

Comments by David J. Schmidly, President

University of New Mexico

Board of Regents Meeting

Friday, April 30, 2010

I have just a few comments. In putting the budget together we did appoint a strategic advisory committee that included members of the Faculty, Faculty Senate, Staff, and Students. They worked very hard. We asked for their input in terms of managing the cost containment initiatives and other ideas on the budget. They provided a report which I think is online and can be seen by everyone, and we accepted many of the recommendations that were made by that group. They had short-term recommendations, they had mid-term, and they had long-term recommendations. And we are in the process of continuing that group and we will continue to seek their input on the mid-term and long-term recommendations. There were a series of seven meetings held prior to the Budget Summit with Faculty Leadership, Staff Leadership. There were meetings with the Deans, Provost, Graduate Students, and with the Undergraduate Students to discuss where we were with this budget. Obviously it's not easy to put a budget together when you are faced with the realities we were faced with. Those meetings took place, we went over various scenarios and those scenarios were presented at the budget summit on Friday, April 2, 2010. After the summit we asked for comments. We received some comments; most of them were not substantive. Most of them were along the lines of what we heard today as opposed to real substantive cuts and ideas. There were some and we tried to consider them. One of the main concerns raised by the faculty was the situation with sabbaticals. We attempted to address that. Andrew, earlier, went through many of the recommendations, and where they came from. We considered them and tried to adopt as many as we could in the budget. Following the Summit, as we put this together, we had four additional meetings with the same groups and we didn't receive any further concrete proposals on ideas to the budget. So, these are not easy times I think we all need to recognize that. There is a lot of frustration and there is a lot of anxiety. I think that we've tried to maintain the proper priorities. Those priorities were to do the very best we could to protect the classroom. We were fortunate this past year to have an enrollment increase. It wasn't a huge increase, but it was enough to break us out of the ban and because of that we were able to get some additional revenue. We wanted to make sure we put some of those recourses back into the faculty; back into student advising and I think we did a good job under the circumstances of doing that. We will see more faculty positions as a result of adopting this budget. Also, if you

will look over the last three years at real numbers you will see that the graduate assistantships at the University have increased. We made that a priority. As far as tuition is concerned, I don't think anyone relishes the idea of raising tuition. We had to deal with a tuition credit again this time of 5% and of course that's money that fundamentally is deducted from our state appropriations and it's money, unfortunately, our students pay and we're not able to invest directly back into their education. When you look at the tuition increase we have asked for and have discussed, it's 3.5%. We think if you look around the nation at what's happened at other places that this is not an unreasonable tuition increase. We have tried to take some of that money and reinvest it back into the students. The students legitimately have been very concerned about advising. We have listened to those concerns and we've also tried to put some money back into the scholarship program for the students. If you look at the State of New Mexico and compare it to other states in the region, what you will see is that New Mexico is a low tuition high aid state. That is pretty rare. Our tuition rates (if approved today), five and a half million, will place us at number two or three from the bottom in terms of our peer groups. And almost one third of our students that have the lottery scholarships don't even pay that tuition, it's paid by the state. So we're really in a pretty fortunate situation in this state compared to other states. I regret that faculty are leaving. We try, on a case by case basis to address those concerns. The Provost working with the Dean, I think, has created a plan for Chemistry; there have been new hires there. They have created a plan for Math, to address the concerns that were relayed there. We have had some attempts to raid some of our very best faculty, our highest performing people and we have accommodated some concessions to keep those people on the faculty. I think that is a very high priority for us. So I want to thank people for their input, I appreciate it and I understand it. I also understand the difficulties of the situation that we're in. We will continue to manage this in the most sensitive way possible and in a manner that has the least impact on our people. We've not had big layoffs; we've not had furloughs and I think that's a good thing. The State of New Mexico (right now) does not need more people laid off, unemployed with reduced salaries. It needs people that are fully employed. And if you look at our employment, we've done a good job there. Those are my comments.