November 6, 2018 Finance and Facilities (F&F) Committee Meeting

Senior Vice President for Finance and Administration

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Committee Members Present: Regent Marron Lee, Regent Tom Clifford (via conference call), and Regent Rob Doughty

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

Presenters in Attendance: Elizabeth Metzger, Financial Services Division; Rob Robinson, Athletics; Bruce Cherrin, Purchasing; Al Sena, Physical Plant Department; Larry Schuster, Physical Plant Department - Utilities; Lisa Marbury, Institutional Support Services; Thomas Turner, Arts and Sciences; Geraldine Forbes; Architecture and Planning; Alice Letteney, UNM-Valencia; Richard Goshorn, UNM-Valencia; Eddie Nunez, Athletics; Cinnamon Blair, Marketing and Communications; Argy Maniatis, Marketing and Communications; and Tom Tkach (via conference call), Public Events.

ACTION ITEMS:

1. Call to Order, Confirmation of a Quorum, and Adoption of Agenda. Regent Lee called the meeting to order at 12:35 p.m. in Scholes Hall, Roberts Room, and confirmed that a quorum was established. Regent Doughty moved to adopt the agenda and Regent Clifford seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.

2. Approval of Finance and Facilities Committee Meeting Summary from October 9, 2018. Regent Clifford inquired on status of his request for an explanation of reserve classifications. Norma Allen explained the descriptions of reserve classifications were included in the E-book provided at the Board of Regents’ meeting on October 16, 2018. Regent Clifford 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 September 30, 2018 and Information on Monthly Consolidated Financial Reports for the Month Ended September 30, 2018. Elizabeth Metzger gave the presentation. Regents' approval of the Quarterly Financial Actions Report was requested. The Quarterly Financial Actions Report is a one-page report submitted to the Higher Education Department (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.”
By responding “yes” to Question 6, the additional information reported to HED will indicate the enrollment decrease of 7.83% in student credit hours and 7.17% in student headcount for the Fall 2018 semester. This resulted in a $9.7M reduction in tuition and fees from the projection used to prepare the FY19 budget. Ms. Metzger added that management is currently meeting to realign the expenditure budgets for the reduction in enrollment. Revised budgets will be prepared and submitted in the spring.

Regent Clifford suggested that the Board of Regents review the BAR with the revised budgets before they are submitted to the legislature. Regent Clifford also recommended a redesign of current financial reports to reflect present-day changes affecting the University’s budget. Ms. Metzger will meet with President Stokes to review and redesign the budget reports. The reports are detailed in the E-book. **Regent Doughty moved to table and Regent Clifford seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

4. **Approval of Athletics’ Enhanced Fiscal Oversight Program Report and Certification through September 30, 2018.** Rob Robinson gave the presentation. Regents’ approval was requested for the Athletics’ Enhanced Fiscal Oversight Program (EFOP) and Certification instituted by HED. The report covered the first quarter of FY19. Mr. Robinson informed the committee members about the meeting scheduled at the end of the month with HED to discuss quarterly reporting and status of the EFOP. Mr. Robinson will provide an update on the HED meeting at the December 2018 F&F meeting. The reports are detailed in the E-book. **Regent Doughty moved to approve and Regent Clifford seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

5. **Approval of Disposition of Surplus Property for Main Campus for October 2018.** Bruce Cherrin gave the presentation. Regents’ approval was requested for the disposition of surplus property for the month of October 2018. Items listed in the E-book are obsolete or beyond repair. **Regent Clifford 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 Request for Project Construction for:**
   a. **Cogeneration Turbine Unit #2 Engine Overhaul**
      Lisa Marbury, Al Sena, and Larry Schuster gave the presentation. Regents’ approval was requested for the Cogeneration Turbine Unit #2 Engine overhaul. Discussion was held on projected savings and University agreements with Lobo Energy. The report is detailed in the E-book. **Regent Clifford moved to approve and Regent Doughty seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**

   b. **Natural History Science Center**
      Lisa Marbury and Thomas Turner gave the presentation. Regents’ approval was requested for the construction for Natural History Science Center at the UNM Central Campus. The report is detailed in the E-book. **Regent Doughty moved to approve and Regent Lee seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.**
c. Castetter Zebrafish Project
Lisa Marbury and Thomas Turner gave the presentation. Regents’ approval was requested for the Castetter Zebrafish Project. The report is detailed in the E-book. Regent Clifford moved to approve and Regent Doughty seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.

d. Antoine Predock Center for Design & Research: Studio Renovation
Lisa Marbury, Geraldine Forbes, and Melissa Vargas gave the presentation. Regents’ approval was requested for the Antoine Predock Center for Design & Research studio renovation. The report is detailed in the E-book. Regent Clifford moved to approve and Regent Doughty seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.

7. Reaffirm Previous Approval of Action on Legislative Effort led by UNM-Valencia Campus to Develop Westside Workforce Training Facility. Alice Letteney and Richard Goshorn gave the presentation. Regents’ approval was requested for the development of UNM-Valencia off-campus workforce training facility. This request was originally approved by the Regents in December 2014. In 2015, the New Mexico Legislature passed SB 255; however, the Governor did not sign the bill, and therefore, resulted in a pocket veto. Regent Clifford expressed concern about building a new facility in order to provide services. Ms. Letteney explained the request to reaffirm the project is due the continual economic and population growth in Valencia County. Regent Doughty suggested having a site visit for the Regents, and Ms. Letteney will schedule a visit in December 2018. Regent Doughty moved to table and Regent Clifford seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.

8. Recommendations for Consent Agenda Items on Full Board of Regent’s Agenda. Recommendations were not given on this item.

INFORMATION ITEMS:

9. Monthly Athletics’ Report on Revenue, Expenditures, and Compliance. Rob Robinson and Eddie Nunez gave the presentation. Mr. Robinson presented the monthly revenues and expenses compared to the original and revised budget for FY19. This report also compares FY19 budget to monthly actuals, and FY19 year-to-date monthly actuals to prior year-to-date monthly actuals. Ticket sale revenues by sport were included in the report, and they were described as being closely monitored.

Mr. Nunez presented highlights of achievements for the Women’s Soccer team and the Women’s Cross Country team, and he provided an overview of upcoming promotions to increase football ticket sales. The reports are detailed in the E-book.

10. UNM Marketing/Branding Update. Cinnamon Blair and Argy Maniatis gave the presentation. Marketing staff provided an overview of the University’s branding initiative which covered the past four years. The presentation also covered how funding for this initiative has been used including, digital advertising, experiential marketing, and traditional advertising. Regent Lee inquired about the status of the agreement between the University and the City of
Albuquerque to have UNM Banners placed at the bus stops on Central Avenue. Ms. Blair will follow-up with City of Albuquerque on the terms of the agreement regarding the installment of the banners. The presentation is detailed in the E-book.

11. Update on UNM Ticketing. Bruce Cherrin, Eddie Nunez, and Melanie Sparks gave the presentation. Mr. Cherrin described the request for proposal (RFP) for a new ticketing system for Athletics. Discussion was held on the current ticketing system and on various models that can be integrated into a centralized ticketing system. Details and recommendations on the ticketing model will be presented at the next full Board of Regents’ meeting in December 2018.

COMMENTS:

There was no public comment.

EXECUTIVE SESSION:

No executive session was held.

Regent Doughty moved to adjourn at 2:22 p.m., and Regent Lee seconded. The motion passed by unanimous vote with a quorum of committee members present and voting.