

THE UNIVERSITY OF NEW MEXICO
Board of Regents' Finance and Facilities (F&F) Committee
May 2, 2024
Meeting Summary

Committee Members Present:

Regent Bill Payne, Chair (Zoom)
Regent Kim Sanchez Rael

Regent Victor Reyes

Executive Administration Present: Garnett Stokes, University President; James Holloway, Provost and EVP for Academic Affairs; Teresa Costantinidis, EVP for Finance and Administration; and Scott Sauder, Interim General Counsel for Office of University Counsel

ACTION ITEMS:

1. Call to Order, Confirmation of a Quorum, and Adoption of Agenda. Regent Payne called the meeting to order at 12:36 p.m. and confirmed that a quorum was established with Regent Rael and Regent Reyes. EVP Teresa Costantinidis recommended the agenda be amended as follows:

1. Agenda Items 3.2: C, F, G, J, and O be removed from the agenda.
2. Agenda Item 8 be forwarded to the Board of Regents for approval.
3. Agenda Item 14 be changed from an information item to an action item.

Regent Reyes moved to adopt the agenda and Regent Rael seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.

2. Approval of Finance and Facilities Committee Meeting Summary from March 7, 2024. Regent Reyes moved to approve and Regent Rael seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.

CONSENT ITEMS:

3.

1. Approval of Disposition of Surplus Property for February and March 2024. Bruce Cherrin gave the presentation. Regents' approval was requested for the disposition of surplus property for February and March 2024. Items listed in the E-Book are either obsolete or beyond repair. The detailed report is in the E-book.

2. Project Construction Approvals/Re-Approvals (all items below \$2 Million):

- A. Area 4 Roof Replacements and Repairs
- B. Parking Lot Improvements
- C. ~~Center for High Technology – Labs Airflow Safety Modifications~~
- D. Parish Library Space Upgrade for Relocations
- E. Football Field Replacement at the Indoor Practice Facility
- F. ~~Center for the Arts – Fire Protection Upgrade Project – Phase II~~
- G. ~~Elizabeth Waters Center for Dance at Carlisle Gymnasium – Fire System~~
- H. Information Technologies Building (#153) Restroom Renovation Re-Approval
- I. Dane Smith Hall – Atrium Smoke Control Upgrade
- J. ~~Logan Hall – Sanitary Piping Replacement – Phase 2~~
- K. Bandelier Hall East – Office Renovations
- L. Pete and Nancy Domenici Hall – Fire Alarm Upgrade
- M. Family Practice Center – Fire Protection Upgrade Phase 2
- N. Biomedical Research Facility – Labs 131-140 Airflow Safety Modifications
- O. ~~Clark Hall – Basement Laboratories Airflow Safety Modifications~~
- P. Johnson Center – Basement Restrooms Renovation

- Q. Hibben Center – Compact Storage Collections Shelving
- R. UNM Gallup – Lions Hall Demolition
- S. Castetter Hall – Animal Care Facility Upgrade

ACTION ITEM (Continued):

4. Project Construction Approval or Re-Approval (all items above \$2 Million):

1. **Center for Collaborative Arts & Technology.** Tabia Murray Allred, Maria Dion, and Dean Harris Smith gave the presentation. Regents' reapproval was requested for the Center for Collaborative Arts & Technology. The total estimated project budget is \$82.1M. The detailed report is in the E-book.

Regent Reyes moved to approve and Regent Rael seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.

INFORMATION ITEM:

5. **Information on 3rd Quarter Consolidated Financial Report through March 31, 2024.** Norma Allen and Kenny Stansbury gave the presentation. The detailed report is in the E-book.

ACTION ITEMS (Continued):

6. **Approval of the New Mexico Higher Education Department, Institutional Finance Division, 3rd Quarter Financial Actions Report and Certification through March 31, 2024.** Norma Allen gave the presentation. Regents' approval of the 3rd Quarter Financial Actions report and certification through March 31, 2024 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 Rael moved to approve and Regent Reyes seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

7. **Approval of the FY24 Budget Adjustment Request (BAR) for Main and Branch Campuses.** Jeremy Hamlin gave the presentation. Regents approval was requested for the FY24 Budget Adjustment Request (BAR) for Main and Branch Campuses. The FY 2024 original Operating and Capital Budget was submitted to HED on May 1, 2023 and approved by the Board of Regents on May 11, 2023. The University is required to submit a revised budget to NMHED and then to the Department of Finance and Administration if year-end projections show that actual revenue, transfer, or expenditure levels will exceed those initially budgeted. Budget revisions for the fiscal year ending June 30, 2024 must be submitted to NMHED by May 1, 2024.

The primary purpose of the BAR is to ensure actual expenditures will not exceed budget authority by exhibit (5.3.4.10 NMAC).

The budget adjustment drivers for the BAR for Main Campus include changes in revenue and expenditure projections, the use of reserves for one-time expenditures, changes in restricted grant and contract expenditures, and miscellaneous changes in revenues, transfers, and expenditures. These updates are summarized and listed below.

Summary of Changes for Main Campus Current Funds (Unrestricted):

- \$26.9M net increase in revenues
- (\$17.2M) net transfers out
- \$26.5M net increase in expenses

Summary of Plant Fund changes:

- \$32.5M net increase in revenues
- \$43.6M net transfers in
- (\$21.5M) net decrease in expenses

Summary of Changes for Main Campus Current Funds (Restricted):

- \$11.5M net increase in revenues
- (\$315k) net transfers out
- \$11.2M net increase in expenditures

Summary of Branch Campus changes:

- Gallup decreased \$676K
- Los Alamos decreased \$196K
- Taos increased \$851K
- Valencia increased \$520K

The detailed report is in the E-book. **Regent Reyes moved to approve and Regent Rael seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

INFORMATION ITEM (Continued):

8. **Preliminary Overview of FY25 Operating Budget for Main and Branch Campuses.** Jeremy Hamlin gave the presentation. The detailed report is in the E-book.

ACTION ITEMS (Continued):

9. **Approval of 114 Alexander Street, Taos Lease.** Tom Neale and Mary Gutierrez gave the presentation. Regents' approval was requested for 114 Alexander Street, Taos Lease. The detailed report is in the E-book. **Regent Reyes moved to approve, and Regent Rael seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
10. **Approval of LEI Amended MSA & South Campus ESCO Financing.** Jason Strauss and Katherine McKinney gave the presentation. Regents' approval was requested for LEI Amended MSA & South Campus ESCO Financing. The detailed report is in the E-book. **Regent Rael moved to approve, and Regent Reyes seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
11. **Approval of Board Appointments to UNM Rainforest Innovations Board of Directors.** Lisa Kuuttila gave the presentation. Regents' approval was requested for the appointment of Dr. Bryce C. Chackerian to its Board of Directors. President Stokes appointed, per the UNMRI Bylaws, Dr. Bryce C. Chackerian, for a four-year term beginning July 1, 2024, subject to approval by the Board of Regents. Biographies are detailed in the E-book. **Regent Rael moved to approve, and Regent Reyes seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
12. **Approval of the Three-year Appointment of a Non-Positional Director on the Lobo Development Corporation Board of Directors.** Teresa Costantinidis gave the presentation. Regents' approval was requested for Eric Eggins for a Three-year Appointment as a Non-Positional Director on the Lobo Development Corporation Board of Directors. The biography is detailed in the E-book. **Regent Reyes moved to approve, and Regent Rael seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

INFORMATION ITEM (Continued):

13. **UNM Valencia County Bond Election.** Richard Goshorn and Katherine McKinney gave the presentation. The detailed report is in the E-book.

ACTION ITEM (Continued):

- 14. UNM Los Alamos County Bond Election.** Mike Holtzclaw and Katherine McKinney gave the presentation. Regents' approval was requested for UNM Los Alamos County Bond Election to be held in November 2024 pending full board approval. The detailed report is in the E-book. **Regent Rael moved to approve, and Regent Reyes seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

ACTION ITEM RECOMENDATIONS:

- 15. Recommendations for Action Items for Consent Agenda on Full Board of Regents' Agenda.** Regent Payne recommended items 3.2 (as amended), 6, 7, 9, 11, 12 and 14 be placed on the full Board of Regents' consent agenda. **Regent Reyes moved to approve and Regent Rael Seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

INFORMATION ITEM RECOMMENDATIONS:

- 16. Recommendations for Information Items for Full Board of Regents' Agenda.** Regent Payne recommended item 5 to be placed on the full board of Regents' consent agenda. Item 8 was recommended to be placed on the full Board of Regents' agenda for regular approval. **Regent Reyes moved to approve and Regent Rael seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

ADJOURNMENT

- 17. Adjourned at 1:59 p.m.**