

THE UNIVERSITY OF NEW MEXICO
Board of Regents' Finance and Facilities Committee (F&F)
February 6, 2018 – Meeting Summary

Committee Members Present: Regent President Robert Doughty, Regent Marron Lee, and Regent Alex Romero.

Committee Members Absent: Regent Tom Clifford

Administration Present: Chaouki Abdallah, President Interim; David W. Harris, EVP for Administration

Presenters in Attendance: Chris Vallejos, AVP, ISS; Melanie Sparks, Executive Director, ISS; Lisa Marbury, Executive Director, ISS; Eric Weinstein, EVP, Aon; Joey Evans, Manager, Human Resources; Paul Wilson-Scott, Resident District Manager, Chartwells; Elizabeth Metzger, University Controller; Norma Allen, Director, OPBA; Vahid Staples, Budget Officer, OPBA; Bruce Cherrin, Chief Procurement Officer, Purchasing; Elizabeth Kuuttila, President & CEO, STC.UNM; John Freisinger, Executive Director, Innovate ABQ; Carla Domenici, Director, Safety and Risk Services; Wayne Sullivan, Director, Student Housing.

ACTION ITEMS:

1. **Call to Order, Confirmation of a Quorum, and Adoption of Agenda.** Regent Lee called the meeting to order at 12:33 p.m. in Scholes Hall, Roberts Room and confirmed that a quorum was established. **Regent Doughty moved to adopt the agenda and Regent Romero seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
2. **Finance and Facilities Committee Meeting Summary from January 9, 2018.** **Regent Romero moved to approve and Regent Doughty seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
3. **Approval of Quarterly Financial Actions Report and Certification through December 31, 2017 and Monthly Consolidated Financial Reports through December 31, 2017.** Liz Metzger made the presentation. Regents' approval of the Quarterly Financial Actions Report was requested. The Quarterly Financial Actions Report is a one-page report submitted to HED, comprised of "yes" or "no" questions regarding the university's financial transactions. Answering any question "yes" requires further information to be provided to HED. Question 6 was answered "yes".

Question 6 states: "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."

Ms. Metzger described the reason for answering “yes” to Question 6, including revenue shortfalls and the budget adjustments, plus other actions the university has taken to cover shortfalls. The information presented is available in the E-Book.

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

Ms. Metzger continued with the Monthly Consolidated Financial Reports through December 31, 2017. The reports describe the university's current and historical revenues and expenses. The reports are available in the E-Book.

4. **Approval of Enhanced Athletics Fiscal Oversight Program Report and Certification through December 31, 2017.** Liz Metzger, Norma Allen, and Vahid Staples made the presentation. Regents’ approval was requested for the Enhanced Athletics Fiscal Oversight Program Report and Certification requested by HED. The last page in the presentation outlines the deficit reduction plan. Regent Doughty recalled that the deficit goes back several years and requested that historical data be reviewed to identify past solutions. **Regent Doughty moved to approve and Regent Romero seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
5. **Approval of FY 19 Health Plan Premiums.** Joey Evans and Eric Weinstein made the presentation. Regents’ approval was requested for FY 19 Health Plan Premium increases. Projected cost increases presented at the January 9, 2018 F&F Meeting were updated and reviewed and brought back to the Committee as an action item. The average premium increase is 1.75% which is shared between UNM and the employee. Details, including samples of employee premium changes, are available in the E-Book.

Regent Romero followed up on Regent Clifford’s inquiry from the last meeting regarding the history of the reserve levels.

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

6. **Approval of Disposition of Surplus Property for Main Campus for January 2018.** Bruce Cherrin made the presentation. Regents' approval was requested for the disposition of surplus property for January 2018. All items listed in the E-book are obsolete or beyond repair. **Regent Doughty moved to approve and Regent Romero seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
7. **UNM Taproom Risk Assessment and Approval of Proposed Project Construction.** Carla Domenici, Chris Vallejos, Melanie Sparks, Lisa Marbury and Paul Wilson-Scott made the presentation. Regents' approval was requested for project construction at the January 9, 2018 F&F Meeting. The item was tabled, pending a follow-up presentation on potential impact on students and the university's risk and liability. Ms. Domenici presented her findings and recommendations. The sources Ms. Domenici reviewed included UNM Administrative Policies and Procedures, loss history for Compass operations at UNM, Compass' certificates of insurance, the New Mexico Tort Claims Act, UNM's contract with Compass, the proposed UNM Taproom operating procedures, and UNM's liquor licenses. Ms. Domenici stated that

the claim history for Chartwell's operations at UNM is very strong and UNM's insurance coverage is sufficient for the new operations. Risk Management also reviewed the above information and advised that current coverage is sufficient. Information requested at the January 9, 2018 F&F Meeting regarding impact studies of other universities with taprooms was not immediately available.

Regent Romero requested details on the impact studies conducted at other universities with taprooms.

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

- 8. Approval of Project Construction for Coronado Hall Phase 2 Renovations** Chris Vallejos, Melanie Sparks, Lisa Marbury, and Wayne Sullivan made the presentation. Regents' approval was requested for project construction for Phase 2 of the Coronado Hall Renovations. The projected cost for Phase 2 is \$2.4M. The Phase 2 renovation includes refurbishing resident rooms, updating lighting and bathrooms, and installing a new elevator and platform lifts to provide building-wide accessibility. The project is funded by the Resident Life and Student Housing Capital Reserve Fund. **Regent Romero moved to approve and Regent Doughty seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
- 9. Approval of FY 17 Annual Report for STC.UNM** Elizabeth Kuuttilla made the presentation. Regents' approval was requested for the FY 17 Annual Report for STC.UNM. Details of the FY 17 Annual Report for STC.UNM are provided in the E-Book. **Regent Doughty moved to approve and Regent Romero seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
- 10. Recommendations for Consent Agenda Items on Full Board of Regents' Agenda.** Regent Lee recommended action items 2, 3, 4, 6, and 9 be placed on the full Board of Regents consent agenda. Regent Lee recommended action items 5, 7, and 8 be placed on the full Board of Regents' non-consent agenda.

INFORMATION ITEMS

- 11. Budget Update and FY 18 Early Preliminary Mid-Year Projections** Norma Allen made the presentation. She described the annual budget planning cycle and approval process. The mid-year review identifies changes in revenues and needs that were unknown during the original budget planning process. Ms. Allen also outlined mid-year projections for the FY 18 budget. All detailed information presented is available in the E-Book.

President Abdallah reiterated that the mid-year projections are preliminary. A detailed update will be presented at the March 2018 F&F Meeting.

- 12. Progress Report on Innovate ABQ, Inc.** John Freisinger made the presentation on the progress of Innovate ABQ, a public-private partnership created to develop an Innovation District in downtown Albuquerque.

COMMENTS:

No comments were made.

EXECUTIVE SESSION:

No executive session was held.

Regent Romero moved to adjourn at 2:42 p.m., and Regent Doughty seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.