Committee Members Present:

Regent Sandra Begay, Chair  
Regent Rob Schwartz, Vice Chair  
Regent William Payne  

Non-Voting Committee Members Present:  
Regent Doug Brown  
Regent Kimberly Sanchez Rael  

Administration Present: Garnett Stokes, University President; Teresa Costantinidis, SVP for Finance and Administration (SVPFA); and James Holloway, EVP for Academic Affairs/ Provost  

Presenters in Attendance: Norma Allen, OPBA; Nicole Dopson, Academic Affairs/ Provost Office; Alice Letteney, Valencia Branch; Ava Lovell, Health Sciences Center; Lisa Marbury, ISS; Elizabeth Metzger, Controller; Eddie Nunez, Athletics; and Jason Strauss, Lobo Energy Inc.  

ACTION ITEMS:  

1. Call to Order, Confirmation of a Quorum, and Adoption of Agenda. Regent Begay called the virtual meeting to order at 1:32 p.m. and confirmed that a quorum was established. Regent Schwartz moved to adopt the agenda and Regent Payne seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.  

COMMENTS:  

There were no public comments.  

ACTION ITEMS (continued):  

2. Approval of Finance and Facilities Committee Meeting Summary from April 6, 2021. Regent Payne moved to approve and Regent Schwartz seconded. The motion passed by unanimous vote with a quorum of committee members present and voting. The minutes are in the E-book.  

3. Approval of 3rd Quarter Financial Actions Report and Certification through March 31, 2021 and 3rd Quarter Informational Financial Report through March 31, 2021. Elizabeth Metzger gave the presentation. Regents' approval of the 3rd Quarter Financial Actions report and certification through March 31, 2021 was requested. The Quarterly Financial Actions Report is a one-page report submitted to the Higher Education Department (HED), comprised of "yes" or "no" questions regarding the University's financial transactions. Answering any question "yes" requires further information to be provided to HED. There were no budget changes to report and a “no” response was provided for each question because all financial changes have been reflected in the Budget Adjustment Request (BAR). Once the Budget Adjustment Request (BAR) is approved, they will call them the approved revised budgets. The detailed report is in the E-book. Regent Payne moved to approve and Regent Schwartz seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.
3rd Quarter Informational Financial Report through March 31, 2021. Elizabeth Metzger gave the presentation. This report describes the University’s revenues and expenses as of March 31, 2021. The detailed report is in the E-book.

4. Approval of 3rd Quarter Athletics’ Enhanced Fiscal Oversight Program (EFOP) Report and Certification through March 31, 2021 and 3rd Quarter Information on Athletics’ Report by Sport through March 31, 2021. Eddie Nunez and Nicole Dopson gave the presentation. Regents’ approval was requested for the Athletics' EFOP Report and Certification instituted by HED. This report covers the third quarter financial status and budget exhibits for the Athletics’ department. The detailed report is in the E-book. Regent Payne moved to approve and Regent Schwartz seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.

3rd Quarter Information on Athletics’ Report by Sport through March 31, 2021. Eddie Nunez and Nicole Dopson gave the presentation. The report describes the pooled and directed revenues and expenses by sport for FY 2020 - 2021 budget and includes actuals year-to-date through March 31, 2021. The detailed report is in the E-book.

5. Approval of the Main, HSC, and Branch Campuses’ FY 2021-2022 Budget and FY 2020-2021 Budget Adjustment Request (BAR).

Approval of Main, HSC, and Branch Campuses’ FY 2020-2021 BAR. Teresa Costantinidis and Ava Lovell gave the presentation. Regents’ approval of Main, HSC, and Branch Campuses’ for FY 2020-2021 BAR was requested. The BAR is due to the NM Higher Education Department (HED) by May 1. HED does allow a post May 1 board approval. The original operating and capital budget was submitted to HED last spring and was subsequently revised in July 2020 due to the NM Special Legislative Session.

The drivers for the BAR for Main Campus are noted below:
- Changes in revenue and expenditure projections
- Use of reserves for one-time expenditures
- Increase in restricted grant and contract revenues and expenditures
- Other changes in transfers

Additionally, there was a 30.9% budget increase due to the transfer of UNMH plant reserves from Main Campus for the Hospital Tower project and the Orthopedic Center of Excellence.

Summary of Branch Campus changes are noted below:
- Gallup $291K increase, 1.6% - primarily due to an increase in restricted contract and grant research activity
- Los Alamos $16K decrease, -.3% - primarily transfer spending from auxiliaries to capital projects
- Valencia $1.233M increase, 8.5% - primarily due to an increase in restricted contract and grant research activity and auxiliary COVID costs
- Taos $219K decrease, -1.7% - primarily due to a decrease in restricted contract and grant research activity, and the TRIO grant ended
- HEERF II funding received $930K

The proposed HSC BAR was approved by the HSC Committee on May 4, 2021.
The detailed reports are in the E-book. Regent Payne moved to approve and Regent Schwartz seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.

**Approval of Main, HSC, and Branch Campuses’ FY 2021-2022 Budget.** Teresa Costantinidis gave the presentation. Regents’ approval of Main, HSC, and Branch Campuses’ FY 2021-2022 budget was requested. The University’s consolidated budget is projected to be $3.4B which is a 3% increase over the FY 2020-2021 budget. The Main Campus’ budget reflects a decrease of 4.8% over FY 2020 - 2021 original budget, and a 24.5% decrease over the FY 2020 - 2021 revised budget. The primary drivers for these changes include an increase in state appropriations, tuition and fees, compensation increases, other must fund costs, and decreases in auxiliary revenues. The Main Campus’ budget includes the proposed Athletics’ fee. Discussion was held on the budget components and approval process. Regent Schwartz approved the budget package as a whole, but did not support the Athletics’ fee.

The Branch Campuses’ overall budget shows a -.82% net decrease from the FY 2020 - 2021 revised budget. The primary drivers include an increase in state appropriations, a decrease in tuition, fees, and auxiliary revenues, a 1.5% compensation increase and 1% ERB increase, and decreased spending in non-salary expenses.

The proposed HSC budget was approved by the HSC Committee on May 4, 2021.

The detailed reports are in the E-book. Regent Payne moved to approve Main, HSC, and Branch Campuses’ FY 2021-2022 Budget and Regent Begay seconded. The motion to approve this item passed by a vote of 2-1; Regent Payne and Regent Begay voted for; Regent Schwartz voted against.

6. **Approval of Projects:**

   a. **UNM Valencia Campus Fire Suppression Upgrades.** Lisa Marbury gave the presentation. Regents’ approval was requested for the UNM Valencia Campus Fire Suppression upgrades. The total estimated project budget is $2M, and $1.5M is funded from the local GO Bond 2021 Legislature and $500K is funded from the 2018 Local Bond Match. The detailed report is in the E-book. Regent Schwartz moved to approve and Regent Payne seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.

   b. **Laguna & DeVargas Roof Replacement.** Lisa Marbury gave the presentation. Regents’ approval was requested for the Laguna & DeVargas roof replacement. The total estimated project budget is $741K and is funded from Plant Fund reserves. The detailed report is in the E-book. Regent Payne moved to approve and Regent Schwartz seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.

   c. **University House Exterior Repairs.** Lisa Marbury gave the presentation. Regents’ approval was requested for the University house exterior repairs. The total estimated project budget is $321K and is funded from FY 2020 - 2021 Building Renewal & Replacement (BR&R) funds. The detailed report is in the E-book. Regent Schwartz moved to approve and Regent Payne seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.

7. **Approval of:**
a. Capital Outlay request package for FY 2021-2022. Projects which must be submitted to the Higher Education Department (HED). Teresa Costantinidis gave the presentation. Regents’ approval was requested for the Capital Outlay package for FY 2021-2022 projects, which must be submitted to HED. The detailed report is in the E-book. **Regent Schwartz moved to approve and Regent Payne seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

b. Five Year Capital Plans, detailing projects which will construct and/or significantly improve and renew numerous facilities on the University of New Mexico Campuses. Teresa Costantinidis and Lisa Marbury gave the presentation. Regents’ approval was requested for the 5-year capital plans that detail projects which will construct and/or significantly improve and renew numerous facilities on the University Campuses. The detailed report is in the E-book. **Regent Payne moved to approve and Regent Schwartz seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

8. **Approval of Lobo Energy, Inc. Board Member Nominations.** Jason Strauss gave the presentation. Regents’ approval was requested for the re-appointments for Jon D. Word, Bruno E. Carrara, and Thomas J. Ruiz as public members to the Lobo Energy, Inc. Board of Directors. Effective upon approval, Mr. Word, Mr. Carrara, and Mr. Ruiz will each serve a new a four-year term. The detailed biographies are in the E-book. **Regent Schwartz moved to approve and Regent Payne seconded. The motion passed by unanimous vote with a quorum of committee members present**

9. **Recommendations for Consent Agenda Items on Full Board of Regents’ Agenda.** Regent Begay recommended items 3, 4, 6 and 8 be placed on the full Board of Regents’ consent agenda. **Regent Begay moved to approve and Regent Payne seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

**INFORMATION ITEMS:**

There were no information items.

**EXECUTIVE SESSION:**

Executive session was not held.

Regent Payne moved to adjourn at 2:44 p.m. and Regent Schwartz seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.