

**THE UNIVERSITY OF NEW MEXICO**  
**Board of Regents' Finance and Facilities (F&F) Committee**  
**February 9, 2021 – Meeting Summary**

**Committee Members Present:** Regent Sandra Begay, Regent Doug Brown, and Regent Rob Schwartz

**Administration Present:** Garnett Stokes, University President, and Teresa Costantinidis, Senior Vice President for Finance and Administration (SVPF&A)

**Presenters in Attendance:** Bruce Cherrin, Purchasing; Elizabeth Metzger, Controller; Eddie Nuñez, Athletics; Maria Dion, Planning Design & Construction (PDC); Lisa Kuuttilla, Economic Development and Rainforest Operations; Vahid Staples, OPBA; Kelly Ward, Lobo Development Corporation (LDC); Jason Strauss, Lobo Energy, Inc. (LEI); Jon Bocock, IT Academic Technologies; Elisha Allen, IT Academic Technologies

**ACTION ITEMS:**

- 1. Call to Order, Confirmation of a Quorum, and Adoption of Agenda.** Regent Begay called the virtual meeting to order at 12:30 p.m. and confirmed that a quorum was established with Regent Begay, Regent Brown, and Regent Schwartz present. **Regent Brown moved to adopt the agenda and Regent Schwartz seconded. The motion passed 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 December 1, 2020.** **Regent Brown 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 Disposition of Surplus Property for November and December 2020.** Bruce Cherrin gave the presentation. Regents' approval was requested for the disposition of surplus property for November and December 2020. Items listed in the E-Book are either obsolete or beyond repair, except for one item (Kodak, Carestream 8000 Panorex) which is included in the report. Bruce Cherrin noted that this item will be listed on auction sites to obtain the maximum dollar amount possible. The detailed report is in the E-book **Regent Schwartz moved to approve and Regent Brown seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

4. **Approval of UNM Learning Management System (LMS).** Bruce Cherrin, Duane Arruti, Elisha Allen, and Jon Bocoock gave the presentation. Regents' approval was requested for the UNM LMS. Based upon recommendations from the Provost's Taskforce, the Academic Technology Advisory Board, and a notification giving an end-of-life date for the self-hosted system, Blackboard Learn, in 2023, the University issued a request for proposal (RFP) to replace Blackboard Learn. The total seven-year cost is \$2.49M, and the source of funding is from a portion of the student technology fee structure for annual costs, one-time funds to cover the gap year, and reuse of funds allocated to Blackboard Learn licensing and hosting. The committee recommended awarding the contract to Instructure Inc. and their product Canvas. The contract has been awarded on a contingent basis pending the Board of Regent's approval. The detailed report is in the E-book. **Regent Schwartz moved to approve and Regent Brown seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
  
5. **Approval of 2nd Quarter Financial Actions Report and Certification through December 31, 2020 and 2nd Quarter Informational Financial Report through December 31, 2020.** Elizabeth Metzger gave the presentation. The Quarterly Financial Actions Report is a one-page report submitted to the New Mexico 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. Question 6 was answered "yes". By responding "yes" to Question 6, the additional information reported to HED will indicate that mid-year reviews are in process for Main Campus and Branches to further assess the estimated impact of the pandemic on auxiliary and athletic operations. Based on current projections, the Institutional Support Service Auxiliary Enterprise could end the year with a \$8.9M deficit. Athletics could see a current year deficit from \$12.4M to \$13.8M. The extent of the loss and any possible recovery will depend on the progression of COVID-19 in NM over the next several months. The University is eligible for additional CARES ACT funds that could potentially be used to offset a portion of the deficits due to COVID-19. The detailed report is in the E-book. **Regent Brown moved to approve and Regent Schwartz seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

**2nd Quarter Informational Financial Report through December 31, 2020.** Elizabeth Metzger gave the presentation. The report covers the current fund operations for the University including Main Campus, Branch Campuses, and Clinical Operations including the Health Sciences Center (HSC) Campus. The detailed reports are in the E-book.

6. **Approval of 2nd Quarter Athletics' Enhanced Fiscal Oversight Program Report and Certification through December 31, 2020 and 2nd Quarter Information on Athletics' Report by Sport through December 31, 2020.** Eddie Nunez gave the presentation. Regents' approval was requested for the Athletics' EFOP Report and Certification instituted by the Higher Education Department (HED). This report covers the FY20 the second quarter financial status and budget exhibits for the Athletics' department. The detailed report is in the E-book. **Regent Schwartz moved to approve and Regent Brown seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

**2nd Quarter Information on Athletics' Report by Sport through December 31, 2020.** Eddie Nunez gave the presentation. The report describes the pooled revenues and directed

revenues by sport for FY21 budget and actuals year-to-date through December 31, 2020. This report also compares FY21 budget to quarterly actuals, and FY21 year-to-date actuals to prior year-to-date actuals. The detailed report is in the E-book.

**7. Project Construction Approval:**

- a. **Centennial Engineering Center, 3<sup>rd</sup> Floor Civil Engineering Computer Lab Expansion.** Maria Dion gave the presentation. Regents' approval was requested for the Centennial Engineering Center computer lab expansion. The total estimated project budget is \$393K and \$3.7K is funded from the B.G. Taylor Laboratory Endowment Fund, \$114K is funded from the Civil Engineering Labs Fund, \$146K is funded from the Dana C Wood CE Labs, and \$129K is funded from FY19 General Fund Appropriation. The detailed report is in the E-book. **Regent Brown moved to approve and Regent Schwartz seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
  
- b. **Student Union Partial Roof Replacement.** Maria Dion gave the presentation. Regents' approval was requested for the Student Union partial roof replacement. The total estimated project budget is \$334K and is funded by the Provost Office BR&R. The detailed report is in the E-book. **Regent Schwartz moved to approve and Regent Brown seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

**8. Approval of Reappointments and Appointments to UNM Rainforest Innovations Board of Directors.** Elizabeth Kuuttila gave the presentation. Regents' approval was requested for the re-appointments of Terri Cole, Gregg May, Robert Fisher, Julie Coonrod, and John Stormont to its Board of Directors. The appointments are for a four-year term beginning July 1, 2021 and ending June 30, 2025 subject to approval by the Board of Regents. The biographies are detailed in the E-book. **Regent Brown moved to approve and Regent Schwartz seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

Regents' approval was requested for the appointments of Mitzi Montoya, Richard Luarki, Alex Romero, and David Foster to its Board of Directors. These new appointments are for a four-year term, beginning upon approval by the Board of Regents and ending June 30, 2025. Dr. Montoya, Dr. Luarki, Mr. Romero and Dr. Foster were recommended for appointment by the UNMRI Nominations Committee and approved by the UNMRI Board of Directors at its January 29, 2021 board meeting, subject to Board of Regents' approval. The biographies are in the E-book. **Regent Brown moved to approve and Regent Schwartz seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

**9. Recommendations for Consent Agenda Items on Full Board of Regents' Agenda.** Regent Begay recommended items 3, 5, 6, 7, and 8 be placed on the full Board of Regents' consent agenda. **Regent Brown moved to approve and Regent Schwartz seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

## **INFORMATION ITEM(S):**

- 10. Results of Advanced Refunding of UNM Series 2014A and 2014C Bonds.** Vahid Staples gave the presentation. On February 3, 2021 the Taxable Refunding Revenue Bonds -Series 2021 bond issue was priced and marketed to refund the University's outstanding series 2014A and 2014C bonds. The results of the refunding were favorable as the University was able to benefit from refunding the issue during continued historically low interest rates. The refunding achieved total present value savings of 11.23% of the refunded principal amount which was \$64,290,000. The detailed report is in the E-book.
  
- 11. Report on UNM 2021 Business & Economic Summit.** Lisa Kuuttilla gave the presentation. The summit was held on January 12, 2021 and focused on the NM Chamber of Commerce study focusing on what New Mexico needs to do to move the economy forward. There were 260 attendees and a number of requests for access to the video presentations. The video presentations can be found at:  
<https://innovations.unm.edu/unm-business-and-economic-summit-a-success/>
  
- 12. UNM Rainforest Innovations 2020 Annual Report and Audit Report.** Lisa Kuuttilla and gave the presentation. Regents' approval was requested for the UNM Rainforest Innovations 2020 Annual Report and the annual audit results. The committee voted to accept these items and recommended that they be advanced to the Board of Regents for approval. The detailed reports are in the E-book.
  
- 13. Lobo Development's Annual Meeting of the Members.** Kelly Ward gave the presentation. Regents' approval was requested for a) the summarized minutes of the December 10, 2019 meeting and b) the acceptance of the FY 2019-20 audit. The committee voted to accept these items and recommended that they be advanced to the Board of Regents for approval. The detailed reports are in the E-book.
  
- 14. Lobo Energy Inc. Annual Meeting of the Members.** Jason Strauss gave the presentation. Regents' approval was requested for a) the summarized minutes of the December 10, 2019 meeting, and b) the acceptance of the FY 2019-20 audit. The committee voted to accept these items and recommended that they be advanced to the Board of Regents for approval. The detailed reports are in the E-book.

## **EXECUTIVE SESSION:**

Executive session was not held.

**Regent Begay moved to adjourn at 1:48 p.m. and Regent Brown seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**