The Faculty Senate meeting for September 23 was called to order at 3:00 p.m. in the Roberts Room of Scholes Hall. Faculty Senate President Pamela Pyle presided.

ATTENDANCE

Guests Present: Fran Wilkinson—Faculty Senate Benefits Committee Co-Chair; Lisa Lindquist—Office of the Dean of Students; Tim Lowrey—Committee on Governance Co-Chair; Hans Burson—Faculty Senate Benefits Committee Co-Chair; Joey Evans—Office of Human Resources Benefits; Michael Duran—Human Resources; Leslie Boni—Anderson School of Management

APPROVAL OF THE AGENDA

The agenda was approved as written.

1. Approval of summarized minutes for August 26, 2014 meeting

The minutes were approved as written with no abstentions.

2. Memorial Minute for Professor Teresa Wilkins

Gallup Branch Assistant Professor Lora Stone, presented the following memorial minute for Gallup Branch Professor Teresa Wilkins. This was followed by a minute of silence in his honor.

Teresa Wilkins was originally from North Carolina, from a family of weavers. Weaving was also the focus of her academic work, and her Ph.D. in Anthropology. She is a close friend to many weavers in the Navajo Nation, and was a generous colleague and mentor to many women in academia.

We now observe a minute of silence of our colleague Teresa Wilkins, Ph.D. Professor of Anthropology at University of New Mexico at Gallup.

3. Memorial Minute for Professor Robert Loftfield

Past Faculty Senate President Richard Holder, presented the following memorial minute for Chemistry Professor Robert Loftfield. This was followed by a minute of silence in his honor.

Robert Loftfield died in September at the age 94. He was a trained Physical Organic Chemist who received his undergraduate degree from Harvard. He was the first in his family to attend college receiving a full ride scholarship. He was studying for a Ph.D. when he was drafted into the United States Army in World War II serving two years with the Office of Strategic Services (OSS) inventing such things as invisible ink, explosive coal and other interesting things. He returned to Harvard working with Robert Woodward who later won a Nobel Prize. Robert Loftfield received his Ph.D. beginning independent work as a Harvard Fellow. He taught at Harvard, MIT and Massachusetts General Hospital. Robert Loftfield resolved a mechanistic problem that had been puzzling chemists for more than 50 years. In 1894 a Russian Chemist Alexei Yevgrafovich Favorskii discovered the Favorskii rearrangement. It wasn’t until Robert Loftfield used carbon 14, which had just become available as a radioactive tracer, to deduce the principle mechanism for the Favorskii rearrangement and published it in 1951. Robert Loftfield came to the University of New Mexico in 1964 as one of the founding faculty members of the School of Medicine. He was the Chair of Bio-Chemistry for a number of years and was there for the admission of the very first class. He assisted in creating the curriculum for the School of Medicine that is retained to this day. He was selected as a “Living Legend” from the School of Medicine a couple of years ago.
4. **Posthumous Degree Request for Derek Crook**

Dean of Student, Student Affairs Specialist Lisa Lindquist presented the following request for a Posthumous Bachelor of Arts & Sciences in Anthropology for Derek Crook. The request was approved by unanimous vote of the Faculty.

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**Posthumous Degree Request Form**

- **Request Initiator:** Stephanie Hayes
- **Contact:** smith@unm.edu
- **Advisor/Department:** Anthropology
- **Would you like the Dean of Students to contact the family regarding this request?** Yes [ ] No [ ]
- **Dean of Students Notification:** 3/13/3

**Student Information**

- **Student Name:** Derek Crook
- **Student ID:** 100 810 786
- **College:** Arts & Sciences
- **Degree:** Bachelor of Arts
- **Major:** Anthropology
- **Concentration(s):** Economics
- **Minor(s):**

The University of New Mexico recognizes that earning an academic degree is a matter of legitimate pride in achievement not only for students themselves but also for the family members and friends who provide students with vital support and encouragement during the course of their studies. UNM also recognizes that not only the degree, but also significant progress in an academic program is, under certain circumstances, an achievement which warrants special recognition.

Accordingly, the University of New Mexico will make available "posthumous degrees" of appropriate type and level to be bestowed upon a student who dies before he or she is able to complete his or her program.

These degrees may be granted under the following circumstances and terms:

1. The student must be in degree status and either currently enrolled or enrolled in the academic year previous to his or her death;
2. The student must have completed a minimum of half of the credits required for the degree;
3. Requests for posthumous degrees may be initiated by the student's family, the faculty of the department and/or college, or a UNM administrator;
4. The department, the college and the Faculty Senate must approve requests for posthumous degrees. The Senate Graduate Committee must also review and provide recommendation on requests for graduate level posthumous degrees;
5. The degree will be noted as "posthumous" on both the diploma and the transcript.

**Approvals**

<table>
<thead>
<tr>
<th>Department:</th>
<th>Name</th>
<th>Signature</th>
<th>Date</th>
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<tbody>
<tr>
<td>College:</td>
<td>Carla Savioche</td>
<td>Email approval: Attn. 3/13/3</td>
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<tr>
<td>Faculty Senate:</td>
<td>Stephanie Hayes</td>
<td>3/13/3</td>
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<tr>
<td>Senate Graduate Committee:</td>
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Updated: 3/25/2012
**Stephanie Hands**

From: Lisa Lindquist  
Sent: Monday, August 18, 2014 10:52 AM  
To: Stephanie Hands  
Subject: RE: Posthumous Degree  
Attachments: Posthumous Degree Request Form.pdf

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From: Stephanie Hands  
Sent: Tuesday, July 22, 2014 10:36 AM  
To: Lisa Lindquist  
Subject: FW: Posthumous Degree

Hi Lisa – would you like me to fill out the request form or should I let you do your thing first?

Steph

---

From: Carla Sarracino  
Sent: Thursday, July 17, 2014 12:48 PM  
To: Stephanie Hands  
Subject: RE: Posthumous Degree

Stephanie,

Yea that will be fine.

thanks

Carla Sarracino  
Coordinator Education Support  
Undergraduate Advisor  
Anthropology Department  
University of New Mexico  
Phone (505) 277-0194

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From: Stephanie Hands  
Sent: Thursday, July 17, 2014 8:39 AM  
To: Carla Sarracino  
Subject: FW: Posthumous Degree

Hi Carla-

I would be happy to ask the Dean of Students to start the process for this. If the department supports the request just send me an email and I will go forward.

Steph
From: Keelan O’Riley
Sent: Friday, March 07, 2014 12:43 PM
To: Stephanie Hands
Subject: Posthumous Degree

Hello,

10081D726 Crook, Derek R. came up on the hold pending report. He is deceased. I marked him end of time and SO on szadegr so he doesn’t populate on any future lists. He has 100 some odd hours, so I thought you might want to look into a posthumous degree for his family if they would like that.

Keelan O’Riley
Sr. Academic Advisor
Department of Psychology
College of Arts & Sciences
At least one requirement has not been satisfied:

- **USSO 1010: 1010 Audit Report**
  
  Tracking Your Progress to Graduation Day.

  Your audit is an achievement test for you to assess your progress to completing your degree. However, you are responsible for maintaining a record of your progress and for carrying out your graduation. If you are not reporting correctly or you have questions regarding your audit, please contact your college's academic advisor.

  Further inquiry:
  Registrar - USSO 1010 Audit - jobtitle@uw.edu
  Registrar - Transfer Questions - test@uw.edu

  **University Requirement: Student has been admitted to a degree-granting college or school.**

  **University Requirement: A minimum of 120 hours of credit earned required.**

  EARNED: 56.66 HOURS
  UNEMBEDDED: 22.86 HOURS

  **University Requirement: A minor in humanities required.**

  EARNED: 2.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 3.50 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 5.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 7.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 9.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 11.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 13.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 15.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 17.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 19.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 21.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 23.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 25.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 27.00 GPA

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  **University Requirement: A minor in humanities required.**

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  **University Requirement: A minor in humanities required.**

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  **University Requirement: A minor in humanities required.**

  EARNED: 35.00 GPA

  **University Requirement: A minor in humanities required.**

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  **University Requirement: A minor in humanities required.**

  EARNED: 39.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 41.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 43.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 45.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 47.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 49.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 51.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 53.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 55.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 57.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 59.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 61.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 63.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 65.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 67.00 GPA

  **University Requirement: A minor in humanities required.**

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  **University Requirement: A minor in humanities required.**

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  **University Requirement: A minor in humanities required.**

  EARNED: 73.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 75.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 77.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 79.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 81.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 83.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 85.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 87.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 89.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 91.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 93.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 95.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 97.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 99.00 GPA

  **University Requirement: A minor in humanities required.**

  EARNED: 100.00 GPA
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12:00-2:00 134376 3.9 4 11.5

2 P.M. 12th Street and U.S. 1
30th Street and U.S. 1
4th Street and U.S. 1

4:00-6:00 134376 3.9 4 11.5
5:00-7:00 134376 3.9 4 11.5
6:00-8:00 134376 3.9 4 11.5
5. Faculty Senate President’s Report

Past Faculty Senate President Richard Holder pointed out that there is not a direct communication line through faculty when one passes away. He will be working with the Office of the Provost to facilitate a process.

Faculty Senate President Pamela Pyle reported on the Board of Regents meeting held on Friday, September 12, 2014. Faculty Senate President Pamela Pyle reported on Faculty Senate Committee projects, Health issues and salaries. Board of Regent Jamie Koch raised concern why the University waits until a faculty receives an offer from another University or department to increase their salary instead of providing a counter offer.

The University is working on pursuing a joint venture with a new corporation in China. The University is being cautious currently looking for a marketing analyst in China to give an evaluation on the site and feasibility.

The Intellectual Property Policy is now in the Office of the Provost for review.

Faculty Senate President Pamela Pyle is a member of the Ethics Committee Task Force. The Task Force is Chaired by Melissa Bokovoy and Linda Ferrell. They will be presenting to the Faculty Senate in October.

A SharePoint has been created for Faculty Senators to review documents. The Constitutional changes that the Committee on Governance are requesting will be uploaded to the SharePoint for review and comment by Faculty Senators.
6. **Proposed Faculty Constitution Revisions**

Committee on Governance Co-Chair Tim Lowrey introduced the Faculty Constitution revisions to the Faculty Senate. The Faculty Constitution has not been revised in 29 years. Since titles and other information have changed since that time. Most of the changes are non-substantive. There are three main substantive changes:

a. Stating within the Faculty Constitution that the Faculty Handbook hold privacy over policies that pertain to faculty. The Committee on Governance would like to add another section to the Faculty Handbook listing all of the policies that pertain to faculty so that all faculty can access this section.

b. The Committee on Governance worked with the Operations Committee last year to devise the new formula capping the number of faculty senators at 68 plus the at-large senators stating that each college could not have more than 1/3rd of the senators.

c. Deans are supposed to be recommended to the Board of Regents by the President which is not how it has been followed. In consultation with the Provost and the President the recommended revision will be for the Provost to recommend to the President to choose which Deans to be selected.

The next steps would be to hold two General Faculty meetings a month a part scheduled October 17, 2014 and November 21, 2014. The revisions will go to a vote to the voting faculty then the Board of Regents for review and approval.

7. **Provost’s Report**

The Intellectual Property Policy is for research that is funded by companies. If a company wants to fund in the beginning of a research project they will have a clear path to having intellectual property having to pay above and beyond of what they originally fund. This approach is based on other models at Universities such as the University of Minnesota that will encourage companies to invest more in research at the University.

Regent Koch suggested for the Schools/Colleges of the University to identify the amount needed to give raises to faculty. The University needs $4 million to pay for the utilities and possibly $1 million to give raises to faculty throughout the University. Provost Abdallah will present an amount to Regent Koch based on each criteria he receives from Schools/Colleges throughout campus. Faculty will be valued on a certain level to obtain an increase.

Digital Measures were used for Annual Reports pertaining to research and Banner modules were reviewed to obtain information regarding teaching. With these two resources a program can be created for the chair or dean to utilize in producing information. The purpose is to make it easier when collection information regarding research. This program will not collect information pertaining to Fine Arts but does regarding grants, publication, citations etc. Provost Abdallah is suggesting that if a Chair wants to compare this tool it will electronically collect information on a daily basis. This software costs around $100,000 annually.

Provost Abdallah requested for the Deans to write what their priorities are in their college/schools and how much they need to fulfill their needs. Provost Abdallah will report this information to the Board of Regents so they can plan accordingly.
8. 2014-2015 Faculty Senate Committee Appointments

The 2014-2015 Faculty Senate Committees appointments were approved by unanimous voice vote of the Faculty Senate.

<table>
<thead>
<tr>
<th>Faculty Senate Committee Appointments Needing Senate Approval</th>
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<tr>
<td>Admissions and Registration</td>
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<td>John</td>
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<tr>
<td>Lori</td>
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<td>Judy</td>
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</table>

| Graduate and Professional                                   |
| First | Last | Title | Department |
| Rajeshwari | Vallury | Associate Professor | Foreign Languages Literatures |
| Jennifer | Thacher | Assistant Professor | Economics |
| Gregory | Cajete | Associate Professor | Language Literacy Sociocultural II |
| Andrea | Polli | Associate Professor | Art and Art History |

| Honorary Degree                                             |
| First | Last | Title | Department |
| Ranjit | Bose | Professor | AISM Mktng Info Decision Sci Mgmt |

| Information Technology                                       |
| First | Last | Title | Department |
| Megan | Gould | Professor | Art and Art History |
| Scott A | Hess | Professor | Molecular Genetics Microbiology |
| Jacenia | Menke | Associate Professor | Language Literacy Sociocultural II |

| Library                                                   |
| First | Last | Title | Department |
| Carolyn | Woodward | Associate Professor | English |
| James | Boone | Professor | Anthropology |

| Policy                                                   |
| First | Last | Title | Department |
| Charles | Cunningham | Associate Professor | Biology Faculty |

| Research Allocations                                      |
| First | Last | Title | Department |
| Suzanne | Anderson-Riedel | Associate Professor | Art and Art History |
| Enrique | Sanabria | Associate Professor | History Department |

| Research Policy                                           |
| First | Last | Title | Department |
| Tobias | Fischer | Professor | Earth and Planetary Sciences Dept |
| Charles | Truman | Professor | Mechanical Engineering |
| Peter | Karabell | Professor | Mechanical Engineering |

| Undergraduate                                             |
| First | Last | Title | Department |


AGENDA TOPICS

9. Regent Bradley Hosmer
The Board of Regents is an interesting group of members who volunteer their time to serve who all have the same goal wanting nothing but the best for the University. Regents have no authority as individuals.

Regent Hosmer encouraged faculty to sit in on one of the Academic/Student Affairs and Research Committee meetings. The Committee always strives to pay attention to the enterprise in a way that is as constructive as possible. A primary task is being helpful to the Provost in the long-term being critical for the University. Another task is to advertise the strengths of the Academic enterprise to the Board of Regents.

Regent Hosmer was delighted to hear in a previous discussion that the period of certain actions completed by the Faculty Senate is a year and a half. For the Board of Regents it is 4 years.

There is a debate at the national scale regarding how to evaluate the results of large Universities. This debate has been going on for 25 years. The accrediting associations started looking for ways to assess whether or not a given institution can be accredited other than by measuring inputs. For decades it’s been nothing but inputs so they started looking at ways that are slightly different from inputs. It is imperative that universities such as UNM began to come up with a measurement that puts their Universities distinctions into context. This will allow the University to talk about itself comparison with the difference between the student who didn’t become and the one who did.

The most recent new endeavor is responding to the Governor in chairing a group of people that will help redesign the output of the College of Education and universities into the teaching force.

Faculty Senate President Pamela Pyle suggested a Faculty Regent serve on the Board of Regents. Regent Hosmer expressed that the difference between the current arrangement and having a Regent on the Faculty Senate is not as great as one may think because the President of the Faculty is representing the Faculty and as advisors it is a very powerful influence.

Every now and again a Regent gets a surprise of an issue that comes out from the press. One of the Regents will receive a phone call from the press requesting an interview. Regent Hosmer stated that it would be nice if the Regents had a forewarning of issues to know what the best response would be.

A University specific issue in New Mexico is this University being a national University, the orientation of the city fathers and legislatures is that it is the crown piece of education in New Mexico. It is very difficult to persuade the city fathers and legislature that we compete for faculty, students and grants being on a national market.

10. Healthcare
Health Science Center (HSC) Executive Physician-in-Chief Michael Richards reported on the committee structure and goals of the HSC Committee President Frank put
together. The Committee is chaired by David Harris and Paul Roth to review medical benefits for staff, faculty and retirees. The question is if there are options to be considered in the medical benefits plan for 2016. Another suggestion is in subsequent years to help the University arrive at a medical benefits plan that is financially sustainable that will be attractive to current and future employees, to promote the overall health and wellness and promote the values of the University.

A steering committee will be put in place that will manage the group shared by David Harris and Paul Roth with 6 other members of the University. They are charged to set a work plan that also identifies a benefits committee to review the current medical benefits. The membership is largely composed of representatives of the various councils or committees from the University. Faculty Senate President Pamela Pyle will nominate a member of the Faculty Senate to sit on the Committee. This Committee also included the Human Resources and Benefits experts from the University.

The committee put together the work plan charged to find what the alternatives might be for 2016 and future years. As part of its work plan, the group put together two technical work groups to review high level questions such as: Are there opportunities to create consolidation? Are there potential changes to the current benefits structure or a way that they are administrating medical benefits? There are multiple Human Resource (HR) Systems within the University for example: HR system for all staff, HR System that belongs to UNM Hospital, HR system that belongs to the UNM Medical Group, UNM Sandoval Regional Medical Group, Research Park and Resident Physicians. These are all administered as separate plans.

A key point regarding medical benefits is that while an employee carries a card that looks like an insurance card, it’s not an insurance card. The University is a self-funded health plan that uses the insurance corporations to essentially administer a medical benefits plan that the University completely funds on its own. As a self-funded plan the University has more control over the products that are designed. Currently regarding the committees, the large group met once for 6 hours to review the mechanics of how we do medical benefits at the University and also reviewing how to get to a place where employees have a more sustainable and affordable health plan. They have met as their individual working groups meeting every other week typically for 2 hours with the actuarial groups Gallagher that is the main University consultant and Axene which is a second actuarial consultant. They have met to review the current benefits structure to offer what the alternatives might be. At the request of Faculty Senate President Pamela Pyle a member from the Faculty Senate has been added to the work groups so that they can report back to the Faculty Senate.

In terms of next steps, there are two more sets of technical sets of workgroup meetings in the next week and follow up with the large committee to then report back to the Faculty Senate regarding the results. At the highest level of being cost effective is integrating disease management and medical management into the current medical plans. Currently the University is paying for those through Blue Cross Blue Shield, Presbyterian and UNM Health. They have not been implemented in a way to have significant cost savings.

Faculty members and staff that have ongoing chronic diseases will be offered better access to medical care, pharmaceutical management in a more intense way. If the University offers the more robust access to disease management then they will have lower costs and better health which is best practice. To preserve the idea of choice the University needs to consider some additional plan options moving into 2016-2017. The two kinds of choices that will get presented to the larger groups are as follows: offering up a minimum benefits plan for individuals that are healthy may select at a lower cost, offering a high deductible health plan with an associated medical savings account. The
actuarial will present how the models will work out to the larger committee. While there are numerous HR systems the concept of pulling everyone into one giant pull makes sense pertaining to an insurance company but since UNM is a self-funded plan combining everyone offers no cost savings to the University. The costs can be negotiated with the insurance type carriers that administer the plans by bringing the group together, presenting the multiple plans we want to negotiate as a single group on the administrative fees associated with them and with the disease medical management programs so that there is uniformity across the spectrum. Pulling saves money. In an insurance model for example, take a high risk group and pull them into a high risk population that doesn’t work for UNM because the University has their own population. If the University takes the high risk or low risk and combines the two the expenditure remains the same. The University is in the high risk group, the medical residence is in low risk group, with the expenditure being the same for both.

The next meeting will focus on the pre-65 retirees and what the options will be for them. The actuaries are working on reporting if the pre-65 is brought into a separate pool: what happens if no changes are made to the current benefits plan? What happens if a stipend is created type arrangement for the retirees? What happens if the retirees were moved into a public exchange? The total expenditures for the employees stay the same and the total expenditures stay the same for the University. Gallagher will model what would happen if pre-65 is returned into the larger pool. There is $65 million for expenditure, $20 million in reserves and the deductible off of the insurance is $1 million. For some of the groups, combining them does offer cost savings because of the reinsurance issue, ex: bringing small employment groups that have similar risks like University of New Mexico Hospital and Sandoval Medical Regional Center (SMRC) together under one potential plan with the benefit structures being the same. There would be lower reinsurance costs associated with the SMRC group totaling 375 employees. It is a small cost savings that would be seen when bringing the pools together regarding the $65 million. The University is neither saving nor making money. The expenditure is shared by both the employer and the employee so it is to no one’s benefit to spend more than needed to. The goal for both parties should be to find a medical benefit plan that achieves the overall goals of the institution but that is a low cost for both the University and their employees.

When an employee purchases their insurance from Presbyterian, Blue Cross etc. they are buying their network and negotiated rates. About 45% of people consuming the health plans within the delivery systems the University give itself the best rate available. One option is to create access within our own healthcare delivery system so that individuals would want to receive care since the University can deliver it to them at a lower cost. The University values its employees having choice and not creating disruption.

11. VEBA

Anderson School of Management Chairperson Leslie Boni and Human Resources Chief Operations Officer Mike Duran reported on the Voluntary Employee Beneficiary Association at the University.

In 2013-2014 an employee was paying 1 1/2 % in gross salary with the University matching effective July 1, 2013. If an employee pays into the VEBA it will give you access, there is certain specific criteria to meet that are in policy 3600 and the trust document our on the Human Resources website to read more information. If the criterion is met the employee is eligible for post-retirement benefits when you are eligible to retire essentially you will have health, dental and basic life insurance.

The reason for VEBA was because there was identification within the financial statements of the University that the post-retirement future liability was at $160 million the Board of Regents were very concerned. The Administration was concerned about the high liability that was sitting on the balance sheet that could negatively impact bond ratings. Bond rating are how the University
borrows money to build new buildings or to do different projects. If the Bond ratings decrease the University pays higher interest against that money. The idea is for VEBA to help prefund the post-retirement benefits over time.

1. **What are the changes that could be made in the future to the VEBA trust or plan that could negatively impact those paying into VEBA -- and how would these changes be made and by whom?**

   Response: The Retiree Welfare Benefit Trust Document – Section 8.1 – Amendment states:
   Any or all of the provisions of this Agreement may be amended at any time and from time to time, in whole or in part, by an instrument in writing signed by the President of UNM and the Trustee.

   Response: The Retiree Welfare Benefit Plan Document – Section 5.1 – Fiduciary states:
   UNM is the fiduciary of the Plan. With respect to the determination of the amount of, and entitlement to, benefits under any insured Component Benefit.

   The Retiree Welfare Benefit Plan Document – Section 6.1 – Right to Amend states:
   UNM delegates to its President the right to amend the Plan and to the HR Department the right to amend any Component Benefit from time to time, including amendments that are retroactive in effect to the extent permitted by law.

   The Retiree Welfare Benefit Plan Document – Section 6.3 – Right to Terminate states:
   The Board of Regents shall have the power to terminate the Plan and the President of UNM delegates to the HR Department the right to merge any Component Benefit in whole or in part at any time.

2. **If something happens in the future that result in the VEBA trust being discontinued, what are the options for how and on whom the VEBA trust could be spent?**

   Response: The Retiree Welfare Benefit Trust Document – Section 8.2 – Termination states:
   This Agreement may be terminated at any time by the President of UNM and upon such termination, or upon the dissolution or liquidation of UNM, the Trust Fund shall be distributed by the Trustee as and when directed by the VEBA Investment Committee or by UNM, in accordance with the provisions of Article III hereof and the terms of the Plan and Code. UNM hereby represents that such distributions shall be contributions to retiree health and welfare coverage for Plan participants pursuant to the provisions of NMSA 10-7C-4(H)(3)(C), 10-7C-9(F) and New Mexico Administration Code regulation 2.81.10.8 or any subsequent statute or regulation of similar import. In no event shall any part of the corpus or income of the Trust Fund be paid to or for the benefit of UNM.

   The Retiree Welfare Benefit Plan Document – Section 6.4 – Payment of Claims Upon Termination states:
   If the Plan is terminated, the Plan shall continue until all pending claims for benefits outstanding as of the date of termination have been paid, provided such claims are timely submitted. Any remaining assets in the Trust shall be used for the exclusive purposes of providing benefits to Plan Participants as provided in Treasury Regulation 1.501(c)(9)-4(d).

3. **Initial creation of the VEBA Board specified there were to be 2 faculty members on the VEBA Board. What could be done that would reduce this number to 0? And who has the power to do that?**

   Response: The Retiree Welfare Benefit Trust Document – Section 8.1 – Amendment states:
   Any or all of the provisions of this Agreement may be amended at any time and from time to time, in whole or in part, by an instrument in writing signed by the President of UNM and the Trustee.

4. Faculty Senate President Pamela Pyle requested to see a break down for faculty that looked like this:
If you are x years old, and expect to retire after 65, and you make x dollars, how much will you have spent and how much can you gain.

This sort of table seems very useful, practical and necessary in order to be able to make truly informed decisions. I believe you suggested it was not in the scope of the committee, but who else would have access to the numbers?

Response:
The VEBA Advisory Board and HR Benefits department do not have Certified Financial Planners on staff and therefore are unable to provide advice or tools to assist employees with making a VEBA opt-in/out determination.

There are several issues that employees should consider as follows (the list is not necessarily all inclusive):

Salary (current and projected future)
Individual VEBA cost (total estimated)
VEBA service credit earned and to be earned
Years to retirement
Grandfathered status
Retiree premium costs (current and projected future)
Availability of other post-retirement options for health & welfare benefits (e.g., spouse coverage, exchanges, etc.)
Decision to retire as a pre-65 retiree vs a 65 and over retiree
ERB retirement eligibility
Other personal funding options for post-retirement health & welfare benefits

Anderson School of Management Chairperson Leslie Boni and Human Resources Chief Operations Officer Mike Duran will attend a Faculty Senate meeting in the future to continue the discussion regarding the Voluntary Employee Beneficiary Association at the University.

12. Faculty Staff Benefits Committee Report
Faculty Senate Benefits Committee Co-Chair Fran Wilkinson reported why the university care remains higher than the Universities peer institutions. Human Resources are working with Gallagher to get an analysis of peer costs for premiums against the Universities costs and premiums.

13. New Business and Open Discussion
There was no new business.

Meeting adjourned at 5:00 p.m.