



BOARD OF REGENTS

Agenda Book

**May 9, 2019
9:00 AM
Student Union Building
Ballroom C**

The Board of Regents of the University of New Mexico
May 9, 2019 – Regular Meeting & Budget Approval
9:00 AM Open Session - Student Union Building (SUB), Ballroom C
Executive Session-luncheon, Cherry Silver Room, SUB
AGENDA (2nd revised)

TAB

- I. Call to Order, Confirmation of a Quorum, Adoption of the Agenda 1
Regent President Douglas M. Brown
- II. Approval of Minutes: April 9, 2019 Budget Summit and April 22, 2019 Special Meeting 2
- Public Comment – comments related to items on the agenda (limit 3 min.)
Regent Advisors – comments related to agenda items (limit 3 min.)
Comments from Regents
- III. The President’s Administrative Report, *President Garnett S. Stokes* 3
- IV. Regent Committee Reports
- Consent Docket**
(Action items on Regent’s Committee agendas may move to the Board of Regents’ agenda as consent items; the below items are placed on the consent docket by the respective committee chairs; items on the consent docket received unanimous approval in committee; per Regents’ Policy 1.2, “Any member of the Board of Regents shall have the right upon request to remove any item from the Board’s consent agenda and place the item on the Board’s regular agenda for discussion.”)
1. Academic/Student Affairs & Research Committee, Regents Sanchez Rael & Henry, Co-Chairs
- a. Form C - Deletions..... C-1
- i. AA Communication & Journalism (UNM-Taos) (delete)
- ii. AAS Fire Science concentration: Emergency Medical Services (UNM-LA) (delete)
- iii. CERT Office Communications & Technology (UNM-LA) (delete)
- iv. AAS Office Communications & Technology (UNM-LA) (delete)
- v. AAS Construction Technology (UNM-Valencia) (delete)
- vi. CERT Clinical Chemistry (HSC) (delete)
- vii. AA Art Studio (UNM-Gallup) (delete)
- b. Posthumous Degree Request for Mireya Martinez..... C-2
- c. Posthumous Degree Request for Chantell Howard C-3
2. Finance and Facilities Committee (F&F) Consent Items, Regent Sandra Begay, Chair
- a. Approval of Disposition of Surplus Property for Main Campus for March & April 2019..... C-4
- b. Approval of Quarterly Financial Actions Report and Certification through March 31, 2019
and Information on Monthly Consolidated Financial Reports for month end March 31, 2019 C-5
- c. Approval of Athletics’ Enhanced Fiscal Oversight Program Report and Certification through
March 31, 2019 and Information on Athletics’ Report on Revenue, Expenditures, and Compliance
through March 31, 2019 C-6
- d. Approval of Projects: C-7
- i. Request for Project Construction Dana C. Wood Formula Society of Automotive Engineering
Racing Lab
- ii. Request for Project Construction Student Health and Counseling Phase 1 Renovation
- iii. Request for Project Construction Valencia Campus Photovoltaic Solar System Phase 3
- iv. Request for Demolition of the Building Located at 1705 Mesa Vista Rd., NE
- v. Request for Tenant Improvements for Sandia National Laboratories’ Lease at the Advanced
Materials Laboratory at the UNM Science and Technology Park
3. Health Sciences Center Committee (HSCC) Consent Items, Regent Rob Schwartz, Chair
- a. Request for Approval of the Nomination of Gary Hoffman as Parent Member to the Carrie
Tingley Hospital Advisory Board C-8
- b. Request for Approval of Disposition of Assets..... C-9

- c. Request for Approval of Capital Project to Demolish Building at 111 Stanford Dr. NE C-10
- d. Request for Approval of the Biosense Webster Catheter Agreement C-11
- e. Request for Approval of the Pharmacy Coumadin Clinic C-12
- f. Request for Approval – Capital Project – Adult Inpatient–Inpatient BHICU Comfort Rooms..C-13
- g. Request for Approval – Capital Project – PES Expansion without IOP Conversion Plan Final . C-14
- h. Request for Approval of UH Main Facilities AHU 117 Replacement C-15

Academic/Student Affairs and Research Committee (ASAR), Regents Sanchez Rael & Henry, Co-Chairs

Action Item

- 1. Spring 2019 Degree Candidates, *Pamela Pyle, Faculty Senate President* 4

Finance and Facilities Committee (F&F), Regent Sandra Begay, Chair

Action Items

- 1. Approval of Main and Branch Campuses' FY 2019-2020 Budget and FY 2018-2019 Budget Adjustment Request (BAR), *Norma Allen, Director Budget Office* 5
- 2. Approval of 6
 - a. Capital Funding Requests for FY 2019-2020
 - b. Five Year Capital Plans
Craig White, Interim SVP, Finance and Administration; Rich Wood, Interim Provost; Lisa Marbury, Executive Director, ISS

Information Item

- 3. Discussion of Regents' Endowment Accounts 7
Rich Wood, Interim Provost; Kenny Stansbury, CFO, UNM Foundation

Health Sciences Center Committee (HSCC), Regent Robert Schwartz, Chair

Action Items

- 1. Request for Approval of the FY 2020 HSC Budget and the FY2019 Revised Budget (FY2019 Budget Adjustment Request or BAR), *Ava Lovell, Sr. Exec. Officer Finance & Administration* 8
- 2. Request for Approval of the New Mexico Higher Education Capital Projects 5-Year Plan document and HSC Top Three Capital Project Priorities for FY2020, *Ava Lovell* 9
- 3. Request for Approval of the UNM Health Sciences Center Spring 2019 Graduates, *Amy Levi* 10

- V. Vote to Adjourn for the Meetings of the Member:
- VI. Meeting of the Member: Lobo Development Corporation 11
 - a. Approval of Minutes of the 2017 Meeting of the Member
 - b. Acceptance of the FY17 and FY18 External Audits
- VII. Meeting of the Member: Lobo Energy, Incorporated 12
 - a. Approval of Minutes of the 2017 Meeting of the Member
 - b. Acceptance of the FY17 and FY18 External Audits
- VIII. Vote to Reconvene Board of Regents

Public Comment – comments not related to items on the agenda (limit 3 min. per speaker)

- IX. Advisors' Comments (limit 3 min.) 13
- X. Vote to close the meeting and proceed in Executive Session (Roll Call Vote)
 - 1. Discussions subject to attorney-client privilege pertaining to threatened or pending litigation as permitted by Section 10-15-1(7), NMSA (1978)
- XI. Vote to re-open the meeting and certification that only those matters described in Agenda Item X. were discussed in Closed Session and if necessary, final action with regard to those matters will be taken in Open Session.
- XII. Adjourn

**Minutes of the Annual Budget Summit and
Regular Meeting of the
Board of Regents of the University of New Mexico
April 9, 2019
Open Session - Ballroom C, Student Union Building (SUB)
Executive Session – Cherry Silver Room, SUB
Main Campus**

Members present

Douglas M. Brown, President; Kim Sanchez Rael, Vice President; Sandra K. Begay, Secretary Treasurer; Rob Doughty; Melissa Henry; Robert Schwartz

Members not present

Marron Lee

Administration present

Garnett S. Stokes, President; Paul Roth, EVP and Chancellor for Health Sciences Center; Rich Wood, Interim Provost and EVP for Academic Affairs; Craig White, Interim SVP for Finance and Administration; Loretta Martinez, Chief Legal Counsel; Gabriel Lopez, VP Research; Michael Richards, Vice Chancellor for Clinical Affairs; Francie Cordova, Director of OEO and Interim Chief Compliance Officer; Lawrence Roybal, Interim VP for Equity and Inclusion; Eliseo 'Cheo' Torres, VP Student Affairs; Dorothy Anderson, VP HR; Eddie Nuñez, Athletics Director; Dana Allen, VP Alumni Relations; Terry Babbitt, President's Chief of Staff; Ava Lovell, Executive Officer for Finance & Administration, HSC; Liz Metzger, University Controller

Advisors present

Boney Mutabazi, GPSA President; Becka Myers, ASUNM President; Pamela Pyle, Faculty Senate President; Laurie Moye, Chair, UNM Foundation Board of Trustees; Rob Burford, Staff Council President; Steve Borbas, Retiree Association President

Presenters in attendance

Norma Allen, Director, University Budget Operations; Nicole Dopson, Director, Financial Operations; Pamela Cheek, Associate Provost for Curriculum and Assessment

Others in attendance

Members of administration, faculty, staff, students, the media and others.

CALL TO ORDER, CONFIRMATION OF A QUORUM, ADOPTION OF THE AGENDA

Regent President Douglas M. Brown called the meeting to order at 9:05 AM and confirmed a quorum. Six members were present in person; Regent Marron Lee was not able to attend the meeting.

The motion to adopt the agenda passed with a unanimous vote in favor (1st Sanchez Rael; 2nd Begay).

APPROVAL OF MINUTES

The motion to approve the minutes of the February 28, 2019 special meeting and the March 11, 2019 regular meeting passed with a unanimous vote in favor (1st Sanchez Rael; 2nd Henry).

PUBLIC COMMENT

Tony Strati commented regarding the athletic budget and that he had inquired in a previous Finance and Facilities Committee meeting how UNM will spend the \$1.1 million additional state appropriations for athletics. This amount was approved by the Legislature and signed by the Governor, and the amount was specifically stipulated by the Legislature that it may be used for reinstatement of the sports programs cut in 2018. The response Mr. Strati received from UNM was that various athletic department determined alternatives for using this additional appropriation were currently being evaluated by regent representatives and university administration. Given the importance of this alternative evaluation process, which is apparently currently ongoing, Mr. Strati asked the Regents if they could comment on the expected decision date for communication of these conclusions and this evaluation.

Sharon Argenbright, President for District 1199, Hospital and Healthcare Workers Union, commented regarding the budget approval and asked for fair and appropriate salary increases for the 5,000 workers the union represents. The Hospital management team is currently negotiating with the Union for a new contract. Ms. Argenbright stressed the importance of the funding levels that would be allocated toward salaries in the budget and stressed the need for cost of living increases and a revision to the current compensation structure.

John Garcia, Executive Vice President of the Homebuilders Association of Central New Mexico, and former Secretary for Tourism and Economic Development, spoke about the performance of the UNM Ski Team, 5 of the Athletes are All-Americans, 1 a National Champion, and Men's Slalom took the National Championships. This year, Christian Otto got Nordic Coach of the Year, and Joe Downing was named Alpine Coach of the Year. Mr. Garcia spoke about the exemplary student athletes, both in and outside the classroom, and added they represent the very best of UNM and the State of New Mexico.

Joachim Oberst, parent, coach and educator, UNM Lecturer, commented in support of the athletic programs that have been cut and spoke about how the athletic discipline translates into academic excellence. The sports that stand out academically also stand closest to the community, and the student athletes work with the community. What has been created in 35 decades cannot be destroyed with the stroke of a pen. When graduates go out, they take the good name of UNM with them. Dr. Oberst urged the Regents to pave the way that protects the beloved sports, and he asked the Regents to reinstate Men's Lobo Soccer, the Ski Team, and the Women's Beach Volleyball Team.

Regent Brown thanked everyone for their comments and responded regarding sports, UNM is currently engaged to try to do what it can in the short term to craft the best kind of participative sports programs possible, and for the long-term, to find a truly sustainable model for sports. This is done in a very difficult landscape, where 85% of Division I sports teams around the country are in the red, attendance is down nationwide, and where UNM's enrollment is down. There are a lot of pressures that need to be balanced.

REGENT ADVISORS COMMENTS (no comments)

COMMENTS FROM REGENTS (no comments)

ANNUAL BUDGET SUMMIT: FISCAL YEAR 2019-2020 UNM CONSOLIDATED BUDGET:

PRESIDENT'S INTRODUCTION AND REMARKS

President Garnett S. Stokes kicked off the annual Budget Summit setting the stage for subsequent presentations. President Stokes outlined the Main Campus and HSC budget processes. For Main Campus, the Budget Leadership Team (BLT) is the primary point for budget input and processing and is charged with making budget recommendations to the President of the University, who in turn makes recommendations to the Board of Regents. The BLT has membership that is well represented of many constituents on campus. Inputs to the BLT process include, Board of Regents' input, Student Fee Review Board (SFRB) recommendations, state appropriations, tuition and fee projections, enrollment projections, compensation priorities, inflationary factors, as well as new requests and initiatives. The major issues addressed by the BLT included the enrollment shortfall; past state cuts; partial state funding of compensation increase; preservation of investments that have driven student success; and balancing critical needs for funding to support excellence, with the desire to limit tuition increases. President Stokes discussed three alternative strategic budgeting models including, a stasis, more centralized model that is incremental budgeting and continues existing budget practices; a radical, decentralized model that is around responsibility-centered management (RCM); and a moderate, decentralization model around directed tuition flows (Fiscal Commons Model). President Stokes discussed the BLT's strong support for the third model where directed tuitions flow to the respective units reward and incentivize new degree programs and new curricula.

President Stokes discussed the HSC budgeting process. The HSC strategic goals drive the budget, those being: 1) improve health and health care for those we serve; 2) build the health care workforce of NM by providing a premier education; 3) foster innovation and translate our research and discoveries into clinical and educational practice; and 4) deliver a well-integrated academic health center that provides the safest and highest quality clinical care. There is a team similar to the Main Campus BLT that processes the budget inputs, those being: Regents' inputs; strategic planning; research F&A cost recovery projections; payers, Medicaid, patient access;

new requests & initiatives; and compensation assumptions and capital project planning. President Stokes discussed the HSC budget challenges and assumptions. On the expense side, the priorities include, compensation funding, offsetting Cancer Center 340B cuts, support for the new College of Population Health Dean, and the new hospital tower project. Revenue challenges include payer reimbursement reductions, inpatient capacity constraints, operational improvements, and behavioral health expansion needs. There were also \$1.5 million of new requests and initiatives to address regarding student safety and security, health law and IPRA, HSC CIO infrastructure, community health and patient access.

President Stokes addressed changes to House Bill 2 by Governor Lujan-Grisham related to compensation and discussed a recent letter from HED Secretary Kate O'Neill to clarify a 4% compensation increase for all employees. For UNM, a 4% compensation increase would be funded by state appropriations in the amount of \$9.43 million for both Main Campus and HSC, but would not fund the total needed to fund all employees at a 4% increase, leaving a \$20.5 million shortage of funds. Factoring in, conservatively, contracts and grants employees, the shortfall may still be over \$16 million. President Stokes reminded the Regents these are recurring dollars. On the revenue side, a 1% tuition increase would provide funding of about \$770K. President Stokes also reminded the Regents of prior discussions that outlined compensation issues among faculty and staff and that were put forth as high priorities needing to be addressed.

Given the challenges mentioned, President Stokes proposed to the Regents to continue with the budget summit, but to call for a postponement of the vote for the Main Campus budget proposal, except for the Branches, and a postponement of the HSC tuition and fee increases and compensation until a special meeting could be called after sufficient time could be given to digest all of the information in order to bring a proposal back to the Regents on how UNM will manage the expectation that it would cover a 4% compensation increase for its faculty and staff.

Regent Doughty responded that if tuition were to cover the \$16 million shortfall due to a 4% compensation increase, and if as stated a 1% tuition increase produces \$770K, then it looked like tuition would need to be raised at least 20%. President Stokes confirmed it is a serious situation; the current proposal with a 2% compensation includes 1.5% cuts across all units. President Stokes stressed the need for the postponement of the vote to allow the BLT to get back together to carefully consider all the options.

Regent Kim Sanchez Rael said she supported President Stokes' recommendation to postpone the vote on the budget based on there being new information warranting thoughtful analysis before taking action.

Regent Sandra Begay asked how the other institutions of higher education in the state were reacting to the news of the 4% compensation increase. President Stokes responded other institutions had received the same letter from the HED Secretary, dated April 8. Regent Begay said it was important to know the timing when information became available.

REGENT COMMITTEE REPORTS

FINANCE AND FACILITIES COMMITTEE - FY2020 Budget Leadership Team Budget Recommendations

Regent Begay, Chair of Finance and Facilities Committee (F&F), clarified in light of the request to postpone the vote, the meeting would proceed with budget presentations and discussion, and she asked Rich Wood to open the presentations.

Branch Campuses: Valencia; Los Alamos; Taos; Gallup

Provost Wood addressed the budget proposals for each of the branches. Each of the branch campus advisory boards approve the respective budgets and they are brought to the Regents for approval. Provost Wood asked the CEO's of the branches to stand and be recognized: Alice Letteney, CEO UNM-Valencia; Patrick Valdez, CEO UNM-Taos; Cynthia Rooney, CEO UNM-Los Alamos; and James Malm, CEO UNM-Gallup. The branches were acknowledged and thanked for the work they do for communities in the State.

Dr. Wood clarified administration would ask the Regents to vote on the branch campus budgets that would be presented. The branch budget proposals were presented as action items in the Finance and Facilities Committee and as an information items in Academic/Student Affairs and Research Committee. Provost Wood presented

the proposals. No tuition increases are requested by any of the four branches. State appropriations and mil levies fund a large portion of the revenues for each of the branches. **[ATTACHMENT A]**

Regent Brown said the board would take a vote on the branch campus budgets.

Regent Schwartz motioned approval; Regent Begay seconded. Before the vote, there was discussion.

Regent Begay commented she has special appreciation for the Branch Campuses as she received her undergraduate education at UNM-Gallup. The branches have their local support, which is a special attribute of the branches.

Regent Sanchez Rael inquired how the branches would manage a 4% compensation increase. Alice Letteney, CEO for UNM-Valencia, clarified for UNM-Valencia, state appropriations covered about 40% of the compensation increase, so to cover the rest, they are anticipating a mil levy increase that will contribute over \$80K in revenues along with an increase in dual-credit funding of over \$100K. Additionally, on the savings side, there are anticipated staff retirements, positions that will not be replaced. If needed, balances will be used. Provost Wood added the picture would be similar at each of the other branches.

Regent Robert Schwartz echoed it sounded like each campus has figured out its own combination of variables that will cover the 4% compensation increase, and he asked if in general, the 4% refers to just salary, or to total compensation which would also include health insurance and retirement. Provost Wood clarified it is not explicit, but in past years it has been treated as salary only. Provost Wood added the mil levy helps the branches and also this year, dual-enrollment was funded by the state. The research universities did not receive state support for dual-enrollment.

Student Regent Melissa Henry asked for clarification on the branch budgets the Regents would be voting on, and if they did each include the 4% compensation increase. Provost Wood responded in the affirmative. Regent Schwartz asked for clarification that it was 4% compensation or 4% salary; Provost Wood responded, 4% salary.

The motion to approve the FY2020 branch campus budgets for the UNM-Valencia, UNM-Los Alamos, UNM-Taos, and UNM –Gallup passed with a unanimous vote in favor (1st Schwartz; 2nd Begay).

Main Campus: Funding Priorities; budget Scenario; Tuition Proposal; and Athletics

Rich Wood opened the budget presentation. The budget that would be proposed was unanimously supported by the BLT, but it does not take into account the new 4% compensation information recently provided by the State. Provost Wood discussed the financial assumptions, budget strategies, and funding priorities. **[ATTACHMENT B]**

Regent Sanchez Rael asked for clarification on the earlier comment that a 1% tuition increase would yield \$770K in increased revenue, when slide 7 shows projected revenue from tuition to be \$120 million, and 1% of that would be \$1.2 million. Provost Wood explained the \$770K would be the net available for spending after a portion of the increase is set aside for student aid.

Provost Wood continued with discussion on the value proposition for students at UNM, what UNM offers to students while they attend, the value and quality of the UNM degree, and the current value, over \$50K, to the UNM undergraduate full-time student for a one-year reduction in time-to-degree. **[ATTACHMENT C]**

Regent Doughty requested elaboration on the 'Finish in Four' work noted in the estimated value of reducing time-to-degree by one year. Terry Babbitt clarified there is a successful 'Finish in Four' scholarship initiative that funds the last semester tuition for undergraduates who graduate in four years. It has grown and benefitted several 100 students and is an incentive program to help student stay on track to graduate in four years and so have less debt upon graduation. It has also been used in recruiting and overall it has been an effective piece in combination with other initiatives. Provost Wood clarified the Finish in Four is also the label that the Association of Public and Land Grant Universities (APLU) uses for the effort to push first-year initiatives into all four years, and this was addressed at a recent APLU meeting.

Provost Wood addressed base tuition compare data with peer institutions. Compared to peers, UNM base tuition is one of the lowest for both undergraduate and graduate students. **[ATTACHMENT D]**

Provost Wood addressed the undergraduate tuition and fee proposal. The proposal does not include a base tuition increase, but a \$10 per credit-hour (premium) increase (from \$25 to \$35) for upper division courses only, along with a 3.43% mandatory student fee increase and a new IT technology fee of \$50 for Fall and Spring semesters and \$10 for summer. The technology fee is a per-headcount fee model and includes the Adobe Creative Software Package. **[ATTACHMENT E]**

Provost Wood addressed the graduate tuition and fee proposal. The proposal does not include a base tuition increase, but a \$10 per credit-hour (premium) increase (from \$25 to \$35) for graduate courses, along with a 3.43% mandatory student fee increase and a new IT technology fee of \$40 for Fall and Spring semesters and \$10 for summer. The technology fee proposal is \$10 less for graduate students Fall and Spring because the new fee had not yet been fully vetted by the graduate students. **[ATTACHMENT F]**

Provost Wood presented the differential tuition request for the College of Arts and Sciences (CAS) for both undergraduates (\$10 per student credit-hour) and graduate students (\$50 per student credit-hour, plus \$100 flat fee for dissertation hours). The proposed differential tuition is driven by two things: 1) the CAS teaches services courses for students all over the University, and 2) in addressing the fiscal commons model President Stokes mentioned earlier, the thought is the CAS is a good size and place to start to see how this model may be beneficial. **[ATTACHMENT G]**

Regent Begay requested explanation on the differences between the differential tuitions between colleges, for instance, School of Engineering (SOE) and Anderson School of Management (ASM). Provost Wood responded both SOE and ASM already charge differential tuitions as part of how they fund their mission in recent years, both higher than the CAS proposal at the undergraduate level. What this does is diversify sources of funding so to allow more stable budgeting over the years.

Becka Myers and Boney Mutabazi presented the Student Fee Review Board (SFRB) recommendations. Ms. Myers explained the SFRB is comprised of undergraduate and graduate students; the SFRB process begins in the summer. Units across campus apply for student fee funding; the SFRB heard from over 30 units, after which there are formal presentations and time for question/answer. The SFRB works to grasp the full picture of the units and their respective funding levels. Ms. Myers read a statement from the board: *"We understand that student success and accessibility to UNM is driven by tuition. Each increase recommended here is justified only for the specific programs or facilities that we believe support a variety of students and activities that enhance the academic and intellectual environment at UNM and should advance student learning and support the mission of the University; however, we believe that programs that support academic recruitment as well as academic needs should be funded through instruction and general (I&G) lines. The board does not recommend any increase beyond those for you today."* The total amount of request was \$17,763,048, but the final FY20 allocation came out to \$12,938,789, down \$1.76 million from prior-year FY19 revised allocation. Ms. Myers discussed the rationale for grouping units by level of cuts, 9%, 8%, and 7.62% cuts, with 3% cuts for the most vulnerable units. The SFRB worked diligently with IT on the IT funding model, acknowledging its importance, but urged the need to be funded in a more stable way, thus the new IT headcount fee came about and as a result, freed up \$625K student fee funds, which a large part went to reducing the overall mandatory student fee increase from the original 3.95% to the proposed 3.43% increase. **[ATTACHMENT H]**

Regent Sanchez Rael referred to the prioritization of the funding for the most vulnerable units and asked Ms. Myers to define most vulnerable units. Ms. Myers responded those units that depend solely or primarily on student fees for funding, versus other units that are funded also with I&G funds.

Regent Schwartz asked for clarification that the SFRB is proposing a 3.43% student fee increase under the condition that the funds be used only in the way they have been proposed. Ms. Myers responded in the affirmative.

Student Regent Henry thanked Becka Myers and Boney Mutabazi and others for their work on the SFRB, it is a long process. Regent Henry requested to hear more about student support for the proposed new IT fee. Ms.

Myers responded the SFRB recommendation was for IT to be funded through I&G lines, but that was not possible this year; however, a separate fee apart from the student activity fee was desired. After a lot of work with IT, and IT presented to several student groups, the students supported it when it was clear where the funds would be going. SVP Craig White added that the 'head-count' model was chosen when considering IT fee models.

The Regents thanked Ms. Myers and Mr. Mutabazi for their presentation.

Eddie Nuñez and Nicole Dopson presented the FY20 Athletics budget. AD Nuñez opened with a review on sources of funds (student fees, state support, and institutional support) as compared to Mountain West Conference (MWC) averages. UNM's athletics budget ranks 8th of 11 in the MWC, and total financial support ranks 10th of 11 in the MWC. AD Nuñez spoke about the deficit reduction plan, a commitment of \$487K per year over 10 years, to address the accumulated \$4.7 million deficit and \$2.6 million recurring deficit. AD Nuñez spoke about the positive changes that have taken place, including a restructure of the Lobo Club, a new ticketing system, utilization of shared services, and more focus on special events revenues. The FY20 financial assumptions include a total net revenue decrease of \$1.13 million that is comprised of the decrease in mandatory student fees (-\$110K), media rights contract (-\$1.6 million), ticket sales (-\$476K), commissions, concessions, parking, etc. (-\$140K), offset by a \$1.2 million increase in state appropriations. The financial assumptions include a total net expense increase of \$348K, comprised of 2% salary increases for staff (-\$150K), an increase in grant-in-aid due to pending tuition and fee increases (-\$123K), and an increase in travel and other related expenses (-\$75K). Nicole Dopson presented details of the revenue and expense projections. Total anticipated revenues are \$31.374 million, and total expenses are projected to be \$32.360 million. This produces a budget deficit of \$986K, which if combined with the annual \$487K deficit reduction payment, produces an overall deficit of \$1.473 million. This budget projection includes a 2% staff salary increase. If a 4% were factored in, the additional expense would be \$150K. **[ATTACHMENT I]**

Regent Brown inquired about the estimated \$1.6 million reduction in media rights and if this was due to a national trend. AD Nuñez responded this is definitely a trend, but UNM is also hopeful, through the current ongoing RFP process, to get a new multi-media rights partner that will promote UNM's vision.

Regent Schwartz requested clarification on the \$1 million the Lobo Club would contribute through fundraising efforts and if that would reduce the deficit. Ms. Dopson clarified the \$1 million raised by the Lobo Club is spent through the Lobo Club and is not included in the figures for the operational budget. There was discussion about the currently projected \$1 million shortfall adding to the accumulated deficit for athletics.

Regent Sanchez Rael inquired for the board if there is a policy on evaluating budget proposals coming from any unit that is proposing a budget deficit. Regent Sanchez Rael clarified her question was not to target athletics, but was from a policy perspective, if there is a policy and if not, should there be one going forward. Regent Brown commented his preference for the realistic numbers that show what needs to be worked on rather than forcing a balance budget that may not be realistic, which may have been done in the past. Regent Schwartz commented one would want the effort to be toward being both realistic and being within budget, and he asked AD Nuñez if the intent is to work out a balanced athletic budget before the Regents approve the final FY20 budget. AD Nuñez responded in the affirmative.

Regent Brown reiterated there is ongoing work with athletics and student services to come up with a plan in the next two to three months to ensure UNM is doing what it can to enhance sports participation and to craft a longer-term solution to these challenges.

Regent Begay requested to defer any Regent decisions on the F&F report until after the HSC budget presentation.

HEALTH SCIENCES CENTER COMMITTEE – FY2020 HSC Budget

Chancellor Roth introduced the item and Ava Lovell presented details of the proposed FY2020 HSC Budget. Dr. Roth stated everything the HSC does is driven by its vision and mission which is to address health and health equity for the population of New Mexico. Dr. Roth discussed the values that support the mission, including excellence in education, patient care and research; commitment to service, quality and safety; integrity and accountability; teamwork as well as respect and compassion for all people. Dr. Roth discussed

the FY20 academic issues and challenges including, implementing new academic programs in the Colleges of Pharmacy and Nursing and expanding undergraduate student admissions for a BS in Population Health. Areas of focus in the School of Medicine for FY19 are enhancing positive learning experience for students and residents, and for FY20, the upcoming Comprehensive Cancer Center renewal, wellness and suicide prevention initiatives, and faculty compensation. For the Rio Rancho campus, FY20 will focus on continuation of Building 1 new initiatives and partnering with the City of Rio Rancho for Building 2 (Ortho Joint Replacement & Rehab), along with Senior Center and campus infrastructure projects.

[ATTACHMENT J]

Michael Richards talked about the Health System issues and challenges. The Health System is all of the places where clinical care is delivered and also the platform for both the research and the education platform for the HSC learners. One of the major big themes is that healthcare finance continues to be rapidly evolving, both nationally and locally. Locally, the two biggest things happening are the movement toward value-based care in managed Medicaid and Medicare Advantage. Value-based care is a shifting of the financial model away from being paid on a per unit of service delivered toward adjustments to that unit of service based on quality and performance adjustments to lead to a total cost of care to the individual. In this shift on per unit of care provided, revenues actually go down. Part of bringing the cost of healthcare down is looking for new ways to increase access to care and looking at more efficient ways to deliver care. One way to increase access is building clinical delivery systems. Another way is increasing partnerships. Dr. Richards discussed partnerships to provide primary healthcare and others that will provide behavioral health across the state to build out non-hospital, intermediate levels of care, which largely do not exist now in New Mexico. Dr. Richards also talked about working with community partners to increase access to pediatric specialty care. Another big initiative will be working on operations and business systems, including continuing to execute on Mission Excellence which Dr. Roth has talked about, working on the workplace and ease of practice for providers, as well as on the operations side, continuing the very large operations initiative with the consulting group, Huron, looking at the basic business systems and revenue cycle systems which will help deliver a higher quality of care, create access, and bring down the cost of care. Regarding the UNMH Modern Medical Facility, Dr. Richards discussed moving forward with the design, project management, and financing for FY20. Also, for Sandoval County, implementing Behavioral Health and a Level II Trauma Center with the Sandoval Country mill levy funding. New clinical programs and centers of excellence will include the new Movement Disorder Clinic and expansion of the Lovelace/UNM Rehab Hospital. **[ATTACHMENT K]**

Ava Lovell presented the FY2020 financial assumptions for the HSC budget and began with discussion about the Academic Enterprise. The total budget for the UNM HSC Academic Enterprise is \$697 million, of which \$547 million is unrestricted and includes, the School of Medicine at \$429 million, College of Nursing at \$14.1 million, College of Pharmacy at \$12.3 million, Office of Research at \$7.4 million, and College of Population Health at \$2 million. On the revenue side is an I&G appropriation increase of just under \$4 million, which includes the compensation part and the HSC line item increase for the School of Medicine that replaces formula funding I&G funds. Additionally, there was a \$4.75 million increase in Research and Public Service Project (RPSP) funding and \$1.95 million of new appropriations from house bill junior bills that allocated funds toward Project ECHO programs at \$504K, OMI Grief Services at \$360K, NMNEC at \$500K, and the Bioscience Authority at \$125K, along with new funds from state formula finding and F&A (cost recovery from research) in the amounts of \$351,700: and \$500K, respectively. The HSC is not proposing a base or premium tuition increases for its academic units, and is proposing a 2% tuition decrease for the School of Medicine (SOM), which will amount to a decrease in funds of \$133,700. The HSC is not proposing tuition increases because the colleges already charge differential tuitions and premiums. For SOM, Dr. Roth has taken on the challenge to reduce medical school tuition every year so to lighten the debt burden students will face upon graduation. A significant debt burden can deter new physicians from going into primary care practice. **[ATTACHMENT L]**

On the expense side for the Academic Enterprise is budgeted a 2% salary increases for HSC faculty and staff (3% for SOM faculty), 5% group health insurance increase, start-up packages for the new College of Population Health Dean and Neurosurgery chair, and health sciences Rio Rancho campus advancement costs.

Ms Lovell discussed the total Health Sciences Center budget. The proposed budget for all of the HSC is \$2.242 billion, a 9.9% increase from 2019 original budget, and is comprised of UNM Hospitals, 54% of the total at \$1.2 billion, the Academic Enterprise, 31% at \$700 million, the UNM Medical Group, 11% at \$244 million, and the Sandoval Regional Medical Center, 4% of the total at \$94 million. Of the \$700 million Academic Enterprise budget, 21%, or \$150 million is the restricted piece referring to contract and grants in the research organization. The remaining \$547 unrestricted piece outlined earlier includes the schools and colleges. At the bottom line, the UNM HSC Academic Enterprise budget forecasts a \$1.335 billion net margin in the positive. Ms. Lovell clarified that any unit with a net margin in the red, for example -\$154K for the College of Pharmacy, would be covered by reserve balances in that college, used strictly for one-time funding needs.

Ms. Lovell discussed the financial impacts of the proposed 2% compensation increase for HSC staff and non-SOM faculty and the 3% compensation increase for SOM faculty. The 3% for SOM faculty is proposed because they are the furthest behind in the market for their salaries. Over all of the groups, the compensation increases would amount to a total of \$7.8 million, and the state would fund \$2 million of that, leaving a funding gap of \$5.8 million which would be covered by Clinical revenue generation. For the HSC RPSP's the State funds 100% of compensation.

Ms. Lovell discussed the non-academic pieces of the budget, the hospitals and clinical side, also including the Cancer Center. The FY2020 financial assumptions include, \$22 million revenue improvement due to revenue cycle operational improvement initiatives; \$13 million for increase hospital volume, primarily related to outpatient clinics; Medicaid reimbursement and Medicare DSH decreases of \$16 million and \$2.5 million, respectively; increased compensation and benefits expense of \$14 million; \$1.7 million expense for the addition of residents; and 2% inflationary increases on supplies and 4% on pharmaceuticals. The estimated \$21.5 impact of the gross receipts tax, effective July 1, is projected on both the revenue and expense side, so it is a wash. Ms. Lovell discussed the financial assumptions for SRMC and the Medical Group. Overall, for the Health System, the FY20 budget projects a \$8.7 million bottom-line favorable net margin.

Ms. Lovell highlighted the HSC's appreciation for the additional funds provided by the State, including \$30 million toward the new in-patient Hospital Tower; \$3.5 million for the movement disorder clinic; \$1.4 million for the OMI CT scanner; and \$428K toward a regional behavioral health triage center.

[ATTACHMENT L]

Regent Brown inquired if the \$21.5 million mentioned for the expected gross receipts tax will be passed on to the patients, and if so, will the insurance companies be geared toward paying that. Dr. Richards confirmed this is budgeted as an expense-neutral item and will not be passed on to the patients. The way HSC plans to be reimbursed for those taxes is through a change in the Medicaid fee schedule, and through the Medicaid buy-in program. The details are not yet worked out, but under all of the models, UNM will come in at about breakeven.

Regent Sanchez Rael commented with regard to thinking about the long-term fiscal health of the university system, an important concept to keep in mind is, "we cannot cut our way to prosperity," but we need to look into the system at the places, the seeds of greatness that can be built upon. Regent Sanchez Rael commended Dr. Roth and his team for developing new programs in the College of Nursing and the College of Pharmacy, places where enrollment can be enhanced.

Regent Schwartz added it was an excellent budget presentation and a sincere account of the obligation of this university to the State, an obligation that the University has been discharging so well. Regent Schwartz commended the HSC for the work it is doing with other institutions in New Mexico, because this is going to improve the quality of care for people across the State, whether they are part of the UNM system or part of some other system as well and shows UNM takes seriously its obligation to the health of the State as a whole.

Advisors' Comments on the Budget Proposal

Pamela Pyle, Faculty Senate President, spoke about the BLT process and the unanimous vote by its members for the budget proposal that was brought forth. Ms. Pyle posed a question for the future: how are areas of need selected? To answer, would surely need discussion about university priorities as well as posing other questions,

who are we and what message are we crafting to send out into the world? UNM is an amazingly rich university with outstanding faculty and world class programs. Ms. Pyle posed the question regarding the proposed 4% compensation increase: what would it look like if fuller compensation really was a priority, and how would that inform conversations, both internally and externally with the State?

Rob Burford, Staff Council President, also a member of the BLT, thanked the BLT members for their efforts during the process. Mr. Burford commented with regard to the recently mandated 4% compensation increase and encouraged leadership to look at other ways of funding, including enhancing enrollment, rather than raising tuition or incurring additional cuts.

Becka Myers, ASUNM President, commented the members of the BLT have worked diligently over the past year. With regard to the overall budget recommendation, Ms. Myers said she believed the BLT and President Stokes actively consider student input during the process, and during the process Ms. Myers said she learned that students value knowing where their tuition dollars go. In general, student input showed that students do agree with the proposed premiums on upper division courses and differential tuitions.

Approval: Board of Regents Vote on Budget Proposal

The motion to postpone the vote on both the FY20 Main Campus consolidated budget and the FY20 HSC budget until a future Board of Regents special meeting passed with a unanimous vote in favor (1st Begay; 2nd Sanchez Rael).

CONSENT DOCKET

Regent Brown addressed the consent docket; no items were removed from the docket for discussion.

1. Finance and Facilities Committee (F&F) Consent Items, *Regent Sandra Begay, Chair*
 - a. Approval of Software Renewal: Microsoft Licensing for UNM
 - b. Approval of Project Construction on Elks Lodge
 - c. Re-approval of UNM Gallup New Physical Plant & Storage Facility
2. Health Sciences Center Committee (HSCC) Consent Items, *Regent Rob Schwartz, Chair*
 - a. Repair, Renew, Replace Capital Project – UH Main Inpatient Pet CT Replacement (\$800K)
 - b. Repair, Renew, Replace Capital Project – UH Main Endoscopy Remodel (\$542,021)
3. Academic/Student Affairs & Research Committee Consent Item, *Regents Rael & Henry, Co-Chairs*
 - a. KMP Resolution (KMP: Key Management Personnel)

The motion to approve the items on the Consent Docket passed by a unanimous in favor (1st Doughty; 2nd Schwartz).

ACADEMIC/STUDENT AFFAIRS AND RESEARCH COMMITTEE

Approval of Honorary Degrees

Regent Sanchez Rael noted, as per the agenda, the honorary degree candidates would be discussed in closed session.

Approval: Nomination of Joseph F. Baca to the UNM Labor Management Relations Board

Dorothy Anderson presented the item. At the March 11 Board of Regent meeting, the board approved the nomination of two individuals to UNM's Labor Management Relations Board. Ms. Marianne Bowers as the Labor nominee was approved and Charlotte Lamont as the existing Management representative was reconfirmed. Both Ms. Bower's and Ms. Lamont have moved to nominate the Judge Joseph F. Baca to his role as the third member of the board.

The motion to approve Joseph F. Baca as the third member of the UNM Labor Management Relations Board passed by a unanimous in favor (1st Schwartz; 2nd Sanchez Rael).

Approval: Lobo Development Corporation - Amendment to Bylaws

Craig White introduced the item. The Lobo Development board unanimously approved this amendment which primarily takes away the stipulation that one of the two Regent members on the Lobo Development board is the Chair of Finance and Facilities Committee. There still remains two Regent members on the Lobo Development board.

The motion to approve the 6th Amendment to the Lobo Development bylaws passed by a unanimous in favor (1st Sanchez Rael; 2nd Schwartz).

Approval: Regent Nominations to Research Park Corporation Boards

Regent President Brown noted his nominations: Regent Marron Lee to the Lobo Energy Board; Regents Kim Sanchez Rael and Marron Lee to the Lobo Development Board; and reaffirmation of Regent Sandra Begay to the STC.UNM Board

The motion to approve the said nominations to the UNM Research Park Corporation Boards passed by a unanimous in favor (1st Schwartz; 2nd Sanchez Rael).

Approval: Revisions to KUNM Radio Board Bylaws

Rich Wood introduced the item. The proposed revisions to the KUNM Radio Board bylaws were tabled at the August 14, 2018 Board of Regents and are now coming back to the board for approval. Pamela Cheek discussed the details. This item was really a modernization of the bylaws. The essential changes between the current bylaws and what the KUNM board and radio management are seeking are as follows: 1) the Radio board sought to make clearer in its bylaws its commitment to meeting the needs of a diverse community, and 2) the revision provides more specifics with reference to the nomination and number of board members. When this item was tabled, former Regent Suzanne Quillen sought clarification about the nature of the board being an advisory board to the Board of Regents. That clarification is present already in Regents' Policy 8.7, and the policy also makes it clear that the Board of Regents holds the license from the FCC for KUNM and that it delegates the immediate oversight of the radio station to the President and to the Provost. Dr. Cheek is the person in the Academic Affairs who provides that oversight on behalf of the Board of Regents. It also makes clear the radio board serves in an advisory capacity; it has the responsibility to review and make recommendations with respect to the content of radio shows provided by the radio station. Essentially, these bylaw revisions provide an opportunity for the radio board bylaws to be updated. The clarifications Regent Quillen sought to the bylaws making clear the radio board is advisory, rather than governing, have been introduced. The bylaws have been thoroughly vetted by UNM Legal Counsel. Dr. Cheek said radio board management was in support of this and KUNM General Manager Richard Towne, also in support of this, was present.

Regent Schwartz inquired if there was any argument against this, if there was another side. Dr. Cheek responded she was surprised when this was tabled in August, that she was not sure what the concerns were; however, in her search to understand, what was determined was there was a request for even further clarification that this is an advisory board. There were also possibly some concerns whether the KUNM board was subject to the NM Open Meetings Act. The revisions recommended by University Counsel provide clarity about the open nature of board deliberations, except in the case when it has to do with a disciplinary matter, and in those cases there is an opportunity for the board to meet in closed session.

The motion to approve the revisions to the KUNM bylaws passed by a unanimous in favor (1st Begay; 2nd Sanchez Rael).

PUBLIC COMMENT

Dave Dixon, Lecturer in the Department of Economics, commented about the faculty union matter and opened his comments with an apology for what happened at the last meeting when some colleagues left the Board of Regents after public comment and did not stay to hear Regents' comments. Dr. Dixon had stayed and heard very encouraging comments from Regents. Dr. Dixon spoke about a response letter from the outside law firm and reference to faculty structures at UNM. Dr. Dixon said in his experience working with other faculty, the common practice is to each other as 'colleagues', irrespective of title.

Julia Woodford and Katy Brammer, Students of the Counselor Education Doctoral Program, asked Student Regent Henry to join them at the podium. Regent Henry is also in the Counselor Education Doctoral Program at UNM. Ms. Woodford spoke about Sexual Assault Awareness Month and Denim Day on April 24. In the State of NM, 1 in 4 women and 1 in 20 men report being victims of sexual violence. They are working in collaboration with the Women's Resource Center, LoboRESPECT, and the Title IX office, to talk about sexual assault. This year will be the 20th iteration of Denim Day, and they encouraged everyone to wear denim on April 24 to call attention to sexual assault and to try to minimize rates of sexual assault in the State and on UNM Campus.

Kathy Powers, Associate Professor in Political Studies, (A statement by Dr. Powers was read by Jasmine Lovell.) Dr. Powers wrote concerning labor rights, an important human rights issue around the world, and the importance of an academic union at UNM to uphold labor rights, especially for contingent faculty and faculty who are race, gender, and sexual minorities, who are particularly at risk for having these sorts of human rights violated. Jasmine Lovell, contingent faculty member in the Department of Art, added that she completely echoes these concerns.

Karen Champine, Lecturer in the Department of Mathematics and Statistics, supports a faculty union for several reasons: a union will greatly increase the transparency of processes, procedures, finances and motivations leading to decisions among the administration; we want to work for a university that helps its faculty to understand and be part of the decisions being made and the resources available; a union will help to keep important decisions part of the regular semester, and not during spring breaks and summer sessions in order to avoid faculty criticism; a union will help create a robust grievance procedure and give legal support when needed; a union will help protect jobs, particularly important for part-time instructors.

Kathryn Wichelns, Assistant Professor, Department of English Language and Literature (A statement by Dr. Wichelns was read by Irene Vasquez.) Dr. Wichelns wrote about gender equity at UNM and why she supports a faculty union on those grounds. Women disproportionately work in contingent and non-research positions in English and across UNM in part because of the consistent failure to account for the unequal roles that mothers are expected to play in child-rearing. At UNM female junior faculty will be asked more often than their male colleagues to do service. Women of color in particular have to learn to say no, a lot, if they have the hope of getting tenure. Committee diversity requirements have the perverse effect of over-burdening those who we need to support most. Women are more likely to be hired as joint appointments which usually means serving two departments, equally. A faculty union would ensure as the current mentorship program does not, that women faculty and faculty of color get advice that centers their long-term goals and real advocacy for recognition of their work beyond research.

Katherine Watkins, Associate Professor, College of Education, has been at UNM since 1996 and during that time has seen 9 university presidents and 5 deans of the COE. Dr. Watkins shared her perspective about being a female faculty member at UNM. The salaries, according to The Chronicle of Higher Education, from 2003 to 2017 for women faculty were flat. The salaries for men at UNM, from 2015 to 2017 had a direct increase. The University has seen budget cuts over the last six years that are largely punitive at this time. The budget procedure is at best opaque and needs to consider appropriate compensation for faculty. Dr. Watkins has stood before the Regents in the past as a member of the Faculty Senate and asked for the Regents to hear faculty concerns, to no particular avail. Dr. Watkins said she hopes the new Board of Regents will listen to the faculty's concerns related to compensation, not just about raises, but also about acknowledging the high amount of work the faculty do that has really almost doubled in the past few years because there are no longer any staff to support them in their work. Dr. Watkins said she supports faculty standing in solidarity to negotiate in the future.

ADVISORS' COMMENTS (no comments)

Vote to Close the Meeting and Proceed in Executive Session

Regent Brown asked for a motion to move into executive session for the purposes outlined on the agenda and clarified a roll call vote would be taken; Regent Doughty motioned to close the meeting; Regent Sanchez Rael seconded the motion; the following votes were taken: Regent Doughty-yes; Regent Schwartz-yes; Regent Sanchez Rael-yes; Regent Begay-yes; Regent Brown-yes; and Regent Henry-yes; motion passed; the meeting closed at 12:09 PM.

Executive Session Agenda

- a. Honorary Degree Candidate(s) - Discussion
- b. Discussion of "limited personnel matters" as defined in and permitted by Section 10-15-1.H(2), NMSA (1978) - regarding employee appeal(s)
- c. Discussions subject to attorney-client privilege pertaining to threatened or pending litigation as permitted by Section 10-15-1(7), NMSA (1978)

Vote to re-open the meeting and certification that only those matters described in the Closed Session Agenda were discussed in Closed Session, and if necessary, or as required, final action with regard to certain matters will be taken in Open Session, including the following:

Regent Doughty motioned to re-open the meeting; Regent Begay seconded; all were in favor; the meeting re-opened at 2:06 PM; the doors to the Cherry Silver Room were opened. Regent Brown certified that only those matters described in the closed session agenda were discussed, and there were three (3) items upon which action would be taken in open session.

Final Action on Honorary Degree Candidate(s):

During closed session, Karen Brown, Chair of the Honorary Degree Committee, presented the honorary degree candidates that were approved at the March 28 Regents' Academic/Student Affairs and Research Committee.

The motion to approve the proposed Honorary Degree Candidates passed with a unanimous vote in favor (1st Henry; 2nd Schwartz).

Regarding Limited Personnel Matters:

The motion for the Board to decline to exercise discretion on an appeal dated January 22, 2019 passed with a unanimous vote in favor (1st Doughty; 2nd Henry).

May it be stated for the record, with regard to the following action, Regent Robert Schwartz recused himself from discussion of the matter and from the final vote; he was not in the room for either.

The motion for the Board to decline to exercise discretion on an appeal dated March 22, 2019 passed with a unanimous vote in favor (1st Doughty; 2nd Henry).

ADJOURN

There being no further business, Regent Brown asked for a motion to adjourn; Regent Doughty motioned; Student Regent Henry seconded; motion passed unanimously; the meeting adjourned at 2:10 PM.

Approved:

Attest:

Douglas M. Brown, President

Sandra K. Begay, Secretary/Treasurer

**Minutes of the Special Meeting of the
Board of Regents of the University of New Mexico
April 22, 2019
Ballroom C, Student Union Building (SUB), Main Campus**

Members present

Douglas M. Brown, President (telephonically); Kim Sanchez Rael, Vice President; Sandra K. Begay, Secretary Treasurer; Rob Dougherty; Melissa Henry; Marron Lee; Robert Schwartz

Administration present

Garnett S. Stokes, President; Paul Roth, EVP and Chancellor for Health Sciences Center; Rich Wood, Interim Provost and EVP for Academic Affairs; Loretta Martinez, Chief Legal Counsel; Ava Lovell, Executive Officer for Finance & Administration, HSC; Patricia Henning for Gabriel Lopez, VP Research; Michael Richards, Vice Chancellor for Clinical Affairs; Francie Cordova, Director of OEO and Interim Chief Compliance Officer; Lawrence Roybal, Interim VP for Equity and Inclusion; Dorothy Anderson, VP HR; Eliseo 'Cheo' Torres, VP Student Affairs; Liz Metzger, University Controller; Eddie Nuñez, Athletics Director; Dana Allen, VP Alumni Relations; Terry Babbitt, President's Chief of Staff

Advisors present

Pamela Pyle, Faculty Senate President; Rob Burford, Staff Council President; Boney Mutabazi, GPSA President; Becka Myers, ASUNM President; Steve Borbas, Retiree Association President

Presenters in attendance

Norma Allen, Director, University Budget Operations; Nicole Dopson, Director, Financial Operations; Vahid Staples, Budget Officer, Main Campus Budget Office

Others in attendance

Members of administration, faculty, staff, students, the media and others.

CALL TO ORDER, CONFIRMATION OF A QUORUM, ADOPTION OF THE AGENDA

Regent Vice President Kimberly Sanchez Rael called the meeting to order at 9:16 AM and confirmed a quorum with six members present in person. Regent President Doug Brown joined the meeting telephonically.

The motion to adopt the agenda passed unanimously (1st Begay; 2nd Henry).

PUBLIC COMMENT

Sharon Argenbright, President for District 1199, National Union of Hospital and Healthcare Workers, commented regarding member concerns. For the past 10 years, the cost of living has risen 19.89%; six out of those 10 years UNM Hospital (UNMH) employees have received no pay raise. Ms. Argenbright said she was not asking the Regents to negotiate with the bargaining units, but she asked the Regents to appropriate enough funds for management to bargain fairly with members, cost of living raises that are long overdue and fund changes to the pay scale based upon a study Mercer is completing.

Rosa Sanchez Puig, has worked 13 years as Housekeeper for UNMH, expressed her appreciation for being a part of the UNM Hospital workforce, but a 2% wage increase that is being proposed does not serve to cover basic necessities for herself or her co-workers, the majority of whom are heads of family. Ms. Sanchez Puig thanked the Regents for their attention and for listening to her and her coworkers' petition.

Benjamin Neft, has worked at UNMH for 2 years and is grateful for the job opportunity and the benefits, but when it comes to the raises, from \$12.35 to \$12.70, they do not keep up with cost of living increases. Wage adjustments of 5-8% would help employees to survive more easily rather than living check to check and would cut down on employee turnover rates.

Raul Corona, a Clinical Engineer at UNMH, commented that when he started as a bio-technician he was given pay according to his years of experience, and since that time he has finished his associates' degree in computer and electronics engineering and gained an additional 12 years of experience, yet has remained at the same pay rate with only small cost of living increases. New technicians coming in with half the years of experience are a

paid a higher wage, because UNMH does not have a step-pay system that acknowledges the years of experience that an employee has. This also contributes to high turnover rates.

COMMENTS FROM REGENTS (no comments)

FISCAL YEAR 2019-2020 UNM CONSOLIDATED BUDGET:

PRESIDENT'S INTRODUCTION AND REMARKS

President Garnett S. Stokes thanked the Regents for holding this special meeting and also thanked the dedicated group of over 20 people on the Budget Leadership Team (BLT) from across the campus who have put long hours into the budget process and added that as budgetary circumstances have changed, they have been responsive to addressing new guidance. In the BLT's initial budget proposal, it made clear its emphasis on fiscal responsibility and restraint and managing the University shortfall driven by lower tuition revenues and the continued impact of years of cuts from the State. Even with these challenges, the President asked the BLT if compensation could be pushed higher for the invaluable faculty and staff who have persevered to continue to make this university successful, while losing ground in earnings value over the years. The BLT had a compelling budget plan that President Stokes agreed upon to present at the April 9 budget summit. Subsequent to President Stokes' decision, Governor Lujan-Grisham finalized her House Bill 2 authorization and made it clear that she too respected the commitment of faculty and staff. President Stokes applauded Governor Lujan-Grisham for focusing on compensation for those at UNM and confirmed there is no question the Governor's and President Stokes' intent are congruent on this issue. More must be done to value and support the people at UNM; however, the challenge remains the State funds less than 50% of the funds toward compensation increases at the levels identified in legislation. President Stokes discussed compensation funding levels that she had previously presented for the HSC and Main Campus and made it clear the numbers do not include the hospital. The cost for a 4% compensation increase was \$29,984,390, and of that, \$9,437,345 was funded by the State. The shortfall that was presented earlier was rounded to \$16.6 million, because nearly \$4 million is the approximate level of funding for those on contracts and grants, so that amount was excluded from the shortfall. The original plan was for units to provide increases of up to 5%, but that was specifically for units that had the funds in their own budgets to cover that; these were narrowly applied allocations and primarily to be applied within the health sciences and the School of Medicine. The amount that was going to be applied by these individual units was \$6.755 million, of which \$5.8 million is in HSC and less than \$1 million on Main Campus. This brings the funding gap to \$9,792,022 to cover a 4% compensation increase. President Stokes discussed her request to the BLT to find new scenarios that would meet the spirit of the Governor's intention but that did not impose an overwhelming burden students to bear the cost of increasing compensation. So the scenario that would be presented includes a 3.1% increase to base tuition, which is very close to the cost increase in higher education for the year. Other research institutions in the State are raising tuition by 6% to fund compensation. President Stokes emphasized her belief the revised budget proposal to be presented is a good alternative driven by the values discussed. President Stokes said there is discussion of a 2%-2% compensation proposal whereby UNM would ask for a supplemental deficiency to reflect the mandate for the 4%, a level of funding that UNM simply cannot afford to provide at the institutional level. President Stokes welcomed dialogue with the Regents on the best path forward for UNM and for its faculty and staff.

FY2020 Budget Leadership Team Budget Recommendations

Provost Rich Wood opened the presentation by providing a summary of the original budget proposal presented at the April 9 meeting and then presented the new proposal which was unanimously endorsed by the BLT. Norma Allen and Nicole Dopson were available to answer questions. For the original budget, source of funds include, state appropriations of \$12.6 million, including the compensation increase; the calculated net tuition decrease of \$13.3 million due to the fall in enrollment last Fall and a cautious projection for this year; revenue transfers for a positive \$3.1 million; a \$3.3 million one-time use of central reserves; and a \$2.7 million reduction in mandatory student fees. For use of funds, the assumptions were, 2% compensation increase for faculty and staff with a \$9 minimum wage increase for students, coming to \$4.9 million; 1.5% decrease in unit allocations, yielding \$3.8 million; and \$2.7 million decrease in mandatory student fee recipients.

Regent Rob Doughty requested discussion on the reduction in state appropriations over the last several years. Provost Wood responded there has been a \$24 million decrease in state funding since 2009, and that is in real

dollars adjusted for inflation. Dr. Wood added that enrollments have fluctuated since that time but are about back to the 2009 levels, and higher education absorbed 44% of the State's cuts as a result of the recession.

Provost Wood addressed the original tuition and fee proposals, including a tuition premium increase of \$10 per credit hour, from \$25 to \$35 per credit hour, for undergraduate upper division courses and graduate courses; a 3.43% increase in mandatory student fees; and a separate IT fee per student, \$110 per year for undergraduates, \$90 for graduate students. Provost Wood also discussed the proposed differential tuition for the College of Arts & Sciences (A&S), \$10 per credit hour for undergraduate students, \$50 for graduate students along with a flat \$100 dissertation fee. The differential tuition goes directly to the college and the use of the extra funds is shown. Two colleges already have this kind of differential, the School of Engineering and the Anderson School of Management. **[ATTACHMENT A]**

Regarding the new budget proposal, Provost Wood opened with explanations on the sources of funding of compensation for both staff and faculty at Main Campus. The numbers are averages. For a staff member's compensation, the State funds on average 26%; tuition funds 29%; contracts & grants fund 9%; and other sources fund 36%. The Instruction and General (I&G) portion is comprised of the first two at 55% total; contracts and grant and other funding are not part of I&G. For average compensation of a faculty member, the State funds 42%, tuition funds at 46%, other sources at 9%, and contracts and grants fund about 3%. For faculty, the first three categories are I&G funding, comprising 97%. Dr. Wood discussed salary ranges for full-time regular staff and faculty. The most populated salary group for staff is the \$40-59K range; the most populated group for faculty is the \$60-79K salary range, \$40-59K at the branches. **[ATTACHMENT B]**

Provost Wood discussed the newly proposed 3% compensation increase and outlined the required funding levels for Main Campus and HSC. **[ATTACHMENT C]**

Provost Wood addressed the prior-year budget cuts, as brought up by Regent Doughty earlier, and said many units had already been cut to the bone, so the BLT did not recommend cuts greater than 1.5% to units as proposed in the original budget recommendation. Any further cuts would put at risk the academic mission of the University. Additionally, reserve balances have been used in prior years to cover shortfalls, and reserve levels are down to the point where next year they will be just above the state requirement. Provost Wood talked about how recurring expenses such as compensation increases can be temporarily covered by one-time funds, for example reserves, but it is the recurring revenues such as state appropriations and tuition that need to be used ultimately to fund recurring expenses.

Regent Sandra Begay asked about UNM's reserve balances and past drawdowns and added it looks like the reserve balance is at the limit the State requires. Norma Allen responded regarding UNM's central reserves, those that are kept as the HED reserves, are estimated to be \$18 million at July 1, and 3% of the budget is the minimum reserve balance, which depending upon the budget will be about \$9.5-10 million. Utilizing the originally proposed \$3.8 million of balanced, that would leave \$4 million of discretionary dollars available.

Regent Doughty clarified with respect to the reductions in state appropriations received since the 2009 funding level of \$194 million in state appropriations, and if one added up the funding gap every year since 2009, the amount of funds UNM did not receive in state appropriations over the past 10 years comes to a total of \$145 million. Regent Doughty emphasized the huge reduction in I&G funding over the years has been the primary driver for budget decisions over the same amount of time, for example, compensation.

Provost Wood reviewed the revised BLT budget proposal and compared it to the original proposal presented at the April 9 meeting. The new proposal has a base tuition increase of 3.1% to offset the proposed 3% compensation increase. Other changes include, 1) the IT fee for graduate students is now at the level for the undergrads, that being \$110 per year per student, and this is because the graduate students have endorsed this fee, and 2) the use of central reserves has dropped from \$3.8 million to \$3.52 million in an effort to be fiscally conservative. Other aspects of the budget remain the same, including the proposed mandatory student fee increase of 3.43%; the proposed \$10 per credit hour increase for upper division undergraduate courses and graduate courses; the \$110 IT fee for undergraduates; and the differential tuition proposal for the College of Arts & Sciences at the undergraduate (\$10 per credit hour) and graduate level (\$50 per credit hour plus \$100 one-time dissertation fee). Provost Wood discussed a 4% compensation increase scenario, which would warrant

a 5.9% base tuition increase, and two other scenarios that would get to a 4% compensation increase by utilizing the new budget proposal (3% compensation; 3.1% base tuition increase) or similar with only a 2% compensation increase for July 1, and in addition for either scenario, requesting from the State at mid-fiscal year a supplemental appropriation to cover an extra 1% or 2% compensation, depending upon the level of compensation increase at July 1 (ie. the 3% or 2% level). **[ATTACHMENT D]**

Provost Wood addressed the specific recommendations from the BLT and request to the Board of Regents: 1) authorization for mandatory student fee, tuition premiums, A&S differential tuition, technology fee, and \$9 minimum wage for student employees, as presented; 2) authorization for a 3.1% base tuition increase; 3) approval for 3% across-the-board compensation increase effective July 1 (average increase may rise to 4% with retention and promotion increases), and 4) potential additional 1% across-the-board compensation increase contingent upon approval of a supplemental appropriation request to the State. **[ATTACHMENT E]**

Regent Sanchez Rael commented with regard to the flow of the meeting, to complete the presentation on Main Campus budget, Regent Sanchez Rael requested to hear from the athletics department on the athletics budget and then wanted to hear comments from Regents on the Main Campus budget proposal before moving on to the HSC budget proposal.

AD Eddie Nunez presented a revised budget proposal to the Regents and referred to material handed out at the meeting. AD Nunez addressed the original budget proposal's projected shortfall of \$1.47 million driven primarily by net a projected revenue shortfall of \$1.13 million, driven primarily by media rights and ticket sales, and increases on the expense side due primarily to proposed tuition, fee, and compensation increases. AD Nunez highlighted the major changes to the budget proposal that will bring the revised budget into balance including, a \$1.2 million waiver for debt service payment in FY20 which will allow the department to reallocate Pit suite revenues to offset the operating budget along with \$280K of additional cost savings due to holding vacant positions open for FY20. AD Nunez added that athletics is still in the RFP process for media rights, and other areas of focus continue to be guarantees, naming rights and fund raising. **[ATTACHMENT F]**

Regent Doughty requested details regarding the \$1.2 million waiver for the debt service payment. Vahid Staples responded there are several bond issues with variable rate allowing for available funds that can go toward athletics. Regent Doughty asked when these became available. Mr. Staples said the balances have built up over a 3-4 year period.

Regent Rob Schwartz requested clarification and where the \$1.2 million figure came from. Mr. Staples said the bond issues and variable rates that he refers to are not necessarily specific to The Pit project. The \$1.2 million is an amount that has built up over the years, they are funds that were pulled centrally when those were not needed to be paid to the bond holders. Regent Schwartz asked why this was not part of the accounting in years gone by and how the University happens to have all this surplus this year. Mr. Staples confirmed the funds that are not paid for debt service are retained in the overall debt service portfolio. Regent Schwartz added that that would be money that is available to full university for whatever the greatest need is in the University. Mr. Staples agreed that a decision has to be made as to the best use of those funds. Regent Schwartz responded that what is suggested is to decide that the highest and best use of these funds is to subsidize athletics for next year and asked, what if it was decided there was some other use for the \$1.2 million for the University?

Regent Marron Lee asked for clarification on the funds, and if those are reported in the annual categorization of reserves report. Mr. Staples said they were and were classified as discretionary reserves.

Regent Schwartz expressed appreciation for being transparent and added a realistic budget has to be a starting point. There was a \$1.47 million shortfall, and now \$1.2 million appears from university funds. Regent Schwartz asked about alternatives that are being considered for the athletics budget. AD Nunez responded that all of the budget challenges and the discussions over the past couple of years have had a component regarding The Pit debt. The athletics department is cutting in ways that it can and other areas, like media rights, are opportunities that are in process of being finalized. Regent Schwartz said maybe it is premature, but there are other parts of the University including academic units that are cutting to the bone and have gone far beyond what is possible to maintain the programs that they had maintained a decade ago, and it may be that athletics is pushed into that position too.

Regent Doug Brown commented it appears that inadvertently the way the athletic department services The Pit debt, has been over paying over the last several years because there was not an adjustment for the downward trend in interest rates. If athletics did overpay then that would justify the allocation of those funds back toward athletics. Mr. Staples clarified the variable rate bonds he mentioned are not specifically tied to that project; they are overall other bonds.

Regent Doughty agreed it is early and added there needs to be time to get comments from faculty and staff. Regarding media rights, it looks like there is potential to have an increase in funding that could cover the debt service. AD Nunez responded in the affirmative. Regent Doughty asked when the multi-media rights contract will be in place. AD Nunez responded he hoped to have more information at least about the direction of where that was going by the May meeting.

Regent Begay clarified the discussion on the athletics budget is about ongoing costs, but the Pit Debt service is a capital cost paid for by bonds and other capital funds and should be part of an overall discussion about capital and bonds and the whole portfolio of buildings at UNM.

Regent Lee agreed with Regent Begay and added this is a conversation that has been long overdue.

Regent Sanchez Rael thanked President Stokes, the presenters and the rest of the BLT and commended them for their very hard work over the past months and over the weekend. Regent Rael asked to hear Regents' views and called on Regent Brown to comment first.

Regent Brown thanked the BLT also for its hard work, and commented on Regent Doughty very good point about the cumulative deficit over the past 10 years and added if those numbers are adjusted for 20-25% inflation over that whole time, and the reduction in purchasing power even if the amounts were kept the same every year, certainly has aggravated the problems. Regent Brown said he was in favor of limiting tuition to the minimum possible given the enrollment and demographics landscape ahead, so would vote for the option of no tuition increase for lower division undergraduates, moderate premiums on upper division courses, and 4% compensation increase with 2% now and a request for 2% supplemental funding later, plus selective merit increases for promotions at departmental discretion.

Regent Lee said it was her understanding that the statutory language of the budget that was signed into law was, 'they shall give an increase as of July 1', and asked if a legal analysis had been done regarding splitting the compensation increase. Regent Begay asked Regent Brown if the Governor had clarified. Regent Brown responded the impression he had was the Governor would welcome a supplemental request to cover the amount of deficiency, and added the only place to go to cover a 4% compensation increase would be to raise tuition. There is no more room for cuts above the proposed departmental cuts of 1.5%.

President Stokes clarified a request for an additional 2% would still lead to a \$10 million recurring gap in funding in future years.

Regent Schwartz said he appreciated the BLT's great work and the wide range of options it presented. Regent Schwartz spoke about his reluctance to depend upon a supplemental appropriation for the base salary of the University and his concern about providing a lower increase to faculty and staff who are deserving now but have that be based on what the legislature might do in January. It is contingent on what the legislature will do. Regent Schwartz stressed it is important to seek a supplement appropriation and UNM should work on that to address prior years' lost ground in order to bring salaries where they should be if inflation-based increases had been given. Regent Brown added he thought there would be a better chance of getting the supplemental deficiency funding from the State if the board did not vote for a base tuition increase. There was discussion about compensation funding gaps.

Regent Begay clarified any compensation increase over 2% would warrant a tuition increase of some kind. Reserves are depleted and departments cannot be cut more. Regent Begay added the Regents are constitutional officers within the State and each in his her full right to decide tuition and fee increases and how to work with

what the legislature appropriates. Regent Begay talked about the various compensation scenarios and said the 3% increase with the 1% supplemental ask, which is what administration proposes, may be the most plausible.

Regent Lee asked for clarification on what UNM would ask for. UNM is one of over 20 higher education institutions in the State that are grappling with this, and there are other education needs in the State competing for funds. Regent Lee asked, 1) what specifically would UNM ask for when it goes to Santa Fe with the Counsel of University Presidents, and 2) what are the tuition scenarios that will be voted on, and 3) to Regent Brown if he had spoken with the Governor about the 2%-2% compensation scenario. Regent Brown responded he did not know timing for the request but the governor did encourage a supplementary deficiency request, and in his view the 2%-2% or 3%-1% compensation scenarios would be the best alternatives, because the 4% scenario has a 6% tuition increase which is too much.

President Stokes clarified with regard to timing, the process starts in the fall for the current fiscal year, and it would be a request for a supplemental deficiency.

Regent Schwartz commented that he thought everyone valued the Governor's values and interests, and the goal is to figure out how to get there on the resources available. Regent Schwartz stressed approving a plan that will provide adequate raises to faculty and staff and for it to not rely on supplemental funding in the future that would need approval not only from the Governor but the legislature as well. Regent Schwartz also acknowledged the common concern for tuition increases and that any increase should be moderate.

Regent Sanchez Rael said that she agreed with President Stokes and the need to fairly compensate faculty and staff so also to be able to attract world class faculty and staff to UNM. It is important for the long game in building the institution to what it should be and to get there to have the best and brightest faculty and staff. At the same time, enrollment is under incredible pressure, and there is concern about what signal a base tuition increase would send. Regent Sanchez Rael commented the institution would be better served with adoption of the original BLT recommendation with no base tuition increase and a 2% compensation increase. It's important UNM demonstrate its commitment to undergraduates and its affordability, but Regent Sanchez Rael stressed there should continue to be efforts to look for funding opportunities, including requesting funding for a 4% comp increase. There is an opportunity to do the right thing, both in terms of UNM's base tuition and to meet the compensation needs that the President so eloquently laid out. Regent Sanchez Rael said she would entertain a motion in regard to her recommendation for the Main Campus budget.

Regent Brown motioned.

Regent Begay clarified the motion would be to approve the original 2% compensation increase and no increase to base tuition. The next step would be to work on another 2% with the State Legislature, to not budget for that but be hopeful. Regent Sanchez Rael confirmed the clarification and asked for a second.

Regent Doughty commented as a point of order, per the agenda, the Regents needed to hear the HSC budget and also comments from Regent Advisors before voting.

Regent Sanchez Rael accepted and asked Regent Brown if he wanted to withdraw the motion. Regent Brown agreed and withdrew his motion.

Regent Schwartz said he appreciated the healthy discussion which were primarily focused on the two proposals, the revised budget and the originally proposed one and clarified he supported the revised budget proposal.

Regent Sanchez Rael responded her concern for any base tuition increase given the enrollment challenges and talked about the importance of the messaging to students and her particular focus on prospective students.

Regent Schwartz commented another important message is that UNM values its faculty and staff and added the students have made it clear they would support a 3.1% tuition increase because they recognize that the quality of their education depends upon the quality of the faculty and the staff at the University.

Regent Lee added UNM needs to recruit also out of state students, and a base tuition increase would affect out of state tuition and make the University less attractive to those students too.

FY2020 Health Sciences Center Budget

Chancellor Roth introduced the item and Ava Lovell presented details. The Health Sciences Center (HSC) business model is predominantly driven by the marketplace. The majority of the operating budget is from the clinical activities. Each year, coming forward for budget approvals and compensation increases, staff compensation at the HSC always follows Main Campus staff increases; however, the faculty compensation increases very often are different because of the different revenue streams that impact the HSC. Regarding compensation at the School of Medicine (SOM), tuition funds a much smaller percentage than for faculty on Main Campus; therefore, tuition is a less substantive component, and that is why SOM tuition cuts have been requested over the past few years. The tuition cuts are intended to support the SOM students, to lower their debt which can impact also where they eventually choose to practice medicine. This year, the request is for another 2% reduction in SOM tuition. Similarly, for the College of Pharmacy (COP), it recently had a huge increase in its tuition differential, so students are already at a relatively high tuition for this region, and so the COP will be asking for a zero percent (0%) tuition increase. If the compensation scenario of 3%-1% is adopted, the College of Nursing (CON) and College of Population Health (COPH) would want to follow the recommended base tuition increase of 3.1%. These colleges are not dependent on clinical revenue; most of the operating budget does come from tuition. Dr. Roth clarified that with regard to revenue sources, the HSC is almost a total flip from Main Campus. That is on Main Campus, State appropriations and tuition fund over 80% faculty compensation, and for SOM, 15% comes from state revenue and 76% comes from billing for patient care.

Ava Lovell addressed the details of the HSC budget proposal. The bottom line for the whole HSC Academic Enterprise for FY20 is a positive net margin of \$1.335 million. This is the same as that which was proposed in the original budget proposal. The School of Medicine budget is built with a 3% across the board faculty compensation increase (plus equity and market adjustments for those below 25th percentile) and staff compensation increase of 2%, along with the 2% tuition decrease. For College of Nursing, the budget has no tuition increase and 2% compensation increase. If compensation were to go above 2%, the CON would go with the same tuition increase as Main Campus. For College of Pharmacy, they have included 2% comp increase for both faculty and staff, including market adjustment compensation. The negative net margin will be covered with balances for one-time funding. The COP can go to a 3% or 4% comp increase and absorb that into its budget without a tuition increase, primarily due to the differential tuition already in place. The College of Population Health is only about 3 years old, and is still completely dependent on the undergraduate tuition. There is no differential at this point. For Research and General Administration, any changes to the original 2% compensation increase will be absorbed. **[ATTACHMENT G]**

Ms. Lovell discussed the total funds that would be needed to take the HSC staff, non-SOM faculty and SOM Faculty all to 3% comp increase, plus merit, etc. including fringe would be a bottom line increase of \$10.78 million. Ms. Lovell also outlined for each academic unit, the respective revenue generated from 3.1% tuition increase versus expenses for 3% compensation increases. **[ATTACHMENT H]**

Regent Sanchez Rael asked if the Regents had any questions.

Student Regent Melissa Henry inquired regarding the public comment on the UNM Hospital compensation. Ms. Lovell responded the numbers presented so far were for the academic units only, and she would address the hospitals and Medical Group next.

The FY20 financial assumptions for UNM Hospitals, including the Cancer Center, includes \$14 million for compensation and benefits. There are negotiations with a bargaining unit. Additionally, there are budgeted revenue cycle improvements of \$22 million as well as volume improvements for \$13 million, offset by projected Medicaid reimbursement decreases of \$16 million. Ms. Lovell also discussed the financial assumptions for Sandoval Regional Medical Center and the UNM Medical Group. **[ATTACHMENT I]** Altogether, the UNM Health System is projecting a positive bottom line of \$8.73 million net margin, to which UNM Hospitals contributes \$4.4 million; UNM Medical Group, a positive \$4.3 million; and SRMC at

about breakeven with \$28K. **[ATTACHMENT J]** The Medical Group's net margin driven largely by the joint venture Rehab Center with Lovelace Hospital.

Chancellor Roth responded to the question about UNM Hospital compensation. Active negotiations are currently ongoing with the union. Details cannot be given, but there are two specific areas of negotiations, general comp increases and also targeted increases for those furthest away from the market average.

Advisors' Comments on the Budget Proposal

Boney Mutabazi, GPSA President, acknowledged the difficult decision before the Regents and commended them on the final decision they will make. Having served on the BLT, he understands the difficult process to come to the scenarios to be recommended. As a student, it is difficult to accept tuition increases, but there are budget challenges and student and the faculty and staff are supposed to live in a symbiotic relationship. Mr. Mutabazi asked the Regents when making their decision to think of the students who get handed their bill every semester. In his experience, even when fees went up, services would be dropped. Mr. Mutabazi asked for transparency on the bills students receive so they will know how their fees are invested. Mr. Mutabazi reminded the Regents the student trust them to invest the funds appropriately.

Becka Myers, ASUNM President, said it was her last meeting before the Regents and she wanted to give her student's perspective on the budget proposal. The recommendations before the Regents were not easy to vote on in the BLT, and most assume students will vote against a tuition increase. Raising tuition is never popular, but the increases proposed were methodically planned to aid the academic mission of the University. There was reluctance to support the revised proposal but it guarantees a 3% compensation increase and complies with the request to aid the academic mission. Ms. Myers talked about the 4% compensation increase and proposed 2%-2%, asking for 2% later did not sit well, because there was a chance the funding of that would fall on the backs of the students. Ms. Myers asked the Regents to not kick the can further down the road, but any increases beyond those proposed would hurt students. Ms. Myers talked about the student organizations and feedback she received. Students are not in favor of any option to increase more than what the BLT has recommended and ASUNM reluctantly supports the 3% tuition increase. Ms. Myers added that students are more amenable to increases when they know exactly where their money is going.

Regent Doughty asked about the student feedback Ms. Myers received on the tuition proposals. Ms. Myers responded she had received most of the student input before the original budget proposal. With regard to the revised proposal, the 3.1% tuition increase (3% comp) was supported by her team as the best, where the 4% compensation increase was too much for students to have to support. There was discussion about the 2%-2% comp proposal, and Ms. Myers clarified said she did not feel comfortable supporting that.

Regent Sanchez Rael reiterated her concern for declining enrollment and the students who were not yet at UNM and asked Ms. Myers if the students had data or anecdotal sense on the major causes for the enrollment declines. Ms. Myers responded the Lottery scholarship affects every New Mexican student and the drop in its funding was the primary reason. This year it funded 80% of tuition, but that was from a one-time appropriation. Regent Sanchez Rael asked about the 2 budget proposals and if the original one with no base tuition increase would be more favorable to students. Ms. Myers talked about the importance of the compensation increases and not kicking the can and that there seemed to be no better alternative than the 3% comp and 3% tuition increases - it was a no-win for the students. There was discussion about the 2%-2% compensation scenario being contingent on supplemental funding and Ms. Myers reiterated she did not support that.

Regent Begay asked for clarification on 'supplemental funding from the State' and not from the students. Regent Brown responded UNM is simply underfunded for the mandate. UNM's response can be that it will comply, but it has funding now for a 2% comp increase. Regent Brown clarified the other 2% would be made entirely contingent on supplemental appropriation from the State and would not happen if the State did not fund it.

Pamela Pyle, Faculty Senate President, commented the faculty appreciate the Governor's perspective and awareness that the faculty and staff in higher education have been underfunded and there has not been a substantial increase in years that would be commensurate with cost of living increases, let alone to inch nearer to peers. It is clear the President and Provost share this point of view. The question is how to do this responsibly. The BLT felt that the 4% scenario would require additional support from the State or it would fall entirely on

students. As seen from discussions this may change the way we prioritize funds and project university values. Ms. Pyle shared her concerns for asking for monies later and described it as a spurious proposition. Salaries require consistent recurring dollars, not speculative funds. Ms. Pyle spoke in support for the BLT's revised proposal recommendation.

Rob Burford, Staff Council President, said staff support the 3.1% tuition increase and the 3% compensation increase and encouraged work with the State in support of the State fully funding compensation increases. Mr. Burford spoke of the importance of recurring dollars versus one-time funds, reserve balances.

Steve Borbas, President, Retiree Association, said the retirees are concerned about the ERB and engage in continuous discussion in Santa Fe regarding that. With regard to the budget, Dr. Borbas said the association recommended utilizing the 2%-2% compensation scenario as a platform for more powerful and logical discussions in Santa Fe.

Regent Sanchez Rael asked Regent Brown for comments. Regent Brown said he made his comments and the decision was a difficult one. President Stokes asked Regent Brown with regard to the 2%-2% compensation scenario, if the second 2% at mid-year would be retroactive to July 1, 2019. Regent Brown responded that might be requested in the supplemental funding, but it was likely there would be more receptivity to funding going forward from beginning of the year.

Approval: Board of Regents Vote on Budget Proposal

Regent Sanchez Rael asked if there was any objection to voting on the Main Campus budget and the HSC budget separately. There were no objections from other members.

Regent Begay asked to hear Regent Lee's comments. Regent Lee said she understood the students were in support of the original proposal, but it looked like discussions were moving toward a tuition increase, which was concerning for future New Mexicans and out of state students. Regent Begay asked Ms. Myers to clarify what the students supported. Ms. Myers confirmed she supported the 3.1% tuition increase for the 3% compensation increase. Student Regent Melissa Henry confirmed that was what she was hearing the most, the BLT voted on the 3.1% tuition increase and that the students back that.

Regent Sanchez Rael stated again that she felt strongly there should not be a base tuition increase and added that would remain her position. Regent Sanchez Rael called for a motion from the Regents on a proposal.

Regent Brown motioned to accept the original BLT budget proposal with the 2% compensation increase, with the additional 2% compensation contingent upon the funds from the State in the supplemental appropriation request. Regent Begay seconded.

Provost Wood clarified the IT fee proposal for graduate students and HSC increased by \$20 from the original budget proposal to the second BLT proposal, and he asked the Regents to include that in their consideration.

Regent Brown agreed to amend his motion to include the IT fees that are proposed in the revised BLT proposal. Regent Begay agreed to second.

Regent Schwartz said he would vote against the motion and then he would move to adopt revised BLT proposal which would involve the 3.1% increase. Regent Schwartz explained his reasons for supporting the revised BLT proposal, the first being UNM's desperate need for a reasonable faculty and staff salary increase. Even 3% seems absolutely minimal. Regent Schwartz talked about the importance of making a clear statement to faculty and staff that they are recognized for what they contribute to the University, not only by the Regents, but they are recognized also by students and others in the community. Regent Schwartz continued the necessary comp increase would require additional resources, and the 3.1% tuition increase, when NMSU is raising its tuition by twice that and UNM is still not the most expensive university in the State, is a modest increase that is utterly necessary this year. Hopefully tuition increases can be eliminated in the future. Regent Schwartz stated he was impressed about everyone working together toward the solution and impressed that the students recognize the importance of value rather than cost. Regent Schwartz emphasized the need to figure out how to create the

university education that has the most value for students and not the one that is the cheapest which would not only affect current students but future students. Regent Schwartz also argued the BLT process should be respected. It's a classic, academic, deliberative process with members who come together from various backgrounds, with interest and with knowledge to exchange ideas and come up with a proposal, and unless it proposal is clearly wrong, it should be accepted. Regent Schwartz said it was important to show some deference to the university process in constructing the budget. He also said it is vital to not take action that is contingent on the legislature, because we do not know what is going to happen. And finally in addition to everything, Regents should commit to being serious about seeking a supplemental appropriation, not to make the basic minimal package, but hopefully to find a lot more. The small increase in the tuition will not hurt the efforts for a supplemental funding, it may actually help because it sends a message of what students value. In any case, the supplemental funding cannot be counted on. Regent Schwartz urged commitment to faculty and staff now to maintain the quality that UNM has by voting against the motion on the table and supporting the revised BLT proposal.

Regent Lee echoed Regent Schwartz' concerns and thoughts.

Regent Henry also echoed Regent Schwartz' words.

Regent Doughty said he would take a middle ground as he does not like raising tuition, but recommended a 3% compensation increase and the utilization of balances (reserves) to cover that.

The motion to accept the original BLT budget proposal with the 2% compensation increase, with the additional 2% compensation contingent upon the funds from the State in the supplemental appropriation request, with the IT fees recommended on the revised BLT proposal, failed by a vote of 3-4-0; Regents Sanchez Rael, Begay and Brown voted for; Regents Doughty, Lee, Henry and Schwartz voted against (1st Brown; 2nd Begay).

Regent Schwartz moved adoption of the most recent BLT proposal. Regent Henry seconded. There was discussion.

Regent Lee clarified she did not believe on putting the compensation increase on the backs of the students when UNM has reserves, and she asked President Stokes to comment. President Stokes responded the pressures on UNM's reserves have been discussed; UNM has been digging into those reserves over and over again, and those are one-time funds, once spent they are gone. There are two places for recurring funds, funding from the State and funding from tuition. The proposal from the BLT balances getting to the 4% using both sources. Reserves is another form of kicking the can down the road. Given the challenges across higher education, this proposal was a good compromise. The University cannot continue to fail to pay its faculty and staff. Even after the decision today, there is still tremendous work to be done because compensation for faculty and staff needs to be raised every year.

Regent Brown added the University needs a budget to be passed and stated his preference of the 2%-2% scenario but confirmed he would support the 3%-1% compensation scenario and with the small tuition increase.

Regent Begay commented that just because she voted on one proposal does not mean she cannot also vote on another proposal. Regent Begay clarified there is a use of reserves in the revised BLT proposal. Provost Wood confirmed the original BLT budget proposal recommended \$3.8 million use of reserves, the revised proposal reduced that to \$3.52 million. Regent Doughty asked President Stokes if she was in agreement that it was not feasible to utilize a higher level of reserves. President Stokes concurred. Regent Doughty responded he understood the situation with reserves and trusted administration's guidance.

Regent Sanchez Rael said she agreed with Regent Brown's vision and intention and added everyone wants to do the right thing for the University and to get to the same place, it's how to get there where the differences lay. Regarding the tactics, Regent Sanchez Rael clarified she believed the only way to reset the fiscal health of the University is to grow itself out of this, not to cut itself out of this, and that's going to require turning around the enrollment situation. The wrong thing to do is to have a base tuition increase; the revised proposal is the wrong thing for the long-term prosperity of the University. Regent Sanchez Rael said she understood the comments about supporting faculty and staff, but the long-term tactics to achieve

that are better served by not having a base tuition increase. Regent Sanchez Rael spoke about increasing revenues in other ways, particularly fixing the enrollment situation. Regent Sanchez Rael also affirmed the BLT process adding that is why she supported the original BLT proposal.

The motion to adopt the most recent BLT proposal passed with a vote of 6-1-0; Regents Schwartz, Henry, Lee, Doughty, Begay and Brown voted for; Regent Sanchez Rael voted against (1st Schwartz; 2nd Henry).

The motion to adopt the FY2020 HSC budget proposal passed with a unanimous vote in favor (1st Doughty; 2nd Lee). There was clarified the tuition increase for CON and CPH would be 3.1%; no tuition increase for COP; and there would be a 2% tuition decrease for the SOM.

OTHER BUSINESS:

Approval of the Contract for UNM FY19 Annual Financial Statements Audit

Regent Brown introduced the item. The Audit Committee unanimously affirmed the third year of the three-year contract with Moss Adams/KPMG, they jointly cooperate on the audit. After this next year, the contract will come up for rebidding.

The motion to approve the third year renewal of the three-year contract passed with a unanimous vote in favor (1st Brown; 2nd Begay).

Public Comment (no comments)

ADJOURN

There being no further business, Regent Sanchez Rael asked for a motion to adjourn; Regent Lee motioned; Regent Doughty seconded; motion passed unanimously; the meeting adjourned at 12:06 PM.

Approved:

Attest:

Douglas M. Brown, President

Sandra K. Begay, Secretary/Treasurer

The President's Administrative Report

Garnett S. Stokes

The President's report will be delivered at the meeting.

CONSENT DOCKET

(Action items on Regent's Committee agendas may move to the Board of Regents' agenda as consent items; the below items are placed on the consent docket by the respective committee chairs; items on the consent docket received unanimous approval in committee; per Regents' Policy 1.2, "Any member of the Board of Regents shall have the right upon request to remove any item from the Board's consent agenda and place the item on the Board's regular agenda for discussion.")

1. Academic/Student Affairs & Research Committee (ASAR) Consent Items
Regents Sanchez Rael & Henry, Co-Chairs
 - a. Form C - Deletions C-1
 - i. AA Communication & Journalism (UNM-Taos) (delete)
 - ii. AAS Fire Science concentration: Emergency Medical Services (UNM-LA) (delete)
 - iii. CERT Office Communications & Technology (UNM-LA) (delete)
 - iv. AAS Office Communications & Technology (UNM-LA) (delete)
 - v. AAS Construction Technology (UNM-Valencia) (delete)
 - vi. CERT Clinical Chemistry (HSC) (delete)
 - vii. AA Art Studio (UNM-Gallup) (delete)
 - b. Posthumous Degree Request for Mireya Martinez C-2
 - c. Posthumous Degree Request for Chantell Howard C-3
2. Finance and Facilities Committee (F&F) Consent Items, *Regent Sandra Begay, Chair*
 - a. Approval of Disposition of Surplus Property for Main Campus for March & April 2019 C-4
 - b. Approval of Quarterly Financial Actions Report and Certification through March 31, 2019 and Information on Monthly Consolidated Financial Reports for month end March 31, 2019 C-5
 - c. Approval of Athletics' Enhanced Fiscal Oversight Program Report and Certification through March 31, 2019 and Information on Athletics' Report on Revenue, Expenditures, and Compliance through March 31, 2019 C-6
 - d. Approval of Projects: C-7
 - i. Request for Project Construction Dana C. Wood Formula Society of Automotive Engineering Racing Lab
 - ii. Request for Project Construction Student Health and Counseling Phase 1 Renovation
 - iii. Request for Project Construction Valencia Campus Photovoltaic Solar System Phase 3
 - iv. Request for Demolition of the Building Located at 1705 Mesa Vista Rd., NE
 - v. Request for Tenant Improvements for Sandia National Laboratories' Lease at the Advanced Materials Laboratory at the UNM Science and Technology Park
3. Health Sciences Center Committee (HSCC) Consent Items, *Regent Rob Schwartz, Chair*
 - a. Request for Approval of the Nomination of Gary Hoffman as Parent Member to the Carrie Tingley Hospital Advisory Board C-8
 - b. Request for Approval of Disposition of Assets C-9
 - c. Request for Approval of Capital Project to Demolish Building at 111 Stanford Dr. NE C-10
 - d. Request for Approval of the Biosense Webster Catheter Agreement C-11
 - e. Request for Approval of the Pharmacy Coumadin Clinic C-12
 - f. Request for Approval – Capital Project – Adult Inpatient–Inpatient BHICU Comfort Rooms . C-13
 - g. Request for Approval – Capital Project – PES Expansion without IOP Conversion Plan Final . C-14
 - h. Request for Approval of UH Main Facilities AHU 117 Replacement C-15

Justification for deletion of AA Communication & Journalism

UNM-Taos is requesting the deletion of the AA Communication & Journalism degree.

The program has not had a student admitted in the last 10 years. UNM-Taos was made aware that the AA degree was still in existence this year. The degree should have been deleted in 2011 when we consolidated programs. The deletion will not result in any impact on long-range planning, budget, or faculty workload. No additional faculty will be needed, since the degree will be deleted.

Justification for Deletion of EMS Concentration in Fire Science

The Emergency Medical Services concentration in Associate of Applied Science Fire Science is being deleted. This concentration is no longer applicable to our campus because we offer an Associate of Science degree in Emergency Medical Services and Certificate programs in both EMT Basic and EMT Intermediate. This concentration is designed to develop skills that will assist a student planning to eventually enter a paramedic Bachelor's degree program. Completion of this concentration will prepare a student to sit for the New Mexico EMT-Basic and EMT-I (Intermediate) licensing tests. The two certificate programs and the Associate of Science degree in EMS accomplishes these same goals. Therefore, this concentration is redundant. This concentration has had zero graduates in a six-year analysis of 2012 – 2018, and only one student has declared this concentration as a major. We have one student enrolled in the program, we are asking for final award date of two years to ensure that this student has adequate time to complete his concentration.

Justification for Deletion of Certificate Office Communications and Technology

The Certificate in Office Technology is being deleted. This concentration is no longer applicable to our campus. In a six year review of programs, UNM Los Alamos has had zero graduates in this certificate and zero declared majors. The Certificate in Office Communications and Technology covers the skills required for effective administrative support. The program is designed for students seeking positions as administrative assistants, office assistants, and secretaries in technical/scientific government or private business office environments. The certificate covers the skills required for effective administrative support. 90% of the content of this certificate program aligns with the certificate in Business, Management concentration. This certificate is therefore redundant. Given the lack of student demand and the redundancy of this program with the certificate in Business Management program, we feel it is time to delete this certificate. Since we have no students in the program, the last date to award the degree is not needed.

Justification for Deletion of Associates of Applied Science in Office Communications and Technology

The Associate of Applied Science in Office Technology is being deleted. This concentration is no longer applicable to our campus. In a six year review of programs, UNM Los Alamos has had zero graduates in this major, and only 1 declared major. The Associate of Applied Science Degree in Office Communications and Technology covers the skills required for effective administrative support. The program is designed for students seeking positions as administrative assistants, office assistants, and secretaries in technical/scientific government or private business office environments. Greater than 70% of the content of this program consists of classes offered in the Business Management AAS degree program and is therefore redundant. Given the lack of student demand and the redundancy of this program with the AAS Business Management program, we feel it is time to delete this AAS program. Since we have no students in the program, the last date to award the degree is not needed.

Teach-Out Plan

Construction Technology Program

Valencia Campus

Valencia Campus requests deletion of our AAS Construction Technology Program. This program has not had demand in our service area for some time now. It has had very low numbers for several years, as evidenced by a program review in the Spring of 2018.

Currently, there are no students with Construction Technology as their major. If a student wished to finish the degree, we would offer the appropriate classes (either as full CNST courses or independent study courses). We would make these opportunities available for two academic years from the time of deletion, to provide time for the students to finish. We do not believe this option will be necessary.

Justification for deletion of CERT Clinical Chemistry (HSC)

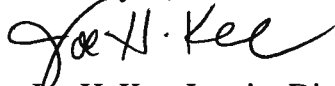
We would like to delete the following courses because the CERT in Clinical Chemistry will no longer be offered by the program due to lack of need in the professional world. MEDL 460 Clinical Correlations Studies MEDL 461 Phlebotomy Rotation MEDL 462 Specimen Processing and Collection Practicum MEDL 464 Management Project Practicum

Deletion of the Associate of Arts in Art Studio Degree
Justification

The Associate of Arts in Art Studio Degree, under the Division of Arts and Sciences, has provided students of UNM-Gallup the option in completing their first two years of study toward a Bachelor's Degree in Fine Arts (BFA) at UNM Albuquerque. In recent semesters, however, declining numbers in student enrollment, the consistent non-offering of some 200-plus level fine arts courses, and budgetary constraints and cost-saving concerns, have affected the continued offering of the degree program. Rather than eliminating the Art Studio Degree program entirely, a more efficient and desirable pathway for students is to create the change of program study in re-directing those having interests in Art Studio to engage their studies in the newly approved Associate of Arts in Liberal Arts with a Concentration in Art Studio at UNM-Gallup. Under this new concentration area, a couple of classes will be eliminated from the original program to include more specific and concentrated areas within the liberal arts. This change will support a more feasible pathway that current fine arts faculty can offer at our institution. The change will also have no impact on the overall fiscal picture in terms of costs and faculty availability.

Please accept this letter as justification for the complete deletion of the Associate of Arts in Art Studio Degree from the UNM-Gallup course catalog.

Thank you,

A handwritten signature in black ink, appearing to read "Joe H. Kee". The signature is fluid and cursive, with the first name "Joe" being the most prominent.

Joe H. Kee, Interim Division Chair
Arts and Sciences Division

To: Lisa Lindquist, Dean of Students Office

From: Shawn Berman, Acting Dean, Anderson School of Management



Date: 4/19/19

Re: Request to award posthumous degree for Mireya Martinez (101666218)

Please accept this memo to support recommendations from the Anderson School of Management and approval from the UNM Faculty Senate to award a posthumous degree to Mireya Martinez (101666218) with a Bachelor of Business Administration degree.

Ms. Martinez was a student in degree status and in good standing as a student at Anderson School of Management in the academic year prior to her death on April 12, 2019. Ms. Martinez completed 105 hours and had 15 credits remaining to complete her degree. She had a cumulative GPA of 3.00.

Thank you in advance for your consideration.



Faculty Senate

April 25, 2019

TO: Board of Regents Academic Student Affairs and Research Committee
FROM: Rick Holmes, Administrative Officer
SUBJECT: Posthumous Degree Request for Mireya Martinez

The Faculty Senate approved the posthumous degree for Mireya Martinez at the April 23, 2019 Faculty Senate meeting.

Included is the request for a Posthumous Degree Request for Mireya Martinez.

Please place this item on the next ASAR agenda for consideration.

Thank you.

Attachments



MEMORANDUM

Date: 3/29/2019

To: Rick Holmes, Office of the University Secretary
Faculty Senate, University of New Mexico
Board of Regents of the University of New Mexico

From: Jayme McMahon, Director of Student Affairs

Re: Request for Posthumous Degree, Chantell R. Howard

On recommendation of the faculty of the UNM Gallup campus, and with their authorization, I hereby request the posthumous award of an Associate of Arts degree in Liberal Arts to Chantell Rae Howard, BID 101683196.

Ms. Howard was tragically killed in an auto accident in August 2018 after her vehicle was hit by a drunk driver. At the time of her death Ms. Howard was enrolled as a full-time student in good standing within her program of study. Ms. Howard had 62 earned credit hours and had 21 credit hours remaining to complete her degree. She had a cumulative GPA of 3.15.

Upon completion of the requirements to obtain an AA in Liberal Arts, Ms. Howard planned to pursue a Bachelor of Science degree in Education. Her death represents a loss to both the UNM Gallup campus and the broader educational community. Awarding this posthumous degree allows her family to recognize all that she accomplished in her short life, and it allows our campus community to honor her memory.

Please do not hesitate to contact me with any questions or if additional information is needed.

Thank you,

A handwritten signature in black ink, appearing to read 'Jayme McMahon'.

Jayme McMahon
Director, Student Affairs
UNM Gallup
jmcmahon@unm.edu
505.863.7508



Faculty Senate

April 25, 2019

TO: Board of Regents Academic Student Affairs and Research Committee
FROM: Rick Holmes, Administrative Officer
SUBJECT: Posthumous Degree Request for Chantell R. Howard

The Faculty Senate approved the posthumous degree for Chantell R. Howard at the April 23, 2019 Faculty Senate meeting.

Included is the request for a Posthumous Degree Request for Chantell R. Howard.

Please place this item on the next ASAR agenda for consideration.

Thank you.

Attachments

University Services
Marcos Roybal
Associate Director

Business Operations
1128 University Blvd NE
505.277.2366

CRLS
Clark Hall
505.277.5109

Copy Center
Dane Smith Hall
505.277.8267

Mailing Systems
1128 University Blvd NE
505.277.4124

Records Management
1128 University Blvd NE
505.277.1136

Shipping & Receiving
915 Camino de Salud
505.272.6302

Surplus Property
1128 University Blvd NE
505.277.2923

Disposition of Surplus Property Approval – March & April 2019

Date: April 23, 2019

To: Bruce Cherrin
Chief Procurement Officer
Purchasing Department

From: Marcos Roybal
Associate Director
University Services

Attached for your review and submission to the Board of Regents is the Surplus Property Disposition detail list for the month of March & April 2019.

Consistent with UNM Board of Regents Policy 7.9 and the NM Disposition of Surplus Property Act, 13-6-1, NMSA 1978, and based upon documentation submitted by the UNM departments responsible for the equipment, I certify that the equipment identified on the monthly list is worn-out, unusable or obsolete to the extent that the items are no longer economical or safe for continued use by the University. I recommend that the items be deleted from UNM's inventory and disposed of in accordance with the above noted Regents Policy and NM Surplus Property Act.



UNIVERSITY SERVICES – DISPOSITION OF SURPLUS PROPERTY
MARCH & APRIL 2019



Surplus Property Disposition - March & April FY19

Memo	Asset Tag	Department	Description	Manufacturer	Purchased	Total Cost (\$)	NBV (\$)	Disposal Method
8	N00036877	CRTC Administration	EclipseTreatmentSystem	Varian	06/26/2012	\$500,552.00	\$0.00	Obsolete
7	N00001807	CRTC Radiation Oncology	Oncology Workstation	Phillips	10/01/2004	\$41,958.00	\$0.00	Obsolete
9	255568	FM Automotive	MV TRK OVER 1 TON	Dodge	05/21/2002	\$25,710.00	\$0.00	Obsolete
9	207521	FM Automotive	MV S.U.V.	Chevrolet	11/27/1994	\$23,047.00	\$0.00	Obsolete
9	N00022129	FM Automotive	2009 Chevrolet Police Impala	Chevrolet	08/04/2009	\$20,323.00	\$0.00	Obsolete
9	215384	IT Academic Technologies	MV S.U.V.	Chevrolet	09/09/1995	\$20,193.00	\$0.00	Obsolete
9	253059	FM Automotive	MV PASSENGER CAR	Ford	11/09/2001	\$19,757.00	\$0.00	Obsolete
4	N00021440	IT Fiscal Operations	File Storage	NetApp	07/02/2009	\$17,901.99	\$0.00	Obsolete
9	191046	FM Automotive	MV VAN	Ford	08/10/1990	\$17,814.00	\$0.00	Obsolete
9	187302	FM Automotive	MV S.U.V.	Chevrolet	08/04/1989	\$17,630.00	\$0.00	Obsolete
9	215163	FM Automotive	MV VAN	Ford	03/22/1996	\$14,985.00	\$0.00	Obsolete
9	259164	FM Automotive	MV MOBILE UNIT MOTOR	Chevrolet	12/18/2002	\$14,802.00	\$0.00	Obsolete
9	224915	FM Automotive	MV PASSENGER CAR	Ford	04/30/1997	\$14,711.00	\$0.00	Obsolete
2	N00026546	CHTM	Generator Tank	NA	06/14/2010	\$14,514.20	\$0.00	Obsolete
6	N00005418	HSC CIO Office	Networking Switch	Cisco	09/13/2005	\$13,660.09	\$0.00	Obsolete
6	N00005419	HSC CIO Office	Networking Switch	Cisco	09/13/2005	\$13,660.09	\$0.00	Obsolete
5	N00023752	CRTC Information Systems	Ethernet Port	Cisco	12/21/2009	\$12,706.90	\$0.00	Obsolete



Board of Regents' Finance & Facilities Committee

Surplus Property Disposition - March & April FY19

Memo	Asset Tag	Department	Description	Manufacturer	Purchased	Total Cost (\$)	NBV (\$)	Disposal Method
5	N00023753	CRTC Information Systems	Ethernet Port	Cisco	12/21/2009	\$12,706.90	\$0.00	Obsolete
5	N00023754	CRTC Information Systems	Ethernet Port	Cisco	12/21/2009	\$12,706.90	\$0.00	Obsolete
5	N00023755	CRTC Information Systems	Ethernet Port	Cisco	12/21/2009	\$12,706.90	\$0.00	Obsolete
5	N00023991	Cancer Research Treatment Ctr CRTC	Ethernet Port	Cisco	01/05/2010	\$12,706.90	\$0.00	Obsolete
1	N00019815	Center for Biomedical Engineering	Centrifuge	VWR	02/17/2009	\$12,110.34	\$0.00	Beyond Repair
4	N00021438	IT Fiscal Operations	File Storage	NetApp	07/02/2009	\$11,345.51	\$0.00	Obsolete
	N00026462	CRTC Administration	AV System - 52" LCD Display	Samsung	06/29/2010	\$9,998.28	\$0.00	Obsolete
	267488	Bookstore Main Campus	GOLF CART	Carryall	07/11/2004	\$9,786.00	\$0.00	Obsolete
	N00023750	CRTC Information Systems	Server Port	AquilaTech	12/21/2009	\$9,300.00	\$0.00	Obsolete
	N00045802	Pediatrics CDD Faculty #01	Computer/PowerVault	Dell	04/17/2014	\$9,154.74	\$0.00	Obsolete
3	N00057619	IT Fiscal Operations	Server/PowerEdge R430	Dell	07/08/2016	\$8,542.36	\$949.09	Obsolete
3	N00057623	IT Fiscal Operations	Server/PowerEdge R431	Dell	07/08/2016	\$8,542.36	\$949.09	Obsolete
	260372	FM Automotive	MV Utility (Electric)	Ford	04/03/2003	\$8,044.00	\$0.00	Obsolete
	N00005416	HSC CIO Office	Networking Switch	Cisco	09/13/2005	\$6,104.39	\$0.00	Obsolete
	N00005417	HSC CIO Office	Networking Switch	Cisco	09/13/2005	\$6,104.39	\$0.00	Obsolete
	N00008778	IM Gastroenterology Faculty #15	Thermocycler	BioRad	08/21/2006	\$5,725.59	\$0.00	Beyond Repair
	216855	Physics Astronomy Department	SPECTROPHOTOMETER	HewlettPac	04/11/1996	\$5,148.00	\$0.00	Obsolete
Total Asset Disposition (#)								34
Total Capitalization (\$)								\$964,658.83
Total Net Book Value (\$)								\$1,898.18



Board of Regents' Finance & Facilities Committee



Center for Biomedical Engineering

Disposition of Surplus Property – UNM Tag #N00019815

January 17, 2019

To: UNM Surplus Property
From: UNM Center for Biomedical Engineering
Subject: Equipment Disposition

UNM Tag #N00019815 (Algra 64R centrifuge) was purchased on 12/2/2008 by UNM Center for Biomedical Engineering for \$12,110.34. The centrifuge was used for protein synthesis and purification by multiple research groups in the Center's research labs and has a net book value (NBV) of \$0.00. The centrifuge is broken and unusable.

The centrifuge is 10 years old, and we believe the cost to repair it is cost prohibitive in comparison to purchasing a new centrifuge.

Steven Graves, CBME Director

Asset	Description	Acq. Cost	NBV	Date
N00019815	Centrifuge	\$12,110.34	\$0	12/02/2008



UNM

CENTER *for* HIGH TECHNOLOGY MATERIALS

Memo - #2

Disposition of Surplus Property UNM Tag #N00026546

March 5, 2019

To: UNM Surplus Property

From: Center for High Tech Materials

Subject: Generator Tank Surplus

To whom it may concern,

We at CHTM, request to dispose of asset N00026546. This asset was acquired on June, 14th 2010 and has been used for cleaning equipment on a research project. No further research will be conducted therefore, the tank has been cannibalized for other parts that can be used in the future. The acquisition cost is \$14,451.20 and the NBV is \$0.00. The tank takes up too much space in the lab and is no longer functional enough for any cleaning purposes in the future.

We believe deciding to surplus the tank will be beneficial for the professors because it will make the lab less cluttered, and the tank cannot function anymore anyways. Thank you for your consideration.

Sincerely,

Nina Morales (CHTM Inventory Specialist)

Asset#	Description	Acq.Cost	NBV	Date
N00026546	Generator Tank System	\$14,451.20	\$0	6/14/2010



INFORMATION TECHNOLOGIES

TO: UNM Inventory Control

FROM: Kirsten Martinez, IT Fiscal Operations Director

DATE: March 6, 2019

SUBJECT: Request to Surplus Items

This memo responds to a request for additional information and approval pertaining to a request for the surplus of assets, dated 11/7/18, for the high dollar assets listed below. The servers were used for the telephone system OW5000 and sequel. The IT Networks group has determined that these servers are no longer needed as they have upgraded to virtual servers.

UNM Tag#	Acquisition Date	UNM Serial #	Asset Desc.	MEG	Model	Acquisition Cost	Net Book Value
N00057619	7/8/2016	13B1FB2	Server/PowerEdgeR430	Dell	PowerEdge R430	\$ 8,542.36	\$ 949.09
N00057623	7/8/2016	1396FB2	Server/PowerEdgeR430	Dell	PowerEdge R430	\$ 8,542.36	\$ 949.09

Thank you.

Kirsten Martinez, Fiscal Operations Director

Mark Reynolds, Assoc. Dir. IT Networks

Asset	Description	Acq. Cost	NBV	Date
N00057619	Server	\$8,542.36	\$949.09	7/08/2016
N00057623	Server	\$8,542.36	\$949.09	7/08/2016

**INFORMATION
TECHNOLOGIES**

TO: UNM Inventory Control

FROM: Kirsten Martinez, IT Fiscal Operations Director

DATE: February 22, 2019

SUBJECT: Request to Surplus Items

This memo responds to a request for additional information and approval pertaining to a request for the surplus of assets dated 2/5/19, for the high dollar assets listed below. The Director of Fiscal Operations is requesting to surplus the following assets. The hardware is used for file storage. The equipment has reached its "End of Life" which means the vendor will no longer provide support on the equipment or provide replacement parts. There are no longer any updates or patches offered on the equipment which can limit the ability to use it with new hardware and secure it against new threats. The hardware is now obsolete.

<u>UNM Tag#</u>	<u>Acquisition Date</u>	<u>UNM Serial #</u>	<u>Asset Desc</u>	<u>MFG</u>	<u>Model</u>	<u>Acquisition Cost</u>	<u>Net Book Value</u>
N00021440	7/2/09	SHU897670036C13	File Storage	NetApp	DS14MK2	\$ 17,901.99	0.00
N00021438	7/2/09	SHU936310036E90	File Storage	NetApp	DS14MK4 SHLF	\$ 11,345.51	0.00

Thank you.

Kirsten Martinez, Fiscal Operations Director

Asset	Description	Acq. Cost	NBV	Date
N00021440	Network Storage	\$17,901.99	\$0	7/02/2009
N00021348	Network Storage	\$11,345.51	\$0	7/02/2009

MEMORANDUM

To: Inventory Control

Subject: Request for Deletion of Assets – Networking Switches

From: Shirley Mitchell, Director, Fiscal Operations *SAM*

Date: March 27, 2019

Working with the Health Sciences Center Chief Information Office (CIO), the UNM Comprehensive Cancer Center has the need to surplus the following Network Switches:

N00023991 Network Switch originally purchased on 1/06/10 for \$12,706.90
N00023754 Network Switch originally purchased on 12/21/09 for \$12,706.90
N00023752 Network Switch originally purchased on 12/08/09 for \$12,706.90
N00023753 Network Switch originally purchased on 12/21/09 for \$12,706.90
N00023755 Network Switch originally purchased on 12/21/09 for \$12,706.90

All of the above are past their service life, obsolete, and have been replaced by newer, more advanced switches. Please remove them from the Cancer Center inventory.

Please reference the Request for Disposal of Surplus Property list submitted by Thomas Gutierrez for additional information pertaining to these switches.

Thank you.

Asset	Description	NBV	Acq. Cost	Date
N00023991	Ethernet Port	\$0	\$12,706.90	1/06/2010
N00023754	Ethernet Port	\$0	\$12,706.90	12/21/2009
N00023752	Ethernet Port	\$0	\$12,706.90	12/08/2009
N00023753	Ethernet Port	\$0	\$12,706.90	12/21/2009
N00023755	Ethernet Port	\$0	\$12,706.90	12/21/2009

MEMORANDUM

To: Inventory Control

From: Thomas M. Gutierrez, Core IT Services Specialist

Date: March 18, 2019

Re: Request for Deletion of Assets – Networking Switches

The Health Sciences Center Chief Information Office (CIO) has the need to surplus the following Network Switches:

N00005416 Network Switch originally purchased in 9/20/2005 for \$6,104.39.

N00005417 Network Switch originally purchased in 9/20/2005 for \$6,104.39.

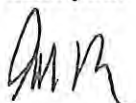
N00005418 Network Switch originally purchased in 9/20/2005 for \$13,660.09.

N00005419 Network Switch originally purchased in 9/20/2005 for \$13,660.09.

All of the above are past their service life, obsolete and have been replaced by newer, more advanced switches.

Please remove these from our inventory.

Thank you.



Matt Braun, HSC CIO

Asset	Description	Acq. Cost	NBV	Date
N00005416	Networking Switch	\$6,104.39	\$0	9/20/2005
N00005417	Networking Switch	\$6,104.39	\$0	9/20/2005
N00005418	Networking Switch	\$13,660.09	\$0	9/20/2005
N00005419	Networking Switch	\$13,660.09	\$0	9/20/2005

Date: March 1, 2019

To: UNM Surplus Property
From: UNM Cancer Center IT
Subject: Disposal of Tape Back-up unit

To Whom It May Concern:

UNM Tag #N00001807 (Pinnacle Treatment Planning System) consists of three pieces of hardware. This was used to build radiation oncology treatment plans. We need to dispose 2 out of the 3 pieces of hardware. The 3rd piece was already sent for disposal some time ago. We no longer need this hardware as it is too old and is no longer reliable hardware. All hardware is grouped under one UNM Tag #N00001807. The original purchase of this hardware was on 10/21/2004. The original cost was \$41,958.00 and the net book value of all hardware is \$0.00.

This item is currently taking up much needed storage space and no longer provides value to our organization. Thank you for your consideration.

Sincerely,

X 

Sri Khalsa
Technical Analyst I
UNM Cancer Center IT

Asset	Description	Acq. Cost	NBV	Date
N00001807	Oncology Workstation Treatment System	\$41,958.00	\$0	10/21/2004

Date: March 1, 2019

To: UNM Surplus Property
From: UNM Cancer Center IT
Subject: Disposal of Tape Back-up unit

To Whom It May Concern:

UNM Tag #N00036877 (Eclipse Treatment Planning System) consists of multiple pieces of hardware, software, and support services. This was used to build radiation oncology treatment plans. We are still using some of this hardware to this day. The device needing to get disposed of is only one piece of hardware purchased in a bundle with other hardware. This particular device is a tape back-up unit. We no longer need it as we have other back-up solutions in place to support the Eclipse software. All hardware is grouped under one UNM Tag #N00036877. The original purchase of this hardware was on 06/28/2012. The original cost was \$500,552.00 and the net book value of all hardware is \$0.00.

This item is currently taking up much needed storage space and no longer provides value to our organization. Thank you for your consideration.

Sincerely,

X 

Siri Khalsa
Technical Analyst I
UNM Cancer Center IT

Asset	Description	Acq. Cost	NBV	Date
N00036877	Eclipse Treatment System	\$500,552.00	\$0	6/28/2012



THE UNIVERSITY of NEW MEXICO

UNM Children's Campus Administration

MEMO

Date: 4/17/2019

To: UNM Board of Regents

From: Jeff Brumfield, Supervisor, Automotive Dept.

Re: 2019 Spring Surplus vehicle auction

Asset #'s 191046, 215384, 215163, 224915, 253059, 259164, N00022129, 255568, 187302, 207521

This is an annual auction for all of the vehicles from UNM and may include golf carts and riding mowers.

All vehicles have been used to the point of exhaustion, whether the reason for disposal is old age or now too expensive to repair.

Asset#	Acq. Date	Acq. Cost	NBV	Description
191046	08/10/1990	\$17,814.00	\$0	Ford E350
215384	09/09/1995	\$20,193.00	\$0	Chevrolet 4D
215163	03/22/1996	\$14,985.00	\$0	Ford Aerostar
224915	04/30/1997	\$14,711.00	\$0	Ford Taurus
253059	11/09/2001	\$19,757.00	\$0	Ford Taurus SE
259164	12/18/2002	\$14,802.00	\$0	Chevrolet Impala
N00022129	08/03/2009	\$20,323.00	\$0	Chevrolet Impala
255568	05/21/2002	\$24,710.00	\$0	Dodge 2500 P/U
187302	08/04/1989	\$17,630.00	\$0	Chevrolet Suburban
207521	11/27/1994	\$23,047.00	\$0	Chevrolet Suburban

New Mexico Compilation Commission

13-6-1 . Disposition of obsolete, worn-out or unusable tangible personal property.

A. The governing authority of each state agency, local public body, school district and state educational institution may dispose of any item of tangible personal property belonging to that authority and delete the item from its public inventory upon a specific finding by the authority that the item of property is:

- (1) of a current resale value of five thousand dollars (\$5,000) or less; and
- (2) worn out, unusable or obsolete to the extent that the item is no longer economical or safe for continued use by the body.

B. The governing authority shall, as a prerequisite to the disposition of any items of tangible personal property:

- (1) designate a committee of at least three officials of the governing authority to approve and oversee the disposition; and
- (2) give notification at least thirty days prior to its action making the deletion by sending a copy of its official finding and the proposed disposition of the property to the state auditor and the appropriate approval authority designated in Section 13-6-2 NMSA 1978, duly sworn and subscribed under oath by each member of the authority approving the action.

C. A copy of the official finding and proposed disposition of the property sought to be disposed of shall be made a permanent part of the official minutes of the governing authority and maintained as a public record subject to the Inspection of Public Records Act [Chapter 14, Article 2 NMSA 1978].

D. The governing authority shall dispose of the tangible personal property by negotiated sale to any governmental unit of an Indian nation, tribe or pueblo in New Mexico or by negotiated sale or donation to other state agencies, local public bodies, school districts, state educational institutions or municipalities or through the central purchasing office of the governing authority by means of competitive sealed bid or public auction or, if a state agency, through the surplus property bureau of the transportation services division of the general services department.

E. A state agency shall give the surplus property bureau of the transportation services division of the general services department the right of first refusal when disposing of obsolete, worn-out or unusable tangible personal property of the state agency.

F. If the governing authority is unable to dispose of the tangible personal property pursuant to Subsection D or E of this section, the governing authority may sell or, if the property has no value, donate the property to any organization described in Section 501(c)(3) of the Internal Revenue Code of 1986.

G. If the governing authority is unable to dispose of the tangible personal property pursuant to Subsection D, E or F of this section, it may order that the property be destroyed or otherwise permanently disposed of in accordance with applicable laws.

H. If the governing authority determines that the tangible personal property is hazardous or contains hazardous materials and may not be used safely under any circumstances, the property shall be destroyed and disposed of pursuant to Subsection G of this section.

I. No tangible personal property shall be donated to an employee or relative of an employee of a state agency, local public body, school district or state educational institution; provided that nothing in this subsection precludes an employee from participating and bidding for public property at a public auction.

J. This section shall not apply to any property acquired by a museum through abandonment procedures pursuant to the Abandoned Cultural Properties Act [18-10-1 to 18-10-5 NMSA 1978].

K. Notwithstanding the provisions of Subsection A of this section, the department of transportation may sell through public auction or dispose of surplus tangible personal property used to manage, maintain or build roads that exceeds five thousand dollars (\$5,000) in value. Proceeds from sales shall be credited to the state road fund. The department of transportation shall notify the department of finance and administration regarding the disposition of all property.

L. If the secretary of public safety finds that the K-9 dog presents no threat to public safety, the K-9 dog shall be released from public ownership as provided in this subsection. The K-9 dog shall first be offered to its trainer or handler free of charge. If the trainer or handler does not want to accept ownership of the K-9 dog, then the K-9 dog shall be offered to an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 free of charge. If both of the above fail, the K-9 dog shall only be sold to a qualified individual found capable of providing a good home to the animal.

History: 1953 Comp., § 6-1-7.1, enacted by Laws 1961, ch. 100, § 1; 1979, ch. 195, § 2; 1984, ch. 47, § 1; 1987, ch. 15, § 1; 1989, ch. 211, § 6; 1995, ch. 181, § 1; 1998, ch. 16, § 1; 2001, ch. 317, § 1; 2007, ch. 57, § 4; 2012, ch. 10, § 1; 2013, ch. 9, § 1.




University Controller
Financial Services, Main Campus
Phone: (505) 277-5111
FAX: (505) 277-7662

MEMORANDUM

DATE: April 25, 2019

TO: Dr. Craig White
Interim Senior Vice President for Finance & Administration

FROM: Elizabeth Metzger, CPA 
University Controller

RE: Two (2) Items: One (1) Action Item and One (1) Information Item for Board of Regents' Finance & Facilities Committee Meeting

Action Items.

The New Mexico Higher Education Department, Institutional Finance Division, Quarterly Financial Actions Report and Certification through March 31, 2019 needs to be approved at the May 7, 2019 Finance & Facilities Committee meeting.

Information Items.

The Monthly Consolidated Financial Reports for the month ended March 31, 2019 will be presented at the May 7, 2019 Finance & Facilities Committee meeting.

New Mexico Higher Education Department
Institutional Finance Division
Quarterly Financial Certification Report Template

Please complete and sign the following Financial Certification Report and submit with the Quarterly Financial Actions Report.

To the best of my knowledge, I certify that the information provided in the attached Financial Actions Report for the:

1st _____ 2nd _____ 3rd X 4th _____ Quarter, FY 2019

is correct as of the signature dates noted below, and that

The University of New Mexico

has a functioning financial accounting system that captures assets, liabilities, revenues, and expenditures on a timely basis, and the Governing Board receives timely notification of any significant actual or projected variances between budgeted and actual revenues and expenditures.

Sandra Begay, Chair, Board of Regents-F&F	Date
---	------

Garnett S. Stokes, President	Date
------------------------------	------

Dr. Craig White, Interim Senior VP for Finance & Administration	Date
---	------

University of New Mexico

Quarterly Financial Actions Report

Fiscal year 2019

Date 4/24/2019

Period (check one)

Quarter 1 ☐ Quarter 2 ☐ Quarter 3 ☒ Quarter 4 ☐

During the period of time covered by this report; did your institution:

(1) Request an advance of state subsidy?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
(2) Fail to make its required payments, as scheduled, to appropriate retirement system(s)?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
(3) Fail to make its payroll payments, as scheduled?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
(4) Fail to make its scheduled debt service payments?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
(5) Fail to make payments to vendors, as scheduled, due to a cash deficiency or a substantial deficiency in the payment processing system?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
(6) Relative to the original fiscal year budget, experience any significant actual or anticipated financial changes that are not reflected in a submitted Budget Adjustment Request (BAR). Significant financial changes refers to fiscal activity that will result in a substantially reduced year-end fund balance or any increase in a fund balance deficit.	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

If the answer to any of the above questions is "Yes," please describe in a separate document:

- (i) the reason for the occurrence,
- (ii) the actions taken by your institution to resolve this particular occurrence, and
- (iii) the actions taken by your institution to prevent events such as this from occurring again.

In addition, if the answer to number 6 is "Yes," please describe in a separate document the nature of the financial changes and describe and assess the impact that the changes will have on your institution's planned year-end financial position. (See attached.)

University of New Mexico
Quarterly Financial Actions Report
Fiscal Year 2019, End of Quarter 3

Updated Additional information for “Yes” answer to Question (6)

Nature of Financial Changes not yet reflected in a BAR:

The enrollment for the Fall 2018 semester was down 7.86% in student credit hours and 7.17% in student headcount. Tuition and fees are expected to be under budget by \$9.7M or 5.7%. The original budget included an adjustment for enrollment fluctuation but current projections exceeded it.

Current plan as of end of Quarter 3: The budget was balanced with one-time funding of \$3M in discretionary central reserves, \$1M of uncommitted prior year BR&R funding, as well as \$2M of unbudgeted permanent and land income. The remainder of the shortfall was covered by a reduction of expenditures and use of department reserves of approximately \$1.7M in Academic Affairs, \$1.3M in Administration, and \$700K in units that receive mandatory student fees.



Monthly Financial Report

Consolidated Total Operations Current Funds

Fiscal Year to Date as of March 31, 2019

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Debt Service

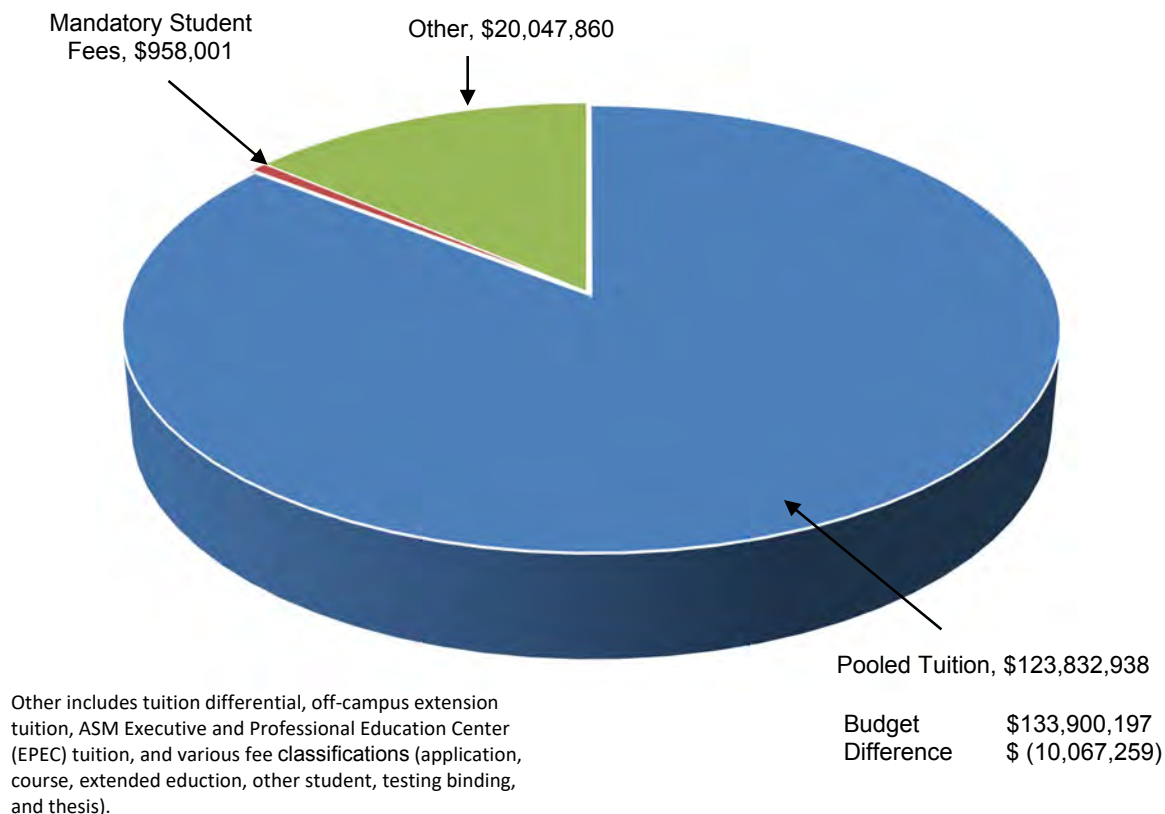
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Summary of Items in the Consolidated Financial Report As of March 31, 2019

- Instruction and General (Consolidated page 8, Main Campus page 14): Tuition and Fees - The graph below indicates the portion of Main Campus I&G Tuition and Fee revenue that is pooled and allocated to the departments. The remainder of I&G Tuition and Fee revenue is distributed directly to the units, EX: tuition differential, course fees.

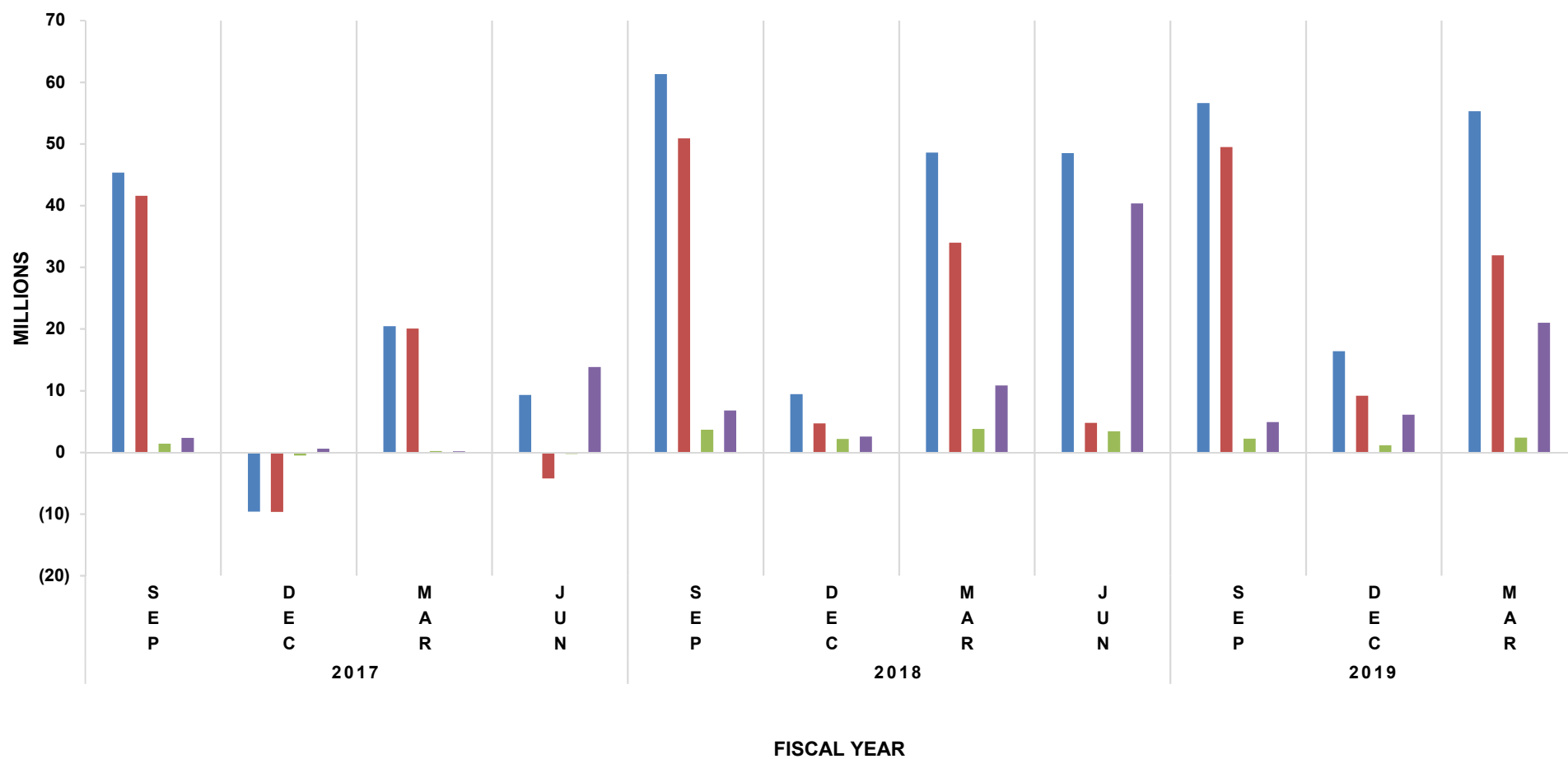
**Main Campus Tuition and Fees
as of March 31, 2019**





CONSOLIDATED TOTAL OPERATIONS - 3 YEAR NET REVENUE / (EXPENSE) FISCAL YEAR TO DATE AS OF MARCH 31, 2019

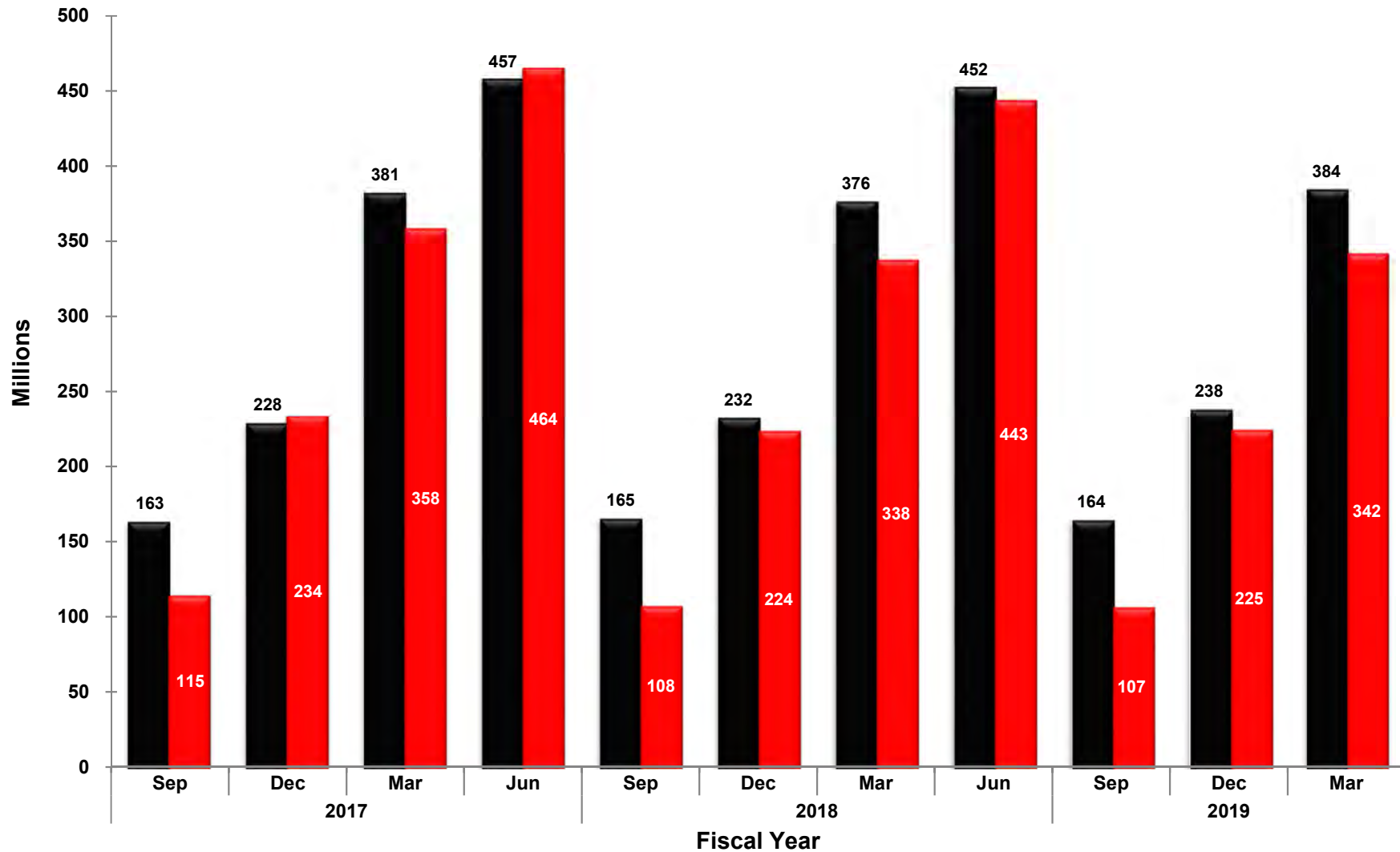
CONSOLIDATED MAIN BRANCHES HSC





YTD I&G Consolidated Revenues / Expenses (3 Year) Fiscal Year to Date as of March 31, 2019

■ Revenues ■ Expenses



Executive Budget Summary

University of New Mexico Consolidated Financial Report

FY 2019 UNM Operating Budget

This report covers current fund operations for the University, including Main Campus, Branch Campuses, and HSC Campus.

Instruction and General operations projects a use of reserves of \$5.7M for the FY 2019 UNM Operating Budget. The use of reserves of \$5.7M is comprised of \$3.9M use of reserves at the Main Campus, a \$1.2M use of reserves at the Branch Campuses, and a \$641K use of reserves at the HSC Campus. The \$641K use of reserves at the HSC Campus is primarily due to budgeting small portions of the hiring packages for two new Deans during FY 2019.

The next block of information shows the **Unrestricted Research** operations. The FY 2019 UNM Operating Budget projects a use of reserves of \$3.0M, of which Main Campus is projecting a \$1.9M use of reserves and HSC is projecting a \$1.1M use of reserves. At the HSC Campus, the \$1.1M use of reserves for non-recurring expenditures includes CTSC Scholar startup packages, equipment purchases and research supplies.

The third business category shown on the first page of this report is **Unrestricted Public Service**. The operations in this category include special projects funded by State Appropriations, for example Newborn Intensive Care, and non-endowed gifts flowing from the UNM Foundation to departments and many small events funded by user fees. The FY 2019 UNM Operating Budget projects a use of reserves of \$1.5M. This use of reserves is comprised of a combined use of reserves of \$1.9M at the Main and Branch Campuses and a \$370K favorable net margin at the HSC Campus. At the HSC Campus, the \$370K favorable net margin includes increased revenue due to an increase in unrestricted contracts.

Page 2 of this report begins with the **Student Aid** function. The FY 2019 UNM Operating Budget projects a use of reserves of \$5.6M. These reserves are comprised of \$5.5M use of reserves at the Main and Branch Campuses and a use of reserves of \$65K at the HSC Campus.

Student Activities are the operations of Student Government and Student organizations. The FY 2019 UNM Operating Budget shows a use of reserves of \$74K.

Auxiliaries and Athletics

The FY 2019 UNM Operating Budget for Auxiliaries and Athletics projects a use of reserves of \$618K.

Sponsored programs operations are our contract and grant research and public service projects funded by outside agencies and companies. These operations will always record a zero net revenue over expense by the nature of their funding. The agency pays for a service or research project, and normally any unspent funds must be returned to the agency.

The next block of numbers on the third page is a summary of our **Clinical Operations**. These operations are essentially all the patient care activities of the HSC Campus, including the UNM Hospitals, SOM physician professional services, Cancer Center operations and Housestaff/Medical Residents who are being trained in the UNM and VA hospitals. The FY 2019 UNM Operating Budget projects a favorable net margin of \$1.5M. UNM Hospitals budgeted a favorable net margin of \$3K. The School of Medicine budgeted a favorable net margin of \$1.5M, which is primarily due to increased outpatient clinical volume.

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2019
Preliminary and Unaudited

University of New Mexico - Consolidated Total Operations Current Funds

	FY 2019 Full Year Operating Budget	FY 2019 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2018 Year-to-Date Actual (3)	FY 2019 YTD Actual Change From FY 2018 YTD Actual
Instruction and General						
Tuition and Fees Revenues						
Main Campus	155,623,993	144,838,799	(10,785,194)	93%	149,802,142	(4,963,343)
Branch Campuses	7,465,244	6,583,456	(881,788)	88%	6,798,150	(214,694)
HSC Campus	18,634,587	17,195,034	(1,439,553)	92%	16,843,630	351,404
Total Tuition and Fees Revenues	181,723,824	168,617,289	(13,106,535)	93%	173,443,922	(4,826,633)
State/Local Appropriations	272,166,725	204,368,898	(67,797,827)	75%	197,838,911	6,529,987
F & A Revenues	45,050,000	33,790,918	(11,259,082)	75%	35,132,250	(1,341,332)
Transfers	(51,411,147)	(43,398,824)	8,012,323	84%	(46,672,115)	3,273,291
Other Revenues	20,116,165	20,413,918	297,753	101%	16,024,932	4,388,986
Total Instruction and General Revenues	467,645,567	383,792,199	(83,853,368)	82%	375,767,900	8,024,299
Salaries	290,619,454	214,095,580	76,523,874	74%	213,651,319	(444,261)
Benefits	94,783,627	71,468,313	23,315,314	75%	70,393,949	(1,074,364)
Other Expenses	87,939,541	56,014,549	31,924,992	64%	53,526,912	(2,487,637)
Total Instruction and General Expenses	473,342,622	341,578,442	131,764,180	72%	337,572,180	(4,006,262)
Net Instruction and General Revenue/(Expense)	(5,697,055)	42,213,757	47,910,812		38,195,720	4,018,037
Research						
State/Local Appropriations	3,590,763	2,772,744	(818,019)	77%	2,762,555	10,189
Transfers	31,869,327	19,972,162	(11,897,165)	63%	19,324,730	647,432
Other Revenues	1,223,617	1,368,749	145,132	112%	1,567,431	(198,682)
Total Research Revenues	36,683,707	24,113,655	(12,570,052)	66%	23,654,716	458,939
Salaries and Benefits	18,545,532	13,437,643	5,107,889	72%	13,077,771	(359,872)
Other Expenses	21,143,688	11,116,994	10,026,694	53%	10,611,584	(505,410)
Total Research Expenses	39,689,220	24,554,637	15,134,583	62%	23,689,355	(865,282)
Net Research Revenue/(Expense)	(3,005,513)	(440,982)	2,564,531		(34,639)	(406,343)
Public Service						
State/Local Appropriations	3,484,050	2,613,963	(870,087)	75%	2,576,438	37,525
Sales and Services Revenues	28,636,322	22,936,190	(5,700,132)	80%	22,056,568	879,622
Gifts	9,527,354	10,398,397	871,043	109%	13,152,445	(2,754,048)
Transfers	(4,399,967)	(8,564,262)	(4,164,295)	195%	(2,314,559)	(6,249,703)
Other Revenues	5,171,094	3,636,556	(1,534,538)	70%	3,465,215	171,341
Total Public Service Revenues	42,418,853	31,020,844	(11,398,009)	73%	38,936,107	(7,915,263)
Salaries and Benefits	22,593,431	16,440,070	6,153,361	73%	19,486,007	3,045,937
Other Expenses	21,355,516	16,027,885	5,327,631	75%	13,506,822	(2,521,063)
Total Public Service Expenses	43,948,947	32,467,955	11,480,992	74%	32,992,829	524,874
Net Public Service Revenue/(Expense)	(1,530,094)	(1,447,111)	82,983		5,943,278	(7,390,389)

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2019
Preliminary and Unaudited

University of New Mexico - Consolidated Total Operations Current Funds

	FY 2019 Full Year Operating Budget	FY 2019 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2018 Year-to-Date Actual (3)	FY 2019 YTD Actual Change From FY 2018 YTD Actual
Student Aid						
Gifts	6,254,424	5,771,306	(483,118)	92%	6,650,013	(878,707)
State Lottery Scholarship	18,200,000	18,200,000	-	100%	20,406,700	(2,206,700)
Transfers	19,777,123	15,066,693	(4,710,430)	76%	12,669,403	2,397,290
Other Revenues	332,329	371,633	39,304	112%	124,084	247,549
Total Student Aid Revenues	44,563,876	39,409,632	(5,154,244)	88%	39,850,200	(440,568)
Salaries and Benefits	2,540,719	2,542,537	(1,818)	100%	2,889,339	346,802
Other Expenses	47,587,077	42,510,874	5,076,203	89%	44,878,549	2,367,675
Total Student Aid Expenses	50,127,796	45,053,411	5,074,385	90%	47,767,888	2,714,477
Net Student Aid Revenue/(Expense)	(5,563,920)	(5,643,779)	(79,859)		(7,917,688)	2,273,909
Student Social & Cultural Programs						
Fee Revenues	8,487,388	6,101,775	(2,385,613)	72%	7,622,113	(1,520,338)
Sales and Services Revenues	989,452	901,812	(87,640)	91%	957,628	(55,816)
Transfers	292,425	1,409,424	1,116,999	482%	319,413	1,090,011
Other Revenues	244,154	91,115	(153,039)	37%	142,406	(51,291)
Total Student Social & Cultural Programs Revenues	10,013,419	8,504,126	(1,509,293)	85%	9,041,560	(537,434)
Salaries and Benefits	5,902,790	3,685,445	2,217,345	62%	4,069,362	383,917
Other Expenses	4,184,442	2,791,646	1,392,796	67%	3,179,380	387,734
Total Student Social & Cultural Programs Expenses	10,087,232	6,477,091	3,610,141	64%	7,248,742	771,651
Net Student Social & Cultural Programs Revenue/(Expense)	(73,813)	2,027,035	2,100,848		1,792,818	234,217
Auxiliaries and Athletics						
Branch Campuses Auxiliary Revenues	1,971,989	1,229,548	(742,441)	62%	2,000,261	(770,713)
Main Campus Auxiliaries Revenues	48,446,165	42,039,638	(6,406,527)	87%	41,433,530	606,108
Athletics Revenues	33,641,963	27,013,385	(6,628,578)	80%	26,964,617	48,768
Total Auxiliaries and Athletics Revenues	84,060,117	70,282,571	(13,777,546)	84%	70,398,408	(115,837)
Branch Campuses Auxiliary Expenses	2,040,826	1,418,906	621,920	70%	1,361,132	(57,774)
Main Campus Auxiliaries Expenses	48,995,269	36,147,621	12,847,648	74%	35,550,139	(597,482)
Athletics Expenses	33,641,963	27,570,993	6,070,970	82%	27,691,243	120,250
Total Auxiliaries and Athletics Expenses	84,678,058	65,137,520	19,540,538	77%	64,602,514	(535,006)
Net Auxiliaries and Athletics Revenue/(Expense)	(617,941)	5,145,051	5,762,992		5,795,894	(650,843)

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2019
Preliminary and Unaudited

University of New Mexico - Consolidated Total Operations Current Funds

	FY 2019 Full Year Operating Budget	FY 2019 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2018 Year-to-Date Actual (3)	FY 2019 YTD Actual Change From FY 2018 YTD Actual
Sponsored Programs						
Federal Grants and Contracts Revenues	280,121,447	181,604,875	(98,516,572)	65%	191,309,542	(9,704,667)
State and Local Grants and Contracts Revenues	37,652,140	24,101,343	(13,550,797)	64%	21,573,465	2,527,878
Non-Governmental Grants and Contracts Revenues	39,652,565	25,104,628	(14,547,937)	63%	27,668,194	(2,563,566)
Gifts	-	-	-	N/A	-	-
Transfers	1,964,504	3,524,684	1,560,180	179%	4,225,988	(701,304)
Other Revenues	-	(592,595)	(592,595)	N/A	(599,202)	6,607
Total Sponsored Programs Revenues	359,390,656	233,742,935	(125,647,721)	65%	244,177,987	(10,435,052)
Salaries and Benefits	169,228,822	102,435,612	66,793,210	61%	106,005,130	3,569,518
Other Expenses	190,161,834	131,307,323	58,854,511	69%	138,172,857	6,865,534
Total Sponsored Programs Expenses	359,390,656	233,742,935	125,647,721	65%	244,177,987	10,435,052
Net Sponsored Programs Revenue/(Expense)	-	-	-		-	-
Clinical Operations						
State/Local Appropriations	34,317,162	25,721,667	(8,595,495)	75%	24,508,288	1,213,379
Physician Professional Fee Revenues	133,242,851	93,349,359	(39,893,492)	70%	93,348,884	475
Hospital Facility Revenues	939,105,744	734,395,437	(204,710,307)	78%	696,040,267	38,355,170
Other Patient Revenues, net of Allowance	167,794,438	120,727,566	(47,066,872)	72%	117,033,177	3,694,389
Mil Levy	100,269,401	75,202,051	(25,067,350)	75%	73,707,477	1,494,574
Investment Income	(82,916)	1,896,537	1,979,453	-2287%	171,243	1,725,294
Gifts	4,143,856	4,660,529	516,673	112%	3,291,409	1,369,120
Housestaff Revenues	37,950,860	29,821,312	(8,129,548)	79%	28,373,955	1,447,357
Transfers	(5,789,757)	(5,396,849)	392,908	93%	(4,814,837)	(582,012)
Other Revenues	46,853,465	51,704,223	4,850,758	110%	35,977,523	15,726,700
Total Clinical Operations Revenues	1,457,805,104	1,132,081,832	(325,723,272)	78%	1,067,637,386	64,444,446
Salaries and Benefits	813,232,572	611,455,449	201,777,123	75%	581,691,364	(29,764,085)
Interest Expense	3,947,871	2,898,214	1,049,657	73%	2,956,703	58,489
Housestaff Expenses	37,950,860	30,004,011	7,946,849	79%	28,320,461	(1,683,550)
Other Expenses	601,162,628	474,273,443	126,889,185	79%	449,855,905	(24,417,538)
Total Clinical Operations Expenses	1,456,293,931	1,118,631,117	337,662,814	77%	1,062,824,433	(55,806,684)
Net Clinical Operations Revenue/(Expense)	1,511,173 (1)	13,450,715 (2)	11,939,542		4,812,953	8,637,762
Net Current Revenue/(Expense)	(14,977,163)	55,304,686	70,281,849		48,588,336	6,716,350

(1) **OPERATING BUDGET** - Clinical Operations include the SOM Clinical Departments which have a budgeted consolidated net margin of \$1,508,537 and UNM Hospital operations which has a budgeted net margin of \$2,636

(2) **ACTUAL** - Clinical Operations include the SOM Clinical Departments which currently have a consolidated net margin of \$333,371 and UNM Hospitals operations currently has a net margin of \$13,117,344

(3) Some of the FY 2018 amounts were re-classified in order to be consistent with the FY 2019 format, the net margin did not change in total.

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2019
Preliminary and Unaudited

University of New Mexico - Main Campus Athletics & Auxiliary Operations

	FY 2019 Full Year Operating Budget	FY 2019 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2018 Year-to-Date Actual	FY 2019 YTD Actual Change From FY 2018 YTD Actual
Results of Athletics Operations:						
Athletics Revenues	32,790,628	25,612,014	(7,178,614)	78%	26,384,058	(772,044)
Athletics Transfers	851,335	1,401,371	550,036	165%	580,559	820,812
Total Athletics Revenues	33,641,963	27,013,385	(6,628,578)	80%	26,964,617	48,768
Athletics Expenses						
Salaries and Benefits	14,609,246	10,351,403	4,257,843	71%	11,078,187	726,784
Grant-in-Aid	4,862,032	4,438,118	423,914	91%	4,599,371	161,253
Other Expenses	14,170,685	12,781,472	1,389,213	90%	12,013,685	(767,787)
Total Athletics Expenses	33,641,963	27,570,993	6,070,970	82%	27,691,243	120,250
Total Net Athletics Revenue/(Expense)	-	(557,608)	(557,608)		(726,626)	169,018
Operations		(135,272)			(502,040)	366,768
Debt Service		(643,909)			(46,716)	(597,193)
Endowed Spending Accounts		221,573			(177,870)	399,443
		(557,608)			(726,626)	169,018
Results of Auxiliary Operations:						
VP for Institutional Support Services						
Bookstore Revenues	12,045,193	9,287,263	(2,757,930)	77%	10,627,462	(1,340,199)
Bookstore Transfers	(410,000)	(262,500)	147,500	64%	(262,500)	-
Total Bookstore Revenues	11,635,193	9,024,763	(2,610,430)	78%	10,364,962	(1,340,199)
Total Bookstore Expenses	11,820,193	8,984,778	2,835,415	76%	9,977,227	992,449
Net Bookstore Revenue/(Expense)	(185,000)	39,985	224,985		387,735	(347,750)
University Club Revenues	50,000	33,261	(16,739)	67%	36,435	(3,174)
University Club Expenses	50,000	19,893	30,107	40%	42,186	22,293
Net Faculty & Staff Club Revenue/(Expense)	-	13,368	13,368		(5,751)	19,119
Food Service/Dining Revenues	2,333,989	1,643,226	(690,763)	70%	1,657,209	(13,983)
Food Service/Dining Transfers	(841,901)	(79,500)	762,401	9%	(45,500)	(34,000)
Total Food Service/Dining Revenues	1,492,088	1,563,726	71,638	105%	1,611,709	(47,983)
Total Food Service/Dining Expenses	1,492,088	1,015,647	476,441	68%	967,837	(47,810)
Net Food Service/Dining Revenue/(Expense)	-	548,079	548,079		643,872	(95,793)
Golf Courses Revenues	2,459,490	1,349,051	(1,110,439)	55%	1,478,376	(129,325)
Golf Courses Transfers	(39,252)	(19,550)	19,702	50%	(19,366)	(184)
Total Golf Courses Revenues	2,420,238	1,329,501	(1,090,737)	55%	1,459,010	(129,509)
Total Golf Courses Expenses	2,420,238	1,719,615	700,623	71%	1,731,695	12,080
Net Golf Courses Revenue/(Expense)	-	(390,114)	(390,114)		(272,685)	(117,429)
Housing Revenues	10,811,376	9,680,972	(1,130,404)	90%	11,228,290	(1,547,318)
Housing Transfers	(2,798,271)	(2,104,138)	694,133	75%	(3,675,289)	1,571,151
Total Housing Revenues	8,013,105	7,576,834	(436,271)	95%	7,553,001	23,833
Total Housing Expense	8,013,105	5,802,034	2,211,071	72%	5,799,937	(2,097)
Net Housing Revenue/(Expense)	-	1,774,800	1,774,800		1,753,064	21,736

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
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University of New Mexico - Main Campus Athletics & Auxiliary Operations

	FY 2019 Full Year Operating Budget	FY 2019 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2018 Year-to-Date Actual	FY 2019 YTD Actual Change From FY 2018 YTD Actual
Lobo Cash Revenues	82,500	62,285	(20,215)	75%	73,508	(11,223)
Lobo Cash Expenses	82,500	57,014	(25,486)	69%	20,630	(36,384)
Net Lobo Cash Revenue/(Expense)	-	5,271	5,271		52,878	(47,607)
Other Revenues	1,974,000	1,660,625	(313,375)	84%	903,625	757,000
Other Transfers	(2,077,000)	(1,352,500)	724,500	65%	(841,000)	(511,500)
Total Other Revenues	(103,000)	308,125	411,125	-299%	62,625	245,500
Total Other Expense	1,216	-	1,216	0%	-	-
Net Other Revenue/(Expense)	(104,216)	308,125	412,341		62,625	245,500
Parking and Transportation Revenues	8,009,664	6,888,090	(1,121,574)	86%	7,041,197	(153,107)
Parking and Trans Transfers	(1,688,823)	(1,304,338)	384,485	77%	(1,389,519)	85,181
Total Parking and Trans Revenues	6,320,841	5,583,752	(737,089)	88%	5,651,678	(67,926)
Total Parking and Trans Expenses	6,580,729	4,239,464	2,341,265	64%	4,449,918	210,454
Net Parking and Trans Revenue/(Expense)	(259,888)	1,344,288	1,604,176		1,201,760	142,528
Popejoy Events Revenues	6,601,930	5,922,389	(679,541)	90%	3,977,510	1,944,879
Popejoy Events Transfers	-	-	-	N/A	12,121	(12,121)
Total Popejoy Events Revenues	6,601,930	5,922,389	(679,541)	90%	3,989,631	1,932,758
Total Popejoy Events Expenses	6,601,930	5,807,104	794,826	88%	4,027,834	(1,779,270)
Net Popejoy Events Revenue/(Expense)	-	115,285	115,285		(38,203)	153,488
Taos & Lawrence Ranch Revenues	55,000	55,000	-	100%	62,000	(7,000)
Taos & Lawrence Ranch Expenses	55,000	33,831	21,169	62%	37,652	3,821
Net Taos & Lawrence Ranch Revenue/(Expense)	-	21,169	21,169		24,348	(3,179)
Ticketing Services Revenues	1,018,098	858,879	(159,219)	84%	967,010	(108,131)
Ticketing Services Transfers	-	-	-	N/A	-	-
Total Ticketing Services Revenues	1,018,098	858,879	(159,219)	84%	967,010	(108,131)
Total Ticketing Services Expenses	1,018,098	661,806	356,292	65%	809,365	147,559
Net Ticketing Services Revenue/(Expense)	-	197,073	197,073		157,645	39,428
Total VP for Institutional Support Services Revenues	37,585,993	32,318,515	(5,267,478)	86%	31,831,569	486,946
Total VP for Institutional Support Services Expenses	38,135,097	28,341,186	9,793,911	74%	27,864,281	(476,905)
Net VP for Institutional Support Services Revenue/(Expense)	(549,104)	3,977,329	4,526,433		3,967,288	10,041

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University of New Mexico - Main Campus Athletics & Auxiliary Operations

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VP for Student Affairs						
Student Health Center Revenues	7,742,062	6,830,196	(911,866)	88%	6,687,659	142,537
Student Health Center Expenses	7,742,062	5,559,006	2,183,056	72%	5,523,150	(35,856)
Net Student Health Center Revenue/(Expense)	-	1,271,190	1,271,190		1,164,509	106,681
Student Union Revenues	2,910,751	2,673,707	(237,044)	92%	2,719,688	(45,981)
Student Union Expenses	2,910,751	2,117,408	793,343	73%	1,983,293	(134,115)
Net Student Union Revenue/(Expense)	-	556,299	556,299		736,395	(180,096)
Total VP for Student Affairs Revenues	10,652,813	9,503,903	(1,148,910)	89%	9,407,347	96,556
Total VP for Student Affairs Expenses	10,652,813	7,676,414	2,976,399	72%	7,506,443	(169,971)
Net VP for Student Affairs Revenue/(Expense)	-	1,827,489	1,827,489		1,900,904	(73,415)
Provost and Other Units						
Art Museum Revenues	300	1,917	1,617	639%	305	1,612
Art Museum Expenses	300	446	(146)	149%	3,216	2,770
Net Art Museum Revenue/(Expense)	-	1,471	1,471		(2,911)	4,382
CE Conference Ctr Revenues	100,000	181,129	81,129	181%	77,611	103,518
CE Conference Ctr Transfers	(8,202)	(55,654)	(47,452)	679%	36,787	(92,441)
Total CE Conference Ctr Revenues	91,798	125,475	33,677	137%	114,398	11,077
Total CE Conference Ctr Expenses	91,798	59,425	32,373	65%	114,343	54,918
Net CE Conference Ctr Revenue/(Expense)	-	66,050	66,050		55	65,995
Maxwell Museum Revenues	40,261	30,449	(9,812)	76%	33,580	(3,131)
Maxwell Museum Expenses	40,261	9,230	31,031	23%	11,212	1,982
Net Maxwell Museum Revenue/(Expense)	-	21,219	21,219		22,368	(1,149)
Other Revenues	75,000	59,379	(15,621)	79%	46,331	13,048
Other Expenses	75,000	60,920	14,080	81%	50,644	(10,276)
Net Other Revenue/(Expense)	-	(1,541)	(1,541)		(4,313)	2,772
Total Provost and Other Units Revenues	207,359	217,220	9,861	105%	194,614	22,606
Total Provost and Other Units Expenses	207,359	130,021	77,338	63%	179,415	49,394
Net Provost and Other Units Revenue/(Expense)	-	87,199	87,199		15,199	72,000
Auxiliary Totals						
Total Auxiliary Revenues	48,446,165	42,039,638	(6,406,527)	87%	41,433,530	606,108
Total Auxiliary Expenses	48,995,269	36,147,621	12,847,648	74%	35,550,139	(597,482)
Net Auxiliary Revenue/(Expense)	(549,104)	5,892,017	6,441,121		5,883,391	8,626
Net Athletics Revenue/(Expense)	-	(557,608)	(557,608)		(726,626)	169,018
Net Auxiliary and Athletics Revenue/(Expense)	(549,104)	5,334,409	5,883,513		5,156,765	177,644
Net Branch Campuses Aux Revenue/(Expense)	(68,837)	(189,358)	(120,521)		639,129	(828,487)
Net All Auxiliary and Athletics Revenue/(Expense)	(617,941)	5,145,051	5,762,992		5,795,894	(650,843)

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Main Campus - Total Operations Current Funds

	FY 2019 Full Year Operating Budget	FY 2019 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2018 Year-to-Date Actual	FY 2019 YTD Actual Change From FY 2018 YTD Actual
Instruction and General						
Tuition and Fees Revenues	155,623,993	144,838,799	(10,785,194)	93%	149,802,142	(4,963,343)
State/Local Appropriations	183,436,200	137,577,150	(45,859,050)	75%	132,718,200	4,858,950
F & A Revenues	20,050,000	14,776,757	(5,273,243)	74%	15,042,475	(265,718)
Transfers	(59,733,262)	(48,862,442)	10,870,820	82%	(48,617,156)	(245,286)
Other Revenues	15,253,985	16,574,751	1,320,766	109%	12,216,663	4,358,088
Total Instruction and General Revenues	314,630,916	264,905,015	(49,725,901)	84%	261,162,324	3,742,691
Salaries	193,398,164	143,567,773	49,830,391	74%	143,706,343	138,570
Benefits	65,071,028	49,423,332	15,647,696	76%	48,714,311	(709,021)
Other Expenses	60,060,705	38,408,210	21,652,495	64%	37,718,404	(689,806)
Total Instruction and General Expenses	318,529,897	231,399,315	87,130,582	73%	230,139,058	(1,260,257)
Net Instruction and General Revenue/(Expense)	(3,898,981)	33,505,700	37,404,681		31,023,266	2,482,434
Research						
State/Local Appropriations	1,931,450	1,448,588	(482,862)	75%	1,383,338	65,250
Transfers	16,442,906	9,599,722	(6,843,184)	58%	10,563,319	(963,597)
Other Revenues	348,237	730,410	382,173	210%	973,885	(243,475)
Total Research Revenues	18,722,593	11,778,720	(6,943,873)	63%	12,920,542	(1,141,822)
Salaries and Benefits	9,695,747	7,685,298	2,010,449	79%	7,449,606	(235,692)
Other Expenses	10,903,450	5,876,248	5,027,202	54%	5,748,820	(127,428)
Total Research Expenses	20,599,197	13,561,546	7,037,651	66%	13,198,426	(363,120)
Net Research Revenue/(Expense)	(1,876,604)	(1,782,826)	93,778		(277,884)	(1,504,942)
Public Service						
State/Local Appropriations	3,228,350	2,421,263	(807,087)	75%	2,387,438	33,825
Sales and Services Revenues	7,675,467	5,280,559	(2,394,908)	69%	6,201,432	(920,873)
Gifts	6,936,798	7,020,504	83,706	101%	8,555,750	(1,535,246)
Transfers	167,361	(1,499,479)	(1,666,840)	-896%	851,120	(2,350,599)
Other Revenues	4,040,515	3,045,000	(995,515)	75%	3,010,013	34,987
Total Public Service Revenues	22,048,491	16,267,847	(5,780,644)	74%	21,005,753	(4,737,906)
Salaries and Benefits	11,076,126	8,364,438	2,711,688	76%	8,925,571	561,133
Other Expenses	12,851,447	8,884,454	3,966,993	69%	8,798,214	(86,240)
Total Public Service Expenses	23,927,573	17,248,892	6,678,681	72%	17,723,785	474,893
Net Public Service Revenue/(Expense)	(1,879,082)	(981,045)	898,037		3,281,968	(4,263,013)

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
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Main Campus - Total Operations Current Funds

	FY 2019 Full Year Operating Budget	FY 2019 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2018 Year-to-Date Actual	FY 2019 YTD Actual Change From FY 2018 YTD Actual
Student Aid						
Private Grants/Gifts	4,793,850	4,685,318	(108,532)	98%	5,536,564	(851,246)
State Lottery Scholarships	18,200,000	18,200,000	-	100%	20,406,700	(2,206,700)
Transfers	17,648,989	13,264,025	(4,384,964)	75%	12,546,336	717,689
Other Revenues	400,929	414,848	13,919	103%	182,049	232,799
Total Student Aid Revenues	41,043,768	36,564,191	(4,479,577)	89%	38,671,649	(2,107,458)
Salaries and Benefits	1,375,334	1,563,690	(188,356)	114%	2,069,700	506,010
Other Expenses	45,144,059	41,080,443	4,063,616	91%	43,447,604	2,367,161
Total Student Aid Expenses	46,519,393	42,644,133	3,875,260	92%	45,517,304	2,873,171
Net Student Aid Revenue/(Expense)	(5,475,625)	(6,079,942)	(604,317)		(6,845,655)	765,713
Student Social & Cultural Programs						
Fee Revenues	8,267,768	5,907,205	(2,360,563)	71%	7,415,876	(1,508,671)
Sales and Services Revenues	926,109	831,652	(94,457)	90%	909,619	(77,967)
Transfers	331,003	1,448,002	1,116,999	437%	309,938	1,138,064
Other Revenues	243,654	90,718	(152,936)	37%	141,851	(51,133)
Total Student Social & Cultural Programs Revenues	9,768,534	8,277,577	(1,490,957)	85%	8,777,284	(499,707)
Salaries and Benefits	5,894,950	3,685,338	2,209,612	63%	4,053,717	368,379
Other Expenses	3,943,276	2,664,253	1,279,023	68%	3,087,806	423,553
Total Student Social & Cultural Programs Expenses	9,838,226	6,349,591	3,488,635	65%	7,141,523	791,932
Net Student Social & Cultural Programs Revenue/(Expense)	(69,692)	1,927,986	1,997,678		1,635,761	292,225
Auxiliaries						
Auxiliaries Revenues	48,446,165	42,039,638	(6,406,527)	87%	41,433,530	606,108
Athletics Revenues	33,641,963	27,013,385	(6,628,578)	80%	26,964,617	48,768
Total Auxiliaries Revenues	82,088,128	69,053,023	(13,035,105)	84%	68,398,147	654,876
Auxiliaries Expenses	48,995,269	36,147,621	12,847,648	74%	35,550,139	(597,482)
Athletics Expenses	33,641,963	27,570,993	6,070,970	82%	27,691,243	120,250
Total Auxiliaries Expenses	82,637,232	63,718,614	18,918,618	77%	63,241,382	(477,232)
Net Auxiliaries and Athletics Revenue/(Expense)	(549,104)	5,334,409	5,883,513		5,156,765	177,644

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Main Campus - Total Operations Current Funds

	FY 2019 Full Year Operating Budget	FY 2019 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2018 Year-to-Date Actual	FY 2019 YTD Actual Change From FY 2018 YTD Actual
Sponsored Programs						
Federal Grants and Contracts Revenues	147,158,888	101,410,168	(45,748,720)	69%	105,569,928	(4,159,760)
State and Local Grants and Contracts Revenues	17,087,338	11,938,520	(5,148,818)	70%	9,183,518	2,755,002
Non-Governmental Grants and Contracts Revenues	12,600,000	8,812,576	(3,787,424)	70%	9,975,890	(1,163,314)
Gifts	-	-	-	N/A	-	-
Transfers	-	1,637,580	1,637,580	N/A	1,465,632	171,948
Other Revenues	-	(593,432)	(593,432)	N/A	(599,202)	5,770
Total Sponsored Programs Revenues	176,846,226	123,205,412	(53,640,814)	70%	125,595,766	(2,390,354)
Salaries and Benefits	67,960,226	39,277,223	28,683,003	58%	39,298,919	21,696
Other Expenses	108,886,000	83,928,189	24,957,811	77%	86,296,847	2,368,658
Total Sponsored Programs Expenses	176,846,226	123,205,412	53,640,814	70%	125,595,766	2,390,354
Net Sponsored Programs Revenue/(Expense)	-	-	-		-	-
Net Current Revenue/(Expense)	(13,749,088)	31,924,282	45,673,370		33,974,221	(2,049,939)

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Branch Campuses - Total Operations Current Funds

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Instruction and General						
Tuition and Fees Revenues	7,465,244	6,583,456	(881,788)	88%	6,798,150	(214,694)
State/Local Appropriations	28,473,625	21,355,220	(7,118,405)	75%	20,711,282	643,938
Transfers	(1,111,551)	(2,186,480)	(1,074,929)	197%	(1,081,531)	(1,104,949)
Other Revenues	663,755	810,740	146,985	122%	787,240	23,500
Total Instruction and General Revenues	35,491,073	26,562,936	(8,928,137)	75%	27,215,141	(652,205)
Salaries	21,287,258	14,901,912	6,385,346	70%	14,913,741	11,829
Benefits	6,847,511	4,740,694	2,106,817	69%	4,722,513	(18,181)
Other Expenses	8,513,804	4,928,984	3,584,820	58%	4,809,535	(119,449)
Total Instruction and General Expenses	36,648,573	24,571,590	12,076,983	67%	24,445,789	(125,801)
Net Instruction and General Revenue/(Expense)	(1,157,500)	1,991,346	3,148,846		2,769,352	(778,006)
Public Service						
State/Local Appropriations	-	-	-	N/A	-	-
Sales and Services Revenues	397,098	292,286	(104,812)	74%	278,331	13,955
Gifts	84,808	530,708	445,900	626%	194,040	336,668
Transfers	-	(1,000)	(1,000)	N/A	74,489	(75,489)
Other Revenues	-	93,186	93,186	N/A	138,093	(44,907)
Total Public Service Revenues	481,906	915,180	433,274	190%	684,953	230,227
Salaries and Benefits	300,640	299,787	853	100%	447,834	148,047
Other Expenses	202,033	192,276	9,757	95%	177,018	(15,258)
Total Public Service Expenses	502,673	492,063	10,610	98%	624,852	132,789
Net Public Service Revenue/(Expense)	(20,767)	423,117	443,884		60,101	363,016
Student Aid						
Private Grants/Gifts	103,900	69,521	(34,379)	67%	75,585	(6,064)
Transfers	370,610	371,422	812	100%	376,802	(5,380)
Other Revenues	17,000	15,125	(1,875)	89%	15,518	(393)
Total Student Aid Revenues	491,510	456,068	(35,442)	93%	467,905	(11,837)
Salaries and Benefits	-	-	-	N/A	15,081	15,081
Other Expenses	514,510	363,897	150,613	71%	280,821	(83,076)
Total Student Aid Expenses	514,510	363,897	150,613	71%	295,902	(67,995)
Net Student Aid Revenue/(Expense)	(23,000)	92,171	115,171		172,003	(79,832)

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Branch Campuses - Total Operations Current Funds

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Student Social & Cultural Programs						
Fee Revenues	219,620	194,570	(25,050)	89%	206,237	(11,667)
Sales and Services Revenues	7,400	7,189	(211)	97%	8,636	(1,447)
Transfers	(40,000)	(40,000)	-	100%	9,000	(49,000)
Other Revenues	500	-	(500)	0%	555	(555)
Total Student Social & Cultural Programs Revenues	187,520	161,759	(25,761)	86%	224,428	(62,669)
Salaries and Benefits	7,840	107	7,733	1%	15,645	15,538
Other Expenses	179,980	87,003	92,977	48%	70,066	(16,937)
Total Student Social & Cultural Programs Expenses	187,820	87,110	100,710	46%	85,711	(1,399)
Net Student Social & Cultural Programs Revenue/(Expense)	(300)	74,649	74,949		138,717	(64,068)
Auxiliaries						
Bookstore Revenues	1,839,389	1,131,109	(708,280)	61%	1,241,966	(110,857)
Housing and Food Service Revenues	153,000	108,754	(44,246)	71%	106,245	2,509
Transfers	(40,000)	(20,414)	19,586	51%	-	(20,414)
Other Auxiliaries Revenues	19,600	10,099	(9,501)	52%	652,050	(641,951)
Total Auxiliaries Revenues	1,971,989	1,229,548	(742,441)	62%	2,000,261	(770,713)
Bookstore Expenses	1,818,226	1,308,438	509,788	72%	1,217,529	(90,909)
Housing and Food Service Expenses	209,600	104,179	105,421	50%	93,985	(10,194)
Other Auxiliaries Expenses	13,000	6,289	6,711	48%	49,618	43,329
Total Auxiliaries Expenses	2,040,826	1,418,906	621,920	70%	1,361,132	(57,774)
Net Auxiliaries Revenue/(Expense)	(68,837)	(189,358)	(120,521)		639,129	(828,487)
Sponsored Programs						
Federal Grants and Contracts Revenues	10,447,731	5,250,022	(5,197,709)	50%	5,853,349	(603,327)
State and Local Grants and Contracts Revenues	2,103,664	623,356	(1,480,308)	30%	645,907	(22,551)
Non-Governmental Grants and Contracts Revenues	200,000	310,422	110,422	155%	386,126	(75,704)
Gifts	-	-	-	N/A	-	-
Transfers	-	(3,834)	(3,834)	N/A	(8,439)	4,605
Other Revenues	-	837	837	N/A	-	837
Total Sponsored Programs Revenues	12,751,395	6,180,803	(6,570,592)	48%	6,876,943	(696,140)
Salaries and Benefits	7,882,427	3,770,392	4,112,035	48%	4,057,127	286,735
Other Expenses	4,868,968	2,410,411	2,458,557	50%	2,819,816	409,405
Total Sponsored Programs Expenses	12,751,395	6,180,803	6,570,592	48%	6,876,943	696,140
Net Sponsored Programs Revenue/(Expense)	-	-	-		-	-
Net Current Revenue/(Expense)	(1,270,404)	2,391,925	3,662,329		3,779,302	(1,387,377)

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2019
Preliminary and Unaudited

Health Sciences Center - Total Operations Current Funds

	FY 2019 Full Year Operating Budget	FY 2019 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2018 Year-to-Date Actual (3)	FY 2019 YTD Actual Change From FY 2018 YTD Actual
Instruction and General						
Tuition and Fees Revenues	18,634,587	17,195,034	(1,439,553)	92%	16,843,630	351,404
State/Local Appropriations	60,256,900	45,436,528	(14,820,372)	75%	44,409,429	1,027,099
F & A Revenues	25,000,000	19,014,161	(5,985,839)	76%	20,089,775	(1,075,614)
Transfers	9,433,666	7,650,098	(1,783,568)	81%	3,026,572	4,623,526
Other Revenues	4,198,425	3,028,427	(1,169,998)	72%	3,021,029	7,398
Total Instruction and General Revenues	117,523,578	92,324,248	(25,199,330)	79%	87,390,435	4,933,813
Salaries	75,934,032	55,625,895	20,308,137	73%	55,031,235	(594,660)
Benefits	22,865,088	17,304,287	5,560,801	76%	16,957,125	(347,162)
Other Expenses	19,365,032	12,677,355	6,687,677	65%	10,998,973	(1,678,382)
Total Instruction and General Expenses	118,164,152	85,607,537	32,556,615	72%	82,987,333	(2,620,204)
Net Instruction and General Revenue/(Expense)	(640,574)	6,716,711	7,357,285		4,403,102	2,313,609
Research						
State/Local Appropriations	1,659,313	1,324,156	(335,157)	80%	1,379,217	(55,061)
Generated Revenues	388,221	147,770	(240,451)	38%	316,350	(168,580)
Transfers	15,426,421	10,372,440	(5,053,981)	67%	8,761,411	1,611,029
Other Revenues	487,159	490,569	3,410	101%	277,196	213,373
Total Research Revenues	17,961,114	12,334,935	(5,626,179)	69%	10,734,174	1,600,761
Salaries and Benefits	8,849,785	5,752,345	3,097,440	65%	5,628,165	(124,180)
Other Expenses	10,240,238	5,240,746	4,999,492	51%	4,862,764	(377,982)
Total Research Expenses	19,090,023	10,993,091	8,096,932	58%	10,490,929	(502,162)
Net Research Revenue/(Expense)	(1,128,909)	1,341,844	2,470,753		243,245	1,098,599
Public Service						
State/Local Appropriations	255,700	192,700	(63,000)	75%	189,000	3,700
Sales and Services Revenues	20,563,757	17,363,345	(3,200,412)	84%	15,576,805	1,786,540
Gifts	2,505,748	2,847,185	341,437	114%	4,402,655	(1,555,470)
Transfers	(4,567,328)	(7,063,783)	(2,496,455)	155%	(3,240,168)	(3,823,615)
Other Revenues	1,130,579	498,370	(632,209)	44%	317,109	181,261
Total Public Service Revenues	19,888,456	13,837,817	(6,050,639)	70%	17,245,401	(3,407,584)
Salaries and Benefits	11,216,665	7,775,845	3,440,820	69%	10,112,602	2,336,757
Other Expenses	8,302,036	6,951,155	1,350,881	84%	4,531,590	(2,419,565)
Total Public Service Expenses	19,518,701	14,727,000	4,791,701	75%	14,644,192	(82,808)
Net Public Service Revenue/(Expense)	369,755	(889,183)	(1,258,938)		2,601,209	(3,490,392)

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2019
Preliminary and Unaudited

Health Sciences Center - Total Operations Current Funds

	FY 2019 Full Year Operating Budget	FY 2019 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2018 Year-to-Date Actual (3)	FY 2019 YTD Actual Change From FY 2018 YTD Actual
Student Aid						
Gifts	1,356,674	1,016,467	(340,207)	75%	1,037,864	(21,397)
Investment Income	-	-	-	N/A	-	-
Transfers	1,757,524	1,431,246	(326,278)	81%	(253,735)	1,684,981
Other Revenues	(85,600)	(58,340)	27,260	68%	(73,483)	15,143
Total Student Aid Revenues	3,028,598	2,389,373	(639,225)	79%	710,646	1,678,727
Salaries and Benefits	1,165,385	978,847	186,538	84%	804,558	(174,289)
Other Expenses	1,928,508	1,066,534	861,974	55%	1,150,124	83,590
Total Student Aid Expenses	3,093,893	2,045,381	1,048,512	66%	1,954,682	(90,699)
Net Student Aid Revenue/(Expense)	(65,295)	343,992	409,287		(1,244,036)	1,588,028
Student Social & Cultural Programs						
Fee Revenues	-	-	-	N/A	-	-
Sales and Services Revenues	55,943	62,971	7,028	113%	39,373	23,598
Transfers	1,422	1,422	-	100%	475	947
Other Revenues	-	397	397	N/A	-	397
Total Student Social & Cultural Programs Revenues	57,365	64,790	7,425	113%	39,848	24,942
Salaries and Benefits	-	-	-	N/A	-	-
Other Expenses	61,186	40,390	20,796	66%	21,508	(18,882)
Total Student Social & Cultural Programs Expenses	61,186	40,390	20,796	66%	21,508	(18,882)
Net Student Social & Cultural Programs Revenue/(Expense)	(3,821)	24,400	28,221		18,340	6,060
Sponsored Programs						
Federal Grants and Contracts Revenues	122,514,828	74,944,685	(47,570,143)	61%	79,886,265	(4,941,580)
State and Local Grants and Contracts Revenues	18,461,138	11,539,467	(6,921,671)	63%	11,744,040	(204,573)
Non-Governmental Grants and Contracts Revenues	26,852,565	15,981,630	(10,870,935)	60%	17,306,178	(1,324,548)
Gifts	-	-	-	N/A	-	-
Other Revenues	-	-	-	N/A	-	-
Transfers	1,964,504	1,890,938	(73,566)	96%	2,768,795	(877,857)
Total Sponsored Programs Revenues	169,793,035	104,356,720	(65,436,315)	61%	111,705,278	(7,348,558)
Salaries and Benefits	93,386,169	59,387,997	33,998,172	64%	62,649,084	3,261,087
Other Expenses	76,406,866	44,968,723	31,438,143	59%	49,056,194	4,087,471
Total Sponsored Programs Expenses	169,793,035	104,356,720	65,436,315	61%	111,705,278	7,348,558
Net Sponsored Programs Revenue/(Expense)	-	-	-		-	-

Statements of Revenues, Expenses and Changes in Net Position - UNM Regents Format
For the nine month ended March 31, 2019
Preliminary and Unaudited

Health Sciences Center - Total Operations Current Funds

	FY 2019 Full Year Operating Budget	FY 2019 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%	FY 2018 Year-to-Date Actual (3)	FY 2019 YTD Actual Change From FY 2018 YTD Actual
Clinical Operations						
State/Local Appropriations	34,317,162	25,721,667	(8,595,495)	75%	24,508,288	1,213,379
Physician Professional Fee Revenues	133,242,851	93,349,359	(39,893,492)	70%	93,348,884	475
Hospital Facility Revenues	939,105,744	734,395,437	(204,710,307)	78%	696,040,267	38,355,170
Other Patient Revenues, net of Allowance	167,794,438	120,727,566	(47,066,872)	72%	117,033,177	3,694,389
Mil Levy	100,269,401	75,202,051	(25,067,350)	75%	73,707,477	1,494,574
Investment Income	(82,916)	1,896,537	1,979,453	-2287%	171,243	1,725,294
Gifts	4,143,856	4,660,529	516,673	112%	3,291,409	1,369,120
Housestaff Revenues	37,950,860	29,821,312	(8,129,548)	79%	28,373,955	1,447,357
Transfers	(5,789,757)	(5,396,849)	392,908	93%	(4,814,837)	(582,012)
Other Revenues	46,853,465	51,704,223	4,850,758	110%	35,977,523	15,726,700
Total Clinical Operations Revenues	1,457,805,104	1,132,081,832	(325,723,272)	78%	1,067,637,386	64,444,446
Salaries and Benefits	813,232,572	611,455,449	201,777,123	75%	581,691,364	(29,764,085)
Interest Expense	3,947,871	2,898,214	1,049,657	73%	2,956,703	58,489
Housestaff Expenses	37,950,860	30,004,011	7,946,849	79%	28,320,461	(1,683,550)
Other Expenses	601,162,628	474,273,443	126,889,185	79%	449,855,905	(24,417,538)
Total Clinical Operations Expenses	1,456,293,931	1,118,631,117	337,662,814	77%	1,062,824,433	(55,806,684)
Net Clinical Operations Revenue/(Expense)	1,511,173 (1)	13,450,715 (2)	11,939,542		4,812,953	8,637,762
Net Current Revenue/(Expense)	42,329	20,988,479	20,946,150		10,834,813	10,153,666

(1) **OPERATING BUDGET** - Clinical Operations include the SOM Clinical Departments which have a budgeted consolidated net margin of \$1,508,537 and UNM Hospital operations which has a budgeted net margin of \$2,636

(2) **ACTUAL** - Clinical Operations include the SOM Clinical Departments which currently have a consolidated net margin of \$333,371 and UNM Hospitals operations currently has a net margin of \$13,117,344

(3) Some of the FY 2018 amounts were re-classified in order to be consistent with the FY 2019 format, the net margin did not change in total.

Statements of Revenues, Expenses and Changes in Net Assets - UNM Regents Format
For the nine month period ended March 31, 2019
Preliminary and Unaudited

Detail of State/Local Appropriations
Consolidated - Total Operations Current Funds

	FY 2019 Full Year Adopted Budget	FY 2019 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%
Instruction and General				
Instruction & General Appropriations	261,197,400	196,141,900	(65,055,500)	75%
State Special Project Appropriations	1,149,400	862,050	(287,350)	75%
Mill Levy	8,738,425	6,553,820	(2,184,605)	75%
Tobacco Settlement Appropriations	1,081,500	811,128	(270,372)	75%
Total Instruction and General Appropriations	<u>272,166,725</u>	<u>204,368,898</u>	<u>(67,797,827)</u>	<u>75%</u>
Tobacco Settlement Appropriations	-	-		
Research				
State Special Project Appropriations	1,931,450	1,448,588	(482,862)	75%
Tobacco Settlement Appropriations	937,400	703,046	(234,354)	75%
Cigarette Tax Appropriations	721,913	621,110	(100,803)	86%
Total Research Appropriations	<u>3,590,763</u>	<u>2,772,744</u>	<u>(818,019)</u>	<u>77%</u>
Public Service				
State Special Project Appropriations	3,484,050	2,613,963	(870,087)	75%
Total Public Service Appropriations	<u>3,484,050</u>	<u>2,613,963</u>	<u>(870,087)</u>	<u>75%</u>
Clinical Operations				
State Special Project Appropriations	30,284,900	22,808,600	(7,476,300)	75%
Tobacco Settlement Appropriations	840,200	630,152	(210,048)	75%
Cigarette Tax Appropriations	3,192,062	2,282,915	(909,147)	72%
Total Clinical Operations Appropriations	<u>34,317,162</u>	<u>25,721,667</u>	<u>(8,595,495)</u>	<u>75%</u>

Statements of Revenues, Expenses and Changes in Net Assets - UNM Regents Format
For the nine month period ended March 31, 2019
Preliminary and Unaudited

Detail of State/Local Appropriations
Main Campus - Total Operations Current Funds

	FY 2019 Full Year Adopted Budget	FY 2019 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%
Instruction and General				
Instruction & General Appropriations	182,286,800	136,715,100	(45,571,700)	75%
State Special Project Appropriations				
African American Student Services	67,700	50,775	(16,925)	75%
Degree Mapping	70,400	52,800	(17,600)	75%
Disabled Student Services	178,700	134,025	(44,675)	75%
ENLACE	59,600	44,700	(14,900)	75%
Hispanic Student Center	146,300	109,725	(36,575)	75%
Minority Graduate Recruitment	110,100	82,575	(27,525)	75%
Native American Studies Intervention	332,700	249,525	(83,175)	75%
Pre-College Minority Student Math & Science	183,900	137,925	(45,975)	75%
Total State Special Project Appropriations	1,149,400	862,050	(287,350)	75%
Total Instruction and General Appropriations	183,436,200	137,577,150	(45,859,050)	75%
Research				
State Special Project Appropriations				
Center for Regional Studies (SW Research Ctr)	921,150	690,863	(230,287)	75%
Manufacturing Engineering	523,100	392,325	(130,775)	75%
Morrissey Hall	103,600	77,700	(25,900)	75%
Resource Geographic Information System	61,700	46,275	(15,425)	75%
Utton Transboundary Resource Center	321,900	241,425	(80,475)	75%
Total State Special Project Appropriations	1,931,450	1,448,588	(482,862)	75%
Total Research Appropriations	1,931,450	1,448,588	(482,862)	75%
Public Service				
State Special Project Appropriations				
Bureau of Business Research (Census)	360,200	270,150	(90,050)	75%
College Prep Mentoring/School of Law	112,800	84,600	(28,200)	75%
College Preparatory Mentoring	160,400	120,300	(40,100)	75%
Corrine Wolfe Law Center/Child Abuse Training	160,000	120,000	(40,000)	75%
Family Development Program	530,200	397,650	(132,550)	75%
ISTEC	44,900	33,675	(11,225)	75%
Judicial Selection	21,400	16,050	(5,350)	75%
KNME-TV	1,092,300	819,225	(273,075)	75%
Land Grant Studies Program	122,100	91,575	(30,525)	75%
N. M. Historical Review	44,600	33,450	(11,150)	75%
SFAO / Student Activities Administration	50,000	37,500	(12,500)	75%
Southwest Indian Law Clinic	193,000	144,750	(48,250)	75%
Spanish Colonial Research Center (SW Research Ctr)	138,650	103,988	(34,662)	75%
Spanish Resource Center	38,800	29,100	(9,700)	75%
Substance Abuse Program	69,000	51,750	(17,250)	75%
Wildlife Law Education	90,000	67,500	(22,500)	75%
Total State Special Project Appropriations	3,228,350	2,421,263	(807,087)	75%
Total Public Service Appropriations	3,228,350	2,421,263	(807,087)	75%

Statements of Revenues, Expenses and Changes in Net Assets - UNM Regents Format
For the nine month period ended March 31, 2019
Preliminary and Unaudited

Detail of State/Local Appropriations
Branch Campuses - Total Operations Current Funds

	FY 2019 Full Year Adopted Budget	FY 2019 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%
Instruction and General				
Instruction & General Appropriations				
Gallup	8,878,300	6,658,725	(2,219,575)	75%
Los Alamos	1,757,000	1,317,750	(439,250)	75%
Valencia	5,465,500	4,099,125	(1,366,375)	75%
Taos	3,634,400	2,725,800	(908,600)	75%
Total Instruction & General Appropriations	19,735,200	14,801,400	(4,933,800)	75%
Mill Levy				
McKinley County	2,488,400	1,866,300	(622,100)	75%
Los Alamos County	1,424,000	1,068,000	(356,000)	75%
Valencia County	2,818,183	2,113,638	(704,545)	75%
Taos County	2,007,842	1,505,882	(501,960)	75%
Total Mill Levy	8,738,425	6,553,820	(2,184,605)	75%
Total Branch Appropriations	28,473,625	21,355,220	(7,118,405)	75%

Statements of Revenues, Expenses and Changes in Net Assets - UNM Regents Format
For the nine month period ended March 31, 2019
Preliminary and Unaudited

Detail of State/Local Appropriations
Health Sciences Center - Total Operations Current Funds

	FY 2019 Full Year Adopted Budget	FY 2019 Year-to-Date Actual	Fiscal YTD Favrb/(Unfavrb) Budget	Actual to Budget Benchmark Rate 75%
Instruction and General				
Instruction & General Appropriations	59,175,400	44,625,400	(14,550,000)	75%
Tobacco Settlement Appropriations				
Instruction & General	581,500	436,128	(145,372)	75%
Pediatric Specialty Education	250,000	187,500	(62,500)	75%
Trauma Specialty Education	250,000	187,500	(62,500)	75%
Total Tobacco Settlement Appropriations	1,081,500	811,128	(270,372)	75%
Total Instruction and General Appropriations	60,256,900	45,436,528	(14,820,372)	75%
Research				
Tobacco Settlement Appropriations				
Genomics, Biocomputing, Environmental Health	937,400	703,046	(234,354)	75%
Total Tobacco Settlement Appropriations	937,400	703,046	(234,354)	75%
Cigarette Tax Revenues	721,913	621,110	(100,803)	86%
Total Research Appropriations	1,659,313	1,324,156	(335,157)	80%
Public Service				
State Special Project Appropriations				
Center for Native American Health	255,700	192,700	(63,000)	75%
Total State Special Project Appropriations	255,700	192,700	(63,000)	75%
Total Public Service Appropriations	255,700	192,700	(63,000)	75%
Clinical Operations				
State Special Project Appropriations				
Newborn Intensive Care Unit	3,145,800	2,376,900	(768,900)	76%
Office of the Medical Investigator	5,313,400	4,011,700	(1,301,700)	76%
Pediatric Oncology	1,220,900	921,800	(299,100)	76%
Cancer Center	2,549,000	1,931,600	(617,400)	76%
Hepatitis C, Project ECHO	2,046,100	1,541,800	(504,300)	75%
Poison and Drug Info Center	1,493,000	1,128,800	(364,200)	76%
Native American Suicide Prevention	92,800	70,000	(22,800)	75%
GME Residencies	1,690,700	1,276,100	(414,600)	75%
UNM Hospitals	12,733,200	9,549,900	(3,183,300)	75%
Total State Special Project Appropriations	30,284,900	22,808,600	(7,476,300)	75%
Tobacco Settlement Appropriations				
Pediatric Oncology	250,000	187,501	(62,499)	75%
Poison and Drug Info Center	590,200	442,651	(147,549)	75%
Total Tobacco Settlement Appropriations	840,200	630,152	(210,048)	75%
Cigarette Tax Revenues	3,192,062	2,282,915	(909,147)	72%
Total Clinical Operations Appropriations	34,317,162	25,721,667	(8,595,495)	75%

FY19 UNM Debt Service Schedule

As of March 31, 2019

*UNMH/SRMC Debt

UNM Bond Issue	Original Issue Amount	Outstanding Principal Balance on June 30, 2018	Principal Payment due on June 1, 2019	Interest Payment paid on December 1, 2018	Interest Payment due on June 1, 2019	FY 2019 Principal & Interest
Sub Lien System Improvement Revenue Bonds, Series 2017 (7) Series 2017: Interest Range 3.25% to 5.0% Final Maturity Year 2047	\$40,900,000	\$40,585,000	\$675,000	\$991,644	\$991,644	\$2,658,288
Sub Lien System Rfdg Revenue & Improvement Bonds (7) Series 2016 A: Interest Range 2.0% to 4.5% Final Maturity Year 2046	\$160,290,000	\$156,445,000	\$1,030,000	\$3,089,950	\$3,089,950	\$7,209,900
Sub Lien System Rfdg Revenue Bonds (8) Series 2016 B: Interest Range .72% to 2.48% Final Maturity Year 2024	\$8,215,000	\$6,955,000	\$925,000	\$71,017	\$71,017	\$1,067,033
(1) FHA Insured Hospital Mortgage Revenue Bonds* Series 2015: Interest Range .484% to 3.532% Final Maturity Year 2032	\$115,000,000	\$97,820,000	\$5,700,000 (due 6/20/2019)	\$1,520,012 (due 12/20/2018)	\$1,520,012 (due 6/20/2019)	\$8,740,023
Sub Lien System Imp Revenue Bonds (4) Series 2014 A: Interest Range 3.0% to 5.0% Final Maturity Year 2033	\$10,980,000	\$3,695,000	\$0	\$126,813	\$126,813	\$253,625
Sub Lien System Rfdg Revenue Bonds (8) Series 2014 B: Interest Range 0.496% to 3.280% Final Maturity Year 2024	\$3,710,000	\$2,265,000	\$380,000	\$31,402	\$31,402	\$442,803
Sub Lien System Rfdg Revenue Bonds (8) Series 2014 C: Interest Range 1.5% to 5.0% Final Maturity Year 2035	\$100,085,000	\$92,265,000	\$2,830,000	\$2,306,625	\$2,306,625	\$7,443,250
Sub Lien System Imp Revenue Bonds (2) Series 2012: Interest Range 2.0% to 5.0% Final Maturity Year 2032	\$35,215,000	\$26,190,000	\$1,600,000	\$620,650	\$620,650	\$2,841,300
Taxable Revenue Build America Bonds* Series 2010A: w/ fixed-interest rate of 4.5% Final Maturity Year 2036	\$133,425,000	\$111,505,000	\$3,890,000 (due in July & Jan)	\$2,487,262 (due in July & Jan)	\$2,487,263 (due in July & Jan)	\$8,864,525
Taxable Revenue Recovery Zone Economic Development Bonds* Series 2010B: w/ fixed-interest rate of 5.0% Final Maturity Year 2037	\$10,000,000	\$9,740,000	\$0	\$243,500 (due in July & Jan)	\$243,500 (due in July & Jan)	\$487,000
Sub Lien System Imp Revenue Bonds (portion refunded 03/08/2016) Series 2007 A&B: Interest Range 0.496% to 5.302% Final Maturity Year 2036	\$7,010,000	\$1,490,000	\$1,490,000	\$29,800	\$29,800	\$1,549,600
Sub Lien Sys Rfdg Revenue Bonds (2) Series 2002 B: Variable Rate Demand Bonds - rates reset weekly Weekly rate as of June 30, 2014 was 0.05% Final Maturity Year 2026	\$25,475,000	\$14,805,000	\$1,400,000	\$283,516	\$283,516	\$1,967,032
Sub Lien System Rfdg Revenue Bonds (2) Series 2002 C: Variable Rate Demand Bonds - rates reset weekly Weekly rate as of June 30, 2014 was 0.05% Final Maturity Year 2030	\$37,840,000	\$30,445,000	\$1,600,000	\$599,767	\$599,767	\$2,799,533
Sub Lien System Imp Revenue Bonds (2) Series 2001: Variable Rate Demand Bonds - rates reset weekly Weekly rate as of June 30, 2014 was 0.07% Ceiling of 12% Final Maturity Year 2026	\$52,625,000	\$23,925,000	\$2,570,000	\$478,500	\$478,500	\$3,527,000
System Revenue Bonds Series 2000 B: Interest Range 5.50% to 6.35% Final Maturity Year 2019	\$6,621,671	\$181,811	\$181,811	\$0	\$428,190	\$610,001
System Revenue Rfdg Bonds Series 1992 A: Interest Range 6.0% to 6.25% Final Maturity Year 2021	\$36,790,000	\$7,090,000	\$3,970,000	\$212,700	\$212,700	\$4,395,400
Grand Total	\$784,181,671	\$625,401,811	\$28,241,811	\$13,093,155	\$13,521,346	\$54,856,312

Note: See attached matrix for funding sources.

(1) Source: UNM Hospital - UNM Hospital Principal payment is due on June 20; interest payments are due on December 20 and June 20.

(2) Variable Rate bonds reflect the actual synthetically fixed interest rate that UNM pays.

It is noted that all ranges of interest rates and final maturity dates are reflective of Serial bonds.

(3) Series 2012 bonds refunded 2002A bonds,

(4) Series 2014A bonds refunded 2003A, 2003B bonds,

(5) Series 2014B bonds refunded 2003C bonds,

(6) Series 2014C bonds refunded 2005A bonds,

(7) Series 2016A bonds refunded a portion of 2007A bonds, March 2016

(8) Series 2016B bonds refunded a portion of 2007B bonds, March 2016

FY19 UNM Debt Service - Source of Funds

As of March 31, 2019

	Series 2017	Series 2016A	Series 2016B	Series 2015 (UNML Bond)	Series 2014A	Series 2014B	Series 2014C	Series 2012	Series 2010A	Series 2010B	Series 2007A&B	Series 2002B	Series 2002C	Series 2001	Series 2000B	Series 1992
Student Fees- Facility	X	X		X		X	X			X	X	X		X	X	
Student Fees - IT						X	X									
Parking Services		X				X	X			X						X
UNM Hospital			X								X					X
SRMC Teaching Hospital Project								X	X							
Bookstore				X												X
Housing & Dining Services				X			X					X			X	
Building R&R				X							X					X
Real Estate Department		X		X	X					X	X					
Physical Plant Department		X				X	X			X	X		X			
Information Technologies						X	X									
Athletics		X	X							X						
KNME																X
Opto Bldg (CHTM Res Park)											X					
CRTC											X					
Continuing Education											X					
Golf Course - North & South												X			X	
HSC		X					X			X						
Interest on Reserve Funds				X			X				X	X				
Student Health and Counseling (SHAC)	X															



To: Members of the Board of Regents' Finance & Facilities Committee

From: Eddie Nunez, Director of Athletics
Nicole Dopson, Director of Financial Operations for Academic Affairs

Date: May 2, 2019

Re: Approval of the FY19 Third Quarter Submission to Higher Education Department for the Enhanced Fiscal Oversight Program (EFOP)

In order to respond to concerns brought by the New Mexico Higher Education Department (NMHED), the University has agreed to provide the attached Enhanced Fiscal Oversight Program (EFOP) Report. This report will be provided in addition to the Quarterly Financial Actions Report and Certification that are already required for all higher education institutions.

The report will provide Athletics financial status through reporting templates provided by the Higher Education Department for the Athletics budget exhibits as well as a template for the plan associated with resolving the overall deficit within Athletics budget.

The EFOP report will accompany the report submitted by the Controller's Office until NMHED is satisfied with the University's progress on these issues.

Thank you for your consideration.

New Mexico Higher Education Department
Institutional Finance Division
University of New Mexico Athletics Department
Quarterly Enhanced Fiscal Oversight Program (EFOP) Report

Please certify the following EFOP report and submit with the Quarterly Financial Certification and Financial Action Reports.

To the best of my knowledge, I certify that the information provided in the attached EFOP report for the:

1st ____ 2nd ____ 3rd X ____ 4th ____ Quarter, FY 2019

is correct as of the signature dates noted below:

The University of New Mexico

Sandra Begay, Chair, Board of Regents – Finance and Facilities Committee	Date
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Garnett S. Stokes, President	Date
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Craig White, Interim SVP for Administration, COO and CFO	Date
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Exhibit 21 - UNM MAIN Campus
Summary of Intercollegiate Athletics

		Original Approved Budget 2019				Actuals Quarter 1 - FY19				Actuals Quarter 2 - FY19				Actuals Quarter 3 - FY19				Actuals Quarter 4 - FY19				Increase / Decrease YTD				
		FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	
Revenues	Tuition and Fees		3,681,708		0		1,936,355		0		0		0		1,450,816		0						294,537		0	
	State Appropriations		2,641,500		0		666,500		0		654,300		0		666,400		0						654,300		0	
	Federal Grants and Contracts		0		30,601		0		0		0		0		0		0						0		30,601	
	State Grants and Contracts		0		25,500		0		0		0		0		0		0						0		25,500	
	Private Gifts Grants and Contracts		0		0		0		0		0		0		0		0						0		0	
	Sales and Services		10,173,679		0		1,915,790		0		3,075,432		0		3,005,307		0						2,177,149		0	
	Other Sources		14,726,056		0		3,001,828		0		4,126,012		0		3,872,325		0						3,725,891		0	
Total Revenues			31,222,943		56,101		7,520,474		0		7,855,744		0		8,994,848		0		0		0		6,851,878		56,101	
Beginning Balance			(4,713,999)				(4,492,380)				(4,635,846)				(4,891,274)								9,305,500		0	
Total Available																							16,157,378		56,101	
Expenditures	Administrative Professional	92.00	9,131,345		0		2,369,423		0		2,389,425		0		2,367,455		0						92.00	2,005,043	0.00	0
	Faculty Salaries		5,000		0		1,000		0		1,500		0		1,500		0						0.00	1,000	0.00	0
	Federal Workstudy Salaries		0	2.00	30,601		0		0		0		0		134		0						0.00	(134)	2.00	30,601
	GA TA RA PA Salary	8.00	246,854		0		58,933		0		68,883		0		61,406		0						8.00	57,633	0.00	0
	Other Salaries	49.00	1,482,092		0		82,163		0		160,252		0		178,627		0						49.00	1,061,049	0.00	0
	State Workstudy Salaries		0	1.00	25,500		0		0		259		0		329		0						0.00	(588)	1.00	25,500
	Student Salaries	1.00	19,000		0		8,408		0		13,812		0		7,370		0						1.00	(10,590)	0.00	0
	Support Staff Salary	3.00	114,999		0		17,892		0		17,646		0		(4,035)		0						3.00	83,496	0.00	0
	Technician Salary	8.00	273,554		0		66,872		0		90,790		0		53,523		0						8.00	62,370	0.00	0
	Accrued Annual Leave		0		0		0		0		0		0		0		0							0		0
	Fica		655,476		0		140,766		0		129,672		0		186,828		0							198,210		0
	Group Insurance		954,374		0		165,157		0		186,914		0		174,691		0							427,611		0
	Medicare		22,657		0						0				0											0
	Other Staff Benefits		364,479		0		88,146		0		90,258		0		83,194		0							102,881		0
	Retirement		1,185,134		0		275,804		0		275,338		0		375,184		0							258,809		0
	Tuition Waivers		78,500		0		43,888		0		1,102		0		39,618		0							(6,108)		0
	Unemployment Compensation		5,980		0		1,776		0		1,862		0		1,818		0							524		0
	Workers Compensation		5,043		0		2,688		0		2,542		0		2,337		0							(2,524)		0
	Charge Inst. Support		0		0		32,750		0		32,750		0		32,750		0							(98,250)		0
	Contract Services		1,847,860		0		259,561		0		313,616		0		296,008		0							978,676		0
	Cost of Good Sold		550		0		0		0		0		0		391		0							159		0
	Electricity		330,000		0		62,898		0		83,509		0		74,732		0							108,861		0
	Equipment		221,669		0		61,827		0		47,551		0		59,949		0							52,341		0
	Fuel Heat Cool		60,870		0		609		0		10,654		0		41,865		0							7,743		0
	Officials Expense 63T3		594,250		0		7,040		0		184,855		0		236,241		0							166,114		0
	Services		0		0		0		0		0		0		0		0							0		0
	Sewer_Other		182,800		0		26,364		0		38,930		0		40,393		0							77,113		0
	Student Awards and Aid		4,750,000		0		2,226,796		0		497,140		0		2,392,644		0							(366,579)		0
	Supplies Expense		6,543,784		0		1,661,058		0		2,449,266		0		2,114,781		0							318,680		0
	Travel		182,500		0		9,269		0		34,282		0		44,664		0							94,285		0
	Travel-Group		2,814,700		0		854,145		0		1,064,915		0		796,508		0							99,133		0
	Travel-Recruiting		812,777		0		153,515		0		200,538		0		224,558		0							234,166		0
	Internal Service Ctr		0		0		(57,070)		0		(208,415)		0		(2,098)		0							267,583		0
	Internal Sales		0		0																					
Total Expenditures		161.00	32,886,247	3.00	56,101	0.00	8,621,676	0.00	0	0.00	8,179,844	0.00	0	0.00	9,883,362	0.00	0	0.00	0	0.00	0		161.00	6,178,707	3.00	56,101
Transfers (IN) or OUT			(1,663,304)				(957,737)				(68,672)				(1,152,136)								515,241			
Ending Balance			(4,713,999)				(4,635,846)				(4,891,274)				(4,627,652)			0					9,463,429			

Exhibit 21a - UNM MAIN
Campus - Detail of

Budget Unit 350 - Administration

		Original Budget 2019		Actuals Quarter 1 - FY19		Actuals Quarter 2 - FY19		Actuals Quarter 3 - FY19		Actuals Quarter 4 - FY19		Increase / Decrease YTD	
		FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted
Revenues	Tuition and Fees		3,681,708		1,936,355		-		1,450,816				294,537
	State Appropriations		2,641,500		666,500		654,300		666,400				654,300
	Private Gifts Grants and Contracts		-		-		-		-				-
	Sales and Services		3,589,879		450,929		631,950		1,003,623				1,503,377
	Other Sources		4,479,635		3,001,684		4,126,156		(11,436,043)				8,787,838
Total Revenues		-	14,392,722	-	6,055,468	-	5,412,406	-	(8,315,204)	-	-		11,240,052
Beginning Balance			(4,713,999)		(3,865,512)		(647,296)		-		-		(201,191)
Total Available			9,678,723		2,189,956		4,765,110		(8,315,204)		-		11,038,861
Expenditures	Administrative Professional	31.50	2,292,949		528,067		506,877		556,047			31.50	701,958
	Faculty Salaries	0.06	5,000		1,000		1,500		1,500			0.06	1,000
	Federal Workstudy Salaries		-		-		-		134			-	(134)
	GA TA RA PA Salary	6.68	204,721		33,464		36,696		37,297			6.68	97,264
	Other Salaries	40.08	764,020		62,633		72,109		159,479			40.08	469,799
	State Workstudy Salaries		-		-		259		329			-	(588)
	Student Salaries	0.52	10,000		7,407		12,149		7,369			0.52	(16,925)
	Support Staff Salary	2.00	78,780		9,907		7,255		(12,510)			2.00	74,128
	Technician Salary	7.75	273,554		65,197		86,074		52,168			7.75	70,115
	Accrued Annual Leave		-		-		-		-			-	-
	Fica		199,993		42,628		41,672		54,899			-	60,794
	Group Insurance		297,244		64,925		75,924		68,116			-	88,279
	Other Staff Benefits		111,369		24,733		24,537		21,846			-	40,253
	Retirement		363,387		88,996		79,643		143,598			-	51,150
	Tuition Waivers		58,500		30,045		-		27,948			-	507
	Unemployment Compensation		1,830		467		471		529			-	363
	Workers Compensation		1,568		957		623		861			-	(873)
	Charge Inst. Support		-		32,750		32,750		32,750			-	(98,250)
	Contract Services		1,393,210		233,789		147,064		166,356			-	846,001
	Cost of Good Sold		550		-		-		391			-	159
	Electricity		330,000		-		-		-			-	330,000
	Equipment		70,844		6,206		12,747		31,360			-	20,531
	Fuel_Heat_Cool		60,000		-		-		-			-	60,000
	Officials Expense 63T3		23,000		280		5,600		(5,600)			-	22,720
	Services		-		-		-		-			-	-
	Sewer_Other		175,000		543		-		1,342			-	173,115
	Student Awards and Aid		4,750,000		2,200,046		(1,756,458)		2,364,944			-	1,941,468
	Supplies_Expense		4,116,530		1,143,025		1,430,639		1,238,051			-	304,815
	Travel		65,450		1,759		15,518		9,731			-	38,442
	Travel-Group		221,500		68,857		39,713		131,649			-	(18,719)
	Travel-Recruiting		187,027		2,775		-		1,889			-	182,363
	Internal Service Ctr Internal Sales		-		(13,692)		(1,692)		-			-	15,384
Total Expenditures		88.59	16,056,026	-	4,636,764	-	871,670	-	5,092,473	-	-	88.59	5,455,119

Transfers (IN) or OUT	Trsfr From Auxiliaries	-	-	-	-	-	-
	Trsfr From Endowments	(789,039)	-	-	(789,039)	-	-
	Trsfr From I G	(254,100)	(213,528)	(13,524)	(13,524)	-	(13,524)
	Trsfr From Plant Fund Minor	(774,000)	(774,000)	-	(415,287)	-	415,287
	Trsfr From Public Service	-	-	-	-	-	-
	Trsfr To Athletics	-	-	-	-	-	-
	Trsfr To Auxiliaries	-	-	-	608	-	(608)
	Trsfr To Debt Service	56,423	14,106	14,106	14,105	-	14,106
	Trsfr To I G	-	2,405	-	41,000	-	(43,405)
	Trsfr To Plant Fund Minor	-	5,868	-	-	-	(5,868)
	Trsfr To Public Service	-	-	-	10,000	-	(10,000)
	Trsfr To Student Aid	-	-	-	-	-	-
	Trsfr To Student Social Cultural	97,412	97,412	-	-	-	-
Total Transfers (IN) or OUT		- (1,663,304)	- (867,737)	- 582	- (1,152,137)	- -	355,988
Ending Balance		(4,713,999)	(1,579,071)	3,892,858	(12,255,540)	-	5,227,754

Budget Unit 351 - Basketball													
		FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted		
Revenues	Sales and Services		3,800,000		7,421		1,621,490		1,783,797				387,292
	Other Sources		-		145		(145)		112,970				(112,970)
Total Revenues			3,800,000		7,566		1,621,345		1,896,767		-		274,322
Beginning Balance			-		-		-		-		-		-
Total Available			3,800,000		7,566		1,621,345		1,896,767		-		274,322
Expenditures	Administrative Professional	8.00	1,414,965		494,164		478,479		478,479		8.00		(36,157)
	Other Salaries		544,172		-		22,961		11,371		-		509,840
	Student Salaries	0.47	9,000		1,001		1,664		-		0.47		6,335
	Support Staff Salary		-		-		337		81		-		(418)
	Technician Salary		-		60		613		958		-		(1,631)
	Fica		73,437		16,880		14,567		35,048		-		6,942
	Group Insurance		109,148		12,127		13,838		13,864		-		69,319
	Other Staff Benefits		40,895		11,299		11,090		11,105		-		7,401
	Retirement		133,435		26,476		26,835		49,745		-		30,379
	Unemployment Compensation		672		346		352		344		-		(370)
	Workers Compensation		576		316		577		328		-		(645)
	Contract Services		153,040		70		25,447		71,028		-		56,495
	Equipment		2,650		3,167		391		1,058		-		(1,966)
	Officials Expense 63T3		152,500		-		-		197,550		-		(45,050)
	Sewer_Other		-		-		-		1,342		-		(1,342)
	Student Awards and Aid		-		8,750		121,673		6,700		-		(137,123)
	Supplies_Expense		659,010		54,273		113,081		452,215		-		39,441
	Travel		26,500		898		2,121		2,883		-		20,598
	Travel-Group		360,000		-		141,383		165,921		-		52,696
	Travel-Recruiting		120,000		36,101		34,981		17,326		-		31,592
	Internal Service Ctr Internal Sales		-		-		(185,681)		(2,097)		-		187,778
Total Expenditures		8.47	3,800,000	-	665,928	-	824,709	-	1,515,249	-	-	8.47	794,114
Transfers (IN) or OUT	Trsfr From I G				-		-		-				-
	Trsfr From Plant Fund Minor				(90,000)		(29,479)		-				119,479
Ending Balance			-		(568,362)		826,115		381,518		-		(639,271)

Budget Unit 352 - Football											
		FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted
Revenues	Sales and Services		2,300,000		1,424,390		561,005		-		314,605
	Other Sources		3,971,415		-		-		5,693,751		(1,722,336)
Total Revenues			6,271,415		1,424,390		561,005		5,693,751	-	(1,407,731)
Beginning Balance			-		-		-		-		-
Total Available			6,271,415		1,424,390		561,005		5,693,751	-	(1,407,731)
Expenditures	Administrative Professional	13.00	2,503,452		635,159		630,382		598,969	13.00	638,942
	GA TA RA PA Salary	1.38	42,133		17,669		20,386		16,310	1.38	(12,232)
	Other Salaries	3.67	70,000		11,167		35,429		110	3.67	23,294
	Student Salaries		-		-		-		-	-	-
	Support Staff Salary		-		114		181		-	-	(295)
	Technician Salary		-		630		2,185		-	-	(2,815)
	Accrued Annual Leave		-		-		-		-	-	-
	Fica		160,914		32,740		21,587		40,544	-	66,043
	Group Insurance		239,162		33,071		37,740		35,560	-	132,791
	Other Staff Benefits		89,607		22,830		22,690		20,191	-	23,896
	Retirement		292,380		60,578		60,998		79,768	-	91,036
	Tuition Waivers		20,000		11,234		1,102		11,670	-	(4,006)
	Unemployment Compensation		1,472		453		468		420	-	131
	Workers Compensation		1,262		835		702		590	-	(865)
	Contract Services		217,400		21,144		111,485		18,690	-	66,081
	Equipment		25,600		8,244		3,715		1,095	-	12,546
	Officials Expense 63T3		162,000		-		163,915		3,350	-	(5,265)
	Services		-		-		-		-	-	-
	Sewer_Other		7,800		-		4,075		19,718	-	(15,993)
	Student Awards and Aid		-		14,000		846,501		14,000	-	(874,501)
	Supplies_Expense		1,162,683		303,675		705,018		147,449	-	6,541
	Travel		40,550		595		2,464		10,308	-	27,183
	Travel-Group		1,000,000		628,418		268,838		15,856	-	86,888
	Travel-Recruiting		235,000		2,555		90,300		157,743	-	(15,598)
	Internal Service Ctr Internal Sales		-		(39,978)		(848)		-	-	40,826
Total Expenditures		18.05	6,271,415	-	1,765,133	-	3,029,313	-	1,192,341	-	284,628
Transfers (IN) or OUT	Trsfr From Plant Fund Minor		-		-		-		-		-
	Trsfr To Plant Fund Major		-		-		-		-		-
Ending Balance			-		(340,743)		(2,468,308)		4,501,410	-	(1,692,359)

Budget Unit 353 - Other Mens Sports											
		FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted
Revenues	Sales and Services		61,000		15,250		30,564		10,808		4,378
	Other Sources		1,706,725		-		-		2,216,906		(510,181)
Total Revenues			1,767,725		15,250		30,564		2,227,714	-	(505,803)
Beginning Balance			-		-		-		-		-
Total Available			1,767,725		15,250		30,564		2,227,714	-	(505,803)
Expenditures	Administrative Professional	8.00	746,641		204,483		213,483		195,160	8.00	133,515
	GA TA RA PA Salary		-		7,800		7,800		7,800	-	(23,400)
	Other Salaries	1.83	34,900		3,074		6,524		1,371	1.83	23,931
	Support Staff Salary		-		-		-		-	-	-
	Technician Salary		-		200		782		-	-	(982)
	Fica		54,013		13,845		12,104		15,026	-	13,038
	Group Insurance		60,437		11,637		13,164		12,503	-	23,133
	Medicare		22,657		-		-		-	-	22,657
	Other Staff Benefits		29,545		7,632		8,298		7,482	-	6,133
	Retirement		92,279		27,847		30,132		27,220	-	7,080
	Unemployment Compensation		478		145		155		138	-	40
	Workers Compensation		326		162		165		141	-	(142)
	Contract Services		4,700		216		1,462		732	-	2,290
	Equipment		44,000		23,591		3,314		9,895	-	7,200
	Fuel_Heat_Cool		520		-		38		481	-	1
	Officials Expense 63T3		80,000		6,760		5,660		8,428	-	59,152
	Sewer_Other		-		-		-		92		(92)
	Student Awards and Aid		-		-		257,866		-		(257,866)
	Supplies_Expense		179,429		48,283		83,415		62,158	-	(14,427)
	Travel		15,850		497		444		2,293	-	12,616
	Travel-Group		323,500		49,384		130,488		135,442	-	8,186
	Travel-Recruiting		78,450		24,207		19,420		6,575	-	28,248
Total Expenditures		9.83	1,767,725	-	429,763	-	794,714	-	492,937	-	9.83 50,311
Transfers (IN) or OUT			-		-		-		-		-
Ending Balance			-		(414,513)		(764,150)		1,734,777	-	(556,114)

[illegible]

Budget Unit 409 - Utilities											
		FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted
Revenues	Other Sources				-		550,000				(550,000)
Total Revenues			-		-		550,000		-		(550,000)
Beginning Balance					4,095		(4,095)				-
Total Available			-		4,095		(4,095)		1,100,000		(1,100,000)
Expenditures	Electricity				62,898		83,509		74,732		- (221,139)
	Fuel_Heat_Cool				609		10,578		40,903		- (52,090)
	Sewer_Other				25,821		34,855		17,273		- (77,949)
	Supplies_Expense				447		644		665		- (1,756)
Total Expenditures			-		89,775		129,586		133,573		- (352,934)
Transfers (IN) or OUT			-		-		-		-		-
Ending Balance			-		(85,680)		(133,681)		966,427		- (747,066)
Budget Unit 437 - Miscellaneous											
		FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted	FTE	Unrestricted
Revenues	Federal Grants and Contracts										-
	State Grants and Contracts										-
	Sales and Services						10,000				- (10,000)
Total Revenues			-		-		-		10,000		- (10,000)
Beginning Balance			-								-
Total Available			-		-		-		10,000		- (10,000)
Expenditures	Administrative Professional						3,750				- (3,750)
	Federal Workstudy Salaries						-				-
	State Workstudy Salaries						-				-
	Fica						304				(304)
	Group Insurance						679				(679)
	Other Staff Benefits						160				(160)
	Retirement						521				(521)
	Unemployment Compensation						3				(3)
	Workers Compensation						5				(5)
	Equipment						2,420				- (2,420)
	Supplies_Expense						63				- (63)
Total Expenditures		-	-	-	-	-	-	-	7,905	-	- (7,905)
Transfers (IN) or OUT			-		-		-		-		-
Ending Balance			-		-		-		2,095		- (2,095)

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029 (1)
Beginning Fund Balance (Deficit)	(4,713,999)	(4,492,380)	(4,492,380)	(4,005,052)	(3,517,723)	(3,030,395)	(2,543,066)	(2,055,737)	(1,568,409)	(1,081,080)	(593,751)	(106,423)
Recurring Fund Balance (Deficit)												
Net Balance (Deficit)	(4,713,999)	(4,492,380)	(4,492,380)	(4,005,052)	(3,517,723)	(3,030,395)	(2,543,066)	(2,055,737)	(1,568,409)	(1,081,080)	(593,751)	(106,423)
Revenues	32,944,217	32,097,208	31,123,208	30,739,504	30,739,504	30,739,504	30,739,504	30,739,504	30,739,504	30,739,504	30,739,504	30,739,504
Other Sources	814,207	789,039	(383,704)									
Subtotal Revenues	33,758,424	32,886,247	30,739,504	30,739,504	30,739,504	30,739,504	30,739,504	30,739,504	30,739,504	30,739,504	30,739,504	30,739,504
Expenses	33,541,301	34,373,643	33,723,643	30,252,176	30,252,176	30,252,176	30,252,176	30,252,176	30,252,176	30,252,176	30,252,176	30,252,176
Cost containment (reduction in expenses)	(4,496)	(737,396)	(2,496,467)									
Grant-aid subsidies (reduction in expenses)		(750,000)	(975,000)									
Subtotal Expenses	33,536,805	32,886,247	30,252,176	30,252,176	30,252,176	30,252,176	30,252,176	30,252,176	30,252,176	30,252,176	30,252,176	30,252,176
Transfers	0	0	0	0	0	0	0	0	0	0	0	0
Net Annual Balance (2)	221,619	0	487,329	487,329	487,329	487,329	487,329	487,329	487,329	487,329	487,329	487,329
Ending Fund Balance (Deficit)	(4,492,380)	(4,492,380)	(4,005,052)	(3,517,723)	(3,030,395)	(2,543,066)	(2,055,737)	(1,568,409)	(1,081,080)	(593,751)	(106,423)	380,906

(1) 10 year deficit reduction plan beginning in FY20 to FY29

(2) Annual contribution to the accumulated deficit per deficit reduction plan

(3) The deficit reduction plan was approved by the Board of Regents at their April 17th, 2018 meeting. The plan calls for an infusion of dollars in FY18 and FY19 along with cost containment in those years. Additional significant reductions in spending in FY20 will occur and those will be applied forward through the term of the plan.



THE UNIVERSITY OF
NEW MEXICO



Athletics' FY19 Budget and Actuals (Exhibit P21)

Updated through March 31, 2019 (YTD)

Schedule A: (FY19 Budget and Actuals)- This schedule details out pooled revenues and directed revenues by sport for FY19 budget and actuals year-to-date through March 31, 2019. Please note that a majority of revenues are pooled centrally into Athletics and are not distributed by sport, however ticket sales and game guarantees are distributed by sport.

This report also compares FY19 budget to quarterly actuals, and FY19 year-to-date actuals to prior year-to-date actuals. Major variances are due to the restructure of the chart of accounts, timing on when revenue accruals and expenses were posted in the prior year, and differences in institutional transfers.

Schedule B: (Expenses by Sports)- This schedule details out the FY19 expense budget and year-to-date expense actuals through March 31, 2019. Please note grant-in-aid expenses have been budgeted based on prior year actuals, FY19 year-to-date actuals have been allocated to individual sports as expenses post throughout the fiscal year.

Schedule C: (FY19 Athletics Mid-Year Projections)- This schedule summarizes the FY19 mid-year projection based on mid-year actuals adjusting for directed revenue actuals (ticket sales) through March 31, 2019. Major variances compared to FY19 original budget include projected decreased revenues for media rights, student fees, and ticket sales for men's basketball and football. Major variances for projected expenses include decreases in salaries and benefits due to vacancy savings and other expenses appropriately accounted for gift-in-kind donations in the correct account code.

Schedule A

FY19 Budget and Monthly Actuals by Exhibit P21

			Fiscal Year 2018-19 (FY19)								
Revenue/Expense Description (2)	FY19 Original Budget	FY19 Revised Budget	Quarter 1 (7/1-9/30/18)	Quarter 2 (10/1-12/31/18)	Quarter 3 (1/1-3/31/19)	Quarter 4 (4/1-6/30/19)	FY19 YTD	FY19 Budget to Projected Actuals Variance	Actuals% of Revised Budget	FY18 YTD Actuals (March)	FY19 YTD vs. FY18 YTD Actuals
Pooled Revenues											
NCAA/Mountain West Conference	4,750,000	4,750,000	1,324,305	1,187,499	1,050,696		3,562,500	(1,187,500)	75.0%	2,739,490	823,010
Media Rights/Sponsorship/Licensing	5,625,000	5,625,000	1,239,126	1,239,126	1,239,126		3,717,378	(1,907,622)	66.1%	3,405,333	312,045
Commissions	800,000	800,000	220,000	219,999	219,998		659,997	(140,003)	82.5%	600,000	59,997
Naming Rights	200,000	200,000	-	-	200,000		200,000	-	100.0%	-	200,000
Student Fees	3,681,708	3,681,708	1,936,355	-	1,450,816		3,387,171	(294,537)	92.0%	3,851,603	(464,432)
Fundraising	2,400,000	2,400,000	600,000	600,000	600,000		1,800,000	(600,000)	75.0%	1,649,999	150,001
State Appropriation	2,641,500	2,641,500	666,500	654,300	666,400		1,987,200	(654,300)	75.2%	1,963,000	24,200
Facility Rental/Merchandise/GIK	2,400,000	2,400,000	14,121	996,407	475,655		1,486,182	(913,818)	61.9%	778,729	707,453
Special Events and Other Revenues	2,035,000	2,035,000	320,778	590,189	829,202		1,740,169	(294,831)	85.5%	3,615,292	(1,875,123)
Transfers to/from Campus	974,000	974,000	957,737	68,672	363,097		1,389,506	415,506	142.7%	1,473,658	(84,152)
Land Proceed Transfer	789,039	789,039	-	-	789,039		789,039	-	100.0%	-	789,039
Sub-total	26,296,247	26,296,247	7,278,922	5,556,192	7,884,028	-	20,719,142	(5,577,105)	78.8%	20,077,105	642,037
Directed Revenues (by Sports)											
Men's Basketball Tickets	3,800,000	3,800,000	-	1,783,226	1,812,064		3,595,290	(204,710)	94.6%	3,443,306	151,984
Football Tickets	1,200,000	1,200,000	323,610	557,485	3,900		884,995	(315,005)	73.7%	1,384,533	(499,538)
Women's Basketball Tickets	375,000	375,000	-	189,055	208,551		397,606	22,606	106.0%	382,723	14,883
Other Sports Tickets (1)	115,000	115,000	32,750	46,873	40,538		120,161	5,161	104.5%	52,628	67,533
Football Game Guarantees	1,100,000	1,100,000	1,100,000	-	-		1,100,000	-	100.0%	1,100,000	-
Sub-total	6,590,000	6,590,000	1,456,360	2,576,639	2,065,053	-	6,098,052	(491,948)	92.5%	6,363,190	(265,138)
Total	32,886,247	32,886,247	8,735,282	8,132,830	9,949,082	-	26,817,194	(6,069,053)	81.5%	26,440,294	376,900
Expenses											
Salaries	11,272,844	11,272,844	2,604,690	2,742,567	2,666,308		8,013,565	(3,259,279)	71.1%	8,455,099	(441,534)
Payroll Benefits	3,271,643	3,271,643	718,224	687,688	863,670		2,269,582	(1,002,061)	69.4%	2,400,479	(130,897)
Communication Charges	110,268	110,268	17,535	18,038	23,450		59,023	(51,245)	53.5%	71,134	(12,111)
Other Expense	782,164	782,164	218,423	1,252,401	777,248		2,248,071	1,465,907	287.4%	1,467,848	780,223
Patient Care Costs	98,300	98,300	56,778	19,074	25,368		101,220	2,920	103.0%	128,743	(27,523)
Plant Maintenance	250,457	250,457	51,597	56,267	126,337		234,202	(16,255)	93.5%	237,961	(3,759)
Services	4,967,038	4,967,038	507,645	1,077,855	1,085,107		2,670,607	(2,296,431)	53.8%	3,213,812	(543,205)
Student Costs (includes Grant-in-Aid)	5,694,190	5,694,190	2,653,964	706,028	2,600,487		5,960,479	266,289	104.7%	5,809,781	150,697
Supplies	2,055,696	2,055,696	742,211	395,514	494,766		1,632,491	(423,205)	79.4%	1,356,519	275,972
Travel	3,809,977	3,809,977	1,017,809	1,299,734	1,065,730		3,383,273	(426,704)	88.8%	3,313,202	70,071
Utilities	573,670	573,670	89,871	133,092	156,989		379,953	(193,717)	66.2%	359,664	20,289
Total	32,886,247	32,886,247	8,678,747	8,388,259	9,885,459	-	26,952,466	(5,933,781)	82.0%	26,814,244	138,222
Net	-	-	56,535	(255,429)	63,622	-	(135,272)	(135,272)	-0.4%	(373,949)	238,677

(1) Other sports tickets include men's and women's soccer and track, baseball, softball, and volleyball

(2) Actuals through March 31, 2019

(3) Does not include accumulated deficit

FY19 Budgeted Expenses and Year-to-Date (YTD) Actuals by Sport Exhibit P21 (1)

Football			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	2,615,585	1,968,690	646,895
Payroll Benefits	804,797	495,770	309,027
Communication Charges	28,550	19,330	9,220
Other Expense	79,908	59,239	20,669
Patient Care Costs	18,000	11,202	6,798
Plant Maintenance	83,407	108,946	(25,539)
Services	1,003,600	702,624	300,976
Student Costs/Grant-in-Aid (2)	1,724,282	1,239,542	484,740
Supplies	305,350	221,398	83,953
Travel	1,275,550	1,177,077	98,473
Utilities	7,800	23,793	(15,993)
Total	7,946,829	6,027,611	1,919,217

Men's Baseball			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	357,672	282,504	75,168
Payroll Benefits	107,609	68,354	39,255
Communication Charges	1,460	450	1,010
Other Expense	7,852	5,645	2,207
Patient Care Costs	-	1,920	(1,920)
Plant Maintenance	-	683	(683)
Services	55,760	11,580	44,180
Student Costs/Grant-in-Aid (2)	233,545	113,732	119,813
Supplies	78,230	85,082	(6,852)
Travel	168,100	118,387	49,713
Utilities	-	-	-
Total	1,010,228	688,337	321,891

Women's Softball			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	183,000	126,383	56,617
Payroll Benefits	65,294	44,091	21,203
Communication Charges	2,400	608	1,793
Other Expense	3,942	4,008	(66)
Patient Care Costs	-	-	-
Plant Maintenance	-	372	(372)
Services	28,800	2,745	26,055
Student Costs/Grant-in-Aid (2)	238,818	89,267	149,551
Supplies	27,300	43,360	(16,060)
Travel	140,100	133,527	6,573
Utilities	-	-	-
Total	689,654	444,361	245,293

Men's Basketball			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	2,018,137	1,490,168	527,969
Payroll Benefits	373,163	245,138	128,025
Communication Charges	15,560	4,499	11,061
Other Expense	59,150	27,566	31,584
Patient Care Costs	7,500	6,296	1,204
Plant Maintenance	34,900	27,886	7,014
Services	746,240	662,373	83,867
Student Costs/Grant-in-Aid (2)	275,374	237,934	37,439
Supplies	103,850	88,803	15,047
Travel	541,500	401,613	139,887
Utilities	-	1,342	(1,342)
Total	4,175,374	3,193,618	981,756

Women's Basketball			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	768,086	593,499	174,587
Payroll Benefits	258,590	174,531	84,059
Communication Charges	2,920	1,148	1,773
Other Expense	16,319	12,811	3,508
Patient Care Costs	-	1,196	(1,196)
Plant Maintenance	7,400	16,545	(9,145)
Services	290,250	181,331	108,919
Student Costs/Grant-in-Aid (2)	239,448	183,688	55,760
Supplies	48,850	29,749	19,101
Travel	343,628	424,059	(80,431)
Utilities	-	1,354	(1,354)
Total	1,975,491	1,619,911	355,580

Men's Soccer			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	225,969	169,366	56,603
Payroll Benefits	63,810	56,699	7,111
Communication Charges	2,420	1,014	1,406
Other Expense	5,628	4,498	1,130
Patient Care Costs	1,000	1,886	(886)
Plant Maintenance	-	-	-
Services	34,025	21,778	12,247
Student Costs/Grant-in-Aid (2)	213,722	87,130	126,591
Supplies	19,825	42,339	(22,514)
Travel	120,750	128,808	(8,058)
Utilities	-	92	(92)
Total	687,149	513,610	173,539

Women's Soccer			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	196,000	148,675	47,325
Payroll Benefits	70,889	51,132	19,757
Communication Charges	1,060	450	610
Other Expense	3,491	4,588	(1,097)
Patient Care Costs	-	152	(152)
Plant Maintenance	-	252	(252)
Services	4,200	13,816	(9,616)
Student Costs/Grant-in-Aid (2)	304,393	132,643	171,749
Supplies	15,250	17,694	(2,444)
Travel	127,100	115,258	11,842
Utilities	-	89	(89)
Total	722,383	484,749	237,634

Men's Golf			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	163,000	124,224	38,776
Payroll Benefits	50,816	44,454	6,362
Communication Charges	320	406	(86)
Other Expense	2,534	2,837	(303)
Patient Care Costs	-	-	-
Plant Maintenance	-	-	-
Services	450	9,329	(8,879)
Student Costs/Grant-in-Aid (2)	97,381	40,559	56,822
Supplies	2,475	21,184	(18,709)
Travel	61,250	70,025	(8,775)
Utilities	520	519	1
Total	378,746	313,537	65,210

Women's Golf			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	144,905	110,034	34,871
Payroll Benefits	41,064	42,737	(1,673)
Communication Charges	560	0	560
Other Expense	2,319	2,598	(279)
Patient Care Costs	-	-	-
Plant Maintenance	-	-	-
Services	3,800	15,305	(11,505)
Student Costs/Grant-in-Aid (2)	113,191	56,278	56,913
Supplies	8,560	17,865	(9,305)
Travel	56,000	49,883	6,117
Utilities	350	519	(169)
Total	370,749	295,220	75,529

Men's Tennis			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	103,000	72,383	30,617
Payroll Benefits	24,698	18,288	6,410
Communication Charges	290	203	88
Other Expense	2,750	2,197	553
Patient Care Costs	-	-	-
Plant Maintenance	-	-	-
Services	15,810	11,487	4,323
Student Costs/Grant-in-Aid (2)	53,071	27,569	25,502
Supplies	15,300	13,292	2,008
Travel	48,700	51,529	(2,829)
Utilities	-	-	-
Total	263,619	196,948	66,671

Women's Tennis			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	105,000	71,985	33,015
Payroll Benefits	30,729	25,442	5,287
Communication Charges	610	495	115
Other Expense	2,481	1,828	653
Patient Care Costs	-	-	-
Plant Maintenance	-	-	-
Services	12,910	12,903	7
Student Costs/Grant-in-Aid (2)	157,622	63,303	94,319
Supplies	13,615	19,820	(6,205)
Travel	50,500	35,040	15,460
Utilities	-	-	-
Total	373,467	230,814	142,653

Cross Country (M/W) (3)			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	153,188	85,220	67,968
Payroll Benefits	57,154	27,918	29,236
Communication Charges		-	-
Other Expense	2,885	2,071	814
Patient Care Costs		111	(111)
Plant Maintenance		487	(487)
Services	6,750	4,311	2,439
Student Costs/Grant-in-Aid (2)	314,034	115,540	198,494
Supplies	17,813	1,853	15,960
Travel	107,555	55,064	52,491
Utilities		-	-
Total	659,379	292,574	366,805

Track (M/W) (3)			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	153,188	151,257	1,931
Payroll Benefits	57,154	51,661	5,493
Communication Charges	560	450	110
Other Expense	3,078	3,753	(675)
Patient Care Costs	-	890	(890)
Plant Maintenance	12,350	-	12,350
Services	6,750	2,976	3,774
Student Costs/Grant-in-Aid (2)	314,034	117,079	196,955
Supplies	17,813	32,414	(14,601)
Travel	97,600	91,261	6,339
Utilities	-	-	-
Total	662,527	451,742	210,785

Women's Volleyball (4)			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	132,914	116,349	16,565
Payroll Benefits	42,351	33,146	9,205
Communication Charges	1,605	930	675
Other Expense	3,372	3,866	(494)
Patient Care Costs	-	-	-
Plant Maintenance	15,300	9,376	5,924
Services	52,950	33,634	19,316
Student Costs/Grant-in-Aid (2)	229,360	119,073	110,287
Supplies	33,650	17,574	16,076
Travel	94,650	112,555	(17,905)
Utilities	-	-	-
Total	606,152	446,503	159,649

Sand Volleyball (4)			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	113,514	70,363	43,151
Payroll Benefits	42,351	21,885	20,466
Communication Charges	-	-	-
Other Expense	1,174	757	417
Patient Care Costs	-	-	-
Plant Maintenance	3,000	3,000	-
Services	-	-	-
Student Costs/Grant-in-Aid (2)	38,957	9,234	29,723
Supplies	500	481	19
Travel	32,250	15,189	17,061
Utilities	-	-	-
Total	231,746	120,910	110,836

Skiing (M/W)			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	132,162	88,288	43,874
Payroll Benefits	49,310	35,777	13,533
Communication Charges	350	248	103
Other Expense	14,874	2,963	11,911
Patient Care Costs	-	-	-
Plant Maintenance	9,600	5,029	4,571
Services	7,000	4,714	2,286
Student Costs/Grant-in-Aid (2)	137,010	84,233	52,778
Supplies	21,260	9,937	11,323
Travel	102,950	108,151	(5,201)
Utilities	-	-	-
Total	474,516	339,338	135,178

Swimming/Diving			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	146,000	110,806	35,194
Payroll Benefits	54,473	38,582	15,891
Communication Charges	350	248	103
Other Expense	3,251	3,635	(384)
Patient Care Costs	-	525	(525)
Plant Maintenance	-	-	-
Services	1,200	280	920
Student Costs/Grant-in-Aid (2)	192,740	123,424	69,315
Supplies	26,195	22,327	3,868
Travel	95,900	114,494	(18,594)
Utilities	-	-	-
Total	520,109	414,320	105,788

Spirit			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	-	-	-
Payroll Benefits	-	-	-
Communication Charges	-	63	(63)
Other Expense	960	600	360
Patient Care Costs	-	-	-
Plant Maintenance	500	-	500
Services	11,525	5,485	6,040
Student Costs/Grant-in-Aid (2)	-	-	-
Supplies	8,800	598	8,202
Travel	17,200	33,835	(16,635)
Utilities	-	-	-
Total	38,985	40,580	(1,595)

Administration/Events/Other Operating (5)			
Expense Description	FY19 Budget	FY19 YTD Actuals	FY19 Budget to Actuals Variance
Salaries	3,561,524	2,233,371	1,328,153
Payroll Benefits	1,077,391	793,977	283,414
Communication Charges	51,253	28,484	22,769
Other Expense	566,196	2,102,612	(1,536,416)
Patient Care Costs	71,800	77,042	(5,242)
Plant Maintenance	84,000	61,626	22,374
Services	2,685,018	973,937	1,711,081
Student Costs/Grant-in-Aid (2)	817,209	3,120,251	(2,303,043)
Supplies	1,291,060	946,721	344,339
Travel	328,694	147,517	181,177
Utilities	565,000	352,245	212,755
Total	11,099,145	10,837,783	261,362

Total	32,886,247	26,952,466	5,933,781
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(1) Does not include special events and bowl games; Actuals through March 31, 2019

(2) Grant-in-Aid was budgeted based on FY18 actuals, FY19 actuals will be allocated to individual sports as expenses post

(3) M/W track and cross-country coaches salaries split 50/50 between sports.

(4) Women's volleyball and sand volleyball's coaches salaries split 50/50 between sports.

(5) Includes Events Management, Special Events, Bowl Games, Championships, Gifts-in-Kind, Parking, Concessions, Ticket Office, Administration, Business Office, Leagues and Clubs, Compliance, Advisement, Facility Rentals, Sports Camps, Utilities, Student Assistance Funds, Life skills, Pre Season Training, Athletic Vans, Insurance, Marketing and Media Relations



Schedule C

FY19 Athletics Mid-Year Projections (1)

Revenue/Expense Description	FY19 Original Budget	FY19 Projected Year-End Actuals (2)
Pooled Revenues		
NCAA/Mountain West Conference	4,750,000	4,850,000
Media Rights/Sponsorship/Licensing	5,625,000	5,134,000
Commissions	800,000	880,000
Naming Rights	200,000	200,000
Student Fees	3,681,708	3,387,171
Fundraising	2,400,000	2,400,000
State Appropriation	2,641,500	2,641,500
Facility Rental/Merchandise/Gift-in-Kind	2,400,000	2,305,379
Special Events and Other Revenues	2,035,000	1,924,664
Transfers to/from Campus	974,000	1,358,009
Land Proceed Transfer	789,039	789,039
Sub-total	26,296,247	25,869,762
Directed Revenues (by Sports)		
Men's Basketball Tickets	3,800,000	3,595,290
Football Tickets	1,200,000	884,995
Women's Basketball Tickets	375,000	397,606
Other Sports Tickets	115,000	120,161
Football Game Guarantees	1,100,000	1,100,000
Sub-total	6,590,000	6,098,052
Total	32,886,247	31,967,814
Expenses		
Salaries	11,272,844	10,647,144
Payroll Benefits	3,271,643	2,867,158
Communication Charges	110,268	66,940
Other Expense	782,164	2,855,643
Patient Care Costs	98,300	137,568
Plant Maintenance	250,457	232,052
Services	4,967,038	3,286,172
Student Costs (includes Grant-in-Aid) (3)	5,694,190	5,956,571
Supplies	2,055,696	1,560,708
Travel	3,809,977	3,897,593
Utilities	573,670	460,265
Total	32,886,247	31,967,814
Net	-	0

(1) Athletics operating budget (P21)

(2) Projections based on mid-year actuals, adjusted for directed revenues actuals 3/31/19

(3) Includes additional tuition waivers to reflect FY20 committed amounts



**MEMORANDUM TO ADVANCE
COMMITTEE AGENDA ITEM TO
THE BOARD OF REGENTS
THE UNIVERSITY OF NEW MEXICO**

DATE: April 24, 2019

TO: Craig White, Interim Sr. VP Finance & Administration

FROM: Chris Vallejos, AVP Institutional Support Services
Lisa Marbury, Executive Director, Institutional Support Services

RE: Requested Approvals

RECOMMENDED ACTION:

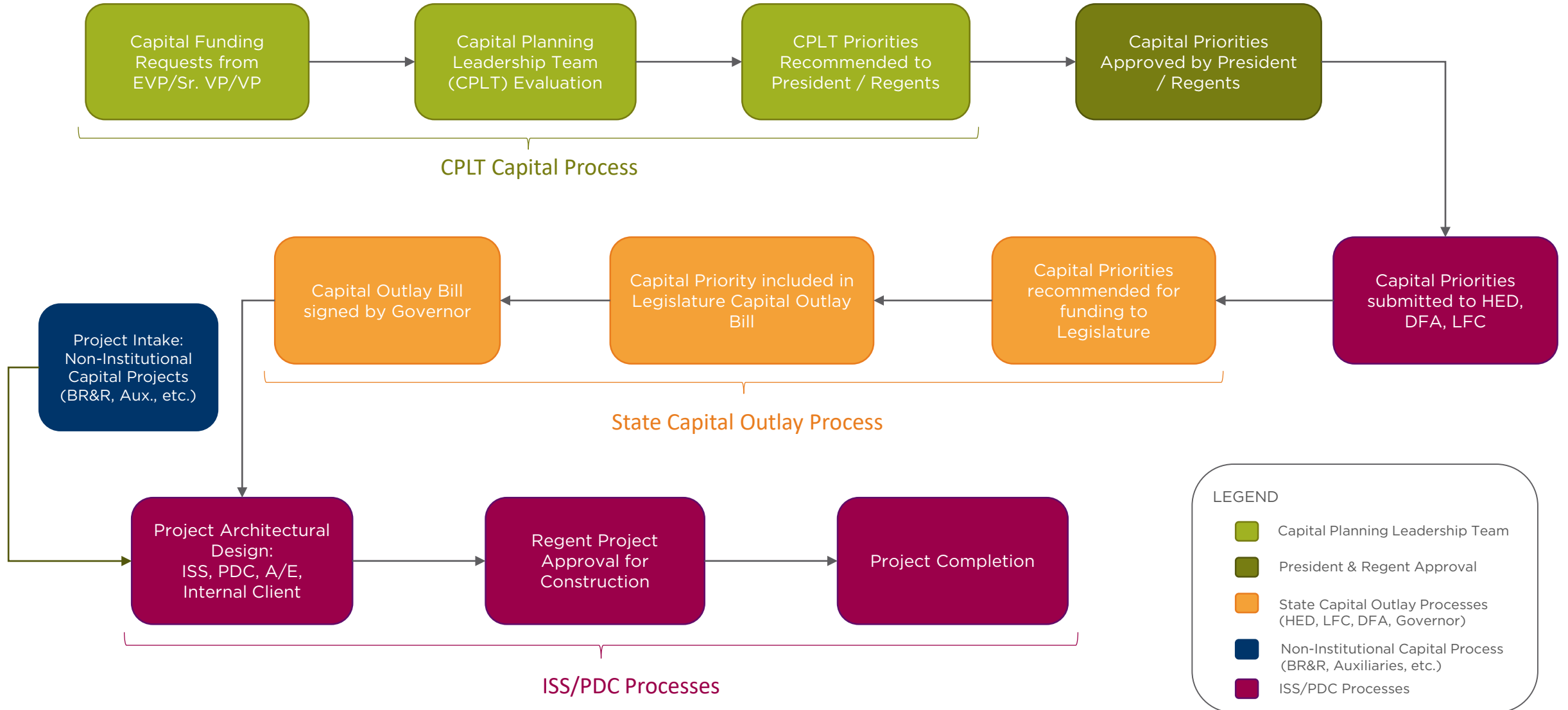
Recommend to the Board of Regents Finance and Facilities Committee the following:

1. Request for Project Construction Dana C. Wood Formula Society of Automotive Engineering Racing Lab
2. Request for Project Construction Student Health and Counseling Phase 1 Renovation
3. Request for Project Construction Valencia Campus Photovoltaic Solar System Phase 3

Please see attached summary.

cc: A. Coburn, M. Dion, B. Scharmer, C. Carian, S. Rodgers, C. Martinez, N. Dominguez - PDC
A. Sena, L. Schuster, H. Barsun - FM

Capital Process



Capital Project Funding Sources

State Funding:

- **General Obligation Bond (GOB)**
- **Severance Tax Bond (STB)**
- **General Fund (GF)**

General Obligation Bond (GOB):

- available to Higher Education Institutions every 2 years (even years)
- projects meant for new construction or large facility renovation
- must be approved by voters
- Funding must be spent in 4 years or reverts back to the state

Severance Tax Bond (STB):

- available to Higher Education Institutions every year
- projects meant for remodels, infrastructure, smaller facility renovations
- Funding must be spent in 4 years or reverts back to the state

General Fund (GF):

- available to Higher Education Institutions every year
- rarest funding source due to the demands on the General Fund

Capital Project Funding Sources

University Funding:

- **Institutional Bond**
- **Building Renewal & Replacement (BR&R)**
- **Department, Reserves, HSC Capital Funds**
- **Grant**
- **Local County Bonds (Branches)**
- **Education Gross Receipts Tax (Taos)**

Institutional Bond:

- UNM issues a bond series to fund capital projects and leverage state funding
- Bonds issued 7-10 years based on institutional credit rating

Building Renewal & Replacement (BR&R):

- UNM funds specifically for facility renewal and replacement available each FY
- Projects vetted through internal stakeholders

Grant:

- Grants with facility funds included

Department, Reserves, HSC Capital Funds:

- Institutional funds made available for capital project funding to leverage other capital funding (state, grant, local bond, etc.)

Local County Bonds (Branches):

- Branches have access to local county bonds to leverage state funding
- Branches can also issue their own bonds to leverage state funding

Education Gross Receipts Tax (Taos):

- Gross Receipts Tax in Taos County with percentage specifically for educational institutions in Taos County.

**REQUEST FOR CAPITAL PROJECT CONSTRUCTION APPROVAL for
DANA C. WOOD FORMULA SOCIETY OF AUTOMOTIVE ENGINEERING (FSAE)
RACING LAB PROJECT
UNIVERSITY OF NEW MEXICO
May 7, 2019**

REQUESTED ACTION:

In accordance with Section 7.12 of the Board of Regents Policy Manual and as required by the New Mexico Higher Education Department and New Mexico State Board of Finance, project approval is requested for **Dana C. Wood FSAE Racing Lab Project, Farris Engineering Center, Central Campus.**

PROJECT DESCRIPTION:

This project will renovate and equip 9,180 Gross Square Feet (GSF) shelled basement space and adjacent exterior storage area in the Farris Engineering Center (Building 119) basement to provide racing car laboratories and fabrication spaces for the College of Engineering, Formula Society of Engineering (FSAE) Program.

The project includes fabrication and machining areas, as well as mechanical, engine, composite and electric vehicle labs; two offices, a computer lab, and a meeting room are also included in the space. Construction includes HVAC duct work and controls, electrical and lighting upgrades, infrastructure for equipment, floor drainage, pipe and grate upgrades and temperature controls and alarms. Project includes procurement and installation of specialized fabrication and machine tool equipment.

PROJECT RATIONALE:

The project provides a much-needed core academic space to serve the expanding needs of the FSAE academic program within the Mechanical Engineering program. The current spaces in the basement of Mechanical Engineering (Building 122) are over-crowded and hinder growth of the program.

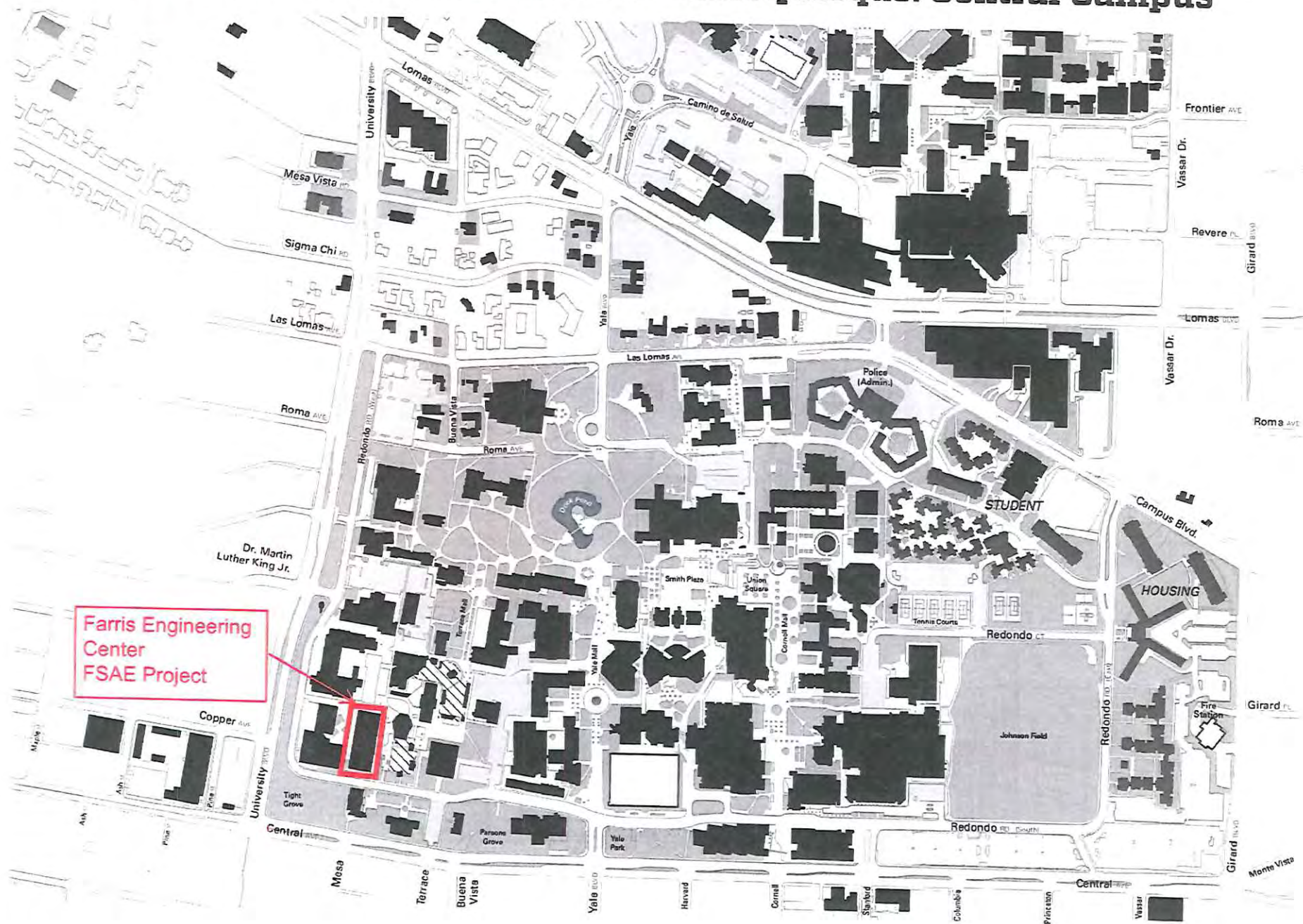
A minimum of six fully constructed cars will be in the labs at one time with additional engines and auto body and parts under fabrication and testing. The labs must have the space and flexibility to serve 100 students. The labs are open 24/7 for student work access.

FUNDING:

The total estimated Project Budget is \$1,500,000:

- \$1,500,000 is funded from Private Donations

The University of New Mexico - Albuquerque: Central Campus





UNM Main Campus
Building 119
1901 Redondo Drive South, NE

AS-100

4	ASI-061	03/28/16
3	ASI-054	10/12/17
2	ASI-026	03/09/17
1	Appendix No. 1	8/10/16
Revision Number	Revision Description	Revision Date




REVISION SCHEDULE

Indoor Project Work Area
Outdoor Project Work Area

Key Value	Keynote Text
12.41.18.A1	Remove art
12.41.18.A2	Remove engineering security bollards and replace per Landscape Plans
12.41.18.A3	Remove Light Pole for Repair (Type of 2)
12.41.18.A4	Remove Visual Signage and replace for Repair (Type of 3)
12.41.18.A5	Cast-in-Place Concrete Wall
12.41.18.A6	Cast-in-Place Concrete Surch
12.41.18.A7	Cast-in-Place Concrete Slab
12.41.18.A8	Concrete curbing
12.41.18.A9	Steel Pipe clamping
12.41.18.A10	Metall Fabricated Wall w/ Door Operated push button
12.41.18.A11	Stainless Steel handrail
12.41.18.A12	1" 12" A/C. Provide red paint coat to grade and extend 18" above grade. NO PARAPET. (about every 42" from curb)
12.41.18.A13	12" 3" NW corner of building
12.41.18.A14	Cast in place concrete
12.41.18.A15	Cast in place concrete

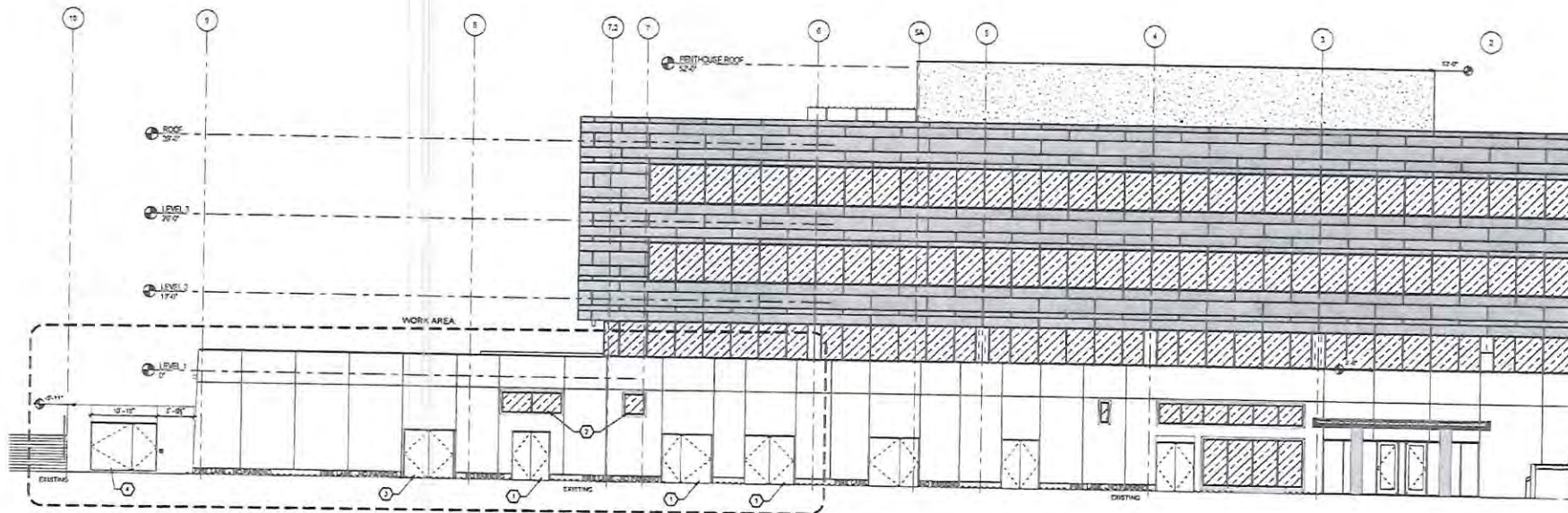
Key Value	Keynote Text
10 20 00 02	Metal Bangle Rack
22 10 00 A1	Roof Drain. See Plumbing
26 50 12 A1	Light Fixture. See Electrical
32 13 00 A1	Concrete Paving
32 13 00 A3	Expansion Joint
32 10 00 A1	Landscape arbor
55 05 00 A5	Tow rope/reel. See Landscaping

Key Value	Keynote Text
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 5" CONCRETE W/ #4 @ 16" o.c. w/ REINFORCING DISCONTINUOUS @ EJ AND CJ LOCATIONS

 5" CONCRETE W/ 6 X 6, W2.9 X W2.9 W/WF REINFORCING DISCONTINUOUS @ EJ AND CJ LOCATIONS

 CJ - @ 1/2 SLAB DEPTH
 EJ - 1/2" TYP
 SEE ADDED DIMENSIONS TYPICAL







GENERAL NOTES:

- A. ALL DIMENSIONS ARE TO FACE OF STUD OR FACE OF CONCRETE UNLESS NOTED OTHERWISE.
- B. REFER TO SHEET 2-107 FOR REFERENCE SYMBOLS.
- C. REFER TO MECHANICAL, PLUMBING AND ELECTRICAL DRAWINGS FOR ALL EQUIPMENT LOCATION DIMENSIONS, AND OTHER REQUIREMENTS.
- D. WHERE EXISTING MATERIALS CHANGE, THE CHANGE IS TO OCCUR AT THE CENTERLINE OF THE BOOR, UNLESS NOTED AS REQUIRED PRIOR TO INSTALLATION OF FLOOR CONCRETE.
- E. MAINTAIN A MINIMUM OF 36" CLEAR UNOBSTRUCTED EMERGENCY EXIT WAYS TO DESIGNATED EXITS.
- F. PROVIDE LEVEL FLOOR OR LANDING ON EACH FLOOR OF ALL ROOMS. THRESHOLDS SHALL BE LESS THAN 1/4" HIGH AND BEVELLED 1:2.
- G. ALL EQUIPMENT ITEMS SHOWN WITH DASHED LINES PROVIDED BY OWNER UNLESS NOTED OTHERWISE.

KEYED NOTES:

1. EXISTING EXTERIOR TO REMAIN.
2. EXISTING ALUMINUM SUBSTITUTION TO REMAIN.
3. SANITARY WALL NEW OF EXISTING CONCRETE PANEL AND METAL NEW AND STEEL SUPPORTS, DOOR FRAME AND DOOR AS SCHEDULED.
4. EXISTING ALUMINUM SUBSTITUTION TO REMAIN. EXISTING DOOR FRAME AND DOOR AS SCHEDULED. CONCRETE WALL AND METAL NEW NOTE: GATE. CLEAR OPENING TO BE 10'-0" MIN.

MODULUS ARCHITECTS
100 SUN AVENUE NE SUITE 305
ALBUQUERQUE, NEW MEXICO 87109
PHONE (505) 338-1499 FAX (505) 338-1498



65% REVIEW,
NOT FOR
CONSTRUCTION

DANA C. WOOD PÉREZ RACING LAB
100 - PÉREZ RACING LAB
ALBUQUERQUE, NM
DESIGNED BY
MODULUS ARCHITECTS
DRAWN BY
JESSE D. WOOD
DATE
10/1/11
WEST BUILDING ELEVATION

DATE
10/1/11
SCALE
AS NOTED
A201

**REQUEST FOR CAPITAL PROJECT CONSTRUCTION APPROVAL for
STUDENT HEALTH & COUNSELING PHASE 1 RENOVATION
UNIVERSITY OF NEW MEXICO**

May 7, 2019

REQUESTED ACTION:

In accordance with Section 7.12 of the Board of Regents Policy Manual and as required by the New Mexico Higher Education Department and New Mexico State Board of Finance, project approval is requested for **Student Health and Counseling Phase 1 Renovation, Central Campus, Building #073.**

PROJECT DESCRIPTION:

Student Health & Counseling (SHAC) Phase 1 will design, remodel and furnish approximately 14,900 gross square feet (GSF) including portions of the ground level and first floors in the Student Health Center (Building #073). This will provide new clinics, clinical support areas, as well as offices for five existing SHAC service units. The project will refresh and rebrand areas for expanding clinical services and incorporate interior design to assist with directing patients through the building. Additionally, it will provide additional security by restricting access in some areas. Additional self-check-in computer driven centers will be established on the lower level and 3rd floors aiding in directing patients to clinical appointments

PROJECT RATIONALE:

Since 1929, UNM Student Health Service has been providing medical attention and resources for safeguarding the health of students. SHAC is now accredited by the Accreditation Association for Ambulatory Healthcare (AAAHC). Services have greatly expanded over the years to meet current student needs and health demands. The following services are available:

- Primary care appointments, emergency and same day service
- Women's Health
- Men's Health
- Mental Health Counseling
- Health Promotion/Marketing with student wellness outreach
- Full service public Pharmacy
- Travel Health
- Allergy and Immunization Clinic (A&I)
- Physical Therapy
- Massage therapy
- Acupuncture
- Laboratory and radiology services

SHAC sees over 1,100 students weekly with annual visits totaling 32,000. With extended and growing services for the Pharmacy, the current facility is stretched beyond capacity. In 2017, the UNM Regents, responding to SHACs service growth and cramped conditions, allocated the

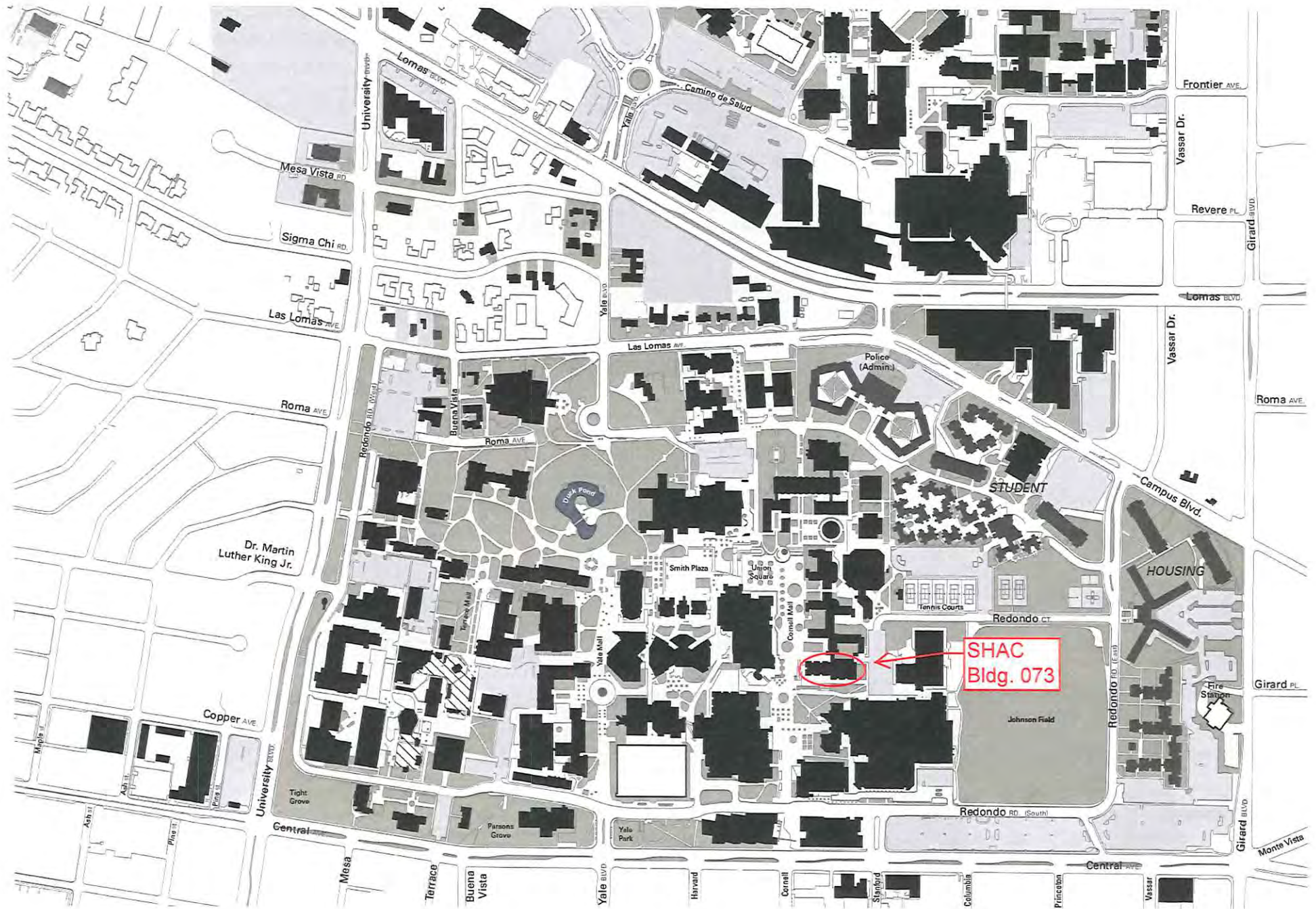
ground level of the Student Health Center (Building #073) to SHAC for full use of the building to support their vital medical and student health services mission.

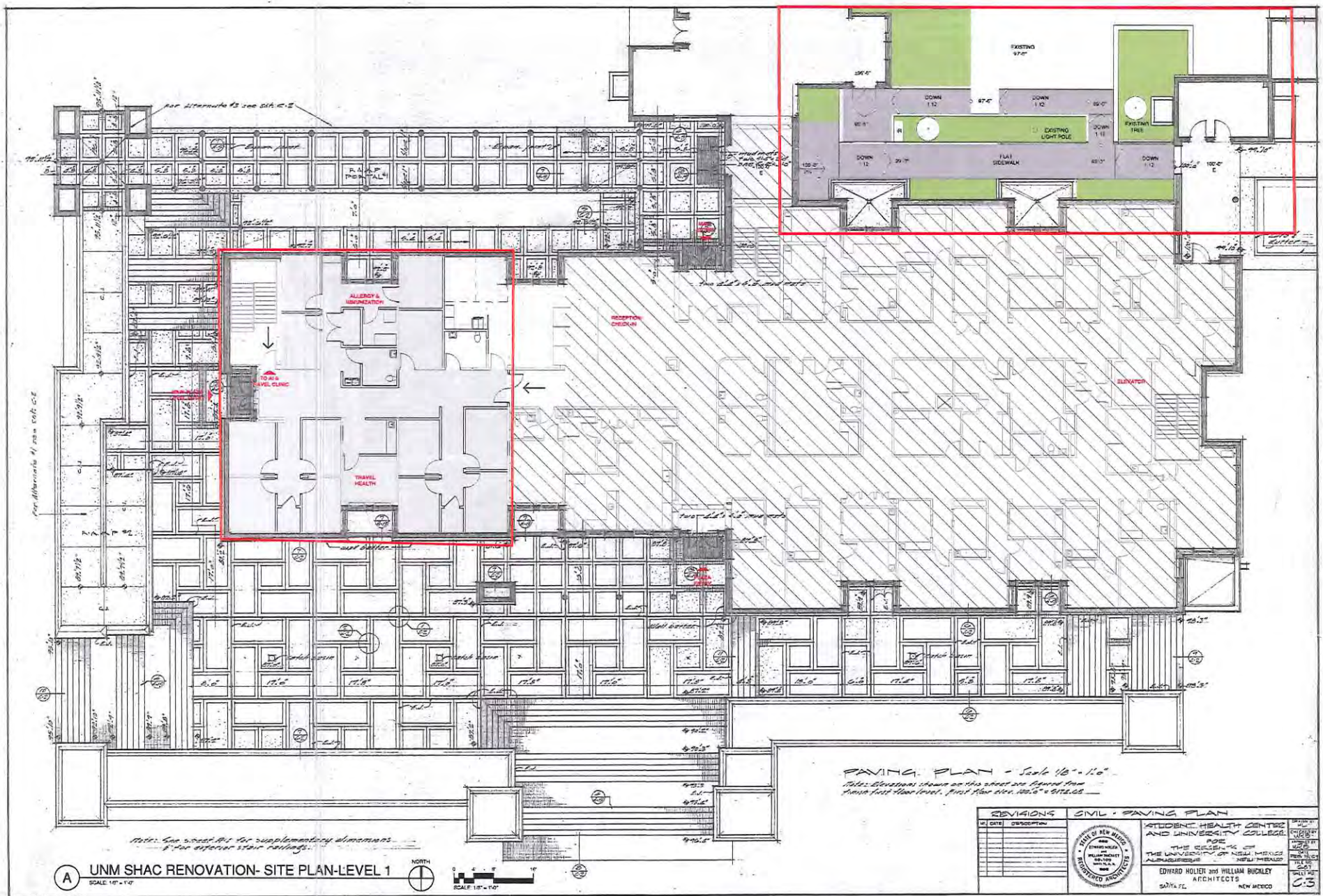
FUNDING:

The total estimated Project Budget is \$2,450,000:

- \$1,250,000 is funded from UNM Institutional Bonds
- \$1,200,000 is funded from Department Funds

The University of New Mexico - Albuquerque: Central Campus

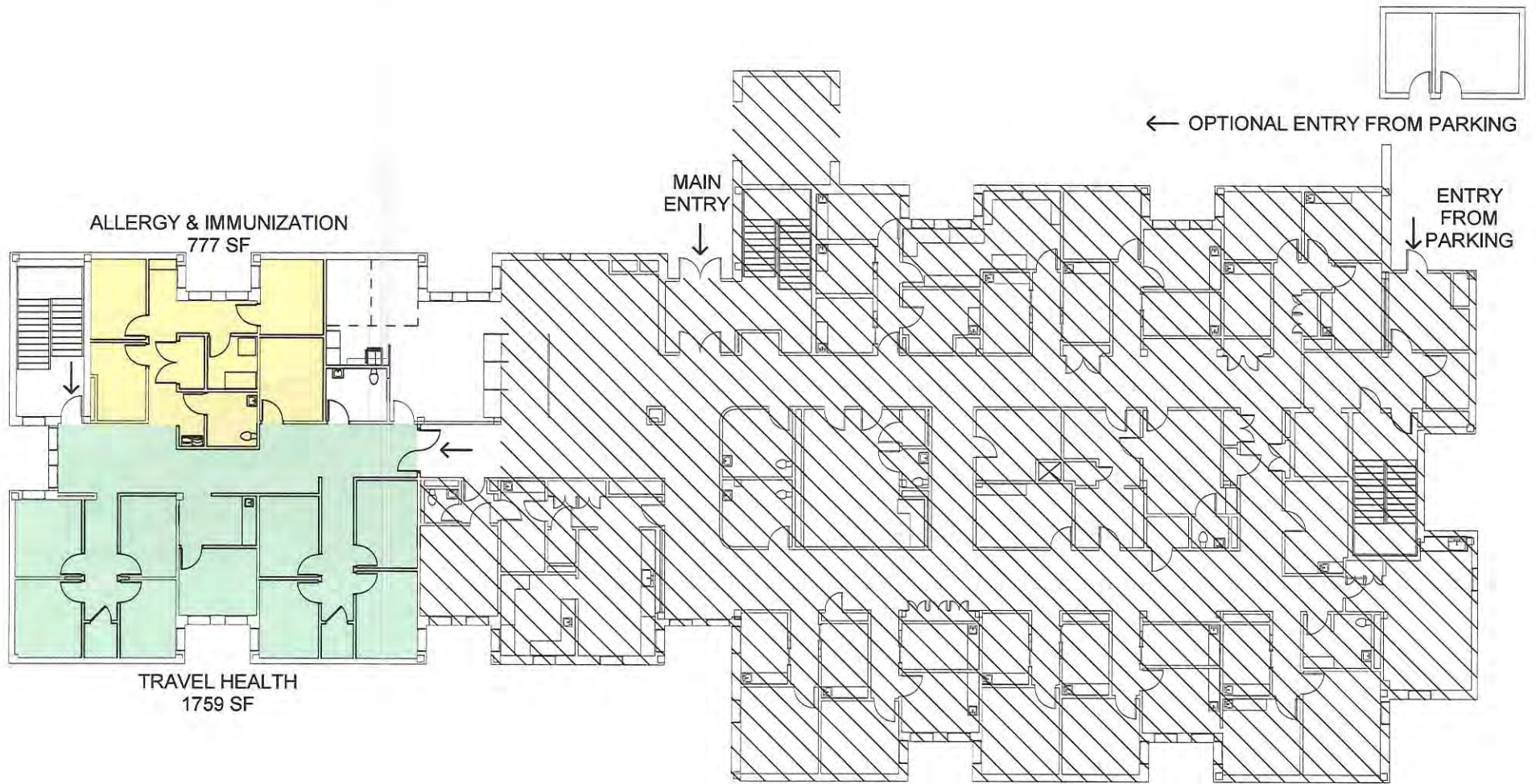






2415 PRINCETON DR. NE, SUITE E
ALBUQUERQUE, NM 87107
505 . 843 . 7587
www.designplusabq.com

DESIGN PLUS LLC



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505.843.7587
www.designplusabq.com

DESIGN PLUS LLC



View of the repurposed pharmacy at SHAC from flex waiting area.

**REQUEST FOR CAPITAL PROJECT CONSTRUCTION APPROVAL for
VALENCIA CAMPUS PHOTOVOLTAIC SOLAR SYSTEM PHASE 3
UNIVERSITY OF NEW MEXICO
May 7, 2019**

REQUESTED ACTION:

In accordance with Section 7.12 of the Board of Regents Policy Manual and as required by the New Mexico Higher Education Department and New Mexico State Board of Finance, project approval is requested for **Valencia Campus Photovoltaic Solar System Phase 3**.

PROJECT DESCRIPTION:

In August of 2016, UNM Valencia Branch brought forward the first phase of a solar photovoltaic project. That project installed an approximately 127 kW solar photovoltaic (PV) roof-mounted system on the Business & Technology Center (Building C) at the Valencia Branch Campus. The system was designed and built by Rio Grande Solar at a total project cost of \$520,000. Phase 2 was installed on the roof of the Arts & Sciences Building (Building B) during 2018. Phase 2 was installed by Sol Luna Solar and is a 202 kW PV system that cost \$400,000.

This project, Valencia Campus PV Phase 3, was procured via a Request for Proposal. The project price was set at \$800,000. Respondents were evaluated on system size and output in lieu of price (since it is a fixed-price situation) along with system quality and past performance. Sol Luna Solar was selected as the winning respondent and will install solar photovoltaic (PV) systems at UNM Valencia Campus totaling 499 kW. The systems will be installed on the roofs of the Health Sciences Building (Building K); Career Technical Center (Building L); the Administration/Student Services Building (Building A); and the Student Center & Cafeteria (Building D). Two arrays atop covered parking are also included. All systems will be connected into the electrical distribution system of the campus via local building panels. An \$80,000 contingency has been added to the funding request to allow for any needed upgrades identified by PNM during their required supplemental review.

PROJECT RATIONALE:

Valencia Campus has secured bonds which are to be spent on renewable energy so that they can meet their goals required by the Green Campus Initiative. Additionally, the PV system will generate approximately 846 MWh per year of renewable energy which equates to approximately 44% of the total annual purchased electricity for the campus. This will reduce utility expenditures by about \$40,000 per year. This project will also reduce the UNM carbon footprint by 38 metric tons carbon dioxide equivalent (MTCDE) per year. This combination of benefits yields a net present value (NPV) of this project at approximately \$58,000 over a 25 year period.

FUNDING:

The total estimated Project Budget is \$880,000:

- \$880,000 is funded by UNM Valencia from local general obligation bonds

Open computer labs:

- ♦ Learning Resource Center
- ♦ Business & Technology Building

Student Services includes:

Array locations atop the Valencia Campus Health Sciences Building and

- ♦ Cashiers
- ♦ Registrar
- ♦ Testing Center

Building color coding / abbreviations

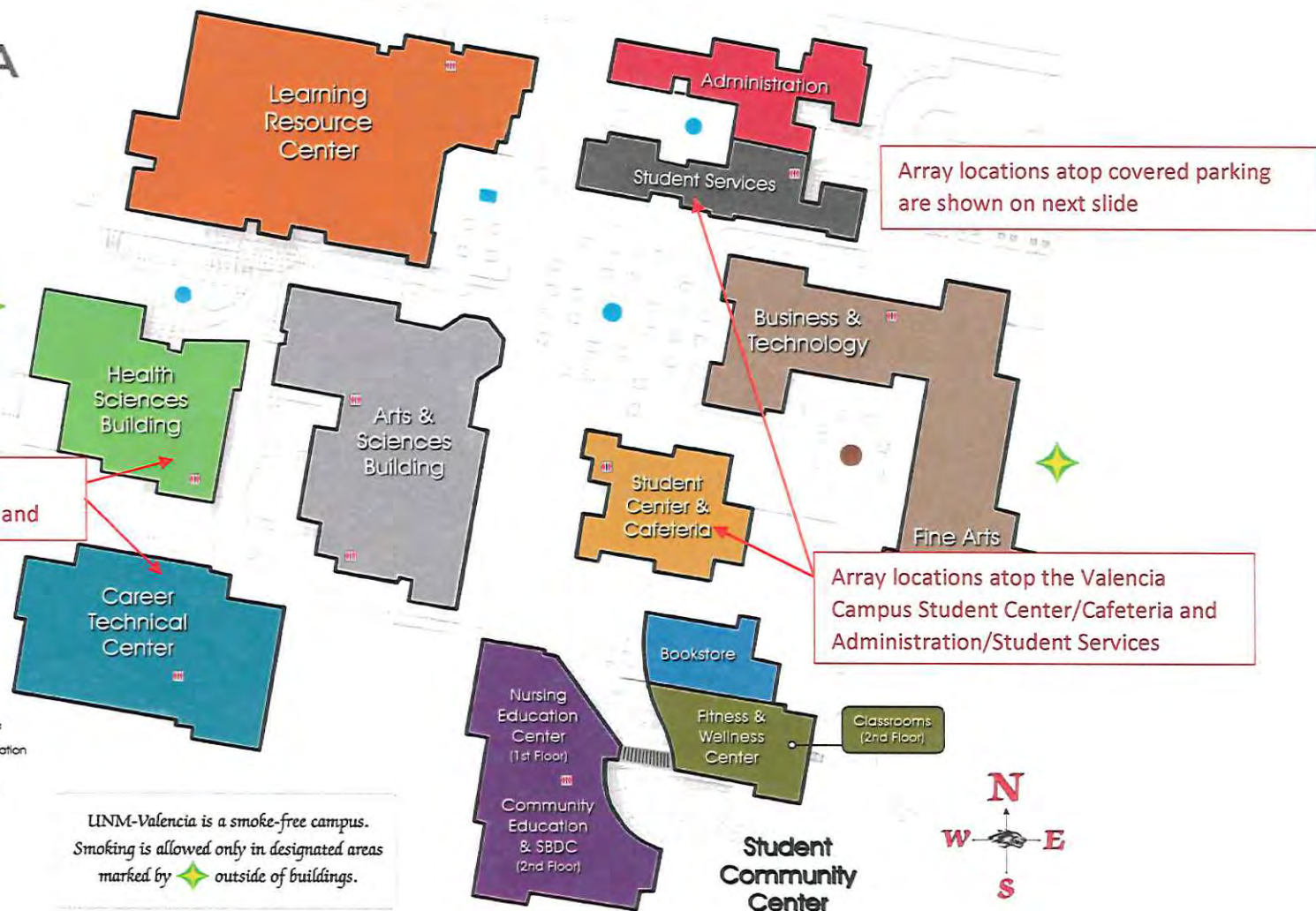
AS / A	SCC / S	Cafeteria
BS / B	LRC / L	Administration
HS / H	SCC / S	Student Services
CTC / C		

Police: 505.925.8570

Main Number: 505.925.8500

Student Services: 505.925.8560

UNM-Valencia is a smoke-free campus.
Smoking is allowed only in designated areas
marked by ♦ outside of buildings.



Valencia Campus Photovoltaic Phase 3



The locations of the proposed systems are show in blue.
The covered parking arrays are those at the top and far right.

Memo

To: Dr. Craig White, Senior Vice President for Finance and Administration

From: Thomas M. Neale, Director of Real Estate

Date: May 1, 2019

Re: Capital Project Approval – Demolition of the former fraternity house located at 1705 Mesa Vista Road NE

The University of New Mexico Real Estate Department is seeking Regents' approval for the demolition of the building improvements at 1705 Mesa Vista Road NE. The fraternity building was constructed in the 1940s and was last occupied in 2014. The building has reached the end of its useful life and the highest and best use of the property is for redevelopment for institutional purposes.

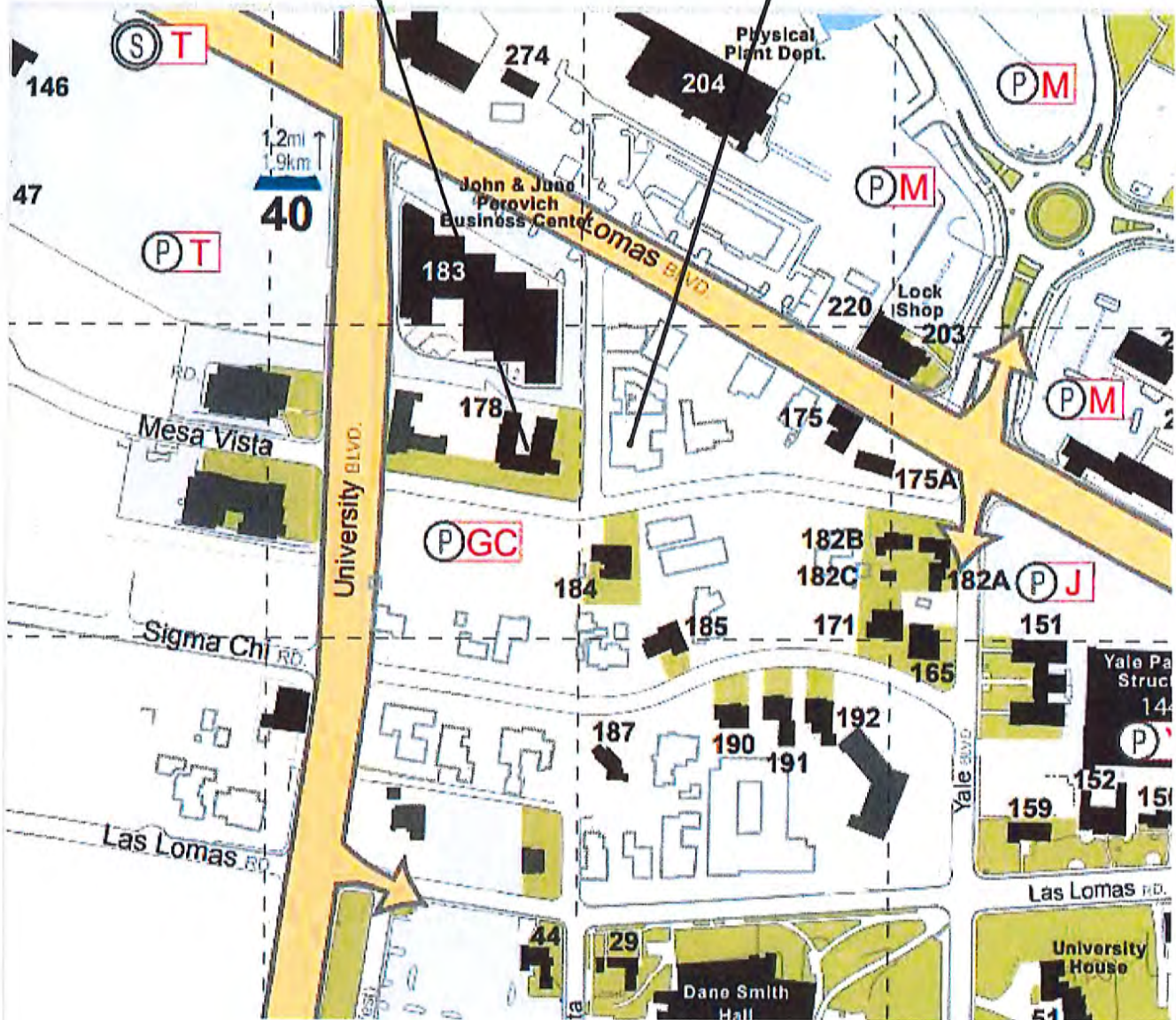
Prior to demolition, all environmentally hazardous material must be removed from the structure. A Phase I Environmental Site Assessment was completed on April 29, 2019. The assessment included sampling and analysis for asbestos containing materials (ACM) and lead-based paint. Of the thirty-seven homogenous materials sampled from the interior and exterior, fifteen materials were identified to be ACM. These include sheet vinyl flooring, flooring mastic, pipe insulation, textured drywall and taping compound, ceiling texture, and roof penetration and seam sealant tar. The consultant sampled seventeen painted building components for lead containing materials (LCM) from the interior and exterior of the building. None of the samples exceeded the federal lead standard. The budget to abate the environmental materials is \$50,000.

The budget for building demolition is \$105,000. This budget includes a contractor estimate for demolition of the building, permitting, construction fencing, and rough grading to insure that site slopes post demolition are safe.

The total project budget is \$155,000. If approved, the Real Estate Department will work with Institutional Support Services leadership on identifying funds to complete the demolition project. Post demolition, the Real Estate Department will collaborate with Parking and Transportation Services on the feasibility of utilizing the site as a surface parking lot.

1705 Mesa Vista Rd NE

1801 Mesa Vista Rd NE



Memo

To: Dr. Craig White, Senior Vice President for Finance and Administration

From: Thomas M. Neale, Director of Real Estate

Date: May 1, 2019

Re: Capital Project Approval – Tenant Improvements for Sandia National Laboratories' lease at the Advanced Materials Laboratory located at the UNM Science and Technology Park

The University of New Mexico Real Estate Department is seeking Regents' approval to make capital improvements to Sandia National Laboratories' (SNL) Advanced Materials Laboratory (AML) in leased space at the UNM Science and Technology Park.

AML supports collaboration between SNL, the University of New Mexico (UNM), and U.S. companies in materials and process research, development and application, and aids in transferring the resulting technologies to U.S. industry. This collaboration is supported by the U.S. Department of Energy (DOE), which funds SNL. The DOE is working to apply the capabilities of its national laboratories toward improving the competitiveness of U.S. industry. AML also promotes the UNM and SNL/DOE mission in science and technical education by closely involving students and post-doctoral fellows in its R&D programs.

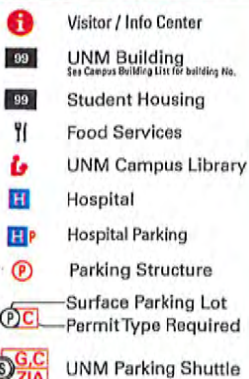
The Advanced Materials Laboratory is a commercial research building containing 46,500 square feet and is located at 1001 University Boulevard SE within the UNM Science and Technology Park. SNL has been a tenant at AML since the building was constructed in 1991. They currently lease 32,165 square feet within the building. The UNM Real Estate Department is currently negotiating a new 7-year lease with SNL. Increased intensity of research functions within the space have necessitated the need for significant upgrades to the ventilation, make-up air, and mechanical control systems for the building. The proposed improvements will allow SNL to maximize the utilization of the space, better control air pressure within the labs, mitigate life-safety issues, and significantly reduce the energy cost of the building.

The UNM Real Estate Department has procured and completed construction documents in coordination with SNL and has received project cost estimates from the project design engineer. The estimated project cost is \$1,250,000. SNL has agreed to fund \$245,000 of the estimated project cost to account for user specific fume hood and related control improvements. The balance represents building upgrades that are warranted based on the age of the building infrastructure. The proposed improvements will extend the economic life of the building.

The project funding consists of a contribution of \$245,000 from SNL, a \$5,000 contribution from the Real Estate Department STP Capital Reserve Fund, and a \$1,000,000 loan from the Lobo Development Corporation (LDC) to the Regents of the University of New Mexico. The loan was approved in March 2018 by LDC Board of Directors. The terms include an amortization period of ten (10) years at an annual interest rate of 3.0% with principal and interest payments of \$115,872 per year. Debt service payments will be funded by UNM Real Estate from energy savings of approximately \$60,000 per year and rent payments received from SNL. SNL has agreed to an initial lease rate of \$28.00 per square foot, or \$900,620 per year.

For more information contact the Property Management Office: 505.272.7313 office

505.272.7792 fax stp@unm.edu



Memorandum

To: UNM Health Sciences Center Committee (HSCC)
From: Carrie Tingley Hospital Advisory Board
Date: Friday, April 12, 2019
Re: Nomination for Parent Member Vacancy

The Carrie Tingley Hospital Advisory Board has approved the nomination of Gary Hofmann to join the Advisory Board as a parent member.

We respectfully request the approval of this nomination by the UNM Health Sciences Center Committee (HSCC).

Sincerely,



Doris Tinagero, DNP, RN, NEA-BC
Executive Director, CTH & Pediatric Ambulatory
CTH Advisory Board Ex-Officio

Attachment: Gary Hofmann Resume

Gary Hofmann
580 Pyrite Dr. NE
Rio Rancho, NM 87124

Home – 505-892-5192
Mobile – 505-710-3473

Objective:

Bring a parent perspective to the Advisory Board having had the opportunity to experience the benefits and challenges of caring for a child with disabilities while utilizing some of the programs available. We were also able to try new technologies in rehabilitation provided by the Carrie Tingley Hospital Foundation during therapy. Our daughter was blessed to have outstanding opportunities and her quality of life was improved as a result of organizations like this and would consider it an honor to be able to contribute what I can.

Work Experience:

2007 to Present:

Brewer Oil Co.
2701 Candelaria Rd., NE
Albuquerque, NM 87107
505-884-2040

I have served in a number of positions including Commercial Fleet Card Coordinator, Sales Manager, and AR Supervisor. I currently oversee incoming revenue from commercial and wholesale customers reporting to the VP / CFO.

2003 to 2007:

Macro Oil Co.
101 Millstone Rd.
Broussard, LA 80518
337-839-5000

Sales Manager covering New Mexico, Colorado, Utah, Idaho and West Texas. Supervised a sales force marketing commercial fuel programs.

Prior to 2003 I was with Giant Industries for fifteen years in various capacities and before coming to New Mexico I was with BP Oil Company in Philadelphia for fifteen years.

Community Service:

While living in the Philadelphia area I served as a volunteer firefighter for seventeen years holding the ranks of firefighter, driver operator, lieutenant, and fire marshal.

In the early 90's I served on the Leukemia and Lymphoma Society Advisory Board and the board of the Women's Housing Coalition in Albuquerque.



Date: April 24, 2019

To: Bruce Cherrin
Chief Procurement Officer, UNM Purchasing Department

From: Bonnie White
Chief Financial Officer, UNM Hospitals

Subject: Property Disposition – April 2019

Attached for your review and submission to the Board of Regents is the Property Disposition Detail list for the month of April 2019.

Consistent with UNM Board of Regents Policy 7.9 Property Management and the Disposition of Surplus Property Act, 13-6-1, NMSA 1978, and based upon documentation submitted by the UNM Hospitals' departments responsible for the equipment, I certify that the equipment identified on the list is worn-out, unusable/unlocated or beyond useful life to the extent that the items are no longer economical or safe for continued use by UNM Hospitals. I recommend that the items be deleted from UNM Hospitals inventory and disposed of in accordance with the above noted Regents Policy and Surplus Property Act.



Property Disposition request
April 2019

Reason for Disposal	Count	Acquisition Cost	Book Value	Average Age
Monitor Upgrade	192	\$ 2,220,669.84	\$ 35,962.23	10.85
Unable to Inventory	6	\$ 150,405.35	\$ 415.01	9.17
Not Repairable	5	\$ 134,074.43	\$ 1,956.24	10.20
Obsolete	48	\$ 1,299,442.84	\$ 14,994.31	9.83
Grand Total	241	\$ 3,813,592.56	\$ 53,327.79	10.60

Description	Count of Lawson Number	Sum of Acquisition Cost	Sum of Book Value	Average of Age In Years
Furniture/Fixtures	1	\$ 70,301.90	\$ -	15.00
Medical Equipment	30	\$ 1,163,692.51	\$ 17,365.56	10.43
Monitors	188	\$ 2,342,826.76	\$ 35,962.23	10.78
Non Medical Equipment	3	\$ 105,847.99	\$ -	15.33
SW/Electronics	10	\$ 130,923.40	\$ -	8.05
Grand Total	241	\$ 3,813,592.56	\$ 53,327.79	10.60

Lawson Number	Asset Control Number	Description	Accounting Unit	Division Description	Model	Serial Number	Acquisition Date	Acquisition Cost	Book Value	Proposed Method of Disposal	Reason for Disposal	Generalized Description	Comments
28804 91256		Care V6.7 Generic ATO Model	71030	Heart Station	CASE V6.7	SKY142404M05A	07/01/14	\$ 28,560.60	\$ 14,994.31	Auction	Obsolete	Medical Equipment	
12910 9019E		Dell/compellent SAN Disk Enctr	96145	IT - Systems Support	EN-SC200	6W9MRP2	07/01/18	\$ 12,312.50	\$ 10,465.61	Auction	Replaced	Monitors	Monitor Project
30542 95288		Dash 5000 Monitor	21015	ED-North	DASH 5000	SHQ161247305A	04/01/16	\$ 10,509.36	\$ 4,203.74	Auction	Replaced	Monitors	Monitor Project
30129 93477		Dash 5000 ATO Model	15040	PACU (Recovery Room 1)	DASH 5000	SHQ153037395A	08/01/15	\$ 12,467.80	\$ 3,324.74	Auction	Replaced	Monitors	Monitor Project
30130 93478		Dash 5000 ATO Model	15040	PACU (Recovery Room 1)	DASH 5000	SHQ153037385A	08/01/15	\$ 12,467.80	\$ 3,324.74	Auction	Replaced	Monitors	Monitor Project
30131 93479		Dash 5000 ATO Model	15040	PACU (Recovery Room 1)	DASH 5000	SHQ153037355A	08/01/15	\$ 12,467.80	\$ 3,324.74	Auction	Replaced	Monitors	Monitor Project
30132 93480		Dash 5000 ATO Model	15040	PACU (Recovery Room 1)	DASH 5000	SHQ153037365A	08/01/15	\$ 12,467.80	\$ 3,324.74	Auction	Replaced	Monitors	Monitor Project
30133 93481		Dash 5000 ATO Model	15040	PACU (Recovery Room 1)	DASH 5000	SHQ153037175A	08/01/15	\$ 12,467.80	\$ 3,324.74	Auction	Replaced	Monitors	Monitor Project
29464 91587		Dash 4000	75025	Radiology - Interventional R	DASH 4000	SHQ145024335A	02/01/15	\$ 14,007.56	\$ 2,334.59	Auction	Replaced	Monitors	Monitor Project
29465 91588		Dash 4000	75025	Radiology - Interventional R	DASH 4000	SHQ145024325A	02/01/15	\$ 14,007.56	\$ 2,334.59	Auction	Replaced	Monitors	Monitor Project
8687 73777		Thermogard Advanced Temperature	12110	Neuroscience ICU	XP	TGXP 00253	09/01/09	\$ 16,126.44	\$ 1,505.27	With Manufacturer	Not Repairable	Medical Equipment	
76598 73304		System 1E Sterilization System	15500	OSIS Operating Room 1E	403279		07/01/12	\$ 12,627.59	\$ 450.97	Auction	Not Repairable	Medical Equipment	
8852 None		DataRecorder 2C Kit	34830	Digestive Disease Health Ctr	FDS-0136	DR2-145638	01/01/10	\$ 5,533.45	\$ 415.01	NA	Unable to inventory	Medical Equipment	
72A1 80619		OPMI Pentero Surgical Microsco	15000	Operating Room	OPMI PENTERO	66J1402181	07/01/07	\$ 222,305.09	\$ -	Donation	Obsolete	Medical Equipment	Surgical microscope was replaced with a further advanced microscope to improve diagnostic accuracy. Donate to SBMC
6351 62856		BV Pulsera Mobile X-Ray Unit	70020	Endoscopy Center	BV PULSERA	BV PULSERA	12/01/07	\$ 144,274.00	\$ -	Auction	Obsolete	Medical Equipment	Mobile X-Ray unit with Table was replaced with new equipment to improve patient care.
6351 62857		Radiolucert Table	70020	Endoscopy Center	OSR 870	712176	12/01/07	\$ 144,274.00	\$ -	Auction	Obsolete	Medical Equipment	Mobile X-Ray unit with Table was replaced with new equipment to improve patient care.
5793 67252		BV Pulsera Mobile X-Ray Unit C	75000	Radiology - General	BV PULSERA	000509	12/01/06	\$ 126,750.00	\$ -	Donation	Obsolete	Medical Equipment	Mobile X-Ray unit with Table was replaced with new equipment to improve patient care. Donate to SBMC
4060 MOD		Chairs Capitalize CIP 1755	15500	OSIS Operating Room	Chairs Capitalize		05/01/03	\$ 70,301.90	\$ -	NA	Unable to inventory	Furniture/Fixtures	
1093 None		Stero Dishwashing Machine	84000	Food and Nutrition	Stero Equipment		03/01/02	\$ 68,553.44	\$ -	Auction	Obsolete	Non Medical Equipment	
7567 67233		M-Turbo Ultrasound System	21015	ED-North	Creston System		06/01/08	\$ 65,276.00	\$ -	Auction	Obsolete	Medical Equipment	
30055 70633		OrthoScan HD 1000 w/DVN	21020	Pediatric Emergency Depart	HD1000	5E0932	06/01/10	\$ 60,000.00	\$ -	Auction	Not Repairable	Medical Equipment	
9046 70454		Medilas D Flexipulse (Laser)	30110	Vain Center	FLEXIPULSE	D60-296	06/01/10	\$ 56,290.00	\$ -	NA	Unable to inventory	Medical Equipment	
19587 58587		CIC	12330	Family Practice (3-W)	CIC	SC107110746GA	07/01/07	\$ 57,746.50	\$ -	Auction	Replaced	Monitors	Monitor Project
6326 62512		Ultima Pulmonary Function Equi	71520	Pulmonary Diagnostics	ULTIMA	218000868	11/01/07	\$ 46,728.32	\$ -	Auction	Obsolete	Medical Equipment	
8356 68021		CIC Pro & PRA-50	12330	Orthopedics (3-5)	CIC	SC1084456679	04/01/09	\$ 41,536.99	\$ -	Auction	Replaced	Monitors	Monitor Project
4620 54344		Next Generation Salad Bar	84000	Food and Nutrition	TSS906FLAM	4052630	05/01/05	\$ 30,104.55	\$ -	Auction	Obsolete	Non Medical Equipment	
4092 46029		Model 422HC Steam Sterilizer C	15500	OSIS Operating Room	422HC	02M03575	05/01/03	\$ 24,483.13	\$ -	Auction	Obsolete	Medical Equipment	
4093 46032		Model 422HC Steam Sterilizer C	15500	OSIS Operating Room	422HC	02M03565	05/01/03	\$ 24,483.13	\$ -	Auction	Obsolete	Medical Equipment	
4094 46035		Model 422HC Steam Sterilizer C	15500	OSIS Operating Room	422HC	02M03571	05/01/03	\$ 24,483.13	\$ -	Auction	Obsolete	Medical Equipment	
21452 82806		Solar 8000	15515	OSIS Anesthesia	8000	5E411733381GA	03/01/12	\$ 21,899.24	\$ -	Auction	Replaced	Monitors	Monitor Project
21453 82799		Solar 8000	15515	OSIS Anesthesia	8000	5E411733375GA	03/01/12	\$ 21,899.24	\$ -	Auction	Replaced	Monitors	Monitor Project
21454 82734		Solar 8000	15505	Anesthesia	8000	5E411733372GA	05/01/12	\$ 21,899.24	\$ -	Auction	Replaced	Monitors	Monitor Project
8939 70532		PICCO2 Monitor	12130	Trauma/Surgical ICU	PC B500	A108500050	06/01/10	\$ 19,655.00	\$ -	Auction	Obsolete	Monitors	Monitor Project
8938 70531		PICCO2 Monitor	12130	Trauma/Surgical ICU	PC B500	A108500026	06/01/10	\$ 19,655.00	\$ -	Auction	Obsolete	Monitors	Monitor Project
8937 70530		PICCO2 Monitor	12130	Trauma/Surgical ICU	PC B500	A108500048	06/01/10	\$ 19,655.00	\$ -	Auction	Obsolete	Monitors	Monitor Project
3053 54944		Hemoline Refrigerator	74070	Lab - Blood Bank	HEMOLINE	45844	08/01/08	\$ 19,625.00	\$ -	Auction	Obsolete	Medical Equipment	
5754 55621		Giraffe Incubator	12455	Newborn ICU	GIRAFFE	HDHKS153401U	08/01/06	\$ 18,130.40	\$ -	Auction	Not Repairable	Medical Equipment	
3386 73447		PICCO2 Monitor & Cart	12130	Trauma/Surgical ICU	PICCO2	1088500598	05/01/09	\$ 18,063.94	\$ -	Auction	Obsolete	Monitors	Monitor Project
8887 68466		PICCO2 Monitor & Cart	12110	Neuroscience ICU	PICCO2	1088500333	05/01/09	\$ 18,063.94	\$ -	Auction	Obsolete	Monitors	Monitor Project
8888 68467		PICCO2 Monitor & Cart	12130	Trauma/Surgical ICU	PICCO2	1088500593	05/01/09	\$ 18,063.94	\$ -	Auction	Obsolete	Monitors	Monitor Project
4182 50906		DASH 4000 Monitor	12350	CRC/CTC (S-E)	DASH 4000	AAB041080468GA	07/01/04	\$ 17,193.69	\$ -	Auction	Replaced	Monitors	Monitor Project
4183 50904		DASH 4000 Monitor	12350	CRC/CTC (S-E)	DASH 4000	AAB042108050GA	07/01/04	\$ 17,193.69	\$ -	Auction	Replaced	Monitors	Monitor Project
4184 50919		DASH 4000 Monitor	12350	CRC/CTC (S-E)	DASH 4000	AAB042108060GA	07/01/04	\$ 17,193.69	\$ -	Auction	Replaced	Monitors	Monitor Project
4185 50917		DASH 4000 Monitor	12350	CRC/CTC (S-E)	DASH 4000	AAB042108455GA	07/01/04	\$ 17,193.69	\$ -	Auction	Replaced	Monitors	Monitor Project
4186 50923		DASH 4000 Monitor	12350	CRC/CTC (S-E)	DASH 4000	AAB042108476GA	07/01/04	\$ 17,193.69	\$ -	Auction	Replaced	Monitors	Monitor Project
4187 50905		DASH 4000 Monitor	12350	CRC/CTC (S-E)	DASH 4000	AAB042209236GA	07/01/04	\$ 17,193.69	\$ -	Auction	Replaced	Monitors	Monitor Project
19422 82732		Digital Strobe Upgrade	76020	Speech/Language Pathology	9200C	24049-07	12/01/05	\$ 17,032.13	\$ -	Auction	Obsolete	Medical Equipment	
4974 52750		Dash 4000 Monitor R on rollin	75025	Radiology - Interventional R	DASH 4000	DSH05199905GA	08/01/05	\$ 15,882.00	\$ -	Auction	Replaced	Monitors	Monitor Project
8766 70305		CIC Pro Monitor	75025	Radiology - Interventional R	CIC PRO	SDY085103070R	02/01/10	\$ 15,616.05	\$ -	Auction	Replaced	Monitors	Monitor Project
4950 52291		Dash 4000 Monitor	15040	PACU (Recovery Room 1)	DASH 4000	DSH051930630GA	08/01/05	\$ 15,549.28	\$ -	Auction	Replaced	Monitors	Monitor Project
4960 52296		Dash 4000 Monitor	15040	PACU (Recovery Room 1)	DASH 4000	DSH051930646GA	08/01/05	\$ 15,549.28	\$ -	Auction	Replaced	Monitors	Monitor Project
4961 52292		Dash 4000 Monitor	15040	PACU (Recovery Room 1)	DASH 4000	DSH051930666GA	08/01/05	\$ 15,549.28	\$ -	Auction	Replaced	Monitors	Monitor Project
4962 52297		Dash 4000 Monitor	15040	PACU (Recovery Room 1)	DASH 4000	DSH051930676GA	08/01/05	\$ 15,549.27	\$ -	Auction	Replaced	Monitors	Monitor Project
4963 52300		Dash 4000 Monitor	15040	PACU (Recovery Room 1)	DASH 4000	DSH051930683GA	08/01/05	\$ 15,549.27	\$ -	Auction	Replaced	Monitors	Monitor Project
4965 52298		Dash 4000 Monitor	15040	PACU (Recovery Room 1)	DASH 4000	DSH051930686GA	08/01/05	\$ 15,549.27	\$ -	Auction	Replaced	Monitors	Monitor Project
4966 52295		Dash 4000 Monitor	15040	PACU (Recovery Room 1)	DASH 4000	DSH051930946GA	08/01/05	\$ 15,549.27	\$ -	Auction	Replaced	Monitors	Monitor Project
4967 52299		Dash 4000 Monitor	15040	PACU (Recovery Room 1)	DASH 4000	DSH051930976GA	08/01/05	\$ 15,549.27	\$ -	Auction	Replaced	Monitors	Monitor Project
4970 52301		Dash 4000 Monitor	15040	PACU (Recovery Room 1)	DASH 4000	DSH050210036GA	08/01/05	\$ 15,549.27	\$ -	Auction	Replaced	Monitors	Monitor Project
2779 45906		Dash 4000 Monitor	12210	Coronary Care/Subacute	DASH 4000	G3EH2421G	08/01/03	\$ 15,396.61	\$ -	Auction	Replaced	Monitors	Monitor Project
8808 70106		Dash 4000 Monitor	15040	PACU (Recovery Room 1)	DASH 4000	S00094412426GA	12/01/09	\$ 13,713.17	\$ -	Auction	Replaced	Monitors	Monitor Project
8809 70105		Dash 4000 Monitor	15040	PACU (Recovery Room 1)	DASH 4000	S00094410386GA	12/01/09	\$ 13,713.17	\$ -	Auction	Replaced	Monitors	Monitor Project
8810 70107		Dash 4000 Monitor	15040	PACU (Recovery Room 1)	DASH 4000	S00094412406GA	12/01/09	\$ 13,713.17	\$ -	Auction	Replaced	Monitors	Monitor Project
8811 70108		Dash 4000 Monitor	15040	PACU (Recovery Room 1)	DASH 4000	S00094413506GA	12/01/09	\$ 13,713.17	\$ -	Auction	Replaced	Monitors	Monitor Project
8812 70109		Dash 4000	15040	PACU (Recovery Room 1)	DASH 4000	S00094412276GA	12/01/09	\$ 13,713.16	\$ -	Auction	Replaced	Monitors	Monitor Project
8814 70110		Dash 4000	15040	PACU (Recovery Room 1)	DASH 4000	S00094413526GA	12/01/09	\$ 13,713.16	\$ -	Auction	Replaced	Monitors	Monitor Project

6109	58725	Dash 4000	95700	Clinical Engineering	4000	SBG06233548GA	06/10/07	\$	13,287.55	\$	-	Auction	Replaced	Monitors	Monitor Project
7756	58726	Dash 4000	95700	Clinical Engineering	DASH 4000	SBG06233549GA	06/10/08	\$	13,287.54	\$	-	Auction	Replaced	Monitors	Monitor Project
21093	80300	Solar8000i Monitor	15055	Anesthesia	SOLAR 8000i	SE411039729GA	07/01/11	\$	13,195.00	\$	-	Auction	Replaced	Monitors	Monitor Project
21094	80334	Solar8000i Monitor	15055	Anesthesia	SOLAR 8000i	SE411039671GA	07/01/11	\$	13,195.00	\$	-	Auction	Replaced	Monitors	Monitor Project
21095	80339	Solar8000i Monitor	15055	Anesthesia	SOLAR 8000i	SE411039670GA	07/01/11	\$	13,195.00	\$	-	Auction	Replaced	Monitors	Monitor Project
21245	82900	Dash 4000	12330	Family Practice (3-N)	DASH 4000	S0011123025SA	05/01/12	\$	13,110.86	\$	-	Auction	Replaced	Monitors	Monitor Project
21246	82901	Dash 4000	12330	Family Practice (3-N)	DASH 4000	S0011143833SA	05/01/12	\$	13,110.86	\$	-	Auction	Replaced	Monitors	Monitor Project
21247	82902	Dash 4000	12330	Family Practice (3-N)	DASH 4000	S0011133608SA	05/01/12	\$	13,110.86	\$	-	Auction	Replaced	Monitors	Monitor Project
21248	82903	Dash 4000	12330	Family Practice (3-N)	DASH 4000	S0011133578SA	05/01/12	\$	13,110.86	\$	-	Auction	Replaced	Monitors	Monitor Project
21249	82904	Dash 4000	12330	Family Practice (3-N)	DASH 4000	S0011143830SA	05/01/12	\$	13,110.86	\$	-	Auction	Replaced	Monitors	Monitor Project
21250	82905	Dash 4000	12330	Family Practice (3-N)	DASH 4000	S0011133611SA	05/01/12	\$	13,110.86	\$	-	Auction	Replaced	Monitors	Monitor Project
21251	82906	Dash 4000	12330	Family Practice (3-N)	DASH 4000	S0011133623SA	05/01/12	\$	13,110.86	\$	-	Auction	Replaced	Monitors	Monitor Project
21253	82930	Dash 4000	12330	Family Practice (3-N)	DASH 4000	S0011133587SA	05/01/12	\$	13,110.86	\$	-	Auction	Replaced	Monitors	Monitor Project
21254	82931	Dash 4000	12330	Family Practice (3-N)	DASH 4000	S0011133615SA	05/01/12	\$	13,110.86	\$	-	Auction	Replaced	Monitors	Monitor Project
7423	67948	Dash 4000	15040	PACU (Recovery Room 1)	DASH 4000	SD008199194GA	06/01/08	\$	12,621.70	\$	-	Auction	Replaced	Monitors	Monitor Project
7425	67949	Dash 4000	15040	PACU (Recovery Room 1)	DASH 4000	SD008199182GA	06/01/08	\$	12,621.70	\$	-	Auction	Replaced	Monitors	Monitor Project
7425	67950	Dash 4000	15040	PACU (Recovery Room 1)	DASH 4000	SD008188965GA	06/01/08	\$	12,621.70	\$	-	Auction	Replaced	Monitors	Monitor Project
7427	67951	Dash 4000	15040	PACU (Recovery Room 1)	DASH 4000	SD008188963GA	06/01/08	\$	12,621.70	\$	-	Auction	Replaced	Monitors	Monitor Project
7428	67952	Dash 4000	15040	PACU (Recovery Room 1)	DASH 4000	SD008199185GA	06/01/08	\$	12,621.70	\$	-	Auction	Replaced	Monitors	Monitor Project
7429	67953	Dash 4000	15040	PACU (Recovery Room 1)	DASH 4000	SD008188966GA	06/01/08	\$	12,621.70	\$	-	Auction	Replaced	Monitors	Monitor Project
7431	67955	Dash 4000	15040	PACU (Recovery Room 1)	DASH 4000	SD008188959GA	06/01/08	\$	12,621.70	\$	-	Auction	Replaced	Monitors	Monitor Project
7432	67956	Dash 4000	15040	PACU (Recovery Room 1)	DASH 4000	SD008199193GA	06/01/08	\$	12,621.70	\$	-	Auction	Replaced	Monitors	Monitor Project
21083	80991	Dash 4000	12350	CRC/CTC (5-E)	DASH 4000	S0011112687SA	02/01/12	\$	12,317.43	\$	-	Auction	Replaced	Monitors	Monitor Project
21084	80992	Dash 4000	12350	CRC/CTC (5-E)	DASH 4000	S0011143831SA	02/01/12	\$	12,317.43	\$	-	Auction	Replaced	Monitors	Monitor Project
21085	80993	Dash 4000	12350	CRC/CTC (5-E)	DASH 4000	S0011143836SA	02/01/12	\$	12,317.43	\$	-	Auction	Replaced	Monitors	Monitor Project
21086	82560	Dash 4000	12350	CRC/CTC (5-E)	DASH 4000	S0011143828SA	02/01/12	\$	12,317.43	\$	-	Auction	Replaced	Monitors	Monitor Project
21087	82561	Dash 4000	12350	CRC/CTC (5-E)	DASH 4000	S0011143820SA	02/01/12	\$	12,317.43	\$	-	Auction	Replaced	Monitors	Monitor Project
21088	82562	Dash 4000	12350	CRC/CTC (5-E)	DASH 4000	S0011143832SA	02/01/12	\$	12,317.43	\$	-	Auction	Replaced	Monitors	Monitor Project
21089	82563	Dash 4000	12350	CRC/CTC (5-E)	DASH 4000	S0011143834SA	02/01/12	\$	12,317.42	\$	-	Auction	Replaced	Monitors	Monitor Project
21090	82564	Dash 4000	12350	CRC/CTC (5-E)	DASH 4000	S0011143827SA	02/01/12	\$	12,317.42	\$	-	Auction	Replaced	Monitors	Monitor Project
1826	38236	Dash 4000 CT/DI on rolling sta	75025	Radiology - Interventional R	CIDJ8871G	CIDJ8871G	05/01/02	\$	12,259.39	\$	-	Auction	Replaced	Monitors	Monitor Project
1828	41599	Dash 4000 1w rm7	75025	Radiology - Interventional R	MIDJ8233G	MIDJ8233G	05/01/02	\$	12,259.39	\$	-	Auction	Replaced	Monitors	Monitor Project
1829	42000	Dash 4000 1W rm 8	75025	Radiology - Interventional R	MIDJ8145G	MIDJ8145G	05/01/02	\$	12,259.39	\$	-	Auction	Replaced	Monitors	Monitor Project
3872	46047	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	G2D16576G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3873	46048	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	G2D16565G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3875	46041	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	G2D16568G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3877	46053	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	G2D16575G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3879	46050	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	G2D16577G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3881	46051	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	G2D16579G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3882	46042	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	H2D16922G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3883	46043	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	H2D16929G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3884	46045	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	H2D16931G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3885	46038	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	H2D16932G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3886	46008	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	H2D17001G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3887	46039	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	H2D17006G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3888	46049	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	H2D17079G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3890	46040	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	H2D17277G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3894	46046	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	H2D17329G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3895	46044	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	H2D17336G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3897	46037	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	H2D17360G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3898	46036	DASH 4000 Monitor Capitalize C	15510	OSIS PACU	DASH 4000	H2D17362G	05/01/03	\$	12,257.60	\$	-	Auction	Replaced	Monitors	Monitor Project
19033	42002	Dash 4000 in rm5 on rolling st	75025	Radiology - Interventional R	MIDJ8248G	MIDJ8248G	04/01/01	\$	12,159.58	\$	-	Auction	Replaced	Monitors	Monitor Project
19034	42001	Dash 4000 in rm12 on rollings	75025	Radiology - Interventional R	MIDJ8231G	MIDJ8231G	04/01/01	\$	12,159.58	\$	-	Auction	Replaced	Monitors	Monitor Project
8352	68917	Dash 4000	12250	Orthopedics (3-S)	D3D18116G	SD008473480GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
8353	68918	Dash 4000	12250	Orthopedics (3-S)	E3D18724G	SD008462866GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
8354	68919	Dash 4000	12250	Orthopedics (3-S)	E3D18735G	SD008473481GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
8355	68920	Dash 4000	12250	Orthopedics (3-S)	H2G41278G	SD008452714GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
8339	68905	Dash 4000	12250	Orthopedics (3-S)	H2C96016G	SD008473783GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
8340	68906	Dash 4000	12250	Orthopedics (3-S)	H2C96019G	SD008473776GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
8341	68907	Dash 4000	12250	Orthopedics (3-S)	H2C96025G	SD008473420GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
8342	68908	Dash 4000	12250	Orthopedics (3-S)	4000	SD00847343435GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
8343	68909	Dash 4000	12250	Orthopedics (3-S)	4000	SD008473780GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
8344	68910	Dash 4000	12250	Orthopedics (3-S)	4000	SD008473417GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
8345	68911	Dash 4000	12250	Orthopedics (3-S)	4000	SD008452766GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
8346	68912	Dash 4000	12250	Orthopedics (3-S)	4000	SD008473770GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
8348	68913	Dash 4000	12250	Orthopedics (3-S)	4000	SD008473789GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
8349	68914	Dash 4000	12250	Orthopedics (3-S)	4000	SD008463058GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
8350	68915	Dash 4000	12250	Orthopedics (3-S)	4000	SD008473635GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
8351	68916	Dash 4000	12250	Orthopedics (3-S)	4000	SD008473786GA	04/01/09	\$	12,088.98	\$	-	Auction	Replaced	Monitors	Monitor Project
7763	62683	Dash 4000	12230	Gen Med/SAC (4-W)	DASH 4000	SD007335005GA	01/01/08	\$	12,086.30	\$	-	Auction	Replaced	Monitors	Monitor Project
7776	62695	Dash 4000	12230	Gen Med/SAC (4-W)	DASH 4000	SD007377096GA	01/01/08	\$	12,086.30	\$	-	Auction	Replaced	Monitors	Monitor Project
9228	70740	Dash 4000 1W room 1	75025	Radiology - Interventional R	DASH 4000	SD010261791GA	07/01/10	\$	12,070.71	\$	-	Auction	Replaced	Monitors	Monitor Project
9229	70758	Dash 4000 1W-room 5	75025	Radiology - Interventional R	DASH 4000	SD010261812GA	07/01/10	\$	12,070.71	\$	-	Auction	Replaced	Monitors	Monitor Project
9230	70759	Dash 4000 1W-room 4	75025	Radiology - Interventional R	DASH 4000	SD010261830GA	07/01/10	\$	12,070.71	\$	-	Auction	Replaced	Monitors	Monitor Project
9231	70760	Dash 4000 1W-rm2	75025	Radiology - Interventional R	DASH 4000	SD010261799GA	07/01/10	\$	12,070.71	\$	-	Auction	Replaced	Monitors	Monitor Project
9232	70761	Dash 4000 1W-room3	75025	Radiology - Interventional R	DASH 4000	SD010261785GA	07/01/10	\$	12,070.71	\$	-	Auction	Replaced	Monitors	Monitor Project
7875	58029	Dash 4000	12350	CRC/CTC (5-E)	DASH 4000	SBG06493448GA	07/01/07	\$	12,053.24	\$	-	Auction	Replaced	Monitors	Monitor Project
7876	58030	Dash 4000	12350	CRC/CTC (5-E)	DASH 4000	SBG06493447GA	07/01/07	\$	12,053.24	\$	-	Auction	Replaced	Monitors	Monitor Project
1030	41417	Dash 4000 Monitor with Battery	12310	Adult Oncology Med/Surg	DASH 4000	E1D10693G	09/01/01	\$	12,008.38	\$	-	Auction	Replaced	Monitors	Monitor Project
1031	41418	Dash 4000 Monitor with Battery	12310	Adult Oncology Med/Surg	DASH 4000	E1D10697G	09/01/01	\$	12,008.38	\$	-	Auction	Replaced	Monitors	Monitor Project
1032	41419	Dash 4000 Monitor with Battery	12310	Adult Oncology Med/Surg	DASH 4000	E1D10912G	09/01/01	\$	12,008.38	\$	-	Auction	Replaced	Monitors	Monitor

10424 60087	Dash 4000 Capitalize CIP 1630	15040	PACU (Recovery Room 1)	OASH 4000	SBG06462726GA	07/01/07	\$	11,743.61	\$	-	Auction	Replaced	Monitors	Monitor Project
7286 60741	Solar 8000I Capitalize CIP 163	15060	Anesthesia - BBRP	SOLAR 8000I	SBLO64361466GA	07/01/07	\$	11,006.83	\$	-	Auction	Replaced	Monitors	Monitor Project
7287 60744	Solar 8000I Capitalize CIP 163	15060	Anesthesia - BBRP	SOLAR 8000I	SBLO64361456GA	07/01/07	\$	11,006.83	\$	-	Auction	Replaced	Monitors	Monitor Project
7288 60826	Solar 8000I Capitalize CIP 163	15060	Anesthesia - BBRP	SOLAR 8000I	SBLO64361436GA	07/01/07	\$	11,006.83	\$	-	Auction	Replaced	Monitors	Monitor Project
7289 62458	Solar 8000I Capitalize CIP 163	15060	Anesthesia - BBRP	SOLAR 8000I	SBLO64361286GA	07/01/07	\$	11,006.83	\$	-	Auction	Replaced	Monitors	Monitor Project
7290 67300	Solar 8000I Capitalize CIP 163	15060	Anesthesia - BBRP	SOLAR 8000I	SBLO64361476GA	07/01/07	\$	11,006.82	\$	-	Auction	Replaced	Monitors	Monitor Project
7292 67132	Solar 8000I Capitalize CIP 163	15055	Anesthesia	SOLAR 8000I	SBLO64361446GA	07/01/07	\$	11,006.82	\$	-	Auction	Replaced	Monitors	Monitor Project
21092 82559	CIC Pro	12350	CRC/CTC (S-E)	CIC PRO	SDY11118264GA	02/01/12	\$	10,941.23	\$	-	Auction	Replaced	Monitors	Monitor Project
19571 60071	Dash 4000	12015	Pediatric Infusion Unit PLU	DASH 4000	SBG06419238GA	07/01/07	\$	10,774.42	\$	-	Auction	Replaced	Monitors	Monitor Project
19572 60072	Dash 4000	12015	Pediatric Infusion Unit PLU	DASH 4000	SBG06419244GA	07/01/07	\$	10,774.42	\$	-	Auction	Replaced	Monitors	Monitor Project
8063 67474	Ultima FF System	71520	Pulmonary Diagnostics	ULTIMA	222000108	11/01/08	\$	10,597.76	\$	-	Auction	Obsolete	Medical Equipment	
2654 51378	Server, Olympus, 25 User G/I/P	70020	Endoscopy Center	6734-ACO	0071851	04/01/03	\$	10,560.00	\$	-	Auction	Obsolete	Medical Equipment	
7345 60335	Dash 4000 Capitalize CIP 1630	12000	Labor and Delivery	DASH 4000	SBG06462648GA	07/01/07	\$	10,361.10	\$	-	Auction	Replaced	Monitors	Monitor Project
2849 46587	SLR8M Sngl Card Monitor, Multi	15000	Operating Room	SOLAR 8000	F3G46200G	09/01/03	\$	10,022.72	\$	-	Auction	Replaced	Monitors	Monitor Project
2854 46591	SLR8M Sngl Card Monitor, Multi	15000	Operating Room	SOLAR 8000	F3G46205G	09/01/03	\$	10,022.72	\$	-	Auction	Replaced	Monitors	Monitor Project
5654 52422	Solar 8000I	12130	Trauma/Surgical ICU	SOLAR 8000I	SBM05210002GA	11/01/05	\$	9,919.35	\$	-	Auction	Replaced	Monitors	Monitor Project
5661 52434	Solar 8000I	12130	Trauma/Surgical ICU	SOLAR 8000I	SBM05210007GA	11/01/05	\$	9,919.35	\$	-	Auction	Replaced	Monitors	Monitor Project
9484 74880	PowerEdge R710	96140	IT - Customer Service	R710	11B7FP1	04/01/11	\$	9,879.40	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
8338 68834	Dash 3000	12250	Orthopedics (3-S)	3000	S0008463072GA	04/01/09	\$	9,855.99	\$	-	Auction	Replaced	Monitors	Monitor Project
20087 82235	Dash 5000 Monitor	12430	General Pediatrics Unit	DASH 5000	S0008505497GR	04/01/11	\$	9,734.33	\$	-	Auction	Replaced	Monitors	Monitor Project
5690 52308	Solar 8000M	15055	Anesthesia	SOLAR 8000M	R3S05240493GA	11/01/05	\$	9,516.42	\$	-	Auction	Replaced	Monitors	Monitor Project
5691 52310	Solar 8000M	15055	Anesthesia	SOLAR 8000M	R3S05230485GA	11/01/05	\$	9,516.42	\$	-	Auction	Replaced	Monitors	Monitor Project
5693 52312	Solar 8000M	15055	Anesthesia	SOLAR 8000M	R3S05220477GA	11/01/05	\$	9,516.42	\$	-	Auction	Replaced	Monitors	Monitor Project
5695 52316	Solar 8000M	15055	Anesthesia	SOLAR 8000M	R3S05230486GA	11/01/05	\$	9,516.42	\$	-	Auction	Replaced	Monitors	Monitor Project
5696 52318	Solar 8000M	15055	Anesthesia	SOLAR 8000M	R3S05220479GA	11/01/05	\$	9,516.42	\$	-	Auction	Replaced	Monitors	Monitor Project
5699 55182	Solar 8000M	15055	Anesthesia	SOLAR 8000M	R3S05240492GA	11/01/05	\$	9,516.41	\$	-	Auction	Replaced	Monitors	Monitor Project
21030 82286	Dash 3000	12310	Adult Oncology Med/Surg	DASH 3000	SHQ113113925A	10/01/11	\$	9,336.50	\$	-	Auction	Replaced	Monitors	Monitor Project
1577 43103	SLR RM BSIC/Hi-RS CRG Eng 100	95700	Clinical Engineering	SOLAR 8000M	K1RF 7961G	12/01/01	\$	8,865.37	\$	-	Auction	Replaced	Monitors	Monitor Project
5879 55801	BiPap Vision Ventilatory Suppo	71510	Pulmonary Services	BiPAP VISION	124905	10/01/06	\$	8,643.04	\$	-	Auction	Obsolete	Medical Equipment	
5878 55800	BiPap Vision Ventilatory Suppo	71510	Pulmonary Services	BiPAP VISION	124903	10/01/06	\$	8,643.04	\$	-	Auction	Obsolete	Medical Equipment	
7033 58647	Tram 451N Capitalize CIP 1630	95700	Clinical Engineering	TRAM 451N	SB806422450GA	07/01/07	\$	8,335.14	\$	-	Auction	Replaced	Monitors	Monitor Project
7312 58424	Tram 451N Capitalize CIP 1630	95700	Clinical Engineering	451N	SB806432567GA	07/01/07	\$	8,335.14	\$	-	Auction	Replaced	Monitors	Monitor Project
15057 58676	Tram 451N Capitalize CIP 1630	95700	Clinical Engineering	TRAM 451N	SB806442686GA	07/01/07	\$	8,335.12	\$	-	Auction	Replaced	Monitors	Monitor Project
7015 58364	Tram 451N Capitalize CIP 1630	95700	Clinical Engineering	TRAM 451N	SB806432683GA	07/01/07	\$	8,335.12	\$	-	Auction	Replaced	Monitors	Monitor Project
7020 58544	Tram 451N Capitalize CIP 1630	95700	Clinical Engineering	TRAM 451N	SB806442705GA	07/01/07	\$	8,335.12	\$	-	Auction	Replaced	Monitors	Monitor Project
7295 60827	Tram 451N Capitalize CIP 1630	95700	Clinical Engineering	451N	SB806442703GA	07/01/07	\$	8,236.14	\$	-	Auction	Replaced	Monitors	Monitor Project
7349 58740	Tram 451N Capitalize CIP 1630	95700	Clinical Engineering	451N	SB806432656GA	07/01/07	\$	8,236.14	\$	-	Auction	Replaced	Monitors	Monitor Project
3900 46062	Solar 8000M Cardiac Monitor Ca	15510	OSIS PACU	H2G41278G	H2G41278G	05/01/03	\$	8,124.80	\$	-	Auction	Replaced	Monitors	Monitor Project
26775 84559	Dash 3000 Transport Monitor	12130	Trauma/Surgical ICU	SC563188382GA	SC563188382GA	06/01/13	\$	7,679.00	\$	-	Auction	Replaced	Monitors	Monitor Project
9427 74878	PowerEdge R710	96140	IT - Customer Service	H2C96019G	561TBP1	03/01/11	\$	7,547.91	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
7882 62374	Tram 451N	95700	Clinical Engineering	H2C96025G	SB807174606GA	09/01/07	\$	7,362.00	\$	-	Auction	Replaced	Monitors	Monitor Project
7893 62383	Tram 451N	95700	Clinical Engineering	TRAM 451N	SB8071444450GA	09/01/07	\$	7,362.00	\$	-	Auction	Replaced	Monitors	Monitor Project
3920 46086	Module Multigas Agent Capitali	15510	OSIS PACU	H2C96016G	H2C96016G	05/01/03	\$	7,333.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3922 46086	Module Multigas Agent Capitali	15510	OSIS PACU	H2C96019G	H2C96019G	05/01/03	\$	7,333.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3926 46086	Module Multigas Agent Capitali	15510	OSIS PACU	H2C96025G	H2C96025G	05/01/03	\$	7,333.60	\$	-	Auction	Replaced	Monitors	Monitor Project
3264 None	Floor Mixer Capitalize CIP 165	84010	Food and Nutrition - BBRP	D340	31-1263-165	06/01/02	\$	7,190.00	\$	-	Electronics Recycling	Not Repairable	Non Medical Equipment	
21531 87975	Reading Station - Radiology	90020	Radiology - Admin	WIDE-COLO	SP21PG859011	10/01/11	\$	7,110.82	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
21532 87975	Reading Station - Radiology	90020	Radiology - Admin	WIDE-COLO	SP21PG859018	10/01/11	\$	7,110.82	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
21533 87968	Reading Station - Radiology	90020	Radiology - Admin	WIDE-COLO	SP21PG859001	10/01/11	\$	7,110.82	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
21534 87968	Reading Station - Radiology	90020	Radiology - Admin	WIDE-COLO	SP21PG859016	10/01/11	\$	7,110.82	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
21535 87966	Reading Station - Radiology	90020	Radiology - Admin	WIDE-COLO	SP21PG859009	10/01/11	\$	7,110.82	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
21536 87966	Reading Station - Radiology	90020	Radiology - Admin	WIDE-COLO	SP21PG859004	10/01/11	\$	7,110.82	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
21537 87969	Reading Station - Radiology	90020	Radiology - Admin	WIDE-COLO	SP21PG859016	10/01/11	\$	7,110.82	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
21538 87969	Reading Station - Radiology	90020	Radiology - Admin	WIDE-COLO	CX30XG150026	10/01/11	\$	7,110.82	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
21539 87997	Reading Station - Radiology	90020	Radiology - Admin	WIDE-COLO	PG21MG5C50029	10/01/11	\$	7,110.81	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
21540 87997	Reading Station - Radiology	90020	Radiology - Admin	WIDE-COLO	PG21PGDC50081	10/01/11	\$	7,110.81	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
21542 87976	Reading Station - Radiology	90020	Radiology - Admin	WIDE-COLO	SP21PG859011	10/01/11	\$	7,110.81	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
7954 62874	Tram 451N	95700	Clinical Engineering	TRAM 451N	SB807415666GA	01/01/08	\$	6,995.90	\$	-	Auction	Replaced	Monitors	Monitor Project
7955 62875	Tram 451N	95700	Clinical Engineering	TRAM 451N	SB807174622GA	01/01/08	\$	6,995.90	\$	-	Auction	Replaced	Monitors	Monitor Project
28624 STERILE	Transducer L25X/13-6 MHZ	12230	Gen Med/SAC (4-W)	L25X	03XIPD	06/01/14	\$	6,900.00	\$	-	NA	Unable to Inventory	Medical Equipment	
3987 46510	UPA-P100MD/OFM Digital Video C	70020	Endoscopy Center	UPA-P100MD	10365	08/01/03	\$	6,880.00	\$	-	Auction	Obsolete	Medical Equipment	
6192 60091	Tram 451 N	95700	Clinical Engineering	451 N	SB806210690GA	06/10/07	\$	6,829.20	\$	-	Auction	Replaced	Monitors	Monitor Project
6193 60093	Tram 451 N	95700	Clinical Engineering	451 N	SB806210698GA	06/10/07	\$	6,829.20	\$	-	Auction	Replaced	Monitors	Monitor Project
21100 80338	SAM Module Multigas	15055	Anesthesia	SAM	RC911056043GA	07/01/11	\$	6,545.00	\$	-	Auction	Replaced	Monitors	Monitor Project
21101 80341	SAM Module Multigas	15055	Anesthesia	SAM	RC911066025GA	07/01/11	\$	6,545.00	\$	-	Auction	Replaced	Monitors	Monitor Project
21256 80204	Solar 8000I	15055	Anesthesia	SOLAR 8000I	SE410529426GA	07/01/11	\$	6,488.70	\$	-	Auction	Replaced	Monitors	Monitor Project
21257 80205	Solar 8000I	15055	Anesthesia	SOLAR 8000I	SE410529432GA	07/01/11	\$	6,488.70	\$	-	Auction	Replaced	Monitors	Monitor Project
9345 80123	CIC Station	12310	Adult Oncology Med/Surg	SMK-200A	4017157604	11/01/10	\$	6,212.50	\$	-	Auction	Replaced	Monitors	Monitor Project
21436 82780	CIC	15510	OSIS PACU	CIC PRO	SDY11077890GA	05/01/12	\$	6,212.50	\$	-	Auction	Replaced	Monitors	Monitor Project
21437 82781	CIC	15510	OSIS PACU	CIC PRO	SDY11077883GA	05/01/12	\$	6,212.50	\$	-	Auction	Replaced	Monitors	Monitor Project
28625 STERILE	Transducer C60X/5-2 MHZ	12230	Gen Med/SAC (4-W)	C60X	03Y750	06/01/14	\$	6,120.00	\$	-	NA	Unable to Inventory	Medical Equipment	
8823 87967	Dell Precision T7500 Workstat	90020	Radiology - Admin	T7500	JTGBR1	04/01/10	\$	6,003.42	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
8825 74185	Dell Precision T7500 Workstat	90020	Radiology - Admin	T7500	639LCKI	04/01/10	\$	6,003.42	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
8827 74563	Dell Precision T7500 Workstat	90020	Radiology - Admin	490	3FHGHF1	04/01/10	\$	6,003.42	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
8828 87998	Dell Precision T7500 Workstat	90020	Radiology - Admin	T7500	JTG7YQ1	04/01/10	\$	6,003.42	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
8829 87980	Dell Precision T7500 Workstat	90020	Radiology - Admin	7400	66F141	04/01/10	\$	6,003.42	\$	-	Electronics Recycling	Obsolete	SW/Electronics	
19547 60471	Transport Pro	21015	ED-North	TRANSPORT PRO	SC508440449GA	07/01/07	\$	5,775.00	\$	-	Auction	Replaced	Monitors	Monitor Project
19907 68149	Vapotherm Precision Flow Unit	71510	Pulmonary Services	VAPOTHERM	PF00001744-P	02/01/09	\$	5,693.25	\$	-	Auction	Obsolete	Medical Equipment	
19908 68152	Vapotherm Precision Flow Unit	71510	Pulmonary Services	VAPOTHERM	PF00001745-P	02/01/09	\$	5,693.25	\$	-	Auction	Obsolete	Medical Equipment	
19909 68148	Vapotherm Precision Flow Unit	71510	Pulmonary Services	VAPOTHERM	PF00001740-P	02/01/09	\$	5,693.25	\$	-	Auction	Obsolete	Medical Equipment	
19910 68151	Vapotherm Precision Flow Unit	71510	Pulmonary Services	VAPOTHERM	PF00001745-P	02/01/09	\$	5,693.25	\$	-	Auction	Obsolete	Medical Equipment	
19911 68150	Vapotherm Precision Flow Unit	71510	Pulmonary Services	VAPOTHERM	PF00001746-P	02/01/09	\$	5,693.25	\$	-	Auction	Obsolete	Medical Equipment	
3989 46509	Sony 18 Inch Flat Panel LCD Ca	70020	Endoscopy Center	2001824	2001824	08/01/03	\$	5,260.00	\$	-	NA	Unable to Inventory	SW/Electronics	
21650 73758	Physiological Monitor	15525	OSIS Satellite	DASH 3000	S0009348015GA	01/01/12	\$	5,171.00	\$	-	Auction	Replaced	Monitors	Monitor Project

**MEMORANDUM TO ADVANCE
COMMITTEE AGENDA ITEM TO
THE BOARD OF REGENTS
THE UNIVERSITY OF NEW MEXICO**

DATE: April 27th, 2019

TO: Paul Roth, MD, MS. Executive Vice President and Chancellor for Health Sciences, CEO, UNM Health System, Dean, School of Medicine.

FROM: Ava Lovell, Sr. Executive Officer HSC Finance & Administration
Ryan Reynolds, Group Manager, HSC Capital Projects

RE: Requested Approvals

RECOMMENDED ACTION:

Recommend to the Board of Regents Finance and Facilities Committee the following:

1. Request for Project Construction Approval on the old Bernalillo County Public Health Office located at 1111 Stanford Dr. NE. Albuquerque NM, 87106.
Please see attached summary.

**REQUEST FOR CAPITAL PROJECT APPROVAL for
1111 Stanford Demolition Project
UNIVERSITY OF NEW MEXICO
April 26, 2019**

REQUESTED ACTION:

In accordance with Section 7.12 of the Board of Regents Policy Manual and as required by the New Mexico Higher Education Department and New Mexico State Board of Finance, project approval is requested for the Demolition project at the Bernalillo County Public Health Office located at 1111 Stanford Dr. NE. Albuquerque NM, 87106.

PROJECT DESCRIPTION: *(Describe the location, size of the project in gross square feet (GSF), general nature of space/use and any special characteristics.)*

This project is to abate and demolish the old Bernalillo County Stanford Public Health Office located at 1111 Stanford Dr. NE. Albuquerque NM, 87106. The northern building is a 13,083 square-foot single story structure constructed in 1958, with a 1,302 square-foot basement. The southern building is approximately 6,310 square-foot single-story structure constructed in 1970. Total Square Footage is 20,695. The buildings are connected via two hallways. Hazardous material abatement is required prior to demolition of the existing structure. The basement will be filled with 95% compacted soil. This will prepare the site for future construction projects as well as limit liability for the university. Abatement of CMU block, roof penetrations, floor/ceiling tile, plumbing and door/window caulking is required prior to demolition of the structure. After abatement and demolition the site will be converted into much needed additional temporary parking until the HSC master plan can be completed.

PROJECT RATIONALE: *(Describe the project's merits, how the project satisfies institutional goals/mission/need/program growth. List user groups/programs. State the consequences, if any, of the project not receiving approval.)*

Currently the property sits vacant. This is not the highest and most beneficial use for the property. The property is located next to several UNM North campus buildings and the space would provide prime location for future buildings or parking. Abatement and demolition will mitigate the liability of the university and keep community members safe. It is also a step in preparing the land for any future construction projects. The HSC is experiencing rapid growth in our educational needs, research endeavors, and clinical areas. An updated master facility plan effort is beginning and will inform the best use of the property in the future.

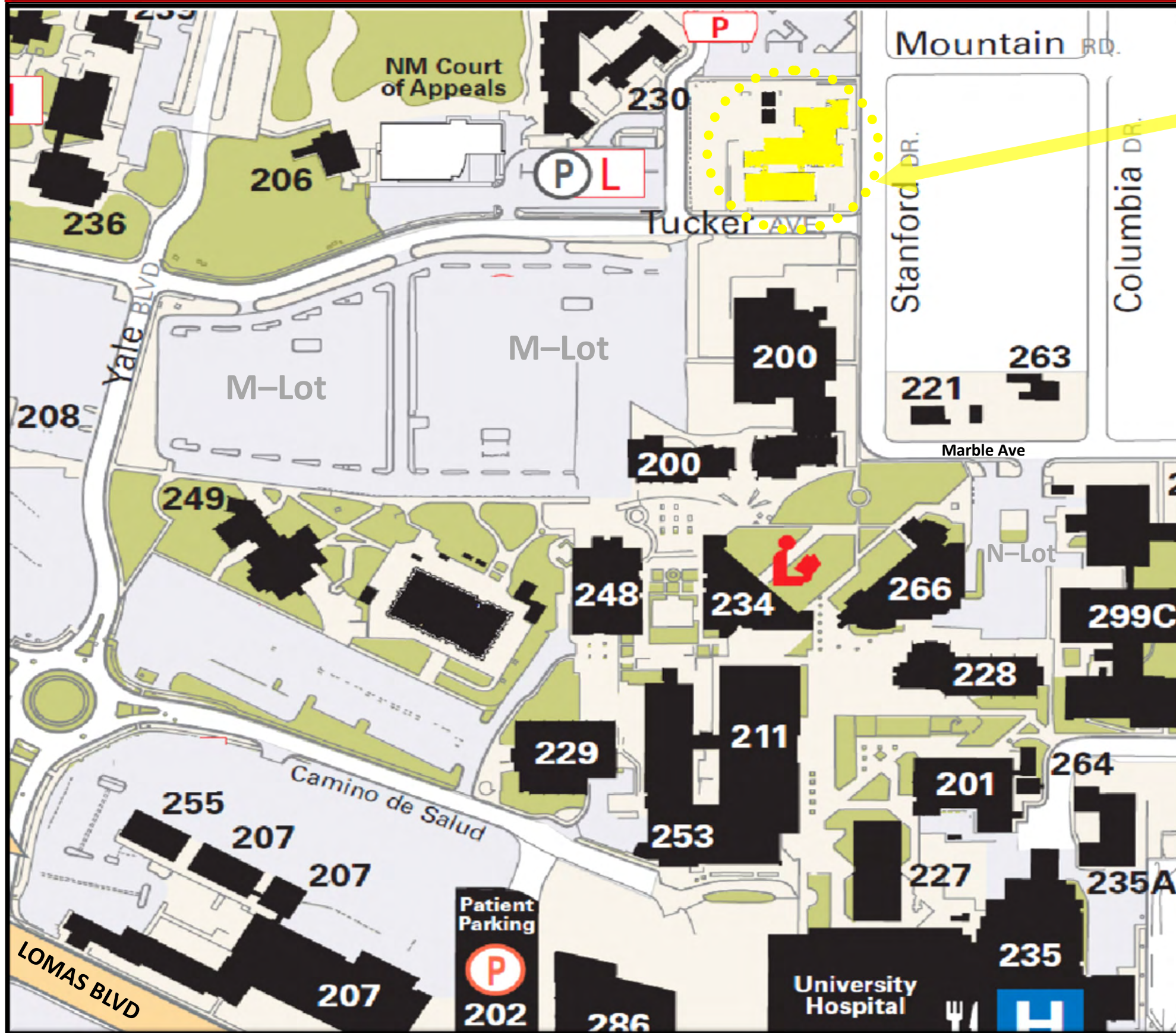
FUNDING:

Total estimated Construction cost: \$576,500

The total estimated Project Budget is \$661,500:

- \$661,500 is funded from HSC Plant Funds

Project Location: 1111 Stanford Dr. NE Albuquerque, NM 87106



1111 Stanford Dr. NE Albuquerque,
NM 87106



Google Maps 1111 Stanford Dr NE

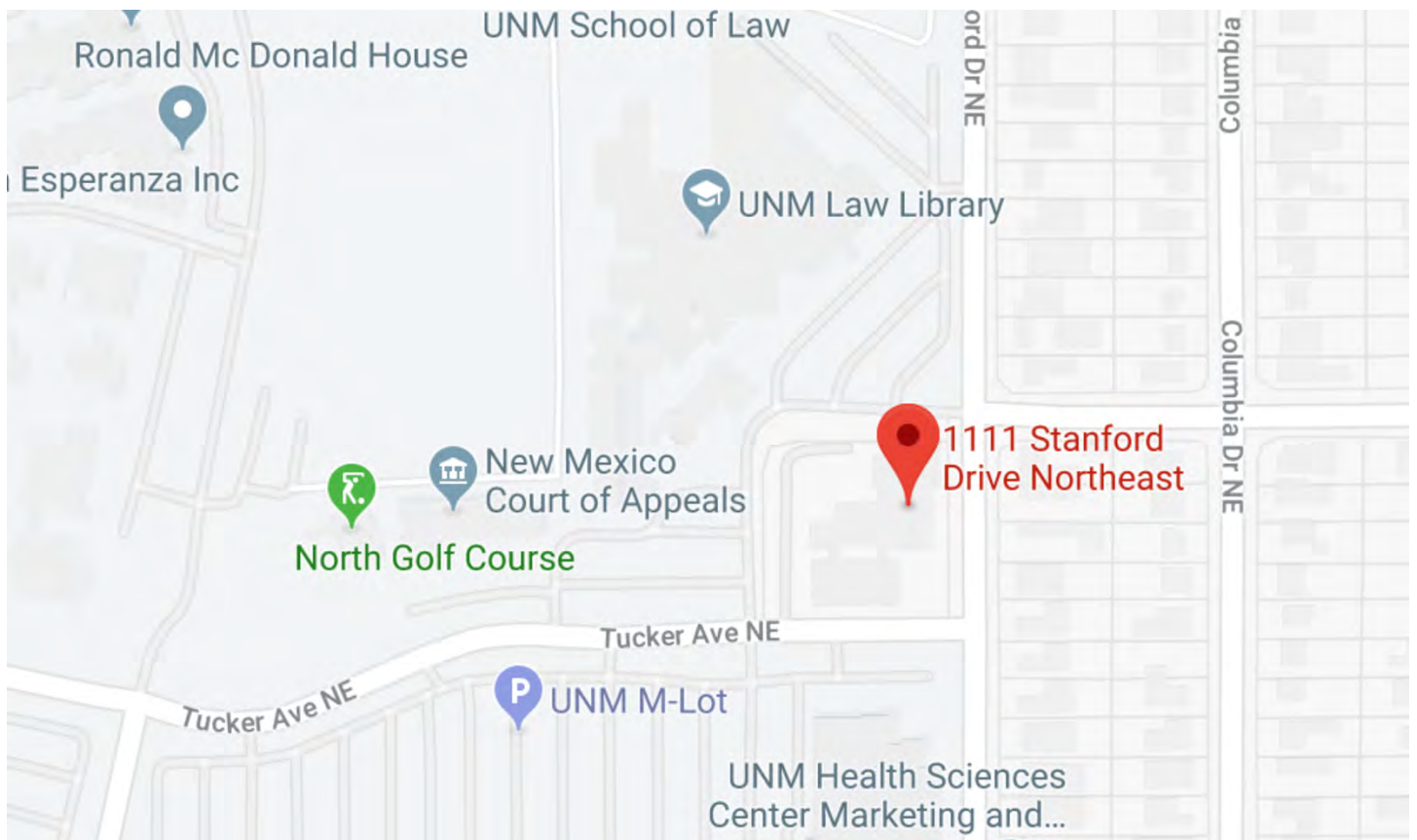


Imagery ©2019 Google, Map data ©2019 Google 50 ft

Street view of Project Site



Map of Project Site

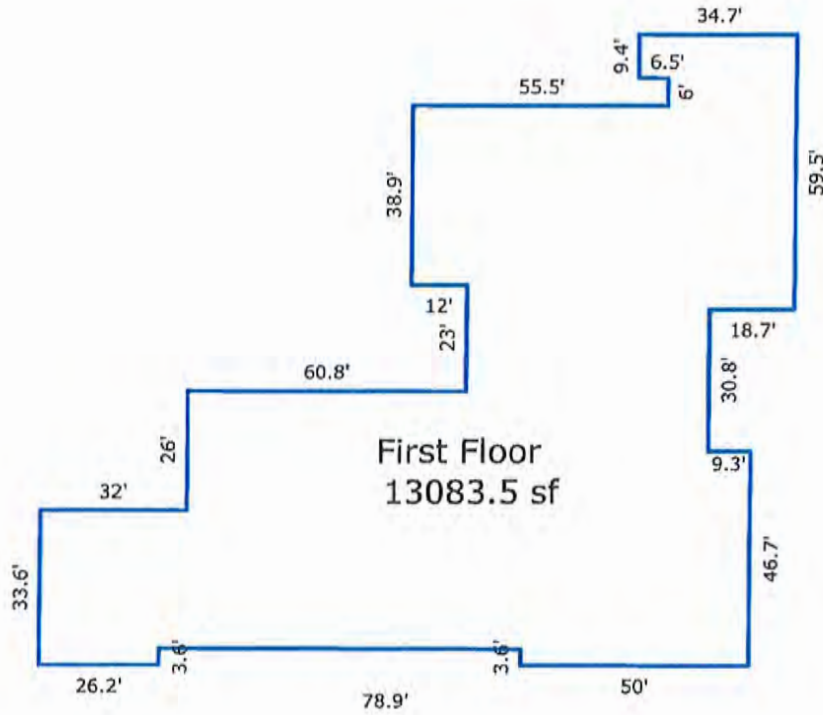


SKETCH/AREA TABLE ADDENDUM

SUBJECT	Property Address 1111 Stanford NE 3		
	City	State	Zip
	Borrower		
	Lender/Client		
	Appraiser Name		

Year Built: 1958

IMPROVEMENTS SKETCH



Scale: 1" = 40'

AREA CALCULATIONS

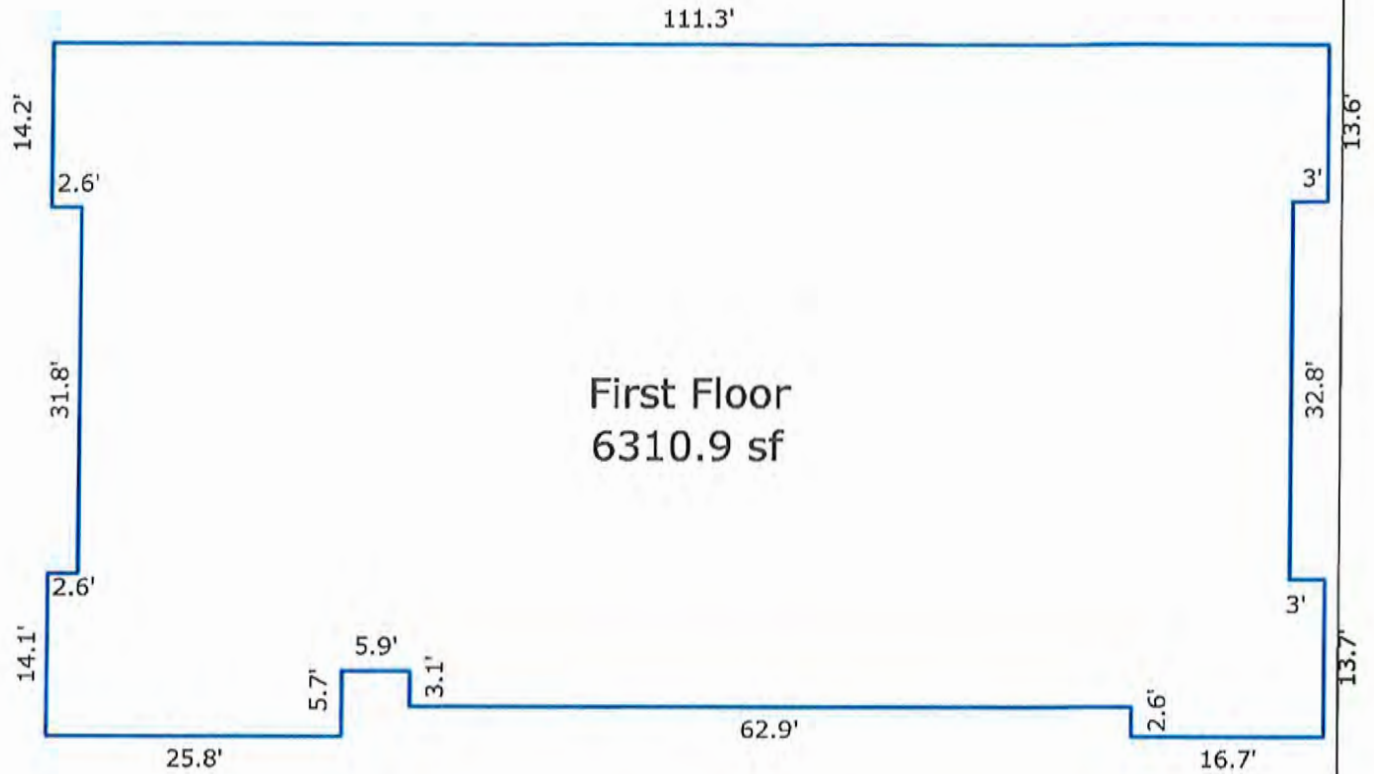
AREA CALCULATIONS SUMMARY				BUILDING AREA BREAKDOWN		
Code	Description	Net Size	Net Totals	Breakdown	Subtotals	
GBA1	First Floor	13083.5	13083.5	First Floor		
				0.5 x	0.1 x	78.9
					155.1 x	30.0
					50.0 x	3.7
					3.6 x	26.2
					13.0 x	123.1
					17.8 x	53.0
					13.0 x	113.8
					83.7 x	38.9
					5.2 x	71.7
					6.0 x	28.2
					34.7 x	9.4
						3.9
						4653.0
						185.0
						94.3
						1600.3
						943.4
						1479.4
						3255.9
						372.8
						169.2
						326.2
Net BUILDING Area		(rounded)	13084	11 Items	(rounded)	13084

SKETCH/AREA TABLE ADDENDUM

SUBJECT	Property Address 1111 Stanford, NE 2		
	City	State	Zip
	Borrower		
	Lender/Client		
	Appraiser Name		

Year Built: 1970

IMPROVEMENTS SKETCH



Scale: 1" = 16'

AREA CALCULATIONS

AREA CALCULATIONS SUMMARY				LIVING AREA BREAKDOWN		
Code	Description	Net Size	Net Totals	Breakdown		Subtotals
GLA1	First Floor	6310.9	6310.9	First Floor		
				13.6 x 111.3		1513.7
				31.8 x 105.7		3361.3
				0.6 x 108.3		65.0
				108.3 x 0.4		43.3
				5.7 x 25.8		147.1
				3.1 x 79.6		246.8
				8.0 x 111.3		890.4
				2.6 x 16.7		43.4
Net LIVABLE Area		(rounded)	6311	8 Items	(rounded)	6311

Basement Floor Plan Unavailable

UNIVERSITY OF NEW MEXICO
PROPERTY

CORNELL DRIVE NE
UNM STREET R.O.W.

UNIVERSITY OF NEW MEXICO
PROPERTY

MOUNTAIN ROAD N.E.
60' PUBLIC R.O.W.

III STANFORD DRIVE NE
60' PUBLIC R.O.W.

ALTA/NSPS Land Title Survey
1111 Stanford Drive NE
UNIVERSITY OF NEW MEXICO LAND
within N.W.1/4 of S.W.1/4 of Section 15,
Township 10 North, Range 3 East, N.M.P.M.
City of Albuquerque
Bernalillo County, New Mexico

PROPERTY ADDRESS: 111 Stanford Drive N.E., Albuquerque, N.M.
U.P.C. No. 1-016-058-063-200-307-10B1 (building)
1-016-058-063-200-307-10L1 (land)

LEGAL DESCRIPTION:

A certain tract of land situate in Section 15, T.10N., R.3E., N.M.P.M., Bernalillo County, New Mexico, which is a part of the land of the University of New Mexico, and which is more particularly described as follows:

BEGINNING at the Southeast corner of said tract, which is a point on the westerly right of way line of Stanford Drive N.E., a dedicated street of the City of Albuquerque, New Mexico, and from whence the southwest corner of Lot 13, Block 5, Sunset Terrace Addition, City of Albuquerque, Bernalillo County, New Mexico, bears S.08°19'00"E., 392.97 feet distance; thence N.00°28'00"E., 250.00 feet distance to the Northeast corner; thence N.89°32'00"W., 229.57 feet distance to the Northwest corner; thence S.00°28'00"W., 250.00 feet distance to the Southwest corner; thence S.89°32'00"E., 229.57 feet distance to the Southeast corner and point of beginning.

NOTES:

- Distances shown hereon are horizontal ground distances in feet.
- Bearings are based on the plat of Sunset Terrace Addition (Bk. C, Pg. 25) as monumented by found corners.
- Record measurements are shown in parenthesis (), where record dimensions differ from actual measurements.
- Corners shown thus "●" are set #4 rebar w/cap stamped "G. Gritsko, PS 8686", unless otherwise shown.
- Flood Note: The property shown hereon is located in Zone X, areas of minimal flood hazard, according to the Flood Insurance Rate Map of Bernalillo County, New Mexico, Panel No. 35001C0353H, effective date August 16, 2012.
- The site is zoned R-MH (Multi Family High Density). No zoning report was provided by client.
- There was no observed evidence of current earth moving work, building construction or building additions.
- Parking spaces: There are 57 standard spaces, 16 small car spaces and 4 handicap spaces.
- Reference documents:
 - Lease dated May 9, 1958 between University of New Mexico and County of Bernalillo.
 - Plat of Sunset Terrace Addition filed 12/19/1928 in Bk. C, page 25.

EASEMENTS:

per Schedule B, Section 2 of Title commitment dated (NONE PROVIDED) [item #]

SURVEYOR'S CERTIFICATE:

To: The Regents of the University of New Mexico
To: County of Bernalillo, State of New Mexico

This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2016 Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys, jointly established and adopted by ALTA and NSPS and includes Items 1, 2, 3, 4, 6(a), 7(a), 8, 9, 10, 11, 13 and 16 of Table A thereof. I further certify that this map or plat and the survey on which it is based were made in accordance with the Minimum Standards for Surveys in the State of New Mexico in effect at the time of this certification, and this plat and survey are true and correct to the best of my knowledge and belief. The field work was completed on July 17, 2018.

Date of certification: August 10, 2018

Gary E. Gritsko
Gary E. Gritsko, N.M. Professional Surveyor No. 8686



ALPHA PRO SURVEYING LLC

1436 32ND CIRCLE SE, RIO RANCHO, NEW MEXICO 87124

PHONE (505) 892-1076

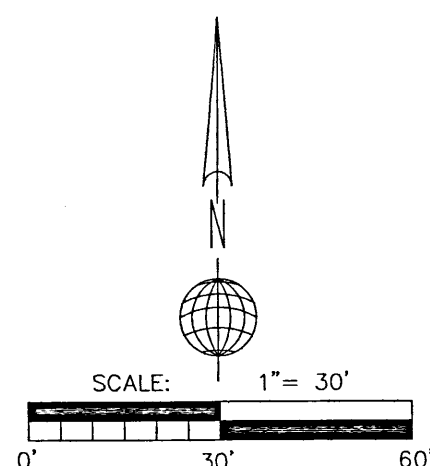
ALPHAPROSURVEYING.COM

DRAWN BY: GG

FILE No.:18-235

SYMBOLS LEGEND

- ☐ = CABLE RISER
- OHE- = ELECTRIC LINE OVERHEAD
- ⊙ = ELECTRIC MANHOLE
- ⊠ = ELECTRIC RISER/TRANSFORMER
- ♿ = HANDICAP PARKING SPACE
- ⊙ = SEWER MANHOLE
- ☐ = TELEPHONE RISER



GROSS AREA:
1.3175 Ac.

ONE STORY
COMMERCIAL BUILDING

ONE STORY
COMMERCIAL BUILDING

NOTE: BUILDING ENCROACHES
2.6' INTO STREET R.O.W.

TUCKER AVENUE NE
UNM STREET R.O.W.

TIE TO: SW CORNER
LOT 13, BLOCK 5
SUNSET TERRACE

Date:			
Project:	Design Dev.		
Item	Total	Item	Total
New Construction		Alterations	
Earthwork / Foundations		Earthwork / Foundations	
Basement Construction		Basement Construction (lower level)	
Superstructure		Superstructure	
Exterior Envelope		Exterior Envelope	
Roofing		Roofing	
Interior Construction		Interior Construction	
Stairs		Stairs	
Interior Finishes		Interior Finishes	
Conveying (incl power to unit)		Conveying	
Plumbing		Plumbing	
HVAC		HVAC	
Fire Protection		Fire Protection	
Electrical		Electrical	
Special Systems		Special Systems	
Code Compliance / Hazmat / ADA		Code Compliance / Hazmat / ADA	\$215,000.00
SUBTOTAL	\$0.00	SUBTOTAL	\$215,000.00
Built-in Equipment		Built-in Equipment	
Site Utilities		Site Utilities	
Landscaping / Site Improvements		Landscaping / Site Improvements	128500
Site Demolition		Site Demolition	233000
SUBTOTAL	\$0.00	SUBTOTAL	\$576,500.00
Contingency		Contingency	29000
A/E Fees		A/E Fees	
Project Mgmt Fees		Project Mgmt Fee	
Admin Costs		Admin Costs	
Testing / Commissioning		Testing / Commissioning	
Moveable Equipment		Moveable Equipment	
Other (site acquisition, etc.)		Other (site acquisition, etc.)	\$10,000.00
Art in Public Places		Art in Public Places	
TOTAL NEW CONST. BUDGET	\$0.00	TOTAL ALTERATIONS BUDGET	\$615,500.00

TOTAL PROJECT COST *	\$661,500.00
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* Includes NMGR of:

\$46,000.00

(on construction and soft costs)

**UNM Hospital Board of Trustees
Recommendation to HSC Committee
April 2019**

Approval

(1) Biosense Webster

Ownership:

Biosense Webster (J & J)
33 Technology Drive
Irvine, CA 92618, USA

Officers Information:

Shlomi Nachman, President

Requested action: As required by Section 7 of the Board or Regents Policy Manual, consent item approval is requested. For the project described below, UNM Hospitals requests the following actions, with action requested upon requisite sequential approval and recommendation by any and all committees and bodies:

- Board of Trustee Finance Committee approval of and recommendations of approval to the UNMH Board of Trustees.
- UNMH Board of Trustees approval of and recommendation of approval to the UNM Board of Regents HSC Committee.
- UNM Board of Regents HSC Committee approval and recommendations of approval to the UNM Board of Regents.
- UNM Board of Regents approval.

Source of Funds: UNMH Operating Budget.

Description: Biosense Webster's line of diagnostic and ablation catheters are used with the Cardio 3 System to allow the cardiac electrophysiologist unlimited options in their ablation procedures. The proprietary NAV catheters allow the Cardio 3 to start building the map of the patient's heart as soon as the catheter is placed into the chamber of the heart that is being treated. The ablation catheters allow the physician to ablate, map and pace, all from the same catheter.

Usage has increased two fold over the past year in the Cath Lab. This is still a sole source and based on projections the Cath Lab will exceed the commitment level. Both Huron and Materials Management have reviewed and feel this is the best deal we can get at this time. Savings over the previous contract based on current spend trending will reduce by 12%- 18%.

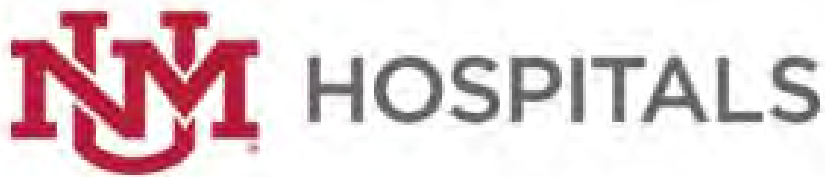
Process: Sole Source

Previous Contract: Biosense Webster (J & J)

Previous Term: 2 years

Previous Contract Amount: \$750,000.00

Total Cost: Supply cost is estimated at \$1.4 million per year and a total cost of \$1.4 million for the duration of the one year contract.



CAPITAL PROJECT APPROVAL

1209 UNIVERSITY PHARMACY RENOVATION AND COUMADIN CLINIC

April 11, 2019

RECOMMENDED ACTION:

As required by Section 7.12 of Board of Regents Policy Manual, the New Mexico Higher Education Department and the New Mexico State Board of Finance, capital project approval is requested for the **1209 University Pharmacy Renovation and new Coumadin Clinic**. For the project described below, UNM Hospitals requests the following actions, with action requested only upon requisite sequential approval and recommendation by any and all committees and bodies:

- Board of Trustee Finance Committee approval of and recommendation of approval to the UNMH Board of Trustees.
- UNMH Board of Trustees approval of and recommendation of approval to the UNM Board of Regents HSC Committee.
- UNM Board of Regents HSC Committee approval and recommendation of approval to the UNM Board of Regents.
- UNM Board of Regents approval.

PROJECT DESCRIPTION:

This project is to move the existing Coumadin Clinic, currently located at the main hospital, to the 1209 University Blvd Pharmacy location and to renovate the existing 1209 Pharmacy to improve efficiency. This project will renovate and reduce the existing 5,213 square foot pharmacy to a more efficient 2,600 square feet, add a 305 square foot specialty pharmacy and include a 2,000 square foot Coumadin outpatient clinic. HVAC equipment will be replaced to provide reliable temperature control for temperature sensitive prescription drugs. The new Coumadin Clinic will have six consultation/exam rooms, office and staff space, medication room, and a waiting area for 18 patients. This project includes exterior building upgrades to a new exterior insulation and finish system (EIFS) to improve energy efficiency and parking lot upgrades. The project is anticipated to be completed in 3 phases of construction, while the Pharmacy continues to function.

RATIONALE:

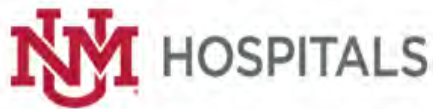
The current 700 square foot Coumadin Clinic is located in the Main Hospital, and is in need of additional space for consultation/exams and the waiting area is insufficient. The 1209 Pharmacy is inefficient, is accommodating Specialty Pharmaceutical functions, but is not arranged according to industry standards.

PURCHASING PROCESS:

Project will be procured through competitive RFP process.

FUNDING:

Total project construction budget not to exceed \$2,400,000 from the UNM Hospital Capital Renovation Fund.



CAPITAL PROJECT APPROVAL RESUBMITTAL

UNM HOSPITALS – UPC – ADULT INPATIENT – INPATIENT BHICU, COMFORT ROOMS

April 11, 2019

REQUESTED ACTION:

As required by Section 7.12 of Board of Regents Policy Manual, the New Mexico Higher Education Department and the New Mexico State Board of Finance, capital project approval is requested for UPC – PES RENOVATION. For the project described below, UNM Hospitals requests the following actions, with action requested only upon requisite sequential approval and recommendation by any and all committees and bodies:

- Board of Trustee Finance Committee approval of and recommendation of approval to the UNMH Board of Trustees.
- UNMH Board of Trustees approval of and recommendation of approval to the UNM Board of Regents HSC Committee.
- UNM Board of Regents HSC Committee approval and recommendation of approval to the UNM Board of Regents.
- UNM Board of Regents approval

PROJECT DESCRIPTION:

Remodel of existing adult inpatient behavioral health units at the University Psychiatric Center (UPC). The scope of work includes a phased renovation of the East and West inpatient units to include the following:

1. Provide the following spaces/functions on each Unit.
 - a. Behavioral Intensive Care patient room with visibility from the nurse station
 - b. Comfort room (Sensory Room) as an alternative to seclusion and restraint.
 - c. ADA compliant toilet room
 - d. Nurse station Remodel
 - e. Treatment room with direct access off the main corridor
 - f. Dirty and clean utility rooms
 - g. Housekeeping closet (separate from existing electrical infrastructure)
2. Displaced Services in Unit
 - a. Clinician offices will be provided in the Atrium in lieu of displacement within the units due to modifications. Maintained area provided for patient activities.

RATIONALE:

The scope of work includes a phased renovation of the East and West Inpatient Units. The inpatient service provided has a total of 32 adult psychiatric beds divided between 2 units. This is a safety net hospital for acutely ill psychiatric patients most of whom have chronic psychiatric illness. Some of

these patients are highly aggressive and may be on street drugs. The average rate of stay is seven days with an 85% occupancy rate.

There are currently no private rooms within units, making milieu management very difficult at times, and addition of behavioral health intensive care rooms with nurse station visibility provides a private space for patients with high acuity and aggressiveness to recover in a less restrictive space, while keeping other patients on the unit safe. This area would include a bathroom and space for eating and relaxing. Providing a comfort room within each unit allows patients a place for voluntary respite. The addition of ADA compliant restroom and shower provides increase accessibility within units. Nurse station improvements provide increased staff interaction and patient satisfaction within units. Providing a treatment room with direct access to corridor increases staff safety with the process of admitting a patient and physical exam. Removal of non-required office space within the units provides expanded space for development of patient and support areas.

The current housekeeping closet does not meet code having a floor sink within 3' of electrical panel. Separating the electrical panel from the housekeeping closet will bring the room to code compliance.

Additional Scope: UNMH requested additional scope for this project to include over door alarms on all inpatient doors in the east and west unit. This will resolve safety concerns illustrated in a recent behavioral facility report. Also, the relocation of water heater to provide ADA restroom/shower in east unit. Following environmental testing of area, additional funding is required for abatement.

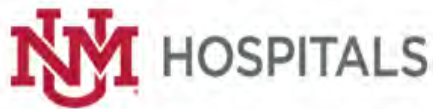
PURCHASING PROCESS:

The architectural firm, Dekker Perich Sabatini was hired to provide design utilizing professional services RFP awarded for design of behavioral health facilities. Design documents will be submitted out for qualified public contractors using RFP (Request for Proposal).

FUNDING:

The original total project construction budget approved by Board of Regents on February 12, 2019 was \$1,400,000.

UNMH is requesting an increase of the budget due to additional scope by \$450,000 for a total project budget of \$1,850,000 to complete this project. This will be funded over FY19 and FY20 via the Capital Renovation Fund. This project not to exceed \$1,850,000.



CAPITAL PROJECT APPROVAL RESUBMITTAL
UNM HOSPITALS – UPC – PES EXPANSION WITHOUT IOP CONVERSION PLAN

April 11, 2019

REQUESTED ACTION:

As required by Section 7.12 of Board of Regents Policy Manual, the New Mexico Higher Education Department and the New Mexico State Board of Finance, capital project approval is requested for UPC – PES RENOVATION. For the project described below, UNM Hospitals requests the following actions, with action requested only upon requisite sequential approval and recommendation by any and all committees and bodies:

- Board of Trustee Finance Committee approval of and recommendation of approval to the UNMH Board of Trustees.
- UNMH Board of Trustees approval of and recommendation of approval to the UNM Board of Regents HSC Committee.
- UNM Board of Regents HSC Committee approval and recommendation of approval to the UNM Board of Regents.
- UNM Board of Regents approval

PROJECT DESCRIPTION:

Remodel existing Psychiatric Emergency Services (PES) at the University Psychiatric Center (UPC) for expansion of services which includes select program requests per Bernalillo County as follows:

1. Provide a clear separation between adult and pediatric patient populations.
2. Addition of observation room with four (4) adult recliners, and two (2) pediatric patient rooms while maintaining existing flexible patient room, and six (6) patient rooms.
3. Separated restrooms provided for adult patients, pediatric patients, and staff.
4. Expanded observation area with recliners to accommodate adult patients.
5. Interior padded sally port with law enforcement access to include decontamination area.
6. Additional support areas include soiled workroom, patient storage, and medication room.
7. Secured, interior vestibule for patient/visitors screening prior to entering lobby area.
8. Larger registration area with secluded staff access into area.

RATIONALE:

Psychiatric Emergency Services (PES) provides assessment and disposition of patients seeking emergent behavioral health services. Monthly, PES provides care to an average of 650 Adults and 100 Pediatric patients. Currently, PES will serve up to 21 Adult and 4 Pediatric patients with a peak total of 35 patients. These services may include medication administration; vital signs every shift, drug screening, prescriptions for psychotropic medications, crisis counseling, referrals to other support or treatment agencies, or admission to the University Psychiatric Center and Children's Psychiatric Center inpatient programs.

Currently, PES contains six patient rooms without providing separation of adult and pediatric patient rooms or restrooms. Proposed separation of patient populations with centralized staff increases safety. The remodel would double the capacity of PES, increase throughput, providing additional community behavioral health services and support. Flexible patient rooms provides additional space to meet adult and pediatric patient demand. The interior sally port with a decontamination area, allows for smooth transition from law enforcement to UNMH decreasing potential physical harm and infection exposure. The interior vestibule provides an interior screening area for patients/visitors prior to entering common areas of facility.

Additional Scope: Following an internal determination, for the benefit of patients and staff an additional sequence of design/construction was added to provide temporary relocation of Psychiatric Emergency Services within the building rather than relocate it to an offsite location. This provides vacancy of area for expansion and remodel of Psychiatric Emergency Services as listed in the description.

PURCHASING PROCESS:

The architectural firm, Dekker Perich Sabatini was hired to provide design utilizing professional services RFP awarded for design of behavioral health facilities. Design documents will be submitted out for qualified public contractors using RFP (Request for Proposal).

FUNDING:

The original total project construction budget approved by Board of Regents on February 12, 2019 was \$1,200,000.

UNMH is requesting an increase of the budget due to additional scope by \$613,000 for a total project budget of \$1,813,000 to complete this project. This will be funded over FY19 and FY20. This project not to exceed \$1,813,000.



CAPITAL PROJECT APPROVAL

PROJECT NAME: UH MAIN FACILITIES Air Handling Unit (AHU) 117 REPLACEMENT
April 11, 2019

RECOMMENDED ACTION:

As required by Section 7.12 of Board of Regents Policy Manual, the New Mexico Higher Education Department and the New Mexico State Board of Finance, capital project approval is requested for **The UH Main Facilities Air Handling Unit (AHU) 117 Replacement**. For the project described below, UNM Hospitals requests the following actions, with action requested only upon requisite sequential approval and recommendation by any and all committees and bodies:

- Board of Trustee Finance Committee approval of and recommendation of approval to the UNMH Board of Trustees.
- UNMH Board of Trustees approval of and recommendation of approval to the UNM Board of Regents HSC Committee.
- UNM Board of Regents HSC Committee approval and recommendation of approval to the UNM Board of Regents.
- UNM Board of Regents approval

PROJECT DESCRIPTION:

The scope of this project includes equipment change out of an existing UH Main Air Handling Unit 117, associated condensing units, electrical, enclosure modifications and duct work.

RATIONALE:

UH Main AHU 117 is over 25 years old, beyond its useful life and must be replaced. This project will increase the outside air this unit provides to patient areas 3rd, 4th & 5th floors of the east wing, provide dual condensing units as well as a nine-unit fan wall instead of a single large fan. Redundancy and reliability will be increased substantially.

PURCHASING PROCESS:

UNM Hospital will procure this work through the UNM Hospitals Vizient Job Order Contract with J.B. Henderson (JBH). JBH was selected because of their reputation as well as previous successful HVAC projects at UNM Hospitals. JBH self performs mechanical and plumbing aspects of any project they are prime contractors for. This is a great assurance of outcome and provides for greater control of schedules and quality which this project is primarily composed of those disciplines.

FUNDING:

Total project construction budget is not to exceed \$473,000.00 from the UNM Hospitals Capital Renovation Fund.

April 25, 2019

TO: Board of Regents Academic Student Affairs and Research Committee

FROM: Rick Holmes, Office of the University Secretary

SUBJECT: Spring 2019 Degree Candidates

The Faculty Senate approved the Spring 2019 Degree Candidates at the April 23, 2019 Faculty Senate meeting.

Included is the list of the Spring 2018 Degree Candidates. Please do not publish the candidates that are on the privacy flag list (last page).

Degree Candidate Summary*	
Doctoral or Terminal	371
Master's	613
Bachelor's	2616
Associate's	314
Total	3914

**Final number of conferred degrees will be slightly lower due to changes in student degree status that occur until the end of the semester.*

Please place this item on the next Board of Regents ASAR Committee meeting agenda for consideration.

Thank you.

Attachments

Spring 2019 Summary of Degrees

<i>College/School/Program</i>	<i># of degrees</i>
Anderson School of Management	455
BBA Business Administration	327
MACCT Accounting	18
MBA Business Administration	81
MGTCP Business Administration	1
MS Information Systems & Assurance	28
College of Arts and Sciences	1178
BA Africana Studies	4
BA American Studies	5
BA Anthropology	19
BA Biochemistry	3
BA Biology	24
BA Chemistry	18
BA Chicana & Chicano Studies	9
BA Classical Studies	2
BA Communication	62
BA Criminology	66
BA Earth & Planetary Sciences	4
BA East Asian Studies	4
BA Economics	34
BA English	3
BA English Studies	58
BA English-Philosophy	1
BA Family & Child Studies	3
BA Family Studies	1
BA French	2
BA Geography	1
BA German	5
BA Health, Medicine & Human Values	12
BA History	32
BA International Studies	35
BA Journalism & Mass Communication	32
BA Languages	9
BA Latin American Studies	6
BA Linguistics	2
BA Philosophy	10
BA Political Science	59
BA Portuguese	1
BA Psychology	190
BA Religious Studies	2
BA Russian	2
BA Sociology	24
BA Spanish	18

BA Speech & Hearing Sciences	35
BA Women Studies	3
BS Anthropology	16
BS Astrophysics	6
BS Biochemistry	69
BS Biology	143
BS Chemistry	6
BS Earth & Planetary Sciences	6
BS Environmental Science	5
BS Geography	8
BS Mathematics	32
BS Physics	10
BS Psychology	54
BS Signed Language Interpreting	13
BS Statistics	10
College of Education	212
BAED Secondary Education	25
BS Athletic Training	9
BS Community Health Education	13
BS Early Child Multicultural Education	1
BS Exercise Science	27
BS Family & Child Studies	27
BS Health Education	1
BS Nutrition & Dietetics	35
BSED Elementary Education	46
BSED Physical Education	4
BSED Secondary Education	8
BSED Special Education	16
College of Fine Arts	162
BA Art Education	2
BA Art History	4
BA Art Studio	11
BA Dance	6
BA Design for Performance	1
BA Interdisciplinary Arts	6
BA Media Arts	17
BA Music	4
BA Theatre	9
BFA Art Studio	29
BFA Design & Tech Performance	7
BFA Interdisciplinary Film & Digital Media	46
BM Music	13
BME Music Education	7
College of Nursing	215
BSN Nursing	211
DNP Nursing	4
College of Pharmacy	79

BS Pharmaceutical Sciences	3
Doctor of Pharmacy	76
College of Population Health	18
BS Population Health	18
Graduate Studies	596
Doctor of Physical Therapy	27
EDSPC Educational Leadership	21
GCERT Applied Behavior Analysis	1
GCERT Autism Spectrum Disorder	1
GCERT Clinical Translation Science	1
GCERT Educational Diagnosis	2
GCERT Race & Social Justice	1
GCERT Teaching English as Second Language	3
GCERT Women Studies	3
MA American Studies	5
MA Anthropology	8
MA Art Education	5
MA Art History	1
MA Communication	1
MA Cultural Studies & Comparative Literature	2
MA Counseling	8
MA Educational Leadership	14
MA Elementary Education	17
MA English	11
MA Family Studies	3
MA Family and Child Studies	1
MA German Studies	2
MA History	2
MA Language, Literature & Sociocultural Studies	19
MA Latin American Studies	3
MA Linguistics	3
MA Museum Studies	1
MA Organization, Information & Learning Sciences	10
MA Philosophy	1
MA Political Science	3
MA Portuguese	5
MA Secondary Education	10
MA Sociology	1
MA Spanish	15
MA Special Education	10
MARCH Architecture	32
MCM Construction Mgmt	4
MCRP Community & Regional Planning	13
MEME Manufacturing Engineering	2
MENG Civil Engineering	4
MFA Art Studio	7
MFA Creative Writing	1

MFA Dance	2
MFA Dramatic Writing	1
MHA Health Administration	10
MLA Landscape Architecture	5
MMU Music	13
MOT Occupational Therapy	2
MPA Public Administration	17
MPH Public Health	11
MPP Public Policy	1
MS Anthropology	2
MS Biology	4
MS Biomedical Engineering	6
MS Chemical Engineering	5
MS Civil Engineering	5
MS Computer Engineering	5
MS Computer Science	17
MS Dental Hygiene	1
MS Earth & Planetary Sciences	3
MS Electrical Engineering	14
MS Geography	4
MS Health Education	5
MS Mathematics	1
MS Mechanical Engineering	20
MS Museum Studies	1
MS Nanoscience and Microsystems Engineering	1
MS Nuclear Engineering	8
MS Optical Science & Engineering	2
MS Pharmaceutical Science	1
MS Physical Education	7
MS Physics	2
MS Psychology	3
MS Statistics	3
MSN Nursing	48
MWR Water Resources	2
NURCP Nursing Certificate	1
PDCERT Historic Preservation & Regionalism	5
PHD American Studies	3
PHD Anthropology	3
PHD Art History	1
PHD Biology	4
PHD Biomedical Sciences	4
PHD Chemistry	1
PHD Computer Science	1
PHD Counselor Education	1
PHD Economics	3
PHD Educational Linguistics	3
PHD Educational Psychology	1

PHD Engineering	10
PHD English	4
PHD French Studies	1
PHD History	2
PHD Language, Literature & Sociocultural Studies	7
PHD Latin American Studies	2
PHD Linguistics	2
PHD Nanoscience and Microsystems Engineering	4
PHD Nursing	4
PHD Optical Science & Engineering	4
PHD Organization, Information & Learning Sciences	1
PHD Philosophy	1
PHD Physical Education, Sports & Exercise Science	2
PHD Physics	2
PHD Psychology	2
PHD Special Education	1
Honors College	1
BA Hon Interdisc Liberal Arts	1
School of Architecture and Planning	59
BAA Architecture	47
BAEPD Environmental Planning & Design	12
School of Engineering	230
BSCE Civil Engineering	19
BSCHE Chemical Engineering	54
BSCM Construction Management	12
BSCPE Computer Engineering	14
BSCS Computer Science	29
BSEE Electrical Engineering	24
BSME Mechanical Engineering	60
BSNE Nuclear Engineering	18
School of Law	101
Juris Doctor	100
MSL Studies in Law	1
School of Medicine	141
BS Emergency Medical Services	27
BS Radiologic Sciences	4
BSDH Dental Hygiene	24
BSML Medical Laboratory Sciences	7
Doctor of Medicine	79
College of University Libraries & Learning Sciences	9
BS Instructional Technology & Training	6
BS Technology & Training	3
University College	144
BA Latin American Studies	1
BA Liberal Arts	22
BLA Liberal Arts	111
BA Native American Studies	10

Associate Degree	314
AA Art Studio	2
AA Business Administration	30
AA Criminal Justice	7
AA Early Childhood Multicultural Education	20
AA Human Services	7
AA Liberal Arts	80
AA Pre-Professional Education	5
AAS Automotive Technology	5
AAS Collision Repair Technology	1
AAS Construction Technology	12
AAS General Studies	25
AAS Welding Technology	3
AS Emergency Medical Services	1
AS Health Information Technology	7
AS Medical Laboratory Technology	5
AS Nursing	28
AS Science	2
AAS Accounting	2
AAS Business	3
AAS Fire Science	2
AAS Robotics	1
AS Computer Science LA	1
AS Emergency Med. Svcs. LA	1
AS Pre-Engineering	1
AA Digital Media Arts	1
AA Pre-Business Administration	1
AFA Fine Arts	2
AS Pre-Science	10
AA Criminology	6
AA Education	2
AA Studio Art	1
AAS Game Design and Simulation	7
AAS Information Technology	1
AIS Integrative Studies	13
AS General Science	16
AS Mathematics	3



OPERATING & CAPITAL BUDGET PLANS 2019-2020

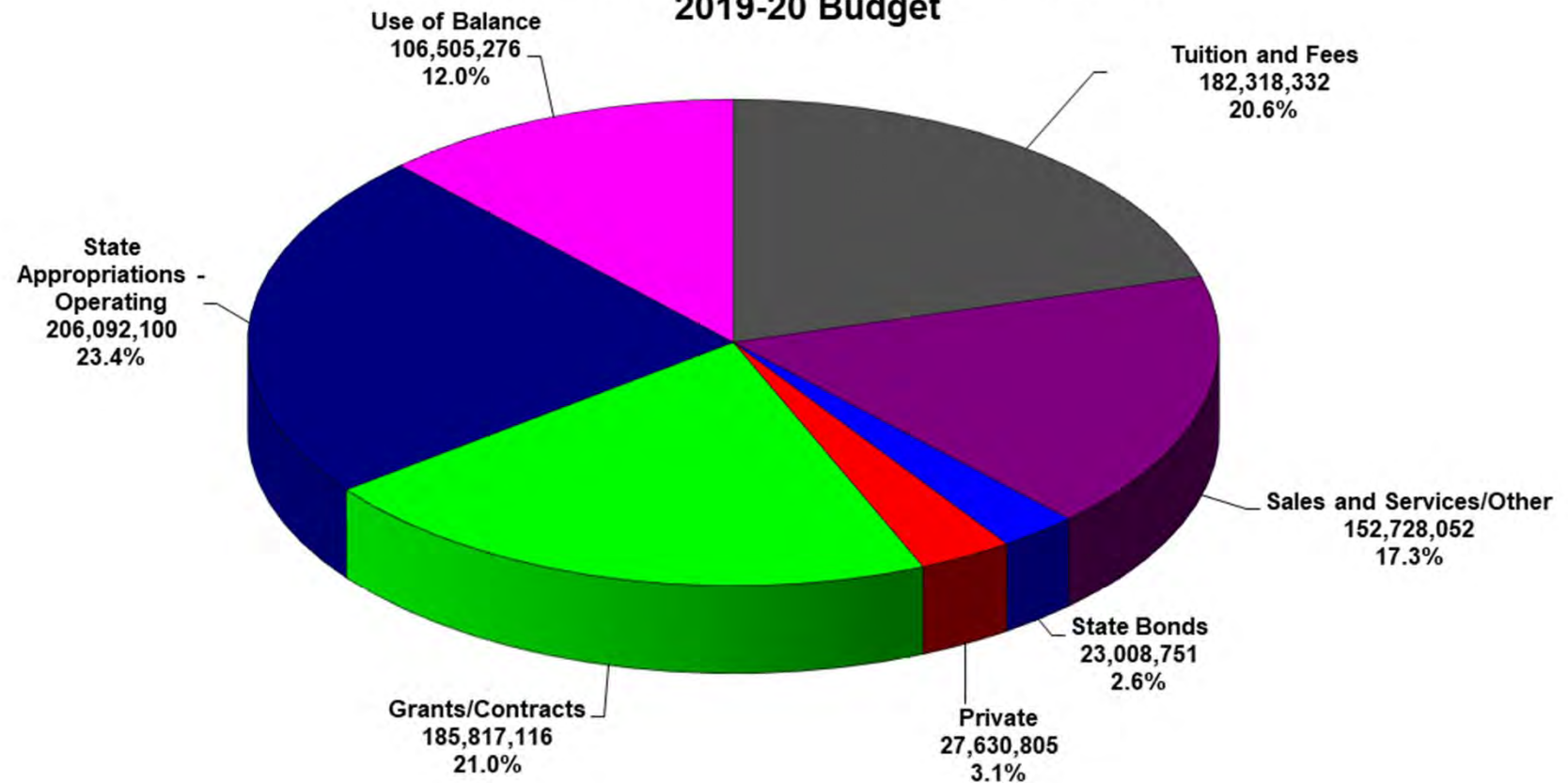
- Budget Development Participants:
 - Academic Affairs Departments
 - Administrative Departments
 - Health Sciences Center
 - UNM Health System
 - Branch Campuses
 - OPBA Staff

UNM Consolidated Budget

	FY 2019 Original Budget	FY 2020 Original Budget	% Change
UNM Main Campus	866,366,972	884,100,432	2.0%
UNM Health Sciences Center	2,041,576,398	2,226,505,560	9.1%
UNM Branches	52,574,897	51,878,096	-1.3%
Total	2,960,518,267	3,162,484,088	6.8%

Note: Included in your ebook materials is the FY 20 Operating and Capital Book that provides more details about the changes

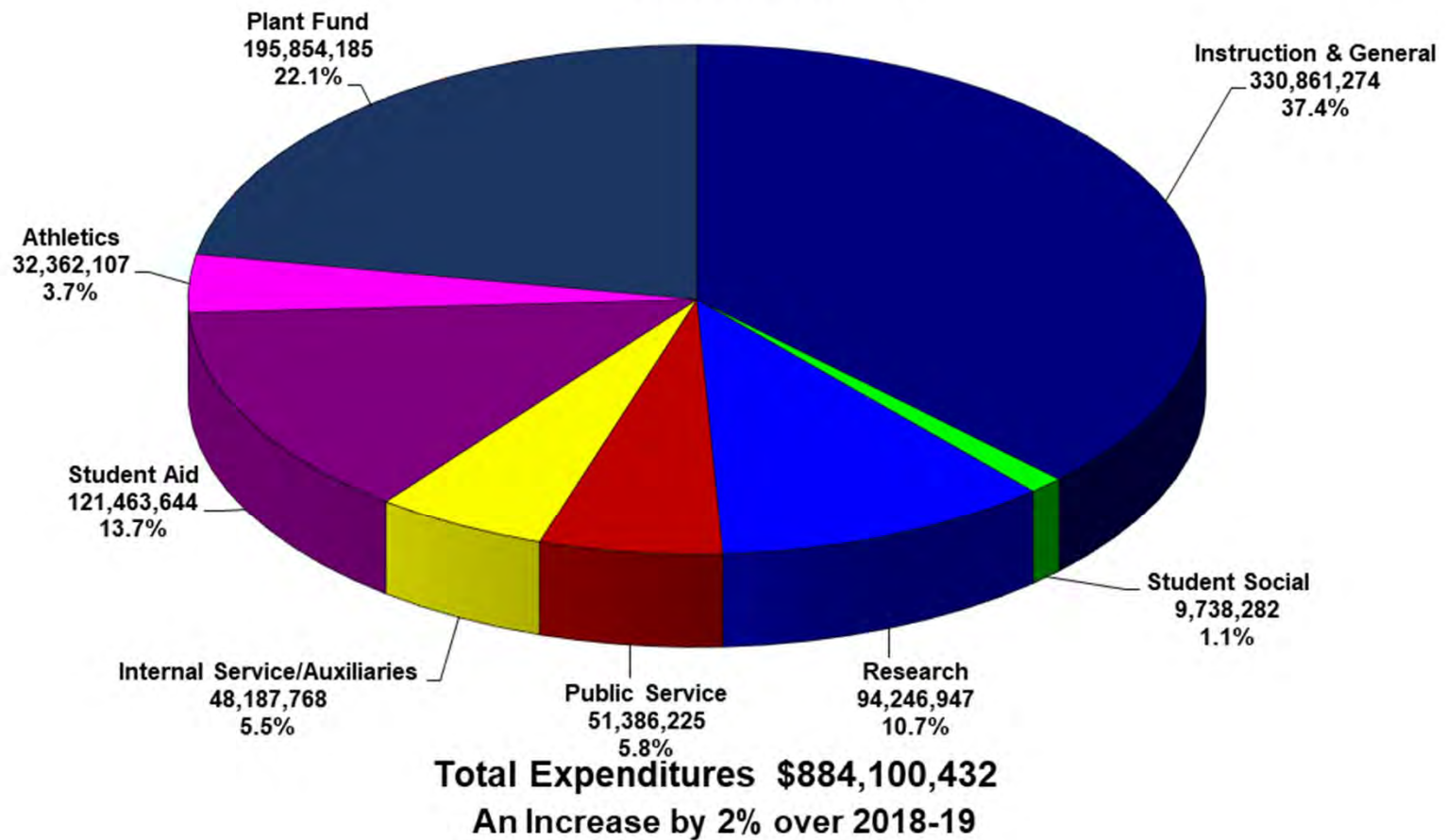
UNM Main Campus Revenues 2019-20 Budget

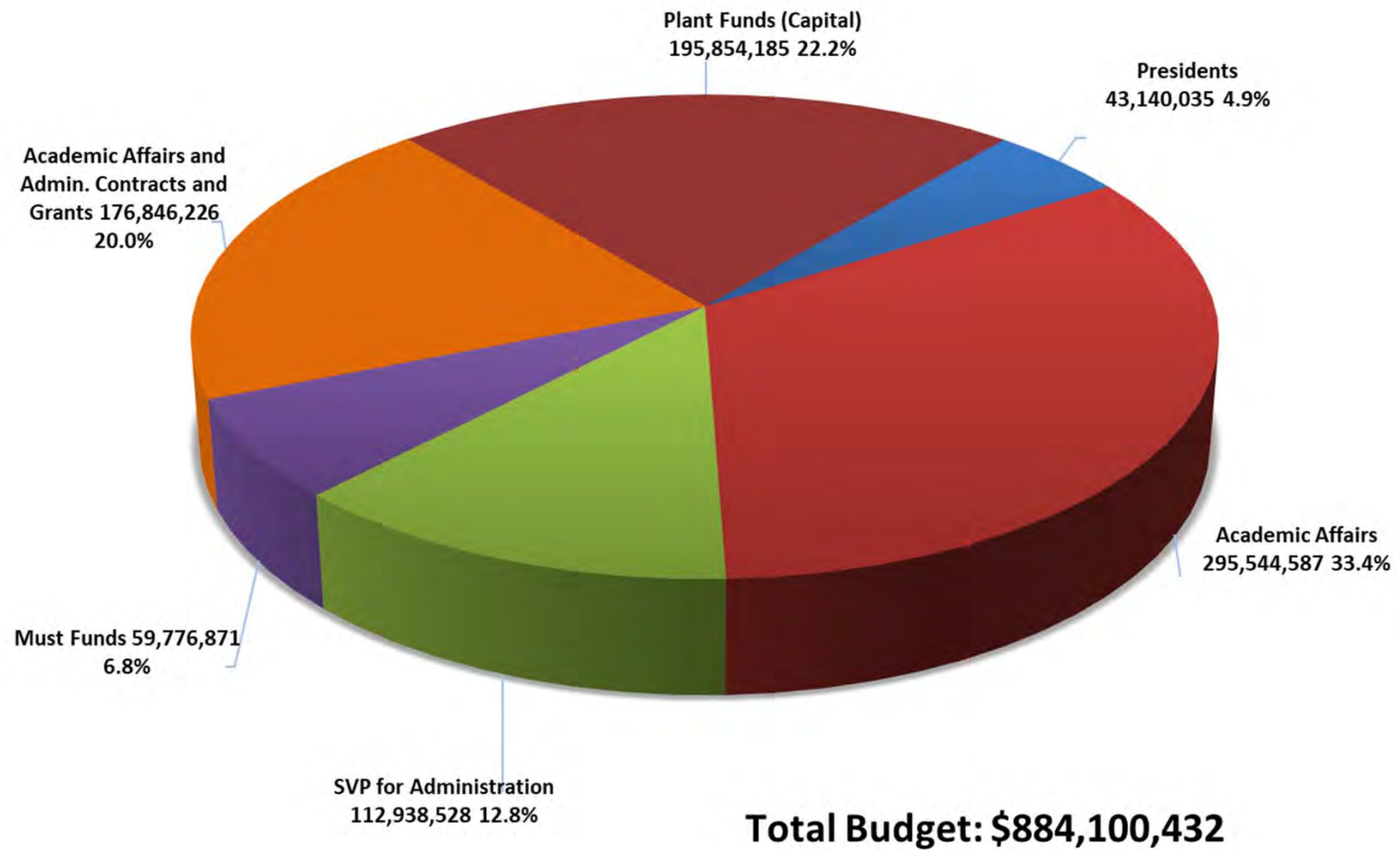


Total Revenues \$884,100,432

An Increase by 2% over 2018-19

UNM Main Campus Expenditures 2019-20 Budget

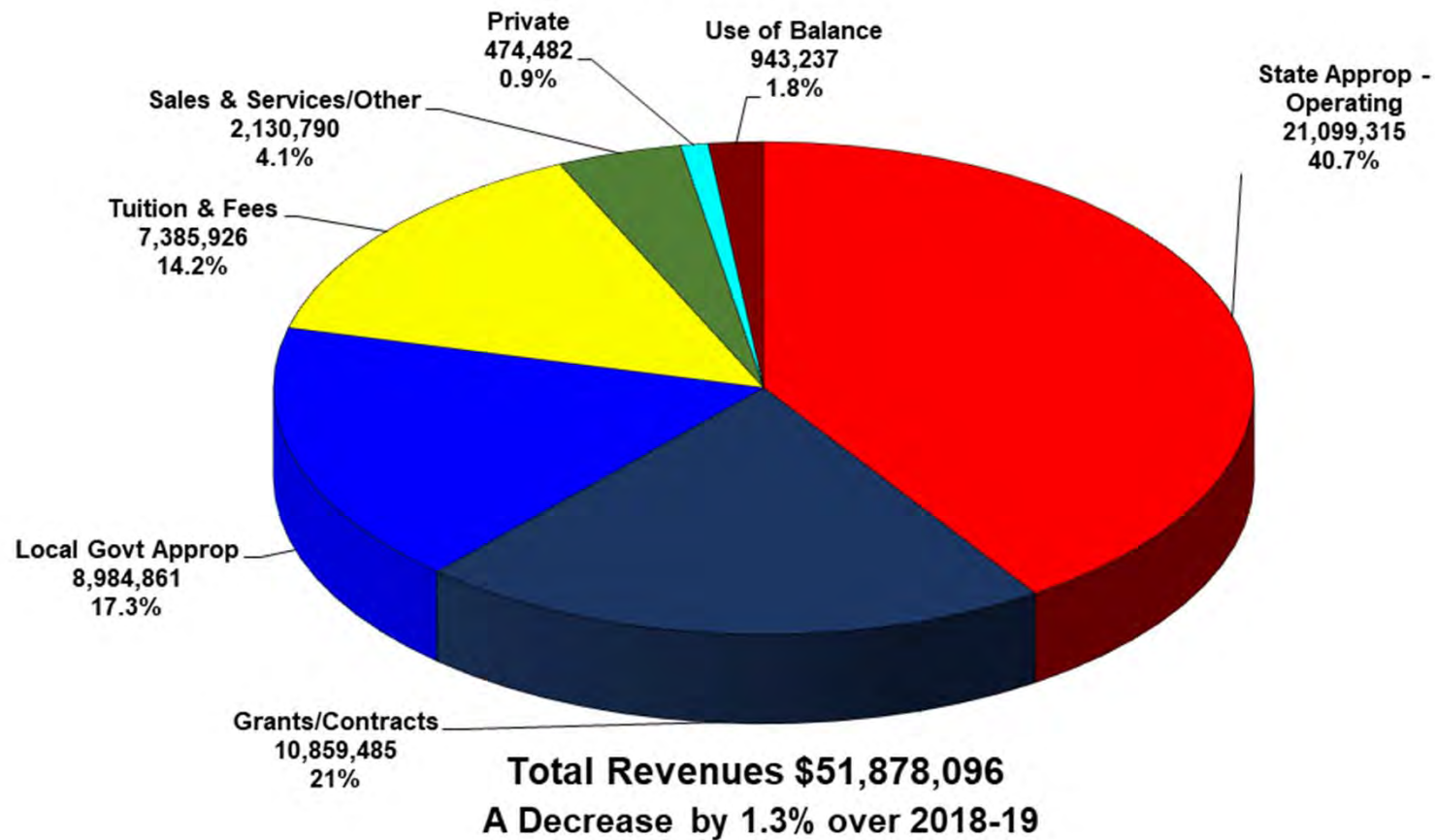


FY20 MAIN CAMPUS BUDGET BY UNIT

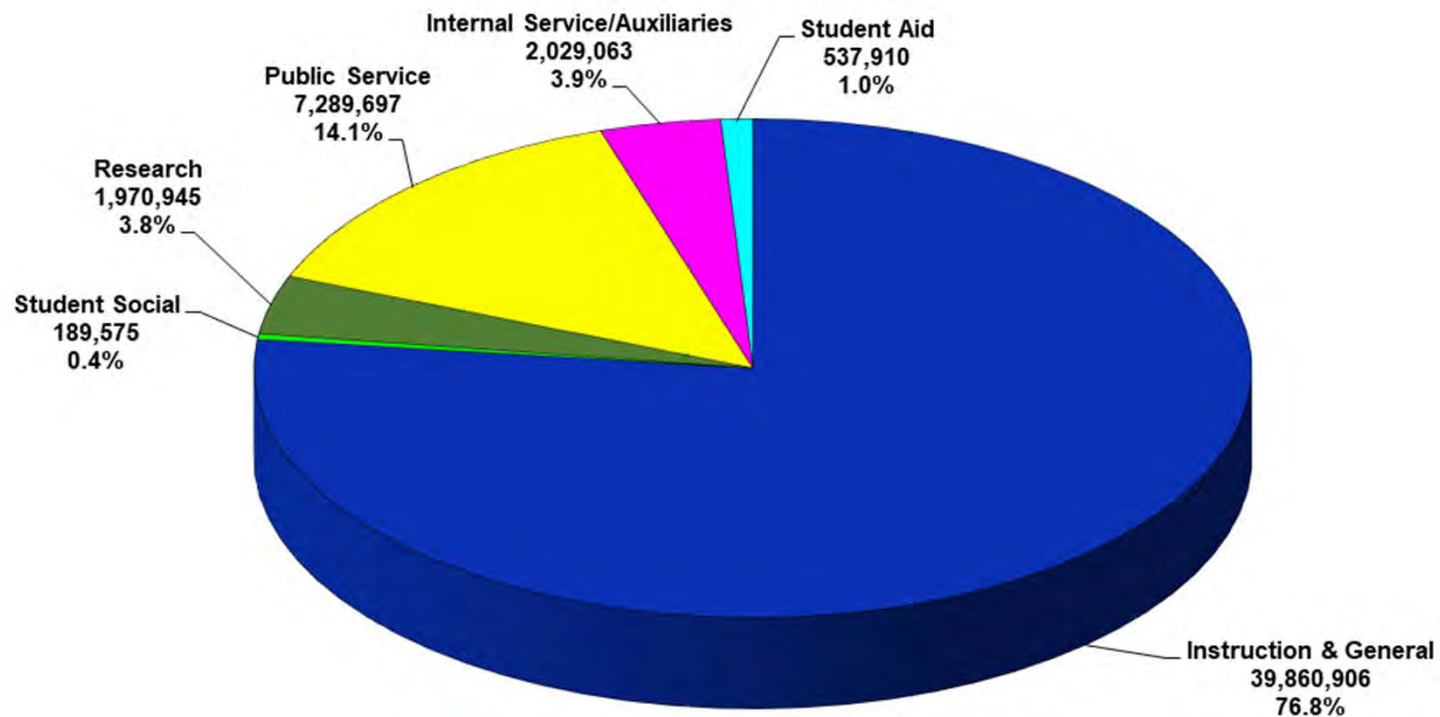
Main Campus

- **Main Campus-\$884.1M**
- **2% Increase of \$17.7M**
- **Primary Drivers:**
 - **Spending on Capital Projects**
 - **Increase in State Appropriations \$14.9M**
 - **Compensation Increase and Increase in Group Health Insurance and Employer ERB contributions**

UNM Branches Revenues 2019-20 Budget



UNM Branches Expenditures 2019-20 Budget



Total Expenditures \$51,878,096
A Decrease by 1.3% over 2018-19

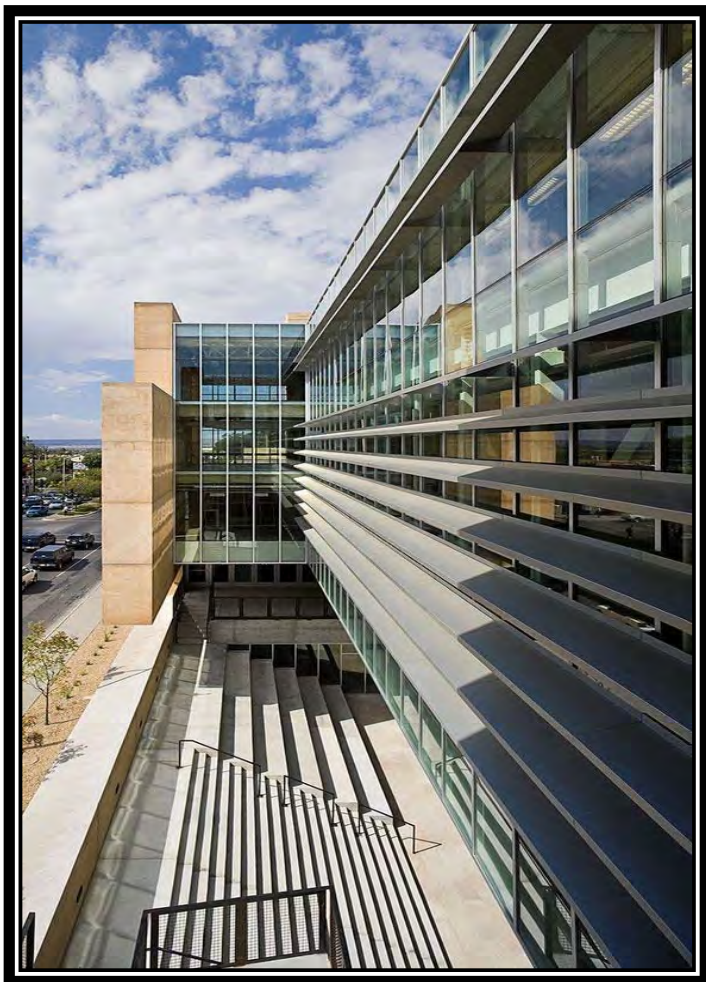
Branch Campuses

- **Branch Campuses-\$51.9M**
- **1.3% Net Decrease of \$697K**
- **Primary Drivers:**
 - **Federal Contract and Grants Revenue Decrease**
 - **State Appropriation Increase and Compensation Increase**

FY 2020 Consolidated Budget Book

https://budgetoffice.unm.edu/assets/documents/budget/2019-20_operatingcapital.pdf

Requesting Approval of the
Fiscal 2019-2020 Main and Branch Operating and Capital
Budget



**MAIN and BRANCH
BUDGET ADJUSTMENT
REQUEST
FISCAL YEAR 2018-2019**

Budget Adjustment Request (BAR)

- The FY 19 Original Operating and Capital Budget was submitted to HED last year.
- Budget to Actuals are monitored through the Monthly Financial Report presented by the UNM Controller
- The University is required to submit a revised budget to the HED by May 1 if year end projections show that actual revenue, transfers, or expenditure levels will exceed those initially budgeted. Note: HED does allow a post May 1 board approval.
- Must not exceed budget authority by exhibit --- 5.3.4.10 NMAC

Budget Adjustment Request (BAR) Drivers

- Change 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

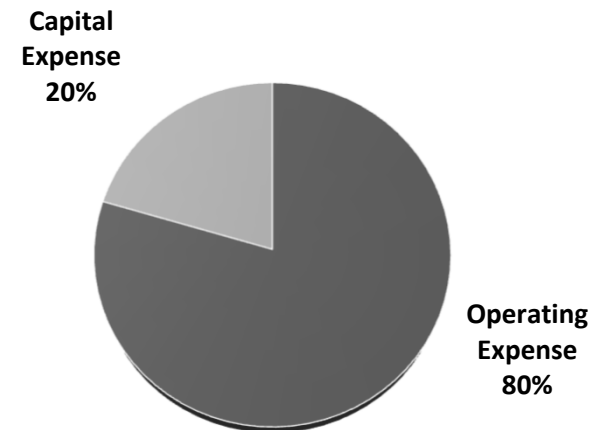
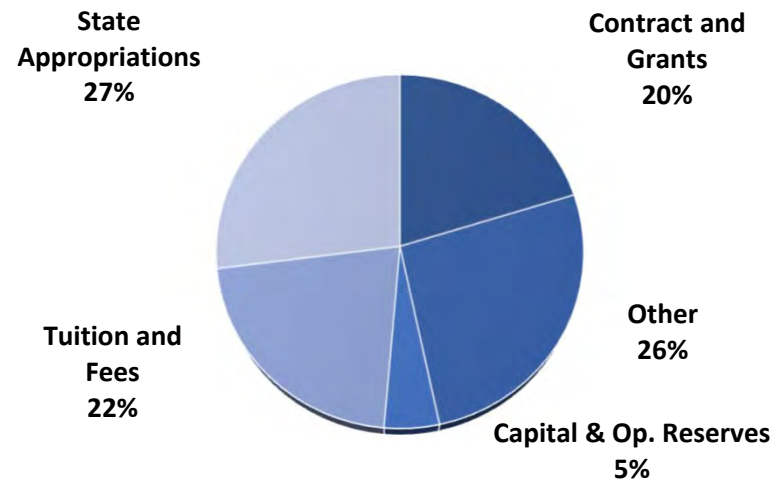
Note: Included in your ebook materials is the FY 19 BAR booklet that provides more details about the changes



Main Campus (Operating) and All UNM Capital Revenue & Expenses (In Millions)

Fiscal Year 2019	Original	Revised
Revenue	866.4	859.3
Expense	866.4	859.3

Net \$7.1M Decrease or -.8%



Summary of Main Campus Operating and All UNM Capital Changes

- **\$7.1M or -.8% Net Decrease--Primary Drivers Revenues and Expenses:**
 - Tuition and Fees are down due to enrollment decline
 - Several capital projects did not move forward as quickly as anticipated
 - Special FY 19 General Fund Capital and Operating appropriations offset the overall use of capital project reserves. They will roll into the FY 19 year end reserves and be expended in FY 20. No change in overall **Net** revenues or expenses.
 - There were additional increases in revenues due to Land and Permanent Fund income as well as Student Aid, Public Svc and Auxiliary activities

Summary of Branch Campus Changes

- **Gallup \$221K Increase, 1.3%**-primarily I&G expenditure authority.
- **Los Alamos \$120K Decrease, -2.1%**-primarily due to transfers out to BRR for capital projects.
- **Valencia \$1M Decrease, -6.2%**-primarily due to decrease in Restricted Contract and Grant Public Svc activity.
- **Taos \$462K Increase, 3.5%**- primarily due to increases in Restricted Contract and Grant activity and Public Svc digital media, literacy, and scholarships.

FY 2019 Budget Adjustment Request Book

[https://budgetoffice.unm.edu/assets/documents/budget/2018-19 Budget Adjustment Request.pdf](https://budgetoffice.unm.edu/assets/documents/budget/2018-19_Budget_Adjustment_Request.pdf)

Requesting Approval of the
Fiscal 2018-2019 Main and Branch
Budget Adjustment Request (BAR)

**MEMORANDUM TO ADVANCE
COMMITTEE AGENDA ITEM TO
THE BOARD OF REGENTS
THE UNIVERSITY OF NEW MEXICO**

TO: Members of the Finance and Facilities Committee

FROM: Richard Wood, Interim Provost & EVP for Academic Affairs
Craig White, Interim Sr. VP Finance & Administration

DATE: April 24, 2019

RE: **Capital Outlay Submission to the Higher Education Department**

RECOMMENDED ACTION:

Recommend to the Board of Regents Finance & Facilities Committee the following:

1. Capital Outlay request package for 2019-20 projects which must be submitted to the Higher Education Department (HED).
2. Five Year Capital Plans, detailing projects which will construct and/or significantly improve and renew numerous facilities on The University of New Mexico Campuses

Thank you for your consideration

Capital Planning Leadership Team

Co-Chairs: Richard Wood, Interim EVP for Academic Affairs/Provost
Craig White, Interim Sr. VP for Finance & Administration

Core Team:

Mark Peceny, Dean College of Arts & Sciences	Chris Vallejos, AVP ISS
Regina Carlow, Dean College of Fine Arts	Duane Arruti, Chief Information Officer
Gabriel Lopez, VP Research	Becka Myers, President, ASUNM
Pamela Pyle, President Faculty Senate	Boney Mutabazi, President, GPSA
Rob Burford, President Staff Council	Ava Lovell, Sr. Exec Ofcr Finance & Admin, HSC
Tim Gutierrez, AVP Student Affairs	Al Sena, Director Physical Plant Department
Walt Miller, AVP Student Life	Amy Coburn, Univ Arch/Dir, PDC
Vahid Staples, Budget Officer, Budget Office	Terry Babbit, Chief of Staff, Pres. Ofc

Working Committee:

- Lisa Marbury, Executive Director, Institutional Support Services
- Melissa Vargas, Director of Operations, Provost Office
- Tabia Murray Allred, Program Planning Officer, Planning, Design & Construction
- Claudia Miller, Sr. Planner, Planning, Design & Construction
- Vince Chavez, Facilities Manager, Physical Plant Department
- Matt Munoz, Government Relations Manager, Govt & Community Relations Office
- Emily Ballo, Strategic Support Manager, VP Research

Capital Planning Leadership Team Process

- Started meeting in September 2018
- Reviewed Regent & State Capital Planning requirements
- Eight subcommittees presented capital requests to the Core Team
- Created a Capital Planning evaluation criteria and system
- Core Team reviewed capital requests and scored each based on evaluation criteria
- Core Team approved capital request priorities for review by President
- President Stokes reviewed and approved capital request priorities
- Regent approval of capital request priorities
- Submission to NM Higher Education Department on June 3, 2019

UNIVERSITY OF NEW MEXICO
DRAFT CAPITAL OUTLAY PLAN

4/26/2019

	ESTIMATED PROJECT COST	2020 APPROPRIATION REQUEST		PREVIOUS APPROPRIATION	PRIVATE FUNDS & OTHER FUNDS	Potential UNM BONDS
MAIN CAMPUS						
1 COLLEGE OF FINE ARTS RENEWAL & REPLACEMENT	\$90,000,000	\$45,000,000	GOB	\$0	\$0	\$0
2 LEARNING ENVIRONMENT AND TECHNOLOGY SUPPORT	\$3,500,000	\$3,500,000	STB	\$0	\$0	\$0
MAIN GOB SUBTOTAL		\$45,000,000				
MAIN STB SUBTOTAL		\$3,500,000				
MAIN CAMPUS TOTALS	\$93,500,000	\$48,500,000		\$0	\$0	\$0
HEALTH SCIENCES CENTER						
1 COLLEGE OF NURSING AND POPULATION HEALTH BUILDING	\$30,000,000	\$30,000,000	GOB	\$0	\$0	\$0
2 PETE AND NANCY DOMENICI HALL RESEARCH FACILITY	\$8,000,000	\$0		\$0	\$8,000,000	\$0
HSC GOB SUBTOTAL		\$30,000,000				
HSC STB SUBTOTAL		\$0				
HEALTH SCIENCES CENTER	\$38,000,000	\$30,000,000				
GALLUP BRANCH						
1 CENTER FOR CAREER TECHNOLOGIES EDUCATION	\$8,000,000	\$4,500,000	GOB	\$0	\$2,000,000	\$0
GALLUP BRANCH TOTAL		\$4,500,000				
LOS ALAMOS BRANCH						
WORKFORCE DEVELOPMENT/CTE CLASSROOM						
1 RENOVATIONS	\$2,500,000	\$1,875,000	GOB	\$0	\$625,000	\$0
2 BUILDING 7 RENOVATIONS	\$300,000	\$225,000	STB	\$0	\$75,000	\$0
LOS ALAMOS BRANCH TOTAL		\$2,100,000				
TAOS BRANCH						
1 CAREER TECH ADDITION	\$4,800,000	\$3,600,000	GOB	\$0	\$1,200,000	\$0
2 SECURITY AND SAFETY IMPROVEMENTS	\$3,000,000	\$2,250,000	STB		\$750,000	
TAOS BRANCH TOTAL		\$5,850,000				
VALENCIA BRANCH						
1 FIRE SAFETY IMPROVEMENTS	\$2,400,000	\$1,800,000	GOB	\$0	\$600,000	\$0
VALENCIA BRANCH TOTAL		\$1,800,000				

4/26/2019

UNIVERSITY OF NEW MEXICO
DRAFT CAPITAL OUTLAY PLAN

	ESTIMATED PROJECT COST	2020 APPROPRIATION REQUEST	PREVIOUS APPROPRIATION	PRIVATE FUNDS & OTHER FUNDS	Potential UNM BONDS
BRANCH GOB SUBTOTAL		\$11,775,000			
BRANCH STB SUBTOTAL		\$2,475,000			
BRANCH SUBTOTAL	\$21,000,000	\$14,250,000	\$0	\$5,250,000	\$0
UNM GOB TOTAL		\$86,775,000			
UNM STB TOTAL		\$5,975,000			
TOTAL	\$114,500,000	\$92,750,000	\$0	\$5,250,000	\$0

FY20 Capital Plan Priorities

MAIN CAMPUS

College of Fine Arts Renewal & Replacement

Project Cost: \$45,000,000

Capital Request Amount: \$45,000,000

Project Description:

The project will design and construct Phase 1 of a replacement building for the College of Fine Arts (CFA) allowing for the strategic co-location of Fine Arts programs. Many current Fine Arts buildings are inadequate for their use and require upgrades. With growth over the years, CFA programs are spread amongst 14 on-campus buildings, many of the programs being partially located in several buildings. Most of the buildings were built in the 1926 – 1977 time period. The buildings have leaky roofs, and outdated infrastructure including power and data. These factors combined with inadequate size and types of facilities create ineffective teaching spaces needed to support the various CFA programs.

The total project is \$45 million comprised of \$35 million for a replacement facility with about 100,000 GSF and about \$10 million for remodeling, re-purposing and upgrades to existing buildings. Phase 1 project allows the College to collocate collaborative and interdisciplinary programs, and to consolidate programmatic specific class labs/studios from various buildings.

The project will include class lab for digitally based classes, collaborative studios for interdisciplinary programs, consolidated studios for different programs so that a program is offered in one instead of many buildings, offices, support spaces, and multi-purpose spaces to be used for exhibitions and performances. The upgraded spaces will be built to accommodate multiple disciplines and uses with 24/7 access. The project will also include an analysis as to which facilities could be vacated and either re-purposed for other university space needs and/or could be torn down.

Learning Environment and Technology Support

Project Cost: \$ 3,500,000

Capital Request Amount: \$3,500,000

Project Description:

Learning Environment Technology (WIFI) and Classroom Modernization. Provide campus wide coverage for Main Campus first phase (of 3 phases), including intra building copper and new fiber optic cabling and wireless infrastructure. The wireless initiative would be a 3 year effort. Classroom technology upgrades including audio visual systems and computing infrastructure in 118 UNM IT managed centrally

FY20 Capital Plan Priorities

scheduled classrooms.

Upgrades to centrally scheduled classrooms including abatement, paint, flooring, furniture, ADA compliance, LED lighting, and technology updates Expansion of Wi-Fi network throughout the campus

HEALTH SCIENCES CENTER CAMPUS

College of Nursing and Population Health Building

Project Cost: \$30,000,000

Capital Request Amount: \$30,000,000

Project Description:

Plan, design, construct and equip space to accommodate undergraduate enrollment increases for College of Nursing, College of Pharmacy and College of Population Health.

The state of New Mexico is currently experiencing a healthcare workforce shortage. This building will allow for program expansion so more healthcare professionals can be adequately trained to work in New Mexico. Pharmacy will have an additional wet lab that will help in the creation of a BS degree in Pharmaceutical Studies. Nursing will increase their undergraduate enrollment by over 1000 students over the next few years as well as modest increases in graduate studies. This building will foster better collaboration among departments leading to more innovative and multi-disciplinary health outcomes. Population Health will expand their program from 30 to 100 students.

Pete and Nancy Domenici Hall Research Facility Expansion

Project Cost: \$8,000,000

Capital Request Amount: \$0

Project Description:

Expand essential research facility to bring together more UNM Researchers, educators, clinicians and community members to tackle Alzheimer's, autism, epilepsy, fetal alcohol syndrome, addictions and mental illnesses.

One of the UNM HSC's signature research concentrations is brain and behavioral illnesses. Current and future success depends on the ability to form teams of scientists with the facilities and equipment to address important issues in health care for New Mexicans, stroke, trauma and psychiatric disease. This building will bring together UNM Researchers, educators, clinicians and community members to tackle Alzheimer's, autism, epilepsy, fetal alcohol syndrome, substance abuse and mental illnesses. This expansion to Domenici Hall would provide more space to several departments that are currently spread apart by location.

FY20 Capital Plan Priorities

GALLUP BRANCH CAMPUS

Center for Career Technologies Education

Project Cost: \$8,000,000

Capital Request Amount: \$4,500,000

Project Description:

Planning, design, construct and equip a facility to house Career Technology Education programs. This building will have the flexibility to house a mechanical industrial technology program, technical allied health green technology programs, and other workforce training efforts.

LOS ALAMOS BRANCH CAMPUS

Workforce Development/CTE Classroom Renovations

Project Cost: \$2,500,000

Capital Request Amount: \$1,875,000

Project Description:

Renew, replace, and upgrade space dedicated to Workforce Development /Career Technical Education programs, including classrooms and related STEM labs, to address the current workforce needs in Los Alamos.

Upgrade existing space in Building 8, along with existing classrooms in buildings 3, 5 and 7. The project will also add cooling capability to Building 8 and ADA restrooms to Buildings 3 and 5.

Building 7 Renovations

Project Cost: \$300,000

Capital Request Amount: \$225,000

Project Description:

Renew, replace and upgrade existing space in Building 7 which houses the UNM-LA library upstairs and the Adult Basic Education, SBDC, and Community Education offices and classrooms downstairs. Project will complete a comprehensive testing center, improve space utilization across campus, and resolve heating and cooling issues in the library.

TAOS BRANCH CAMPUS

Career Tech Addition

Project Cost: \$4,800,000

Capital Request Amount: \$3,600,000

Project Description:

Engineer, design, construct, equip and furnish an addition to Fred Peralta Hall for Career technologies class/labs and technical vocational education with facility upgrades to the existing building.

FY20 Capital Plan Priorities

Security & Safety Improvements

Project Cost: \$3,000,000 Capital Request Amount: \$2,250,000

Project Description:

Engineer, design and construct fire and safety circulation roadways infrastructure, utility feeds and accessible parking to complete loop around campus.

VALENCIA BRANCH CAMPUS

Fire Safety Improvements

Project Cost: \$2,400,000 Capital Request Amount: \$1,800,000

Project Description:

Project will include the installation of fire suppression sprinklers in Business and Technology, Administration, PPD, Student Center, including associated infrastructure and alarm components.

UNM Capital Planning Committee Funding Requests

UNITS Five Year Capital Project Funding Plan

The University of New Mexico

DATE: 4/16/2019

Department making request	Priority Ranking	Project Title	Description	will this project be phased please describe	Total Cost of Project or Phase	STB or GOB	% State Funding Request	% Other Funding Request	Description of Other Funding Source	New Construction	Renovation	Square Footage (GSF)
YEAR 1 2020 (GOB Year)												
College of Fine Arts	1	College of Fine Arts Renewal & Replacement	Renewal and replacement of College of Fine Arts facilities	Yes	\$ 45,000,000	GOB	100%	0%		X	X	100,000
Information Technologies	2	Learning Environment and Technology Support	Learning Environment Technology (WIFI) and Classroom Modernization. Provide campus wide coverage for Main Campus first phase (of 3 phases), including intra building copper and new fiber optic cabling and wireless infrastructure. The wireless initiative would be a 3 year effort. Classroom technology upgrades including audio visual systems and computing infrastructure in 118 UNM IT managed centrally scheduled classrooms.	No	\$ 3,500,000	STB	100%	0%			X	N/A
VP Research	3	Research Infrastructure Upgrades	A variety of research facilities that house centers and institutes are aging and need both infrastructure and equipment upgrades	Yes	\$ 2,000,000	STB	100%	0%			X	TBD
Facilities Management	4	Electrical Distribution	Electrical Infrastructure: main gear and emergency generators	Yes 4 Phases	\$ 2,000,000	STB	75%	25%	Sustainability Surcharge		X	
Information Technologies	5	Campus Fiber (Zones 1 and 2)	UNM Fiber Zones are aging and in some cases, at least 20 years old. UNM's Research Network has low speed connectivity in some areas since the old fiber can't support faster throughput, which hampers UNM's research activity.	Yes, 2 phases	\$ 2,200,000	STB	100%	0%		X	X	N/A
Information Technologies	6	IT Electrical Upgrades	Electrical Infrastructure: Replace aging infrastructure and provide redundancy in case of power failure for the IT Building	No	\$ 3,300,000	STB	100%	0%			X	N/A
ASUNM / Facilities Management		Solar Panel Installation	To design, purchase and install campus solar panels at the University of New Mexico.	No	\$ 150,000	STB	50%	50%	UNM Facilities Matching up to \$150,000		X	N/A
Parking & Transportation		Johnson Center Parking	Renovation of existing surface parking lot ("A-SHAC") and creation of approximately 20 new pay station parking spaces in the identified adjacent area	No	\$ 500,000	N/A	0%	100%	Parking Capital Funds	X	X	54,000

YEAR 1 TOTAL \$ 58,650,000

YEAR 2 2021 (STB Year)

Provost Office		Learning Environment & Technology Upgrades	Critical safety repairs and technology upgrades in learning environments around the campus	Yes	\$ 3,000,000	STB	100%	0%			X	N/A
VP Research		Research Infrastructure Upgrades	A variety of research facilities that house centers and institutes are aging and need both infrastructure and equipment upgrades	Yes	\$ 2,000,000	STB	100%	0%			X	TBD
Information Technologies		Edge Switch Refresh/Upgrade	Provide network refresh with enhanced capabilities for wireless and VoIP access.	Yes	\$ 3,500,000	STB	100%	0%				N/A
Information Technologies		Main Campus Wide wireless initiative - phase 2	Provide campus wide coverage for Main Campus, including intra building copper cabling and wireless infrastructure. The wireless initiative would be a 3 year effort	Yes, 3 phases	\$ 2,300,000	STB	90%	10%	Minor Capital			N/A
Information Technologies		Classroom Technology Upgrades (Departmentally Scheduled Classrooms) (Request 1 of 2)	Upgrade audio visual systems and computing infrastructure in 50 departmentally scheduled classrooms (out of 100 total).	Yes, 2 phases	\$ 825,000	STB	100%	0%			X	N/A
Facilities Management		Campus Drive Improvements	The roadway is in poor condition and needs to be resurfaced. Increased safety for pedestrians, cyclists, and motorists will be addressed with revised accessibility, signage, parking and lighting conditions to increase safety and awareness through new sidewalks, crosswalks, parking and landscaping.	Yes	\$ 1,402,000	STB	41%	59%	BR&R		X	N/A
Food Service		UNM Dining & Food Services	Venue specific upgrades per Chartwell's Contract	No	\$ 300,000	N/A	0%	100%	Chartwell Capital Funds		X	TBD
Housing Services		UNM Residential Life & Student Housing	UNM Resident Life & Student Housing look to continually improve facilities to best accommodate student needs for those living on campus	No	\$ 1,000,000	N/A	0%	100%	Housing Capital Funds		X	TBD
Parking & Transportation		Campus Blvd Improvement	Renovation of Campus Blvd between Stanford and Girard to create additional parking spaces and enhance the pedestrian experience along the street	No	\$ 434,000	N/A	0%	100%	Parking Capital Funds		X	52,000

YEAR 2 TOTAL \$ 14,761,000

UNM Capital Planning Committee Funding Requests

UNITS Five Year Capital Project Funding Plan

The University of New Mexico

DATE: 4/16/2019

Department making request	Priority Ranking	Project Title	Description	will this project be phased please describe	Total Cost of Project or Phase	STB or GOB	% State Funding Request	% Other Funding Request	Description of Other Funding Source	New Construction	Renovation	Square Footage (GSF)
YEAR 3 2022 (GOB Year)												
College of Fine Arts		College of Fine Arts Renewal & Replacement	Renewal and replacement of College of Fine Arts facilities	Yes	\$ 50,000,000	GOB	100%	0%		X	X	TBD
Information Technologies		Main Campus Wide Wireless Initiative - Phase 3	Provide campus wide coverage for Main Campus, including intra building copper cabling and wireless infrastructure. The wireless initiative would be a 3 year effort	Yes, 3 phases	\$ 2,300,000	STB	90%	10%	Minor Capital			N/A
Facilities Management		UNM Duckpond	Due to safety and maintenance issues the Duck Pond needs to be improved including relocating pump house, new pumps and filters, replace liner, increase depth, replace bridge, replace sides, update accessible path around pond and landscape enhancements.	No	\$ 7,500,000	STB	100%	0%			X	N/A
Food Service		UNM Dining & Food Services	Venue specific upgrades per Chartwell's Contract	No	\$ 300,000	N/A	0%	100%	Chartwell Capital Funds		X	TBD
Housing Services		UNM Residential Life & Student Housing	UNM Resident Life & Student Housing look to continually improve facilities to best accommodate student needs for those living on campus	No	\$ 1,000,000	N/A	0%	100%	Housing Capital Funds		X	TBD

YEAR 3 TOTAL \$ 61,100,000

YEAR 4 2023 (STB Year)												
VP Student Services		Johnson Field Renovation	Complete renovation including irrigation, grading, track, turf and landscape enhancements	No	\$ 3,100,000	STB	100%	0%			X	N/A
Information Technologies		Classroom Technology Upgrades (Departmentally Scheduled Classrooms) (Request 2 of 2)	Upgrade audio visual systems and computing infrastructure in 50 departmentally scheduled classrooms (remaining 50 should funding 2019 request above get funded).	Yes, 2 phases	\$ 825,000	STB	100%	0%			X	N/A
Facilities Management		Las Lomas Road Improvements	The roadway is in poor condition and needs to be resurfaced. Increased safety for pedestrians, cyclists, and motorists will be addressed with revised accessibility, signage, parking and lighting conditions to increase safety and awareness through new sidewalks, crosswalks, parking and landscaping.	No	\$ 1,200,000	STB	67%	33%	BR&R		X	N/A
Food Service		UNM Dining & Food Services	Venue specific upgrades per Chartwell's Contract	No	\$ 300,000	N/A	0%	100%	Chartwell Capital Funds		X	TBD
Housing Services		UNM Residential Life & Student Housing	UNM Resident Life & Student Housing look to continually improve facilities to best accommodate student needs for those living on campus	No	\$ 1,000,000	N/A	0%	100%	Housing Capital Funds		X	TBD

YEAR 4 TOTAL \$ 6,425,000

YEAR 5 2024 (GOB Year)												
Honors College		Honors College Phase I	Honors College expansion	Yes	\$ 50,000,000	GOB	100%	0%				TBD
Information Technologies		Media & Information Technology	Construct a new Information Technologies Center	No	\$ 36,378,000	GOB	100%	0%		X		TBD
Facilities Management		Johnson Field Improvements	The athletic field is due for an updated irrigation system that would include controls capability to address schedules for events and weather providing better coverage and water savings. New lighting, turf and updated walking path to address accessibility plus addition of shade trees are needed.	No	\$ 4,000,000	STB	100%	0%			X	N/A
Facilities Management		Chiller Expansion	Add additional chiller capacity for projected new building expansion.	No	\$ 2,000,000	STB	100%	0%		X		
Facilities Management		Sewer System Upgrades	Civil Infrastructure: Corection of Sanitary and Storm Sewer Systems issues	Yes 2 Phases	\$ 1,000,000	STB	100%	0%			X	

YEAR 5 TOTAL \$ 93,378,000

5 YEAR TOTAL \$ 234,314,000

UNM Capital Planning Committee Funding Requests

UNITS **Five Year** Capital Project Funding Plan

CPLT Subcommittee			Health Sciences Center				DATE:					4/25/2019	
Department making request	Subcommittee Priority #	Project Title	Description	will this project be phased please describe	Total Cost of Project or Phase	STB or GOB	% State Funding Request	% Other Funding Request	Description of Other Funding Source	New Construction	Renovation	Square Footage (GSF)	
YEAR 1		2020 (GOB Year)											
UNM HSC	1	Nursing/Population Health Building	Design, construct and equip a modern, efficient building to house classrooms, wet and dry labs, faculty and staff work spaces.	Yes	\$ 30,000,000	GOB	100%	0%	Other	X		76,808	
UNM HSC	2	Pete and Nancy Domenici Hall Research Facility	Expand essential research facility to bring together more UNM Researchers, educators, clinicians and community members to tackle Alzheimer's, autism, epilepsy, fetal alcohol syndrome, addictions and mental illnesses	Yes	\$ 8,000,000	N/A	0%	100%	50% Federal NIH; 50% HSC Capital Funds	X		16,000	
YEAR 1 TOTAL					\$ 38,000,000								
YEAR 2		2021 (STB Year)											
UNMH	3	Children's Psychiatric Hospital Facility and Program Renewal	Renew the current facility to enable intensive, modern partial hospitalization capabilities on our campus and expand telehealth capabilities to communities outside Albuquerque	No	\$ 25,000,000	GOB	50%	50%	UNMH Capital Funds	X		24,500	
UNM HSC	4	Community-Based Clinic	Similar to North 4th Street and SW Clinics to expand Primary Care Services to the Community to increase access to health care.	No	\$ 6,000,000	N/A		100%	Other			17,000	
UNM HSC	5	Health & Educational Careers Facility and Equipment	Partnering with both UNM Hospitals and Sandoval Regional Medical Center to grow the professional healthcare workforce by coordinating with Central New Mexico Community College, Bernalillo County, Sandoval Health Collaborative, and secondary education institutions in Central New Mexico. The workforce positions needed include Nurse, Physical Therapy, Occupational Therapy to name a few	No	\$ 10,000,000	GF	100%					N/A	
UNM HSC	6	Family Community Medicine Building	Renovate, refurbish, and repurpose the Family Community Medicine Clinic into HSC Academic Space.	No	\$ 4,100,000	STB	100%				X	16,200	
UNM HSC	7	Community-Based Clinic	Similar to North 4th Street and SW Clinics to expand Primary Care Services to the Community to increase access to health care	No	\$ 6,000,000	N/A		100%	Other			17,000	
YEAR 2 TOTAL					\$ 51,100,000								
YEAR 3		2022 (GOB Year)											
UNM HSC	8	Adult Behavioral Health Facility	Design, construct and equip a modern adult behavioral health medical facility to completely replace the current structure.	No	\$ 30,000,000	N/A		100%	50% BernCo and 50% UNMH Capital			60,000	
UNM HSC	9	Brain and Behavioral Health Institute Phase I of III	Construct an addition to Domenici Hall to study and treat brain disorders such as Alzheimer's, autism, epilepsy, fetal alcohol syndrome, mental illness, stroke and trauma.	Yes 1 of 3 phases	\$ 11,020,000	GOB	50%	50%	Other			23,200	
UNM HSC	10	UNM HSC West Health Care Education Building	This is an intensive science education laboratory building to meet the health care needs of New Mexico, the UNM Health Sciences Center will be expanding healthcare workforce degree offerings on the UNMHSC West Campus	No	\$ 16,000,000	STB	50%	50%	Sandoval County Higher Education GRT	X		35,000	
UNM HSC	11	Child and Elder Care Facility	This facility is highly valued by UNM Faculty and Staff who cover 24-hour operations at the Clinical facilities of the Health System. It may be located in the backfill space at the old hospital.	No	\$ 35,000,000	GOB	50%	50%	Other			N/A	
UNM HSC	12	Low Cost HSC Graduate Student Housing	Provide close proximity and affordable housing for students in the health professions due to their challenging schedules	No	TBD	N/A		100%	Public/Private Partnership	X		TBD	
UNM HSC	13	Health & Educational Careers Facility and Equipment	Partnering with both UNM Hospitals and Sandoval Regional Medical Center to grow the professional healthcare workforce by coordinating with Central New Mexico Community College, Bernalillo County, Sandoval Health Collaborative, and secondary education institutions in Central New Mexico. The workforce positions needed include Nurse, Physical Therapy, Occupational Therapy to name a few.	No	\$ 10,000,000	GF	100%					N/A	
YEAR 3 TOTAL					\$ 72,020,000								

UNM Capital Planning Committee Funding Requests

UNITS Five Year Capital Project Funding Plan

CPLT Subcommittee			Health Sciences Center			DATE:					4/25/2019		
Department making request	Subcommittee Priority #	Project Title	Description	will this project be phased please describe	Total Cost of Project or Phase	STB or GOB	% State Funding Request	% Other Funding Request	Description of Other Funding Source	New Construction	Renovation	Square Footage (GSF)	
YEAR 4		2023 (STB Year)											
UNM HSC	14	Hospital Towers Phase II	Modern Medical facility will be highly functional and adequately sized, will include Adult & Child Psych. Phase II	Yes 2 of 3 phases	\$ 200,000,000	N/A		100%	Other	X		TBD	
UNM HSC	15	Community-Based Clinic	Similar to North 4th Street and SW Clinics to expand Primary Care Services to the Community to increase access to health care	No	\$ 6,000,000	N/A		100%	Other				
UNM HSC	16	Renovate existing Nursing/Pharmacy Building	This building is 41 years old and building systems are failing on a weekly basis. To continue to maintain is becoming cost prohibitive. Renovation will include wet and dry labs and faculty and staff offices.	No	\$ 43,816,000	STB	100%			X		96,300	
YEAR 4 TOTAL					\$ 249,816,000								
YEAR 5		2024 (GOB Year)											
UNM HSC	17	Brain and Behavioral Health Institute Phase II of III	Construct an addition to Domenici Hall to study and treat brain disorders such as Alzheimer's, autism, epilepsy, fetal alcohol syndrome, mental illness, stroke and trauma.	Yes 2 of 3 phases	\$ 5,510,000	N/A		100%	Other			11,600	
YEAR 5 TOTAL					\$ 5,510,000								
YEAR 6		2025 (STB Year)											
UNM HSC	18	Hospital Towers Phase III	Modern Medical facility will be highly functional and adequately sized, will include Adult & Child Psych. Phase III	Yes 3 of 3 Phases	\$ 200,000,000	N/A		100%	Other	X		TBD	
UNM HSC	19	Health & Educational Careers Facility and Equipment	Partnering with both UNM Hospitals and Sandoval Regional Medical Center to grow the professional healthcare workforce by coordinating with Central New Mexico Community College, Bernalillo County, Sandoval Health Collaborative, and secondary education institutions in Central New Mexico. The workforce positions needed include Nurse, Physical Therapy, Occupational Therapy to name a few.	No	\$ 10,000,000	GF	100%					N/A	
YEAR 6 TOTAL					\$ 210,000,000								
YEAR 7		2026 (GOB Year)											
UNM HSC	20	Re-purpose, remodel old UNM Hospital for teaching/faculty offices	Some of the 1954, 1966 and 1977 in-patient and operating facilities, can be renovated to provide intermediate behavioral health services, teaching and research space for patients, faculty, students and staff	No	\$ 25,000,000	GOB	100%				X	TBD	
YEAR 7 TOTAL					\$ 25,000,000								

5 YEAR TOTAL \$ 416,446,000

7 YEAR TOTAL \$ 651,446,000

UNM Capital Planning Committee Funding Requests

UNITS Five Year Capital Project Funding Plan

			UNM - Gallup Branch		DATE:					4/16/2019		
Department making request	Subcommittee Priority #	Project Title	Description	will this project be phased please describe	Total Cost of Project or Phase	STB or GOB	% State Funding Request	% Other Funding Request	Description of Other Funding Source	New Construction	Renovation	Square Footage (GSF)
UNM-G	1	Center for Career Technologies Education	Planning, design, construct and equip a facility to house Career Technology Education programs. This building will have the flexibility to house a mechanical industrial technology program, technical allied health green technology programs, and other workforce training efforts	No	\$ 8,000,000	GOB	75%	25%	Local funds	X		13,000
UNM-G	2	Facility Repair and Renewal	Repair existing facilities and necessary upgrades to achieve peak energy efficiency and appropriate safe educational environments that building Renewal and Repair isn't enough to complete	No	\$ 1,300,000	STB	75%	25%	Local funds		X	N/A
UNM-G	3	Career Education Building	Renovate Career Education building	No	\$ 3,800,000	GOB	75%	25%	Local funds	X		5,600
UNM-G	4	Facility Repair and Renewal	Repair existing facilities and necessary upgrades to achieve peak energy efficiency and appropriate safe educational environments that building Renewal and Repair isn't enough to complete	No	\$ 2,500,000	STB	75%	25%	Local funds		X	N/A

GALLUP TOTAL \$ 15,600,000

UNM Capital Planning Committee Funding Requests

UNITS Five Year Capital Project Funding Plan												
UNM- Los Alamos					DATE: 1/23/2019							
Department making request	Funding Priority #	Project Title	Description	will this project be phased please describe	Total Cost of Project or Phase	STB or GOB	% State Funding Request	% Other Funding Request	Description of Other Funding Source	New Construction	Renovation	Square Footage (GSF)
UNM-LA	1	Workforce Development/CTE Classroom Renovations	Renew, replace, and upgrade space dedicated to Workforce Development /Career Technical Education programs, including classrooms and related STEM labs, to address the current workforce needs in Los Alamos. Upgrade existing space in Building 8, along with existing classrooms in buildings 3, 5 and 7. The project will also add cooling capability to Building 8 and ADA restrooms to Buildings 3 and 5.	No	\$ 2,500,000	GOB	75%	25%	local tax funds		X	11,400
UNM-LA	2	Building 7 Renovations	Renew, replace and upgrade existing space in Building 7 which houses the UNM-LA library upstairs and the Adult Basic Education, SBDC, and Community Education offices and classrooms downstairs. Project will complete a comprehensive testing center, improve space utilization across campus, and resolve heating and cooling issues in the library.	No	\$ 300,000	STB	75%	25%	local tax funds		X	18,500
UNM-LA	3	Design and upgrade campus open space	Create and implement a master design for the open space on campus, including the parking area owned by UNM-LA.	No	\$ 2,500,000	STB	75%	25%	local tax funds		X	20,000 central campus, 17,000 parking area

LOS ALAMOS TOTAL \$ 5,300,000

UNM Capital Planning Committee Funding Requests

UNITS Five Year Capital Project Funding Plan

		UNM-Taos			DATE: 4/4/2019							
Department making request	Subcommittee Priority #	Project Title	Description	will this project be phased please describe	Total Cost of Project or Phase	STB or GOB	% State Funding Request	% Other Funding Request	Description of Other Funding Source	New Construction	Renovation	Square Footage (GSF)
UNM-Taos	1	Career Tech Addition	Engineer, design, construct, equip and furnish an addition to Fred Peralta Hall for Career technologies class/labs and technical vocational education with facility upgrades to the existing building	No	\$ 4,800,000	GOB	75%	25%	local tax funds	x	x	5,000 addition + 12,000 upgrades
UNM-Taos	2	Security and Safety Improvements-Klauer Campus	Engineer, design and construct fire and safety circulation roadways infrastructure, utility feeds and accessible parking to complete loop around campus	No	\$ 3,000,000	STB	75%	25%	local tax funds	x	x	Site Improvements
UNM-Taos	3	Infrastructure Improvements	Engineer, design and construct utility infrastructure (water reservoir and electrical backup) for Klauer Campus	No	\$ 1,500,000	STB	75%	25%	local tax funds	x	x	Site Improvements
UNM-Taos	4	Physical Plant, Security & IT Building	Plan, design, construct, equip and furnish Campus IT, Securities and Physical Plant building replaces portables and temporary storage.	No	\$ 4,000,000	GOB	75%	25%	local tax funds	x		5,000 + Site Improvements and Storage
UNM-Taos	5	Pueblo Hall Envelope & HVAC repairs	Engineer, design and construct envelope and systems improvements including repair, replace and upgrade HVAC units, roofs, openings, stucco and remodel interior spaces of existing building older than 10 years	No	\$ 1,750,000	STB	75%	25%	local tax funds		x	18000 upgrades
UNM-Taos	6	Facility Safety and Infrastructure Upgrades and Renovations Campus Wide	Engineer, design and construct facilities safety infrastructure upgrades at UNM Taos	No	\$ 3,000,000	STB	75%	25%	local tax funds		x	Upgrades

TAOS TOTAL \$ 18,050,000

UNM Capital Planning Committee Funding Requests

UNITS Five Year Capital Project Funding Plan

CPLT Subcommittee		UNM - Valencia Branch				DATE:				1/24/2019		
Department making request	Subcommittee Priority #	Project Title	Description	will this project be phased please describe	Total Cost of Project or Phase	STB or GOB	% State Funding Request	% Other Funding Request	Description of Other Funding Source	New Construction	Renovation	Square Footage (GSF)
UNM-V	1	Westside Expansion	Project will provide a facility to meet service demands on the county's west side. The Development will include 3 general classrooms, 3 computer classrooms/labs, a Library/Learning Center, Admin/Faculty Offices and a Student Commons Area	No	\$ 7,000,000	N/A	0%	100%	Local funds	X		18,000
UNM-V	2	Fire Safety Improvements	Project will include the installation of fire suppression sprinklers in Business and Technology, Administration, PPD, Student Center, including associated infrastructure and alarm components	No	\$ 2,400,000	GOB	75%	25%	Local funds		X	N/A
UNM-V	3	Site and Facility Renewal/Remodeling	Classroom and office remodeling and site renewal updates	No	\$ 750,000	N/A	0%	100%	Local funds		X	N/A
UNM-V	4	Sustainability Improvements	Replace high water use plumbing fixtures /Install building integrated photovoltaic (BIPV) solar modules at existing facilities	No	\$ 1,500,000	N/A	0%	100%	Local funds		X	N/A
UNM-V	5	Student Center Facility Renewal/Remodeling	Student Union Remodel	No	\$ 1,200,000	N/A	0%	100%	Local funds		X	N/A

VALENCIA TOTAL \$ 12,850,000



Winrock Land Sale Endowment

In November 2001, the University of New Mexico Board of Regents established the Winrock Land Sale Endowment with \$25 million in proceeds from the sale of the Winrock Shopping Center property.

The Winrock Land Sale Endowment is a “quasi endowment” which is co-invested along with other University and UNM Foundation endowments in the Consolidated Investment Fund. The endowment corpus and any annual spending distributions from the endowment to the University may be used at the Regents’ discretion.

The University has historically designated the monies to national merit scholarships, need-based financial aid, faculty retention, graduate fellowships and travel grants, capital improvements. To date, over \$18 million has been distributed from the endowment for these programs.

The market value of the Winrock Land Sale Endowment within the Consolidated Investment Fund (CIF) as of December 31, 2018 was \$27,562,167

CIF Investment Performance:	1-Year	-3.3%
	3-Year	5.7%
	10-Year	7.3%

Spending Distributions:	2013/14	\$1,042,774
	2014/15	\$1,094,630
	2015/16	\$1,115,644
	2016/17	\$1,019,950
	2017/18	\$1,024,422
	2018/19	\$1,027,828



Regents' Endowment

In June 1983, the University of New Mexico Board of Regents established the Regents Endowment with \$622,315. An additional \$9,884,518 was added to the endowment from the sale of University land in fiscal years:

1985/86: \$1,332,640
 1987/88: \$1,400,000
 1988/89: \$1,723,724
 1989/90: \$1,928,154
 1990/91: \$3,500,000

In 2006, the University of New Mexico Board of Regents sold the University's Mesa Del Sol property for \$8,045,923 and deposited the proceeds in the Regents Endowment.

The Regents Endowment is a "quasi endowment" which is co-invested along with other University and UNM Foundation endowments in the Consolidated Investment Fund. The endowment corpus and any annual spending distributions from the endowment to the University may be used at its discretion.

The Board of Regents initially designated the monies for recruitment and retention of outstanding faculty, student merit-based scholarship programs and to develop University owned real estate. In 2005, the Board of Regents approved Regents' Policy 7.19 that expanded the use of monies. The University has historically designated the monies to scholarships, professorships, lectureships, fellowships, study abroad programs, minority faculty hiring, the President's Advancement Fund, and tuition assistance programs.

The market value of the Regents Endowment within the Consolidated Investment Fund (CIF) as of December 31, 2018 was \$25,195,522.

CIF Investment Performance:	1-Year	-3.3%
	3-Year	5.7%
	10-Year	7.3%

Spending Distributions:	2014/15	\$1,069,742
	2015/16	\$1,090,803
	2016/17	\$959,775
	2017/18	\$964,646
	2018/19	\$902,789

Withdrawals from Corpus:	2005/06	\$2,000,000 ASM Student Investment
	2005/06	\$1,888,233 Purchase Properties
	2008/09	\$880,525 Regents Scholarship
	2012/13	\$1,100,000 Baseball Field
	2014/15	\$761,918 Innovate ABQ
	2016/17	\$1,000,000 UNM Branding Campaign
	2017/18	\$814,207 UNM Athletics Funding
	2018/19	\$798,039 UNM Athletics Funding



Hugh B. and Helen K. Woodward Endowment

In 1982, the University of New Mexico Board of Regents established the Hugh B. and Helen K. Woodward Endowment to receive and manage distributions to the University from the Woodward Trust.

The University receives 45% of the annual net income from the Woodward Trust administered by the Sandia Foundation, a Hugh and Helen Woodward Charity, in accordance with the will of Hugh B. Woodward. These annual distributions (approximately \$1.35 million annually) from the Sandia Foundation are deposited in the Hugh B. and Helen K. Woodward Endowment.

The Hugh B. and Helen K. Woodward Endowment is co-invested along with other University and UNM Foundation endowments in the Consolidated Investment Fund

The Last Will and Testament of Mr. Woodward stated:

It is my hope and wish, but I do not require, that a substantial portion of the annual net income shall be used by the Regents of the University of New Mexico: (1) to financially assist deserving students to begin and complete their college education, (2) to establish and maintain scholastic awards, grants scholarships and prizes to be conferred upon individual students, including students in the School of Law and the School of Medicine, when established, in recognition of achievement and usefulness to said university and to its student body, and (3) to supplement regular salaries of the Dean of the School of Law and any deserving full professor of said school and the Dean of the School of Medicine and any deserving full professor of said school devoting full time to his professional employment. No more than Six Thousand Dollars (\$6,000.00) of the moneys passing to the Regents of the University of New Mexico annually shall be utilized to supplement the salaries as provided in subpart (3) of this paragraph.

The market value of the Hugh B. and Helen K. Woodward Endowment within the Consolidated Investment Fund (CIF) as of December 31, 2018 was \$50,226,297.

CIF Investment Performance:	1-Year	-3.3%
	3-Year	5.7%
	10-Year	7.3%

Spending Distributions:	2014/15	\$1,997,690
	2015/16	\$2,124,491
	2016/17	\$2,053,266
	2017/18	\$2,146,914
	2018/19	\$2,304,505

The FY2018/19 endowment distribution will be used for Regents' Merit Scholarships, presidential scholarships, UNM Scholars and national merit scholarships.

**THE UNIVERSITY OF NEW MEXICO
MR. AND MRS. HUGH B. AND HELEN K. WOODWARD ENDOWMENT
FUNDED BY THE SANDIA FOUNDATION**

	2014-15	2015-16	2016-17	2017-18	2018-19
<u>PRINCIPAL/CORPUS</u>					
BEGINNING MARKET VALUE, JULY 1:	\$ 46,217,372	\$ 46,457,996	\$ 45,215,313	\$ 49,673,486	\$ 52,920,539
ADDITIONS	1,800,000	1,613,250	1,343,250	1,342,350	697,500
INVESTMENT EARNINGS	438,314	(731,442)	5,168,189	4,051,617	(2,282,789) (1)
DEVELOPMENT FUNDING ALLOCATION	-	-	-	-	- (3)
SPENDING DISTRIBUTION	(1,997,690)	(2,124,491)	(2,053,266)	(2,146,914)	(1,108,953) (2)
ENDING MARKET VALUE, JUNE, 30:	<u>\$ 46,457,996</u>	<u>\$ 45,215,313</u>	<u>\$ 49,673,486</u>	<u>\$ 52,920,539</u>	<u>\$ 50,226,297</u>

(1) FY 2018-19 Net Investment Earnings:

Represents the actual net investment earnings through December 31, 2018. Net investment earnings for the period of July 1, 2018, through December 31, 2018, were -4.4%, net of manager fees.

(2) FY 2018-19 Spending Distribution:

Represents the quarterly spending distributions from July 1, 2018, through December 31, 2018.

(3) FY 2018-19 Development Funding Allocation:

The Development Funding Allocation is not assessed on the Woodward endowment.

**THE UNIVERSITY OF NEW MEXICO
WINROCK LAND SALE ENDOWMENT**

	2014-15	2015-16	2016-17	2017-18	2018-19
<u>PRINCIPAL/CORPUS</u>					
BEGINNING MARKET VALUE, JULY 1:	\$ 30,541,208	\$ 29,296,021	\$ 27,250,676	\$ 28,795,783	\$ 29,599,838
ADDITIONS	-	-	-	-	-
INVESTMENT EARNINGS	284,506	(476,523)	3,070,192	2,332,402	(1,265,868) (1)
DEVELOPMENT FUNDING ALLOCATION	(435,063)	(453,178)	(505,135)	(503,924)	(251,203)
SPENDING DISTRIBUTION	(1,094,630)	(1,115,644)	(1,019,950)	(1,024,422)	(520,601) (2)
ENDING MARKET VALUE, JUNE, 30:	<u>\$ 29,296,021</u>	<u>\$ 27,250,676</u>	<u>\$ 28,795,783</u>	<u>\$ 29,599,838</u>	<u>\$ 27,562,167</u>

(1) FY 2018-19 Net Investment Earnings:	Represents the actual net investment earnings through December 31, 2018. Net investment earnings for the period of July 1, 2018, through December 31, 2018, were -4.4%, net of manager fees.
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(2) FY 2018-19 Spending Distribution:	Represents the quarterly spending distributions from July 1, 2018, through December 31, 2018.
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**THE UNIVERSITY OF NEW MEXICO
REGENTS' ENDOWMENT**

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
<u>PRINCIPAL/CORPUS</u>														
BEGINNING MARKET VALUE, JULY 1:	\$ 26,548,336	\$ 32,325,235	\$ 36,674,360	\$ 35,018,525	\$ 25,165,952	\$ 25,889,070	\$ 28,836,764	\$ 27,249,619	\$ 27,508,609	\$ 30,639,864	\$ 28,643,719	\$ 26,643,915	\$ 27,115,507	\$ 27,058,228
ADDITIONS:														
MESA DEL SOL PROPERTY SALE	8,045,923	-	-	-	-	-	-	-	-	-	-	-	-	-
INNOVATE ABQ REPAYMENT	-	-	-	-	-	-	-	-	-	2,038,082	-	-	-	-
WITHDRAWALS:														
ASM STUDENT INVESTMENT PROGRAM	(2,000,000)	-	-	-	-	-	-	-	-	-	-	-	-	-
INNOVATE ABQ	-	-	-	-	-	-	-	-	-	(2,800,000)	-	-	-	-
GIBSON/MULBERRY PROPERTY PURCHASE	(1,645,435)	-	-	-	-	-	-	-	-	-	-	-	-	-
2811 CAMPUS PROPERTY PURCHASE	(242,798)	-	-	-	-	-	-	-	-	-	-	-	-	-
SCHOLARSHIP FUNDING	-	-	-	(880,525)	-	-	-	-	-	-	-	-	-	-
BASEBALL FIELD CAPITAL PROJECT	-	-	-	-	-	-	-	(1,100,000)	-	-	-	-	-	-
UNM BRANDING CAMPAIGN	-	-	-	-	-	-	-	-	-	-	-	(1,000,000)	-	-
UNM ATHLETICS FUNDING	-	-	-	-	-	-	-	-	-	-	-	-	(814,207)	-
INVESTMENT EARNINGS	2,789,695	6,123,941	284,643	(7,060,716)	2,659,659	4,759,412	101,609	2,917,311	4,579,187	256,330	(465,913)	\$2,908,314	\$2,193,801 (1)	-\$1,157,173
DEVELOPMENT FUNDING ALLOCATION		(329,734)	(398,416)	(335,326)	(505,476)	(507,115)	(508,986)	(502,354)	(401,790)	(420,815)	(443,088)	(476,947)	(472,228)	(229,634)
SPENDING DISTRIBUTION	(1,170,486)	(1,445,081)	(1,542,062)	(1,576,006)	(1,431,065)	(1,304,603)	(1,179,768)	(1,055,967)	(1,046,142)	(1,069,742)	(1,090,803)	(959,775)	(964,646) (2)	(475,899)
ENDING MARKET VALUE, JUNE 30:	<u>\$ 32,325,235</u>	<u>\$ 36,674,360</u>	<u>\$ 35,018,525</u>	<u>\$ 25,165,952</u>	<u>\$ 25,889,070</u>	<u>\$ 28,836,764</u>	<u>\$ 27,249,619</u>	<u>\$ 27,508,609</u>	<u>\$ 30,639,864</u>	<u>\$ 28,643,719</u>	<u>\$ 26,643,915</u>	<u>\$ 27,115,507</u>	<u>\$ 27,058,228 (4)</u>	<u>\$ 25,195,522</u>

(1) FY 2018-19 Net Investment Earnings: Represents the actual net investment earnings through December 31, 2018. Net investment earnings for the period of July 1, 2018, through December 31, 2018, were -4.4%, net of management fees.

(2) FY 2018-19 Spending Distribution: Represents the quarterly spending distributions from July 1, 2018, through December 31, 2018.

(3) FY08-09 Withdrawal for scholarship funding: \$1,000,000 was authorized to be withdrawn from the Regents' Endowment for FY08-09 scholarship funding. Of the authorized \$1,000,000, \$880,525 was withdrawn from the endowment.

(4) Mesa Del Sol Property Sale: The Regents' Endowment includes proceeds from the "Mesa del Sol" property sale. Total proceeds of this sale were \$8,045,923 and the proceeds were added to the Regents' endowment in June of 2006. The Mesa del Sol contribution is not tracked separately, but an estimated value based on net investment earnings, spending distributions, withdrawals, and development funding allocations for the Regents' Endowment since that time, is \$4,507,102.

THE UNIVERSITY OF NEW MEXICO
REGENTS' ENDOWMENT - MESA DEL SOL ADDITION

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
<u>PRINCIPAL/CORPUS</u>														
BEGINNING MARKET VALUE, JULY 1:	\$ -	\$ 8,045,923	\$ 9,128,444	\$ 8,716,297	\$ 6,483,107	\$ 6,669,392	\$ 7,428,760	\$ 7,019,889	\$ 6,227,564	\$ 6,936,437	\$ 6,686,409	\$ 6,219,587	\$ 5,519,116	\$ 4,840,312
ADDITIONS:														
MESA DEL SOL PROPERTY SALE	8,045,923	-	-	-	-	-	-	-	-	-	-	-	-	-
INNOVATE ABQ REPAYMENT	-	-	-	-	-	-	-	-	-	2,038,082	-	-	-	-
WITHDRAWALS:														
MERIT-BASED SCHOLARSHIPS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
INNOVATE ABQ	-	-	-	-	-	-	-	-	-	(2,000,000)	-	-	-	-
GIBSON/MULBERRY PROPERTY PURCHAS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2811 CAMPUS PROPERTY PURCHASE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BASEBALL FIELD CAPITAL PROJECT	-	-	-	-	-	-	-	(1,100,000)	-	-	-	-	-	-
UNM BRANDING CAMPAIGN	-	-	-	-	-	-	-	-	-	-	-	(1,000,000)	-	-
UNM ATHLETICS FUNDING	-	-	-	-	-	-	-	-	-	-	-	-	(814,207)	-
INVESTMENT EARNINGS	-	1,524,281	70,849	(1,757,450)	685,166	1,226,092	26,176	660,479	1,036,664	59,836	(108,760)	591,961	392,438	(207,001) (1)
DEVELOPMENT FUNDING ALLOCATION	-	(82,073)	(99,168)	(83,464)	(130,218)	(130,640)	(131,122)	(113,733)	(90,960)	(98,232)	(103,432)	(97,078)	(84,474)	(41,078)
SPENDING DISTRIBUTION	-	(359,688)	(383,827)	(392,276)	(368,663)	(336,084)	(303,925)	(239,071)	(236,832)	(249,714)	(254,630)	(195,354)	(172,561)	(85,131) (2)
ENDING MARKET VALUE, JUNE 30:	<u>\$ 8,045,923</u>	<u>\$ 9,128,444</u>	<u>\$ 8,716,297</u>	<u>\$ 6,483,107</u>	<u>\$ 6,669,392</u>	<u>\$ 7,428,760</u>	<u>\$ 7,019,889</u>	<u>\$ 6,227,564</u>	<u>\$ 6,936,437</u>	<u>\$ 6,686,409</u>	<u>\$ 6,219,587</u>	<u>\$ 5,519,116</u>	<u>\$ 4,840,312</u>	<u>\$ 4,507,102 (4)</u>

(1) FY 2018-19 Net Investment Earnings:	Represents the actual net investment earnings through December 31, 2018. Net investment earnings for the period of July 1, 2018, through December 31, 2018, were -4.4%, net of manager fees.
(2) FY 2018-19 Spending Distribution:	Represents the quarterly spending distributions from July 1, 2018, through December 31, 2018.
(4) Mesa Del Sol Property Sale:	The Regents' Endowment includes proceeds from the "Mesa del Sol" property sale. Total proceeds of this sale were \$8,045,923 and the proceeds were added to the Regents' endowment in June of 2006. The Mesa del Sol contribution is not tracked separately, but an estimated value based on net investment earnings, spending distributions, withdrawals, and development funding allocations for the Regents' Endowment since that time, is \$4,507,102.



Health Sciences

**Budget Adjustment Request
Fiscal Year 2018-2019**

UNM HSC Budget Adjustment Request (BAR)

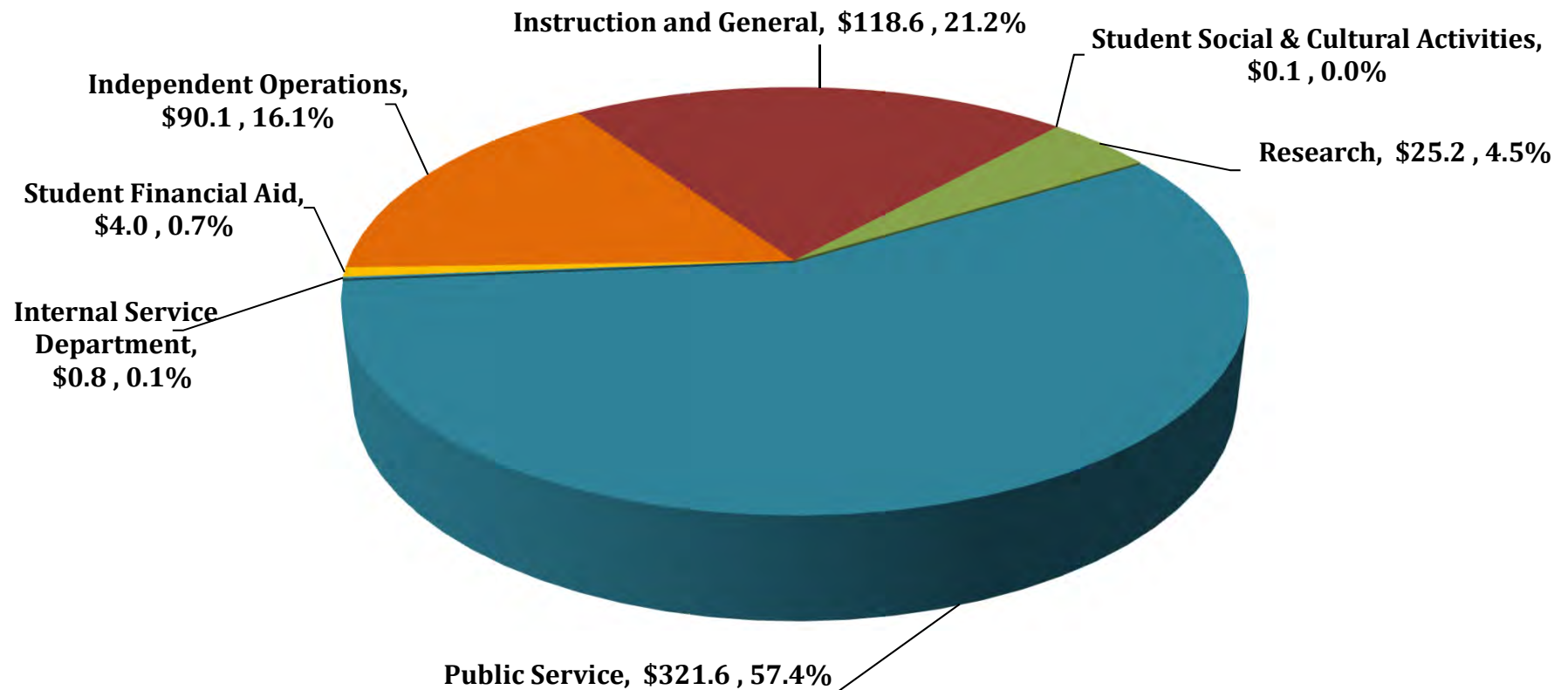
- The FY 2019 Original Operating and Capital Budget was submitted to HED on June 1, 2018.
- The University is required to submit a Final Revised Budget to the HED by May 1, 2019.
- Must not exceed budget authority by exhibit --- 5.3.4.10 NMAC

Note: Included in your ebook materials is the FY19 BAR booklet that provides more details about the changes

UNM HSC Expenditures – by Program

FY 2019 Revised Budget

(In millions)



Total Budgeted Expenditures \$560,350,856
0.5% Increase over FY 2019 Original Budget

UNM HSC Academic Enterprise Year-End Changes

- **\$2.9M Increase** in Expenditure authority for FY 2019
This increase is primarily due to the following:
 - **\$2.9M** represents 0.5% of the \$557.4M Original Total Unrestricted expense
 - **Public Service** expense increased primarily due Health System flow through activity.
 - **Independent Operations** increased due to Carrie Tingley Hospital.
- **\$5.7M Increase** in Revenue including Transfers to offset expense

UNM Hospitals

Year-End Changes

- **\$68.5M Net Increase** in Revenue due to \$46.1M increase in patient volumes with increases in reimbursement from Medicaid and revenue cycle operational improvements. There is also an increase of \$15.3M associated with expansion of specialty pharmacy.
 - This represents 6.3% of the \$1.09 billion original total budgeted revenue
- **\$64.5M Net Increase** in Expense due to increased volumes and patient care costs as well as increases in employee compensation.
 - This represents 5.9% of the \$1.09 billion original total budgeted expense

Requesting Approval of the
Fiscal 2018-2019 UNM HSC
Budget Adjustment Request (BAR)



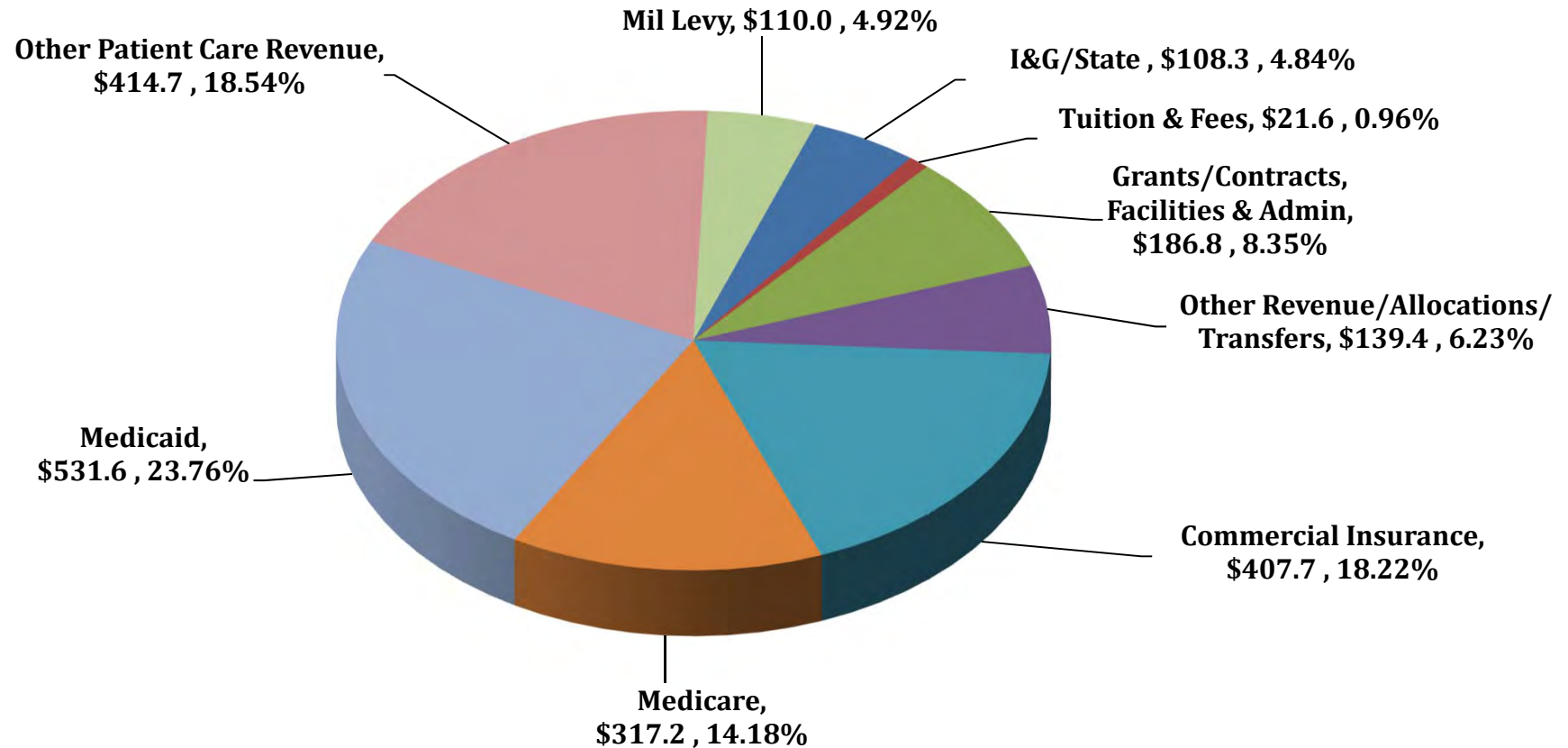
Health Sciences

FY 2020 Budget Approval

UNM HSC All Components - Revenues

FY 2020 Budget

(In millions)



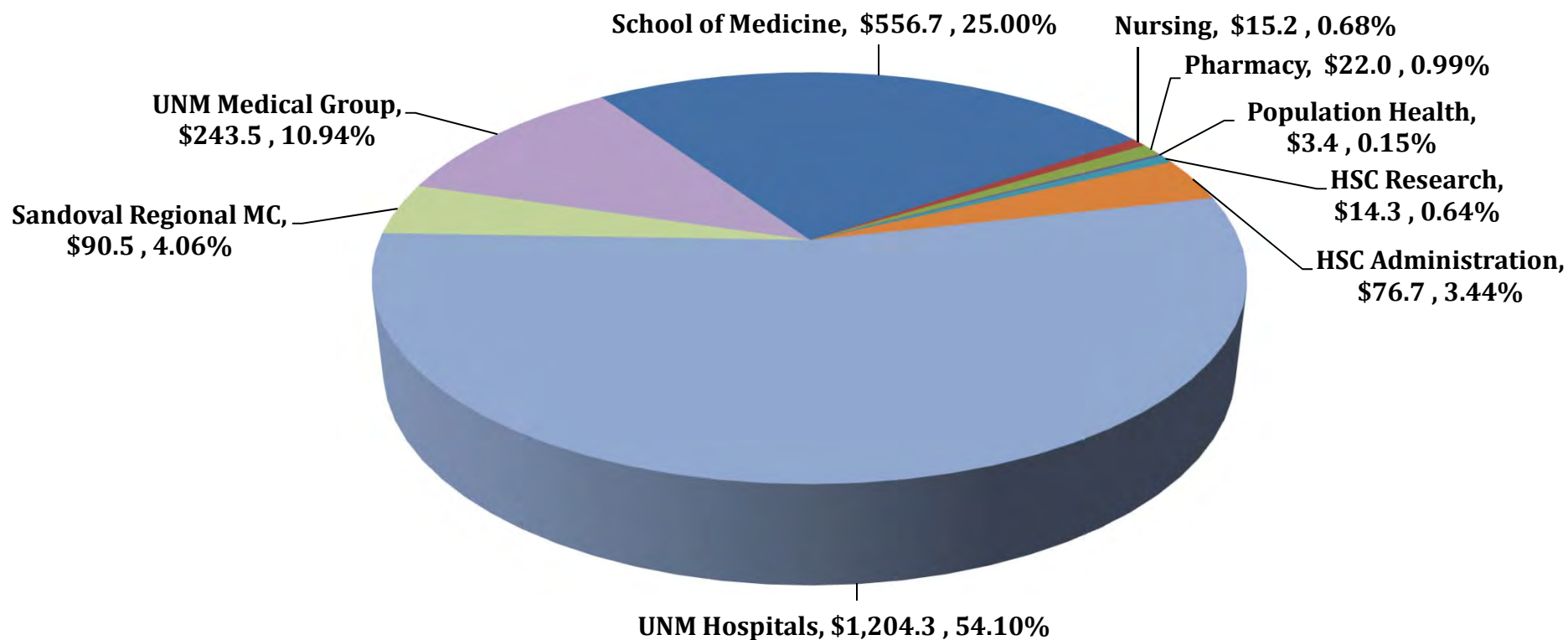
Note: Includes UNM HSC Academic Enterprise and UNM Health System

**Total Budgeted Revenues \$2,237,372,425
9.6% Increase over FY 2019**

UNM HSC All Components - Expenditures

FY 2020 Budget

(In millions)



Note: Includes UNM HSC Academic Enterprise and UNM Health System

Total Budgeted Expenditures \$2,226,505,425
9.1% Increase over FY 2019 Original Budget

UNM HSC Academic Enterprise

Comparative Analysis: Current Year - Next Year
(In thousands)

Total HSC Academic	FY 2019 Original Budget	FY 2019 Revised Budget	FY 2020 Original Budget	Percent Change 2019-20
Revenues	\$660,661	\$653,352	\$689,780	5.6%
Expenses	660,621	649,813	688,232	5.9%
Net Margin	\$40	\$3,539	\$1,548	

- *Revenue increase: 3.1% increase in base tuition for all Non-SOM programs and an overall I&G State funding increase of 6.7%*
- *Expense increase: 3.0% across-the-board compensation increase and approved additional increases of up to 2.0% based upon merit*

UNM HSC Academic Enterprise

FY 2020 Budget
(In thousands)

	School of Medicine	College of Nursing	College of Pharmacy	College of Population Health	Research & General Admin.	HSC Academic Enterprise FY20 Total
Revenues	\$558,248	\$15,316	\$21,802	\$3,418	\$90,996	\$689,780
Expenses	556,669	15,162	21,956	3,432	91,013	\$688,232
Net Margin	\$1,579	\$154	(\$154)	(\$14)	(\$17)	\$1,548

UNM Hospitals

Comparative Analysis: Current Year - Next Year
(In thousands)

	FY 2019 Original Budget	FY 2019 Revised Budget	FY 2020 Original Budget	Percent Change 2019-20
Revenues	\$1,090,730	\$1,158,737	\$1,208,692	4.3%
Expenses	1,090,727	1,154,756	1,204,303	4.3%
Net Margin	\$3	\$3,981	\$4,389	

- *Net revenue increase of \$16.5 million driven by revenue cycle, operational improvements and volume increases after netting MCO rate reductions*
- *Expense increase to match increased volume, market compensation and inflationary increases*
- *\$21.5 million of Gross Receipts Tax budgeted in both revenue and expense.*

UNM Medical Group

Comparative Analysis: Current Year - Next Year
(In thousands)

	FY 2019 Original Budget	FY 2019 Revised Budget	FY 2020 Original Budget	Percent Change 2019-20
Revenues	\$211,823	\$210,890	\$248,389	17.8%
Expenses	211,709	209,939	243,487	16.0%
Net Margin	\$114	\$951	\$4,902	

- *Revenue increases are driven by 3.7% overall increase in wRVUs and new Upper Payment Limit (UPL) program*
- *Expense increase to match increased volume, market compensation and inflationary supply costs; offset by Huron operational efficiencies*

UNM Sandoval Regional Medical Center

Comparative Analysis: Current Year - Next Year
(In thousands)

	FY 2019 Original Budget	FY 2019 Revised Budget	FY 2020 Original Budget	Percent Change 2019-20
Revenues	\$78,534	\$81,972	\$90,511	10.4%
Expenses	78,519	81,923	90,483	10.4%
Net Margin	\$16	\$49	\$28	

- *Revenue increase is driven by greater volume, revenue cycle efficiencies and the addition of the Sandoval County Mil Levy*
- *Expense increase for the new Trauma and Behavioral Health programs, market compensation and inflationary supply costs*

UNM Health System

FY 2020 Budget
(In thousands)

	UNM Hospitals	UNM Medical Group	UNM Sandoval Regional Medical Center	UNM Health System 6/30/2020 Total
Revenues	\$1,208,692	\$248,389	\$90,511	\$1,547,592
Expenses	1,204,303	243,487	90,483	1,538,273
Net Margin	\$4,389	\$4,902	\$28	\$9,319

UNM Health Sciences Center

FY 2020 Budget
(In thousands)

	HSC Academic Enterprise	UNM Health System	HSC Total
Revenues	\$689,780	\$1,547,592	\$2,237,372
Expenses	688,232	1,538,273	2,226,505
Net Margin	\$1,548	\$9,319	\$10,867

Requesting Approval of the Fiscal Year 2019-2020 UNM HSC Budget





New Mexico Department of Higher Education

2018 Summer Hearing - Five Year Capital Project Funding Plan

INSTITUTION:				The University of New Mexico - HSC						DATE:							3/20/2018		
Institution acronym	FY20 Funding Priority #	Overall Funding Priority #	Project Title	Description	Year Project Funding will be requested	Month/Year Project to be started	Month/Year Project to be completed	Full Project	Phase	Cost of Project or Phase	GOB	STB	Other	Percent of GOB or STB	Percent of Other Funding Source	Description of Other Funding Source	New Construction	Renovation	Square Footage (GSF)
UNM HSC	1		Nursing/Population Health Building	Design, construct and equip a modern, efficient building to house classrooms, wet and dry labs, faculty and staff work spaces.	2020	Jul-20	Jun-22		X	\$ 30,000,000	X	X		100%			X		76,808
UNMH	2		Children’s Psychiatric Hospital Facility and Program Renewal	Renew the current facility to enable intensive, modern partial hospitalization capabilities on our campus and expand telehealth capabilities to communities outside Albuquerque	2020	May-21	Apr-23			\$ 14,600,000	X	X		48%	52%	UNMH Capital Funds	X		24,500
UNM HSC	3		Pete and Nancy Domenici Hall Research Facility	Expand essential research facility to bring together more UNM Researchers, educators, clinicians and community members to tackle Alzheimer's, autism, epilepsy, fetal alcohol syndrome, addictions and mental illnesses	2020	Jan-21	Dec-22		X	\$ 8,000,000			X		50% Federal NIH Funds and 50% HSC Capital Funds	Federal NIH and HSC Capital	X		16,000
UNM HSC	4		Classroom Teaching Equipment - Audio/Visual/Interactive Web Tools	Equip 35 classrooms with updated Teaching Equipment, replacing twenty year-old projection and sound systems.	2021	Aug-20	Jul-21	X		\$ 350,000				100%					N/A
UNM HSC	5		Community-Based Clinic	Similar to North 4th Street and SW Clinics to expand Primary Care Services to the Community to increase access to health care.	2021	Jul-20	Jul-22			\$ 6,000,000			X		100%	Other			17,000



New Mexico Department of Higher Education

2018 Summer Hearing - Five Year Capital Project Funding Plan

INSTITUTION:			The University of New Mexico - HSC							DATE:							3/20/2018		
Institution acronym	FY20 Funding Priority #	Overall Funding Priority #	Project Title	Description	Year Project Funding will be requested	Month/Year Project to be started	Month/Year Project to be completed	Full Project	Phase	Cost of Project or Phase	GOB	STB	Other	Percent of GOB or STB	Percent of Other Funding Source	Description of Other Funding Source	New Construction	Renovation	Square Footage (GSF)
UNM HSC	6		Health & Educational Careers Facility and Equipment	Partnering with both UNM Hospitals and Sandoval Regional Medical Center to grow the professional healthcare workforce by coordinating with Central New Mexico Community College, Bernalillo County, Sandoval Health Collaborative, and secondary education institutions in Central New Mexico. The workforce positions needed include Nurse, Physical Therapy, Occupational Therapy to name a few.	2021	Nov-20	Mar-22			\$ 10,000,000			X	100%					N/A
UNM HSC	7		Family Community Medicine Building	Renovate, refurbish, and repurpose the Family Community Medicine Clinic into HSC Academic Space.	2021	Jul-21	Nov-23			\$ 4,100,000				100%				X	16,200
UNM HSC	8		Community-Based Clinic	Similar to North 4th Street and SW Clinics to expand Primary Care Services to the Community to increase access to health care	2021	Jul-21	Jan-23			\$ 6,000,000			X		100%	Other			17,000
UNM HSC	9		Adult Behavioral Health Facility	Design, construct and equip a modern adult behavioral health medical facility to completely replace the current structure.	2022	Aug-20	Dec-23			\$ 30,000,000			X		50% BernCo and 50% UNMH Capital	BernCo and UNMH Capital			60,000



New Mexico Department of Higher Education

2018 Summer Hearing - Five Year Capital Project Funding Plan

INSTITUTION:			The University of New Mexico - HSC							DATE:							3/20/2018		
Institution acronym	FY20 Funding Priority #	Overall Funding Priority #	Project Title	Description	Year Project Funding will be requested	Month/Year Project to be started	Month/Year Project to be completed	Full Project	Phase	Cost of Project or Phase	GOB	STB	Other	Percent of GOB or STB	Percent of Other Funding Source	Description of Other Funding Source	New Construction	Renovation	Square Footage (GSF)
UNM HSC	10		UNM HSC West Health Care Education Building	This is an intensive science education laboratory building to meet the health care needs of New Mexico, the UNM Health Sciences Center will be expanding healthcare workforce degree offerings on the UNMHSC West Campus	2022	Nov-21	Mar-24			\$ 16,000,000	X		X	50%	50%	Sandoval County Higher Education GRT	X		35,000
UNM HSC	11		Child and Elder Care Facility	This facility is highly valued by UNM Faculty and Staff who cover 24-hour operations at the Clinical facilities of the Health System. It may be located in the backfill space at the old hospital.	2022	Jul-22	Jan-24			\$ 35,000,000	X		X	50%	50%	Other			N/A
UNM HSC	12		Low Cost HSC Graduate Student Housing	Provide close proximity and affordable housing for students in the health professions due to their challenging schedules	2022	Dec-22	Jan-25			TBD			X		100%	Public/Private Partnership	X		TBD
UNM HSC	13		Health & Educational Careers Facility and Equipment	Partnering with both UNM Hospitals and Sandoval Regional Medical Center to grow the professional healthcare workforce by coordinating with Central New Mexico Community College, Bernalillo County, Sandoval Health Collaborative, and secondary education institutions in Central New Mexico. The workforce positions needed include Nurse, Physical Therapy, Occupational Therapy to name a few.	2022	Nov-22	Mar-23			\$ 10,000,000	X			100%					N/A



New Mexico Department of Higher Education

2018 Summer Hearing - Five Year Capital Project Funding Plan

INSTITUTION:			The University of New Mexico - HSC							DATE:							3/20/2018		
Institution acronym	FY20 Funding Priority #	Overall Funding Priority #	Project Title	Description	Year Project Funding will be requested	Month/Year Project to be started	Month/Year Project to be completed	Full Project	Phase	Cost of Project or Phase	GOB	STB	Other	Percent of GOB or STB	Percent of Other Funding Source	Description of Other Funding Source	New Construction	Renovation	Square Footage (GSF)
UNM HSC	14		Hospital Towers Phase II	Modern Medical facility will be highly functional and adequately sized, will include Adult & Child Psych. Phase II	2023	Dec-23	Dec-27			\$ 200,000,000			X		100%	Other	X		TBD
UNM HSC	15		Community-Based Clinic	Similar to North 4th Street and SW Clinics to expand Primary Care Services to the Community to increase access to health care	2023	Jul-23	Jan-25			\$ 6,000,000			X		100%	Other			
UNM HSC	16		Renovate existing Nursing/Pharmacy Building	This building is 41 years old and building systems are failing on a weekly basis. To continue to maintain is becoming cost prohibitive. Renovation will include wet and dry labs and faculty and staff offices.	2023	Dec-23	Dec-25			\$ 43,816,000	X			100%			X		96,300
UNM HSC	17		Brain and Behavioral Health Institute Phase II of III	Construct an addition to Domenici Hall to study and treat brain disorders such as Alzheimer's, autism, epilepsy, fetal alcohol syndrome, mental illness, stroke and trauma.	2024	Dec-24	Dec-26			\$ 5,510,000			X		100%	Other			11,600
UNM HSC	18		Hospital Towers Phase III	Modern Medical facility will be highly functional and adequately sized, will include Adult & Child Psych. Phase III	2025	Jul-25	Dec-28			\$ 200,000,000			X		100%	Other	X		TBD



New Mexico Department of Higher Education

2018 Summer Hearing - Five Year Capital Project Funding Plan

INSTITUTION: The University of New Mexico - HSC DATE: 3/20/2018

Institution acronym	FY20 Funding Priority #	Overall Funding Priority #	Project Title	Description	Year Project Funding will be requested	Month/Year Project to be started	Month/Year Project to be completed	Full Project	Phase	Cost of Project or Phase	GOB	STB	Other	Percent of GOB or STB	Percent of Other Funding Source	Description of Other Funding Source	New Construction	Renovation	Square Footage (GSF)
UNM HSC	19		Health & Educational Careers Facility and Equipment	Partnering with both UNM Hospitals and Sandoval Regional Medical Center to grow the professional healthcare workforce by coordinating with Central New Mexico Community College, Bernalillo County, Sandoval Health Collaborative, and secondary education institutions in Central New Mexico. The workforce positions needed include Nurse, Physical Therapy, Occupational Therapy to name a few.	2025	Nov-25	Oct-26			\$ 10,000,000	X	X		100%					N/A
UNM HSC	20		Re-purpose, remodel old UNM Hospital for teaching/faculty offices	Some of the 1954, 1966 and 1977 in-patient and operating facilities, can be renovated to provide intermediate behavioral health services, teaching and research space for patients, faculty, students and staff	2026	Jul-26	Jan-29			\$ 25,000,000	X			100%				X	TBD
	21																		

\$607,426,000

UNIVERSITY OF NEW MEXICO
DRAFT CAPITAL OUTLAY PLAN

4/17/2019

		ESTIMATED PROJECT COST	2020 APPROPRIATION REQUEST		PREVIOUS APPROPRIATION	PRIVATE FUNDS & OTHER FUNDS	Potential UNM BONDS
MAIN CAMPUS							
1	COLLEGE OF FINE ARTS RENEWAL & REPLACEMENT	\$90,000,000	\$45,000,000	GOB	\$0	\$0	\$0
2	LEARNING ENVIRONMENT AND TECHNOLOGY SUPPORT	\$3,500,000	\$3,500,000	STB	\$0	\$0	\$0
3	RESEARCH INFRASTRUCTURE UPGRADES	\$2,000,000	\$2,000,000	STB	\$0	\$0	\$0
4	ELECTRICAL INFRASTRUCTURE RENEWAL	\$2,000,000	\$2,000,000	STB	\$0	\$0	\$0
5	CAMPUS FIBER (ZONES 1 & 2)	\$2,200,000	\$2,200,000	STB	\$0	\$0	\$0
6	IT ELECTRICAL UPGRADES	\$3,300,000	\$3,300,000	STB	\$0	\$0	\$0
MAIN GOB SUBTOTAL			\$45,000,000				
MAIN STB SUBTOTAL			\$13,000,000				
MAIN CAMPUS TOTALS		\$103,000,000	\$58,000,000		\$0	\$0	\$0
HEALTH SCIENCES CENTER							
1	COLLEGE OF NURSING AND POPULATION HEALTH BUILDING	\$30,000,000	\$30,000,000	GOB	\$0	\$0	\$0
	CHILDREN'S PSYCHIATRIC HOSPITAL FACILITY & PROGRAM						
2	RENEWAL	\$14,600,000	\$7,008,000	STB	\$0	\$7,592,000	\$0
3	PETE AND NANCY DOMENICI HALL RESEARCH FACILITY	\$8,000,000	\$0		\$0	\$8,000,000	\$0
HSC GOB SUBTOTAL			\$30,000,000				
HSC STB SUBTOTAL			\$7,008,000				
HEALTH SCIENCES CENTER		\$52,600,000	\$37,008,000				
GALLUP BRANCH							
1	CENTER FOR CAREER TECHNOLOGIES EDUCATION	\$8,000,000	\$4,500,000	GOB	\$0	\$2,000,000	\$0
GALLUP BRANCH TOTAL			\$4,500,000				
LOS ALAMOS BRANCH							
	WORKFORCE DEVELOPMENT/CTE CLASSROOM						
1	RENOVATIONS	\$2,500,000	\$1,875,000	GOB	\$0	\$625,000	\$0
2	BUILDING 7 RENOVATIONS	\$300,000	\$225,000	STB	\$0	\$75,000	\$0
LOS ALAMOS BRANCH TOTAL			\$2,100,000				

April 22, 2019

University of New Mexico
Health Sciences Center Committee
Albuquerque, New Mexico 87131

Dear Members of the HSC Committee:

Please find attached the list of UNM Health Sciences Degree Candidates for the spring 2019 term for your approval.

Degree Candidate Summary

College/School	Count
College of Nursing	217
RN-BSN in Nursing	74
BS in Nursing	139
Doctor of Nursing Practice	4
College of Pharmacy	79
BS Pharmacy	3
Doctor of Pharmacy	76
College of Population Health	18
BS in Population Health	18
Graduate Programs	100
Graduate Certificate	1
Master in Occupational Therapy	2
Master of Public Health	11
Master of Science – Biomedical Science	1
Master of Science – Dental Hygiene	1
Master of Science – Nursing	48
Master of Science – Pharmaceutical Sciences	1
Doctor of Philosophy – Biomedical Sciences	4
Doctor of Philosophy – Nursing	4
Doctor of Physical Therapy	27
School of Medicine	143
BS Emergency Medical Services	26
BS Radiologic Sciences	4
BS Dental Hygiene	24
BS in Medical Laboratory Sciences	7
Doctor of Medicine	82
Grand Total	557

Sincerely,

Amy Levi, PhD, CNM, WHNP-BC

Amy Levi, Ph.D., CNM, WHNP-BC
Vice Chancellor HSC Academic Affairs
Albers Endowed Professor of Midwifery

LOBO DEVELOPMENT

PARTNERSHIP + INVESTMENT + COMMUNITY

801 University Blvd. SE, Suite 207
Albuquerque, NM 87106
505-925-1600
<http://lobodevelopment.org>

March 20, 2019

President Doug Brown
Regents of the University of New Mexico
The University of New Mexico
Albuquerque NM 87131-0001

Dear President Brown:

Lobo Development Corporation requests that the Annual Meeting of the Member be held during the Board of Regents meeting on April 9, 2019. There are two action items to be presented.

- A. Approval of the Summarized Minutes of the March 13, 2017 Meeting
- B. Acceptance of the FY 2016-17 audit
- C. Acceptance of the FY 2017-18 audit

Please feel free to contact me or Keelie Garcia if you have any questions.

Sincerely,



Chris Vallejos
Secretary/Treasurer

between the premiere and the PPO network. If a premiere dentist gets \$100 the PPO reimbursement is \$80; that is the 20%. Regarding the contract, it has an option to renew and they could go a maximum of 8 years under procurement. The ASO fee they are quoting is \$2.94 per employee, per month it will be a potential 10% increase on that ASO fee after they've locked it in for two years. Current plan design will remain the same as it is competitive and cost effective for the University.

Regent Quillen inquired what the Delta Dental plan had to offer that Blue Cross Blue Shield did not. Mr. Evans responded the major concern for the committee was network disruption, currently the BCBS network is not as robust as the Delta Dental network, and they were concerned employees would no longer have access to their dentists.

The motion to approve the contract for the Division of Human Resources Dental Health Plan Administrative Services with Delta Dental passed by a unanimous vote (1st Doughty; 2nd Fortner).

Contract Approval: Cogeneration Turbine Unit #1 Engine Overhaul

Bruce Cherrin and Chris Vallejos presented the contract for the Cogeneration Turbine Unit #1 Engine Overhaul. The contract is for the 2005 cogeneration turbine for major maintenance that needs to occur every 30,000 hours. They have had this maintenance agreement with the manufacturer since 2005. It is over \$1 million. It is the third overhaul on this unit.

Regent Lee stated they have established this as standard and not out of the ordinary but is benchmarked usage and required for proper maintenance.

The motion to approve the Contract for the Cogeneration Turbine Unit #1 Engine Overhaul passed by unanimous vote (1st Doughty; 2nd Fortner).

LOBO DEVELOPMENT CORPORATION - MEETING OF THE MEMBER

Regent Doughty called the Lobo Development Corporation "Meeting of the Member" to order at 10:58 AM. The motion to approve the minutes of the Lobo Development April 8, 2016 meeting of the member passed unanimously (1st Fortner; 2nd Lee).

Regent Clifford inquired if Lobo Development has an audit committee and if there is Regent representation. Mr. Vallejos stated the Lobo Development Corporation Board of Directors has two Regent members. There is no separate audit committee for Lobo Development; they are a component unit that goes through the same process the University goes through.

Regent Doughty turned the gavel over to Regent Jack Fortner, Chair of the Lobo Development Corporation Board of Directors.

Regent Fortner asked Chris Vallejos to present the External Audit report for FY15-16. Mr. Vallejos stated there were no findings in the audit. There was one prior finding that was resolved from the previous year. They follow the same auditing procedures as the rest of the University. The University Controller is also apprised of all the different transactions that are going on through the Lobo Development Corporation as it is a component unit.

Regent Clifford requested a representative from the University Controller's Office be represented in the audit to ensure all areas are looked at on these audits. Regent Doughty clarified the request would apply to Lobo Development Corporation and Lobo Energy, Incorporated.

The motion to approve the External Audit for FY15-16 for Lobo Development Corporation passed unanimously (1st Clifford; 2nd Lee). Regent Doughty adjourned the Lobo Development Corporation "Meeting of the Member" at 11:02 AM.

LOBO ENERGY, INCORPORATED - MEETING OF THE MEMBER

Regent Doughty called the Lobo Energy, Inc. (LEI) "Meeting of the Member" to order at 11:02 AM. The motion to approve the minutes of the Lobo Energy, Inc. April 8, 2016 meeting of the member passed unanimously (1st Lee; 2nd Fortner).

Jason Strauss, CEO of Lobo Energy, Incorporated presented the External Audit for FY15-16; Lobo Energy received a clean audit with no findings.

The motion to approve the External Audit for FY15-16 for Lobo Energy, Inc. passed unanimously (1st Lee; 2nd Fortner).

LOBO DEVELOPMENT CORPORATION
(A Blended Component Unit of the University of New Mexico)

Financial Statements

June 30, 2017 and 2016

(With Report of Independent Auditors Thereon)

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

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LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Official Roster (unaudited)

June 30, 2017

OFFICERS

David W. Harris
Chris Vallejos

MEMBERS

Chaouki T. Abdallah, Ph.D.
Louis Abruzzo
Stephen J. Ciepiela
Maria Griego-Raby
David W. Harris
Marron Lee
Paul B. Roth, M.D.
Chris Vallejos

REPORT OF INDEPENDENT AUDITORS

The Board of Directors
Lobo Development Corporation
and
Mr. Timothy Keller, New Mexico State Auditor:

Report on the Financial Statements

We have audited the accompanying financial statements of Lobo Development Corporation (Lobo Development), a component unit of the University of New Mexico, which comprise the statements of net position as of June 30, 2017, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise Lobo Development's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that

The Board of Directors
Lobo Development Corporation
and
Mr. Timothy Keller, New Mexico State Auditor

are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lobo Development Corporation as of June 30, 2017, and the changes in its net position and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Prior Year Financial Statements

The financial statements of Lobo Development Corporation as of June 30, 2016 and 2015 were audited by other auditors whose report dated November 11, 2016, expressed an unmodified opinion on those statements.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for

The Board of Directors
Lobo Development Corporation
and
Mr. Timothy Keller, New Mexico State Auditor

consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2017 on our consideration of Lobo Development's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lobo Development's internal control over financial reporting and compliance.

Mess Adams LLP

Albuquerque, New Mexico
September 20, 2017

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Management's Discussion and Analysis

June 30, 2017 and 2016

(unaudited)

The following discussion and analysis provides an overview of the financial position and activities of Lobo Development Corporation (Lobo Development) as of and for the fiscal years ended June 30, 2017, 2016 and 2015. This discussion should be read in conjunction with the accompanying financial statements and notes. Management has prepared the basic financial statements and the related note disclosures along with this discussion and analysis. As such, the financial statements, notes, and this discussion are the responsibility of Lobo Development's management.

Financial Highlights

Cash increased in 2017 by \$487,609, resulting in cash on deposit with fiscal agent and cash on hand at the close of fiscal year 2017 of \$3,541,662. The increase during fiscal year 2017 is primarily due to closeout of a new project, an increase in reimbursement revenue, and lower project expenses. Cash increased in 2016 by \$1,261,652, resulting in cash on deposit with fiscal agent and cash on hand at the close of fiscal year 2016 of \$3,054,053. The increase during fiscal year 2016 was primarily due to an increase in the lease payments allocated for Student Housing, lower loan payments made to UNM due to a revised loan agreement, and lower project and administrative expenses. Interest earned during fiscal year 2017 increased \$15,115 from \$29,815 to \$44,930, due to an increase in earnings on cash being held by The University of New Mexico (UNM), Lobo Development's fiscal agent.

Lobo Development's net position increased \$1,922,488 during the year, from \$2,633,344 in 2016 to \$4,555,832 in fiscal year 2017, primarily as a result of the purchase of new newly constructed building. During fiscal year 2016, Lobo Development's net position increased \$884,837 during the year, from \$1,748,507 in 2015 to \$2,633,344 in fiscal year 2016, primarily as a result of an increase in the lease payments allocated for Student Housing, lower loan payments made to UNM due to a revised loan agreement, and lower project and administrative expenses.

During fiscal year 2017, operating revenue increased by \$22,975 and operating expenses decreased by \$145,324, resulting in an increase in net operating income of \$168,299. During fiscal year 2016, operating revenue decreased by \$1,168,395 and operating expenses decreased by \$372,048, resulting in a decrease in net operating income of \$796,347.

Overview of the Basic Financial Statements

The statements of net position of Lobo Development provides both long-term and short-term information about Lobo Development's overall financial position. The statements of revenues, expenses, and changes in net position provides information about the operating revenues and expenses and the nonoperating revenues and expenses of Lobo Development. The statements of cash flows provide information related to the cash inflows and outflows of Lobo Development. The notes to the basic financial statements provide more detailed information about amounts reported in the basic financial statements.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Management's Discussion and Analysis

June 30, 2017 and 2016

(unaudited)

Financial Information

Lobo Development's condensed financial information as of and for the fiscal years ended June 30, 2017, 2016, and 2015 are provided in the following table:

	2017	2016	2015
Current assets	\$ 3,544,558	3,057,149	1,877,264
Noncurrent assets	16,537,383	14,661,863	26,416,226
Total assets	<u>\$ 20,081,941</u>	<u>17,719,012</u>	<u>28,293,490</u>
Current liabilities	\$ 473,069	396,558	625,941
Noncurrent liabilities	15,053,040	14,689,110	25,919,042
Net position	<u>4,555,832</u>	<u>2,633,344</u>	<u>1,748,507</u>
Total liabilities and net assets	<u>\$ 20,081,941</u>	<u>17,719,012</u>	<u>28,293,490</u>
Operating revenue	\$ 2,737,126	2,714,151	3,882,546
Operating expenses	<u>905,075</u>	<u>1,050,399</u>	<u>1,422,447</u>
Operating income	1,832,051	1,663,752	2,460,099
Nonoperating revenue	929,273	186,361	20,916
Nonoperating expenses	<u>838,836</u>	<u>965,276</u>	<u>955,415</u>
Change in net position	1,922,488	884,837	1,525,600
Net position, beginning of year	<u>2,633,344</u>	<u>1,748,507</u>	<u>222,907</u>
Net position, end of year	<u>\$ 4,555,832</u>	<u>2,633,344</u>	<u>1,748,507</u>

Statements of Net Position

Assets – As of June 30, 2017 and 2016, Lobo Development has cash in the amount of \$3,541,662 and \$3,054,053, respectively, of which \$3,416,761 and \$3,001,805, respectively, is held by UNM, and \$124,901 and \$52,248, respectively, is held in an operating bank account at a financial institution. Cash increased primarily due to closeout of a new project, an increase in reimbursement revenue, and lower project expenses.

Liabilities and Net Position – Lobo Development's net position at June 30, 2017, 2016, and 2015 was allocated between unrestricted and net investment in capital assets.

Statements of Revenues, Expenses, and Changes in Net Position

Revenues – During the fiscal year ended June 30, 2017, Lobo Development generated operating revenue in the amount of \$2,737,126, which included lease payments from three buildings, and two student housing buildings. During the fiscal year ended June 30, 2016, Lobo Development generated operating revenue in the amount of \$2,714,151. Other income amounted to \$929,273 and \$186,361 during the fiscal years ended June 30, 2017 and 2016, respectively. For 2017, other income was the result of a transfer in from UNM Athletics and interest earned from UNM. For 2016, other income was the result of gain from the transfer of property to UNM.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Management's Discussion and Analysis

June 30, 2017 and 2016

(unaudited)

Expenses – Total operating expenses decreased \$145,324 during the fiscal year ended June 30, 2017 due to a decrease in project expenses. Total operating expenses decreased \$372,048 during the fiscal year ended June 30, 2016.

UNM is the fiscal agent of Lobo Development. UNM holds the majority of Lobo Development's cash and invests the holdings in a commingled account with UNM's other investments. The pro rata interest earnings are credited to Lobo Development's account monthly and losses are charged at the end of the fiscal year. Lobo Development transfers funds to its checking account as needed.

Capital Assets and Debt Administration

Lobo Development's investment in capital assets as of June 30, 2017 amounts to \$1,028,796 (net of accumulated depreciation and debt incurred to finance). This investment in capital assets includes two buildings purchased during fiscal year 2013 and one building purchased in fiscal year 2017. Additional information concerning Lobo Development's capital assets may be found in note 5 in notes to the financial statements.

At the end of the current fiscal year, Lobo Development had total debt outstanding of \$15,508,587. This debt was incurred during fiscal year 2013 for the purchase of the two buildings noted above and during fiscal year 2017 for the purchase of one building a noted above. Additional information concerning Lobo Development's long-term debt may be found in note 6 in the notes to the financial statements.

Factors Impacting Future Periods

Lobo Development is currently involved in the commercial development of vacant UNM property and has been negotiating with developers. Once a firm commitment is received, work will begin on building the infrastructure to support the retail outlets on UNM property. It is not known when this expansion of business will transpire.

Anticipated revenue sources for 2018 include campus student housing ground rent, commercial development ground rent, and real estate income.

Contacting Lobo Development's Financial Management

This report is meant to describe the financial condition and position of Lobo Development.

If you have questions about this report or need additional financial information, contact:

Lobo Development Corporation
801 University Boulevard SE, Suite 207
Albuquerque, New Mexico 87106-4345

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Statements of Net Position

June 30, 2017 and 2016

Assets	2017	2016
Current assets:		
Cash on deposit with fiscal agent	\$ 3,416,761	3,001,805
Cash on deposit with bank	124,901	52,248
Prepaid insurance	2,896	3,096
Total current assets	<u>3,544,558</u>	<u>3,057,149</u>
Capital assets:		
Buildings	18,310,085	15,994,759
Less accumulated depreciation	<u>(1,772,702)</u>	<u>(1,332,896)</u>
Net capital assets	<u>16,537,383</u>	<u>14,661,863</u>
Total assets	<u><u>\$ 20,081,941</u></u>	<u><u>17,719,012</u></u>
Liabilities and Net Position		
Current liabilities:		
Accounts payable	\$ 45	4,082
Accrued expenses	17,477	21,404
Current portion of long-term debt	<u>455,547</u>	<u>371,072</u>
Total current liabilities	<u>473,069</u>	<u>396,558</u>
Noncurrent liabilities:		
Long-term debt	<u>15,053,040</u>	<u>14,689,110</u>
Total noncurrent liabilities	<u>15,053,040</u>	<u>14,689,110</u>
Net position:		
Net investment in capital assets	1,028,796	(398,319)
Unrestricted	<u>3,527,036</u>	<u>3,031,663</u>
Total net position	<u><u>\$ 4,555,832</u></u>	<u><u>2,633,344</u></u>

See accompanying notes to financial statements.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Statements of Revenues, Expenses, and Changes in Net Position

Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Operating revenues:		
Rental revenue	\$ 1,376,300	1,764,075
Project revenue	1,340,420	950,027
Reimbursement revenue	20,406	49
Total operating revenues	<u>2,737,126</u>	<u>2,714,151</u>
Operating expenses:		
Project expenses	98,644	136,590
Depreciation	439,806	559,703
Administrative expenses	366,625	354,106
Total operating expenses	<u>905,075</u>	<u>1,050,399</u>
Operating income	1,832,051	1,663,752
Nonoperating revenues:		
Transfer in from UNM-Athletics	884,343	—
Interest income	44,930	29,815
Gain on transfer of property	—	156,546
Total nonoperating revenues	<u>929,273</u>	<u>186,361</u>
Nonoperating expenses:		
Interest expense	463,836	585,276
Distributions to UNM	200,000	200,000
Distributions to UNM-Athletics	175,000	180,000
Total nonoperating expenses	<u>838,836</u>	<u>965,276</u>
Change in net position	1,922,488	884,837
Net position, beginning of year	<u>2,633,344</u>	<u>1,748,507</u>
Net position, end of year	<u>\$ 4,555,832</u>	<u>2,633,344</u>

See accompanying notes to financial statements.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Statements of Cash Flows

Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Payments to suppliers of goods or services	\$ (244,680)	(293,749)
Payments to employees for services	(228,353)	(199,442)
Payments received from contractors	213,329	49
Payments received from fiscal agent	2,523,797	2,748,965
Net cash provided by operating activities	<u>2,264,093</u>	<u>2,255,823</u>
Cash flows from capital and related financing activities:		
Purchase of capital assets	(2,315,326)	—
Transfer in from UNM-Athletics	884,343	—
Distributions to UNM	(200,000)	(200,000)
Distributions to UNM-Athletics	(175,000)	(180,000)
Debt advance from fiscal agent principal	1,000,000	—
Debt repayment to fiscal agent principal	(551,595)	(458,710)
Debt repayment to fiscal agent interest	(463,836)	(585,276)
Net cash used in capital and related financing activities	<u>(1,821,414)</u>	<u>(1,423,986)</u>
Cash flows from investing activities:		
Interest received on deposits with fiscal agent	44,930	29,815
Cash received on note receivable	—	400,000
Net cash provided by investing activities	<u>44,930</u>	<u>429,815</u>
Net increase in cash and cash equivalents	487,609	1,261,652
Cash and cash equivalents, beginning of year	3,054,053	1,792,401
Cash and cash equivalents, end of year	<u>\$ 3,541,662</u>	<u>3,054,053</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 1,832,051	1,663,752
Depreciation expense	439,806	559,703
Adjustments to reconcile operating income to net cash provided by operating activities:		
Change in accounts receivable	—	34,863
Change in prepaid insurance	200	(3,096)
Change in accounts payable	(4,037)	601
Change in accrued expenses	(3,927)	—
Net cash provided by operating activities	<u>\$ 2,264,093</u>	<u>2,255,823</u>
Supplemental information:		
Sale of building to UNM	\$ —	10,844,660
Revision of debt with UNM	—	11,001,206
In-Kind contribution for Lobo Baseball clubhouse	192,923	—

See accompanying notes to financial statements.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Notes to the Financial Statements

June 30, 2017 and 2016

(1) Description of Business

Lobo Development Corporation (Lobo Development), a blended component unit of The University of New Mexico (UNM), is owned, controlled, and was established by UNM's Board of Regents (UNM Regents).

Lobo Development was incorporated in the State of New Mexico on October 4, 2007. It was organized under the amended State of New Mexico's University Research Park Act. The name of the Act has since been changed to the University Research Park and Economic Development Act.

Lobo Development was established to benefit the UNM Regents by relieving the University of New Mexico from the responsibilities to acquire, own, manage, and develop certain real estate in a commercially reasonable manner and to maximize the University's return from these assets; by contributing all of the corporation's net revenues to the University for the support of the teaching, research, and service mission of the University; and by creating learning opportunities for students in this development activity. The activities of the corporation shall include the acquisition, development, disposition, and rental of real estate for the benefit of the University.

Under the Memorandum of Agreement (MOA) between the UNM Regents and Lobo Development signed in the first quarter of fiscal year 2009, Lobo Development may plan, direct, and coordinate its business activities in accordance with a mutually agreed-upon development proposal and development agreement between Lobo Development and UNM. Lobo Development operations will be funded by an administrative fee assigned to approved projects. If Lobo Development revenues are more than sufficient to meet its anticipated financial obligations based on a mutually approved annual budget, it is the intent of the parties that excess revenue shall be distributed back to UNM. For the year ended June 30, 2017, \$375,000 was distributed back to UNM. For the year ended June 30, 2016, \$380,000 was distributed back to UNM.

Primary activities performed by Lobo Development during the year ended June 30, 2017 focused on efforts to establish the UNM Sports and Entertainment District at South Campus, marketing of commercial sites along Gibson Boulevard, and the establishment of a Tax Increment Development District in partnership with the City of Albuquerque.

Lobo Development provides services only to UNM. Lobo Development does not have any component units.

(2) Summary of Significant Accounting Policies and Practices

(a) Basis of Accounting and Presentation

As a proprietary fund, Lobo Development's financial statements are reported using a flow of economic resources measurement focus and the full accrual basis of accounting. Accordingly, revenues are recognized when they are earned and expenses are recognized as soon as the liability is incurred. Operating revenues and expenses are those incurred that relate directly to project management services. All other revenues and expenses are considered nonoperating.

The accompanying financial statements include only the accounts of Lobo Development, which has no component units.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Notes to the Financial Statements

June 30, 2017 and 2016

(b) Net Position

For accounting and reporting purposes, Lobo Development reports its net position in the following net asset categories as applicable:

- Net investment in capital assets – capital assets net of accumulated depreciation and debt incurred to finance the capital asset acquisition.
- Unrestricted – net position that is not subject to externally imposed constraints.

(c) Use of Estimates

The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the financial statements dates and the reported amounts of revenues and expenses during these reporting periods. Due to uncertainties inherent in the estimation process, actual results could differ from those estimates.

(d) Cash and Cash Equivalents

Lobo Development considers all highly liquid investments with a maturity of three months or less when purchase to be cash equivalents. For purposes of the statement of cash flows, Lobo Development considers cash and cash equivalents to be cash deposits and amounts held by its fiscal agent.

(e) Revenue Recognition

Lobo Development recognizes operating revenue for services earned under the terms of the MOA.

Lobo Development's revenue for the fiscal year ended 2017 originated from the following sources: (1) Student Housing project/ACC Component I, (2) Student Housing project/ACC Component II, (3) Reimbursement revenue, (4) Rent from three occupancy leases, and (5) Other funds related to the MOA. Revenue for the fiscal year ended 2016 originated from the following sources: (1) Student Housing project/ACC Component I, (2) Student Housing project/ACC Component II, (3) Real Estate/Mesa del Sol, (4) Rent from three occupancy leases, and (5) Gain from transfer of property. All revenue from these sources is originally paid to UNM and UNM determines which revenue streams are allocated to Lobo Development.

(f) Income Taxes

Lobo Development is exempt from federal income tax on income related to its exempt purposes under Section 501(a) of the Internal Revenue Code (Code) as an organization described in Section 501(c)(3) of the Code.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Notes to the Financial Statements

June 30, 2017 and 2016

(g) Capital Assets

Capital assets are recorded at original cost, or fair value if donated. Per Section 12-6-10 NMSA 1978, Lobo Development follows UNM's capitalization policy for moveable equipment includes all items with a unit cost of \$5,000 or more, and an estimated useful life of greater than one year. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, generally 39 years for buildings.

(h) Reclassifications

Certain 2016 amounts have been reclassified in order to be consistent with the 2017 presentation.

(3) Cash

Lobo Development's cash balances include cash on deposit with fiscal agent and an operating account. Lobo Development has no statutory policy requirements related to cash deposits. UNM serves as the fiscal agent for Lobo Development through which Lobo Development participates in a pooled bank account maintained by UNM. At June 30, 2017 and 2016, Lobo Development had a balance in that pooled account of \$3,416,761 and \$3,001,805, respectively. As fiscal agent, UNM requires the financial institution holding these pooled funds to maintain minimum collateral amounts. Interest is allocated monthly to Lobo Development's account based on its balance in the pooled bank account at the end of the preceding month.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the entity's deposits may not be returned to it. At June 30, 2017, the bank balance and the book balance in Lobo Development's separate checking account with Compass Bank were \$132,338 and \$124,901, respectively. At June 30, 2016, the bank balance and the book balance in Lobo Development's separate checking account with Compass Bank were \$61,084 and \$52,248, respectively. Of the bank balance, the entire amount is insured by the Federal Deposit Insurance Corporation.

(4) Related-Party Transactions

Effective August 12, 2008, UNM and Lobo Development entered into a MOA containing the expectations and performance obligations that UNM is seeking from Lobo Development.

Pursuant to the MOA, UNM provides to Lobo Development, at no cost to Lobo Development, facilities support and general business office and associated workspace. Under the agreement, UNM provides cash and investment management activities for Lobo Development, at no cost to Lobo Development. Lobo Development received \$1,147,497 and \$950,027 from UNM to fund operations for the years ended June 30, 2017 and 2016, respectively. This amount is included in Project revenue.

The MOA may be terminated by UNM, effective upon written notice to Lobo Development. Upon termination, all property of Lobo Development shall be transferred to UNM or other successor organization designated by resolution of the UNM Regents.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Notes to the Financial Statements

June 30, 2017 and 2016

On December 21, 2016, Lobo Development executed a Promissory Note with the University of New Mexico Foundation, Inc. (UNM Foundation) to provide funds to finalize the purchase of a building. The Note was originally executed for \$1,000,000 at 3.75% interest per annum, with a maturity date of December 21, 2026. A First Amendment to Promissory Note was issued March 31, 2017 to reduce the monthly payments from \$10,006.12 to \$8,555.82. This was due to a \$141,940.69 payment made on March 31, 2017. Therefore, the principal was reduced from \$979,292.06 to \$837,351.37. Principal and interest payments are due monthly on the twenty-first day of each month. The interest rate and maturity date remain the same as the original Note.

On April 1, 2016, Lobo Development entered into an MOA with Innovate ABQ, Inc. (Innovate), a component unit of the University of New Mexico, wherein Lobo Development provides bookkeeping and operations management services to Innovate. For the fiscal year ended June 30, 2017, revenue received under this MOA was \$20,406.

On May 29, 2015, Lobo Development entered into an MOA with the University of New Mexico Athletics Department (Athletics), wherein Lobo Development will allocate annually to Athletics: half of the “Lobo Village” ground lease income received from UNM; all of the “Wendy’s on Avenida Cesar Chavez” ground lease income received from UNM after initial development expenses have been reimbursed, and; all of the “Stadium West Parking Lot Project” ground lease income received from UNM after initial development expenses have been reimbursed. For the fiscal year ended June 30, 2017, Lobo Development distributed \$175,000 of “Lobo Village” ground lease income to Athletics; no ground lease income was received from UNM for the other two properties. For the fiscal year ended June 30, 2016, Lobo Development distributed \$180,000 of “Lobo Village” ground lease income to Athletics; no ground lease income was received from UNM for the other two properties.

Lobo Development receives rental revenue from UNM and Athletics under three occupancy lease agreements. For the fiscal year ended June 30, 2017, rental revenue received from UNM was \$1,320,614 and rental revenue received from Athletics was \$55,686, for total rental revenue of \$1,376,300. For the fiscal year ended June 30, 2016, rental revenue received from UNM was \$1,764,076 and no rental revenue was received from Athletics, for total rental revenue of \$1,764,076. Future rents due are as follows:

	<u>1312 Basehart</u>	<u>933 Bradbury</u>	<u>Baseball Clubhouse</u>
Fiscal year ending June 30:			
2018	\$ 396,458	924,156	102,670
2019	396,458	924,156	102,670
2020	330,382	770,130	102,670
2021	-	-	102,670
2022	-	-	102,670

Lobo Development did not purchase goods and services from companies that board members are employed by during the fiscal years ended June 30, 2017 and 2016.

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Notes to the Financial Statements

June 30, 2017 and 2016

(5) Capital Assets

Capital asset activity for the year ended June 30, 2017 was as follows:

	<u>Balance at June 30, 2016</u>	<u>Additions/ completions</u>	<u>Retirements/ disposals</u>	<u>Balance at June 30, 2017</u>
Buildings	\$ 15,994,759	2,315,326	—	18,310,085
Accumulated depreciation	<u>(1,332,896)</u>	<u>(439,806)</u>	<u>—</u>	<u>(1,772,702)</u>
Total capital assets	<u>\$ 14,661,863</u>	<u>1,875,520</u>	<u>—</u>	<u>16,537,383</u>

Capital asset activity for the year ended June 30, 2016 was as follows:

	<u>Balance at June 30, 2015</u>	<u>Additions/ completions</u>	<u>Retirements/ disposals</u>	<u>Balance at June 30, 2016</u>
Buildings	\$ 27,662,117	—	(11,667,358)	15,994,759
Accumulated depreciation	<u>(1,595,891)</u>	<u>(559,703)</u>	<u>822,698</u>	<u>(1,332,896)</u>
Total capital assets	<u>\$ 26,066,226</u>	<u>(559,703)</u>	<u>(10,844,660)</u>	<u>14,661,863</u>

(6) Long-Term Debt

A promissory note payable to UNM was issued to finance the capital assets purchase made in fiscal year 2013. A Loan Revision Agreement was issued January 1, 2016 to reduce the principal due to a transfer of one of the three buildings. Principal and interest payments are due monthly on the first day of each month. This note bears interest at 3% and matures May 1, 2020. The following is a summary of debt transactions, including current portion:

	<u>Balance at July 1</u>	<u>Sale/Transfer</u>	<u>Payments</u>	<u>Balance at June 30</u>	<u>Due within one year</u>
Note payable to UNM, FY 2016	\$ 26,520,098	(11,001,206)	(458,710)	15,060,182	371,072
Note payable to UNM, FY 2017	15,060,182	—	(371,072)	14,689,110	382,358

At June 30, 2017, minimum future payments under this promissory note are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal year ending June 30:			
2018	\$ 382,358	435,444	817,802
2019	394,104	423,815	817,919
2020	<u>13,912,648</u>	<u>344,310</u>	<u>14,256,958</u>
	<u>\$ 14,689,110</u>	<u>1,203,569</u>	<u>15,892,679</u>

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Notes to the Financial Statements

June 30, 2017 and 2016

A Promissory Note payable to the University of New Mexico Foundation, Inc. was issued to finance a capital asset purchased on December 21, 2016. A First Amendment to Promissory Note was issued March 31, 2017 to reduce the monthly payments from \$10,006.12 to \$8,555.82. This was due to a \$141,940.69 payment made on March 31, 2017 to reduce the principal from \$979,292.06 to \$837,351.37. Principal and interest payments are due monthly on the twenty-first day of each month. This note bears interest at 3.75% and matures December 21, 2026. The following is a summary of debt transactions, including current portion:

	<u>Balance at July 1</u>	<u>New Loan</u>	<u>Payments</u>	<u>Balance at June 30</u>	<u>Due within one year</u>
Note payable to UNM Foundation, FY 2016 \$	—	—	—	—	—
Note payable to UNM Foundation, FY 2017	—	1,000,000	(180,521)	819,479	73,189

At June 30, 2017, minimum future payments under this promissory note are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal year ending June 30:			
2018	\$ 73,189	29,481	102,670
2019	76,235	26,689	102,924
2020	79,290	23,790	103,080
2021	82,461	20,743	103,204
2022	85,755	17,593	103,348
Thereafter (2023-2027)	422,549	36,727	459,276
	<u>\$ 819,479</u>	<u>155,023</u>	<u>974,502</u>

(7) Risk Management

Lobo Development, through UNM, participates in the State of New Mexico Risk Management Program (Risk Management) that provides general liability at Lobo Development's expense. Workers' compensation insurance and property insurance are provided by private companies at Lobo Development's expense. The Risk Management program liability insurance coverage includes most employee liability claims; those claims falling outside this state program are in limited amounts and are covered by UNM from its operating budget. UNM's exposure is limited to \$1,000 per any first party incurred property loss, with the exception of theft, which has a \$5,000 deductible.

(8) Defined-Contribution Plan

Lobo Development entered into a 403(b) defined-contribution plan effective January 1, 2013. As a defined-contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan may be amended by a board of director's resolution. The plan is available to all employees of Lobo Development, beginning the first day of the plan year quarter coincident with or next following the date the employee first performs their first day of service and are considered to be immediately vested. The plan allows for variable employee contributions up to the Internal Revenue Service maximum allowed amount. Principal Financial Group administers the plan, and Lobo Development contributes the sum of (a) a 6% match for employees that contribute to the plan and

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Notes to the Financial Statements

June 30, 2017 and 2016

(b) a discretionary contribution as determined by Lobo Development for employees who do not contribute to the plan. Contributions to the plan for the fiscal years ended June 30, 2017 and 2016 were \$10,692 and \$10,586, respectively, which consisted of \$5,312 and \$5,280 contributed by employees and \$5,380 and \$5,306 contributed by Lobo Development, respectively.

(9) Subsequent Events

Subsequent events are evaluated by management through the date the accompanying financial statements are available to be issued, which is September 20, 2017.

**REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

The Board of Directors
Lobo Development Corporation
and
Mr. Timothy Keller, New Mexico State Auditor:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Lobo Development Corporation (Lobo Development), a component of the University of New Mexico, which comprise the statement of net position as of June 30, 2017, and the related statement of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 20, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lobo Development's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lobo Development's internal control. Accordingly, we do not express an opinion on the effectiveness of Lobo Development's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

The Board of Directors
Lobo Development Corporation
and
Mr. Timothy Keller, New Mexico State Auditor

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lobo Development's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Lobo Development's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lobo Development's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mess Adams LLP

Albuquerque, New Mexico
September 20, 2017

LOBO DEVELOPMENT CORPORATION
(A Component Unit of the University of New Mexico)

Exit Conference

Year ended June 30, 2017

An exit conference was held on September 20, 2017. During this meeting, the contents of this report were discussed with the following individuals:

Lobo Development Corporation

Chris Vallejos	Secretary/Treasurer
Thomas Neale	Director
Keelie L. Garcia	Administrative Operations Manager

Moss Adams LLP

Lisa Todd	Partner
Sheila Herrera	Senior Manager

Lobo Development is responsible for the contents of the financial statements. Moss Adams LLP assisted with the preparation of the financial statements.



REPORT OF INDEPENDENT AUDITORS
AND FINANCIAL STATEMENTS

LOBO DEVELOPMENT CORPORATION
(A Blended Component Unit of the University of New Mexico)

June 30, 2018 and 2017

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Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Official Roster (unaudited)
June 30, 2018

OFFICERS

David W. Harris
Chris Vallejos

MEMBERS

Louis Abruzzo
Stephen J. Ciepiela
Robert M. Doughty, III
Maria Griego-Raby
David W. Harris
Marron Lee
Eddie Nunez
Paul B. Roth, M.D.
Garnett Stokes, Ph.D.
Chris Vallejos

Report of Independent Auditors

The Board of Directors
Lobo Development Corporation
and
Mr. Wayne A. Johnson, New Mexico State Auditor

Report on the Financial Statements

We have audited the accompanying financial statements of Lobo Development Corporation (“Lobo Development”), a component unit of the University of New Mexico, which comprise the statements of net position as of June 30, 2018 and 2017, and the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise Lobo Development’s financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lobo Development Corporation as of June 30, 2018 and 2017, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 13, 2018 on our consideration of Lobo Development's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Lobo Development's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lobo Development's internal control over financial reporting and compliance.

Mess Adams LLP

Albuquerque, New Mexico
September 13, 2018

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Management's Discussion and Analysis
June 30, 2018

The following discussion and analysis provides an overview of the financial position and activities of Lobo Development Corporation (Lobo Development) as of and for the fiscal years ended June 30, 2018, 2017, and 2016. This discussion should be read in conjunction with the accompanying financial statements and notes. Management has prepared the basic financial statements and the related note disclosures along with this discussion and analysis. As such, the financial statements, notes, and this discussion are the responsibility of Lobo Development's management.

Financial Highlights

Cash increased in 2018 by \$1,768,014, resulting in cash on deposit with fiscal agent and cash on hand at the close of fiscal year 2018 of \$5,309,676. The increase during fiscal year 2018 is primarily due to an increase in project revenue, an increase in rental income, and an increase in reimbursement revenue. Cash increased in 2017 by \$487,609, resulting in cash on deposit with fiscal agent and cash on hand at the close of fiscal year 2017 of \$3,541,662. The increase during fiscal year 2017 was primarily due to the closeout of a new project, an increase in reimbursement revenue, and lower project expenses. Interest earned during fiscal year 2018 increased \$5,275 from \$44,930 to \$50,205, due to an increase in earnings on cash being held by The University of New Mexico (UNM), Lobo Development's fiscal agent.

Lobo Development's net position increased \$1,742,816 during the year, from \$4,555,832 in 2017 to \$6,298,648 in fiscal year 2018. During fiscal year 2017, Lobo Development's net position increased \$1,922,488 during the year, from \$2,633,344 in 2016 to \$4,555,832 in fiscal year 2017.

During fiscal year 2018, operating revenue increased by \$807,953 and operating expenses increased by \$85,968, resulting in an increase in net operating income of \$721,985. During fiscal year 2017, operating revenue increased by \$22,975 and operating expenses decreased by \$145,324, resulting in an increase in net operating income of \$168,299.

Overview of the Basic Financial Statements

The statements of net position of Lobo Development provides both long-term and short-term information about Lobo Development's overall financial position. The statements of revenues, expenses, and changes in net position provides information about the operating revenues and expenses and the nonoperating revenues and expenses of Lobo Development. The statements of cash flows provide information related to the cash inflows and outflows of Lobo Development. The notes to the basic financial statements provide more detailed information about amounts reported in the basic financial statements.

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Management's Discussion and Analysis
June 30, 2018

Financial Information

Lobo Development's condensed financial information as of and for the fiscal years ended June 30, 2018, 2017, and 2016 are provided in the following table:

	2018	2017	2016
Current assets	\$ 5,311,888	\$ 3,544,558	\$ 3,057,149
Net capital assets	16,067,894	16,537,383	14,661,863
Total assets	<u>\$ 21,379,782</u>	<u>\$ 20,081,941</u>	<u>\$ 17,719,012</u>
Current liabilities	\$ 498,063	\$ 473,069	\$ 396,558
Noncurrent liabilities	14,583,071	15,053,040	14,689,110
Total liabilities	<u>15,081,134</u>	<u>15,526,109</u>	<u>15,085,668</u>
Net investment in capital assets	1,014,854	1,028,796	(398,319)
Unrestricted	5,283,794	3,527,036	3,031,663
Total net position	<u>6,298,648</u>	<u>4,555,832</u>	<u>2,633,344</u>
Total liabilities and net position	<u>\$ 21,379,782</u>	<u>\$ 20,081,941</u>	<u>\$ 17,719,012</u>
Operating revenue	\$ 3,545,079	\$ 2,737,126	\$ 2,714,151
Operating expenses	991,043	905,075	1,050,399
Operating income	<u>2,554,036</u>	<u>1,832,051</u>	<u>1,663,752</u>
Nonoperating revenue	50,205	929,273	186,361
Nonoperating expenses	861,425	838,836	965,276
Change in net position	<u>1,742,816</u>	<u>1,922,488</u>	<u>884,837</u>
Net position, beginning of year	4,555,832	2,633,344	1,748,507
Net position, end of year	<u>\$ 6,298,648</u>	<u>\$ 4,555,832</u>	<u>\$ 2,633,344</u>

Statements of Net Position

Assets – As of June 30, 2018 and 2017, Lobo Development has cash in the amount of \$5,309,676 and \$3,541,662, respectively, of which \$5,106,547 and \$3,416,761, respectively, is held by UNM, and \$203,129 and \$124,901, respectively, is held in an operating bank account at a financial institution. Cash increased primarily due to an increase in project revenue, an increase in rental revenue, and an increase in reimbursement revenue.

Liabilities and Net Position – Lobo Development's net position at June 30, 2018, 2017, and 2016 was allocated between unrestricted and net investment in capital assets.

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Management's Discussion and Analysis
June 30, 2018

Statements of Revenues, Expenses, and Changes in Net Position

Revenues – During the fiscal year ended June 30, 2018, Lobo Development generated operating revenue in the amount of \$3,545,079, which included lease payments from three buildings, and two student housing buildings. During the fiscal year ended June 30, 2017, Lobo Development generated operating revenue in the amount of \$2,737,126. Other income amounted to \$50,205 and \$929,273 during the fiscal years ended June 30, 2018 and 2017, respectively. For 2018, other income was the result of interest earned from UNM. For 2017, other income was the result of a transfer in from UNM Athletics and interest earned from UNM.

Expenses – Total operating expenses increased \$85,968 during the fiscal year ended June 30, 2018 due to an increase in project expenses, building depreciation, and administrative expenses. Total operating expenses decreased \$145,324 during the fiscal year ended June 30, 2017.

UNM is the fiscal agent of Lobo Development. UNM holds the majority of Lobo Development's cash and invests the holdings in a commingled account with UNM's other investments. The pro rata interest earnings are credited to Lobo Development's account monthly and losses are charged at the end of the fiscal year. Lobo Development transfers funds to its checking account as needed.

Capital Assets and Debt Administration

Lobo Development's investment in capital assets as of June 30, 2018 amounts to \$1,014,854 (net of accumulated depreciation and debt incurred to finance). This investment in capital assets includes two buildings purchased during fiscal year 2013 and one building purchased in fiscal year 2017. Additional information concerning Lobo Development's capital assets may be found in note 5 in the notes to the financial statements.

At the end of the current fiscal year, Lobo Development had total debt outstanding of \$15,053,040. This debt was incurred during fiscal year 2013 for the purchase of the two buildings noted above and during fiscal year 2017 for the purchase of one building a noted above. Additional information concerning Lobo Development's long-term debt may be found in note 6 in the notes to the financial statements.

Factors Impacting Future Periods

Lobo Development is currently involved in the commercial development of vacant UNM property and has been negotiating with developers. Once a firm commitment is received, work will begin on building the infrastructure to support the retail outlets on UNM property. It is not known when this expansion of business will transpire.

Anticipated revenue sources for 2019 include campus student housing ground rent, commercial development ground rent, and real estate income.

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Management's Discussion and Analysis
June 30, 2018

Contacting Lobo Development's Financial Management

This report is meant to describe the financial condition and position of Lobo Development.

If you have questions about this report or need additional financial information, contact:

Lobo Development Corporation
801 University Boulevard SE, Suite 207
Albuquerque, New Mexico 87106-4345

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Statements of Net Position

ASSETS

	June 30,	
	2018	2017
CURRENT ASSETS		
Cash on deposit with fiscal agent	\$ 5,106,547	\$ 3,416,761
Cash on deposit with bank	203,129	124,901
Prepaid insurance	2,212	2,896
Total current assets	5,311,888	3,544,558
CAPITAL ASSETS		
Buildings	18,310,085	18,310,085
Less accumulated depreciation	(2,242,191)	(1,772,702)
Net capital assets	16,067,894	16,537,383
Total assets	<u>\$ 21,379,782</u>	<u>\$ 20,081,941</u>

LIABILITIES AND NET POSITION

CURRENT LIABILITIES		
Accounts payable	\$ 12,598	\$ 45
Accrued expenses	15,496	17,477
Current portion of long-term debt	469,969	455,547
Total current liabilities	498,063	473,069
NONCURRENT LIABILITIES		
Long-term debt	14,583,071	15,053,040
Total noncurrent liabilities	14,583,071	15,053,040
Net position:		
Net investment in capital assets	1,014,854	1,028,796
Unrestricted	5,283,794	3,527,036
Total net position	6,298,648	4,555,832
Total liabilities and net position	<u>\$ 21,379,782</u>	<u>\$ 20,081,941</u>

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Statements of Revenues, Expenses, and Changes in Net Position

	Years Ended June 30,	
	2018	2017
OPERATING REVENUES		
Rental revenue	\$ 1,423,284	\$ 1,376,300
Project revenue	2,094,490	1,340,420
Reimbursement revenue	27,305	20,406
Total operating revenues	3,545,079	2,737,126
OPERATING EXPENSES		
Project expenses	128,725	98,644
Depreciation	469,489	439,806
Administrative expenses	392,829	366,625
Total operating expenses	991,043	905,075
Operating income	2,554,036	1,832,051
NONOPERATING REVENUES		
Transfer in from UNM-Athletics	-	884,343
Interest income	50,205	44,930
Total nonoperating revenues	50,205	929,273
NONOPERATING EXPENSES		
Interest expense	464,925	463,836
Distributions to UNM	221,500	200,000
Distributions to UNM-Athletics	175,000	175,000
Total nonoperating expenses	861,425	838,836
Change in net position	1,742,816	1,922,488
NET POSITION, beginning of year	4,555,832	2,633,344
NET POSITION, end of year	\$ 6,298,648	\$ 4,555,832

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Statements of Cash Flows

	Years Ended June 30,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers of goods or services	\$ (309,626)	\$ (244,680)
Payments to employees for services	(200,672)	(228,353)
Payments received from contractors	27,305	213,329
Payments received from fiscal agent	3,517,774	2,523,797
Net cash provided by operating activities	3,034,781	2,264,093
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	-	(2,315,326)
Transfer in from UNM-Athletics	-	884,343
Distributions to UNM	(221,500)	(200,000)
Distributions to UNM-Athletics	(175,000)	(175,000)
Debt advance from fiscal agent principal	-	1,000,000
Debt repayment to fiscal agent principal	(455,547)	(551,595)
Debt repayment to fiscal agent interest	(464,925)	(463,836)
Net cash used in capital and related financing activities	(1,316,972)	(1,821,414)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received on deposits with fiscal agent	50,205	44,930
Net cash provided by investing activities	50,205	44,930
Net increase in cash and cash equivalents	1,768,014	487,609
CASH AND CASH EQUIVALENTS, beginning of year	3,541,662	3,054,053
CASH AND CASH EQUIVALENTS, end of year	\$ 5,309,676	\$ 3,541,662
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ 2,554,036	\$ 1,832,051
Depreciation expense	469,489	439,806
Adjustments to reconcile operating income to net cash provided by operating activities:		
Change in prepaid insurance	684	200
Change in accounts payable	12,553	(4,037)
Change in accrued expenses	(1,981)	(3,927)
Net cash provided by operating activities	\$ 3,034,781	\$ 2,264,093

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Notes to Financial Statements

Note 1 – Description of Business

Lobo Development Corporation (Lobo Development), a blended component unit of The University of New Mexico (UNM), is owned, controlled, and was established by UNM's Board of Regents (UNM Regents).

Lobo Development was incorporated in the State of New Mexico on October 4, 2007. It was organized under the amended State of New Mexico's University Research Park Act. The name of the Act has since been changed to the University Research Park and Economic Development Act.

Lobo Development was established to benefit the UNM Regents by relieving the University of New Mexico from the responsibilities to acquire, own, manage, and develop certain real estate in a commercially reasonable manner and to maximize the University's return from these assets; by contributing all of the corporation's net revenues to the University for the support of the teaching, research, and service mission of the University; and by creating learning opportunities for students in this development activity. The activities of the corporation shall include the acquisition, development, disposition, and rental of real estate for the benefit of the University.

Under the Memorandum of Agreement (MOA) between the UNM Regents and Lobo Development signed in the first quarter of fiscal year 2009, Lobo Development may plan, direct, and coordinate its business activities in accordance with a mutually agreed-upon development proposal and development agreement between Lobo Development and UNM. Lobo Development operations will be funded by an administrative fee assigned to approved projects. If Lobo Development revenues are more than sufficient to meet its anticipated financial obligations based on a mutually approved annual budget, it is the intent of the parties that excess revenue shall be distributed back to UNM. For the year ended June 30, 2018, \$396,500 was distributed back to UNM. For the year ended June 30, 2017, \$375,000 was distributed back to UNM.

Primary activities performed by Lobo Development during the year ended June 30, 2018 focused on efforts to establish the UNM Sports and Entertainment District at South Campus, marketing of commercial sites along Gibson Boulevard, and the establishment of a Tax Increment Development District in partnership with the City of Albuquerque.

Lobo Development provides services only to UNM. Lobo Development does not have any component units.

Note 2 – Summary of Significant Accounting Policies and Practices

Basis of Accounting and Presentation

As a proprietary fund, Lobo Development's financial statements are reported using a flow of economic resources measurement focus and the full accrual basis of accounting. Accordingly, revenues are recognized when they are earned and expenses are recognized as soon as the liability is incurred. Operating revenues and expenses are those incurred that relate directly to project management services. All other revenues and expenses are considered non-operating.

Lobo Development Corporation

(A Component Unit of the University of New Mexico)

Notes to Financial Statements

Note 2 – Summary of Significant Accounting Policies and Practices (continued)

The accompanying financial statements include only the accounts of Lobo Development, which has no component units.

Net Position

For accounting and reporting purposes, Lobo Development reports its net position in the following categories as applicable:

- Net investment in capital assets – capital assets net of accumulated depreciation and debt incurred to finance the capital asset acquisition.
- Unrestricted – net position that is not subject to externally imposed constraints.

Use of Estimates

The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the financial statements dates and the reported amounts of revenues and expenses during these reporting periods. Due to uncertainties inherent in the estimation process, actual results could differ from those estimates.

Cash and Cash Equivalents

Lobo Development considers all highly liquid investments with a maturity of three months or less when purchase to be cash equivalents. For purposes of the statement of cash flows, Lobo Development considers cash and cash equivalents to be cash deposits and amounts held by its fiscal agent.

Revenue Recognition

Lobo Development recognizes operating revenue for services earned under the terms of the MOA.

Lobo Development's revenue for the fiscal year ended 2018 originated from the following sources:

(1) Student Housing project/ACC Component I, (2) Student Housing project/ACC Component II, (3) Reimbursement Revenue, (4) Rent from three occupancy leases, (5) Other funds related to the MOU.

Lobo Development's revenue for the fiscal year ended 2017 originated from the following sources:

(1) Student Housing project/ACC Component I, (2) Student Housing project/ACC Component II, (3) Reimbursement revenue, (4) Rent from three occupancy leases, and (5) Other funds related to the MOA. All revenue from these sources is originally paid to UNM and UNM determines which revenue streams are allocated to Lobo Development.

Income Taxes

Lobo Development is exempt from federal income tax on income related to its exempt purposes under Section 501(a) of the Internal Revenue Code (Code) as an organization described in Section 501(c)(3) of the Code.

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Notes to Financial Statements

Note 2 – Summary of Significant Accounting Policies and Practices (continued)

Capital Assets

Capital assets are recorded at original cost, or fair value if donated. Per Section 12-6-10 NMSA 1978, Lobo Development follows UNM's capitalization policy for moveable equipment includes all items with a unit cost of \$5,000 or more, and an estimated useful life of greater than one year. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, generally 39 years for buildings.

Cash

Lobo Development's cash balances include cash on deposit with fiscal agent and an operating account. Lobo Development has no statutory policy requirements related to cash deposits. UNM serves as the fiscal agent for Lobo Development through which Lobo Development participates in a pooled bank account maintained by UNM. At June 30, 2018 and 2017, Lobo Development had a balance in that pooled account of \$5,106,547 and \$3,416,761, respectively. As fiscal agent, UNM requires the financial institution holding these pooled funds to maintain minimum collateral amounts. Interest is allocated monthly to Lobo Development's account based on its balance in the pooled bank account at the end of the preceding month.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the entity's deposits may not be returned to it. At June 30, 2018, the bank balance and the book balance in Lobo Development's separate checking account with Compass Bank were \$206,718 and \$203,129, respectively. At June 30, 2017, the bank balance and the book balance in Lobo Development's separate checking account with Compass Bank were \$132,338 and \$124,901. The entire book balance is insured by the Federal Deposit Insurance Corporation.

Note 3 – Related-Party Transactions

Effective August 12, 2008, UNM and Lobo Development entered into a MOA containing the expectations and performance obligations that UNM is seeking from Lobo Development.

Pursuant to the MOA, UNM provides to Lobo Development, at no cost to Lobo Development, facilities support and general business office and associated workspace. Under the agreement, UNM provides cash and investment management activities for Lobo Development, at no cost to Lobo Development. Lobo Development received \$2,094,490 and \$1,147,497 from UNM to fund operations for the years ended June 30, 2018 and 2017, respectively. This amount is included in Project revenue.

The MOA may be terminated by UNM, effective upon written notice to Lobo Development. Upon termination, all property of Lobo Development shall be transferred to UNM or other successor organization designated by resolution of the UNM Regents.

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Notes to Financial Statements

Note 3 – Related-Party Transactions (continued)

On December 21, 2016, Lobo Development executed a Promissory Note with the University of New Mexico Foundation, Inc. (UNM Foundation) to provide funds to finalize the purchase of a building. The Note was originally executed for \$1,000,000 at 3.75% interest per annum, with a maturity date of December 21, 2026. A First Amendment to Promissory Note was issued March 31, 2017 to reduce the monthly payments from \$10,006 to \$8,555. This was due to a \$141,940 payment made on March 31, 2017, reducing the principal from \$979,292 to \$837,351. Principal and interest payments are due monthly on the twenty-first day of each month. The interest rate and maturity date remain the same as the original Note.

On April 1, 2016, Lobo Development entered into an MOA with Innovate ABQ, Inc. (Innovate), a component unit of the University of New Mexico, wherein Lobo Development provides bookkeeping and operations management services to Innovate. Revenue received under this MOA was \$27,116 and \$20,406 for the fiscal years ended June 30, 2018 and 2017, respectively.

On May 29, 2015, Lobo Development entered into an MOA with the University of New Mexico Athletics Department (Athletics), wherein Lobo Development will allocate annually to Athletics: half of the “Lobo Village” ground lease income received from UNM; all of the “Wendy’s on Avenida Cesar Chavez” ground lease income received from UNM after initial development expenses have been reimbursed, and; all of the “Stadium West Parking Lot Project” ground lease income received from UNM after initial development expenses have been reimbursed. For the fiscal year ended June 30, 2018, Lobo Development distributed \$175,000 of “Lobo Village” ground lease income to Athletics; no ground lease income was received from UNM for the other two properties. For the fiscal year ended June 30, 2017, Lobo Development distributed \$175,000 of “Lobo Village” ground lease income to Athletics; no ground lease income was received from UNM for the other two properties.

Lobo Development receives rental revenue from UNM and Athletics under three occupancy lease agreements. For the fiscal year ended June 30, 2018, rental revenue received from UNM was \$1,320,614 and rental revenue received from Athletics was \$102,670, for total rental revenue of \$1,423,284. For the fiscal year ended June 30, 2017, rental revenue received from UNM was \$1,320,614 and rental revenue received from Athletics was \$55,686, for total rental revenue of \$1,376,300. Future rents due are as follows:

	<u>1312 Basehart</u>	<u>933 Bradbury</u>	<u>Baseball Clubhouse</u>
Fiscal year ending June 30:			
2019	\$ 396,458	924,156	102,670
2020	330,382	770,130	102,670
2021	-	-	102,670
2022	-	-	102,670
2023	-	-	102,670
2024 - 2026	-	-	256,675

Lobo Development did not purchase goods and services from companies that board members are employed by during the fiscal years ended June 30, 2018 and 2017.

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Notes to Financial Statements

Note 4 – Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	Balance at June 30, 2017	Additions/ Completions	Retirements/ Disposals	Balance at June 30, 2018
Buildings	\$ 18,310,085	\$ -	\$ -	\$ 18,310,085
Accumulated depreciation	(1,772,702)	(469,489)	-	(2,242,191)
Net capital assets	<u>\$ 16,537,383</u>	<u>\$ (469,489)</u>	<u>\$ -</u>	<u>\$ 16,067,894</u>

Capital asset activity for the year ended June 30, 2017 was as follows:

	Balance at June 30, 2016	Additions/ Completions	Retirements/ Disposals	Balance at June 30, 2017
Buildings	\$ 15,994,759	\$ 2,315,326	\$ -	\$ 18,310,085
Accumulated depreciation	(1,332,896)	(439,806)	-	(1,772,702)
Net capital assets	<u>\$ 14,661,863</u>	<u>\$ 1,875,520</u>	<u>\$ -</u>	<u>\$ 16,537,383</u>

Note 5 – Long-Term Debt

A promissory note payable to UNM was issued to finance the capital assets purchase made in fiscal year 2013. A Loan Revision Agreement was issued January 1, 2016 to reduce the principal due to a transfer of one of the three buildings. Principal and interest payments are due monthly on the first day of each month. This note bears interest at 3% and matures May 1, 2020.

A promissory note payable to the University of New Mexico Foundation, Inc. was issued to finance a capital asset purchased on December 21, 2016. A First Amendment to Promissory Note was issued March 31, 2017 to reduce the monthly payments from \$10,006 to \$8,555. This was due to a \$141,941 payment made on March 31, 2017 to reduce the principal from \$979,292 to \$837,351. Principal and interest payments are due monthly on the twenty-first day of each month. This note bears interest at 3.75% and matures December 21, 2026.

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Notes to Financial Statements

Note 5 – Long-Term Debt (continued)

Notes payable activity consists of the following:

Year Ended June 30, 2018					
	Beginning Balance	Additions	Deductions	Ending Balance	Amounts Due Within One Year
Note payable to UNM	\$ 14,689,110	\$ -	\$ (382,359)	\$ 14,306,751	\$ 393,988
Note payable to UNM Foundation	819,477	-	(73,188)	746,289	75,981
	<u>\$ 15,508,587</u>	<u>\$ -</u>	<u>\$ (455,547)</u>	<u>\$ 15,053,040</u>	<u>\$ 469,969</u>

Year Ended June 30, 2017					
	Beginning Balance	Additions	Deductions	Ending Balance	Amounts Due Within One Year
Note payable to UNM	\$ 15,060,182	\$ -	\$ (371,072)	\$ 14,689,110	\$ 382,358
Note payable to UNM Foundation	-	1,000,000	(180,523)	819,477	73,189
	<u>\$ 15,060,182</u>	<u>\$ 1,000,000</u>	<u>\$ (551,595)</u>	<u>\$ 15,508,587</u>	<u>\$ 455,547</u>

Minimum future payments under the promissory notes as of June 30, 2018 are as follows:

	Principal	Interest	Total
Fiscal year ending June 30:			
2019	\$ 469,969	\$ 450,502	\$ 920,471
2020	13,991,642	401,762	14,393,404
2021	81,889	20,781	102,670
2022	85,013	17,656	102,669
2023	88,257	14,413	102,670
2024 - 2027	336,270	23,075	359,345
	<u>\$ 15,053,040</u>	<u>\$ 928,189</u>	<u>\$ 15,981,229</u>

Note 6 – Risk Management

Lobo Development, through UNM, participates in the State of New Mexico Risk Management Program (Risk Management) that provides general liability at Lobo Development's expense. Workers' compensation insurance and property insurance are provided by private companies at Lobo Development's expense. The Risk Management program liability insurance coverage includes most employee liability claims; those claims falling outside this state program are in limited amounts and are covered by UNM from its operating budget. UNM's exposure is limited to \$1,000 per any first party incurred property loss, with the exception of theft, which has a \$5,000 deductible.

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Notes to Financial Statements

Note 7 – Defined-Contribution Plan

Lobo Development entered into a 403(b) defined-contribution plan effective January 1, 2013. As a defined-contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan may be amended by a board of directors' resolution. The plan is available to all employees of Lobo Development, beginning the first day of the plan year quarter coincident with or next following the date the employee first performs their first day of service and are considered to be immediately vested. The plan allows for variable employee contributions up to the Internal Revenue Service maximum allowed amount. Principal Financial Group administers the plan, and Lobo Development contributes the sum of (a) a 6% match for employees that contribute to the plan and (b) a discretionary contribution as determined by Lobo Development for employees who do not contribute to the plan. Contributions to the plan for the fiscal years ended June 30, 2018 and 2017 were \$14,318 and \$10,692, respectively, which consisted of \$7,159 and \$5,312 contributed by employees and \$7,159 and \$5,380 contributed by Lobo Development, respectively.

Note 8 – Subsequent Events

Subsequent events are evaluated by management through the date the accompanying financial statements are available to be issued, which is September 13, 2018.

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Directors
Lobo Development Corporation
and
Mr. Wayne A. Johnson, New Mexico State Auditor

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Lobo Development Corporation (Lobo Development), a component of the University of New Mexico, which comprise the statement of net position as of June 30, 2018, and the related statement of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 13, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lobo Development's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lobo Development's internal control. Accordingly, we do not express an opinion on the effectiveness of Lobo Development's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lobo Development's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Mess Adams LLP". The signature is written in a cursive, flowing style.

Albuquerque, New Mexico
September 13, 2018

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Schedule of Findings and Responses
June 30, 2018

No matters were reported.

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Summary Schedule of Prior Audit Findings
June 30, 2018

No matters were reported.

Lobo Development Corporation
(A Component Unit of the University of New Mexico)
Exit Conference
June 30, 2018

An exit conference was held on September 13, 2018. During this meeting, the contents of this report were discussed with the following individuals:

Lobo Development Corporation

Chris Vallejos	Secretary/Treasurer
Keelie L. Garcia	Administrative Operations Manager

Moss Adams LLP

Lisa Todd	Partner
Corrine Zajac-Clarkson	Senior Manager
Lauren Kistin	Manager

Lobo Development Corporation is responsible for the contents of the financial statements. Moss Adams LLP assisted with the preparation of the financial statements.

LOBO ENERGY, INC.

March 26, 2019

President Doug Brown
Regents of the University of New Mexico
The University of New Mexico
Albuquerque NM 87131-0001

Dear President Brown:

Lobo Energy, Incorporated requests that the Annual Meeting of the Member be held during the Board of Regents meeting on April 9, 2019. There are three action items for the agenda:

- Approval of the Minutes from the Annual Meeting of the Member held on March 13, 2017
- Acceptance of the FY 2016-17 audit
- Acceptance of the FY 2017-18 audit

I will be present at the meeting. Please feel free to contact me or Julie Alberti if you have any questions.

Thank you

Sincerely,



Jason Strauss
President/CEO

c: Chris Vallejos

between the premiere and the PPO network. If a premiere dentist gets \$100 the PPO reimbursement is \$80; that is the 20%. Regarding the contract, it has an option to renew and they could go a maximum of 8 years under procurement. The ASO fee they are quoting is \$2.94 per employee, per month it will be a potential 10% increase on that ASO fee after they've locked it in for two years. Current plan design will remain the same as it is competitive and cost effective for the University.

Regent Quillen inquired what the Delta Dental plan had to offer that Blue Cross Blue Shield did not. Mr. Evans responded the major concern for the committee was network disruption, currently the BCBS network is not as robust as the Delta Dental network, and they were concerned employees would no longer have access to their dentists.

The motion to approve the contract for the Division of Human Resources Dental Health Plan Administrative Services with Delta Dental passed by a unanimous vote (1st Doughty; 2nd Fortner).

Contract Approval: Cogeneration Turbine Unit #1 Engine Overhaul

Bruce Cherrin and Chris Vallejos presented the contract for the Cogeneration Turbine Unit #1 Engine Overhaul. The contract is for the 2005 cogeneration turbine for major maintenance that needs to occur every 30,000 hours. They have had this maintenance agreement with the manufacturer since 2005. It is over \$1 million. It is the third overhaul on this unit.

Regent Lee stated they have established this as standard and not out of the ordinary but is benchmarked usage and required for proper maintenance.

The motion to approve the Contract for the Cogeneration Turbine Unit #1 Engine Overhaul passed by unanimous vote (1st Doughty; 2nd Fortner).

LOBO DEVELOPMENT CORPORATION - MEETING OF THE MEMBER

Regent Doughty called the Lobo Development Corporation "Meeting of the Member" to order at 10:58 AM. The motion to approve the minutes of the Lobo Development April 8, 2016 meeting of the member passed unanimously (1st Fortner; 2nd Lee).

Regent Clifford inquired if Lobo Development has an audit committee and if there is Regent representation. Mr. Vallejos stated the Lobo Development Corporation Board of Directors has two Regent members. There is no separate audit committee for Lobo Development; they are a component unit that goes through the same process the University goes through.

Regent Doughty turned the gavel over to Regent Jack Fortner, Chair of the Lobo Development Corporation Board of Directors.

Regent Fortner asked Chris Vallejos to present the External Audit report for FY15-16. Mr. Vallejos stated there were no findings in the audit. There was one prior finding that was resolved from the previous year. They follow the same auditing procedures as the rest of the University. The University Controller is also apprised of all the different transactions that are going on through the Lobo Development Corporation as it is a component unit.

Regent Clifford requested a representative from the University Controller's Office be represented in the audit to ensure all areas are looked at on these audits. Regent Doughty clarified the request would apply to Lobo Development Corporation and Lobo Energy, Incorporated.

The motion to approve the External Audit for FY15-16 for Lobo Development Corporation passed unanimously (1st Clifford; 2nd Lee). Regent Doughty adjourned the Lobo Development Corporation "Meeting of the Member" at 11:02 AM.

LOBO ENERGY, INCORPORATED - MEETING OF THE MEMBER

Regent Doughty called the Lobo Energy, Inc. (LEI) "Meeting of the Member" to order at 11:02 AM. The motion to approve the minutes of the Lobo Energy, Inc. April 8, 2016 meeting of the member passed unanimously (1st Lee; 2nd Fortner).

Jason Strauss, CEO of Lobo Energy, Incorporated presented the External Audit for FY15-16; Lobo Energy received a clean audit with no findings.

The motion to approve the External Audit for FY15-16 for Lobo Energy, Inc. passed unanimously (1st Lee; 2nd Fortner).

Jason Strauss, CEO of Lobo Energy, Incorporated presented an update on the Energy Conservation Program. Lobo Energy is tasked, along with the rest of the University, to reduce the consumption of energy on campus to save funds as well as be sustainable. The ultimate task for energy conservation is to reduce energy consumption while they are dealing with the load creep that happens in all of the buildings; all the office machinery is defined as load creep. They are dealing with the constant increase of rates external to campus, which has allowed them to remain low because they are able to produce their own energy at a much cheaper rate than the outside market. They continue to build new buildings with no increase to funding, while still dealing with the decreased efficiency in the older buildings. A review of total avoided percentage by performance year was discussed regarding the energy conservation program that began in 2008. They are right on par with where they were last year and he anticipates they will be somewhere around 26-27% avoided use for our entire campus, including all of UNM including Branch Campuses. The percentage is a summary of every meter in all of the buildings benchmarked against it, and they take all the factors that roll into that into a single unit and that equals the avoided use percentage. Since the program began they have avoided 21.7% in total use.

Regent Clifford inquired about the estimates; the baseline is not easy to calculate as upgrades are done. He is unsure what they are taking credit for. Mr. Strauss responded they take every building and meter and baseline year, before they began the program, and they have the exact usage that was there and then the substantial changes that occurred, such as buildings staying open longer. Those are calculated in e-cap software which is the highest energy star rated energy system in the marketplace. They are comparing energy consumption against itself for all buildings. In the first four years they were using an outside vendor.

Regent Lee stated it would be helpful for discussions to take place with Regent Adcock and Regent Clifford regarding Lobo Energy.

The avoided cost over 9 years was at \$45 million gross avoided cost, with a \$33 million net. They anticipate \$7 million avoided cost this year. For the 10 year projection, they anticipate \$56.8 million gross avoided cost gross and \$43 million net avoided cost. Avoided cost does not mean they have those funds in an account but rather that means they are that amount less in debt they would have had to come up with to pay for utility costs.

Regent Doughty adjourned the Lobo Energy, Inc. "Meeting of the Member" at 11:14 AM.

Regent Doughty reconvened the Board of Regents regular meeting at 11:14 AM.

Monthly Consolidated Financial Report (information item)

Liz Metzger presented the monthly consolidated financial report for the University that was included in the agenda eBook. The financial report is as of January 31, 2017 which is 7 months into the fiscal year. Ms. Metzger provided highlights; the first regarding the current projected shortfall in the pooled tuition. Currently it has been estimated the University will be \$1.5 million short in the budgeted FY17 tuition and fees. That is primarily due to student credit hours. The second was a follow up to last month's presentation, the I&G exhibit is continuing to be affected by the big swing in investment income, which is reflected in the other revenue line item. They are rebounding but there is a time lag on how it appears on the financial reports. The report only shows investment income through the end of December. A graph was presented on the consolidated result of operations and the various campuses; bottom line is about \$60.1 million to the good which is made up of the three campuses including Main Campus totaling a \$49 million balance to the good, HSC is \$7.8 million to the good, and Branch Campuses are \$2.4 million to the good. A big part of the Main Campus finance is the influx of spring tuition, which will be spent over the course of the semester. Another graph illustrated revenues and expenses for the I&G exhibit, which is where the pooled tuition, fees, and investment income are represented, and was at a \$59 million result of operations to the good at the end of January 2017.

Regent Clifford inquired about the current projection for the end of the year relative to what was budgeted, specifically for Academic Affairs I&G projected a \$3.6 million use of reserve, and inquired if that was in addition to the amount that was budgeted. Ms. Metzger responded EVP Harris and Provost White will provide an update on projected balances as far as current fiscal year and looking forward to next fiscal year.

BLT Progress Report on FY17-18 Budget Development (information item)

EVP David Harris and Provost Craig White presented the item, a progress report provided on the FY17-18 budget development. The material was included in the agenda eBook.

EVP Harris stated they have provided budget updates to the ASAR and F&F Committees. They are talking about what they are doing with respect to the budget development for next fiscal year. EVP Harris and Provost White have been leading the effort but they have a very broad Budget Leadership Team (BLT). Since the recession in 2009, this format has been used of a broad based administrative team which attempts to identify where they sit currently and those items that they would be presenting in April. This year they have deviated and organized into sub-committees including: FY18 Budget Development,

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Financial Statements

June 30, 2017 and 2016

(With Report of Independent Auditors Thereon)

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

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LOBO ENERGY, INCORPORATED
(A Component Unit of the University of New Mexico)

Official Roster (Unaudited)

June 30, 2017

OFFICERS

Jason Strauss

R. Gary Smith-*Retired January 2017*

Al Sena-*As of June 2017*

Matthew Cherrin-*As of April 2017*

Julie Alberti

MEMBERS

Robert G. Frank

David W. Harris

Bradley Hosmer *through June 2017*

Stephen W. McKernan

Geraldine Forbes-Isais

Jon Word

Thomas J. Ruiz

Bruno E. Carrara

Dr. Thomas E. Clifford-*As of June 2017*

REPORT OF INDEPENDENT AUDITORS

The Board of Directors
Lobo Energy, Incorporated
and
Mr. Timothy Keller, New Mexico State Auditor:

Report on the Financial Statements

We have audited the accompanying financial statements of Lobo Energy, Incorporated (Lobo Energy), a blended component unit of the University of New Mexico, which comprise the statements of net position as of June 30, 2017, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise Lobo Energy's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or

The Board of Directors
Lobo Energy, Incorporated
and
Mr. Timothy Keller, New Mexico State Auditor

error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Lobo Energy, Incorporated as of June 30, 2017, and the changes in its net position and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Prior Year Financial Statements

The financial statements of Lobo Energy, Incorporated as of June 30, 2016 and 2015 were audited by other auditors whose report dated November 11, 2016, expressed an unmodified opinion on those statements.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Board of Directors
Lobo Energy, Incorporated
and
Mr. Timothy Keller, New Mexico State Auditor

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 11, 2017 on our consideration of Lobo Energy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lobo Energy's internal control over financial reporting and compliance.

Mess Adams LLP

Albuquerque, New Mexico
September 11, 2017

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Management's Discussion and Analysis

June 30, 2017 and 2016

(unaudited)

The following discussion and analysis provides an overview of the financial position and activities of Lobo Energy, Incorporated (Lobo Energy) as of and for the fiscal years ended June 30, 2017, 2016, and 2015. This discussion should be read in conjunction with the accompanying financial statements and notes. Management has prepared the basic financial statements and the related note disclosures along with this discussion and analysis. As such, the financial statements, notes, and this discussion are the responsibility of Lobo Energy's management.

Financial Highlights

- Lobo Energy's net position increased \$594,534 from \$3,974,637 in 2016 to \$4,569,171 in fiscal year 2017, primarily due to a decrease in nonoperating expenses. Lobo Energy's net position increased \$29,231 from \$3,945,406 in 2015 to \$3,974,637 in fiscal year 2016, primarily due to a decrease in operating expenses.
- During fiscal year 2017, Lobo Energy's operating revenue increased by \$750 and operating expenses increased by \$101,258, resulting in net operating gain of \$744,067 in fiscal year 2017, compared to a net operating gain of \$844,575 in fiscal year 2016. During fiscal year 2016, Lobo Energy's operating revenue decreased by \$617,600 and operating expenses decreased by \$1,489,727, resulting in a net operating gain of \$844,575 in fiscal year 2016, compared to net operating loss of \$27,552 in fiscal year 2015.
- Cash increased in fiscal year 2017 by \$152,434 resulting in cash on deposit with fiscal agent and cash on hand at the close of fiscal year 2017 of \$615,388. The increase during fiscal year 2017 is primarily due to the transfer of funds to the UNM Physical Plant Department for renewable energy projects in fiscal year 2016 that was not made in 2017. Cash decreased from fiscal year 2015 to 2016 by \$401,802 resulting in cash on deposit with fiscal agent and cash on hand at the close of fiscal year 2016 of \$462,954. The decrease during fiscal year 2016 is primarily due to the transfer of funds to the UNM Physical Plant Department for renewable energy projects.

Overview of the Basic Financial Statements

The statements of net position of Lobo Energy provides both long-term and short-term information about Lobo Energy's overall financial position. The statements of revenues, expenses, and changes in net position provide information about the operating revenues and expenses and the nonoperating revenues and expenses of Lobo Energy. The statements of cash flows provide information related to the cash inflows and outflows of Lobo Energy. The notes to the basic financial statements provide more detailed information about amounts reported in the basic financial statements.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Management's Discussion and Analysis

June 30, 2017 and 2016

(unaudited)

Financial Information

Lobo Energy's condensed financial information as of and for the fiscal years ended June 30, 2017, 2016, and 2015 are provided in the following table:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current assets	\$ 643,738	472,554	874,500
Other assets	—	—	30
Capital assets	<u>9,391,114</u>	<u>9,940,425</u>	<u>10,489,738</u>
Total assets	<u>\$ 10,034,852</u>	<u>10,412,979</u>	<u>11,364,268</u>
Current liabilities	\$ 1,061,293	1,025,794	1,024,423
Long-term liabilities	4,404,388	5,412,548	6,394,439
Net position	<u>4,569,171</u>	<u>3,974,637</u>	<u>3,945,406</u>
Total liabilities and net position	<u>\$ 10,034,852</u>	<u>10,412,979</u>	<u>11,364,268</u>
Operating revenues	\$ 2,171,815	2,171,065	2,788,665
Operating expenses	<u>1,427,748</u>	<u>1,326,490</u>	<u>2,816,217</u>
Operating income	744,067	844,575	(27,552)
Nonoperating revenues	7,641	6,717	13,834
Nonoperating expenses	<u>157,174</u>	<u>822,061</u>	<u>222,677</u>
Change in net position	594,534	29,231	(236,395)
Net position, beginning of year	<u>3,974,637</u>	<u>3,945,406</u>	<u>4,181,801</u>
Net position, end of year	<u>\$ 4,569,171</u>	<u>3,974,637</u>	<u>3,945,406</u>

Statements of Net Position

As of June 30, 2017 and 2016, Lobo Energy has cash in the amount of \$615,388 and \$462,954, respectively, of which \$561,366 and \$439,695, respectively, is held by Lobo Energy's fiscal agent, UNM, and \$54,022 and \$23,259, respectively, is held in an operating bank account at a financial institution.

All of the June 30, 2017 and 2016 net assets are held as equity in the form of unrestricted net position of \$590,605 and \$428,651, respectively. Additionally, at June 30, 2017 and 2016, Lobo Energy has \$3,978,566 and \$3,545,986 shown as net investment in capital assets.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Management's Discussion and Analysis

June 30, 2017 and 2016

(unaudited)

Capital Assets and Debt Administration

Lobo Energy's investment in capital assets as of June 30, 2017 and 2016 was \$9,391,114 and \$9,940,425, respectively. This investment in capital assets includes a co-generation project in construction and internally generated software. Additional information concerning Lobo Energy's capital assets may be found in Note 5 in notes to the financial statements.

At the end of the current fiscal year, Lobo Energy had total debt outstanding of \$5,412,548. This debt was incurred when Lobo Energy borrowed \$10,000,000 during FY 2012–13 for the purchase of the co-generation project described above. Additional information concerning Lobo Energy's long-term debt may be found in Note 5 to the financial statements.

Statements of Revenues, Expenses, and Changes in Net Position

Revenues – Under the current Management Services Agreement (MSA), total revenue earned during fiscal years 2017 and 2016 for utility project management services and other project management services was \$2,171,815 and \$2,171,065, respectively, and includes \$480,000 in both fiscal years for utilities management services. Other management services for fiscal years 2017 and 2016 were \$1,691,815 and \$1,691,065, respectively.

Expenses – Total operating expenses increased \$101,258 during the fiscal year ended June 30, 2017 mainly due to an increase in outside services for E/S3 Consultants for UNM Energy Performance contract of \$21,083 and NMIEC for Special assessment for Regulation Commission Litigation of \$28,800, Legacy Automated controls and software replacement of \$22,589 as well as furniture for office move of \$11,201. Total operating expenses decreased \$847,727 during the fiscal year ended June 30, 2016 due to a decrease of \$790,706 in project expenses related to the transfer of funds to the UNM Physical Plant Department for renewable energy projects and a decrease of \$65,975 in administrative expenses as well as an increase in depreciation expenses of \$8,954 due to a full year of depreciation on the Facility Facts Software.

Factors Impacting Future Periods

Lobo Energy employee has developed a software package for use by UNM that can also be used by other facilities managers (Note 5 for a detailed explanation of this project).

Contacting Lobo Energy's Financial Management

This report is meant to describe the financial condition and position of Lobo Energy.

If you have questions about this report or need additional financial information, contact:

Lobo Energy, Incorporated
800 Bradbury Drive SE, Suite 216
Albuquerque, New Mexico 87106-4310
(505) 272-7118

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Statements of Net Position

June 30, 2017 and 2016

Assets	2017	2016
Current assets:		
Cash on deposit with fiscal agent	\$ 561,366	439,695
Cash on deposit with BBVA Compass Bank	54,022	23,259
Accounts receivable	10,450	9,600
Prepaid expenses	17,900	-
Total current assets	<u>643,738</u>	<u>472,554</u>
Capital assets:		
Property, plant, and equipment	11,242,495	11,242,495
Less accumulated depreciation and amortization	<u>(1,851,381)</u>	<u>(1,302,070)</u>
Net capital assets	<u>9,391,114</u>	<u>9,940,425</u>
Total assets	<u><u>\$ 10,034,852</u></u>	<u><u>10,412,979</u></u>
Liabilities and Net Position		
Current liabilities:		
Accounts payable	\$ 12,300	-
Accrued expenses	40,833	43,903
Current portion of long-term debt	<u>1,008,160</u>	<u>981,891</u>
Total current liabilities	1,061,293	1,025,794
Long-term debt, excluding current installments	<u>4,404,388</u>	<u>5,412,548</u>
Total liabilities	<u>5,465,681</u>	<u>6,438,342</u>
Net position:		
Net investment in capital assets	3,978,566	3,545,986
Unrestricted	<u>590,605</u>	<u>428,651</u>
Total net position	<u><u>\$ 4,569,171</u></u>	<u><u>3,974,637</u></u>

See accompanying notes to financial statements.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)
Statements of Revenues, Expenses, and Changes in Net Position
Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Operating revenues:		
Utilities management services	\$ 480,000	480,000
Other management services	1,691,815	1,691,065
Total operating revenues	<u>2,171,815</u>	<u>2,171,065</u>
Operating expenses:		
Administrative expenses	245,113	127,877
Depreciation expenses	549,311	549,313
Project expenses	633,324	649,300
Total operating expenses	<u>1,427,748</u>	<u>1,326,490</u>
Operating income	744,067	844,575
Nonoperating revenue:		
Interest income	7,641	6,717
Total nonoperating revenue	<u>7,641</u>	<u>6,717</u>
Nonoperating expenses:		
Interest expense	157,174	180,061
Transfer out to UNM	-	642,000
Total nonoperating expenses	<u>157,174</u>	<u>822,061</u>
Change in net position	594,534	29,231
Net position, beginning of year	<u>3,974,637</u>	<u>3,945,406</u>
Net position, end of year	<u>\$ 4,569,171</u>	<u>3,974,637</u>

See accompanying notes to financial statements.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Statements of Cash Flows

Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Receipts from customers	\$ 2,170,965	2,171,209
Payments to other suppliers of goods or services	(369,566)	(287,096)
Payments to employees for services	(517,541)	(514,265)
Net cash provided by operating activities	<u>1,283,858</u>	<u>1,369,848</u>
Cash flow from investing activities:		
Interest earned	<u>7,641</u>	<u>6,717</u>
Net cash provided by investing activities	<u>7,641</u>	<u>6,717</u>
Cash flow from noncapital financing activities:		
Transfer to UNM	<u>-</u>	<u>(642,000)</u>
Net cash used in noncapital financing activities	<u>-</u>	<u>(642,000)</u>
Cash flow from capital financing activities:		
Payments of long-term debt	(981,891)	(956,306)
Interest expense	(157,174)	(180,061)
Net cash used in financing activities	<u>(1,139,065)</u>	<u>(1,136,367)</u>
Net increase (decrease) in cash and cash equivalents	152,434	(401,802)
Cash and cash equivalents, beginning of year	<u>462,954</u>	<u>864,756</u>
Cash and cash equivalents, end of year	<u>\$ 615,388</u>	<u>462,954</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 744,067	844,575
Depreciation expense	549,311	549,313
Adjustments to reconcile operating income to net cash provided by operating activities:		
Change in accounts receivable	(850)	144
Change in prepaid expenses	(17,900)	-
Change in other assets	-	30
Change in accounts payable	12,300	(24,214)
Change in accrued expenses	(3,070)	-
Net cash provided by operating activities	<u>\$ 1,283,858</u>	<u>1,369,848</u>

See accompanying notes to financial statements.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2017 and 2016

(1) Description of Business

Lobo Energy, Incorporated (Lobo Energy) (a blended component unit of the University of New Mexico) is owned, controlled, and was established by the University of New Mexico's (UNM) Board of Regents.

Lobo Energy was incorporated in the State of New Mexico on July 15, 1998. It was organized under the amended State of New Mexico's University Research Park Act. The name of the Act has since been changed to the University Research Park and Economic Development Act.

Lobo Energy was established to provide UNM with services outlined in an Interim Services Agreement (ISA) that included procuring electricity and natural gas for UNM, installing an energy metering and management system, and developing a Master Utility Business Plan (plan) for the upgrade and improvement of the utility infrastructure. Lobo Energy completed the installation of a metering and monitoring system and developed and integrated energy procurement methods into UNM's procurement processes. Lobo Energy's board of directors approved the plan in June 2000. UNM implemented the business plan and financed and constructed the projects contemplated in the business plan.

In developing the plan, Lobo Energy employed several consultants to assist in assessing the utility infrastructure needs, defining a technical solution, and determining the financial parameters of that solution. The combined efforts resulted in a comprehensive plan that identified many utility improvement projects, their construction costs, and the financial impacts upon the utility services. The utility systems included in the plan were renewed through a series of construction projects over a period of several years.

Lobo Energy conducted its business under the terms of a November 2000–2005 Management Services Agreement (MSA) that replaced the original ISA. Under the MSA, with respect to existing and any and all new utility systems and equipment, UNM continued to own, finance, operate, maintain, and in all respects control the utility equipment and systems. Lobo Energy provided project management services and transition management services for the duration of the project. The utility upgrade project was completed during 2006.

Lobo Energy currently provides services to UNM under the terms of a revised MSA, which is effective November 2015–2020 (Note 3). The agreement continues for consecutive one-year periods after its expiration or until such time as it is terminated. UNM may terminate the MSA thirty-days after written notice to Lobo Energy. UNM has not notified Lobo Energy that it intends to exercise this right. Upon termination of this agreement all rights and privileges granted, assigned or shared between Lobo Energy and UNM shall terminate. Upon termination of the agreement, all property of Lobo Energy shall transfer to UNM subject to the prior rights, if any, of any creditors of Lobo Energy.

UNM requested that Lobo Energy implement an energy conservation program on the campus during fiscal year 2008. Lobo Energy entered into a contract with Energy Education, Inc. (EEI), a corporation that specializes in energy conservation (EEI is now known as Cenergistic). Lobo Energy hired six energy conservation specialists (ECSs). Contract payments began after the first six months the contract was in effect. The ongoing program continues to be very effective. UNM has experienced a dramatic decrease in its energy consumption, as well as a reduction in the size of its carbon footprint, since the onset of the project. The four-year contract with EEI expired on September 30, 2012. The energy conservation project continues on campus.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2017 and 2016

During fiscal years 2008 and 2009, energy-conservation programs were started on UNM's Valencia, Gallup, Los Alamos, and Taos Campuses. The program on each of those campuses is administered by an employee who was already employed on each campus. The programs are ongoing during fiscal years 2016 and 2017.

During fiscal year 2009, Lobo Energy was asked by UNM to explore renewable energy applications that might be viable on the campus. Lobo Energy issued a Request for Information regarding potential renewable energy projects for installation on the UNM campus when funding becomes available.

During fiscal year 2013, at the request of UNM, Lobo Energy began providing technical support for the smart-grid, renewable-energy project owned by Shimizu NA on the Mesa del Sol campus. Lobo Energy is compensated by Shimizu for its participation in this project. Lobo Energy's contract with Shimizu expired on March 31, 2014. The solar unit was given to UNM's Engineering Department by Shimizu and the maintenance is provided by UNM Physical Plant personnel.

(2) Summary of Significant Accounting Policies and Practices

(a) Basis of Accounting and Presentation

As a proprietary fund, Lobo Energy's financial statements are reported using a flow of economic resources measurement focus and the full accrual basis of accounting. Accordingly, revenues are recognized when they are earned and expenses are recognized as soon as the liability is incurred. Operating revenues and expenses are those incurred that relate directly to energy and project management services. All other revenues and expenses are considered nonoperating.

The accompanying financial statements include only the accounts of Lobo Energy, which has no component units.

(b) Net Position

For accounting and reporting purposes, Lobo Energy reports its net position in the following net asset categories as applicable:

- Net investment in capital assets – capital assets, net of accumulated depreciation and debt incurred to finance the capital asset acquisition
- Unrestricted – net position that is not subject to externally imposed constraints

(c) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the financial statements dates and the reported amounts of revenues and expenses during these reporting periods. Due to uncertainties inherent in the estimation process, actual results could differ from those estimates.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2017 and 2016

(d) Cash

For purposes of the statement of cash, Lobo Energy considers cash to be cash deposits and amounts held by its fiscal agent.

(e) Revenue Recognition

Lobo Energy provides two types of project management services: utilities management services and other management services (see Note 3). Revenue is recognized for each type of service based on the terms of the MSA.

(f) Equity Method Investment

Lobo Energy initially recorded its equity method investment at cost. A decline in the fair value of the investment below cost that is deemed other-than-temporary results in an impairment to reduce the carrying value to fair value. In FY 2015 and 2016, Lobo Energy recognized an impairment loss on its investment. See Note 7 for further discussion.

(g) Accounts Receivable

Accounts receivable balances represent amounts due from an affiliated entity (UNM-Plant) for services performed under the MSA. All amounts are considered collectible and therefore no allowance for doubtful accounts has been recorded.

(h) Capital Assets

Capital assets are stated at cost. Lobo Energy's policy is to capitalize all disbursements for equipment, software, and furnishings in excess of a \$5,000 unit price. Items with a cost of less than \$5,000 are expensed in the year of acquisition. Donated equipment is recorded at fair market value at the date of donation. Repairs and maintenance expenses are charged to operations when incurred and major improvements and replacements are capitalized.

(i) Compensated Absences

Under Lobo Energy's internal policy terminating employees are not entitled to unused sick leave except for amounts unused amounts exceeding a balance of 600 hours. If a terminating employee's balance exceeds 600 hours the employee can request that the amounts in excess of 600 be paid out to the employee upon termination at 50% of their pay rate. Lobo Energy has concluded that these amounts are negligible and has therefore not recorded an accrual related to sick leave. Lobo Energy does accrue for annual leave at a maximum of 252 hours per employee. Lobo Energy recorded \$41,076 and \$44,044 of annual leave as accrued expenses at June 30, 2017 and June 30, 2016, respectively.

(j) Income Taxes

Lobo Energy is exempt from federal income tax on income related to its exempt purposes under Section 501(a) of the Internal Revenue Code (Code) as an organization described in Section 501(c)(3) of the Code.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2017 and 2016

(k) *Reclassifications*

Certain reclassifications of prior year information have been made to conform to the current period.

(3) Project Management Services under The Revised Management Services Agreement

Utilities Management Services

Lobo Energy may provide assistance to UNM, as requested, for the management and supervision of its contracts that provide for the:

- a. Planning, design, engineering, contracting, energy conservation, and commissioning services for assigned projects
- b. Procurement of equipment and services in the course of implementing the projects
- c. Management of UNM's energy procurement strategies
- d. Recommendations for obtaining cost-effective energy commodities and services from energy suppliers
- e. Management of UNM's energy-related regulatory issues
- f. Recommendations for appropriate actions and strategies in response to regulatory opportunities or events
- g. Administrative tools capable of providing utility operational budgeting, capital project budgeting, major maintenance budgeting, cash flow tracking, and energy savings tracking
- h. Assistance with developing the energy and administrative capabilities described in items a through g above.

Under the terms of the revised MSA, effective November 1, 2015, UNM compensates Lobo Energy for these services at the rate of \$40,000 per month related to utility project management and \$46,000 per month related to energy conservation projects, over a five-year period. Additionally, UNM compensates Lobo Energy an additional \$94,922 per month to cover the debt service related to the second cogeneration unit, until the debt service is fulfilled.

Other Management Services

- a. Development planning services
- b. Additional infrastructure development plans
- c. Other planning services as assigned

Under the revised MSA, as of November 1, 2015, UNM pays Lobo Energy a mutually agreed-upon monthly fee for the duration of each project.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2017 and 2016

(4) Cash

Lobo Energy's cash balances include cash on deposit with its fiscal agent and an operating account. Lobo Energy has no statutory or policy requirements; however, it has a policy to deposit funds only in FDIC-insured accounts. UNM serves as the fiscal agent for Lobo Energy through which Lobo Energy participates in a pooled bank account maintained by UNM. At June 30, 2017 and 2016, Lobo Energy had a book and bank balance in that pooled account of \$561,366 and \$439,695, respectively. As fiscal agent, UNM requires the financial institution holding these pooled funds to maintain minimum collateral amounts. Interest is allocated monthly to Lobo Energy's account based on its balance in the pooled bank account at the end of the preceding month. At June 30, 2017 and 2016, Lobo Energy realized a gain of \$7,641 and \$6,717, respectively, via year-end adjustments to the interest account by UNM.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the entity's deposits may not be returned to it. At June 30, 2017 and 2016, the bank balance in Lobo Energy's separate checking account was \$54,022 and \$25,027, respectively, and the book balance was \$54,022 and \$23,259, respectively. At June 30, 2017 and 2016, the checking account balance is insured by the FDIC.

(5) Capital Assets and Long-Term Debt

(a) Co-generation Unit

In July 2012, Lobo Energy entered into a \$10,000,000 commitment to finance the construction of a new co-generation unit to be installed on the UNM main campus in Ford Utilities Center. The Master Equipment Lease/Purchase Agreement with Banc of America Leasing and Capital, LLC (Banc of America) was entered into and is to be repaid over a period of 10 years. Monthly payments in the amount of \$94,922 commenced on August 25, 2012. The final lease payment is anticipated to be made on July 25, 2022. The escrow account was held at Bank of Albuquerque. The installation of an additional co-generation unit in the future was part of the plan when the utility infrastructure was upgraded in a project concluding in 2006. The additional unit was placed into service in January 2014.

(b) Depreciation

Lobo Energy depreciates the co-generation unit using the straight-line method based upon a useful life of 25 years. Lobo Energy estimates useful life based upon internal information and similar assets at UNM. The unit was placed into service and Lobo Energy began depreciating the asset in January 2014. In fiscal year 2015, two pieces of software were transferred from construction in progress, to Property, plant and equipment. Lobo Energy estimates useful life of software using the straight-line method over a useful life of 5 years. Lobo Energy has recorded \$1,851,381 and \$1,302,070 of accumulated depreciation as of the years ended June 30, 2017 and 2016, respectively.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2017 and 2016

	<u>Balance at June 30, 2016</u>	<u>Additions</u>	<u>Retirements/ disposals</u>	<u>Balance at June 30, 2017</u>
Plant in service	\$ 10,619,916	-	-	10,619,916
Internally generated software	622,579	-	-	622,579
Accumulated depreciation	<u>(1,302,070)</u>	<u>(549,311)</u>	<u>-</u>	<u>(1,851,381)</u>
Net property, plant, and equipment	<u>\$ 9,940,425</u>	<u>(549,311)</u>	<u>-</u>	<u>9,391,114</u>

	<u>Balance at June 30, 2015</u>	<u>Additions</u>	<u>Retirements/ disposals</u>	<u>Balance at June 30, 2016</u>
Plant in service	\$ 10,619,916	-	-	10,619,916
Internally generated software	622,579	-	-	622,579
Accumulated depreciation	<u>(752,757)</u>	<u>(549,313)</u>	<u>-</u>	<u>(1,302,070)</u>
Net property, plant, and equipment	<u>\$ 10,489,738</u>	<u>(549,313)</u>	<u>-</u>	<u>9,940,425</u>

(c) **Lease Payments**

Payments are due monthly to Banc of America and the lease charges interest at 2.64% and matures on July 25, 2022. The outstanding principal balance at June 30, 2017 and 2016 was \$5,412,548 and \$6,394,439, respectively. The following is a summary of lease liability transactions, including the current portion:

	<u>Balance at July 1</u>	<u>Proceeds</u>	<u>Payments</u>	<u>Balance at June 30</u>	<u>Due within one year</u>
Lease liability, FY 2016	7,350,745	-	(956,306)	6,394,439	981,891
Lease liability, FY 2017	6,394,439	-	(981,891)	5,412,548	1,008,160

At June 30, 2017, minimum future lease payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal years ending June 30:			
2018	\$ 1,008,160	\$ 130,905	\$ 1,139,065
2019	1,035,132	103,933	1,139,065
2020	1,062,826	76,239	1,139,065
2021	1,091,261	47,804	1,139,065
2022	1,120,456	18,609	1,139,065
2023	94,713	209	94,922
	<u>\$ 5,412,548</u>	<u>\$ 377,699</u>	<u>\$ 5,790,247</u>

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2017 and 2016

(6) Defined-Contribution Plan

Lobo Energy entered into, and administers, a 403(b) defined-contribution plan effective February 1, 2000 and amended January 1, 2009. As a defined-contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan may be amended by a board of directors' resolution. All employees of Lobo Energy are eligible to participate and are considered to be immediately vested. The plan allows for variable employee contributions up to the Internal Revenue Service maximum allowed amount. Lobo Energy contributes a 100% match up to 6% of each participating employee's gross salary per compensation period. Contributions to the plan for the fiscal years ended June 30, 2017 and 2016 were \$70,731 and \$72,638, respectively, which consisted of \$43,164 and \$45,568 contributed by employees and \$27,567 and \$27,070 contributed by Lobo Energy, respectively.

(7) Related-Party Transactions

Effective December 1, 1998, UNM and Lobo Energy entered into a Memorandum of Agreement (MOA) containing the expectations and performance obligations that UNM was seeking from Lobo Energy at that time. The MOA articulates UNM's and Lobo Energy's mutual obligations in planning, developing, and implementing the utility facilities and services required by UNM. Pursuant to the MOA, UNM provides to Lobo Energy, at no cost to Lobo Energy, facilities support and general business office and associated workspace. The MOA also establishes UNM as the fiscal agent for Lobo Energy, with UNM providing cash and investment management activities for Lobo Energy, at no cost to Lobo Energy. The MOA may be terminated by UNM and, upon termination, all property of Lobo Energy will be transferred to UNM or other successor organizations designated by a resolution of UNM's Board of Regents.

Effective January 26, 2015, UNM and Lobo Energy entered into a Memorandum of Agreement (MOA) specifying the reimbursement of Lobo Energy's annual service fee related to the EnergyCap software in the amount of \$9,600.

In FY 2014, Lobo Energy paid a total of \$365,077 to Facility Facts, Inc. a company owned by an employee of Lobo Energy, and in which Lobo Energy has a 10% common stock interest in order to help get the company established in order to market and sell the Facility Facts software internally generated by Lobo Energy. There were no additional payments made in FY 2016 or FY 2017. Lobo Energy accounts for its investment in Facility Facts, Inc. using the equity method of investment. The investment is considered fully impaired, and therefore not reported in the Statements of Net Position for FY 2016 and FY 2017.

Pursuant to the licensing agreement made with Facility Facts Inc., Lobo Energy retains the patent rights, permanent royalty-free rights to use the Facility Facts software, and will receive royalties representing 50% of gross receipts of sublicenses granted during each calendar year for the life of the filed patents. Lobo Energy recorded total royalties of \$750 in FY 2017 and \$0 in FY 2016.

Lobo Energy is a member of New Mexico Industrial Energy Consumers (NMIEC), which advocates high quality of energy service at fair, just and reasonable prices for its members and all classes of customers. Jason Strauss, President and CEO of Lobo Energy is an officer of NMIEC. Lobo Energy paid in dues a total of \$95,000 in FY 2017 and \$75,964 in FY 2016.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2017 and 2016

Lobo Energy did not purchase goods or services of companies that board members are employed by during the fiscal years ended June 30, 2017 and 2016.

(8) Risk Management

Lobo Energy, through UNM, participates in the State of New Mexico Risk Management Program (Risk Management) that provides general liability, auto liability, physical damage, and workers' compensation insurance. The Risk Management program liability insurance coverage includes most employee liability claims; those claims falling outside this state program are in limited amounts and are covered by UNM from its operating budget. UNM's exposure is limited to \$1,000 per any first party incurred property loss, with the exception of theft, which has a \$5,000 deductible.

(9) Subsequent Events

Subsequent events are evaluated by management through the date the accompanying financial statements are available to be issued, which is September 11, 2017.



**REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

The Board of Directors
Lobo Energy, Incorporated
and
Mr. Timothy Keller, New Mexico State Auditor:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Lobo Energy, Incorporated (Lobo Energy), a blended component unit of the University of New Mexico, which comprise the statement of net position as of June 30, 2017, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 11, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lobo Energy's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lobo Energy's internal control. Accordingly, we do not express an opinion on the effectiveness of Lobo Energy's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The Board of Directors
Lobo Energy, Incorporated
and
Mr. Timothy Keller, New Mexico State Auditor

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lobo Energy's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Lobo Energy Incorporated's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lobo Energy's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mess Adams LLP

Albuquerque, New Mexico
September 11, 2017

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Exit Conference

Year ended June 30, 2017

An exit conference was held on September 11, 2017. During this meeting, the contents of this report were discussed with the following individuals:

Lobo Energy, Incorporated

Jason Strauss President/CEO, LEI; Member of Board of Directors, LEI

Julie Alberti CFO, LEI

Moss Adams LLP

Lisa Todd Partner

Sheila Herrera Senior Manager

Lobo Energy is responsible for the contents of the financial statements. Moss Adams LLP assisted with the preparation of the financial statements.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Financial Statements

June 30, 2018 and 2017

(With Report of Independent Auditors Thereon)

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

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LOBO ENERGY, INCORPORATED
(A Component Unit of the University of New Mexico)

Official Roster (Unaudited)

June 30, 2018

OFFICERS

Jason Strauss

Matthew Cherrin

Julie Alberti

MEMBERS

Chauki Abdallah *through February 2018*

Garnett Stokes-As *of March 2018*

David W. Harris

Stephen W. McKernan *through September 2017*

Michael Chicarelli-As *of October 2017*

Geraldine Forbes-Isais

Jon Word

Thomas J. Ruiz

Bruno E. Carrara

Thomas E. Clifford

REPORT OF INDEPENDENT AUDITORS

The Board of Directors
Lobo Energy, Incorporated
and
Mr. Wayne A. Johnson
New Mexico State Auditor

Report on the Financial Statements

We have audited the accompanying financial statements of Lobo Energy, Incorporated (Lobo Energy), a blended component unit of the University of New Mexico, which comprise the statements of net position as of June 30, 2018, and 2017, and the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise Lobo Energy's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or

error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lobo Energy, Incorporated as of June 30, 2018 and 2017, and the changes in its financial position and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 10, 2018 on our consideration of Lobo Energy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lobo Energy's internal control over financial reporting and compliance.

Mess Adams LLP

Albuquerque, New Mexico
September 10, 2018

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Management's Discussion and Analysis

June 30, 2018 and 2017

(unaudited)

The following discussion and analysis provides an overview of the financial position and activities of Lobo Energy, Incorporated (Lobo Energy) as of and for the fiscal years ended June 30, 2018, 2017, and 2016. This discussion should be read in conjunction with the accompanying financial statements and notes. Management has prepared the basic financial statements and the related note disclosures along with this discussion and analysis. As such, the financial statements, notes, and this discussion are the responsibility of Lobo Energy's management.

Financial Highlights

- Lobo Energy's net position increased \$367,457 from \$4,569,171 in fiscal year 2017 to \$4,936,628 in fiscal year 2018, primarily due to operating expenses. Lobo Energy's net position increased \$594,534 from \$3,974,637 in fiscal year 2016 to \$4,569,171 in fiscal year 2017, primarily due to a decrease in operating expenses.
- During fiscal year 2018, Lobo Energy's operating revenue decreased by \$750 and operating expenses increased by \$249,840, resulting in net operating gain of \$493,477 in fiscal year 2018, compared to a net operating gain of \$744,067 in fiscal year 2017. During fiscal year 2017, Lobo Energy's operating revenue increased by \$750 and operating expenses increased by \$101,258, resulting in a net operating gain of \$744,067 in fiscal year 2017, compared to net operating gain of \$844,575 in fiscal year 2016.
- Cash decreased in fiscal year 2018 by \$60,521 resulting in cash on deposit with fiscal agent and cash on hand at the close of fiscal year 2018 of \$554,867. The decrease during fiscal year 2018 is primarily due to the payment for the Investment Grade Audit (IGA) to Yearout Energy Services. Cash increased from fiscal year 2017 by \$152,434 resulting in cash deposit with fiscal agent and cash on hand at the close of fiscal year 2017 to \$615,388. The increase during fiscal year 2017 is primarily due to the transfer of funds to the UNM Physical Plant Department for renewable energy projects in fiscal year 2016 that was not made in fiscal year 2017.

Overview of the Basic Financial Statements

The statements of net position of Lobo Energy provides both long-term and short-term information about Lobo Energy's overall financial position. The statements of revenues, expenses, and changes in net position provide information about the operating revenues and expenses and the nonoperating revenues and expenses of Lobo Energy. The statements of cash flows provide information related to the cash inflows and outflows of Lobo Energy. The notes to the basic financial statements provide more detailed information about amounts reported in the basic financial statements.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Management's Discussion and Analysis

June 30, 2018 and 2017

(unaudited)

Financial Information

Lobo Energy's condensed financial information as of and for the fiscal years ended June 30, 2018, 2017, and 2016 are provided in the following table:

	2018	2017	2016
Current assets	\$ 567,551	643,738	472,554
Capital assets	8,841,801	9,391,114	9,940,425
Total assets	<u>\$ 9,409,352</u>	<u>10,034,852</u>	<u>10,412,979</u>
Current liabilities	\$ 1,103,469	1,061,293	1,025,794
Long-term liabilities	3,369,255	4,404,388	5,412,548
Net position:			
Net investment in capital assets	4,437,414	3,978,566	3,545,986
Unrestricted	<u>499,214</u>	<u>590,605</u>	<u>428,651</u>
Total liabilities and net position	<u>\$ 9,409,352</u>	<u>10,034,852</u>	<u>10,412,979</u>
Operating revenues	\$ 2,171,065	2,171,815	2,171,065
Operating expenses	<u>1,677,588</u>	<u>1,427,748</u>	<u>1,326,490</u>
Operating income	493,477	744,067	844,575
Nonoperating revenues	4,885	7,641	6,717
Nonoperating expenses	<u>130,905</u>	<u>157,174</u>	<u>822,061</u>
Change in net position	367,457	594,534	29,231
Net position, beginning of year	<u>4,569,171</u>	<u>3,974,637</u>	<u>3,945,406</u>
Net position, end of year	<u>\$ 4,936,628</u>	<u>4,569,171</u>	<u>3,974,637</u>

Statements of Net Position

As of June 30, 2018 and 2017, Lobo Energy has cash in the amount of \$554,867 and \$615,388, respectively, of which \$178,700 and \$561,366, respectively, is held by Lobo Energy's fiscal agent, UNM, and \$376,167 and \$54,022, respectively, is held in an operating bank account at a financial institution.

All of the June 30, 2018 and 2017 net assets are held as equity in the form of unrestricted net position of \$499,214 and \$590,605, respectively. Additionally, at June 30, 2018 and 2017, Lobo Energy has \$4,437,414 and \$3,978,566 shown as net investment in capital assets.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Management's Discussion and Analysis

June 30, 2018 and 2017

(unaudited)

Capital Assets and Debt Administration

Lobo Energy's investment in capital assets as of June 30, 2018 and 2017 was \$8,841,801 and \$9,391,114, respectively. This investment in capital assets includes a co-generation project in construction and internally generated software. Additional information concerning Lobo Energy's capital assets may be found in Note 5 in notes to the financial statements.

At the end of the current fiscal year, Lobo Energy had total debt outstanding of \$4,404,387. This debt was incurred when Lobo Energy borrowed \$10,000,000 during FY 2012–13 for the purchase of the co-generation project described above. Additional information concerning Lobo Energy's long-term debt may be found in Note 5 to the financial statements.

Statements of Revenues, Expenses, and Changes in Net Position

Revenues – Under the current Management Services Agreement (MSA), total operating revenue earned during fiscal years 2018 and 2017 for utility project management services and other project management services was \$2,171,065 and \$2,171,815, respectively, and includes \$480,000 in both fiscal years for utilities management services. Other management services for fiscal years 2018 and 2017 were \$1,691,065 and \$1,691,815, respectively.

Expenses – Total operating expenses increased \$249,840 during the fiscal year ended June 30, 2018 mainly due to an increase for the Yearout IGA Agreement for \$210,391 and technology and furniture related to the move in the amount of \$56,103. Total operating expenses increased \$101,258 during the fiscal year ended June 30, 2017 mainly due to an increase in outside services for E/S3 Consultants for UNM Energy Performance contract of \$21,083 and NMIEC for Special assessment for Regulation Commission Litigation of \$28,800, Legacy Automated controls and software replacement of \$22,589 as well as furniture for office move of \$11,201.

Factors Impacting Future Periods

A Lobo Energy employee has developed a software package for use by UNM that can also be used by other facilities managers (Note 7 for a detailed explanation of this project).

Contacting Lobo Energy's Financial Management

This report is meant to describe the financial condition and position of Lobo Energy.

If you have questions about this report or need additional financial information, contact:

Lobo Energy, Incorporated
800 Bradbury Drive SE, Suite 216
Albuquerque, New Mexico 87106-4310
(505) 272-7118

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Statements of Net Position

June 30, 2018 and 2017

Assets	2018	2017
Current assets:		
Cash on deposit with fiscal agent	\$ 178,700	561,366
Cash on deposit with BBVA Compass Bank	376,167	54,022
Accounts receivable	9,888	10,450
Prepaid expenses	2,796	17,900
Total current assets	<u>567,551</u>	<u>643,738</u>
Capital assets:		
Property, plant, and equipment	11,242,495	11,242,495
Less accumulated depreciation and amortization	<u>(2,400,694)</u>	<u>(1,851,381)</u>
Net capital assets	<u>8,841,801</u>	<u>9,391,114</u>
Total assets	<u>\$ 9,409,352</u>	<u>10,034,852</u>
Liabilities and Net Position		
Current liabilities:		
Accounts payable	\$ 26,292	12,300
Accrued expenses	42,045	40,833
Current portion of long-term debt	<u>1,035,132</u>	<u>1,008,160</u>
Total current liabilities	1,103,469	1,061,293
Long-term debt, excluding current installments	<u>3,369,255</u>	<u>4,404,388</u>
Total liabilities	<u>4,472,724</u>	<u>5,465,681</u>
Net position:		
Net investment in capital assets	4,437,414	3,978,566
Unrestricted	<u>499,214</u>	<u>590,605</u>
Total net position	<u>4,936,628</u>	<u>4,569,171</u>
Total liabilities and net position	<u>\$ 9,409,352</u>	<u>10,034,852</u>

See accompanying notes to financial statements.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)
Statements of Revenues, Expenses, and Changes in Net Position
Years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Operating revenues:		
Utilities management services	\$ 480,000	480,000
Other management services	1,691,065	1,691,815
Total operating revenues	<u>2,171,065</u>	<u>2,171,815</u>
Operating expenses:		
Administrative expenses	246,483	245,113
Depreciation expenses	549,313	549,311
Project expenses	881,792	633,324
Total operating expenses	<u>1,677,588</u>	<u>1,427,748</u>
Operating income	<u>493,477</u>	<u>744,067</u>
Nonoperating revenue:		
Interest income	4,885	7,641
Nonoperating expenses:		
Interest expense	130,905	157,174
Change in net position	367,457	594,534
Net position, beginning of year	<u>4,569,171</u>	<u>3,974,637</u>
Net position, end of year	<u>\$ 4,936,628</u>	<u>4,569,171</u>

See accompanying notes to financial statements.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Statements of Cash Flows

Years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Receipts from customers	\$ 2,171,627	2,170,965
Payments to other suppliers of goods or services	(565,738)	(369,566)
Payments to employees for services	(532,229)	(517,541)
Net cash provided by operating activities	<u>1,073,660</u>	<u>1,283,858</u>
 Cash flow from investing activities:		
Interest earned	<u>4,885</u>	<u>7,641</u>
Net cash provided by investing activities	<u>4,885</u>	<u>7,641</u>
 Cash flow from capital financing activities:		
Payments of long-term debt	(1,008,161)	(981,891)
Interest expense	(130,905)	(157,174)
Net cash used in financing activities	<u>(1,139,066)</u>	<u>(1,139,065)</u>
Net (decrease) increase in cash and cash equivalents	(60,521)	152,434
Cash and cash equivalents, beginning of year	<u>615,388</u>	<u>462,954</u>
Cash and cash equivalents, end of year	<u>\$ 554,867</u>	<u>615,388</u>
 Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 493,477	744,067
Depreciation expense	549,313	549,311
Adjustments to reconcile operating income to net cash provided by operating activities:		
Change in accounts receivable	562	(850)
Change in prepaid expenses	15,104	(17,900)
Change in accounts payable	13,992	12,300
Change in accrued expenses	1,212	(3,070)
Net cash provided by operating activities	<u>\$ 1,073,660</u>	<u>1,283,858</u>

See accompanying notes to financial statements.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2018 and 2017

(1) Description of Business

Lobo Energy, Incorporated (Lobo Energy) (a blended component unit of the University of New Mexico) is owned, controlled, and was established by the University of New Mexico's (UNM) Board of Regents.

Lobo Energy was incorporated in the State of New Mexico on July 15, 1998. It was organized under the amended State of New Mexico's University Research Park Act. The name of the Act has since been changed to the University Research Park and Economic Development Act.

Lobo Energy was established to provide UNM with services outlined in an Interim Services Agreement (ISA) that included procuring electricity and natural gas for UNM, installing an energy metering and management system, and developing a Master Utility Business Plan (plan) for the upgrade and improvement of the utility infrastructure. Lobo Energy completed the installation of a metering and monitoring system and developed and integrated energy procurement methods into UNM's procurement processes. Lobo Energy's board of directors approved the plan in June 2000. UNM implemented the business plan and financed and constructed the projects contemplated in the business plan.

In developing the plan, Lobo Energy employed several consultants to assist in assessing the utility infrastructure needs, defining a technical solution, and determining the financial parameters of that solution. The combined efforts resulted in a comprehensive plan that identified many utility improvement projects, their construction costs, and the financial impacts upon the utility services. The utility systems included in the plan were renewed through a series of construction projects over a period of several years.

Lobo Energy conducted its business under the terms of a November 2000–2005 Management Services Agreement (MSA) that replaced the original ISA. Under the MSA, with respect to existing and any and all new utility systems and equipment, UNM continued to own, finance, operate, maintain, and in all respects control the utility equipment and systems. Lobo Energy provided project management services and transition management services for the duration of the project. The utility upgrade project was completed during 2006.

Lobo Energy currently provides services to UNM under the terms of a revised MSA, which is effective November 2015–2020 (Note 3). The agreement continues for consecutive one-year periods after its expiration or until such time as it is terminated. UNM may terminate the MSA thirty-days after written notice to Lobo Energy. UNM has not notified Lobo Energy that it intends to exercise this right. Upon termination of this agreement all rights and privileges granted, assigned or shared between Lobo Energy and UNM shall terminate. Upon termination of the agreement, all property of Lobo Energy shall transfer to UNM subject to the prior rights, if any, of any creditors of Lobo Energy.

UNM requested that Lobo Energy implement an energy conservation program on the campus during fiscal year 2008. Lobo Energy entered into a contract with Energy Education, Inc. (EEI), a corporation that specializes in energy conservation (EEI is now known as Cenergistic). Lobo Energy hired six energy conservation specialists (ECSs). Contract payments began after the first six months the contract was in effect. The ongoing program continues to be very effective. UNM has experienced a dramatic decrease in its energy consumption, as well as a reduction in the size of its carbon footprint, since the onset of the project. The four-year contract with EEI expired on September 30, 2012. The energy conservation project continues on campus.

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Notes to Financial Statements

June 30, 2018 and 2017

During fiscal years 2008 and 2009, energy-conservation programs were started on UNM's Valencia, Gallup, Los Alamos, and Taos Campuses. The program on each of those campuses is administered by an employee who was already employed on each campus. The programs are ongoing during fiscal years 2017 and 2018.

During fiscal year 2009, Lobo Energy was asked by UNM to explore renewable energy applications that might be viable on the campus. Lobo Energy issued a Request for Information regarding potential renewable energy projects for installation on the UNM campus when funding becomes available.

During fiscal year 2013, at the request of UNM, Lobo Energy began providing technical support for the smart-grid, renewable-energy project owned by Shimizu NA on the Mesa del Sol campus. Lobo Energy is compensated by Shimizu for its participation in this project. Lobo Energy's contract with Shimizu expired on March 31, 2014. The solar unit was given to UNM's Engineering Department by Shimizu and the maintenance is provided by UNM Physical Plant personnel.

(2) Summary of Significant Accounting Policies and Practices

(a) Basis of Accounting and Presentation

As a proprietary fund, Lobo Energy's financial statements are reported using a flow of economic resources measurement focus and the full accrual basis of accounting. Accordingly, revenues are recognized when they are earned and expenses are recognized as soon as the liability is incurred. Operating revenues and expenses are those incurred that relate directly to energy and project management services. All other revenues and expenses are considered nonoperating.

The accompanying financial statements include only the accounts of Lobo Energy, which has no component units.

(b) Net Position

For accounting and reporting purposes, Lobo Energy reports its net position in the following net asset categories as applicable:

- Net investment in capital assets – capital assets, net of accumulated depreciation and debt incurred to finance the capital asset acquisition
- Unrestricted – net position that is not subject to externally imposed constraints

(c) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the financial statements dates and the reported amounts of revenues and expenses during these reporting periods. Due to uncertainties inherent in the estimation process, actual results could differ from those estimates.

LOBO ENERGY, INCORPORATED
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Notes to Financial Statements

June 30, 2018 and 2017

(d) Cash

For purposes of the statement of cash, Lobo Energy considers cash to be cash deposits and amounts held by its fiscal agent.

(e) Revenue Recognition

Lobo Energy provides two types of project management services: utilities management services and other management services (see Note 3). Revenue is recognized for each type of service based on the terms of the MSA.

(f) Equity Method Investment

Lobo Energy initially recorded its equity method investment at cost. A decline in the fair value of the investment below cost that is deemed other-than-temporary results in an impairment to reduce the carrying value to fair value. See Note 7 for further discussion.

(g) Accounts Receivable

Accounts receivable balances represent amounts due from an affiliated entity (UNM-Plant) for services performed under the MSA. All amounts are considered collectible and therefore no allowance for doubtful accounts has been recorded.

(h) Capital Assets

Capital assets are stated at cost. Lobo Energy's policy is to capitalize all disbursements for equipment, software, and furnishings in excess of a \$5,000 unit price. Items with a cost of less than \$5,000 are expensed in the year of acquisition. Donated equipment is recorded at fair market value at the date of donation. Repairs and maintenance expenses are charged to operations when incurred and major improvements and replacements are capitalized.

(i) Compensated Absences

Under Lobo Energy's internal policy terminating employees are not entitled to unused sick leave except for amounts unused exceeding a balance of 600 hours. If a terminating employee's balance exceeds 600 hours the employee can request that the amounts in excess of 600 be paid out to the employee upon termination at 50% of their pay rate. Lobo Energy does accrue for annual leave at a maximum of 252 hours per employee, which is payable to each employee upon termination. Lobo Energy recorded \$41,611 and \$41,076 of annual leave as accrued expenses at June 30, 2018 and June 30, 2017, respectively.

(j) Income Taxes

Lobo Energy is exempt from federal income tax on income related to its exempt purposes under Section 501(a) of the Internal Revenue Code (Code) as an organization described in Section 501(c)(3) of the Code.

LOBO ENERGY, INCORPORATED
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Notes to Financial Statements

June 30, 2018 and 2017

(3) Project Management Services under The Revised Management Services Agreement

Utilities Management Services

Lobo Energy may provide assistance to UNM, as requested, for the management and supervision of its contracts that provide for the:

- a. Planning, design, engineering, contracting, energy conservation, and commissioning services for assigned projects
- b. Procurement of equipment and services in the course of implementing the projects
- c. Management of UNM's energy procurement strategies
- d. Recommendations for obtaining cost-effective energy commodities and services from energy suppliers
- e. Management of UNM's energy-related regulatory issues
- f. Recommendations for appropriate actions and strategies in response to regulatory opportunities or events
- g. Administrative tools capable of providing utility operational budgeting, capital project budgeting, major maintenance budgeting, cash flow tracking, and energy savings tracking
- h. Assistance with developing the energy and administrative capabilities described in items a through g above.

Under the terms of the revised MSA, effective November 1, 2015, UNM compensates Lobo Energy for these services at the rate of \$40,000 per month related to utility project management and \$46,000 per month related to energy conservation projects, over a five-year period. Additionally, UNM compensates Lobo Energy an additional \$94,922 per month to cover the debt service related to the second cogeneration unit, until the debt service is fulfilled.

Other Management Services

- a. Development planning services
- b. Additional infrastructure development plans
- c. Other planning services as assigned

Under the revised MSA, as of November 1, 2015, UNM pays Lobo Energy a mutually agreed-upon monthly fee for the duration of each project.

LOBO ENERGY, INCORPORATED
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Notes to Financial Statements

June 30, 2018 and 2017

(4) Cash

Lobo Energy's cash balances include cash on deposit with its fiscal agent and an operating account. Lobo Energy has no statutory or policy requirements; however, it has a policy to deposit funds only in FDIC-insured accounts. UNM serves as the fiscal agent for Lobo Energy through which Lobo Energy participates in a pooled bank account maintained by UNM. At June 30, 2018 and 2017, Lobo Energy had a book and bank balance in that pooled account of \$178,700 and \$561,366, respectively. As fiscal agent, UNM requires the financial institution holding these pooled funds to maintain minimum collateral amounts. Interest is allocated monthly to Lobo Energy's account based on its balance in the pooled bank account at the end of the preceding month. At June 30, 2018 and 2017, Lobo Energy realized a gain of \$4,885 and \$7,641, respectively, via year-end adjustments to the interest account by UNM.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the entity's deposits may not be returned to it. At June 30, 2018 and 2017, the bank balance in Lobo Energy's separate checking account was \$376,167 and \$54,022, respectively, and the book balance was \$376,167 and \$54,022, respectively. At June 30, 2018 and 2017, the checking account balance over insured by the FDIC is \$125,473 and \$0, respectively.

(5) Capital Assets and Long-Term Debt

(a) Co-generation Unit

In July 2012, Lobo Energy entered into a \$10,000,000 commitment to finance the construction of a new co-generation unit to be installed on the UNM main campus in Ford Utilities Center. The Master Equipment Lease/Purchase Agreement with Banc of America Leasing and Capital, LLC (Banc of America) was entered into and is to be repaid over a period of 10 years. Monthly payments in the amount of \$94,922 commenced on August 25, 2012. The final lease payment is anticipated to be made on July 25, 2022. The escrow account was held at Bank of Albuquerque. The installation of an additional co-generation unit in the future was part of the plan when the utility infrastructure was upgraded in a project concluding in 2006. The additional unit was placed into service in January 2014.

(b) Depreciation

Lobo Energy depreciates the co-generation unit using the straight-line method based upon a useful life of 25 years. Lobo Energy estimates useful life based upon internal information and similar assets at UNM. The unit was placed into service and Lobo Energy began depreciating the asset in January 2014. In fiscal year 2015, two pieces of software were transferred from construction in progress, to property, plant and equipment. Lobo Energy estimates useful life of software using the straight-line method over a useful life of 5 years. Lobo Energy has recorded \$2,400,694 and \$1,851,381 of accumulated depreciation as of the years ended June 30, 2018 and 2017, respectively.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Notes to Financial Statements

June 30, 2018 and 2017

	Balance at June 30, 2017	Additions	Retirements/ disposals	Balance at June 30, 2018
Plant in service	\$ 10,619,916	-	-	10,619,916
Internally generated software	622,579	-	-	622,579
Accumulated depreciation	<u>(1,851,381)</u>	<u>(549,313)</u>	<u>-</u>	<u>(2,400,694)</u>
Net property, plant, and equipment	<u>\$ 9,391,114</u>	<u>(549,313)</u>	<u>-</u>	<u>8,841,801</u>

	Balance at June 30, 2016	Additions	Retirements/ disposals	Balance at June 30, 2017
Plant in service	\$ 10,619,916	-	-	10,619,916
Internally generated software	622,579	-	-	622,579
Accumulated depreciation	<u>(1,302,070)</u>	<u>(549,311)</u>	<u>-</u>	<u>(1,851,381)</u>
Net property, plant, and equipment	<u>\$ 9,940,425</u>	<u>(549,311)</u>	<u>-</u>	<u>9,391,114</u>

(c) Lease Payments

Payments are due monthly to Banc of America and the lease charges interest at 2.64% and matures on July 25, 2022. The outstanding principal balance at June 30, 2018 and 2017 was \$4,404,387 and \$5,412,548, respectively. The following is a summary of lease liability transactions, including the current portion:

	Balance at July 1	Proceeds	Payments	Balance at June 30	Due within one year
Lease liability, FY 2017	\$ 6,394,439	-	(981,891)	5,412,548	1,008,160
Lease liability, FY 2018	5,412,548	-	(1,008,161)	4,404,387	1,035,132

LOBO ENERGY, INCORPORATED
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Notes to Financial Statements

June 30, 2018 and 2017

At June 30, 2018, minimum future lease payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal years ending June 30:			
2019	\$ 1,035,132	103,933	1,139,065
2020	1,062,826	76,239	1,139,065
2021	1,091,261	47,804	1,139,065
2022	1,120,456	18,609	1,139,065
2023	94,712	209	94,921
	<u>\$ 4,404,387</u>	<u>246,794</u>	<u>4,651,181</u>

(6) Defined-Contribution Plan

Lobo Energy entered into, and administers, a 403(b) defined-contribution plan effective February 1, 2000 and amended January 1, 2009. As a defined-contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan may be amended by a board of directors' resolution. All employees of Lobo Energy are eligible to participate and are considered to be immediately vested. The plan allows for variable employee contributions up to the Internal Revenue Service maximum allowed amount. Lobo Energy contributes a 100% match up to 6% of each participating employee's gross salary per compensation period. Contributions to the plan for the fiscal years ended June 30, 2018 and 2017 were \$59,621 and \$70,731, respectively, which consisted of \$31,808 and \$43,164 contributed by employees and \$27,813 and \$27,567 contributed by Lobo Energy, respectively.

(7) Related-Party Transactions

Effective December 1, 1998, UNM and Lobo Energy entered into a Memorandum of Agreement (MOA) containing the expectations and performance obligations that UNM was seeking from Lobo Energy at that time. The MOA articulates UNM's and Lobo Energy's mutual obligations in planning, developing, and implementing the utility facilities and services required by UNM. Pursuant to the MOA, UNM provides to Lobo Energy, at no cost to Lobo Energy, facilities support and general business office and associated workspace. The MOA also establishes UNM as the fiscal agent for Lobo Energy, with UNM providing cash and investment management activities for Lobo Energy, at no cost to Lobo Energy. The MOA may be terminated by UNM and, upon termination, all property of Lobo Energy will be transferred to UNM or other successor organizations designated by a resolution of UNM's Board of Regents.

Effective January 26, 2015, UNM and Lobo Energy entered into a Memorandum of Agreement (MOA) specifying the reimbursement of Lobo Energy's annual service fee related to the EnergyCap software in the amount of \$9,600.

In FY 2014, Lobo Energy paid a total of \$365,077 to Facility Facts, Inc. a company owned by an employee of Lobo Energy, and in which Lobo Energy has a 10% common stock interest in order to help get the company established in order to market and sell the Facility Facts software internally generated by Lobo

LOBO ENERGY, INCORPORATED
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Notes to Financial Statements

June 30, 2018 and 2017

Energy. There were no additional payments made in FY 2017 or FY 2018. Lobo Energy accounts for its investment in Facility Facts, Inc. using the equity method of investment. The investment was considered fully impaired in 2015, therefore not reported in the statements of net position as of June 30, 2018 and 2017.

Pursuant to the licensing agreement made with Facility Facts Inc., Lobo Energy retains the patent rights, permanent royalty-free rights to use the Facility Facts software, and will receive royalties representing 50% of gross receipts of sublicenses granted during each calendar year for the life of the filed patents. Lobo Energy recorded no royalties as of June 30, 2018. Lobo Energy recorded total royalties of \$750 as of June 30, 2017.

Lobo Energy is a member of New Mexico Industrial Energy Consumers (NMIEC), which advocates high quality of energy service at fair, just and reasonable prices for its members and all classes of customers. Jason Strauss, President and CEO of Lobo Energy is an officer of NMIEC. Lobo Energy paid dues of \$79,600 and \$95,000 for the fiscal year ended June 30, 2018 and 2017, respectively.

Lobo Energy did not purchase goods or services of companies that board members are employed by during the fiscal years ended June 30, 2018 and 2017.

(8) Risk Management

Lobo Energy, through UNM, participates in the State of New Mexico Risk Management Program (Risk Management) that provides general liability, auto liability, physical damage, and workers' compensation insurance. The Risk Management program liability insurance coverage includes most employee liability claims; those claims falling outside this state program are in limited amounts and are covered by UNM from its operating budget. UNM's exposure is limited to \$1,000 per any first party incurred property loss, with the exception of theft, which has a \$5,000 deductible.

(9) Subsequent Events

Subsequent events are evaluated by management through the date the accompanying financial statements are available to be issued, which is September 10, 2018.

**REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

The Board of Directors
Lobo Energy, Incorporated
and
Mr. Wayne A. Johnson, New Mexico State Auditor:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Lobo Energy, Incorporated (Lobo Energy), a blended component unit of the University of New Mexico, which comprise the statement of net position as of June 30, 2018, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 10, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lobo Energy's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lobo Energy's internal control. Accordingly, we do not express an opinion on the effectiveness of Lobo Energy's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The Board of Directors
Lobo Energy, Incorporated
and
Mr. Wayne A. Johnson, New Mexico State Auditor

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lobo Energy's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Lobo Energy Incorporated's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lobo Energy's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mess Adams LLP

Albuquerque, New Mexico
September 10, 2018

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)
Schedule of Findings and Response
Year ended June 30, 2018

No matters were reported.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)
Schedule of Prior Audit Findings
Year ended June 30, 2018

No matters were reported.

LOBO ENERGY, INCORPORATED
(A Blended Component Unit of the University of New Mexico)

Exit Conference

Year ended June 30, 2018

An exit conference was held on September 10, 2018. During this meeting, the contents of this report were discussed with the following individuals:

Lobo Energy, Incorporated

Jason Strauss President/CEO, LEI; Member of Board of Directors, LEI

Julie Alberti CFO, LEI

Moss Adams LLP

Lisa Todd Partner

Sheila Herrera Senior Manager

Lobo Energy is responsible for the contents of the financial statements. Moss Adams LLP assisted with the preparation of the financial statements.



UNM Alumni Association and Office of Alumni Relations Report

May, 2019

Student Engagement

- April 25 – T.A.S.T.E. – Take a Student to Eat hosted by Black Alumni Chapter with 28 students and 11 alumni participating
- 15 Trailblazers will graduate this spring. 3 Trailblazers received the Clauve Awards and 6 Trailblazers were honored with various awards at the April 26 reception
- May 1 – Free Grad Photos at the U – 93 graduating students pre-registered; Ring Ceremony – Young Alumni presented to 43 students receiving rings

Alumni Engagement

- April 6 - Austin/San Antonio Area Alumni Wine Tasting | 8 alumni participated.
- April 25 - School of Architecture + Planning Alumni & New Grad Happy Hour | Draft and Table | 23 alumni participated
- April 25 – Native Alumni Chapter Meetup to see the Native Guitar Tour | Marble Brewery Downtown | 14 alumni participated
- April 26 – CSW Magazine Release Reception | Willard Reading Room in Zimmerman Library | 6 alumni participated
- April 27 – Black Alumni Chapter honors graduates at Black Graduation and Awards Ceremony | UNM SUB Ballroom | 8 alumni participated
- April 27 – Best Student Essays Magazine Release Reception | Honors Forum | 4 alumni participated
- April 27 - Daily Lobo Alumni Barbeque and Awards Ceremony | Albuquerque Press Club | 18 alumni participate

Lobo Living Room

To honor Earth Day, the Lobo Living Room presented ***Reading the River*** which focused on the interconnected world and how it can become the collective responsibility to compassionately take care of each other and the environment. Basia Irland, UNM Professor Emerita, Fulbright Scholar and founder of the Art and Ecology Program at UNM, discussed her work as an artist and an activist as she explored waterborne diseases, drought, and rivers in Africa, Canada, Europe, South America, Southeast Asia, and the United States. 123 alumni, UNM staff, faculty and administrators as well as the community attended the event.

Lobos for Legislation

A Legislative Home Reception will be held on June 12 or 13 at the SE Heights home of UNM alumna Tamaya Toulouse. Invited elected officials include:

- State Rep. G. Andres Romero (Chair of Education)
- State Rep. Sheryl William's Stapleton (Majority Whip)
- State Senator Antoinette Sedillo Lopez
- Dist. 6 City Councilor Pat Davis
- Dist. 3 County Commissioner Maggie Hart Stebbins

Website *April 1 - 30*

Pages	Unique Views
Website (Page views)	12,641
1. Scholarships	145
2. Home	921
3. Scholarship Criteria	18
4. Online Community	391
5. Travel	95
iModules	
1. Email Marketing Unsubscribe	475
2. Community Login	336
3. First-Time Login	354
Technology (Sessions)	6,820
1. Desktop	2,940
2. Mobile	1,737
3. Tablet	303
New Visitors	4,885
Returning Visitors	1,162

Online Community *April 1-30*

New registered members	156
New members	542

New non-members	452
Profile account created	354
Unique profile updates	361
Unique logins	86
Total in Community	352,496

Broadcast Emails

In April, the Alumni Relations Office sent 23 emails, including the Howler on April 4 and reminder emails for events.

No. of addressees*	Opens	Clicks	Bounces	Unsubscribes
453,665	78,670	1,296	21,695	346

** Total number of people sent to (people can receive multiple emails to comprise this total)*

Social Media

Social media statistics for April 2019:

	Facebook	Instagram
Followers (as of 4/30/2019)	5,322	1,138
Posts	21	2
Total impressions for the month	40,056	1,469
Link clicks	851	—

Howler Statistics

The Howler monthly e-newsletter statistics:

	Jan. 2018	Feb. 2019	March 2019	April 2019
Delivered	94,197	93,743	94,195	94,152
Bounces	5,195	5,054	3,315	3,559
Opened	10,882	11,111	16,233	20,989
Clicks	269	320	617	357
Unsubscribes	89	96	78	93

Marketing & Communications

April 2019 had several active integrated marketing and communications plans created and executed – including graphic design of collateral pieces and website updates and forms to take RSVPs, etc. – in

support of events and programs, including:

1. 3rd Annual D.H. Lawrence Lecture
2. Lobo Living Room: Reading the River
3. Chapter Planning Meetings
4. New Grad Chapter Celebrations
5. Commencement Activities including Golden Grads, Photos at the U, and New Grad Bash