

Minutes of the Regular Meeting of
The Board of Regents of the University of New Mexico
October 18, 2022

2:00 PM Open Session-Student Union Building (SUB), Ballroom C
12:00 PM Executive Session with Luncheon and Post-Open Session Executive Session
Sandia Room, Cherry Silver Room, Amigo Room, 3rd Level SUB
Open Session Livestreamed for public viewing

Members Present

Douglas M. Brown, Chair
Kim Sanchez Rael, Vice Chair
Sandra K. Begay, Secretary-Treasurer (virtual attendance in closed session only)
Randy Ko
William H. Payne
Robert L. Schwartz
Jack L. Fortner

Administration Present

Garnett S. Stokes, President; Michael Richards, SVP for Clinical Affairs; James Holloway, Provost and EVP for Academic Affairs; Teresa Costantinidis, EVP for Finance and Administration; Loretta Martinez, General Counsel; Eric Scott, VP Student Affairs; Ellen Fisher, VP Research; Eddie Nunez, AD; Assata Zerai, VP Equity & Inclusion; Connie Beimer, VP Alumni Relations; Norma Allen, University Controller; HSC; Francie Cordova, Chief Compliance Officer; Dan Garcia, VP Enrollment Management; Kevin Stevenson, Asst. VP HR; Terry Babbitt, President's Chief of Staff; Joe Wrobel, Joe Wrobel, HSC Chief Budget and Facilities Officer; Kate Becker, CEO UNM Hospitals; deans and others

Advisors Present

Amy Miller, Alumni Association Board President; Shaikh Ahmad, GPSA President; Ian May, ASUNM President; Finnie Coleman, Faculty Senate President; Alfred Mathewson, Retiree Association President; Amie Ortiz, Staff Council President; Ryan Mummert, UNM Foundation Board Chair

Presenters

Jeff Todd, CEO & President, UNM Foundation; Loretta Cordova de Ortega, Chair, Dept. of Pediatrics; Christos Christodoulou, Dean, School of Engineering; Lydia Tapia, Chair, Dept. Computer Science; Melissa Lobato, Sr. Dir. Advancement Operations, Alumni and Annual Programs, School of Law; Jason Strauss, CEO & President, Lobo Energy, Inc.; Jeremy Hamlin, Director Office of Planning, Budget and Analysis

CALL TO ORDER AND CONFIRMATION OF A QUORUM

Chairman Doug Brown called the meeting to order at 12:00 PM in the Sandia Room on 3rd level of the SUB and confirmed a quorum with 7 members present; six members were present in person, Regent Sandra Begay attended virtually the Executive Session personnel matters discussions only.

VOTE TO ADOPT THE CLOSED SESSION AGENDA

- **The motion to adopt the agenda passed unanimously (1st Rael; 2nd Ko).**

VOTE TO CLOSE THE MEETING AND PROCEED IN EXECUTIVE SESSION

(1st Rael; 2nd Schwartz; roll call vote – all members voted yes)

The meeting closed at 12:00 PM. The doors to the Sandia Room were closed.
Executive Session agenda:

1. Discussion of limited personnel matters as defined in and permitted by Section 10-15-1.H(2), NMSA (1978) - regarding: President's evaluation; other personnel matters

2. Discussion of the purchase, acquisition or disposal of real property by the public body, as permitted by Section 10-15-1.H(8), NMSA (1978)
3. Discussion of personally identifiable information about a student, as permitted by Section 10-15-1.H(4), NMSA (1978)
4. Discussions subject to attorney-client privilege pertaining to threatened or pending litigation as permitted by Section 10-15-1.H(7), NMSA (1978); and
5. Discussions of bargaining strategy preliminary to collective bargaining and collective bargaining between a policymaking body and an employee bargaining unit, as permitted by Section 10-15-1.H(5), NMSA (1978)

The discussion of the President's evaluation took place in the Sandia Room; the luncheon and other closed session discussions took place in the Cherry Silver Room. Regent Rob Schwartz recused himself from the discussion of one of the litigation matters, leaving the room during the discussion.

VOTE TO RE-OPEN THE MEETING

(1st Payne; 2nd Fortner; roll call vote – all members voted yes)

The meeting opened at 1:58 PM.

- o *The Regents proceeded to SUB Ballroom C for continuation of the meeting in Open Session [2:00 PM] Regent Sandra Begay was not able to attend Open Session.*

CERTIFICATION OF EXECUTIVE SESSION

Regent President Doug Brown confirmed that closed session discussions were limited only to matters described in the Executive Session Agenda; he stated that there was one item the Regents would vote upon in open session:

- **The motion to approve the purchase of land in the amount of \$1.35 million to ultimately house a new building for the Truman Clinic passed unanimously with 6 members present and voting (1st Payne; 2nd Schwartz).**

Regent Brown commented that another item involving an endowed scholarship and potential matching of Regents Endowment funds would be addressed at the Board's December meeting.

CONVENE OPEN SESSION -- ADOPT MODIFIED OPEN SESSION AGENDA

Regent Brown convened open session and announced that a quorum had been confirmed and the agenda was adopted before the noon close session, but one modification to the open session agenda needed to be made: add Michael Richards' to the list of appointments to the UNM Medical Group's Board of Directors, listed at #3 on the Consent Docket.

- **The motion to adopt the modification to the open session agenda passed unanimously (1st Fortner; 2nd Ko).**

LAND ACKNOWLEDGEMENT STATEMENT

Regent Brown read aloud UNM's Land Acknowledgement Statement:

Founded in 1889, The University of New Mexico sits on the traditional homelands of the Pueblo of Sandia. The original peoples of New Mexico – Pueblo, Navajo, and Apache – since time immemorial, have deep connections to the land and have made significant contributions to the broader community statewide. We honor the land itself and those who remain stewards of this land throughout the generations and also acknowledge our committed relationship to Indigenous peoples. We gratefully recognize our history.

APPROVAL OF MINUTES OF THE PRIOR MEETING

- **The motion to approve the minutes of the August 16, 2022 regular meeting passed unanimously with 6 Regents present and voting (1st Payne; 2nd Ko)**

PUBLIC COMMENT (no comments)

PRESIDENT'S ADMINISTRATIVE REPORT

President Stokes opened her report giving highlight to Homecoming Week and its weeklong schedule of traditional events and activities that are organized by UNM Alumni Relations, including the traditional making of the s'mores that kicks off the festive week. The President noted that her report would focus on giving the Regents a legislative priorities update, but would start with an enrollment update and highlights of other campus activities. Total enrollment is up 1.59%, with beginning freshmen enrollment up 14%. Beginning freshmen enrollment since 2019 is up 35.3%. Additionally, American Indian, African American, and Hispanic first-time student enrollments are all up, 25.5%, 29.8%, and 16.1%, respectively.

President Stokes reported on the recent collaborative university exercise led by Ellen Fisher, UNM's VP for Research, to come up with new Grand Challenge topics that would have the potential to be transformational initiatives to advance New Mexico. UNM's original 3 Grand Challenges, implemented in 2019, put focus on sustainable water resources, substance use disorders, and successful aging and have encouraged UNM's researchers, faculty, staff and student and community members to work across campuses, across disciplines and across New Mexico on some of the state's toughest problems. The re-imagining exercise involves ten new level-one concept teams in areas including, STEM Education, Data Science Education and Literacy, Child Health, Equitable Transitions to Green Energy, Housing, Basic Needs, Mental Health, Literacy, Space Science, and Indigenous Child Development. Each team, having developed a proposed title, will work with the Office of the VPR and others to further develop their plans.

UNM, as one of the 146 R1 (Research University, a Carnegie Classification of Institutions of Higher Education) institutions in the nation, is the only R1 in the state and is one of 570 Hispanic Serving institutions. It is also one of only 21 universities in the Alliance of Hispanic Serving Research Universities. UNM's research expenditures exceeded \$309 million in FY22, which was a 16% increase from the prior year. This year, research expenditures are up 12% to date.

President Stokes reported on the recent groundbreaking ceremonies for the Behavioral Health Crisis Center and the College of Nursing and Public Health Excellence Building. The events were attended by a wide range of constituents, including city, county, and state partners to commemorate the important capital projects that will be a tremendous service to the community. Both projects are slated for completion in 2024; the Behavioral Health Crisis Center is a project in collaboration with Bernalillo County. President reported on the recent Statewide Health Equity Summit, hosted by UNM. The summit was the first of its kind and connected health care leaders and workers, employers, elected officials and citizen advocates to talk about ways to address health inequities and find solutions to help underserved communities. UNM is also partnering with the Higher Education Department on a statewide basic needs survey which will survey 28 of the state's public institutions of higher education on the food and housing needs of students.

President Stokes highlighted the UNM Foundation's record-setting year and also recent changes to Lobo leadership. The Foundation secured total gifts last year of \$126 million which was 143% of its original goal. Dr. Patricia W. Finn is the new Dean of the School of Medicine. Dr. Finn became the fifth dean in the school's 61-year history and will no doubt enrich the school's proud legacy. Dr. Steve McLaughlin will be UNM Hospital's Chief Medical Officer, starting January 1, and Dr. Carolyn Montoya has been appointed interim Dean of the College of Nursing while UNM undergoes a national search for the college's new dean.

President Stokes talked about the importance of improving the student experience at UNM and prioritizing collaborative efforts with ASUNM and GPSA leadership to create a safer and more enriching campus environment. One of the initiatives will be the launch of a revitalized student-led escort program. Another area will be in offering more options for involvement in club sports, including Men's and Women's ultimate frisbee, Men's and Women's rugby and club soccer, disc golf club, Esports, Mountaineering and Hockey.

President Stokes opened her discussion of FY24 Legislative Priorities noting a listing of preliminary higher education unified priorities. **[Attachment A]** The recurring requests include a 5% minimum increase to I&G and a minimum 10% increase to compensation with unrestricted I&G compensation funded 100%. Nonrecurring funding requests include a \$5 million request each for the HE endowment fund, workforce training, high skills contract training fund endowment, and cybersecurity along with a \$25 million request for infrastructure renewal and replacement, and \$10 million for dual credit. President Stokes referenced the recently approved new and expansion RPSP (research and public service project) requests that Regents approved at their August meeting. The list put forward reflects UNM's commitment to meeting the needs of New Mexico and its students. The President clarified that some of the requests may not receive funding through the RPSP process but could get funding from other sources. Last year, some items became part of a junior bill or received special appropriations. Dr. Stokes mentioned an item that was not on the RPSP list, but something UNM is talking with the HED about and will keep the Regents apprised of - a medically focused social work credential. The President discussed the capital projects priorities that were approved by the Regents and submitted to the HED in September. The HED has since responded with its recommendations. Lastly, President Stokes shared a special requests list, items that are not unfamiliar to the Regents and reflect University priorities that are often talked about, examples being, a BA/MD Scholarship Endowment, School of Medicine Faculty Endowment, a Student Mental Health and Wellness request, campus safety and accessibility improvements and IT upgrades, to name a few. The President assured the Regents that they will be kept abreast of strategy and opportunity developments and that administration would be working with them to find ways to enhance Regent involvement as the session approaches.

President Stokes said there was no question this year's enrollment success across New Mexico was due largely to the availability of free tuition and fees provided by the Opportunity Scholarship. The President reported that 6,340 UNM students are utilizing the Opportunity Scholarship; the majority of which are 19 years or younger, but a little over 4% are 22 years and over. The Lottery Scholarship is not available for students in their first semester, so traditional students on Lottery are able to use the Opportunity Scholarship for their first semester. Almost \$10 million went toward paying tuition and fees for the 2,177 students who are 18 years and younger; and just under \$20 million will be paid out in total for fall semester alone by the Opportunity Scholarship.

President Stokes closed her report by taking an opportunity to thank all healthcare workers across the world, the country and the state for their hard work in caring for the sick during the dire conditions of the pandemic and its aftermath.

Regent Jack Fortner asked if the increased funding request for the MD/PhD program through the RPSP proposal would increase the number of students in the program. President Stokes responded that yes, increasing the number of students was part of the proposal.

Regent Brown thanked President Stokes for an excellent report and asked Jeff Todd to talk about the Foundation's efforts to support UNM.

ANNUAL UNM FOUNDATION UPDATE (information item)

Jeff Todd, the Foundation's President and CEO, delivered the report, along with Ryan Munnert, Chair of the Foundation's Board. UNM and the Foundation raise an average of \$94 million dollars with more than 8,000 donors per year on average. More than \$460 million in private support has been given to the University in the last five years. The generous donors invest in students' lives, the vibrancy of academic programs, pioneering research, and unparalleled patient care. Last fiscal year, UNM raised almost \$126 million in new commitments, surpassing the goal of \$80 million. Last year, the consolidated investment fund distributed more than \$21.4 million in support to students, faculty, research, programming and patients, with more than \$9 million of that going to support UNM students. When combined with current use funds, total Foundation distributions to UNM last year was \$73 million. President Todd talked about the Presidential Scholarship that supports 81 freshmen scholars and a total of 320 students who are from 85 different New Mexico public and private high schools of every size and from every corner of the state. One of the ways the Foundation recognizes donors is through the Tom L. Popejoy Society; it's a way to highlight

such as Carolyn and Tom Minton and JD and Charles "Chuck" Wellborn who have been giving to UNM every year for 50 years!

Ryan Mummert spoke about the valued members on the Foundation's Board of Trustees, all of whom are volunteers and donors representing a wealth of professional and personal backgrounds. The Board's priorities include broadening connectivity to Regents and other University leaders, finalizing recommendations for investment policy updates consistent with the work of the ESG Investment Subcommittee, and creating a compelling vision for a state-of-the-art Center for Philanthropy and securing the funding necessary to ensure its success.

President Todd discussed the Foundation's current priorities that include raising at least \$96 million, finalizing the planning for a comprehensive campaign and implementing the UNM Big Give, a multifaceted campus-wide giving day. In closing, Mr. Todd thanked the Regents for their service and commitment to UNM.

Regent Kim Rael asked for a few more details about the state-of-the-art Center for Philanthropy. Mr. Todd said it will be a place to celebrate and recognize donors with the theme of elevating and putting focus on philanthropy and its importance to UNM. Regent Rael suggested an increased focus on student engagement in philanthropy, "it would be a great opportunity to re-envision philanthropic engagement in the students as well".

REGENT COMMENTS

The Regents thanked President Stokes for her administrative report and thanked Jeff Todd and Ryan Mummert for their annual Foundation update.

Student Regent Ko highlighted President Stokes' comments about the development of the student escort service, among other student programming initiatives, and thanked her for the engagement between student leadership and university leadership.

Regent Rael said she was really excited to see the momentum on the Behavioral Health Crisis Center and the College of Nursing and Public Health Excellence Building, two really important projects at UNM to build capacity for the future.

Regent Rael acknowledged for the community that in February, UNM's President will be coming up on her five-year anniversary, adding that as some were aware, the Board was undertaking a UNM leadership assessment. Regent Rael thanked the community, the Board and the President for the wonderful response to the Regents' ask for feedback and for their participation in the inclusive process. Regent Brown thanked Regent Rael on her leadership of the process.

Regent Schwartz thanked Regent Rael for her leadership on the evaluation and stated he had heard from colleagues on the faculty too who are appreciative of the chance to participate in providing feedback. Additionally, Regent Schwartz thanked administration for their focus on the basic needs of students, adding that recognition of the fact that we can't expect people to succeed at the University if in fact they don't have health care, mental health care, food and housing security, and child care, if they need it.

Regent Rael gave a shout out to Ellen Fisher for her research update presentation in SSTAR Committee and commended her for the accomplishments she has achieved in her short time at UNM, particularly in building infrastructure for UNM's research programs and platforms for the future.

REGENTS COMMITTEE REPORTS

Approval of Consent Docket

1. [HSCC/SSTAR]* Creation of the Quasi-Endowed Chair the, "Catherine McClain Endowed Chair in Human Development and Disability"
2. [HSCC] Appointment of Patricia W. Finn, M.D., to the SRMC Board of Director
3. [HSCC] Appointment of Patricia W. Finn, M.D., and Michael Richards, M.D., M.P.A., to the UNMMG Board of Directors

4. [HSCC] Naming of the, 'Paul and Sue Daulton UNM College of Nursing Courtyard'
5. [F&F]* NM HED-Required 4Q Financial Actions Report and Certification through June 30, 2022 (included as information: FY22 4Q Year-End Consolidated Financial Report)
6. [F&F] Athletics' 4Q Enhanced Fiscal Oversight Program Report and Certification through June 30, 2022 (included as information: FY22 4Q Year-End Athletics' report by sport)
7. [F&F] Construction Project Approvals:
 - a. UNM Valencia - Learning Commons Resource Center Renovation, \$375,000
 - b. Family Practice Center Roof Replacement, \$671,277
 - c. Castetter Hall - Biology Lab A&B Renovations, \$785,000
 - d. Center for High Tech Materials-Quantum Materials & Technologies Lab Phase 1, \$800,000
 - e. Classroom & Computer Lab Modifications, \$1,100,000
 - f. Student Support & Success Center Renovation, \$1,320,000
 - g. UNM Los Alamos - Campus Infrastructure, \$1,937,500
 - h. UNM Los Alamos - Workforce Development and Career Tech Education Lab, \$2,322,500
 - i. Co-generation Turbine Unit #1, \$2,500,000
8. [F&F] Revised Five-Year Capital Plan - UNM Gallup
9. [F&F] Annual Renewal of Maui HPCC Lease
10. [F&F] Appointment to the UNM Rainforest Innovations Board of Directors
 - David L. Perkins, M.D., Ph.D.
11. [F&F] Establishment of a Quasi-Endowment Fund, College of Fine Arts
 - "Eric Rombach-Kendall Commissioning Project at the University of New Mexico"
12. [F&F] New Board Members to the UNM Alumni Association Board of Directors
 - Sarah Gold
 - Abel Montez
 - Jefferey Hoehn
 - Michele Ziegler (3-yr)
13. [F&F] Reappointment of Jason Strauss to the Lobo Energy, Inc. Board of Directors
14. [F&F] Reappointment of Louis Abruzzo as a Non-Positional Director to the Lobo Development Corporation Board of Directors

**[SSTAR] Student Success, Teaching and Research Committee; [HSCC] Health Sciences Center Committee; [F&F] Finance & Facilities Committee*

- **The motion to approve the consent docket passed unanimously (1st Rael; 2nd Schwartz).**

STUDENT SUCCESS, TEACHING AND RESEARCH COMMITTEE [SSTAR]

Appointment of Marcia Moriarta, Psy.D., as the inaugural holder of the, "Catherine McClain Endowed Chair in Human Development and Disability"

Patricia Finn, Dean of the School of Medicine, introduced the item and spoke about the importance of endowments that allow the recognition of amazing faculty who really shape the experience of UNM students. UNM is committed to training the next generation and endowed professorships are key to that mission so that UNM can recruit and retain the highest quality faculty. Loretta Cordova de Ortega, Chair of the Department of Pediatrics, spoke about Dr. Moriarta's many accolades. Dr. Moriarta is a Professor, child/family clinical psychologist and Division Chief for the Child Development Division (CDD) since 2014. She holds a secondary appointment in the Department of Psychiatry and Behavioral Disability and continues to serve as the CDD's Division Director for the Early Childhood Home and Family Service Division since 2012. The UNM CDD is one of 67 UCEDDs [The University Centers for Excellence in Developmental Disabilities Education, Research, and Service] and garners approximately \$20 million in funded contracts, grants, and fee-for-service projects supporting those with, and at risk for, developmental delays, disabilities and mental health/behavioral disorders. Dr. Moriarta is regarded as a leader within the DD network and among her peer group of UCEDD Directors across the country. She is also a highly regarded leader within the University and the state, committed to bring her content and clinical knowledge, commitment to mission and commitment to underserved populations to everything that she does. The quasi-endowment in the amount of \$1.5 million (approved under the consent docket) is funded by the CDD to establish the endowed chair to support the CDD Directorship.

Dr. Moriarta expressed appreciation for Dr. McClain, who was the foundational leader of the center and was Dr. Moriarta's mentor, teacher, and champion, adding that Dr. Ortega has become all of those things to her as well. Dr. Moriarta said that the Center for Development and Disability is one of the most unique spaces at the University as it has 4 core functions that are mandated federally, to address training and teaching education service, broadly defined clinical technical assistance, consultation and intervention in many ways, research and evaluation and information dissemination, all on behalf of individuals, their families and those who work with those with disabilities. Dr. Moriarta said that her background was also in mental health and expressed heartened gratitude to hear the focus on mental health. She spoke in support of the importance for the intersection of mental and behavioral health with those with disability in New Mexico.

Regent Rael expressed appreciation to Dr. Moriarta and for the important work she is doing in New Mexico.

- **The motion to approve the appointment of Marcia Moriarta as the inaugural holder of the, "Catherine McClain Endowed Chair in Human Development and Disability" passed unanimously (1st Rael; 2nd Schwartz).**

Creation of the Endowed Chair, the "Cleve Moler & MathWorks Chair of Mathematical and Engineering Software"

Christos Christodoulou, Dean of the School of Engineering, introduced the item and asked Lydia Tapia, Chair of the Department of Computer Science, to present the details. This \$2 million named endowment comes at the request of Jack Little, President and CEO of Mathworks to honor the origins of MatLab at UNM. Cleve Moler played a pivotal role in the development of the Computer Science program at UNM and the initial creation of Matlab. Dr. Moler started at UNM as a Professor of Mathematics and in 1980 became the Chair of the Computer Science program that was formed in the mid-70's in the School of Engineering. Dr. Moler used his time on campus to develop the first version of Matlab for his numerical methods class, and so what started as a teaching and research endeavor became a transformational breakthrough to support students, faculty, and researchers far beyond New Mexico. Today the UNM Department of Computer Science (CS), while relatively small, occupies a large footprint as the largest major in Engineering with 33% of all majors being CS. The establishment of this endowed chair will honor the foundational contributions of a person central to both of UNM's origin stories, it will elevate the programmatic potential and will permanently connect MathWorks to a prominent philanthropic investment. This dedicated funding will allow the School of Engineering and Computing to enhance its collaborations with the UNM Health Sciences Center and the National Labs to explore applications in medicine, biology, simulation and complexity. The endowment will ensure continued impact to students across the UNM campus, as CS traditionally teaches also 300 non-CS majors every year. It will also strengthen the State of New Mexico by growing UNM's high graduation rate of CS majors – currently more than NMSU and NMT combined.

Regent Rael expressed gratitude for this wonderful gift for the University.

- **The motion to approve the creation of the endowed chair, the "Cleve Moler & MathWorks Chair of Mathematical and Engineering Software" passed unanimously (1st Rael; 2nd Fortner).**

Appointment of Former Regent Arthur Melendres as a Trustee of the John Field Simms Memorial Lecture

Melissa Lobato presented the item. The trust fund, established by Albert G. Simms in 1954, designates earnings toward funding an annual presentation of a lecture by a distinguished member of the legal profession. The trust also stipulates that the Advisory Board members be appointed and designated by the Regents of the University of New Mexico from, "outstanding members of the legal profession practicing in the City of Albuquerque, New Mexico". Arthur D. Melendres, a Modrall Sperling Shareholder and attorney and a UNM Alumnus who also served as a UNM Regent during 1991 to 1996, is recommended as a trustee. Art has served as general

counsel for the Albuquerque Public Schools for over 25 years and was been named 'Lawyer of the Year' in Albuquerque 5 separate years by *Best Lawyers in America*.

- **The motion to approve Arthur Melendres as a Trustee of the John Field Simms Memorial Lecture passed unanimously (1st Rael; 2nd Schwartz).**

FINANCE AND FACILITIES COMMITTEE

Lobo Energy South Campus Energy Performance Contract Investment Grade Audit

Jason Strauss, President and CEO of Lobo Energy, presented the item. Lobo Energy, Inc. (LEI) completed an investment grade energy audit of the South Campus including the Athletics Department to identify utility and operational savings opportunities to address critical facility and infrastructure needs as well as support energy efficiency and renewable energy initiatives. The South Campus was selected for several reasons, number one, because there is no production of energy on the South Campus, as currently exists on Main Campus, and also because of existing maintenance issues. Main Campus has co-generation units and energy systems that allow for cheaper electricity; South Campus is more vulnerable to high utility rates. The goals of the project were to reduce utility consumption and reduce or eliminate all existing maintenance issues, the former being directly aligned with UNM's 2040 goal to reduce the University's environmental impact and ensure that UNM contributes to a sustainable world. With the inevitable rise in utility rates, this project will reduce the financial exposure to rising utility costs and the guaranteed contract ensures a budget neutral outcome for all of the entities on South Campus.

Yearout Energy, an Albuquerque based company that is a pre-approved state vendor for energy performance contracts, audited every building on South Campus, every meter, every piece of equipment, every transformer, and every building system design according to the engineering specifications. The project will end up netting UNM nearly \$500K of operational savings which will be used to fund the \$9.3 million debt service component of the project. This is phase-1 of a 2-phase project and is a stand-alone piece. The scope of the proposed work, with the exception of the renewable energy piece, is phase-1 and can stand alone. The other piece involves a request for a legislative appropriation in the amount of \$7 million to fund phase 2, the renewable energy component.

The project scope spans 26 sites, over 1.36M sq.ft. and encompasses 52 utility meters. Key facility improvements include: upgrade 7,000 interior and exterior lights to LED; heating, ventilation, and air conditioning (HVAC) equipment and controls upgrades; water conservation savings of 3.5M gallons/year; EV charging station; and 1.6MW of Solar PV Carports. Anticipated annual operational savings is expected to be \$491,58 per year. An 18% reduction in baseline annual utility costs and a \$150K utility rebate are also anticipated. Mr. Strauss discussed project details including preliminarily proposed sites for the renewable energy installments, two of which are the football stadium west parking lot and the Championship Golf Course parking area, both of which are high visibility sites. Water conservation will be obtained through replacing/retrofitting existing domestic water fixtures at IGA facilities to conserve nearly 3.46 million gallons of water annually. The debt service to be sought is a 17-year term with a not to exceed finance amount of \$9,258,702. The total project amount is \$16.7 million, of which \$7 million will be requested through legislative funding. Mr. Strauss reiterated that UNM and Lobo Energy were seeking approval of the project scope as presented and that was approved already by the Lobo Energy Board, with approval to go to the financial market and secure the debt service portion of the project as previously specified.

Regent Payne congratulated Mr. Strauss on the great project and added that it is great to see such a holistic approach.

- **The motion to approve the project scope, including seeking the debt service, for the South Campus Energy Performance Contract Investment Grade Audit as presented passed unanimously (1st Brown; 2nd Fortner).**

UNM Foundation Fundraising and Investment Performance Report

(this item was not presented; the materials that were presented in committee were included for information only)

FY22 Main & Branch Campuses, Categorization of Reserves Report - Pursuant to UAP7000

(information only)

Jeremy Hamlin, Director of the Office for Planning, Budget and Analysis, presented the item. Regents' Policy 7.2 and University Administrative Policy 7000 require that the UNM budget office present a report to the Regents each year on reserve balances. University reserves provide liquidity which is a foundational element of the University Bond Rating. The University uses reserves to mitigate unplanned budget reductions, adapt to changes and challenges such as enrollment reductions, and to invest in mission critical initiatives. Reserves are non-recurring resources used as a bridge to avoid actions that would damage the University's mission, such as un-planned layoffs, cuts in student or community services, or lapses in infrastructure maintenance. Cash reserves are necessary because research is cost reimbursable and universities do not have access to unsecured commercial lines of credit to bridge timing gaps between the operating expenditures and collecting the revenues. The categorization of reserves process occurs every year after final closeout of the last fiscal year. Reserves are categorized into 3 areas: committed, dedicated and discretionary. Committed balances involve formal, legally binding obligations; dedicated balances involve a clear, focused purpose and documented description that identifies the entity or individual initiating the dedication; and discretionary reserves are the remaining balances. At year-end FY22, the UNM Consolidated ending reserves balance was \$1.2 billion, 96% of which are either committed or dedicated, leaving a discretionary balance of \$53 million, comprised of \$50 million from Main and Branches and \$3 million from the HSC. Of the \$1.2 billion total reserve balance, \$366 million is Main and Branch Campus balances, and \$854 million is the Health and Health Sciences balance. The Main and Branch Campus total reserve balance of \$366 million is a 9.77% increase from prior year, with the increase driven by several factors, including the reduction in spending due to the continued impact of the pandemic, delayed spending on new funding initiatives, increases in interest income, as well as HEERF3 (Higher Education Emergency Relief Fund) funds set aside for eligible expenses and lost revenues. Mr. Hamlin discussed the recommended optimal reserve target balance, as recommended by NACUBO (National Association of College and Business Officers), to be between 25-50% of total operating expenditures (55% for Branches) and UNM's balances are 31% for Main Campus and 60% for the Branches. Mr. Hamlin showed a summary level breakdown of the committed and dedicated reserve balances and asked the Regents if they had any questions.

Regent Payne thanked Mr. Hamlin for his report and administration's efforts in producing the annual report.

HEALTH SCIENCES CENTER COMMITTEECategorization Reserves Report for HSC – Pursuant to UAP 7000 (information only)

Joe Wrobel, Chief Budget and Facilities Officer for the HSC, presented the item and reiterated the importance and use of reserve balances, including serving as a necessary element of working capital to sustain very large research and clinical care operations that are essentially cost reimbursable. UNM's Health and Health Sciences total of \$854.7 million is a 3.16% decrease from the prior year's balance and is comprised of \$181.4 million for Health Sciences and \$673.3 million for UNM Health. NACUBO recommends at least 40% reserves for a completely self-supporting enterprise such as UNMH and its clinical operations; UNM Health Sciences has a 21% PRR (reserves/total operating expenses) and UNM Health is at 35%. All of UNM Health's reserves are committed, while slightly more than 50% of Health Sciences are committed, the majority of the rest are dedicated leaving only \$3 million as discretionary. Mr. Wrobel presented a high-level summary of the breakdowns of the committed and dedicated reserves balances and further details of reserves by academic unit, all provided in the eBook materials. UNM Hospital reserves are committed under the HUD mortgage contract, Bernalillo County lease agreement and the Mill Levy agreement.

INFORMATIONAL WRITTEN REPORT ON PURCHASES IN EXCESS OF \$5 MILLION, AS REQUIRED BY REGENTS' POLICY MANUAL (RPM) 7.4, "PURCHASING"

Regent President Brown explained that the report was for information purposes only. Critical Care Tower purchases in the amount of \$13.2 million and \$15.8 million were approved end of September for purchase of equipment, furniture, fixtures, as part of the initial Critical Care Tower approved project. Details of the purchases were provided in the report.

ADVISOR REPORTS

Amy Miller, Alumni Association Board President, discussed upcoming homecoming week events and Lobo Community activities including a tailgate at the LSU game and the upcoming annual Veterans Day Celebration at the Alumni Memorial Chapel in November. President Miller encouraged voting yes on the GO Bond for higher education funding that would be on the November 8 ballot as well as the GO Bond for libraries.

Amie Ortiz, Staff Council President, thanked staff for their hard work and reminded the Regents that staff are the backbone of the University, their impact can be seen all over campus from the beautiful grounds to the institution's groundbreaking research. President Ortiz talked about recent events and staff council initiatives, including the upcoming Gerald May awards for outstanding supervisor and the staff council policy committee that was recently created to provide feedback to the policy office when new and updated policies are presented to campus for comments. Staff Council will be very active during the legislative session with in-person advocacy at the roundhouse starting in January.

Ian May, ASUNM President, thanked the Regents for the opportunity to comment and thanked President Stokes for her support. President May reported on recent and upcoming events, including Red Rally, Homecoming, student fee review board activities and the processing 18 student regent applicants this fall. Mr. May expressed excitement for the new student led escort program which will go a long way toward helping students feel safe on campus as well as administration's support of club sports and collaborations to help out the global food pantry. Student programming can be seen as another vector for supporting student wellbeing. Another exciting development is the Foundation adding a development officer to support student affairs, giving the ability for donors to be able to contribute directly to units directly affecting students.

Finnie Coleman, Faculty Senate President, expressed appreciation for University Secretary, Nancy Middlebrook, for all of her help and her office's unwavering support of Faculty Governance, including for the upcoming leadership retreat. Faculty Governance will be updating committee charges to modernize and to get good faculty governance work done. Joint resolutions on academic freedom and climate change are forthcoming. The 2023-2024 new Faculty Senate President will be Cris Elder. Dr. Coleman expressed appreciation for UNM's healthcare workers.

Regent Brown thanked Dr. Coleman for his leadership and for bringing faculty together and improving conditions in all respects.

Shaikh Ahmad, GPSA President, introduced the idea of the New Mexico Graduate Achievement Scholarship as a legislative priority for funding graduate students across the state in all graduate programs. President Ahmad commended the sustainability initiatives across campus and announced that GPSA submitted its recommendations for student regent to the President's Office. He thanked President Stokes for including GPSA in the task force for campus living and safety and he thanked Student Regent Ko for actively working with GPSA to help prioritize its initiatives across campus.

Regent Brown thanked President Ahmad for his leadership with special thanks for organizing the memorial service for Afzaal Hussain that would take place later in the month.

VOTE TO CLOSE THE MEETING AND PROCEED IN EXECUTIVE SESSION (Roll Call Vote)

Regent Rael motioned to close the meeting; Regent Schwartz seconded; all Regents voted in favor to close the meeting. The Regents proceeded to the Amigo Room, next door to the Cherry Silver Room, on 3rd Floor of the SUB. Regent Sandra Begay joined the closed session via zoom.

- Discussion of limited personnel matters as defined in and permitted by Section 10-15-1.H(2), NMSA (1978) - regarding: President's Evaluation

VOTE TO RE-OPEN THE MEETING AND CERTIFICATION THAT ONLY THOSE MATTERS DESCRIBED IN THE EXECUTIVE SESSION AGENDA WERE DISCUSSED IN THE CLOSED SESSION; IF NECESSARY, FINAL ACTION WITH REGARD TO CERTAIN MATTERS WOULD BE TAKEN IN OPEN SESSION


The meeting re-opened at 5:23 PM; the doors to the Amigo Room were opened. Regent Brown certified the closed session discussion was limited to the personnel matter and confirmed there were no action items to vote upon.

ADJOURN


There being no further business, Regent Brown asked for a motion to adjourn the meeting; Regent Fortner motioned; Regent Payne seconded; all were in favor; the meeting adjourned at 5:24 PM.

Approved:

Attest:



 Douglas M. Brown, Chair



 Sandra K. Begay, Secretary/Treasurer

FY24 Legislative Priorities

Preliminary Higher Education Unified Priorities

Recurring Funding Requests	
Description	Request
1 Instruction & General Funding	Minimum 5% increase
2 Compensation	Minimum 10% increase <u>100% funded unrestricted I&G compensation</u>
3 Educational Retirement Board Employer Contribution	Fully fund based on all ERB members
Nonrecurring Funding Requests	
4 Higher Education Endowment Fund	\$5 million
5 Workforce Training	\$5 million
6 Research Closing Fund	TBD
7 High Skills Contract Training Fund Endowment	\$5 million
8 Dual Credit	\$10 million
9 Wraparound Services	TBD
10 Infrastructure Renewal & Replacement	\$25 million
11 Cybersecurity	\$5 million

ATTACHMENT A

(Attachment to the Minutes of the October 18, 2022 Board of Regents)

FY24 Legislative Priorities

Expansion Research and Public Service Projects

ATTACHMENT A Cont.

	Description	Requests	Notes
1	Census Data Dissemination and Demographic Analysis	\$470,400	\$100,000 increase
2	Athletics	\$8,001,743	\$1,253,743 increase
3	Educational Television KNME	\$1,176,800	\$125,000 increase
4	El Centro de la Raza (minority student services)	\$592,300	\$100,000 increase
5	Minority Graduate Recruitment (minority student services)	\$156,976	\$50,000 increase
6	ROSE: Research Opportunities for Science Educators	\$318,000	\$218,000 increase
7	Graduate Medical Education Residencies	\$2,243,700	\$122,800 increase
8	Physician Assistant Program	\$653,276	\$397,676 increase
9	Graduate Education Nurse Practitioner Funding	\$2,200,000	\$455,600 increase
10	Child Abuse Services	\$185,000	\$38,000 increase
11	NM Poison and Drug Information Center	\$2,481,600	\$142,800 increase
12	Office of the Medical Investigator	\$9,840,800	\$3,065,400 increase
13	UNM-Gallup Nurse Expansion	\$503,500	\$322,500 increase
14	UNM-Taos Nurse Expansion	\$1,157,700	\$947,300 increase
15	UNM-Valencia Nurse Expansion	\$582,240	\$435,740 increase

FY24 Legislative Priorities

New Research and Public Service Projects

ATTACHMENT A Cont.

	Description	Requests	Notes
1	Combined BA/MD Degree Program	\$959,962	New
2	Collaborative to increase health personnel to medically underserved	\$163,000	New
3	Master of Science in Anesthesia Program Development	\$330,000	New
4	Undergraduate Nursing Education - Accelerated Bachelors of Science in Nursing Program	\$1,500,000	New
5	Asian American Pacific Islander Resource Center (AAPIRC)	\$250,000	New
6	Early Math Success and Retention	\$300,000	New
7	Peer Learning Facilitators	\$179,500	New
8	Open Educational Resources Pilot Project	\$148,901	New
9	ENLACE Govt Leadership	\$450,000	New
10	School of Public Administration	\$700,000	New
11	Workforce Expansion to Reduce Substance Use Disorder and Substance Use Mortality in New Mexico	\$300,000	New
12	The Center for Fire Resilient Ecosystems and Society (FiRES)	\$200,000	New

FY24 Legislative Priorities Capital Projects

	2023 UNM Appropriation Request	HED Rec (October)
UNM Central Campus		
Critical Safety & Security Improvements	\$ 5,300,000	\$ 1,400,000
Essential Campus Infrastructure	\$ 8,905,000	\$ 4,900,000
Information Technology Upgrades	\$ 3,680,000	
Central Campus Environmental Water Systems	\$ 8,000,000	
UNM Central Campus Totals	\$ 25,885,000	\$ 6,300,000
UNM Health Sciences		
Upgrade to Interprofessional Health Simulation Center	\$ 5,000,000	\$ 5,000,000
HSC Research Equipment	\$ 2,400,000	
Health Sciences Library & Informatics Center 2nd Floor Renovation	\$ 2,850,000	
College of Pharmacy Renovation Planning and Design	\$ 3,000,000	
UNM Health Sciences Totals	\$ 13,250,000	\$ 5,000,000
UNM-Gallup Facilities Repair & Renewal	\$ 1,875,000	\$ 1,875,000
UNM-Gallup Renovation of Career Technology Education	\$ 4,600,000	\$ 1,800,000
UNM-Los Alamos Open Space Design & Upgrade Part 1	\$ 1,125,000	\$ 1,131,750
UNM-Taos Campus wide Asset Management & Envelope Repairs	\$ 2,250,000	\$ 1,980,000
UNM-Valencia Business Technology Classroom Renovations	\$ 800,000	\$ 900,000
UNM Branch Totals	\$ 10,650,000	\$ 7,686,750

ATTACHMENT A Cont.