



**NEW MEXICO STATE UNIVERSITY BOARD OF REGENTS
REGULAR MEETING
December 12, 2024 at 2:00 PM**

Regents Room, Educational Services Center,
1780 East University Avenue, Las Cruces, NM and
livestreamed for public viewing at <https://nmsu.zoom.us/j/82240874731>

Regents of New Mexico State University

Chair Ammu Devasthali, Vice Chair Christopher Saucedo, Secretary/Treasurer Garrett Moseley, Dina Chacón-Reitzel, Deborah Romero

Non-Voting Advisory Members - ASNMSU President Ala Alhalholy, Faculty Senate Chair Vimal Chaitanya, Ph.D., Employee Council Chair Donna Johnson

University Officials - Interim President Mónica Torres, Ph.D., Interim Provost Lakshmi Reddi, Ph.D., General Counsel Lisa Henderson, J.D.

AGENDA

A. **Call to Order**, *Chairwoman Ammu Devasthali*

Pledge of Allegiance

1. **Confirmation of Quorum**, *Chairwoman Ammu Devasthali*
2. **Introduction of the Media and Elected Officials**, *Associate Vice President Justin Bannister*
3. **Introductions**
 - a) **Jim Stanfill, Chief Information Officer**, *Interim Provost Lakshmi Reddi*

B. **Approval of the Agenda**, *Chairwoman Ammu Devasthali*

C. **Awards and Recognitions**

1. **Proclamation Recognizing the Service of Dr. Arsenio Romero as Regent of New Mexico State University**,
Chairwoman Ammu Devasthali

D. **Approval of Minutes**

1. **Special Meeting on September 19, 2024**
2. **Special Meeting on October 25, 2024**

E. **Informational Items**, *Chairwoman Ammu Devasthali*

1. **2023 2024 Financial Report for Fiscal Year Ended June 30, 2024**, *Lisa Todd (Moss Adams)*

F. **Regent Committee Reports**

1. **Audit and Risk Committee Report**, *Regent Ammu Devasthali*
2. **Real Estate Committee Report**, *Regent Dina Chacón-Reitzel*
3. **Financial Strategies, Performance and Budget Committee Report**, *Regent Deborah Romero*
4. **Student Success Committee Report**, *Regent Christopher Saucedo*

G. Affiliated Entity Reports

1. **NMSU Foundation Inc. Report**, *CEO Sylvia Y. Acosta*
2. **Aggie Development Inc. Report**, *CEO Scott Eschenbrenner*

H. Advisory Member Reports

1. **Associated Students of NMSU Report**, *President Ala Alhalholy*
2. **NMSU Faculty Senate Report**, *Chair Vimal Chaitanya*
3. **NMSU Employee Council Report**, *Chair Donna Johnson*

I. Consent Items, *Chairwoman Ammu Devasthali*

1. **Disposition/Deletion of Capital Property**, *University Controller Ross Justus*
2. **Guiding Principles for Real Estate**, *Special Assistant to the President Scott Eschenbrenner*
3. **Second Amendment to LC University, LLC (Marriott Hotel)**, *Special Assistant to the President Scott Eschenbrenner*
4. **Purchase Agreement for 1300 Highway 195, Elephant Butte, NM**, *Special Assistant to the President Scott Eschenbrenner*
5. **Riley Petroleum Surface Use Agreement – Artesia Agricultural Experiment Station**, *Special Assistant to the President Scott Eschenbrenner*
6. **PSL Tower Demolition**, *Associate Vice President for Facilities and Services Raghu Raghavan*
7. **Honorific naming of the Health Sciences Center Building at the NMSU Alamogordo Campus "Terry T. Marquardt Health Sciences Center"**, *NMSU Foundation Chief of Staff Neal Bitsie*

J. Action Items, *Chairwoman Ammu Devasthali*

1. **Authorization for Conferral of Degrees and Certificates**, *Interim Provost Lakshmi Reddi*
2. **Budget Adjustment Requests (BAR) for Fiscal Year 2024-2025**, *Chief Budget Officer Kimberly Rumford*
3. **Course Fees for Agricultural, Consumer, and Environmental Sciences – Family and Consumer Sciences**, *Chief Budget Officer Kimberly Rumford, Assistant Professor Insook Ahn, College Associate Professor Kelley Coffeen*
4. **Collective Bargaining Agreement Between the Regents of New Mexico State University and United Electrical, Radio and Machine Workers of America (UE) 1498**, *General Counsel Lisa Henderson*

K. Report from the New Mexico Department of Agriculture to the Regents of New Mexico State University (Board of Agriculture), *Cabinet Secretary & Director Jeff Witte*

L. NMSU Academic Report, *Interim Provost Lakshmi Reddi*

M. NMSU System Report, *Interim President Mónica Torres*

N. Announcements and Comments – Good News for NMSU!, *Chairwoman Ammu Devasthali*

O. Adjournment, *Chairwoman Ammu Devasthali*



Board of Regents Meeting
Meeting Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # D-1

- Action Item
- Consent Item
- Informational Item

Presented By: Garrett Moseley
Secretary/Treasurer,
Board of Regents

Agenda Item: Special Meeting Minutes September 19, 2024

Requested Action of the Board of Regents: Approval of the Special Meeting Minutes for September 19, 2024 as presented.

Executive Summary:

As required by the New Mexico Open Meetings Act, the board shall keep written minutes of all its meetings. The minutes shall include at a minimum the date, time and place of the meeting, the names of members in attendance and those absent, the substance of the proposals considered and a record of any decisions and votes taken that show how each member voted. All minutes are open to public inspection. Draft minutes shall be prepared within ten working days after the meeting and shall be approved, amended or disapproved at the next meeting where a quorum is present. Minutes shall not become official until approved by the board.

References:

NM Open Meetings Act §10-15-1 G.

Prior Approvals:

N/A



**NEW MEXICO STATE UNIVERSITY BOARD OF REGENTS
SPECIAL MEETING
September 19, 2024 at 1:00 PM**

Live Webcast at the following address: <http://regents.nmsu.edu/>

Regents of New Mexico State University

Chair Ammu Devasthali, Vice Chair Christopher T. Saucedo, Secretary/Treasurer Garrett Moseley, Dina Chacón-Reitzel, Deborah Romero

Non-Voting Advisory Members - ASNMSU President Ala Alhalholy, Faculty Senate Chair Vimal Chaitanya, Ph.D., Employee Council Chair Donna Johnson

University Officials - Interim President Mónica Torres, Ph.D., Interim Provost Lakshmi Reddi, Ph.D., General Counsel Lisa Henderson, J.D.

AGENDA

A. Call to Order

1. Confirmation of Quorum, Chairwoman Ammu Devasthali

Chairwoman Devasthali called the meeting to order at 1:02 pm.

Chief of Staff, Adam Cavotta confirmed all Regents were present and the quorum was confirmed, and role was called.

2. Approval of the Agenda, Chairwoman Ammu Devasthali

Regent Mosley made a motion to approve the agenda and Regent Chacón-Reitzel seconded the motion. All were in favor and motion carried for approval of the agenda.

B. Approval of Minutes and Confirmation of Prior Closed Sessions

1. Regular Meeting Minutes for August 19, 2024

Regent Romero made a motion to approve August 19, 2024, minutes as presented, Regent Moseley seconded the motion. All were in favor and motion carried.

2. Confirmation of Prior Closed Executive Session September 9, 2024

Chief of Staff Adam Cavotta confirmed the closed executive sessions.

“The New Mexico State University Board of Regents held a closed meeting on Monday, September 9, 2024. The meeting was called to discuss the candidates for President of New Mexico State University and was closed to the public as permitted under NMSA 1978, section 10-15-1 subsection H2. Those board members who are present please certify that only matters of that nature were discussed.”

Regent Romero – Yes	Regent Chacón-Reitzel – Yes	Regent Moseley -Yes
Regent Saucedo – Yes	Regent Devasthali -Yes	

3. Confirmation of Prior Closed Executive Session September 10, 2024

Chief of Staff Adam Cavotta confirmed the closed executive sessions.

“The New Mexico State University Board of Regents held a closed meeting on Tuesday, September 10, 2024. The meeting was called to interview finalists for President of New Mexico State University and the interview was closed to the public as exempted under NMSA 1978, section 10-15-1 subsection H2. Those board members who are present please certify that only matters of that nature were discussed.”

Regent Romero – Yes Regent Chacón-Reitzel – Yes Regent Moseley -Yes
Regent Saucedo – Yes Regent Devasthali -Yes

4. Confirmation of Prior Closed Executive Session September 12, 2024

Chief of Staff Adam Cavotta confirmed the closed executive sessions.

“The New Mexico State University Board of Regents held a closed meeting on Thursday, September 12, 2024. The meeting was called to interview finalists for President of New Mexico State University and the interview was closed to the public as exempted under NMSA 1978, section 10-15-1 subsection H2. Those board members who are present please certify that only matters of that nature were discussed.”

Regent Romero – Yes Regent Chacón-Reitzel – Yes Regent Moseley -Yes
Regent Saucedo – Yes Regent Devasthali -Yes

5. Confirmation of Prior Closed Executive Session September 13, 2024

Chief of Staff Adam Cavotta confirmed the closed executive sessions.

“The New Mexico State University Board of Regents held a closed meeting on Friday, September 13, 2024. The meeting was called to interview finalists for President of New Mexico State University and the interview was closed to the public as exempted under NMSA 1978, section 10-15-1 subsection H2. Those board members who are present please certify that only matters of that nature were discussed.”

Regent Romero – Yes Regent Chacón-Reitzel – Yes Regent Moseley -Yes
Regent Saucedo – Yes Regent Devasthali -Yes

6. Confirmation of Prior Closed Executive Session September 14, 2024

Chief of Staff Adam Cavotta confirmed the closed executive sessions.

“The New Mexico State University Board of Regents held a closed meeting on Saturday, September 14, 2024. The meeting was called to interview finalists for President of New Mexico State University and was closed to the public as exempted under NMSA 1978, section 10-15-1 subsection H2. Those board members who are present please certify that only matters of that nature were discussed.”

Regent Romero – Yes Regent Chacón-Reitzel – Yes Regent Moseley -Yes
Regent Saucedo – Yes Regent Devasthali -Yes

7. Confirmation of Prior Closed Executive Session September 18, 2024

Chief of Staff Adam Cavotta confirmed the closed executive sessions.

“The New Mexico State University Board of Regents held a closed meeting on Wednesday, September 18, 2024. The meeting was called to interview finalists for President of New Mexico State University and was closed to the public as exempted under NMSA 1978, section 10-15-1 subsection H2. Those board members who are present please certify that only matters of that nature were discussed.”

Regent Romero – Yes

Regent Chacón-Reitzel – Yes

Regent Moseley -Yes

Regent Saucedo – Yes

Regent Devasthali -Yes

C. Consent Items

Regent Moseley made a motion to approve the consent agenda items as presented and Regent Saucedo seconded the motion. All were in favor and motion passed.

- 1. Honorific naming of the New DACC Creative Media Building at Arrowhead Park "Cholla Hall", NMSU Foundation Vice President of Philanthropy & Alumni Relations, Patrick Stewart**
- 2. Acceptance of New Mexico Higher Education Department (HED) Endowment Grants, NMSU Foundation Chief Executive Officer Sylvia Y. Acosta**
- 3. Inter-governmental Service Agreement Between the City of Sunland Park Police Department and New Mexico State University, NMSU Interim Chief of Police Justin Dunivan**

D. Action Items

Chairwoman Devasthali made a motion for the regents to convene in executive session to discuss the finalist for president of New Mexico State University, as permitted under the personnel matter’s exemption of the New Mexico Open Meetings Act, NMSA Section 10-15-1, Subsection H (2).

Regent Chacón-Reitzel seconded the motion and Chief of Staff Adam Cavotta conducted a roll call vote.

Regent Romero – Yes

Regent Chacón-Reitzel – Yes

Regent Moseley -Yes

Regent Saucedo – Yes

Regent Devasthali -Yes

All were in favor and motion carried. Regents moved into closed session in room 2 at 1:09 pm.

1. Executive Session, Chairwoman Ammu Devasthali

- a) The Regents will convene in executive session to discuss the finalists for President of New Mexico State University. This discussion of finalists will be closed to the public as exempted under NMSA 1978, Section 10-15-1.H (2) (2013).**

2. Reconvene in Open Session, Chairwoman Ammu Devasthali

The board reconvened at 1:24pm. Chief of Staff Adam Cavotta was asked to confirm the closed executive session.

“The New Mexico State University Board of Regents met in executive session today Thursday, September 19, 2024, at 1:09 pm in room 2 Educational Services Center to discuss the finalist for President of New Mexico State University as permitted under the Personnel Matters Exemption of the New Mexico’s Open Meetings Act NMSA section 10-15-1 subsection H2. Those board members who are present please certify that only matters of that nature were discussed.”

Regent Romero – Yes Regent Chacón-Reitzel – Yes Regent Moseley -Yes
Regent Saucedo – Yes Regent Devasthali -Yes

The prior closed executive session is confirmed.”

3. Final Action on Presidential Finalists Discussed in Executive Session, Chairwoman Ammu Devasthali

Regent Moseley made a motion to appoint Dr. Valerio Ferme as the President of New Mexico State University, subject to reaching mutually agreeable contract terms and to authorize the Regent Chair to negotiate final contract terms for board approval in open session at a special meeting set promptly after the chair concludes negotiations. Regent Chacón-Reitzel seconded the motion, and a roll call vote was requested.

Chief of Staff Adam Cavotta conducted a roll call vote on the motion.

Regent Romero – Yes Regent Chacón-Reitzel – Yes Regent Moseley -Yes
Regent Saucedo – Yes Regent Devasthali -Yes

All voted in favor and the motion passed.

The Aggie fight song was played in celebration of Pistol Pete and Cheer present.

Chair Devasthali read the following statement, “On behalf of the New Mexico State University Board of Regents, I extend my deepest gratitude to all who have played a vital role in our Presidential search process. To the members of the Presidential Search Committee, your tireless efforts and dedication have been the cornerstone of this endeavor. Your commitment to finding the best possible leader for NMSU is truly appreciated.

To the presidential candidates, thank you for your interest in NMSU and for sharing your vision for our university's future. Your participation has enriched this process immeasurably.

To the NMSU community, our students, faculty, staff, alumni, and friends in Las Cruces and throughout New Mexico, and around the world, your engagement has been inspiring.

There were 757 feedback messages that were received. We have never received that kind of feedback in the past. The feedback submissions we received following the faculty staff, students, and community forums have provided invaluable insights. Your voices are a big part of the success of this process.

I would like to add a very big thanks to Dr. Monica Torres for her leadership as interim president. We look forward to her continued leadership as we transition to our new administration.

Finally, a special thank you to my fellow members of the Board of Regents, your dedication to this thorough and collaborative process has been extraordinary. We recognize the sacrifices you have made, taking time away from your professional lives and families for many months. Your commitment to finding the right leader for NMSU is a testament to your unwavering service to our university. Thank you all for your contributions to this important process. We look forward to sharing the exciting next chapter in NMSU’s history with you soon as we look forward to welcoming Dr. Ferme back on campus for a reception held here to meet with students, faculty, staff, alumni, and friends of NMSU. Thank you all.”

4. Applied and Agricultural Biology - Doctor of Philosophy, Department Head Ricardo Ramirez

Dean of the College of ACES Rolando Flores started by stating that he wanted to submit to the board the Doctor of Philosophy in Applied and Agricultural Biology. He goes on to state that agriculture is affected by climate change as well

as many other items that he lists off and follows up with the importance of high-level research that happens in a land grant university. He then introduces Dr. Ricardo Ramirez, who is the current Department head of Entomology, Plant Pathology, and Weed Science as well as Dr. Erik Lehnhoff and Dean Connor. They present their proposal for a path to a PhD in Applied and Agricultural Biology. They present the opportunities that this will open up for students and present the letters of support from industries for this degree as well as all the enrollment increase this will encourage. They end their presentation and open up for questions from the board.

Regent Chacón-Reitzel did not have a question just a comment on how important agriculture is to not just NM but the world and she supports this proposal.

Chairwoman Devasthali also just had a comment that she sees that there is clearly a need for this program and is happy that it comes at no additional cost.

Regent Romero voiced her concern about salaries and how are we going to keep these graduates here if we cannot pay competitively and need to consider this concern.

Regent Chacón-Reitzel made a motion to approve the Ph.D. for Applied and Agricultural Biology and Regent Saucedo seconded the motion. All were in favor and the motion carried.

5. Borderlands and Ethnic Studies – Master of Arts, Department Head Dulcinea Lara

Associate Dean of Academic Affairs Dean Phillip Post introduces their Borderline Ethnic Studies Master's Program and gives some reasons for the request for the program degree and introduces Academic Department Head Dulcinea Lara to present to the board. She goes on to present the strengths and support the program has as well as supporting the mandate of Yazi Martinez to provide culturally and linguistically relevant education for k through 12. She listed the different entities that the students work for and points to the growing number of official recognitions of the Ethnic Studies across the state. After listing several benefits this program will provide, she concluded her presentation and asked if there were any questions.

Regent Romero posed the question of when they will see the work in other parts of the state and when she states Southern New Mexico, where is she talking about.

Academic Department Head Dulcinea Lara responded with some examples stating NM Highland University, Northern NM, In Wagon Mound, Mora, Penasco, Las Vegas and Pecos as well as looking into Albuquerque.

Regent Romero goes on to state that she feels we are missing opportunities as a lot of pueblos are in the northern part of NM versus the southern part. She suggests working with the CES programs to get the program moving quicker, we are the Land Grant Institution for the State of New Mexico that is in all thirty-three counties. She thanked her for her presentation.

Regent Moseley took the time to recognize the program and the work they are doing.

Regent Chacón- Reitzel posed a question on commerce and how the program can help in developing those borderlands.

Academic Department Head Dulcinea Lara states that if they teach in cultural and linguistic, relevant ways; these young people do not have to leave their talents at home and then come to school and keep switching back. She goes on to state that all of that becomes integrated to uplift the students to their most incredible capacity.

Regent Saucedo posed the question of if a local teacher with a bachelor's degree, will these masters allow them to advance to level 3 credentialing?

Academic Department Head Dulcinea Lara responds that it is a very technical question and that she is in conversation with the New Mexico PED about micro credentialing and about ways that ethnic studies can be formally part of that advancing in the portfolios. New Mexico Public Ed Department will be including the ethnic studies content and attitude in the official NM PED advancement to level 3 indirectly and conversations still need to be had.

After more back and forth conversation a motion was entertained to approve the Borderlands and Ethnic Studies – Master of Arts.

Regent Mosely made a motion to approve the Borderlands and Ethnic Studies – Master of Arts. Regent Saucedo seconded the motion; all were in favor and motion passed.

6. Engineering Management – Master of Engineering (Online), Department Head Hansuk Sohn

Dean of College of Engineering David Jauregui begins the presentation for the Online Master of Engineering in Engineering Management. He introduces his colleagues, Department Head Dr. Hansuk Sohn and Dr. Salvador Rodriguez who were both key architects for the proposal. He states that this program is also a collaborative effort between the Colleges of Engineering and Business.

The proposed program is based on an in-depth analysis using data from the Gray Associates Scorecard and Bureau of Labor Statistics. It aims to meet growing demand for engineering managers in New Mexico by restructuring existing engineering courses to provide accessible flexible education for recent graduates and working professionals. Program Demand and Accessibility, approximately 75% of students in similar programs are working professionals. It is designed for maximum flexibility to cater to career advancement and uses existing faculty and resources, requiring no additional investments. The market analysis and student demand are in the top 2% nationally for program demand based on enrollment, applications and student interest. Expected high employment outcomes, with graduates securing roles such as project manager, president and business owner. It will address critical workforce needs in sectors like manufacturing, construction, aerospace, defense and energy. The expected employment outcome are graduates to see 50% salary increase compared to those with only a bachelor's degree with \$100k vs. \$150K median salary. The program focuses on technical and managerial skills, including finance, accounting, organizational behavior and operations as well as preparing engineers for leadership roles and entrepreneurship. The collaboration with NMSU Global and the College of Business which promotes interdisciplinary instruction and research. An accelerated master's degree allows students to earn credits towards both bachelor's and master's degrees, saving tuition costs. New Mexico high school students will qualify for STEM graduate fellowships covering full tuition and partnership with Arrowhead Center and Studio G provide entrepreneurial support and resources. This will compete with programs at NM Tech, U of A and Arizona State University. The program has undergone all required approvals and is now seeking final authorization to establish the Master of Engineering in Engineering management of New Mexico State University. He opened the floor for questions.

Chairwoman Devasthali commented her support.

Regent Moseley asked what was meant by faculty lines being allocated?

Dean of College of Engineering David Jauregui states that it would be based on growth and student to faculty ratio. They will be consistently reevaluating the capacity they have for instruction.

Regent Mosely continued with, would it be hiring new faculty or shifting existing faculty, and at what point do you flatten out the program and increase the faculty salary that are working in that area versus bringing on a new faculty member to increase the program enrollment?

Dean of College of Engineering David Jauregui responds that they would look at allocation of effort and workload and administrative staffing will initially use existing staff, supported by NMSU Global. Program coordinators will manage staff requirements as the program grows, ensuring sufficient support without overburdening current staff.

Other regents made some positive comments prior to the motion being made.

Regent Moseley made a motion to approve the engineering management Master of Engineering as presented.

Regent Romero seconded the motion, all were in favor, motion carried.

7. Systems Engineering – Master of Engineering (Online), Department Head Hansuk Sohn

Dean of College of Engineering David Jauregui presented to the board on the proposed Master of Engineering in Systems Engineering is a coursework-only degree designed to restructure and integrate faculty expertise within the College of Engineering. This proposal seeks approval for the Master of Engineering in System Engineering, emphasizing affordability and value for students. It addresses the growing demand for systems engineers across industries like automotive, manufacturing, energy and defense. Students are in the top 5% nationally for demand with competitive intensity in the top 9% with less competition compared to other fields. Employment outcomes are that bachelor's degree graduates earn \$100K, with a 5% salary increase for master's holders. The projected job growth is 12%, double the rate of engineering management roles.

Some of the highlights focus on interdisciplinary education tailored to state and regional needs. Including the Borderplex area. It leverages NMSU's Aggie Innovation Space for hands-on learning and collaboration and builds on existing research programs like QCAM (Quality Control and Additive Manufacturing) and DREAM (Distribute Resilient Additive Manufacturing) and expands on the graduate certificate in Systems Engineering and nationally ranked master's programs. It does compete with programs at UNM, U of A, ASU, and UTEP. He opens the floor for questions from the board.

Regent Moseley asked the question how is the decision made on when a graduate degree should be offered online versus whether it should be offered on main campus?

Dean of College of Engineering David Jauregui responded that the major factor is who the audience is for that particular degree. For main campus students they will be focused on those that will be performing research and need to be on campus working directly with a faculty member, where on a Master of Engineering that is to research based such as this particular degree, they will tailoring to students to give them the flexibility of working and schooling fulltime but online.

Regent Chacón-Reitzel made a motion to approve the Master of Engineering in System Engineering online program.

Regent Moseley seconded the motion; all were in favor and motion carried.

8. Repeal Previously Approved NMEDD Soundstage Project Agreement and Memorandum, Arrowhead Park Executive Director Wayne Savage

Executive Director of Arrowhead Park Wayne Savage presented to the board on the TV soundstage project that has been in collaboration with the Economic Development Department of the State Film office and University and Arrowhead center inc. Agenda item #8 is the request to repeal the originally approved documents and subsequent to the June 28th meeting of the BOR. It was determined by the NMSU Dept of Finance that the project funds could not be transferred directly to Arrowhead Center Inc. under the current structure of the agreement at that time. It was determined that the only way the funds could be transferred to Arrowhead Inc was to remove NMSU as a party to the soundstage agreement and because of that the request to have the previous agreement repealed and request a newly revised agreement.

Regent Romero made a motion to repeal the agreement.

Regent Chacón-Reitzel seconded the motion, all were in favor and motion passed.

9. NMEDD Soundstage Revised Project Proposal Agreement and Memorandum, Arrowhead Park Executive Director Wayne Savage

Executive Director of Arrowhead Park Wayne Savage presented to the board a summary of changes to the previous agreement. Revisions were made to comply with the Department of Finance's requirement to remove NMSU from the soundstage agreement. Adjustment so the memorandum of proposed terms maintains the core agreements between the Economic Development Department, Arrowhead Center, Inc. (ACI) and NMSU.

HED approval will not be required for the eventual transfer of the soundstage complex from ACI to NMSU. This transfer initially planned for completion upon project completion will now occur later during the operational phase to allow time for the HED approval process. Despite NMSU's formal removal from the agreement, the institution retains all original responsibilities under the memorandum of understanding with ACI. The Board was invited to request a detailed explanation of the changes or proceed with approval of the revised documents or just move ahead with the approval of the revised agreement. Chairwoman Devasthali clarified that even though NMSU has been removed from the agreement de facto, NMSU is still responsible for everything it was responsible for before.

Executive Arrowhead Park, Director Wayne Savage confirms that is correct, per the memorandum of understanding.

Regent Romero made a motion to approve the NMED Soundstage Device Project Proposal agreement and memorandum as presented.

Regent Chacón-Reitzel seconded the motion, all were in favor and the motion carried.

E. Informational Items

1. None.

F. Announcements and Comments, Chairwoman Ammu Devasthali

There were no announcements or comments, so Chairwoman Devasthali reminded everyone of the UNM game and for them to all show up.

G. Adjournment, Chairwoman Ammu Devasthali

Regent Mosley made a motion to adjourn the meeting.

Regent Romero seconded the motion; all were in favor and motion carried.

Meeting adjourned at 2:37 pm.



Board of Regents Meeting
Meeting Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # D-2

- Action Item
- Consent Item
- Informational Item

Presented By: Garrett Moseley
Secretary/Treasurer,
Board of Regents

Agenda Item: Special Meeting Minutes October 25, 2024

Requested Action of the Board of Regents: Approval of the Special Meeting Minutes for October 25, 2024 as presented.

Executive Summary:

As required by the New Mexico Open Meetings Act, the board shall keep written minutes of all its meetings. The minutes shall include at a minimum the date, time and place of the meeting, the names of members in attendance and those absent, the substance of the proposals considered and a record of any decisions and votes taken that show how each member voted. All minutes are open to public inspection. Draft minutes shall be prepared within ten working days after the meeting and shall be approved, amended or disapproved at the next meeting where a quorum is present. Minutes shall not become official until approved by the board.

References:

NM Open Meetings Act §10-15-1 G.

Prior Approvals:

N/A



**NEW MEXICO STATE UNIVERSITY BOARD OF REGENTS
SPECIAL MEETING
October 25, 2024 at 8:00 AM**

Live Webcast at the following address: <https://regents.nmsu.edu/regent-meetings/>

Regents of New Mexico State University

Chair Ammu Devasthali, Vice Chair Christopher T. Saucedo, Secretary/Treasurer Garrett Moseley, Dina Chacón-Reitzel, Deborah Romero

Non-Voting Advisory Members - ASNMSU President Ala Alhalholy, Faculty Senate Chair Vimal Chaitanya, Ph.D., Employee Council Chair Donna Johnson

University Officials - Interim President Mónica Torres, Ph.D., Interim Provost Lakshmi Reddi, Ph.D., General Counsel Lisa Henderson, J.D.

MINUTES

A. Call to Order

Chairwoman Devasthali called the meeting to order at 8:02 am.

1. Confirmation of Quorum, Chairwoman Ammu Devasthali

Chief of Staff Adam Cavotta took roll and confirmed the quorum.

Regent Romero – Present

Regent Chacón-Reitzel – Present

Regent Moseley -Present

Regent Saucedo – Present

Regent Devasthali -Present

2. Approval of the Agenda, Chairwoman Ammu Devasthali

Regent Chacón-Reitzel moved to approve the agenda as presented with a second from Regent Moseley. The motion passed without opposition.

B. Consent Items

1. None.

C. Action Items

1. President Employment Agreement by and between The Regents of New Mexico State University and Dr. Valerio Ferme, Chairwoman Ammu Devasthali

Regent Devasthali said, “Members of the board, we have just one item on the agenda today which is the President’s Employment Agreement by and between The Regents of New Mexico State University and Dr. Valerio Ferme.

On September 19, 2024 the Board of Regents selected Dr. Ferme as NMSU's next president. The Board authorized the chair to negotiate final contract terms for Board approval in open session at a special meeting to be set promptly after the Chair concludes negotiations.

I'm pleased to announce the conclusion of negotiations and present for your consideration the Employment Agreement for President of NMSU by and between the Regents of New Mexico State University and Dr. Valerio Ferme. I will entertain a motion on the agreement as presented."

Regent Saucedo moved to approve the agreement as presented. Regent Romero seconded the motion.

Chief of Staff Adam Cavotta took a roll call vote.

Regent Romero – Yes

Regent Chacón-Reitzel – Yes

Regent Moseley -Yes

Regent Saucedo – Yes

Regent Devasthali -Yes

The motion passed unanimously.

Regent Devasthali invited regents to make comments about the vote to approve the Employment Agreement with Valerio Ferme as President of NMSU.

Regent Romero said, "I can't tell you how relieved I am that we have a president at NMSU. I think that this is going to be the beginning of new and wonderful things for NMSU. Everything that I've heard so far about our new president has been wonderful, and I think he's just going to bring that peace that we need, that ability to unify people. And we look forward to just all the opportunities that he is going to be bringing to NMSU. So thank you for agreeing to accept this position. I look forward to working with you."

Regent Chacón-Reitzel said, "Thank you. Bienvenido President Ferme! We're very happy to have you in our beautiful state, and we are looking forward to meeting your lovely family. All I can say is, this has been home for me and my family for some centuries, and I think you found a home here, and so I just want you to know that you have my support. I think, as Ammu stated, the best is yet to come. We're happy to have you here in New Mexico, and I wish you many, many years that you'll spend your life here and love it as we all do. Welcome."

Regent Moseley said, "Dr. Ferme, I just want to say I can't wait for you to be down here in Las Cruces, and I'm so happy that we get to call you our next president of the New Mexico State University system. I know these next couple of months are really going to be hitting the ground running. But I just want you to know we all really support you. We're excited and anything we can do to help you, we're always in your corner, so I hope the move goes well, and I can't wait to see you down here hopefully for a very long time. When I come back and visit, you're still here. So thank you so much for taking on this role and this responsibility. And I'm looking forward to it."

Regent Saucedo said, "I simply want to say that I am personally very excited with this development, and with what is now, I consider a new beginning, if you will, for New Mexico State. We have a lot of great things here, a great tradition and it's going to be really exciting to see where we go from here. So welcome and we certainly we'll be in support of you and your actions, and very excited about it. Thank you."

Several other meeting participants greeted and welcomed Dr. Ferme.

Dr. Ferme said, “Today I officially accept the presidency of New Mexico State University and my family and I are honored to join the Land Grant Institution of the State of New Mexico. I'm humbled by this responsibility, even though I understand that it has significant responsibilities to our campuses, our communities, and to the citizenry and government of the State. To me, it's both exciting, and I do feel the responsibility to be an excellent representative of the University itself in everything it does. My first thanks go to the Board of Regents for entrusting me with this responsibility, but also to everyone who, during my visit, and immediately after, has shown so much interest and concern for me, my family, and encouraged me with affection to take on the challenges and opportunities that are embedded in the position.

I'm excited to engage the work and the passion, the challenges, and the opportunities that you bring to me, and that I see ahead of us. Like many of you have just stated, I think they're untapped opportunities here that we can really make work on behalf of the University in the State.

More importantly, and this is really what it comes down to, I'm excited to engage the ‘us’ that comes together in our communities, and I think that together we will turn these possibilities into realities and elevate and enhance the pathways already at work in the strategic plan, but well beyond them. I do have some ideas for the beyond, but I think until one hits the ground, one doesn't know what that beyond looks like.”

Dr. Ferme continued, “I think there is so much energy that I feel collectively we can harness to get there. I look forward to engaging with faculty, with staff, with everybody who is interested in the well-being of this university. Thank you again for giving me this opportunity.”

D. Informational Items

1. None.

E. Announcements and Comments, *Chairwoman Ammu Devasthali*

There were no additional announcements or comments.

F. Adjournment, *Chairwoman Ammu Devasthali*

Regent Moseley moved to adjourn with a second from Regent Romero. The meeting was adjourned at 8:17 AM.



Board of Regents Meeting
Meeting Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # E-1

- Action Item
- Consent Item
- Informational Item

Presented By: Lisa Todd, Partner, Moss Adams LLP

Agenda Item:

Financial Report for Fiscal Year Ended June 30, 2024

Requested Action of the Board of Regents:

None. Informational.

Executive Summary:

The Financial Report for fiscal year ended June 30, 2024 will be presented. Moss Adams, LLP audited the financial statements and issued an unmodified opinion.

References:

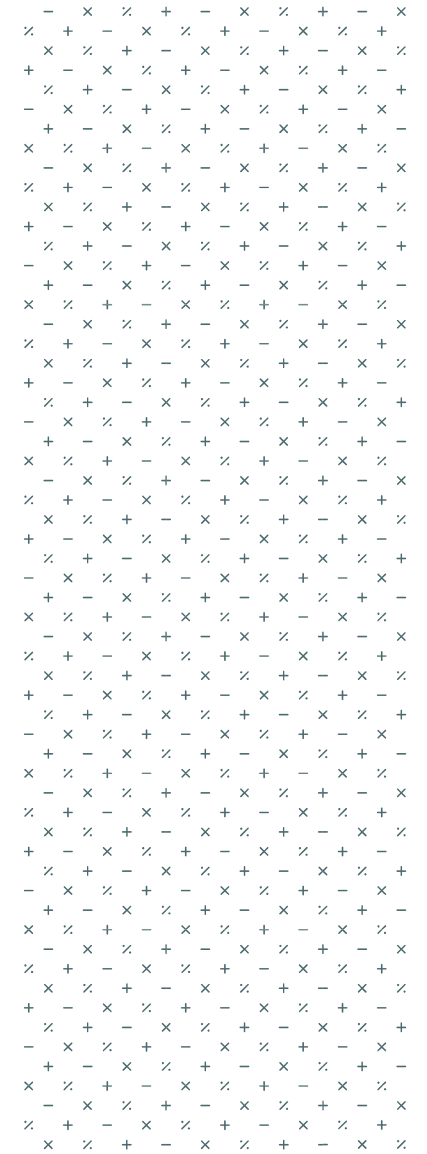
N/A

Prior Approvals:

Regents Audit and Risk Committee 10/24/2024.



2024 Audit Results





Agenda

1. Auditors' Role
2. Summary of Audits
3. Auditor Opinions & Reports
4. Audit Results



Auditor's Role

Roles of Moss Adams

Moss Adams is responsible for:

NMSU financial statement audit — Single Audit of Federal Expenditures – Moss Adams reports on consolidated financials, internal controls, and component units – Arrowhead Center, Inc. and NMSU Foundation.

Financial Statement Audits – Audits performed in accordance with:

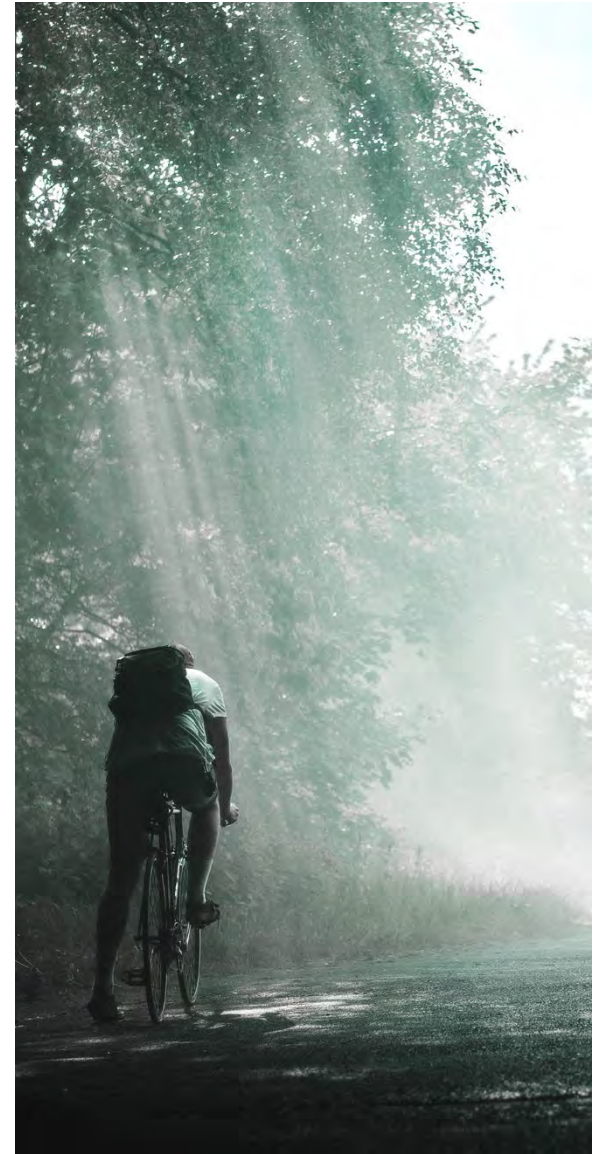
- Generally Accepted Auditing Standards
- Government Auditing Standards
- New Mexico State Auditor Rule 2.2.2 NMAC

Federal Grant Compliance Audit – Audits of federal grants performed in accordance with OMB Uniform Guidance (Single Audit)

- Major programs tested:
 - Research & Development Cluster
 - Coronavirus State and Local Fiscal Recovery Funds



Summary of Audits



Auditor Opinions & Reports



Unmodified Opinion

Financial statements are presented fairly and in accordance with US GAAP

Unmodified Opinion

GAGAS Report on Internal Control Over Financial Reporting and on Compliance and Other Matters (GAGAS reports issued at the component levels vary from the consolidated report)

Unmodified Opinion

Report on Compliance with Requirements that could have a Direct and Material Effect on the Major Federal Programs and on Internal Control Over Compliance in accordance with the Uniform Guidance for Federal Awards (2 CFR Part 200)



Audit Results - Prior Year Audit Findings



None





Audit Results - 2023 Audit Findings – Financial Statement and Compliance



Basic Financial Statements – None

Federal Award Findings and Questioned Costs – None

Audit Results – Other Items



New Mexico State Audit Rule (NMAC 2.2.2) Testwork – No findings



Contact Us



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- Scott Simpson, Concurring Partner
- Ashlee Lent, Senior Manager (NMSU, Arrowhead Center, Inc.)
- Sheila Herrera, Senior Manager (Concurring Review, Arrowhead Center, Inc. and NMSU Foundation)
- Sujan Bhandari, Senior Manager (NMSU Foundation)





The material appearing in this presentation is for informational purposes only and should not be construed as advice of any kind, including, without limitation, legal, accounting, or investment advice. This information is not intended to create, and receipt does not constitute, a legal relationship, including, but not limited to, an accountant-client relationship. Although this information may have been prepared by professionals, it should not be used as a substitute for professional services. If legal, accounting, investment, or other professional advice is required, the services of a professional should be sought.

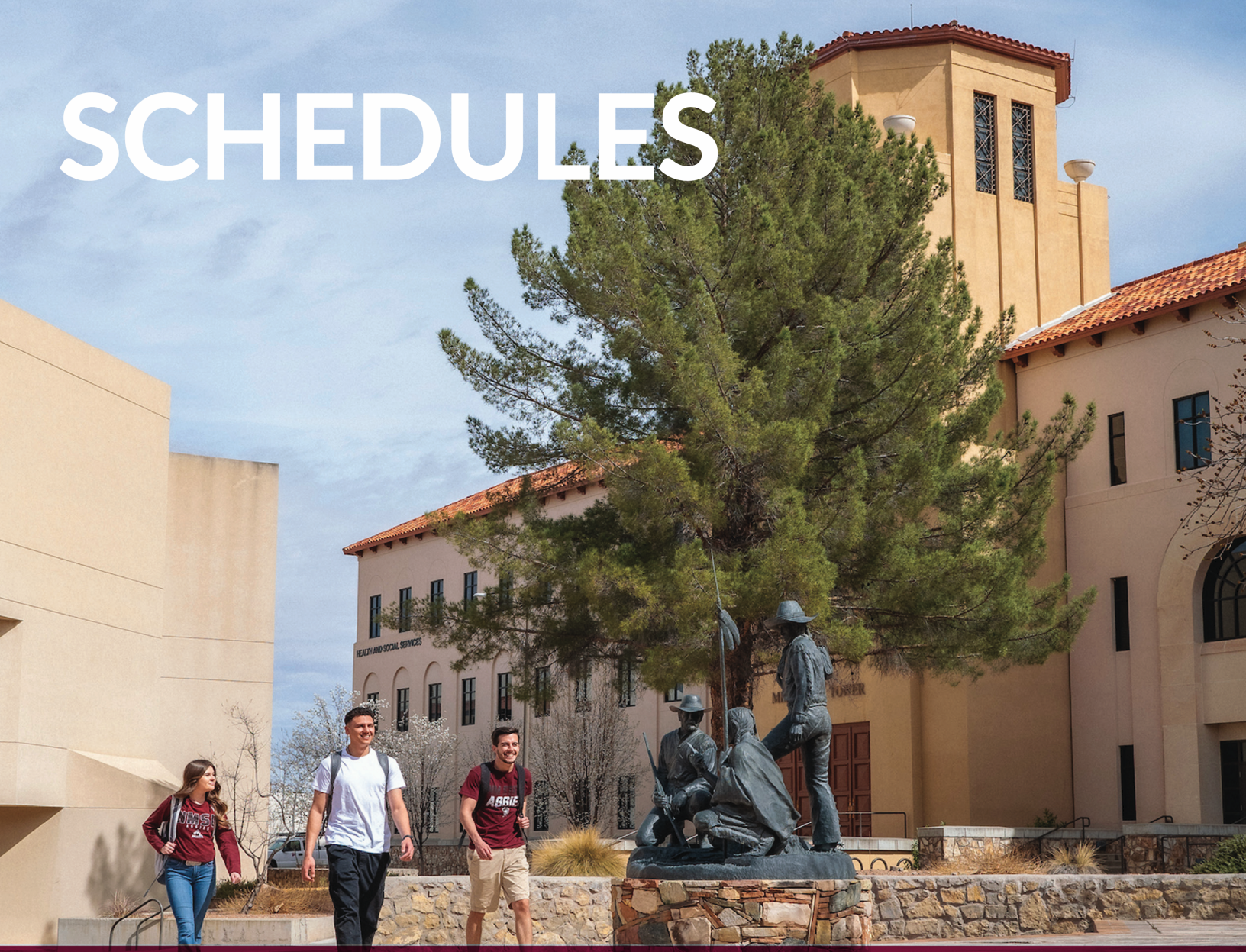
Assurance, tax, and consulting offered through Moss Adams LLP. Wealth management offered through Moss Adams Wealth Advisors LLC. Investment banking offered through Moss Adams Capital LLC.



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2024 | 2023

FINANCIAL STATEMENTS SCHEDULES



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NMSU does not discriminate on the basis of age, ancestry, color, disability, gender identity, genetic information, national origin, race religion, retaliation, serious medical condition, sex (including pregnancy), sexual orientation, spousal affiliation, or protected veteran status in its programs and activities, including employment, admissions and educational programs and activities. Inquiries may be directed to the Executive Director of the Office of Institutional Equity, Title IX and Section 504 Coordinator, O'Loughlin House, 1130 E. University Avenue, Las Cruces, NM 88003; 575-646-3536; equity@nmsu.edu.

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Board of Regents

Ammu Devasthali
Chair

Christopher Saucedo
Vice Chair

Garrett Moseley
Secretary-Treasurer

Deborah Romero
Member

Dina Chacón-Reitzel
Member

Ex-Officio Members

Michelle Lujan Grisham
Governor

Stephanie Rodriguez
Secretary of Higher Education

Advisory Members

Vimal Chaitanya
Faculty Senate Chair

Donna Johnson
Employee Council Chair

Ala Alhalholy
President, ASNMSU

Principal Administrative Officials

Monica Torres
President, Interim

Dr. Lakshmi Reddi
*Provost & Chief Academic Officer,
Interim*

Lisa Henderson
Chief Legal Affairs Officer

Christian Kinsley
*Vice President, Administration and
Finance, Interim*

Principal Financial Officials

Ross Justus
Controller

Carolina Muñoz
*Manager of Accounting
and Financial Reporting*

Report of Independent Auditors

The Board of Regents
New Mexico State University
and
Mr. Joseph M. Maestas, PE, CFE
New Mexico State Auditor

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities, fiduciary activities, and the discretely presented component unit of New Mexico State University (the University) as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, fiduciary activities, and the discretely presented component unit of New Mexico State University as of June 30, 2024 and 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matters

Reporting Entity

As discussed in Note 2, the financial statements of the University are intended to present the financial position and the changes in financial position, and cash flows of only that portion of the business-type activities of the State of New Mexico that is attributable to the transactions of the University. They do not purport to, and do not, present fairly the financial position of the State of New Mexico as of June 30, 2024 and 2023, and the changes in financial position, or cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in Total Other Post-Employment Benefits Liability and Related Ratios (schedule 1), and the Schedule of Proportionate Share of Net Pension Liability and Employer Contributions (schedule 2) be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The Combining Statements of Net Position (schedule 3), Combining Statements of Revenues, Expenses, and Changes in Net Position (schedule 4), Budgetary Comparison Schedules (schedule 5), Bank Balances, Pledged Collateral Requirements, and Pledged Collateral by Financial Institution (schedule 6), and Schedule of Expenditures of Federal Awards (schedule 7), as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying Combining Statements of Net Position (schedule 3), Combining Statements of Revenues, Expenses, and Changes in Net Position (schedule 4), Budgetary Comparison Schedules (schedule 5), Bank Balances, Pledged Collateral Requirements, and Pledged Collateral by Financial Institution (schedule 6), and Schedule of Expenditures of Federal Awards (schedule 7) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Statements of Net Position (schedule 3), Combining Statements of Revenues, Expenses, and Changes in Net Position (schedule 4), Budgetary Comparison Schedules (schedule 5), Bank Balances, Pledged Collateral Requirements, and Pledged Collateral by Financial Institution (schedule 6), and Schedule of Expenditures of Federal Awards (schedule 7) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2024, on our consideration of the University'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 the University'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 the University's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Albuquerque, New Mexico
October 25, 2024

Management's Discussion and Analysis For the Years Ended June 30, 2024, 2023 and 2022 (Unaudited)

Overview of Financial Statements and Financial Analysis

Management's Discussion and Analysis is designed to provide an easily readable analysis of New Mexico State University's (the University or NMSU) financial activities for the fiscal years ended June 30, 2024, 2023 and 2022. Changes discussed below in this management discussion and analysis are approximate and actual changes can be calculated by using the basic financial statements. This overview is based on facts, decisions and conditions known as of the date of the independent auditors' report. There are five financial statements presented: the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; the Statement of Cash Flows; Statement of Fiduciary Net Position; and Statement of Changes in Fiduciary Net Position. Please read this analysis in conjunction with the University's financial statements and accompanying notes to the financial statements. Separately issued component unit financial statements are available as detailed in Note 11.

Using This Annual Report

The Statement of Net Position provides information about the University's financial condition at fiscal year end. It presents both a current year synopsis and a longer-term view of the University's assets, liabilities and net position. Readers of the Statement of Net Position have the information to determine the assets available to continue the operations of the University. They can also determine how much the University owes to vendors, investors and lending institutions. Finally, the Statement of Net Position outlines the net position (assets minus liabilities) available to the University and defines that availability.

The Statement of Revenues, Expenses, and Changes in Net Position should be used to review the results of the current year's operations. Changes in total net position, as presented in the Statement of Net Position, are based on the activities presented in this statement. The purpose of the statement is to present the revenues earned by the University and the expenses incurred by the University and any other revenues, expenses, gains and losses earned or incurred by the University. Non-operating revenues include state appropriations revenue, federal Pell grant revenue, state lottery scholarship revenue, New Mexico Opportunity Scholarship, local tax levy revenue, gift revenue, and investment income. The line item entitled "Income before other revenues" may give a more complete picture of the results of the University's operations during the year, including income resulting from non-exchange transactions. A non-exchange transaction is one in which the University receives value or benefit from a third party without directly providing equal value in exchange, such as in receipt of a donation.

The Statement of Cash Flows presents detailed information about the cash activity of the University during the fiscal year. The statement is divided into five sections. The first section deals with operating cash flows and shows the net cash used by operating activities. The second section includes cash flows from non-capital financing activities. It includes the cash received and spent for non-operating, non-investing and non-capital financing purposes. The third section includes cash flows from capital and related financing activities. This section includes the cash used for the acquisition and construction of capital and related items. The fourth section includes the cash flows from investing activities and shows the purchases, proceeds, and interest received from investing activities. The fifth and final section reconciles the net cash used for operations to the operating loss reflected on the Statement of Revenues, Expenses, and Changes in Net Position.

The final two statements presented are the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. These statements present balances and activities held by the University for the benefit of student and departmental groups, as well as deposits from local taxing authorities.

Footnote information provides additional detail on the University's overall accounting practices and individual statement line items, including a natural classification report of operating expenses.

Additional information may be obtained by contacting the Office of the Vice President for Administration and Finance at 575-646-2431 or af@nmsu.edu.

For the years ended June 30, 2024, 2023 and 2022, the University's financial position was as follows:
(In thousands)

<i>Condensed Net Position</i>	June 30, 2024	June 30, 2023	As restated June 30, 2022
ASSETS			
Current assets	\$ 250,815	\$ 229,149	\$ 164,497
Capital assets, net	521,540	493,787	483,379
Non-current assets	<u>273,733</u>	<u>219,395</u>	<u>177,327</u>
TOTAL ASSETS	<u>1,046,088</u>	<u>942,331</u>	<u>825,203</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>63,681</u>	<u>132,742</u>	<u>360,978</u>
LIABILITIES			
Current liabilities	99,000	96,714	76,026
Net pension liability	472,248	480,925	433,023
Other post-employment benefit liability	134,631	125,098	124,675
Other non-current liabilities	<u>139,743</u>	<u>146,642</u>	<u>124,873</u>
TOTAL LIABILITIES	<u>845,622</u>	<u>849,379</u>	<u>758,597</u>
DEFERRED INFLOWS OF RESOURCES	<u>155,551</u>	<u>367,257</u>	<u>675,078</u>
NET POSITION			
Net investment in capital assets	417,479	391,163	376,102
Restricted	142,338	102,518	70,817
Unrestricted	<u>(451,221)</u>	<u>(635,244)</u>	<u>(695,592)</u>
TOTAL NET POSITION	<u>\$ 108,596</u>	<u>\$ (141,563)</u>	<u>\$ (248,673)</u>
<i>Condensed Revenues, Expenses and Changes in Net Position</i>			
Operating revenues:			
Student tuition and fees (net)	\$ 45,781	\$ 50,344	\$ 74,520
Federal appropriations, grants and contracts	117,781	107,240	99,476
Other operating revenues	<u>78,291</u>	<u>69,516</u>	<u>65,287</u>
TOTAL OPERATING REVENUES	<u>241,853</u>	<u>227,100</u>	<u>239,283</u>
EXPENSES			
Operating expenses:			
Instruction	120,790	149,159	153,446
Research	86,540	102,436	99,291
Other operating expenses	<u>321,440</u>	<u>357,006</u>	<u>345,501</u>
TOTAL OPERATING EXPENSES	<u>528,770</u>	<u>608,601</u>	<u>598,238</u>
Net operating loss	(286,917)	(381,501)	(358,955)
Non-operating revenues and expenses:	<u>463,316</u>	<u>423,682</u>	<u>382,359</u>
Income (loss) before other revenues	176,399	42,181	23,404
Other revenues and special item	<u>73,760</u>	<u>64,929</u>	<u>(61,654)</u>
Increase (decrease) in net position	<u>250,159</u>	<u>107,110</u>	<u>(38,250)</u>
NET POSITION			
Beginning of year	(141,563)	(248,673)	(210,423)
End of year	<u>\$ 108,596</u>	<u>\$ (141,563)</u>	<u>\$ (248,673)</u>

General Overview for 2024 and 2023

In fiscal year 2024, total assets of the institution increased by \$104 million primarily related to increases in cash, investments and net capital assets. The \$67 million increase in cash is attributable to increased investment income, state appropriations, and increased grant activity. The \$32 million increase in restricted cash is due to 2023 General Funds distributions received. Short term investments and investments held in trust each increased \$12 million due to favorable returns from investments. These increases were partially offset by a decrease of \$17 million in accounts receivable from changes with our auxiliary operations and the third-party administrator. Deferred outflows decreased by \$69 million, deferred inflows decreased by \$212 million, and total liabilities increased by \$4 million primarily due to the results of the most recent valuation of the pension liability and related amortizations.

The more significant changes in the Statement of Net Position include:

- Increase in net capital assets of \$28 million resulting from \$37 million spent in construction, \$33 million spent on other capital assets, offset by \$41 million in depreciation and amortization and \$1 million of net disposals.
- Decrease of \$17 million in net accounts receivable due to a reduction in amounts due from auxiliary operations due to the changes in payment receipt processes with the third-party administrator. This increase was partially offset by an increase in student tuition and fees receivable.
- Decrease of \$4 million in accounts payable due to timing of procurement card payments and construction activity at year-end.
- Decrease of \$7 million in accrued liabilities due to changes in how expenses are paid through the third-party auxiliary administrator.

Primary components that contributed to the \$250 million net increase in net position from the prior year include:

- Increase in capital appropriations of \$33 million to a total of \$66 million.
- Reduction in benefits expense of \$108 million resulting from the a more favorable impact from the pension valuation.
- Investment income and land lease and permanent fund revenue of \$38 million, representing an increase of \$21 million from the prior year.
- Increase in federal contracts and grants of \$11 million.
- Increased state appropriations of \$17 million.

The Statement of Cash Flows shows a net increase in cash of \$67 million. The increase was mostly attributable to the collection of accounts receivable and the increase in investment income.

General Overview for 2023 and 2022

In fiscal year 2023, total assets of the institution increased by \$117 million primarily related to increases in accounts receivable, cash held by others and endowment investments. The \$43 million increase in accounts receivable is mostly related to amounts due from state appropriations. Cash held by others increased as \$29 million was issued as a bond in the fiscal year, with the proceeds being held by the New Mexico Mortgage Finance Authority. Endowment investments increased by \$32 million due to public health endowments received from the State of New Mexico (State). Deferred outflows decreased by \$228 million, deferred inflows decreased by \$308 million, and total liabilities increased by \$90 million primarily due to the results of the most recent valuation of the pension liability and related amortizations.

The more significant changes in the Statement of Net Position include:

- Increase in the pension liability of \$48 million, and the related decrease in deferred outflows of \$220 million and decrease of deferred inflows of \$294 million. These items are attributable to the adjustments made to the pension liability due to the latest actuarial valuation performed and the related amortization of previous deferred balances.
- Increase in the other post-employment benefit (OPEB) liability of less than \$1 million, and the related decrease in deferred outflows of \$8 million and decrease of deferred inflows of \$13 million. These represent the amortizations of previous deferred balances.
- Increases in net accounts receivable of \$43 million, mostly attributable to \$26 million due from state appropriations and \$7 million due for capital grants from the State.
- Increase in cash held by others of \$29 million and increase in other long-term liabilities of \$23 million mostly attributable to the issuance of debt in the current year for \$29 million, net of payments on existing debt.

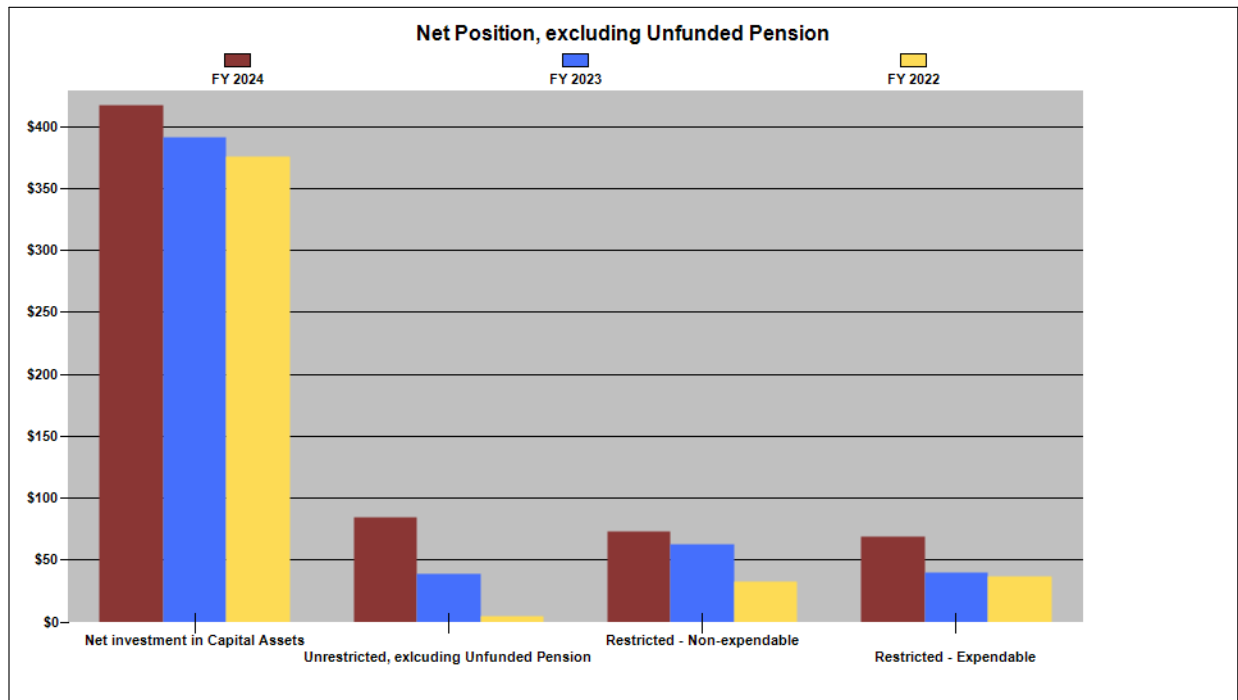
Primary components that contributed to the \$107 million net increase in net position from the prior year include:

Increase in New Mexico Opportunity scholarship of \$32 million.

- Reduction in benefits expense of \$17 million mostly due to a more favorable impact from pension and OPEB valuations.
- Net increase in investment income of \$20 million.

The Statement of Cash Flows shows a net increase in cash. The majority of the increase was from proceeds of the series 2022 debt issuance of \$29 million.

The following graph illustrates the comparison of net position (in millions) by category for fiscal years 2024, 2023 and 2022. The effect of the implementation of GASB 68 related to the net unfunded pension liability has been excluded from the graph to provide a clearer picture of the unrestricted net position.



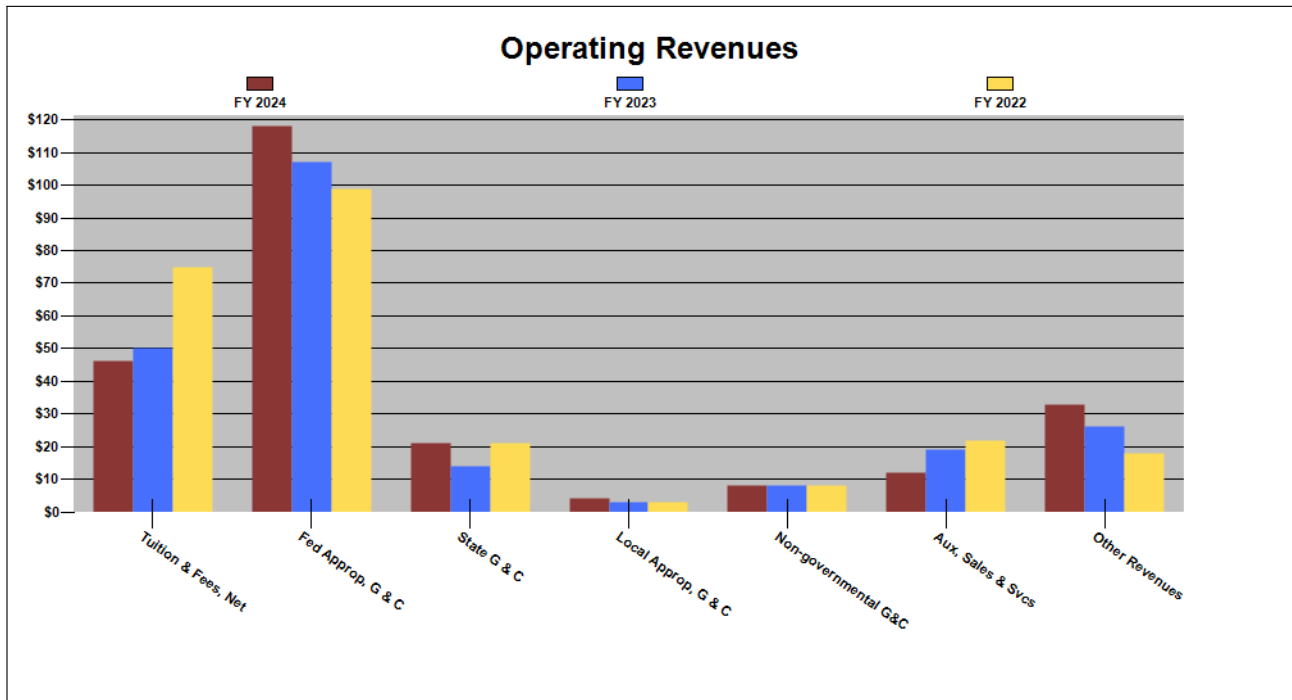
Operating Revenues for 2024 and 2023

Total operating revenues increased by \$15 million in fiscal year 2024 compared to 2023. Federal appropriations, grants and contracts increased by \$11 million and other operating revenues increased by \$8 million. These were offset by a reduction of net student tuition and fees of \$5 million. Total tuition and fees increased by \$6 million, but the scholarship allowances increased by \$11 million resulting in the net \$5 million decrease. The higher scholarship allowances is due to continued increases in Pell Grant, lottery and opportunity revenues which increases the discount rate.

Operating Revenues for 2023 and 2022

Total operating revenues increased by \$16 million in fiscal year 2023 compared to 2022. The New Mexico Opportunity Scholarship increased by \$32 million mostly due to the increase from the opportunity scholarship. This was offset by reductions in net tuition in fees of \$24 million. The reduction is based on a higher percentage of revenue from New Mexico Opportunity Scholarship, which is recognized as non-operating revenues.

The following graph illustrates a comparison of operating revenues (in millions) by type for fiscal years 2024, 2023 and 2022.



Operating Expenses for 2024 and 2023

Operating expenses decreased by \$80 million in fiscal year 2024 from the prior year. This decrease is a result of a reduction of benefit expense of \$93 million in 2024 versus the reduction of \$17 million in 2023, representing an increase of \$76 million of reduced benefit expense from the pension valuation and related amortization. Other changes include the following activities:

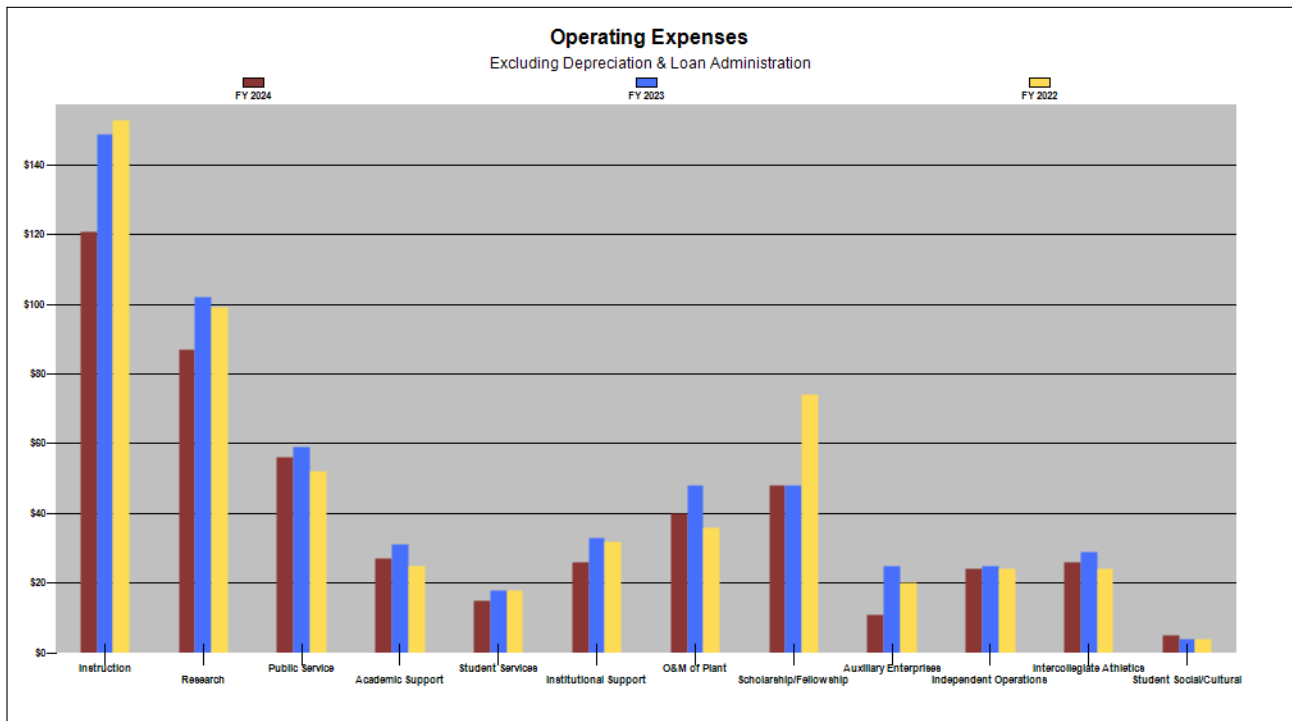
- Salary expenses increased \$25 million due to compensation increases of 3% and filling vacant positions.
- Decreased professional fees of \$9 million, mostly attributable to reduction in consulting and outsourced activities.

Operating Expenses for 2023 and 2022

Operating expenses increased by \$10 million in fiscal year 2023 from the prior year. Decreases in scholarship and fellowships of \$26 million from the tuition discount and the reductions in benefit expense of \$17 million were offset by increases in the following activities:

- Salary expenses increased \$20 million due to compensation increases of 6%.
- Travel increases of \$4 million due to increased collaborations coming out of the pandemic.
- Increased professional fees of \$13 million, mostly attributable to additional outsourced facility activities.
- Increase in supplies and other services of \$11 million due to increase activities post pandemic.

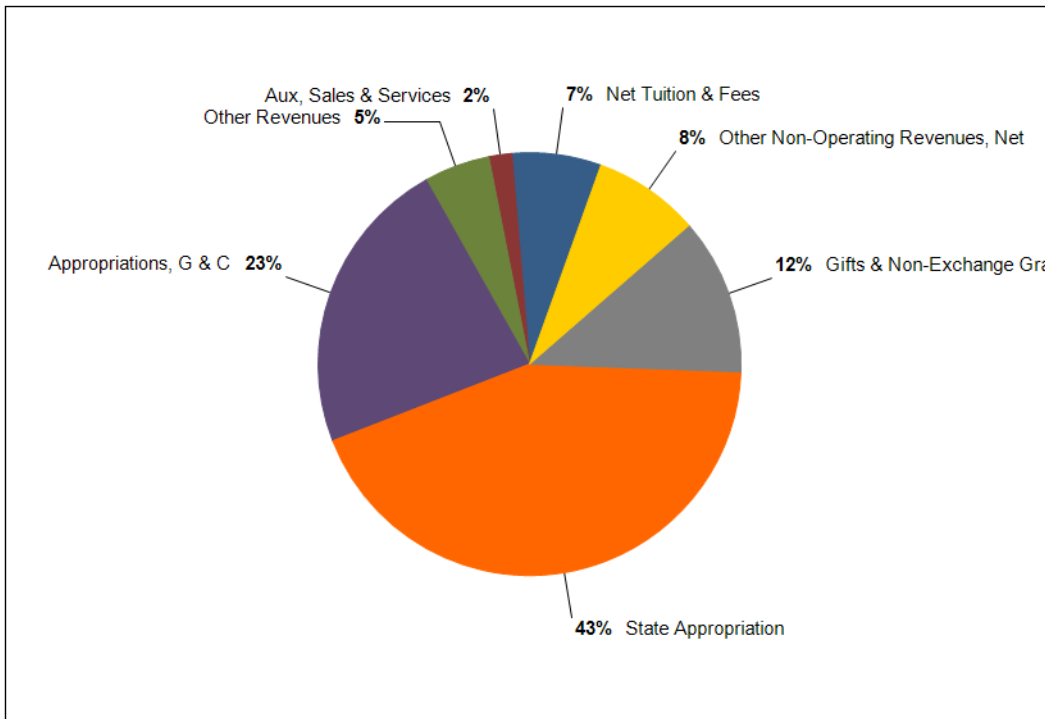
The following graph illustrates a comparison of operating expense (in millions) by function, excluding depreciation and amortization as well as loan administration but including the impact of pension and OPEB adjustments, for fiscal years 2024, 2023 and 2022.



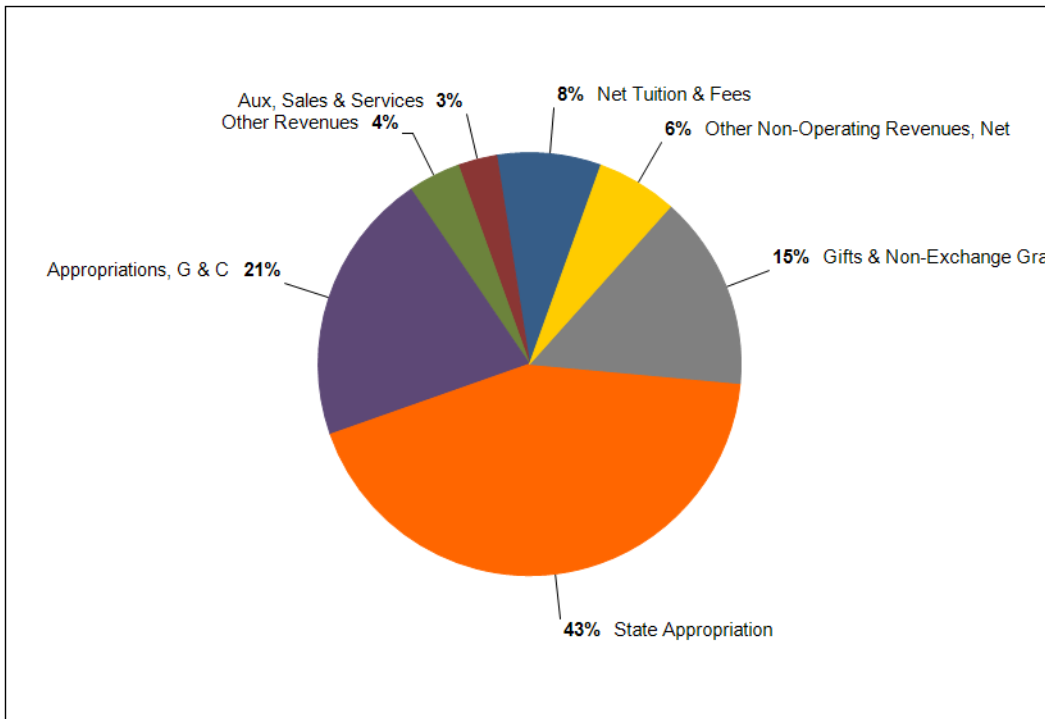
The Statement of Revenues, Expenses, and Changes in Net Position reflects income of \$176 million before other revenues in fiscal year 2024, income of \$42 million before other revenues in fiscal year 2023, and income of \$23 million before other revenues and special item in fiscal year 2022. The special item expense of \$88 million in fiscal year 2022 was due to the Carlsbad separation.

The following graphs reflect the University's sources of revenue available to meet current operating costs for fiscal years 2024, 2023 and 2022.

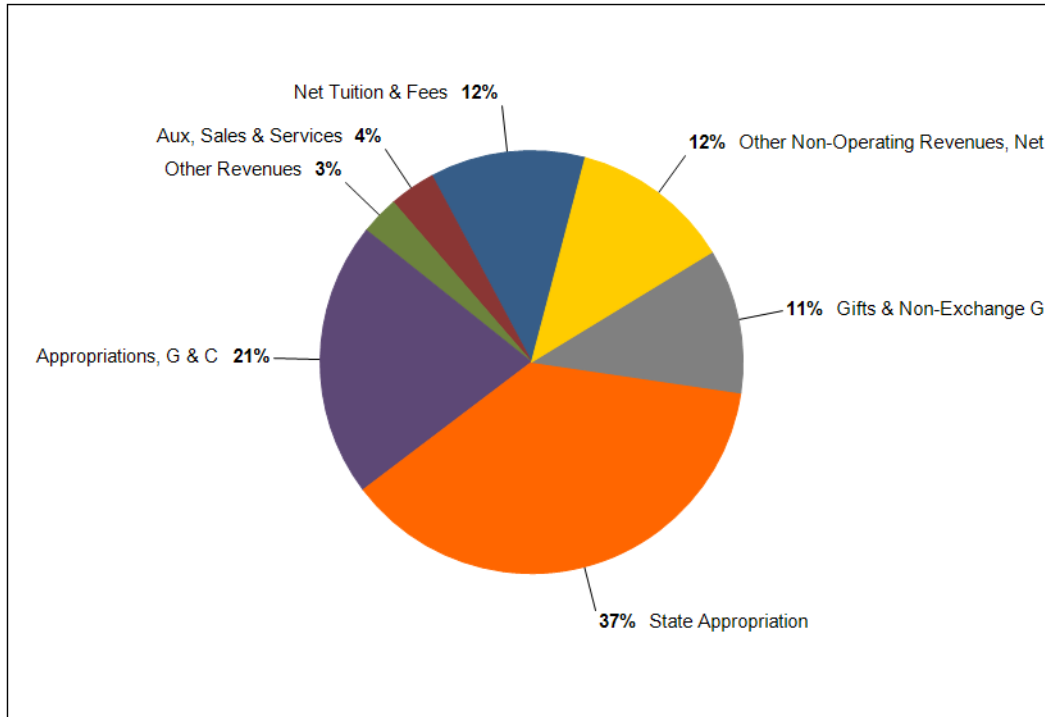
2024 Revenues



2023 Revenues



2022 Revenues



Capital Asset and Debt Administration

During fiscal year 2024, net capital assets increased by \$28 million due to increased levels of construction and renovation activities as well as regular equipment purchases. Projects that increased capital assets included current period expenditures for the agriculture modernization facility of \$7 million, the Dona Ana Community College creative media technologies building of \$5 million, campus-wide road concrete repair for \$2.6 million, football stadium improvements of \$2 million and a nursing skills and simulation center for \$2 million. In addition to construction costs, there were increases in capital assets related to capital equipment purchases of \$20 million, capital library purchases of \$3 million, and new IT subscriptions for \$7 million. These additions were offset by total depreciation and amortization expense of \$41 million. Debt from bonds and related notes decreased by \$9 million in fiscal year 2024 due to principal payments. The lease liability increased by \$4 million due to new subscriptions of IT software net of related lease payments.

During fiscal year 2023, net capital assets increased by \$10 million due to increased levels of construction and renovation activities as well as additions of subscription based software. Projects that increased capital assets included current period expenditures for NMDA of \$5 million, the Agriculture modernization facility of \$7 million, Clayton renovations of \$2 million, and Pan American Center improvements of \$2 million. In addition to construction costs, there were increases in capital assets related to capital equipment purchases of \$11 million, capital library purchases of \$4 million, and new IT subscriptions for \$5 million. These additions were offset by total depreciation and amortization expense of \$37 million. Debt from bonds and related notes increased by \$20 million in fiscal year 2023 due to the issuance of new debt for \$29 million and payments of \$9 million. The lease liability increased by \$3 million due to new subscriptions of IT software net of related lease payments.

Budget Comparison

In comparing the total original budgeted revenue to the revised budgeted revenue for fiscal year 2024, there was a net increase of approximately \$191.6 million, and an increase of approximately \$193.5 million in revised budgeted expenditures. A portion of this increase over the original budget reflects the normal practice of making sure the institution has sufficient spending authority, and a portion reflects changes in sources and spending this year as described below.

The significant increases to the revenue budget were:

- federal government sources of \$33.5 million,
- state grants and contracts of \$23.1 million,
- state appropriations of \$20.1 million, and
- other sources of \$29.7 million.

The increases in budgeted federal government revenue were due to \$22 in research, \$4 million for Pell awards in financial aid, \$5 million in public service, and \$4 million in Independent Operations for the New Mexico Department of Agriculture. The increase in budgeted state grants and contracts is \$13 million in financial aid primarily related to the state sponsored opportunity scholarships, \$7 million in public service, and \$3 million in research. Increases in budgeted state appropriations were a result of additional legislative funding appropriations which were made available in fiscal year 2024. The increase in projected revenues for other sources was a result of projected increases in indirect cost recovery and also to provide budget expenditure authority in several areas including instruction and general, research, public service, auxiliary enterprises, athletics, and independent operations.

Expenditure budgets increased for instruction and general (\$53.6 million) primarily in instruction and academic support and student aid grants and stipends (\$20 million) to allow for expenditure authority contingencies in anticipation of higher student activity generated from increased levels of opportunity scholarships and increased student enrollment with NMSU Global. In addition, the research budget was increased by \$28.3 million, public service increased by \$18.9 million, intercollegiate athletics increased by \$11.2 million, and independent operations related to the New Mexico Department of Agriculture increased by \$12 million to allow for expenditure authority. Capital outlay expenditure budget increased \$41.8 million primarily to allow for activity related to the series 2022 bond issuance in addition to scheduled construction projects.

Actual revenues earned in fiscal year 2024 were lower than the revised budget by \$106.5 million and actual expenditures were lower than the revised budget by \$216.5 million. This variance reflects conservative budgeting practices to make sure spending authority was in place.

The main contributors to the revenue budget variance were:

- federal grants and contracts revenue of \$34.2 million, and
- other sources for \$41.0 million.

The main contributors to the expense budget variance—32% of the variance—were in instruction and general (\$69.2 million), capital outlay (\$61.9 million), student aid (\$31.2 million), and independent operations (\$8.1 million). Because the University budgets capital projects in their entirety, multi-year projects may result in mismatches of budget to actual revenues and expenses in any one year.

Total revenues were more than expenditures, resulting in an increase in the overall fund balance of \$68.7 million. The current funds contributed to an increase of \$66.6 million in fund balance while the plant funds contributed \$2.1 million.

Factors Impacting Future Periods

The state provided an overall increase in appropriations for the fiscal year 2025. Among the highlights for higher education:

- \$10.8 million in recurring and non-recurring operating funds for the NMSU system including targeted faculty compensation, wrap-around student services, and support for Research and Public Service Projects,
- \$18 million in new non-recurring funding including support for NMSU Global Campus (\$6.5 million), New Mexico Department of Agriculture (\$3.8 million), New Mexico Reforestation Center (\$2.5 million - NMSU is fiscal agent), and Athletics (\$1 million),
- \$6.8 million in earmarked funding through the Government Responsibility and Opportunity Fund, to be spent over two fiscal years,
- \$90 million in funding for capital outlay projects for the NMSU system,
- \$33 million to higher education to provide funding for a 3% average compensation increase, funded at 80% of Instruction & General (across the board), plus \$9.4 million to offset insurance premium increases,
- Higher Education Trust Fund to receive \$959 million. \$10.6 million is earmarked for shortfalls in the state sponsored FY24 Opportunity Scholarship funding,
- \$32.5 million in non-recurring for Building Renewal and Replacement and Demolition for higher education,
- \$10 million in non-recurring for graduate student scholarships to New Mexico graduates in STEM programs,
- \$10 million for research via the Technology Enhancement Fund to support research institutions in match requirements,
- \$5 million in non-recurring for Equipment Renewal and Replacement for higher education,
- \$5.5 million in non-recurring to K-12 and higher education institutions for cybersecurity,
- \$1 million for Dual Credit programs at higher education institutions,
- \$10 million to higher education for social work endowed faculty positions, financial aid and paid practicums,
- \$60 million to higher education in workforce training tuition coverage to be spent over the three fiscal years, and
- \$6 million to higher education for Integrated Basic Education and Skills Training programs to be spent over three fiscal years.

All campuses with the exception of Grants saw increased enrollment for Fall 2024. The University system saw enrollment growth of 4.1%, with an increase in student credit hours of 4.4%. Increases in enrollment at branch community college campuses was 5.2% at Dona Ana and 5.7% at Alamogordo while Grants campus experienced a 9.4% decrease. Main campus saw a 4.2% increase from fall 2023. Excluding the impact of NMSU-Carlsbad's transition to Southeast New Mexico College in 2023, this is the third straight year for enrollment increases in the NMSU System. The continued enrollment increases are favorable for the tuition revenue outlook for the NMSU system.

The outlook for state appropriations is promising. In August 2024, the New Mexico Legislative Finance Committee General Fund Recurring Revenue Outlook indicated a stronger than expected revenue projections for the state of New Mexico. The state is projecting recurring revenues fiscal year 2025 at approximately \$13.0 billion, up \$174.5 million from the December 2023 estimate, and FY26 recurring revenues are estimated to grow 2.8 percent over FY25 to an estimated \$13.4 billion. This would result in an increase in recurring revenues estimated at \$3.2 billion more for FY26. Despite a decline in growth, the report indicates that the amount available for appropriation remains high due to fiscal restraint in recurring appropriations and higher base revenues. Revenues for FY24 are estimated at \$13.0 billion, up \$1.5 billion, or 12.5 percent from FY23. Current projections favor growth of over 3% for FY27 and beyond.

One significant factor influencing spending in future periods is the significantly rising cost of natural gas, resulting in an increase in utilities costs for the University system. The increase began during fiscal year 2022, continued into 2023 and 2024, and is expected to continue for the foreseeable future.

The University received significant one-time appropriation funds during fiscal year 2023 and 2024, which will be spent over the next few years. These activities will result in a decrease in fund balance as the appropriation funds are utilized. Two examples of this are \$17 million for the expansion of online degrees and programs and \$12.5 million to Agricultural Experiment Station for land acquisition, planning, design and construction for New Mexico Reforestation Center.

New Mexico State University
Statements of Net Position - Proprietary Funds
As of June 30, 2024

	University	Discrete Component Unit
ASSETS		
Current assets		
Cash and cash equivalents	\$ 59,626,925	\$ 5,189,977
Restricted cash and cash equivalents	10,206,176	-
Cash and cash equivalents held in trust by component unit for NMSU	2,072,259	2,072,259
Cash and cash equivalents held in trust by others	25,380,907	-
Short-term investments	54,747,123	34,537,706
Accounts receivable, net	91,874,849	8,119,840
Due from component unit	1,656,156	-
Inventories	4,070,033	-
Prepaid expenses and other assets	818,662	479,011
Long-term receivable - current portion	362,232	10,304,006
Total current assets	<u>250,815,322</u>	<u>60,702,799</u>
Non-current assets		
Unrestricted cash and cash equivalents	51,327,749	4,591,210
Restricted cash and cash equivalents	50,545,151	-
Investments held in trust by component unit for NMSU	88,674,297	88,674,297
Other long-term investments	64,253,032	268,883,389
Long-term receivable	18,932,586	-
Capital assets, net	521,539,703	218,495
Total non-current assets	<u>795,272,518</u>	<u>362,367,391</u>
Total assets	<u>1,046,087,840</u>	<u>423,070,190</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>63,681,460</u>	<u>-</u>
LIABILITIES		
Current liabilities		
Accounts payable	25,149,315	156,594
Due to NMSU	-	1,656,156
Other accrued liabilities	22,639,379	624,654
Accrued interest payable	1,133,866	-
Held in trust for NMSU	-	2,072,259
Unearned revenue	25,566,003	34,491
Held in trust by NMSU	2,176,832	-
Long-term liabilities - current portion	22,334,424	194,080
Total current liabilities	<u>98,999,819</u>	<u>4,738,234</u>
Non-current liabilities		
Accrued benefit reserves	659,630	-
Held in trust for NMSU	-	88,674,297
Other long-term liabilities	139,083,483	1,679,367
Net pension liability	472,247,945	-
Other post-employment benefit liability	134,631,060	-
Total non-current liabilities	<u>746,622,118</u>	<u>90,353,664</u>
Total liabilities	<u>845,621,937</u>	<u>95,091,898</u>
DEFERRED INFLOWS OF RESOURCES	<u>155,551,133</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	417,478,641	218,495
Restricted for:		
Donor	-	226,379,417
Non-expendable:		
Endowments	73,390,618	-
Expendable:		
Endowments	508,589	-
General activities	7,028,475	-
Federal student loans	4,112,287	-
Capital projects	54,952,597	-
Related entity activities	2,345,552	-
Unrestricted	(451,220,529)	101,380,380
Total net position	<u>\$ 108,596,230</u>	<u>\$ 327,978,292</u>

New Mexico State University
Statements of Net Position - Proprietary Funds
As of June 30, 2023

	University	Discrete Component Unit
ASSETS		
Current assets		
Cash and cash equivalents	\$ 25,477,917	\$ 10,393,052
Restricted cash and cash equivalents	11,792,473	-
Cash and cash equivalents held in trust by component unit for NMSU	2,901,882	2,901,882
Cash and cash equivalents held in trust by others	29,181,248	-
Short-term investments	42,810,367	45,616,980
Accounts receivable, net	109,264,234	7,309,070
Due from component unit	2,032,635	419,408
Inventories	4,049,907	-
Prepaid expenses	798,574	-
Long-term receivable - current portion	839,897	16,446,110
Total current assets	229,149,134	83,086,502
Non-current assets		
Unrestricted cash and cash equivalents	44,932,530	3,744,013
Restricted cash and cash equivalents	17,454,835	-
Investments held by others	-	140,049
Investments held in trust by component unit for NMSU	76,901,345	76,901,345
Other long-term investments	62,701,450	210,520,644
Long-term receivable	17,404,990	9,957,831
Capital assets, net	493,787,372	57,491
Total non-current assets	713,182,522	301,321,373
Total assets	942,331,656	384,407,875
DEFERRED OUTFLOWS OF RESOURCES		
	132,741,666	-
LIABILITIES		
Current liabilities		
Accounts payable	29,444,569	301,408
Due to NMSU	-	2,032,635
Other accrued liabilities	29,336,212	154,672
Accrued interest payable	1,227,561	-
Held in trust for NMSU	-	2,901,882
Unearned revenue	15,927,559	334,425
Held in trust by NMSU	745,690	-
Long-term liabilities - current portion	20,031,822	151,423
Total current liabilities	96,713,413	5,876,445
Non-current liabilities		
Accrued benefit reserves	659,630	-
Held in trust for NMSU	-	76,901,345
Other long-term liabilities	145,982,546	1,294,350
Net pension liability	480,925,203	-
Other post-employment benefit liability	125,098,362	-
Total non-current liabilities	752,665,741	78,195,695
Total liabilities	849,379,154	84,072,140
DEFERRED INFLOWS OF RESOURCES		
	367,257,266	-
NET POSITION		
Net investment in capital assets	391,163,402	57,491
Restricted for:		
Donor	-	203,611,262
Non-expendable:		
Endowments	62,517,724	-
Expendable:		
Endowments	1,610,348	-
General activities	6,885,942	-
Federal student loans	4,718,333	-
Capital projects	24,620,986	-
Related entity activities	2,163,741	-
Unrestricted	(635,243,575)	96,666,982
Total net position	\$ (141,563,099)	\$ 300,335,735

New Mexico State University

Statements of Revenues, Expenses, and Changes in Net Position - Proprietary Funds For the Year Ended June 30, 2024

	University	Discrete Component Unit
REVENUES		
Operating revenues:		
Student tuition and fees (gross)	\$ 136,282,109	\$ -
Less: scholarship allowances	(90,501,291)	-
Student tuition and fees (net)	45,780,818	-
Federal appropriations, grants and contracts	117,780,563	-
State grants and contracts	21,451,904	-
Local appropriations, grants and contracts	3,530,869	-
Non-governmental grants, contracts and gifts	8,315,193	18,294,606
Sales and services	5,325,439	-
Auxiliary enterprises (net of scholarship allowances)	6,189,293	-
Other operating revenues	33,478,870	-
Total operating revenues	241,852,949	18,294,606
EXPENSES		
Operating expenses:		
Instruction	120,790,427	-
Research	86,540,329	-
Public service	56,481,517	-
Academic support	26,878,600	-
Student services	15,200,676	-
Institutional support	26,426,127	-
Operation and maintenance of plant	39,946,521	-
Scholarships and fellowships	48,461,444	-
Auxiliary enterprises	11,493,370	-
Independent operations	24,060,745	-
Intercollegiate athletics	26,129,385	-
Student social and cultural	4,578,337	-
Loan administration (net)	366,791	-
Depreciation and amortization	41,415,750	29,299
Other operating expenses	-	27,169,044
Total operating expenses	528,770,019	27,198,343
Net operating loss	(286,917,070)	(8,903,737)
Non-operating revenues (expenses):		
State appropriations	288,146,369	-
Federal Pell grants	46,113,179	-
State lottery scholarship	20,747,881	-
New Mexico opportunity scholarship	42,367,019	-
Local tax levy revenue	8,251,700	-
Gifts and non-exchange grants	12,122,933	-
Investment income	24,052,095	31,054,655
Land lease and permanent fund revenue	14,275,261	-
Building fees	4,173,492	-
Loss on disposal of plant	(608,000)	-
Additions to quasi endowments	18,996	-
Interest and other expenses on capital asset-related debt	(4,255,748)	-
Other non-operating revenues	7,911,116	5,491,639
Net non-operating revenues	463,316,293	36,546,294
Income before other revenues	176,399,223	27,642,557
Capital appropriations	65,543,955	-
Capital grants, gifts, and other income	4,538,252	-
Additions to permanent endowments	3,677,899	-
Increase in net position	250,159,329	27,642,557
NET POSITION		
Beginning of year	(141,563,099)	300,335,735
End of year	\$ 108,596,230	\$ 327,978,292

New Mexico State University

Statements of Revenues, Expenses, and Changes in Net Position - Proprietary Funds For the Year Ended June 30, 2023

	University	Discrete Component Unit
REVENUES		
Operating revenues:		
Student tuition and fees (gross)	\$ 129,863,888	\$ -
Less: scholarship allowances	(79,520,288)	-
Student tuition and fees (net)	50,343,600	-
Federal appropriations, grants and contracts	107,239,711	-
State grants and contracts	14,100,766	-
Local appropriations, grants and contracts	3,439,996	-
Non-governmental grants, contracts and gifts	7,539,075	10,562,901
Sales and services	10,044,297	-
Auxiliary enterprises (net of scholarship allowances)	8,843,899	-
Other operating revenues	25,548,211	-
Total operating revenues	227,099,555	10,562,901
EXPENSES		
Operating expenses:		
Instruction	149,158,806	-
Research	102,436,351	-
Public service	59,115,527	-
Academic support	30,690,676	-
Student services	18,011,756	-
Institutional support	33,486,163	-
Operation and maintenance of plant	48,061,216	-
Scholarships and fellowships	47,783,193	-
Auxiliary enterprises	24,837,534	-
Independent operations	24,717,686	-
Intercollegiate athletics	28,641,896	-
Student social and cultural	4,304,588	-
Loan administration (net)	536,980	-
Depreciation and amortization	36,818,625	5,807
Other operating expenses	-	24,719,481
Total operating expenses	608,600,997	24,725,288
Net operating loss	(381,501,442)	(14,162,387)
Non-operating revenues (expenses):		
State appropriations	271,575,194	-
Federal Pell grants	41,375,319	-
State lottery scholarship	19,873,163	-
New Mexico opportunity scholarship	39,020,111	-
Local tax levy revenue	8,001,567	-
Gifts and non-exchange grants	13,044,755	-
Investment income	12,423,701	18,849,878
Land lease and permanent fund revenue	5,061,753	-
Building fees	4,047,212	-
Loss on disposal of plant	(55,141)	-
Gain on sale of land	108,782	-
Additions to quasi endowments	72,424	-
Interest and other expenses on capital asset-related debt	(4,025,980)	-
Other non-operating revenues	13,159,316	(5,740,935)
Net non-operating revenues (expenses)	423,682,176	13,108,943
Income before other revenues	42,180,734	(1,053,444)
Capital appropriations	32,774,797	-
Capital grants, gifts, and other income	3,917,445	-
Additions to permanent endowments	28,237,045	-
Increase (decrease) in net position	107,110,021	(1,053,444)
NET POSITION		
Beginning of year	(248,673,120)	301,389,179
End of year	\$ (141,563,099)	\$ 300,335,735

New Mexico State University
Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2024

	University
CASH FLOWS FROM OPERATING ACTIVITIES	
Tuition and fees and other student payments received	\$ 43,123,807
Grants and contracts received	155,579,166
Payments to suppliers	(162,776,544)
Payments for travel	(15,449,385)
Payments to employees and for employee benefits	(399,591,987)
Disbursement of net aid to students	(59,011,750)
Receipts from sales, services, and auxiliary enterprises	39,034,046
Other operating revenues	37,744,657
Net cash used in operating activities	<u>(361,347,990)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
State appropriations	288,146,369
Gifts and grants for other than capital purposes	121,351,012
Tax levy revenue	8,251,700
Private gifts for endowment	(1,319,840)
Other non-operating revenues	7,911,116
Net cash provided by non-capital financing activities	<u>424,340,357</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital gifts, grants and contracts	70,101,206
Purchases/construction/renovation of capital assets	(69,776,081)
Principal paid on capital debt and leases	(13,787,062)
Interest and fees paid on capital debt and leases	(4,349,445)
Building fees received from students	4,173,492
Net cash used in capital and related financing activities	<u>(13,637,890)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sales and maturities of investments	42,810,366
Proceeds held in trust by the Foundation	(829,623)
Interest on investments	30,762,262
Purchase of investments	(54,679,200)
Net cash provided by investing activities	<u>18,063,805</u>
Net increase in cash and cash equivalents	67,418,282
Cash and cash equivalents - beginning of year	131,740,885
Cash and cash equivalents - end of year	<u>\$ 199,159,167</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (286,917,070)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization expense	41,415,750
Change in assets and liabilities:	
Decrease in accounts receivable	17,765,864
Increase in prepaid expenses	(20,088)
Increase in inventory	(20,126)
Decrease in loans receivable	(1,049,931)
Decrease in accounts payable and other accrued liabilities	(9,958,429)
Increase in unearned revenue	9,638,444
Increase in held in trust by NMSU	1,431,142
Decrease in net pension/OPEB liability and related deferred inflows/outflows of resources	(133,633,546)
Net cash used in operating activities	<u>\$ (361,347,990)</u>

New Mexico State University
Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2023

	University
CASH FLOWS FROM OPERATING ACTIVITIES	
Tuition and fees and other student payments received	\$ 45,146,069
Grants and contracts received	128,243,110
Payments to suppliers	(148,312,426)
Payments for travel	(14,168,740)
Payments to employees and for employee benefits	(361,842,729)
Disbursement of net aid to students	(56,290,698)
Receipts from sales, services, and auxiliary enterprises	18,197,926
Other operating revenues	25,630,233
Net cash used in operating activities	<u>(363,397,255)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
State appropriations	245,705,194
Gifts and grants for other than capital purposes	113,313,351
Tax levy revenue	8,001,567
Private gifts for endowment	(11,010,866)
Other non-operating expense	13,159,316
Net cash provided by non-capital financing activities	<u>369,168,562</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from capital debt and leases	28,779,309
Proceeds from sale of capital assets	121,950
Capital gifts, grants and contracts	29,324,484
Purchases/construction/renovation of capital assets	(42,780,213)
Principal paid on capital debt and leases	(12,217,887)
Interest and fees paid on capital debt and leases	(3,930,899)
Building fees received from students	4,047,212
Net cash provided by capital and related financing activities	<u>3,343,956</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sales and maturities of investments	45,305,935
Proceeds held in trust by NMSU Foundation	(447,187)
Interest on investments	26,135,623
Purchase of investments	(68,785,000)
Net cash provided by investing activities	<u>2,209,371</u>
Net decrease in cash and cash equivalents	11,324,634
Cash and cash equivalents - beginning of year	120,416,251
Cash and cash equivalents - end of year	<u>\$ 131,740,885</u>
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ (381,501,442)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation and amortization expense	36,818,625
Change in assets and liabilities:	
Increase in accounts receivable	(9,429,299)
Increase in prepaid expenses	(137,558)
Decrease in inventory	521,039
Decrease in loans receivable	1,483,733
Increase in accounts payable and other accrued liabilities	24,336,023
Decrease in unearned revenue	(5,076,436)
Increase in held in trust by NMSU	130,241
Decrease in net pension liability and related deferred inflows and outflows of resources	(30,542,181)
Net cash used by operating activities	<u>\$ (363,397,255)</u>

New Mexico State University
Statement of Fiduciary Net Position
As of June 30, 2024 and 2023

	Custodial Funds 2024	Custodial Funds 2023
	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 5,482,036	\$ 8,096,434
Accounts receivable	336,449	630,179
Total assets	<u>5,818,485</u>	<u>8,726,613</u>
LIABILITIES		
Accounts payable	50,514	33,474
Total liabilities	<u>50,514</u>	<u>33,474</u>
NET POSITION		
Restricted for:		
Individuals, organizations, and other governments	5,767,971	8,693,138
Total net position	<u>\$ 5,767,971</u>	<u>\$ 8,693,138</u>

New Mexico State University
Statement of Changes in Fiduciary Net Position
For the Years Ended June 30, 2024 and 2023

	Custodial Funds 2024	Custodial Funds 2023
	<u>2024</u>	<u>2023</u>
ADDITIONS		
Tax remittance from other governments	\$ 4,609,594	3,959,516
Miscellaneous	765,048	453,415
Total additions	<u>5,374,642</u>	<u>4,412,931</u>
DEDUCTIONS AND SPECIAL ITEM		
Debt payments for other governments	7,932,241	3,602,050
Other expense	367,568	487,548
Total deductions and special item	<u>8,299,809</u>	<u>4,089,598</u>
Net increase in fiduciary net position	(2,925,167)	323,333
NET POSITION		
Beginning of year	8,693,138	8,369,805
End of year	<u>\$ 5,767,971</u>	<u>\$ 8,693,138</u>

Note 1 – Organization

New Mexico State University (the University) was created under Section 21-8-1 New Mexico Statutes Annotated (NMSA), Article XII, Section 11, of the New Mexico State Constitution (Constitution). Under Article XII, Section 13 of the Constitution, the University is governed by the Board of Regents, a group of five members, one of whom is a student, appointed by the Governor of New Mexico. Members may serve more than one term. The Chancellor of the University acts as Chief Executive Officer.

The University was founded in 1888, and in 1889 was established as a land-grant college, in accordance with the provisions of the Morrill Act of 1862. As such, the University provides a liberal and practical education for students and sustains programs of research, extension education, and public service. The University offers a broad program of instruction at the undergraduate and advanced degree levels in Agricultural, Consumer and Environmental Sciences, Arts and Sciences, Business, Education, Engineering, and Health and Social Services. Other programs include Intercollegiate Athletics, the Agricultural Experiment Stations, the Physical Science Laboratory for contract research, the Cooperative Extension Service, the New Mexico Department of Agriculture, and community colleges at Alamogordo, Doña Ana County, and Grants.

New Mexico State University Foundation, Inc. (Foundation), is the “Discrete Component Unit” referred to throughout this document. The Foundation is a not-for-profit corporation established to acquire and manage charitable gifts, including endowed funds, to be used solely for the benefit of the University.

Note 2 – Summary of Significant Accounting Policies

Reporting Entity. The Governmental Accounting Standards Board’s (GASB) Statement No. 39, Determining Whether Certain Organizations are Component Units, GASB Statement No. 61, Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34 and GASB Statements No. 80, Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14, provide additional guidance to determine whether certain organizations, for which the primary government is not financially accountable, should be reported as component units, based on the nature and significance of their relationship with the primary government.

Under GASB 39 and GASB 61 criteria, the Foundation meets the criteria for discrete component unit presentation. The Foundation is a non-profit corporation which provides financial benefit to the University by acquiring and managing charitable gifts, including endowed funds, to be used solely for the benefit of the University. Under GASB 39 and GASB 80 criteria, Arrowhead Center, Inc. meets the criteria for blended presentation. Arrowhead Center Inc. provides a financial benefit to the University and was established to foster economic development within the State through the development of research parks and University real property as well as to protect, license, and market intellectual property developed by faculty, staff and students of the University, as well as members of the community. The University and its blended component unit are shown as the University column in the financial statements. The component units have separately audited financial statements, which can be obtained at their administrative offices. Aggie Development Inc. is a blended component unit that did not require audited financial statements and therefore its activity is included in the NMSU audited financial statements, but its information is not included in Note 11 - Component Units. The mailing addresses for each of the component units are included in Note 11.

Basis of Accounting. The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as prescribed by the GASB and the American Institute of Certified Public Accountants’ (AICPA) guide.

For financial reporting purposes, the University is considered a special-purpose government engaged only in business-type activities. Accordingly, the University’s financial statements have been presented in a

single column using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred. Eliminations are not performed between the University and the Foundation. The University is an enterprise fund of the State of New Mexico and, as such, is included in the State of New Mexico's Annual Comprehensive Financial Report (ACFR). The University's financial statements are intended to present the financial position, the changes in financial position and, where applicable, cash flows of only that portion of the business-type activities of the State of New Mexico that is attributable to the transactions of the University.

Current Assets. Current assets consist of unrestricted assets which are available for current operations or which will be available within one year and restricted assets that will be used in current operations. All other assets are classified as non-current assets.

Cash and Investments. Cash and cash equivalents consist of cash on hand and current investments, which are defined as investments that are readily convertible to cash or which have an original maturity date of three months or less.

The University accounts for its investments at fair value in accordance with GASB Statement No.72 (Fair Value Measurement and Application). Changes in the unrealized gain (loss) on the carrying value of investments are reported as a component of investment income (loss) in the Statement of Revenues, Expenses, and Changes in Net Position.

The University and the Foundation record purchased marketable securities at cost and marketable securities received by gift at estimated fair value on the date of donation. Marketable securities are carried at fair value based on quoted market prices, except for certain alternative investments for which quoted market prices are not available. The estimated fair value of these alternative investments is based on the most recent valuations provided by the external investment managers. The University and the Foundation believe the carrying amount of these financial instruments is a reasonable estimate of the fair value. Because alternative investments are not readily marketable, their estimated value is subject to uncertainty and therefore may differ from the value that would have been used had a ready market for such investments existed. Third-party investment managers administer substantially all marketable securities. Gains and losses resulting from securities transactions are recorded in investment income.

The Foundation manages a Common Endowment Pool (Pool), consisting of assets invested to support programs of the University. A portion of these assets belongs to the University and is shown in the University's Statements of Net Position as Investments held in trust by Component Unit for NMSU. The Foundation owns the remainder, which consists of endowments and charitable gift annuities. These are included in other long-term investments in the Foundation's financial statements. The liabilities related to the charitable gift annuities are included in the Foundation's other long-term liabilities.

Disbursements of the net appreciation of investments in donor restricted endowments are permitted in accordance with the New Mexico Uniform Prudent Management of Institutional Funds Act (UPMIFA), except where a donor has specified otherwise. The Investment Committee of the Foundation establishes a target investment allocation designed to support distributions from the Pool and to protect the purchasing power of the endowment principal. The Foundation Investment Committee sets the annual distribution rate. Actual distributions may be adjusted as directed by some of the individual endowment agreements. The amount of funds available for distribution from the Pool to the individual endowments participating in the fund that benefit colleges, departments, units and programs during each fiscal year is determined using a weighted average of two numbers: 1) The target spending based on the current endowment value, and 2) last year's spending adjusted for inflation. A 20-percent weighting is given to the policy rate applied to the Pool's market value at the end of each fiscal quarter, and an 80-percent weighting is given to the last year's spending adjusted for inflation as measured by the most recent published Higher Education Price Index. This amount is then distributed at the end of each fiscal year. The distribution of the annual calculation is based on the unitized system ownership of each fund.

Accounts Receivable. Accounts receivable primary categories are: 1) Tuition and fees; 2) Amounts due for auxiliary enterprise services provided to students, faculty and staff; and, 3) Amounts due from federal, state, local governments, and others in connection with reimbursement of allowable expenditures made pursuant to the University's sponsored awards. Accounts receivable are recorded net of estimated uncollectible amounts.

Inventories. Inventories are generally stated at the lower of cost or market. Cost is determined by the average cost method, which approximates the first-in-first-out method. Inventories consist of items that are available for resale to individuals and/or other University departments, including research supplies and livestock items. Departmental inventories comprised of items such as classroom and laboratory supplies, teaching materials, and office supply items, which are consumed in the teaching and administrative process, are expensed when purchased.

Long-term Receivables. Long-term receivables primary categories are: 1) Perkins student loans; 2) Finance building sale; and, 3) Receivable from leases. The University has determined that all long term receivables are fully collectible.

	2024	2023
Perkins student loans	\$ 1,559,618	\$ 2,081,573
Finance building sale	625,000	925,000
Lease receivable	17,110,200	15,238,314
Long-term receivable	<u>\$ 19,294,818</u>	<u>\$ 18,244,887</u>

Investments Held in Trust. Trust assets held by the Foundation are measured at fair value as of the date of receipt. The corresponding trust liability, included in other long-term liabilities, is measured at the present value of expected future cash flows to be paid to the beneficiary. Upon death of the income beneficiary, substantially all of the principal balance passes to the Foundation to be used in accordance with the donor's wishes.

The Foundation holds several irrevocable charitable remainder trusts and a pooled income fund; these instruments are shown in the accompanying financial statements as investments held in trust for others. Charitable remainder trusts designate the Foundation as both trustee and remainder beneficiary. The Foundation is required to pay to the donor, or another donor-designated income beneficiary, either a fixed amount or the lesser of a fixed percentage of the fair market value of the trust's assets or the trust's income during the beneficiary's life.

The Pool was formed with contributions from several donors. The contributed assets are invested and managed by the Foundation. Each donor, or designated beneficiary, periodically receives, during his or her life, a share of the income earned on the fund proportionate to the value of the contribution to the fund. Upon death of the income beneficiary, substantially all of the principal balance passes to the Foundation to be used in accordance with the donor's wishes. Contribution revenue is measured at the fair value of the assets received, discounted for a term equal to the life expectancy of the beneficiary.

Capital Assets. Capital assets are recorded at cost as of the date of acquisition, or in the case of gifts, acquisition value as of the date of donation. The University's capitalization threshold for equipment and software is \$5,000. Infrastructure and land improvements that significantly increase the value, productivity, or extend the useful life of the structure are capitalized at \$50,000. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred.

The University's depreciation is computed using the straight-line method. Amortization is computed using a straight-line method based on remaining term of underlying lease. Land and land improvements are not depreciated. Estimated useful lives for major asset classes are as follows:

<u>Category</u>	<u>Useful Life</u>
Software	5 or 10 years
Equipment	6 or 15 years
Infrastructure	10 to 20 years
Componentized buildings	12 to 50 years
Library books	15 years
Non-componentized buildings	25 or 40 years

As an institute of higher education in existence for over 100 years, New Mexico State University has acquired significant collections of art, rare books, historical treasures and other special collections. The purpose of these collections is for public exhibition, education or research in furtherance of public service rather than financial gain. They are protected and preserved, and subject to the Regents' policies regarding accessioning and de-accessioning. However, because of their invaluable and irreplaceable nature, these collections have not been capitalized and are therefore not presented in the accompanying Statement of Net Position.

The Foundation's capital assets are stated at cost, except for works of art that the Foundation intends to hold indefinitely, which are recorded at fair value on the date of donation. Additions and major improvements are capitalized and repairs and maintenance are charged to expense as incurred.

Current Liabilities. Current liabilities include accounts payable, other accrued liabilities and accrued interest payable. Other accrued liabilities include accrued current payroll and fringe benefits and current portion of unclaimed property. The benefits included consist of the employee and employer portions of taxes, insurance, retirement and other compensation related withholdings. Also included in current liabilities is the current portion of long-term debt and unearned revenue. Unearned revenue represents revenue collected but not earned as of June 30, 2024 and 2023. This amount is primarily composed of revenue for grants and contracts, prepaid student tuition and fees and special events. The University did not have any outstanding short-term debt for the years ended June 30, 2024 and 2023.

Non-Current Liabilities. Non-current liabilities, within other long-term liabilities, includes principal amounts of revenue bonds payable, lease liabilities, other post employment benefits, the non-current portion of accrued compensated absences and unclaimed property, and other liabilities. Also included is pension and other post employment benefits liabilities.

The Foundation's other long-term liabilities consist of the liabilities related to charitable gift annuities and charitable remainder unitrusts for which the Foundation serves as trustee. These liabilities are recorded at the present value of anticipated payments to the income beneficiaries. These are computed using the estimated life of each income beneficiary at June 30 each year and the applicable IRS discount interest rates.

Annual and Sick Leave Policies.

Annual leave: Regular full-time exempt and non-exempt employees will earn annual leave at a rate of 21 working days per year. Leave is prorated for regular employees working at least half-time. University policy allows employees to accumulate a maximum of 30 unused annual leave days. Up to 240 hours accumulated annual leave may be carried forward each July 1, and may be paid upon termination of employment for regular employees only. Effective June 30, 2017, leave accrued in excess of 240 hours at the close of business on June 30 of each year shall be forfeited. Non regular term appointment employees will forfeit all unused accrued leave on July 1, and upon termination of term appointment.

Sick leave: Regular full-time exempt and non-exempt employees earn sick leave at a rate of 12 working days per year. Employees may carry forward up to 100 days (800 hours) of sick leave. Prior to July 1, 2016, employees were paid for earned sick leave over 600 hours (not to exceed 200 hours) upon termination. Effective July 1, 2016, the sick leave payout benefit upon termination was discontinued; however, employees with sick leave balances of greater than 600 hours on that date will receive a grandfathered benefit. Upon termination, they will be paid for the number hours over 600 (not to exceed 200 hours) that they had on July 1, 2016 or the number that they have upon termination, whichever is less. The sick leave payment is made at a rate of 50 percent of the employee's straight-time hourly salary.

Faculty care leave: The University provides regular nine-month faculty with a paid leave benefit that can be used for any qualifying event under the federal Family and Medical Leave Act (FMLA). This benefit is referred to as "Faculty Care Leave". All regular nine-month faculty are eligible to participate in the benefit. No payment will be provided for accrued Faculty Care Leave balances upon separation from the University nor upon death.

Net Position. The University's net position is classified as follows:

Net investment in capital assets – Represents the University's total capital assets, net of accumulated depreciation, outstanding debt obligations related to those capital assets and debt related deferred inflows and outflows. Debt that has been incurred but not yet expended for capital assets is not included as a component of net investment in capital assets.

Restricted net position, non-expendable – Consists of endowment and similar type assets for which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income.

Restricted net position, expendable – Includes resources which the University is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Unrestricted net position – Represents all other resources, including those derived from student tuition and fees, state appropriations, sales and services, unexpended plant, renewal and replacement and quasi endowments. These resources are used for transactions relating to the educational and general operations of the University and may be used at the discretion of the governing board to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty, and staff. Unrestricted net position of the Discrete Component Unit represents resources that may be used at the discretion of the governing board of the Discrete Component Unit to meet current expenses for any purpose.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the University's policy is to first apply the expense towards restricted resources, and then towards unrestricted resources.

Elimination Entries. Eliminations have been made in the Statement of Revenues, Expenses, and Changes in Net Position to remove the effect of internal charges incurred for service activities in excess of the cost of providing those services and for revenue recognized by the Auxiliary Service departments for sales to other University departments. Elimination entries are not recorded between the University and the Discrete Component Unit.

Income Taxes. The income generated by the University as an instrumentality of the State of New Mexico is generally excluded from federal income taxes under section 115(a) of the Internal Revenue Code. However, the University is subject to taxation on income derived from business activities not substantially related to the University's exempt function (unrelated business income under Internal Revenue Code Section 511); such income is taxed at the normal corporate rate. Contributions to the University are

deductible by donors as provided under Section 170 of the Internal Revenue Code.

The Foundation is exempt from federal income taxes under Internal Revenue Code section 501 (a) as an organization described in section 501(c)(3).

Classification of Revenues. The University classifies its revenues as either operating or non-operating revenues according to the following criteria:

Operating revenues: Operating revenues of the University include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship allowances; (2) sales and services of auxiliary enterprises; (3) certain federal, state and local grants and contracts and federal appropriations; and (4) non-governmental grants, contracts and gifts. Operating revenues of the Discrete Component Unit consist of gifts, grants, and fundraising activities in support of Foundation and University programs.

Non-operating revenues: Non-operating revenues of the University include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, state appropriations, certain grants, tax levy revenue, investment income, and other revenue sources that are defined as non-operating revenues by GASB 9, Reporting Cash Flows Proprietary and Non-expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting, and GASB 34, Basic Financial Statements – And Management’s Discussion and Analysis – For State and Local Governments. These revenue streams are recognized under GASB 33, Accounting and Financial Reporting for Non-exchange Transactions. Revenues are recognized when all applicable eligibility requirements have been met. Non-operating revenues of the Discrete Component Unit consists of investment income.

Classification of Expenses. The University classifies its expenses as either operating or non-operating expenses according to the following criteria:

Operating expenses: Operating expenses include activities such as (1) employee salaries, benefits, and related expenses; (2) scholarships and fellowships, net of scholarship allowances; (3) utilities, supplies, and other services; (4) professional fees; and (5) depreciation expenses related to property, plant, and equipment.

Non-operating expenses: Non-operating expenses include activities such as interest on capital asset-related debt and other expenses that are defined as non-operating expenses by GASB 9 and GASB 34.

Scholarship Allowances. Student tuition and fee revenues and certain other revenues from students are reported net of scholarship allowances in the Statements of Revenues, Expenses, and Changes in Net Position. Scholarship allowances are the difference between the stated charge for goods and services provided by the University and the amount that is paid by students and/or third parties making payments on the student’s behalf. To the extent that revenues such as federal Pell grants, New Mexico opportunity scholarships, and state lottery scholarships are used to satisfy tuition and fees and other student charges, the University has recorded scholarship discount and allowance as a contra-revenue. A pro rata share of the discounts and allowances are allocated to Auxiliary Enterprises.

Budgetary Process. Operating budgets are submitted annually for approval to the Board of Regents, the New Mexico Higher Education Department (HED), and the New Mexico Department of Finance and Administration - State Budget Division (DFA). These state agencies develop consolidated funding recommendations for all higher education institutions which are considered for appropriation during the annual legislative sessions. In accordance with House Bill 2, in general, unexpended state appropriations to the University do not revert at the end of each fiscal year. All state appropriations are accounted for separately in the accounting system.

The legal level of budgetary control is at the fund type and functional level, in accordance with NMAC 5.3.4.10. The modified accrual basis of accounting is used for budgetary comparison. If expenditures by budgetary control line by campus are expected to exceed the approved budget, the University is required to submit a budget adjustment request which has been approved by the Board of Regents to the HED which is subsequently forwarded to the DFA.

Use of Estimates. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Educational Retirement Board (ERB) and additions to/deductions from ERB's fiduciary net position have been determined on the same basis as they are reported by ERB, on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits (OPEB). For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, the University contracts with external actuaries utilizing the economic resource measurement focus. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Deferred Outflow of Resources. Consumption of net assets by the University that is applicable to a future reporting period.

Deferred Inflow of Resources. Acquisition of net assets by the University that is applicable to a future reporting period.

Amounts reported as deferred outflows of resources and deferred inflows of resources are as follows:

	2024	2023
Deferred Outflows of Resources		
Related to net pension liability	\$ 55,612,253	\$ 131,213,034
Related to net OPEB liability	7,261,982	586,869
Net loss on defeasance of bonds payable	807,225	941,763
Total deferred outflows of resources	<u>63,681,460</u>	<u>132,741,666</u>
Deferred Inflows of Resources		
Related to net pension liability	\$ 119,306,812	\$ 324,974,563
Related to net OPEB liability	19,134,121	27,041,888
Related to leases	17,110,200	15,238,314
Unamortized bond premiums	-	2,501
Total deferred inflows of resources	<u>\$ 155,551,133</u>	<u>\$ 367,257,266</u>

Other Significant Accounting Policies. Other significant accounting policies are set forth in the following notes.

Note 3 - Cash and Investments

The University is authorized by the Board of Regents to invest all available University cash in short-term investments and other long-term investments. The classification "Cash and cash equivalents" includes cash in banks (deposits), cash on hand, petty cash change funds, and money market funds.

The Foundation (see Note 11) invests endowment and similar funds for the benefit of the University under the terms of a revocable agreement. These assets are invested in the Pool and as of June 30, 2024 and 2023, the University owned 403,095 and 400,177 shares which represented 24.66% and 25.37% of the total shares in the pool, respectively. The fair value per share as of June 30, 2024 and 2023 was \$219.75 and \$195.37, respectively.

Cash. The University's deposits are in demand and time deposit accounts at local financial institutions. The University requires a minimum of 50 percent collateralization of all uninsured funds deposited with a financial institution, with the exception of overnight repurchase agreements, which require 102 percent collateralization. All collateral is held in third-party safekeeping in the name of the University. The majority of the total deposits were invested in interest bearing accounts at June 30, 2024 and 2023.

Investments. The Associate Controller and the Banking, Investment and Tax Manager are authorized to purchase and to sell investments of the University. Investments are required to be made in a prudent manner so as to ensure an acceptable yield with a minimum risk within the guidelines of the University's investment policy, which requires investment in securities or other financial instruments which are not contrary to Section 6-10-10 and 46-9A-1 through 46-9A-10 NMSA 1978, existing bond covenants, or other externally placed restrictions. At June 30, 2024 and 2023, all investments are either held in the name of the University by its agent, or held by the University. Investments that will mature in less than one year are considered short-term. The investments not held by the Foundation consisted of U.S. agency securities, U.S. treasury securities, domestic securities and corporate bonds at June 30, 2024 and 2023. The Foundation's short-term investments in marketable securities consisted entirely of U.S Government and Agency securities at June 30, 2024 and 2023.

Investments held at Foundation were \$88,674,297 and \$76,901,345 at June 30, 2024 and 2023, respectively, and represent longer term investments in limited partnerships, debt and equity securities, and real estate holdings including, but not limited to, pooled or common trust funds holding such types of securities, subject to any specific limitation set forth in the applicable gift instrument.

At June 30, 2024 and 2023, the investments of the University and its Discrete Component Unit consisted of the following:

	2024 Fair Value	2023 Fair Value
University		
U.S. Agency Securities	\$ 85,512,743	\$ 65,640,184
U.S. Treasury Securities	28,578,360	35,209,470
Domestic Equity Securities and Corporate Bonds	4,909,052	4,662,163
Pooled Investments Held by Others		
Corporate Stocks and Bonds	4,651,847	5,051,015
U.S. Government and Agency Securities	4,232,477	3,212,514
Limited Partnerships - Alternative	78,742,027	67,483,861
Real Estate Holdings	1,047,946	1,153,955
Total Investments	<u>\$ 207,674,452</u>	<u>\$ 182,413,162</u>
Foundation		
Corporate Stocks and Bonds	\$ 26,841,515	\$ 20,953,465
U.S. Government and Agency Securities	28,201,966	20,427,335
Mortgage Backed Securities	-	-
Limited Partnerships - Alternative	245,175,560	211,362,779
Other Investments	3,202,054	3,394,045
Total Investments	<u>\$ 303,421,095</u>	<u>\$ 256,137,624</u>

Investments held in trust by the Foundation for the University are shown in the University section of the table above. Investments held in trust for others by the Foundation are not included in this note.

Beneficial Interest. The New Mexico Land Grant Permanent Fund (LGPF) was originally established pursuant to the Enabling Act for New Mexico passed by the U.S. Congress on June 20, 1910 (which encompassed the Ferguson Act of 1898) and was made the law of New Mexico by its reference in the New Mexico Constitution. The Enabling Act (and its acceptance in the New Mexico Constitution) set forth certain parcels of land granted by the United States in trust to the State for the purposes of establishing a permanent fund which could only be used for the purposes set out in the Enabling Act, namely, the funding of schools and state institutions throughout New Mexico. Highly restrictive criteria governing permitted uses of the assets of the LGPF are specifically prescribed in the New Mexico Constitution. The beneficiaries of the LGPF are also specifically prescribed in the New Mexico Constitution and in state statute. The University is one of the specific entities identified that has a beneficial interest in the LGPF. However, with the adoption of the State's new policy on July 1, 2016, the University's beneficial interest in the LGPF will now be presented within a special revenue fund in the State ACFR and will no longer be presented in the educational institution enterprise fund.

As an entity with a beneficial interest, the University receives monthly distributions of income from the LGPF as required by law. The University's beneficial interest and income received from this beneficial interest as of and for the years ending June 30, 2024 and 2023 are as follows:

	2024	2023
Balance of the University's beneficial interest as of June 30	\$101,066,821	\$ 93,251,257
Income received from the University's beneficial interest in the LGPF for the period ending June 30	\$ 3,580,167	\$ 3,498,178

Assets held by the Foundation for the University. The following is a schedule of the composition of pooled cash and investments held by the Discrete Component Unit for the University at June 30, 2024 and 2023.

	2024	2023
Equities	9 %	7 %
Fixed income	9 %	7 %
Cash and cash equivalents	3 %	5 %
Investments not securities	79 %	81 %
	<u>100 %</u>	<u>100 %</u>

Collateralization of Deposits. At June 30, 2024 and 2023, the recorded values of the University's cash and time deposits with financial institutions were \$19,837,629 and \$21,652,582, respectively. Bank balances, which differ from the reported values due to reconciling items, are categorized and presented in the following table:

	2024	2023
University and Fiduciary Fund		
Amount insured by the Federal Deposit Insurance Corporation (FDIC)	\$ 402,022	\$ 536,754
Amount collateralized with securities held by the pledging financial institution	23,404,074	27,435,660
Uncollateralized	49,186	50,983
Total cash and time deposit bank balances	<u>23,855,282</u>	<u>28,023,397</u>
Reconciling Items:		
Add: cash equivalents	157,350,408	86,101,607
Add: cash equivalents held by others	27,453,166	32,083,130
Less: other reconciling items	(4,017,653)	(6,370,815)
Total reported cash balance	<u>\$204,641,203</u>	<u>\$139,837,319</u>
Foundation		
Amount insured by the FDIC	\$ 250,000	\$ 250,000
Amount in excess of FDIC, Lloyd's of London and Security Investor Protection Corporation (SIPC)	6,731,186	11,087,065
Amount at Merrill Lynch insured by SIPC, Lloyd's of London and the FDIC	1,400,000	1,400,000
Amount at Charles Schwab insured by SIPC, Lloyd's of London and the FDIC	1,400,000	1,400,000
Total reported cash balance	<u>\$ 9,781,186</u>	<u>\$ 14,137,065</u>

The following table provides information on the University's cash and cash equivalents at June 30, 2024:

Account	Type of Account	Financial Institution Balance	Reconciling Items	Book Balance
Fiduciary Fund Accounts				
First National Bank of Alamogordo				
Operational	Checking non-interest bearing	\$ 120,877	\$ -	\$ 120,877
Wells Fargo Bank of New Mexico				
Operational	Debt Service	4,042,251	-	4,042,251
Operational	Cash Management	1,318,908	-	1,318,908
Total Cash and Cash Equivalents - Fiduciary Funds		<u>\$ 5,482,036</u>	<u>\$ -</u>	<u>\$ 5,482,036</u>
Wells Fargo Bank of New Mexico				
Operational	Checking non-interest bearing	\$ -	\$ (3,809,092)	\$ (3,809,092)
Operational	Student ACH	-	12,096	12,096
Operational	Debt Service	827,906	-	827,906
Operational	General	-	82,389	82,389
Operational	Payroll	-	(347,780)	(347,780)
Operational	Credit Card	-	38,412	38,412
Operational	Cash Transfers	-	6,502	6,502
Operational	Student Transfers	-	(215)	(215)
Operational	Deposit	-	35	35
Operational	Money Market (WFS)	140,294,183	-	140,294,183
Operational	Cash Management	17,465,009	-	17,465,009
Operational	Money Market (Trust)	2,164,035	-	2,164,035
Stifel				
Stifel	Money Market	1,120	-	1,120
Cash on Hand				
Cash on hand	Cash	49,186	-	49,186
Citizen's Bank of Las Cruces				
Certificate of deposit	Time Deposit	31,145	-	31,145
Federated Investment Manager				
Dividend reinvestment	Money Market	14,891,070	-	14,891,070
New Mexico Finance Authority				
Operational	Acquisition Fund	25,380,907	-	25,380,907
New Mexico State University Foundation, Inc.				
NMSU endowments	Cash	2,072,259	-	2,072,259
Total Cash and Cash Equivalents - University		<u>\$ 203,176,820</u>	<u>\$ (4,017,653)</u>	<u>\$199,159,167</u>
Total Cash and Cash Equivalents		<u>\$ 208,658,856</u>	<u>\$ (4,017,653)</u>	<u>\$204,641,203</u>

The following table provides information on the University's cash and cash equivalents at June 30, 2023:

Account	Type of Account	Financial Institution Balance	Reconciling Items	Book Balance
Fiduciary Fund Accounts				
First National Bank of Alamogordo				
Operational	Debt Service	\$ 359,660	\$ -	\$ 359,660
Wells Fargo Bank of New Mexico				
Operational	Debt Service	7,389,478	(42,828)	7,346,650
Operational	Cash Management	390,124	-	390,124
Total Cash and Cash Equivalents - Fiduciary Funds		<u>\$ 8,139,262</u>	<u>\$ (42,828)</u>	<u>\$ 8,096,434</u>
Wells Fargo Bank of New Mexico				
Operational	Checking non-interest bearing	\$ -	\$ (6,120,220)	\$ (6,120,220)
Operational	Student ACH	-	2,277	2,277
Operational	Debt Service	1,026,107	-	1,026,107
Operational	General	-	57,373	57,373
Operational	Payroll	-	(357,850)	(357,850)
Operational	Credit Card	-	35,259	35,259
Operational	Cash Transfers	-	51,604	51,604
Operational	Deposit	-	3,570	3,570
Operational	Money Market (WFS)	64,470,241	-	64,470,241
Operational	Cash Management	18,770,291	-	18,770,291
Operational	Money Market (Trust)	2,064,776	-	2,064,776
Stifel				
Operational	Money Market	1,112	-	1,112
Western Commerce Bank of Carlsbad				
Operational	Deposit	5,613	-	5,613
Cash on Hand				
Cash on hand	Cash	50,983	-	50,983
Citizen's Bank of Las Cruces				
Certificate of deposit	Time Deposit	31,141	-	31,141
Federated Investment Manager				
Dividend reinvestment	Money Market	19,565,478	-	19,565,478
New Mexico Finance Authority				
Operational	Acquisition Fund	29,181,248	-	29,181,248
New Mexico State University Foundation, Inc.				
NMSU endowments	Cash	2,901,882	-	2,901,882
Total Cash and Cash Equivalents - University		<u>\$ 138,068,872</u>	<u>\$ (6,327,987)</u>	<u>\$131,740,885</u>
Total Cash and Cash Equivalents		<u>\$ 146,208,134</u>	<u>\$ (6,370,815)</u>	<u>\$139,837,319</u>

The following table provides information on the the University's investments, including reconciling items, at June 30, 2024.

Account	Type of Account	Financial Institution Balance	Reconciling Items	Book Balance
FHN Financial				
U.S. agency securities	Investment	60,758,583	-	60,758,583
Stifel				
Domestic equity securities	Investment	251,866	-	251,866
Raymond James				
U.S. agency securities	Investment	7,875,100	-	7,875,100
Raymond James				
Domestic corporate bonds	Investment	1,991,080	-	1,991,080
Wells Fargo Securities				
U.S. agency securities	Investment	16,879,060	-	16,879,060
Wells Fargo Trust				
U.S. treasury securities	Investment	28,578,360	-	28,578,360
Wells Fargo Securities				
Domestic corporate bonds	Investment	2,024,100	-	2,024,100
Principal Funds				
Domestic equity securities	Investment	531,109	-	531,109
Franklin Templeton				
Domestic equity securities	Investment	37,369	-	37,369
Innovation				
Domestic equity securities	Investment	73,528	-	73,528
New Mexico State University Foundation, Inc.				
NMSU endowments	Investment	88,674,297	-	88,674,297
Total Investments		<u>\$ 207,674,452</u>	<u>\$ -</u>	<u>\$ 207,674,452</u>

The following table provide information on the the University's investments, including reconciling items, at June 30, 2023.

Account	Type of Account	Financial Institution Balance	Reconciling Items	Book Balance
FHN Financial				
U.S. agency securities	Investment	49,351,515	-	49,351,515
Stifel				
Domestic equity securities	Investment	249,123	-	249,123
Raymond James				
U.S. agency securities	Investment	7,735,892	-	7,735,892
Raymond James				
Domestic corporate bonds	Investment	3,884,482	-	3,884,482
Wells Fargo Securities				
U.S. agency securities	Investment	8,552,777	-	8,552,777
Wells Fargo Trust				
U.S. treasury securities	Investment	35,209,470	-	35,209,470
Principal Funds				
Domestic equity securities	Investment	418,619	-	418,619
Franklin Templeton				
Domestic equity securities	Investment	36,411	-	36,411
Innovation				
Domestic equity securities	Investment	73,528	-	73,528
New Mexico State University Foundation, Inc.				
NMSU endowments	Investment	76,901,345	-	76,901,345
Total Investments		<u>\$ 182,413,162</u>	<u>\$ -</u>	<u>\$ 182,413,162</u>

Information on the Foundation's cash and cash equivalents and deposit accounts and investments, including reconciling items, at June 30, 2024, is provided below:

Account	Type of Account	Financial Institution Balance	Reconciling Items	Book Balance
Wells Fargo Bank of New Mexico				
Program	Checking non interest bearing	\$ 4,078,982	\$ (57,928)	\$ 4,021,054
Program	ACH	16,309	-	16,309
Program	Wire	2,675	-	2,675
Operations	Checking non interest bearing	889,923	(134,690)	755,233
Merrill Lynch				
Program	Money Market	325,251	-	325,251
Less Cash Allocated to NMSU for AHIT	Held in Trust	(508,589)	-	(508,589)
Charles Schwab				
LTIP	Money Market	64,811	-	64,811
Charitable gift annuity	Money Market	110,700	-	110,700
Student trading	Money Market	24,124	-	24,124
Operating reserve	Money Market	10,922	-	10,922
Programmatic	Money Market	567,122	-	567,122
Real Estate Holdings, LLC	Money Market	845,126	-	845,126
Investment Cash - Wells Fargo				
LTIP	Money Market	188,653	-	188,653
Real Estate Holdings, LLC	Money Market	427,731	-	427,731
Investment cash - Merrill Lynch				
Managers:				
Private equity	Money Market	305,661	-	305,661
ALT Investments	Money Market	4,188,072	-	4,188,072
Less Cash Allocated to NMSU for AHIT	Held in Trust	(1,563,669)	-	(1,563,669)
Total Cash and Cash Equivalents		<u>\$ 9,973,804</u>	<u>\$ (192,618)</u>	<u>\$ 9,781,186</u>
Corporate Stocks and Bonds	Investment	\$ 26,841,515	-	\$ 26,841,515
U.S. Government and Agency Securities	Investment	28,201,966	-	28,201,966
Limited Partnerships - Alternative	Investment	245,175,560	-	245,175,560
Real Estate Holdings				
Real Estate Holdings	Investment	3,202,054	-	3,202,054
Total Investments		<u>\$ 303,421,095</u>	<u>\$ -</u>	<u>\$303,421,095</u>

Information on the Foundation's cash and cash equivalents and deposit accounts and investments, including reconciling items, at June 30, 2023, is provided below:

Account	Type of Account	Financial Institution Balance	Reconciling Items	Book Balance
Wells Fargo Bank of New Mexico				
Operations Program	Checking non interest bearing	\$ 9,726,349	\$ (26,585)	\$ 9,699,764
Real Estate Holdings, LLC	ACH	1,163,544	-	1,163,544
OWH II LLC	Checking non interest bearing	72,925	-	72,925
Operations	Checking non interest bearing	203,530	-	203,530
		310,714	(118,184)	192,530
Merrill Lynch				
Program	Money Market	417,641	-	417,641
Charles Schwab				
LTIP	Money Market	324,540	-	324,540
Charitable gift annuity	Money Market	124,311	-	124,311
Student trading	Money Market	20,064	-	20,064
Operating reserve	Money Market	280,166	-	280,166
Programmatic	Money Market	40,978	-	40,978
Investment Cash - Charles Schwab				
Real Estate Holdings, LLC	Money Market	839,945	-	839,945
Investment Cash - Wells Fargo				
Real Estate Holdings, LLC	Money Market	338,322	-	338,322
Investment cash - Merrill Lynch				
Managers:				
Private Equity	Money Market	235,018	-	235,018
OWH II LLC	Money Market	188,690	-	188,690
ALT Investments	Money Market	2,896,979	-	2,896,979
Less Cash Allocated to NMSU for AHIT	Held in Trust	(2,901,882)	-	(2,901,882)
Total Cash and Cash Equivalents		<u>\$ 14,281,834</u>	<u>\$ (144,769)</u>	<u>\$ 14,137,065</u>
Corporate Stocks and Bonds	Investment	\$ 20,953,465	-	\$ 20,953,465
U.S. Government and Agency Securities	Investment	20,427,335	-	20,427,335
Limited Partnerships - Alternative	Investment	211,362,779	-	211,362,779
Real Estate Holdings				
Real Estate Holdings	Investment	3,394,045	-	3,394,045
Total Investments		<u>\$ 256,137,624</u>	<u>\$ -</u>	<u>\$256,137,624</u>

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the University's investment policy, investment maturities are scheduled to coincide with the University's projected cash requirements. The University does not commit any discretionary funds to financial instruments with maturities longer than ten years from the date of purchase. Funds are only committed to maturities longer than five years from date of purchase if directly related to a specific capital or other long-term project. The maturity dates on non-discretionary fund investments do not exceed the final maturity dates established within the funds' restrictive purposes. At least 50% of all cash and investment balances are invested in instruments with maturities less than two years.

A summary of the investments at June 30, 2024, and their exposure to interest rate risk based on the length of the investment follows:

	Fair Value	Less than 1 Year	1 - 5 Years	6 - 10 Years	Greater than 10 Years
University					
U.S. agency securities	\$ 85,512,743	\$ 24,177,683	\$ 61,335,060	\$ -	\$ -
Domestic corporate bonds	4,015,180	1,991,080	2,024,100	-	-
U.S. treasury securities	28,578,360	28,578,360	-	-	-
	<u>118,106,283</u>	<u>\$ 54,747,123</u>	<u>\$ 63,359,160</u>	<u>\$ -</u>	<u>\$ -</u>
Items not subject to interest rate risk:					
Equity securities	893,872				
Pooled Investments					
Domestic equity securities	4,232,477				
Domestic corporate bonds	4,651,847				
Limited partnerships - Alternative	78,742,027				
Real estate holdings (Investments not securities)	1,047,946				
Total Investments	<u>\$207,674,452</u>				
Foundation					
U.S. government and agency securities	\$ 28,201,966	\$ 28,201,966	\$ -	\$ -	\$ -
		<u>\$ 28,201,966</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Items not subject to interest rate risk:					
Corporate stocks	26,841,515				
Limited partnerships - Alternative	245,175,560				
Other investments	3,202,054				
Total Investments	<u>\$303,421,095</u>				

A summary of the investments at June 30, 2023, and their exposure to interest rate risk based on the length of the investment follows:

	Fair Value	Less than 1 Year	1 - 5 Years	6 - 10 Years	Greater than 10 Years
University					
U.S. agency securities	\$ 65,640,184	\$ 11,320,386	\$ 54,319,798	\$ -	\$ -
Domestic corporate bonds	3,884,482	1,956,761	1,927,721	-	-
U.S. treasury securities	35,209,470	29,533,220	5,676,250	-	-
Pooled Investments					
	<u>104,734,136</u>	<u>\$ 42,810,367</u>	<u>\$ 61,923,769</u>	<u>\$ -</u>	<u>\$ -</u>
Items not subject to interest rate risk:					
Domestic equity securities	777,681				
Pooled Investments					
Domestic equity securities	3,212,514				
Domestic corporate bonds	5,051,015				
Limited partnerships - Alternative	67,483,861				
Real estate holdings (Investments not securities)	1,153,955				
Total Investments	<u>\$182,413,162</u>				
Foundation					
U.S. government and agency securities	\$ 20,427,335	\$ 20,427,335	\$ -	\$ -	\$ -
		<u>\$ 20,427,335</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Items not subject to interest rate risk:					
Corporate stocks	20,953,465				
Limited partnerships - Alternative	211,362,779				
Other investments	3,394,045				
Total Investments	<u>\$256,137,624</u>				

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The University's investment policy limits investment in money market instruments and other securities of commercial banks, broker-dealers, or recognized financial institutions to those rated in the highest rating category by a nationally recognized statistical rating organization (NRSRO) or which are guaranteed by a person or entity whose long-term debt obligations are rated in the highest rating category by a NRSRO. This includes without limitation, securities of, or other interests in, any open-end or closed-end management type investment company or investment trust registered under the provisions of 15 USC Sections 80(a)-1 et. seq., which invest only in obligations of the government of the United States of America or securities that are secured by obligations of the government of the United States of America.

A summary of the investments at June 30, 2024, and their exposure to credit risk follows:

	Rating	Fair Value
University		
U.S. agency securities	S&P/Moody's - AA+/Aaa	\$ 85,512,743
U.S. treasury securities	S&P/Moody's - AA+/Aaa	28,578,360
Corporate bonds	S&P/Moody's - AA+/Aaa	4,015,180
Domestic equity securities	Not rated	893,872
Pooled Investments		
Domestic equity securities	Not rated	4,232,477
Corporate bonds	A1 to BAA1	4,651,847
Limited partnerships - Alternative	Not rated	78,742,027
Real estate holdings (investments not securities)	Not rated	1,047,946
Total Investments		<u>\$ 207,674,452</u>
Foundation		
U.S. government and agency securities	Moody's---Aaa	\$ 28,201,966
Corporate stocks	Not rated	26,841,515
Limited partnerships - Alternative	Not rated	245,175,560
Other investments (investments not securities)	Not rated	3,202,054
Total Investments		<u>\$ 303,421,095</u>

A summary of the investments at June 30, 2023, and their exposure to credit risk follows:

	Rating	Fair Value
University		
U.S. agency securities	S&P/Moody's - AA+/Aaa	\$ 65,640,184
U.S. treasury securities	Not rated	35,209,470
Corporate bonds	S&P/Moody's - AA+/Aaa	3,884,482
Domestic equity securities	Not rated	777,681
Pooled Investments		
Domestic equity securities	Not rated	3,212,514
Corporate bonds	A1 to BAA1	5,051,015
Limited partnerships - Alternative	Not rated	67,483,861
Real estate holdings (investments not securities)	Not rated	1,153,955
Total Investments		<u>\$ 182,413,162</u>
Foundation		
U.S. government and agency securities	Moody's---Aaa	\$ 20,427,335
Corporate stocks	Not rated	20,953,465
Limited partnerships - Alternative	Not rated	211,362,779
Other investments (investments not securities)	Not rated	3,394,045
Total Investments		<u>\$ 256,137,624</u>

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributable to the magnitude of an entity's investment in a single issuer. The University diversifies its use of investment instruments to avoid incurring unreasonable risk inherent in over-investing in specific instruments, individual financial institutions or maturities. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the total investment portfolio is invested in a single security type or with a single financial institution or at a single maturity. The University holds no investments subject to concentration of credit risk with any issuer that represents 5% or more of total investments.

Custodial Credit Risk – Deposits. This is the risk that in the event of a bank failure, the University's deposits may not be returned. Neither the University, nor its discretely presented component unit, the Foundation, has a deposit policy for custodial credit risk. As of June 30, 2024 and 2023, total bank balances of the University were \$206,586,597 and \$143,306,252, respectively. None of these balances are subject to custodial credit risk.

Custodial Credit Risk – Investments. This is the risk that, in the event of the failure of the counterparty, the University will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. None of the investments are subject to custodial credit risk.

Fair Value of Assets and Liabilities. GASB Statement No.72 (*Fair Value Measurement and Application*) defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GASB 72 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value.

Level 1

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include exchange traded equities.

Level 2

If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. Level 2 securities include governmental and corporate bonds, foreign obligations, and collateralized mortgage backed securities.

Level 3

Investments classified within Level 3 have significant unobservable inputs. The valuation of these funds is determined by unobservable inputs such as recent purchases and sales, underlying fund holdings, and information provided by fund managers and general partners including: audited financials, unaudited financial statements, and net asset valuations.

Investments that do not have a readily determinable fair value are recorded using net asset value (NAV). NAV is generally provided by the investment managers but the Foundation considers the reasonableness of the NAV, based on market information, to arrive at the fair value estimate for each investment.

In certain cases, both observable and unobservable inputs may be used to determine the fair value of investments and, in such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The degree of judgment exercised in determining fair value is greatest for investments in Level 3. Because of the inherent uncertainty of valuation, those estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and the differences could be material. Level 3 investments at the University consist of land and buildings held at the Foundation.

The following is a description of the valuation methodologies used for assets measured at fair value.

Government Securities and Corporate Bonds are valued at the closing price reported on the major market on which the individual securities are traded or have reported broker trades which may be considered indicative of an active market. Where quoted prices are available in an active market, the investments are classified within Level 1 of the valuation hierarchy. If quoted prices are not available for the specific security, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics, discounted cash flows and other observable inputs. Such securities would be classified within Level 2 of the valuation hierarchy.

Hedge Fund and Venture Capital Investments, which are not readily marketable, are carried at estimated fair values. Fair value is based upon information provided by the management of each Fund, including audited financial statements and any other relevant factors. Because of the absence of a readily determinable fair value and the inherent uncertainty of valuation, the estimated fair value may differ significantly from the value that would have been used had a ready market for the investment existed, and the difference could be material. These investments are not immediately redeemable at the reporting date. These investments have significant unobservable inputs and are classified as NAV.

Real Estate is valued at current appraisal or fair value. Real estate is classified within Level 3 of the valuation hierarchy.

Equity Securities and Mutual Funds are valued at the closing price reported on the active market on which the individual securities are traded and are classified within Level 1 of the valuation hierarchy. Nonredeemable securities are not reported on the active market and are classified within Level 3 of the valuation hierarchy.

The following table presents the fair value measurements of University assets recognized in the accompanying Statement of Net Position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2024.

2024	Balance as of June 30, 2024	Quoted Prices in Active Markets For Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Debt Securities				
U.S. treasury securities	\$ 28,578,360	\$ 28,578,360	\$ -	\$ -
Agency securities (GSEs)	85,512,743	-	85,512,743	-
Domestic corporate bonds	4,015,180	-	4,015,180	-
Total Debt Securities	<u>118,106,283</u>	<u>28,578,360</u>	<u>89,527,923</u>	<u>-</u>
Equity Securities				
Common	820,344	820,344	-	-
Nonredeemable securities	73,528	-	-	73,528
Total Equity Securities	<u>893,872</u>	<u>820,344</u>	<u>-</u>	<u>73,528</u>
Total Investments by Fair Value Level	<u>119,000,155</u>	<u>\$ 29,398,704</u>	<u>\$ 89,527,923</u>	<u>\$ 73,528</u>
Investments held by Foundation				
Corporate stocks and bonds	\$ 4,232,477	\$ 4,232,477	\$ -	\$ -
Mutual funds	4,651,847	4,651,847	-	-
Real estate holdings	1,047,946	-	-	1,047,946
Total investments Held by Foundation by Fair Value Level	<u>9,932,270</u>	<u>\$ 8,884,324</u>	<u>\$ -</u>	<u>\$ 1,047,946</u>
Investments Held by Foundation measured by NAV				
		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Limited Partnerships - Alternative				
Private markets	\$ 5,396,272	\$ 6,997,777	None	None
Private real assets	-	-	None	None
Private credit	2,877,108	3,519,581	None	None
Global equity	39,021,546	-	Monthly	16 Days
Opportunistic credit	22,309,736	-	Monthly	15 Days
Total Limited Partnerships - Alternative	<u>69,604,662</u>	<u>10,517,358</u>		
Hedge Fund Investments				
Multi-strategy	3,432,081	267,309	Monthly	30 Days
Equity long/short	5,420,599	773,942	Monthly	30 Days
Total Hedge Fund Investments	<u>8,852,680</u>	<u>1,041,251</u>		
Domestic Venture Capital Investments				
Venture capital	284,685	3,929		
Total Domestic Venture Capital Investments	<u>284,685</u>	<u>3,929</u>	None	None
Total Investments Held by Foundation measured by NAV	<u>78,742,027</u>	<u>\$ 11,562,538</u>		
Total Investments	<u>\$ 207,674,452</u>			

The following table presents the fair value measurements of University assets recognized in the accompanying Statement of Net Position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2023.

2023	Balance as of June 30, 2023	Quoted Prices in Active Markets For Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Debt Securities				
U.S. treasury securities	\$ 35,209,470	\$ 35,209,470	\$ -	\$ -
Agency securities (GSEs)	65,640,184	-	65,640,184	-
Domestic corporate bonds	3,884,482	-	3,884,482	-
Total Debt Securities	<u>104,734,136</u>	<u>35,209,470</u>	<u>69,524,666</u>	<u>-</u>
Equity Securities				
Common	704,153	704,153	-	-
Nonredeemable securities	73,528	-	-	73,528
Total Equity Securities	<u>777,681</u>	<u>704,153</u>	<u>-</u>	<u>73,528</u>
Total Investments by Fair Value Level	<u>105,511,817</u>	<u>\$ 35,913,623</u>	<u>\$ 69,524,666</u>	<u>\$ 73,528</u>
Investments held by Foundation				
Corporate stocks and bonds	\$ 3,212,514	\$ 3,212,514	\$ -	\$ -
Mutual funds	5,051,015	5,051,015	-	-
Real estate holdings	1,153,955	-	-	1,153,955
Total investments Held by Foundation by Fair Value Level	<u>9,417,484</u>	<u>\$ 8,263,529</u>	<u>\$ -</u>	<u>\$ 1,153,955</u>
Investments Held by Foundation measured by NAV				
		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Limited Partnerships - Alternative				
Private markets	\$ 1,888,660	\$ 6,103,933	None	None
Private real assets	637,397	1,672,710	None	None
Private credit	2,152,208	4,142,255	None	None
Global equity	31,630,431	-	Monthly	16 Days
Opportunistic credit	20,302,725	-	Monthly	16 Days
Total Limited Partnerships - Alternative	<u>56,611,421</u>	<u>11,918,898</u>		
Hedge Fund Investments				
Multi-strategy	4,239,803	218,366	Quarterly	90 Days
Equity long/short	4,966,789	906,978	None	None
Total Hedge Fund Investments	<u>9,206,592</u>	<u>1,125,344</u>		
Domestic Venture Capital Investments				
Venture capital	1,665,848	85,716		
Total Domestic Venture Capital Investments	<u>1,665,848</u>	<u>85,716</u>	None	None
Total Investments Held by Foundation measured by NAV	<u>67,483,861</u>	<u>\$ 13,129,958</u>		
Total Investments	<u>\$ 182,413,162</u>			

The following table presents the fair value measurements of Foundation assets recognized in the accompanying Statement of Net Position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2024.

2024	Balance as of June 30, 2024	Quoted Prices in Active Markets For Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Corporate Stocks and Bonds				
Foreign emerging markets	\$ 152,805	\$ 152,805	\$ -	\$ -
Total Corporate Stocks and Bonds	<u>152,805</u>	<u>152,805</u>	<u>-</u>	<u>-</u>
Other Investments				
Mutual funds	25,288,068	25,288,068	-	-
Mortgage backed securities	-	-	-	-
Mortgage backed securities- foreign	-	-	-	-
Government bonds	28,201,966	28,201,966	-	-
Real estate holdings	3,202,054	-	-	3,202,054
Total Other Investments	<u>56,692,088</u>	<u>53,490,034</u>	<u>-</u>	<u>3,202,054</u>
Total Investments by Fair Value Level	<u>56,844,893</u>	<u>\$ 53,642,839</u>	<u>\$ -</u>	<u>\$ 3,202,054</u>
Investments Held by Foundation measured by NAV				
		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Limited Partnerships - Alternative				
Private markets	\$ 18,774,512	\$ 23,656,538	None	None
Private real assets	-	-	None	None
Private credit	8,791,153	10,754,261	None	None
Global equity	119,669,548	-	Monthly	16 Days
Opportunistic credit	73,707,221	-	Monthly	15 Days
Total Limited Partnerships - Alternative	<u>220,942,434</u>	<u>34,410,799</u>		
Hedge Fund Investments				
Multi-strategy	9,628,888	749,951	Monthly	30 Days
Equity long/short	15,383,782	2,196,465	Monthly	16 Days
Total Hedge Fund Investments	<u>25,012,670</u>	<u>2,946,416</u>		
Domestic Venture Capital Investments				
Venture capital	621,098	8,571		
Total Domestic Venture Capital Investments	<u>621,098</u>	<u>8,571</u>	None	None
Total Investments Held by Foundation measured by NAV	<u>246,576,202</u>	<u>\$ 37,365,786</u>		
Other Investments held by Foundation				
Accrued interest income and other short term investments	-			
Total Investments	<u>\$ 303,421,095</u>			

The following table presents the fair value measurements of Foundation assets recognized in the accompanying Statement of Net Position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2023.

2023	Balance as of June 30, 2023	Quoted Prices in Active Markets For Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Corporate Stocks and Bonds				
Large cap growth	\$ 131,135	\$ 131,135	\$ -	\$ -
Total Corporate Stocks and Bonds	<u>131,135</u>	<u>131,135</u>	<u>-</u>	<u>-</u>
Other Investments				
Mutual funds	20,822,330	20,822,330	-	-
Government bonds	20,427,335	20,427,335	-	-
Real estate holdings	3,394,045	-	-	3,394,045
Total Other Investments	<u>44,643,710</u>	<u>41,249,665</u>	<u>-</u>	<u>3,394,045</u>
Total Investments by Fair Value Level	<u>44,774,845</u>	<u>\$ 41,380,800</u>	<u>\$ -</u>	<u>\$ 3,394,045</u>
Investments Held by Foundation measured by NAV				
		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Limited Partnerships - Alternative				
Private markets	\$ 5,555,801	\$ 17,955,715	Quarterly	90 Days
Private real assets	1,875,008	4,920,548	Quarterly	90 Days
Private credit	6,331,070	12,185,119	Quarterly	90 Days
Global equity	98,910,287	-	Quarterly	90 Days
Opportunistic credit	66,707,549	-	Quarterly	90 Days
Total Limited Partnerships - Alternative	<u>179,379,715</u>	<u>35,061,;</u>		
Hedge Fund Investments				
Multi-strategy	12,472,077	642,359	Quarterly	90 Days
Equity long/short	14,610,623	2,668,023	None	None
Total Hedge Fund Investments	<u>27,082,700</u>	<u>3,310,382</u>		
Domestic Venture Capital Investments				
Venture capital	4,900,364	252,147		
Total Domestic Venture Capital Investments	<u>4,900,364</u>	<u>252,147</u>	None	None
Total Investments Held by Foundation measured by NAV	<u>211,362,779</u>	<u>\$ 38,623,911</u>		
Other Investments held by Foundation				
Accrued interest income and other short term investments	-			
Total Investments	<u>\$ 256,137,624</u>			

Note 4 – Accounts Receivable and Unearned Revenue

Accounts receivable consists of the following at June 30, 2024 and 2023:

	2024	2023
University		
Student tuition and fees	\$ 66,281,819	\$ 60,932,543
Federal, state, and private grants and contracts	59,786,714	53,221,657
Auxiliary receivable	12,585,099	37,691,230
Other	705,056	2,863,223
Less: allowance for doubtful accounts	<u>(47,483,839)</u>	<u>(45,444,419)</u>
Net accounts receivable	<u>\$ 91,874,849</u>	<u>\$109,264,234</u>
Due from Discrete Component Unit	1,656,156	2,032,635
Fiduciary Fund		
Net miscellaneous accounts receivable	<u>\$ 336,449</u>	<u>\$ 630,179</u>
Foundation		
Net miscellaneous accounts receivable	<u>\$ 8,119,840</u>	<u>\$ 7,309,070</u>

The allowance for doubtful accounts includes consideration for the credit risk associated with the various receivables.

Unearned revenue consists of the following at June 30, 2024 and 2023:

	2024	2023
University		
Student tuition and fees	\$ 1,799,295	\$ 1,146,451
Federal, state, and private grants and contracts	19,354,570	8,288,876
Other	<u>4,412,138</u>	<u>6,492,232</u>
Total unearned revenue	<u>\$ 25,566,003</u>	<u>\$ 15,927,559</u>
Foundation		
Total unearned revenue	<u>\$ 34,491</u>	<u>\$ 334,425</u>

Note 5 – Capital Assets

Capital assets as detailed below are stated at cost, or if contributed, at acquisition value at the date of gift. Net interest expense incurred during the construction period on revenue bond funded projects is capitalized as an asset.

The University's main campus has New Mexico State District Court endorsed water rights equaling 11,454 acre feet per annum. As there is no cost basis for these assets, neither the water rights nor the livestock bred by the University are presented in the accompanying Statements of Net Position.

The State of New Mexico Land Office holds 193,272 surface and 254,627 sub-surface acres in trust for the University and manages the commercial use of this property including various leases and oil and gas exploration. The value of the land is recorded at the State of New Mexico Land Office; therefore this amount is not presented in the accompanying Statements of Net Position.

Changes in capital asset balances for the year ended June 30, 2024, were as follows:

	Balance July 1 2023	Additions	Transfers	Retirements	Balance June 30 2024
University					
Capital assets not depreciated:					
Land and land improvements	\$ 13,371,645	\$ 793,625	\$ -	\$ -	\$ 14,165,270
Construction in progress	11,505,238	36,653,321	(21,645,292)	(1,086,803)	25,426,464
Total capital assets not being depreciated	<u>\$ 24,876,883</u>	<u>\$ 37,446,946</u>	<u>\$ (21,645,292)</u>	<u>\$ (1,086,803)</u>	<u>\$ 39,591,734</u>
Capital assets being depreciated and amortized:					
Buildings	\$ 863,794,730	\$ 2,001,438	\$ 14,590,418	\$ (430,751)	\$ 879,955,835
Infrastructure	92,489,930	74,640	7,054,874	-	99,619,444
Equipment	131,972,853	19,811,521	-	(4,547,220)	147,237,154
Software	13,428,169	30,926	-	(170,546)	13,288,549
Library books	104,547,941	2,684,736	-	(130,490)	107,102,187
Intangible right-to-use lease assets	1,704,608	1,218,171	-	(150,227)	2,772,552
Subscription-based IT arrangements	12,242,404	7,468,099	-	-	19,710,503
Total other capital assets	<u>1,220,180,635</u>	<u>33,289,531</u>	<u>21,645,292</u>	<u>(5,429,234)</u>	<u>1,269,686,224</u>
Less accumulated depreciation for:					
Buildings	(482,206,563)	(21,980,845)	-	175,650	(504,011,758)
Infrastructure	(67,766,232)	(3,426,019)	-	-	(71,192,251)
Equipment	(100,550,456)	(7,467,395)	-	4,322,231	(103,695,620)
Software	(13,014,930)	(114,123)	-	169,045	(12,960,008)
Library books	(81,337,046)	(3,265,231)	-	130,488	(84,471,789)
Less accumulated amortization for:					
Intangible right-to-use lease assets	(1,165,457)	(462,632)	-	150,227	(1,477,862)
Subscription-based IT arrangements	(5,229,462)	(4,699,505)	-	-	(9,928,967)
Total accumulated depreciation and amortization	<u>(751,270,146)</u>	<u>(41,415,750)</u>	<u>-</u>	<u>4,947,641</u>	<u>(787,738,255)</u>
Capital assets being depreciated and amortized, net	<u>\$ 468,910,489</u>	<u>\$ (8,126,219)</u>	<u>\$ 21,645,292</u>	<u>\$ (481,593)</u>	<u>\$ 481,947,969</u>
Capital asset summary:					
Capital assets not being depreciated and amortized	\$ 24,876,883	\$ 37,446,946	\$ (21,645,292)	\$ (1,086,803)	\$ 39,591,734
Other capital assets, at cost	1,220,180,635	33,289,531	21,645,292	(5,429,234)	1,269,686,224
Total cost of capital assets	<u>1,245,057,518</u>	<u>70,736,477</u>	<u>-</u>	<u>(6,516,037)</u>	<u>1,309,277,958</u>
Less: accumulated depreciation and amortization	<u>(751,270,146)</u>	<u>(41,415,750)</u>	<u>-</u>	<u>4,947,641</u>	<u>(787,738,255)</u>
Capital assets, net	<u>\$ 493,787,372</u>	<u>\$ 29,320,727</u>	<u>\$ -</u>	<u>\$ (1,568,396)</u>	<u>\$ 521,539,703</u>
Foundation					
Capital assets	\$ 636,299	\$ 190,422	\$ -	\$ (374,657)	\$ 452,064
Less: accumulated depreciation	(578,808)	(29,299)	-	374,538	(233,569)
Capital assets, net	<u>\$ 57,491</u>	<u>\$ 161,123</u>	<u>\$ -</u>	<u>\$ (119)</u>	<u>\$ 218,495</u>

Changes in capital asset balances for the year ended June 30, 2023, were as follows:

	Balance July 1 2022	Additions	Transfers	Retirements	Balance June 30 2023
University					
Capital assets not depreciated:					
Land and land improvements	\$ 12,730,942	\$ 653,871	\$ -	\$ (13,168)	\$ 13,371,645
Construction in progress	31,948,664	27,532,730	(47,976,156)	-	11,505,238
Total capital assets not being depreciated	<u>\$ 44,679,606</u>	<u>\$ 28,186,601</u>	<u>\$ (47,976,156)</u>	<u>\$ (13,168)</u>	<u>\$ 24,876,883</u>
Capital assets being depreciated and amortized:					
Buildings	\$ 818,977,787	\$ 218,207	\$ 44,598,736	\$ -	\$ 863,794,730
Infrastructure	89,066,408	46,102	3,377,420	-	92,489,930
Equipment	126,831,819	10,601,833	-	(5,460,799)	131,972,853
Software	13,503,731	15,738	-	(91,300)	13,428,169
Library books	100,726,006	3,903,175	-	(81,240)	104,547,941
Intangible right-to-use lease assets	2,245,669	-	-	(637,528)	1,608,141
Subscription-based IT arrangements	7,823,701	4,515,170	-	-	12,338,871
Total other capital assets	<u>1,159,175,121</u>	<u>19,300,225</u>	<u>47,976,156</u>	<u>(6,270,867)</u>	<u>1,220,180,635</u>
Less accumulated depreciation for:					
Buildings	(460,534,797)	(21,671,766)	-	-	(482,206,563)
Infrastructure	(64,673,181)	(3,093,051)	-	-	(67,766,232)
Equipment	(100,255,971)	(5,641,733)	-	5,347,248	(100,550,456)
Software	(12,964,824)	(141,406)	-	91,300	(13,014,930)
Library books	(78,075,473)	(3,342,813)	-	81,240	(81,337,046)
Less accumulated amortization for:					
Intangible right-to-use lease assets	(1,431,691)	(238,261)	-	504,495	(1,165,457)
Subscription-based IT arrangements	(2,539,867)	(2,689,595)	-	-	(5,229,462)
Total accumulated depreciation and amortization	<u>(720,475,804)</u>	<u>(36,818,625)</u>	<u>-</u>	<u>6,024,283</u>	<u>(751,270,146)</u>
Capital assets being depreciated and amortized, net	<u>\$ 438,699,317</u>	<u>\$ (17,518,400)</u>	<u>\$ 47,976,156</u>	<u>\$ (246,584)</u>	<u>\$ 468,910,489</u>
Capital asset summary:					
Capital assets not being depreciated and amortized	\$ 44,679,606	\$ 28,186,601	\$ (47,976,156)	\$ (13,168)	\$ 24,876,883
Other capital assets, at cost	1,159,175,121	19,300,225	47,976,156	(6,270,867)	1,220,180,635
Total cost of capital assets	<u>1,203,854,727</u>	<u>47,486,826</u>	<u>-</u>	<u>(6,284,035)</u>	<u>1,245,057,518</u>
Less: accumulated depreciation and amortization	<u>(720,475,804)</u>	<u>(36,818,625)</u>	<u>-</u>	<u>6,024,283</u>	<u>(751,270,146)</u>
Capital assets, net	<u>\$ 483,378,923</u>	<u>\$ 10,668,201</u>	<u>\$ -</u>	<u>\$ (259,752)</u>	<u>\$ 493,787,372</u>
Foundation					
Capital assets	\$ 755,733	\$ 54,947	\$ -	\$ (174,381)	\$ 636,299
Less: accumulated depreciation	(728,600)	(5,807)	-	155,599	(578,808)
Capital assets, net	<u>\$ 27,133</u>	<u>\$ 49,140</u>	<u>\$ -</u>	<u>\$ (18,782)</u>	<u>\$ 57,491</u>

Note 6 – Long-Term Liabilities

A summary of changes in long-term liabilities for the University and Discrete Component Unit for the year ended June 30, 2024, are as follows:

	Balance July 1 2023	Additions	Reductions	Balance June 30 2024	Current Portion (due in 2025)
University					
Bonds and contracts payable:					
Revenue bonds payable	\$ 125,394,122	\$ -	\$ (7,588,269)	\$ 117,805,853	\$ 6,945,000
Subordinate revenue note, notes from direct borrowing	7,070,000	-	(1,240,000)	5,830,000	1,325,000
Lease liability	7,704,159	8,686,269	(4,958,793)	11,431,635	4,993,146
	<u>140,168,281</u>	<u>8,686,269</u>	<u>(13,787,062)</u>	<u>135,067,488</u>	<u>13,263,146</u>
Total bonds and contracts					
Other liabilities:					
Accrued compensated absences	19,268,915	4,805,922	(3,875,514)	20,199,323	4,039,864
Other post employment benefits	130,659,104	14,034,785	(5,031,414)	139,662,475	5,031,414
Net pension liability	480,925,203	27,362,819	(36,040,077)	472,247,945	-
Accrued benefit reserve	659,630	-	-	659,630	-
Other	1,016,430	103,252	-	1,119,682	-
	<u>632,529,282</u>	<u>46,306,778</u>	<u>(44,947,005)</u>	<u>633,889,055</u>	<u>9,071,278</u>
Total other liabilities					
Total long-term liabilities	<u>\$ 772,697,563</u>	<u>\$ 54,993,047</u>	<u>\$ (58,734,067)</u>	<u>\$ 768,956,543</u>	<u>\$ 22,334,424</u>
	Balance July 1 2023	Additions	Reductions	Balance June 30 2024	Current Portion (due in 2025)
Foundation					
Gift annuities payable	\$ 1,445,773	\$ 391,032	\$ (199,833)	\$ 1,873,447	\$ 194,080
Other long-term liabilities	<u>\$ 1,445,773</u>	<u>\$ 391,032</u>	<u>\$ (199,833)</u>	<u>\$ 1,873,447</u>	<u>\$ 194,080</u>

A summary of changes in long-term liabilities for the University and Discrete Component Unit for the year ended June 30, 2023, are as follows:

	Balance July 1 2022	Additions	Reductions	Balance June 30 2023	Current Portion (due in 2024)	
University						
Bonds and contracts payable:						
Revenue bonds payable	\$ 104,875,780	\$ 28,779,309	\$ (8,260,967)	\$ 125,394,122	\$ 6,665,000	
Subordinate revenue note direct borrowing	8,235,000	-	(1,165,000)	7,070,000	1,165,000	
Lease liability	5,980,909	4,515,170	(2,791,920)	7,704,159	2,787,297	
	<u>119,091,689</u>	<u>33,294,479</u>	<u>(12,217,887)</u>	<u>140,168,281</u>	<u>10,617,297</u>	
Total bonds and contracts						
Other liabilities:						
Accrued compensated absences	18,498,164	4,445,419	(3,674,668)	19,268,915	3,853,783	
Other post employment benefits	129,519,685	6,700,161	(5,560,742)	130,659,104	5,560,742	
Net pension liability	433,022,953	77,223,915	(29,321,665)	480,925,203	-	
Accrued benefit reserve	659,630	-	-	659,630	-	
Other	323,590	692,840	-	1,016,430	-	
	<u>582,024,022</u>	<u>89,062,335</u>	<u>(38,557,075)</u>	<u>632,529,282</u>	<u>9,414,525</u>	
Total other liabilities						
Total long-term liabilities	<u>\$ 701,115,711</u>	<u>\$ 122,356,814</u>	<u>\$ (50,774,962)</u>	<u>\$ 772,697,563</u>	<u>\$ 20,031,822</u>	
	Balance July 1 2022	Additions	Reductions	Changes in Estimate	Balance June 30 2023	Current Portion (due in 2024)
Foundation						
Gift annuities payable	<u>\$1,470,196</u>	<u>\$ 14,237</u>	<u>\$ -</u>	<u>\$ (38,660)</u>	<u>\$ 1,445,773</u>	<u>\$ 151,423</u>
Other long-term liabilities	<u>\$1,470,196</u>	<u>\$ 14,237</u>	<u>\$ -</u>	<u>\$ (38,660)</u>	<u>\$ 1,445,773</u>	<u>\$ 151,423</u>

Bonds Payable. All outstanding University revenue bonds as of June 30, 2024 were issued as parity bonds and are all tax exempt. All bonds are payable solely from, and secured by, a pledge of and a non-exclusive first lien on certain pledged revenues. The revenues pledged to meet these debt obligations are student tuition and fees, sales and services, other operating income, investment income, and building fees. The pledged revenues for fiscal years 2024 and 2023 are \$233,333,272 and \$221,843,000, respectively. Interest payments are made twice a year, on October 1 and April 1 while principal is paid annually on April 1. Allowable premiums, and discounts on bonds payable are recorded in total and amortized according to the bonds outstanding method, which approximates the effective interest method.

The bond interest expense incurred for the fiscal years 2024 and 2023 was \$4,973,987 and \$4,759,863, respectively, net of interest income.

Total University bonds issued and outstanding at June 30, 2024 and 2023 :

	Total Issued	2024	Outstanding 2023
Bond Series 2013A, 2013B, 2013C (1.89% - 5.27%) Final Maturity 2030	56,200,000	9,440,000	11,070,000
Refunding and Improvement Revenue Bonds			
Bond Series 2017A, 2017B, 2017C (1.75% - 5.00%) Final Maturity 2042	73,240,000	56,630,000	59,795,000
Refunding and Improvement Revenue Bonds			
Bond Series 2019A and 2019B (2.00% - 5.00%) Final Maturity 2040	24,985,000	17,865,000	19,730,000
Improvement Revenue Bonds			
Bond Series 2022 (3.60% - 5.00%) Final Maturity 2042	28,065,000	28,060,000	28,065,000
Total Bonds Payable	182,490,000	111,995,000	118,660,000
Plus: Unamortized Net Premium	20,646,409	5,810,853	6,734,122
Bonds Payable, net	<u>\$ 203,136,409</u>	<u>\$ 117,805,853</u>	<u>\$ 125,394,122</u>

The maturity schedule for the University bonds payable at June 30, 2024, follows:

Year Ending June 30	Principal	Interest
2025	\$ 6,945,000	\$ 4,880,306
2026	6,860,000	4,567,350
2027	6,770,000	4,266,994
2028	7,060,000	3,969,987
2029	7,375,000	3,656,752
2030-2034	32,835,000	13,627,267
2035-2039	29,840,000	6,883,885
2040-2042	14,310,000	1,331,386
Total	<u>\$ 111,995,000</u>	<u>\$ 43,183,927</u>

Notes Payable. The Board of Regents issued a tax-exempt Subordinate Lien Improvement Revenue Note, Series 2014 on April 21, 2014 in a direct purchase with BOKF, NA dba Bank of Albuquerque. The original principal amount of the note was \$15,865,000 and the interest rate is 3.07%. The note is payable solely from, and secured by, a pledge of, and a non-exclusive subordinate lien on the following revenues: student tuition and fees; sales and service revenue; other operating revenue; investment income; and, building fees. Interest payments began on October 1, 2014 and are due semiannually thereafter on April 1 and October 1 of each year. Principal payments are due April 1 each year, beginning April 1, 2016. The note matures April 1, 2029.

The interest expense incurred on the note was \$286,278 and \$252,815 for fiscal years ended June 30, 2024 and 2023, respectively.

The maturity schedule for the subordinate revenue note at June 30, 2024, follows:

Year Ending June 30	Principal	Interest
2025	\$ 1,325,000	\$ 178,981
2026	1,410,000	138,304
2027	1,500,000	95,017
2028	1,595,000	48,967
Total	<u>\$ 5,830,000</u>	<u>\$ 461,269</u>

Lease Liability. The University acquires various types of equipment under lease agreements. All lease agreements contain a fiscal funding clause, which allows the lease agreements to be canceled if funding for future periods is not appropriated. University administration believes that the likelihood of this occurrence is remote. NMSU recognized total payments towards lease obligations of \$5,184,775 and \$2,649,993 in fiscal years ended June 30, 2024 and 2023, respectively. The following tables detail the carrying value of assets acquired under these arrangements, the net present value of minimum lease payments, future minimum lease payments and the portion of the lease payments representing interest at June 30, 2024.

Type of Property	Asset Carrying Value	Net Present Value of Minimum Lease Payments
Office equipment	\$ 106,685	\$ 70,072
Computer equipment	1,079,929	881,062
Real Estate	486,764	226,671
Subscription-Based Information Technology	14,717,051	10,253,830
Total	<u>\$ 16,390,429</u>	<u>\$ 11,431,635</u>

Year Ending June 30	Principal	Interest	Minimum Payments
2025	\$ 4,993,146	\$ 160,486	\$ 5,153,632
2026	3,664,436	89,179	3,753,615
2027	1,919,989	49,426	1,969,415
2028	848,621	20,427	869,048
2029	5,443	-	5,443
Total	<u>\$ 11,431,635</u>	<u>\$ 319,518</u>	<u>\$ 11,751,153</u>

Note 7 – Health Insurance

The University provides group health insurance coverage for all regular employees working 30 hours per week or more and term appointment employees working 30 hours per week or more. Coverage is optional and is available the first pay period after 30 days of employment. The University's portion of the premium is based on the employee's annual salary. Employee contributions are required for personal, as well as spouse, qualified domestic partner and dependent coverage.

The University participates in the State of New Mexico (State) group health insurance program. Premiums are paid to the State. The State program assumes full responsibility for all claims.

Eligible retirees who were enrolled in health insurance for a minimum of ten consecutive years prior to retirement may elect to continue health insurance coverage through the University's program. The University contributes 60% of the premiums for retirees and their dependents until the retiree reaches age 70, after which, the University contributes 30%. Retiree health insurance is not offered to employees hired after June 30, 2016.

The University participates in a fully insured plan for the eligible active retirees. Premiums are paid to the insurance carrier. The insurance carrier assumes full responsibility for all claims.

Note 8 – Retirement Programs

The University offers three retirement plans. All eligible employees working more than 25% full-time equivalent are required to participate in one of the first two plans described below. Student employees do not participate in these plans.

A. Educational Retirement Act

Plan Description. Substantially all of the University's eligible employees, except those who participate in the Alternative Retirement Plan (ARP) described below, participate in a public employee retirement system authorized under the Educational Retirement Act (ERA) of the State of New Mexico (Chapter 22, Article 11 NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits, and cost-of-living adjustments to plan members (certified teachers, and other employees of State public school districts, colleges and universities) and beneficiaries. ERB issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to ERB, P.O. Box 26129, Santa Fe, New Mexico 87502. The report is also available on ERB's website at www.nmerb.org.

Return to Work Program. Effective January 1, 2002, the ERB implemented a retiree Return-To-Work (RTW) program whereby the University is required to make regular employer contributions on eligible retiree wages. As of July 1, 2011, House Bill 129 was passed requiring returning retirees to contribute the employee portion. As of April 4, 2019, House Bill 360 was passed requiring all working retirees and the University to make regular employer contribution on eligible retiree wages.

Funding Policy. The contribution requirements of plan members and the University are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature.

A summary of member and employer contributions to the Educational Retirement Board is provided below:

	2024	2023	2022
Employee's earning \$24,000 or less:			
University contribution	18.15%	17.15%	15.15%
Employee contribution	7.90%	7.90%	7.90%
Employee's earning \$24,000 or less:			
University contribution	18.15%	17.15%	15.15%
Employee contribution	10.70%	10.70%	10.70%
University's contribution to ERB	\$ 36,040,077	\$ 29,432,003	\$ 27,684,763
University's contribution to ERB for Return to Work Program	\$459,191	\$315,056	\$289,151

For members hired after June 30, 2019, the multiplier applied to the final average compensation will accrue to the following schedule:

Years of Service	Benefit Percentage Earned
1-10	1.35%
11-20	2.35%
21-30	3.35%
31+	2.40%

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The June 30, 2024 total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2022. The total ERB pension liability was rolled forward from the valuation date to the plan year June 30, 2023, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2023. At June 30, 2024 and 2023 the University reported liabilities of \$472,247,945 and \$480,925,203, respectively, for its proportionate share of the net pension liability. The proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2023. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2023, the University's proportion was 5.43796% which was a decrease of 0.27258% from its proportion measured as of June 30, 2022. At June 30, 2022, the University proportion was 5.71054% which was a decrease of 0.39916% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2024, the University recognized a negative adjustment to pension expense of \$93,419,499. At June 30, 2024, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 13,385,579	\$ 4,269,984
Changes of assumptions	-	70,080,431
Net difference between projected and actual earnings on pension plan investments	-	2,958,402
Changes in proportion and differences between University contributions and proportionate share of contributions	-	41,997,995
University contributions subsequent to the measurement date	42,226,674	-
Total	<u>\$ 55,612,253</u>	<u>\$ 119,306,812</u>

The \$42,226,674 reported as deferred outflows of resources related to pensions resulting from University contributions subsequent to the measurement date of June 30, 2023 will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

For the year ended June 30, 2023, the University recognized a pension expense of \$6,787,222. At June 30, 2023, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 17,259,382	\$ 7,855,461
Changes of assumptions	81,011,629	267,259,667
Net difference between projected and actual earnings on pension plan investments	-	10,984,096
Changes in proportion and differences between University contributions and proportionate share of contributions	-	38,875,339
University contributions subsequent to the measurement date	32,942,023	-
Total	<u>\$ 131,213,034</u>	<u>\$ 324,974,563</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an adjustment to pension expense as follows:

Year Ending June 30	
2025	\$ (94,117,432)
2026	(26,964,954)
2027	14,721,777
2028	439,376
	<u>\$ (105,921,233)</u>

Actuarial assumptions: As described above, the June 30, 2024 total ERB pension liability and net pension liability are based on an actuarial valuation performed as of June 30, 2022. The total ERB pension liability was rolled forward from the valuation date to the Plan year June 30, 2023 using generally accepted actuarial principles. Specifically, the liabilities measured as of June 30, 2023 incorporate the following assumptions:

All members with an annual salary of more than \$24,000 will contribute 10.70% during the fiscal year ended June 30, 2023 and thereafter.

Members hired after June 30, 2013 will have an actuarially reduced retirement benefit if they retire before age 55 and their COLA will be deferred until age 67.

COLAs for most retirees are reduced until ERB attains a 100% funded status.

These assumptions were adopted by ERB on April 17, 2020 in conjunction with the six-year experience study period ended June 30, 2019.

For the purposes of projecting future benefits, it is assumed that the full COLA is paid in all future years.

The actuarial methods and assumptions used to determine total pension liability included in the measurement are as follows:

Inflation	2.30%
Salary Increases	Composition; 2.30% inflation, plus .70% productivity increase rate, plus step-rate promotional increases for members with less than 15 years of service
Investment Rate of Return	7.00%
Single Discount Rate	7.00%
Retirement Age	Experienced-based table rates based on age and service. Adopted by NMERB on April 17, 2020 in conjunction with the six- year experience study for the period ended June 30, 2019.
Mortality	<p>Healthy Males - RP-2020 GRS Southwest Region Teacher Mortality Table, set back one year and scaled at 95%. Generational mortality improvements in accordance with the Ultimate MP scales are projected from year 2020.</p> <p>Healthy Females - 2020 GRS Southwest Region Teacher Mortality Table, set back one year. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020.</p>
Amortization method	Level percentage of payroll
Remaining amortization period	Amortized over a closed 30-year period from June 30, 2019, ending June 30, 2049
Actuarial Cost Method	Entry Age Normal

The long-term expected rate of return on pension plan investments is determined annually using a building-block approach that includes the following: 1) rate of return projections are the sum of current yield plus projected changed in price (valuation, defaults, etc.); 2) application of key economic projections (inflation, real growth, dividends, etc); and 3) structural themes (supply and demand imbalances, capital flows, etc.) developed for each major asset class.

The target allocation for each major asset class and total expected real rate of return are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Equities - Domestic	14.30%	
Equities - International	10.20%	
Fixed Income	23.00%	
Alternatives	51.40%	
Cash	1.10%	
Total	100%	7.00%

Discount rate: A single discount rate of 7.00% was used to measure the total ERB pension liability as of June 30, 2023 and June 30, 2022. For 2023, the single discount rate was based on an expected rate of return on pension plan investments of 7.00%. Based on the stated assumptions and the projection of cash flows, the Plan's fiduciary net position and future contributions were sufficient to finance all projected future benefit payments of current plan members. For 2022, the single discount rate was based on the expected rate of return on pension investments of 7.00% and a municipal bond rate of 3.69%. Based on the stated assumptions and the projection of cash flows, the Plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current pension plan members.

Sensitivity of the University's proportionate shares of the net pension liability to changes in the discount rate: The following tables show the sensitivity of the net pension liability to changes in the discount rate as of fiscal year end 2024 and 2023. In particular, the table presents the University's net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower, (6.00%), or one percentage point higher, (8.00%) than the single discount rate for June 30, 2023 and 2022.

	2024		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00)
New Mexico State University's proportionate share of the net pension liability	\$ 641,980,929	\$ 472,247,945	\$ 332,028,529

	2023		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
New Mexico State University's proportionate share of the net pension liability	\$ 652,094,406	\$ 480,925,203	\$ 339,456,307

Pension plan fiduciary net position: Detailed information about the ERB's fiduciary net position is available in the separately issued audited financial statements as of and for June 30, 2023 and 2022 which are publicly available at www.erb.org.

B. Alternative Retirement Program

Plan Description. The New Mexico Alternative Retirement Plan (ARP) was established by amendment to Chapter 22, Article 11, Section 47-52. Certain faculty and professional staff hired on or after July 1, 1991, may elect to participate in an alternative defined contribution retirement plan in lieu of participation in the ERA in accordance with policies stipulated by the Board of Regents. The two carriers approved by the ERB are the Teachers Insurance and Annuity Association/College Retirement Equities Fund and Fidelity Investments. Employees are allowed to transfer between carriers once each year. Vesting is immediate and benefits may be distributed as an annuity, a roll over, or a withdrawal.

Effective July 1, 2009, employees, after 7 years of contribution to the ARP, have a one-time opportunity to move to the ERB's defined benefit plan. Section 51 allows members of the ARP the option to cash out or rollover the ARP account once they have left employment.

A summary of member and employer contributions to the Educational Retirement Board for the Alternative Retirement Program is provided below:

	2024	2023	2022
Employee's earning \$24,000 or less:			
University contribution	18.15%	17.15%	15.15%
Employee contribution	7.90%	7.90%	7.90%
Employee's earning \$24,000 or less:			
University contribution	18.15%	17.15%	15.15%
Employee contribution	10.70%	10.70%	10.70%
Administration fee to ERB	7.25%	6.25%	4.25%
Payroll expenses covered by ARP	\$ 39,503,932	\$ 38,051,219	\$ 36,715,552
University's contribution to the ERB for ARP	\$ 4,294,324	\$ 4,146,485	\$ 4,003,943
Administration fee paid to ERB for ARP	\$ 2,862,250	\$ 2,376,348	\$ 1,559,604
Employee contributions made to ARP	\$ 4,215,528	\$ 4,068,538	\$ 3,929,617

Note 9 – Other Postemployment Benefits Plan

Plan Description. New Mexico State University is a single employer that offers employees and their eligible dependents retiree benefits. This is an unfunded OPEB plan operating on a pay as you go basis. The authority to establish and amend the benefit provisions rests with the Board of Regents.

Retirees, who have had 10 consecutive years of health insurance coverage with the University at the time of retirement, are offered the opportunity to participate in a fully-insured PPO medical plan, including prescription drugs. Medicare retirees (for retirees 65 years of age and over) are offered the opportunity to participate in a Medicare carve-out medical plan, including prescription drugs. Eligible retired employees may select a Life Insurance benefit up to \$10,000. All premiums for life insurance are paid by the retiree.

The University currently pays 60% of the monthly medical and prescription premium for retirees and their eligible dependents until the retiree reaches age 70, at which time the University reduces their contribution to 30%. As of June 30, 2024 and 2023, 1,298 and 1,394 retirees met the eligibility requirements for health insurance, respectively.

Employees hired after June 30, 2016 are not offered this benefit.

Plan Participation Percentage. The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 85% of all pre Medicare employees and their dependents who are eligible for early retirement will participate in the retiree medical plan. It is also assumed that 80% of those enrolled in the pre Medicare plans will continue on the plan once Medicare eligible. Lastly, it is assumed that 88% of all pre Medicare employees who are eligible for the retiree life insurance benefit will participate, and 91% of those enrolled will continue on the plan once Medicare eligible. This assumes that a one-time irrevocable election to participate is made at retirement.

Employees covered by benefit terms - At June 30, 2024 and 2023, the following employees were covered by the benefit terms:

	2024	2023
Current retirees receiving benefits	1,709	1,727
Current active members	1,383	1,494

Annual OPEB Cost and Total OPEB Obligation. The University's annual other postemployment benefit (OPEB) Service/Interest cost (expense) is the portion of the Actuarial Present Value of plan benefits and expenses for active employees which is allocated to a valuation year by the Actuarial Cost Method. The following table shows the components of the University's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the University's total OPEB obligation related for fiscal year 2024:

	Total OPEB Liability
Total OPEB Liability - Start of Year (July 1, 2023)	\$ 130,659,104
Changes for the year	
Service cost	4,103,976
Interest cost	4,827,029
Differences between expected and actual experience	(5,184,028)
Changes in assumptions or other inputs	10,287,807
Benefit payments	(5,031,414)
Net change in total OPEB liability	9,003,370
Total OPEB Liability - End of Year (June 30, 2024)	<u>\$ 139,662,474</u>

The total OPEB liability and sensitive information were based on an annual actuarial valuation performed as of June 30, 2024.

The following table shows the components of the University's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the University's total OPEB obligation related for fiscal year 2023:

	Total OPEB Liability
Total OPEB Liability - Start of Year (July 1, 2022)	\$ 129,519,685
Changes for the year	
Service cost	3,955,254
Interest cost	4,626,588
Changes in assumptions or other inputs	(1,881,681)
Benefit payments	(5,560,742)
Net change in total OPEB liability	1,139,419
Total OPEB Liability - End of Year (June 30, 2023)	<u>\$ 130,659,104</u>

The total OPEB liability and sensitive information were based on an annual actuarial valuation performed as of June 30, 2024. The discount rate is the only applicable change in the valuation.

A summary of the key results are shown below for fiscal year ended June 30, 2024 and 2023:

	2024	2023
Present Value of Future Benefits	\$ 166,481,028	\$ 155,922,270
Total OPEB Liability (Beginning of Fiscal Year)	\$ 130,659,104	\$ 129,519,685
Total OPEB Liability (End of Fiscal Year)	\$ 139,662,474	\$ 130,659,104

For the year ended June 30, 2024 the University recognized a OPEB contra-expense of \$548,096. At June 30, 2024, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 9,737,069
Changes of assumptions	7,261,982	9,397,052
Total	<u>\$ 7,261,982</u>	<u>\$ 19,134,121</u>

For the year ended June 30, 2023, the University recognized a OPEB expense of \$1,483,407. At June 30, 2023, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 10,752,950
Changes of assumptions	\$ 586,869	\$ 16,288,938
Total	<u>\$ 586,869</u>	<u>\$ 27,041,888</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	
2025	\$ 10,065,970
2026	2,275,333
2027	(469,164)
	<u>\$ 11,872,139</u>

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The Entry Age Normal Actuarial Cost Method was used based on level percentage of projected salary. The OPEB liability was roll forward from the valuation date to the plan year June 30, 2024, conducted in accordance with generally accepted actuarial principles.

The actuarial methods and assumptions used to determine the total OPEB liability included in the measurement are as follows:

Valuation Date	June 30, 2024
Measurement Date	June 30, 2024
Discount Rate	3.65% per annum (BOY) 3.93% per annum (EOY) <i>Source: Bond Buyer 20-Bond GO Index</i>
Salary Increase Rate	2.5% per annum
Medicare Eligibility	All current and future retirees are assumed to be eligible for Medicare at age 65
Health Care Cost Trend Rate	The actuarial valuation assumes an annual health care cost trend on a select and ultimate basis. Medical and prescription benefits on a select basis at 7.75% for retirees 65 years of age and under and 6.75% for retirees over 65 years of age and on an ultimate basis at 4.00%. The select trend rates are reduced .30% each year until reaching the ultimate trend.
Per Capita Health Claim Cost	Expected pre Medicare retiree claim costs were developed by applying age adjustments to the current fully insured premiums. The annual age 60 claim costs retirees and their spouses is \$9,456. The age 70 costs for retirees is \$3,336.
Mortality Rate	Pub-2010, projected forward using SOA scale MP-2021.

Discount Rate. A single discount rate of 3.93% and 3.65% was used to measure the total OPEB liability as of June 30, 2024 and 2023, respectively.

Health Care Trend Sensitivity Analysis. The following schedules measures the Total OPEB Liability if the health care cost trend rate used was 1% higher than than the assumed health care cost trend rate and 1% lower than the assumed health care cost trend rate for June 30, 2024 and 2023, respectively.

	2024		
	1% Decrease	Current Trend	1% Increase
New Mexico State University's total OPEB liability	\$ 122,941,000	\$ 139,662,474	\$ 160,278,000

	2023		
	1% Decrease	Current Trend	1% Increase
New Mexico State University's total OPEB liability	\$ 114,169,000	\$ 130,659,104	\$ 151,328,000

Discount Rate Sensitivity Analysis. The following tables show the sensitivity of the OPEB liability to changes in the discount rate as of fiscal year end 2024 and 2023. In particular, the table presents the University's OPEB liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower, (4.93%) and (4.65%), or one percentage point higher, (2.93%) and (2.54%) than the single discount rate for June 30, 2024 and 2023, respectively.

	2024		
	1% Decrease (4.93%)	Current Discount Rate (3.93%)	1% Increase (2.93%)
New Mexico State University's total OPEB liability	\$ 123,687,000	\$ 139,662,474	\$ 159,157,000

	2023		
	1% Decrease (4.65%)	Current Discount Rate (3.65%)	1% Increase (2.65%)
New Mexico State University's total OPEB liability	\$ 113,703,000	\$ 130,659,104	\$ 149,116,000

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Changes in Total OPEB liability and Related Ratios in accordance with GASB 75 (Schedule 5), presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Note 10 – Commitments

Capitalizable Project Commitments and Financing. The University has entered into contracts for the construction and renovation of various facilities. At June 30, 2024, the estimated remaining costs to complete these and other in-house construction and renovation projects was approximately \$179.3 million. These projects are in various stages of completion. Those deemed to be major projects are expected to be completed by April 2026. The remaining cost of all budgeted projects (both capital and non-capital) will be financed as follows:

Funding Sources	Amount
Revenue bonds	\$ 21,200,399
General obligation bonds (State of New Mexico)	74,565,493
Severance tax bonds (State of New Mexico)	3,304,568
University Funds	16,835,926
State funds	50,988,897
Gifts, grants and contracts	12,447,181
Total	<u>\$179,342,464</u>

Other Commitments. At June 30, 2024, the University had outstanding purchase orders for materials and services which were not received, and thus are not recorded as liabilities in the accompanying Statements of Net Position. The approximate amount of such commitments is \$54.6 million.

Note 11 - Component Units

The following entities support the University in accomplishing its various missions. These entities were selected for inclusion based on criteria as set forth in GASB 14, The Reporting Entity, GASB 39, Determining Whether Certain Organizations Are Components Units, GASB 61, Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34 and GASB 80, Blending Requirements for Certain Component Units - an amendment of GASB Statement No 14. Complete financial statements for these component units can be obtained from each respective administrative office at the addresses listed below.

The Foundation is discretely presented on the face of the financial statements, as prescribed by GASB 14, amended by GASB 39, and further amended by GASB 61. The entity qualifies as discretely presented according to GASB 14, paragraph 40a, because of the nature and significance of its relationship with the University. This relationship meets the direct benefit, access to economic resources and significance of resources criteria. The other component units are blended because the University either completely controls its activities or the entity provide services entirely, or almost entirely to the University in accordance with GASB 39 and GASB 80.

Arrowhead Center, Inc. Arrowhead Center, Inc., a blended component unit, was organized pursuant to the provisions of the State of New Mexico University Research Park Act of 1989. Its purposes are to promote and contribute to economic development and protect, license, and market intellectual property developed by faculty, staff, and students of the University, as well as members of the community, in order to further research and economic development for the State of New Mexico. Arrowhead Center, Inc.'s address is: Arrowhead Center, Inc., MSC 3CR, P.O. Box 30001, Las Cruces, NM 88003.

Summary of Arrowhead Center, Inc. financial information as of June 30, 2024 and 2023, and for the fiscal years then ended follows:

	2024	2023
Net Position		
Total assets	\$ 15,790,204	\$ 16,098,085
Total liabilities	784,787	805,299
Deferred inflows of resources	12,946,194	13,278,710
Total net position	<u>\$ 2,059,223</u>	<u>\$ 2,014,076</u>
Changes in Net Position		
Total revenues	\$ 1,086,039	\$ 1,098,128
Total expenditures	<u>1,040,892</u>	<u>809,230</u>
Change in net position	45,147	288,898
Net position, beginning	<u>2,014,076</u>	<u>1,725,178</u>
Net position, ending	<u>\$ 2,059,223</u>	<u>\$ 2,014,076</u>

The New Mexico State University Foundation, Inc. The Foundation is a non-profit corporation formed for the purpose of obtaining and disbursing funds for the sole benefit of the University. It is a discrete component unit of the University with financial information presented in a separate column in the University's financial statements. Separate audited financial statements are prepared in accordance with the Financial Accounting Standards Board (FASB). The Foundation's address is: New Mexico State University Foundation, Inc., P.O. Box 3590, Las Cruces, NM 88003.

Aggie Development, Inc. Aggie Development, Inc., was organized pursuant to the provisions of the State of New Mexico University Research Park Act of 1989. The corporation was established to benefit the University by (1) managing and developing designated University real estate and water rights; (2) contributing all of the corporation's net revenues to the University; and (3) enhancing learning opportunities for students. Since inception, Aggie Development Inc. did not meet the materiality threshold that requires audited financial statements and therefore its activity is included in the NMSU audited financial statements, but no separate details are presented herein. Aggie Development, Inc.'s address is: Aggie Development, Inc., P.O. Box 3145, Las Cruces, NM 88003.

Note 12 – Contingent Liabilities

The University has evaluated contingent liabilities from the Statement of Net Position date through October 25, 2024, the date at which the financial statements were available to be issued, and determined there are no additional items to disclose.

Note 13 – Natural Classification Operating Expenses

The University's and Discrete Component Unit's operating expenses by natural classification were as follows:

	2024		2023	
	University	Component Unit	University	Component Unit
Operating Expenses				
Salaries				
Faculty	\$109,175,712	\$ -	\$100,116,140	\$ -
Exempt staff	130,753,127	8,306,640	119,039,581	5,571,449
Non-exempt staff	16,504,773	-	15,213,713	-
Student/graduate assistant	36,303,347	248,954	35,926,411	122,446
Other compensation	7,423,162	-	5,270,325	-
Total salaries	<u>300,160,121</u>	<u>8,555,594</u>	<u>275,566,170</u>	<u>5,693,895</u>
Other Operating Expenses				
Benefits*	(45,308,754)	-	62,833,862	-
Travel	15,449,385	367,676	14,168,740	496,100
Scholarship and fellowships and other program support	59,533,704	-	59,227,648	16,038,416
Utilities	13,782,194	13,349,353	15,018,939	-
Professional fees	36,333,073	2,153,839	45,297,418	790,211
Supplies and other services	107,404,546	2,742,582	99,669,595	1,700,859
Depreciation and amortization	41,415,750	29,299	36,818,625	5,807
Total operating expenses	<u>\$528,770,019</u>	<u>\$ 27,198,343</u>	<u>\$608,600,997</u>	<u>\$ 24,725,288</u>

* Benefits expense for 2024 was impacted by the change in pension liability.

Note 14 – Unrestricted Net Position

Unrestricted net position supports the missions of the University in current and future years. The following is a breakdown of the University's unrestricted net position as of June 30, 2024:

	2024	2023
Unrestricted Net Position	\$ (451,220,529)	\$ (635,243,575)
Add: Unfunded Pension	535,942,504	674,686,743
Add: Long-Term Compensated Absences	16,159,459	15,415,132
Add: Other Post Employment Benefits	151,534,614	157,114,124
Adjusted Unrestricted Net Position	<u>252,416,048</u>	<u>211,972,424</u>
Unrestricted - Instruction and General	\$ 63,081,899	\$ 54,038,132
Unrestricted - Research	42,310,836	36,791,044
Unrestricted - Public Service	14,304,861	19,334,103
Unrestricted - Other	17,739,684	7,542,533
Quasi Endowments Funds	17,805,457	16,624,826
Renewals and Replacements - Buildings	35,530,785	23,131,489
Renewals and Replacements - Auxiliary Enterprises	5,819,865	4,375,242
Renewals and Replacements - Internal Services Units	6,722,346	6,133,046
Renewals and Replacements - Equipment	7,176,072	2,994,829
Unexpended plant - Designated to Projects	20,900,514	17,138,557
Unexpended plant - Future Projects/Contingency	21,023,729	23,868,623
Total	<u>\$ 252,416,048</u>	<u>\$ 211,972,424</u>

Note 15 – Tax Abatements

NMSU does not collect tax revenue nor does it enter into any individual tax abatement agreements. NMSU receives funding through appropriations from the State of New Mexico and the amounts of such appropriations to NMSU may be indirectly affected by Tax Abatement agreements entered into by the State of New Mexico. As a taxing authority, the State of New Mexico has the ability to collect tax revenue and enter into individual tax abatement agreements. The State of New Mexico is required under GASB 77 to provide detailed disclosure regarding its tax abatement agreements in its annual comprehensive financial report (ACFR). No University revenue was impacted by abatement agreements.

Note 16 – New Accounting Standards

GASB Statement No. 99 (*Omnibus 2022*) will become effective from immediate to fiscal year 2024. This statement is intended to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. The statement addresses updates to the following:

- Clarification to GASB 87 and GASB 96 related to lease accounting and reporting.
- Guidance relating to accounting for activity in Supplemental Nutrition Assistance Program (SNAP) programs.

The implementation of this standard had no material impacts on the University's reporting for this year.

GASB Statement No. 100 (*Accounting Changes and Error Corrections—An Amendment of GASB Statement No. 62*) will become effective for fiscal year 2024. This statement serves to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information. The University determined no such situations existed that required additional disclosure or reporting.

GASB Statement No. 101 (*Compensated Absences*) will become effective for fiscal year 2025. The statement provides updates for accounting and reporting for compensated absences. The University has not yet determined the impact of this statement.

GASB Statement No. 102 (*Certain Risk Disclosure*) will become effective for fiscal year 2025. The statement serves to provide users of government financial statements with essential information about risks related to an entity's vulnerabilities due to the variety of risks they face. The University has not yet determined the impact of this statement.

GASB Statement No. 103 (*Financial Reporting Model Improvements*) will become effective for fiscal year 2026. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing an entity's accountability. The University has not yet determined the impact of this statement.

Note 17 – Subsequent Events

The University has evaluated subsequent events from the balance sheet date through October 25, 2024, the date at which the financial statements were available to be issued, and determined there are no additional items to disclose.

Schedule 1 - Schedule of Changes in Total OPEB liability and Related Ratios. (unaudited)

	2024	2023
Total OPEB liability		
Service Cost	\$ 4,103,976	\$ 3,955,254
Interest	4,827,029	4,626,588
Current Recognized deferred outflows/(inflows):		
Difference between expected and actual experience	(5,184,028)	-
Changes of assumptions or other inputs	10,287,807	(1,881,681)
Benefit payments	<u>(5,031,414)</u>	<u>(5,560,742)</u>
Net change in total OPEB liability	\$ 9,003,370	\$ 1,139,419
Total OPEB liability-beginning	\$ 130,659,104	\$ 129,519,685
Total OPEB liability-ending	\$ 139,662,474	\$ 130,659,104
Covered-employee payroll	\$ 111,226,833	\$ 119,786,000
Total OPEB liability as a percentage of covered-employee payroll	126 %	109 %

	2022	2021	2020	2019	2018
Total OPEB liability					
Service Cost	\$ 6,725,906	\$ 6,497,191	\$ 5,787,303	\$ 5,127,283	\$ 4,936,250
Interest	3,801,542	3,745,243	5,208,772	5,268,892	5,291,343
Current Recognized deferred outflows/(inflows):					
Difference between expected and actual experience	(20,103,342)	-	(13,724,348)	-	-
Changes of assumptions or other inputs	(27,753,429)	1,339,732	28,160,992	7,135,616	(5,357,825)
Benefit payments	<u>(4,844,785)</u>	<u>(5,718,396)</u>	<u>(5,274,882)</u>	<u>(5,758,812)</u>	<u>(5,523,530)</u>
Net change in total OPEB liability	\$ (42,174,108)	\$ 5,863,770	\$ 20,157,837	\$ 11,772,979	\$ (653,762)
Total OPEB liability-beginning	\$ 171,693,793	\$ 165,830,023	\$ 145,672,186	\$ 133,899,207	\$ 134,552,969
Total OPEB liability-ending	\$ 129,519,685	\$ 171,693,793	\$ 165,830,023	\$ 145,672,186	\$ 133,899,207
Covered-employee payroll	\$ 116,864,662	\$ 135,947,000	\$ 131,987,721	\$ 153,961,000	\$ 150,205,439
Total OPEB liability as a percentage of covered-employee payroll	111 %	126 %	126 %	95 %	89 %

	2024	2023	2022	2021	2020	2019	2018
Current retirees receiving benef	1,720	1,727	1,779	1,880	1,802	1,740	1,716
Current active members	1,383	1,494	1,676	1,938	2,052	2,366	2,594

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, the University is showing seven year's presentation. No assets are accumulated in a trust to pay the related benefits. The discount rate is the only applicable change in the valuation.

Schedule 2 - Schedule of Proportionate Share of Net Pension Liability and Employer Contributions (unaudited)**Schedule of Proportionate Share of Net Pension Liability - ERB Plan**

	2024	2023	2022	2021	2020
University's proportion of the net pension liability	5.43796%	5.71054%	6.10970%	6.20355%	6.43137 %
University's proportion share of the net pension liability	\$ 472,247,945	\$ 480,925,203	\$ 433,022,953	\$ 1,257,204,608	\$ 487,324,359
University's covered-employee payroll	\$ 215,948,869	\$ 203,545,335	\$ 205,566,001	\$ 206,801,497	\$ 196,414,377
University's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	218.69 %	236.27 %	210.65 %	607.93 %	248.11 %
Plan fiduciary net position as a percentage of the total pension liability	65.19%	64.87%	69.77%	39.11 %	64.13 %

	2019	2018	2017	2016	2015
University's proportion of the net pension liability	6.66230 %	6.75462 %	7.05471 %	7.31378 %	7.56103 %
University's proportion share of the net pension liability	\$ 792,236,144	\$ 750,673,479	\$ 507,687,518	\$ 473,733,007	\$ 431,412,011
University's covered-employee payroll	\$ 193,115,948	\$ 194,360,458	\$ 201,383,448	\$ 199,689,623	\$ 229,696,230
University's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	410.24 %	386.23 %	252.10 %	237.23 %	187.82 %
Plan fiduciary net position as a percentage of the total pension liability	52.17 %	52.95 %	61.58 %	63.97 %	66.54 %

Schedule of Employer Contributions - ERB Plan

	2024	2023	2022	2021	2020
Statutorily required employer contribution	\$ 42,226,674	\$ 36,040,077	\$ 29,432,003	\$ 28,041,065	\$ 28,188,265
Contribution in relation to the statutorily required contribution	<u>42,226,674</u>	<u>36,040,077</u>	<u>29,432,003</u>	<u>28,041,065</u>	<u>28,188,265</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
University's covered-employee payroll	236,765,823	215,948,869	203,545,335	205,566,001	206,801,497
Contributions as percentage of covered-employee payroll	17.83 %	16.69 %	14.46 %	13.64 %	13.63 %

	2019	2018	2017	2016	2015
Statutorily required employer contribution	\$ 26,135,142	\$ 25,880,341	\$ 26,736,537	\$ 28,006,297	\$ 31,140,209
Contribution in relation to the statutorily required contribution	<u>26,135,142</u>	<u>25,880,341</u>	<u>26,736,537</u>	<u>28,006,297</u>	<u>31,140,209</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
University's covered-employee payroll	196,414,377	193,115,948	194,360,458	201,383,448	199,689,623
Contributions as percentage of covered-employee payroll	13.31 %	13.40 %	13.76 %	13.91 %	15.59 %

The schedule of proportionate share of net pension liability and the schedule of employer contributions present multiyear trend information for the last ten fiscal years.

Schedule 3 - Combining Statement of Net Position

	Main Campus 2024	Alamogordo Campus 2024	Dona Ana Campus 2024	Grants Campus 2024	Arrowhead Center, Inc. 2024	Total 2024
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 6,787,567	\$ 3,102,026	\$ 26,221,967	\$ 10,933,393	\$ 1,648,579	\$ 59,626,925
Restricted cash and cash equivalents	9,749,697	33,794	262,967	79,859	-	10,206,176
Cash and cash equivalents held in trust by component unit for NMSU	2,072,259	-	-	-	-	2,072,259
Cash and cash equivalents held in trust by others	25,380,907	-	-	-	-	25,380,907
Short-term investments	54,747,123	-	-	-	-	54,747,123
Accounts receivable, net	79,486,973	1,167,533	8,879,827	1,105,301	129,914	91,874,849
Due from component unit	1,656,156	-	-	-	-	1,656,156
Inventories	4,070,033	-	-	-	-	4,070,033
Prepaid expenses	818,662	-	-	-	-	818,662
Long-term receivable - current portion	41,965	-	-	-	320,267	362,232
Total current assets	<u>184,811,342</u>	<u>4,303,353</u>	<u>35,364,761</u>	<u>12,118,553</u>	<u>2,098,760</u>	<u>250,815,322</u>
Non-current assets:						
Unrestricted cash and cash equivalents	22,603,866	10,744,907	7,419,814	5,279,581	-	51,327,749
Restricted cash and cash equivalents	28,580,417	800,684	17,725,350	1,719,350	-	50,545,151
Investments held in trust by component unit for NMSU	83,562,716	182,541	3,839,078	544,981	-	88,674,297
Other long-term investments	64,179,504	-	-	-	73,528	64,253,032
Long-term receivable	5,681,659	-	625,000	-	12,625,927	18,932,586
Capital assets, net	416,623,387	13,752,840	61,310,367	14,430,560	991,989	521,539,703
Total non-current assets	<u>621,231,549</u>	<u>25,480,972</u>	<u>90,919,609</u>	<u>21,974,472</u>	<u>13,691,444</u>	<u>795,272,518</u>
TOTAL ASSETS	<u>806,042,891</u>	<u>29,784,325</u>	<u>126,284,370</u>	<u>34,093,025</u>	<u>15,790,204</u>	<u>1,046,087,840</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>53,077,788</u>	<u>1,371,961</u>	<u>6,400,087</u>	<u>1,415,812</u>	<u>-</u>	<u>63,681,460</u>
LIABILITIES						
Current liabilities:						
Accounts payable	21,284,605	133,647	2,522,182	570,124	68,633	25,149,315
Other accrued liabilities	22,639,379	-	-	-	-	22,639,379
Accrued interest payable	1,133,866	-	-	-	-	1,133,866
Unearned revenue	18,369,786	590,678	5,591,847	506,846	-	25,566,003
Held in trust by NMSU	2,176,832	-	-	-	-	2,176,832
Long-term liabilities - current portion	22,334,424	-	-	-	-	22,334,424
Total current liabilities	<u>87,938,892</u>	<u>724,325</u>	<u>8,114,029</u>	<u>1,076,970</u>	<u>68,633</u>	<u>98,999,819</u>
Non-current liabilities:						
Accrued benefit reserves	659,630	-	-	-	-	659,630
Other long-term liabilities	138,367,329	-	-	-	716,154	139,083,483
Net pension liability	403,355,279	10,304,789	48,255,549	5,166,164	-	472,247,945
Other post-employment benefit liability	114,225,123	3,047,536	14,216,507	1,570,947	-	134,631,060
Total non-current liabilities	<u>656,607,361</u>	<u>13,352,325</u>	<u>62,472,056</u>	<u>6,737,111</u>	<u>716,154</u>	<u>746,622,118</u>
TOTAL LIABILITIES	<u>744,546,253</u>	<u>14,076,650</u>	<u>70,586,085</u>	<u>7,814,081</u>	<u>784,787</u>	<u>845,621,937</u>
DEFERRED INFLOWS OF RESOURCES	<u>123,750,475</u>	<u>2,815,830</u>	<u>13,135,620</u>	<u>1,451,507</u>	<u>12,946,194</u>	<u>155,551,133</u>
NET POSITION						
Net investment in capital assets	312,643,314	13,752,840	62,235,367	14,423,560	-	417,478,641
Restricted for:						
Non-expendable:						
Endowments	51,561,331	995,000	17,359,325	1,737,481	-	73,390,618
Expendable:						
Endowments	508,589	-	-	-	-	508,589
General activities	7,028,075	-	-	200	-	7,028,475
Federal student loans	3,793,336	18,674	156,755	71,761	-	4,112,287
Capital projects	48,786,552	135,996	4,261,711	884,169	-	54,952,597
Related entity activities	(4,825,252)	182,541	3,839,078	544,981	2,059,223	2,345,552
Unrestricted	(428,679,400)	(821,246)	(38,881,539)	8,580,828	-	(451,220,529)
TOTAL NET POSITION	<u>\$ (9,183,455)</u>	<u>\$ 14,263,805</u>	<u>\$ 48,970,697</u>	<u>\$ 26,242,980</u>	<u>\$ 2,059,223</u>	<u>\$ 108,596,230</u>

See accompanying independent auditor's report.

Schedule 3 - Combining Statement of Net Position

	New Mexico State University 2023	Alamogordo Campus 2023	Dona Ana Campus 2023	Grants Campus 2023	Arrowhead Center, Inc. 2023	Total 2023
ASSETS						
Current assets:						
Cash and cash equivalents	\$ (13,199,813)	\$ 2,345,604	\$ 25,495,358	\$ 8,977,162	\$ 1,859,606	\$ 25,477,917
Restricted cash and cash equivalents	11,328,044	59,685	275,679	24,838	104,227	11,792,473
Cash and cash equivalents held in trust by component unit for NMSU	2,901,882	-	-	-	-	2,901,882
Cash and cash equivalents held in trust by others	29,181,248	-	-	-	-	29,181,248
Short-term investments	42,810,367	-	-	-	-	42,810,367
Accounts receivable, net	95,696,722	1,637,882	10,286,941	1,583,753	58,936	109,264,234
Due from component unit	2,032,635	-	-	-	-	2,032,635
Inventories	4,040,135	-	9,772	-	-	4,049,907
Prepaid expenses	798,574	-	-	-	-	798,574
Long-term receivable - current portion	526,083	-	-	-	313,814	839,897
Total current assets	<u>176,115,877</u>	<u>4,043,171</u>	<u>36,067,750</u>	<u>10,585,753</u>	<u>2,336,583</u>	<u>229,149,134</u>
Non-current assets:						
Unrestricted cash and cash equivalents	31,010,028	-	8,834,981	5,087,521	-	44,932,530
Restricted cash and cash equivalents	(13,118,246)	9,209,527	21,363,554	-	-	17,454,835
Investments held in trust by component unit for NMSU	73,312,167	183,945	2,842,863	562,370	-	76,901,345
Other long-term investments	62,627,922	-	-	-	73,528	62,701,450
Long-term receivable	3,515,093	-	925,000	-	12,964,897	17,404,990
Capital assets, net	411,773,601	14,462,413	53,367,123	13,461,158	723,077	493,787,372
Total non-current assets	<u>569,120,565</u>	<u>23,855,885</u>	<u>87,333,521</u>	<u>19,111,049</u>	<u>13,761,502</u>	<u>713,182,522</u>
TOTAL ASSETS	<u><u>745,236,442</u></u>	<u><u>27,899,056</u></u>	<u><u>123,401,271</u></u>	<u><u>29,696,802</u></u>	<u><u>16,098,085</u></u>	<u><u>942,331,656</u></u>
DEFERRED OUTFLOWS OF RESOURCES						
	<u>114,820,218</u>	<u>3,001,738</u>	<u>13,503,898</u>	<u>1,415,812</u>	<u>-</u>	<u>132,741,666</u>
LIABILITIES						
Current liabilities:						
Accounts payable	27,805,040	312,212	1,222,128	53,841	51,349	29,444,570
Other accrued liabilities	29,336,212	-	-	-	-	29,336,212
Accrued interest payable	1,227,561	-	-	-	-	1,227,561
Unearned revenue	9,862,423	407,116	5,321,274	305,873	30,873	15,927,559
Held in trust by NMSU	745,690	-	-	-	-	745,690
Long-term liabilities - current portion	20,031,822	-	-	-	-	20,031,822
Total current liabilities	<u>89,008,748</u>	<u>719,328</u>	<u>6,543,402</u>	<u>359,714</u>	<u>82,222</u>	<u>96,713,414</u>
Non-current liabilities:						
Accrued benefit reserves	659,630	-	-	-	-	659,630
Other long-term liabilities	145,259,469	-	-	-	723,077	145,982,546
Net pension liability	415,531,557	10,953,053	49,274,429	5,166,164	-	480,925,203
Other post-employment benefit liability	107,332,033	2,975,756	13,387,015	1,403,558	-	125,098,362
Total non-current liabilities	<u>668,782,689</u>	<u>13,928,809</u>	<u>62,661,444</u>	<u>6,569,722</u>	<u>723,077</u>	<u>752,665,741</u>
TOTAL LIABILITIES	<u><u>757,791,437</u></u>	<u><u>14,648,137</u></u>	<u><u>69,204,846</u></u>	<u><u>6,929,436</u></u>	<u><u>805,299</u></u>	<u><u>849,379,155</u></u>
DEFERRED INFLOWS OF RESOURCES						
	<u>308,328,118</u>	<u>7,646,181</u>	<u>34,397,826</u>	<u>3,606,431</u>	<u>13,278,710</u>	<u>367,257,266</u>
NET POSITION						
Net investment in capital assets	308,954,708	14,462,413	54,292,123	13,454,158	-	391,163,402
Restricted for:						
Non-expendable:						
Endowments	58,928,546	183,945	2,842,863	562,370	-	62,517,724
Expendable:						
Endowments	1,610,348	-	-	-	-	1,610,348
General activities	6,656,843	34,002	171,608	23,489	-	6,885,942
Federal student loans	4,718,133	-	-	200	-	4,718,333
Capital projects	2,226,980	-	22,390,525	3,481	-	24,620,986
Related entity activities	(8,462,989)	385,343	7,195,841	1,031,470	2,014,076	2,163,741
Unrestricted	(580,695,464)	(6,459,227)	(53,590,464)	5,501,580	-	(635,243,575)
TOTAL NET POSITION	<u><u>\$ (206,062,895)</u></u>	<u><u>\$ 8,606,476</u></u>	<u><u>\$ 33,302,496</u></u>	<u><u>\$ 20,576,748</u></u>	<u><u>\$ 2,014,076</u></u>	<u><u>\$ (141,563,099)</u></u>

See accompanying independent auditor's report.

Schedule 4 - Combining Statement of Revenues, Expenses, and Changes in Net Position

	New Mexico State University 2024	Alamogordo Campus 2024	Dona Ana Campus 2024	Grants Campus 2024	Arrowhead Center, Inc 2024	Total 2024
REVENUES						
Operating revenues:						
Student tuition and fees (gross)	\$ 121,471,105	\$ 1,653,887	\$ 12,061,675	\$ 1,095,442	\$ -	\$ 136,282,109
Less: scholarship allowances	<u>(80,504,558)</u>	<u>(878,761)</u>	<u>(8,522,153)</u>	<u>(595,819)</u>	<u>-</u>	<u>(90,501,291)</u>
Student tuition and fees (net)	40,966,547	775,126	3,539,522	499,623	-	45,780,818
Federal appropriations, grants and contracts	112,425,744	942,605	3,832,302	579,912	-	117,780,563
State grants and contracts	12,900,406	1,173,830	6,588,890	788,778	-	21,451,904
Local Appropriations, grants and contracts	3,528,869	-	2,000	-	-	3,530,869
Non-governmental grants, contracts and gifts	8,208,628	1,500	102,496	2,569	-	8,315,193
Sales and services	4,852,621	12,757	373,946	86,115	-	5,325,439
Auxiliary enterprises (net of scholarship allowances)	6,189,293	-	-	-	-	6,189,293
Other operating revenues	<u>32,522,063</u>	<u>55,851</u>	<u>883,296</u>	<u>17,660</u>	<u>-</u>	<u>33,478,870</u>
Total operating revenues	<u>221,594,171</u>	<u>2,961,669</u>	<u>15,322,452</u>	<u>1,974,657</u>	<u>-</u>	<u>241,852,949</u>
EXPENSES						
Operating expenses:						
Instruction	87,461,792	4,527,528	26,578,058	2,223,049	-	120,790,427
Research	86,032,223	492,028	16,078	-	-	86,540,329
Public service	54,589,714	469,321	1,244,390	178,092	-	56,481,517
Academic support	18,226,769	1,334,636	6,357,986	959,209	-	26,878,600
Student services	9,698,809	930,076	3,815,482	756,309	-	15,200,676
Institutional support	16,988,314	1,515,438	7,155,399	766,976	-	26,426,127
Operation and maintenance of plant	32,184,312	2,066,061	5,396,241	299,907	-	39,946,521
Scholarships and fellowships	34,341,759	1,639,678	11,266,230	1,213,777	-	48,461,444
Auxiliary enterprises	11,235,550	2,676	240,836	14,308	-	11,493,370
Independent operations	24,060,745	-	-	-	-	24,060,745
Intercollegiate athletics	26,129,385	-	-	-	-	26,129,385
Student social and cultural	2,904,837	5,233	1,664,849	3,418	-	4,578,337
Loan administration (net)	366,791	-	-	-	-	366,791
Depreciation and amortization	<u>35,402,697</u>	<u>1,237,924</u>	<u>3,912,850</u>	<u>862,279</u>	<u>-</u>	<u>41,415,750</u>
Total operating expenses	<u>439,623,697</u>	<u>14,220,599</u>	<u>67,648,399</u>	<u>7,277,324</u>	<u>-</u>	<u>528,770,019</u>
Net operating loss	<u>(218,029,526)</u>	<u>(11,258,930)</u>	<u>(52,325,947)</u>	<u>(5,302,667)</u>	<u>-</u>	<u>(286,917,070)</u>
Non-operating revenues (expenses):						
State appropriations	246,676,977	8,796,385	28,406,007	4,267,000	-	288,146,369
Federal Pell grants	30,204,025	1,612,706	13,151,123	1,145,325	-	46,113,179
State lottery scholarship	19,973,488	60,309	663,973	50,111	-	20,747,881
New Mexico opportunity scholarship	42,367,019	-	-	-	-	42,367,019
Local tax levy revenue	-	857,630	7,077,044	317,026	-	8,251,700
Gifts and non-exchange grants	11,619,691	26,443	407,610	69,189	-	12,122,933
Investment income	21,485,474	366,758	1,786,874	412,989	-	24,052,095
Building fees	3,727,323	46,169	400,000	-	-	4,173,492
Land lease and permanent fund	14,275,261	-	-	-	-	14,275,261
Loss on disposal of plant	(295,927)	(4,931)	(52,040)	(255,102)	-	(608,000)
Additions to quasi endowments	18,996	-	-	-	-	18,996
Interest and other expenses on capital asset-related debt	(4,255,748)	-	-	-	-	(4,255,748)
Other non-operating revenues (expenses)	<u>(8,656,544)</u>	<u>3,527,711</u>	<u>10,997,295</u>	<u>1,997,507</u>	<u>45,147</u>	<u>7,911,116</u>
Net non-operating revenues	<u>377,140,035</u>	<u>15,289,180</u>	<u>62,837,886</u>	<u>8,004,045</u>	<u>45,147</u>	<u>463,316,293</u>
Income before other revenues	159,110,509	4,030,250	10,511,939	2,701,378	45,147	176,399,223
Capital appropriations	62,126,874	474,709	1,803,145	1,139,227	-	65,543,955
Capital grants, gifts, and other income	(815,439)	1,153,773	2,356,903	1,843,015	-	4,538,252
Additions to permanent endowments	2,700,476	(1,403)	996,215	(17,389)	-	3,677,899
Special item - Carlsbad separation	-	-	-	-	-	-
Increase in net position	<u>223,122,420</u>	<u>5,657,329</u>	<u>15,668,202</u>	<u>5,666,231</u>	<u>45,147</u>	<u>250,159,329</u>
NET POSITION						
Beginning of year	<u>(206,062,895)</u>	<u>8,606,476</u>	<u>33,302,496</u>	<u>20,576,748</u>	<u>2,014,076</u>	<u>(141,563,099)</u>
End of year	<u>\$ 17,059,525</u>	<u>\$ 14,263,805</u>	<u>\$ 48,970,698</u>	<u>\$ 26,242,979</u>	<u>\$ 2,059,223</u>	<u>\$ 108,596,230</u>

See accompanying independent auditor's report.

Schedule 4 - Combining Statement of Revenues, Expenses, and Changes in Net Position

	New Mexico State University Campus 2023	Alamogordo Campus 2023	Dona Ana Campus 2023	Grants Campus 2023	Arrowhead Center, Inc 2023	Total 2023
REVENUES						
Operating revenues:						
Student tuition and fees (gross)	\$ 116,529,511	\$ 1,487,854	\$ 10,686,733	\$ 1,159,790	\$ -	\$ 129,863,888
Less: scholarship allowances	(70,632,225)	(742,341)	(7,622,340)	(523,382)	-	(79,520,288)
Student tuition and fees (net)	45,897,286	745,513	3,064,393	636,408	-	50,343,600
Federal appropriations, grants and contracts	102,951,311	1,157,960	2,655,203	475,237	-	107,239,711
State grants and contracts	9,918,282	575,344	3,222,090	385,050	-	14,100,766
Local Appropriations, grants and contracts	3,437,996	-	2,000	-	-	3,439,996
Non-governmental grants, contracts and gifts	7,506,033	-	32,829	213	-	7,539,075
Sales and services	9,602,114	13,103	340,488	88,592	-	10,044,297
Auxiliary enterprises (net of scholarship allowances)	8,843,899	-	-	-	-	8,843,899
Other operating revenues	24,685,860	79,475	694,283	88,593	-	25,548,211
Total operating revenues	<u>212,842,781</u>	<u>2,571,395</u>	<u>10,011,286</u>	<u>1,674,093</u>	<u>-</u>	<u>227,099,555</u>
EXPENSES						
Operating expenses:						
Instruction	118,413,622	4,371,042	24,180,372	2,193,770	-	149,158,806
Research	101,803,042	616,658	16,651	-	-	102,436,351
Public service	57,552,638	503,786	931,100	128,003	-	59,115,527
Academic support	23,546,379	1,238,317	5,415,480	490,500	-	30,690,676
Student services	12,981,284	749,457	3,568,728	712,287	-	18,011,756
Institutional support	25,325,222	1,437,000	6,043,501	680,380	-	33,486,163
Operation and maintenance of plant	46,014,155	658,157	3,011,144	(1,622,240)	-	48,061,216
Scholarships and fellowships	34,606,363	1,333,476	10,759,163	1,084,191	-	47,783,193
Auxiliary enterprises	24,624,488	2,364	193,655	17,027	-	24,837,534
Independent operations	24,717,686	-	-	-	-	24,717,686
Intercollegiate athletics	28,641,896	-	-	-	-	28,641,896
Student social and cultural	3,887,825	350	416,115	298	-	4,304,588
Loan administration (net)	536,980	-	-	-	-	536,980
Depreciation and amortization	31,302,948	1,198,427	3,559,304	757,946	-	36,818,625
Total operating expenses	<u>533,954,528</u>	<u>12,109,094</u>	<u>58,095,213</u>	<u>4,442,162</u>	<u>-</u>	<u>608,600,997</u>
Net operating loss	<u>(321,111,747)</u>	<u>(9,537,699)</u>	<u>(48,083,927)</u>	<u>(2,768,069)</u>	<u>-</u>	<u>(381,501,442)</u>
Non-operating revenues (expenses):						
State appropriations	230,826,494	8,029,429	27,988,471	4,730,800	-	271,575,194
Federal Pell grants	27,726,543	1,237,361	11,358,899	1,052,516	-	41,375,319
State lottery scholarship	19,148,912	69,288	628,822	26,141	-	19,873,163
New Mexico opportunity scholarship	34,960,973	468,786	3,266,659	323,693	-	39,020,111
Local tax levy revenue	1	811,254	6,871,380	318,932	-	8,001,567
Gifts and non-exchange grants	12,402,886	26,850	554,262	60,757	-	13,044,755
Investment income	11,018,249	147,552	1,085,417	172,483	-	12,423,701
Building fees	3,606,117	41,095	400,000	-	-	4,047,212
Land lease and permanent fund	5,061,753	-	-	-	-	5,061,753
Loss on disposal of plant	(51,408)	-	(3,733)	-	-	(55,141)
Gain on sale of land	108,782	-	-	-	-	108,782
Additions to quasi endowments	72,424	-	-	-	-	72,424
Interest and other expenses on capital asset-related debt	(4,025,980)	-	-	-	-	(4,025,980)
Other non-operating revenues (expenses)	(1,742,801)	1,916,847	12,754,692	(58,320)	288,898	13,159,316
Net non-operating revenues	<u>339,112,945</u>	<u>12,748,462</u>	<u>64,904,869</u>	<u>6,627,002</u>	<u>288,898</u>	<u>423,682,176</u>
Income before other revenues	18,001,198	3,210,763	16,820,942	3,858,933	288,898	42,180,734
Capital appropriations	19,066,332	580,710	12,974,291	153,464	-	32,774,797
Capital grants, gifts, and other income	3,229,238	82,726	518,483	86,998	-	3,917,445
Additions to permanent endowments	25,713,846	1,403	2,504,407	17,389	-	28,237,045
Increase in net position	<u>66,010,614</u>	<u>3,875,602</u>	<u>32,818,123</u>	<u>4,116,784</u>	<u>288,898</u>	<u>107,110,021</u>
NET POSITION						
Beginning of year	(272,073,509)	4,730,874	484,373	16,459,964	1,725,178	(248,673,120)
End of year	<u>\$ (206,062,895)</u>	<u>\$ 8,606,476</u>	<u>\$ 33,302,496</u>	<u>\$ 20,576,748</u>	<u>\$ 2,014,076</u>	<u>\$ (141,563,099)</u>

See accompanying independent auditor's report.

Schedule 5A - Budgetary Comparison Schedules - Unrestricted and Restricted - All Operations for June 30, 2024

	Original Budget	Revised Budget	Actuals	Revised Budget vs Actuals - Variance Favorable (Unfavorable)
Unrestricted and restricted beginning fund balance	\$ 138,084,729	\$ 229,143,073	\$ 229,143,073	\$ -
Unrestricted and restricted revenues:				
State government appropriations	268,269,200	289,148,653	288,146,369	(1,002,284)
Federal revenue sources	177,108,303	210,596,333	172,764,120	(37,832,213)
Tuition and fees income	130,361,309	137,537,921	137,244,368	(293,553)
Land and permanent fund	7,897,386	18,362,954	17,306,633	(1,056,321)
Endowment and private gifts	19,498,770	30,846,764	19,550,695	(11,296,069)
Other sources	204,531,713	312,794,938	257,778,543	(55,016,395)
Total unrestricted and restricted revenues	<u>807,666,681</u>	<u>999,287,563</u>	<u>892,790,728</u>	<u>(106,496,835)</u>
Unrestricted and restricted expenditures:				
Instruction	193,009,001	217,708,992	176,507,196	41,201,796
Academic support	38,030,105	57,912,708	43,367,903	14,544,805
Student services	24,995,167	24,475,450	21,813,593	2,661,857
Institutional support	36,791,313	40,409,007	36,904,921	3,504,086
Operation and maintenance	31,815,039	37,709,496	30,398,554	7,310,942
Subtotal instruction and general	<u>324,640,625</u>	<u>378,215,653</u>	<u>308,992,167</u>	<u>69,223,486</u>
Student social and cultural activities	4,785,184	6,953,792	5,557,739	1,396,053
Research	123,183,164	151,532,617	133,165,699	18,366,918
Public service	65,290,303	84,196,898	76,963,395	7,233,503
Internal services	34,634	6,080,273	(1,107,553)	7,187,826
Student aid, grants and stipends	153,582,800	173,534,791	142,308,455	31,226,336
Auxiliary services	17,234,183	18,510,971	15,996,344	2,514,627
Intercollegiate athletics	25,597,136	36,761,074	31,977,677	4,783,397
Independent operations	24,660,479	36,639,134	28,514,559	8,124,575
Capital outlay	78,139,825	119,948,066	58,012,659	61,935,407
Renewal and replacement	17,748,370	16,239,341	11,807,074	4,432,267
Retirement of indebtedness	12,284,001	12,018,930	11,918,930	100,000
Total unrestricted and restricted expenditures	<u>847,180,704</u>	<u>1,040,631,540</u>	<u>824,107,145</u>	<u>216,524,395</u>
Net transfers to (from)	<u>(36,966)</u>	<u>628,827</u>	<u>20,133</u>	<u>608,694</u>
Change in fund balance	<u>(39,477,057)</u>	<u>(41,972,804)</u>	<u>68,663,450</u>	<u>110,636,254</u>
Ending fund balance	<u>\$ 98,607,672</u>	<u>\$ 187,170,269</u>	<u>\$ 297,806,523</u>	<u>\$ 110,636,254</u>

Under title 5 of the New Mexico Administrative Code, chapter 3, part 4, paragraph 10 - Items of Budgetary Control: The total expenditures in each of the following budgetary functions will be used as the items of budgetary control. Total expenditures or transfers in each of the following items of budgetary control may not exceed the amounts shown in the approved budget: A. Unrestricted expenditures and restricted expenditures. B. Instruction and general. C. Each budget function in current funds other than instruction and general. D. Within the plant funds budget: major projects, library bonds, equipment bonds, minor capital outlay, renewals and replacements, and debt service. E. Each individual item of transfer between funds and/or functions. Budgets are presented on a modified accrual basis of accounting.

See accompanying independent auditor's report.

Schedule 5B - Budgetary Comparison Schedules - Unrestricted - Instruction and General for June 30, 2024

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actuals</u>	<u>Revised Budget vs Actuals - Variance Favorable (Unfavorable)</u>
Unrestricted beginning fund balance	\$ 19,716,806	\$ 60,791,023	\$ 60,791,023	\$ -
Unrestricted revenues:				
Tuition and fees income	115,550,009	121,879,002	121,164,344	(714,658)
State government appropriations	200,655,300	206,258,376	206,258,376	-
Local government appropriations	7,817,090	8,396,770	8,253,700	(143,070)
Federal government grants and contracts	135,890	188,819	191,974	3,155
Land and permanent fund	3,397,136	14,038,254	14,275,261	237,007
Sales and services	584,000	720,854	889,599	168,745
Other sources	20,296,447	27,212,759	28,047,255	834,496
Total unrestricted revenues	<u>348,435,872</u>	<u>378,694,834</u>	<u>379,080,509</u>	<u>385,675</u>
Unrestricted expenditures:				
Instruction	170,200,871	193,995,706	164,986,897	29,008,809
Academic support	35,477,842	50,241,130	40,498,469	9,742,661
Student services	24,634,367	23,246,599	21,262,853	1,983,746
Institutional support	36,545,829	39,258,432	36,369,895	2,888,537
Operation and maintenance	31,776,739	37,559,296	30,381,376	7,177,920
Total unrestricted expenditures	<u>298,635,648</u>	<u>344,301,163</u>	<u>293,499,490</u>	<u>50,801,673</u>
Net transfers to (from)	<u>52,166,865</u>	<u>83,244,850</u>	<u>77,930,115</u>	<u>5,314,735</u>
Change in fund balance	<u>(2,366,641)</u>	<u>(48,851,179)</u>	<u>7,650,904</u>	<u>56,502,083</u>
Ending fund balance	<u>\$ 17,350,165</u>	<u>\$ 11,939,844</u>	<u>\$ 68,441,927</u>	<u>\$ 56,502,083</u>

See accompanying independent auditor's report.

Schedule 5C- Budgetary Comparison Schedules - Restricted - Instruction and General for June 30, 2024

	Original Budget	Revised Budget	Actuals	Revised Budget vs Actuals - Variance Favorable (Unfavorable)
Restricted beginning fund balance	\$ -	\$ -	\$ -	\$ -
Restricted revenues:				
State government appropriations	-	1,000,000	-	(1,000,000)
Federal government grants and contracts	17,105,527	14,111,460	7,486,132	(6,625,328)
State government grants and contracts	2,318,755	4,745,709	2,456,503	(2,289,206)
Private gifts	6,580,695	14,057,321	5,550,042	(8,507,279)
Total restricted revenues	<u>26,004,977</u>	<u>33,914,490</u>	<u>15,492,677</u>	<u>(18,421,813)</u>
Restricted expenditures:				
Instruction	22,808,130	23,713,286	11,520,299	12,192,987
Academic support	2,552,263	7,671,578	2,869,434	4,802,144
Student services	360,800	1,228,851	550,740	678,111
Institutional support	245,484	1,150,575	535,026	615,549
Operation and maintenance	38,300	150,200	17,178	133,022
Total restricted expenditures	<u>26,004,977</u>	<u>33,914,490</u>	<u>15,492,677</u>	<u>18,421,813</u>
Net transfers to (from)	-	-	-	-
Change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditor's report.

Schedule 5 - Budgetary Comparison Schedules - Combined Campuses

Reconciliation of Budget

Unrestricted and Restricted - All Operations

For the Year Ended June 30, 2024

Total Unrestricted and Restricted Revenues:		\$ 892,790,728
Reconciling Items:		
Scholarship allowance	\$ (93,835,622)	
Elimination of Internal Revenues	(21,061,701)	
Endowment fund revenues	11,039,626	
Quasi endowment fund revenues	18,996	
Blended Component Unit Revenues (AHI, ADI)	1,620,842	
Loan Fund Additions	(193,084)	
Financial statement adjustments	<u>(3,730,556)</u>	
Total reconciling items		<u>(106,141,499)</u>
Total reconciled unrestricted and restricted revenues		<u><u>\$ 786,649,229</u></u>
Basic Financial Statements		
Operating revenues		\$ 244,709,082
Non-operating revenues		460,268,925
Non-operating revenues netted in other non-operating revenues and expenses		7,911,116
Other Revenues		<u>73,760,106</u>
Total revenues per Financial Statements		<u><u>\$ 786,649,229</u></u>
Difference		<u><u>\$ -</u></u>
Total Unrestricted and Restricted Expenses:		\$ 824,107,145
Reconciling Items:		
Scholarship allowance	\$ (93,835,622)	
Elimination of Internal Sales	(21,061,701)	
Blended Component Unit expenditures (AHI, ADI)	1,478,112	
Depreciation and amortization expense	41,415,750	
Loan fund expenditures	366,791	
Other operating expense	(4,835,163)	
Capitalization of plant	(62,807,229)	
Bond principal payments	(7,996,250)	
Pension Expense	(135,646,175)	
Accounts Payable accrual, net	(996,308)	
Budget reporting adjustments	(69,349)	
Financial statement reporting adjustments	(3,108,403)	
Loss on disposal of plant	<u>(608,000)</u>	
Total reconciling items		<u>(287,703,547)</u>
Total reconciled unrestricted and restricted expenses		<u><u>\$ 536,403,598</u></u>
Basic Financial Statements		
Operating expenditures		\$ 531,539,850
Non-operating expenditures		4,255,748
Loss on disposal of plant		<u>608,000</u>
Total Expenditures per Financial Statements		<u><u>\$ 536,403,598</u></u>
Difference		<u><u>\$ -</u></u>

See accompanying independent auditor's report.

Schedule 6 - Bank Balances, Pledged Collateral Requirements and Pledged Collateral by Financial Institution

Page 1

Account	Type of Security	CUSIP No./ Security #	Maturity Date	Fair Value of Collateral	Deposit Amount
CITIZEN'S BANK OF LAS CRUCES <i>Certificate of Deposit Endowment</i>	None				<u>\$ 31,145</u>
FIRST NATIONAL BANK OF ALAMOGORDO <i>Cash</i>	ILMC MBS-Fixed R	3128MMXB4	1/1/2033	\$ 321,918	<u>\$ 120,877</u>
WELLS FARGO BANK OF NEW MEXICO <i>Cash</i>	Liberty Mutual	190051720	N/A	\$ 38,000,000	<u>\$ 23,654,074</u>
WESTERN COMMERCE BANK, CARLSBAD <i>Cash</i>					<u>\$ 5,613</u>

Note: The Foundation is not subject to the State of New Mexico pledged collateral requirement.

See accompanying independent auditor's report.

Schedule 6 - Bank Balances, Pledged Collateral Requirements and Pledged Collateral by Financial Institution

Page 2

Account	FDIC/SPIC Insurance	Uninsured Public Funds	By the pledging Federal Institution	Excess Amounts over 50% Collateral Requirement
CITIZEN'S BANK OF LAS CRUCES				
<i>Certificate of Deposit</i>				
<i>Endowment</i>	\$ 31,145	\$ -	\$ -	\$ -
FIRST NATIONAL BANK OF ALAMOGORDO				
<i>Cash</i>	\$ 120,877	\$ -	\$ 321,918	\$ 321,918
WELLS FARGO BANK OF NEW MEXICO				
<i>Cash</i>	\$ 250,000	\$ 23,404,074	\$ 38,000,000	\$ 26,297,963

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
RESEARCH AND DEVELOPMENT CLUSTER					
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	AGRICULTURAL RESEARCH BASIC AND APPLIED		10.001	\$ 53,000	\$ 2,357,280
			10.001 Total	\$ 53,000	\$ 2,357,280
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	AGRICULTURE & FOOD RESEARCH INITIATIVE		10.310	\$ 296,859	\$ 1,448,145
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
University of Arizona	AGRICULTURE & FOOD RESEARCH INITIATIVE	2017-68005-26867	10.310	\$ -	\$ 25,735
Lehigh University	AGRICULTURE & FOOD RESEARCH INITIATIVE	2020-67022-31144	10.310	\$ -	\$ (1,041)
University of Georgia	AGRICULTURE & FOOD RESEARCH INITIATIVE	20207002038645	10.310	\$ -	\$ 24,023
Kansas State University	AGRICULTURE & FOOD RESEARCH INITIATIVE	2021-67013-33782	10.310	\$ -	\$ 4,091
Regents University of California Davis	AGRICULTURE & FOOD RESEARCH INITIATIVE	2021-68012-35914	10.310	\$ -	\$ 235,808
Regents University of California Merced	AGRICULTURE & FOOD RESEARCH INITIATIVE	2021-69012-35916	10.310	\$ -	\$ 401,510
New Mexico Institute of Mining and Technology	AGRICULTURE & FOOD RESEARCH INITIATIVE	2022-67020-36265	10.310	\$ -	\$ 73,463
University of Texas	AGRICULTURE & FOOD RESEARCH INITIATIVE	2022-67037-36259	10.310	\$ -	\$ 46,573
University of Connecticut	AGRICULTURE & FOOD RESEARCH INITIATIVE	2022-68018-36094	10.310	\$ -	\$ 142,997
Regents University of California Davis	AGRICULTURE & FOOD RESEARCH INITIATIVE	2023-67013-39623	10.310	\$ -	\$ 136,223
Auburn University	AGRICULTURE & FOOD RESEARCH INITIATIVE	2023-69016-39062	10.310	\$ -	\$ 9,150
			10.310 Total	\$ 296,859	\$ 2,546,677
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	ANIMAL HEALTH FEDERAL APPROPRIATION		10.207	\$ -	\$ 44,060
			10.207 Total	\$ -	\$ 44,060
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	COOPERATIVE EXTENSION SERVICE		10.500	\$ 172,001	\$ 250,203
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Kansas State University	COOPERATIVE EXTENSION SERVICE	2018-48661-28954	10.500	\$ -	\$ 2,059
Extension Foundation	COOPERATIVE EXTENSION SERVICE	2019-41595-30123	10.500	\$ -	\$ 8,220
Washington State University	COOPERATIVE EXTENSION SERVICE	2021-70027-34713	10.500	\$ -	\$ 63,335
Extension Foundation	COOPERATIVE EXTENSION SERVICE	2023-41595-41325	10.500	\$ -	\$ 21,300
Kansas State University	COOPERATIVE EXTENSION SERVICE	2023-48696-41232	10.500	\$ -	\$ 19,235
			10.500 Total	\$ 172,001	\$ 364,352
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	COOPERATIVE FORESTRY RESEARCH		10.202	\$ -	\$ 345,764
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
New Mexico Highlands University	COOPERATIVE FORESTRY RESEARCH	2021-70001-34772	10.202	\$ -	\$ 2,400
			10.202 Total	\$ -	\$ 348,164
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	CROP PROTECTION AND PEST MANAGEMENT		10.329	\$ -	\$ 197,176
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Regents University of California Davis	CROP PROTECTION AND PEST MANAGEMENT	2018-70006-28881	10.329	\$ -	\$ 4,445
Regents University of California Davis	CROP PROTECTION AND PEST MANAGEMENT	2022-70006-38003	10.329	\$ -	\$ 10,559
			10.329 Total	\$ -	\$ 212,180
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	DEPARTMENT OF AGRICULTURE		10.rd	\$ -	\$ 106,233
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Regents University of California Davis	DEPARTMENT OF AGRICULTURE	2021-2884-03	10.rd	\$ -	\$ 15,389
NM Energy And Minerals Department	DEPARTMENT OF AGRICULTURE	Unknown	10.rd	\$ -	\$ 7,450
			10.rd Total	\$ -	\$ 129,072
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	FARM BUSINESS MANAGEMENT AND BENCHMARKING		10.319	\$ 575,322	\$ 1,886,706
			10.319 Total	\$ 575,322	\$ 1,886,706
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	HATCH FEDERAL APPROPRIATIONS		10.203	\$ -	\$ 3,002,840
			10.203 Total	\$ -	\$ 3,002,840
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	INTERGRATED PROGRAMS		10.303	\$ -	\$ 399,167
			10.303 Total	\$ -	\$ 399,167
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	PLANT & ANIMAL DISEASE, PEST CONTROL, & ANIMAL CARE		10.025	\$ 7,946	\$ 542,533
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Colorado State University	PLANT & ANIMAL DISEASE, PEST CONTROL, & ANIMAL CARE	AP23VSD&B000C020	10.025	\$ -	\$ 672,606
			10.025 Total	\$ 7,946	\$ 1,215,139
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	PLANT MATERIALS FOR CONSERVATION		10.905	\$ -	\$ 85,033
			10.905 Total	\$ -	\$ 85,033
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	SOIL & WATER CONSERVATION		10.902	\$ 40,824	\$ 1,124,562
			10.902 Total	\$ 40,824	\$ 1,124,562
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	SOIL SURVEY		10.903	\$ -	\$ (396)
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Regents of the University of Minnesota	SOIL SURVEY	NR223A750025C013	10.903	\$ -	\$ 7,024
			10.903 Total	\$ -	\$ 6,628
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	SPECIALTY CROP BLOCK GRANT		10.170	\$ 265,931	\$ 689,575
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Texas A&M AgriLife Research	SPECIALTY CROP BLOCK GRANT	AM190200XXXXG008	10.170	\$ -	\$ 152,921
			10.170 Total	\$ 265,931	\$ 842,496

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
RESEARCH AND DEVELOPMENT CLUSTER					
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	SPECIALTY CROP RESEARCH INITIATIVE		10.309	\$ 865,789	\$ 1,689,670
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Washington State University	SPECIALTY CROP RESEARCH INITIATIVE	20185118128435	10.309	\$ -	(549)
Washington State University	SPECIALTY CROP RESEARCH INITIATIVE	2019-51181-30013	10.309	\$ -	892
Regents University of California Davis	SPECIALTY CROP RESEARCH INITIATIVE	2022-51181-38327	10.309	\$ -	52,621
Texas A&M Agrilife Research	SPECIALTY CROP RESEARCH INITIATIVE	2023-51181-41172	10.309	\$ -	7,740
			10.309 Total	\$ 865,789	\$ 1,750,374
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	SUSTAINABLE FORAGE PRODUCTION SOLUTIONS		10.620	\$ -	70,752
			10.620 Total	\$ -	70,752
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	RURAL ENERGY FOR AMERICA		10.868	\$ -	99,905
			10.868 Total	\$ -	99,905
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	STRATEGIES TO IMPROVE SOIL & WATER		10.912	\$ -	868,356
			10.912 Total	\$ -	868,356
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	TECHNICAL AGRICULTURAL ASSISTANCE		10.960	\$ 5,728	15,051
			10.960 Total	\$ 5,728	15,051
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Utah State University	DEVELOPING MAPLE SYRUP INDUSTRY	21ACERUT1001-00	10.174	\$ -	84,160
			10.174 Total	\$ -	84,160
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Colorado State University	EXPANDING A STAR PROGRAM ACROSS COLLEGES	CTGG1,8DAA,2024-2224 CMS#186633	10.937	\$ -	6,981
			10.937 Total	\$ -	6,981
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Texas A&M Agrilife Research	FOSTERING SUSTAINABLE ORGANIC COTTON	20235130040849	10.307	\$ -	16,210
			10.307 Total	\$ -	16,210
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Kansas State University	GRANTS FOR AGRICULTURAL RESEARCH	2021-38624-35736	10.200	\$ -	34,057
Texas A&M Agrilife Research	GRANTS FOR AGRICULTURAL RESEARCH	2021-38624-35737	10.200	\$ -	25,523
			10.200 Total	\$ -	59,580
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Rutgers University	IENDEAVORS:INNOVATIVE ENHANCEMENT	2021-70003-35433	10.217	\$ -	46,686
			10.217 Total	\$ -	46,686
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Utah State University	THE COMPATIBILITY AND CONTRIBUTION	2022-70005-38226	10.330	\$ -	71,718
			10.330 Total	\$ -	71,718
DEPARTMENT OF COMMERCE (DOC) - DIRECT					
	CLIMAS AIR QUALITY & CLIMATE ASSE		11.431	\$ 34,184	130,784
DEPARTMENT OF COMMERCE (DOC) - PASS THRU					
University of Arizona	CLIMAS AIR QUALITY & CLIMATE ASSE	020233-00001	11.431	\$ -	66,691
University of Arizona	CLIMAS AIR QUALITY & CLIMATE ASSE	NA17OAR4310288	11.431	\$ -	(6,489)
			11.431 Total	\$ 34,184	190,986
DEPARTMENT OF COMMERCE (DOC) - DIRECT					
	CONGRESSIONALLY IDENTIFIED AWARDS AND PROJ		11.469	\$ -	(1,778,097)
			11.469 Total	\$ -	(1,778,097)
DEPARTMENT OF COMMERCE (DOC) - PASS THRU					
Saint Josephs University	MEASUREMENT AND ENGINEERING RESEARCH	70NANB22H145	11.609	\$ -	26,246
			11.609 Total	\$ -	26,246
DEPARTMENT OF COMMERCE (DOC) - PASS THRU					
Board of Trustees of the University of Alabama	NATIONAL OCEANIC AND ATMOSPHERIC COOP	NA22NWS4320003	11.432	\$ -	22,150
			11.432 Total	\$ -	22,150
DEPARTMENT OF COMMERCE (DOC) - PASS THRU					
Regents of the University of Colorado	PREP BOULDER	70NANB23H026	11.620	\$ -	6,028
			11.620 Total	\$ -	6,028
DEPARTMENT OF DEFENSE (DOD) - DIRECT					
	AIR FORCE DEFENSE RESEARCH SCIENCES PROGRAM		12.800	\$ 100,309	879,856
DEPARTMENT OF DEFENSE (DOD) - PASS THRU					
New Mexico Institute of Mining and Technology	AIR FORCE DEFENSE RESEARCH SCIENCES PROGRAM	FA9453-22-3-0002	12.800	\$ -	63,653
			12.800 Total	\$ 100,309	943,509
DEPARTMENT OF DEFENSE (DOD) - DIRECT					
	BASIC & APPLIED SCIENTIFIC RESEARCH		12.300	\$ 7,742	261,688
DEPARTMENT OF DEFENSE (DOD) - PASS THRU					
University of Notre Dame	BASIC & APPLIED SCIENTIFIC RESEARCH	N00014-22-1-2454	12.300	\$ -	70,075
			12.300 Total	\$ 7,742	331,763
DEPARTMENT OF DEFENSE (DOD) - DIRECT					
	BASIC SCIENTIFIC RESEARCH		12.431	\$ -	501,201
DEPARTMENT OF DEFENSE (DOD) - PASS THRU					
Northeastern University	BASIC SCIENTIFIC RESEARCH	555105-78057	12.431	\$ -	39,447
Northeastern University	BASIC SCIENTIFIC RESEARCH	W911NF2220001	12.431	\$ -	97,527
			12.431 Total	\$ -	638,175
DEPARTMENT OF DEFENSE (DOD) - DIRECT					
	BASIC, APPLIED, & ADVANCED RESEARCH IN SCIENCE & ENG		12.630	\$ -	122,571
			12.630 Total	\$ -	122,571

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
RESEARCH AND DEVELOPMENT CLUSTER					
DEPARTMENT OF DEFENSE (DOD) - DIRECT					
	CONSERVATION & REHAB OF NATURAL RESOURCES ON MILITARY INSTALL		12.005	\$ 5,723,894	\$ 6,304,086
			12.005 Total	\$ 5,723,894	\$ 6,304,086
DEPARTMENT OF DEFENSE (DOD) - DIRECT					
	NATIONAL DEFENSE EDUCATION PROGRAM		12.006	\$ -	\$ 62,514
			12.006 Total	\$ -	\$ 62,514
DEPARTMENT OF DEFENSE (DOD) - DIRECT					
	DEPARTMENT OF DEFENSE		12.rd	\$ 2,184,720	\$ 11,901,252
DEPARTMENT OF DEFENSE (DOD) - PASS THRU					
University of Arizona	DEPARTMENT OF DEFENSE	FA7000-20-2-0004	12.rd	\$ -	\$ 31,817
The Ohio State University	DEPARTMENT OF DEFENSE	FA-8650-20-2-5853	12.rd	\$ -	\$ 73,467
Kratos Defense & Security Solutions Inc	DEPARTMENT OF DEFENSE	FA8650-20-C-2404	12.rd	\$ -	\$ 251,397
Arcots Technology Solutions, LLC.	DEPARTMENT OF DEFENSE	FA8650-21-D-2014	12.rd	\$ -	\$ (3,624)
Innovative Scientific Solutions, Inc.	DEPARTMENT OF DEFENSE	FA865022D2009	12.rd	\$ -	\$ 18,767
Utah State University	DEPARTMENT OF DEFENSE	FA9453-22-D-0005	12.rd	\$ -	\$ 11,072
Excet, Inc.	DEPARTMENT OF DEFENSE	GSO08168P0059	12.rd	\$ -	\$ 233,307
University of Alaska Fairbanks	DEPARTMENT OF DEFENSE	HQ003418D0027	12.rd	\$ -	\$ 135,623
Texas A&M Agrilife Research	DEPARTMENT OF DEFENSE	HQ00342190007	12.rd	\$ -	\$ 60,432
X-Bow Launch Systems Inc.	DEPARTMENT OF DEFENSE	HQ08451990003 & 617981T	12.rd	\$ -	\$ 234,563
Corvid Technologies, LLC	DEPARTMENT OF DEFENSE	HQ0860-20-C-7405	12.rd	\$ -	\$ 11,225
Kratos Defense & Security Solutions Inc	DEPARTMENT OF DEFENSE	HR00112390094	12.rd	\$ -	\$ 13,093
General Dynamics C4 Systems Inc	DEPARTMENT OF DEFENSE	Unknown	12.rd	\$ -	\$ 253,808
Kratos Defense & Security Solutions Inc	DEPARTMENT OF DEFENSE	Unknown	12.rd	\$ -	\$ 233,665
Trenchant Analytics, LLC	DEPARTMENT OF DEFENSE	Unknown	12.rd	\$ -	\$ 3,410
Wallaroo	DEPARTMENT OF DEFENSE	Unknown	12.rd	\$ -	\$ 130,849
Kratos Defense & Security Solutions Inc	DEPARTMENT OF DEFENSE	N00164-19-9-0001	12.rd	\$ -	\$ 19,953
Kratos Defense & Security Solutions Inc	DEPARTMENT OF DEFENSE	N00164-22-9-G023	12.rd	\$ -	\$ 27,271
Corvid Technologies, LLC	DEPARTMENT OF DEFENSE	N001742390024	12.rd	\$ -	\$ 307,278
Corvid Technologies, LLC	DEPARTMENT OF DEFENSE	N00178-19-D-5001	12.rd	\$ -	\$ 838,114
Purdue University	DEPARTMENT OF DEFENSE	W52P1J-20-9-3009	12.rd	\$ -	\$ 175,488
Leidos, Inc.	DEPARTMENT OF DEFENSE	W911NF21F0043	12.rd	\$ -	\$ 284,442
University of Houston	DEPARTMENT OF DEFENSE	W911QX23D0009	12.rd	\$ -	\$ 161,481
Physical Sciences, Inc.	DEPARTMENT OF DEFENSE	W911SR-22-C-0015	12.rd	\$ -	\$ 75,625
Excet, Inc.	DEPARTMENT OF DEFENSE	W911SR-22-D-0017	12.rd	\$ -	\$ 34,851
Luna Labs USA, LLC	DEPARTMENT OF DEFENSE	W911SR-23-C-0012	12.rd	\$ -	\$ 17,589
Corvid Technologies, LLC	DEPARTMENT OF DEFENSE	W9124P-19-9-0001	12.rd	\$ -	\$ 255,091
Corvid Technologies, LLC	DEPARTMENT OF DEFENSE	W9124P-19-9-0001	12.rd	\$ -	\$ 1,338,958
Commonwealth Scientific and Industrial Research Org	DEPARTMENT OF DEFENSE	W912HQ23C0003	12.rd	\$ -	\$ 9,849
			12.rd Total	\$ 2,184,720	\$ 17,140,113
DEPARTMENT OF ENERGY (DOE) - DIRECT					
	DEPARTMENT OF ENERGY		81.rd	\$ -	\$ 407,144
DEPARTMENT OF ENERGY (DOE) - PASS THRU					
NTES Sandia National Laboratories	DEPARTMENT OF ENERGY	1875431	81.rd	\$ -	\$ 262,893
Triad National Security, LLC	DEPARTMENT OF ENERGY	8923218CNA000001	81.rd	\$ -	\$ 34,829
New Mexico Consortium, Inc.	DEPARTMENT OF ENERGY	89233217CNA000001	81.rd	\$ -	\$ 60,357
Triad National Security, LLC	DEPARTMENT OF ENERGY	89233218CNA000001	81.rd	\$ -	\$ 650,499
Triad National Security, LLC	DEPARTMENT OF ENERGY	89233218CNA000001	81.rd	\$ 35,999	\$ 690,685
KeyLogic Systems, LLC	DEPARTMENT OF ENERGY	89243323CFE000075	81.rd	\$ 125,315	\$ 159,998
Univ Of Cal - Berkley	DEPARTMENT OF ENERGY	DE-AC02-05CH11231	81.rd	\$ -	\$ 2,520
Battelle Energy Alliance, LLC	DEPARTMENT OF ENERGY	DE-AC07-05ID14517	81.rd	\$ -	\$ 34,078
National Renewable Energy Laboratory	DEPARTMENT OF ENERGY	DE-AC36-08GO28308	81.rd	\$ -	\$ 319,472
Terra Power	DEPARTMENT OF ENERGY	DE-AR0001612	81.rd	\$ -	\$ 343,825
Nuclear Waste Partnership LLC	DEPARTMENT OF ENERGY	DE-EM-0001971	81.rd	\$ -	\$ (113,252)
Bechtel Group Inc.	DEPARTMENT OF ENERGY	DE-EM0001971	81.rd	\$ -	\$ (170,191)
Univ Of Cal - Berkley	DEPARTMENT OF ENERGY	DE-FOA-0001905	81.rd	\$ -	\$ 364,980
Honeywell Technology Solutions Incorporated	DEPARTMENT OF ENERGY	DE-NA0002839	81.rd	\$ -	\$ 4,125
Eastern New Mexico University	DEPARTMENT OF ENERGY	DE-SCO023329	81.rd	\$ -	\$ 77,748
New Mexico Consortium, Inc.	DEPARTMENT OF ENERGY	IA 205	81.rd	\$ -	\$ 16,143
Battelle Savannah River Alliance, LLC	DEPARTMENT OF ENERGY	Unknown	81.rd	\$ -	\$ 84,836
Brookhaven National Laboratory	DEPARTMENT OF ENERGY	Unknown	81.rd	\$ -	\$ 55,670
NTES Sandia National Laboratories	DEPARTMENT OF ENERGY	Unknown	81.rd	\$ -	\$ 173,787
Sandia National Laboratories	DEPARTMENT OF ENERGY	Unknown	81.rd	\$ -	\$ 141,335
			81.rd Total	\$ 161,314	\$ 3,601,481

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
RESEARCH AND DEVELOPMENT CLUSTER					
DEPARTMENT OF ENERGY (DOE) - DIRECT					
	DEPARTMENT OF ENERGY CEMRC		81.005	\$ -	\$ 2,996,037
DEPARTMENT OF ENERGY (DOE) - PASS THRU					
Argonne National Laboratory	DEPARTMENT OF ENERGY CEMRC	DEAC02-06CH11357	81.005	\$ -	\$ 37,228
Bechtel Group Inc.	DEPARTMENT OF ENERGY CEMRC	DE-EM0001971	81.005	\$ -	\$ 210,483
Bechtel Group Inc.	DEPARTMENT OF ENERGY CEMRC	Unknown	81.005	\$ -	\$ 173,865
			81.005 Total	\$ -	\$ 3,417,613
DEPARTMENT OF ENERGY (DOE) - DIRECT					
	OFFICE OF SCIENCE FINANCIAL ASSISTANCE PROGRAM		81.049	\$ 6,000	\$ 1,041,624
DEPARTMENT OF ENERGY (DOE) - PASS THRU					
EnviTrace	OFFICE OF SCIENCE FINANCIAL ASSISTANCE PROGRAM	DE-SC0024777	81.049	\$ -	\$ 19,477
			81.049 Total	\$ 6,000	\$ 1,061,101
DEPARTMENT OF ENERGY (DOE) - DIRECT					
	RENEWAL ENERGY RESEARCH & DEVELOPMENT		81.087	\$ 1,267	\$ 51,142
DEPARTMENT OF ENERGY (DOE) - PASS THRU					
New Mexico Consortium, Inc.	RENEWAL ENERGY RESEARCH & DEVELOPMENT	DE-EE0008902	81.087	\$ -	\$ 198,290
			81.087 Total	\$ 1,267	\$ 249,432
DEPARTMENT OF ENERGY (DOE) - PASS THRU					
Energy And Minerals Department	CONSERVATION RESEARCH AND DEVELOPMENT	DE-EE0009739	81.086	\$ -	\$ 4,635
			81.086 Total	\$ -	\$ 4,635
DEPARTMENT OF ENERGY (DOE) - PASS THRU					
Battelle Savannah River Alliance, LLC	ENVIR REMEDIATION & WASTE PROCESSING & DISPOSAL	DE-AC09-08SR22470	81.104	\$ 86,495	\$ 312,179
			81.104 Total	\$ 86,495	\$ 312,179
DEPARTMENT OF ENERGY (DOE) - PASS THRU					
Microbio Engineering Inc.	FOSSIL ENERGY RESEARCH AND DEVELOPMENT	Unknown	81.089	\$ -	\$ 278,539
			81.089 Total	\$ -	\$ 278,539
DEPT OF ENERGY (DOE)- DIRECT					
	NNSA MINORITY SERVING INSTITUTION PGM		81.123	\$ 541,873	\$ 895,412
DEPARTMENT OF ENERGY (DOE) - PASS THRU					
Triad National Security, LLC	NNSA MINORITY SERVING INSTITUTION PGM	89233218CNA000001	81.123	\$ -	\$ (28,523)
University of New Mexico	NNSA MINORITY SERVING INSTITUTION PGM	DE-NA0004108	81.123	\$ -	\$ 95,848
NC Agricultural and Technical State University	NNSA MINORITY SERVING INSTITUTION PGM	NA0003983	81.123	\$ -	\$ 87,742
			81.123 Total	\$ 541,873	\$ 1,050,479
DEPARTMENT OF ENERGY (DOE) - PASS THRU					
The Board of Regents of the University of Oklahoma	NUCLEAR ENERGY RESEARCH, DEVELOPMENT & DEMONSTRATION	DE-NE0009319	81.121	\$ -	\$ 119,996
			81.121 Total	\$ -	\$ 119,996
DEPT OF ENERGY (DOE)- DIRECT					
	MSIPP-NUCHEME		81.137	\$ -	\$ 25,179
			81.137 Total	\$ -	\$ 25,179
DEPARTMENT OF ENERGY (DOE) - PASS THRU					
New Mexico Consortium, Inc.	RADIOCHEMISTRY AND NUCLEAR PHYSICS	NA0004103	81.252	\$ -	\$ 207,967
			81.252 Total	\$ -	\$ 207,967
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - DIRECT					
	ALLERGY, IMMUNOLOGY & TRANSPLANTATION RESEARCH		93.855	\$ 182,797	\$ 388,391
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
University of Texas	ALLERGY, IMMUNOLOGY & TRANSPLANTATION RESEARCH	5U01A1151807-04	93.855	\$ -	\$ 142,044
University of Texas	ALLERGY, IMMUNOLOGY & TRANSPLANTATION RESEARCH	5U01A1151807-05	93.855	\$ -	\$ 1,241
			93.855 Total	\$ 182,797	\$ 531,676
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - DIRECT					
	BIOMEDICAL RESEARCH & RESEARCH TRAINING		93.859	\$ 2,265,816	\$ 7,301,572
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
El Paso Community College	BIOMEDICAL RESEARCH & RESEARCH TRAINING	1R25GM123928-01	93.859	\$ -	\$ 2,852
University of New Mexico	BIOMEDICAL RESEARCH & RESEARCH TRAINING	2K12GM088021-06	93.859	\$ -	\$ 11,790
Board of Regents Nevada System of Higher Education	BIOMEDICAL RESEARCH & RESEARCH TRAINING	5U54GM104944-10	93.859	\$ -	\$ 177,964
Board of Regents Nevada System of Higher Education	BIOMEDICAL RESEARCH & RESEARCH TRAINING	U54GM104944	93.859	\$ -	\$ (1,837)
			93.859 Total	\$ 2,265,816	\$ 7,492,341
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - DIRECT					
	DEPARTMENT OF HEALTH & HUMAN SERVICES		93.rd	\$ -	\$ 264,039
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
Dona Ana County	DEPARTMENT OF HEALTH & HUMAN SERVICES	Unknown	93.rd	\$ -	\$ 51,235
			93.rd Total	\$ -	\$ 315,274
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - DIRECT					
	DISCOVERY AND APPLIED RESEARCH FOR TECHNOLOGY		93.286	\$ 13,517	\$ 101,379
			93.286 Total	\$ 13,517	\$ 101,379
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - DIRECT					
	EXTRAMURAL RESEARCH PGM IN NEUROSCIENCES		93.853	\$ 4,257	\$ 171,691
			93.853 Total	\$ 4,257	\$ 171,691
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - DIRECT					
	FOOD & DRUG ADMINISTRATION RESEARCH		93.103	\$ -	\$ 919,427
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
Association of Food & Drug Officials	FOOD & DRUG ADMINISTRATION RESEARCH	U18FD006732	93.103	\$ -	\$ 5,411
			93.103 Total	\$ -	\$ 924,838
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - DIRECT					
	PARTNERSHIP FOR THE ADVANCEMENT		93.397	\$ -	\$ 548,751
			93.397 Total	\$ -	\$ 548,751

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
RESEARCH AND DEVELOPMENT CLUSTER					
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - DIRECT					
	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES		93.243	\$ -	109,156
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
Children Youth and Family Dept State NM	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES	H795M082287	93.243	\$ -	10,659
Children Youth and Family Dept State NM	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES	H795M082287/H795M082000	93.243	\$ -	191,859
Dona Ana County	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES	H795M084521	93.243	\$ -	10,649
Big Brothers Big Sisters of El Paso	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES	H795M088093	93.243	\$ -	3,979
			93.243 Total	\$ -	326,302
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
The Research Foundation for SUNY	A DATA-DRIVEN RECONCEPTUALIZATION	FR01MH120293-04	93.242	\$ -	15,184
			93.242 Total	\$ -	15,184
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
University of New Mexico	CANCER TREATMENT RESEARCH	2R01CA194496-06	93.395	\$ -	271,015
			93.395 Total	\$ -	271,015
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
University of New Mexico	CCTS - KL2 SCHOLARS PROGRAM	KL2TR001448	93.350	\$ -	12,783
			93.350 Total	\$ -	12,783
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
State of New Mexico	CDC PARTNER CRISIS RESPONSE	NH75OT000094	93.391	\$ -	29,063
			93.391 Total	\$ -	29,063
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
Dona Ana County	COMMUNITY HEALTH WORKERS FOR PUBLIC HEALTH	5 NU58DP007036-02-00	93.495	\$ -	34,792
			93.495 Total	\$ -	34,792
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
Dona Ana County	COMMUNITY PROGRAMS TO IMPROVE MINORITY HEALTH GRANT	CPIMP211288-01-00	93.137	\$ -	257,368
Dona Ana County	COMMUNITY PROGRAMS TO IMPROVE MINORITY HEALTH GRANT	Unknown	93.137	\$ -	50,555
			93.137 Total	\$ -	307,923
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
University of New Mexico	DRUG ABUSE AND ADDICTION RESEARCH	3UG1DA049468-0353	93.279	\$ -	53,557
			93.279 Total	\$ -	53,557
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
ECECD	MATERNAL AND CHILD HEALTH	5 U7EMC42166-02-00	93.110	\$ -	14,800
			93.110 Total	\$ -	14,800
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
National Rural Health Association	RURAL HEALTH RESEARCH CENTERS	2 U16RH03702-19-00	93.155	\$ -	10,000
			93.155 Total	\$ -	10,000
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
University of New Mexico	SOUTHWEST TRANSFORMATIVE EDUCATION	1R25CA285817-01	93.398	\$ -	3,776
			93.398 Total	\$ -	3,776
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
University of Texas	TRANS NIH-RESEARCH SUPPORT	1U01GM132219-01	93.310	\$ -	43,225
			93.310 Total	\$ -	43,225
DEPARTMENT OF HOMELAND SECURITY (DHS) - PASS THRU					
Mississippi State University	STATE AND LOCAL HOMELAND SECURITY TRAINING PGM	EMW-2022-CA-00024	97.005	\$ -	131,411
Mississippi State University	STATE AND LOCAL HOMELAND SECURITY TRAINING PGM	EMW-2023-CA-05044	97.005	\$ -	34,676
			97.005 Total	\$ -	166,087
DEPARTMENT OF INTERIOR (DOI) - DIRECT					
	ASSISTANCE TO STATE WATER RESEARCH INSTITUTES		15.805	\$ 37,103	395,143
			15.805 Total	\$ 37,103	395,143
DEPARTMENT OF INTERIOR (DOI) - DIRECT					
	COOPERATIVE MARKETING FOR RECREATION ACTIVITIES		15.654	\$ -	12,166
			15.654 Total	\$ -	12,166
DEPARTMENT OF INTERIOR (DOI) - DIRECT					
	COOPERATIVE RESEARCH & TRAINING PROGRAM		15.945	\$ -	421,067
			15.945 Total	\$ -	421,067
DEPARTMENT OF INTERIOR (DOI) - DIRECT					
	COOPERATIVE RESEARCH UNITS PROGRAM		15.812	\$ -	537,566
			15.812 Total	\$ -	537,566
DEPARTMENT OF INTERIOR (DOI) - DIRECT					
	DEPARTMENT OF INTERIOR		15.rd	\$ -	94,854
DEPARTMENT OF INTERIOR (DOI) - PASS THRU					
Jicarilla Apache Nation	DEPARTMENT OF INTERIOR	Unknown	15.rd	\$ -	70,487
University of Texas at El Paso	DEPARTMENT OF INTERIOR	R19AC00115	15.rd	\$ -	20,638
			15.rd Total	\$ -	185,979
DEPARTMENT OF INTERIOR (DOI) - DIRECT					
	MIGRATORY BIRD MONITORING		15.655	\$ -	7,661
			15.655 Total	\$ -	7,661
DEPARTMENT OF INTERIOR (DOI) - DIRECT					
	JOINT FIRE SCIENCE PROGRAM		15.232	\$ -	3,530
			15.232 Total	\$ -	3,530
DEPARTMENT OF INTERIOR (DOI) - DIRECT					
	RANGELAND RESOURCE MANAGEMENT		15.237	\$ -	60,994
			15.237 Total	\$ -	60,994

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
RESEARCH AND DEVELOPMENT CLUSTER					
DEPARTMENT OF INTERIOR (DOI) - DIRECT					
	SECURE WATER ACT		15.560	\$ -	111,167
			15.560 Total	\$ -	111,167
DEPARTMENT OF INTERIOR (DOI) - DIRECT					
	US GEOLOGICAL SURVEY		15.808	\$ -	24,969
			15.808 Total	\$ -	24,969
DEPARTMENT OF INTERIOR (DOI) - DIRECT					
	WATER DESALINATION RESEARCH & DEV		15.506	\$ -	110,260
DEPARTMENT OF INTERIOR (DOI) - PASS THRU					
University of Cincinnati	WATER DESALINATION RESEARCH & DEV	R21AC10486-00	15.506	\$ -	16,420
			15.506 Total	\$ -	126,680
DEPARTMENT OF INTERIOR (DOI) - DIRECT					
	WILDLIFE RESOURCE MANAGEMENT		15.247	\$ -	41,709
			15.247 Total	\$ -	41,709
DEPARTMENT OF INTERIOR (DOI) - DIRECT					
	CLIMATE CHANGE AND BIG GAME RANGE SCIENCE		15.664	\$ -	94,158
			15.664 Total	\$ -	94,158
DEPARTMENT OF INTERIOR (DOI) - PASS THRU					
State of NM Dept Of Game And Fish	ADAPTIVE SCIENCE	F19AP00272	15.670	\$ -	15,363
			15.670 Total	\$ -	15,363
DEPARTMENT OF INTERIOR (DOI) - PASS THRU					
Elephant Butte Irrigation District	DROUGHT RESILIENCY PROJECTS	R21AP10035-00	15.514	\$ -	8,684
New Mexico Acequia Association	DROUGHT RESILIENCY PROJECTS	R23AP00316-00	15.514	\$ -	3,612
			15.514 Total	\$ -	12,296
DEPARTMENT OF INTERIOR (DOI) - PASS THRU					
Upper Hondo Soil and Water Conservation District	INVASIVE AND NOXIOUS PLANT MANAGEMENT	L20AC00367-03	15.230	\$ -	72,565
			15.230 Total	\$ -	72,565
DEPARTMENT OF INTERIOR (DOI) - PASS THRU					
State of NM Dept Of Game And Fish	STATE WILDLIFE GRANTS	F21AF02165	15.634	\$ -	23,784
			15.634 Total	\$ -	23,784
DEPARTMENT OF TRANSPORTATION (DOT) - DIRECT					
	AIR TRANSPORTATION CENTERS FO EXCELLENCE		20.109	\$ -	1,535,110
			20.109 Total	\$ -	1,535,110
DEPARTMENT OF TRANSPORTATION (DOT) - PASS THRU					
NM State Highway and Transportation Department	DEPARTMENT OF TRANSPORTATION	HWA919030	20.rd	\$ -	43,142
NM State Highway and Transportation Department	DEPARTMENT OF TRANSPORTATION	Unknown	20.rd	\$ 7,318	31,017
			20.rd Total	\$ 7,318	74,159
DEPARTMENT OF TRANSPORTATION (DOT) - PASS THRU					
New Mexico State Highway and Transportation Dept	HIGHWAY PLANNING AND CONSTRUCTION	693JJ221300002550NMP921060	20.205	\$ -	208,936
			20.205 Total	\$ -	208,936
DEPARTMENT OF TRANSPORTATION (DOT) - PASS THRU					
Louisiana State University and A & M College	UNIVERSITY TRANSPORTATION CENTERS PROGRAM	69A3551747106	20.701	\$ -	(412)
			20.701 Total	\$ -	(412)
ENVIRONMENTAL PROTECTION AGENCY (EPA) - PASS THRU					
University of Texas at El Paso	ENVIRONMENTAL PROTECTION AGENCY	AA22-021/NADBC22-160	66.rd	\$ -	10,842
			66.rd Total	\$ -	10,842
ENVIRONMENTAL PROTECTION AGENCY (EPA) - PASS THRU					
State of New Mexico	NONPOINT SOURCE IMPLEMENTATION GRANTS	99610119	66.460	\$ -	(706)
State of New Mexico	NONPOINT SOURCE IMPLEMENTATION GRANTS	99610120	66.460	\$ 61,937	83,317
			66.460 Total	\$ 61,937	82,611
ENVIRONMENTAL PROTECTION AGENCY (EPA) - PASS THRU					
State of New Mexico	POLLUTION PREVENTION GRANTS	C9 996101-17, C9 996101-18 & C9 996101-19	66.708	\$ -	73,181
			66.708 Total	\$ -	73,181
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - DIRECT					
	EDUCATION		43.008	\$ 828,600	1,843,099
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - PASS THRU					
University of Utah	EDUCATION	80NSSC20M0103	43.008	\$ -	5,600
			43.008 Total	\$ 828,600	1,848,699
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - DIRECT					
	NATIONAL AERONAUTICS & SPACE ADMINISTRATION		43.rd	\$ -	158,992
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - PASS THRU					
Space Telescope Science Institute	NATIONAL AERONAUTICS & SPACE ADMINISTRATION	NASS-26555 (HST) and NASS-03127 (JWST)	43.rd	\$ -	4,102
Space Telescope Science Institute	NATIONAL AERONAUTICS & SPACE ADMINISTRATION	Unknown	43.rd	\$ -	344,497
Space Telescope Science Institute	NATIONAL AERONAUTICS & SPACE ADMINISTRATION	NASS-26555	43.rd	\$ -	140,833
Peraton Inc.	NATIONAL AERONAUTICS & SPACE ADMINISTRATION	NGG16WA70C	43.rd	\$ -	126,209
			43.rd Total	\$ -	774,633
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - DIRECT					
	SCIENCE GRANTS		43.001	\$ 377,883	2,508,859
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - PASS THRU					
Regents University of California Merced	SCIENCE GRANTS	80NSSC21K0256	43.001	\$ -	31,467
Arizona State University	SCIENCE GRANTS	80NSSC22K0485	43.001	\$ -	102,246
NorthWest Research Associates, Inc.	SCIENCE GRANTS	80NSSC22K0754	43.001	\$ -	49,191
National Space Grant Foundation	SCIENCE GRANTS	80NSSC22M0003	43.001	\$ -	28,401
Stanford University	SCIENCE GRANTS	80NSSC22M0162	43.001	\$ -	66,022
California State University	SCIENCE GRANTS	80NSSC23K0331	43.001	\$ -	52,737
California Institute of Technology	SCIENCE GRANTS	Unknown	43.001	\$ -	51,153
Space Telescope Science Institute	SCIENCE GRANTS	NASS-26555	43.001	\$ -	32,354
			43.001 Total	\$ 377,883	2,922,430

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
RESEARCH AND DEVELOPMENT CLUSTER					
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - DIRECT					
	SPACE OPERATIONS		43.007	\$ -	\$ 734
			43.007 Total	\$ -	\$ 734
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - DIRECT					
	SPACE TECHNOLOGY		43.012	\$ -	\$ 129,576
			43.012 Total	\$ -	\$ 129,576
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - PASS THRU					
William Marsh Rice University	AERONAUTICS COOPERATIVE	80NSSC23M0219	43.002	\$ -	\$ 39,756
			43.002 Total	\$ 447,098	\$ 844,280
				\$ 447,098	\$ 884,036
NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT					
	BIOLOGICAL SCIENCES		47.074	\$ 14,416	\$ 2,053,800
NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU					
University of Kansas Center for Research, Inc.	BIOLOGICAL SCIENCES	1001358	47.074	\$ -	\$ (28)
The Regents of the University of Michigan	BIOLOGICAL SCIENCES	2110233	47.074	\$ -	\$ 9,391
University of New Mexico	BIOLOGICAL SCIENCES	2155222	47.074	\$ -	\$ 3,725
University of Wisconsin	BIOLOGICAL SCIENCES	2223103 DBI	47.074	\$ -	\$ 43,960
			47.074 Total	\$ 14,416	\$ 2,110,848
NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT					
	COMPUTER & INFORMATION SCIENCE & ENGINEERING		47.070	\$ 153,465	\$ 820,037
NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU					
Texas A&M AgriLife Research	COMPUTER & INFORMATION SCIENCE & ENGINEERING	1925764	47.070	\$ -	\$ 86,479
University of Texas at El Paso	COMPUTER & INFORMATION SCIENCE & ENGINEERING	2137791	47.070	\$ -	\$ 105,311
American Society for Engineering Education	COMPUTER & INFORMATION SCIENCE & ENGINEERING	2233087	47.070	\$ -	\$ 1,591
			47.070 Total	\$ 153,465	\$ 1,013,418
NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT					
	EDUCATION & HUMAN RESOURCES		47.076	\$ 581,518	\$ 5,284,990
NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU					
New Mexico Highlands University	EDUCATION & HUMAN RESOURCES	1914463	47.076	\$ -	\$ (30,386)
Prairie View A and M University	EDUCATION & HUMAN RESOURCES	1914692	47.076	\$ -	\$ 43,666
Marymount University	EDUCATION & HUMAN RESOURCES	2246957	47.076	\$ -	\$ 4,768
University of New Mexico	EDUCATION & HUMAN RESOURCES	2310990	47.076	\$ -	\$ 8,448
New Mexico Highlands University	EDUCATION & HUMAN RESOURCES	Unknown	47.076	\$ -	\$ 187,104
University of Texas at El Paso	EDUCATION & HUMAN RESOURCES	Unknown	47.076	\$ -	\$ 53,132
			47.076 Total	\$ 581,518	\$ 5,551,722
NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT					
	ENGINEERING GRANTS		47.041	\$ 7,337	\$ 1,145,808
NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU					
Arizona State University	ENGINEERING GRANTS	1449501	47.041	\$ -	\$ 2,574
University of North Texas	ENGINEERING GRANTS	1856052	47.041	\$ -	\$ 139,208
University of New Mexico	ENGINEERING GRANTS	2115169	47.041	\$ -	\$ 74,325
Arizona State University	ENGINEERING GRANTS	EEC-1449501	47.041	\$ -	\$ 383,946
			47.041 Total	\$ 7,337	\$ 1,745,861
NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT					
	GEOSCIENCES		47.050	\$ 26,364	\$ 736,511
NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU					
University of Texas at El Paso	GEOSCIENCES	2012475	47.050	\$ -	\$ -
			47.050 Total	\$ 26,364	\$ 736,511
NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT					
	INTERNATIONAL SCIENCE AND ENGINEERING		47.079	\$ 86,544	\$ 123,488
			47.079 Total	\$ 86,544	\$ 123,488
NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT					
	MATHEMATICAL & PHYSICAL SCIENCES		47.049	\$ -	\$ 695,408
NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU					
Assoc of Universities for Research in Astronomy, Inc. (AURA)	MATHEMATICAL & PHYSICAL SCIENCES	1400450	47.049	\$ -	\$ 42,545
Associated Universities Inc	MATHEMATICAL & PHYSICAL SCIENCES	1519126	47.049	\$ -	\$ 43,652
Astrophysical Research Consortium	MATHEMATICAL & PHYSICAL SCIENCES	2034429	47.049	\$ -	\$ (88,509)
Research Foundation of City University of New York (CUNY)	MATHEMATICAL & PHYSICAL SCIENCES	2206096	47.049	\$ -	\$ 62,270
Arizona State University	MATHEMATICAL & PHYSICAL SCIENCES	2235447	47.049	\$ -	\$ 54,984
Assoc of Universities for Research in Astronomy, Inc. (AURA)	MATHEMATICAL & PHYSICAL SCIENCES	AST-0946422	47.049	\$ -	\$ 132,602
			47.049 Total	\$ -	\$ 942,952
NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT					
	NATIONAL SCIENCE FOUNDATION		47.rd	\$ -	\$ 217,071
NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU					
University of Texas at El Paso	NATIONAL SCIENCE FOUNDATION	1834620	47.rd	\$ 150,900	\$ 227,719
			47.rd Total	\$ 150,900	\$ 444,790
NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT					
	OFFICE OF INTEGRATIVE ACTIVITIES		47.083	\$ -	\$ 566,080
			47.083 Total	\$ -	\$ 566,080
NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT					
	SOCIAL, BEHAVIORAL, & ECONOMIC SCIENCES		47.075	\$ -	\$ 123,486
			47.075 Total	\$ -	\$ 123,486
NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU					
University of Texas at Austin	NSF TECHNOLOGY, INNOVATION, AND PARTNERSHIPS	2229453	47.084	\$ -	\$ 281,288
University of Texas at Austin	NSF TECHNOLOGY, INNOVATION, AND PARTNERSHIPS	2303637	47.084	\$ -	\$ 14,188
Pratt Institute	NSF TECHNOLOGY, INNOVATION, AND PARTNERSHIPS	2345052	47.084	\$ -	\$ 5,785
North Carolina State University	NSF TECHNOLOGY, INNOVATION, AND PARTNERSHIPS	TI-2303651	47.084	\$ -	\$ 19,928
			47.084 Total	\$ -	\$ 321,189
NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU					
North Dakota State University	OFFICE OF INTEGRATIVE ACTIVITIES	1826834	47.083	\$ -	\$ 146,914
Auburn University	OFFICE OF INTEGRATIVE ACTIVITIES	2316278	47.083	\$ -	\$ 20,532
University of New Mexico	OFFICE OF INTEGRATIVE ACTIVITIES	OIA-1757207	47.083	\$ -	\$ 386,791
University of Louisiana at Lafayette	OFFICE OF INTEGRATIVE ACTIVITIES	OIA-2119688	47.083	\$ -	\$ 304,765
			47.083 Total	\$ -	\$ 859,002
NUCLEAR REGULATORY COMMISSION (NRC) - PASS THRU					
North Carolina State University	US NUCLEAR REGULATORY COMMISSION SCHOL AND FELLOWSHIP PGM	31310022M0038	77.008	\$ -	\$ 42,757
University of Notre Dame	US NUCLEAR REGULATORY COMMISSION SCHOL AND FELLOWSHIP PGM	31310023M0002	77.008	\$ -	\$ 15,685
			77.008 Total	\$ -	\$ 58,442
RESEARCH & DEVELOPMENT CLUSTER TOTAL				\$ 16,378,068	\$ 88,656,352

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
STUDENT FINANCIAL AID CLUSTER					
DEPARTMENT OF EDUCATION (EDUC) - LOANS					
	PERKINS LOANS - BEGINNING BALANCE		84.038	\$ -	\$ 2,081,573
	TOTAL PERKINS LOANS			-	2,081,573
	FEDERAL DIRECT LOANS		84.268	-	32,391,416
	DEPARTMENT OF EDUCATION (EDUC) - LOANS Total			\$ -	\$ 34,472,989
DEPARTMENT OF EDUCATION (EDUC)					
	FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS		84.007	\$ -	\$ 1,181,344
	FEDERAL WORK-STUDY PROGRAM		84.033	-	1,115,125
	FEDERAL PELL GRANT PROGRAM		84.063	-	46,113,179
	DEPARTMENT OF EDUCATION (EDUC) Total			\$ -	\$ 48,409,648
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS)					
	SCHOLARSHIPS FOR DISADVANTAGED STUDENTS		93.925	\$ -	\$ 585,655
	93.925 Total			\$ -	\$ 585,655
	TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER			\$ -	\$ 83,468,292

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
INDIVIDUAL AWARDS - OTHER					
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	EXPANDED FOOD AND NUTRITION EDUCATION		10.514	\$ -	\$ 626,062
			10.514 Total	\$ -	\$ 626,062
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	FARM AND RANCH STRESS ASSISTANCE		10.525	\$ 29,559	\$ 65,987
			10.525 Total	\$ 29,559	\$ 65,987
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	FEDERAL-STATE MARKETING IMPROVEMENT PROGRAM		10.156	\$ 15,315	\$ 15,315
			10.156 Total	\$ 15,315	\$ 15,315
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	FOOD BANK NETWORK		10.182	\$ 2,272,594	\$ 2,329,653
			10.182 Total	\$ 2,272,594	\$ 2,329,653
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	HISPANIC SERVING INSTITUTION GRANTS		10.223	\$ 148,445	\$ 783,618
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
University of Texas at El Paso	HISPANIC SERVING INSTITUTION GRANTS	2018-38422-28564	10.223	\$ -	\$ 8,109
The Florida International University Board of Trustees	HISPANIC SERVING INSTITUTION GRANTS	2021-77040-34876	10.223	\$ -	\$ 34,992
University of Arizona	HISPANIC SERVING INSTITUTION GRANTS	2023-77040-41195	10.223	\$ -	\$ 13,373
			10.223 Total	\$ 148,445	\$ 840,092
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	NATIONAL FOOD SAFETY TRAINING, EDUCATION		10.328	\$ 38,652	\$ 162,740
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
University of Maryland	NATIONAL FOOD SAFETY TRAINING, EDUCATION	2021-70020-35664	10.328	\$ -	\$ 86,727
State of Oregon	NATIONAL FOOD SAFETY TRAINING, EDUCATION	2021-70020-35753	10.328	\$ -	\$ 6,930
The Board of Regents of the University of Nebraska	NATIONAL FOOD SAFETY TRAINING, EDUCATION	2021-70020-35829	10.328	\$ -	\$ 41,313
University of Arkansas	NATIONAL FOOD SAFETY TRAINING, EDUCATION	2022-70020-37593	10.328	\$ -	\$ 42,883
			10.328 Total	\$ 38,652	\$ 340,593
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	NEW BEGINNINGS FOR TRIBAL STUDENTS		10.527	\$ 41,410	\$ 50,180
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Dine College	NEW BEGINNINGS FOR TRIBAL STUDENTS	2022-70411-38313	10.527	\$ -	\$ 25,089
			10.527 Total	\$ 41,410	\$ 75,269
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	OUTREACH & ASSISTANCE FOR SOCIALLY DISADVANTAGED		10.443	\$ -	\$ 217,522
			10.443 Total	\$ -	\$ 217,522
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	RENEWABLE RESOURCES EXTENSION ACT		10.515	\$ -	\$ 40,529
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
University of Florida	RENEWABLE RESOURCES EXTENSION ACT	2022-46401-37743	10.515	\$ -	\$ 12,679
			10.515 Total	\$ -	\$ 53,208
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	RESILIENT FOOD SYSTEMS INFRASTRUCTURE		10.190	\$ -	\$ 54,730
			10.190 Total	\$ -	\$ 54,730
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	SMITH-LEVER FUNDING		10.511	\$ -	\$ 2,401,264
			10.511 Total	\$ -	\$ 2,401,264
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	STATE MEDIATION GRANTS		10.435	\$ -	\$ 121,551
			10.435 Total	\$ -	\$ 121,551
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Fort Lewis College	BEGINNING FARMER AND RANCHER DEVELOPMENT PRO	2021-49400-35588	10.311	\$ -	\$ 7,692
			10.311 Total	\$ -	\$ 7,692
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Children Youth and Family Dept State NM	HEADSTART CHILD AND ADULT CARE FOOD	Unknown	10.558	\$ -	\$ 181,984
			10.558 Total	\$ -	\$ 181,984
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Regents University of California Davis	HOMELAND SECURITY_AGRICULTURAL	2022-37621-38279	10.304	\$ -	\$ 36,906
			10.304 Total	\$ -	\$ 36,906
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Texas A&M Univeristy- Kingsville	LEADING HISPANICS TO FEDERAL AGENCY	2023-70440-40158	10.237	\$ -	\$ 620,976
			10.237 Total	\$ -	\$ 620,976
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Alcorn State University	OUTREACH EDUCATION AND TECHNICAL ASSISTANCE	FSA22CPT0012737	10.147	\$ -	\$ 7,036
			10.147 Total	\$ -	\$ 7,036
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Montana State University	SUSTAINABLE AGRICULTURE RESEARCH & EDUCATION	20193864029880	10.215	\$ -	\$ 4,146
Montana State University	SUSTAINABLE AGRICULTURE RESEARCH & EDUCATION	2020-38640-31523	10.215	\$ -	\$ 18,596
			10.215 Total	\$ -	\$ 22,742
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
Texas A&M AgriLife Research	VETERINARY SERVICES GRANT	2020-70024-32369	10.336	\$ -	\$ 17,047
			10.336 Total	\$ -	\$ 17,047
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT					
	COCHRAN FELLOWSHIP PROGRAM		10.962	\$ -	\$ 3,681
			10.962 Total	\$ -	\$ 3,681

See accompanying independent auditor's report.

DEPARTMENT OF COMMERCE (DOC) - DIRECT	AMERICAN INDIAN BUSINESS ENTERPRISE		11.804	\$	-	\$	114,764
			11.804 Total	\$	-	\$	114,764
DEPARTMENT OF COMMERCE (DOC) - DIRECT	NIST FINANCIAL ASSISTANCE		11.028	\$	-	\$	700,181
			11.028 Total	\$	-	\$	700,181
DEPARTMENT OF COMMERCE (DOC) - DIRECT	UNIVERSITY CENTER		11.303	\$	4,711	\$	47,620
			11.303 Total	\$	4,711	\$	47,620
DEPARTMENT OF COMMERCE (DOC) - DIRECT	NM BUILD TO SCALE PGRM		11.024	\$	99,166	\$	361,357
			11.024 Total	\$	99,166	\$	361,357
DEPARTMENT OF COMMERCE (DOC) - PASS THRU Synoptic Data Corp.	DEPARTMENT OF COMMERCE	1305M220DNWWG0061	11.xx	\$	-	\$	193,728
			11.xx Total	\$	-	\$	193,728
DEPARTMENT OF COMMERCE (DOC) - PASS THRU City of Albuquerque	MBDA BUSINESS CENTER	Unknown	11.805	\$	-	\$	15,000
			11.805 Total	\$	-	\$	15,000
DEPARTMENT OF DEFENSE (DOD) - PASS THRU Trenchant Analytics, LLC	DEPARTMENT OF DEFENSE	W52P1J2294116	12.xx	\$	-	\$	22,999
Southwest Range Services LLC	DEPARTMENT OF DEFENSE	W91151-19-C-0008	12.xx	\$	287,060	\$	287,060
			12.xx Total	\$	287,060	\$	310,059
DEPARTMENT OF DEFENSE (DOD) - PASS THRU Fordham University	INFORMATION SECURITY GRANTS	NSA/H98230-20-1-0387	12.902	\$	-	\$	4,833
			12.902 Total	\$	-	\$	4,833
DEPARTMENT OF EDUCATION (EDUC) - DIRECT	COLLEGE ASSISTANCE MIGRANT PGM CAMP		84.149	\$	-	\$	450,578
			84.149 Total	\$	-	\$	450,578
DEPARTMENT OF EDUCATION (EDUC) - DIRECT	ENGLISH LANGUAGE ACQUISITION STATE GRANTS		84.365	\$	-	\$	103,661
			84.365 Total	\$	-	\$	103,661
DEPARTMENT OF EDUCATION (EDUC) - DIRECT	GRADUATION ASSISTANCE IN AREAS OF NATIONAL NEED		84.200	\$	-	\$	32,316
			84.200 Total	\$	-	\$	32,316
DEPARTMENT OF EDUCATION (EDUC) - DIRECT	HIGHER EDUCATION INSTITUTIONAL AID		84.031	\$	-	\$	2,060,145
			84.031 Total	\$	-	\$	2,060,145
DEPARTMENT OF EDUCATION (EDUC) - DIRECT	IMPROVEMENT OF POSTSECONDARY EDUCATION		84.116	\$	-	\$	230,256
			84.116 Total	\$	-	\$	230,256
DEPARTMENT OF EDUCATION (EDUC) - DIRECT	INNOVATIVE APPROACHES TO LITERACY		84.215	\$	-	\$	500,467
			84.215 Total	\$	-	\$	500,467
DEPARTMENT OF EDUCATION (EDUC) - DIRECT	PROJECT RISE: REIMAGINING INTERVENTION		84.325	\$	-	\$	66,827
			84.325 Total	\$	-	\$	66,827
DEPARTMENT OF EDUCATION (EDUC) - PASS THRU New Mexico Higher Education Department	ADULT EDUCATION	Unknown	84.002	\$	-	\$	587,655
New Mexico Higher Education Department	ADULT EDUCATION	V002A220032	84.002	\$	-	\$	767
New Mexico Higher Education Department	ADULT EDUCATION	V002A230032	84.002	\$	-	\$	199,738
			84.002 Total	\$	-	\$	788,160
DEPARTMENT OF EDUCATION (EDUC) - PASS THRU New Mexico Public Education Department	CARL PERKINS	CARL D. PERKINS BASIC GRANT (FUND CODE 2417	84.048	\$	-	\$	(96)
New Mexico Public Education Department	CARL PERKINS	Unknown	84.048	\$	-	\$	523,973
New Mexico Public Education Department	CARL PERKINS	V048A200031	84.048	\$	-	\$	106,634
New Mexico Public Education Department	CARL PERKINS	V048A210031	84.048	\$	-	\$	9,039
New Mexico Public Education Department	CARL PERKINS	V0485220031	84.048	\$	-	\$	(251)
			84.048 Total	\$	-	\$	639,299
DEPARTMENT OF ENERGY (DOE) - DIRECT	ENERGY PROGRAM FOR INNOVATION		81.010	\$	39,947	\$	201,827
DEPARTMENT OF ENERGY (DOE) - PASS THRU Science Systems and Applications, Inc. SSAI	ENERGY PROGRAM FOR INNOVATION	80GSFC20C0044	81.010	\$	-	\$	4,864
			81.010 Total	\$	39,947	\$	206,691
DEPARTMENT OF ENERGY (DOE) - PASS THRU New Mexico Consortium, Inc.	DEPARTMENT OF ENERGY	89233217CNA000001	81.xx	\$	-	\$	71,167
Triad National Security, LLC	DEPARTMENT OF ENERGY	89233218CNA000001	81.xx	\$	-	\$	46,405
NTESS Sandia National Laboratories	DEPARTMENT OF ENERGY	DE-AC04-A94AL85000	81.xx	\$	-	\$	51,898
National Renewable Energy Laboratory	DEPARTMENT OF ENERGY	DE-AC36-08GO28308	81.xx	\$	-	\$	44,344
			81.xx Total	\$	-	\$	213,814
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - DIRECT	GRADUATE PSYCHOLOGY EDUCATION PROGRAM		93.191	\$	-	\$	216,735
			93.191 Total	\$	-	\$	216,735
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - DIRECT	MENTAL & BEHAVIORAL HEALTH EDUCATION & TRAINING		93.732	\$	-	\$	634,497
			93.732 Total	\$	-	\$	634,497
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU Presbyterian Healthcare Services	ADVANCING HEALTH EQUITY	1 NU58DP007386-01-00	93.988	\$	-	\$	11,841
			93.988 Total	\$	-	\$	11,841
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU Children Youth and Family Dept State NM	CHILDREN'S JUSTICE GRANTS TO STATES	G-1901NMCJA	93.643	\$	-	\$	9,873
			93.643 Total	\$	-	\$	9,873
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU Early Childhood Education and Care Department	DEPARTMENT OF HEALTH & HUMAN SERVICES	CCDF-ACF-IM-2021-02	93.xx	\$	-	\$	(34)
Early Childhood Education and Care Department	DEPARTMENT OF HEALTH & HUMAN SERVICES	Unknown	93.xx	\$	-	\$	92,391
			93.xx Total	\$	-	\$	92,357
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU Early Childhood Education and Care Department	NAEYC FY24	90tp0105	93.434	\$	-	\$	28,752
			93.434 Total	\$	-	\$	28,752

See accompanying independent auditor's report.

DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU							
Comagine Health	NATIONAL DIABETES PREVENTION PROGRAM	NEW 5 NU58DP006736 (OLD 5NU58DP006369)	93.261	\$	-	\$	23,466
			93.261 Total	\$	-	\$	23,466
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU							
State of New Mexico	TANF ADULT BASIC EDUCATION	Unknown	93.558	\$	-	\$	351,629
Early Childhood Education and Care Department	TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	2201NMNTANF	93.558	\$	-	\$	555
			93.558 Total	\$	-	\$	352,184
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU							
Children Youth and Family Dept State NM	TITLE IV-E PROGRAM	G 2201-NMFOST/G 2301-NMFOST/G 2401-NMFO	93.658	\$	-	\$	(185)
Children Youth and Family Dept State NM	TITLE IV-E PROGRAM	ON WAIVER	93.658	\$	-	\$	458,358
			93.658 Total	\$	-	\$	458,173
DEPARTMENT OF INTERIOR (DOI) - DIRECT							
	ENDANGERED SPECIES CONSERV- WOLF LIVESTOCK LOSS		15.666	\$	-	\$	65,058
			15.666 Total	\$	-	\$	65,058
DEPARTMENT OF INTERIOR (DOI) - DIRECT							
	INDIAN ECONOMIC DEVELOPMENT		15.032	\$	47,081	\$	231,557
			15.032 Total	\$	47,081	\$	231,557
DEPARTMENT OF INTERIOR (DOI) - DIRECT							
	NATIVE AMERICAN GRAVES PROTECTION		15.992	\$	-	\$	7,675
			15.992 Total	\$	-	\$	7,675
DEPARTMENT OF INTERIOR (DOI) - PASS THRU							
America View	NATIONAL LAND REMOTE SENSING EDUCATION OUTREACH	G18AP00077	15.815	\$	-	\$	5,003
America View	NATIONAL LAND REMOTE SENSING EDUCATION OUTREACH	Unknown	15.815	\$	-	\$	17,118
			15.815 Total	\$	-	\$	22,121
DEPARTMENT OF INTERIOR (DOI) - PASS THRU							
Pueblo of Laguna	TRIBAL WILDLIFE GRANTS	Unknown	15.639	\$	-	\$	9,912
			15.639 Total	\$	-	\$	9,912
DEPARTMENT OF TREASURY (TREAS) - PASS THRU							
State of New Mexico	COVID-19 CORONAVIRUS STATE & LCL FISCAL RECOVERY FUNDS	2024-NMLOTTERY-13	21.027	\$	-	\$	58,367
State of New Mexico	COVID-19 CORONAVIRUS STATE & LCL FISCAL RECOVERY FUNDS	2024-NMLOTTERY-14	21.027	\$	-	\$	666,903
State of New Mexico	COVID-19 CORONAVIRUS STATE & LCL FISCAL RECOVERY FUNDS	2024-NMLOTTERY-15	21.027	\$	-	\$	50,111
State of New Mexico	COVID-19 CORONAVIRUS STATE & LCL FISCAL RECOVERY FUNDS	2024-NMLOTTERY-16	21.027	\$	-	\$	19,976,297
State of New Mexico	COVID-19 CORONAVIRUS STATE & LCL FISCAL RECOVERY FUNDS	HB2.101048	21.027	\$	-	\$	3,554,285
State of New Mexico	COVID-19 CORONAVIRUS STATE & LCL FISCAL RECOVERY FUNDS	HB2.101049	21.027	\$	-	\$	1,040,911
State of New Mexico	COVID-19 CORONAVIRUS STATE & LCL FISCAL RECOVERY FUNDS	SLFRF0126	21.027	\$	83,295	\$	819,815
State of New Mexico	COVID-19 CORONAVIRUS STATE & LCL FISCAL RECOVERY FUNDS	ZG1054	21.027	\$	-	\$	646,463
State of New Mexico	COVID-19 CORONAVIRUS STATE & LCL FISCAL RECOVERY FUNDS	ZH5210	21.027	\$	-	\$	3,739,352
			21.027 Total	\$	83,295	\$	30,552,510
ENVIRONMENTAL PROTECTION AGENCY (EPA) - DIRECT							
	NMDA MULTIPURPOSE GRANT FY21		66.204	\$	-	\$	4,321
			66.204 Total	\$	-	\$	4,321
ENVIRONMENTAL PROTECTION AGENCY (EPA) - DIRECT							
	SOUTH CENTRAL ENVIRONMENTAL JUSTICE		66.309	\$	533,273	\$	682,487
			66.309 Total	\$	533,273	\$	682,487
ENVIRONMENTAL PROTECTION AGENCY (EPA) - DIRECT							
	CONSOLIDATED PESTICIDE ENFORCEMENT COOP		66.700	\$	-	\$	488,694
			66.700 Total	\$	-	\$	488,694
ENVIRONMENTAL PROTECTION AGENCY (EPA) - PASS THRU							
Extension Foundation	EDUCATING NEW MEXICO'S PESTICIDE AP	84066001	66.716	\$	-	\$	1,132
			66.716 Total	\$	-	\$	1,132
ENVIRONMENTAL PROTECTION AGENCY (EPA) - PASS THRU							
State of New Mexico	GOLD KING MINE LONG TERM MONITORING	01F16901	66.802	\$	-	\$	57,929
			66.802 Total	\$	-	\$	57,929
NATIONAL ENDOWMENT FOR HUMANITIES (NEH) - DIRECT							
	PROMOTION OF THE HUMANITIES		45.149	\$	-	\$	122,376
			45.149 Total	\$	-	\$	122,376
NATIONAL ENDOWMENT FOR HUMANITIES (NEH) - DIRECT							
	PROMOTION OF THE HUMANITIES TEACHING		45.162	\$	-	\$	45,663
			45.162 Total	\$	-	\$	45,663
NATIONAL ENDOWMENT FOR THE ARTS (NEA) - DIRECT							
	PROMOTION OF THE ARTS GRANTS TO ORGANIZATIONS		45.024	\$	-	\$	13,064
			45.024 Total	\$	-	\$	13,064
OFFICE OF NATL DRUG CONTROL POLICY - DIRECT							
	HIGH INTENSITY DRUG TRAFFICKING AREAS		95.001	\$	-	\$	30,020
			95.001 Total	\$	-	\$	30,020
SMALL BUSINESS ADMINISTRATION (SBA) - DIRECT							
	CONGRESSIONAL GRANTS		59.059	\$	-	\$	216,070
			59.059 Total	\$	-	\$	216,070
SMALL BUSINESS ADMINISTRATION (SBA) - DIRECT							
	FEDERAL AND STATE TECHNOLOGY PARTNERSHIP		59.058	\$	-	\$	128,170
			59.058 Total	\$	-	\$	128,170
SMALL BUSINESS ADMINISTRATION (SBA) - PASS THRU							
New Mexico Small Business Development Center	SMALL BUSINESS DEVELOPMENT CENTERS	Unknown	59.037	\$	-	\$	12,795
			59.037 Total	\$	-	\$	12,795
COVID-19 HIGHER EDUCATION EMERGENCY RELIEF FUNDS							
DEPARTMENT OF EDUCATION (EDUC) - DIRECT							
	COVID-19 HIGHER EDUCATION EMERGENCY RELIEF FUND - INSTITUTIONAL		84.425F	\$	-	\$	1,239,755
			84.425F Total	\$	-	\$	1,239,755
DEPARTMENT OF EDUCATION (EDUC) - PASS THRU							
High Plains Regional Education Cooperative #3	COVID-19 HIGHER EDUCATION EMERG RELIEF FND ARP	S425U210023-21A	84.425u	\$	-	\$	(1,418)
New Mexico Public Education Department	COVID-19 HIGHER EDUCATION EMERG RELIEF FND ARP	S425V210017	84.425u	\$	-	\$	993,102
			84.425u Total	\$	-	\$	991,684
SNAP CLUSTER							
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU							
New Mexico Human Services Department	SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	Unknown	10.561	\$	-	\$	1,917,437
			10.561 Total	\$	-	\$	1,917,437
			Covid-19 Higher Education Relief Funds Total	\$	-	\$	2,231,439

See accompanying independent auditor's report.

ECONOMIC DEVELOPMENT CLUSTER			SNAP Cluster Total	\$	-	\$	1,917,437
DEPARTMENT OF COMMERCE (DOC) - DIRECT	BUILD RESILIENCE/ENTREP(BRECC) PROJECT		11.307	\$	-	\$	62,248
			11.307 Total	\$	-	\$	62,248
FISH AND WILDLIFE CLUSTER			Economic Development Cluster Total	\$	-	\$	62,248
DEPARTMENT OF INTERIOR (DOI) - PASS THRU	SPORT FISH RESTORATION PROGRAM	F18AF00280	15.605	\$	-	\$	2
State of NM Dept Of Game And Fish			15.605 Total	\$	-	\$	2
DEPARTMENT OF INTERIOR (DOI) - DIRECT	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION		15.611	\$	-	\$	(2,262)
DEPARTMENT OF INTERIOR (DOI) - PASS THRU	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	F21AF00889	15.611	\$	-	\$	50,651
Arizona Game and Fish Department			15.611	\$	-	\$	36,653
State of NM Dept Of Game And Fish	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	F22AF01771	15.611	\$	-	\$	109,796
State of NM Dept Of Game And Fish	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	GFDW180R2	15.611 Total	\$	-	\$	194,838
HEADSTART CLUSTER			Fish and Wildlife Cluster Total	\$	-	\$	194,840
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - DIRECT	HEAD START		93.600	\$	-	\$	2,319,785
			93.600 Total	\$	-	\$	2,319,785
CCDF CLUSTER			Headstart Cluster Total	\$	-	\$	2,319,785
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU	CHILD CARE AND DEVELOPMENT BLOCK GRANT	2102NMCCCS	93.575	\$	-	\$	18,000
Early Childhood Education and Care Department			93.575	\$	-	\$	2,694
Early Childhood Education and Care Department	EARLY CHILDHOOD PROGRAM- NAEYC	Unknown	93.575 Total	\$	-	\$	20,694
TRIO CLUSTER			CCDF Cluster Total	\$	-	\$	20,694
DEPARTMENT OF EDUCATION (EDUC) - DIRECT	TRIO STUDENT SUPPORT SERVICES PROGR		84.042	\$	-	\$	699,201
			84.042 Total	\$	-	\$	699,201
DEPARTMENT OF EDUCATION (EDUC) - DIRECT	TALENT SEARCH PROGRAM		84.044	\$	-	\$	242,737
			84.044 Total	\$	-	\$	242,737
DEPARTMENT OF EDUCATION (EDUC) - DIRECT	TRIO UPWARD BOUND		84.047	\$	-	\$	976,524
			84.047 Total	\$	-	\$	976,524
DEPARTMENT OF EDUCATION (EDUC) - DIRECT	TRIO MCNAIR POST-BACCALAUREATE ACHIEVEMENT		84.217	\$	-	\$	277,968
			84.217 Total	\$	-	\$	277,968
			Trio Cluster Total	\$	-	\$	2,196,430
INDIVIDUAL AWARDS - OTHER TOTAL							3,640,508
TOTAL EXPENDITURES OF FEDERAL AWARDS							20,018,576
							58,541,371
							230,666,015

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Reconciliation to Statement of Revenues, Expenditures and Changes in Net Position**Federal Awards:**

Federal Appropriations, Grants and Contracts	\$ 117,780,563
Federal Pell Grant revenue	46,113,179
*SLFRF revenue included in NM Lottery Scholarship non-operating revenue	20,751,678
*SLFRF revenue included in State Appropriations non-operating revenue	4,595,202
*SLFRF revenue included in Capital Grants non-operating revenue	3,739,352
*SLFRF revenue included in State Grants and Contracts	998,092
CARES revenue reclassified to other non-operating revenue	2,231,435
	<u>196,209,501</u>
Plus/(Less) reconciling items:	
Adjustment to federal revenue for accrued liabilities and reversals	(16,475)
Adjustment to federal revenue for Department of Education loans	34,472,989
Federal Expenditures per Schedule 7	<u><u>\$ 230,666,015</u></u>

*State and Local Federal Recovery Funds

Notes to Schedule of Expenditures of Federal Awards**Note A:** Basis Of Presentation

The accompanying schedule of expenditures of Federal Awards (the schedule) is prepared on the accrual basis of accounting and includes the federal grant activity of the University under programs of the Federal Government for the year ended June 30, 2024. The information in this schedule is presented in accordance with 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in net position, or cash flows of the University.

Note B: Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards follows the accounting policies presented in Note 2 of the University's Notes to Financial Statements.

Note C: Federal Direct Student Loans, CFDA # 84.268. During the fiscal year ended June 30, 2024, the University processed \$32,391,416 in new loans under the Direct Student Loan Program (which includes Stafford Loans and Parents' Plus Loans).

Note D: During the fiscal year ended June 30, 2024, there were no federal funds made available in the form of non-cash assistance.

Note E: Federal Perkins Loan Program, CFDA # 84.038. No additional Perkins loans were awarded for the year ended June 30, 2024, and the outstanding student loan balances under the Federal Perkins Loan Program was \$1,559,619.

Note F: New Mexico State University has elected not to use the 10% de minimis indirect cost rate.

See accompanying independent auditor's report.

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 Regents
New Mexico State University
and
Mr. Joseph M. Maestas, PE, CFE
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 the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of New Mexico State University (the University) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise New Mexico State University's basic financial statements, and have issued our report thereon dated October 25, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University'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 financial statements. 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 cursive script that reads "Moss Adams LLP".

Albuquerque, New Mexico
October 25, 2024



Report of Independent Auditors on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

The Board of Regents
New Mexico State University
and
Mr. Joseph M. Maestas, PE, CFE
New Mexico State Auditor

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited New Mexico State University's (the University) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2024. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the University's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the University's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the University's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the University's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the University's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the University's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Albuquerque, New Mexico
October 25, 2024

**Schedule of Findings and Questioned Costs
Year ended June 30, 2024**

(1) Summary of Auditor's Results

Type of report the auditor issued on whether the financial statements were prepared in accordance with generally accepted accounting principles: **Unmodified**

Internal control over financial reporting:

Material weakness(es) identified: **No**
Significant deficiency(ies) identified: **None reported**

Noncompliance material to the financial statements noted: **No**

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified: **No**
Significant deficiency(ies) identified: **None reported**

Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a): **No**

Identification of major federal programs and type of auditor's report issued on compliance for major federal programs:

Research and Development Cluster – various ALN numbers - **Unmodified**
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - ALN 21.027 - **Unmodified**

Dollar threshold used to distinguish between Type A and Type B programs: **\$3,000,000**

Auditee qualified as a low-risk auditee: **Yes**

(2) Financial Statement Findings

None reported.

(3) Federal Award Findings and Questioned Costs

None reported.

**Summary Schedule of Prior Audit Findings
Year ended June 30, 2024**

Section II - Financial Statement Findings Relating to the Financial Statements Reported in Accordance with Government Auditing Standards

None

Section III - Federal Awards Findings and Questioned Costs

None

Other Findings as Required by New Mexico State Statute, 12-6-5, NMSA 1978

2023-001 - Asset Disposal (Other Non-compliance)

Current Status: Resolved

**Schedule of Findings and Questioned Costs
As Required by New Mexico State Statute 12-6-5, NMSA 1978
Year ended June 30, 2024**

Other Audit Findings as Required by New Mexico State Statute, 12-6-5, NMSA 1978

None

An exit conference was held on October 24, 2024, to discuss the current audit report and auditors' comments. In attendance were the following individuals:

Representing the Board of Regents for New Mexico State University

Ammu Devasthali	Co-Chair
Deborah Romero	Audit Committee Member
Yan Zhang	Audit Committee Community Member
Shari Jones	Audit Committee Community Member

Representing New Mexico State University

Monica Torres	Interim President
Lisa Henderson	Chief Legal Affairs Officer
Christian Kinsley	Interim Vice President, Administration and Finance
Renay Scott	VP Student Success
D'Anne Stuart	Associate Vice President, Administration and Finance
Ross Justus	Controller
Carolina Muñoz	Manager, Accounting and Finance
Diana Molina-Barragan	Audit Liaison
Adam Cavotta	Board of Regents Chief of Staff
Robert Doyle	Privacy & IT Compliance Officer
John Frye	Interim Chief Audit Officer
Ermelinda Quintela	University Policy Admin

Representing New Mexico State University Component Units

Alasdair Forysthe	Controller, NMSU Foundation, Inc.
Dana Catrone	CEO, Arrowhead Center Inc., Interim
Vanessa Mills	Senior Accountant, Arrowhead Center Inc.
Aylin Mills	Senior Accountant, Arrowhead Center Inc.

Representing Moss Adams LLP

Lisa Todd	Lead Engagement Partner
Ashlee Lent	Senior Manager
Ernesto Ramirez	Manager

The University's management prepared the financial statements. The University is responsible for the financial statements and its contents.



Board of Regents Meeting
Meeting Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # H-1

- Action Item
- Consent Item
- Informational Item

Presented By: **Ala Alhalholy**
President
Associated Students of New Mexico
State University

Agenda Item: Report from the Associated Students of New Mexico State University

Requested Action of the Board of Regents: None. Information only.

Executive Summary: This is a quarterly report provided to the Board of Regents from the Associated Students of New Mexico State University.

References:
See attached report.

Prior Approvals:
N/A



Board of Regents Meeting
Meeting Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # H-2

- Action Item
- Consent Item
- Informational Item

Presented By: Vimal Chaitanya
Chair
NMSU Faculty Senate

Agenda Item: Report from the New Mexico State University Faculty Senate

Requested Action of the Board of Regents: None. Information only.

Executive Summary: This is a quarterly report provided to the Board of Regents from Faculty Senate

References:
See attached report.

Prior Approvals:
N/A



Board of Regents Meeting
Meeting Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # H-3

- Action Item
- Consent Item
- Informational Item

Presented By: Donna Johnson
Chair
NMSU Employee Council

Agenda Item: Report from the New Mexico State University Employee Council

Requested Action of the Board of Regents: None. Information only.

Executive Summary: This is a quarterly report provided to the Board of Regents from Employee Council

References:
See attached report.

Prior Approvals:
N/A

Madam Chair and members of the board.

- Employee Council will continue to advocate and work with HR regarding changes in positions and salaries, which is critical to the future operations of NMSU. NMSU salaries are inadequate in the local and regional market. Employee Council continues to request an external review of our job descriptions, titles and salary grades. We ask our leadership to continue to advocate for staff and faculty so we may attract and retain qualified staff.
- Employee Council Elections are underway. Nominations for the council are open through 5 p.m. Friday, December 13, 2024. Employees may nominate themselves or other employees for Employee Council. The nomination form can be accessed at <https://vote.nmsu.edu>.
- Employee picnic was a huge success. A big thank you to upper leadership for funding this much anticipated employee appreciation event each year.
- On November 11th, President Torres sent out an email to NMSU employees. I could almost feel the wave of happiness spread across campus!!

Her statement read: "Every day, NMSU employees across the system can be found doing incredible work to advance our university mission. Thank you, everyone, for your efforts in making NMSU a better place. We hope this extra day will allow for some additional rest and relaxation and some additional time with your families, friends and loved ones"

Thank you so much for making this happen. Kudos to the President's Office and the Regents for caring about NMSU staff.



Board of Regents Meeting
Meeting Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # I-1

- Action Item
- Consent Item
- Informational Item

Presented By: Ross Justus, University Controller

Agenda Item:

Disposition/Deletion of Property

Requested Action of the Board of Regents:

Approval of Disposition/Deletion of Property.

Executive Summary:

The Property Disposition Report represents tangible personal property on the capital asset list identified for disposition and deletion from the university's capital inventory.

References:

N/A

Prior Approvals:

Regents Financial Strategies, Performance and Budget Committee 12/02/2024

NMSU Capital Property Disposition Report - Summary
As of 11/18/2024

Categories	Count	Total Cost	Accumulated Depreciation	Net Book Amount
Obsolete Equipment	28	292,359.39	292,359.39	\$0.00
Surplus Vehicle	4	74,324.71	67,092.94	\$7,231.77
Surplus Equipment	3	17,680.10	17,680.10	\$0.00
Stolen Vehicle	1	29,417.00	9,805.65	\$19,611.35
Stolen Equipment	2	19,915.82	18,565.60	\$1,350.22
Worn out Vehicle	1	22,375.00	22,375.00	\$0.00
Worn out Equipment	9	84,688.32	82,455.13	\$2,233.19
Unusable Vehicle	8	155,926.00	155,926.00	\$0.00
Unusable Equipment	16	271,738.40	271,738.40	\$0.00
Destroyed Equipment	1	9,341.00	9,341.00	\$0.00
Grand Total	73	977,765.74	\$947,339.21	\$30,426.53

NMSU Capital Property Disposition Report - Detail
As of 11/18/2024

#	Department	Barcode	Description	ACQUISITION DATE	Total Cost	Accumulated Depreciation	Net Book Amount	Disposal Type
1	NMDA STATE CHEMIST LABORATORY	U441355	4,200 Watt Battery Backup UPS	6/17/2016	5,309.99	5,309.99	-	Obsolete
2	ADMIN AND PGM UNIT CURRY CNTY	U310208	TELEPHONE SYSTEM	1/18/2002	5,253.48	5,253.48	-	Obsolete
3	BIOLOGY	U311929	STERILIZER LAB	6/13/1996	14,528.00	14,528.00	-	Obsolete
4	CHEMISTRY AND BIOCHEMISTRY	U301212	INTEGRATOR GATED	7/22/1986	14,573.00	14,573.00	-	Obsolete
5	CHEMISTRY AND BIOCHEMISTRY	U301219	LASER	5/1/1979	16,200.00	16,200.00	-	Obsolete
6	CHEMISTRY AND BIOCHEMISTRY	U301220	LASER	5/1/1979	15,730.00	15,730.00	-	Obsolete
7	CHEMISTRY AND BIOCHEMISTRY	U328415	MONOCHROMATOR	4/1/1979	11,665.00	11,665.00	-	Obsolete
8	MATHEMATICAL SCIENCES	U300621	PROJECTOR OVERHEAD	1/24/2001	7,272.18	7,272.18	-	Obsolete
9	PHYSICS	U306782	LASER	6/1/1980	11,400.00	11,400.00	-	Obsolete
10	CIVIL ENGINEERING	U403383	GANTRY KIT	7/12/2004	11,874.95	11,874.95	-	Obsolete
11	LIBRARY	U326666	CONTROL UNIT COMPUTER	6/27/2000	7,541.63	7,541.63	-	Obsolete
12	LIBRARY	U327007	CONTROL UNIT COMPUTER INSTRUCTOR UNIT	6/29/1998	6,678.08	6,678.08	-	Obsolete
13	IT TELECOMM,NETWORK,CUST SUPPORT	U430459	Network Switch Cisco Catalyst 3750X 24 Port GE	5/23/2012	8,800.00	8,800.00	-	Obsolete
14	IT TELECOMM,NETWORK,CUST SUPPORT	U430617	Network Switch Catalyst 3750X 24 Port GE SFP IP	6/21/2012	8,800.00	8,800.00	-	Obsolete
15	IT TELECOMM,NETWORK,CUST SUPPORT	U433070	Network Switch Catalyst 2960S 48 GigE PoE 740W	5/3/2013	8,703.40	8,703.40	-	Obsolete
16	IT TELECOMM,NETWORK,CUST SUPPORT	U433071	Network Switch Catalyst 2960S 48 GigE PoE 740W	5/3/2013	8,703.40	8,703.40	-	Obsolete
17	IT TELECOMM,NETWORK,CUST SUPPORT	U433072	Network Switch Catalyst 2960S 48 GigE PoE 740W	5/3/2013	8,703.40	8,703.40	-	Obsolete
18	IT TELECOMM,NETWORK,CUST SUPPORT	U433073	Network Switch Catalyst 2960S 48 GigE PoE 740W	5/3/2013	8,703.40	8,703.40	-	Obsolete
19	IT TELECOMM,NETWORK,CUST SUPPORT	U433074	Network Switch Catalyst 2960S 48 GigE PoE 740W	5/3/2013	8,703.40	8,703.40	-	Obsolete
20	IT TELECOMM,NETWORK,CUST SUPPORT	U433661	Network Switch Catalyst 3750X 24Pt GE SFP IP Base	7/12/2013	8,800.00	8,800.00	-	Obsolete
21	IT TELECOMM,NETWORK,CUST SUPPORT	U434333	Network Switch Catalyst 3750X 24 Port GE SFP IP	9/23/2013	8,800.00	8,800.00	-	Obsolete
22	IT TELECOMM,NETWORK,CUST SUPPORT	U434425	Network Switch Catalyst 3750X 24 Port GE SFP IP	10/30/2013	8,800.00	8,800.00	-	Obsolete
23	IT TELECOMM,NETWORK,CUST SUPPORT	U435650	Network Switch Catalyst 3750X 24 Port GE SFP IP	6/4/2014	9,020.00	9,020.00	-	Obsolete
24	IT TELECOMM,NETWORK,CUST SUPPORT	U437242	Network Switch Catalyst 3750X 24 Port GE SFP IP	11/19/2014	9,020.00	9,020.00	-	Obsolete
25	PSL INFORMATION TECHNOLOGY	U430414	Network Storage Model VNX5300 with Operating Software	5/23/2012	35,592.08	35,592.08	-	Obsolete
26	PSL INFORMATION SCIENCES	U428765	SolidWorks Premium Software	9/13/2011	8,995.00	8,995.00	-	Obsolete
27	HOUSING AND RESIDENTIAL LIFE	U305552	FILE SERVER	12/2/1994	8,382.00	8,382.00	-	Obsolete
28	HOUSING AND RESIDENTIAL LIFE	U310209	COMPUTER SERVER	5/7/2002	5,807.00	5,807.00	-	Obsolete
29	ADMIN AND PGM UNIT MORA CNTY	U419029	2009 Ford Ranger Truck G75471	12/11/2008	16,553.45	16,553.45	-	Surplus Vehicle
30	ADMIN PRGM SANDVAL CTY	U408809	2006 FORD F150 SUPER CREW 4X4 TRUCK VEHICLE G66582	6/30/2006	15,502.26	15,502.26	-	Surplus Vehicle
31	ADMIN AND PGM UNIT TAOS	U405612	SEDAN 4 DOOR 2005 G61284	4/14/2005	15,150.00	15,150.00	-	Surplus Vehicle
32	NEW MEXICO DEPARTMENT OF AGRICULTUR	U433921	2013 #818 Ford half Ton PU Extended Cab Sprcab Short G90035	10/30/2013	27,119.00	19,887.23	7,231.77	Surplus Vehicle
33	NMDA IT PROGRAM	U437183	Sharp PN L703B 70 inch Class Interactive display system	11/14/2014	5,582.75	5,582.75	-	Surplus Equipment
34	AG SCIENCE CTR AT FARMINGTON	U335211	BALER HAY APPROX PRICE INDICATED	10/21/1997	7,000.00	7,000.00	-	Surplus Equipment
35	INST FOR EXCEL IN MATH & SCIENCE ED	U432944	Aboard Adj Sys 578Pro DST	4/12/2013	5,097.35	5,097.35	-	Surplus Equipment
36	FISHERY AND WILDLIFE SCIENCES	U449648	2019 Chevrolet Silverado White	7/22/2019	29,417.00	9,805.65	19,611.35	Stolen Vehicle
37	NMDA VETERINARY DIAGNOSTIC SVC	U432468	83in Tandem Axle Dump Trailer G86259	12/11/2012	6,750.82	5,400.60	1,350.22	Stolen Equipment
38	ANIMAL AND RANGE SCIENCES	U426206	Ultra Console Model SSD 500V	1/31/2011	13,165.00	13,165.00	-	Stolen Equipment
39	ADMIN PRGM RIO ARRIBA CTY	U413154	VEHICLE 2007 FORD F150 SUPERCAB 4X4 E85 G70876	7/31/2007	22,375.00	22,375.00	-	Worn out Vehicle
40	ANIMAL AND RANGE SCIENCES	U320856	FREEZER ULTRALOW SO LOW MODEL U85 22	3/19/1998	5,940.00	5,940.00	-	Worn out
41	CIVIL ENGINEERING	U425531	Drill Model 16ZX 10000	4/26/2011	5,635.00	5,259.38	375.62	Worn out

NMSU Capital Property Disposition Report - Detail
As of 11/18/2024

#	Department	Barcode	Description	ACQUISITION DATE	Total Cost	Accumulated Depreciation	Net Book Amount	Disposal Type
42	CORPORATE RELATIONS & CAREER EVENTS	U420824	60in LG Model PS60C Commercial Plasma display with	6/18/2009	5,565.00	5,565.00	-	Worn out
43	UNIV COMM SPECIAL PRODUCTIONS	U430736	Zeus III 32 Port Matrix w 2Ch TWIF IF to 2	6/28/2012	9,375.16	9,375.16	-	Worn out
44	UNIV COMM SPECIAL PRODUCTIONS	U430738	KP32 30 Position Panel Dir Prod	7/10/2012	9,375.16	9,375.16	-	Worn out
45	UNIV COMM SPECIAL PRODUCTIONS	U435613	Titan Two Base Platform Base encoder unit	8/7/2014	18,248.25	18,248.25	-	Worn out
46	UNIV COMM SPECIAL PRODUCTIONS	U435614	Titan Two Base Platform Base encoder unit	8/7/2014	18,248.25	18,248.25	-	Worn out
47	UNIV COMM SPECIAL PRODUCTIONS	U435620	HMR5442 Base Unit includes ASI input as standard	8/7/2014	5,335.75	5,335.75	-	Worn out
48	DACC ACCOUNTING SVCS	U435652	new ice machine for Snack Bar Central	6/20/2014	6,965.75	5,108.18	1,857.57	Worn out
49	ADMIN PRGM COLFAX CTY	U330854	TRUCK PU HALF TON 1998 G34942	3/2/1998	20,489.00	20,489.00	-	Unusable Vehicle
50	ADMIN AND PGM UNIT CURRY CNTY	U330509	TRUCK PICKUP 3/4 TON 1996 G22796	7/29/1996	19,122.00	19,122.00	-	Unusable Vehicle
51	ADMIN AND PGM SUPP UNIT UNION CNTY	U321385	STATION WAGON 2000 FORD TAURUS 03509G	6/5/2000	17,351.00	17,351.00	-	Unusable Vehicle
52	ANIMAL AND RANGE SCIENCES	U327788	TRUCK PICKUP 1 1/2 TON 1994 G08803	1/10/1994	16,332.00	16,332.00	-	Unusable Vehicle
53	ENTOMOLOGY PLANT PATH AND WEED SCI	U333397	TRUCK PICKUP 1/2 TON 1991 G06968	8/6/2002	12,625.00	12,625.00	-	Unusable Vehicle
54	ADMIN PRGM MCKINLEY CTY	U415801	Silverado Half Ton Crew Cab Truck G74519	8/5/2008	23,998.00	23,998.00	-	Unusable Vehicle
55	ADMIN PRGM SIERRA CTY	U423125	Ford white 2010 1/2 TON 4 door crew cab 4x4 G79174	2/8/2010	26,484.00	26,484.00	-	Unusable Vehicle
56	LEYENDECKER PLANT SCI RES CTR	U405600	TRUCK PICKUP 1/2 TON 2005 G61111	3/22/2005	19,525.00	19,525.00	-	Unusable Vehicle
57	ATHLETICS	U411805	Portable Backstops DIRECT PAY	3/17/2008	10,204.47	10,204.47	-	Unusable Equipment
58	ATHLETICS	U411806	Portable Backstop DIRECT PAY	3/17/2008	10,204.47	10,204.47	-	Unusable Equipment
59	W TRACK FLEXIBLE	U405892	BARRIER STEEPLE CHASE	6/20/2005	7,678.13	7,678.13	-	Unusable Equipment
60	STATEWIDE AG EDUC	U411578	CAERT Software	3/9/2007	57,000.00	57,000.00	-	Unusable Equipment
61	SPEECH AND HEARING CLINIC	U417692	Rhinolaryngeal Stroboscope Mdl 9100B	9/2/2008	19,314.86	19,314.86	-	Unusable Equipment
62	SPEECH AND HEARING CLINIC	U417693	Camera 1 CCD MDL 9211	9/2/2008	5,379.84	5,379.84	-	Unusable Equipment
63	SPEECH AND HEARING CLINIC	U417695	Digital Video Capture Module MDL 9200C	9/2/2008	17,124.86	17,124.86	-	Unusable Equipment
64	CHEMICAL & MATERIALS ENGINEERING	U441866	##MedeA Instrument 64-2:64## core machine	1/9/2017	23,745.00	23,745.00	-	Unusable Equipment
65	ENGINEERING TECHNOLOGY	U433280	Group 2 System Price Server Model MD3220	6/20/2013	21,682.31	21,682.31	-	Unusable Equipment
66	DACC ADULT BASIC EDUCATION	U444043	Insight 4 ES Scantron Scanner	6/6/2018	5,831.00	5,831.00	-	Unusable Equipment
67	DACC MANUFACTURING TECH PGM	U329711	MILL WITH PNEUMATIC VISE CM 171M	12/8/1999	5,235.00	5,235.00	-	Unusable Equipment
68	DACC MANUFACTURING TECH PGM	U329759	PANEL MOTOR APPLICATION	5/4/2001	10,815.56	10,815.56	-	Unusable Equipment
69	DACC MANUFACTURING TECH PGM	U329775	MANUFACTURING PROCESS UNIT	5/4/2001	49,955.88	49,955.88	-	Unusable Equipment
70	DACC MANUFACTURING TECH PGM	U329780	CONTROLLER PROGRAMMABLE	5/4/2001	8,298.69	8,298.69	-	Unusable Equipment
71	DACC MANUFACTURING TECH PGM	U402356	CONTROLLER SYSTEM PROGRAMMABLE	5/4/2004	7,095.00	7,095.00	-	Unusable Equipment
72	DACC MANUFACTURING TECH PGM	U404773	TRAINING STATION MILL	2/16/2005	12,173.33	12,173.33	-	Unusable Equipment
73	AG SCIENCE CTR AT LOS LUNAS	U316107	FREEZER WALK-IN	2/1/1979	9,341.00	9,341.00	-	Destroyed
					977,765.74	947,339.21	30,426.53	



Board of Regents Meeting Meeting

Date: December 12, 2024

Agenda Item Cover Page

Agenda Item # 1-2

- Action Item
- Consent Item
- Informational Item

Presented By:

Scott Eschenbrenner
Special Assistant to the President

Agenda Item:

Guiding Principles for Real Estate

Requested Action of the Board of Regents:

Approval of Guiding Principles for Real Estate

Executive Summary:

Guidelines developed to assist NMSU Real Estate Department in carrying out the following aspirational mission:

1. Maximizing NMSU's returns on its real estate investments.
2. Building opportunities for student engagement, including student focused amenities, student life, and experiential learning opportunities through research and Extension development activities.
3. Achieving financial independence by building net revenue streams for NMSU Real Estate.
4. Statewide community engagement through mutually beneficial real estate projects.
5. Real estate will serve as an engine for economic development in New Mexico, improving the lives of students, faculty, staff and community.

References:

Attached Document – Guidelines and Operating Procedures

Prior Approvals:

Regents Real Estate Committee meeting approval on December 3, 2024.

**New Mexico State University Real
Estate Department**

**GUIDELINES and
OPERATING PROCEDURES**

Prepared: November 2024

(Last edited 11/27/24)

Table of Contents

Guiding Principles for the NMSU Real Estate Department.....	3
Best Practices for Real Estate Revenue Distribution.....	4
Real Property Acquisition and Disposition Procedures	6
Policy References:	6
Procedures for Acquisition of Real Property	7
Disposition of Real Property	9
Lease of Real Property Procedures	11
Policy References:	11
Procedures for Leasing of Real Property	11

Guiding Principles for the NMSU Real Estate Departmentⁱ

These Guidelines have been developed in order to assist in the NMSU Real Estate Department in carrying out the following aspirational mission:

1. Maximizing NMSU's returns on its real estate investments.
2. Building opportunities for student engagement, including student focused amenities, student life, and experiential learning opportunities through research and Extension development activities.
3. Achieving financial independence by building net revenue streams for NMSU Real Estate.
4. Statewide community engagement through mutually beneficial real estate projects.
5. Real estate will serve as an engine for economic development in New Mexico, improving the lives of students, faculty, staff and community.

Best Practices for Real Estate Revenue Distribution

Policy Summary – All NMSU real property is held in the name of the Board of Regents of New Mexico State University without regard to the academic or administrative unit that may occupy it.

General Guidelines

1. The Board of Regents retains discretion to allocate net lease revenue after lease costs with or without regard to these Guidelines.
2. All net revenue will be allocated as directed by the Board of Regents; this will generally be at the college or unit level to be utilized at the appropriate Dean or Vice President's discretion for the benefit of the college or unit's mission; the central allocation share will be used to advance the mission of the Real Estate Department
3. These Guidelines will be reviewed on an annual basis by the Regents Real Estate Committee to ensure alignment with NMSU's financial goals and obligations.
4. All revenue distribution decisions will consider student centric benefits, research, and Cooperative Extension.

Lease Revenue Distribution

Non-I&G real property and improvements

- Determine if the tenant interferes or damages the ability for the college or unit to continue its operation or mission.
- Proposal brought to NMSU by college or unit – split of net revenues is 80% to the college or unit that has direct responsibility for the asset and 20% to central administration.
- Proposal brought to NMSU by third-party – split of the net revenues is 60% to the college or unit that has direct responsibility for the asset and 40% to central administration.

I&G real property and improvements

- In as much as most I&G space has been funded by the State of New Mexico for I&G purposes, lease of I&G space will be relatively rare; and work on proposals brought forward by individual units or colleges to the Real Estate Department must be reviewed with the Vice President, Administration and Finance prior to any further consideration. Ordinarily, space surplus to the needs of one college or unit will revert back to the general space pool to meet other NMSU needs.

However, if determined to be an exception, the following guidelines will be followed:

- Determine current operating, maintenance, overhead costs, and reserves for replacements on a price per square foot basis for the leased space.
- Determine the secondary benefits (e.g., educational opportunities for students, research, and Cooperative Extension) that flow back to the college or unit if the lease is in place.
- Proposal brought to NMSU by college or unit – split of net revenues is 80% to the college or unit that has direct responsibility for the asset management and 20% to central administration. If unique circumstances exist regarding the sharing of revenue, modifications of the 80 /20 split will be considered on a case by case basis.
- Proposal brought to NMSU by third-party – split of the net revenues is 50% to the college or unit that has direct responsibility for the asset and 50% to central administration.

Branch and NMSU Global Campuses

- Split of the net revenues is 95% to the branch campus that has direct responsibility for the asset and 5% to central administration. For I&G space, the branch campus must document that the space is surplus to the needs of both the branch, and the NMSU System.

Real Property Acquisition and Disposition Procedures

Overview: The purpose of this procedure is to provide relevant guidance, policy, and direction to department staff who are engaged in real property acquisitions and dispositions.

Policy Statement: NMSU is dedicated to the responsible stewardship of its extensive physical resources including real estate, water rights, buildings, other capital improvements, and a wide variety of personal property including equipment and materials. Legal title to all physical assets, real and personal, is vested in the Board of Regents as the body corporate (NMSA 1978 §§ 21-3-4 et seq.), without regard to the academic or administrative entity that occupies or otherwise uses the asset. NMSU shall preserve adequate land holdings and water rights to meet all current and foreseeable academic and support needs. NMSU shall seek to enhance and maximize the productivity of those assets which exceed the current needs of university operations in a prudent manner that is designed to provide as much benefit to the university as feasible.

Policy References:

- New Mexico State University, Board of Regents' Policy Manual, Policy 12.90— Real Estate
- New Mexico State University, Board of Regents Policy Manual, Policy 12.00- Real Estate, Capital Improvements and other Physical Resources
- New Mexico State University, Administrative Code, Title 1, Chapter 5, Part 23, Real Property Acquisitions, Sales, Trades, or Leases (1.5.23 NMAC)
- New Mexico State University, Board of Regents Policy Manual, Appendix – RPM 12.00-A – Legally Required Approvals and Notifications for Certain Real Estate and Capital Improvement Transactions
- New Mexico State University, Board of Regents Policy Manual, Appendix – RPM 1.00-A, Attachment 3 – Bylaws of the Regents of New Mexico State University, including Regents Committee Charters
- University Administrative Policies and Procedures Manual (UAPPM), Policy 2010- Contracts Signature Authority and Review

Procedures for Acquisition of Real Property

1. **Preliminary Acquisition Approval** - Prior to facilitating an acquisition of real property, staff must receive approval to proceed with negotiation and due diligence from the Director of Real Estate, the Executive Vice President for Administration, or the President of the University.
2. **Required Approvals** - All acquisitions of real property require approval of the Board of Regents of the New Mexico State University (BOR), the New Mexico Higher Education Department (HED), and the New Mexico State Board of Finance (SBOF).
3. **Preliminary Due Diligence** - Prior to obtaining BOR approval for a real property acquisition, staff must perform a sufficient level of due diligence to ensure that the proposed transaction is consistent with the goals of the University and has a high probability of meeting the standards of the BOR, HED, and the SBOF. Due diligence items may include market studies, building condition assessment reports, appraisals, surveys, environmental site assessments, and other relevant documents. Staff must demonstrate that the proposed transaction is equal to, or less than, market value for the real property interest that will be submitted for approval.
4. **Board of Regents Approval** - Pursuant to Regents' Policy 12.00 (Real Estate), the purchase, acquisition, sale, lease, encumbrance or mortgage of real estate or water right must be approved by the BOR. The Director of Real Estate will submit a request through the SVP for Administration and Finance, requesting Board of Regents consideration and approval of any real property acquisition. The request must be routed and approved through the appropriate subcommittees prior to being placed on the agenda for the full Board of Regents' consideration.
5. **Purchase Agreement and Completion of Due Diligence** - Subsequent to BOR approval, all of the documents required for approvals by HED and SBOF must be obtained, reviewed, and approved by the Office of Real Estate. These documents include the following:
 - A fully executed purchase and sale agreement. The agreement must be approved by University General Counsel and the Director of Real Estate and comply with Regents' Administrative Rules and Procedures

(ARP) manual. If outside counsel is engaged to assist in legal matters, the staff member must receive written approval by University General Counsel that the use of outside counsel has been authorized.

- A market value appraisal preferably prepared by a designated member of the Appraisal Institute (MAI) and the issuance of an appraisal review and concurrence letter issued by the Property Tax Division of the New Mexico Taxation and Revenue Department.
- Title commitment and survey.
- Phase I Environmental Site Assessment.
- Any other documents, studies, or assessments pertinent to the transaction.

6. **New Mexico Higher Education Department Approval** - The HED Capital Projects Committee is responsible for review and approval of all real property acquisitions for public colleges and universities. The Capital Projects Committee typically meets once a month and the Capital Projects Coordinator facilitates the meetings and processes requests for approval. The following documents are required to be submitted to HED for approval:

- A completed Higher Education Department Capital Project Transmittal Summary Sheet. The document must be executed by the VP for Administration & Finance indicating the date the acquisition was approved by the BOR.
- A copy of the executed purchase and sale agreement, which must contain a provision making the acquisition subject to approval of the Higher Education Department and the Board of Finance. The purchase and sale agreement must conform to Regents' Policy 12.90 (Retention of Authority) and be approved by University General Counsel and the Director of Real Estate.
- A copy of the appraisal and a concurrence letter by the Property Tax Division of the New Mexico Taxation and Revenue Department. A survey that conforms to the American Land Title Association's (ALTA) standards.
- A current title commitment evidencing clear title with no non-standard exceptions.
- A Phase I Environmental Site Assessment.
- A draft copy of the conveyance documents. Conveyance by Warranty Deed is required, except if the Seller is a public agency.

7. **New Mexico State Board of Finance Approval** - HED must approve the acquisition prior to submission to SBOF. Submission to SBOF is facilitated by the HED Capital Projects Coordinator. Submission requirements for SBOF are the same as indicated for HED. State rules identifying requirements for Acquisition of Real Property are cited at 1.5.23 NMAC. Staff engaged in the acquisition of real property must follow these rules.
8. **Closing** - Subsequent to SBOF approval and satisfying any contingencies required by SBOF, the acquisition can be completed and closing may occur.
9. **Post-Closing and Creation of Property File**- Upon closing, a property file must be created and maintained by the Real Estate Department. The property file must contain the following information:
 - All documents listed in Paragraph 6 and required for SBOF approval including: a copy of the Capital Project Transmittal Summary Sheet, fully executed purchase agreement (including any amendments to the agreement), appraisal and Taxation and Revenue Department concurrence letter, title commitment and insurance policy, survey, environmental reports, and copies of the conveyance documents.
 - Settlement statement.
 - Evidence of BOR, HED, and SBOF approvals. Satisfactory evidence should be in the form of minutes from the appropriate board and committee meetings.
 - A letter and a copy of the conveyance documents must be sent to the appropriate county assessor's office requesting tax exempt status and change of ownership on the tax rolls.
 - If water rights are involved then appropriate notice to the irrigation district regarding the change in ownership status.
 - A Notice of Acquisition must be prepared and sent to appropriate University departments and staff to provide notice of the recent acquisition.

Disposition of Real Property

Disposition of real property by the University is rare. Pursuant to Board of Regents' Policy 12.90 (Real Estate), any sale of real property must be approved by the BOR. Additional considerations and procedures are

outlined below:

- Prior to requesting BOR approval of a real property disposition and performing due diligence on the proposed transaction, the appropriate staff member, leading the unit that manages the property, must follow the proper hierarchical structure to seek approval of the Director of Real Estate, and the Vice President for Administration & Finance.
- All purchase and sale agreements and related transactional documents must be reviewed and approved by University General Counsel.
- A market value appraisal must be obtained. The sale price must be equal to, or greater than, the estimated market value. Exceptions may exist for transactions involving other governmental agencies.

Lease of Real Property Procedures

Overview: The purpose of this procedure is to provide relevant guidance, policy, and direction to department staff who are engaged in leasing of real property where the University owns the real property (Landlord) or where a University entity or department leases the real property (Tenant).

Policy References:

- The New Mexico State University, Board of Regents' Policy Manual, Policy 12.90– Real Estate
- The New Mexico State University, Board of Regents' Administrative Rules and Procedures – Signature Authority 2015
- New Mexico Administrative Code, Title 1, Chapter 5, Part 23, Real Property Acquisitions, Sales, Trades, or Leases (1.5.23 NMAC)
- University Accounts Receivable, Departmental Cash Handling Guide, Revised 12/1/2023, Section 3.10 – Logging Payments Received by Mail and Section 4.0 – 24-hour deposit rule

Procedures for Leasing of Real Property

1. Project Intake - Requests of the Office of Real Estate to assist NMSU entities in leasing real property that is not owned by the University come from a variety of divisions, departments, and entities that are under control of the BOR. Prior to engaging in the due diligence process, the staff, leading the unit that manages the property, must follow the proper hierarchical structure to ensure that the proposed lease request has an appropriate level of approval. This is typically approval of a director, dean, department chair, vice president, or other appropriate administrator. Additional considerations are summarized below.

Approvals should be in written form and the staff may require a completed Request for Lease Space form that identifies the requestor, space needs, project budget, source of funds, and signature from appropriate administrator. Staff should use sound judgment when receiving a request for leased space to ensure that the

Department's resources are used efficiently. All requests for leased space must be approved by a Real Estate Director prior to performing due diligence.

If applicable, prior to engaging the Office of Real Estate, the University employee or department requesting leased space must ensure that it has complied with NMSU ARP Policy 12.75 – Facility Space Use Management and Procedures. This policy requires that departments needing space off campus must request approval from the applicable space allocation committee to lease such space.

2. **Due Diligence** – Office of Real Estate staff should work with requestor and any related parties to ensure that all relevant information is obtained prior to identification of potential off-campus space options. The following information should be obtained from the requestor.
 - A programming document or similar statement detailing the space needs of the requestor, including type of space (office, laboratory space, storage space, etc.), characteristics of the space, special requirements, and location.
 - An explanation of the needs for the space.
 - Identification of funding source and project budget.
 - Desired term of lease.
 - Other relevant information.
3. **Lease Negotiation** - Under supervision of the Director of Real Estate, designated staff shall work with requestor and identify the leased space. Director of Real Estate will be responsible for negotiation of all terms of the lease and will work with University General Counsel on the form of the agreement. Office of Real Estate (ORE) shall insure that the terms of the Lease commensurate with prevailing market conditions.
4. **Board of Regents Approval** - Pursuant to Regents' Policy 12.90 (NMSU Real Estate), leases of real property with annual costs exceeding \$100,000 must be approved by the BOR. Leases do not require HED or SBOF approval.
5. **Contract Review Form and Lease Execution** - Prior to execution of a lease, the contract review process referred to as the Real Estate Transaction Approval Form (RETAF) must be followed. A contract review form must be generated by

RED and signed by the University employee who initiated the contract, University General Counsel, and others designated by the University administrator with signature authority. All leases must be approved by University General Counsel.

ORE is responsible for obtaining appropriate Landlord and Tenant signatures on the Lease.

6. **Delegation of Authority** – Regents Policy Manual 1.30

The President shall administer, execute and implement the directives and policy decisions of the Board of Regents as they relate to the academic mission of New Mexico State University (NMSU or university). The Board delegates to the President its authority for the internal management of the university, and all decisions and actions related thereto, except as reserved to the board of regents by policy. The President is authorized to sign contracts for the university on behalf of the Board of Regents. The President may delegate the authority to other university administrators as may be necessary or proper to fulfill these responsibilities.

The university's Administrative Rules and Procedures (ARP) manual in 12.90 covers the rules and procedures for university real estate. The Board of Regents specifically reserves the authority to review and take action with regard to all transactions permanently affecting NMSU real estate, including all sales and acquisitions and encumbrances. The board delegate's authority and responsibility to the President or designee to review, approve and execute the following types of real estate transactions:

1. Real estate transactions involving a term of ten (10) years or less, including any options to extend;
2. Real estate transactions not to exceed a total university cost liability (excluding operating expenses) of \$100,000 per year; and
3. Real estate easements which grant a specific, limited use of real property for a term ten (10) years or less including all options to extend held by the non-NMSU party. Such uses shall include agreements relating to access, utilities installations, data/telecommunications facilities, rights of way, ingress, egress, sanitary sewers, pipelines and drainage.

In an effort to increase real estate transaction efficiencies there are certain transactions that the President will now designate to the senior administrator for real estate, authority to approve and execute documents on behalf of the university pending General Counsel final approval. The following is a list of these transactions:

1. Right of Entry – Right-of-entry refers to the legal right to enter upon real property of another for a special purpose without being guilty of trespass. For instance, to show leased property to a prospective purchaser or to make repairs;
 2. Lease Renewals with no substantive financial or term changes as determined by University General Counsel Office and Real Estate and Water Development Office;
 3. Extensions of letter of intents of no longer than one (1) year;
 4. Tenant Estoppel Certificate (A tenant estoppel certificate is used to verify the current status of the tenant and landlord’s rights and obligations under an existing lease when a landlord is seeking a loan on the leased property. The estoppel certificate identifies the tenant and landlord; the leased property location; the lease commencement date, termination date and option period, if any; the status of rent, prepaid rents and security deposits; status of any defaults by the landlord, among other information);
 5. Right of Way Renewals;
 6. Any new leases under \$24,000 per year with a term of five years or less;
 7. Real estate easements which grant a specific, limited use of real property for a term ten (10) years or less including all options to extend held by the non-NMSU party;
 8. Listing and marketing agreements for the sale or lease of NMSU real estate; and
 9. Administrative real estate documents that have no financial impact on NMSU.
6. **Executed Lease Document** - The following procedures are related to the document process for the Office of Real Estate that occurs after a lease has been fully executed, having all NMSU and external signatures required.

A. Real Estate processing of Lease Document

- Fully executed lease is received by Real Estate front desk
- A new electronic Lease folder is created in the ORE Excel Database under the appropriate category folder below:
 - o OR – Other Receivables
 - o OP – Other Payables
 - o LP – Lease Payables
 - o LR – Lease Receivables
 - o EN – Easements
 - o ER – Easement Receivable
 - o RWN – Right of Way Easements
 - o SLP – State Lease Payable
 - o REN – Right of Entry
 - o MOA – Memorandum of Agreement
 - o MOU- Memorandum of Understanding

- All documents related to the lease are moved from the "In Progress" folder to the "Lease" folder.
- Copy of the lease is sent to the respective NMSU Originating Department, Facilities & Services Archives.
- Activity Log is updated.
- File folder is created for all paper documents of the lease.
- File is given to Data Entry staff to enter the leasing information into the Property Management System – Yardi Software.
- Document Processing Checklist is generated to ensure review of information entered into Property Management System by RED staff. Initials and dates are entered by each reviewer throughout each stage of the process.
- Lease Abstract and Real Estate Transaction Approval Form "RETAF" is printed and added to left side of the file folder. The Lease Abstract contains a complete summary of the lease contents. Leasing verifies the information entered to the lease contents enduring all pertinent leasing information has been entered.
- If corrections are needed, lease is returned to Data Entry for correction.
- Once Leasing has approved Lease Abstract, lease is forwarded to Accounting.
- Accounting performs a Systems Management review for consistency for reporting, system and accounting related controls. Accounting staff

- updates Payment Book and other accounting documents as needed.
- Accounting approves lease and returns to Data Entry.
- File Maintenance staff verifies all signatures have been obtained for the review process of the lease and files the lease folder.

B. Process for when the Office of Real Estate Department (ORE) holds fiscal responsibility for the collection of rental revenue - Property Management Leases- Real Estate Managed Leases

- Monitor lease terms for changes and adjustments.
- Generate tenant invoices as requested by tenant for the billing and collection of rent.
- Prepare general correspondence to tenants including collection letters.
- Abide by Cash Management Policy for cash handling of rents received.
- Create money lists for the deposit of rents received ensuring the deposits are being applied against the proper index and account code.
- Post payments received against outstanding receivables and record payments in **ORE** payment book.
- Make copies of all checks and appropriate documentation related to payments received.
- Reconcile payments received to Banner monthly.
- Generate aging reports to monitor rents outstanding.
- Create monthly Journal Vouchers in Banner to record and or reverse, all Accounts Receivable Outstanding based on the aging reports at the end of each month.

The NMSU Division of Administration and Finance has developed appropriate procedures for the proper management of monies for those employees responsible for receiving, handling and safeguarding cash; cash equivalents and checks; as well as payment requests. The Department of Real Estate is to follow these procedures as currently published, or as may be amended by NMSU specific to the unique security needs of the ORE. ORE may develop more restrictive policies; but may not reduce the general NMSU policies, absent specific written approval by the VPAF.

ⁱ The Department of Real Estate is currently located within the Division of Administration and Finance



Board of Regents Meeting Meeting
Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # 1-3

- Action Item
- Consent Item
- Informational Item

Presented By:

Scott Eschenbrenner
President – Aggie Development Inc.

Agenda Item:

2nd Amendment to LC University, LLC (Marriott Hotel)

Requested Action of the Board of Regents:

Approval of the 2nd Amendment

Executive Summary:

This 2nd Amendment to the Ground Lease with LC University, LLC addresses the findings from the NMSU Marriott Lease Agreement Internal Audit on August 19, 2024.

References:

Attached Amendment Document

Prior Approvals:

Aggie Development Inc., meeting approval on December 3, 2024.

SECOND AMENDMENT TO
GROUND SUBLEASE
BETWEEN
AGGIE DEVELOPMENT, INC.
AND
DMC HOLDINGS, LLC

THIS SECOND AMENDMENT (Second Amendment) is between the AGGIE DEVELOPMENT, INC. (ADI) and LC UNIVERSITY, LLC (LCU) (formerly DMC HOLDINGS, LLC) dated April 11, 2016 as amended and modified through written agreement (collectively, Ground Sublease).

BACKGROUND

The Ground Sublease was subject to to an internal audit by New Mexico State University (Audit). The Audit findings were released in an Audit Report dated August 19, 2024 (Audit Report). This Second Amendment addresses the findings in the Audit Report.

AGREEMENT

In consideration of the promises contained herein the parties agree as follows:

On September 9, 2024, LCU paid to ADI a total of \$8,333.34 (June 2019 missing payment of \$1,666.67 and May 2022 missing payment of \$6,666.67) in full satisfaction of all financial discrepancies listed in the Audit Report.

All payments required in Section 3 of the Ground Lease to ADI are required to be paid through electronic funds transfer to the following:

Account number: 4121379762

Account type: Checking

ACH routing number: 121000248

Wire routing number: 121000248

SWIFT/BIC code: WFBIUS6S

Banks name and address: Wells Fargo Bank, 464 California Street, San Francisco, CA 94104

Section 1(U) is deleted and replaced with “Lease Year. Twelve calendar months between January 1 and December 31.”

The final sentence in Section 3(B)(1) is deleted and replaced with “LCU will furnish ADI with a statement in writing certified by LCU each quarter setting forth the Gross Sales during that quarter (Quarterly Statements). The Quarterly Statements will be due on or before April 30, July 31, October 31, and January 31 respectively.”

Section 37 ADI's address for notice is deleted and replaced with:

Aggie Development, Inc.
Attn: Scott Eschenbrenner, President
New Mexico State University
MSC 30RE
P.O. Box 30001
Las Cruces, NM 88003-8001
Telephone No.: (575) 646-2356
Fax No.: (575) 646-3574

Physical Address:

Aggie Development, Inc.
Attn: Scott Eschenbrenner, President
4003 Tortugas Trail
Las Cruces, NM 88011

All amendments to the Ground Sublease made by this Second Amendment will become effective as of the date of the final signature below. All other terms and conditions contained in the Ground Sublease not specifically modified by this Second Amendment remain unchanged and in full force and effect, subject to modification explicitly set forth above.

As evidence of their agreement, the duly authorized officers of the parties have executed this Second Amendment, as of the date indicated below.

AGGIE DEVELOPMENT, INC.

LC UNIVERSITY, LLC

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____



Board of Regents Meeting Meeting
Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # 1-4

- Action Item
- Consent Item
- Informational Item

Presented By:

Scott Eschenbrenner
Special Assistant to the President

Agenda Item:

Purchase Agreement for 1300 Highway 195, Elephant Butte, NM

Requested Action of the Board of Regents:

Approval of Purchase Agreement

Executive Summary:

Background – In June of 2018, NMSU accepted a generous donation from the Merrill Smith Estate with the understanding that bequest would go to the Merrill Eugene Smith Scholarship and the net income will be used for scholarships for engineering students.

The estate also transferred a 0.72-acre tract of land located at 1300 Highway 195, Elephant Butte, New Mexico. The property is further described as Lot 1, Block 1, Elephant Butte Estate and was appraised by Mundy Appraisal Services on June 18, 2019 for \$21,980.

The Foundation did not want to accept the real estate and NMSU Real Estate accepted the gift on behalf of the estate. The property was marketed for \$25,000 and sign was placed on the property indicating its availability. Real Estate fielded a few calls over the past 5-years and recently received a purchase agreement from James Montoya for the full price at \$25,000. The buyer will be responsible for all closing costs associated with the sale and the closing date is scheduled for no later than December 23, 2024 after approval from Regents of New Mexico State University.

Expenses associated with this transaction include property taxes in 2018 (\$1,205), for sale sign (\$587) and appraisal fee (\$867) for a total cost of ownership at \$2,659. The net from the sale is projected to be \$22,341 and that will be transferred to the Foundation for the Merrill Eugene Smith Scholarship fund.

References:

Attached Documents – Elephant Butte Land Listing & Purchase and Sale Agreement

Prior Approvals:

Regents Real Estate Committee meeting approval on December 3, 2024.

PURCHASE AND SALE AGREEMENT

1. TERMS SUMMARY.

Date of Agreement: Date of the final signature below.

Buyer: James Montoya

Seller: Regents of New Mexico State University

Property: Lot 1, Block 1, Elephant Butte Estates Unit 6, commonly known as 1300 Highway 195 Elephant Butte, Sierra County, New Mexico (approximately .72 acres of undeveloped land at the corner of Highway 195 and San Mateo Road)

Purchase Price: \$25,000.00

Earnest Money: \$ 1,000.00

Title Company: Ekmar Abstract & Title

Address: PO Box 4000, Truth or Consequences, NM 87901

Phone: (575) 894-7886

Inspection Period: 30 days from Date of Agreement

Closing Date: on a mutually acceptable date after Seller has obtained all approvals pursuant to Paragraph 30, but in any case on or before December 23, 2024

Conveyance Documents: Special Warranty Deed

2. PROPERTY. Seller agrees to sell and Buyer agrees to buy the Property for the Purchase Price pursuant to the terms of this Purchase and Sale Agreement ("Agreement"). The Property includes all existing improvements, if any, and appurtenant interests related to the Property, including access rights, if any.

3. EARNEST MONEY. Within **ten (10) days** of the Date of Agreement, Buyer must deliver the Earnest Money to the Title Company, to be held in escrow pursuant to the terms of this Agreement. The Earnest Money must be held in a federally insured, interest bearing account selected by Title Company. Subject to the provisions of this Agreement, the Earnest Money and all accrued interest is to be applied toward the purchase of the Property at the Closing. Upon Title Company's request, Buyer agrees to provide Title Company with its Federal Tax Identification Number. If Buyer fails to deposit the Earnest Money as required by this Agreement, this Agreement will be automatically terminated.

4. FINANCING. Buyer's obligations pursuant to this Agreement are not contingent upon Buyer obtaining financing.

5. DISCLOSURE AND DELIVERY OF INFORMATION. Within ten (10) days of the Date of Agreement, Seller will provide to Buyer true, correct and complete copies, to the extent that they are in Seller's possession, of documents and information (other than financial information and/or information related to any business at the Property) related to the Property, including prior surveys and governmental notices (other than property tax notices).

6. INSPECTION PERIOD. Buyer will have the period of time set forth above as the Inspection Period to review the Property. During the Inspection Period, Buyer may review all of the information regarding the Property provided by Seller. In addition, during the Inspection Period, Buyer may perform such other inspections and review such other information as is desired by Buyer. All inspections will be at Buyer's expense. Such inspections and reviews may include, but are not limited to, physical inspection of the Property, environmental inspection of the Property, soil inspection, review of governmental approvals and permits related to the Property, if any, title and survey. If Buyer does not object the Property in writing pursuant to Paragraph 8 before the end of the Inspection period, Buyer will be deemed to have approved the Property and the Earnest Money will become non-refundable.

A. Physical Inspection. Buyer, at Buyer's expense, may obtain a physical inspection of the Property.

B. Title. Within thirty (30) days of the Date of Agreement, Buyer must obtain a title commitment ("Title Commitment") from Title Company. All costs associated with the Title Commitment will be paid for by Buyer. Along with the Title Commitment, Title Company will provide to Buyer copies of all documents listed as exceptions and a property tax search. Buyer will be entitled to review title to the Property during the Inspection Period.

C. Survey. During the Inspection Period, Buyer, at Buyer's expense, may obtain a survey of the Property.

D. Soil and Drainage Inspection. During the Inspection Period, Buyer, at Buyer's expense, may perform soil and drainage inspections and tests at the Property.

7. BUYER'S ENTRY. Buyer will be responsible for all costs, expenses, liabilities and damages incurred by Seller as a result of Buyer's entry onto the Property prior to the Closing. Buyer must return the Property to the condition it was in prior to any entry, test and/or inspection by Buyer. All inspections and tests conducted by Buyer regarding the Property must be promptly paid for by Buyer. Buyer must prevent any mechanic's or other lien being filed against the property as a result of Buyer's entry on to the Property and/or in conjunction with Buyer's tests and inspections of the Property. Buyer will be responsible for all claims, liabilities, liens, losses, expenses, and/or damages arising out of or related to any such entry, inspections and/or tests by Buyer, its agents, contractors and employees, in connection with this Agreement.

8. BUYER'S OBJECTION. Prior to the end of the Inspection Period, Buyer may disapprove the Property or any item related to the Property or both. In such event, Buyer, at Buyer's election, may either terminate this Agreement or give notice to Seller requesting that Seller cure the items disapproved by Buyer. Regarding disapproval by Buyer of items other than monetary encumbrances, within **ten (10) days** of Buyer's notice requesting Seller's cure, Seller must provide notice to Buyer of Seller's proposed cure, if any, and the time period necessary for Seller to effectuate the cure. Upon receipt of the response from Seller, Buyer must within **ten (10) days** elect to either terminate this Agreement or accept Seller's proposed cure. If Buyer elects to terminate this Agreement, the Earnest Money, including accrued interest, will be delivered to Buyer. If Buyer agrees to Seller's proposed cure, the Closing Date will be extended, if necessary, consistent with the time period specified for Seller's cure. If Buyer does not disapprove the Property in writing, Buyer will be deemed to have approved the Property and the Earnest Money will become non-refundable.

9. SELLER'S REPRESENTATIONS AND WARRANTIES. Seller, to the best of Seller's current, actual knowledge, makes the following representations and warranties to Buyer as of the Date of Agreement and as of the Closing:

A. Seller is not aware of any hazardous materials, hazardous conditions, toxic substances, asbestos, or contaminated substances, including but not limited to asbestos, lead based paint and/or PCB transformers at the Property.

B. All information and documents provided by Seller to Buyer regarding the Property are true, correct and complete. Notwithstanding the foregoing, Seller is not providing any representation or warranty to Buyer regarding the sufficiency, accuracy, completeness, or correctness of any information or report prepared by any party other than Seller. Seller does not provide any representation or warranty to Buyer concerning the skill or competency of any third party producing any such information.

Seller's representations and warranties will survive the Closing for a period of **six (6) months**.

10. TAX PRORATION. At the Closing, applicable real property taxes will be prorated through the Closing Date, based upon the latest tax information available to Title Company.

11. RISK OF LOSS. In the event of damage or destruction of all or any portion of the Property by wind, water, fire or other casualty, Seller will promptly notify Buyer of the nature and extent of such damage or destruction. In such event, Buyer, in its sole discretion, within **thirty (30) days** of such notice, may either terminate this Agreement, negotiate a mutually acceptable reduction in the Purchase Price, obtain an assignment of insurance proceeds from Seller or apply insurance proceeds actually received by Seller as of the Closing to the Purchase Price. Prior to the Closing, risk of loss with respect to the Property will be on Seller. After the Closing, risk of loss with respect to the Property will be on Buyer.

12. CONDEMNATION. Promptly upon obtaining knowledge of any threatened or filed condemnation proceeding against all or any portion of the Property, Seller or Buyer will notify the other party of such proceeding. In such event, Buyer, in its sole discretion, may either terminate this Agreement, negotiate a mutually acceptable reduction in the Purchase Price, obtain an assignment of condemnation proceeds from Seller or apply condemnation proceeds actually received by Seller as of the Closing to the Purchase Price.

13. CLOSING. The closing ("Closing") will occur on the Closing Date. All documents must be delivered by the respective parties to Title Company to be held in escrow pending the Closing. Each document must be duly executed and, if the document is to be recorded, duly acknowledged.

For the Closing, Seller will deliver the following:

- A.** The Special Warranty Deed, subject to all items of record and property taxes for the year of 2024 and years thereafter.
- B.** An affidavit executed by Seller providing that Seller is not a "foreign person" as established by Internal Revenue Code Section 1445 or successor statutes.
- C.** Other applicable closing documents required or specified by this Agreement.
- D.** Closing statement prepared by Title Company for Seller.

For the Closing, Buyer will deliver the following:

- A.** The balance of the Purchase Price.
- B.** Other applicable closing documents required or specified by this Agreement.
- C.** Closing statement prepared by Title Company for Buyer.

As soon after the Closing as is reasonably practicable, Title Company will issue to Buyer a standard New Mexico form Owner's Title Insurance Policy, effective as of the Closing Date, in the amount of the Purchase Price, insuring title to the Property vested in Buyer, in a form consistent with the Title Commitment, and subject only to exceptions not objected to by Buyer during the Inspection Period. Buyer must pay the premium for the title insurance policy and all coverages desired by Buyer.

Prorations will be handled at the Closing as set forth in this Agreement. Buyer and Seller will each pay one-half (1/2) the escrow charges and/or closing fees of Title Company. Buyer must pay the cost of recording all documents transferring the Property to Buyer. All other closing costs will be paid by Buyer.

14. POSSESSION. Possession of the Property will be delivered by Seller to Buyer at the funding.

15. DEFAULT AND REMEDIES. Before exercising any remedy, the non-defaulting party must give the defaulting party **ten (10) days** written notice specifying the default, and the defaulting party will be permitted to cure the default in such period. If a default occurs under this Agreement, then this Agreement may be terminated at the option of the non-defaulting party. If the non-defaulting party elects to treat this Agreement as terminated, the Earnest Money and all accrued interest thereon, must be delivered to the non-defaulting party and the non-defaulting party may pursue any additional remedies available at law, in equity or otherwise. In the event, however, the non-defaulting party elects to treat this Agreement as being in full force and effect, the non-defaulting party will have the right to specific performance.

16. DISCLAIMERS. Buyer acknowledges that it is acquiring the Property based on Buyer's own review and inspection. Buyer is acquiring the Property "AS IS" and "WITH ALL FAULTS." Except as expressly provided in this Agreement, Seller makes no representation, warranty, inducement, promise, agreement or assurance regarding the Property, including but not limited to any warranty or representation as to condition, compliance with laws, zoning, water, soil, access, size, marketability, value, future value, utilities, occupancy, or otherwise. ALL IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF HABITABILITY, MERCHANTABILITY, AND/OR FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY DISCLAIMED. Buyer acknowledges that it is not relying upon any representation or warranty by the Seller or any broker.

17. REAL ESTATE BROKERS. The parties acknowledge that no real estate broker or other person entitled to a fee, commission or other compensation has been involved in conjunction with the transaction covered by this Agreement. Notwithstanding the foregoing, if a party has had dealings with a real estate broker or other person entitled to a fee, commission or other compensation, such party will be solely responsible for and must promptly pay the fee, commission or other compensation.

18. FURTHER ACTION. Buyer and Seller agree to take such other and further action, and execute such additional documents, as are reasonably necessary to consummate the sale pursuant to this Agreement or which are reasonably required by the Title Company in conjunction with the Closing.

19. NOTICES. Any notice required or permitted to be given under this Agreement must be in writing and may be either hand-delivered or sent by recognized overnight courier at the addresses set forth below. If any notice is hand-delivered, it will be deemed given upon delivery. If any notice is sent by recognized overnight courier, it will be deemed given upon delivery by the courier. In addition, email may be used for notice if a copy of the email is sent by recognized overnight courier and, in such event, the notice will be deemed given on the date of the email. A party may change its address for notices by sending a notice to the other party pursuant to the terms of this paragraph. FACSIMILE COMMUNICATIONS MAY NOT BE USED FOR NOTICES PURSUANT TO THIS AGREEMENT.

Seller:

THE REGENTS OF NEW MEXICO
STATE UNIVERSITY
Scott Eschenbrenner
Special Assistant to the President
MSC 30RE
PO Box 30001
Las Cruces, NM 88005
(575) 646-2356
sbrenner@nmsu.edu

Buyer:

James Montoya
HC31, Box 62A
Caballo, NM 87931
(575) 740-3035
jamespmontoya@gmail.com

20. AMENDMENT. This Agreement cannot be amended except by a written document executed by the party against whom such amendment is to be enforced.

21. INVALIDITY. If any provision of this Agreement is determined to be invalid, ineffective, inoperative, unenforceable, or contrary to law, all of the remaining provisions of this Agreement will remain in full force and effect.

22. ASSIGNMENT. No party may assign this Agreement without the prior written consent of the other party.

23. GOVERNING LAW. This Agreement will be governed by the law of the State of New Mexico.

24. WAIVER. No waiver or failure by any party to enforce any breach of this Agreement will be considered to be a waiver of any subsequent breach, regardless of the time, nature or form of the subsequent breach. All waivers must be in writing to be effective.

25. ENTIRE AGREEMENT. This Agreement (including all exhibits) constitutes a fully integrated document and represents the entire understanding and agreement between Buyer and Seller regarding the Property. All prior discussions, events, or representations, warranties and agreements regarding the Property are superseded and replaced by this Agreement. The parties to this Agreement affirm that the terms and

provisions of this Agreement accurately reflect their intent. All exhibits to this Agreement are incorporated into this Agreement.

26. TIME OF THE ESSENCE. Time is of the essence under this Agreement.

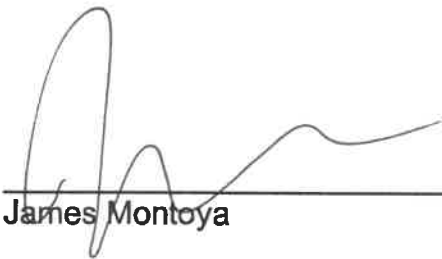
27. CAPTIONS AND DEFINED TERMS. The headings and captions contained in this Agreement are for convenience and reference purposes only and will not define, limit or otherwise affect the terms and conditions of this Agreement. Capitalized words will have the definition specified in this Agreement, including the definitions set forth in the "Terms" section.

28. LIMITATION OF REAL PROPERTY INDEMNIFICATIONS. To the extent applicable, if at all, the indemnifications contained in this Agreement are subject to and limited by the provisions of Section 56-7-1 of the New Mexico Statutes.

29. COUNTERPARTS. This Agreement may be executed by Buyer and Seller in counterparts, each of which will be deemed an original, and all of which together will constitute one (1) document.

30. SELLER'S APPROVAL CONTINGENCY. Seller's obligations pursuant to this Agreement and Seller's obligation to purchase the Property are contingent on approval of the transaction covered by this Agreement by The Regents of New Mexico State University. Buyer will promptly endeavor to obtain all the approvals as soon as is reasonably possible. Notwithstanding any other provision of this Agreement, in the event Seller is not able to obtain the immediate approvals on or before December 31, 2024, Buyer will have the right at any time thereafter to terminate this Agreement by giving Seller written notice of its intent to terminate this Agreement and giving Buyer thirty (30) days to obtain the necessary approvals.

BUYER:



James Montoya

SELLER:

THE REGENTS OF NEW MEXICO
STATE UNIVERSITY, a body corporate
of the State of New Mexico

By: _____
Its: _____



Board of Regents Meeting Meeting
Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # 1-5

- Action Item
- Consent Item
- Informational Item

Presented By:

Scott Eschenbrenner
Special Assistant to the President

Agenda Item:

Riley Petroleum Surface Use Agreement – Artesia Agricultural Experiment Station (AES)

Requested Action of the Board of Regents:

Approval of Surface Use Agreement

Executive Summary:

On February 20, 2024, Regents Real Estate Committee was presented with this informational item.

Riley Petroleum has resubmitted their proposal to lease a five-acre well pad site at the 160-acre AES facility. This five-acre parcel is not being used for the farming operation and does not currently interfere with the operation of the experiment station. The original proposal was for a 10-year term and a \$10,000 annual lease payment with annual inflation escalators (e.g.,3%). The current offer is for \$20,000 per year with a 4% annual escalator over a 10-year period.

Currently, the NMSLO is receiving \$23,038 per year revenue with a 4% escalator over a five-year term for a surface use agreement 13 miles to the southeast in a superior oil producing location. THE NMSLO provisions for indemnity, liability, and reclamation bonding have been used in this agreement.

Riley Petroleum is based out of Oklahoma City with 44,000 acres of mineral rights in Texas and NM. They currently have 415 producing wells and as of August 2024 they produced 92,400 barrels of oil equivalent per day. They have an equity market cap of \$724M and is publicly traded on the NYSE.

References:

Attached Document – Well Pad Business Lease Riley Petroleum Surface Use Agreement – Artesia Agricultural Experiment Station (AES)

Prior Approvals:

Regents Real Estate Committee meeting approval on December 3, 2024.

WELL PAD BUSINESS LEASE

THIS LEASE (the “**Lease**”), is made and entered into by and between the Board of Regents of New Mexico State University, hereinafter referred to as “**Lessor,**” and **Riley Exploration Permian, Inc.**, whose address is 25 Reno Ave., Suite 500, Oklahoma City, OK 73104, hereinafter referred to as “**Lessee.**”

Lessor and Lessee agree and covenant as follows:

1. **DEFINITIONS.** Definitions set forth in the Oil Conservation Division’s (OCD) Rule 19.15.2.7 NMAC (General Provisions for Oil and Gas Operations), 19.15.29 NMAC (Release Notification) and 19.15.17.7 NMAC (Pits, Closed-Loop Systems, Below-Grade Tanks and Sumps) are incorporated herein by reference unless otherwise modified or defined below.

Additional Definitions:

A. “Effective Date” means the date this Lease is signed by the Board of Regents of New Mexico State University.

B. “Leased Premises” means the lands owned by Lessor and contemplated by the terms of this Lease in Paragraph 2.

C. “Well” means a well bore when it is used to access minerals that are not owned by Lessor.

D. “Well Pad Site” means the subject Leased Premises, as defined in the terms of the Lease, with sufficient surface land for the placement of a multi-well pad or drilling pad and associated facilities as described in the permitted uses hereinafter.

2. **LEASE.** For and in consideration of and subject to the terms, conditions, covenants and reservations contained herein, Lessor grants to Lessee the right to enter upon, cross, use, possess, and occupy the Leased Premises for a Well Pad Site for the exploration, development, and production of off lease oil and gas.

A tract of land located in Eddy County, consisting of five (5) acres more or less, described more particularly below in metes and bounds: (the “Leased Premises”)

Township	Range	Section	Aliquot	Acreage	County
18S	26E	16	NE	5	Eddy

The rights granted herein are subject to all valid existing rights in the Leased Premises.

3. **WATER REQUIREMENTS.** All water appropriated shall be pursuant to state law and regulations and consistent with the Permitted Use (Paragraph 7) of this Lease. If the Lessee will, or intends to, drill a water well on the Leased Premises, Lessee must obtain a separate water easement from Lessor.

4. **RESERVATIONS.** Lessor reserves the right to execute leases for the exploration, development and production of geothermal resources, oil and gas, sand, gravel, caliche, coal, shale, clay, rock, building stone or materials, potassium, sodium, phosphorus, salt or any other minerals or deposits of whatsoever kind located in, under or upon the Leased Premises without disruption to the operating area of the Lessee. Lessor reserves the right to sell or exchange the lands included in this Lease subject to the terms of the Lease.

5. **TERM.** The term of this Lease shall begin on the Effective Date of this Lease and continue through **ten (10) years**, provided Lessee is in compliance with the terms of this Lease and is operating a Well on the Leased Premises that accesses oil and/or gas pursuant to a valid off-site oil and gas lease. Upon termination of the aforementioned off-site oil and gas lease, this Lease terminates and the Lessee shall comply with the reclamation and revegetation requirements as specified in this Lease.

6. **RENT.** Lessee shall pay to Lessor as rent for the leased premises and for the rights and privileges granted hereunder as specified below. All rent for a **Well Pad** is due and payable in advance **on or before the 15th day of January** each year during the term of this lease. Time is of the essence in the performance of this agreement. Interest on delinquent rent payments shall accrue from the date the payment becomes due at the rate of one percent a month or any fraction of a month. Lessee shall also pay a late processing fee of **\$50.00** for any delinquent payment of rent, in accordance with the Lessor's schedule of fees.

Lease Year	Term Dates		Annual Rent
	Begin	End	
1	06.01.2024	05.31.2025	\$20,000.00
2	06.01.2025	05.31.2026	\$20,800.00
3	06.01.2026	05.31.2027	\$21,632.00
4	06.01.2027	05.31.2028	\$22,497.28
5	06.01.2028	05.31.2029	\$23,397.17
6	06.01.2029	05.31.2030	\$24,333.06
7	06.01.2030	05.31.2031	\$25,306.38
8	06.01.2031	05.31.2032	\$26,318.63
9	06.01.2032	05.31.2033	\$27,371.38
10	06.01.2033	05.31.2034	\$28,466.24

7. **PERMITTED USE.** Lessee shall use the Leased Premises for the sole and exclusive purpose of drilling one or more directional oil and gas Well(s), including the pilot hole, from the Leased Premises in order to access non-university lands for the purpose of producing oil and/or gas Permitted surface operations are:

- A. construction of a pad in order to create a Well Pad Site;
- B. construction and use of oil and gas storage facilities, including tank batteries;
- C. construction and use of holding ponds for fresh water, as well as tanks necessary to contain produced water in a closed-loop system;
- D. construction and use of temporary pits for drill cuttings and produced water under this Lease; and
- E. all mobile equipment necessary for the prudent development of an oil or gas

Well including operation of a closed-loop system for the management of drilling fluids.

8. **SURFACE OPERATIONS.** Lessee shall act in conformity with the following:

A. Lessee shall remove all surface trash and debris caused by their operations from the Leased Premises and shall keep such premises free and clear of such trash and debris. "Surface trash and debris" means all nonoperation and/or nonessential equipment resulting from the drilling and/or producing operations pursuant to this Lease and includes, but is not limited to, garbage, rubbish, junk or scrap.

B. Drilling fluids and drill cuttings shall be disposed of in a manner to prevent contamination to the surface. OCD rules which relate to the disposal of drilling fluids and drill cuttings shall be complied with, except that prior to closure all drill cuttings shall be removed from these premises and shall not be disposed of on University lands.

C. All releases and spills over one barrel shall be reported to the Lessor within forty-eight (48) hours. All major and minor releases shall be treated and cleaned up pursuant to OCD regulations. All spills over one barrel and less than five barrels shall be treated and cleaned up to the reasonable satisfaction of Lessor.

9. **IMPROVEMENTS.** Lessee may place the following improvements on the Leased Premises:

- (4) Well Tubing Head
- (4) Well Head
- (4) Pipe Valves and Fittings
- (4) Chemical Equipment
- (4) SKO's
- (4) Booster Compressor

No other improvements shall be placed, developed, created, constructed, or made appurtenant to the Leased Premises without the prior approval of Lessor and amendment of this Lease pursuant to terms of this Lease. Such approval may be conditioned upon certain requirements imposed by Lessor which may include, without limitation, the provision of a bond or other adequate security to assure proper removal of improvements and restoration of the Leased Premises. In the event improvements other than those authorized herein are placed on the Leased Premises, Lessor may, at the option of Lessor, charge Lessee a fee for each improvement which is not authorized, declare title to such improvements in Lessor without payment of compensation to Lessee, or order removal of such improvements and the restoration of the Leased Premises to their condition existing prior to the placement of said improvements at Lessee's expense. The foregoing rights of Lessor shall be in addition to Lessor's right to cancel the Lease. Lessee shall maintain and protect from waste and trespass all improvements placed on the Leased Premises.

10. **IMPROVEMENT REMOVAL AND FINAL RECLAMATION.**

On or before 120 days following termination of this Lease, Lessee shall remove all improvements placed on the Leased Premises and shall restore the Leased Premises to their condition existing prior to the placement of said improvements; provided, however, if any rent

amount is due and unpaid at the time of Lease cancellation or termination, Lessee shall remove improvements and restore the Leased Premises as herein provided only at such time, in such manner, and under such conditions, as Lessor may in writing demand. Lessee hereby waives, and shall not assert, any right to compensation for improvements on the Leased Premises. This paragraph 15 shall survive termination or relinquishment of this Lease.

A. All costs, fines and fees incurred by Lessor as a result of improvements left on the Leased Premises without Lessor's approval, and all costs, fines and fees incurred as a result of damage or waste to trust lands and their improvements during the term of the Lease, or arising from or in connection with Lessee's use and occupancy of the Leased Premises, shall remain the sole liability of the Lessee and shall be deemed additional rent due.

B. Lessee will be required to comply with the revegetation and reclamation requirements approved by Lessor before Lessee is released of its obligations to the Leased Premise. At the time of final reclamation, topsoils and subsoils shall be replaced to their original relative positions and contoured so as to achieve erosion control, long-term stability and preservation of surface water flow patterns. The disturbed area shall then be reseeded in the first favorable growing season following closure of the pit, drying pad associated with the closed-loop system, or below-grade tank.

For all reseeded, the Lessor must approve seeding rates and seed mixtures, or approve site-specific recommendations. When possible, the Lessor will recommend such approved rates and mixtures, but will not require seed varieties in its mixtures which are not in common use in the area.

11. **EMERGENCY EXCEPTION.** In case of explosion, fire, flood or other sudden emergency, whether of the same or different nature, Lessee may take such steps and incur such expenses as in its reasonable opinion are required to deal with the emergency to safeguard life and property, but Lessee, as promptly as possible, shall report the emergency to the Lessor.

12. **LIEN.** To secure the payment of any rent amount that becomes due, and to satisfy all reasonable costs incurred by Lessor in recovering said rent amount, Lessor shall have a first and prior lien on any equipment owned by the Lessee placed on the Leased Premises, and on all improvements and fixtures placed on the Leased Premises.

13. **RELINQUISHMENT.** Lessee, if not in default under this Lease, may at any time send the Lessor written notice to relinquish the Lease to Lessor and be relieved of further obligations under the Lease except that Lessor shall remain liable for all damages it caused to the Leased Premises, reclamation and remediation of the Leased Premises, and insurance/indemnification provisions of this Lease, and any liability claimed against Lessor by third parties arising out of Lessee's use of the Leased Premises; provided, however, such relinquishment shall not be valid or effective until approved in writing by Lessor. Upon relinquishment Lessee shall not be entitled to the refund of any rent or fees previously paid.

14. **ASSIGNMENT.** Lessee, with the written approval of Lessor, that shall not be unreasonably withheld, may assign all of Lessee's leasehold interest in the Leased Premises. The assignee shall succeed to all the rights and privileges of Lessee and shall expressly assume all the

duties and obligations of Lessee to the Lessor as to the Leased Premises.

15. **SUBLEASE.** Lessee shall not sublease the rights granted hereunder, any part thereof, any portion of the Leased Premises or any improvements located on the Leased Premises without the prior amendment of this Lease pursuant to the terms of this Lease.

16. **DEFAULT AND CANCELLATION.** Upon Lessee's violation of any of the terms, conditions or covenants contained herein, including the failure to pay the rent when due, Lessor may cancel this Lease after providing Lessee thirty (30) days' notice of the default by registered mail. The mailing of such notice as herein provided shall constitute notice of Lessor's intention to cancel the Lease and no proof of receipt of such notice shall be necessary in order for Lessor to enter Lease cancellation thirty days after the mailing of the notice if Lessee has not cured the default to Lessor's satisfaction within the thirty day period. In the event of a breach of the terms of this Lease by Lessee, Lessor also shall have all remedies available at law or equity.

17. **WAIVER.** No employee or agent of Lessor has the power, right or authority to orally waive any of the terms, conditions, or covenants hereof and no waiver by Lessor of any of the terms, conditions or covenants hereof shall be effective unless in writing and executed by Lessor. Lessor's waiver of Lessee's breach or default of any of the terms, conditions or covenants hereof shall not constitute or be construed as a waiver of any other or subsequent breach or default by Lessee. The failure of Lessor to enforce at any time any of the terms, conditions or covenants hereof or to exercise any option herein provided, or to require at any time performance by Lessee of any of the terms, conditions, or covenants hereof shall not constitute or be construed to be a waiver of such terms, conditions, or covenants, nor shall it affect the validity of this Lease or any part thereof, or Lessor's right to thereafter enforce each and every such term, condition and covenant.

18. **COMPLIANCE WITH LAWS.**

A. Lessee, its heirs, assigns, agents and contractors shall fully comply with all federal, state, county and municipal laws, regulations, rules, ordinances and requirements, applicable to the Leased Premises or to Lessee's operations thereon, including but not limited to all applicable laws governing water; endangered or threatened species; hazardous materials; environmental protection; land use; health and safety; cultural, historic or archeological / paleontological properties; waste; and trespass.

B. Lessee shall notify Lessor in writing within ten (10) days of (i) Lessee's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Lessee's operations on University lands; (ii) Lessee's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Lessee arising out of or concerning any of Lessee's operations on University lands; or (iii) Lessee's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Lessee's operations on University lands. Upon Lessor's request, Lessee shall promptly provide Lessor with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

19. **WAIVER, RELEASE, AND PROTECTION OF THE LEASED PREMISES.** Lessee is leasing the Leased Premises AS IS based on Lessee's own inspection and investigation of and

judgment regarding the Leased Premises. Lessor makes no warranties or representations of any kind or nature with regard to the Leased Premises or with regard to this transaction. This provision shall survive the termination, cancellation, relinquishment or assignment of this Lease.

A. If accidental discharge, release, spill, or fire or any other event having environmental consequence occurs, including damage related to shooting, fracturing or chemically treating a well, Lessee agrees to provide notice to Lessor at the same time and in the same manner as Lessee is required to provide to the federal, state or local agency having responsibility for enforcing compliance with environmental laws, regulations and policy. Lessee agrees that, upon request by Lessor, Lessor shall have access to all reports, documents, test data and all other materials provided by Lessee to or received by Lessee from a governmental agency having responsibility for enforcing compliance with environmental or other laws.

20. INDEMNIFICATION; INSURANCE.

A. Lessee shall hold harmless, indemnify and defend the Lessor and Lessor's employees, agents, and contractors, in both their official and individual capacities, from any and all liabilities, claims, losses, damages, or expenses, including but not limited to reasonable attorneys' fees, loss of land value, third party claims, penalties or removal, remedial or restoration costs arising out of, alleged to arise out of or indirectly connected with a) the operations hereunder of Lessee or Lessee's employees, agents, contractors, or invitees, b) the activities of third parties on the leased premises, whether with or without Lessee's knowledge or consent. In the event that any action, suit or proceeding is brought against Lessee, Lessee shall, as soon as practicable but no later than two (2) days after it receives notice thereof, notify the legal counsel of Lessor by certified mail. This Paragraph 24(A) shall survive the termination, cancellation or relinquishment of this Lease, and any cause of action of Lessor to enforce this provision shall not be deemed to accrue until Lessor's actual discovery of said liability, claim, loss, damage, or expense.

B. During the Term of this Lease, Lessee shall, at Lessee's cost and expense, obtain and maintain at all times commercial general liability insurance (in the broadest form then available in New Mexico) that names the Lessor ("**New Mexico State University**") as the an additional insured, protecting the Lessor against claims for bodily injury, personal injury, death and property damage. Such an insurance policy must specifically provide coverage for the Lessor and its employees and agents in minimum amounts of \$200,000 for damage to or destruction of each legally described real property arising out of a single occurrence with an aggregate of \$1,000,000; \$1,000,000 per occurrence/aggregate for bodily injury, personal injury or death; and \$1,000,000 with respect to any one occurrence. Lessor shall have no liability for premiums charged for such coverage, and inclusion of Lessor as an insured party is not intended to, and shall not make Lessor a partner or joint venturer with Lessee in its operations.

C. The policy of insurance required to be maintained by Lessee pursuant to Paragraph 20(B) shall be reasonably satisfactory to Lessor and shall (a) provide for the benefit of Lessor that thirty (30) days prior written notice of suspension, cancellation, termination, modification, non-renewal or lapse or material change of coverage shall be given to all insured parties and that such insurance shall not be invalidated by any act or neglect of Lessor, nor by any foreclosure or other proceedings or notices thereof relating to the Land, leasehold or improvements, nor by occupation of the Land for purposes more hazardous than are permitted by such policy; and (b) not contain a provision relieving the insurer thereunder of liability for

any loss by reason of the existence of other policies of insurance covering the Land, leasehold or improvements against the peril involved, whether collectable or not.

D. In addition, the Lessee must obtain at its own expense, insurance coverage adequate to protect its operations, property, employees and agents in amounts Lessee finds sufficient. Lessee shall be solely responsible for obtaining insurance policies that provide coverage for losses of Lessee-owned property, including improvements. Lessor shall not be required to provide such insurance coverage or be responsible for payment of Lessee's costs for such insurance.

E. Within thirty (30) days after the execution of this Lease by Lessor and delivery to Lessee, Lessee shall deliver to Lessor original or duplicate certificates of insurance evidencing all the insurance which is required to be maintained under this Lease by Lessee certifying that all requirements set forth herein have been complied with, and within thirty (30) days prior to the expiration of any such insurance, other original or duplicate certificates evidencing the renewal of such insurance.

21. **SCOPE OF AGREEMENT.** This Lease incorporates all the agreements, covenants and understandings between Lessor and Lessee concerning the subject matter hereof and all such agreements, covenants and understandings are merged into this written Lease. No prior agreement or understanding between Lessor and Lessee shall be valid or enforceable unless expressly embodied in this Lease. In the event that any part of this Lease is determined to be unenforceable it is the intent of the Lessor and the Lessee that the remainder of the Lease remains in effect.

22. **AMENDMENT.** This Lease shall not be altered, changed or amended except by an instrument executed by both Lessor and Lessee.

23. **EXHAUSTION OF ADMINISTRATIVE REMEDIES.** In the event that Lessee is aggrieved by a decision of Lessor to cancel this Lease, Lessee shall within thirty (30) days after the date of such decision file an appeal with an arbitrator licensed in the State of New Mexico.

24. **SUCCESSORS IN INTEREST; THIRD PARTIES.** All terms, conditions and covenants of this Lease and all amendments thereto shall extend to and bind the heirs, successors and assigns of Lessee and Lessor. There are no third party beneficiaries of this Lease.

25. **HOLDING OVER.** If Lessee enters upon the Leased Premises after the termination or cancellation of this Lease for any purpose, or leaves any equipment, buildings, materials, property or debris on the Leased Premises after the termination or cancellation of this Lease, the rent due Lessor for such entry or presence shall be **200% of the last scheduled rent payment per paragraph 6**, for each day or any part of a day. Nothing contained herein shall be construed as the grant to Lessee of the right to enter the Leased Premises for any purpose after the termination or cancellation of this Lease without the prior written consent of Lessor. Holdover rent shall not be assessed during the application period prior to Lessor issuing a Reclamation and Revegetation License provided Lessee is in compliance with all other terms of the Lease.

26. **NOTICES.** Contacts, addresses, telephone numbers and email addresses for Notices, Payment of Rent, etc. Notices required under this lease and rental payments shall be made at the following physical addresses by written notice of Lessor and Lessee:

To Lessor:

Attention: _____

Mail: Riley Exploration Permian LLC
25 Reno Ave., Suite 500
Oklahoma City, OK 73104

Courtesy Copy to:

Bradley Law Office LLC
Attn: Clayton Bradley
910 W. Pierce St., #248
Carlsbad, NM 88220

To Lessee:

Attention: _____

Title: _____

Mail: _____

Courier: _____

Phone: _____

Email: _____

[The remainder of this page intentionally left blank.]

Executed in duplicate.

LESSEE:

RILEY EXPLORATION PERMIAN

By: _____

Name: _____

Title: _____

Date: _____

LESSOR:

REGENTS OF NEW MEXICO STATE
UNIVERSITY

By: _____

Ammu Devasthali

Date: _____

[The remainder of this page intentionally left blank.]

ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY

State of _____

County of _____

This instrument was acknowledged before on _____ (date) by
_____ (name) as Chair of the Board of Regents (title) of
New Mexico State University.

(seal)

(Signature of notarial officer)

My commission expires: _____

ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY

State of _____

County of _____

This instrument was acknowledged before on _____ (date) by
_____ (name) as _____ (title) of
_____ (name of party on behalf of whom instrument is
executed).

(seal)

(Signature of notarial officer)

My commission expires: _____



Board of Regents Meeting
Meeting Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # 1-6

- Action Item
- Consent Item
- Informational Item

Presented By: Raghu Raghavan
Associate Vice President Facilities &
Services

Agenda Item

5221 Communication Tower and Site Demolition

Requested Action of the Board of Regents:

Approval of 5221 Communication Tower and Site Demolition

Executive Summary:

Structures are not in service, as they are deteriorating quickly and have become a liability to NMSU. Demolition of the entire site will eliminate the safety and liability concerns. Hazardous material removal and building debris will be cleared restoring the site to its native condition.

References:

N/A

Prior Approvals:

Regents Financial Strategies, Performance and Budget Committee 12/02/2024

Board of Regents

COMMUNICATION TOWER AND SITE
DEMOLITION

12/12/2024

Raghu Raghavan
Associate Vice-President

Jose Loera
Executive Director

FACILITIES AND SERVICES

The logo for New Mexico State University, featuring the letters "NM" stacked above "STATE" in a white serif font, enclosed within a white square that is itself centered within a larger dark red square.

**NM
STATE**

BE BOLD. Shape the Future.®
New Mexico State University

Facility Information

Current Use	Not in Use
Year Built	1962
Last Expansion	None
Building Size	Combined 3274 sq ft
Construction Type	CMU, wooden towers, asphalt, concrete



Communication Tower Site



Project Rationale

- Structures are not in service and rapidly deteriorating
- Safety issue
- Liability for NMSU
- Theft and vandalism on site

Scope of Work

- Demolition of Communication Antenna Tower compound, to include total removal of buildings 256, 258, 259, 519, 520
- Abatement of hazardous materials
- Demolition and disposal of all building debris
- Site restoration with minimal impact to native vegetation

Proposed Project Schedule

Start of Design	N/A
Completion of Design	N/A
Start of Construction	February 2025
Completion of Construction	May 2025



Funding Source

- **Project Budget - \$320,000**
- NMSU Central Funding - \$280,000
- NMSU Central Funding - \$40,000 PENDING



Approvals

- Regents Financial Strategies, Performance and Budget Committee 12/02/2024
- Regents Real Estate Committee 12/03/2024
- Board of Regents 12/12/2024
- Higher Education Department 01/08/2025



Budget Breakdown

	Funding Total	Percentages
Category		
Maximum Allowance Construction Cost (MACC)	\$265,486.28	82.9%
Contingency	\$23,973.72	7.5%
Other Costs		
Asbestos Survey	\$2,100.00	0.6%
Project Administration Fees	\$28,440.00	9%
Total	\$320,000.00	100%



Contact

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Associate Vice President

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Supplemental Information

Communication Tower and Site Demolition



BE BOLD. Shape the Future.®

Existing Conditions



Tower site



Equipment Yard



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Existing Conditions



Building #259



Building #256



NEW MEXICO HIGHER EDUCATION DEPARTMENT
FORM 6: CERTIFICATION BY GOVERNING BOARD

Institution:	<input style="width: 90%;" type="text" value="New Mexico State University"/>	Original:	<input checked="" type="checkbox"/>	Date:	<input style="width: 90%;" type="text" value="01/08/25"/>
Project title:	<input style="width: 90%;" type="text" value="Communication Tower and Site Demolition"/>	Revision:	<input type="checkbox"/>	Date:	<input type="text"/>

ORIGINAL CERTIFICATION

I hereby certify, on the basis of the information contained in Forms 1 through 5 of this capital project submittal and all attached supporting documentation, if appropriate, that the Governing Board approved the original submission of this project at its meeting on

CERTIFIED:

Printed Name of President/Chancellor

Signature

REVISED SUBMISSION CERTIFICATION

I hereby certify that the Governing Board approved this Revised Submission at its meeting on

CERTIFIED:

Printed Name of President/Chancellor

Signature



Thank you!

Questions?



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Board of Regents Meeting
Meeting Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # 1-7

- Action Item
- Consent Item
- Informational Item

Presented By: Neal Bitsie
Chief of Staff, NMSU Foundation

Agenda Item:

Honoring naming of the Health Sciences Center Building at the NMSU Alamogordo Campus
“Terry T. Marquardt Health Sciences Center”

Requested Action of the Board of Regents:

Approval of naming the Health Sciences Center Building at the NMSU Alamogordo Campus
“Terry T. Marquardt Health Sciences Center”

Executive Summary:

The NMSU Foundation in partnership with the Associate Campus Director of the NMSU Alamogordo Campus is seeking approval to establish **“Terry T. Marquardt Health Sciences Center”** The naming of the office is in recognition for his representation of Otero County from 1995-2007. Representative Marquardt sponsored 160 pieces of legislation during this time, including the capital funding for the NMSU Alamogordo Health Sciences Center building.

References:

Please see: Terry T. Marquardt Health Sciences Center Memo and Terry T. Marquardt Naming Approval form with supporting documents

Prior Approvals:

Approved by: NMSU Alamogordo Campus Associate Campus Director and the NMSU Naming Committee, and the NMSU Foundation

Agenda Item Approved By:

Each office may determine required signatures (if any). All items will be routed to the President’s Office



Neal Bitsie
Chief of Staff, NMSU Foundation

12/19/24

Date



MEMORANDUM

TO: NMSU Board of Regents

From: Dr. Mark P. Cal, Assc. Campus Director/VP for Academic Affairs, NMSU Alamogordo

Date: December 5, 2024

Subject: Honoric Naming of Health Sciences Center building Alamogordo Campus

The NMSU Foundation in partnership with the NMSU Alamogordo Campus is seeking approval to name the Health Sciences Center building "**Terry T. Marquardt Health Sciences Center**", as recognition for his representation of Otero County from 1995-2007. Representative Marquardt sponsored 160 pieces of legislation during this time, including the capital funding for the NMSU Alamogordo Health Sciences Center building.

The conditions of this naming opportunity have been discussed and approved by the Associate Campus Director for NMSU Alamogordo and the NMSU Foundation, and the NMSU Naming Committee and are outlined in the signed Naming Opportunity Approval form with the Foundation and the Associate Campus Director of NMSU Alamogordo.

If this naming is approved by the Board of Regents, the naming will be publicly announced at a formal dedication of the building. The NMSU Alamogordo Associate Campus Director and the University Architects office will work on the details of name placement and design.



Board of Regents Meeting
Meeting Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # J-1

- Action Item
- Consent Item
- Informational Item

Presented By: Lakshmi Reddi
 Interim Provost and Chief Academic Officer

Agenda Item: Fall 2024 Degree and Certificate Conferral

Requested Action of the Board of Regents: Approval of motion to confer Fall 2024 degrees and certificates.

Executive Summary: Requesting approval of the Regents of New Mexico State University to confer degrees and certificates to named candidates listed in the Fall 2024 Commencement Programs of the institution’s four campuses. Conferral is contingent upon the students’ satisfactory completion of the courses in which they are enrolled and meeting the requirements of the appropriate catalog. It is further contingent upon the assumption that the content of the thesis submitted by each student required to do so is original unless otherwise represented in the document.

The journey of a student through New Mexico State University is filled with caring faculty and staff working at the front of classrooms or behind the scenes.

College/Campus	Degree Applicants
Agricultural, Consumer and Environmental Sciences	89
Arts and Sciences	378
Business	123
Engineering	187
Health, Education and Social Transformation	207
Masters	257
Specialist in Education	0
Doctoral	42
Total Degree Applicants	1,283

College/Campus	Degree Applicants
Alamogordo	25
Dona Ana	377
Grants	28
Total Degree Applicants	430



Board of Regents Meeting
Meeting Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # J-2

- Action Item
- Consent Item
- Informational Item

Presented By: Kim Rumford, Chief Budget Officer

Agenda Item:

Budget Adjustment Requests (BARs) for fiscal year 2024-2025

Requested Action of the Board of Regents:

Recommend approval of Budget Adjustment Request (BARs) for 2024-2025.

Executive Summary:

To adhere to the rules of the New Mexico Higher Education Department and meet State statutes, it is necessary to ensure that our budgetary levels of expenditures equal or exceed the anticipated expenditures for the fiscal year. The attached BARs are for each NMSU campus unrestricted fund, and they are for the purpose of adjusting the beginning fund balances which were estimated for the 2024-2025 Operating Budget submitted in May 2024, to equal the actual ending fund balances resulting from closing the books for FY2024.

References:

N/A

Prior Approvals:

Regents Financial Strategies, Performance and Budget Committee 12/02/2024.

NEW MEXICO HIGHER EDUCATION DEPARTMENT
BUDGET ADJUSTMENT REQUEST

INSTITUTION : New Mexico State University - Las Cruces FY 2024-2025

Adjustment to Fund: Unrestricted Request # 1

	<u>Current Approved Budget</u>	<u>INCREASE (DECREASE)</u>	<u>Revised Budget</u>
REVENUES			
Instruction and General	304,143,537	0	304,143,537
Student Social & Cultural Activities	2,843,751	0	2,843,751
Research	30,665,136	0	30,665,136
Public Service	33,404,444	0	33,404,444
Internal Service Dept.	3,373,809	0	3,373,809
Student Financial Aid	75,000	0	75,000
Auxiliary Enterprises	24,532,068	0	24,532,068
Athletics	21,263,640	0	21,263,640
Independent Operations	<u>27,545,700</u>	<u>0</u>	<u>27,545,700</u>
Subtotal Current Funds	447,847,085	0	447,847,085
Capital Outlay	58,188,910	0	58,188,910
Renewals & Replacements	4,869,659	0	4,869,659
Retirement of Indebtedness	<u>1,620,347</u>	<u>0</u>	<u>1,620,347</u>
Subtotal Plant Funds	64,678,916	0	64,678,916
TOTAL REVENUES	512,526,001	0	512,526,001
BEGINNING BALANCES			
Instruction and General	8,577,344	42,702,183	51,279,527
Student Social & Cultural Activities	988,808	301,433	1,290,241
Research	35,582,102	6,623,048	42,205,150
Public Service	11,989,914	1,862,472	13,852,386
Internal Service Dept.	3,028,386	1,651,631	4,680,017
Student Financial Aid	5,617,822	3,592,108	9,209,930
Auxiliary Enterprises	444,441	1,103,353	1,547,794
Athletics	(5,633,321)	(1,387,296)	(7,020,617)
Independent Operations	<u>4,023,371</u>	<u>4,901,525</u>	<u>8,924,896</u>
Subtotal Current Funds	64,618,867	61,350,457	125,969,324
Capital Outlay	42,176,067	18,161,349	60,337,416
Renewals & Replacements	29,972,672	1,710,456	31,683,128
Retirement of Indebtedness	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal Plant Funds	72,148,739	19,871,805	92,020,544
TOTAL BEGINNING BALANCES	136,767,606	81,222,262	217,989,868
TOTAL AVAILABLE			
Instruction and General	312,720,881	42,702,183	355,423,064
Student Social & Cultural Activities	3,832,559	301,433	4,133,992
Research	66,247,238	6,623,048	72,870,286
Public Service	45,394,358	1,862,472	47,256,830
Internal Service Dept.	6,402,195	1,651,631	8,053,826
Student Financial Aid	5,692,822	3,592,108	9,284,930
Auxiliary Enterprises	24,976,509	1,103,353	26,079,862
Athletics	15,630,319	(1,387,296)	14,243,023
Independent Operations	<u>31,569,071</u>	<u>4,901,525</u>	<u>36,470,596</u>
Subtotal Current Funds	512,465,952	61,350,457	573,816,409
Capital Outlay	100,364,977	18,161,349	118,526,326
Renewals & Replacements	34,842,331	1,710,456	36,552,787
Retirement of Indebtedness	<u>1,620,347</u>	<u>0</u>	<u>1,620,347</u>
Subtotal Plant Funds	136,827,655	19,871,805	156,699,460
GRAND TOTAL AVAILABLE	649,293,607	81,222,262	730,515,869

*NMHED/DFA Approval moved to Page 3

NEW MEXICO HIGHER EDUCATION DEPARTMENT
BUDGET ADJUSTMENT REQUEST

INSTITUTION : New Mexico State University - Las Cruces FY 2024-2025

Adjustment to Fund: Unrestricted Request # 1

	<u>Current Approved Budget</u>	<u>INCREASE (DECREASE)</u>	<u>Revised Budget</u>	
EXPENDITURES				
Instruction and General	247,846,627	0	247,846,627	
Student Social & Cultural Activities	3,702,659	0	3,702,659	
Research	49,545,826	0	49,545,826	
Public Service	37,019,284	0	37,019,284	
Internal Service Dept.	2,197,937	0	2,197,937	
Student Financial Aid	22,212,486	0	22,212,486	
Auxiliary Enterprises	15,710,782	0	15,710,782	
Athletics	25,012,954	0	25,012,954	
Independent Operations	30,688,504	0	30,688,504	
Subtotal Current Funds	433,937,059	0	433,937,059	
Capital Outlay	50,531,302	0	50,531,302	
Renewals & Replacements	17,816,059	0	17,816,059	
Retirement of Indebtedness	12,302,031	0	12,302,031	
Subtotal Plant Funds	80,649,392	0	80,649,392	
TOTAL EXPENDITURES	514,586,451	0	514,586,451	
TRANSFERS IN (OUT)				
Instruction and General	(56,296,910)	0	(56,296,910)	
Student Social & Cultural Activities	756,645	0	756,645	
Research	9,898,688	0	9,898,688	
Public Service	1,152,272	0	1,152,272	
Internal Service Dept.	(2,573,110)	0	(2,573,110)	
Student Financial Aid	22,137,486	0	22,137,486	
Auxiliary Enterprises	(9,215,946)	0	(9,215,946)	
Athletics	3,749,314	0	3,749,314	
Independent Operations	(525,188)	0	(525,188)	
Subtotal Current Funds	(30,916,749)	0	(30,916,749)	
Capital Outlay	11,802,821	0	11,802,821	
Renewals & Replacements	8,839,523	0	8,839,523	
Retirement of Indebtedness	10,681,684	0	10,681,684	
Subtotal Plant Funds	31,324,028	0	31,324,028	
NET TRANSFERS	407,279	0	407,279	
ENDING BALANCES				
Instruction and General	8,577,344	42,702,183	51,279,527	21%
Student Social & Cultural Activities	886,545	301,433	1,187,978	32%
Research	26,600,100	6,623,048	33,223,148	67%
Public Service	9,527,346	1,862,472	11,389,818	31%
Internal Service Dept.	1,631,148	1,651,631	3,282,779	149%
Student Financial Aid	5,617,822	3,592,108	9,209,930	41%
Auxiliary Enterprises	49,781	1,103,353	1,153,134	7%
Athletics	(5,633,321)	(1,387,296)	(7,020,617)	-28%
Independent Operations	355,379	4,901,525	5,256,904	17%
Subtotal Current Funds	47,612,144	61,350,457	108,962,601	25%
Capital Outlay	61,636,496	18,161,349	79,797,845	158%
Renewals & Replacements	25,865,795	1,710,456	27,576,251	155%
Retirement of Indebtedness	0	0	0	0%
Subtotal Plant Funds	87,502,291	19,871,805	107,374,096	133%
TOTAL ENDING BALANCES	135,114,435	81,222,262	216,336,697	42%
TOTAL EXPENDITURES, TRANSFERS, BALANCES	649,293,607	81,222,262	730,515,869	

NEW MEXICO HIGHER EDUCATION DEPARTMENT
BUDGET ADJUSTMENT REQUEST

INSTITUTION : New Mexico State University - Las Cruces FY 2024-2025

Adjustment to Fund: Unrestricted Request # 1

	<u>Current Approved Budget</u>	<u>INCREASE (DECREASE)</u>	<u>Revised Budget</u>
INSTRUCTION & GENERAL:			
REVENUES			
Tuition and Fees	107,845,901	0	107,845,901
Federal Government Appropriations	0	0	0
State Government Appropriations	169,652,100	0	169,652,100
Local Government Appropriations	0	0	0
Federal Grants/Contracts	134,000	0	134,000
State Grants/Contracts	0	0	0
Local Grants/Contracts	0	0	0
Private Gifts/Grants/Contracts	0	0	0
Endowment/Land/Permanent Fund	3,997,136	0	3,997,136
Sales & Services of Ed Activities	660,000	0	660,000
Other Sources	21,854,400	0	21,854,400
TOTAL REVENUES	304,143,537	0	304,143,537
BEGINNING BALANCE	8,577,344	42,702,183	51,279,527
TOTAL AVAILABLE	312,720,881	42,702,183	355,423,064
EXPENDITURES			
Instruction	144,547,733	0	144,547,733
Academic Support	30,425,679	0	30,425,679
Student Services	19,351,028	0	19,351,028
Institutional Support	26,901,015	0	26,901,015
Operation & Maintenance of Plant	26,621,172	0	26,621,172
TOTAL EXPENDITURES	247,846,627	0	247,846,627
TRANSFERS (IN) OUT OF I&G			
Student Social & Cultural Activities	263,345	0	263,345
Research	20,140,080	0	20,140,080
Public Service	2,049,346	0	2,049,346
Internal Service Dept.	0	0	0
Student Financial Aid	21,802,486	0	21,802,486
Auxiliary Enterprises	21,750	0	21,750
Intercollegiate Athletics	3,476,914	0	3,476,914
Independent Operations	0	0	0
Capital Outlay	1,474,267	0	1,474,267
Renewals & Replacements	5,682,446	0	5,682,446
Retirement of Indebtedness	1,515,061	0	1,515,061
Non-Budgetary Exhibits:			
Endowment Fund	0	0	0
Other (from Community Colleges)	(128,785)	0	(128,785)
Other (Specify)	0	0	0
NET TRANSFERS	56,296,910	0	56,296,910
ENDING BALANCE	8,577,344	42,702,183	51,279,527

Prepared by: Kimberly G. Rumford Date Approved by BOR _____

For NMHED Use Only	Accept	Reject	Date	
NMHED Analyst	_____	_____	___/___/___	NMHED Control # _____
NMHED Director	_____	_____	___/___/___	
For DFA Use Only				
DFA Analyst	_____	_____	___/___/___	DFA Control # _____
DFA Director	_____	_____	___/___/___	Agency Code _____
	Increase _____	Decrease _____	Transfer _____	

NEW MEXICO HIGHER EDUCATION DEPARTMENT
BUDGET ADJUSTMENT REQUEST

INSTITUTION : New Mexico State University - Alamogordo

FY 2024-2025

Adjustment to Fund: Unrestricted

Request # 1

	<u>Current Approved Budget</u>	<u>INCREASE (DECREASE)</u>	<u>Revised Budget</u>
REVENUES			
Instruction and General	11,928,060	0	11,928,060
Student Social & Cultural Activities	7,668	0	7,668
Research	0	0	0
Public Service	1,000	0	1,000
Internal Service Dept.	0	0	0
Student Financial Aid	0	0	0
Auxiliary Enterprises	13,845	0	13,845
Athletics	0	0	0
Independent Operations	0	0	0
Subtotal Current Funds	11,950,573	0	11,950,573
Capital Outlay	18,899,005	0	18,899,005
Renewals & Replacements	5,269,177	0	5,269,177
Retirement of Indebtedness	0	0	0
Subtotal Plant Funds	24,168,182	0	24,168,182
TOTAL REVENUES	36,118,755	0	36,118,755
BEGINNING BALANCES			
Instruction and General	1,360,225	1,397,380	2,757,605
Student Social & Cultural Activities	42,046	6,995	49,041
Research	0	0	0
Public Service	30,167	9,841	40,008
Internal Service Dept.	0	0	0
Student Financial Aid	238,168	45,909	284,077
Auxiliary Enterprises	161,727	3,117	164,844
Athletics	0	0	0
Independent Operations	0	0	0
Subtotal Current Funds	1,832,333	1,463,242	3,295,575
Capital Outlay	5,448,326	6,240,334	11,688,660
Renewals & Replacements	0	3,378	3,378
Retirement of Indebtedness	0	0	0
Subtotal Plant Funds	5,448,326	6,243,712	11,692,038
TOTAL BEGINNING BALANCES	7,280,659	7,706,954	14,987,613
TOTAL AVAILABLE			
Instruction and General	13,288,285	1,397,380	14,685,665
Student Social & Cultural Activities	49,714	6,995	56,709
Research	0	0	0
Public Service	31,167	9,841	41,008
Internal Service Dept.	0	0	0
Student Financial Aid	238,168	45,909	284,077
Auxiliary Enterprises	175,572	3,117	178,689
Athletics	0	0	0
Independent Operations	0	0	0
Subtotal Current Funds	13,782,906	1,463,242	15,246,148
Capital Outlay	24,347,331	6,240,334	30,587,665
Renewals & Replacements	5,269,177	3,378	5,272,555
Retirement of Indebtedness	0	0	0
Subtotal Plant Funds	29,616,508	6,243,712	35,860,220
GRAND TOTAL AVAILABLE	43,399,414	7,706,954	51,106,368

*NMHED/DFA Approval moved to Page 3

NEW MEXICO HIGHER EDUCATION DEPARTMENT
BUDGET ADJUSTMENT REQUEST

INSTITUTION : New Mexico State University - Alamogordo FY 2024-2025

Adjustment to Fund: Unrestricted Request # 1

	<u>Current Approved Budget</u>	<u>INCREASE (DECREASE)</u>	<u>Revised Budget</u>	
EXPENDITURES				
Instruction and General	11,663,233	0	11,663,233	
Student Social & Cultural Activities	16,317	0	16,317	
Research	0	0	0	
Public Service	12,000	0	12,000	
Internal Service Dept.	0	0	0	
Student Financial Aid	55,000	0	55,000	
Auxiliary Enterprises	3,500	0	3,500	
Athletics	0	0	0	
Independent Operations	0	0	0	
Subtotal Current Funds	11,750,050	0	11,750,050	
Capital Outlay	22,756,937	0	22,756,937	
Renewals & Replacements	5,451,411	0	5,451,411	
Retirement of Indebtedness	0	0	0	
Subtotal Plant Funds	28,208,348	0	28,208,348	
TOTAL EXPENDITURES	39,958,398	0	39,958,398	
TRANSFERS IN (OUT)				
Instruction and General	(264,827)	0	(264,827)	
Student Social & Cultural Activities	0	0	0	
Research	0	0	0	
Public Service	0	0	0	
Internal Service Dept.	0	0	0	
Student Financial Aid	53,510	0	53,510	
Auxiliary Enterprises	0	0	0	
Athletics	0	0	0	
Independent Operations	0	0	0	
Subtotal Current Funds	(211,317)	0	(211,317)	
Capital Outlay	29,083	0	29,083	
Renewals & Replacements	182,234	0	182,234	
Retirement of Indebtedness	0	0	0	
Subtotal Plant Funds	211,317	0	211,317	
NET TRANSFERS	0	0	0	
ENDING BALANCES				
Instruction and General	1,360,225	1,397,380	2,757,605	24%
Student Social & Cultural Activities	33,397	6,995	40,392	248%
Research	0	0	0	#DIV/0!
Public Service	19,167	9,841	29,008	242%
Internal Service Dept.	0	0	0	#DIV/0!
Student Financial Aid	236,678	45,909	282,587	514%
Auxiliary Enterprises	172,072	3,117	175,189	5005%
Athletics	0	0	0	#DIV/0!
Independent Operations	0	0	0	#DIV/0!
Subtotal Current Funds	1,821,539	1,463,242	3,284,781	28%
Capital Outlay	1,619,477	6,240,334	7,859,811	35%
Renewals & Replacements	0	3,378	3,378	0%
Retirement of Indebtedness	0	0	0	#DIV/0!
Subtotal Plant Funds	1,619,477	6,243,712	7,863,189	28%
TOTAL ENDING BALANCES	3,441,016	7,706,954	11,147,970	28%
TOTAL EXPENDITURES, TRANSFERS, BALANCES	43,399,414	7,706,954	51,106,368	

NEW MEXICO HIGHER EDUCATION DEPARTMENT
BUDGET ADJUSTMENT REQUEST

INSTITUTION : New Mexico State University - Alamogordo FY 2024-2025

Adjustment to Fund: Unrestricted Request # 1

	<u>Current Approved Budget</u>	<u>INCREASE (DECREASE)</u>	<u>Revised Budget</u>
INSTRUCTION & GENERAL:			
REVENUES			
Tuition and Fees	1,570,610	0	1,570,610
Federal Government Appropriations	0	0	0
State Government Appropriations	9,296,700	0	9,296,700
Local Government Appropriations	880,640	0	880,640
Federal Grants/Contracts	1,105	0	1,105
State Grants/Contracts	0	0	0
Local Grants/Contracts	0	0	0
Private Gifts/Grants/Contracts	0	0	0
Endowment/Land/Permanent Fund	0	0	0
Sales & Services of Ed Activities	0	0	0
Other Sources	179,005	0	179,005
TOTAL REVENUES	11,928,060	0	11,928,060
BEGINNING BALANCE	1,360,225	1,397,380	2,757,605
TOTAL AVAILABLE	13,288,285	1,397,380	14,685,665
EXPENDITURES			
Instruction	5,476,818	0	5,476,818
Academic Support	1,598,593	0	1,598,593
Student Services	1,253,815	0	1,253,815
Institutional Support	1,966,229	0	1,966,229
Operation & Maintenance of Plant	1,367,778	0	1,367,778
TOTAL EXPENDITURES	11,663,233	0	11,663,233
TRANSFERS (IN) OUT OF I&G			
Student Social & Cultural Activities	0	0	0
Research	0	0	0
Public Service	0	0	0
Internal Service Dept.	0	0	0
Student Financial Aid	53,510	0	53,510
Auxiliary Enterprises	0	0	0
Intercollegiate Athletics	0	0	0
Independent Operations	0	0	0
Capital Outlay	29,083	0	29,083
Renewals & Replacements	182,234	0	182,234
Retirement of Indebtedness	0	0	0
Non-Budgetary Exhibits:			
Endowment Fund	0	0	0
Other (To Las Cruces Campus)	0	0	0
Other (Specify)	0	0	0
NET TRANSFERS	264,827	0	264,827
ENDING BALANCE	1,360,225	1,397,380	2,757,605

Prepared by: Kimberly G. Rumford Date Approved by BOR

For NMHED Use Only	Accept	Reject	Date	
NMHED Analyst	_____	_____	___/___/___	NMHED Control # _____
NMHED Director	_____	_____	___/___/___	
For DFA Use Only				
DFA Analyst	_____	_____	___/___/___	DFA Control # _____
DFA Director	_____	_____	___/___/___	Agency Code _____
	Increase _____	Decrease _____	Transfer _____	

NEW MEXICO HIGHER EDUCATION DEPARTMENT
BUDGET ADJUSTMENT REQUEST

INSTITUTION : New Mexico State University - Doña Ana FY 2024-2025

Adjustment to Fund: Unrestricted Request # 1

	<u>Current Approved Budget</u>	<u>INCREASE (DECREASE)</u>	<u>Revised Budget</u>
REVENUES			
Instruction and General	50,337,972	0	50,337,972
Student Social & Cultural Activities	1,448,155	0	1,448,155
Research	0	0	0
Public Service	125,400	0	125,400
Internal Service Dept.	0	0	0
Student Financial Aid	0	0	0
Auxiliary Enterprises	238,460	0	238,460
Athletics	0	0	0
Independent Operations	0	0	0
Subtotal Current Funds	52,149,987	0	52,149,987
Capital Outlay	4,543,000	0	4,543,000
Renewals & Replacements	894,384	0	894,384
Retirement of Indebtedness	400,000	0	400,000
Subtotal Plant Funds	5,837,384	0	5,837,384
TOTAL REVENUES	57,987,371	0	57,987,371
BEGINNING BALANCES			
Instruction and General	812,315	0	11,255,356
Student Social & Cultural Activities	374,008	702,810	1,076,818
Research	0	0	0
Public Service	159,910	29,705	189,615
Internal Service Dept.	432,110	17,878	449,988
Student Financial Aid	215,080	0	215,080
Auxiliary Enterprises	180,276	24,814	205,090
Athletics	0	0	0
Independent Operations	0	0	0
Subtotal Current Funds	2,173,699	775,207	13,391,947
Capital Outlay	15,857,408	8,718,313	24,575,721
Renewals & Replacements	10,541,913	(771,653)	9,770,260
Retirement of Indebtedness	0	0	0
Subtotal Plant Funds	26,399,321	7,946,660	34,345,981
TOTAL BEGINNING BALANCES	28,573,020	8,721,867	47,737,928
TOTAL AVAILABLE			
Instruction and General	51,150,287	0	61,593,328
Student Social & Cultural Activities	1,822,163	702,810	2,524,973
Research	0	0	0
Public Service	285,310	29,705	315,015
Internal Service Dept.	432,110	17,878	449,988
Student Financial Aid	215,080	0	215,080
Auxiliary Enterprises	418,736	24,814	443,550
Athletics	0	0	0
Independent Operations	0	0	0
Subtotal Current Funds	54,323,686	775,207	65,541,934
Capital Outlay	20,400,408	8,718,313	29,118,721
Renewals & Replacements	11,436,297	(771,653)	10,664,644
Retirement of Indebtedness	400,000	0	400,000
Subtotal Plant Funds	32,236,705	7,946,660	40,183,365
GRAND TOTAL AVAILABLE	86,560,391	8,721,867	105,725,299

*NMHED/DFA Approval moved to Page 3

NEW MEXICO HIGHER EDUCATION DEPARTMENT
BUDGET ADJUSTMENT REQUEST

INSTITUTION : New Mexico State University - Doña Ana FY 2024-2025

Adjustment to Fund: Unrestricted Request # 1

	<u>Current Approved Budget</u>	<u>INCREASE (DECREASE)</u>	<u>Revised Budget</u>	
EXPENDITURES				
Instruction and General	49,392,499	0	49,392,499	
Student Social & Cultural Activities	1,461,072	0	1,461,072	
Research	0	0	0	
Public Service	121,982	0	121,982	
Internal Service Dept.	(36,945)	0	(36,945)	
Student Financial Aid	444,361	0	444,361	
Auxiliary Enterprises	241,025	0	241,025	
Athletics	0	0	0	
Independent Operations	0	0	0	
Subtotal Current Funds	51,623,994	0	51,623,994	
Capital Outlay	15,753,107	0	15,753,107	
Renewals & Replacements	2,994,384	0	2,994,384	
Retirement of Indebtedness	0	0	0	
Subtotal Plant Funds	18,747,491	0	18,747,491	
TOTAL EXPENDITURES	70,371,485	0	70,371,485	
TRANSFERS IN (OUT)				
Instruction and General	(945,473)	0	(945,473)	
Student Social & Cultural Activities	(17,200)	0	(17,200)	
Research	0	0	0	
Public Service	0	0	0	
Internal Service Dept.	(90,000)	0	(90,000)	
Student Financial Aid	444,361	0	444,361	
Auxiliary Enterprises	0	0	0	
Athletics	0	0	0	
Independent Operations	0	0	0	
Subtotal Current Funds	(608,312)	0	(608,312)	
Capital Outlay	305,271	0	305,271	
Renewals & Replacements	424,547	0	424,547	
Retirement of Indebtedness	(400,000)	0	(400,000)	
Subtotal Plant Funds	329,818	0	329,818	
NET TRANSFERS	(278,494)	0	(278,494)	
ENDING BALANCES				
Instruction and General	812,315	0	11,255,356	23%
Student Social & Cultural Activities	343,891	702,810	1,046,701	72%
Research	0	0	0	#DIV/0!
Public Service	163,328	29,705	193,033	158%
Internal Service Dept.	379,055	17,878	396,933	-1074%
Student Financial Aid	215,080	0	215,080	48%
Auxiliary Enterprises	177,711	24,814	202,525	84%
Athletics	0	0	0	#DIV/0!
Independent Operations	0	0	0	#DIV/0!
Subtotal Current Funds	2,091,380	775,207	13,309,628	26%
Capital Outlay	4,952,572	8,718,313	13,670,885	87%
Renewals & Replacements	8,866,460	(771,653)	8,094,807	270%
Retirement of Indebtedness	0	0	0	#DIV/0!
Subtotal Plant Funds	13,819,032	7,946,660	21,765,692	116%
TOTAL ENDING BALANCES	15,910,412	8,721,867	35,075,320	50%
TOTAL EXPENDITURES, TRANSFERS, BALANCES	86,560,391	8,721,867	105,725,299	

NEW MEXICO HIGHER EDUCATION DEPARTMENT
BUDGET ADJUSTMENT REQUEST

INSTITUTION : New Mexico State University - Doña Ana FY 2024-2025

Adjustment to Fund: Unrestricted Request # 1

	<u>Current Approved Budget</u>	<u>INCREASE (DECREASE)</u>	<u>Revised Budget</u>
INSTRUCTION & GENERAL:			
REVENUES			
Tuition and Fees	11,996,761	0	11,996,761
Federal Government Appropriations	0	0	0
State Government Appropriations	30,966,500	0	30,966,500
Local Government Appropriations	6,890,000	0	6,890,000
Federal Grants/Contracts	500	0	500
State Grants/Contracts	0	0	0
Local Grants/Contracts	0	0	0
Private Gifts/Grants/Contracts	0	0	0
Endowment/Land/Permanent Fund	0	0	0
Sales & Services of Ed Activities	51,500	0	51,500
Other Sources	432,711	0	432,711
TOTAL REVENUES	50,337,972	0	50,337,972
BEGINNING BALANCE	812,315		11,255,356
TOTAL AVAILABLE	51,150,287	0	61,593,328
EXPENDITURES			
Instruction	28,126,458	0	28,126,458
Academic Support	5,685,872	0	5,685,872
Student Services	4,627,674	0	4,627,674
Institutional Support	6,902,709	0	6,902,709
Operation & Maintenance of Plant	4,049,786	0	4,049,786
TOTAL EXPENDITURES	49,392,499	0	49,392,499
TRANSFERS (IN) OUT OF I&G			
Student Social & Cultural Activities	0	0	0
Research	0	0	0
Public Service	0	0	0
Internal Service Dept.	0	0	0
Student Financial Aid	444,361	0	444,361
Auxiliary Enterprises	0	0	0
Intercollegiate Athletics	0	0	0
Independent Operations	0	0	0
Capital Outlay	295,271	0	295,271
Renewals & Replacements	205,841	0	205,841
Retirement of Indebtedness	0	0	0
Non-Budgetary Exhibits:			
Endowment Fund	0	0	0
Other (to Las Cruces Campus)	0	0	0
Other (Specify)	0	0	0
NET TRANSFERS	945,473	0	945,473
ENDING BALANCE	812,315	0	11,255,356

Prepared by: Kimberly G. Rumford Date Approved by BOR

For NMHED Use Only	Accept	Reject	Date	
NMHED Analyst	_____	_____	___/___/___	NMHED Control # _____
NMHED Director	_____	_____	___/___/___	
For DFA Use Only				
DFA Analyst	_____	_____	___/___/___	DFA Control # _____
DFA Director	_____	_____	___/___/___	Agency Code _____
	Increase _____	Decrease _____	Transfer _____	

NEW MEXICO HIGHER EDUCATION DEPARTMENT
BUDGET ADJUSTMENT REQUEST

INSTITUTION : New Mexico State University - Grants

FY 2024-2025

Adjustment to Fund: Unrestricted

Request # 1

	<u>Current Approved Budget</u>	<u>INCREASE (DECREASE)</u>	<u>Revised Budget</u>
REVENUES			
Instruction and General	6,410,350	0	6,410,350
Student Social & Cultural Activities	15,000	0	15,000
Research	0	0	0
Public Service	0	0	0
Internal Service Dept.	7,000	0	7,000
Student Financial Aid	0	0	0
Auxiliary Enterprises	25,000	0	25,000
Athletics	0	0	0
Independent Operations	0	0	0
Subtotal Current Funds	6,457,350	0	6,457,350
Capital Outlay	2,495,000	0	2,495,000
Renewals & Replacements	131,404	0	131,404
Retirement of Indebtedness	0	0	0
Subtotal Plant Funds	2,626,404	0	2,626,404
TOTAL REVENUES	9,083,754	0	9,083,754
BEGINNING BALANCES			
Instruction and General	1,189,960	1,959,479	3,149,439
Student Social & Cultural Activities	90,728	4,969	95,697
Research	0	0	0
Public Service	143,634	32,753	176,387
Internal Service Dept.	28,318	28,675	56,993
Student Financial Aid	6,000	2,000	8,000
Auxiliary Enterprises	78,225	8,993	87,218
Athletics	0	0	0
Independent Operations	0	0	0
Subtotal Current Funds	1,536,865	2,036,869	3,573,734
Capital Outlay	6,936,348	(88,274)	6,848,074
Renewals & Replacements	6,075,771	593,535	6,669,306
Retirement of Indebtedness	0	0	0
Subtotal Plant Funds	13,012,119	505,261	13,517,380
TOTAL BEGINNING BALANCES	14,548,984	2,542,130	17,091,114
TOTAL AVAILABLE			
Instruction and General	7,600,310	1,959,479	9,559,789
Student Social & Cultural Activities	105,728	4,969	110,697
Research	0	0	0
Public Service	143,634	32,753	176,387
Internal Service Dept.	35,318	28,675	63,993
Student Financial Aid	6,000	2,000	8,000
Auxiliary Enterprises	103,225	8,993	112,218
Athletics	0	0	0
Independent Operations	0	0	0
Subtotal Current Funds	7,994,215	2,036,869	10,031,084
Capital Outlay	9,431,348	(88,274)	9,343,074
Renewals & Replacements	6,207,175	593,535	6,800,710
Retirement of Indebtedness	0	0	0
Subtotal Plant Funds	15,638,523	505,261	16,143,784
GRAND TOTAL AVAILABLE	23,632,738	2,542,130	26,174,868

*NMHED/DFA Approval moved to Page 3

NEW MEXICO HIGHER EDUCATION DEPARTMENT
BUDGET ADJUSTMENT REQUEST

INSTITUTION : **New Mexico State University - Grants**

FY **2024-2025**

Adjustment to Fund: **Unrestricted**

Request # **1**

	<u>Current Approved Budget</u>	<u>INCREASE (DECREASE)</u>	<u>Revised Budget</u>	
EXPENDITURES				
Instruction and General	6,109,695	0	6,109,695	
Student Social & Cultural Activities	15,614	0	15,614	
Research	0	0	0	
Public Service	5,000	0	5,000	
Internal Service Dept.	3,500	0	3,500	
Student Financial Aid	44,409	0	44,409	
Auxiliary Enterprises	25,000	0	25,000	
Athletics	0	0	0	
Independent Operations	0	0	0	
Subtotal Current Funds	6,203,218	0	6,203,218	
Capital Outlay	3,845,000	0	3,845,000	
Renewals & Replacements	576,404	0	576,404	
Retirement of Indebtedness	0	0	0	
Subtotal Plant Funds	4,421,404	0	4,421,404	
TOTAL EXPENDITURES	10,624,622	0	10,624,622	
TRANSFERS IN (OUT)				
Instruction and General	(300,655)	0	(300,655)	
Student Social & Cultural Activities	(5,000)	0	(5,000)	
Research	0	0	0	
Public Service	2,000	0	2,000	
Internal Service Dept.	(2,000)	0	(2,000)	
Student Financial Aid	44,409	0	44,409	
Auxiliary Enterprises	(4,000)	0	(4,000)	
Athletics	0	0	0	
Independent Operations	0	0	0	
Subtotal Current Funds	(265,246)	0	(265,246)	
Capital Outlay	13,681	0	13,681	
Renewals & Replacements	251,565	0	251,565	
Retirement of Indebtedness	0	0	0	
Subtotal Plant Funds	265,246	0	265,246	
NET TRANSFERS	0	0	0	
ENDING BALANCES				
Instruction and General	1,189,960	1,959,479	3,149,439	52%
Student Social & Cultural Activities	85,114	4,969	90,083	577%
Research	0	0	0	#DIV/0!
Public Service	140,634	32,753	173,387	3468%
Internal Service Dept.	29,818	28,675	58,493	1671%
Student Financial Aid	6,000	2,000	8,000	18%
Auxiliary Enterprises	74,225	8,993	83,218	333%
Athletics	0	0	0	#DIV/0!
Independent Operations	0	0	0	#DIV/0!
Subtotal Current Funds	1,525,751	2,036,869	3,562,620	57%
Capital Outlay	5,600,029	(88,274)	5,511,755	143%
Renewals & Replacements	5,882,336	593,535	6,475,871	1123%
Retirement of Indebtedness	0	0	0	#DIV/0!
Subtotal Plant Funds	11,482,365	505,261	11,987,626	271%
TOTAL ENDING BALANCES	13,008,116	2,542,130	15,550,246	146%
TOTAL EXPENDITURES, TRANSFERS, BALANCES	23,632,738	2,542,130	26,174,868	

NEW MEXICO HIGHER EDUCATION DEPARTMENT
BUDGET ADJUSTMENT REQUEST

INSTITUTION : New Mexico State University - Grants FY 2024-2025

Adjustment to Fund: Unrestricted Request # 1

	Current Approved Budget	INCREASE (DECREASE)	Revised Budget
INSTRUCTION & GENERAL:			
REVENUES			
Tuition and Fees	1,125,600	0	1,125,600
Federal Government Appropriations	0	0	0
State Government Appropriations	4,848,900	0	4,848,900
Local Government Appropriations	300,000	0	300,000
Federal Grants/Contracts	350	0	350
State Grants/Contracts	0	0	0
Local Grants/Contracts	0	0	0
Private Gifts/Grants/Contracts	0	0	0
Endowment/Land/Permanent Fund	0	0	0
Sales & Services of Ed Activities	0	0	0
Other Sources	135,500	0	135,500
TOTAL REVENUES	6,410,350	0	6,410,350
BEGINNING BALANCE	1,189,960	1,959,479	3,149,439
TOTAL AVAILABLE	7,600,310	1,959,479	9,559,789
EXPENDITURES			
Instruction	2,732,893	0	2,732,893
Academic Support	745,838	0	745,838
Student Services	778,370	0	778,370
Institutional Support	1,073,872	0	1,073,872
Operation & Maintenance of Plant	778,722	0	778,722
TOTAL EXPENDITURES	6,109,695	0	6,109,695
TRANSFERS (IN) OUT OF I&G			
Student Social & Cultural Activities	0	0	0
Research	0	0	0
Public Service	2,000	0	2,000
Internal Service Dept.	0	0	0
Student Financial Aid	39,409	0	39,409
Auxiliary Enterprises	(4,000)	0	(4,000)
Intercollegiate Athletics	0	0	0
Independent Operations	0	0	0
Capital Outlay	13,681	0	13,681
Renewals & Replacements	249,565	0	249,565
Retirement of Indebtedness	0	0	0
Non-Budgetary Exhibits:			
Endowment Fund	0	0	0
Other (To Las Cruces Campus)	0	0	0
Other (Specify)	0	0	0
NET TRANSFERS	300,655	0	300,655
ENDING BALANCE	1,189,960	1,959,479	3,149,439

Prepared by: Kimberly G. Rumford Date Approved by BOR

For NMHED Use Only	Accept	Reject	Date	
NMHED Analyst	_____	_____	___/___/___	NMHED Control # _____
NMHED Director	_____	_____	___/___/___	
For DFA Use Only				
DFA Analyst	_____	_____	___/___/___	DFA Control # _____
DFA Director	_____	_____	___/___/___	Agency Code _____
Increase _____ Decrease _____ Transfer _____				



Board of Regents Meeting Meeting
Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # J-3

Action Item

Consent Item

Informational Item

Presented By: Kimberly Rumford, Chief Budget Officer

Insook Ahn, Assistant Professor

Kelley Coffeen, College Associate Professor

Agenda Item:

Course Fees for Agricultural, Consumer, and Environmental Sciences

Requested Action of the Board of Regents:

Approval of the following course fees

- a. CFTM 2130
- b. CFTM 2120
- c. CFTM 476
- d. CFTM 473
- e. CFTM 373

Executive Summary:

The Family and Consumer Science Department is requesting an increase in three course fees and the addition of two new course fees related to consumable supplies for the labs. The Fashion program is expanding, and after purchasing more equipment and revamping the course curriculum, additional supplies are needed.

References:

N/A

Prior Approvals:

10/29/2024 University System Budget Committee

12/02/2024 Regents Financial Strategies, Performance and Budget Committee

University System Budget Committee
Course Fees Summary

College	Course Number	Course Name	Current Total per Course	Request			Increase from Current to Requested	Student Headcount	Term	Justification of Fee	Effective Semester
				Request per course	Credit hours	Per SCH					
ACES	CFTM 2130	CONCEPTS- APPAREL CONSTRUCTION	\$ 25.00	\$ 50.00	3	\$ 16.67	\$ (25.00)	10	2024 SP	Expansion of Fashion Program: More materials are needed.	SP 2025
ACES	CFTM 2120	FASHION ILLUSTRATION	\$ 25.00	\$ 50.00	3	\$ 16.67	\$ (25.00)	13	2024 SP	Expansion of Fashion Program: More materials are needed.	SP 2025
ACES	CFTM 476	DRAPING	\$ 25.00	\$ 50.00	3	\$ 16.67	\$ (25.00)	14	2024 SP	Expansion of Fashion Program: More materials are needed.	SP 2025
ACES	NEW-CFTM 473	Flat Pattern for Apparel Design	\$ -	\$ 50.00	3	\$ 16.67	\$ (50.00)	14	2024 SP	Expansion of Fashion Program: More materials are needed.	SP 2025
ACES	NEW-CFTM 373	Advanced Apparel Construction II	\$ -	\$ 50.00	3	\$ 16.67	\$ (50.00)	20 (for 2 sections)	2023 FA	Expansion of Fashion Program: More materials are needed.	SP 2025



College of Agricultural, Consumer
and Environmental Sciences

Department of Family and Consumer Sciences
MSC 3470
New Mexico State University
P.O. Box 30003
Las Cruces, NM 88003-8003
575-646-3936, fax: 575-646-1889
fcs@nmsu.edu

Attn: Nancy Ritter

From: Family and Consumer Science Department
Efren Delgado, Ph.D.
Department Head

The Family and Consumer Science Department is requesting an increase of the course fees for several labs taught. The Fashion program is expanding, and they are purchasing more equipment that can be utilized in the labs to aid the growth of the program. With that being said, more materials are being bought for the labs in order for students to be able to utilize the new equipment. During the Fashion Construction Labs students can use hands-on class time to construct garments to be used in the Fashion Show. Students are able to understand the basic working of how the construction of garments is initiated and what the process looks like for Fashion Shows. In the Textiles course students test textiles, like the burn resistance of certain fabrics. Also, how certain textiles are dyed, this was students can grasp the concept of how the process of textile variation is initiated and what needs to happen for the Fashion Industry to include these materials/why these materials are included.



Budget Office

MSC 3AA
New Mexico State University
P.O. Box 30001
Las Cruces, NM 88003-8001
575-646-2431, budget@nmsu.edu

Request for Course Fees

Date:	5-8-24	Requesting Department:	Family and Consumer Sciences
College:	ACES	Contact Name & Phone Number:	Efren Delgado (575) 646-3936
Requested Effective Semester	Spring	Course Prefix & Number	CTFM 2130
Course Name	CONCEPTS- APPAREL CONSTRUCTION	No. of Credit Hours	3

Amount Requested \$50 Per Course Per Credit Hour (If multiple courses, attach summary.)

Please Forward to Next Reviewer/Approver.

Submitted By:	Date of Approval	Comments:
Laura Bittner <small>Digitally signed by Laura Bittner Date: 2024.05.31 07:01:53 -06'00'</small> _____ Department Head	_____	
 _____ Dean, College	_____ 6-3-2024 Date	

Review-Budget Office	Date of Review	Comments
 _____ Chief Budget Office	_____	7/25/2024

Forward to Provost for Approval Forward to University System Budget Committee Approval

Approval – Provost & Chief Academic Officer	Date of Approval	Comments:
_____	_____	Provost Reddi approved via email 7/29/24
Provost & Chief Academic Officer	Date	

Approval – University System Budget Committee	Date of Approval	Comments:
Meeting Date: _____ Voting Results: <u>13</u> yes <u>0</u> No	_____	Email vote 7/30-8/2/24
	Date	

Please attach detailed request to include:

- Justification
- Itemized Costs
- Average number of students enrolled in course
- A copy of the syllabus when possible



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New Mexico State University

CTFM 2130

Skirt Pattern: about \$ 13.97 each.

<https://simplicity.com/butterick/b6836>

Blouse Pattern: about \$ 13.97 each

<https://simplicity.com/mccalls/m8287>

Muslin 3yards for samples: $\$4.19 \times 3 \text{ yards} = \12.57

<https://www.joann.com/roc-lon-47%2F48%E2%80%B3-natures-way-premium-quality-unbleached-muslin-fabric/19342112.html>

2 Nine-inch invisible zippers: $\$ 3.49 \times 2 = \$ 6.98$

<https://www.joann.com/coats-andamp-clark-invisible-zippers-7in-to-9in/2076289.html>

1 Nine-inch Regular zipper: \$ 2.99

<https://www.joann.com/coats-and-clark-flexzip-all-purpose-zipper-9in-black-/1022813.html>

Interfacing 2 yards: $\$ 3.24 \times 2 = \$ 6.48$

<https://www.joann.com/pellon-easy-knit-fusible-tricot-interfacing/1540442.html>

Buttons for sample :2 Shank buttons/ 2 regular buttons: \$ 2

<https://www.joann.com/sewing/buttons/?icn=search&ici=buttons>

Red Threads for sample: \$ 2

<https://www.joann.com/coats-andamp-clark-dual-duty-xp-general-purpose-thread-500yds/9235706.html>

Two set of Hook and eye for samples: \$ 1

<https://www.joann.com/search/?q=hook+and+eye&lang=default>

Total Estimation: \$ 61.96



Budget Office
 MSC 3AA
 New Mexico State University
 P.O. Box 30001
 Las Cruces, NM 88003-8001
 575-646-2431, budget@nmsu.edu

Request for Course Fees

Date:	5-8-24	Requesting Department:	Family and Consumer Sciences
College:	ACES	Contact Name & Phone Number:	Efren Delgado (575) 646-3936
Requested Effective Semester	Spring	Course Prefix & Number	CTFM 2120
Course Name	FASHION ILLUSTRATION	No. of Credit Hours	3

Amount Requested \$50 Per Course Per Credit Hour (If multiple courses, attach summary.)

Please Forward to Next Reviewer/Approver.

Submitted By:	Date of Approval	Comments:
Laura Bittner Digitally signed by Laura Bittner Date: 2024.05.31 07:02:52 -06'00' Department Head	_____	
 Dean, College	<u>6-3-2024</u> Date	

Review-Budget Office	Date of Review	Comments
 Chief Budget Office	_____	7/25/2024
	Date	

Forward to Provost for Approval Forward to University System Budget Committee Approval

Approval – Provost & Chief Academic Officer	Date of Approval	Comments:
_____	_____	Provost Reddi approved via email 7/29/24
Provost & Chief Academic Officer	Date	

Approval – University System Budget Committee	Date of Approval	Comments:
Meeting Date: _____ Voting Results: <u>13</u> yes <u>0</u> No	_____	Email vote 7/30-8/2/24
	Date	

Please attach detailed request to include:

- Justification
- Itemized Costs
- Average number of students enrolled in course
- A copy of the syllabus when possible



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New Mexico State University

CTFM 2120 Fashion Illustration

Micron Pen: each \$ 3.99

<https://www.michaels.com/product/pigma-micron-01-fine-line-pen-10255150>

Fashion Tech Pack Software Subscription

Around \$ 100 per user

<https://www.uphance.com/blog/best-apparel-tech-pack-software/>

Total Estimation: \$ 103.99



Budget Office

MSC 3AA
New Mexico State University
P.O. Box 30001
Las Cruces, NM 88003-8001
575-646-2431, budget@nmsu.edu

Request for Course Fees

Date:	5-8-24	Requesting Department:	Family and Consumer Sciences
College:	ACES	Contact Name & Phone Number:	Efren Delgado (575) 646-3936
Requested Effective Semester	Spring 2025	Course Prefix & Number	CTFM 476
Course Name	Draping	No. of Credit Hours	3

Amount Requested \$50 Per Course Per Credit Hour (If multiple courses, attach summary.)

Please Forward to Next Reviewer/Approver.

Submitted By:	Date of Approval	Comments:
Laura Bittner Digitally signed by Laura Bittner <small>Date: 2024.05.31 07:04:09 -06'00'</small> _____ Department Head	_____	
 _____ Dean, College	Date <u>6/3/2024</u>	

Review - Budget Office	Date of Review	Comments
 _____ Chief Budget Office	_____	7/25/2024

Forward to Provost for Approval Forward to University System Budget Committee Approval

Approval - Provost & Chief Academic Officer	Date of Approval	Comments:
_____	_____	Provost Reddi approved via email 7/29/24
Provost & Chief Academic Officer	Date	

Approval - University System Budget Committee	Date of Approval	Comments:
Meeting Date: _____	_____	Email vote 7/30-8/2/24
Voting Results: <u>13</u> yes <u>0</u> No	Date	

Please attach detailed request to include:

- Justification
- Itemized Costs
- Average number of students enrolled in course
- A copy of the syllabus when possible



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CTFM 476 Draping for Apparel Design

Pattern Paper for drafting: $\$2.9 \times 10\text{yards} = \$ 29$

<https://www.amazon.com/Montada-Pattern-Paper-Sewing-Numeric/dp/B09BBM3DBB>

Muslin: $\$4.19 \times 10\text{yards} = \41.90

<https://www.joann.com/roc-lon-47%2F48%E2%80%B3-natures-way-premium-quality-unbleached-muslin-fabric/19342112.html>

Interfacing 2yards: $\$ 3.24 \times 2 = \$ 6.48$

<https://www.joann.com/pellon-easy-knit-fusible-tricot-interfacing/1540442.html>

Hot Glue sticks 2: $\$16.09 \times 2 = \32.18

https://www.amazon.com/Innovative-Haus-Mini-Glue-Sticks/dp/B0CP56ZHPY/ref=sr_1_1_sspa?crd=1B9PH0S49X3H9&dib=eyJ2ljojMSJ9.bmKMnvFjjFmYNhMGPfrYO2nxXJ-FE-AdyQNoDgRfXhAOZBP_1xKCW7577mrPRK8T5HANoeAbEE0q5XVrcVNiVbh-2VGqEOorbx6BM6sY5PnbIHRADqz0XjqSsUweA3cZpZWFWP_Pddic3-1vix6Dp2_9H-4yUsAx3X_DLbx0rNYYtVm4Z1ITzYbHHv2lWd6B-TRrBmduto4ZrDQaBPjkCixnj-_eAS4IC9PRdPtIIzrAp5iFZYjtNvxZR54eL1fsNPL4mTGDgXqW9lv3snxJSdkZHqO_hUCGZwBkq8bH-l8.qjr-GpF_aA2wCsXmzCshmHebVagp6Lha8pcjp3khcKE&dib_tag=se&keywords=hot%2Bglue%2Bsticks&qid=1715538254&srefix=hot%2B%2Caps%2C160&sr=8-1-spons&sp_csd=d2lkZ2V0TmFtZT1zcF9hdGY&th=1

Masking Tape: $\$ 2.165 \times 6 = \$ 12.99$

Total Estimation: \$ 109.56



Budget Office

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New Mexico State University
P.O. Box 30001
Las Cruces, NM 88003-8001
575-646-2431, budget@nmsu.edu

Request for Course Fees

Date:	5-8-24	Requesting Department:	Family and Consumer Sciences
College:	ACES	Contact Name & Phone Number:	Efren Delgado (575) 646-3936
Requested Effective Semester	Spring	Course Prefix & Number	CTFM 473
Course Name	Flat Pattern for Apparel Design	No. of Credit Hours	3

Amount Requested \$50 Per Course Per Credit Hour (If multiple courses, attach summary.)

Please Forward to Next Reviewer/Approver.

Submitted By:	Date of Approval	Comments:
Laura Bittner <small>Digitally signed by Laura Bittner Date: 2024.05.31 07:04:37 -06'00'</small> <hr/> Department Head	<hr/> Date	
 <hr/> Dean, College	<u>6-3-2024</u> Date	

Review-Budget Office	Date of Review	Comments
 <hr/> Chief Budget Office	<hr/> Date	7/25/2024

Forward to Provost for Approval Forward to University System Budget Committee Approval

Approval – Provost & Chief Academic Officer	Date of Approval	Comments:
<hr/> Provost & Chief Academic Officer	<hr/> Date	Provost Reddi approved via email 7/29/24

Approval – University System Budget Committee	Date of Approval	Comments:
Meeting Date: _____ Voting Results: <u>13</u> yes <u>0</u> No	<hr/> Date	Email vote 7/30-8/2/24

Please attach detailed request to include:

- Justification
- Itemized Costs
- Average number of students enrolled in course
- A copy of the syllabus when possible



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CTFM 473 Pattern Making for Apparel Design

Pattern Paper for drafting: $\$2.9 \times 15\text{yards} = \43.50

<https://www.amazon.com/Montada-Pattern-Paper-Sewing-Numeric/dp/B09BBM3DBB>

Preserve Patterns: $\$2.99 \times 5\text{yards} = \14.95

Muslin: $\$4.19 \times 5\text{yards} = \20.95

<https://www.joann.com/roc-lon-47%2F48%E2%80%B3-natures-way-premium-quality-unbleached-muslin-fabric/19342112.html>

1 Nine-inch Regular zipper: \$ 2.99

<https://www.joann.com/coats-and-clark-flexzip-all-purpose-zipper-9in-black-/1022813.html>

Interfacing 2yards: $\$3.24 \times 2 = \6.48

<https://www.joann.com/pellon-easy-knit-fusible-tricot-interfacing/1540442.html>

Two set of Hook and eye for samples: \$ 1

<https://www.joann.com/search/?q=hook+and+eye&lang=default>

Scotch tape 5each: $3.24 \times 5 = \$16.20$

https://www.amazon.com/Scotch-Dispenser-Narrow-Engineered-119/dp/B00006IF5G/ref=sr_1_9?dib=eyJ2IjoiMSJ9.c6u_VHNcMQxV-xCLv2R2A9zdmYOS9Jk8NJKJBxooETqhjA2a-ry7_AKOIGXkjNtlt4rsPWYj-5CwlDlaCuB14KeL5eDhS2T6HbaDPkKD4ufl0YeSOGj8smGLG-H0AI1Ubntc-zbA0y0XhgAHsitTIE9jZgU12jwlSpl1u3Xw7Vh4zrXAf5llihE2nmBsln_hxPaWA5a-nTh4t9Po0GY6M_7GuQ9jC2GEg3lsc3D2_eZmBKFu-uF8GVg5Eh8mTnQ-FQWbnMxWNU1p1xw84EYEkaQovMrI9pBFNyAQac98J2I.wHeoWc2jnz6gwPzBDfF24XgDMnr_zK9AhX753OZ3RnQ&dib_tag=se&keywords=tape&qid=1715538030&sr=8-9&th=1

Total Estimation: \$ 106.07



Budget Office

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New Mexico State University
P.O. Box 30001
Las Cruces, NM 88003-8001
575-646-2431, budget@nmsu.edu

Request for Course Fees

Date:	5-8-24	Requesting Department:	Family and Consumer Sciences
College:	ACES	Contact Name & Phone Number:	Efren Delgado (575) 646-3936
Requested Effective Semester	Spring	Course Prefix & Number	CTFM 373
Course Name	Advanced Apparel Construction II	No. of Credit Hours	3

Amount Requested \$50 Per Course Per Credit Hour (If multiple courses, attach summary.)

Please Forward to Next Reviewer/Approver.

Submitted By:	Date of Approval	Comments:
Laura Bittner Digitally signed by Laura Bittner <small>Date: 2024.05.31 07:05:02 -06'00'</small> _____ Department Head	_____	
 _____ Dean, College	_____ Date 6/3/2024	

Review-Budget Office	Date of Review	Comments
 _____ Chief Budget Office	_____	7/25/2024

Forward to Provost for Approval Forward to University System Budget Committee Approval

Approval – Provost & Chief Academic Officer	Date of Approval	Comments:
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Approval – University System Budget Committee	Date of Approval	Comments:
Meeting Date: _____	_____	Email vote 7/30-8/2/24
Voting Results: <u>13</u> yes <u>0</u> No	_____	
	Date	

Please attach detailed request to include:

- Justification
- Itemized Costs
- Average number of students enrolled in course
- A copy of the syllabus when possible



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CTFM 373 Advanced Apparel Construction

Pants Pattern: about \$ 22.40 each.

<https://simplicity.com/vogue-patterns/v1772>

Jacket(dress) Pattern: about \$ 24.50 each.

<https://simplicity.com/vogue-patterns/pdv2016>

Muslin: \$4.19 × 5yards= \$20.95

<https://www.joann.com/roc-lon-47%2F48%E2%80%B3-natures-way-premium-quality-unbleached-muslin-fabric/19342112.html>

1 Nine-inch invisible zippers: \$ 3.49

<https://www.joann.com/coats-andamp-clark-invisible-zippers-7in-to-9in/2076289.html>

1 Nine-inch Regular zipper: \$ 2.99

<https://www.joann.com/coats-and-clark-flexzip-all-purpose-zipper-9in-black-/1022813.html>

Interfacing 3 yards: \$ 3.24 X3= \$ 9.72

<https://www.joann.com/pellon-easy-knit-fusible-tricot-interfacing/1540442.html>

Two set of Hook and eye for samples: \$ 1

<https://www.joann.com/search/?q=hook+and+eye&lang=default>

Horsehair about 1yds each student \$ 1

https://www.amazon.com/Abbaoww-Horsehair-Polyester-Wedding-Accessories/dp/B0B2RS4TRH/ref=asc_df_B0B2RS4TRH/?tag=hyprod-20&linkCode=df0&hvadid=693394162207&hvpos=&hvnetw=g&hvrnd=8109533468444301114&hvpon=&hvptwo=&hvqmt=&hvdev=c&hvdvcmdl=&hvlocint=&hvlocphy=9030243&hvtagid=pla-2258751431487&mcid=421b2b6e917037ff9b1a69a72ed536e7&gad_source=1&gclid=EAlaIQobChMIsPDkxrylhgMVuSmtBh2fKgwvEAQYAyABEgINKPD_BwE&th=1

Total Estimation: \$ 86.05



Board of Regents Meeting
Meeting Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # J-4

- Action Item
- Consent Item
- Informational Item

Presented By:

Lisa Henderson, J.D., LL.M.
General Counsel and Chief Legal Officer

Agenda Item:

Proposed ratification of the Collective Bargaining Agreement Between the Regents of New Mexico State University and United Electrical, Radio and Machine Workers of America Local 1498 representing the Graduate Workers Union.

Requested Action of the Board of Regents:

Board ratification of the proposed Collective Bargaining Agreement Between the Regents of New Mexico State University and the United Electrical, Radio and Machine Workers of America Local 1498 (the Agreement).

Executive Summary:

Subject to ratification by the Board of Regents, the NMSU and Graduate Workers Union negotiating teams have tentatively agreed to a proposed collective bargaining agreement. The Union ratified the proposed Agreement on December 4, 2024. The last step before the Agreement may become operative is ratification by the Board of Regents. The Agreement provides, among other items, a two percent increase in compensation and tuition relief equal to up to six hours at the current tuition rate.

References:

Agreement between Regents of New Mexico State University and United Electrical, Radio and Machine Workers of America, December 30, 2022-Janauary 1, 2025.

Prior Approvals:

Reviewed by the offices of the President, Provost, and Finance previously.

Agenda Item Approved By:

Lisa Henderson
Lisa Henderson
General Counsel

12/10/2024
Date

ARTICLE 1. AGREEMENT

This Agreement is entered into by and between the Regents of New Mexico State University, hereinafter referred to as the “University” and the United Electrical, Radio and Machine Workers of America, hereinafter referred to as the “Union”.

ARTICLE 2. UNION RECOGNITION

The University hereby recognizes the Union as the sole and exclusive representative of full-time and part-time graduate students holding an assistantship engaged in instruction and/or research at the University’s campuses at Las Cruces, Alamogordo, Dona Ana, and Grants in the following positions: Graduate Teaching Assistants – “Teaching Assistant”, Graduate Research Assistants – “Research Assistant”, Graduate Assistants – Other – “Grad Asst-Other”, Graduate Assistant Research Fellow – “Grad Asst Fellow”, and Research Assistant PSL – “Research Asst-PSL”.

ARTICLE 3. MANAGEMENT RIGHTS

The University retains and reserves unto itself all powers, rights, authority, duties, and responsibilities conferred upon and vested in it by the laws and constitution of the State of New Mexico and federal laws. Such rights include, but are not limited to, the following:

1. to determine the mission of the University, its schools, departments, and programs;
2. to set standards, qualifications, and performance expectations;
3. to exercise control and discretion over University organization, operations, property, equipment, and facilities;
4. to direct the work of, hire, transfer, assign, reassign, discipline, suspend, discharge, terminate, and retain or not retain bargaining unit members in assistantships with the University;
5. to relieve bargaining unit members from duties because of lack of work, decrease in student enrollment, or programmatic changes;
6. to maintain the efficiency of the operations entrusted to the University and its Administration;
7. to determine the methods, means, and personnel by which the University operations are to be conducted;
8. to promulgate and/or amend policies, rules, regulations, directives, and orders provided such are not in conflict with this Agreement; and

9. to take whatever actions may be necessary to carry out the functions and mission of the University and maintain uninterrupted service to its students in situations of emergency.

The University retains all rights not expressly and specifically limited by a collective bargaining agreement or by the Public Employee Bargaining Act (PEBA). The University retains the right to delegate any of its rights and to rescind such delegation at any time.

ARTICLE 4. UNION RIGHTS

- A. The Union and University agree that the Union has the right and duty to represent the interest of bargaining unit members in the bargaining unit, regardless of membership, so long as that representation does not interfere with the operation of the University. The Union has rights as set forth in the Public Employee Bargaining Act. In exercising those rights, the following provisions shall apply:
 1. The Union shall not use the University's interoffice mail services for the dissemination of Union material, literature, or correspondence.
 2. The Union shall not use University time, equipment, website, or materials for Union business. Meetings may occur and facilities may be used for the purpose of conducting meetings with the represented bargaining unit members in accordance with law and University policies.
 3. The University shall make available to the Union upon its request any public information in accordance with applicable law.
 4. The Union may meet with bargaining unit employees, visit worksites, and use University email as provided by law. The Union will be provided thirty (30) minutes during graduate assistant orientation.
- B. Membership or non-membership in the Union is strictly voluntary. The Union and University recognize that the exercise of these rights shall not interfere with the instruction of students or the delivery of services.
 1. Bargaining unit members may join and be a member of the Union or may choose not to join or be a member of the Union without interference, restraint, or coercion. Bargaining unit members may voluntarily pay Union membership dues through payroll deduction on a form authorized by the Union. Such authorization forms must be signed and dated by the bargaining unit member, include the amount authorized for withholding, and the bargaining unit member's Aggie ID.
 2. A bargaining unit member may commence or terminate payroll membership dues deductions by written notice to the University's payroll office and the Union, which shall take effect no later than the second full pay period after receipt of notice by the payroll office. Notice to terminate dues deductions may be filed between March

1 - 5, July 1 – 5, or October 1 – 5. The University will remit the dues deducted to the Union Financial Secretary of UE Local 1498 within thirty (30) days after the payday covering the pay period of deduction along with a list of the names from whom deductions were made and amounts deducted.

3. The University's payroll office will be notified in writing of the single membership dues amount by February 15th for the upcoming fiscal year. No changes to the deduction amounts will occur after that date. Payroll deduction will only be for membership dues and will not include any other fees, fines, arrears payments, contributions, or assessments of any kind.
 4. No payroll deduction of dues shall be made during a payroll period in which earnings are insufficient to cover the amount of deduction, nor shall such deductions be made from subsequent payrolls to cover the period in question.
 5. The Union shall indemnify, pay for the defense of, and save the University harmless against any and all claims, demands, suits, or other forms of liability that shall arise out of or as a result of any conduct taken by the University for the purpose of complying with this Article.
- C. The University will provide the Union with bargaining unit members' directory information monthly. The University will provide written notice to the Union if it contemplates any change to the information designated as directory information pursuant to FERPA. The University will provide the Union with a listing of information for bargaining unit members, without identifying information, containing the following: salary, assistantship type, pay scale placement, and department, school, or research center. Such list will be provided monthly. The parties agree these lists satisfy the bargaining unit information set forth in PEBA.
- D. Bargaining unit members and the Union shall be entitled to all the rights and benefits specifically delineated in this agreement and under state and federal laws. There shall be no implied or inferred rights to the Union or any bargaining unit members.
- E. The Union may elect/appoint union officers, stewards, and/or representatives. The Union President shall notify the University's General Counsel and Chief Legal Officer of all officers, stewards, and representatives within thirty (30) days of execution of this agreement, followed by annually on or before the anniversary date of execution of the Agreement, and within seven (7) calendar days of any change.

ARTICLE 5. COMPENSATION

- A. Effective the first full pay period of Spring semester 2025, bargaining unit members, other than RAs, will receive a two percent (2%) increase to the assistantship appointment amount, prorated for the remaining pay periods on the appointment.

- B. Effective the first full pay period of Spring semester 2025, the salary schedules for graduate assistants, other than RAs, will be increased by two percent (2%).
- C. The University encourages Departments, research centers, and services units to provide the same percentage increase to RAs in the same manner as set forth in subsection A, above. If a department provides a portion of the two percent (2%) increase in Fiscal Year 2025, the department will provide the remaining portion of the two percent (2%) increase beginning the first full pay period in July 2025 for those bargaining unit members continuing on the same assistantship appointment.
- D. Departments, research centers, and services units may pay a bargaining unit member more than the minimum salary schedules provided it does not create an inequity within the department, research center, or service unit.

ARTICLE 6. BENEFITS

- A. Bargaining unit members may be eligible to enroll in health benefits provided through the State and/or the University. More information is available through the Human Resources department as well as on the University's and State's health benefit provider's website.
- B. The University will work with State health benefit provider(s) to hold an enrollment workshop each semester. Bargaining unit members are encouraged to research coverage, out-of-pocket costs, and other specifics of the available plans.

ARTICLE 7. LEAVE

Bargaining unit members will contact and work with their immediate supervisors in instances where the bargaining unit member is requesting to be absent due to illness, injury, medical condition, death in the immediate family, birth/adoption of a child, or other comparable reason. Documentation supporting the absence may be required. Any leave denials shall be provided in writing by the supervisor.

ARTICLE 8. SCHOLARSHIP AWARD

- A. Bargaining unit members enrolled full-time (at least 9 master's or doctoral credit hours for Fall and Spring semesters) in a master's or doctoral degree program of science, technology, engineering, or mathematics, who graduated from a New Mexico high school, and who have New Mexico residency will be guaranteed a base level tuition support scholarship of nine (9) or ten (10), as applicable to the number of master's or doctoral credits registered for, credit hours (including differential tuition for nursing and engineering) and Required Fees in accordance with Legislative Appropriation and New Mexico Higher Education Department's rules up to the amount approved by the State. Such scholarship will continue each Fall and Spring semester through Spring 2026, subject to continued specific Legislative Appropriation.

- B. Bargaining unit employees in a research assistantship funded by a grant may receive full tuition support through grant funding as determined by the grant.
- C. Effective Spring 2025 semester, the University will guarantee a tuition support scholarship of up to \$2081.88 (currently base in-state cost of six (6) credit hours), per semester per student to all bargaining unit members not covered by full tuition support pursuant to subsections A or B above and who hold an assistantship or combined assistantships of 0.50 FTE or higher, prorated for those with less than a 0.50 FTE or combined FTE held for a majority of the semester and/or less than six (6) credit hours. This tuition support scholarship will be provided each Fall and Spring semester subject to budgetary constraints.
- D. Tuition support scholarships from the University and external sources may be received up to full tuition coverage.
- E. Non-tuition support scholarships awarded to bargaining unit members can be received in addition to tuition support scholarships.
- F. On or about mid semester, the University will compile a list of eligible bargaining unit members for the tuition scholarship awards contained herein.

ARTICLE 9. APPOINTMENT LETTERS AND REDUCTION OF REQUIRED CREDIT HOURS

- A. Bargaining unit members will be notified in writing of a confirmation of employment. Appointment letters will normally be issued at least twenty-one (21) days prior to the start date of the assistantship, however, nothing will prohibit the offer of appointment letters for assistantships created with less than twenty-one (21) days remaining before the start date.
- B. Appointment letters will include the following information:
 1. Assistantship type
 2. Appointment percentage (FTE)
 3. Start and end date of assistantship
 4. Department offering assistantship
 5. Supervisor
 6. A general description of the duties, which may be revised by the department/University
 7. Stipend, salary, or hourly rate and G1, G2, or G3 hiring status, as applicable
 8. Deadline for acceptance of assistantship
 9. A statement noting the position is covered by a collective bargaining agreement
 10. The current collective bargaining agreement website address
- C. Assistantships are conditional offers contingent upon other factors such as, but not limited to, funding, enrollment levels, and academic standing.

- D. The University requires bargaining unit members to maintain full-time enrollment to be and remain eligible for an assistantship except in the following circumstances:
1. A bargaining unit member in a PhD program, who has successfully completed their coursework and comprehensive exams, and who are in their second to last academic semester may file a request for waiver permitting them to take six (6) credit hours rather than nine (9) credit hours. This request for waiver is not available to International students.
 2. Bargaining unit members who are in their last academic semester may file a request for waiver permitting them to take less than nine (9) credit hours but not less than one (1) credit hour.
 3. The intent is that this benefit is provided for a total of two (2) academic semesters to the PhD bargaining unit members and one (1) academic semester to the Masters bargaining unit members.

ARTICLE 10. WORKLOAD

- A. It is understood that bargaining unit members are engaged in professional activities of such a nature that the output produced, or the result accomplished, cannot be precisely standardized or measured in relation to a given period of time and that the time necessary to accomplish an assignment will vary.
- B. The appointment level shall be based on the appointing department's determination of the amount of time it should normally take to perform the assigned duties. For example, a 0.50 FTE is an average of 20 hours per week. The parties recognize the amount of work performed may vary from week to week, but bargaining unit members will not normally be expected to work more hours than their FTE on a continual basis. However, the average number of hours per week over the course of a full appointment period is an estimate rather than an exact time specification. Bargaining unit members should address concerns regarding workload with their immediate supervisor at any time the bargaining unit member anticipates or experiences any workload related issues.

ARTICLE 11. DISCIPLINARY ACTION

- A. Bargaining unit members are subject to this Agreement and any University/Department/College policies, rules, regulations, directives, or orders not in conflict with this Agreement.
- B. Prior to implementing disciplinary action, a bargaining unit member will be provided written charges against the bargaining unit member and notice of a predetermination meeting. The purpose of the predetermination meeting is to provide the bargaining unit member an opportunity to respond to the charges and is not an evidentiary hearing. A Union representative may accompany a bargaining unit member during the predetermination meeting. The Union representative may confer with the bargaining unit

member, ask clarifying questions, and present written information to the University, but may not impede or interfere with the meeting. The unavailability of a Union representative shall not delay the predetermination meeting more than forty-eight (48) hours. Following the predetermination meeting, the bargaining unit member will be given written notice of any disciplinary action imposed.

- C. It is the responsibility of bargaining unit members to share information regarding any predetermination meetings or disciplinary actions affecting the bargaining unit member with a Union steward if the member desires representation. If the bargaining unit member submits a Union steward representation form created by the University and provided to the Union for input, the University will include the Union Steward in communication regarding the disciplinary action. Failure to include the Union Steward in communication is not grievable.
- D. Disciplinary actions shall be based on just cause and include written reprimands, suspension without pay, and discharge/termination before the end of the bargaining unit member's assistantship contract. Discharge does not include loss of an assistantship for failure to remain a student in good standing, maintain a sufficient GPA, or enroll in a sufficient number of graduate credits.
- E. Disciplinary action will be issued in writing to the bargaining unit member. Copies of any documented disciplinary action shall be signed by the bargaining unit member acknowledging receipt of the action, or a notation that the bargaining unit member refused to sign the document.

ARTICLE 12. GRIEVANCE PROCEDURE

- A. The purpose of this procedure is to secure at the lowest possible level, mutually satisfactory resolutions to grievances, which may arise during the term of this Agreement and are subject to resolution under this Agreement. This grievance procedure shall be the sole and exclusive method of resolving disputes involving the application and/or interpretation of the terms and provisions of this Agreement and waive any right to challenge any right or benefits set forth in this Agreement in another forum. Alleged violations of statutes or regulations that do not allege a violation of this collective bargaining agreement may be filed with the enforcing agency or applicable University office and are not waived.
- B. A "*grievance*" is defined as an alleged violation, misapplication, or misinterpretation of a specific Article or Section of this Agreement, University policy, rules, regulations, or mid-contract termination of an assistantship. Not offering subsequent assistantships or termination based on academic reasons are not grievable.
- C. A "*grievant*" is a bargaining unit member or a group of bargaining unit members making a claim.
- D. "*Days*" shall mean business days in which the University business offices are open.

- E. A written grievance must contain a statement of the grievance, the name of the bargaining unit member(s) or designation of entire bargaining unit or group of bargaining unit members as the grievant, the supervisor/administrator alleged to have committed the violation, the circumstances and facts upon which it is based, the date of the alleged violation, the date of submission of the grievance, the specific section of this agreement, University policy, rule, or regulation allegedly violated, and the specific remedy being sought. Statements such as “to be made whole”, without the additional specification of a remedy, shall not constitute sufficient notice of the remedy being sought by the grievant.
- F. Grievances affecting a group of bargaining unit members in more than one School, College, or Research Center may be initiated at Step Two.
- G. Grievances and responses are considered filed on the date they are sent via email or received via hand-delivery.
- H. A grievance shall be filed within ten (10) days following the date the grievant knew or should have known of the act or the condition which gave rise to the grievance. Failure to timely file the grievance will constitute forfeiture of the right to file. Furthermore, any grievance determination not appealed to the succeeding level within the time limits expressed herein shall be considered null and void and closed. When it is mutually agreed by the parties in writing, the time limits expressed herein may be extended. A grievance may be withdrawn at any step of this procedure by the grievant.
- I. Should the University fail to respond to a grievance within the time limits expressed herein, the Union/grievant may appeal to the next level of the grievance procedure within the time limits set forth as if the University had timely responded.
- J. A bargaining unit member grievant may be accompanied by a Union steward, selected or approved by the Union, at any stage of the grievance procedure. Nothing herein contained shall be considered as limiting the rights of a bargaining unit member to discuss or process their grievance as an individual. In such cases, the bargaining unit member will provide the Union with a copy of the grievance at the same time it is filed with the University. An individual pursuing a grievance without Union representation will be responsible for all associated costs. In such cases the Union has the right to be present at all levels as a party in interest. No resolution of any individually processed grievance shall be inconsistent with the terms of this Agreement.
- K. Grievances shall be presented as outlined below:

Informal Step – A bargaining unit member who believes that they may have a grievance, shall meet with the bargaining unit member’s immediate supervisor and/or department head in a good faith attempt to resolve the grievance. If the grievance is not resolved within ten (10) days of the date the grievant knew or should have known of the act or condition giving rise to the grievance, the

bargaining unit member may file the written grievance at Step One as set forth in G., above.

Step One – A bargaining unit member shall file a written grievance with the bargaining unit member’s Dean of the College in which the grievant is employed within the time limit described in G. above. A meeting with the Dean or designee will be held within seven (7) days of the filing of the grievance. The Dean/designee will provide a written response to the grievance within ten (10) days following receipt of the grievance. If the matter is not resolved to the satisfaction of the bargaining unit member within ten (10) days of the date of the Dean/designee’s response, the bargaining unit member may file a written grievance at Step Two.

Step Two – Within ten (10) days of the date of the Dean/designee’s written response at Step One, the written grievance must be filed with the Provost. A meeting with the Provost or designee will be held within seven (7) days of the filing of the grievance. The Provost/designee will provide a written response to the grievance within ten (10) days following receipt of the grievance.

Arbitration Step:

- A. In the event the grievant is not satisfied with the decision at Step Two of the Grievance Procedure, the decision may be appealed to arbitration by filing a written appeal with the Provost with a copy to General Counsel within twenty (20) days of receipt of the Provost/designee’s decision along with a copy of the request for arbitration panel that the grievant has filed with the Federal Mediation and Conciliation Service (FMCS) within fifteen (15) days of receipt of the Provost/designee’s decision. The request to FMCS shall demand a panel of seven (7) arbitrators from the region that includes New Mexico. Each party retains the right to request a second panel of seven (7) arbitrators from the region that includes New Mexico within five (5) days of receipt of the panel. The parties will meet to strike names from the list of arbitrators within fifteen (15) days of receipt of the list. Each party will strike one name followed by the other party striking one name until a single name remains, who shall become the Arbitrator. The party required to strike the first name will be the grievant.
- B. If an issue of arbitrability exists, the Arbitrator shall determine such issues by briefs prior to scheduling the merits hearing. If the Arbitrator determines the grievance to be arbitrable, the case will proceed to a hearing on the merits. If prehearing briefs are not submitted, the grievance will advance to arbitration. A hearing on the merits of the grievance shall occur within three (3) months of notification of selection of the Arbitrator. Failure of the grievant and/or union to advance the grievance to a hearing within this time limit will render the matter closed and not subject to arbitration.

- C. The Arbitrator is limited to interpreting and applying the language in the agreement. The Arbitrator shall not add to, subtract from, or alter the Agreement in any way, nor shall the Arbitrator substitute their discretion for the University where such discretion is retained by the University. The Arbitrator's decision is limited to the precise issue submitted for arbitration. The Arbitrator shall prepare and submit a written decision to the parties, which shall include the decision, rationale, findings of fact, conclusions of law, and if appropriate, relief, within thirty (30) calendar days after the close of the hearing, which may include submission of post-hearing briefs. The decision of the Arbitrator is final and binding on the parties, subject to appeal as set forth in the Uniform Arbitration Act for compulsory arbitration.
- D. The Arbitrator's charges for services and costs for a Court Reporter and transcripts, if requested by the Arbitrator, shall be shared equally by the parties.
- E. Each party is responsible for its representation and witness costs.
- F. A bargaining unit member who must miss work to attend an arbitration as a grievant, witness, or representative shall request leave without pay from the member's immediate supervisor and provide documentation of their required attendance as soon as possible after learning their presence is required. A teaching assistant shall be responsible for arranging at least twenty (20) calendar days in advance for a suitable replacement to teach the class, subject to the approval of the replacement by the department chair or immediate supervisor.

ARTICLE 13. HEALTH AND SAFETY

The University shall provide a safe working environment that complies with State and Federal laws. Bargaining unit members are required to comply with all safety laws, policies, procedures, rules, and regulations. Bargaining unit members shall notify the bargaining unit member's immediate supervisor in writing of any safety or health concerns. The bargaining unit member may copy the department head on the notification to the immediate supervisor. If the Union determines a safety issue exists that has not been resolved by the immediate supervisor/department head, a Union steward may request a labor management meeting to address the safety concerns.

ARTICLE 14. DRUG/ALCOHOL TESTING

Bargaining Unit members are required to comply with University policy and practices concerning the impact of alcohol and controlled substances in the workplace.

ARTICLE 15. DUTY TO COOPERATE

The parties agree to cooperate to work towards creating a work environment that is respectful, responsive, efficient, and accountable within NMSU, recognizing a party's economic constraints.

ARTICLE 16. LABOR MANAGEMENT COMMITTEE

- A. To help promote a mutually constructive and cooperative relationship, the Union and the University agree to establish a joint Labor Management Committee [hereinafter referred to as the "Committee"]. The Committee will have the following specific objectives:
1. Foster communication between the Union and the University;
 2. Serve as a forum to discuss issues of mutual concern;
 3. Work to build consensus for joint problem-solving and planning where the Union and University recognize it is best to have a shared position;
 4. Inform and educate the University community about the concept and benefits of a Labor Management partnership;
 5. Communicate and share the activities of the Committee with the University community; and
 6. Make recommendations in writing to the appropriate University bodies and monitor the progress of such actions.
- B. The Committee will have no authority to modify the terms of this Agreement. Disputes over alleged violations of this Agreement must be pursued through the Grievance and Arbitration provision of this Agreement. The Committee will forward its recommendations in writing to appropriate administrative designee(s) for consideration. No such recommendation will be considered or treated as constituting a binding agreement between the Union and the University.
- C. The Union and University will each be permitted four (4) representatives on the Committee. The Union and University will each designate one (1) member to serve as co-chair. The co-chairs, along with other Committee Members, will carry out all functions of the Committee, plan the agenda, and arrange meeting dates and times. If an issue arises unique to International Graduate Assistants, the University and the Union may each bring two (2) additional representatives to the meeting.
- D. The Committee will meet once per semester, or as the Committee members mutually agree. Meetings will be scheduled at dates and times mutually agreed to by the Committee co-chairs. Committee meetings will usually be held on University Property unless the Committee agrees to other accommodations at no expense to the University.
- E. Among other activities that Committee members may mutually agree to pursue, Committee members will pursue the following:

1. A recommended plan for the Union's consultation in the planning and budgeting process of the University comparable to opportunities for consultation available to other Employee groups.
2. Any other activity the Committee deems warranted.

ARTICLE 17. NON-DISCRIMINATION

- A. Neither party will unlawfully discriminate against a bargaining unit member on any basis covered by state or federal law, which includes, but may not be limited to, age, ancestry, color, disability, gender identity, genetic information, national origin, race, religion, sex, sexual orientation, spousal affiliation, protected veteran status, or union membership/non-membership.
- B. The Union recognizes its responsibility as the exclusive representative to represent all bargaining unit members equally without interference, restraint, or coercion.
- C. Bargaining members may avail themselves of the assistance offered by the University and University policies regarding concerns related to discrimination, harassment, and/or retaliation.

ARTICLE 18. COMPLETE AND ENTIRE AGREEMENT

- A. This Agreement is the complete and only agreement between the parties and replaces any and all previous agreements. There shall be no additional negotiations on any item, whether contained herein or not and whether contemplated by either party at the time of negotiations or not, except by written mutual agreement of the parties. Nothing in this Article prohibits the parties from voluntarily and mutually agreeing to enter into a written Memorandum of Understanding (MOU) or a Memorandum of Agreement (MOA) during the term of this Agreement including, but not limited to, MOUs/MOAs entered into as a result of recommendations from the Labor Management Committee.
- B. During the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to all proper subjects of collective bargaining and that all such subjects have been discussed and negotiated upon and agreements contained in this Agreement were arrived at after the free exercise of such rights and opportunities. Therefore, the University and the Union, for the life of this Agreement, each voluntarily and without qualification waives the right and each agrees that the other shall not be obligated to bargain collectively with respect to any subject matter not specifically referred to or covered in this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time they negotiated or signed this Agreement.
- C. The Agreement and any addenda or MOUs/MOAs will be posted on the University's website.

ARTICLE 19. SEVERABILITY

If any provision of this Agreement is determined by final order of a court or administrative agency with jurisdiction over the parties to be contrary to law, the affected provision shall be rendered null and void. All other provisions not affected by the illegal provision shall remain in full force and effect. Either party may request to negotiate a replacement provision by providing written notice to the other party within fifteen (15) calendar days of the date of the final order of the court or administrative agency.

ARTICLE 20. DURATION

This Agreement will become effective upon ratification and signature of the parties and will continue in full force and effect until May 31, 2028. Either party may reopen negotiations on the Article Compensation and Scholarship Award by providing written notice to the other party no earlier than March 1, and no later than March 31. A party desiring to negotiate a successor agreement shall notify the other party in writing no earlier than March 1, 2028, and no later than March 31, 2028. If neither party timely files for the opening of negotiations for a successor agreement, the Agreement will be extended for successive one (1) year periods.

ARTICLE 21. AUTHORIZED SIGNATURES AND ATTEST

In witness whereof, the parties have executed this Agreement on this ____ day of December, 2024.

FOR THE UNIVERSITY:

FOR THE UNION:

Dr. Mónica Torres, Interim President

Alexander Allison

Ammu Devasthali, Chair
NMSU Board of Regents

Abdul Al-Nouman

Juan Antonio Gil Fraile

Lindley Hornsby

Ezra Huscher

Jason Santos

Riley Schaner



Board of Regents Meeting
Meeting Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # K

- Action Item
- Consent Item
- Informational Item

Presented By: Jeff Witte
Cabinet Secretary & Director
New Mexico Department of
Agriculture

Agenda Item: Report from the New Mexico Department of Agriculture to the Regents of New Mexico State University (Board of Agriculture)

Requested Action of the Board of Regents: None. Information only.

Executive Summary: This is a quarterly report provided to the Board of Regents from the New Mexico Department of Agriculture

References:
See attached report.

Prior Approvals:
N/A

NMDA

New Mexico Department of Agriculture

BOARD OF REGENTS REPORT

December 12, 2024

Office of the Director/Secretary

On October 1, 2024, NMDA welcomed Les Owen as its new Deputy Director. Les served for eight (8) years as the Conservation Services Division Director at the Colorado Department of Agriculture, but he is no stranger to NMDA as he previously worked in natural resource planning. Les, a native New Mexican, is well acquainted with NMSU as he previously held positions as a 4-H agricultural extension agent and as a research associate in NMSU's Department of Animal and Range Sciences. He has dedicated his career to much more than agricultural management and effective uses of natural resources. We are excited to have him on board!



2024 Rounders Award

This year's Rounders Award recipients are writer-photographer, Julie Carter and musician Joe Delk and The Delk Band. They were named in a ceremony honoring their achievements and contributions to articulate and promote the Western way of life on October 16, 2024.



NMDA/NMSU Indonesia Project

The following is taken in part from US Dairy Export Council Global Dairy eBrief publication

U.S., Indonesia officially launch dairy farmer education project

The United States and Indonesia publicly announced the launch of the U.S.-Indonesia Dairy Partnership Education Project this week in Jakarta. The project, a joint effort between USDEC, New Mexico State Department of Agriculture (NMDA), New Mexico State University, and their Indonesian partners Global Dairy Alami, Cimory and Ultrajaya, has been in the works for more than a year. As part of USDEC's broader educational and outreach work with Indonesia related to this project, USDEC also collaborated with the Wisconsin Department of Agriculture and the National Associations of Departments of Agriculture on a reverse trade mission to Wisconsin last month ([see Global Dairy eBrief, 10/4/24](#)).

USDEC's Shawna Morris, executive vice president, Trade Policy and Global Affairs, and Jonathan Gardner, senior vice president, Market Access and Regulatory Affairs (MARA), have made several visits to the country to work out details and meet with stakeholders in the Indonesian government and private sector before leading this week's U.S. dairy delegation to Indonesia for the official roll-out and a series of meetings with government officials and other institutions. Aimee Pinkerton, manager, MARA, as well as Arief Rashidi, USDEC's country

manager for Indonesia, and Su Yong Lee of USDEC's Southeast Asia office also joined the delegation, together with representatives from New Mexico.

The project is designed to educate small and medium-scale Indonesian dairy farmers on various best practices for growing milk production and improving quality. The project aims to support the success of the Indonesian government's Free Nutritious Meals program and the incorporation of school milk in that program as a key element contributing to children's growth and overall health. ([Click](#) here to watch a short video outlining the program.)



The U.S. delegation with leaders of the Ministry of Agriculture's Directorate General of Livestock and Animal Health Services.

The project has four elements:

- Farm management, including administrating farm operations (from budgeting and personnel to infrastructure and sanitation), animal welfare, and ongoing training.
- Dairy animal nutrition, including feed management and trends, nutrition practices and reducing caloric stress.
- Improving quality and increasing yields, including herd and pasture techniques, adaptation practices, and weather management.
- Animal health, including treatment of diseases, vaccines and animal hygiene.

USDEC and the project's partners plan to implement a series of dairy farming training courses delivered through a combination of in-person and virtual instruction. The first in-person training is slated to start in early January 2025. A virtual curriculum of short, topic-specific videos has been developed to enable a wider set of farmers to access the training materials. USDEC and NMDA will assess the effectiveness of the virtual curriculum and modify or supplement as needed after the first year of implementation.

Visit to the Philippines

I was invited to participate in a trade mission to the Philippines organized through the National Association of State Departments of Agriculture and funded by USDA. This visit was to assess the market for US agriculture trade. The Indonesia project was brought up and their Secretary of Agriculture was very interested in participating in this program if offered. All of SE Asia is concerned about future dairy access and is looking to grow their fluid milk capacity. For the US, our interest in dairy export is whey, cheese, powder and yogurt. Tree nuts, specifically pecans are also a desired product in the area.

Visit to United Kingdom

I was invited and accepted an invitation from the British Embassy to visit England and tour agriculture operations. 4 other states' agriculture officials, three congressional staff members and industry leaders were also invited and attended. The visit was organized and funded by the British Embassy. We toured many farms, visited with members of parliament, had breakfast with the US Ambassador at her residence where I was asked to lead the delegation on the US, and met with the Minister of their Department of Environment, Food and Rural Affairs. There is much conflict in the UK between farmers and the government due to estate transition policy.

2024 Agri-Future Educational Institute

The Agri-Future Educational Institute was held on October 14th and 15th to connect nearly 50 participants with established professionals in the agriculture industry. This year's theme was "The Future Is Bright" which sought to inspire the next generation of farmers, ranchers, and all people involved in agriculture. The conference provided the opportunity for attendees to participate in site visits around the Mesilla Valley and to participate in discussion panels geared toward different fields within agriculture.





International Marketing

Sept 30-Oct 3, 2024-Western U.S. Agricultural Trade Association (WUSATA) Strategic Planning Conference took place in Portland, OR. This conference included technical workshops, country market updates, and strategic planning sessions for the 2025 marketing year. NMDA confirmed seven (7) projects for funding in CY 2025 through the USDA Market Access Program (MAP) and the USDA Regional Agricultural Promotion Program (RAPP). Under MAP, the projects include a Mexico Outbound Mission and a pavilion at the International Food and Drink Exhibition (IFE) in the UK. For RAPP, projects include an India Dried Fruit and Nut Inbound, Technical Pecan Workshops in India, and Market Research for Pecans Phase 2. In addition, a South American Outbound and an ASEAN Inbound mission were also included under RAPP.

Nov 4-7, 2024- U.S. Livestock Genetics Export Inc (USLGE) Outbound Trade Mission to Hermosillo, Sonora, Mexico. Delegates from New Mexico, Kansas, Texas, and Mississippi participated in a trade mission that included producer meetings, feedlot tours, ranch visits, and a Livestock Genetics seminar. The mission was in partnership with the Kansas Dept of Ag, Texas Dept of Ag, and the International Brangus Breeders Association.



Domestic Marketing

- Get-Your Fix Technical Promotion:

NMDA concluded the 2024 Green chile crop season with an aggressive series of technical seminars and promotions in partnership with NM packers, shippers and grocery chains across the nation. Staff conducted technical seminars in Dallas, TX; Fayetteville and Fort Smith, AR; Topeka, KS; Atlanta, GA; and Memphis, TN. These workshops educate produce managers/handlers about New Mexico green chile, safe and acceptable handling, proper roasting techniques, marketing tips, and more.

Aug 16, 2024- Washington DC Roast- The popular New Mexico Get-Your-Fix Chile Roast returned to Washington DC in 2024. The NMSU Sam Steele Council, supported by NMDA, successfully coordinated a green chile roasting at a Harris Teeter grocery store near the capital. Over 2,000 lbs. of green chile were roasted for alumni, ex-pats, foodies, and local shoppers.



Aug 24, 2024- Bosque Music and Chile Fest- The final GYF promo for the year took place in Albuquerque. By invitation of the Bernalillo County Department of Tourism. NMDA orchestrated roasting and cooking demos, with sampling of green chile with one of NMDA's Chef Ambassadors.



New Mexico State Fair:

Sept 5-15, 2024- The 2024 New Mexico State Fair took place in Albuquerque, New Mexico in the historical Agriculture Building on the Expo NM grounds. NMDA's role included planning and installing various agricultural exhibits, coordinating and implementing several promotional events, and working with a store operator for the 2024 NM Country Store.

New "Exhibit Farm" educational displays were featured in the South Wing Hall of the Agricultural Building. These displays represented key NM Grown agricultural commodities (Onions, Pecans, Peanuts, Cotton, 3 Sisters Crops (Beef and Dairy to come in 2025)).

Activities and events included: Agrifuture conference reception; the showcasing of local ag-related companies selling favorites and market-testing new products to the public within the Country Store; the annual Battle of the Salsas where twenty three local companies put a salsa up-to-the-test for the public to vote on; several Reds, Whites, and Brews Happy Hours; the Beef Jerky Showdown; ProStart Youth Culinary Competition and the annual Green Chile Cheeseburger Challenge.

Winners of the Battle of the Salsas include 505 Southwestern Green Chile Salsa Hot (1st Place), Ol' Gringo New Mexico Gold Salsa Hot (2nd Place), and Hatch Chile World Green Chile Salsa Hot (3rd Place); The winners of the Green Chile Cheeseburger Challenge were the Isleta Grill

from Isleta, NM who won Judges' Choice and The Craft Republic from Albuquerque whom won People's Choice.

Through engaging with the public and industry members at the Fair and preparing foods using products pulled directly from the shelves of the Country Store, NMDA's Chef Ambassadors were instrumental in the success of this year's Fair.



America's Food and Beverage Trade Show- A Taste of the States:

Sept 16-18, 2024- Three (3) New Mexico food/beverage companies (Best in the West Brands, Mixed Up Cocktail, and Legacy Pecans) exhibited in NMDA's Pavilion within the National Association of State Departments of Agriculture's (NASDA), "A Taste of the States" Section of the Americas Food and Beverage (AFAB) Show in Miami Beach, FL. This Tradeshow was an ideal forum for food related companies to meet customers, service providers, suppliers,

distributors, and other domestic and international industry experts. NMDA staff coordinated the state pavilion and were on hand to support the exhibiting agribusinesses.



Specialty Crop Block Grant Program (SCGBP):

NMDA’s application packet for the 2024 Specialty Crop Block Grant Program cycle was approved by USDA AMS. Projects funded include: Exploring the nutritional and medicinal profiles of jujubes; growing bell peppers and roma tomatoes for state chile processors; integrating saffron production into small vegetable production systems; considering chickpeas as a new high-value low-input specialty crop option; increasing awareness of New Mexico chile nationwide; high-speed automatic screening of aflatoxins in pistachios; and, codling moth remediation through organic integrated pest management techniques. The award totals \$594,172.46, which includes eight percent for administration costs. The above referenced projects will sunset in September 2027.

Regional Farm to Food Bank (RF2FB)/Local Food Purchase Assistance Cooperative Agreement (LFPA):

The LFPA funding was established in 2023, has over 60+ participating producers and has purchased \$3,221,377.63 in local food to-date. This Food Initiative program continues to be a success, strengthening economic opportunities and income security for small to mid-sized socially disadvantaged producers through the continued support of partnerships with the New Mexico’s hunger relief network.

USDA recently announced \$1.2 billion in Commodity Credit Corporation (CCC) funding for the USDA Local Food Purchase Assistance (LFPA). The additional funding will provide an opportunity to continue the tremendous work of states, territories and Tribal nations in building agricultural supply chain resiliency through the procurement and distribution of local foods in their communities. Of the funding, \$500 million will be

made available for LFPA programs. Past funding has provided much needed assistance to food banks as they grapple with acquiring enough food to meet the needs of their recipients. Continued investment in local purchasing allows producers to expand, invest in infrastructure, and solidify new connections that support resilient regional food systems while providing health products to food recipients. NMDA anticipates details from USDA before end-of-year and will pursue these additional funds to extend the RF2FB/LFPA program beyond FY25.

WUSATA Outbound Trade Mission to Mexico City and Monterrey:

Dec 2-7, 2024- NMDA in partnership with the Washington Department of Agriculture led a WUSATA Mexico Mega Trade Mission in Mexico City/Monterrey, Mexico. NMDA coordinated this outbound trade mission to Mexico for fourteen (14) agribusinesses from the Western United States to visit with buyers from Mexico, Central America, and South America. The mission included USDA ATO market briefings, Business to Business events (B2Bs), and site visits in Mexico City and Monterrey, Mexico.

USDA Ag Trade Mission to Morocco:

Dec 1-7, 2024- NMDA participated in the USDA Agricultural Trade Mission (ATM) to Morocco. Staff explored export opportunities for New Mexico agricultural products in Morocco and the surrounding region. The ATM included market briefings, Public/Private sector meetings, and site visits.

Upcoming

- **USLGE Inbound Trade Mission:**

Dec 10-13, 2024- NMDA will lead an Inbound Trade Mission to NM. Five (5) Mexico cattlemen will attend the New Mexico Cattle Grower's Annual Joint Stockman Convention. This trade mission will also include ranch visits and table-top meetings with seed stock producers in the International Room at the Joint Stockman Convention.



Board of Regents Meeting
Meeting Date: December 12, 2024
Agenda Item Cover Page

Agenda Item # L

- Action Item
- Consent Item
- Informational Item

Presented By: **Lakshmi Reddi**
Interim Provost

Agenda Item: NMSU Academic Report

Requested Action of the Board of Regents: None. Information only.

Executive Summary: This is a quarterly academic report provided to the Board of Regents from the New Mexico State University Provost

References:

See the attached presentation.

Prior Approvals:

N/A



BE BOLD. Shape the Future.
New Mexico State University



Office of Academic Affairs

Communicate. Coordinate. Integrate.

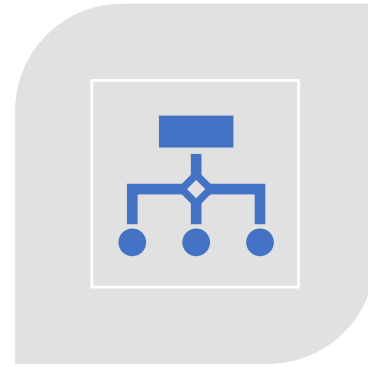
Lakshmi N Reddi
Interim Provost

Alamogordo Branch Campus | Doña Ana Branch Campus | Global Campus | Grants Branch Campus | Las Cruces Campus

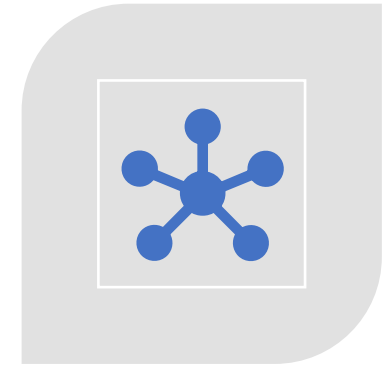
Navigating our challenges



COMMUNICATION



COORDINATION



INTEGRATION

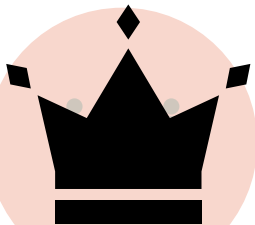
Building on opportunities



The whole is greater than the sum of its parts



Build quality data for use in strategic decisions



Be the leader in New Mexico and build a bridge to NM High Schools



Use R1 status to be more impactful (through Interdisciplinary programs, etc.)

Building on opportunities

College-specific retention and recruitment strategies coordinated by the Office of Student Success.

Department Heads engaged on faculty retention/success, hiring, planning and budgeting, SWOT analyses and strategic planning.

Data Summit to better coordinate and integrate multiple offices.

Techno Summit to assess effectiveness of current technologies, identify areas for improvement, and collaboratively determine future directions.



Building on opportunities

HLC (Data) Quality Initiative to channel data usage for student success, decision making, and professional development.

Monthly Data Tools Workshops to provide regular training sessions for faculty, staff, and department heads in utilizing data tools.

Teaching Academy to facilitate faculty success (ex. Promotion and Tenure processes).

Low-Yield Program Review process integrated with annual reporting and regular program assessments.



Recent Recognitions

National Recognition: NMSU's Chemical Engineering program ranked #16 among the top programs for women, as recognized by *Washington Monthly*.

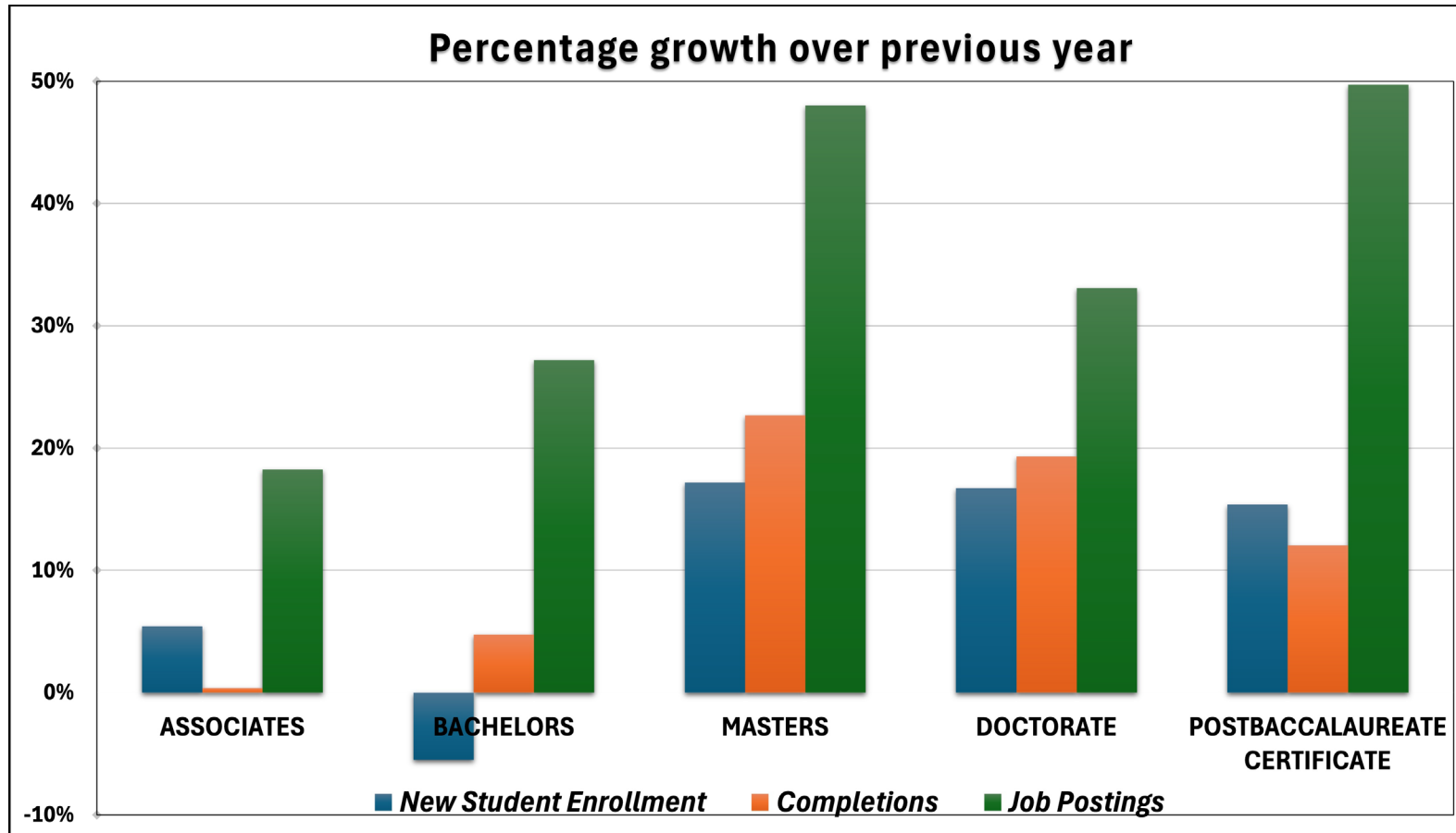
Women Representation: In AY 2022-23, approximately 60% of graduates in Mathematics, Biology, and Chemistry were women. Women accounted for 67% of graduates in non-STEM programs, contributing to an overall 60% female graduation rate across all programs at NMSU.

SERI Symposium: The STEM+ Education Research Institute had its first conference this year; it provides leadership on STEM Education in the State of New Mexico.



Building on opportunities

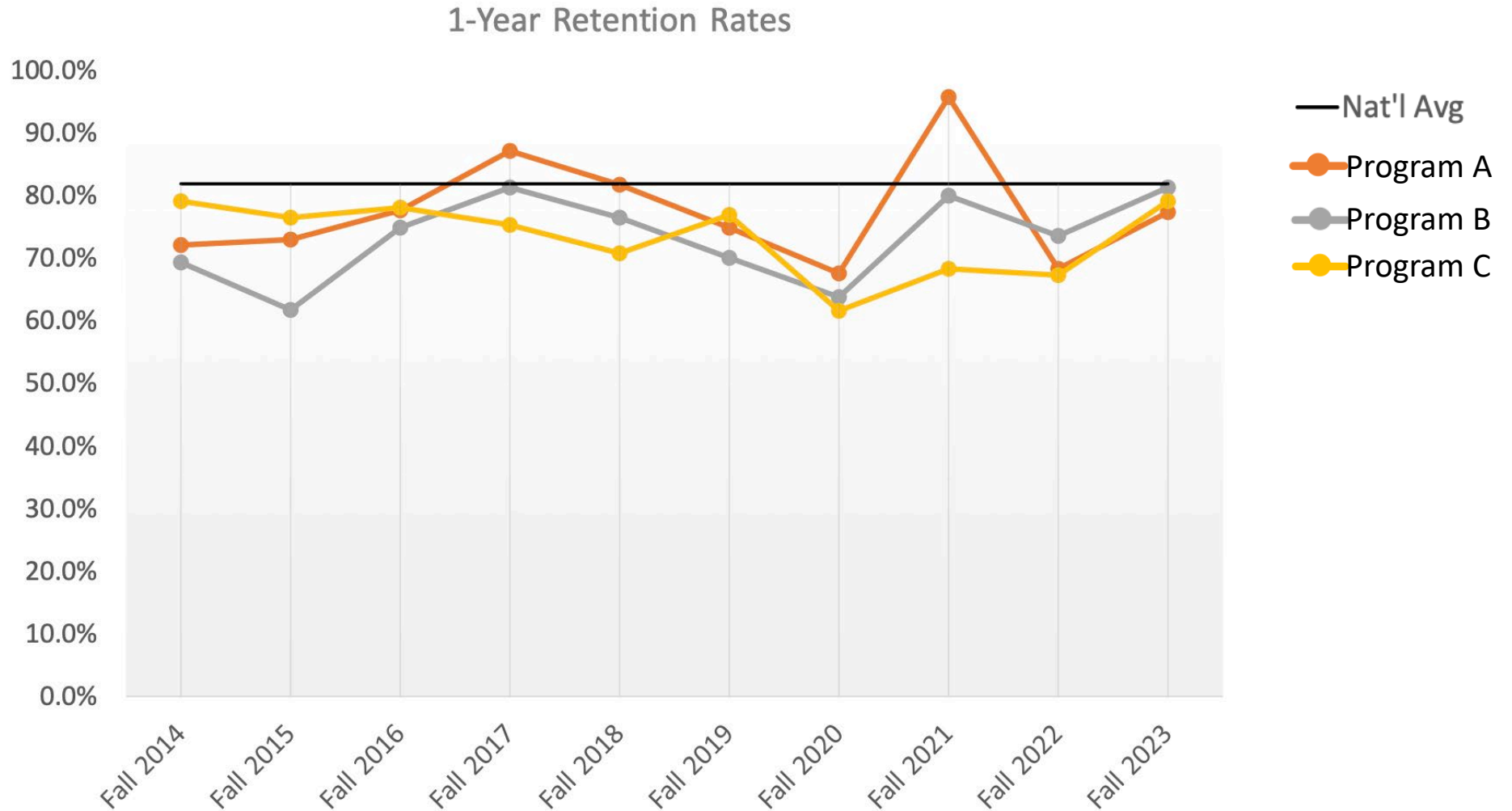
Interdisciplinary programs



Data Source: Gray DI



Program Data: First Year Retention



Note: This graph is only for illustration purposes.



Program Data: Multiple Year Retention

Retention and Graduation of First-Time, Full-Time, Degree-Seeking Freshmen					
Cohort	Headcount	1st Spring Retention	1 Yr Retention	4 Year Graduation	6 Year Graduation
Fall 2014	85	89.4%	82.4%	23.5%	55.3%
Fall 2015	74	91.9%	83.8%	29.7%	59.5%
Fall 2016	53	88.7%	77.4%	22.6%	54.7%
Fall 2017	73	90.4%	75.3%	29.2%	51.4%
Fall 2018	86	91.9%	83.7%	25.6%	62.8%
Fall 2019	83	88.0%	79.5%	22.9%	
Fall 2020	86	88.4%	74.1%	20.0%	
Fall 2021	75	88.0%	76.0%		
Fall 2022	64	95.3%	78.1%		
Fall 2023	66	90.9%	84.8%		

Note: This table is only for illustration purposes.

First-time freshmen are defined as students who attend NMSU without having attended any other institution of higher learning after graduating from high school.

To keep retention and graduation timeframe calculations consistent, only students who start in fall semesters are included in first-time freshmen cohorts.

To avoid double-counting, each student is only counted once in the program designated as their primary program. Source: OIA



Program Data: Student Composition

Undergraduate Enrollment						
Semester	Total Enrollment	First-Time Freshmen	Undergraduate Transfers	Continuing Students	Readmits	NMSU-Global Students
Fall 2020	409	86	15	303	5	0
Fall 2021	391	75	12	298	6	0
Fall 2022	366	64	15	284	3	0
Fall 2023	333	66	21	243	3	0
Fall 2024	382	96	16	261	9	0

Note: This table is only for illustration purposes.

First-time freshmen numbers may be higher than those in the retention and graduation table due to the inclusion of part-time and/or non-degree-seeking students.

Undergraduate transfers include students transferring from other universities as well as NMSU branch campuses.

Readmits are students who return to NMSU after two or more consecutive semesters of non-enrollment. Source: OIA



Program Data: Course DFW Rates

Course	Level	Modality	Head count	DFW Head Count	DFW %	%D	%F	%W	Persistence Rate	Graduation in 4 Years	Graduation in 6 years
Course A	100	Classroom	160	13	8.10%	4%	4.10%	0%	84%	10.30%	24.90%
Course B	100	Online	56	10	17.9%	10%	5%	2.90%	78%	8%	22%
Course C	200	Classroom	87	9	10.3%	2.30%	3%	5%	89.30%	14%	32.60%
Course D	200	Online	18	2	11.10%	4%	3.10%	4%	88.40%	30.20%	55.30%
Course E	200	Classroom	35	12	34.30%	12.20%	12.30%	10%	75.80%	6.80%	11.20%

Note: This table is only for illustration purposes.

Sample source:
NMSU Analytics, Navigate360



Program Strategy: Retention vs Recruitment

Program	Enrollment Summary	Focus
A	↑ freshmen, ↑ total, strong transfers	<u>retention</u>
B	↑ freshmen, ↓ total	<u>recruitment</u> , retention
C	↓ freshmen, → total, strong transfers	transfer agreements, <u>recruitment</u> , retention
D	↑ freshmen, ↑ total	<u>retention</u>
E	40 and 60 students →	<u>branch campuses</u> , <u>internal retention</u>
F	↑ total, strong Global program	transfer agreements, <u>retention</u>
G	20-35 students ↓, 40 students →	<u>transfer agreements</u> , <u>internal retention</u>

Note: This table is only for illustration purposes.



College specific Interventions

Support after enrollment

Academic probation monitoring	Aggie Jumpstart	Assigns faculty mentors or advisors
Barrier course improvement efforts	Calling All Aggies Registration Campaigns	Collaborate with CAASS
College Emergency Funds	College support courses	College-specific tutoring
Degree Audit: each semester, every student	Early Performance Grades	Faculty track progress
Graduate students: Networking, alumni interactions	Graduate students: Plan with milestones	Graduate students: Publication and presentation skills
Learning community space	Mentoring program	Navigate360
Peer mentors	Promote Early Alerts	Quick course placement checks
Recovery plans for struggling students	STEM Education grants to support evidence-based strategies	Study and exam review sessions

Monitor student success

Assesses DFW rates for barrier classes	Assesses mentoring classes
Assesses registration campaign	Assesses tutoring, exam reviews
Assesses use of emergency funds and enrollment outcomes	Monitors Calling all Aggies data
Monitors college-specific support classes	Monitors Jumpstart effectiveness
Monitors retention for recipients of emergency funds	Reviews 4- & 6-year grad rates
Reviews early alert data	Reviews enrollment data
Reviews retention data	Stepping Blocks





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