 0.2% of all gross sales generated on the premises, including food sales, beverage sales, merchandise sales, fees, cover charges, admissions, advertising revenues, and sponsorships. There was discussion. Regent Doughty thanked Steve Chavez and Regent Jamie Koch for their contributions negotiating the agreement with 54 Development. Regent Koch gave recognition to the Lobo Development Corporation Board for the many months of hard work on this agreement.

The motion to approve the ground lease agreement with 54 Development passed by unanimous vote (1st Koch; 2nd Lee).

FY17 Base Budget Update (information item)

Regent Koch asked Andrew Cullen to present the item. Budget conversations usually center around the Instruction and General (I&G) part of the budget; however, Regent Koch requested looking at the whole Main Campus budget which includes unrestricted funds, restricted funds, and plant funds. Mr. Cullen referred to the material presented in the agenda book, including the budget timeline and a preliminary budget scenario and comparison. In an effort to gather information from various UNM departments and constituency groups, numerous overarching priorities and concerns were raised regarding the ability to fully develop and discuss the FY17 budget in the spirit of past budget development cycles. Mr. Cullen outlined some of those concerns from Faculty Senate, Staff Council and the student government groups ASUNM and GPSA. Regarding initial healthcare benefit cost projections, the University's benefit consultant, AON, has projected an 11% increase in premiums, or approximately \$1.8 million, the estimate relies on 3 months of current fiscal year claims data and 9 months of the previous fiscal year's. Human Resources will be looking at this number closely. As the University faces another difficult budget development process with the need to factor in budget reductions resulting from enrollment declines and the possibility of flat State and Tuition & Fee revenue support, the need to fully discuss all priorities and solutions takes on considerably more weight. There was brief discussion about the flat budget, the merit-based pay proposal for faculty and where that money would come from, health premiums, and online course fees. Regent Koch requested HR present a number of options regarding health premiums. President Frank commented the proposed reduction in expenditures from not filling job openings will cover the budget shortfall and not free up funds to put toward faculty merit-based pay.

Regent Koch requested David Harris present at future discussions the potential for engagement with the private sector in areas such as IT, one existing example is what the University is already doing with maintenance of the golf course.

Regent Hosmer commented that close examination of trade-offs and their relative priorities in a flat budget scenario is important. Regent Hosmer added he hopes as the budget comes forward. The benefits of a 3% tuition increase that was talked about a year ago will be considered, because the benefits of investments in areas like the academic enterprise bring high returns to the University. Regents should keep that in mind in making their final decisions on the budget.

Regent Doughty commented the tuition plan developed last year was not a guarantee for a 3% tuition increase. Regent Doughty said he is adamantly against any tuition increase and reiterated that the plan implemented last year did not have a guaranteed 3% tuition increase per year.

Student Regent Berryman reminded of the proposed changes in student fees and requested a full discussion on that in upcoming meetings.

UNM Capital Projects Executive Summary Report (information item)

Chris Vallejos presented the item briefly. Materials were included in the agenda eBook. There are currently fourteen active major projects in process and eight active minor projects.

Popejoy Hall (information item)

Thomas Tkach, Director of Public Events for 17 years, presented the item and began with an outline of Popejoy Hall's history starting in 1966, its mission, and where it stands now. Popejoy Hall is going into its 50th season. Thomas Popejoy, President of the University of New Mexico from 1948 to 1968, spear-headed the building of the venue. When Tom Popejoy retired, he was asked which facility on campus he would like to be named after, and he chose Popejoy Hall because he felt it would have the longest standing impact on New Mexicans. Popejoy Hall's main objectives are: 1) to optimize revenue from ticket sales by introducing new programming, 2) to maintain a state-of-the-art facility in order to attract great performances and audiences, 3) to make Popejoy accessible to all New Mexicans, and 4) to convince the University that Popejoy needed to start fundraising. The first year of fundraising, 2001, brought in \$856, and since then annual fundraising has increased to over \$600K. The mission of Popejoy is to make the performing arts accessible to all New Mexicans and to bring great performances to you. Popejoy is the only theater in the State that can accommodate the large touring productions. People would not be able to see these shows in New Mexico if Popejoy did not exist. Mr. Tkach mentioned a recent feasibility study and discussed the benefactors lounge, recent renovations, and a new public campaign to raise funds for other much needed improvements.

Regent Marron Lee had several questions. There was discussion about fundraising. There was discussion about the Popejoy Board, an advisory board that started out as the leadership team of community members who were concerned and wanted to support Popejoy. There are currently about 19 members on the board, they commit \$2,500 and many of them have pledged toward the current capital campaign. There was discussion about current needs to upgrade the stage because there is no wing space and it can limit the types of shows that can come. There was discussion about Broadway shows and other productions and uses of Popejoy Hall. Mr. Tkach said that one of the biggest challenges through the years has been that, since Popejoy is housed at the University, many people think it is completely funded by the University and/or is part of the College of Fine Arts, which is not true. Popejoy Hall falls under UNM's auxiliary services, similar to the Bookstore, and therefore needs to support itself through ticket sales and fundraising.

Branding Initiative Update (information item)

Cinnamon Blair presented the item. The branding initiative process began in June and a contract with the ad agency, 160over90, was signed at the end of August. September and October were spent in the discovery phase when the agency analyzed all past and present collateral material, website addresses, installations, and other advertising, as well as marketing research performed over the past five years. The

agency came to campus for a week and spent 4 days in intensive face-to-face interviews with a wide range of constituencies, interviewing over 300 people. In addition to individual interviews, electronic surveys were sent out to the UNM community to solicit views and input to which there were over 450 responses. In November, 160over90 presented to the Brand Steering Committee an overview of the information that had been gathered during the discovery phase. From the input, the agency distilled out common themes related to what people think about the University: 1) A sense of place--geography, climate, architecture, culture, holistic place, distinctive, historically rooted with rich past, 2) Diversity--ethnically, culturally, socially, and intellectually, the people's university, lack of homogeneity, one can still be him/herself here, 3) There is a soul and spirit to the University--UNM is seen as the heartbeat to the State, inextricably linked to the State of New Mexico, connection and commitment to the land and culture and people, 4) Understated--UNM's story is not well-told due to a poor self-concept, 5) We are at a crossroads--on the edge of who we want to be and at a point in to decide, 6) Innovation and Creativity--a snapshot of the future of America, an economic driver for the State and region, still a wild-west image that lends excitement and also says change is possible here and we can be that agent of change, 7) Always doing more with less--UNM is scrappy, resilient, tenacious, and 8) Misperceptions--commuter campus, the default university, not well understood, and 9) Fragmentation--gulf across Lomas, the need to be more united. The common themes provide insights to guide the development of the creative work. Motivating support points--location, discovery, commitment, culture, and value, will also be guiding concepts. Next steps involve the Brand Concept to be presented to the Brand Steering Committee on December 16; the Brand Strategy Rollout to the public will be presented on January 21. In February, for UNM's birthday, a more visible presentation will be made. After that, The Build Phase will be ongoing and involve building creative and narrative brand representation that will be implemented across campus. There will be involvement with Enrollment Management to provide guidance for recruiting and rapid engagement of accepted students.

Regent Koch mentioned the revenue impact to changes in enrollment and asked Terry Babbitt address that. Dr. Babbitt confirmed the value of branding, not just for recruitment, but the institution will benefit if a unified, common message is communicated by everyone. The branding exercise will bring together all the best things about the University. There was discussion about recruitment targets, demographics and strategies that have been communicated to the ad agency so they are aware of the University's plans, goals, and successes.

Regent Koch reminded of the \$1 million the Regents took out from the Regents' endowment fund to invest in increasing enrollment. He said there was discussion in Finance and Facilities Committee of the need to determine how the campaign will be funded after the \$1 million. For this to be successful, there needs to be follow-through to the Regents' \$1 million investment. Regent Koch requested a presentation be made to the Regents assessing what will happen after the \$1 million. President Frank responded in agreement and added that in order to obtain the impact that the University needs, a 3 to 5-year funding method needs to be developed, and this will be brought to the Regents.

Ms. Blair thanked President Frank and the Regents for the support and commitment they have shown, because it is going to take more than money for this to be successful. It is going to take institutional will, people believing in this and taking it forward within their aspects of the organization. These are things that cannot be paid for, and the fact that people have been very responsive to this effort has been a great part of this exercise.

Regent Doughty had questions and commented his concerns about the presentation of the concepts and whether they convey the unique qualities of UNM, a major research flagship institution promoting excellence. Ms. Blair responded and outlined the 5 motivating support points for developing the concepts and talked about the need for an overarching concept that will describe the University without taking away from its individual parts. Right now, there are pockets of excellence and pockets of success that are distributed in a way that do not coalesce. President Frank added the generic terminology presented will be developed to convey what makes UNM distinct and differentiate it from other universities in New Mexico and the region.

Student Regent Berryman requested confirmation that the \$1 million from the Regents' endowment will be used for implementation over the next calendar year. Ms. Blair confirmed that was her understanding. Regent Berryman inquired at which point in the phase the Regents will see exactly how the money will be spent. Regent Koch said the Regents are not going to give \$1 million without control and some scrutiny on how it will be spent. This will come to the Regents' Finance and Facilities Committee and the Regents with something like a budget as to how and toward what areas the money will be spent, based also on Terry Babbitt's input on where to recruit. This may occur in January or February, or earlier.

ACADEMIC / STUDENT AFFAIRS & RESEARCH COMMITTEE

Update from the Provost

Provost Chaouki Abdallah provided his report, and began with looking back at accomplishments over the past four years since he became Provost. Four years ago, there was a 3,500 cohort of high school graduates enrolled but retention rates at the time were much lower than current. As a response to that, the Board of Regents invested in the Academic Plan of the University and those investments have yielded many positive results, including awarding now more than 5,000 degrees per year. New Mexico Workforce Solutions data was discussed and on average UNM graduates who have been out of school 3-4 years are making annual salaries of \$47K. About 60% of the graduates stay in the State, which equates to \$130 million in new salaries for the State economy. Each year many graduates go on to defend the country, start businesses, teach, or go forward to graduate school in other states giving UNM a good reputation. Other accomplishments, specifically within Athletics, were discussed and include a Women's Cross Country Championship and a successful Football team. Provost Abdallah commented that during his time as Provost he has learned the value of general education and of the people such as Regents, Administrators, Deans, Faculty, and Staff, to the mission of the University. Vice President for Research, Michael Dougher, was commended by Provost Abdallah for his 36 years of exemplary service to the University as he will be retiring at the end of December 2015. While the mission of the University is difficult, it is important for everyone to strive to fulfill it.

Provost Abdallah provided an update on Academic Affairs initiatives which focus on student success and faculty strength. The challenges were demographics. At one time the University was expanding quickly and the resources could not accommodate. Due to the wide spectrum of student preparedness and faculty and staff needs, there were a number of interventions and funding requests presented to the Regents which were funded. Success outcomes from initiatives included steadily increasing graduation rates, number of degrees awarded, increase in research funding, and increase in national and international awards. This was achieved by a \$3 million per year annual investment which also went to hiring faculty and staff support. Some resources were put into preparing students who were not ready for university along with providing students at the upper end with the Honors College. The amount of credit hours required to graduate for many degrees has been reduced to 120 credit hours. The initiatives, though positive, have impacted the number of students enrolled per semester as students are moving faster through the system. More recently enrollment is going down as graduation rates are increasing.

The long-term investments are about \$1.5 million per year, for example, reimagining the College of Education which currently receives \$3 million per year in support from the Foundation, approximately \$1.2 million from the Kellogg Foundation and \$1.5 million from the ECMC Foundation. Several charts were presented which display data regarding the Academic Plan investments and benefits. The original FY2016 Academic Plan calls for \$3 million for various initiatives, however due to budget constraints, the request has scaled back to \$750K. Because of initiatives, the University is reducing the time it takes to graduate, and the graduation rate went from 45.8% to 49% in four years. Investments take time and success is not always seen immediately but continues to trend positively each year. Of UNM's Peer Institutions, the achievement gap is anywhere from 7-10%, which is a huge improvement. Those students who are most at need are doing as well because of the financial support the University is providing them. Other areas of the Academic Plan were briefly discussed, and included faculty hiring and a focus on Assistant Professors.

The University has invested \$18 million of new money into the Academic Enterprise and \$47K on average is what graduates make 5 years approximately after graduation. This is a huge return on investment in terms of salaries and a big economic impact to the State. The School of Engineering has a return on investment (ROI) of 13.5%, which is 6th in the nation. The University cannot deliver a high quality

education for a flagship institution without investing in various initiatives and research. Also, the reputation and rankings of the University are important and in many rankings UNM does extremely well. It is crucial for the University to continue to be successful and retain its top faculty members. Provost Abdallah reviewed what faculty and staff want from the University, which includes collaborative governance, job satisfaction, respect and appreciation, tenure clarity, diversity, professional development, and compensation/benefits. Many of those items do not cost anything but are important to be addressed and are being worked on.

Approval of Honorary Degrees

Regent Hosmer presented the item and motioned approval. The motion was made without saying the names of the candidates because the names must be kept confidential until the candidates are notified and have accepted their respective degrees.

The motion to approve the 2016 honorary degree candidates as presented in the November 24, 2015 memo from the Office of University Secretary and approved at the December 3, 2015, Regents' Academic/Student Affairs and Research Committee passed unanimously (1st Hosmer; 2nd Quillen).

Approval of Fall 2015 Degrees

Stefan Posse presented the item and requested Regents' approval of a total number of 2,371 degree candidates for Fall 2015.

The motion to approve the 2015 Fall Degree candidates as presented passed by unanimous vote (1st Hosmer; 2nd Koch).

HEALTH SCIENCE CENTER BOARD OF DIRECTORS

Consent Agenda:

Regent Doughty read the items on the HSC consent agenda.

1. Approval of UNM Hospitals Contract with 3M Consulting Services
2. Approval of UNM Hospitals Contract with Precyse Solutions, LLC

The motion to approve the consent agenda as presented passed unanimously (1st Koch; 2nd Berryman).

Approval of the UNM Health Sciences Center Degree Candidates for Fall 2015

Chancellor Roth presented the item and requested Regents' approval of the HSC degree candidates Fall 2015.

The motion to approve the UNM Health Sciences Center Degree Candidates as presented for Fall 2015 passed unanimously (1st Quillen; 2nd Koch).

Approval of the Nominations to the UNM Medical Group, Inc. Board of Directors

Regent Robert Doughty presented the item. Information about the nominees, their terms and bios, was provided in the agenda book.

The motion to approve the nominations to the UNM Medical Group, Inc. Board of Directors as presented passed by unanimous vote (1st Koch; 2nd Berryman).

Chancellor's Report

Regent Doughty asked Chancellor Roth to give his report. After President Frank's request that the Health Sciences Center (HSC) look at UNM-West and assume more responsibility there, Jamie Silva-Steele has been actively leading the effort at UNM-West and at Rio Rancho. During a recent Rio Rancho City Council meeting, the Council strongly supported the continuation of involvement and partnership with the city and the University will continue to receive funds from the higher education gross receipts tax that was passed in that community.

Over the last couple of months the HSC has been visited by The Joint Commission of Accreditation for Hospitals, the national association that accredits colleges of pharmacy, the New Mexico Environmental Department, the Center for Disease Control and Prevention, the U.S. Department of Agriculture, and The Association for the Accreditation of Human Research Protection, to review and accredit and continue to certify those programs, and Dr. Roth was pleased to say that the HSC passed all of those accreditations and has received commendation in all of them.

COMMENTS FROM REGENTS' ADVISORS

UNM Foundation – Laurie Moye, Vice-Chair of UNM Foundation Board of Trustees, gave the quarterly report. Fundraising highlights were reviewed and included two gifts to the School of Medicine totaling \$613K, one gift to the Cancer Research and Treatment Center totaling \$850K, one gift to the College of Engineering and University College totalling \$200K, and one gift to the College of Arts and Sciences totaling \$125K. A report was included in the EBook which detailed the Consolidated Investment Fund performance and performance of the three endowments; all are performing well. The Aria Family Foundation gifted solar panels to the University and they have made approximately \$1 million in contributions to the University over the last five years. These solar panels have saved the University \$71K in electric costs, which totals over 361Kw of reoccurring electricity annual. The panels have been installed at Continuing Education, Math and Science Learning Center, UNM West, in the future at the McKinnon Family Tennis Facility.

ASUNM – Jenna Hagengruber, ASUNM President provided a report. ASUNM has made huge strides and while they understand there will be a student fee increase in the upcoming year the students were made aware of why it is happening and understand how it will benefit them. ASUNM has made great efforts to help students stay informed on what is going on with the Lottery Scholarship, SFRB, Capital Renewal and Institutional Bonds. Ms. Hagengruber thanked the Board for supporting students.

GPSA – Texanna Martin, GPSA President, provided a report. Dean Mark Peceny received the Luminaria Award for inclusive excellence, sponsored by the Office of Equity and Inclusion. The Great American Smoke Out was a successful event and cards were passed out. Ms. Martin thanked Regent Hosmer for attending; he won the money and donated it to the GPSA. That money will be used to fund a professional proof reader for GPSA. The fall grant cycle has finished and there were four \$5K New Mexico Research (high priority) grants awarded, ten \$3K New Mexico Research (general priority) grants awarded, and 14 Professional Development grants were awarded. There were 400 total scholarships and grants that were requested, making this the most successful grant cycle. The funding comes from the annual GPSA budget graduate allocation fund, which is money used to support students.

Staff Council – Crystal Davis, Staff Council President, provided a report. Ms. Davis shared several emails from fellow staff members. One email stated the partnership between employee and employer has disintegrated and that loyalty is seen as weakness. One email stated the Regents and Administration failed to build a stable financial footing for the University which does not have room for compensation increases. One email stated on North Campus many administrators have received pay increases, while many staff has seen a loss in pay due to increases in health benefits and retirement. Many staff members are picking up the slack for gaps in staffing and many are doing two jobs with no increases in pay despite the increased work load. Non-exempt employees are not granted overtime but are being asked to get the work done for two positions and are chided if anything slips through the cracks. Staff members have sacrificed so much and morale is very low. UNM may no longer be seen as a desirable place to work and it may become difficult to recruit staff in the future. Two spreadsheets were presented and were also included in the EBook. These spreadsheets detailed how employees making \$50K and \$30K are actually making significantly less due to increase in health insurance and retirement. Ms. Davis asked that Staff be considered when making budget decisions. Also, Ms. Davis thanked the Regents for the December 2015 Premium Holiday.

Regent Fortner commented that State outcomes are not good and the price of oil barrels continues to go down. He reiterated that Staff is important to the University and their hard work is appreciated.

Faculty Senate – Stefan Posse, Faculty Senate President, provided a report. Dr. Posse thanked the Regents and Administration for including faculty in the budget discussions. The budget development process is a difficult task and solutions are hard. The Faculty Senate has two considerations for the budget process, areas of investment and identifying sources of revenue. A report on these two items will be forthcoming. The Faculty Senate is not advocating a tuition increase. There are many pockets of excellence within the

University. It is important to make these programs competitive and ensure they are not undervalued; faculty can aid in this. The University is diverse and the branding initiative will identify that. Investments in the University will help and lead to success.

PUBLIC COMMENT (No comments)

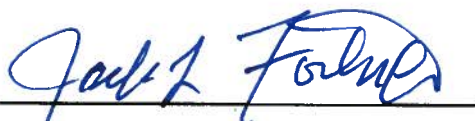
VOTE TO ADJOURN

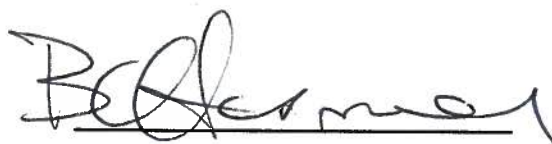
There being no other business, Regent Fortner announced there would not be a closed session following the open session. Regent Fortner asked for a motion to adjourn the meeting. Regent Lee motion; Regent Hosmer seconded; the motion passed unanimously.

The meeting adjourned at 12:06 pm.

Approved:

Attest:



Jack L. Fortner, President

Bradley C. Hosmer, Secretary/Treasurer