

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

Committee Members Present: Regent Marron Lee and Regent Tom Clifford.

Administration Present: Garnett Stokes, President and David W. Harris, EVP for Administration.

Presenters in Attendance: Chris Vallejos, AVP, ISS; Lisa Marbury, Executive Director, ISS; 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; Alice Letteney, CEO, UNM-Valencia Branch Campus; Rick Goshorn, CFO, UNM-Valencia Branch Campus; Richard Schuetz, Interim Director and Associate Director for Business Operations, UNM Press; Richard Clement, Dean, College of University Libraries; Brad Hutchins, Deputy Director, Athletics; Robert Robinson, CFO, Athletics; Tim Gutierrez, AVP, Student Services; Kevin Stevenson, Director, HR Business Services; Katherine Creagan, Bond Counsel, Modrall Sperling; John Archuleta, Senior VP, George K. Baum & Company.

ACTION ITEMS:

- 1. Call to Order, Confirmation of a Quorum, and Adoption of Agenda.** Regent Lee called the meeting to order at 1:31 p.m. in Scholes Hall, Roberts Room and confirmed that a quorum was established. **Regent Clifford moved to adopt the agenda and Regent Lee seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
- 2. Finance and Facilities Committee Meeting Summary from February 6, 2018.** Regent Lee moved to approve and Regent Clifford seconded. **The motion passed by unanimous vote with a quorum of committee members present and voting.**
- 3. Approval of Disposition of Surplus Property for Main Campus for February 2018.** Bruce Cherrin made the presentation. Regents' approval was requested for the disposition of surplus property for February 2018. All items listed in the E-Book are obsolete or beyond repair. **Regent Clifford moved to approve and Regent Lee seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
- 4. Approval of Contract for UNM Press Fulfillment Services – Longleaf Services, Inc.** Bruce Cherrin, Richard Schuetz, and Richard Clement made the presentation. Regents' approval was requested for a contract between UNM Press Fulfillment Services and Longleaf Services, Inc. The variable costs are estimated at \$250K for the first year and \$260K for the following four years, based on a percentage of sales. Richard Clement explained that the contract with Longleaf would save approximately \$200K compared to the fixed costs of the current in-house distribution service. Details regarding the RFP solicited by UNM Press and the terms of the agreement with Longleaf Services, Inc. are available in the E-Book. Regent Clifford requested updated financial projections reflecting the contract be brought to the full Board of Regents. **Regent Clifford moved to approve and Regent Lee seconded. The**

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

5. Approval of Projects:

1) Construction Approval for Football Locker Room Renovation. Chris Vallejos, Lisa Marbury, Brad Hutchins, and Robert Robinson made the presentation. Regents' approval was requested for the construction of the Football Locker Room Renovation project at UNM South Campus. The projected cost of the capital project is \$676,500. Brad Hutchins provided an overview of the renovation. Robert Robinson provided a detailed explanation of the proposed schedule and Athletics funding.

Regent Lee inquired as to what safety concerns existed with the current lockers and what would be done with the current lockers. Regent Clifford noted that the Athletics department is operating in deficit, which is a higher priority. Regent Lee inquired as to whether funds donated by Mr. Larry Chavez could cover renovation costs while the non-endowed funds could go toward the deficit. Brad Hutchinson replied that Mr. Chavez has donated money toward the project. **No motion on this item was tendered and no vote was taken.**

2) Construction Approval for Johnson Center Expansion & Renewal. Chris Vallejos, Lisa Marbury, Tim Gutierrez, and Kevin Stevenson made the presentation. Regents' approval was requested for the construction of the Johnson Center Expansion and Renewal project. The project is designed to improve access for all users, including Recreational Services, Department of Health, Exercise, and Sports Sciences (HESS), and Athletics. Student representation and input was incorporated throughout the planning process. The projected cost of the capital project is \$35M and is funded through institutional bonds.

Regent Lee inquired about the possibility of adjusting open hours due to new live-in requirements for incoming freshmen. Tim Gutierrez affirmed they are working with Student Housing to identify new programing needs. Regent Clifford requested cost details and a student representative to be present at the full Board of Regents' meeting. **Regent Clifford moved to approve and Regent Lee seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

6. Approval of Reallocation of UNM Series 2017 Bond Proceeds. Vahid Staples and Katherine Creagan made the presentation. Regents' approval was requested for the reallocation of a portion of the UNM Series 2017 Bond Proceeds. The Board of Regents had requested additional recommendations regarding the Biology Annex renovations in November 2017. The Regents approved the recommendations in December 2017. The request for reallocation of bond proceeds is the next step in the process. The proposed reallocation of funds is detailed on page 36 of the E-Book. Bond funds will increase to \$3.8M for the Biology Annex and to \$2.2M for the Honors College from funds previously allocated to the Art Annex. Regent Clifford asked if these new project allocations would need to be approved by the state. Katherine Creagan explained that the reallocation for the projects will need to be approved by HED and the SBOF due to the size of the projects; individual projects will still require approval. **Regent Clifford moved to approve and Regent Lee seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

7. **Approval of UNM-Valencia Branch General Obligation Bond Series 2018.** Alice Letteney, Rick Goshorn, John Archuleta, and Katherine Creagan made the presentation. Regents' approval was requested for the final \$7M issuance of the UNM-Valencia Branch General Obligation 2018 Bond Series. The total of \$16M local bonds are used to upgrade campus projects and facilities at the UNM-Valencia Branch Campus. Regent Clifford inquired as to whether the financial advisor and legal counsel had looked at the request. John Archuleta and Katherine Creagan confirmed their approval of the bond issuance. **Regent Clifford moved to approve and Regent Lee seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

8. **Approval of Reappointments to the STC Board of Directors.** Elizabeth Kuuttilla made the presentation. Regents' approval was requested for the reappointment of two members of the STC Board that are set to expire on June 30, 2018. The two appointees, Cindy McGill and Richard Larson, have agreed to serve another 4 years. **Regent Clifford moved to approve and Regent Lee seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

9. **Recommendations for Consent Agenda Items on Full Board of Regents' Agenda.** Regent Lee recommended action items 3 and 8 be placed on the full Board of Regents consent agenda.

INFORMATION ITEMS

10. **Monthly Consolidated Financial Report through January 31, 2018.** Liz Metzger and Norma Allen made the presentation. Liz Metzger gave an overview of the report. Regent Clifford requested follow-up regarding significant increases in transfers. Regent Clifford requested a projected budget for the rest of FY18. Regent Clifford also requested a report of the approved FY18 budget alongside a version reflecting updated revenues and expenses. Regent Clifford noted a preference for the Athletics budget to reflect a comparison to the previous year's budget.

COMMENTS:

No comments were made.

EXECUTIVE SESSION:

No executive session was held.

Regent Lee moved to adjourn at 2:27 p.m. and Regent Clifford seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.