

THE UNIVERSITY OF NEW MEXICO
Board of Regents' Finance and Facilities (F&F) Committee
April 6, 2021 – Meeting Summary

Committee Members Present: Regent Sandra Begay, Regent William Payne, and Regent Rob Schwartz

Administration Present: Garnett Stokes, University President, and Teresa Costantinidis, Senior Vice President for Finance and Administration (SVPFA)

Presenters in Attendance: Bruce Cherrin, Purchasing; Chad Cooper, Alumni Association; Connie Beimer Alumni Relations; Lisa Marbury, Campus Environments and Facilities; James Holloway, Academic Affairs; Norma Allen, OPBA; Alice Letteney, UNM-Valencia; Ava Lovell, Health Sciences Center (HSC) Finance and Administration; Kelly Ward, Lobo Development Corporation (LDC); and Kenny Stansbury, UNM Foundation

ACTION ITEMS:

- 1. Call to Order, Confirmation of a Quorum, and Adoption of Agenda.** Regent Begay called the virtual meeting to order at 12:47 p.m. and confirmed that a quorum was established with Regent Begay and Regent Payne present. **Regent Payne moved to adopt the agenda and Regent Begay seconded. The motion passed unanimous vote with a quorum of committee members present and voting.**

COMMENTS:

Mia Amin, Associated Students of the University of New Mexico (ASUNM) President, opposed the proposal for the Athletics Department moving to a headcount model that bypasses the Student Fee Review Board (SFRB) and review of tuition increases. She recommended more student involvement and transparency before implementing financial increases or changes that will have negative effects on students.

Nikhil Paddy, Graduate Professional Student Association (GPSA) President, opposed the Athletics Department's proposed changes of moving to a headcount model and tuition increases, and the collection of a fee from medical students.

Regent Begay acknowledged receipt of an email with the medical student survey from Regent Ko, and she will forward the results to the University's Administration.

*****Regent Schwartz entered the meeting during this presentation, the full committee with three regents were present.*****

ACTION ITEMS (continued):

- 2. Approval of Finance and Facilities Committee Meeting Summary from February 9, 2021.** Regent Schwartz moved to approve and Regent Begay 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 Disposition of Surplus Property for January and February 2021.** Bruce Cherrin gave the presentation. Regents' approval was requested for the disposition of surplus property for January and February 2021. Items listed in the E-Book are either obsolete or beyond repair. 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.**
- 4. Approval of Bylaw Amendments for the University of New Mexico Alumni Association.** Chad Cooper and Connie Beimer gave the presentation. Regents' approval was requested for the Bylaw amendments for the University of New Mexico Alumni Association. On February 26, 2021, the UNM Alumni Association Board of Directors voted to approve the three amendments which address the number of directors, board appointments, and Chapters. The detailed changes to the amendments 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.**
- 5. Approval of Projects:**
 - a. UNM Taos Klauer Campus Water Tank.** Lisa Marbury gave the presentation. Regents' approval was requested for the UNM Taos Klauer Campus water tank. The total estimated Project Budget is \$2.5M. \$2M is funded by the 2020 General Obligation Bond and \$500K is funded by the UNM-Taos Campus Educational Gross Receipt Tax (EGRT) 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.**
 - b. Re-Approval of the Reserve Officer Training Corps (ROTC) Renovation.** Lisa Marbury gave the presentation. After clarifying the bond funding language, Regents' re-approval was requested for the ROTC renovation. The total estimated budget is \$9.5M. \$6.8M is funded by UNM Plant Fund Reserves, \$2M is funded by University Income Fund, and \$7.14K is funded by 2019 State General Funds. 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.**
- 6. Approval of the Proposed Fiscal Year (FY) 2021-22 Budget Planning Assumptions.** Regents' approval was requested for the proposed FY 2021-2022 Budget Planning assumptions. Teresa Constantinidis gave an overview of the presentations.
 - A. Branch Campuses - Gallup, Los Alamos, Valencia, Taos:**
 - i.) Tuition, Fees, and Compensation Proposal. Regents' approval was requested for the branch campuses proposed FY 2021-2022 budget planning assumptions. Dr. Alice Letteny gave the presentation. Branch campuses do not intend to increase tuition and fees and support a 1.5% compensation increase for faculty and staff. 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.

B. Main Campus:

i.) Core Financial Plan and Fees

1.) Overall Budget Scenario

Regents' approval was requested for the proposed FY 2021-2022 budget assumptions. Norma Allen gave the presentation and explained the main campus' budget for FY 2021-2022.

2.) Tuition and Fees

Norma Allen gave the presentation on the main campus' proposed revenue and expenses assumptions. Discussion was held on the various fees, the purpose of the assumptions, and the budget development process.

3.) Compensation

Norma Allen gave the presentation on the compensation proposal for FY 2021-2022 and summarized the proposed compensation increase of 1.5% for faculty and staff.

President Stokes thanked the Budget Leadership Team (BLT) and the branch campuses for their work on the budget assumptions. She then summarized the reasons for her support of the proposed budget assumptions. **Regent Payne moved to approve the main campus budget planning assumptions and Regent Schwartz seconded the motion to allow for discussion (1st Payne, 2nd Schwartz).** Regent Schwartz shared his views, and while he does support Athletics' as a whole, he does not believe students should be burdened with supporting Athletics' by paying a \$100 fee in a headcount model. **Regent Schwartz recommended excluding the Athletics' fee proposal from the overall budget assumptions.** Regent Begay and Regent Payne agreed to remove Athletics' from the budget assumptions. Discussion was held on the proposed fees and the role of Athletics. Regent Begay and Regent Payne were in favor of the assumptions. The detailed presentation is in the E-book. The motion passed by a vote of 3-0. **Regent Payne moved to reinsert the Athletics' proposal into the campus budget assumptions and Regent Begay seconded (1st Payne, 2nd Begay). The motion to reinsert the Athletics' fee change in the budget assumptions passed by a vote of 2-1; Regent Payne and Regent Begay voted for; Regent Schwartz voted against.**

C. Health Sciences Center (HSC):

i.) Tuition, Fees, and Compensation Proposal

Ava Lovell gave the presentation. The proposed HSC tuition changes and compensation budget proposals were presented at the Regents' HSC Committee meeting held on April 6, 2021. Ava Lovell summarized the main points of the budget assumptions that include a proposed 2.5% increase for undergraduate and a 5% increase for graduate in-state tuitions. For out-of-state students, HSC is proposing a 2.5% increase for undergraduate and 5% increase for graduate tuitions. The tuition increases exclude the School of Medicine (SOM) Doctor of Medicine (MD) and the PharmD programs. Additionally, Ms. Lovell

summarized the proposed tuition fee increases and the proposed 1.5% faculty and staff salary increase. 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.**

- 7. Approval of Project Development Proposal and Agreement Between the Regents of the University of New Mexico and Lobo Development Corporation for the Real Estate Development and Management of Innovate ABQ Project Real Estate.** Kelly Ward gave the presentation. Regents' approval was requested for the project development proposal and agreement between the Regents of the University of New Mexico and the Lobo Development Corp. for the real estate development and management of Innovate ABQ Project Real Estate. The detailed agreement 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. Recommendations for Consent Agenda Items on Full Board of Regents' Agenda.** Regent Begay recommended items 3, 4, and 5 be placed on the full Board of Regents' consent agenda. **Regent Schwartz moved to approve and Regent Payne seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

INFORMATION ITEM:

- 9. UNM Foundation Second Quarter Finance & Endowment Portfolio Report.** Kenny Stansbury gave the presentation. Regent Begay recommended the presentation be given at next Board of Regents meeting. The detailed report is in the E-book.

EXECUTIVE SESSION:

Executive session was not held.

Regent Schwartz moved to adjourn at 3:05 p.m. and Regent Payne seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.