

**THE UNIVERSITY OF NEW MEXICO**  
**Regents' Finance and Facilities Committee**  
**January 3, 2008– Meeting Summary**

**Committee Members Present:** Regent Mel Eaves, Chairman; Regent Don Chalmers; Regent Raymond Sanchez; Louise Campbell-Tolber; Jerry Geist

**Non-voting Members Present:**

**Other Attendees:**

**Patrick Apodaca**, University Counsel; **Melanie Baise**, University Counsel; **Steve Beffort**, Institutional Services; **Kara Bobroff**, Native American Community Academy; **Joseph Cecchi**, Dean of Engineering School; **Larry Carmony**, Moss Adams; **Tim Cass**, Athletics; **Bruce Cherrin**, Purchasing; **Andrew Cullen**, Budget, Planning & Analysis; **Rachel Felix**, EVP Office; **Vi Flores**, Interim Provost; **David W. Harris**, EVP/COO/CFO; **Jewel Glavey**, Lobo Energy; **Helen Gonzales**, VP Human Resources; **Tim Gutierrez**, Student Affairs; **Miguel Hidalgo**, FREM; **Mary Kenney**, HSC Facility Planning; **Lisa Kuutila**, STC; **Debbie Kuidis**, Police; **Ava Lovell**, Finance; **Roger Lujan**, University Architect; **Lisa Marbury**, Business Development & Auxiliary Enterprises; **Cenissa Martinez**, EVP Office; **Jack McIver**, Research and Economic Dev.; **Susan McKinsey**, Communications & Marketing; **Kim Murphy**, Real Estate; **Anne Murray**, President's Office; **Curt Porter**, Budget, Planning & Analysis; **Marc H. Saavedra**, Government & Community Relations; **Martin Salazar**, Albuquerque Journal; **Donna Smith**, Safety & Risk Services; **Carol Stephens**, Policy; **William Turner**, Office of Capital Projects; **Chris Vallejos**, Business Development & Auxiliary Enterprises; **Robert Vallejos**, Native American Community; **Guatam Vora**, Anderson School of Management; **Mary Vosevich**, PPD; **Ellen Wenzel**, Regents' Office; **Amy Wohlert**, Anderson School of Management

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**Regent Eaves called the meeting to order at 9:30 a.m. in the Roberts Room at Scholes Hall.**

**ACTION ITEMS:**

1. **Meeting Summary from October 2, 2007. Regent Chalmers moved to approve and Regent Sanchez seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**
2. **Disposition of Surplus Property on List Dated December 18, 2007.** Bruce Cherrin presented the December 18, 2007 list for approval. **Jerry Geist moved to approve and Regent Sanchez seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**
3. **Approval of:**
  - a) **UNM Los Alamos Campus Instructional Facilities Renovation.** Roger Lujan made the presentation. This is an interior renovation of an existing, single-story, 3700 sq. ft. building. It includes information technology upgrades for two classrooms. Project budget is \$434,000 funded by 2 sources: \$346,500 from FY07 G.O. bond proceeds, and \$87,500 from plant funds from Los Alamos Campus student fees. In response to Regent inquiry, the infrastructure will be replaced with information technology features such as digital projection, wireless

internet, and televised classroom. **Regent Chalmers moved to approve and Regent Sanchez seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**

4. **Approval of Performance Report of the Regents' Endowment Portfolio (quarter ending 9/30/07).** Amy Wohler and Guatam Vora made the presentation. Guatam Vora is the instructor of the course. In response to Regent inquiry, the market value has increased from \$2 million to \$2.476 million. The portfolio pays a 50 basis point management fee to UNM, which has not been collected. **No action was required, however Don Chalmers moved to approve and Jerry Geist seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**
5. **Approval of STC.UNM Board of Directors Appointments.** Joe Cecchi and Lisa Kuuttila made the presentation. Pedro F. Suarez and Joseph W. Trujillo were recommended for appointment. **Regent Sanchez moved to approve and Jerry Geist seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**
6. **Approval of STC.UNM Annual Report and Audit Report to the Board of Regents of the University of New Mexico.** Lisa Kuuttila, Joe Cecchi, and Larry Carmony made the presentation. Larry Carmony presented evidence that the audit was performed in accordance with the state auditor's regulations, and there were no situations of non-compliance. Dean Cecchi presented the expenditures and activities of STC. STC's net revenue for FY07 was \$1.766 million. STC has generated an income of \$998,307; in addition, business relationships have produced \$2.26 million in new research funding for UNM. The net research funds to UNM are approximately \$1.5 million. In response to Regent inquiry, the revenues for UNM are recorded by STC as an expense to UNM. STC is predicted to increase income on a consistent basis due to improvements. In response to Regent inquiry, the sponsored industry research funding amount is calculated by STC through the annual research award report published by UNM. STC identifies projects linked with license, options agreements or STC's assistance to UNM in referring companies. Regent Eaves requested a copy of the list be distributed to committee members. **Jerry Geist moved to approve and Regent Sanchez seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**
7. **Approval of Proposed Changes to Regents' Policy 2.11 Naming University Facilities, Spaces, Endowments and Programs.** Michael Kingan made the presentation. The first recommendation is to clarify that Regents' Policy 2.11 applies to endowed chairs and professorships. In response to Regent Inquiry, the change would not affect the naming of facilities and spaces. The second recommendation is the addition of Section 1.3, which applies to a situation where a donor would fund a naming opportunity over a specified period of time. In response to Regent Inquiry, the policy changes have been approved by President Schmidly. **Jerry Geist moved to approve and Regent Sanchez seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**
8. **Approval of Quasi-Endowment Funds.** Jack McIver made the presentation. This is a request for approval to move funds that existed in the Terry Yates principal investigator overhead account. These funds would be used to benefit infectious disease studies. **Regent Sanchez moved to approve and Louise Campbell-Tolber seconded. The**

**motion passed by unanimous vote with a quorum of Committee members present and voting.**

- 9. Approval of Lobo Energy, Inc. Audit FY 2006-07.** Steve Beffort and Larry Carmony made the presentation. There were no deficiencies or situations of non-compliance in performing the audit. EVP David Harris assured the committee that the entire audit would be distributed to all the Regents before the full Board of Regents meeting. **Jerry Geist moved to approve and Regent Sanchez seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**
- 10. Approval of Construction Management at Risk Project Delivery.** Mary Kenney and Bill Turner made the presentation. Regent approval is required to use the process of Construction Management at Risk and to develop a committee for the Pit project. In response to Regent inquiry, the Construction Management Risk process has been recommended for the Pit project, which involves significant scheduling challenges. EVP Harris explained that the role of the Regents should be to authorize the administration to proceed with the caveat that progress reports be presented regularly. Patrick Apodaca stated the statutory requirements of the delegation of the selection committee. There are two critical Regent approvals required, including the determination that the Pit project is appropriate and that it is in the best interest of the project to use the Construction Management at Risk Delivery System, the other is the appointment of the selection committee. In response to Regent inquiry, EVP Harris stated that the Regents should be the ultimate authority on approving the selection committee, and the authority of the committee should also be approved by the Regents. The recommendations for the selection of committee members are: Steve Beffort, VP Institutional Support Services; Paul Krebs, VP Athletics; Bill Turner, Director of Capital Projects; Roger Lujan, University Architect, and Architect of Record, Molzen Corbin. In response to Regent inquiry, EVP Harris determined that this selection would be the most effective. In response to inquiry by Jerry Geist, the University has experience using the Construction Management at Risk Delivery System process. **Regent Chalmers moved to approve the application of the Construction Management at Risk Delivery System to the Pit project, and Louise Campbell-Tolber seconded.** The committee would have the authority to recommend the three best contractors based on evaluations from a list of bids from qualified respondents. In response to Regent inquiry, there is a conceptual design that proposes a budget for the bids to be based on. If there needs to be changes to the proposed design, the contract will be amended as documents are finalized. Any amendments will be brought to the Regents for approval. In response to Regent inquiry, the contractor recommendation and a guaranteed maximum price will be brought to the Regents for approval before any contract is signed. The contract will be signed after the Regents make the selection. In response to inquiry by Louise Campbell-Tolber, the contractor selection process will take three months. **Regent Chalmers moved to approve the selection committee's authority and Regent Sanchez seconded. Regent Chalmers moved that the Construction Management at Risk Delivery System is in the best-interest of the Pit project, and Regent Sanchez seconded. The motions passed by unanimous vote with a quorum of Committee members present and voting.**
- 11. Approval of Harwood Museum of Art Capital Outlay Request.** Marc Saavedra made the presentation. This project expands the auditorium and educational work space for the museum. Project budget is \$1.4 million. The Office of Government and Community Relations forgot to place this item on the agenda for October 2007. **Regent Sanchez**

**moved to approve and Jerry Geist seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**

**Recommendations for Consent Agenda Items on full Board of Regents.** Regent Eaves recommended items 1 through 9, and 11 to be placed on the Consent Agenda.

**INFORMATION ITEMS:**

- 12. Monthly Financial Report.** Ava Lovell made the presentation.
- 13. Contract Information.** Bruce Cherrin made the presentation.
  - a) UNM Athletics.
  - b) UNM Office of Capital Projects/Biology LTER – Socorro Electric Cooperative, Inc.
  - c) UNM Office of the President – Greenwood & Associates Executive Search & Consulting, Inc.
  - d) UNMH – New Mexico Department of Health.
- 14. Native American Community Academy Proposed Charter School.** Kim Murphy and Kara Bobroff made the presentation.
- 15. Status Report on UNM Major Construction Projects.** Bill Turner

**EXECUTIVE SESSION:**

NONE

**Regent Eaves moved to adjourn and Regent Chalmers seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting and the meeting adjourned at 10:57 a.m.**