

**Faculty Meeting – April 29, 2008**  
**Issue #2 – Financial Issues Regarding Upper Administrative Growth**

When we consider upper-tier management expenses, we must keep in mind growth and increasing complexity of the University itself, changes in Administrative direction, consolidation of functions and changes in titles and cost-sharing arrangements between HSC and Main Campus

Like I said earlier, we are a \$2 billion enterprise, with 22,000 employees – the fifth largest employer in New Mexico, the third largest in the City of Albuquerque; our employees cover every conceivable profession, from medicine to athletics to television production

***Changes in Administrative Direction***

This University has had 6 Presidents in the past 10 years, 3 in just the last 5 years. President Caldera streamlined the top-tier management structure with three Executive Vice Presidents: the Provost, to serve as EVP for Academic Affairs; the EVP for Health Sciences, responsible for the Schools of Medicine, Pharmacy and Nursing and the UNM Hospitals; and the EVP for Administration, serving as Chief Financial Officer and Chief Operating Officer.

In 2005, this University embarked on a plan of Administrative Consolidation between Main Campus and HSC which brought together the separate functions of Accounting and the Comptroller; Budget and Planning; Security; Legal Services; Risk Management; and Facilities, Maintenance and Planning.

Those measures resulted in cost savings and efficiencies across the board, and now, we're in the most challenging phase of that process -- connecting the budget to planning.

***Consolidation of Functions and Changes in Titles***

Since my arrival, I've been able to begin completing the process of Administrative Consolidation that the Regents began back in 2002. We've overlaid a sound, new organizational structure that, yes, encompasses the addition of 4 Vice Presidencies:

- For ***Athletics***, to better connect the worlds of athletics and academia;
- For ***Rio Rancho Operations and Branch Academics***, so we can reach out to non-traditional students who live outside the city of Albuquerque and can't afford the commute;
- For ***Enrollment Management***, to make it easier for students and their families to navigate admission and financial aid issues
- For ***Equity and Inclusion***, to build on our record of diversity, as one of America's greatest majority minority institutions

I know there has been criticism of the creation of these Vice Presidencies, but let me note that I have been fully open and transparent in process: in fact, I said I would do so as early as my first interviews for this position. While some might disagree with my actions, none can complain that this process occurred in secret.

## ***Apples-to-Apples***

I'm aware of at least two different analyses of administrative salaries over the past five years, and unfortunately, the comparisons aren't always what they seem. Titles and functions have changed over time, making a direct comparison both difficult and unfair. Consolidations have occurred, positions have been eliminated, and the savings have often not been taken into account. Some studies take into account the Health Sciences Center, others don't.

With all due respect, we need an "apples-to-apples" comparison, which is why I've already tasked the Director of Institutional Research to conduct such an "apples-to-apples" comparison, and I know he'd welcome your input

Thank you.