**Minutes**

Tuesday, November 12, 2019

3:30PM to 4:30PM

Room B48, Zimmerman Library

***Attendees: (taken from sign-in sheet – for those who signed in)***

Mark Maddaleni FSBC Co-Chair; Arts & Sciences

Shawn Berman Anderson School

Leslie Jones Easom UNM Retiree Association

Joey Evans Human Resources

Dimiter Vassilev Mathematics/Statistics

Marcia Sletten Health Science Center

Trudi Flynn Payroll

Jodi Perry College of Pharmacy

***Excused:***

Fran Wilkinson FSBC Co-Chair; University Libraries & Learning Sciences

Gene Henley Public Administration

Anil Shetty Plastic Surgery

***Absent:***

Manuel Martinez-Ramon Electrical Engineering

Dorothy Anderson Human Resource

Theresa Ramos Faculty Contracts

Scott Sanchez Emergency Medicine

***Guests:***

 N/A

***Minutes:*** Felisha Martinez Office of University Secretary

**Meeting called to order @ 3:33 PM.**

**Agenda:**

Quorum was met.First motion to approve agenda by Shawn Berman. Second motion by Dimeter Vassilev. Agenda approved by unanimous vote.

**Minutes:**

Quorum met. Minutes for October 8, 2019 were not approved at this time. Leslie Easom reported changes would need to be made to page 4. She recommended having a paragraph taken out. Mr. Mark Maddaleni stated approval for these minutes can be deterred for approved until December 10, 2019 meeting.

Short introduction of new committee member, Jodi Perry, was made as well as instructions to Ms. Perry by the committee.

**Policy Charge Review**

Mr. Maddaleni reported on behalf of Dr. Fran Wilkinson. He stated there are no changes proposed by the committee at this time. Committee member reported changes made by the Policy Committee are standard, so the charge is up to compliance with current policy structure.

**VEBA Committee Meeting**

*Fran Wilkinson*

Mr. Maddaleni reported on behalf of Dr. Fran Wilkinson. He stated the board has not met, however the earning update is steady and appeals committee did meet. He stated the committee will have their recommendation ready at the next meeting.

**Budget Leadership Team (BLT) Meeting**

Mark Maddaleni and Shawn Berman

Mr. Maddaleni reported on behalf of Mr. Gene Henley along with the assistance of Dr. Shawn Berman. In building the FY20 budget, the BLT is using the following assumptions:

* 6% enrollment drop resulting in $8.6 million deficit.
* No increase in revenue.
* Dean searches in next year
* Compensation and inflationary increases.

Mr. Maddaleni stated the university plans on using central reserves to cover $4.2 million current deficit. He reported this creates a budget issue for the following year to replenish central reserves. Dr. Berman reported Provost James Holloway and SVP Teresa Constantinidis have found this appears to be an issue every year in that the university does not plan for recurring budget issues. He reported this has led the university to plan for worst case scenarios. Dr. Berman stated the worst case would be a $16 million deficit, if there is no new money coming in from the state (this includes the drop-in enrollment). Mr. Maddaleni reported there has been a completed 5-year plan for provost office which Dr. Berman said is part of the forecast for university budget. He stated this is a university approach not just academic affairs approach; to bring each department into the 5-year forecast. Dr. Berman reported this is a much more comprehensive view than before. One committee member asked how this information for the 5-year plan was obtained. Dr. Berman stated this is an internal budget projection and did not flow down to the department level.

**UNM Lobo Health**

Mark Maddaleni

Mr. Maddaleni stated progress is moving forward with Lobo Health as there is an Aon representative, who attended their meeting and data is coming along. He reported they are missing the Express Scripts fee information at this time, however will expect this to be available by December 2019. A small sample as been provided thus far. He stated the working group will not have access to all the information as this time as Blue Cross Blue Shield has some of their data mixed in. Mr. Joey Evans reported this is aggregated data in order to view various metrics around overall health of Lobo Health population. He stated this is to examine what type of opportunities there is for better outcome of the individual and efficiency of care as well as cost. Mr. Evans provided clarification regarding access to UNM employee information. He reported there is no specific information shared with their third-party consultant, Aon, it is just for metrics rather than the individual employee themselves.

**Retiree Association**

*Leslie Jones Easom*

Ms. Easom stated a speaker did present to the retirees. She reported open enrollment was held at Continuing Education, but grand challenge had to move to south campus. Ms. Easom stated many individuals would have benefit from grand challenge but had little advertising.

**Human Resources Updates**

*Joey Evans*

**ERB**

Mr. Evans stated at the last meeting he had tried to update the committee on what the ERB would be proposing for their legislative action for upcoming 2020 legislation. He reported he felt he did not articulate this very well and wanted to provide further clarification. Mr. Evans reported there were some proposals made last year, some passed, and some did not. He stated the approach by ERB has been from the standpoint that if there is any negative impact on the university, it could not be supported. Mr. Evans said as of July 1, 2020 the ERB would like the state to make an additional contribution of 1% each year into the fund based on the salaries as of June 30, 2019. He reported this would continue until the education retirement fund is 100% funded. Mr. Evans said the ERB has voted that this will be their legislative proposal will be; it has not been passed yet. He said at this time the university is 47% funded by the state and half of that is instructional (i.e. tuition). Mr. Evans reported information from the meeting will be up on the website soon.

**University Counsel Review**

Mr. Evans stated the Office of University Counsel (OUS) came back and reported the statute clearly states a minimum employer contribution of 60% and limits maximum contribution of 80%. He reported it was also pointed out that the statute requires a contribution raise be based on salary alone, not full-time equivalency. Therefore, the university is at risk of not complying with part-time employees. Mr. Evans said the current recommendation is that effective July 1, 2020 the university’s contribution will be based solely on base salary. It was reported that retirees are not a part of said statute as they are not employees of the university. Mr. Maddaleni stated this was the last piece of information needed in order to make recommendation by the FSBC. He reported this will be on the agenda for December 2019 to discuss.

**Other Business:**

* None.

**Next Meeting:**

December 10, 2019

3:30 PM

Zimmerman Library, Room B-48 (basement level)

**Adjourn: 4:48 PM**