

THE UNIVERSITY *of* NEW MEXICO

2011 LEGISLATIVE
INITIATIVES



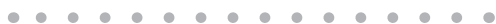
New Mexico's Flagship University ☙ *est.1889*

Priorities for Reductions & Reallocations



T

he University of New Mexico system has absorbed over \$47 M in budget reductions over the last three fiscal years with minimal impact on academic programs and employment. In FY09, FY10 and FY11 we have allocated new revenues during the budget process totaling \$11,605,000. Of this amount, 96% (\$11,155,000) went to academic initiatives and 4% (\$450,000) to non-academic initiatives.



Protect the workforce by avoiding layoffs and mandatory furloughs

Through the use of a judicious position “pause and hold” approach, we were able to avoid widespread layoffs and mandatory furloughs. We have a voluntary furlough program that has had limited participation. There have been a few staff layoffs, primarily in auxiliary enterprises and special projects where business models have mandated them.

Protect the classroom and faculty lines

We have not paused any faculty hires and in fact approved the hiring of new faculty. Right now there are 51 faculty searches approved for posting. In FY11, we have allocated \$1,500,000 to faculty for enrollment growth.

Protect and hold harmless the research mission of the University

There has been no use or diversion of F&A dollars in any of the three reductions and the Research Office remains adequately staffed.

Pledged to keep tuition affordable for our students

Average tuition increases in the last 3 years has been 6.6% (2.84% if one excludes the tuition credit). The national average over the same period was 6.5%. The average for the previous 8 year period from 2000-2007 at UNM was 8.28%. For 2008-2009, as reported in the President’s Performance Effectiveness Report, UNM resident undergraduate tuition was \$4,834 or about 67% of peer institutions.

Pledged to hold harmless those special projects that relate to our Ethnic Student Support Centers

Our Ethnic Student Support Centers, which are funded as Special Projects, are crucial to the success of our special student groups. We would like to hold them harmless as well as a few other special projects that are credit generating. The Deans have authority to use their fund balances, as warranted, to assist any special projects they deem worthy.

Pledged to keep benefit cost increases to a minimum

Self-insuring our medical and dental plans, prudent reserve management, and plan design resulted in holding average health premium increases to 2%, despite national increases of 10-12%. We are aggressively pursuing the Early Retiree Reinsurance Program component of Health Care Reform to leverage a potential \$2 million return to UNM’s health plan.

Pledged to reduce costs by becoming more efficient

We have been very successful in managing our energy costs. Through a special project with Energy Education, Inc. we have managed to reduce our energy consumption by 16%, avoiding more than \$9 M in energy costs. We will be seeking similar savings and efficiencies in other areas of the University.

UNM Legislative Priorities

UNM Supports the DFA Recommendation

No Tuition Credit

- The LFC, in the past, recommended a tuition credit for in-state and out-of-state students, and is most likely to do so for FY12. This amounts to a tax on our students. It is important to note that our four-year institutions incur 80% of this credit, with UNM bearing the lion's share. This has a disproportionate impact on our students. Of the four-year schools UNM provides 42% of the funding from tuition credits, much more than any other school in New Mexico.
- Institutions must have the ability to generate and utilize the resources necessary to fund program needs. In these economic times, we believe that any tuition increase must be carefully scrutinized, vetted with students, and subsequently applied to ensure course availability, student services, and other activities that are critical to the success of our students. Therefore, we are requesting the Legislature to eliminate a tuition credit forever.
- Instead of a tuition credit, we would recommend additional cuts that are proportionate across all of higher education's general fund budgets (excluding the special schools) to more evenly share the burden, and we would also request full flexibility to implement all cuts.

Full Flexibility to Implement Any Budget Reductions

- Instead of cuts to specific areas of the budget, the University requests that a percentage cut be allocated across all of higher education, and the institutional budgets be allowed full flexibility to implement cuts. Cuts are easier to manage when applied across the board and therefore everyone in higher education shares equally in the process.

Full Funding for BA/MD Program (\$732,900)

- The Combined BA/MD accepts a diverse group of the best high school graduates from around the state into a 4+4 program: 4 years of pre-med courses augmented with unique seminars and practica and 4 years of medical school. The program offers a long-term solution to the physician shortage in New Mexico by adding more physicians around the state who are committed to practicing in our communities with the greatest need. The 2010-11 academic year will admit the sixth class of BA/MD students.

Other Priorities

- No reduction to compensation, rather cuts across the board.
- The 1.5% ERB is restored back to the employee.
- UNM opposes the LFC and DFA recommendation to increase the employee ERB contribution by another 1.75% to 2% over the 1.5% increase from FY10 for the solvency of the general fund. UNM recommends that the percentage cut will be applied to the entire state general fund budget.
- 0.75% employer's share to match the 0.25% employee retirement contribution.
- UNM will work closely with the ERB, State Legislature and the Governor to make the ERB fund 80% solvent within 30 years.

Capital Projects

UNM accounts for 48% of the State's total FTE equivalent student enrollment. UNM serves students from every county in the State. UNM accounts for 32.7% of the total square footage of teaching facilities for higher education institutions.

2010 General Obligation Bond (Possible STB Funding)

Main Campus Academic

Biology Building Renovate & Expand - Phase II	\$3,800,000
College of Education Collaborative Teaching & Learning Building	\$4,000,000
Chemistry Building Renovate - Phase I	\$10,000,000
Subtotal	\$17,800,000

Health Sciences Center

Health Education Building – Phase III	\$10,000,000
Carrie Tingley Hospital Outpatient Services Building	\$12,000,000
Subtotal	\$22,000,000

Branch Campuses

Gallup/Zollinger Library Construct	\$1,400,000
Los Alamos/Science Labs Renovate & Equipment	\$750,000
Taos/Resource Center & Library - Phase I	\$2,000,000
Subtotal	\$4,150,000
Total	\$43,950,000

UNM Legislative Priorities

(continued)

Main Campus Academic

Science & Math Learning Center - Phase II	\$6,000,000
Chemistry Building Renovation Phase II	\$5,000,000
Farris Engineering Building Renovation Phase I	\$3,800,000
Subtotal	\$14,000,000

Health Sciences Center

Health Education Building – Phase IIIB	\$11,250,000
Subtotal	\$11,250,000

Institution-Statewide

ADA Compliance (Recurring)	\$250,000
Subtotal	\$250,000

Infrastructure

Law School Steam and Chilled Water	\$1,500,000
North Campus Water Distribution	\$9,000,000
Subtotal	\$10,500,000

Auxiliary/Other

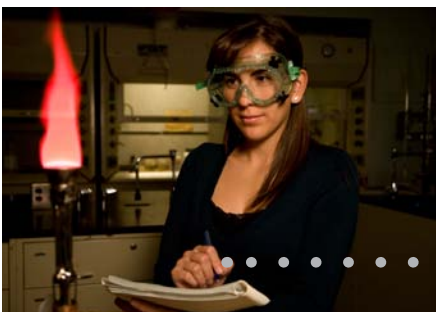
Hodgin Hall - Phase II	\$3,962,503
Child Care Center Expansion	\$2,500,000
Subtotal	\$6,462,503

Athletics

Improvements to Parking Lots/Landscape Phase II	\$1,500,000
Baseball Stadium Renovation	\$1,000,000
Football Stadium Field Replacement	\$800,000
Subtotal	\$3,300,000

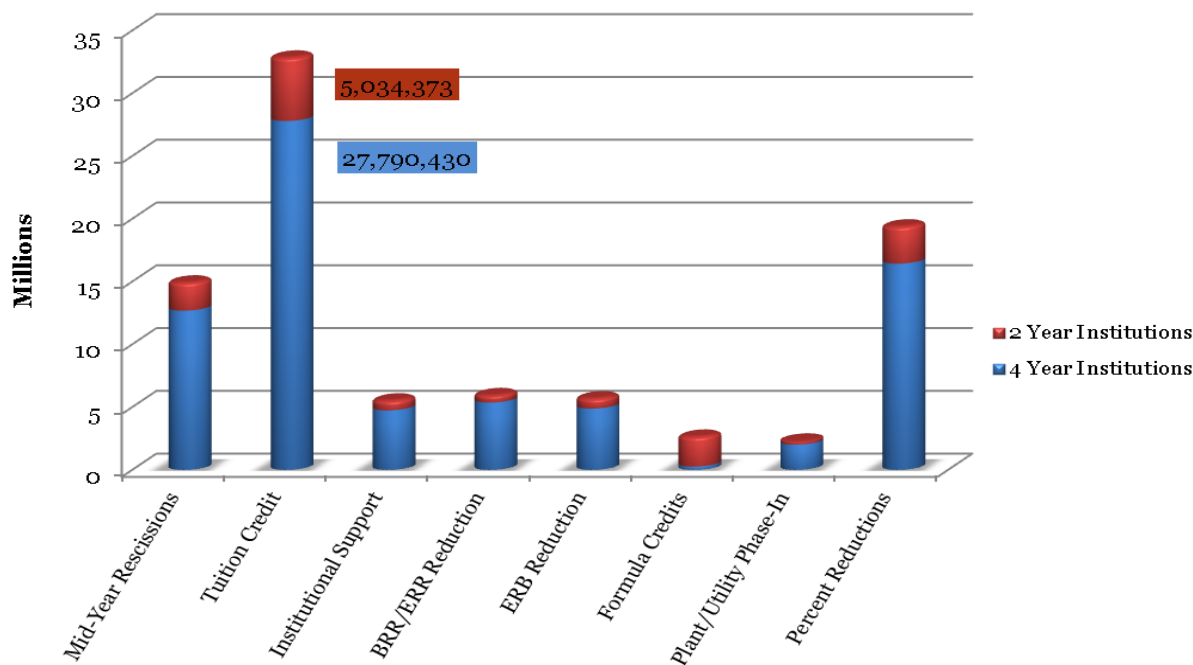
Branch Campuses

Gallup/Campus Master Plan	\$37,500
Gallup/Community Education Center	\$4,000,000
Los Alamos/Classroom & Faculty Office Renovation (BLDG 6)	\$937,500
Taos/Fine Arts Performance & Instructional Amphitheater	\$500,000
Taos/Resource Center and Library - Phase II	\$2,000,000
Valencia/Westside Expansion	\$3,937,500
Subtotal	\$11,412,500
Total	\$57,975,003

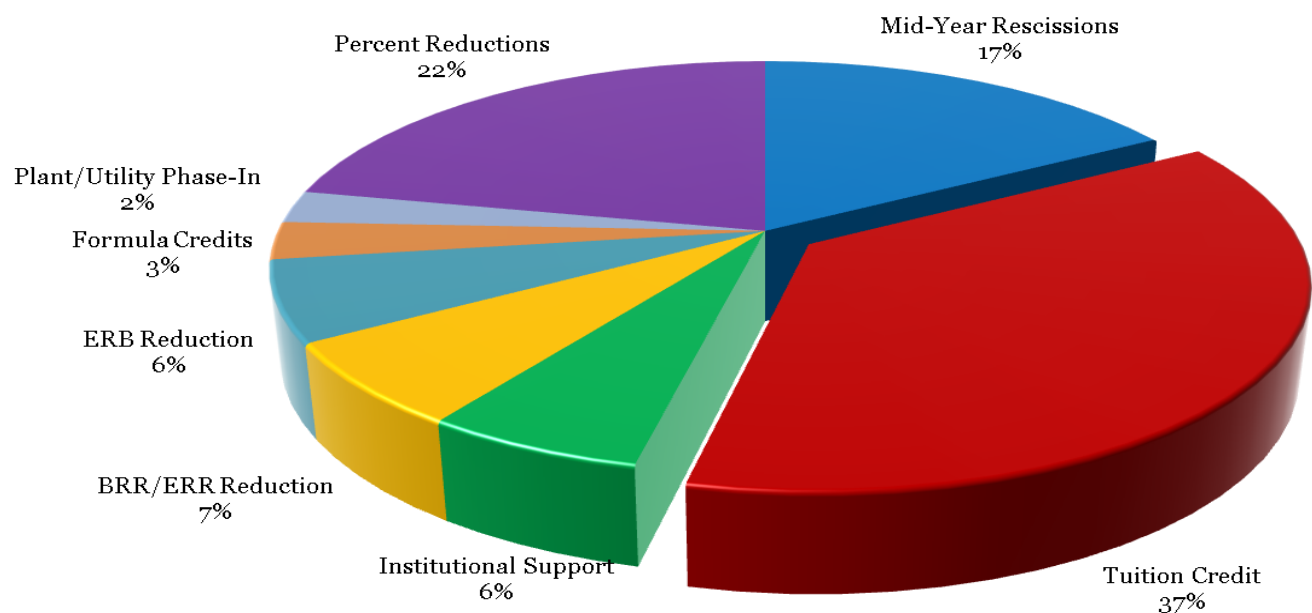


Cuts to Higher Education

Higher Education Cuts Since FY 09

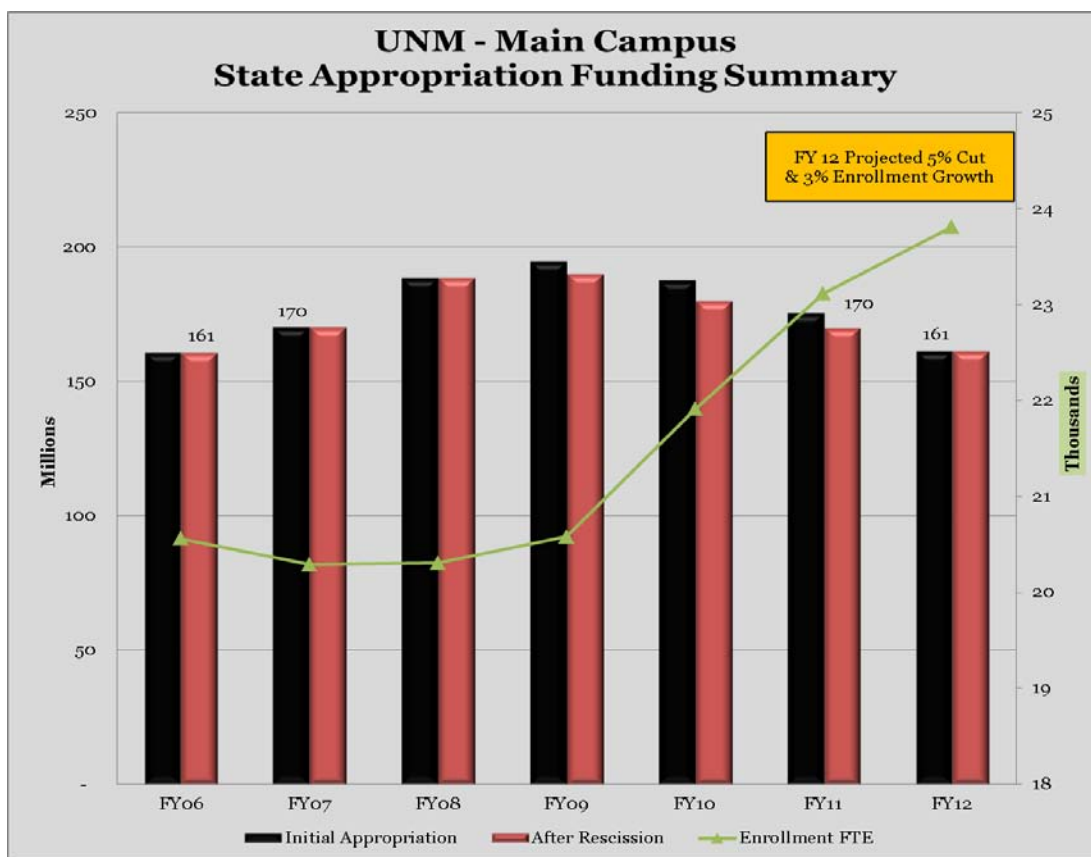


Higher Education Total Cuts Since FY 09 4 Year & 2 Year Institutions

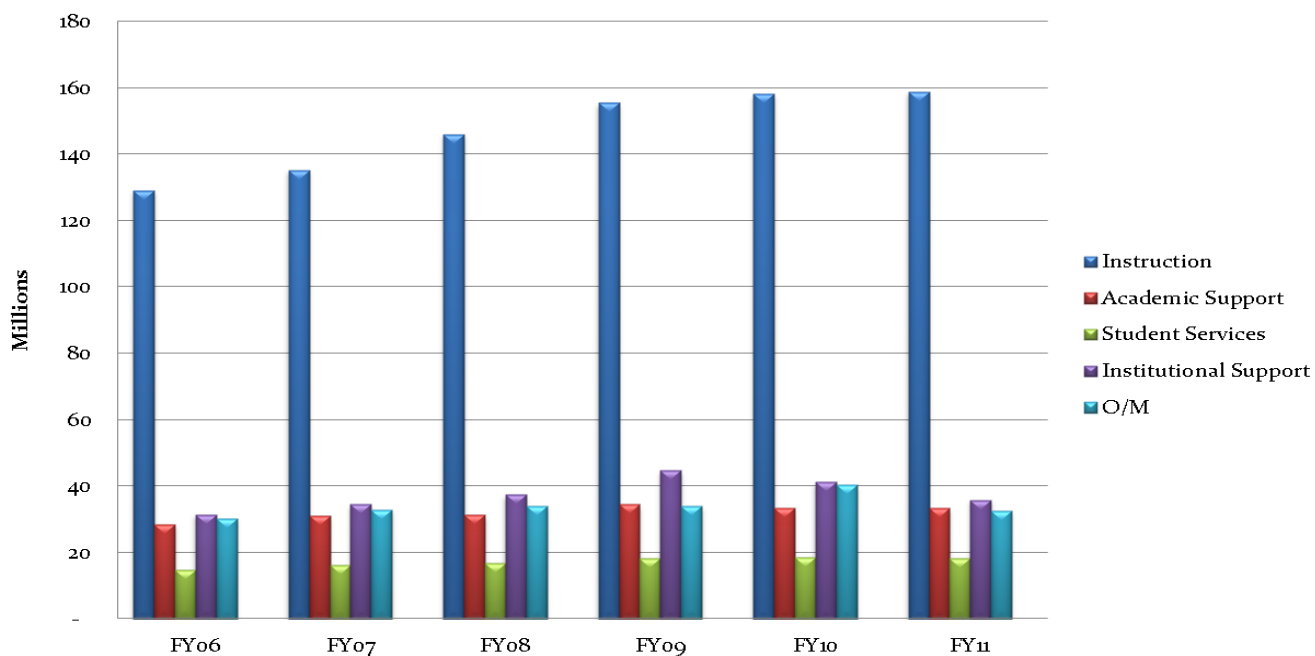


Cuts to the University of New Mexico

(continued)

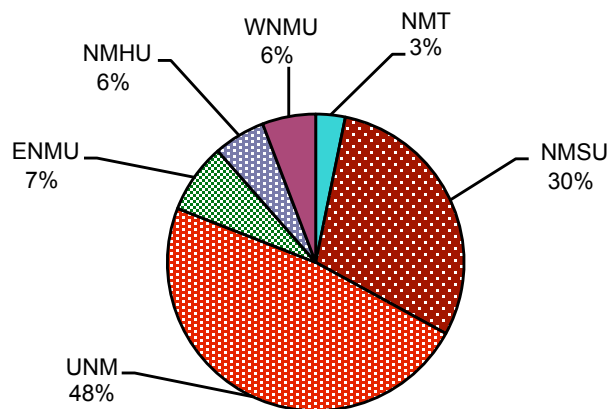


UNM Main Campus I&G Budget

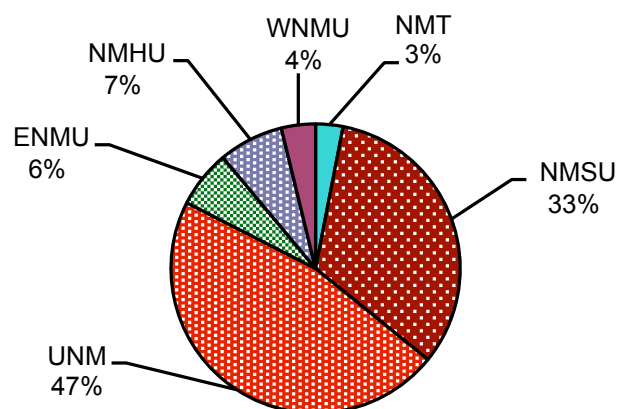


New Mexico Public University Students

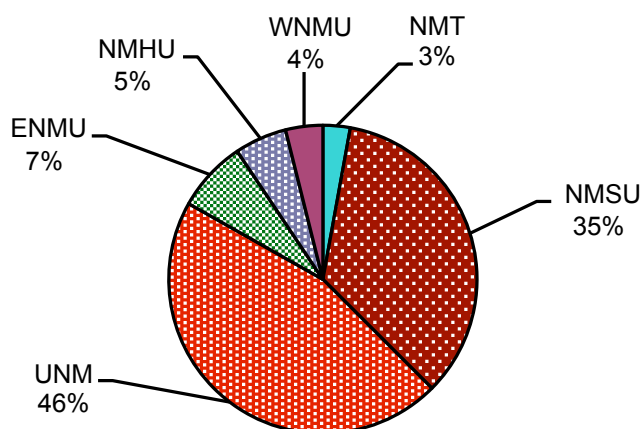
**Full-Time Equivalent Student Enrollment
Fall 2010**



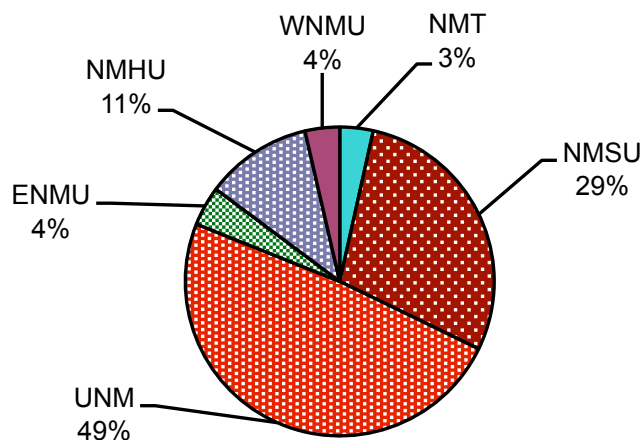
**Total Degrees
2009 - 2010**



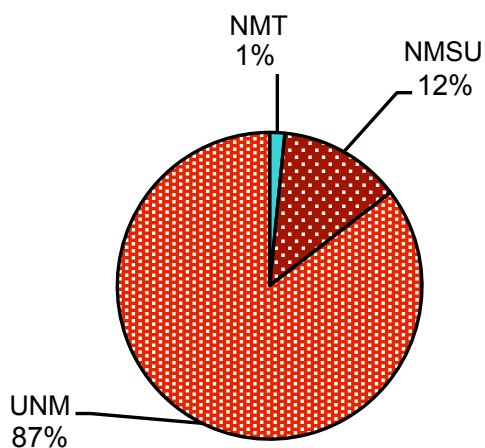
**Undergraduate Degrees
2009 - 2010**



**Graduate Degrees
2009 - 2010**

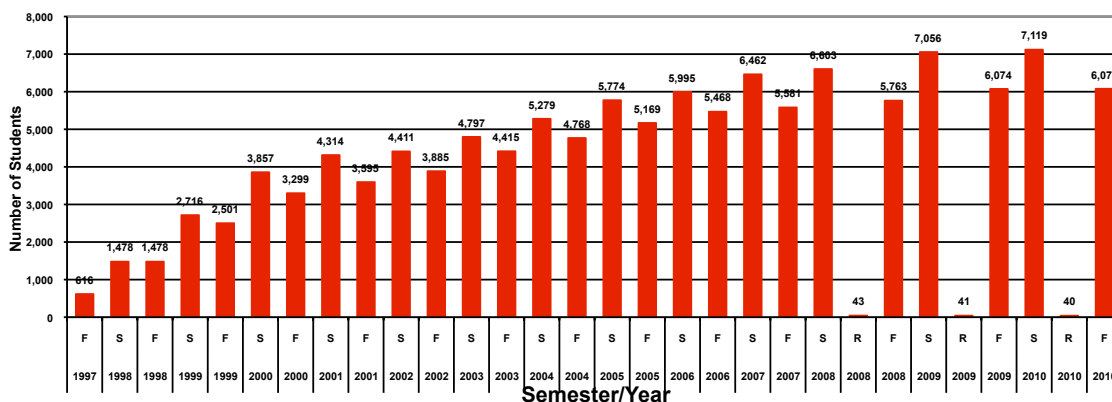


**Total Doctoral & First Professional Degrees
2009 - 2010**

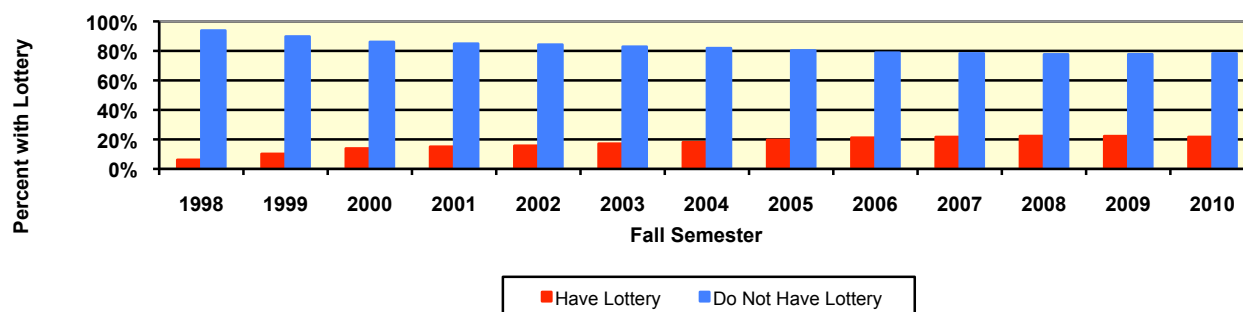


University of New Mexico Students

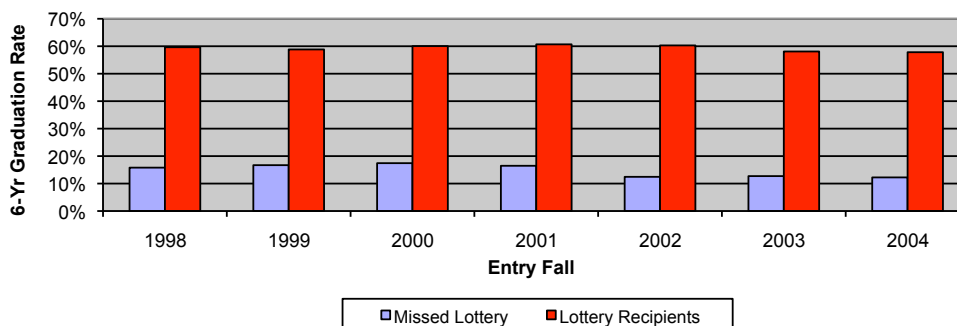
Main Campus Lottery Scholarship Students by Semester



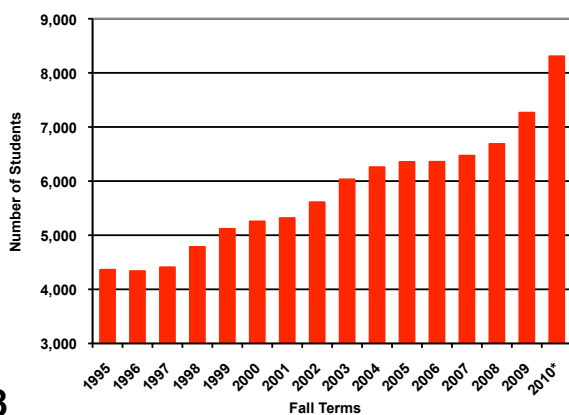
Main Campus Students with Lottery Scholarship



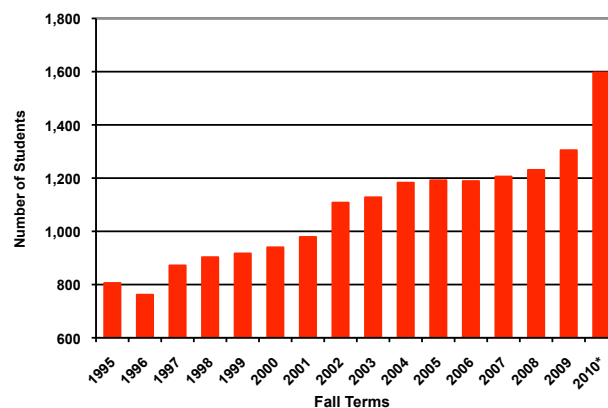
Full-Time UNM Graduation Rates of Students from New Mexico High Schools



Hispanic Undergraduate Students



Native American Undergraduate Students



UNM: New Mexico's Flagship University



UNM is New Mexico's flagship institution of higher education. Flagship universities are fully mature public universities that have become centers for research and graduate education, and that have developed a series of professional schools that add to their size, scope and preeminence. Additionally, the **missions and roles** of flagship universities are different from those of other higher education institutions in several ways:

A Center for Research, Innovation, and Scholarly Creativity

When the research mission is carried out effectively, the scope, impact, and benefit of that research extends far beyond the boundaries of any one city or state, or even country. UNM research injects millions of dollars into New Mexico's economy, funds new advancements in health care, and augments teaching – giving students valuable hands-on training in state-of-the-art laboratories. We have many examples of research of this magnitude at UNM:

- For example, both *The New York Times* and *The Albuquerque Journal* featured stories in August 2010 about Regents Professor Zachary Sharp, whose research related to the presence of water on the moon is leading to new understanding of our world and the universe.
- Another example is our team of Health Sciences Center researchers who, in partnership with Sandia National Laboratories, developed a portable, handheld biosensor device capable of detecting dangerous viruses, bacteria, and other pathogens within seconds or minutes. Their work was recognized as one of the 100 most technologically significant new products of the year by *R&D Magazine*. This is also an example of how the partnerships we form and the research we conduct at UNM can positively affect the economics and well being of the citizens, not only in New Mexico, but the entire world.
- On other health-related topics, The Robert Wood Johnson Center for Health Policy at the University of New Mexico is emerging as a leader in addressing health-related disparities as they relate to minority populations.
- Further, the HSC recently received word that the UNM Clinical and Translational Science Center has been invited to join a 55-member National Institutes of Health powerhouse consortium to accelerate research findings into health solutions. This is an invitation that comes with a five-year, \$23 million grant.

These are the kinds of benefits a state receives from investing in its flagship university.

High Quality Graduate Education

In addition to providing high quality education for undergraduates, the mission of the flagship university is heavily focused on graduate education. Much of that graduate education is tied to the research mission. For instance, the work of one of our doctoral candidates in the Department of Biology, Christopher Eppig, was featured in the July 2010 issue of *The Economist*. Christopher's research focuses on the effects of infectious diseases and parasites on brain development of people in the developing world, suggesting that as diseases are conquered in poor countries, the cognitive abilities of their citizens will rise.

This is an example of what UNM students are capable of achieving when our teaching and research missions intersect.

Versatile Roles for Faculty

Our faculty are certainly engaged in teaching students. However, as a flagship institution, UNM faculty also engage in research, mentoring, community service, economic development activities, technology transfer, and international professional organizations.

While all colleges and universities have teaching as a core mission, a flagship has “research-driven education,” where faculty members are not simply teaching from text books, they are engaging in the investigation and scholarship that is *creating* the textbooks.

UNM: New Mexico's Flagship University

(continued)

Competitive Complexities

As a flagship university, UNM is indeed complex in its structure and mission, and also in the roles that it plays in the economic well-being of our State. Here are a few elements that contribute to that complexity, as well as to UNM's uniqueness:

- **Diverse Campuses** - In addition to our main campus in Albuquerque, we have four branch campuses and a new start-up campus in Rio Rancho. Combined, these sites serve more than 36,500 students, making UNM the largest four year university in the state. Two of our branches, Gallup and Taos, collectively enrolled over 2,300 Native American students for the spring 2010 semester, making them the largest serving public institutions for Native Americans in the country. All told, over 4,200 Native American students are enrolled in UNM courses, which is a tremendous point of pride.
- **Educating Nearly Half of New Mexico's College Students** - UNM enrolls 48% of the state's college students and makes up 42% of the state's entire higher education budget.
- **Primary Source for Graduate and Professional Education** - UNM has the only schools of medicine, law, pharmacy, and architecture in the State, and the medical school conducts operations in 125 different sites in New Mexico. Additionally, UNM confers more than 80% of the doctorate and professional degrees in the state.
- **Research Leader** - UNM is the only Research 1 (Very Intensive Research) university in the state – with almost \$330 million in research contracts and awards in 2008-2009.
- **Major Employer** - UNM is a major economic driver in NM as the second largest employer in the Albuquerque region and fifth largest in the state. The UNM budget exceeds \$2 billion with less than 20% coming from state appropriations. While it is not a corporation, it has many complex business operations including several supportive components formed under the New Mexico Research Parks Act including STC.UNM (the Science Technology Corporation), Lobo Energy and Lobo Development.
- **Community Asset** - UNM has several museums on the Main Campus, a large art museum in Taos, and a major research field station near Socorro (the Sevilleta) that draws researchers from all over the world. Moreover, Popejoy Hall and Lobo Athletics are additional entities that involve the community year-round.
- **Excellent Return on Tax Payer Investment** - The Association of Public Land Grant Universities (APLU) estimates that universities create 1.6 jobs for every job that is funded, and that every dollar received multiplies at least five times in the economy. Using these multipliers, the total impact of UNM on New Mexico's economy would approach \$9.2 billion. That is what the taxpayers of New Mexico get for an investment of about \$301 million state tax dollars to the whole budget of UNM. This return on investment is indeed significant, and is perhaps unequalled among the total of all general fund appropriations.

As you can see, UNM truly is an economic engine and public asset for the State of New Mexico.



The University of New Mexico is New Mexico's Economic Engine

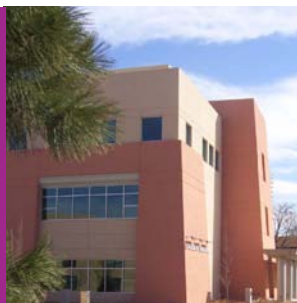
.....

The University of New Mexico enrolls 48% of the State's college students and makes up 42% of the State's entire higher education budget. Additionally, UNM confers more than 85% of the doctorate and professional degrees in the State.



For every \$1 the State appropriates to UNM, the University leverages \$5, making UNM the best investment for New Mexico taxpayers.

UNM has one of the lowest tuition rates in the country. With the help of the NM State Legislature, we'll keep it that way.

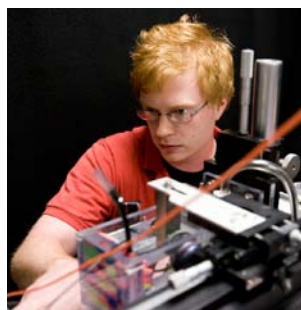


UNM currently has invested \$250 million in institutional bonds to build world-class facilities that will better serve our student population.

.....

The University of New Mexico is among the nation's leading universities in energy cost avoidance, having reduced energy consumption by 16% over the past 30 months for a total gross cost avoidance of \$9 M in energy costs.

UNM Hospitals provide care through 800,000 patient visits annually, and provide more than \$180 million in uncompensated care.



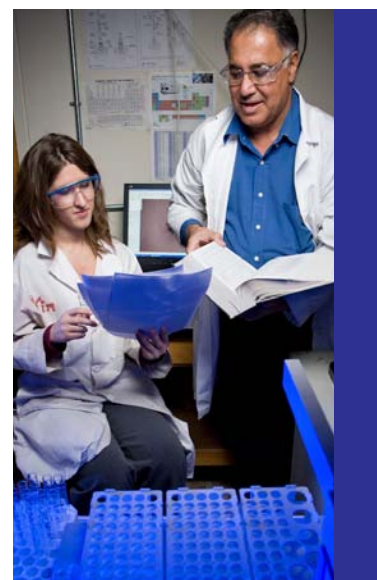
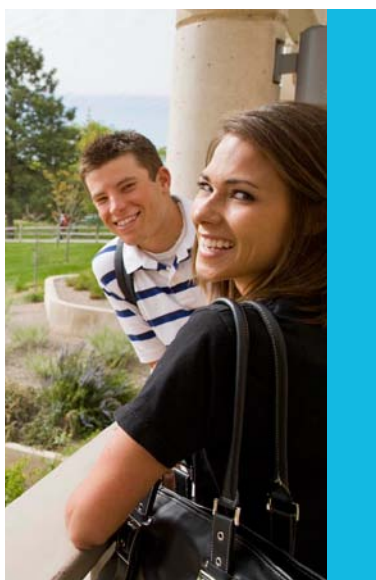
Using a diverse set of funding agencies, UNM brings in nearly \$329 million each year in out-of-state research funding.

UNM is constantly increasing its investment in top faculty. UNM's faculty currently ranks among the top third in the nation in scholarly productivity.





www.unm.edu



Office of Government & Community Relations
Marc H. Saavedra, Director
(office) 505.277.1670 (cell) 505.681.4882
www.govrel.unm.edu

REV. 1/21/11