

# **Audit Report 2021**

*for the fiscal year ended June 30, 2021*



**THE UNIVERSITY OF  
NEW MEXICO®**



# THE UNIVERSITY OF NEW MEXICO

June 30, 2021

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# THE UNIVERSITY OF NEW MEXICO

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June 30, 2021

## BOARD OF REGENTS AND PRINCIPAL OFFICERS

### **Board of Regents**

#### **Appointed Members**

	<i>Title:</i>	<i>Term Expires:</i>
Douglas M. Brown	President	12/31/2022
Kimberly Sanchez Rael	Vice President	12/31/2024
Sandra K. Begay	Secretary Treasurer	12/31/2022
Jack L. Fortner	Member	12/31/2026
William H. Payne	Member	12/31/2026
Robert L. Schwartz	Member	12/31/2024
Randy Ko	Student Member	12/31/2022

#### **Ex officio Members**

The Honorable Michelle Lujan Grisham	Governor of the State of New Mexico
Stephanie Rodriguez	Higher Education Department Cabinet Secretary

#### **Advisors**

Finnie Coleman	President, Faculty Senate
Gregory Romero	President, Associated Students of the University of New Mexico
David Saavedra	President, Graduate & Professional Student Association
Scott Sanchez	President, Staff Council
Michael Silva	President, UNM Alumni Association
Kevin Malloy	President, UNM Retiree Association
Ryan Mummert	Chair, UNM Foundation
Daniel Parea	President, UNM Parent Association

### **Principal Administrative Officials**

#### **University**

Garnett S. Stokes	President
James Holloway	Provost and Executive Vice President for Academic Affairs
Dr. Douglas Ziedonis	Executive Vice President for Health Sciences, CEO UNM Health System
Teresa Costantinidis	Senior Vice President for Finance and Administration

#### **UNM Hospitals**

Kate Becker	Chief Executive Officer
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### **Principal Financial Officials**

#### **Main Campus**

Elizabeth Metzger	University Controller
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#### **Health Sciences Center**

Ava J. Lovell	Senior Executive Officer for Finance & Administration, HSC
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#### **UNM Hospitals**

Bonnie White	Chief Financial Officer
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## Report of Independent Auditors

The Board of Regents  
University of New Mexico  
and  
Mr. Brian S. Colón, Esq.  
New Mexico State Auditor

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities, fiduciary activities, and the aggregate discretely presented component units of the University of New Mexico (the University or UNM), as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audits. We did not audit the departmental financial statements of the UNM Hospitals, UNM Behavioral Operations and the blended component unit financials statements of UNM Medical Group, Inc., and Sandoval Regional Medical Center (SRMC), collectively known as the clinical operations of the University (Clinical operations), which represent 42%, 62% and 63% (including all clinical and patient revenue), respectively, of the assets, net position, and revenues of the primary institution totals as of and for the year ended June 30, 2021. In addition, we did not audit the departmental financial statements of the UNM Hospitals, UNM Behavioral Operations, and the blended component unit financials statements of UNM Medical Group, Inc., and Sandoval Regional Medical Center (SRMC), collectively known as the clinical operations of the University (Clinical operations), which represent 37%, 69% and 62% (including all clinical and patient revenue), respectively, of the assets, net position, and revenues of the primary institution totals as of and for the year ended June 30, 2020. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinions, insofar as it related to the amounts included for such clinical operations (including all clinical and patient revenues), is based solely on the reports of the other auditors. We conducted our audits in accordance with 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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, fiduciary activities, and the aggregate discretely presented component units of the University of New Mexico as of June 30, 2021 and 2020, 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.

### ***Emphasis of Matter***

#### ***Reporting Entity***

As discussed in Note 1, the financial statements of the University are intended to present the financial position and the changes in financial position of only that portion of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue fund of the State of New Mexico that is attributable to the transactions of the University. The financial statements do not present fairly the financial position of the State of New Mexico as of June 30, 2021, and the changes in financial position for the year 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.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Schedules of the University's Proportionate Share of Net Pension Liability and Employer Contributions-Pensions (schedule 1), Schedule of Changes in the University's Net OPEB Liability and Related Ratios - Other Postemployment Benefits (schedule 2), Schedule of University Contributions-Other Postemployment Benefits (schedule 3) and Schedule of Investment Returns-Other Postemployment Benefits (schedule 4) be presented to supplement the basic financial statements. Such information, 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.

### ***Other Information***

Our audit and that of the other auditors were conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The accompanying blended and discretely presented component unit combining schedules (schedules 5 through 14), budget comparison (schedules 15 through 17), schedule of pledged collateral (schedule 18), schedule of individual deposit and investment accounts (schedule 19), and schedule of expenditures of federal awards (schedule 20), as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and other information, such as the schedule of pledged revenues – University only (schedule 21) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The blended and discretely presented component unit combining schedules (schedules 5 through 14), budget comparison (schedules 15 through 17), schedule of pledged collateral (schedule 18), schedule of individual deposit and investment accounts (schedule 19), and schedule of expenditures of federal awards (schedule 20), are 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. Such 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 combined and discretely presented component unit combining schedules (schedules 5 through 14), budget comparison (schedules 15 through 17), schedule of pledged collateral (schedule 18), schedule of individual deposit and investment accounts (schedule 19), and schedule of expenditures of federal awards (schedule 20), are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The schedule of pledged revenues- University only (schedule 21) has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2021, 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.

Albuquerque, New Mexico  
October 29, 2021

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# THE UNIVERSITY OF NEW MEXICO

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## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2021

The following discussion and analysis provides an overview of the financial position and activities of The University of New Mexico (University or UNM) as of and for the years ended June 30, 2021, 2020, and 2019. This discussion should be read in conjunction with the accompanying financial statements and notes. Management has prepared the basic financial statements and the related note disclosures along with this discussion and analysis. As such, the basic financial statements, notes, and this discussion are the responsibility of University management.

This Management's Discussion and Analysis (MD&A) includes comparative financial information of the primary institution for fiscal years 2021, 2020, and 2019. The MD&A does not include information of the discretely presented component units, for which separately issued financial statements are available.

### About the Financial Statements

The University presents its financial statements in a business-type activity format, in accordance with the Governmental Accounting Standards Board (GASB) Statement 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, GASB Statement 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities – an amendment of GASB Statement No. 34*, and GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The audit report includes a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, a Statement of Cash Flows, and Notes to the Basic Financial Statements.

The **Statement of Net Position** is the balance sheet for the University. It is a point-in-time financial statement; the purpose of which is to give the readers of the financial statements a fiscal snapshot of the University. The statement presents end-of-year data concerning assets (current and noncurrent), deferred outflows of resources, liabilities (current and noncurrent), deferred inflows of resources, and net position (assets and deferred outflows of resources minus liabilities and deferred inflows of resources).

The **Statement of Revenues, Expenses, and Changes in Net Position** is the income statement for the University. Changes in total net position as presented on the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. This statement begins with a presentation of the operating revenues received by the institution. Operating revenues are defined by GASB as revenues arising from an exchange (earned) transaction. In a public university, such as UNM, income from state government appropriations, although not earned, is heavily relied upon to pay operating expenses for almost all instruction and general programs. However, GASB defines state appropriation income as nonoperating revenues, causing the presentation of a large operating loss on the first page of the Statement of Revenues, Expenses, and Changes in Net Position. The operating loss is offset by nonoperating revenues (expenses) in the next section of this statement.

The **Statement of Cash Flows** presents the inflows and outflows of cash, summarized by operating, noncapital financing, capital and related financing, and investing activities. The statement is useful in assessing the University's ability to generate net cash flows and meet its obligations as they come due. It is prepared using the direct method of cash flows, and as such, presents gross, rather than net, amounts for the year's activities.

The **Notes to the Basic Financial Statements** follow the financial statements and present additional information in support of the financial statements.



# THE UNIVERSITY OF NEW MEXICO

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2021

### Statement of Net Position

A comparison of the University's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at June 30, 2021, 2020, and 2019 is as follows:

	2021	2020	2019
<b>Assets</b>			
Current assets	\$ 1,500,521,932	\$ 1,338,815,684	\$ 1,224,804,149
Capital assets, net	1,373,471,494	1,367,936,494	1,329,896,472
Other noncurrent assets	618,139,473	466,450,198	403,857,246
<b>Total assets</b>	<b>\$ 3,492,132,899</b>	<b>\$ 3,173,202,376</b>	<b>\$ 2,958,557,867</b>
<b>Deferred Outflows of Resources</b>	<b>\$ 1,511,275,677</b>	<b>\$ 278,932,438</b>	<b>\$ 523,102,792</b>
<b>Liabilities</b>			
Current liabilities	\$ 636,556,683	\$ 512,761,173	\$ 416,547,504
Noncurrent liabilities	3,834,824,636	1,923,008,941	2,768,338,880
<b>Total liabilities</b>	<b>\$ 4,471,381,319</b>	<b>\$ 2,435,770,114</b>	<b>\$ 3,184,886,384</b>
<b>Deferred Inflows of Resources</b>	<b>\$ 103,859,392</b>	<b>\$ 140,974,100</b>	<b>\$ 50,397,984</b>
<b>Net Position</b>			
Net investment in capital assets	\$ 824,047,470	\$ 790,456,175	\$ 744,511,061
Restricted - nonexpendable	162,500,995	129,733,255	134,777,641
Restricted - expendable	104,318,977	131,602,750	133,434,723
Unrestricted	(662,699,577)	(176,401,580)	(766,347,134)
<b>Total net position</b>	<b>\$ 428,167,865</b>	<b>\$ 875,390,600</b>	<b>\$ 246,376,291</b>

### Assets

Current assets include cash and other assets that are deemed to be consumed or convertible to cash within one year. The most significant current assets of the University are cash and cash equivalents, net receivables, and short-term investments consisting of certificates of deposit, U.S. Treasury Bills, and other government-backed securities.

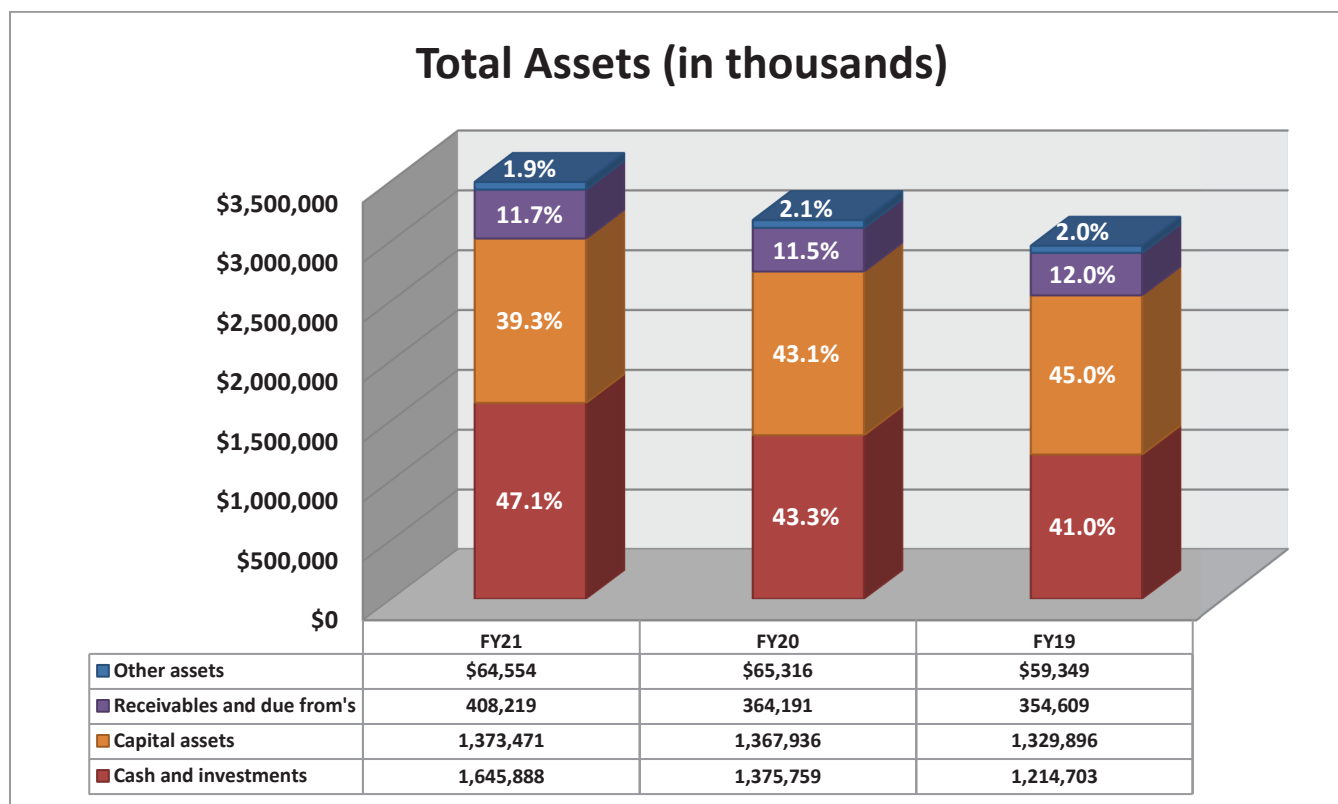
Noncurrent assets of the University primarily consist of endowments and capital assets, net of accumulated depreciation.

# THE UNIVERSITY OF NEW MEXICO

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2021

The composition of total assets is represented in the following chart:



Total assets increased by \$318.9 million from FY20 to FY21 and \$214.6 million from FY19 to FY20. The increase in total assets from FY20 to FY21 included increases of \$270.1 million in cash and investments and \$44.0 million in receivables and due from's. The increase in cash and investments was mostly the result of an increase of \$177.6 million in the unrestricted cash balance at the University of New Mexico Hospital (Hospital), primarily due to an increase in current liabilities and the timing of payments for those liabilities and additional amounts set aside during the fiscal year for capital replacement. The increase in receivables and due from's was mostly the result of an increase of \$35.4 million in patient receivables, primarily due to increases of \$18.3 million at the UNM Medical Group (UNMMG) and \$12.6 million at the Hospital. The increase in patient receivables at UNMMG is due to the decline in patient revenues in the final quarter of the previous fiscal year and the fact that there were two quarters of the Medicaid supplemental program receivables outstanding at June 30, 2021, compared to only one quarter outstanding at the end of the previous fiscal year. The increase in patient receivables at the Hospital is primarily due to increased patient revenues as a result of volume and Case Mix Index (CMI) increases.

The increase in total assets from FY19 to FY20 included increases of \$161.1 million in cash and investments and \$38.0 million in capital assets. The increase in cash and investments was mostly the result of an increase of \$155.2 million in the cash balance at the University of New Mexico Hospital (Hospital), primarily due to receipt of \$78 million of advance payments from the Centers for Medicare & Medicaid Services (CMS), receipt of \$20 million in Coronavirus Aid, Relief, and Economic Security (CARES) Act funding, Indirect Medical Education (IME) payments of \$30 million received, and a concentrated effort to conserve cash during the last quarter of the fiscal year. The increase in capital assets was mostly the result of an increase of \$97.5 million in buildings at the University, primarily due

# THE UNIVERSITY OF NEW MEXICO

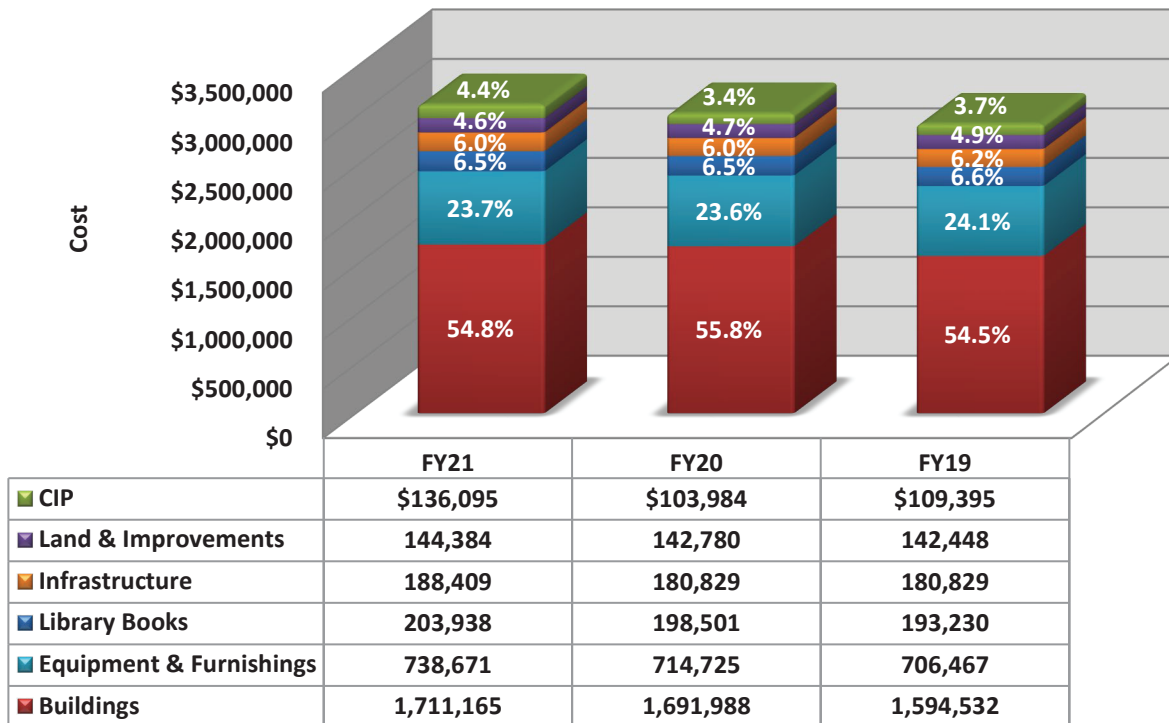
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
Year Ended June 30, 2021

to the completion of two major construction projects; the Physics and Astronomy Interdisciplinary Science Building (\$66.0 million) and the Johnson Center Expansion and Renovation (\$35.6 million).

**Capital Assets and Commitments:** Capital assets are the largest category of noncurrent assets and are shown net of accumulated depreciation, at \$1.37 billion, \$1.37 billion, and \$1.33 billion as of June 30, 2021, 2020, and 2019, respectively. During FY21, the largest increase within capital assets for the University was buildings, which increased by \$22.2 million. The major additions to buildings during FY21 were completed renovations of \$4.5 million for the Science Technology Engineering and Math (STEM) Center at the Taos campus, \$3.8 million for the Biology Annex, \$2.6 million for the Physical Plant and Storage Facility at the Gallup campus, and \$2.4 million for the Coronado Hall Phase 2.

During FY20, the largest increase within capital assets for the University was buildings, which increased by \$97.5 million. The major additions to buildings during FY20 were \$66.0 million for the completion of the Physics and Astronomy Interdisciplinary Science Building (PAIS) and \$35.6 million for the completion of the Johnson Center expansion and renovation.

**Capital Assets at Cost (in thousands)**





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# THE UNIVERSITY OF NEW MEXICO

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## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2021

Major capital projects currently underway or in the advanced planning stages at the University include:

- **The Hospital:** The Hospital is at physical capacity to treat adult patients. As such, the Hospital is planning an extensive addition project with plans to occupy the new building by the end of calendar year 2024. The Hospital plans to fund the expansion through a mixture of debt issuance and cash reserved for Capital Initiatives (note 21). A new parking structure will be constructed in advance of the new building and cash on hand will be used to fund the structure. The parking structure is anticipated to be \$96 million. Management has designated \$75 million of the fiscal year 2021 increase in net position in addition to \$196 million of transferred assets to be set aside to partially fund the parking structure, the new medical tower, and to purchase necessary equipment.
- **The UNM Center of Excellence for Orthopedic Surgery and Rehabilitation:** The Center of Excellence will be a state-of-the-art orthopedics facility at the Health Sciences Center in Rio Rancho that will unite clinical and research activities under one roof. The two-story, 50,000 square foot structure will include exam rooms for patients to consult with surgeons, an extensive orthopedics research laboratory, and a rehabilitation facility, and it is expected to open by November 2021. The \$21 million project will be funded through the city's gross receipts tax revenues, with some of the money coming from cash on hand and \$15 million from bonds raised against future tax receipts.
- **Clark Hall:** The \$16.3 million renovation of the north portion of the Clark Hall Chemistry Building has begun. The project will include faculty, staff, and graduate student offices, research labs, classrooms, lecture hall, class labs, and support spaces. Construction began in July 2020 and is expected to be completed in the near future.

Capital assets for the Hospital and the University of New Mexico Behavioral Health Operations (BHO), net of accumulated depreciation, were \$272.2 million, \$232.1 million, and \$221.9 million as of June 30, 2021, 2020, and 2019, respectively. Within the Hospital and BHO during FY21, the largest capital increase was within construction in progress (CIP), which increased by \$46.3 million. At the Hospital, several projects were continued during fiscal year 2021, including a new patient parking structure, a new medical building, and renovations at the main hospital and multiple off-site clinics. The new medical building and parking structure were the most significant projects in the CIP balance and are multi-year projects expected to be completed by fiscal year 2025. At BHO, the increase in CIP is due to three major renovation projects in process at June 30, 2021. Those projects are the expansion of the psychiatric emergency services unit, a significant boiler replacement project, and the continued work on the emergency services triage center, which began in fiscal year 2020.

Within the Hospital and BHO during FY20, the largest capital increase was within CIP, which increased by \$20.6 million. At the Hospital, several new projects were initiated during fiscal year 2020, including a new patient parking structure, a new medical building, and renovations at the main hospital and multiple off-site clinics. The new medical building and parking structure were the most significant projects in the CIP balance. At BHO, the majority of the increase in CIP is related to one project for expansion of the emergency services space to include a triage center. This project is partially funded by State capital appropriation legislation which set aside \$428,000 to partially fund this expansion.

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# THE UNIVERSITY OF NEW MEXICO

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## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2021

**Debt Activity:** Bonds payable totaled \$454.9 million, \$594.0 million, and \$629.8 million at June 30, 2021, 2020, and 2019, respectively. The current portion of this debt was \$29.1 million, \$31.2 million, and \$29.8 million at June 30, 2021, 2020, and 2019, respectively. Included in those totals are Federal Housing Administration (FHA) insured Hospital Mortgage Revenue Bonds. The loan guarantee is considered federal assistance subject to the requirements of the Office of Management and Budget (OMB) Uniform Guidance. Accordingly, the loan guarantee is considered a federal award for purposes of UNM's June 30, 2021, 2020, and 2019 Single Audit.

In July 2020, the Sandoval Regional Medical Center (SRMC), a blended component unit of UNM, entered into an agreement and mortgage to refinance SRMC's mortgage from an APR of 4.86% to an APR of 1.98%. In connection with the mortgage refinance, \$118.3 million was placed into irrevocable trust to make the mandatory bond redemption payments on the Government National Mortgage Association (GNMA) Collateralized Series 2010A and Series 2010B bonds through the bond callable date in January 2021. SRMC was released from all obligations related to the bonds at that time. SRMC had mortgage liability of \$106.4 million at June 30, 2021. The current portion of mortgage liability at June 30, 2021 was \$5.7 million.

### ***Deferred Outflows of Resources***

Deferred outflows of resources increased by \$1.2 billion from FY20 to FY21 and decreased by \$244.2 million from FY19 to FY20. The most significant deferred outflow of resources is related to pensions. The recognition of a deferred outflow of resources related to pensions resulted from the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions — an amendment of GASB Statement No. 27*, which was effective beginning in FY15. The amount recognized as a deferred outflow of resources related to pensions was \$1.5 billion, \$252.6 million, and \$504.0 million as of June 30, 2021, 2020, and 2019, respectively. Changes of assumptions in the actuarial valuation have had significant impacts on the deferred outflows of resources related to pensions. Deferred outflows of resources related to pensions due to changes of assumptions increased by \$1.11 billion from FY20 to FY21 and decreased by \$241.2 million from FY19 to FY20. From FY20 to FY21, the most significant assumption change was a decrease in the discount rate from 7.25% to 3.89%. From FY19 to FY20, the most significant assumption change was an increase in the discount rate from 5.69% to 7.25%.

### ***Liabilities***

Current liabilities are generally defined as amounts due within one year. The most significant current liabilities of the University are accounts payable, accrued payroll, unearned revenue, and accrued compensated absences.

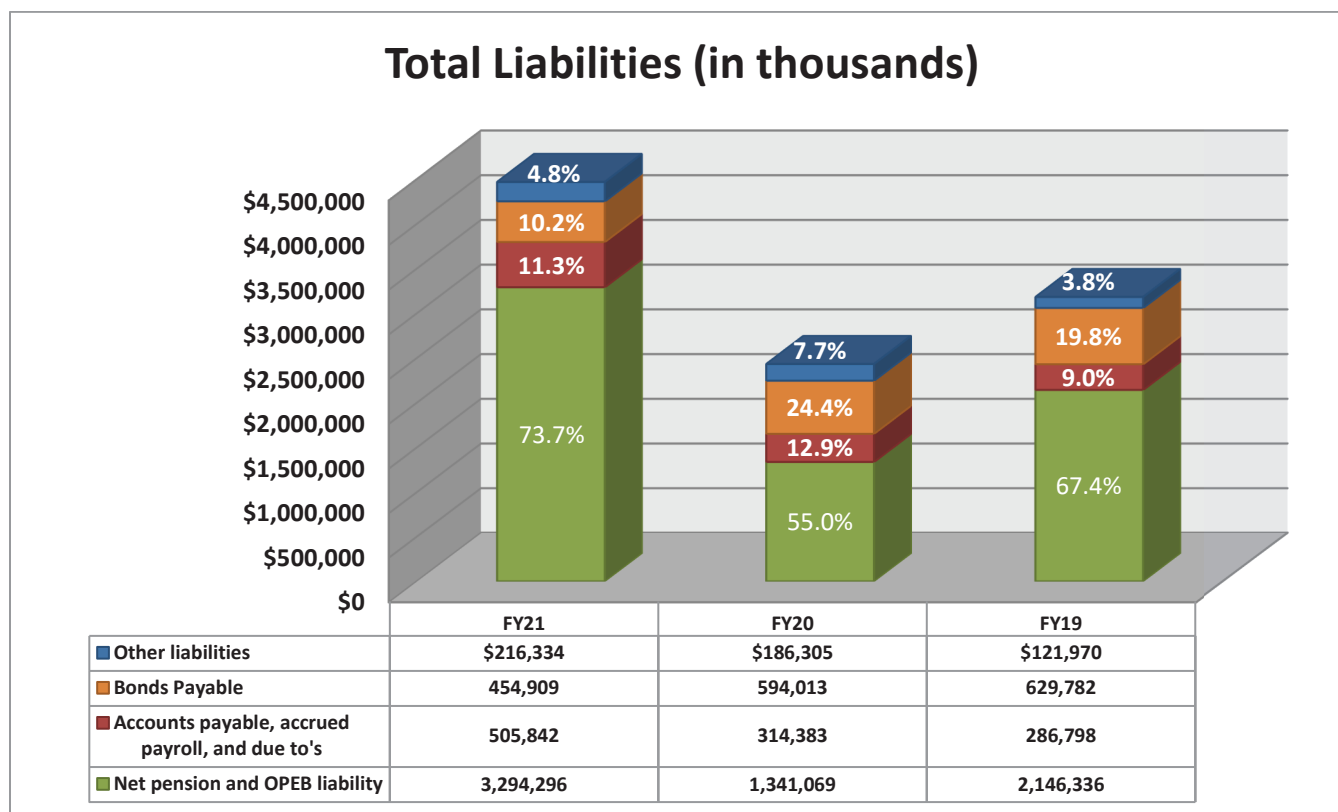
Noncurrent liabilities of the University primarily consist of the net pension liability, the noncurrent portion of bonds payable, and the net Other Postemployment Benefits (OPEB) liability.

# THE UNIVERSITY OF NEW MEXICO

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2021

The composition of total liabilities is represented in the following chart:



Total liabilities increased by \$2.0 billion from FY20 to FY21 and decreased by \$748.2 million from FY19 to FY20. The increase in total liabilities from FY20 to FY21 included an increase of \$2.0 billion in net pension and OPEB liability. The most significant decrease in total liabilities from FY20 to FY21 was a \$139.1 million decrease in bonds payable. The increase in the net pension and OPEB liability included an increase in the net pension liability of \$2.0 billion due to an overall increase in the net pension liability of the pension plan as reported by the State of New Mexico Educational Retirement Board as a result of new assumptions adopted that were presented in the 2020 Actuarial Experience Study. The new assumptions included a decrease in the inflation assumption from 2.5% to 2.3%, which also led to decreases in the nominal investment return assumption from 7.25% to 7.0% and the assumed annual wage inflation rate from 3.25% to 3.0%. The decrease in bonds payable was primarily the result of the mortgage refinancing and subsequent defeasance of the bonds at SRMC.

The decrease in total liabilities from FY19 to FY20 included a decrease of \$805.3 million in net pension and OPEB liability. The most significant increase in total liabilities from FY19 to FY20 was an \$86.2 million increase in the Medicare accelerated and advance payment program. The decrease in the net pension and OPEB liability included a decrease in the net pension liability of \$776.5 million due to an overall decrease in the net pension liability of the pension plan as reported by the State of New Mexico Educational Retirement Board as a result of changes enacted in House Bill 360 effective July 1, 2019, as well as a decrease in the University's proportionate share of the overall liability. The changes enacted in House Bill 360 included benefit provisions for new hires and a 0.25% increase in the employer contribution percentage. The increase in the Medicare accelerated and advance payment program was



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# THE UNIVERSITY OF NEW MEXICO

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
Year Ended June 30, 2021

primarily the result of a CMS advance payment of \$78.8 million received in the last quarter of the fiscal year at the Hospital.

## ***Deferred Inflows of Resources***

Deferred inflows of resources decreased by \$37.1 million from FY20 to FY21 and increased by \$90.6 million from FY19 to FY20. The most significant deferred inflow of resources is related to pensions. The recognition of a deferred inflow of resources related to pensions resulted from the implementation of GASB Statement No. 68. The amount recognized as a deferred inflow of resources related to pensions was \$66.1 million, \$99.0 million, and \$39.1 million as of June 30, 2021, 2020, and 2019, respectively.

## ***Net Position***

Total net position (assets and deferred outflows of resources minus liabilities and deferred inflows of resources) is classified by the University's ability to use the net position to meet operating needs. Net position that is restricted as to its use by sponsoring agencies, donors, or other non-UNM entities is classified as either "nonexpendable" or "expendable." Restricted nonexpendable net position includes true endowments. Restricted expendable net position is generated by contracts, grants, gifts, and assets required to be set aside for debt service. The restricted net position is further classified in general terms as to the function for which it must be used. Unrestricted net position may be used to meet operating needs of the University.

# THE UNIVERSITY OF NEW MEXICO

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2021

### Statement of Revenues, Expenses, and Changes in Net Position

A comparison of the University's revenues, expenses, and changes in net position for the years ended June 30, 2021, 2020, and 2019 is as follows:

	2021	2020	2019
<b>Operating Revenues</b>			
Tuition and fees, net	\$ 130,344,997	\$ 131,786,683	\$ 136,023,808
Net patient service	1,592,975,818	1,396,811,244	1,293,561,834
Grants and contracts	384,083,671	295,161,328	285,419,597
Sales and services, net	90,800,380	105,647,112	119,509,597
Other operating revenues	117,985,419	120,973,136	79,399,348
<b>Total operating revenues</b>	<b>\$ 2,316,190,285</b>	<b>\$ 2,050,379,503</b>	<b>\$ 1,913,914,184</b>
<b>Operating Expenses</b>			
Instruction	\$ 242,992,467	\$ 251,219,986	\$ 245,244,734
Research	258,755,275	172,480,132	172,343,862
Public service	1,675,932,773	1,525,025,563	1,456,370,551
Academic support	43,201,530	47,174,855	45,381,949
Student services	28,739,834	29,777,813	27,592,390
Institutional support	60,460,362	64,182,635	58,348,115
Operation of plant	193,002,289	185,210,032	179,251,577
Student aid and activities	23,120,200	29,190,722	25,108,063
Intercollegiate athletics	24,458,665	28,932,248	30,861,024
Auxiliary enterprises	33,329,867	40,401,109	45,515,831
GASB 68 pension expense	766,700,778	(393,622,917)	349,640,626
GASB 75 OPEB expense	(2,882,000)	1,599,200	6,985,200
Other operating expenses	116,093,346	106,973,092	62,029,340
<b>Total operating expenses</b>	<b>\$ 3,463,905,386</b>	<b>\$ 2,088,544,470</b>	<b>\$ 2,704,673,262</b>
<b>Nonoperating Revenues</b>			
Appropriations	\$ 343,973,371	\$ 343,730,860	\$ 319,955,449
Mill levies	119,282,236	115,084,816	105,794,580
Federal pell grants	33,495,135	38,300,579	41,212,072
Gifts	40,576,948	34,080,719	29,723,441
Investment income	78,944,518	35,165,710	45,006,539
Other nonoperating revenues and expenses, net	74,061,931	48,675,054	11,630,438
<b>Net nonoperating revenues</b>	<b>\$ 690,334,139</b>	<b>\$ 615,037,738</b>	<b>\$ 553,322,519</b>
<b>Income (loss) before capital contributions</b>	<b>(457,380,962)</b>	<b>576,872,771</b>	<b>(237,436,559)</b>
Capital contributions	10,158,227	52,141,538	61,522,739
<b>Change in net position</b>	<b>\$ (447,222,735)</b>	<b>\$ 629,014,309</b>	<b>\$ (175,913,820)</b>
Net position - beginning of year	875,390,600	246,376,291	422,290,111
<b>Net position - end of year</b>	<b>\$ 428,167,865</b>	<b>\$ 875,390,600</b>	<b>\$ 246,376,291</b>

# THE UNIVERSITY OF NEW MEXICO

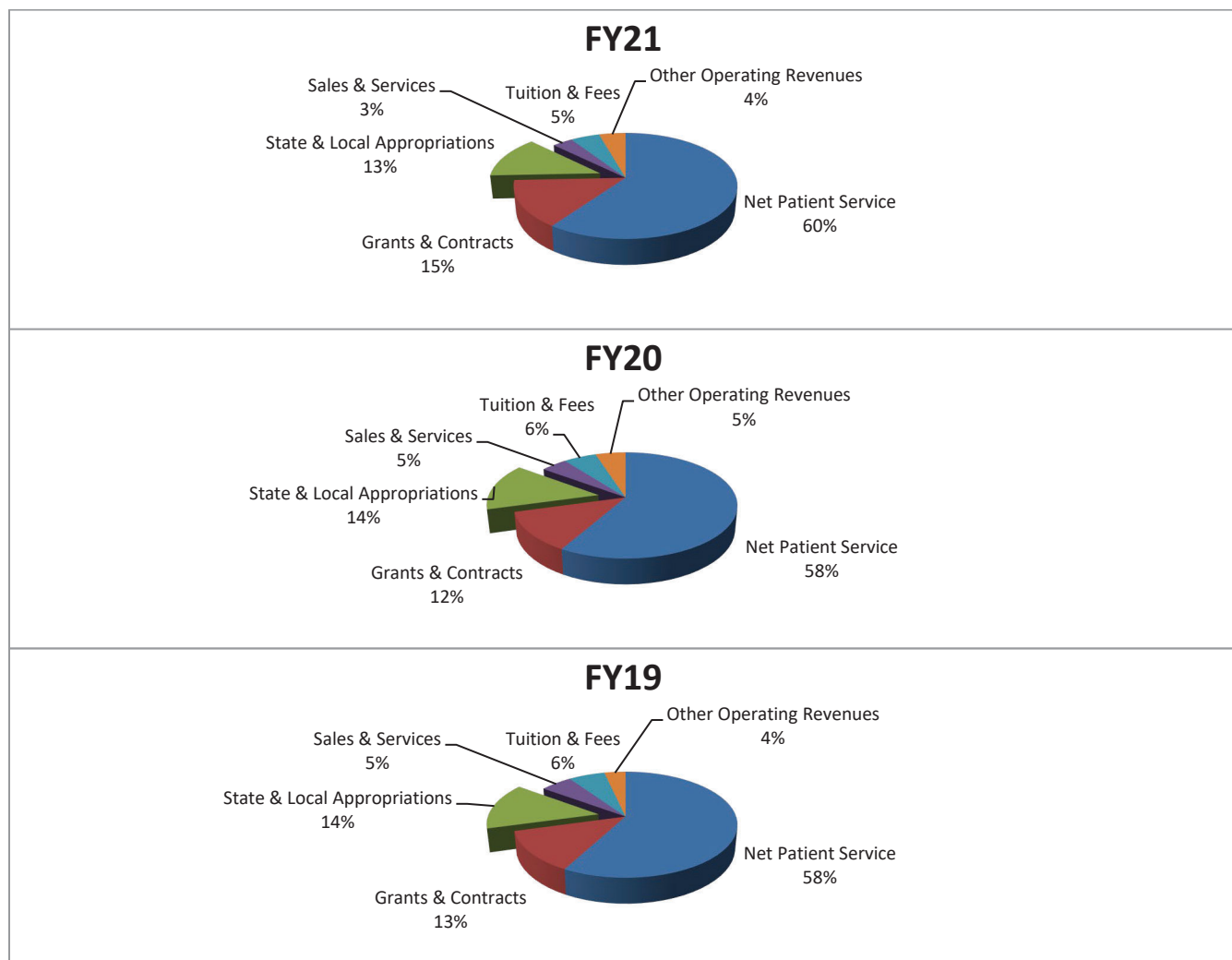
## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2021

### Revenues

The presentation of revenues, as defined by GASB, requires that state and local appropriation income be excluded when calculating the financial results of operations. This presentation method results in an “operating loss.” The operating loss is offset by “nonoperating revenues (expenses)” to arrive at an actual result of operations amount. The definition of “nonoperating revenues” revolves around the concept of exchange versus nonexchange transactions. State and local appropriations, along with the Bernalillo County mill levy, are considered revenues from nonexchange transactions, because they do not involve an exchange of value for value. Conversely, tuition income is defined as “operating revenues,” because a student pays tuition (value) to receive an education (value). Other nonoperating revenues are federal pell grants, state lottery scholarships, gifts, and income from investing and capital activities.

Although State of New Mexico appropriations are considered nonoperating revenues in the basic financial statements, the University uses these funds to support all instruction and general programs. If state and local appropriations were included in operating revenues, they would comprise 13%, 14%, and 14% of total operating revenues for fiscal years 2021, 2020, and 2019, respectively. The following charts depict operating revenues (with state and local appropriations) by source:





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# THE UNIVERSITY OF NEW MEXICO

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
Year Ended June 30, 2021

**Operating Revenues:** Operating revenues increased by 13.0% from FY20 to FY21 and 7.1% from FY19 to FY20. Net patient service revenues are a significant portion of the total net operating revenues. It is comprised of gross patient revenues, net of contractual allowances, charity care, provision for doubtful accounts, and any third-party cost report settlements. Net patient service revenues increased by 14.0% from FY20 to FY21 and 8.0% from FY19 to FY20.

UNM Health Sciences Center (HSC) offers a financial assistance program called UNM Care to which all eligible patients are encouraged to apply. This program assigns patients primary care providers and enables them to receive care throughout UNM HSC locations. This program is available to Bernalillo County residents who also meet certain income and asset thresholds. Patients applying for coverage under UNM Care must apply for coverage under Medicaid or the Health Insurance Exchange (HIX), if eligible. Patients may continue to receive UNM Care until they receive Medicaid eligibility or notification of coverage under the HIX. Patients certified under Medicaid or the HIX may continue to qualify for UNM Care as a secondary coverage for copays and deductibles if they meet the income guidelines. UNM HSC uses the same sliding income scale as the Affordable Care Act (ACA) to determine if insurance coverage is considered affordable. If coverage is determined not to be affordable, patients may be granted a hardship waiver to qualify for UNM Care and would not be required to pursue coverage under the HIX.

As of June 30, 2021, 2020, and 2019, there were approximately 3,900, 5,900, and 7,300 active enrollees in UNM Care, respectively. The income threshold for UNM Care is 300% of the federal poverty level, and patients may apply for this program at various locations throughout UNM HSC and the community. UNM HSC does not pursue collection of amounts determined to qualify as charity care, with the exception of copayments.

UNM HSC provides care to patients who are either uninsured or underinsured and who do not meet the criteria for financial assistance. These accounts are fully reserved and recorded as a provision for uncollectible accounts. Provision expenses recorded for fiscal years 2021, 2020, and 2019 were \$114.1 million, \$102.7 million, and \$121.8 million, respectively.

UNM HSC incurs costs associated with providing charity care and other services for which payment is not received. As of June 30, 2021, the estimated cost of care for providing these services was \$87.9 million compared to \$98.7 million in FY20 and \$101.3 million in FY19.

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# THE UNIVERSITY OF NEW MEXICO

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## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2021

Tuition and fees are also a significant component of the University's total net operating revenues. UNM's total credit hour production for 2020-2021 was 499,771. This represents a 10.46% decrease in credit hour totals compared to the previous year. Very high levels of degree production and record completion rates have continued to contribute to the decrease due to students graduating earlier. Freshmen enrollment for the fall 2020 class is up 7.48% compared to the fall 2019 class while the freshmen retention has held steady at 76.94%. The University is anticipating an increase in freshmen enrollment for fall 2021. Changes in enrollment and tuition and fees rates in academic functions of the University were as follows:

	Fall 2020	Fall 2019	Fall 2018
Enrollment change (headcount)	-8.8%	-3.9%	-6.4%
Tuition and fees rate change (full-time resident undergraduate)	17.3%	3.2%	2.5%

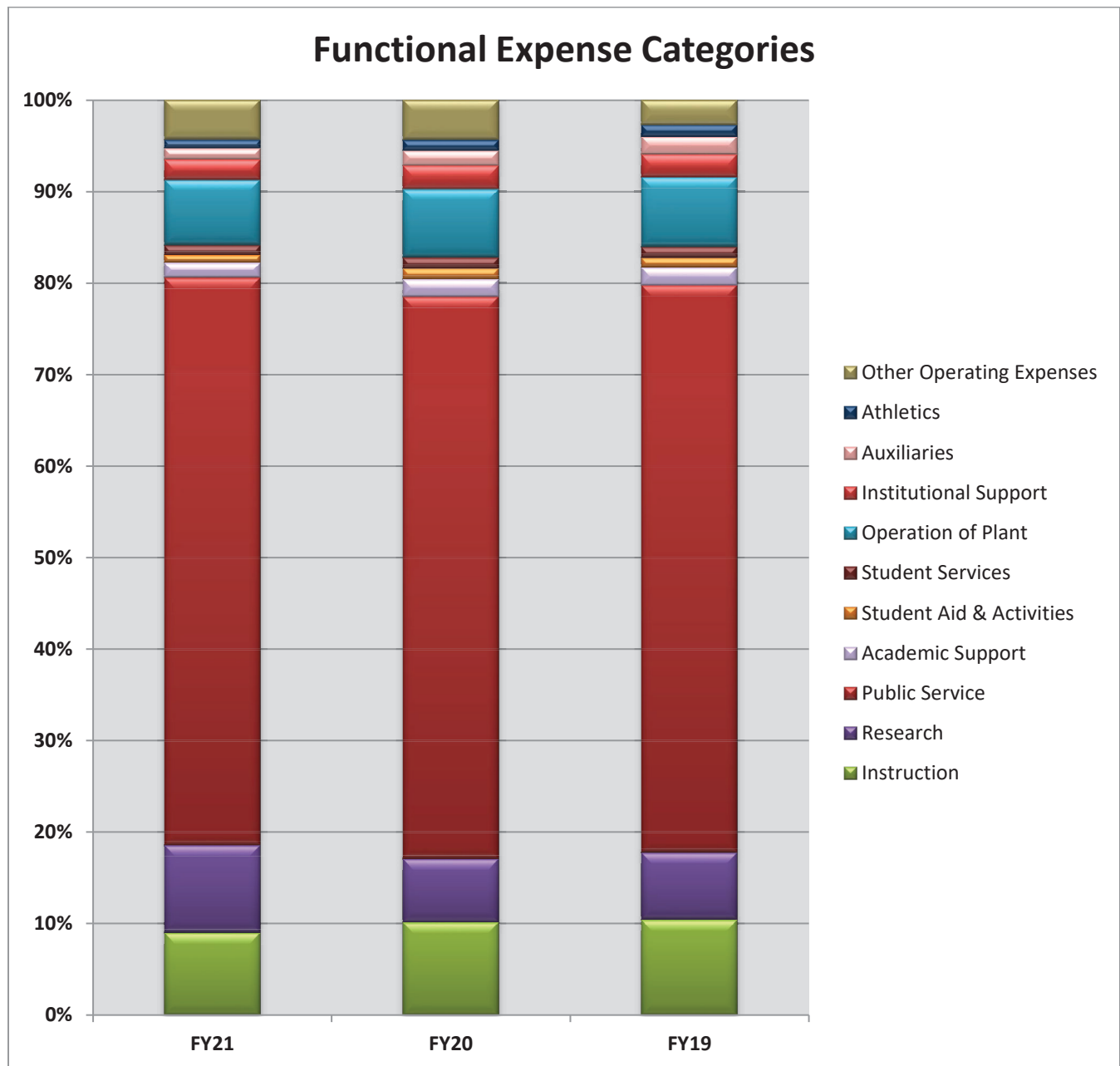
**Nonoperating Revenues/Expenses:** Net nonoperating revenues increased by 12.2% from FY20 to FY21 and 11.2% from FY19 to FY20. Nonoperating revenues are primarily driven by state appropriations, the Bernalillo County mill levy, federal pell grants, gifts received by the University, and investment income/loss. The major reasons for the increase in net nonoperating revenues in FY21 were a \$57.4 million increase in funds received from the federal CARES Act, a \$43.8 million increase in investment income due to favorable investment market conditions, and an \$11.8 million increase in local appropriations primarily due to an \$11.5 million local appropriation in FY21 for construction of the UNM Center of Excellence for Orthopedic Surgery and Rehabilitation at the Health Sciences Center in Rio Rancho. The major reasons for the increase in net nonoperating revenues in FY20 were \$34.9 million received from the federal CARES Act, a \$23.6 million increase in state appropriations, and a \$9.3 million increase in revenue from county mill levies at the clinical operations.

# THE UNIVERSITY OF NEW MEXICO

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
Year Ended June 30, 2021

## Expenses

**Operating Expenses:** GASB standards allow public universities to present operating expenses in either a functional or natural format. UNM chose to present expenses on the statement of revenues, expenses, and changes in net position by the major functions of the University. The chart below shows the distribution of operating expenses by functional category (smaller categories have been combined), excluding GASB 68 pension expense and GASB 75 OPEB expense, for the years ended June 30, 2021, 2020, and 2019:



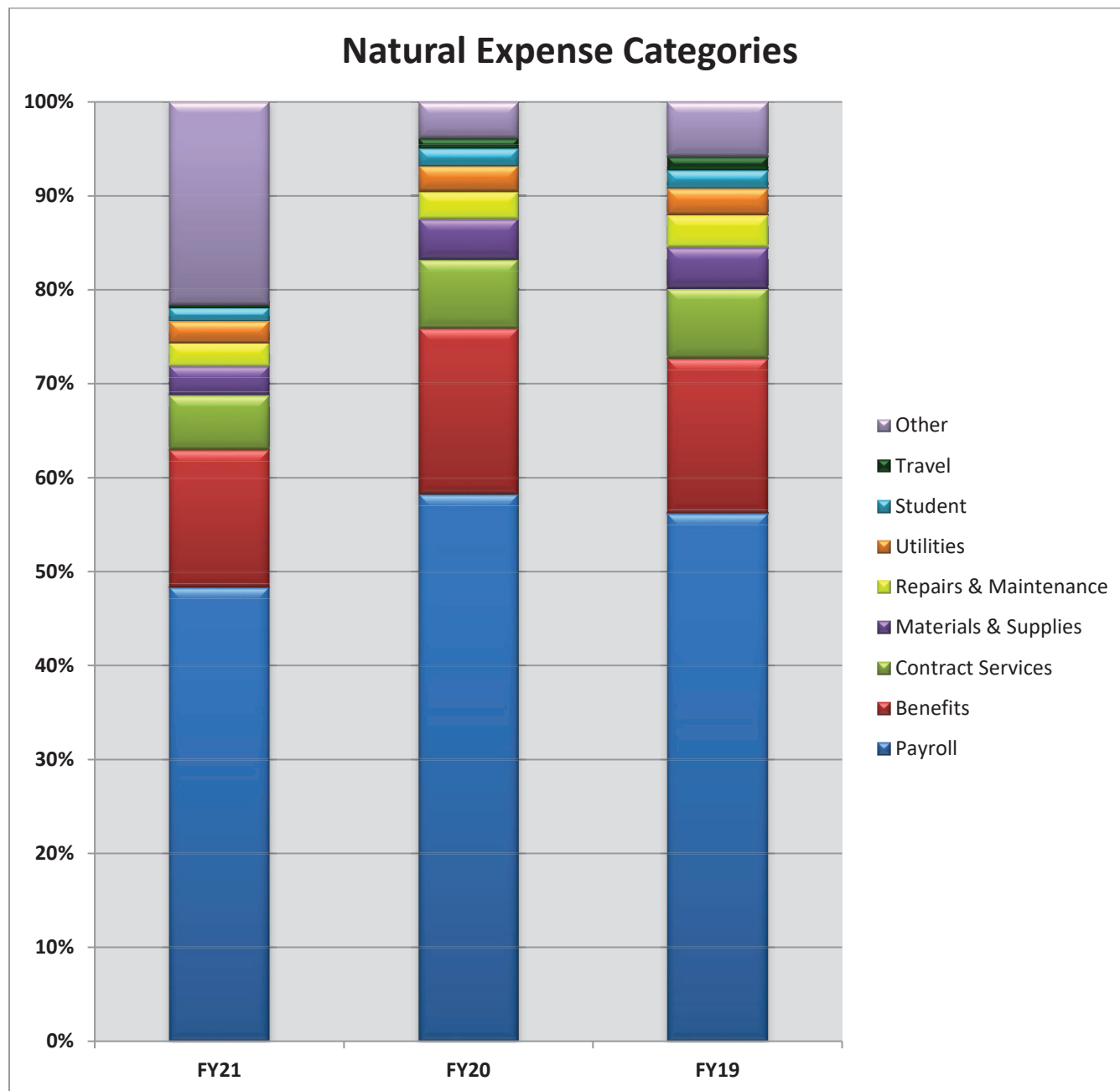


# THE UNIVERSITY OF NEW MEXICO

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2021

The chart below shows total expenses by natural category, excluding GASB 68 pension expense and GASB 75 OPEB expense, for the University (excluding Hospital, BHO, and component units) for the years ended June 30, 2021, 2020, and 2019:



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# THE UNIVERSITY OF NEW MEXICO

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## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2021

### *Changes in Net Position*

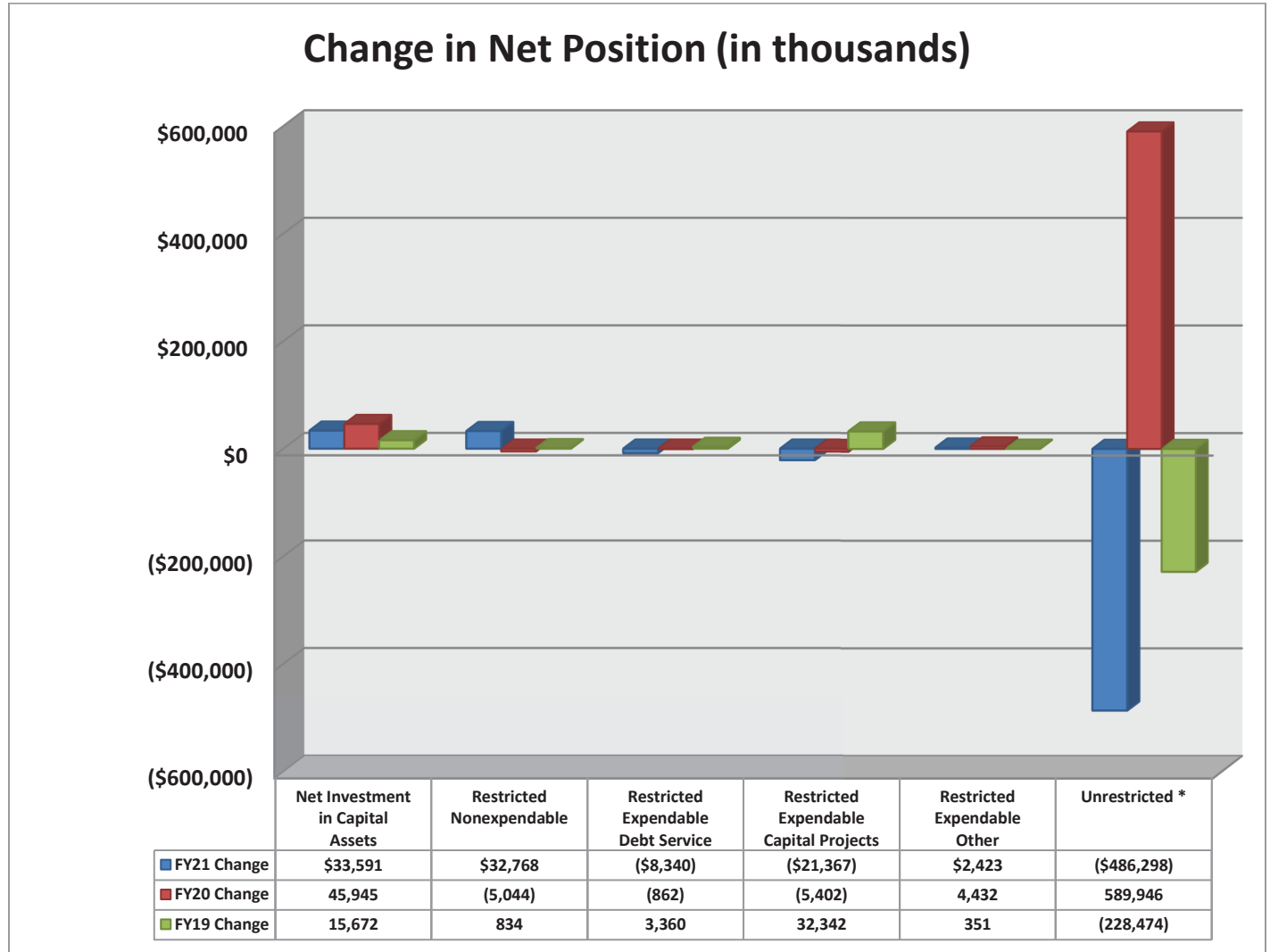
The University's total change in net position showed a net decrease of \$447.2 million for FY21, a net increase of \$629.0 million for FY20, and a net decrease of \$175.9 million for FY19. The major changes in net position in FY21 included a decrease of \$486.3 million in unrestricted net position and increases of \$32.8 million in restricted, nonexpendable scholarships and \$33.6 million in net investments in capital assets. The decrease in unrestricted net position was primarily the result of pension expense of \$766.7 million reported by the University per the requirements of GASB Statement No. 68. The significant increase in the pension expense over the prior fiscal year was primarily due to the decrease in the discount rate used in the actuarial valuation from 7.25% to 3.89% as a result of new assumptions adopted on April 17, 2020 in conjunction with the six-year actuarial experience study for the period ended June 30, 2019 that included a decrease in the inflation assumption from 2.5% to 2.3%, which also led to decreases in the nominal investment return assumption from 7.25% to 7.0% and the assumed annual wage inflation rate from 3.25% to 3.0%. Other significant changes to unrestricted net position were increases of \$305.9 million at the Hospital and \$27.0 million in unrestricted quasi endowment funds due to favorable investment market conditions. The increase in the net position of restricted, nonexpendable scholarships was primarily the result of \$36.6 million of investment income in FY21 due to favorable investment market conditions. The increase in the net position of net investments in capital assets was primarily the result of an increase of \$32.1 million in CIP.

The major changes in net position in FY20 included increases of \$589.9 million in unrestricted net position and \$45.9 million in net investments in capital assets. The increase in unrestricted net position was primarily the result of pension income of \$399.6 million reported by the University per the requirements of GASB Statement No. 68. The significant decrease in the pension expense over the prior fiscal year was primarily due to the increase in the discount rate used in the actuarial valuation from 5.69% to 7.25% as a result of changes enacted in House Bill 360 that included changes to benefit provisions for new hires and a 0.25% increase in the employer contribution percentage. Other significant changes to unrestricted net position were increases of \$60.2 million at the Hospital and a decrease of \$10.0 million at UNMMG. The increase in the net position of net investments in capital assets was primarily the result of an increase of \$62.6 million in buildings, net of accumulated depreciation, due to the completion of several major capital projects.

# THE UNIVERSITY OF NEW MEXICO

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
Year Ended June 30, 2021

The chart below shows the changes in net position by category for the fiscal years ended June 30, 2021, 2020, and 2019:



\* Significant changes to the unrestricted net position in FY19, FY20, and FY21 were primarily the result of the significant changes to pension expense reported by the University per the requirements of GASB Statement No. 68.

# THE UNIVERSITY OF NEW MEXICO

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2021

### Statement of Cash Flows

A comparison of the University's changes in cash and cash equivalents for the years ended June 30, 2021, 2020, and 2019 is as follows:

	2021	2020	2019
<b>Cash provided by (used in):</b>			
Operating activities	\$ (268,374,228)	\$ (310,952,374)	\$ (447,115,237)
Noncapital financing activities	643,174,994	592,471,390	523,090,865
Capital and related financing activities	(196,456,903)	(157,298,152)	(119,554,727)
Investing activities	14,839,139	22,071,822	25,644,189
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>193,183,002</b>	<b>146,292,686</b>	<b>(17,934,910)</b>
Cash and cash equivalents — beginning of year	598,148,273	451,855,587	469,790,497
<b>Cash and cash equivalents — end of year</b>	<b>\$ 791,331,275</b>	<b>\$ 598,148,273</b>	<b>\$ 451,855,587</b>

The Statement of Cash Flows provides additional information about the University's financial results by reporting the major sources and uses of cash during the fiscal year. The statement assists in evaluating the University's ability to generate future net cash flows to meet its obligations as they become due and aids in determining the need for external financing. The statement is divided into four sections based on major activity: operating, noncapital financing, capital and related financing, and investing.

Cash received from operations consists primarily of receipts from insurance and patients, student tuition and fees, and grants and contracts. Payments to employees and suppliers represent the largest use of cash for operations. Cash provided by noncapital financing activities is used to fund operating activities in a public university, such as UNM. Major sources of cash provided by noncapital financing activities for the University are state appropriations, federal Pell grants, Bernalillo County mill levy, and gifts to the University. Capital and related financing activities consist primarily of payments on the purchase of capital assets, principal and interest payments on bonds, and cash received on capital appropriations and bond issuances. Cash flows from investing activities include shifts between cash and investments, distributions from the state land grant permanent fund, and investment income.

### Fiduciary Fund

The University of New Mexico Welfare Benefit Trust (VEBA Trust), a voluntary employees' beneficiary association (VEBA) trust, is presented as a fiduciary fund (exhibits D and E). The VEBA Trust was established to provide a funding vehicle to which participants and the University contribute to prefund, in part, the cost of OPEB for eligible retirees of the University. The University matches the employees' contributions to the VEBA Trust. In FY21, the University and employee contributions were \$2.0 million each, and the VEBA Trust earned \$11.4 million in net investment income. In FY20, the University and employee contributions were \$2.2 million each, and the VEBA Trust earned \$1.9 million in net investment income.

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# THE UNIVERSITY OF NEW MEXICO

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## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2021

### Budget Activity

Operating budgets are submitted for approval to the Board of Regents, the New Mexico Higher Education Department (HED), and the State Budget Division of the Department of Finance and Administration (DFA). Similarly, separate legislative budget requests are submitted to the Board of Regents, HED, and the DFA for inclusion in the State of New Mexico Executive Budget for consideration of appropriations by the state legislature.

Original budgets for each fiscal year are prepared many months in advance based on: (a) prior year expenditure and revenue activity, (b) best estimates of projected revenue and expenditure activity for the budgeted year, and (c) internal budget reviews with departments on campus. During the fiscal year, original budgets are revised to more accurately reflect current needs of the institution and to include previously unanticipated events in both revenues and expenditures categories.

In terms of overall FY21 Main campus revenues, there was an overall increase of approximately \$21.1 million, or 2.4%, over the FY20 budget. This increase is primarily due to an increase in state appropriations and the spending of reserves related to capital projects.

State appropriations for Main campus operations increased by \$14,832,900, or approximately 7.2%, for FY21. The legislature also approved a 4% compensation increase for higher education.

Tuition and fee rates were approved by the Board of Regents on March 9, 2020. They approved a 2.6% base tuition increase plus an adjustment on the undergraduate resident 15-hour block tuition discount by reducing the discount to \$400, a 5% tuition increase on undergraduate non-resident students, combining the graduate \$35 premium with the base graduate tuition, a \$455 increase to the graduate block tuition rate, combining the dissertation base, dissertation premium, dissertation differentials into one flat rate of \$1,181, various adjustments to the tuition and fee block ranges as well as a 7.77% mandatory student fee increase. Unrestricted tuition and fee revenues were below the FY20 original budget because of the 6% enrollment hedge built into the tuition and fee budget and the directed tuition to the Health Sciences Center.

In terms of overall FY21 Main campus expenditures, there was an overall increase of approximately \$21.1 million, or 2.4 %, over the FY20 budget. This was primarily due to increased spending towards capital projects, the 4% compensation increase approved by the Regents, an increase in the minimum wage rate in January 2021 to \$10.50, a 4.9% increase in group health insurance, increases in other must fund costs, and the funding of new initiatives in I&G.

Due to the coronavirus pandemic, a special session of the New Mexico legislature was called in June 2020, and it resulted in a reduction in state appropriations. The Main and Branch campuses' state appropriations were reduced by \$24.9 million, which included a roll back in the 4% compensation increase.

For the FY21 revised budget, Main campus experienced a \$136.3 million increase in revenues and transfers primarily driven by \$79.6 million bond refunding revenues, \$29.6 million in HEERF2 and estimated HEERF3 student aid, \$17.3 million in transfers in for capital projects, and \$9.7 million net other revenues consisting of HEERF2 revenue, estimated HEERF3 revenue, tuition and fees, and gift revenue offset by lost auxiliary and athletics revenues. Expenses increased primarily for the Hospital



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# THE UNIVERSITY OF NEW MEXICO

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## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2021

Tower Project, Orthopedic Center of Excellence, 2021 bond refunding activities, and transfers to plant for various capital projects and student aid expenses.

At HSC, significant changes in revenues from the FY20 to FY21 revised budget include an increase in federal research revenues of \$90.7 million due to a multiyear federal award to Project ECHO to coordinate nationwide efforts to prevent the spread of COVID 19 infection in nursing homes, an increase in patient volume and related clinical revenues of \$14.5 million, and a decrease in state appropriations of \$3.0 million. In total, revenues increased by \$102.2 million, or 13.2%, over the FY20 revised budget.

Noteworthy changes in expenses and transfers at HSC include an increase in research costs of \$94.5 million, primarily driven by the Project ECHO COVID 19 infection prevention grant, and an increase in clinical FTE and contract services expenses of \$14.4 million. Expenses increased by \$108.8 million, or 14.3%, over the FY20 revised budget. Net transfers changed by \$4.5 million over the FY20 revised budget. Overall, HSC budgeted an almost breakeven net margin of \$300 thousand, approximately \$2.0 million less than the FY20 revised budget because of the economic uncertainty caused by the COVID 19 pandemic.

Overall, the University's change in net position on a budgetary basis for unrestricted and restricted funds was a decrease of approximately \$154.8 million (schedule 15), which is primarily due to expenditures for the Hospital Tower Project, Orthopedic Center of Excellence, 2021 bond refunding activities, and transfers to plant for various capital projects and student aid expenses. The University's change in net position on a budgetary basis for unrestricted I&G funds was a net increase of \$20.2 million (schedule 16), which is due to all campus activities.

### Factors Impacting Future Periods

The University faces the potential for additional negative impacts to revenues based on the current and anticipated budget situation in New Mexico with the ongoing COVID-19 pandemic and the uncertainty of the oil industry in New Mexico, which is a large driver of revenues in the State budget.

Coronavirus disease 2019 (COVID-19) is an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). It was first identified in December 2019 in Wuhan, Hubei, China, and has resulted in an ongoing pandemic. On January 31, 2020 Health and Human Services Secretary Alex Azar II declared a Public Health Emergency (PHE) for the United States to help the healthcare community respond to COVID-19. The PHE is still in effect and is expected to remain in effect until at least December 31, 2021. The Coronavirus Aid, Relief, and Economic Security (CARES) Act passed on March 27, 2020. One of the purposes was to reimburse eligible health care providers for health care-related expenses or lost revenue attributable to COVID-19. The act also provided grants to Healthcare entities based on prior year Medicare payments. The CARES act exempted Medicare from the effects of sequestration from May 1, 2020 to December 31, 2020. This also extends until at least December 31, 2021. In addition, it authorized accelerated payments to Medicare providers, which are advances to be paid back beginning one year after the payments were received. Medicare began withholding Medicare payments in April 2021 to pay back the advance received.

The Hospital is the only Level I Trauma Center in the State and is at physical capacity to treat adult patients. As such, the Hospital engaged the services of a national architectural and engineering firm with

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# THE UNIVERSITY OF NEW MEXICO

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
Year Ended June 30, 2021

experience in designing teaching hospitals to identify location, size, phasing, and staging for the addition of a clinical tower. The Hospital has worked with architects Fanning Bard Tatum and HDR (FBT/HDR) to identify the location, design, and site of the new tower. The proposal for the location of the new tower is adjacent to the Barbara & Bill Richardson Pavilion (BBRP) and will have 96 adult acute care beds. It will also add 16 operating rooms and include radiology diagnostic services and will relocate the adult emergency room. The existing parking structure will be demolished and a new one erected. In the 2019 legislative session, the state appropriated \$30 million for designing, constructing, and equipping the new tower. The preliminary opening date is late 2024.

## **Requests for Additional Financial Information**

This financial report is designed to provide the executive and legislative branches of the State of New Mexico, the public, the University's retailers and vendors, and other interested parties with a general overview of the financial position as of June 30, 2021 and 2020, and the results of its operations, cash flows, and variances from the budgets for the years then ended for the University of New Mexico.

If you have any questions about this report or need additional financial information, contact The University of New Mexico, Financial Services, 1700 Lomas NE, Suite 3100, MSC01 1300, Albuquerque, New Mexico 87131.

For internal audit inquiries and reports, see information available at <http://iaudit.unm.edu>.

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# THE UNIVERSITY OF NEW MEXICO

## BASIC FINANCIAL STATEMENTS

### Statements of Net Position as of June 30, 2021 and 2020

	PRIMARY INSTITUTION		DISCRETELY PRESENTED COMPONENT UNITS	
	2021	2020	2021	2020
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents (note 3)	\$ 591,965,164	\$ 478,320,233	\$ 15,440,101	\$ 18,467,575
Cash and cash equivalents – restricted (note 3)	-	6,313,272	-	-
Short-term investments (note 3)	467,322,913	455,787,443	13,555,856	11,261,360
Accounts receivable, net (note 4)	64,685,652	65,766,596	1,383,464	1,232,514
Patient receivables, net (note 4)	212,619,315	177,183,832	-	-
Due from component units	6,585,339	10,707,190	-	-
Due from The University of New Mexico	-	-	144,383	54,967
Notes receivable (note 5)	4,857,348	2,227,966	-	-
Estimated third-party payor settlements	101,992,936	89,171,793	-	-
Other receivables (note 4)	10,414,407	11,119,505	-	-
Inventories	25,401,883	23,652,546	-	-
Other current assets (note 7)	14,676,975	18,565,308	619,981	611,990
<b>Total current assets</b>	<b>\$ 1,500,521,932</b>	<b>\$ 1,338,815,684</b>	<b>\$ 31,143,785</b>	<b>\$ 31,628,406</b>
<b>Noncurrent assets</b>				
Cash and cash equivalents (note 3)	\$ 10,703,437	\$ 9,676,561	\$ -	\$ -
Cash and cash equivalents – restricted (note 3)	188,662,674	103,838,207	-	-
Due from component units	3,193,588	3,087,067	-	-
Notes receivable (note 5)	3,870,909	4,926,953	-	-
Investments (note 3)	387,233,666	321,823,210	305,681,372	231,979,096
Derivative instruments – interest rate swaps overlay (note 13)	1,131,716	1,286,271	-	-
Beneficial interest in irrevocable split interest agreements	-	-	22,990,912	19,941,453
Other noncurrent assets (note 7)	23,343,483	21,811,929	4,495,568	4,641,288
Capital assets, net (note 6)	1,373,471,494	1,367,936,494	189,974	-
<b>Total noncurrent assets</b>	<b>\$ 1,991,610,967</b>	<b>\$ 1,834,386,692</b>	<b>\$ 333,357,826</b>	<b>\$ 256,561,837</b>
<b>Total assets</b>	<b>\$ 3,492,132,899</b>	<b>\$ 3,173,202,376</b>	<b>\$ 364,501,611</b>	<b>\$ 288,190,243</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Related to pensions (note 17)	\$ 1,485,022,264	\$ 252,561,700	\$ -	\$ -
Related to OPEB (note 18)	11,517,900	14,214,960	-	-
Interest rate swaps (note 13)	5,999,594	8,373,755	-	-
Loss on bond refundings	8,735,919	3,782,023	-	-
<b>Total deferred outflows of resources</b>	<b>\$ 1,511,275,677</b>	<b>\$ 278,932,438</b>	<b>\$ -</b>	<b>\$ -</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable and accrued payroll (note 8)	\$ 201,301,614	\$ 173,304,419	\$ 1,463,092	\$ 2,050,404
Bonds payable – current portion (notes 12 and 13)	29,130,000	31,190,000	-	-
Long-term debt – current portion (note 12)	6,915,884	1,171,619	-	-
Due to component units	144,383	54,967	-	-
Due to The University of New Mexico (note 12)	-	-	6,585,339	10,707,190
Unearned revenue (note 11)	107,747,847	57,737,441	-	668,845
Accrued compensated absences (note 9)	78,609,457	64,786,841	-	-
Estimated third-party payor settlements	117,670,330	73,332,656	-	-
Medicare accelerated and advance payment program	76,455,318	86,160,304	-	-
CARES Act funding	-	3,617,914	-	-
Notes payable – current portion (note 12)	-	-	1,316,825	658,912
Deposits and funds held for others	4,675,278	4,397,153	-	-
Other accrued liabilities (note 10)	13,906,572	17,007,859	1,632,977	1,192,418
<b>Total current liabilities</b>	<b>\$ 636,556,683</b>	<b>\$ 512,761,173</b>	<b>\$ 10,998,233</b>	<b>\$ 15,277,769</b>
<b>Noncurrent liabilities (note 12)</b>				
Bonds payable (notes 12 and 13)	\$ 425,779,440	\$ 562,823,433	\$ -	\$ -
Long-term debt (note 12)	101,200,167	1,732,165	-	-
Due to The University of New Mexico (note 12)	-	-	3,193,588	3,087,067
Student loan program (note 12)	7,307,366	8,725,045	-	-
Notes payable (note 12)	-	-	-	644,875
Derivative instruments – interest rate swaps (notes 12 and 13)	5,999,594	8,373,755	-	-
Net pension liability (notes 12 and 17)	3,204,781,099	1,244,357,298	-	-
Net OPEB liability (notes 12 and 18)	89,515,000	96,711,700	-	-
Other noncurrent liabilities (note 12)	241,970	285,545	2,192,421	2,060,973
<b>Total noncurrent liabilities</b>	<b>\$ 3,834,824,636</b>	<b>\$ 1,923,008,941</b>	<b>\$ 5,386,009</b>	<b>\$ 5,792,915</b>
<b>Total liabilities</b>	<b>\$ 4,471,381,319</b>	<b>\$ 2,435,770,114</b>	<b>\$ 16,384,242</b>	<b>\$ 21,070,684</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Related to pensions (note 17)	\$ 66,126,474	\$ 99,016,165	\$ -	\$ -
Related to OPEB (note 18)	36,610,600	40,203,260	-	-
Gain on bond refundings	1,122,318	1,754,675	-	-
Beneficial interest in irrevocable split interest agreements	-	-	23,295,038	20,101,312
Unearned revenue	-	-	632,123	303,182
<b>Total deferred inflows of resources</b>	<b>\$ 103,859,392</b>	<b>\$ 140,974,100</b>	<b>\$ 23,927,161</b>	<b>\$ 20,404,494</b>

See accompanying notes to the basic financial statements.

(Continued)

# EXHIBIT A

## Statements of Net Position as of June 30, 2021 and 2020

	PRIMARY INSTITUTION		DISCRETELY PRESENTED COMPONENT UNITS	
	2021	2020	2021	2020
<b>NET POSITION</b>				
Net investment in capital assets	\$ 824,047,470	\$ 790,456,175	\$ 189,974	\$ -
Restricted for:				
Nonexpendable:				
Scholarships	156,499,331	123,729,370	-	-
Grants, bequests, and contributions	6,001,664	6,003,885	275,007,796	208,057,913
Expendable:				
Scholarships	3,475,044	2,778,329	-	-
Grants, bequests, and contributions	26,934,933	25,208,751	-	-
Debt service	51,866,691	60,206,286	-	-
Capital projects	22,042,309	43,409,384	-	-
Other	-	-	26,281,481	20,652,085
Unrestricted (note 20)	(662,699,577)	(176,401,580)	22,710,957	18,005,067
<b>Total net position</b>	<b>\$ 428,167,865</b>	<b>\$ 875,390,600</b>	<b>\$ 324,190,208</b>	<b>\$ 246,715,065</b>

See accompanying notes to the basic financial statements.



# THE UNIVERSITY OF NEW MEXICO

## BASIC FINANCIAL STATEMENTS

### Statements of Revenues, Expenses, and Changes in Net Position for the years ended June 30, 2021 and 2020

	PRIMARY INSTITUTION		DISCRETELY PRESENTED COMPONENT UNITS	
	2021	2020	2021	2020
<b>OPERATING REVENUES</b>				
Student tuition and fees (net of scholarship allowances of \$83,581,800 in 2021 and \$79,446,036 in 2020)	\$ 130,344,997	\$ 131,786,683	\$ -	\$ -
Net patient service (note 14)	1,592,975,818	1,396,811,244	-	-
Federal grants and contracts	310,304,256	219,666,416	-	-
State and local grants and contracts	41,747,252	42,520,753	-	-
Nongovernmental grants, contracts, bequests, and contributions	32,032,163	32,974,159	26,623,601	31,350,055
Sales and services	73,625,231	76,160,916	91,585	2,675,063
Auxiliary enterprises (net of scholarship allowances of \$5,823,119 in 2021 and \$7,951,835 in 2020)	17,175,149	29,486,196	-	-
Other operating revenues	117,985,419	120,973,136	8,576,740	8,885,713
<b>Total operating revenues</b>	<b>\$ 2,316,190,285</b>	<b>\$ 2,050,379,503</b>	<b>\$ 35,291,926</b>	<b>\$ 42,910,831</b>
<b>OPERATING EXPENSES</b>				
Educational and general				
Instruction	\$ 242,992,467	\$ 251,219,986	\$ -	\$ -
Research	258,755,275	172,480,132	-	-
Public service	1,675,932,773	1,525,025,563	-	-
Academic support	43,201,530	47,174,855	-	-
Student services	28,739,834	29,777,813	-	-
Institutional support	60,460,362	64,182,635	-	-
Operation and maintenance of plant	86,420,823	79,255,416	-	-
Depreciation expense	106,581,466	105,954,616	-	-
Student aid	16,641,494	20,589,266	-	-
Student activities	6,478,706	8,601,456	-	-
Intercollegiate athletics	24,458,665	28,932,248	-	-
Auxiliary enterprises	33,329,867	40,401,109	-	-
GASB 68 pension expense (income) (note 17)	766,700,778	(393,622,917)	-	-
GASB 75 OPEB expense (income) (note 18)	(2,882,000)	1,599,200	-	-
Distributions to The University of New Mexico	-	-	33,383,432	33,536,172
Other operating expenses	116,093,346	106,973,092	14,659,745	21,296,777
<b>Total operating expenses</b>	<b>\$ 3,463,905,386</b>	<b>\$ 2,088,544,470</b>	<b>\$ 48,043,177</b>	<b>\$ 54,832,949</b>
<b>Operating loss</b>	<b>\$ (1,147,715,101)</b>	<b>\$ (38,164,967)</b>	<b>\$ (12,751,251)</b>	<b>\$ (11,922,118)</b>

See accompanying notes to the basic financial statements.

(Continued)

**Statements of Revenues, Expenses, and Changes in Net Position for the years ended June 30, 2021 and 2020**

	<b>PRIMARY INSTITUTION</b>		<b>DISCRETELY PRESENTED COMPONENT UNITS</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
State appropriations	\$ 322,785,925	\$ 334,381,020	\$ -	\$ -
Local appropriations	21,187,446	9,349,840	-	-
County mill levies	119,282,236	115,084,816	-	-
Federal pell grants	33,495,135	38,300,579	-	-
Federal CARES Act grants	92,336,723	34,901,899	-	-
State lottery scholarships	21,366,828	23,254,053	-	-
Gifts	40,576,948	34,080,719	-	-
Federal bond subsidy	7,333	1,756,026	-	-
Investment income (loss) (note 3)	78,944,518	35,165,710	73,738,105	(1,168,684)
Interest on capital asset-related debt	(16,456,762)	(17,736,921)	-	-
Loss on disposal of capital assets	(423,463)	(220,919)	-	-
Other nonoperating revenues and expenses, net	(22,768,728)	6,720,916	369,284	(206,361)
<b>Net nonoperating revenues (expenses)</b>	<b>\$ 690,334,139</b>	<b>\$ 615,037,738</b>	<b>\$ 74,107,389</b>	<b>\$ (1,375,045)</b>
<b>Income (loss) before capital contributions</b>	<b>\$ (457,380,962)</b>	<b>\$ 576,872,771</b>	<b>\$ 61,356,138</b>	<b>\$ (13,297,163)</b>
Capital appropriations	\$ 17,636,617	\$ 52,141,538	\$ -	\$ -
Capital grants and gifts	3,172	-	-	-
Discontinued operations (note 2(A))	(7,481,562)	-	-	-
Contributions to permanent endowments	-	-	16,119,005	9,678,086
<b>Total capital contributions</b>	<b>\$ 10,158,227</b>	<b>\$ 52,141,538</b>	<b>\$ 16,119,005</b>	<b>\$ 9,678,086</b>
<b>Change in net position</b>	<b>\$ (447,222,735)</b>	<b>\$ 629,014,309</b>	<b>\$ 77,475,143</b>	<b>\$ (3,619,077)</b>
<b>NET POSITION</b>				
Net position at beginning of year	875,390,600	246,376,291	246,715,065	250,334,142
<b>Net position at end of year</b>	<b>\$ 428,167,865</b>	<b>\$ 875,390,600</b>	<b>\$ 324,190,208</b>	<b>\$ 246,715,065</b>

See accompanying notes to the basic financial statements.

# THE UNIVERSITY OF NEW MEXICO

## BASIC FINANCIAL STATEMENTS

### Statements of Cash Flows for the years ended June 30, 2021 and 2020

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from tuition and fees	\$ 133,973,581	\$ 132,998,579
Cash received from grants and contracts	429,561,778	308,532,408
Cash received from insurance and patients	1,636,640,890	1,496,967,051
Cash received from Medicare advance payment plan	-	86,160,304
Cash received from sales and services	47,582,528	32,990,612
Cash received from auxiliary enterprise charges	19,266,862	30,811,311
Cash payments to employees	(1,386,718,356)	(1,253,904,490)
Cash payments for benefits	(243,545,689)	(247,350,966)
Cash payments to suppliers	(741,653,853)	(720,093,365)
Cash payments for utilities	(38,026,388)	(36,853,865)
Cash payments for scholarships and fellowships	(24,134,686)	(25,614,154)
Cash payments to State of New Mexico for intergovernmental transfer	(18,900,000)	(42,793,530)
Cash payments to State of New Mexico for gross receipts tax	(29,499,491)	(24,878,498)
Loans issued to students	(1,555,357)	(2,935,974)
Collection of loans to students	1,514,283	1,677,633
Other cash payments	(52,880,330)	(46,665,430)
<b>Net cash used in operating activities</b>	<b>\$ (268,374,228)</b>	<b>\$ (310,952,374)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Cash received from state appropriations	\$ 322,588,825	\$ 333,712,677
Cash received from local appropriations	21,187,446	9,349,840
Cash received from county mill levies	118,651,644	114,952,523
Cash received from federal pell grants	32,203,546	38,177,956
Cash received from federal CARES Act grants	88,718,809	38,519,813
Cash received from state lottery scholarships	21,366,828	23,254,053
Cash received from gifts and the University of New Mexico Foundation	40,233,547	27,467,820
Drawdowns of federal direct loan proceeds	76,962,133	88,516,088
Disbursements of federal direct loans to students	(79,902,772)	(88,254,317)
Other nonoperating cash receipts	1,164,988	6,774,937
<b>Net cash provided by noncapital financing activities</b>	<b>\$ 643,174,994</b>	<b>\$ 592,471,390</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from bond issuance	\$ 72,462,906	\$ 25,247,830
Cash received from mortgage refinancing	111,440,227	-
Cash received from capital appropriations	14,975,843	50,309,059
Cash received from federal bond subsidy	877,713	885,646
Cash received from disposal of capital assets	699,648	214,823
Purchases of capital assets	(151,863,440)	(147,280,712)
Principal payments on bonds	(205,805,000)	(54,740,000)
Interest payments on bonds	(20,389,659)	(20,225,893)
Principal payments on mortgage	(5,134,468)	-
Interest and insurance payments on mortgage	(2,162,787)	-
Cash payments for mortgage reserve funds	(187,827)	(1,876,653)
Other cash payments	(11,370,059)	(9,832,252)
<b>Net cash used in capital and related financing activities</b>	<b>\$ (196,456,903)</b>	<b>\$ (157,298,152)</b>

See accompanying notes to the basic financial statements.

(Continued)

## EXHIBIT C

### Statements of Cash Flows for the years ended June 30, 2021 and 2020

	2021	2020
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sales and maturities of investments	\$ 322,769,551	\$ 500,804,950
Purchases of investments	(346,588,022)	(510,147,086)
Distributions from land grant permanent fund and land maintenance fund	10,909,456	11,304,730
Investment income	22,611,766	18,144,570
Investment in Lovelace UNM Rehab Hospital	5,135,351	1,272,191
Cash withdrawals from 2015 bond reserve fund	1,037	692,467
<b>Net cash provided by investing activities</b>	<b>\$ 14,839,139</b>	<b>\$ 22,071,822</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>\$ 193,183,002</b>	<b>\$ 146,292,686</b>
Cash and cash equivalents – beginning of year	598,148,273	451,855,587
<b>Cash and cash equivalents – end of year</b>	<b>\$ 791,331,275</b>	<b>\$ 598,148,273</b>
<b>RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES</b>		
Operating loss	\$ (1,147,715,101)	\$ (38,164,967)
Adjustments to reconcile net operating loss to net cash used in operating activities		
Depreciation expense	106,581,466	105,879,799
Provision for doubtful accounts	116,107,562	105,663,500
Changes in assets, deferred outflows, liabilities, and deferred inflows		
Accounts receivable	3,046,830	(7,817,934)
Patient receivables	(147,132,652)	(95,227,074)
Estimated third-party payor settlements receivables	(11,333,258)	(7,185,667)
Notes receivable	1,367,302	1,765,081
Inventories	(1,749,337)	(963,679)
Other assets	3,330,756	(7,151,896)
Due from component units	1,167,541	1,171,927
Due to component units	91,407	(380)
Accounts payable	26,891,982	(8,596,378)
Accrued expenses and compensated absences	14,204,518	(16,738,950)
Other current liabilities	(2,220,201)	1,977,468
Estimated third-party payor settlements liability	41,294,921	27,248,084
Unearned revenue	50,415,776	11,997,103
Medicare advance payment plan	(9,704,986)	86,160,304
Net pension liability	1,960,423,801	(776,495,279)
Net OPEB liability	(7,196,700)	(28,772,200)
Deferred outflows of resources	(1,229,763,504)	244,726,557
Deferred inflows of resources	(36,482,351)	89,572,207
<b>Net cash used in operating activities</b>	<b>\$ (268,374,228)</b>	<b>\$ (310,952,374)</b>

See accompanying notes to the basic financial statements.

BASIC FINANCIAL STATEMENTS

University of New Mexico Retiree Welfare Benefit Trust  
Statements of Fiduciary Net Position as of June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ -	\$ 325,423
Investments	59,011,757	43,438,059
Interest receivable	15	163
<b>Total assets</b>	<u><u>\$ 59,011,772</u></u>	<u><u>\$ 43,763,645</u></u>
<b>LIABILITIES</b>		
Unsettled transactions	\$ -	\$ 244,152
<b>Total liabilities</b>	<u><u>\$ -</u></u>	<u><u>\$ 244,152</u></u>
<b>NET POSITION</b>		
Net position restricted for postemployment benefits other than pensions	<u>\$ 59,011,772</u>	<u>\$ 43,519,493</u>
<b>Total net position</b>	<u><u>\$ 59,011,772</u></u>	<u><u>\$ 43,519,493</u></u>

See accompanying notes to the basic financial statements.



University of New Mexico Retiree Welfare Benefit Trust  
 Statements of Changes in Fiduciary Net Position for the years ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>ADDITIONS</b>		
University of New Mexico contributions	\$ 2,046,472	\$ 2,164,082
Employee contributions	2,046,472	2,164,082
Investment income:		
Net increase in fair value of investments	10,831,445	1,181,301
Interest and dividends	649,540	735,946
Less investment expense	(72,941)	(63,814)
Net investment income	<u>11,408,044</u>	<u>1,853,433</u>
<b>Total additions</b>	<b><u>\$ 15,500,988</u></b>	<b><u>\$ 6,181,597</u></b>
<b>DEDUCTIONS</b>		
Administrative expenses	\$ 8,709	\$ 3,236
<b>Total deductions</b>	<b><u>\$ 8,709</u></b>	<b><u>\$ 3,236</u></b>
<b>Net increase in net position</b>	<b>\$ 15,492,279</b>	<b>\$ 6,178,361</b>
<b>NET POSITION RESTRICTED FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS</b>		
Net position at beginning of year	43,519,493	37,341,132
<b>Net position at end of year</b>	<b><u>\$ 59,011,772</u></b>	<b><u>\$ 43,519,493</u></b>

See accompanying notes to the basic financial statements.

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### (1) Creation and Purpose of Entity

The University of New Mexico (the University or UNM) was founded in 1889 and created by the Constitution of New Mexico, Sections 21-7-4 through 21-7-25, New Mexico Statutes Annotated, 1978 Compilation, under which it is responsible for providing the inhabitants of the State of New Mexico (State) and such others as the Board of Regents may determine with the means of acquiring a thorough knowledge of the various branches of literature, science, and the arts.

The University is part of the primary government of the State, and its financial data is included with the financial data in the State's Comprehensive Annual Financial Report. These financial statements present financial information that is attributable to the University and does not purport to present the financial position of the State.

### (2) Basis of Presentation and Summary of Significant Accounting Policies

#### (A) Basis of Presentation

The University and its component units present their financial statements in accordance with U.S. generally accepted accounting principles as prescribed in applicable pronouncements of the Governmental Accounting Standards Board (GASB). The statement presentation required by GASB Statement 35, *Basic Financial Statements—and Management's Discussion and Analysis—for Public Colleges and Universities—an amendment of GASB Statement No. 34*, provides a comprehensive entity-wide perspective of the University's assets, liabilities, and net position, revenues, expenses and changes in net position, and cash flows.

GASB Statement 14, *The Financial Reporting Entity*, as amended by GASB Statement 39, *Determining Whether Certain Organizations Are Component Units*, GASB Statement 61, *The Financial Reporting Entity: Omnibus*, and GASB Statement 80, *Blending Requirements for Certain Component Units*, provides guidance in determining whether certain organizations are component units and the presentation of these component units in the financial statements. Criteria for determining whether related organizations are component units include the following circumstances:

- Appointment of a voting majority of an organization's governing authority and the ability of the University to either impose its will on that organization or the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the University, or;
- An organization is fiscally dependent on the University and provides specific financial benefits to, or imposes specific financial burdens on, the University, or;
- It is determined that it would be misleading to exclude the related organization from the University's financial statements because of the nature of the entity or because the entity is closely related to or financially integrated with the University.

Component units that are blended generally include those in which 1) the component unit provides services entirely, or almost entirely, to the University or otherwise exclusively, or almost exclusively, benefits the University, 2) the component unit's governing body is substantively the same as the governing body of the University and there is either a financial benefit or burden relationship between the University and the component unit or management of the University has operational responsibility for the component unit, or 3) the University is the sole corporate member of the component unit. Based on the criteria set forth in GASB Statements 14, 39, 61, and 80, the entities presented below have been determined to be component units of the University. Summary financial statement information for the blended and discretely presented component units is provided in schedules 5 through 14.

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### **Blended Component Units**

- **UNM Rainforest Innovations**

UNM Rainforest Innovations (formerly known as STC.UNM) is a nonprofit corporation formed under the auspices of the 1989 New Mexico University Research Park Act and the New Mexico Nonprofit Corporation Act. The business of the corporation is to manage the commercialization of technologies developed by the University's faculty and manage the real estate development of the Science & Technology Park at The University of New Mexico on the South Campus. UNM Rainforest Innovations was determined to be a component unit, because it is fiscally dependent on the University. UNM Rainforest Innovations, 101 Broadway Blvd. NE, Suite 1100, Albuquerque, NM 87102.

- **Lobo Development Corporation**

Lobo Development Corporation (LDC) was established in October 2007, under the State of New Mexico's University Research Park and Economic Development Act. LDC was established to benefit UNM's Regents in the management and development of University-owned real estate. The activities of LDC include the acquisition, development, disposition, and rental of University real estate. LDC was determined to be a component unit, because the University appoints a voting majority of LDC's board and is able to impose its will on LDC. Lobo Development Corporation, 801 University Blvd. SE, Suite 207, Albuquerque, NM 87106.

- **Lobo Energy, Inc.**

Lobo Energy, Inc. (LEI) was formed by the UNM Regents in June 1998, under the University Research Park Act to be a separate 501(c)(3) corporation wholly owned by UNM. Its responsibilities include the procurement of natural gas and electricity, operations, and maintenance of all production facilities, and energy measurement and management systems. LEI was determined to be a component unit, because the University appoints a voting majority of LEI's board and is able to impose its will on LEI. Lobo Energy, Inc., 800 Bradbury Dr. SE, Suite 216, Albuquerque, NM 87106.

- **University of New Mexico Medical Group**

University of New Mexico Medical Group (UNMMG) is a nonprofit corporation that was organized to promote, advance, and support the clinical, scientific, educational, research, and charitable purposes of the School of Medicine (SOM) and the University of New Mexico Health Sciences Center (HSC). UNMMG was determined to be a component unit, because the University appoints a voting majority of UNMMG's board and is able to impose its will on UNMMG. University of New Mexico Medical Group, 933 Bradbury Street SE, Suite 2222, Albuquerque, NM 87106.

- **Sandoval Regional Medical Center**

Sandoval Regional Medical Center (SRMC) is a teaching hospital located in Sandoval County that was formed by the UNM Regents in August 2009 and is a New Mexico nonprofit corporation organized under and pursuant to the New Mexico University Research Park and Economic Development Act. SRMC was determined to be a component unit, because the University appoints a voting majority of SRMC's board and is able to impose its will on SRMC. Sandoval Regional Medical Center, 3001 Broadmoor Blvd. NE, Rio Rancho, NM 87144.

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

- **Innovate ABQ, Inc.**

Innovate ABQ, Inc. was a nonprofit corporation established under the provisions of the New Mexico Nonprofit Corporation Act and the State of New Mexico University Research Park and Economic Development Act and was operated exclusively for charitable, scientific, and educational purposes under Section 501(c)(3) of the IRC. Innovate ABQ, a public/private partnership, is a research and high technology business district located between the main University campus and downtown Albuquerque, New Mexico that serves as a catalyst for a new innovation economy in New Mexico and other educational initiatives for the University. In fiscal year 2021, ownership of Innovate ABQ, Inc. was transferred to UNM. Innovate ABQ, Inc. is, therefore, no longer considered a component unit of UNM. Lobo Development Corporation and UNM Rainforest Innovations will jointly oversee the Innovate ABQ project going forward. Prior to its transfer to UNM, Innovate ABQ was determined to be a component unit, because the University appointed a voting majority of Innovate ABQ's board and was able to impose its will on Innovate ABQ. Innovate ABQ, Inc., 801 University Blvd. SE, Suite 207, Albuquerque, NM 87106.

### **Discretely Presented Component Units**

- **The University of New Mexico Foundation, Inc.**

The University of New Mexico Foundation, Inc. (Foundation) is a nonprofit corporation, organized to solicit, receive, hold, invest, and transfer funds for the benefit of the University of New Mexico. The majority of the University's investments are managed by the Foundation. The Foundation was determined to be a component unit, because University management concluded that it would be misleading to exclude it. The University of New Mexico Foundation, Inc., Two Woodward Center, 700 Lomas Blvd. NE, Suite 203, Albuquerque, NM 87131.

- **The Robert O. Anderson Schools of Management Foundation**

The Robert O. Anderson Schools of Management Foundation (ASMF) is a nonprofit corporation organized in 1971 to promote continued education to the business community. ASMF provides professional workshops, seminars, guest symposiums, a master's degree program and funding for various faculty fellowships, research grants, and student scholarships. ASMF was determined to be a component unit, because University management concluded that it would be misleading to exclude it. The University of New Mexico, The Robert O. Anderson Schools of Management Foundation, MSC05 3090, 1924 Las Lomas NE, Albuquerque, NM 87131.

- **University of New Mexico Lobo Club**

The University of New Mexico Lobo Club (Club) is a nonprofit corporation established to operate as a fund-raising entity in support of the athletic programs at the University. The Club was determined to be a component unit, because University management concluded that it would be misleading to exclude it. The University of New Mexico Lobo Club, Department of Athletics, MSC04 2680, 1 University of New Mexico, Albuquerque, NM 87131.

- **The University of New Mexico Alumni Association**

The University of New Mexico Alumni Association (the Association) is a not-for-profit organization that was incorporated August 29, 1962 to provide and coordinate events and activities for the purpose of maintaining a positive relationship between the University and its alumni. The Association was determined to be a component unit, because it is fiscally dependent on the University. The University of New Mexico Alumni Association at Hodgkin Hall, Albuquerque, NM 87131.

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### **Fiduciary Fund**

- **University of New Mexico Retiree Welfare Benefit Trust**

The University of New Mexico Retiree Welfare Benefit Trust (VEBA Trust) is a voluntary employees' beneficiary association (VEBA) trust that is tax-exempt under Section 501(c)(9) of the Internal Revenue Code (IRC) and is presented as a fiduciary fund in the University's financial statements. The VEBA Trust was established to provide a funding vehicle to which participants and the University contribute to prefund, in part, the cost of other postemployment benefits (OPEB) for eligible retirees of the University.

The University's basic financial statements also include the University of New Mexico Hospital (Hospital) and the University of New Mexico Behavioral Health Operations (BHO), whose operations are summarized to be compatible with University reporting; these operations are not legally separate entities and, therefore, are operating as divisions of the University. The Hospital and BHO, when combined with SRMC, UNMMG, and the University's School of Medicine, College of Nursing, College of Pharmacy, and College of Population Health are referred to as the University of New Mexico Health Sciences Center (HSC) and are included in the primary institution financial statement information.

The Hospital, BHO, and the component units have separately audited financial statements, which can be obtained at their separate administrative offices.

### *(B) Basis of Accounting*

For financial reporting purposes, the University is considered a special-purpose government engaged in business-type activities. The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when incurred. All significant intra-entity transactions have been eliminated.

### *(C) Significant Accounting Policies*

The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, and deferred outflows and inflows of resources and disclosure of contingent assets, liabilities, and deferred outflows and inflows of resources at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ significantly from those estimates.

Cash and cash equivalents: Cash and cash equivalents consist of all highly liquid investments with original maturities of three months or less.

Accounts receivable: The University records student accounts receivable at the time a student registers for classes. Provisions for uncollectible student accounts are recorded to maintain an adequate allowance for probable losses.



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Patient receivables: The Hospital, BHO, SRMC, and UNMMG receive payments for services rendered to patients under payment arrangements with payors, which include (i) Medicare and Medicaid, (ii) other third-party payors including commercial carriers and health maintenance organizations, and (iii) others. The other payor category includes United States Public Health Service, self-pay, counties, and other government agencies. Progressive percentages are reserved beginning at 90 days for all payors, ramping up to 100% fully reserved at 210 days. Self-pay receivables are fully reserved after 30 days when they are referred to internal collections, and they are charged off when they are deemed uncollectible and are turned over to a collection agency. The following summarizes the percentage of gross patient receivables from all payors as of June 30:

	<u>2021</u>	<u>2020</u>
Medicare and Medicaid	55%	56%
Other third-party payors	33%	32%
Others	12%	12%
	<u>100%</u>	<u>100%</u>

Investments: The University measures and records its investments at fair value. GASB Statement 72 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.

In the case of pooled funds or mutual funds, the fair value is determined as the number of units held in the fund multiplied by the price per unit share as publicly quoted. Within the Consolidated Investment Fund (CIF), the alternative investments are valued as reported by the general partners and fund managers. Management reviews and evaluates the valuation received from third parties and believes the carrying amount to be a reasonable estimate of fair value. As limited partnerships 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. The income from the University's interest in the Land Grant Permanent Fund, which interests are managed by the New Mexico State Investment Council, is distributed monthly to the University. Additional information about investments and their fair value is provided in note 3.

The endowment spending policy provides that the total annual distribution of spendable income to each unit of the CIF, a unitized investment pool, shall not exceed 6% nor be less than 4% of the average market value of a unit of the CIF. The average market value of a unit will be based on the average unit values of the CIF for the preceding 20 quarters. The target annual distribution rate shall be 5% of the average unit market value. If, in any given 20-quarter rolling period, total return is less than target annual distribution, actual distribution shall not be less than 4% of the average unit market value for such 20-quarter rolling period. If in any 20-quarter rolling period the distribution exceeds 5% of the current market value, the CIF Investment Committee will determine the actual distribution.

Assets held by others, which are neither in the possession of nor under the control of the University, are not reflected in the accompanying basic financial statements. The most significant example is assets held by the Sandia Foundation from which UNM is entitled to 45% of the income but has no title to the assets themselves. However, income earned on such assets upon which the University has claim is recorded in the accompanying basic financial statements.

Inventories: Inventories are recorded at the lower of cost or market. Cost is determined using the first-in, first-out method, except the replacement cost method is used for pharmacy and operating room inventories. Inventory consists principally of medical, surgical and maintenance supplies, and pharmaceuticals are stated at the lower of cost or market.

Capital assets: Capital assets are recorded at original cost, or fair value if donated. Per Section 12-6-10 NMSA 1978, the University's capitalization policy for movable equipment includes all items with a unit cost of \$5,000 or more, and an estimated useful life of greater than one year. The University includes software purchased with a piece of equipment in the cost of capitalization. This total cost is depreciated over the useful life of the equipment. In compliance with New Mexico Administrative Code, Title 2 Public Finance, Chapter 20 Accounting by Governmental Entities, Part 1 Accounting and Control of Fixed Assets of State Government, Section 9, software purchased for internal use is capitalized and depreciated. Renovations to buildings, infrastructure, and land

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improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings, 20 years for land improvements and infrastructure, 5 years for library books, and a range of 3 to 15 years for equipment. Loaned equipment from private and federal sources is not owned by the University, and is not an asset. This equipment is monitored by the University and totals \$726,529 and \$765,157 at June 30, 2021 and 2020, respectively.

As an institute of higher education in existence for over 100 years, the 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 deaccessioning. However, because of their invaluable and irreplaceable nature, these collections are not recorded as capital assets but are reported as other noncurrent assets in the statements of net position.

**Bonds Payable:** Bonds payable are special obligations of the Regents of the University and do not constitute a debt or liability of the State of New Mexico or any political subdivision thereof. Each bond is secured, as described in the applicable trust indentures, by certain pledged revenues, representing certain revenues of the Regents after the payment of certain operating and maintenance expenses and pre-existing debt service obligations. The issuance of the bonds does not directly, indirectly, or contingently obligate the state or any political subdivision to levy any form of taxation or to make any appropriation for their payment. The Regents do not have taxing power.

The University issues fixed and variable rate bonds. The rate on the fixed rate bonds is set at bond closing. The variable rate bonds bear interest at a weekly rate until maturity or earlier redemption. For bonds that pay weekly rates, the remarketing agent for each bond issue establishes the weekly rate according to each indenture's remarketing agreement. The weekly rates are communicated to the various bond trustees for preparation of debt service payments. The weekly rate, as set by the remarketing agent, allows the bonds to trade in the secondary market at a price equal to 100% of the principal amount outstanding, with each rate not exceeding maximum rates permitted by law.

Variable rate bonds have an assumed Standby Purchase Agreement (SBPA), which states that the issuer of the SBPA will purchase the bonds in the event the remarketing agent is unsuccessful in marketing the bonds. In this event, the interest rate paid by the University will be calculated using a defined rate from the SBPA. If the bonds remain unsold for a period of time, designated in the SBPA, they are deemed to be "bank bonds" and the University will be required to repurchase the bonds from the SBPA issuer.

**Derivatives:** The University follows GASB Statement 53, *Accounting and Financial Reporting for Derivative Instruments*. Derivatives are financial arrangements used to manage or hedge specific risks or to make investments. Changes in fair value for those derivative instruments that meet the criteria for hedging instruments under GASB Statement 53 are reported as deferred inflows and outflows of resources. Changes in fair value of investment derivative instruments, which are ineffective hedging instruments, are reported as a component of investment income.

The University has entered into interest rate swap agreements with rated swap counter parties in order to utilize synthetic fixed rate structures in order to generate cash flow savings and to hedge against interest rate risk. By entering into a swap agreement, the University hedges its interest rate exposure on the associated variable rate bonds. With the exception of two swaps that are considered investments, the swaps are considered hedging derivatives. Additional information about the swap agreements is provided in note 13.

**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 Plan (ERP) and additions to/deductions from ERP's fiduciary net position have been determined on the same basis as they are reported by ERP. 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.

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Postemployment Benefits Other Than Pensions (OPEB): For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the VEBA Trust and additions to/deductions from the VEBA Trust's fiduciary net position have been determined on the same basis as they are reported by the VEBA Trust. For this purpose, the VEBA Trust recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Annual leave plan: Employees are allowed to accumulate 252 hours of annual leave. Upon separation from employment for reasons other than retirement, death, or involuntary separation, employees are paid for unused accrued annual leave, not to exceed 168 hours. Upon separation of employment for reasons of retirement, death, or involuntary separation, employees (or their estates in case of death) are paid for unused accrued annual leave, not to exceed 252 hours.

Sick leave plan: Prior to 1984, the University's sick leave plan placed no limitation on the number of hours an employee could accumulate. When the plan was revised, the existing accumulation of hours was placed into separate pools and employees may be paid 28.5% of the value of those hours upon retirement or death, not to exceed 1,040 hours. Also under the revised plan, employees hired prior to August 1, 2017 are entitled to receive cash payments, at a rate equal to 50% of the employee's hourly wage, for accumulated unused sick leave exceeding 600 hours for full-time employees, 450 hours for employees with a FTE between 0.75 and full-time, and 300 hours for employees with a FTE between 0.5 and 0.75, up to 120 hours per fiscal year. Upon retirement or death, employees are paid, at a rate equal to 50% of the employee's hourly wage, for accumulated unused sick leave exceeding 600 hours for full-time employees, 450 hours for employees with a FTE between 0.75 and full-time, and 300 hours for employees with a FTE between 0.5 and 0.75, not to exceed 440 hours.

Net position:

*Net investment in capital assets* represents the University's total investment in capital assets, net of outstanding debt related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets. Unspent bond proceeds for the University were \$5,768,142 and \$17,181,108 at June 30, 2021 and 2020, respectively. The Hospital and SRMC had no unspent bond proceeds at June 30, 2021 and 2020, respectively. Unamortized prepaid bond insurance for the University was \$219,723 and \$228,442 at June 30, 2021 and 2020, respectively.

*Restricted net position* represents those operating funds on which external restrictions have been imposed that limit the purposes for which such funds can be used. *Restricted expendable* net position is resources that the University is legally or contractually obligated to spend in accordance with imposed restrictions by third parties. *Restricted nonexpendable* net position consists of endowment and similar funds in which third parties 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. The income generated from the principal may be expended or added to principal.

*Unrestricted net position*, which may contain multiple year contractual commitments, consists of those operating funds over which the governing board retains full control to use in achieving any of its authorized purposes.

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 toward restricted resources, and then toward unrestricted resources.

Revenues: Revenues are classified as operating or nonoperating according to the following criteria:

*Operating revenues* include activities that have the characteristics of an exchange transaction, such as a) student tuition and fees, net of scholarship discounts and allowances, b) patient services, c) sales and services, and d) contracts and grants.

*Nonoperating revenues* include activities that have the characteristics of nonexchange transactions, such as a) appropriations, b) gifts, c) investment income, and d) mill levy. These revenue streams are recognized under GASB

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Statement 33, *Accounting and Financial Reporting for Nonexchange Transactions*. Appropriations are recognized in the year they are appropriated, regardless of when actually received. Gifts are recognized when all applicable eligibility requirements have been met. Investment income is recognized in the period when it is earned. The mill levy is recognized in the period it is collected by the County.

Student tuition and fee revenues and auxiliary enterprises 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 students' behalf. To the extent that revenues from such programs are used to satisfy tuition and fees, other student charges, and auxiliary enterprises charges, the University has recorded a scholarship allowance.

Net patient service revenues are recorded at the estimated net realizable amount due from patients, third-party payors, and others for services rendered, and a provision for doubtful accounts. Retroactive adjustments under reimbursement agreements with third-party payors are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Contractual adjustments resulting from agreements with various organizations to provide services for amounts that differ from billed charges, including services under Medicare, Medicaid, and certain managed care programs, are recorded as deductions from patient revenues. Accounts, when determined to be uncollectible, are charged against the allowance for doubtful accounts.

The clinical operations provide care to patients who meet certain criteria under its charity care policy without expectation of payment or at amounts less than established rates. The clinical operations do not pursue collection of amounts determined to qualify as charity care with the exception of copayments. Charity care is treated as a deduction from gross revenue.

Contract and grant revenues are recognized when all of the eligibility requirements have been met.

Unexpended state appropriations do not revert to the State of New Mexico at the end of the fiscal year and are available to the University in subsequent years according to House Bill 2, Appropriations Act, Section J, found on Page 186.

Unearned revenue consists primarily of advances from contracts and grants, prepayments of tuition and fees for the summer semester, and prepayments of tickets to public and athletic events.

Expenses: Expenses are classified as operating or nonoperating according to the following criteria:

*Operating expenses* include activities that have the characteristics of an exchange transaction, such as a) employee salaries, benefits, and related expense, b) scholarships and fellowships, net of scholarship discounts and allowances, c) utilities, supplies, and other services, d) professional fees, and e) depreciation expenses related to university property, plant, and equipment.

*Nonoperating expenses* include interest on capital asset-related debt and bond expenses that are defined as nonoperating expenses by GASB Statement 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.

### (D) Income Taxes

As an instrumentality of the State of New Mexico, the income generated by the University in the exercise of its essential governmental functions is excluded from federal income tax under IRC Section 115. However, income generated from activities unrelated to the exempt purpose of the University would be subject to tax under IRC Section 511(a)(2)(B).

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As part of a state institution of higher education, the income of the Hospital and BHO is generally excluded from federal and state income taxes under IRC Section 115. However, income generated from activities unrelated to these entities' exempt purpose is subject to income taxes under IRC Section 511(a)(2)(B).

UNM Rainforest Innovations, Innovate ABQ, Inc., Lobo Development Corporation, Lobo Energy, Inc., UNM Medical Group, Inc., and UNM Sandoval Regional Medical Center, Inc. are exempt from federal income tax on income related to their exempt purposes under Section 501(a) of the IRC as organizations described in Section 501(c)(3) of the IRC. The University of New Mexico Retiree Welfare Benefit Trust is exempt from federal income tax under Section 501(c)(9) of the IRC.

### (E) *Joint Powers Agreements*

- (1) The Regents of The University of New Mexico and the Board of County Commissioners of the County of Bernalillo entered into a lease agreement for operation and lease of county healthcare facilities, effective July 1, 1999, amended June 2004 and terminating June 20, 2040. The purpose of the agreement is to operate and maintain UNM Hospital and UNM Behavioral Health Operations in accordance with the provisions of the Hospital Funding Act for the term of the agreement. The agreement continues in force until rescinded or terminated by either party. UNM acts as fiscal agent, reporting revenues and expenses, and accepting audit responsibility. There is no specific amount estimated since the agreement describes an ongoing relationship.
- (2) The University has entered into Joint Powers Agreements with fifty-two (52) Municipal School Districts (the Districts) throughout the State of New Mexico. The University and the Districts have formed an organization for promoting their mutual educational purposes known as the New Mexico Research and Study Council (Council). The purpose of this agreement is to create a mechanism by which the Districts can jointly and cooperatively undertake any activities in their function of providing public educational services. The University has entered into this agreement in order to facilitate such joint activities. This agreement remains in force until terminated. The Council may be terminated by a two-thirds vote of all current parties. UNM acts as fiscal agent, reporting revenues and expenses, and accepting audit responsibility. There is no specific amount estimated since the agreement describes an ongoing relationship.
- (3) The Regents of the University of New Mexico, the Regents of New Mexico State University, and the Regents of the New Mexico Institute of Mining and Technology entered into an agreement to form the New Mexico University Research Consortium (NMURC) effective May 4, 2006. The purpose of the Research Consortium is to promote statewide cooperation in attracting research resources to New Mexico, managing them for the state's higher education research facilities, other New Mexico research facilities and for the benefit of New Mexico economic development. The agreement continues in force indefinitely. Any party may choose to withdraw with 60 days' written notice. At such time, the remaining parties have 45 days to agree to maintain the NMURC or the Joint Powers Agreement will terminate on the date of withdrawal. Each party shall bear its own cost for participating in the NMURC and may elect to make contributions from its funds to or to make payments on behalf of the NMURC. The agreement does not create any obligation for the parties to transfer any funds to the NMURC. The parties shall ensure that all receipts and disbursements of the NMURC are subject to annual audit, either as part of the annual audit of one of the parties, or independently. There is no specific amount estimated since the agreement describes an ongoing relationship.
- (4) The University of New Mexico Natural Heritage Program (NHP) and the New Mexico Energy, Minerals and Natural Resources Department (EMNRD) entered into a Joint Powers Agreement effective August 8, 2005, amended on April 28, 2008 and December 20, 2010. EMNRD's Rare and Endangered Plant Program often receives federal grants to develop projects that require botanical field research, greenhouse studies, and data management. NHP, as a branch of the UNM-Southwest Museum of Biology, maintains the only comprehensive database for New Mexico rare and endangered plant species and is capable of providing professional field and research assistance, greenhouse access, and data management. The purpose of the agreement is for administrative efficiency so that the projects can be carried out through a single program. The agreement continues indefinitely unless earlier terminated by one or both parties. The University of New Mexico Natural Heritage Program acts as fiscal agent, reporting revenues and expenses, and accepting audit responsibility. There is no specific amount estimated since the agreement describes an ongoing relationship.



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- (5) The Regents of the University of New Mexico and the Board of Education of Albuquerque Public Schools, District No. 12 entered into a Joint Powers Agreement concerning the ownership and operation of an educational television facility known as KNME-TV with an effective date of September 16, 1968, amended April 1978. The purpose of the agreement is to make a useful and beneficial educational facility available to both parties over an extended period of time. The agreement continues for an indefinite term and may be terminated upon a) mutual agreement of the parties, b) continued inability of one party to perform its obligations, or c) inadequacy of the facility to fulfill the educational television needs of both parties accompanied by the expressed desire of either party to terminate. UNM acts as fiscal agent, reporting revenues and expenses, and accepting audit responsibility. There is no specific amount estimated since the agreement describes an ongoing relationship.

(F) *Reclassifications*

Certain 2020 amounts have been reclassified in order to be consistent with the 2021 presentation.

(G) *Impact of Recently Issued Accounting Standards*

- (1) GASB Statement 87 – *Leases*. This Statement defines a lease as a contract that conveys control of the right to use another entity's nonfinancial asset (e.g., buildings, land, vehicles, equipment) as specified in the contract for a period of time in an exchange or exchange-like transaction. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources (revenues) or outflows of resources (expenses) based on the payment provisions of the contract. A lessee is required to recognize a lease liability, measured at the present value of payments expected to be made during the lease term, and an intangible right-to-use lease asset, measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. A lessor is required to recognize a lease receivable, measured at the present value of lease payments expected to be received during the lease term, and a deferred inflow of resources, measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods. This Statement includes an exception for short-term leases (those with a maximum possible term of 12 months or less), contracts that transfer ownership, leases of assets that are investments, and certain regulated leases. In light of the COVID-19 pandemic, GASB issued Statement 95, which postpones the effective date of GASB Statement 87 by 18 months. Therefore, GASB Statement 87 is effective for periods beginning after June 15, 2021 (fiscal year 2022), and earlier application is encouraged. The University is currently evaluating the impact GASB Statement 87 will have on its financial statements.
- (2) GASB Statement 91 – *Conduit Debt Obligations*. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. In light of the COVID-19 pandemic, GASB issued Statement 95, which postpones the effective date of GASB Statement 91 by one year. Therefore, GASB Statement 91 is effective for periods beginning after December 15, 2021 (fiscal year 2023), and earlier application is encouraged. The University is currently evaluating the impact GASB Statement 91 will have on its financial statements.



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- (3) GASB Statement 93 – *Replacement of Interbank Offered Rates*. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) — most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address the accounting and financial reporting implications that result from the replacement of an IBOR. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021 (fiscal year 2022). All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020 (fiscal year 2021). Earlier application is encouraged. In light of the COVID-19 pandemic, GASB issued Statement 95, which postpones the effective date of paragraphs 13 and 14, related to lease modifications, of GASB Statement 93 to fiscal years beginning after June 15, 2021 (fiscal year 2022).
- (4) GASB Statement 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership agreements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange-like transaction. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined by this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. GASB Statement 94 is effective for periods beginning after June 15, 2022 (fiscal year 2023), and earlier application is encouraged. The University is currently evaluating the impact GASB Statement 94 will have on its financial statements.
- (5) GASB Statement 96 – *Subscription-based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. GASB Statement 96 is effective for periods beginning after June 15, 2022 (fiscal year 2023), and earlier application is encouraged. The University is currently evaluating the impact GASB Statement 96 will have on its financial statements.
- (6) GASB Statement 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

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applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021 (fiscal year 2022), and earlier application is encouraged. The University is currently evaluating the impact GASB Statement 97 will have on its financial statements.

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### (3) Cash, Cash Equivalents, and Investments

#### (A) Cash and Cash Equivalents

The primary institution's cash accounts are held in demand and time deposits at various financial institutions and had carrying amounts totaling \$791,331,275 and \$598,148,273 at June 30, 2021 and 2020, respectively. New Mexico statutes require financial institutions to pledge qualifying collateral to the primary institution to cover at least 50% of uninsured deposits. All collateral is held by third parties in safekeeping. The primary institution is at risk to the extent that its funds are uninsured or uncollateralized. These amounts are invested in overnight sweep accounts and are collateralized at 59% of the invested balance. At June 30, 2021 and 2020, these funds were collateralized by government agency securities held in the primary institution's name, or a letter of credit (LOC) issued by the Federal Reserve. At June 30, 2021 and June 30, 2020, the total primary institution's deposits were fully insured and/or collateralized.

During FY21, the primary institution swept excess checking balances into overnight commercial paper issued by U.S. Bank. At June 30, 2021, this cash equivalent had a carrying amount of \$110,782,961 and is subject to custodial credit risk. Also, the University used an overnight interest-bearing cash sweep account to invest excess checking balances. At June 30, 2021, this cash equivalent had a carrying value of \$70,740,807 and is 100% FDIC insured. Therefore, it is not subject to custodial credit risk.

During FY18 and FY17, the primary institution invested bond proceeds to be used for future capital projects in a guaranteed investment contract held at another financial institution. This cash equivalent had no balance at the end of June 30, 2021 and a carrying amount of \$3,818,034 at June 30, 2020; it was subject to custodial credit risk while it had a carrying amount.

A summary of cash and cash equivalents at June 30, 2021 and 2020 is as follows:

	2021	2020
Demand and time deposits	\$ 685,690,387	\$ 427,485,485
Commercial paper	110,782,961	161,510,337
Guaranteed investment contracts	-	3,818,034
Money markets	286,571	6,352,669
VEBA Trust	280,225	325,423
Other (includes petty cash and component units' cash held by UNM)	(5,708,869)	(1,018,252)
	<u>\$ 791,331,275</u>	<u>\$ 598,473,696</u>

The discretely presented component units' cash accounts held in demand and time deposits at various institutions had carrying amounts totaling \$15,440,101 and \$18,467,575 at June 30, 2021 and 2020, respectively. Certain amounts are invested in overnight sweep accounts and are collateralized at various levels of the invested balance. At June 30, 2021 and 2020, these funds were collateralized by government-backed securities held in the component unit's name. At June 30, 2021 and June 30, 2020, the total discretely presented component units' public deposits were fully insured and/or collateralized.

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### (B) Investments

University investments are grouped into three major categories for financial reporting purposes: Temporary investments, the CIF, and other long-term investments. Temporary investments are primarily funds available for current operations. Under the University's investment policies, temporary investment funds may be invested in the following instruments:

- Money market funds
- Certificates of deposit (fully insured by the Federal Deposit Insurance Corporation [FDIC])
- Commercial paper
- Bankers' acceptances
- U.S. government agencies
- Corporate bonds (minimum BBB/Baa2 rating or better) per issue
- Industrial floaters
- U.S. Treasuries
- Municipal bonds — both taxable and tax-exempt (minimum A/A2 rating or better) per issue
- Global fixed-income securities: non-dollar denominated securities

Temporary investments also include unspent bond proceeds that are dedicated to various facilities construction projects on campus. Bond proceeds may be invested in all of the securities allowed for temporary funds, as well as Repurchase Agreements and Guaranteed Investment Contracts (GICs). Such construction projects are reported as capital assets in the accompanying statements of net position (note 6). The bond obligations are reported as bonds payable in the accompanying statements of net position (notes 12 and 13).

Long-term investments primarily consist of debt service, debt service reserve, and plant renewal and replacement funds. Bond obligations are reported as bonds payable in the accompanying statements of net position (notes 12 and 13).

The CIF is a unitized internal investment pool consisting of gifted endowment funds of the University and gifted endowment funds of the UNM Foundation. The CIF operates with a long-term investment goal of preserving and maintaining the real purchasing power of the principal while allowing for an annual distribution. The investment of the CIF endowment funds is in accordance with the laws of 1991, chapter 69 of the State of New Mexico. In accordance with UNM and the Foundation's Memorandum, the endowment assets of UNM and the UNM Foundation are commingled for investment purposes, whenever possible, in the CIF. The investment of UNM and the UNM Foundation endowment funds is in accordance with Sections 6-8-10 and 46-9-12, NMSA 1978. At June 30, 2021 and 2020, UNM's portion of the CIF was \$277,822,579 and \$218,570,808, respectively.

### Consolidated Investment Fund

	2021	2020
Units:		
UNM Foundation	565,486	554,555
University of New Mexico	519,398	536,184
	<u>1,084,884</u>	<u>1,090,739</u>
Fair Value (in millions):		
UNM Foundation	\$ 302.4	\$ 226.0
University of New Mexico	277.8	218.6
	<u>\$ 580.2</u>	<u>\$ 444.6</u>

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

Total primary institution investments by type at June 30, 2021 and 2020 are as follows:

	Temporary Investments	Consolidated Investment Fund	Other Long-Term Investments	VEBA Trust	Fair Value
<b>Primary Institution 2021</b>					
Cash	\$ 9,234,789	\$ -	\$ -	\$ 300,000	\$ 9,534,789
Money Market	2,888,454	76,253,700	33,238,338	490,380	112,870,872
Certificate of Deposit	-	-	3,237,636	-	3,237,636
U S Treasury Securities	225,406,617	-	15,652,010	-	241,058,627
U S Government Agencies	7,385,144	-	9,624,506	-	17,009,650
Corporate Bonds/Notes	144,300,710	-	12,842,974	-	157,143,684
Municipal Bonds	6,336,262	-	-	-	6,336,262
Mutual Funds — Fixed	3,326,409	37,664,882	-	19,521,015	60,512,306
Mutual Funds — Equity	9,319,953	246,655,116	-	38,980,587	294,955,656
Exchange-Traded Funds	2,179,462	-	-	-	2,179,462
Foreign Issues	54,451,414	-	-	-	54,451,414
Equity	2,493,699	-	34,815,623	-	37,309,322
Alternative Investments	-	219,723,764	-	-	219,723,764
	<u>467,322,913</u>	<u>580,297,462</u>	<u>109,411,087</u>	<u>59,291,982</u>	<u>1,216,323,444</u>
University of New Mexico Foundation, Inc Investments held in Consolidated Investment Fund		(302,474,883)	-	-	(302,474,883)
<b>Total Investments</b>	<b>\$ 467,322,913</b>	<b>\$ 277,822,579</b>	<b>\$ 109,411,087</b>	<b>\$ 59,291,982</b>	<b>\$ 913,848,561</b>

	Temporary Investments	Consolidated Investment Fund	Other Long-Term Investments	VEBA Trust	Fair Value
<b>Primary Institution 2020</b>					
Money Market	\$ 11,538,505	\$ 14,447,412	\$ 15,083,228	\$ 534,388	\$ 41,603,533
Guaranteed Investment Contract	3,818,034	-	-	-	3,818,034
U S Treasury Securities	232,092,097	-	41,313,808	-	273,405,905
U S Government Agencies	76,805,490	-	-	-	76,805,490
Corporate Bonds/Notes	120,371,705	-	40,131,095	-	160,502,800
Corporate Fixed Income	-	-	2,826,587	-	2,826,587
Municipal Bonds	6,458,441	-	-	-	6,458,441
Mutual Funds — Equity/Fixed	-	262,431,584	2,926,517	40,305,739	305,663,840
Mutual Funds — Closed-end Equity	-	-	-	2,597,932	2,597,932
Exchange-Traded Funds	1,783,006	3,017,379	971,166	-	5,771,551
Equity	6,738,199	-	-	-	6,738,199
Alternative Investments	-	164,734,434	-	-	164,734,434
	<u>459,605,477</u>	<u>444,630,809</u>	<u>103,252,401</u>	<u>43,438,059</u>	<u>1,050,926,746</u>
Guaranteed Investment Contract (cash equivalent)	(3,818,034)	-	-	-	(3,818,034)
University of New Mexico Foundation, Inc Investments held in Consolidated Investment Fund	-	(226,060,000)	-	-	(226,060,000)
<b>Total Investments</b>	<b>\$ 455,787,443</b>	<b>\$ 218,570,809</b>	<b>\$ 103,252,401</b>	<b>\$ 43,438,059</b>	<b>\$ 821,048,712</b>

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

Total discretely presented component unit investments by type at June 30, 2021 and 2020 are as follows:

	Temporary Investments	Consolidated Investment Fund	Other Long-Term Investments	Fair Value
<b><i>Discretely Presented Component Units 2021</i></b>				
Money Market	\$ -	\$ 39,746,667	\$ -	\$ 39,746,667
U.S. Government Obligations	1,535,402	-	-	1,535,402
Mortgage-/Asset-Backed Bonds	447,860	-	-	447,860
Corporate Bonds/Notes	804,615	-	-	804,615
Mutual Funds — Fixed	450,712	19,632,481	2,583,180	22,666,373
Mutual Funds — Equity	2,502,742	128,566,759	370,589	131,440,090
Exchange-Traded Funds	-	52,777	-	52,777
Equity	7,480,218	-	-	7,480,218
Alternative Investments	534,250	114,528,976	-	115,063,226
<b>Total Investments</b>	<b>13,755,799</b>	<b>302,527,660</b>	<b>2,953,769</b>	<b>319,237,228</b>

	Temporary Investments	Consolidated Investment Fund	Other Long-Term Investments	Fair Value
<b><i>Discretely Presented Component Units 2020</i></b>				
Money Market	\$ -	\$ 7,345,379	\$ -	\$ 7,345,379
U.S. Government Obligations	1,017,011	-	2,318,256	3,335,267
Mortgage-/Asset-Backed Bonds	-	-	660,981	660,981
Corporate Bonds/Notes	729,132	-	-	729,132
Municipal Bonds	-	-	3,112,459	3,112,459
Mutual Funds — Equity/Fixed	1,847,783	133,425,943	338,737	135,612,463
Equity	5,897,021	-	125,303	6,022,324
Alternative Investments	1,109,432	85,288,678	24,341	86,422,451
<b>Total Investments</b>	<b>\$ 10,600,379</b>	<b>\$ 226,060,000</b>	<b>\$ 6,580,077</b>	<b>\$ 243,240,456</b>



# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

**Additional Risk Disclosures for Investments** – GASB Statements 3 and 40 require certain additional disclosures related to the risks of custodial credit, interest rates, credit, foreign currency, and concentration of credit associated with deposits and investments.

**Custodial Credit Risk** — Custodial credit risk 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 investment or collateral securities that are in possession of an outside party. Mutual funds and external investment pools are not exposed to custodial credit risk. The University does not have a policy concerning custodial credit risk on investments.

At June 30, 2021 the primary institution had no exposure to custodial credit risk. At June 30, 2021 and 2020, the discretely presented component units had exposure to custodial credit risk in the amounts of \$10,802,345 and \$14,983,797, respectively.

**Interest Rate Risk** — Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments with interest rates that are fixed for longer periods are likely to be subject to more variability in their fair values as a result of future changes in interest rates. The University does have policies to mitigate exposure to interest rate risk by prohibiting certain high-risk investments and investment practices and by establishing duration and maturity guidelines for investments. A summary of the investments at June 30, 2021 and 2020 and their exposure to interest rate risk are as follows:

Primary Institution 2021	Fair Value	Investment Maturities			
		Less than 1 Year	1—5 Years	6—10 Years	Greater than 10 Years
Items subject to interest rate risk:					
Money Market	\$ 97,595,015	\$ 18,207,319	\$ 2,643,616	\$ 490,380	\$ 76,253,700
Certificates of Deposit	3,237,636	-	3,237,636	-	-
U.S. Treasury Securities	241,058,627	21,336,645	219,721,982	-	-
U.S. Government Agencies	17,009,650	7,385,144	9,624,506	-	-
Corporate Bonds/Notes	157,143,684	11,794,593	145,349,091	-	-
Municipal Bonds	6,336,262	900,000	5,436,262	-	-
Mutual Funds — Fixed	3,326,409	-	328,657	2,877,532	120,220
	<u>\$ 525,707,283</u>	<u>\$ 59,623,701</u>	<u>\$ 386,341,750</u>	<u>\$ 3,367,912</u>	<u>\$ 76,373,920</u>
Items not subject to interest rate risk:					
Cash	\$ 9,534,789				
Money Market	15,275,857				
Mutual Funds — Fixed	57,185,897				
Mutual Funds — Equity	294,955,656				
Exchange-Traded Funds	2,179,462				
Foreign Issues	54,451,414				
Equity	37,309,322				
Alternative Investments	219,723,764				
	<u>\$ 690,616,161</u>				
University of New Mexico Foundation, Inc.					
Investments held in Consolidated Investment Fund	(302,474,883)				
Total Investments	<u>\$ 913,848,561</u>				

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

Primary Institution 2020	Fair Value	Investment Maturities			
		Less than 1 Year	1—5 Years	6—10 Years	Greater than 10 Years
Items subject to interest rate risk:					
Money Market	\$ 26,519,766	\$ 11,538,505	\$ -	\$ 14,446,873	\$ 534,388
Guaranteed Investment Contract	3,818,034	3,818,034	-	-	-
U.S. Treasury Securities	273,405,905	232,092,097	41,313,808	-	-
U.S. Government Agencies	12,719,626	251,607	12,468,019	-	-
Corporate Bonds/Notes	160,502,800	120,371,705	40,131,095	-	-
Municipal Bonds	6,458,441	284,281	6,174,160	-	-
Mutual Funds — Fixed	54,705,448	-	-	54,705,448	-
	<u>\$ 538,130,020</u>	<u>\$ 368,356,229</u>	<u>\$ 100,087,082</u>	<u>\$ 69,152,321</u>	<u>\$ 534,388</u>
Items not subject to interest rate risk:					
Money Market	\$ 15,083,767				
Mutual Funds — Equity/Fixed	253,556,324				
Equity	6,738,199				
Exchange-Traded Funds	5,771,551				
Alternative Investments	164,734,434				
Corporate Fixed Income	2,826,587				
U S Government Agencies	64,085,864				
	<u>\$ 512,796,726</u>				
Guaranteed Investment Contract (cash equivalent)	(3,818,034)				
University of New Mexico Foundation, Inc.					
Investments held in Consolidated Investment Fund	(226,060,000)				
Total Investments	<u>\$ 821,048,712</u>				

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

Discretely Presented Component Units 2021	Fair Value	Investment Maturities			
		Less than 1			Greater than 10
		Year	1—5 Years	6—10 Years	Years
Items subject to interest rate risk:					
U.S. Government Securities	\$ 1,535,402	\$ 94,539	\$ 806,207	\$ 192,374	\$ 442,282
Corporate Bonds/Notes	804,615	5,050	247,592	491,477	60,496
Mortgage/Asset-Backed Bonds	447,860	-	30,635	20,413	396,812
	<u>\$ 2,787,877</u>	<u>\$ 99,589</u>	<u>\$ 1,084,434</u>	<u>\$ 704,264</u>	<u>\$ 899,590</u>
Items not subject to interest rate risk:					
Money Market	\$ 39,746,667				
Mutual Funds — Fixed	22,666,373				
Mutual Funds — Equity	131,440,090				
Exchange - Traded Funds	52,777				
Corporate Stock - Equities	7,480,218				
Alternative Investments	115,063,226				
	<u>\$ 316,449,351</u>				
Total Investments	<u>\$ 319,237,228</u>				

Discretely Presented Component Units 2020	Fair Value	Investment Maturities			
		Less than 1			Greater than 10
		Year	1—5 Years	6—10 Years	Years
Items subject to interest rate risk:					
U.S. Government Securities	\$ 3,335,267	\$ 1,563,301	\$ 1,286,467	\$ 101,339	\$ 384,160
Corporate Bonds/Notes	729,132	5,076	170,784	395,741	157,531
Municipal Bonds	3,112,459	66,809	875,989	1,103,975	1,065,686
	<u>\$ 7,176,858</u>	<u>\$ 1,635,186</u>	<u>\$ 2,333,240</u>	<u>\$ 1,601,055</u>	<u>\$ 1,607,377</u>
Items not subject to interest rate risk:					
Money Market	\$ 7,345,379				
Mortgage/Asset-Backed Bonds	660,981				
Mutual Funds — Equity/Fixed	135,612,463				
Equities	6,022,324				
Alternative Investments	86,422,451				
	<u>\$ 236,063,598</u>				
Total Investments	<u>\$ 243,240,456</u>				

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

**Credit Risk** — Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit quality information, as commonly expressed in terms of the credit ratings issued by nationally recognized statistical rating organizations such as Moody's Investors Service, Standard & Poor's, or Fitch Ratings, provides a current depiction of potential variable cash flows and credit risk. The University does have a policy to limit its exposure to credit risk that states that investments should have an average credit quality of A1/A+ or better and security ratings of investment grade. A summary of the investments at June 30, 2021 and 2020 and their exposure to credit risk are as follows:

### Primary Institution 2021

#### Items subject to credit risk:

Credit Rating	Money Market	Guaranteed Investment Contract	U.S. Government Agencies	Corporate Bonds/Notes	Corporate Fixed Income	Municipal Bonds	Mutual Funds — Closed-end Equity	Fair Value
Moody's — Aaa	\$ -	\$ -	\$ 7,385,144	\$ 2,631,315	\$ -	\$ -	\$ -	\$ 10,016,459
Moody's — Aa1	-	-	-	3,250,399	-	259,692	-	3,510,091
Moody's — Aa2	-	-	-	6,565,554	-	2,545,658	-	9,111,212
Moody's — Aa3	-	-	-	4,662,607	-	3,530,912	-	8,193,519
Moody's — A1	-	-	-	24,957,584	-	-	-	24,957,584
Moody's — A2	-	-	-	45,506,709	-	-	-	45,506,709
Moody's — A3	-	-	-	34,814,674	-	-	-	34,814,674
Moody's — Baa1	-	-	-	16,477,251	-	-	-	16,477,251
Moody's — Baa2	-	-	-	4,193,753	-	-	-	4,193,753
Moody's — Baa3	-	-	-	1,240,864	-	-	-	1,240,864
S&P — AAA	-	-	14,419,137	40,859	-	-	111,173	14,571,169
S&P — AA	-	-	-	1,770,951	-	-	2,396,857	4,167,808
S&P — A	-	-	-	8,992,242	-	-	240,004	9,232,246
S&P — BBB	-	-	-	2,038,922	-	-	300,765	2,339,687
S&P — BBB+	-	-	-	-	-	-	277,610	277,610
Not Rated	33,483,176	-	-	-	-	-	-	33,483,176
Total items subject to credit risk	\$ 33,483,176	\$ -	\$ 21,804,281	\$ 157,143,684	\$ -	\$ 6,336,262	\$ 3,326,409	\$ 222,093,812

#### Items not subject to credit risk:

Cash	\$ 9,534,789
Money Market	79,387,696
Certificate of Deposit	3,237,636
U.S. Treasury Securities	226,639,490
U.S. Government Agencies	9,624,506
Mutual Funds — Fixed	57,185,897
Mutual Funds — Equity	294,955,656
Exchange-Traded Funds	2,179,462
Foreign Issues	54,451,414
Equity	37,309,322
Alternative Investments	219,723,764
Total items not subject to credit risk	\$ 994,229,632
University of New Mexico Foundation, Inc.	
Investments held in Consolidated Investment Fund	(302,474,883)
<b>Total Investments</b>	<b>\$ 913,848,561</b>

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### Primary Institution 2020

#### Items subject to credit risk:

Credit Rating	Money Market	Guaranteed Investment Contract	U.S. Government Agencies	Corporate Bonds/Notes	Corporate Fixed Income	Municipal Bonds	Mutual Funds — Closed-end Equity	Fair Value
Moody's — Aaa	\$ 8,803,486	\$ -	\$ 251,607	\$ 1,078,321	\$ -	\$ -	\$ 2,597,932	\$ 12,731,346
Moody's — Aa1	-	-	-	4,550,321	-	1,361,767	-	5,912,088
Moody's — Aa2	-	-	-	4,494,395	-	2,068,507	-	6,562,902
Moody's — Aa3	-	-	-	2,599,815	-	1,033,747	-	3,633,562
Moody's — A1	-	-	-	17,187,736	-	-	-	17,187,736
Moody's — A2	-	-	-	20,462,073	-	-	-	20,462,073
Moody's — A3	-	-	-	16,174,032	-	-	-	16,174,032
Moody's — Baa1	-	-	-	9,541,686	-	-	-	9,541,686
Moody's — Baa2	-	-	-	7,536,182	-	-	-	7,536,182
Moody's — Baa3	-	-	-	1,222,752	-	-	-	1,222,752
S&P — AAA	-	-	-	4,622,501	-	-	-	4,622,501
S&P — AA+	-	-	12,468,019	4,687,952	-	-	-	17,155,971
S&P — AA-	-	-	-	7,387,415	-	210,095	-	7,597,510
S&P — AA	-	-	301,989	3,410,491	-	1,521,762	-	5,234,242
S&P — A+	-	-	-	3,805,130	-	262,563	-	4,067,693
S&P — A-	-	-	-	16,658,957	-	-	-	16,658,957
S&P — A	-	-	-	17,467,312	-	-	-	17,467,312
S&P — Baa1	-	-	-	9,034,772	-	-	-	9,034,772
S&P — BBB	-	-	-	3,529,048	-	-	-	3,529,048
S&P — BBB+	-	-	-	4,337,658	-	-	-	4,337,658
Not Rated	834,313	3,818,034	-	1,240,572	-	-	-	5,892,919
Total items subject to credit risk	\$ 9,637,799	\$ 3,818,034	\$ 13,021,615	\$ 161,029,121	\$ -	\$ 6,458,441	\$ 2,597,932	\$ 196,562,942

#### Items not subject to credit risk:

Money Market	\$ 31,965,734
U.S. Treasury Securities	273,405,905
U.S. Government Agencies	63,783,875
Corporate Fixed Income	2,300,266
Mutual Funds — Fixed/Equity	305,663,840
Exchange-Traded Funds	5,771,551
Equity	6,738,199
Alternative Investments	164,734,434
Total items not subject to credit risk	\$ 854,363,804
Guaranteed Investment Contract (cash equivalent)	(3,818,034)
University of New Mexico Foundation, Inc.	
Investments held in Consolidated Investment Fund	(226,060,000)
<b>Total Investments</b>	<b>\$ 821,048,712</b>

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### *Discretely Presented Component Units 2021*

#### Items subject to credit risk:

Credit Rating	U.S. Government Agencies	Corporate Bonds/Notes	Mortgage-/ Asset-Backed Bonds	Municipal Bonds	Fair Value
S&P — AAA	\$ -	\$ 7,908	\$ 19,211	\$ -	\$ 27,119
S&P — AA+	18,934	2,113	-	-	21,047
S&P — AA	-	23,394	2,021	-	25,415
S&P — AA-	-	13,942	-	-	13,942
S&P — A+	-	47,111	-	-	47,111
S&P — A	-	28,500	-	-	28,500
S&P — A-	-	133,464	-	-	133,464
S&P — BBB+	-	423,487	-	-	423,487
S&P — BBB	-	118,190	-	-	118,190
S&P — BBB-	-	6,506	-	-	6,506
Not Rated	1,086,869	-	426,628	-	1,513,497
Government Guaranteed	429,599	-	-	-	429,599
Total items subject to credit risk	\$ 1,535,402	\$ 804,615	\$ 447,860	\$ -	\$ 2,787,877

#### Items not subject to credit risk:

Money Market Account	\$ 39,746,667
Mutual Funds — Equity	131,440,090
Mutual Funds — Fixed	22,666,373
Equity	7,480,218
Exchange-Traded Funds	52,777
Alternatives Investments	115,063,226
Total items not subject to credit risk	\$ 316,449,351
<b>Total Investments</b>	<b>\$ 319,237,228</b>



# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### Discretely Presented Component Units 2020

#### Items subject to credit risk:

Credit Rating	U.S. Government Agencies	Corporate Bonds/Notes	Mortgage-/ Asset-Backed Bonds	Municipal Bonds	Fair Value
Moody's — Aaa	\$ 2,318,256	\$ 90,712	\$ 42,770	\$ 676,607	\$ 3,128,345
Moody's — Aa1	-	-	-	304,976	304,976
Moody's — Aa2	-	-	-	608,215	608,215
Moody's — Aa3	-	-	-	529,418	529,418
Moody's — AA+	31,164	-	-	-	31,164
Moody's — A1	-	-	-	25,051	25,051
Moody's — Baa2	-	-	-	10,464	10,464
S&P — AA+	-	47,708	-	-	47,708
S&P — AA-	-	14,096	-	-	14,096
S&P — A	-	4,316	-	-	4,316
S&P — A+	-	1,079	-	-	1,079
S&P — A-	-	161,327	-	-	161,327
S&P — BBB+	-	281,258	-	-	281,258
S&P — BBB	-	78,101	-	-	78,101
S&P — BBB-	-	5,458	-	-	5,458
S&P — BB+	-	45,077	-	-	45,077
Not Rated	-	-	618,211	957,728	1,575,939
Government Guaranteed	985,847	-	-	-	985,847
Total items subject to credit risk	\$ 3,335,267	\$ 729,132	\$ 660,981	\$ 3,112,459	\$ 7,837,839

#### Items not subject to credit risk:

Money Market Account	\$ 7,345,379
Mutual Funds — Equity/Fixed	135,612,463
Equity	6,022,324
Marketable Alternatives	86,422,451
Total items not subject to credit risk	\$ 235,402,617
<b>Total Investments</b>	<b>\$ 243,240,456</b>

**Foreign Currency Risk** — Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. In order to mitigate foreign currency risk, University policy allows for currency forwards to be implemented as a hedge to the global fixed income portfolio when deemed appropriate. In addition, University policy states that the portfolio will not invest more than 5% of the total market value of its investments (measured at the time of purchase) in the debt obligations of any single fixed income issuer; however, securities issued and guaranteed by Organization for Economic Cooperation and Development (OECD) nations may be held without limitation. At June 30, 2021 and 2020, the University had no investments subject to foreign currency risk.

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

**Concentration of Credit Risk** — Concentration of credit risk is the risk of loss attributed to the magnitude of the University's investment in a single issuer. Investments in any one issuer that represent 5% or more of total investments are considered to be exposed to concentrated credit risk and are required to be disclosed. Investments issued and explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.

The University does have a policy to limit its exposure to concentrated credit risk; the policy states that investments shall be diversified with the intent to minimize the risk of large investment losses. For the fiscal year ended June 30, 2021, the University had 21.17% of its investments in US Treasuries.

**Investment Income** — At June 30, 2021 and 2020, investment income consisted of the following:

	2021	2020
<b>Primary Institution Investment Income</b>		
<i>Investment Revenue</i>		
Investment income	\$ 62,446,967	\$ 19,149,225
Land Grant Permanent Fund distributions	10,270,710	9,963,924
<i>Realized Gains (Losses)</i>		
Endowments — Consolidated Investment Fund	14,889,583	7,656,891
Nonendowment investments	5,876,641	8,694,185
<i>Unrealized Gains (Losses)</i>		
Endowments — Consolidated Investment Fund	(12,699,778)	(9,576,532)
Nonendowment investments	(1,839,605)	(721,983)
<b>Primary Institution Investment Income</b>	<b>\$ 78,944,518</b>	<b>\$ 35,165,710</b>
<b>Discretely Presented Component Units</b>		
<b>Investment Income</b>	<b>\$ 73,738,105</b>	<b>\$ (1,168,684)</b>

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

**Fair Value Measurement** – The University and its component units categorize fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- *Level 1* inputs are quoted prices (unadjusted) for identical assets in active markets, accessible at the measurement date. Level 1 inputs include exchange markets, dealer markets, brokered markets, and principal-to-principal markets.
- *Level 2* inputs are inputs other than quoted prices included within Level 1 that are observable for an asset, either directly or indirectly. Level 2 inputs include quoted prices for similar assets in active markets and quoted prices for identical or similar assets in markets that are not active.
- *Level 3* inputs are unobservable inputs for an asset.

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 University and its component units consider the reasonableness of the NAV, based on market information, to arrive at the fair value estimates for each investment.

The investments valued using NAV include the following strategies:

- Multi-strategy hedge funds
- Event driven hedge funds
- Equity hedge funds
- Distressed/restructuring hedge funds
- Global macro hedge funds
- Systematic diversified risk hedge funds
- Private equity
- Illiquid real assets
- Mutual funds-fixed
- Mutual funds-equity

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

A summary of fair value measurements at June 30, 2021 and 2020 are as follows:

<i>Primary Institution 2021</i>	<b>Fair Value</b>	<b>Quoted prices in active markets for identical assets (Level 1)</b>	<b>Significant other observable inputs (Level 2)</b>	<b>Significant unobservable inputs (Level 3)</b>
<b>Investments held by the Primary Institution:</b>				
Certificates of Deposit	\$ 3,237,636	\$ -	\$ 3,237,636	\$ -
U.S. Treasury Securities	241,058,627	226,639,490	14,419,137	-
U.S. Government Agencies	17,009,650	9,624,506	7,385,144	-
Corporate Bonds/Notes	157,143,684	-	157,143,684	-
Municipal Bonds	6,336,262	-	6,336,262	-
Mutual Funds — Fixed	60,511,730	60,511,730	-	-
Mutual Funds — Equity	48,300,540	48,300,540	-	-
Exchange-Traded Funds	2,179,462	2,179,462	-	-
Foreign Issues	54,451,414	-	54,451,414	-
Equity	5,000,000	-	-	5,000,000
<b>Total</b>	<b>\$ 595,229,005</b>	<b>\$ 347,255,728</b>	<b>\$ 242,973,277</b>	<b>\$ 5,000,000</b>
<b>Investments measured at the NAV:</b>				
Mutual Funds — Fixed	\$ 576	\$ -	\$ -	-
Mutual Funds — Equity	246,655,116	-	-	-
Private Equity	136,281,801	27,666,555	-	-
Illiquid Funds	8,811,284	3,982,709	-	-
Real Estate funds	9,399,020	1,849,008	-	-
Marketable Alternatives	95,045,532	-	Monthly/Quarterly/ Annually	2 to 90 days
<b>Total</b>	<b>\$ 496,193,329</b>	<b>\$ 33,498,272</b>		
<b>Investments measured at the amortized cost:</b>				
Money Market	\$ 112,870,872			
<b>Total</b>	<b>\$ 112,870,872</b>			
<b>Other:</b>				
Cash	\$ 9,534,789			
Equity	2,495,449			
University of New Mexico Foundation, Inc. Investments held in Consolidated Investment Fund	(302,474,883)			
<b>Total Investments</b>	<b>\$ 913,848,561</b>			

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

<i>Primary Institution 2020</i>	Fair Value	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Investments held by the Primary Institution:</b>				
U.S. Treasury Securities	\$ 273,405,905	\$ 273,405,905	\$ -	\$ -
U.S. Government Agencies	76,805,490	63,783,875	13,021,615	-
Corporate Bonds/Notes	160,502,800	-	160,502,800	-
Municipal Bonds	6,458,441	-	6,458,441	-
Mutual Funds — Fixed	39,413,415	39,413,415	-	-
Mutual Funds — Equity	45,830,189	45,830,189	-	-
Exchange-Traded Funds	5,771,551	5,771,551	-	-
Equity	5,759,813	759,813	-	5,000,000
<b>Total</b>	<b>\$ 613,947,604</b>	<b>\$ 428,964,748</b>	<b>\$ 179,982,856</b>	<b>\$ 5,000,000</b>
	Fair Value	Unfunded commitments	Redemption frequency (if currently eligible)	Redemption notice period
<b>Investments measured at the NAV:</b>				
Mutual Funds — Fixed	\$ 15,292,032	\$ -	\$ -	-
Mutual Funds — Equity	207,726,136	-	-	-
Private Equity	65,269,460	26,750,422	-	-
Illiquid Funds	5,573,088	4,813,804	-	-
Real Estate funds	10,775,936	2,044,045	-	-
Marketable Alternatives	83,115,950		Monthly/Quarterly/ Annually	2 to 90 days
<b>Total</b>	<b>\$ 387,752,602</b>	<b>\$ 33,608,271</b>		
<b>Investments measured at the amortized cost:</b>				
Money Market	\$ 41,603,533			
Guaranteed Investment Contract	3,818,034			
Corporate Fixed Income	2,826,587			
<b>Total</b>	<b>\$ 48,248,154</b>			
<b>Other:</b>				
Equity	\$ 978,386			
Guaranteed Investment Contract (cash equivalent)	(3,818,034)			
University of New Mexico Foundation, Inc.				
Investments held in Consolidated Investment Fund	(226,060,000)			
<b>Total Investments</b>	<b>\$ 821,048,712</b>			

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

<i>Discretely Presented Component Units 2021</i>	Fair Value	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Beneficial interest in irrevocable split interest agreements	\$ 22,990,912	\$ -	\$ 22,990,912	\$ -
<b>Investments held by the Component Units:</b>				
Government Securities — Treasuries	\$ 1,535,402	\$ 1,516,468	\$ 18,934	\$ -
Corporate Bonds/Notes	804,615	-	804,615	-
Mortgage/asset backed securities	447,860	-	447,860	-
Mutual Funds — Fixed	3,033,892	450,712	2,583,180	-
Mutual Funds — Equity	2,873,331	370,589	2,502,742	-
Equity	5,401,373	199,943	5,201,430	-
<b>Total</b>	<b>\$ 14,096,473</b>	<b>\$ 2,537,712</b>	<b>\$ 11,558,761</b>	<b>\$ -</b>
	Fair Value	Unfunded commitments	Redemption frequency (if currently eligible)	Redemption notice period
<b>Investments measured at the NAV:</b>				
Marketable Alternatives	\$ 44,674,446	\$ -	Monthly/Quarterly/ Annually	2 to 90 days
Private Equity	55,495,449	30,121,518	-	-
Illiquid Real Asset Funds	4,592,802	4,336,111	-	-
Real Estate funds	4,899,156	2,013,078	-	-
Equity	7,480,218	-	-	-
Mutual Funds — Fixed	19,632,481	-	Daily-monthly	1 to 30 days
Mutual Funds — Equity	128,566,759	-	Daily	1 to 2 days
Exchange-Traded Funds	52,777	52,777		
<b>Total</b>	<b>\$ 265,394,088</b>	<b>\$ 36,523,484</b>		
<b>Investments measured at the amortized cost:</b>				
Money Market	\$ 39,746,667			
<b>Total</b>	<b>\$ 39,746,667</b>			
<b>Total Investments</b>	<b>\$ 319,237,228</b>			



# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

		Quoted prices in active markets for identical assets (Level 1)			Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<i>Discretely Presented Component Units 2020</i>	Fair Value					
Beneficial interest in irrevocable split interest agreements	\$ 19,941,453	\$ -	\$ 19,941,453	\$ -		
<b>Investments held by the Component Units:</b>						
Government Securities — Treasuries	\$ 3,335,267	\$ 774,691	\$ 2,560,576	\$ -		
Corporate Bonds/Notes	729,132	-	729,132	-		
Municipal Bonds	3,112,459	-	3,112,459	-		
Mutual Funds	2,090,103	2,090,103	-	-		
Mutual Funds — Fixed	198,700	-	198,700	-		
Mutual Funds — Equity	2,458,293	2,458,293	-	-		
Equity	6,022,324	6,022,324	-	-		
Mortgage-/Asset-Backed Bonds	660,981	-	660,981	-		
Alternative Investments	24,341	-	24,341	-		
<b>Total</b>	<b>\$ 18,631,600</b>	<b>\$ 11,345,411</b>	<b>\$ 7,286,189</b>	<b>\$ -</b>		
	Fair Value	Unfunded commitments	Redemption frequency (if currently eligible)	Redemption notice period		
<b>Investments measured at the NAV:</b>						
Marketable Alternatives	\$ 45,901,494	\$ -	Annually	2 to 90 days		
Private Equity	33,184,416	27,667,008	-	-		
Illiquid Real Asset Funds	1,833,479	4,978,746	-	-		
Real Estate funds	5,478,721	2,114,083	-	-		
Mutual Funds — Fixed	130,865,367	-	Daily-monthly	1 to 30 days		
<b>Total</b>	<b>\$ 217,263,477</b>	<b>\$ 34,759,837</b>				
<b>Investments measured at the amortized cost:</b>						
Money Market	\$ 7,345,379					
<b>Total</b>	<b>\$ 7,345,379</b>					
<b>Total Investments</b>	<b>\$ 243,240,456</b>					

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### (4) Accounts Receivable, Patient Receivables, and Other Receivables

Accounts receivable and patient receivables are shown net of allowances for doubtful accounts in the accompanying statements of net position. At June 30, 2021 and 2020, receivables consisted of the following:

	2021	2020
<b>Accounts receivable, net</b>		
Primary Institution:		
Contracts and grants	\$ 42,749,316	\$ 35,520,152
Tuition and fees	17,372,216	16,372,209
Auxiliaries	8,297,003	9,175,640
Sales and services	6,045,081	17,332,578
State of New Mexico bonds	4,844,706	2,183,931
HSC health services	4,841,892	5,262,921
Other	6,787,245	4,059,971
Total accounts receivable	<u>\$ 90,937,459</u>	<u>\$ 89,907,402</u>
Less: Allowance for doubtful accounts	<u>(26,251,807)</u>	<u>(24,140,806)</u>
Total accounts receivable, net	<u><u>\$ 64,685,652</u></u>	<u><u>\$ 65,766,596</u></u>
 Discretely Presented Component Units	 <u><u>\$ 1,383,464</u></u>	 <u><u>\$ 1,232,514</u></u>
 <b>Patient receivables, net</b>		
Primary Institution:		
Patient receivables	\$ 501,523,436	\$ 450,332,527
Less: Allowance for doubtful accounts and contractual adjustments	<u>(288,904,121)</u>	<u>(273,148,695)</u>
Total patient receivables, net	<u><u>\$ 212,619,315</u></u>	<u><u>\$ 177,183,832</u></u>
 <b>Other receivables</b>		
Primary Institution:		
Interest receivable	\$ 1,809,894	\$ 2,847,033
Bernalillo County mill levy	2,233,041	1,873,393
Other receivables	6,371,472	6,399,079
Total other receivables	<u><u>\$ 10,414,407</u></u>	<u><u>\$ 11,119,505</u></u>

### (5) Notes Receivable

At June 30, 2021 and 2020, notes receivable consisted of the following:

	2021	2020
Primary Institution:		
Student loans, current	\$ 4,857,348	\$ 2,227,966
Student loans, noncurrent	3,870,909	4,926,953
Total notes receivable	<u><u>\$ 8,728,257</u></u>	<u><u>\$ 7,154,919</u></u>

Federal Perkins Loans make up approximately 34% and 57% of the student loans at June 30, 2021 and 2020, respectively. Under this program, the federal government provides funds for approximately 75% of the total contribution for student loans, with the University providing the remaining balance. Under certain conditions, such loans can be forgiven at annual rates of 10% to 30% of the original balance up to maximums of 50% to 100% of the original loan. The federal government reimburses the University 10% for the amounts canceled on loans originated prior to July 1, 1993

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

under the Federal Perkins Loan Program. Under federal law, the authority for schools to make new Perkins Loans ended September 30, 2017, and final disbursements were permitted through June 30, 2018. As a result, students can no longer receive Perkins Loans.

### (6) Capital Assets

	Year Ended June 30, 2021				
	Beginning Balance	Additions	Transfers	Retirements	Ending Balance
<b>Primary Institution:</b>					
Capital assets not being depreciated					
Land	\$ 58,575,602	\$ -	\$ -	\$ (3,957,684)	\$ 54,617,918
Construction in progress	103,983,978	75,132,202	(42,698,500)	(322,873)	136,094,807
Fabricated equipment in progress	878,322	162,889	(695)	-	1,040,516
Total capital assets not being depreciated	<u>\$ 163,437,902</u>	<u>\$ 75,295,091</u>	<u>\$ (42,699,195)</u>	<u>\$ (4,280,557)</u>	<u>\$ 191,753,241</u>
Depreciable capital assets					
Land improvements	\$ 84,204,262	\$ -	\$ 5,621,575	\$ (59,334)	\$ 89,766,503
Infrastructure	180,829,165	-	7,579,488	-	188,408,653
Buildings	1,691,987,689	239,439	23,856,833	(4,918,981)	1,711,164,980
Equipment and furnishings	713,846,637	39,372,692	5,641,296	(21,230,319)	737,630,306
Library books	198,500,797	5,436,848	-	-	203,937,645
Total depreciable capital assets	<u>\$ 2,869,368,550</u>	<u>\$ 45,048,979</u>	<u>\$ 42,699,192</u>	<u>\$ (26,208,634)</u>	<u>\$ 2,930,908,087</u>
Less: Accumulated depreciation for					
Land improvements	\$ (61,044,523)	\$ (3,095,362)	\$ -	\$ 8,653	\$ (64,131,232)
Infrastructure	(131,328,844)	(8,350,770)	-	-	(139,679,614)
Buildings	(739,685,989)	(44,951,558)	-	1,726,614	(782,910,933)
Equipment and furnishings	(545,423,523)	(44,672,137)	-	20,599,658	(569,496,002)
Library books	(187,387,079)	(5,584,974)	-	-	(192,972,053)
Total accumulated depreciation	<u>\$ (1,664,869,958)</u>	<u>\$ (106,654,801)</u>	<u>\$ -</u>	<u>\$ 22,334,925</u>	<u>\$ (1,749,189,834)</u>
Total depreciable capital assets, net	<u>\$ 1,204,498,592</u>	<u>\$ (61,605,822)</u>	<u>\$ 42,699,192</u>	<u>\$ (3,873,709)</u>	<u>\$ 1,181,718,253</u>
Capital asset summary					
Capital assets not being depreciated	\$ 163,437,902	\$ 75,295,091	\$ (42,699,195)	\$ (4,280,557)	\$ 191,753,241
Depreciable capital assets at cost	2,869,368,550	45,048,979	42,699,192	(26,208,634)	2,930,908,087
Total cost of capital assets	<u>\$ 3,032,806,452</u>	<u>\$ 120,344,070</u>	<u>\$ (3)</u>	<u>\$ (30,489,191)</u>	<u>\$ 3,122,661,328</u>
Less: Accumulated depreciation	<u>(1,664,869,958)</u>	<u>(106,654,801)</u>	<u>-</u>	<u>22,334,925</u>	<u>(1,749,189,834)</u>
Capital assets, net	<u>\$ 1,367,936,494</u>	<u>\$ 13,689,269</u>	<u>\$ (3)</u>	<u>\$ (8,154,266)</u>	<u>\$ 1,373,471,494</u>
<b>Discretely Presented Component Units:</b>					
Capital assets, net	\$ -	\$ 189,974	\$ -	\$ -	\$ 189,974

In FY21, the University was no longer required to capitalize interest expense incurred during the period an asset is being prepared for its intended use. For the year ended June 30, 2020 the University capitalized interest expense of \$3,920,926.

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

	Year Ended June 30, 2020				
	Beginning Balance	Additions	Transfers	Retirements	Ending Balance
<b>Primary Institution:</b>					
Capital assets not being depreciated					
Land	\$ 58,575,602	\$ -	\$ -	\$ -	\$ 58,575,602
Construction in progress	109,394,671	105,527,951	(110,938,644)	-	103,983,978
Fabricated equipment in-progress	626,857	410,155	(158,690)	-	878,322
Total capital assets not being depreciated	<u>\$ 168,597,130</u>	<u>\$ 105,938,106</u>	<u>\$(111,097,334)</u>	<u>\$ -</u>	<u>\$ 163,437,902</u>
Depreciable capital assets					
Land improvements	\$ 83,872,885	\$ -	\$ 468,983	\$ (137,606)	\$ 84,204,262
Infrastructure	180,829,165	-	-	-	180,829,165
Buildings	1,594,532,443	1,297,768	106,375,967	(10,218,489)	1,691,987,689
Equipment and furnishings	705,840,543	31,995,517	4,252,384	(28,241,807)	713,846,637
Library books	193,229,593	5,271,204	-	-	198,500,797
Total depreciable capital assets	<u>\$ 2,758,304,629</u>	<u>\$ 38,564,489</u>	<u>\$ 111,097,334</u>	<u>\$ (38,597,902)</u>	<u>\$ 2,869,368,550</u>
Less: Accumulated depreciation for					
Land improvements	\$ (58,366,359)	\$ (2,815,770)	\$ -	\$ 137,606	\$ (61,044,523)
Infrastructure	(123,228,826)	(8,100,018)	-	-	(131,328,844)
Buildings	(704,828,495)	(44,896,788)	-	10,039,294	(739,685,989)
Equipment and furnishings	(528,988,108)	(44,348,460)	-	27,913,045	(545,423,523)
Library books	(181,593,499)	(5,793,580)	-	-	(187,387,079)
Total accumulated depreciation	<u>\$ (1,597,005,287)</u>	<u>\$(105,954,616)</u>	<u>\$ -</u>	<u>\$ 38,089,945</u>	<u>\$ (1,664,869,958)</u>
Total depreciable capital assets, net	<u>\$ 1,161,299,342</u>	<u>\$ (67,390,127)</u>	<u>\$ 111,097,334</u>	<u>\$ (507,957)</u>	<u>\$ 1,204,498,592</u>
Capital asset summary					
Capital assets not being depreciated	\$ 168,597,130	\$ 105,938,106	\$(111,097,334)	\$ -	\$ 163,437,902
Depreciable capital assets at cost	2,758,304,629	38,564,489	111,097,334	(38,597,902)	2,869,368,550
Total cost of capital assets	\$ 2,926,901,759	\$ 144,502,595	\$ -	\$ (38,597,902)	\$ 3,032,806,452
Less: Accumulated depreciation	(1,597,005,287)	(105,954,616)	-	38,089,945	(1,664,869,958)
Capital assets, net	<u>\$ 1,329,896,472</u>	<u>\$ 38,547,979</u>	<u>\$ -</u>	<u>\$ (507,957)</u>	<u>\$ 1,367,936,494</u>

The discretely presented component units did not have any capital assets as of June 30, 2020.

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### (7) Other Assets – Current and Noncurrent

At June 30, 2021 and 2020, other assets consisted of the following:

	2021	2020
<b>Other current assets</b>		
Primary Institution:		
Prepaid expenses	\$ 12,084,507	\$ 16,290,739
Broadcast rights	843,680	921,975
Other	1,748,788	1,352,594
Total other current assets	<u>\$ 14,676,975</u>	<u>\$ 18,565,308</u>
Discretely Presented Component Units	<u>\$ 619,981</u>	<u>\$ 611,990</u>
<b>Other noncurrent assets</b>		
Primary Institution:		
Investment in Lovelace UNM Rehab Hospital	\$ 15,572,910	\$ 14,069,668
Art and special collections	6,001,664	6,003,885
Prepaid expenses	219,723	242,861
Other	1,549,186	1,495,515
Total other noncurrent assets	<u>\$ 23,343,483</u>	<u>\$ 21,811,929</u>
Discretely Presented Component Units	<u>\$ 4,495,568</u>	<u>\$ 4,641,288</u>

### (8) Accounts Payable and Accrued Payroll

At June 30, 2021 and 2020, accounts payable and accrued payroll consisted of the following:

	2021	2020
Primary Institution:		
Trade payables	\$ 98,573,638	\$ 78,893,049
Accrued payroll	76,620,337	76,343,320
Self-insurance reserve	26,107,639	18,068,050
Total accounts payable and accrued payroll	<u>\$201,301,614</u>	<u>\$173,304,419</u>
Discretely Presented Component Units	<u>\$ 1,463,092</u>	<u>\$ 2,050,404</u>

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### (9) Accrued Compensated Absences

During the years ended June 30, 2021 and 2020, the following changes occurred in accrued compensated absences for the primary institution:

Fiscal Year	Balance July 1	Additions	Deductions	Balance June 30
2021	\$64,786,841	\$70,734,753	\$ (56,912,137)	\$ 78,609,457
2020	57,602,401	67,987,727	(60,803,287)	64,786,841

The portion of accrued compensated absences due after one year is not material and, therefore, is not presented separately.

### (10) Other Accrued Liabilities — Current

At June 30, 2021 and 2020, other accrued liabilities consisted of the following:

	2021	2020
Primary Institution:		
Bond interest	\$ 881,415	\$ 3,822,793
Royalty sharing	1,018,038	890,126
Other	12,007,119	12,294,940
Total other accrued liabilities, current	<u>\$ 13,906,572</u>	<u>\$ 17,007,859</u>
Discretely Presented Component Units	<u>\$ 1,632,977</u>	<u>\$ 1,192,418</u>

### (11) Unearned Revenue

At June 30, 2021 and 2020, unearned revenue consisted of the following:

	2021	2020
Primary Institution:		
Contracts and grants	\$ 87,753,487	\$ 40,676,633
Prepaid tuition and fees	9,079,058	6,475,936
Gifts	5,506,349	5,911,720
Prepaid auxiliary operations sales	5,332,411	4,113,702
Sales and services	75,620	558,528
Other	922	922
Total unearned revenue	<u>\$107,747,847</u>	<u>\$ 57,737,441</u>
Discretely Presented Component Units	<u>\$ -</u>	<u>\$ 668,845</u>

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### (12) Noncurrent Liabilities

At June 30, 2021 and 2020, noncurrent liabilities consisted of the following:

	Year Ended June 30, 2021					
	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion	Noncurrent Portion
Primary Institution:						
Bonds payable	\$ 594,013,433	\$ 75,770,000	\$ (214,873,993)	\$ 454,909,440	\$ 29,130,000	\$ 425,779,440
Long-term debt	2,903,784	111,520,135	(6,307,868)	108,116,051	6,915,884	101,200,167
Student loan programs	8,725,045	265,249	(1,682,928)	7,307,366	-	7,307,366
Derivative instruments — interest rate swaps	8,373,755	-	(2,374,161)	5,999,594	-	5,999,594
Net pension liability	1,244,357,298	2,051,099,669	(90,675,868)	3,204,781,099	-	3,204,781,099
Net OPEB liability	96,711,700	4,998,500	(12,195,200)	89,515,000	-	89,515,000
Other	285,545	-	(43,575)	241,970	-	241,970
Total	<u>\$ 1,955,370,560</u>	<u>\$ 2,243,653,553</u>	<u>\$ (328,153,593)</u>	<u>\$ 3,870,870,520</u>	<u>\$ 36,045,884</u>	<u>\$ 3,834,824,636</u>
Discretely Presented Component Units:						
Due to University of New Mexico	\$ 13,794,257	\$ 6,691,860	\$ (10,707,190)	\$ 9,778,927	\$ 6,585,339	\$ 3,193,588
Notes payable	1,303,787	13,038	-	1,316,825	1,316,825	-
Other	2,060,973	131,448	-	2,192,421	-	2,192,421
Total	<u>\$ 17,159,017</u>	<u>\$ 6,836,346</u>	<u>\$ (10,707,190)</u>	<u>\$ 13,288,173</u>	<u>\$ 7,902,164</u>	<u>\$ 5,386,009</u>

	Year Ended June 30, 2020					
	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion	Noncurrent Portion
Primary Institution:						
Bonds payable	\$ 629,781,556	\$ 25,247,830	\$ (61,015,953)	\$ 594,013,433	\$ 31,190,000	\$ 562,823,433
Long-term debt	4,042,143	-	(1,138,359)	2,903,784	1,171,619	1,732,165
Student loan programs	11,715,940	300,443	(3,291,338)	8,725,045	-	8,725,045
Derivative instruments — interest rate swaps	7,185,873	1,187,882	-	8,373,755	-	8,373,755
Net pension liability	2,020,852,577	5,911,835	(782,407,114)	1,244,357,298	-	1,244,357,298
Net OPEB liability	125,483,900	10,378,800	(39,151,000)	96,711,700	-	96,711,700
Other	234,263	51,282	-	285,545	-	285,545
Total	<u>\$ 2,799,296,252</u>	<u>\$ 43,078,072</u>	<u>\$ (887,003,764)</u>	<u>\$ 1,955,370,560</u>	<u>\$ 32,361,619</u>	<u>\$ 1,923,008,941</u>
Discretely Presented Component Units:						
Due to University of New Mexico	\$ 12,116,523	\$ 9,741,596	\$ (8,063,862)	\$ 13,794,257	\$ 10,707,190	\$ 3,087,067
Notes payable	-	1,303,787	-	1,303,787	658,912	644,875
Other	2,060,731	242	-	2,060,973	-	2,060,973
Total	<u>\$ 14,177,254</u>	<u>\$ 11,045,625</u>	<u>\$ (8,063,862)</u>	<u>\$ 17,159,017</u>	<u>\$ 11,366,102</u>	<u>\$ 5,792,915</u>

A promissory note payable to UNM from Lobo Development Corporation, a blended component unit of the University, was issued on April 1, 2013 and is eliminated from the basic financial statements. This note bears interest at 3%. Principal and interest payments are due monthly on the first day of each month. A Loan Revision Agreement was issued on January 1, 2016 to reduce the principal due to a transfer of one of the three buildings to UNM. A Second Loan Revision Agreement was issued on August 15, 2019 to extend the term of the loan from May 1, 2020 to May 1, 2027. The outstanding principal balance at June 30, 2021 was \$13,053,044, of which \$431,043 is due within one year.



# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### (13) Bonds Payable/Debt

#### (A) University

The University pledges substantially all unrestricted revenues, excluding state appropriations, to satisfy its bond obligations. Pledged revenues for the University were \$479,137,335 and \$475,583,629 as of June 30, 2021 and 2020 (see Schedule 21).

At June 30, 2021 and 2020, bonds payable for the University consisted of the following:

	2021	2020
Taxable Subordinate Lien System Refunding Revenue Bond Series 2021 with interest ranging from 0.167% to 2.172% - final maturity 2035	\$ 74,450,000	\$ -
Taxable Subordinate Lien System Refunding Revenue Bond Series 2019 with interest ranging from 1.851% to 3.019% - final maturity 2032	20,245,000	22,140,000
Subordinate Lien System Improvement Revenue Bonds Series 2017 with interest ranging from 3.25% to 5.0% - final maturity 2047	38,475,000	39,205,000
Subordinate Lien System Refunding & Improvement Revenue Bonds Series 2016A with interest ranging from 2.0% to 5.0% - final maturity 2046	148,930,000	152,525,000
Subordinate Lien System Refunding & Improvement Revenue Bonds Series 2016B with interest ranging from 0.72% to 2.48% - final maturity 2024	4,135,000	5,090,000
Subordinate Lien System Improvement Revenue Bonds Series 2014A with interest ranging from 3.0% to 5.0% - final maturity 2033	-	3,695,000
Subordinate Lien System Improvement Revenue Bonds Series 2014B with interest ranging from 0.496% to 3.28% - final maturity 2024	1,100,000	1,495,000
Subordinate Lien System Improvement Revenue Bonds Series 2014C with interest ranging from 1.5% to 5.0% - final maturity 2035	18,140,000	83,945,000
Subordinate Lien System Refunding Revenue Bonds Series 2002B (Variable) with a synthetic fixed interest rate of 3.83% achieved through an interest rate exchange agreement - final maturity 2026	10,420,000	11,940,000
Subordinate Lien System Refunding Revenue Bonds Series 2002C (Variable) with a synthetic fixed interest rate of 3.94% achieved through an interest rate exchange agreement - final maturity 2030	24,405,000	26,670,000
Subordinate Lien System Improvement Revenue Bonds Series 2001 Variable Rate Demand Bonds — rates reset weekly Weekly rate as of June 30, 2021 was 0.03% Ceiling of 12% - final maturity 2026	15,880,000	18,675,000
System Revenue Refunding Bonds Series 1992A with interest ranging from 5.60% to 6.25% - final maturity 2021	-	1,605,000
	<u>\$ 356,180,000</u>	<u>\$ 366,985,000</u>
Add: Bond premiums	18,374,440	27,443,433
Less: Current portion of bonds payable	(23,025,000)	(20,965,000)
Noncurrent bonds payable	<u>\$ 351,529,440</u>	<u>\$ 373,463,433</u>

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

Future debt service for the University as of June 30, 2021 for the bonds is as follows:

Year ending June 30	Principal	Interest	Total
2022	\$ 23,025,000	\$ 12,378,934	\$ 35,403,934
2023	23,930,000	11,467,995	35,397,995
2024	24,455,000	10,499,390	34,954,390
2025	25,490,000	9,517,205	35,007,205
2026	26,340,000	8,675,869	35,015,869
2027–2031	105,275,000	33,383,890	138,658,890
2032–2036	81,645,000	19,252,715	100,897,715
2037–2041	19,370,000	8,695,626	28,065,626
2042–2046	24,115,000	3,950,500	28,065,500
2047	2,535,000	126,750	2,661,750
	<u>\$ 356,180,000</u>	<u>\$ 117,948,874</u>	<u>\$ 474,128,874</u>

### Defeased Bonds:

The University has defeased certain System Revenue Bonds as follows:

On October 1, 1992, the University defeased \$3,095,000 of the 1986A series, \$24,765,000 of the 1989 series, and \$4,825,000 of the 1991 series. Sinking fund moneys in the amount of \$36,650,538 from the 1992A Refunding Revenue Bonds were placed in an irrevocable trust to provide for all future debt service payments. The refunding resulted in debt service savings to the University. There is no remaining principal outstanding in the escrow account at June 30, 2021.

On March 1, 2016, the University defeased \$113,375,000 of the 2007A tax-exempt series revenue bonds. An escrow account was funded in the amount of \$120,925,885 from the 2016A Refunding and Improvement Revenue Bonds, and that amount was placed in an irrevocable trust to provide for all future debt service payments. The refunding resulted in debt service savings to the University. There is no remaining principal outstanding in the escrow account at June 30, 2021.

On March 1, 2016, the University defeased \$7,480,000 of the 2007B taxable series revenue bonds. An escrow account was funded in the amount of \$8,087,834 from the 2016B Refunding and Improvement Revenue Bonds, and that amount was placed in an irrevocable trust to provide for all future debt service payments. There is no remaining principal outstanding in the escrow account at June 30, 2021.

On December 31, 2019, the University defeased \$24,150,000 of the 2012 subordinate lien system refunding revenue bonds. An escrow account was funded in the amount of \$25,743,148 from the 2019 taxable subordinate lien system refunding revenue bonds, and that amount was placed in an irrevocable trust to provide for all future debt service payments. The refunding resulted in debt service savings to the University. The remaining principal outstanding in the escrow account at June 30, 2021 was \$4,019,462.97.

On March 04, 2021, the University of New Mexico defeased \$60,595,000 of the 2014C Subordinate Lien System Refunding Revenue Bonds. An escrow account was funded in the amount of \$70,781,481.73 from the 2021 Taxable Subordinate Lien System Refunding Revenue Bonds, and that amount was placed in an irrevocable trust to provide for all future debt service payments. The refunding resulted in payments. The refunding resulted in debt service savings to the University. The remaining principal outstanding in the escrow account at June 30, 2021 is \$69,299,841.80.

The liability for defeased bonds and the related assets held in trust are not included in the accompanying basic financial statements since the University has satisfied its obligation for payment of the defeased bonds.

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### Refunding:

The Series 2021 Taxable Subordinate Lien System Refunding Revenue Bonds were issued by the University for the purposes of: (a) advance refund, refinance, and defease all of the outstanding "The Regents of the University of New Mexico" Subordinate Lien System Refunding Revenue Bonds, Series 2014A maturing on and after June 1, 2024 on June 1, 2023, which is the earliest redemption date with respect to the Refunded 2014A Bonds; (b) advance refund, refinance and defease all of the outstanding "The Regents of the University of New Mexico" Subordinate Lien System Refunding Revenue Bonds, Series 2014C maturing on and after June 1, 2025 on June 1, 2024, which is the earliest redemption date with respect to the Refunded 2014C Bonds; (c) acquire a reserve fund insurance policy to fund or otherwise funding a debt service reserve fund for the Bonds; and (d) fund the costs of issuance associated therewith. The bonds may be subject to optional and mandatory sinking fund redemption prior to maturity.

### **Sources of Funds**

Par amount of bonds	\$ 75,770,000
<b>Total Sources of Funds</b>	<b>\$ 75,770,000</b>

### **Uses of Funds**

Deposit to refunding escrow	\$ 74,884,673
Deposit to debt service fund	2,360
Costs of issuance	495,000
Underwriter's discount	248,622
Surety premium	128,809
Insurance premium	10,536
<b>Total Uses of Funds</b>	<b>\$ 75,770,000</b>

### **Cash Flow Differential**

Prior Refunded Debt Service	Refunding Debt Service	Refunding Savings
\$ 120,694,350	\$ 112,498,428	\$ 8,195,922

### **Economic Gain (Loss)**

Savings PV date: 3/04/2021

Savings PV rate: 11.239115%

PV savings from cash flow	\$ 7,223,267
Plus: Refunding funds on hand	2,360
<b>Economic gain</b>	<b>\$ 7,225,627</b>

### Standby Purchase Agreements:

A Standby Purchase Agreement (SBPA) provides liquidity support on variable rate bonds that are remarketed weekly. The liquidity/commitment fees are based on a percentage of the outstanding bond balance, payable semiannually. Liquidity fees for the years ended June 30, 2021 and 2020 were as follows:

	2001	2002B	2002C	Total
<b>FY21</b>	<u>\$ 87,220</u>	<u>\$ 55,765</u>	<u>\$ 130,060</u>	<u>\$ 273,045</u>
<b>FY20</b>	<u>\$ 81,264</u>	<u>\$ 50,225</u>	<u>\$ 107,018</u>	<u>\$ 238,507</u>

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

An agreement with U.S. Bank was entered into on December 31, 2014 for a three-year term expiring December 29, 2017 and was extended to December 29, 2020. The University negotiated another three-year term with US Bank (dated October 30, 2020) that ends on October 30, 2023. A schedule including the provider and maturities is presented below, as of June 30, 2021:

U.S. Bank				
Liquidity Expiration	Series 2001	Series 2002B	Series 2002C	Grand Total
10/30/2023	\$ 15,880,000	\$ 10,420,000	\$ 24,405,000	\$ 50,705,000

The following provides the terms of the debt service requirements that would result if the SBPA commitments were to be exercised (bank bond rate, accelerated payment schedule, and lien):

- (1) Bank Rate: means, a rate per annum equal to (i) the period from and including the purchase date of such bank bond to and including the 30<sup>th</sup> day following such purchase date, the sum of 2% plus the base rate for such day, (ii) for the period from and including the 31<sup>st</sup> day immediately following the related purchase date to and including the 120<sup>th</sup> day following the related purchase date, the sum of 2.5% plus the base rate for such day, and (iii) the period from and after the 121<sup>st</sup> day immediately following the related purchase date, the sum of 3% plus the base rate for such day; provided that from and after the occurrence of an event of default, the "bank rate" shall mean the default rate; provided, further, that at no time shall the bank rate be less than the per annum interest rate applicable to bonds that are not bank bonds.
- (2) Base Rate: means, for any day, an interest rate per annum equal to the highest of (i) the sum of 1% plus the prime rate for such day, (ii) the sum of 1% plus the federal funds rate for such day, (iii) the sum of 1% plus the Securities Industry and Financial Markets Association (SIFMA) rate for such day, and (iv) 7.5%. Each change in the base rate shall take effect at the time of any change in the prime rate or federal funds rate.

On September 1, 2015, Sections 7.1(c)(iii) and 7.1(c)(iv) of the SBPA were amended in order to clarify the University's reporting requirements. The amendments are as follows:

Section 7.1(c)(iii) of each of the Standby Bond Purchase Agreements is hereby amended in its entirety to read as follows:

(iii) as soon as practicable and, in any event, within 180 calendar days after the end of the fourth fiscal quarter of each fiscal year of the Board, a statement of net assets, statement of revenues, expenses, and changes in net assets, and statement of cash flows of the Board as of the end of each such annual fiscal period then ended and the Historical Debt Service Coverage calculation in comparative form against (x) the figures for the corresponding annual fiscal period from the previous fiscal year and (y) the Board's budget for such fiscal year, all in reasonable detail.

Section 7.1(c)(iv) of each of the Standby Bond Purchase Agreements is hereby amended in its entirety to read as follows:

(iv) as soon as practicable and, in any event, within 60 calendar days after the end of the second quarter of each fiscal year of the Board, (a) a statement of net assets, statement of revenues, expenses, and changes in net assets, and statement of cash flows of the Board as of the end of each such semiannual fiscal period then ended, in each case, in comparative form against (x) the figures for the corresponding semiannual fiscal period from the previous fiscal year and (y) the Board's budget for such fiscal year, all in reasonable detail, and (b) a consolidating semiannual summary of all restricted and unrestricted cash and investments held in any endowment or operating fund for the portion of the fiscal year then ended.

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### Interest Rate Swap Agreements:

As of June 30, 2021, the University had the following derivative instruments outstanding:

Item/ Counterparty	Type	Objective	Effective Date	Maturity Date	Terms	Current Year Fair Value	Prior Year Fair Value	Current Year Notional Amount	Prior Year Notional Amount
<b>Hedging Derivatives</b>									
A - JP Morgan	Pay-fixed/Receive-variable interest rate swap	Hedge against rising SIFMA rates related to the 2001 System Improvement Revenue Bonds (Underlying Swap)	10/30/2002	6/1/2026	Receive SIFMA USD - Pay 4.16% Fixed	\$ (450,464)	\$ (659,751)	\$ 3,970,000	\$ 4,668,750
B - JP Morgan	Pay-fixed/Receive-variable interest rate swap	Hedge against rising SIFMA rates related to the 2002C Refunding Revenue Bonds (Underlying Swap)	10/30/2002	6/1/2030	Receive SIFMA USD - Pay 3.94% Fixed	\$ (3,919,412)	\$ (5,361,833)	\$ 24,405,000	\$ 26,670,000
C - JP Morgan	Pay-fixed/Receive-variable interest rate swap	Hedge against rising SIFMA rates related to the 2002B Refunding Revenue Bonds (Underlying Swap)	1/14/2003	6/1/2026	Receive SIFMA USD - Pay 3.83% Fixed	\$ (1,176,224)	\$ (1,688,218)	\$ 10,420,000	\$ 11,940,000
D - RBC Royal Bank	Pay-fixed/Receive-variable interest rate swap	Hedge against rising SIFMA rates related to the 2001 System Improvement Revenue Bonds (Underlying Swap)	10/30/2002	6/1/2026	Receive SIFMA USD - Pay 4.185% Fixed	\$ (453,494)	\$ (663,953)	\$ 3,970,000	\$ 4,668,750
<b>Investment Derivatives</b>									
E - JP Morgan	Pay-variable/Receive-variable interest rate swap	Hedge against falling SIFMA rates related to the 2001 System Improvement Revenue Bonds (Swap Overlays)	8/15/2006	6/1/2026	Receive 63.55% of 5-year USD swap rate + .31% - Pay SIFMA	\$ 287,329	\$ 187,350	\$ 7,940,000	\$ 9,337,500
F - JP Morgan	Pay-variable/Receive-variable interest rate swap	Hedge against falling SIFMA rates related to the 2002C Refunding Revenue Bonds (Swap Overlays)	8/15/2006	6/1/2030	Receive 63.55% of 5-year USD swap rate + .31% - Pay SIFMA	\$ 844,387	\$ 1,098,921	\$ 24,405,000	\$ 26,670,000

# THE UNIVERSITY OF NEW MEXICO

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June 30, 2021 and 2020

The fair values of the interest rate swaps are estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps.

### Risks

*Credit risk.* Each of the University's derivative instruments is held with the same counterparty except for Derivative Instrument D. Deterioration of credit ratings could indicate a potential inability of the counterparty to make the required periodic payments. The credit ratings for each of the counterparties are as follows:

Entity	Moody's		S & P		Fitch	
	L/T Rating	S/T Rating	L/T Rating	S/T Rating	L/T Rating	S/T Rating
JP Morgan	Aa2	P1	A+	A1	AA	F1+
RBC Royal Bank	A2	P1	AA-	A1+	AA	F1+

*Interest rate risk.* The University is exposed to interest rate risk on its receive-variable, pay-fixed underlying interest rate swaps. As the Securities Industry and Financial Markets Association (SIFMA) swap index decreases, the University's net payment on the underlying swaps increases. Alternatively, on its pay-variable (SIFMA), receive-variable (USD Swap Rate) overlay interest rate swaps, as the USD swap rate and the SIFMA swap index increases, the University's net payment on the overlay swaps increases.

*Basis risk.* The variable-rate debt hedged by the University's derivative instruments are variable-rate demand obligation (VRDO) bonds that are remarketed every seven days. The University is exposed to basis risk on its pay-variable (SIFMA), receive-variable (USD Swap Rate) overlay interest rate swaps, because the variable-rate payments received by the University on these derivative instruments are based on a rate (USD Swap Rate) other than the index (SIFMA) the University pays on the VRDO bonds. At June 30, 2021, the interest rate on the University's variable-rate hedged debt (SIFMA) is 0.03%, while the 63.55% of five-year USD Swap Rate + 0.31% is 0.60%.

*Termination risk.* The University or its counterparties may terminate a derivative instrument if the other party fails to perform under the terms of the contract. In addition, the University is exposed to termination risk on Derivative Instruments B and C, because the contract provides the counterparty with an option to terminate the contract if the 180-day SIFMA is equal to or greater than 7% (knockout provision). The 180-day SIFMA is defined as the weighted average rate taken from the USD floating SIFMA index rates published within the previous 180-day period. If, at the time of termination, a derivative instrument is in a liability position, the University would be liable to the counterparty for a payment equal to the liability, subject to netting arrangements.

*Rollover risk.* The University is exposed to rollover risk on hedging derivative instruments that are hedges of debt that mature or may be terminated prior to the maturity of the debt. When these derivative instruments terminate, or, in the case of a termination option, if the counterparty exercises its option, the University will be re-exposed to the risks being hedged by the derivative instrument. Derivative Instruments B and C expose the University to rollover risk because the counterparty has the option to terminate the contract by exercising a knockout option.

*Foreign currency risk.* The University has no exposure to foreign currency risk from its derivative instruments.

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### Commitments

All of the University's derivative instruments include provisions that require the University to post collateral in the event its credit rating falls below certain levels. The University has entered into a two-way Credit Support Annex (CSA) with the swap counterparties, which is based on each party's long-term unsecured unsubordinated debt rating. The following matrix dictates the potential collateral postings if the swaps' mark-to-market values are above the mandated thresholds:

Rating	Swap MTM Threshold for Party's A & B	
AA/Aa2 and >	USD	25,000,000
AA-/Aa3	USD	20,000,000
A+/A1	USD	15,000,000
A/A2	USD	10,000,000
A-/A3	USD	5,000,000
BBB+/Baa1 and <	USD	-

The collateral to be posted is to be in the form of U.S. Treasury securities in the amount of the fair value of derivative instruments in liability positions, net of the effect of applicable netting arrangements. If the University or the counterparty does not post collateral, the derivative instrument may be terminated. The University's credit rating is AA/Aa2 at June 30, 2021; therefore, no collateral has been posted.

### Derivative Instrument Payments and Hedged Debt

As of June 30, 2021, aggregate debt service requirements of the University's debt (fixed-rate and variable-rate) and net receipts/payments on associated hedging derivative instruments are presented below. These amounts assume that current interest rates on variable-rate bonds and current reference rates on hedging derivative instruments will remain the same for their term. As these rates vary, interest payments on variable-rate bonds and net receipts/payments on the hedging derivative instruments will vary. The hedging derivative instruments column reflects only net receipts/payments on derivative instruments that qualify for hedge accounting.

Year Ending June 30	Principal	Interest	Hedging Derivative Instruments, Net	Total
2022	\$ 6,855,000	\$ 43,099	\$ 1,619,239	\$ 8,517,338
2023	7,155,000	43,850	1,402,898	8,601,748
2024	7,465,000	45,869	1,174,564	8,685,433
2025	7,770,000	45,307	940,298	8,755,605
2026	9,900,000	40,774	702,545	10,643,319
2027	2,900,000	24,854	405,756	3,330,610
2028	3,030,000	20,784	299,636	3,350,420
2029	3,160,000	14,920	191,983	3,366,903
2030	2,470,000	70	97,177	2,567,247
	<u>\$ 50,705,000</u>	<u>\$ 279,527</u>	<u>\$ 6,834,096</u>	<u>\$ 57,818,623</u>



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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### **Fiscal Year Changes in Swap Valuations**

The swaps were put in place starting in fiscal years 2002 and 2003. The University has recorded the swaps at their estimated fair values as of June 30, 2021. Swaps A through D are deemed cash flow hedges, and therefore, in addition to recording the liability at fair value, the University has recorded an offsetting deferred outflow of resources. Annually, the changes to the fair values are recorded as an increase or decrease to the liability and the offset to the deferred outflow of resources. The fair value change in fiscal year 2021 for the hedge instruments was a \$2,374,161 increase to the liability and an equal offsetting increase to the deferred outflow of resources. For fiscal year 2020, the change was a \$1,187,882 increase to the liability and an equal offsetting increase to the deferred outflow of resources. Swaps E and F are not cash flow hedges, but rather are considered investment swaps, and changes in their fair value are recorded as investment gain (loss). The fair value change for swaps E and F as of June 30, 2021 was recorded to unrealized gains in the amount of \$154,555. As of June 30, 2020, the fair value change for swaps E and F was recorded to unrealized gains in the amount of \$432,749.

### *(B) University of New Mexico Hospital*

On June 9, 2004, the Regents adopted a parameters resolution authorizing the construction of the Children's Hospital and Critical Care Pavilion (CHCCP) and issuing bonds insured by HUD. On October 14, 2004, the Regents adopted resolutions authorizing the amendment of the lease to accommodate the requirements of HUD and to authorize execution of the HUD documents. On October 14, 2004, UNM Board of Regents issued FHA insured Hospital Mortgage Revenue Bonds (University of New Mexico Hospital Project), Series 2004 in the aggregate principal amount of \$192,250,000. Interest on the bonds ranged from 2% to 5% and was paid semi-annually on each January 1 and July 1, commencing January 1, 2005. The Series 2004 bonds were issued for the purpose of financing the construction, equipping, and furnishing of the CHCCP, which provides care to patients requiring trauma, children's and women's services, funding the debt service reserve fund, and paying costs of issuance associated with the bonds.

In conjunction with this construction project, the U.S. HUD, under Section 242 CFDA No. 14.128, issued a loan guarantee for the mortgage amount of \$183,399,000, and the UNM Regents adopted resolutions authorizing the final endorsement of the HUD insurance.

On December 12, 2014, the Regents adopted a parameters resolution authorizing the issuance of the Government National Mortgage Association (GNMA)-backed, HUD-insured mortgage bonds to redeem and refinance the remaining 2004 bonds. On May 7, 2015, the Regents adopted resolutions authorizing the execution of amended FHA documents and loan modification documents in connection with the redemption and refinancing of the remaining 2004 bonds.

On May 14, 2015, the Hospital issued \$115,000,000 in new bonds (2015 Series bonds) to refinance the remaining 2004 bonds. The bonds were issued pursuant to a trust indenture, dated as of May 1, 2015, by and between the Hospital and Wells Fargo Bank, National Association, as Trustee for the purpose of re-financing the previously issued bond series. The 2015 Series bonds carry interest rates that range from 0.484% to 3.532%.

The Regents granted the GNMA issuer in respect of the UNMH HUD-insured bonds a security interest in all of UNM Hospital's revenues, cash (with the exception of the proceeds of the UNM Hospital mill levy and state appropriations), accounts receivable, contract rights, and the proceeds of the same. In addition, in that certain regulatory agreement signed by the Regents, that is still in effect today, the University agreed and committed to HUD that it would not "assign, transfer, dispose of, or encumber any personal property of the project including revenues from any source..." As a result, of the \$1,258,654,188 in cash and short-term investments held by the primary institution as of June 30, 2021, \$359,406,730 is cash reserves of UNM Hospital subject to the security interest granted by the Regents to the bond Trustee and to the restrictions in the regulatory agreement. Lastly, in accordance with the terms of the lease under which the University leases a portion of the UNM Hospital facility from Bernalillo County, all reserves of the UNM Hospital covered by the lease are restricted to use for operation and maintenance of the UNM Hospital.

The 2015 Series bonds were issued as special limited obligations of the Hospital and are secured primarily by fully modified mortgage backed securities in the aggregate principal amount of \$99,029,361 (GNMA Securities), issued by Prudential Huntoon Paige Associates, Ltd. (Lender), guaranteed as to principal and interest by the Government National Mortgage Association (GNMA), with respect to the mortgage note.

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

Under the GNMA Mortgage Backed Securities Program, the GNMA Securities are a “fully modified pass-through” mortgage-backed security issued and serviced by the Lender. The face amount of the GNMA Securities is to be the same amount as the outstanding principal balance of the mortgage note. The Lender is required to pass through to the Trustee, as the holder of the GNMA Securities, by the 15th day of each month, the monthly scheduled installments of principal and interest on the mortgage note (less the GNMA guarantee fee and the lender’s servicing fee), whether or not the Lender receives such payment from the Hospital under the mortgage note, plus any unscheduled prepayments of principal of the mortgage note received by the Lender. The GNMA Securities are issued solely for the benefit of the Trustee on behalf of the bondholders, and any and all payments received with respect to the GNMA Securities are solely for the benefit of the bondholders.

Interest expense associated with the bonds payable was approximately \$2,800,000 and \$2,900,000 for the years ended June 30, 2021 and 2020, respectively. Interest income earned from the investment of the bond proceeds was approximately \$2,000 and \$247,000 for the years ended June 30, 2021 and 2020, respectively.

At June 30, 2021 and 2020, bonds payable for the Hospital consisted of the following:

### University of New Mexico Hospital

	2021	2020
FHA Insured Hospital Mortgage Revenue Bonds	\$ 80,355,000	\$ 86,305,000
Series 2015 with interest ranging from		
0.484% to 3.532% – final maturity 2032		
Less: Current portion of bonds payable	(6,105,000)	(5,950,000)
Noncurrent bonds payable	<u>\$ 74,250,000</u>	<u>\$ 80,355,000</u>

Future debt service (including mandatory redemptions) for the Hospital as of June 30, 2021 for the bonds is as follows:

Year ending			
June 30	Principal	Interest	Total
2022	\$ 6,105,000	\$ 2,676,657	\$ 8,781,657
2023	6,285,000	2,515,913	8,800,913
2024	6,480,000	2,334,779	8,814,779
2025	6,690,000	2,141,545	8,831,545
2026	6,975,000	1,874,344	8,849,344
2027–2031	39,085,000	5,445,815	44,530,815
2032	8,735,000	232,141	8,967,141
	<u>\$ 80,355,000</u>	<u>\$ 17,221,194</u>	<u>\$ 97,576,194</u>

### (C) UNM Sandoval Regional Medical Center

In November 2010, SRMC issued \$133,425,000 in aggregate principal amount of its Taxable Revenue Build America Bonds (Direct Pay) (GNMA Collateralized – UNM Sandoval Regional Medical Center Project) Series 2010A with a maturity date of July 20, 2036 and \$10,000,000 in aggregate principal amount of its Taxable Revenue Recovery Zone Economic Development Bonds (Direct Pay) (GNMA Collateralized – UNM Sandoval Regional Medical Center Project) Series 2010B with a maturity date of July 20, 2037. The bonds were issued pursuant to a trust indenture, dated as of October 1, 2010, by and between the SRMC and Wells Fargo Bank, National Association, as Trustee for the purpose of financing the SRMC facility and to pay certain costs associated with the issuance of the bonds.

The bonds were issued as special limited obligations of SRMC and are secured primarily by fully modified mortgage-backed securities in the aggregate principal amount of \$143,425,000 (GNMA Securities), issued by Prudential Huntton Paige Associates, Ltd. (Lender), guaranteed as to principal and interest by GNMA, with respect to the mortgage note.

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

Under the GNMA Mortgage-Backed Securities Program, the GNMA Securities are a “fully modified pass-through” mortgage-backed security issued and serviced by the Lender. The face amount of the GNMA Securities is to be the same amount as the outstanding principal balance of the mortgage note. The Lender is required to pass through to the Trustee, as the holder of the GNMA Securities, by the 15th day of each month, the monthly scheduled installments of principal and interest on the mortgage note (less the GNMA guarantee fee and the Lender’s servicing fee), whether or not the Lender receives such payment from SRMC under the mortgage note, plus any unscheduled prepayments of principal of the mortgage note received by the Lender. The GNMA Securities are issued solely for the benefit of the Trustee on behalf of the bondholders and any and all payments received with respect to the GNMA Securities are solely for the benefit of the bondholders.

SRMC entered into a financing agreement with the Lender and the Trustee effective October 1, 2010, under which the Lender agreed to originate a mortgage note in favor of the Lender and secured by a leasehold mortgage on the SRMC facility. The mortgage note is insured by the FHA pursuant to Section 242 of the National Housing Act of 1934 and to provide security for the bonds, the Trustee used the proceeds of the bonds to purchase from the Lender the GNMA Securities. SRMC used the proceeds of the mortgage note to acquire, construct, and equip the SRMC facility.

SRMC is eligible to receive cash subsidy payments from the United States Department of Treasury related to these bonds. The amount received is subject to periodic adjustment due to federal budget sequestration.

In July 2020, the Medical Center entered into an agreement and mortgage with KeyBank National Association to refinance the Medical Center’s mortgage from an APR of 4.86% (3.33% net of BAB Subsidy) to an APR of 1.98%. In connection with the mortgage refinance, in July 2020 the outstanding principal of the Series 2010A and Series 2010B bonds, net of the original issue discount, totaling \$113.3 million, along with \$5.1 million for interest payments due in fiscal year 2021 through the January 2021 bond call date, were placed in an irrevocable trust from which the remaining debt service payments for bond defeasance were paid in January 2021. The Medical Center was released from all obligations related to the bonds at this time. This transaction met the criteria for an in-substance defeasance of debt, therefore the total loss on defeasance was recorded as a deferred outflow of resources of \$2.4 million at the time the funds were placed into the trust. The deferred outflow will be amortized over the life of the mortgage, which is the same as the life of the defeased bonds.

Under the terms of the trust indenture, SRMC has granted to the Trustee all rights, title, and interests to all revenues, receipts, interest, income, investment earnings, and other monies received or to be received by the Trustee, including monies received or to be received from the GNMA Securities and all investment earnings from the GNMA Securities. Upon issuance of the bonds, the proceeds were placed in trust with the Trustee, and the proceeds are to be used to purchase from the Lender the GNMA Securities, or to redeem the bonds according to the various early, optional, and mandatory redemption provisions of the bonds.

As of June 30, 2020, the balance of the mortgage note equaled the balance of the GNMA securities. The terms of the bonds were issued as follows:

Bond	Maturity Date	Original Principal	Interest Rate
Series 2010A	January 20, 2036	133,425,000	4.50%
Series 2010B	January 20, 2037	10,000,000	5.00%

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

At June 30, 2021 and 2020, bonds payable for SRMC consisted of the following:

UNM Sandoval Regional Medical Center

	2021	2020
Taxable Revenue Build America Bonds	\$ -	\$ 103,540,000
Series 2010A with fixed-interest rate of 4.5% – final maturity 2036		
Taxable Revenue Recovery Zone Economic Development Bonds	-	9,740,000
Series 2010B with fixed-interest rate of 5.0% – final maturity 2037		
	\$ -	\$ 113,280,000
Less: Current portion of bonds payable	-	(4,275,000)
Noncurrent bonds payable	\$ -	\$ 109,005,000

The mortgage note with KeyBank National Association has an original outstanding principal amount of \$111.5 million with monthly principal payments of \$644 thousand until July 2037, for a total of 204 installments. The note is insured by the United States Department of Housing and Urban Development and is collateralized by the Medical Center building.

Mortgage payable activity consists of the following:

	2021	2020
KeyBank National Association	\$ 106,385,667	\$ -
Less: Current portion of long-term debt	(5,708,461)	-
Long-term debt payable	\$ 100,677,206	\$ -

The following schedule summarizes the required principal and interest mortgage payments for SRMC as of June 30, 2021:

Year ending June 30	Principal	Interest	Total
2022	\$ 5,708,461	\$ 2,054,817	\$ 7,763,278
2023	5,822,520	1,940,758	7,763,278
2024	5,938,858	1,824,420	7,763,278
2025	6,057,520	1,705,758	7,763,278
2026	6,178,553	1,584,724	7,763,277
2027–2031	32,794,620	6,021,769	38,816,389
2032–2036	36,204,481	2,611,908	38,816,389
2037–2041	7,680,654	82,624	7,763,278
	\$ 106,385,667	\$ 17,826,778	\$ 124,212,445

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### (D) Primary Institution

At June 30, 2021 and 2020, bonds payable for the primary institution consisted of the following:

	2021			2020		
	Current	Noncurrent	Total	Current	Noncurrent	Total
University	\$ 23,025,000	\$ 351,529,440	\$ 374,554,440	\$ 20,965,000	\$ 373,463,433	\$ 394,428,433
University of New Mexico Hospital	6,105,000	74,250,000	80,355,000	5,950,000	80,355,000	86,305,000
UNM Sandoval Regional Medical Center	-	-	-	4,275,000	109,005,000	113,280,000
Total	<u>\$ 29,130,000</u>	<u>\$ 425,779,440</u>	<u>\$ 454,909,440</u>	<u>\$ 31,190,000</u>	<u>\$ 562,823,433</u>	<u>\$ 594,013,433</u>

### (14) Patient Service Revenues

A summary of net patient service revenues is as follows for the years ended June 30:

	2021	2020
Primary Institution:		
Charges at established rates	\$ 3,201,065,211	\$ 2,905,112,195
Charity care	(64,248,047)	(75,166,888)
Contractual adjustments	(1,429,755,337)	(1,330,423,331)
Provision for doubtful accounts	(114,086,009)	(102,710,732)
Net patient service revenues	<u>\$ 1,592,975,818</u>	<u>\$ 1,396,811,244</u>

The Hospital is reimbursed by the Medicare and Medicaid programs on a prospective payment basis for hospital services, with certain items reimbursed at an interim rate with final settlement determined after submission of annual cost reports by the Hospital. The annual cost reports are subject to audit by the Medicare Administrative Contractor and the Medicaid audit agent. Cost reports through 2017 have been final settled for the Medicaid programs. Cost reports through 2013, except for 2005, have been final settled for the Medicare program. Retroactively calculated contractual adjustments arising under reimbursement agreements with third-party payors are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

### (15) Leases

At June 30, 2021 and 2020, the University, the Hospital, and BHO had various lease arrangements summarized as follows:

#### (A) University, Hospital, and BHO as Lessees

##### (a) Capital Leases

Any existing capital leases are immaterial, and accordingly, there are no capital leases recorded at June 30, 2021 and 2020.

##### (b) Operating Leases

The University's rent expense for operating leases amounted to \$6,568,885 and \$6,106,932 for the years ended June 30, 2021 and 2020, respectively

The Hospital and BHO are committed under various leases for building and office space and data processing equipment. Rental expenses on operating leases and other non-lease equipment were

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

\$10,766,000 and \$8,571,000 in 2021 and 2020, respectively, and includes amounts paid to the University of \$38,769 and \$39,254 in 2021 and 2020, respectively, which are eliminated in these basic financial statements.

(c) Minimum Lease Payments

The following is a schedule of future minimum lease payments for primary institution operating leases at June 30, 2021:

Year ending June 30	Lease Payments
2022	\$ 4,988,470
2023	3,800,514
2024	2,510,756
2025	2,222,528
2026	880,680
2027–2031	3,420,791
2032–2036	576,516
2037–2041	355,400
2042–2046	233,215
2047 and thereafter	109,268
	<u>\$ 19,098,138</u>

(B) *University as Lessor*

The University is lessor of various properties under operating lease agreements. For the years ended June 30, 2021 and 2020, respectively, total lease income, which includes annually renewable lease agreements, was \$6,017,618 and \$6,366,012.

The following is a schedule of minimum future lease income under lease terms exceeding one year as of June 30, 2021:

Year ending June 30	Lease Income
2022	\$ 6,276,658
2023	4,408,977
2024	3,082,463
2025	2,045,320
2026	1,908,738
2027–2031	5,405,983
2032–2036	4,086,363
2037–2041	3,202,446
2042–2046	3,003,814
2047 and thereafter	2,536,009
	<u>\$ 35,956,771</u>

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### (16) Risk Management

The University currently is a party to various litigation claims brought in the ordinary course of business. The University participates in the State of New Mexico Risk Management Program (Risk Management) that provides general liability, auto liability, medical malpractice, physical damage, and workers' compensation insurance. The Risk Management program liability insurance coverage includes most employee liability claims; those claims falling outside this state program are in limited amounts and are covered by the University from its operating budget either by direct payment or by the procurement of insurance coverage from a private carrier. The University paid Risk Management \$21,160,966 and \$21,642,775 in insurance premiums during fiscal years 2021 and 2020, respectively. The University's exposure is limited to \$2,500 per any first party incurred property loss, with the exception of theft, which has a \$5,000 deductible. After conferring with legal counsel concerning pending litigation and claims, the University administration believes that the outcome of pending litigation should not have a materially adverse effect on the financial position or operations of the University.

The Hospital, BHO, UNMMG, and SRMC (collectively referred to as Clinical Operations for the purposes of this footnote) have immunity from tort liability except as waived by the New Mexico Legislature. In this connection, under the New Mexico Tort Claims Act (NMTCA), the New Mexico Legislature waived the State's and the Clinical Operations' sovereign immunity for claims arising out of negligence out of the operation of the Clinical Operations, the treatment of the Clinical Operations' patients, and the healthcare services provided by Clinical Operations employees. In addition, the NMTCA limits, as an integral part of this waiver of sovereign immunity, the amount of damages that can be assessed against the Clinical Operations on any tort claim including medical malpractice, professional, or general liability claims.

The NMTCA provides that total liability for all claims that arise out of a single occurrence shall not exceed \$750,000 set forth as follows: (a) \$200,000 for real property; (b) up to \$300,000 for past and future medical and medically related expenses; and (c) up to \$400,000 for past and future noneconomic losses (such as pain and suffering) incurred or to be incurred by the claimant. While the language of the NMTCA does not expressly provide for third-party claims such as loss of consortium, the New Mexico appellate court decisions have allowed claimants to seek loss of consortium. As a result, if loss of consortium claims are presented, those claims cannot exceed \$350,000 in the aggregate. Thus, if a claim presents both direct claims and third-party claims, the maximum exposure of the Public Liability Fund, and, therefore, the Clinical Operations, cannot exceed \$1,100,000. The NMTCA prohibits the award of punitive or exemplary damages against the Clinical Operations.

The NMTCA requires the State Risk Management Division to provide coverage to the Clinical Operations for those torts where the Legislature has waived the state's immunity from liability up to the damages limits of the NMTCA, as described above, plus the cost incurred in defending any claims and/or lawsuits (including attorney's fees and expenses), with no deductible and with no self-insured retention by the Clinical Operations.

Effective July 1, 2009, the University began self-insuring its health and dental benefits for employees, and effective July 1, 2016, the University began self-insuring its student health benefits. Under the plans, all eligible employees are provided access to the provider networks of Blue Cross Blue Shield, Presbyterian Health Plan, and UNM Team Health for health services and Delta Dental for dental services. Blue Cross Blue Shield of New Mexico, Presbyterian Health Plan, and UNM Team Health provide administrative claim payment services for the University's health plans and Delta Dental for the dental plan. Liabilities are based on an estimate of claims that have been incurred but not reported (IBNR), invoices received but not yet paid, and catastrophic claims not covered by the University's excess claims carriers. At June 30, 2021 and 2020, the estimated amount of the University's claims and accrued invoices was \$20.5 million and \$12.9 million, respectively, which is included in accrued payroll. The liability for claims incurred but not reported was based on the actuarial analysis performed by Aon Hewitt.



# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

Changes in the reported self-insurance liability for health, dental, and life benefits for the University resulted from the following:

	Beginning Balance	Claims and Changes in Estimates	Claim Payments	Ending Balance
2021	\$ 12,877,106	\$ 82,612,637	\$(74,978,671)	\$ 20,511,072
2020	12,971,415	85,177,347	(85,271,656)	12,877,106

The Hospital sponsors a self-insured health plan in which BHO also participates, as all employees are under the centralized umbrella of the Hospital. Blue Cross Blue Shield of New Mexico and HMO New Mexico (BCBSNM and HMONM) provide administrative claim payment services for the Hospital's plan. Liabilities are based on an estimate of claims that have been incurred but not reported and claims received but not yet paid. At June 30, 2021 and 2020, the estimated amount of the Hospital's claims and accrued invoices was \$5.1 million and \$4.7 million, respectively, which is included in accrued payroll. As the Hospital receives all cash and pays all obligations of BHO, the estimated amount of BHO's IBNR and accrued invoices recorded in the Hospital's accrued payroll was approximately \$485,000 and \$450,000 at June 30, 2021 and 2020, respectively. The liability for IBNR was based on actuarial analysis calculated using information provided by BCBSNM.

Changes in the reported self-insurance liability for health, dental, and life benefits for the Hospital and BHO resulted from the following:

	Beginning Balance	Claims and Changes in Estimates	Claim Payments	Ending Balance
2021	\$ 5,190,944	\$ 54,402,274	\$(53,996,651)	\$ 5,596,567
2020	5,633,318	50,617,828	(51,060,202)	5,190,944

### (17) Retirement Plans and Postemployment Benefits

#### (A) University

##### General Information about the Pension Plan

*Plan description:* The New Mexico Educational Retirement Act (ERA) was enacted in 1957. The act created the Educational Employees Retirement Plan (Plan) and, to administer it, the New Mexico Educational Retirement Board (NMERB). The Plan is included in NMERB's comprehensive annual financial report. The report can be found on NMERB's website at [https://www.nmerb.org/Annual\\_reports.html](https://www.nmerb.org/Annual_reports.html).

The Plan is a cost-sharing, multiple-employer pension plan established to provide retirement and disability benefits for certified teachers and other employees of the state's public schools, institutions of higher learning, and state agencies providing educational programs. Additional tenets of the ERA can be found in Section 22-11-1 through 22-11-52, NMSA 1978, as amended.

The Plan is a pension trust fund of the State of New Mexico. The ERA assigns the authority to establish and amend benefit provisions to a seven-member Board of Trustees (Board); the state legislature has the authority to set or amend contribution rates and other terms of the Plan. NMERB is self-funded through investment income and educational employer contributions. The Plan does not receive General Fund Appropriations from the State of New Mexico.

All accumulated assets are held by the Plan in trust to pay benefits, including refunds of contributions as defined in the terms of the Plan. Eligibility for membership in the Plan is a condition of employment, as defined in Section 22-11-2, NMSA 1978. Employees of public schools, universities, junior and community colleges, public technical and vocational institutions, state special schools, charter schools, regional education cooperatives, the New Mexico Activities

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

Association, and certain employees at state agencies that provide an educational program, who are employed more than 25% of a full-time equivalency, are required to be members of the Plan, unless specifically excluded. Substantially all of the University's full-time employees and a small portion of the full-time employees of the Hospital and BHO (collectively referred to as Clinical Operations for the purposes of this footnote) participate in the Plan.

*Pension Benefit:* A member's retirement benefit is determined by a formula which includes three component parts: 1) the member's final average salary (FAS), 2) the number of years of service credit, and 3) a multiplier.

For members hired on or before June 30, 2019 (Tiers 1-3 members) the multiplier is 2.35%. For members hired after June 30, 2019 the multiplier accrues as follows:

<b>Years of Service</b>	<b>Benefit Percentage Earned</b>
10 or less	1.35%
10.25 to 20	2.35%
20.25 to 30	3.35%
30.25 plus	2.40%

FAS is the average of the member's fiscal annual earnings for the last 20 calendar service quarters (60 months) prior to retirement or the highest average fiscal annual earnings for any 20 consecutive calendar quarters.

*Summary of plan provisions for retirement eligibility by tier:*

### **Tier 1: Membership prior to July 1, 2010**

For members employed before July 1, 2010, a member is eligible to retire when one of the following events occurs:

- The member's age and earned service credit add up to the sum of 75 or more,
- The member is at least 65 years of age, and the member has five or more years of earned service credit, or
- The member has service credit totaling 25 years or more.

### **Tier 2: Membership on or after July 1, 2010, but prior to July 1, 2013**

Chapter 288, Laws of 2009 changed the eligibility requirements for new members who were first employed on, or after, July 1, 2010 but before July 1, 2013 — or before July 1, 2010, terminated employment, subsequently withdrew all contributions, and then becomes re-employed after July 1, 2010. These members must meet one of the following requirements:

- The member's age and earned service credit add up to the sum of 80 or more,
- The member is at least 67 years of age, and the member has five or more years of earned service credit, or
- The member has service credit totaling 30 years or more.

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### **Tier 3: Membership beginning on or after July 1, 2013**

Section 2-11-23.2, NMSA 1978, added eligibility requirements for new members who were first employed on or after July 1, 2013 — or who were employed before July 1, 2013 but terminated employment and subsequently withdrew all contributions, and returned to work for an ERB employer on or after July 1, 2013. These members must meet one of the following requirements:

- The member's minimum age is 55, and the member has earned 30 or more years of service credit. (Those who retire earlier than age 55, but with 30 years of earned service credit will have a reduction in benefits to the actuarial equivalent of retiring at age 55),
- The member's minimum age and earned service credit add up to the sum of 80 or more. (Those who retire under the age of 65, and who have fewer than 30 years of earned service credit receive reduced retirement benefits), or
- The member's age is 67, and the member has earned five or more years of service credit.

### **Tier 4: Membership beginning on or after July 1, 2019**

Section 2-11-23.3, NMSA 1978, added eligibility requirements for new members who were first employed on or after July 1, 2019 — and had, before that date, been refunded all member contributions and had not restored all refunded contributions and interest before July 1, 2019. A member in this tier must meet one of the following requirements:

- The member's minimum age must be 58, and the member has earned 30 or more years of service credit. (A member who retires earlier than age 58, receives a reduction in benefits equal to the actuarial equivalent of retiring at age 58),
- The member's minimum age and earned service credit add up to the sum of 80 or more. (Those who retire under the age of 65, and who have fewer than 30 years of earned service credit receive reduced retirement benefits), or
- The member's age is 67, and the member has earned five or more years of service credit.

*Form of payment:* The benefit is paid as a monthly life annuity with a guarantee that, if the payments made do not exceed the member's accumulated contributions plus accumulated interest, determined as of the date of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary.

*Benefit options:* The Plan has three benefit options available.

- **Option A – Straight Life Benefit** – The single life annuity option has no reductions to the monthly benefit, and there is no continuing benefit due to a beneficiary or estate, except the balance, if any, of member contributions plus interest less benefits paid prior to the member's death.
- **Option B – Joint 100% Survivor Benefit** – The single life annuity monthly benefit is reduced to provide for a 100% survivor's benefit. The reduced benefit is payable during the life of the member, with the provision that, upon death, the same benefit is paid to the beneficiary for his or her lifetime. If the beneficiary predeceases the member, the member's monthly benefit is increased to the amount the member would have received under Option A Straight Life benefit. The member's increased monthly benefit commences in the month following the beneficiary's death.
- **Option C – Joint 50% Survivor Benefit** – The single life annuity monthly benefit is reduced to provide for a 50% survivor's benefit. The reduced benefit is payable during the life of the member, with the provision that, upon death, the reduced 50% benefit is paid to the beneficiary for his or her lifetime. If the beneficiary predeceases the member, the member's monthly benefit is increased to the amount the member would have received under Option A Straight Life benefit. The member's increased monthly benefit commences in the month following the beneficiary's death.

*Disability benefit:* An NMERB member is eligible for disability benefits if they have acquired at least ten years of earned service credit and is found totally disabled. The disability benefit is equal to 2% of the member's Final Average Salary (FAS) multiplied by the number of years of total service credits. However, the disability benefit shall not be less than the smaller of (a) one-third of the member's FAS or (b) 2% of the member's FAS multiplied by total years of service credit projected to age 60.

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

*Cost of living adjustment (COLA):* All retired members and beneficiaries receiving benefits may receive an adjustment in their benefit on July 1 following the year a member retires or July 1 following the year a member reaches the age below, whichever is later:

<b>Membership</b>	<b>Age Eligible for COLA</b>
Tier 1	65
Tier 2	65
Tier 3	67
Tier 4	67

If a member is eligible for a COLA, the amount depends on the annual change in the Consumer Price Index (CPI) and whether the fund is fully funded (that is, the fund's funded ratio is 100%). Accordingly, if there is no increase in the CPI, or the CPI is negative, the amount of the COLA will be zero (if the CPI is negative, retirement benefits will not be decreased).

When CPI has increased and the fund is fully funded, the COLA will be the same amount as the increase in the CPI except as follows: If the increase in the CPI is 2% or greater, the COLA will be one-half of the CPI increase, not to exceed 4% or to be less than 2%.

However, while the fund is not fully funded, the COLA for retirees will be reduced based on the median annual retirement benefit, calculated after the end of each fiscal year:

- When the funded ratio is 90% or less, the COLA for retirees whose annuity is at or below the median and who have 25 or more years of service credit at retirement will be reduced by 10%. For retirees whose annuity is either greater than the median or who have less than 25 years of service credit at retirement, the COLA will be reduced by 20%.
- When the funded ratio exceeds 90% but is less than 100%, the COLA for retirees whose annuity is at or below the median adjusted annuity and who had 25 or more years of service credit at retirement will be reduced by 5%. For retirees whose annuity is either greater than the median or who have less than 25 years of service credit at retirement, the COLA will be reduced by 10%.

Members on disability retirement are entitled to a COLA commencing on July 1 of the third full year following disability retirement. A member on regular retirement who can prove retirement because of a disability may qualify for a COLA beginning July 1 in the third full year of retirement.

*Refund of contributions:* Members may withdraw their contributions only when they terminate covered employment in the State and their former employer(s) certification determination has been received by NMERB. Interest is paid to members when they withdraw their contributions following termination of employment at a rate set by the Board. Interest is not earned on contributions credited to accounts prior to July 1, 1971, or for contributions held for less than one year.

*Contributions:* For the fiscal year ended June 30, 2021 and 2020 educational employers contributed to the Plan based on the following rate schedule.

<b>Fiscal Year</b>	<b>Date Range</b>	<b>Wage Category</b>	<b>Member Rate</b>	<b>Employer Rate</b>	<b>Combined Rate</b>	<b>Increase Over Prior Year</b>
2021	7-1-20 to 6-30-21	Over \$24K	10.70%	14.15%	24.85%	0.00%
2021	7-1-20 to 6-30-21	\$24K or less	7.90%	14.15%	22.05%	0.00%
2020	7-1-19 to 6-30-20	Over \$24K	10.70%	14.15%	24.85%	0.25%
2020	7-1-19 to 6-30-20	\$24K or less	7.90%	14.15%	22.05%	0.25%

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

The contribution requirements are established in statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the New Mexico Legislature. The University's contributions to ERB for the fiscal years ended June 30, 2021, 2020, and 2019 were \$71,515,150, \$71,254,246, and \$66,458,621, respectively, which equal the amount of the required contributions for each fiscal year. The Clinical Operations' contributions to ERB for the fiscal years ended June 30, 2021, 2020, and 2019 were \$142,261, \$225,391, and \$268,689, respectively, which equal the amount of the required contributions for each fiscal year.

### Alternative Retirement Plan

Effective October 1991, the New Mexico legislature established an Alternative Retirement Plan (ARP) through the enactment of ERA Sections 22-11-47 through 52 NMSA 1978 to provide eligible employees an election to establish an alternative retirement investment plan. In contrast to the defined benefit plan administered by NMERB, the ARP is a defined contribution plan. NMERB is the trustee of the ARP which is administered by two third-party contractors for NMERB. The two administrators approved to offer ARP plans to eligible participants are Teachers Insurance and Annuity Association (TIAA) and Fidelity Investments.

These administrators have the authority to perform record keeping, enrollment education services, and other administrative duties for the ARP. The administrators are delegated any and all powers as may be necessary or advisable to discharge their duties under the ARP and have certain discretionary authority to decide matters under the ARP. As the ARP trustee, NMERB is responsible for selecting investment options that provide a prudent rate of return and ensuring that all investments, amounts, property, and rights under the executed Plan-Trust are held for the exclusive benefit of Plan participants and their beneficiaries, as defined in the Plan Document.

*Eligibility:* Certain eligible employees of the University are eligible to make an election to participate within ninety days of employment. Information about the ARP is distributed by the employer. Those who do not elect to participate in the ARP remain members of the regular defined benefit retirement plan.

Section 22-11-47(D) NMSA 1978 allows an ARP participant a one-time option to make an irrevocable switch to the defined benefit retirement plan after seven years of ARP participation.

*Form of payment:* Retirement, death, and other benefits are based upon contributions made and earnings accumulated on those contributions, in accordance with the terms of the applicable vendor contracts and Internal Revenue Service Code. Retirement benefits shall, at the option of the employee, be paid in the form of:

- A lifetime income, if held in an annuity contract,
- Payments for a term of years, or
- A single-sum cash payment

ARP retirement, death, and other benefits, including disability benefits, cannot be paid from the funds administered by NMERB.

*ARP contributions:* A participating employer must contribute on behalf of each employee participant an amount of the participant's salary equal to the contribution that would be required of the employer if the participant were, instead, a regular member. For the year ended June 30, 2021, colleges and universities contributed 10.90% of participating employees' gross salary to the ARP vendor on behalf of the participant, and 3.25% of the employees' gross salary to NMERB, for a total of 14.15%. Employees participating in the ARP do not accrue rights to benefits in the defined benefit pension plan based on the 3.25% contributions to NMERB.

The colleges and universities are responsible for submitting employers' and employees' contributions directly to the ARP vendors and NMERB.

Employer contributions reported in the University's financial statements include amounts remitted on behalf of both the ARP defined contribution plan and the defined benefit plan. The University's 3.25% contribution remitted for the fiscal years ended June 30, 2021 and 2020 and the 3.0% contributions remitted for the fiscal year ended June 30, 2019 were \$5,182,816, \$4,984,407, and \$4,296,036, respectively.

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

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

At June 30, 2021, the University and Clinical Operations reported liabilities of \$3,194,607,463 and \$10,173,636, respectively, for their proportionate shares of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2020 using generally accepted actuarial principles.

On April 17, 2020, NMERB's Board of Trustees adopted new assumptions presented in the 2020 Actuarial Experience Study. Those new assumptions have been reflected in the roll-forward and in the projections used to determine the single discount rate.

At June 30, 2020, the University and Clinical Operations reported liabilities of \$1,239,345,111 and \$5,012,187, respectively, for their proportionate shares of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2019 using generally accepted actuarial principles.

House Bill 360 made several changes to benefit provisions, which were effective July 1, 2019. These changes have been reflected in the roll-forward and in the projection used to determine the single discount rate. These changes included:

- Increasing the employer contribution rate by 0.25%, from 13.9% to 14.15%;
- Increasing from \$20,000 to \$24,000, the member salary range subject to the lower 7.90% contribution rate (higher rate is 10.70%);
- Increasing the employer contribution to ERP on behalf of ARP members from 3.0% to 3.25%;
- Implementing anti-spiking measures to prevent artificially increasing benefits;
- Requiring all working retirees and their employers to contribute to ERP; and
- For members hired after June 30, 2019, using a tiered multiplier instead of a single multiplier to calculate retirement benefits upon retirement.

The employer's proportion of the net pension liability is based on a projection of the employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating educational institutions at June 30, 2020, actuarially determined. At June 30, 2020, the University's proportion was 15.76347%, which was a decrease of 0.59255% from its proportion measured as of June 30, 2019. At June 30, 2019, the University's proportion was 16.35602%, which was a decrease of 0.56455% from its proportion measured as of June 30, 2018. At June 30, 2020, the Clinical Operations' proportion was 0.05040%, which was a decrease of 0.01574% from its proportion measured as of June 30, 2019. At June 30, 2019, the Clinical Operations' proportion was 0.06614%, which was a decrease of 0.00762% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2021, the University and Clinical Operations recognized pension expense of \$764,912,248 and \$1,788,530, respectively. For the year ended June 30, 2020, the University and Clinical Operations recognized pension income of \$391,554,777 and \$2,068,140, respectively. At June 30, 2021 and 2020, the University and Clinical Operations reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:



# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

Year Ended June 30, 2021						
	Deferred Outflows of Resources			Deferred Inflows of Resources		
	University	Clinical Operations	Total	University	Clinical Operations	Total
Differences between expected and actual experience	\$ 19,832,019	\$ 63,408	\$ 19,895,427	\$ 12,318,197	\$ 39,385	\$ 12,357,582
Changes of assumptions	1,280,106,510	4,092,840	1,284,199,350	-	-	-
Net difference between projected and actual earnings on pension plan investments	108,476,032	346,827	108,822,859	-	-	-
Changes in proportion and differences between University and Clinical Operations contributions and proportionate share of contributions	447,217	-	447,217	52,593,745	1,175,147	53,768,892
University and Clinical Operations contributions subsequent to the measurement date	71,515,150	142,261	71,657,411	-	-	-
<b>Total</b>	<b>\$ 1,480,376,928</b>	<b>\$ 4,645,336</b>	<b>\$ 1,485,022,264</b>	<b>\$ 64,911,942</b>	<b>\$ 1,214,532</b>	<b>\$ 66,126,474</b>

Year Ended June 30, 2020						
	Deferred Outflows of Resources			Deferred Inflows of Resources		
	University	Clinical Operations	Total	University	Clinical Operations	Total
Differences between expected and actual experience	\$ -	\$ -	\$ -	\$ 32,481,574	\$ 131,348	\$ 32,612,922
Changes of assumptions	174,626,703	706,150	175,332,853	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	-	-	26,393,898	106,731	26,500,629
Changes in proportion and differences between University and Clinical Operations contributions and proportionate share of contributions	5,749,210	-	5,749,210	39,081,637	820,977	39,902,614
University and Clinical Operations contributions subsequent to the measurement date	71,254,246	225,391	71,479,637	-	-	-
<b>Total</b>	<b>\$ 251,630,159</b>	<b>\$ 931,541</b>	<b>\$ 252,561,700</b>	<b>\$ 97,957,109</b>	<b>\$ 1,059,056</b>	<b>\$ 99,016,165</b>

The \$71,657,411 reported as deferred outflows of resources related to pensions resulting from University and Clinical Operations contributions subsequent to the measurement date of June 30, 2020 will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. The \$71,479,637 reported as deferred outflows of resources related to pensions resulting from University and Clinical Operations contributions subsequent to the measurement date of June



# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

30, 2019 was recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	University	Clinical Operations	Total
2022	\$ 523,766,715	\$ 1,149,504	\$ 524,916,219
2023	535,096,930	1,346,777	536,443,707
2024	251,901,198	686,161	252,587,359
2025	33,184,993	106,101	33,291,094
<b>Total</b>	<b>\$ 1,343,949,836</b>	<b>\$ 3,288,543</b>	<b>\$ 1,347,238,379</b>

*Actuarial assumptions:* Actuarial assumptions and methods are set by the Plan's Board of Trustees, based upon recommendations made by the Plan's actuary. On April 17, 2020, the Board adopted the new assumptions presented in the 2020 Actuarial Experience Study.

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	3.25% composed of 2.50% inflation, plus a 0.75% productivity increase rate, plus a step-rate promotional increase for members with less than 10 years of service.
Investment Rate of Return	7.25% compounded annually, net of expenses. This is made up of a 2.50% inflation rate and a 4.75% real rate of return.
Mortality	<p><b>Healthy males:</b> Based on the RP-2000 Combined Mortality Table with White Collar adjustments, not set back. Generational mortality improvements with Scale BB from the table's base year of 2000.</p> <p><b>Healthy females:</b> Based on GRS Southwest Region Teacher Mortality Table, set back one year. Generational mortality improvements in accordance with Scale BB from the table's base year of 2012.</p>
Other Information	A new set of assumptions was adopted for the June 30, 2020 actuarial valuation. These new assumptions are reflected in the Total Pension Liability as of June 30, 2020 and will be reflected in the actuarially determined employer contribution for the fiscal year ending 2021. These assumptions can be found in the funding valuation as of June 30, 2020 or in the 2020 experience study.

The long-term expected rate of return on pension plan investments was determined using a building-block approach that includes the following:

- Rate of return projections that are the sum of current yield plus projected changes in price (valuations, defaults, etc.)
- Application of key economic projections (inflation, real growth, dividends, etc.)
- Structural themes (supply and demand imbalances, capital flows, etc.) developed for each major asset class.

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

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

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Rate of Return</b>
Equities	30%	
Fixed income	26%	
Alternatives	43%	
Cash	1%	
<b>Total</b>	<b>100%</b>	<b>7.00%</b>

*Discount rate:* A single discount rate of 3.89% was used to measure the total pension liability as of June 30, 2020. This is a 3.36% percent decrease from the 7.25% rate used in the prior measurement year. The 3.89% was based on a long-term expected rate of return on pension plan investments of 7.00%. Based on the stated assumptions and the projection of cash flows, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2045. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefits payments through the year 2045 and the municipal bond rate was applied to all benefit payments after that date.

A single discount rate of 7.25% was used to measure the total pension liability as of June 30, 2019. This is a 1.56% percent increase over the rate of 5.69% rate used in the prior measurement year. The 7.25% was based on a long-term expected rate of return on pension plan investments of 7.25%. Based on the stated assumptions and the projection of cash flows, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit of current plan members. As a result, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The projections of cash flows used to determine the single discount rates assumed that plan member and employer contributions will be made at the current statutory levels.

Additionally, contributions received through Alternative Retirement Plan (ARP) are included in the projection of cash flows. These contributions are assumed to remain at a level percentage of ERB payroll, where the percentage of payroll is based on the most recent five-year contribution history.

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

*Sensitivity of the University's and Clinical Operations' proportionate shares of the net pension liability to changes in the discount rate:*

The following presents the University's and Clinical Operations' net pension liability at June 30, 2021, which was measured using the discount rate of 3.89%, as well as what the net pension liability would have been if it were calculated using a discount rate that was one percentage point lower (2.89%) or one percentage point higher (4.89%) than the current discount rate.

	Year Ended June 30, 2021		
	1% Decrease (2.89%)	Current Discount Rate (3.89%)	1% Increase (4.89%)
University's proportionate share of the net pension liability	\$ 4,034,441,865	\$ 3,194,607,463	\$ 2,518,906,102
Clinical Operations' proportionate share of the net pension liability	12,899,182	10,173,636	8,053,612
<b>Total</b>	<b>\$ 4,047,341,047</b>	<b>\$ 3,204,781,099</b>	<b>\$ 2,526,959,714</b>

The following presents the University's and Clinical Operations' net pension liability at June 30, 2020, which was measured using the discount rate of 7.25%, as well as what the net pension liability would have been if it were calculated using a discount rate that was one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current discount rate.

	Year Ended June 30, 2020		
	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
University's proportionate share of the net pension liability	\$ 1,673,020,987	\$ 1,239,345,111	\$ 880,653,935
Clinical Operations' proportionate share of the net pension liability	6,765,314	5,012,187	3,561,163
<b>Total</b>	<b>\$ 1,679,786,301</b>	<b>\$ 1,244,357,298</b>	<b>\$ 884,215,098</b>

*Pension plan fiduciary net position:* Detailed information about the pension plan's fiduciary net position is available in separately issued NMERB'S financial reports. The reports can be found on NMERB's website at [https://www.nmerb.org/Annual\\_reports.html](https://www.nmerb.org/Annual_reports.html).

### (B) Clinical Operations

The Clinical Operations have a defined-contribution plan covering eligible employees, which provides retirement benefits. The name of the plan is UNM Hospital Tax Sheltered Annuity Plan, formerly known as the University of New Mexico Hospital/Bernalillo Medical Center Tax Sheltered Annuity Plan. The Clinical Operations contribute 6% or 8% of an employee's salary to the plan, depending on employment level. The plan was established by the UNM Hospital Board of Trustees and can be amended at its discretion. The plan is administered by the Hospital's Human Resources Department.

The expense for the defined-contribution plan was \$19,541,000 and \$16,877,000 in fiscal years 2021 and 2020, respectively. Total employee contributions under this plan were \$26,744,000 and \$21,785,000 in fiscal years 2021 and 2020, respectively. The Hospital also offers a Roth 403b defined-contribution plan option. Total employee contributions were approximately \$2,700,000 and \$2,000,000 in fiscal years 2021 and 2020, respectively.

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

The Clinical Operations also have a deferred compensation plan, called the UNM Hospital 457(b) Deferred Compensation Plan, which provides employees with an additional retirement savings plan. The Clinical Operations do not contribute to this plan. Employees can make voluntary contributions to this plan. The plan was established by the UNM Hospital Board of Trustees and can be amended at its discretion. The plan is administered by the Hospital's Human Resources Department. There was no expense for the deferred compensation plan in 2021 and 2020, respectively, as the Clinical Operations do not contribute to this plan. Total employee contributions under this plan were \$4,120,000 and \$3,750,000 in fiscal years 2021 and 2020, respectively.

In addition, the Clinical Operations have a 401(a) defined-contribution plan, called the UNM Hospital 401(a) Plan, which was established for the purpose of providing retirement benefits for eligible participants and their beneficiaries. The 401(a) plan allows for tax-deferred employer contributions based on management's recommendation that is approved by the Board of Trustees on an annual basis. The plan was established by the UNM Hospital Board of Trustees and can be amended at its discretion. All assets of the plan are held in a trust fund, are not considered Clinical Operations assets, and are under the direction of a plan administrator. The expense for the 401(a) defined-contribution plan was \$618,000 and \$541,000 in fiscal years 2021 and 2020, respectively. Only the Clinical Operations contribute to this plan.

A small portion of the Clinical Operations' full-time employees participates in the ERB defined-benefit plan authorized under the Educational Retirement Act as described above.

### (18) Other Postemployment Benefits

#### General Information about the OPEB Plan

*Plan description:* The University of New Mexico Retiree Welfare Benefit Trust (VEBA Trust) administers the University of New Mexico Retiree Welfare Benefit Plan (VEBA Plan) – a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for all eligible employees of the University. The University is the fiduciary of the VEBA Trust, and the VEBA Trust's financial statements and required supplementary information are included in the University's financial report.

Management of the VEBA Plan is vested in the VEBA Trust's VEBA Committee, which consists of nine members:

- UNM Controller or Designee
- UNM Vice President of Human Resources or Designee
- Two Faculty Appointees (appointed by the UNM President)
- Two Staff Appointees (appointed by the UNM President)
- Member of the Debt Investment Advisory Committee (ex-officio, appointed by the UNM President)
- Two UNM Presidential Appointees

*Plan membership:* In order for a retiree of the University to be eligible for OPEB other than basic life insurance, the employee must have been hired prior to July 1, 2015 and contribute to the VEBA Trust for at least five continuous years immediately prior to retirement. If hired prior to July 1, 2013 and retiring prior to July 1, 2018, employees must continually contribute to the VEBA Trust. Employees were automatically enrolled into the VEBA Trust upon its establishment unless they requested to opt out. Opportunities to opt out will occur annually during the benefits open enrollment period. Employees hired on or after July 1, 2015 are not eligible for OPEB other than basic life insurance. Contributions to the VEBA Trust are not required for the basic life insurance benefit since these benefits are not funded through the VEBA Trust.

At the valuation date of January 1, 2021, the VEBA Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	4,486
Inactive plan members entitled to but not yet receiving benefit payments	-
Active plan members	7,177
Total plan members	<u>11,663</u>

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

Total active plan members include 3,453 members hired on or after July 1, 2015 who are not eligible to receive postretirement health benefits but may be eligible to receive postretirement life insurance benefits.

*Benefits provided:* The VEBA Plan provides health, dental, and life insurance coverage to eligible retirees and their covered dependents. Eligible retirees of the University receive healthcare coverage through a self-insured medical plan, including prescription drugs, administered through UNM LoboHealth (administered by UNM Team Health and BCSC of NM) and Presbyterian Health Plan. Prescription drug benefits are administered by Express Scripts, Inc. Eligible Medicare retirees receive healthcare coverage through one of seven fully insured medical and prescription drug plans: Humana PPO, Aetna PPO ESA, Blue Cross Blue Shield HMO I (Enhanced), Blue Cross Blue Shield HMO II (Standard), Presbyterian Select HMO-POS, Presbyterian Premier HMO-POS, and UHC AARP supplement. Eligible retirees are also offered one of two dental insurance benefit options: Premier High Option and PPO Low Option. Basic life insurance benefits are available to retirees of the University without the requirement to opt in to the VEBA Trust. The authority to establish and amend the benefit provisions rests with the Board of Regents.

*Contributions:* The contribution requirements of VEBA Plan members and the University are established and may be amended by the Board of Regents. Retiree contributions for medical and dental insurance are required for both retiree and dependent coverage. Retirees are required to pay the full premiums less a subsidy provided by the University. The contribution percentage to premiums for retirees 65 years of age and over is determined by service credits paid into the VEBA as follows:

### 65+ Retirees

Number of VEBA Service Credit Years Contributed	UNM	Retiree
5-9	10%	90%
10-14	15%	85%
15 - 19	20%	80%
20 - 24	25%	75%
Grandfathered with 25+ Service Credits	30%	70%

The contribution percentage to premiums for retirees under the age of 65 is determined by service credits paid into the VEBA and their preretirement annual salary as follows:

### Pre- 65 Retirees

Number of VEBA Service Credit Years Contributed	Less than \$25,000		\$25,000 - \$34,999		\$35,000 and above	
	UNM	Retiree	UNM	Retiree	UNM	Retiree
5-9	25%	75%	20%	80%	15%	85%
10-14	30%	70%	25%	75%	20%	80%
15 - 19	35%	65%	30%	70%	25%	75%
20 - 24	40%	60%	35%	65%	30%	70%
Grandfathered with 25+ Service Credits	60%	40%	50%	50%	40%	60%

Benefits-eligible employees, who do not opt-out of the VEBA Trust, contribute 0.75% of their salary to the VEBA Trust in order to ensure that the health benefits continue into retirement. The University matches the 0.75% contribution made by the employee.

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### Investments

*Investment policy:* The VEBA Trust's policy in regard to the allocation of invested assets was established and may be amended by the VEBA Committee. The long-term objective of the VEBA Trust is to earn a return sufficient to preserve the purchasing power of the VEBA Trust to fund retirement benefits for contributing employees. Ultimately, the goal is to achieve an annual total return, net of management and custodial fees that equals or exceeds the estimated annual benefit distributions, and inflation as measured by the U.S. Department of Labor All Urban Consumer Price Index "CPI-U".

Given the current significant unfunded status of the VEBA Plan, an intermediate return objective is established to reflect the return goal during the accumulation phase. The accumulation phase is defined as the time to achieve a VEBA Trust balance sufficient to support 30% of the annual required contribution. During the accumulation phase, the VEBA Trust has the ability to pursue a higher return since distributions are not allowed and regular contributions are expected to be significant relative to the current VEBA Trust balance. As such, the intermediate return objective is 7-8% over a full market cycle.

The following was the adopted asset allocation policy as of June 30, 2021:

<u>Asset Class</u>	<u>Allocation</u>	
	<u>Target</u>	<u>Maximum</u>
Equities	65%	65%
Fixed income	35%	45%
Alternatives	0%	15%
<b>Total</b>	<b>100%</b>	

*Rate of return:* For the years ended June 30, 2021 and 2020, the annual money-weighted rate of return on investments, net of investment expense, were 26.04 percent and 4.55 percent, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### Net OPEB Liability of the University

The University's net OPEB liability was rolled forward on an actuarial basis from the valuation measured as of July 1, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2019 but adjusted for a change in the discount rate.

The components of the net OPEB liability of the University at June 30, 2021 and 2020 were as follows:

	<b>2021</b>	<b>2020</b>
Total OPEB liability	\$ 133,034,500	\$ 134,052,800
Plan fiduciary net position	43,519,500	37,341,100
University's net OPEB liability	<u>\$ 89,515,000</u>	<u>\$ 96,711,700</u>
Plan fiduciary net position as a percentage of the total OPEB liability	32.71%	27.86%

*Actuarial assumptions:* The total OPEB liability was determined by an actuarial valuation as of January 1, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.0%
Investment rate of return	8.0%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Pre-Medicare: 5.5% initially, reduced by decrements to a rate of 5.0% after nine years Post-Medicare: 5.4% initially, reduced by decrements to a rate of 5.0% after nine years Dental: 4.0%

Mortality rates were based on the PUB-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2018.

*Discount rate:* The discount rate used to measure the total OPEB liability was 7.09%, which is a blended rate of the University's 8.0% long-term rate of return on assets and the interest rate reported under the 20-Year Municipal Bond Index, which was 2.21% on the last Friday prior to the measurement date of June 30, 2020. A blended discount rate was calculated based on separating the projected future payments between those paid from the VEBA Trust and those paid from general assets. The VEBA Trust assets were projected using the expected employer and employee payroll contributions and the expected long-term rate of return. Payments from the VEBA Trust were assumed to begin when the projected asset amount is fully-funded and all future projected benefit payments will be paid from the VEBA Trust. The VEBA Trust is expected to be fully-funded in the year 2032. The discount rate used in the prior year was 6.69%, which is a blended rate of the University's 8.0% long-term rate of return on assets and the interest rate reported under the 20-Year Municipal Bond Index, which was 3.50% on the last Friday prior to the measurement date of June 30, 2019.



# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
<b>Balance at June 30, 2020 (based on July 1, 2019 measurement date)</b>	<b>\$ 134,052,700</b>	<b>\$ 37,341,000</b>	<b>\$ 96,711,700</b>
<b>Changes for the year:</b>			
Service cost	1,890,700	N/A	1,890,700
Interest on the total OPEB liability	8,920,400	N/A	8,920,400
Changes of benefit terms	-	N/A	-
Differences between expected and actual experience	-	N/A	-
Changes of assumptions*	(6,533,800)	N/A	(6,533,800)
Benefit payments	(5,295,500)	(5,295,500)	-
Contributions from employer	N/A	7,459,600	(7,459,600)
Contributions from employee	N/A	2,164,100	(2,164,100)
Net investment income	N/A	1,853,500	(1,853,500)
Administrative expense	N/A	(3,200)	3,200
<b>Net changes</b>	<b>(1,018,200)</b>	<b>6,178,500</b>	<b>(7,196,700)</b>
<b>Balance at June 30, 2021 (based on July 1, 2020 measurement date)</b>	<b>\$ 133,034,500</b>	<b>\$ 43,519,500</b>	<b>\$ 89,515,000</b>

\* The assumed discount rate increased from 6.69% at June 30, 2019 to 7.09% as of June 30, 2020.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
<b>Balance at June 30, 2019 (based on July 1, 2018 measurement date)</b>	<b>\$ 156,289,100</b>	<b>\$ 30,805,200</b>	<b>\$ 125,483,900</b>
<b>Changes for the year:</b>			
Service cost	3,267,100	N/A	3,267,100
Interest on the total OPEB liability	10,640,500	N/A	10,640,500
Changes of benefit terms	-	N/A	-
Differences between expected and actual experience	(38,575,300)	N/A	(38,575,300)
Changes of assumptions**	7,729,900	N/A	7,729,900
Benefit payments	(5,298,600)	(5,298,600)	-
Contributions from employer	N/A	7,513,700	(7,513,700)
Contributions from employee	N/A	2,215,100	(2,215,100)
Net investment income	N/A	2,111,000	(2,111,000)
Administrative expense	N/A	(5,400)	5,400
<b>Net changes</b>	<b>(22,236,400)</b>	<b>6,535,800</b>	<b>(28,772,200)</b>
<b>Balance at June 30, 2020 (based on July 1, 2019 measurement date)</b>	<b>\$ 134,052,700</b>	<b>\$ 37,341,000</b>	<b>\$ 96,711,700</b>

\* The assumed discount rate decreased from 6.78% at June 30, 2018 to 6.69% as of June 30, 2019.

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### *Sensitivity of the net OPEB liability to changes in the discount rate:*

The following presents the University's net OPEB liability at June 30, 2021, which was measured using the discount rate of 7.09%, as well as what the net OPEB liability would have been if it were calculated using a discount rate that was one percentage point lower (6.09%) or one percentage point higher (8.09%) than the current discount rate.

Year Ended June 30, 2021			
	1% Decrease (6.09%)	Current Discount Rate (7.09%)	1% Increase (8.09%)
Net OPEB liability	\$ 106,900,600	\$ 89,515,000	\$ 75,251,900

The following presents the University's net OPEB liability at June 30, 2020, which was measured using the discount rate of 6.69%, as well as what the net OPEB liability would have been if it were calculated using a discount rate that was one percentage point lower (5.69%) or one percentage point higher (7.69%) than the current discount rate.

Year Ended June 30, 2020			
	1% Decrease (5.69%)	Discount Rate (6.69%)	1% Increase (7.69%)
Net OPEB liability	\$ 115,109,800	\$ 96,711,700	\$ 81,416,200

### *Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates:*

The following presents the University's net OPEB liability at June 30, 2021 and 2020, which was measured using the current healthcare cost trend rates (Pre-Medicare: 5.5% decreasing to 5%, Post-Medicare: 5.4% decreasing to 5%, Dental: 4%), as well as what the net OPEB liability would have been if it were calculated using healthcare cost trend rates that were one percentage point lower (Pre-Medicare: 4.5% decreasing to 4%, Post-Medicare: 4.4% decreasing to 4%, Dental: 3%) or one percentage point higher (Pre-Medicare: 6.5% decreasing to 6%, Post-Medicare: 6.4% decreasing to 6%, Dental: 5%) than the current healthcare cost trend rates.

Year Ended June 30, 2021			
	1% Decrease (Pre-Medicare: 4.5% decreasing to 4%, Post- Medicare: 4.4% decreasing to 4%, Dental: 3%)	Current Discount Rate (Pre-Medicare: 5.5% decreasing to 5%, Post- Medicare: 5.4% decreasing to 5%, Dental: 4%)	1% Increase (Pre-Medicare: 6.5% decreasing to 6%, Post- Medicare: 6.4% decreasing to 6%, Dental: 5%)
Net OPEB liability	\$ 73,793,000	\$ 89,515,000	\$ 108,832,400

Year Ended June 30, 2020			
	1% Decrease (Pre-Medicare: 4.5% decreasing to 4%, Post- Medicare: 4.4% decreasing to 4%, Dental: 3%)	Current Discount Rate (Pre-Medicare: 5.5% decreasing to 5%, Post- Medicare: 5.4% decreasing to 5%, Dental: 4%)	1% Increase (Pre-Medicare: 6.5% decreasing to 6%, Post- Medicare: 6.4% decreasing to 6%, Dental: 5%)
Net OPEB liability	\$ 80,995,300	\$ 96,711,700	\$ 115,733,900

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

*OPEB plan fiduciary net position:* The University is the fiduciary of the VEBA Trust, and detailed information about the VEBA Trust's fiduciary net position is included in this financial report.

### OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the University recognized OPEB income of \$2,882,000, and for the year ended June 30, 2020, the University recognized OPEB expense of \$1,599,200. At June 30, 2021 and 2020, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Year Ended June 30, 2021		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 24,699,300
Changes of assumptions	4,949,300	11,911,300
Net difference between projected and actual earnings on OPEB plan investments	1,358,300	-
University contributions subsequent to the measurement date	5,210,300	-
<b>Total</b>	<b>\$ 11,517,900</b>	<b>\$ 36,610,600</b>

Year Ended June 30, 2020		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 31,637,300
Changes of assumptions	6,339,560	8,565,960
Net difference between projected and actual earnings on OPEB plan investments	415,800	-
University contributions subsequent to the measurement date	7,459,600	-
<b>Total</b>	<b>\$ 14,214,960</b>	<b>\$ 40,203,260</b>

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

The \$5,210,300 reported as deferred outflows of resources related to OPEB resulting from University contributions subsequent to the measurement date of July 1, 2020 will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2022. The \$7,459,600 reported as deferred outflows of resources related to OPEB resulting from University contributions subsequent to the measurement date of July 1, 2019 was recognized as a reduction of the net OPEB liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year ending June 30:</b>		
2022	\$	(8,375,240)
2023		(8,366,040)
2024		(8,111,683)
2025		(4,791,939)
2026		(658,098)
<b>Total</b>	<b>\$</b>	<b><u>(30,303,000)</u></b>

### (19) Commitments and Contingencies

#### (A) Commitments

In addition to the lease commitments in note 15, the University had commitments totaling \$87,584,168 at June 30, 2021. These commitments consisted of the following:

	<b><u>2021</u></b>
Materials and services	\$ 55,238,446
Construction projects	<u>32,345,722</u>
Total commitments	<b><u>\$ 87,584,168</u></b>

#### (B) Contingencies

The University is liable or contingently liable in connection with certain claims that arise in the normal course of its activities. It is the opinion of management that uninsured losses resulting from these claims would not be material to the University's financial position or operations.

The University receives grants and other forms of reimbursement from various federal and state agencies. These activities are subject to audit by agents of the funding authority, the purpose of which is to ensure compliance with conditions precedent to providing such funds. University administration believes that the liability, if any, for reimbursement that may arise as the results of audits, would not be material to the financial position or operations of the University.

#### (C) Mortgage Reserve Fund

On November 15, 2004, the Hospital established a mortgage reserve fund in accordance with the requirements and conditions of the 2004 FHA Regulatory Agreement. On May 14, 2015, a new mortgage reserve fund was established for the 2015 series bonds. The mortgage reserve fund is fully funded.

The mortgage note bears interest at 3.29%. The mortgage note has a term of 205 months following the commencement of amortization and matures on June 1, 2032. Principal and interest are payable in equal monthly installments upon commencement of amortization. A mortgage servicing fee of 12 basis points and a GNMA guarantee fee of 13 basis points are also included in the monthly payment, for a total of 3.54%.

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### (20) Unrestricted Net Position – Committed and Dedicated

Unrestricted net position is subject to contractual commitments and dedications to support the missions of the University in current and future years. The net position of unrestricted funds of the primary institution fall into one of three categories:

- **Committed:** A formal, written commitment/contract has been made for these funds. Examples include signed employment offer letters to Deans, Department Chairs, and Research Faculty, start-up funds for new research projects, cost share on awarded sponsored agreements, and appropriated state funding for special projects.
- **Dedicated:** An Executive Vice President, Vice President, Dean, or Department Chair has dedicated these funds for a clear, focused purpose to support the missions of the University.
- **Discretionary:** The remaining funds that are not committed or dedicated.

The following is a breakdown of the University's unrestricted net position as of June 30 (unaudited):

	<u>2021</u>	<u>2020</u>
Unrestricted net position	\$ (662,699,577)	\$ (176,401,580)
Less:		
Working capital – patient care operations		
Clinical operations – UNM Hospitals	<u>619,017,622</u>	<u>310,536,822</u>
Total working capital – patient care operations	619,017,622	310,536,822
Net pension and OPEB obligations		
Pension	(1,779,142,477)	(1,085,672,061)
OPEB	<u>(114,607,700)</u>	<u>(122,700,000)</u>
Total net pension and OPEB obligations	(1,893,750,177)	(1,208,372,061)
Committed		
HSC capital initiatives	333,561	196,333,561
Blended component units	97,352,782	82,132,382
Other	<u>71,759,615</u>	<u>139,401,538</u>
Total committed	169,445,958	417,867,481
Dedicated		
Plant funds – repair and replacement	84,187,212	88,804,154
Quasi-endowment funds – Regents' scholarships	122,667,334	95,662,812
Student loan funds	924,949	895,618
Other	<u>40,093,819</u>	<u>59,607,066</u>
Total dedicated	247,873,313	244,969,650
<b>Ending discretionary funds balance</b>	<u><u>\$ 194,713,707</u></u>	<u><u>\$ 58,596,528</u></u>

# THE UNIVERSITY OF NEW MEXICO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### (21) Capital Initiatives

In fiscal year 2015, the Hospital and the UNM HSC entered into an MOU to collaborate on strategic capital projects. Per the agreement, funding is set aside and committed for the development of clinical facilities. Capital project disbursements from capital initiatives funds in fiscal years 2021 and 2020 and the ending balances for each year are reflected in the table below. As of June 30, 2021 and 2020, the ending balances were \$333,561 and \$196,333,561, respectively, and were comprised of cash.

The Regents granted the bond trustee in respect of the UNMH HUD-insured bonds a security interest in all of UNM Hospital's cash (with the exception of the proceeds of the UNM Hospital mill levy and state appropriations), accounts receivable, contract rights, and the proceeds of the same. In addition, in that certain regulatory agreement signed by the Regents in 2004, that is still in effect today, the University agreed and committed to HUD that it would not "assign, transfer, dispose of, or encumber any personal property of the project including revenues from any source..." Lastly, in accordance with the terms of the lease under which the University leases a portion of the UNM Hospital facility from Bernalillo County, all reserves of the UNM Hospital covered by the lease are restricted to use for operation and maintenance of the UNM Hospital.

Fiscal Year	Beginning Balance	Contributions to Fund	Capital Project Disbursements from Fund	Ending Balance
2021	\$ 196,333,561	\$(196,000,000)	\$ -	\$ 333,561
2020	196,811,094	-	(477,533)	196,333,561

### (22) Beneficial Interest in New Mexico Land Grant Permanent Fund

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 of New Mexico (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.

On July 1, 2016, the State changed its policy regarding the presentation of the University's beneficial interest in the LGPF within the State's Comprehensive Annual Financial Report (CAFR). As a result of the State's change in policy, the University no longer presents its beneficial interest in the LGPF as an asset in its stand-alone Statement of Net Position (SNP). The distribution of income from the LGPF, as required by law, received by the University for its beneficial interest in the LGPF continues to be presented in its stand-alone Statement of Revenue, Expenses, and Changes in Net Position (SRECNP) as investment income.

The University's beneficial interest and income received from this beneficial interest for the years ending June 30, 2021 and 2020 are as follows:

	As of June 30	
	2021	2020
Balance of the University's beneficial interest in the LGPF	\$ 288,192,077	\$ 236,100,465
	For the Years Ended June 30	
	2021	2020
Income received from the University's beneficial interest in the LGPF	\$ 10,270,710	\$ 9,963,924

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# THE UNIVERSITY OF NEW MEXICO

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

### **(23) Subsequent Events**

Management has evaluated subsequent events through October 29, 2021 to determine whether such events should be recorded or disclosed in the financial statements or notes for the year ended June 30, 2021. This date represents the date the financial statement audit report was available to be issued. The University is not aware of any subsequent events that would require recognition or disclosure in the accompanying financial statements.



# THE UNIVERSITY OF NEW MEXICO

## REQUIRED SUPPLEMENTAL INFORMATION – PENSION

### Schedule of Proportionate Share of Net Pension Liability and Employer Contributions

The schedule of proportionate share of net pension liability and the schedule of employer contributions present multiyear trend information for the last 10 fiscal years. Fiscal Year 2015 was the first year of implementation, therefore, only seven years are shown. Until a full 10-year trend is compiled, information for those years for which information is available will be presented.

#### Schedule of Proportionate Share of Net Pension Liability - ERB Plan

	2021	2020
University's and Clinical Operations' proportion of the net pension liability (asset)	15.81387%	16.42216%
University's and Clinical Operations' proportionate share of the net pension liability (asset)	\$ 3,204,781,099	\$ 1,244,357,298
University's and Clinical Operations' covered payroll	\$ 505,156,445	\$ 480,032,441
University's and Clinical Operations' proportionate share of the net pension liability (asset) as a percentage of its covered payroll	634.41%	259.22%
Plan fiduciary net position as a percentage of the total pension liability	39.11%	64.13%

#### Schedule of Employer Contributions - ERB Plan

	2021	2020
Statutorily required employer contribution	\$ 71,657,411	\$ 71,479,637
Contributions in relation to the statutorily required contribution	\$ 71,657,411	\$ 71,479,637
Contribution deficiency (excess)	\$ -	\$ -
University's and Clinical Operations' covered payroll	\$ 506,412,799	\$ 505,156,445
Contributions as a percentage of covered payroll	14.15%	14.15%

#### Notes to Schedules:

##### Changes in benefit provisions

There were modifications made to the benefit provisions that were effective July 1, 2019 and are reflected in the actuarial valuation as of June 30, 2020. These modifications can be found in the Notes to the Basic Financial Statements, specifically, Note 17.

##### Changes in assumptions and methods

Actuarial assumptions and methods are set by the Board of Trustee, based upon recommendations made by the Plan's actuary. The Board adopted new assumptions on April 17, 2020 in conjunction with the six-year actuarial experience study period ending June 30, 2019. At that time, The Board adopted a number of economic assumption changes, including a decrease in the inflation assumption from 2.50% to 2.30%. The 0.20% decrease in the inflation assumption also led to decreases in the nominal investment return assumption from 7.25% to 7.00%, the assumed annual wage inflation rate from 3.25% to 3.00%, the payroll growth assumption from 3.50% to 3.00%, and the annual assumed COLA from 2.00% to 1.90%.

# SCHEDULE 1



<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
16.99433%	16.96537%	16.58948%	16.49188%	16.43531%
\$ 2,020,852,577	\$ 1,885,441,562	\$ 1,193,850,905	\$ 1,068,222,984	\$ 937,754,765
\$ 474,922,764	\$ 483,027,675	\$ 470,690,396	\$ 450,281,155	\$ 446,728,272
425.51%	390.34%	253.64%	237.23%	209.92%
52.17%	52.95%	61.58%	63.97%	66.54%
<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 66,727,310	\$ 66,012,818	\$ 67,140,847	\$ 65,427,748	\$ 64,832,820
\$ 66,727,310	\$ 66,012,818	\$ 67,140,847	\$ 65,427,748	\$ 64,832,820
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 480,032,441	\$ 474,922,764	\$ 483,027,675	\$ 470,690,396	\$ 450,281,155
13.90%	13.90%	13.90%	13.90%	14.40%

**REQUIRED SUPPLEMENTAL INFORMATION – OTHER POSTEMPLOYMENT BENEFITS (OPEB)****Schedule of Changes in the University's Net OPEB Liability and Related Ratios**

The schedule of changes in the University's net OPEB liability and related ratios presents multiyear trend information for the last 10 fiscal years. Fiscal Year 2017 was the first year of implementation, therefore, only five years are shown. Until a full 10-year trend is compiled, information for those years for which information is available will be presented.

	2021	2020	2019	2018	2017
<b>Total OPEB liability</b>					
Service cost	\$ 1,890,700	\$ 3,267,100	\$ 3,501,200	\$ 3,526,500	\$ 3,019,400
Interest	8,920,400	10,640,500	10,007,700	9,469,800	9,058,700
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	(38,575,300)	-	-	-
Changes of assumptions	(6,533,800)	7,729,900	(7,105,700)	(6,444,700)	7,114,000
Benefit payments	(5,295,500)	(5,298,600)	(4,913,700)	(4,841,600)	(4,818,100)
<b>Net change in total OPEB liability</b>	<b>\$ (1,018,200)</b>	<b>\$ (22,236,400)</b>	<b>\$ 1,489,500</b>	<b>\$ 1,710,000</b>	<b>\$ 14,374,000</b>
<b>Total OPEB liability – beginning</b>	<b>134,052,800</b>	<b>156,289,200</b>	<b>154,799,700</b>	<b>153,089,700</b>	<b>138,715,700</b>
<b>Total OPEB liability – ending (a)</b>	<b>\$ 133,034,600</b>	<b>\$ 134,052,800</b>	<b>\$ 156,289,200</b>	<b>\$ 154,799,700</b>	<b>\$ 153,089,700</b>
<b>Plan fiduciary net position</b>					
Contributions – employer	\$ 7,459,600	\$ 7,513,700	\$ 7,322,500	\$ 7,467,800	\$ 7,675,100
Contributions – member	2,164,100	2,215,100	2,408,800	2,625,900	2,856,600
Net investment income	1,853,500	2,111,000	2,080,800	1,615,600	895,000
Benefit payments	(5,295,500)	(5,298,600)	(4,913,700)	(4,841,600)	(4,818,100)
Administrative expense	(3,200)	(5,400)	(5,300)	-	-
<b>Net change in plan fiduciary net position</b>	<b>\$ 6,178,500</b>	<b>\$ 6,535,800</b>	<b>\$ 6,893,100</b>	<b>\$ 6,867,700</b>	<b>\$ 6,608,600</b>
<b>Plan fiduciary net position – beginning</b>	<b>37,341,100</b>	<b>30,805,300</b>	<b>23,912,200</b>	<b>17,044,500</b>	<b>10,435,900</b>
<b>Plan fiduciary net position – ending (b)</b>	<b>\$ 43,519,600</b>	<b>\$ 37,341,100</b>	<b>\$ 30,805,300</b>	<b>\$ 23,912,200</b>	<b>\$ 17,044,500</b>
<b>University's net OPEB liability – ending (a) - (b)</b>	<b>\$ 89,515,000</b>	<b>\$ 96,711,700</b>	<b>\$ 125,483,900</b>	<b>\$ 130,887,500</b>	<b>\$ 136,045,200</b>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	32.71%	27.86%	19.71%	15.45%	11.13%
<b>Covered-employee payroll</b>	<b>\$ 288,544,300</b>	<b>\$ 295,345,700</b>	<b>\$ 321,166,700</b>	<b>\$ 350,452,500</b>	<b>\$ 383,432,900</b>
<b>University's net OPEB liability as a percentage of covered-employee payroll</b>	31.02%	32.75%	39.07%	37.35%	35.48%

**Notes to Schedule:**

Benefit changes: None

Differences between expected and actual experience: The \$38,575,300 decrease in the liability from June 30, 2019 to June 30, 2020 is due to changes in the census, claims, and premiums experience. There is no change in the Total OPEB Liability from the fiscal year ended June 30, 2020 to the fiscal year ended June 30, 2021 due to differences in expected and actual experience.

Changes of assumptions: The \$6,444,700 decrease in the liability from the fiscal year ending June 30, 2017 to the fiscal year ending June 30, 2018 is due to the increase in the assumed discount rate as of the measurement date. The \$7,105,700 decrease in the liability from the fiscal year ending June 30, 2018 to the fiscal year ending June 30, 2019 is due to the increase in the assumed discount rate as of the measurement date. The \$7,729,900 increase in the liability from June 30, 2019 to June 30, 2020 is due to the decrease in the assumed discount rate from 6.78% as of June 30, 2019 to 6.69% as of June 30, 2020, as well as updates to the trend, excise tax, and mortality assumptions. The \$6,533,800 decrease in the liability from the fiscal year ended June 30, 2020 to the fiscal year ended June 30, 2021 is due to the increase in the assumed discount rate as of the measurement date.

**REQUIRED SUPPLEMENTAL INFORMATION – OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

## Schedule of University Contributions

The schedule of University contributions presents multiyear trend information for the last 10 fiscal years. Fiscal Year 2017 was the first year of implementation, therefore, only five years are shown. Until a full 10-year trend is compiled, information for those years for which information is available will be presented.

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Actuarially determined contribution	\$ 5,210,300	\$ 7,459,600	\$ 7,513,700	\$ 7,322,500	\$ 7,467,800
Contributions in relation to the actuarially determined contribution	5,210,300	7,459,600	7,513,700	7,322,500	7,467,800
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered-employee payroll	\$ 272,862,900	\$ 288,544,300	\$ 295,345,700	\$ 321,166,700	\$ 350,452,500
Contributions as a percentage of covered-employee payroll	1.91%	2.59%	2.54%	2.28%	2.13%

**Notes to Schedule:**

Valuation date January 1, 2019

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age normal - level % of salary

Asset valuation method Market value of assets

Healthcare cost trend rates  
Pre-Medicare: 5.5% initially, reduced by decrements to a rate of 5% after nine years  
Post-Medicare: 5.4% initially, reduced by decrements to a rate of 5% after nine years  
Dental: 4%

Salary increases 2%

Investment rate of return 8%, net of OPEB plan investment expenses, including inflation.

Retirement age 63

Mortality PUB-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2018.

**REQUIRED SUPPLEMENTAL INFORMATION – OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

## Schedule of Investment Returns

The schedule of investment returns presents multiyear trend information for the last 10 fiscal years. Fiscal Year 2017 was the first year of implementation, therefore, only five years are shown. Until a full 10-year trend is compiled, information for those years for which information is available will be presented.

	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	26.04%	4.55%	6.18%	6.77%	11.26%

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# THE UNIVERSITY OF NEW MEXICO

## Combining Statement of Net Position as of June 30, 2021 – Blended Component Units

	UNM Rainforest Innovations	Innovate ABQ, Inc.	Lobo Development Corporation
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 9,148,216	\$ -	\$ 3,875,978
Cash and cash equivalents – restricted	-	-	-
Short-term investments	12,646,362	-	-
Accounts receivable, net	754,737	-	-
Patient receivables, net	-	-	-
Due from The University of New Mexico	-	-	-
Due from affiliates	-	-	-
Estimated third-party payor settlements	-	-	-
Other receivables, net	-	-	-
Inventories	-	-	-
Other current assets	-	-	2,706
<b>Total current assets</b>	<b>\$ 22,549,315</b>	<b>\$ -</b>	<b>\$ 3,878,684</b>
<b>Noncurrent assets</b>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Investments	1,750	-	-
Due from The University of New Mexico	-	-	-
Other noncurrent assets	-	-	-
Capital assets, net	35,656	-	16,841,263
<b>Total noncurrent assets</b>	<b>\$ 37,406</b>	<b>\$ -</b>	<b>\$ 16,841,263</b>
<b>Total assets</b>	<b>\$ 22,586,721</b>	<b>\$ -</b>	<b>\$ 20,719,947</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Loss on bond refundings	\$ -	\$ -	\$ -
Total deferred outflows of resources	\$ -	\$ -	\$ -
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued expenses	\$ 2,376,357	\$ -	\$ 163,776
Bonds payable – current	-	-	-
Long-term debt – current	-	-	86,968
Due to The University of New Mexico	4,425,383	-	431,043
Due to affiliates	-	-	-
Accrued compensated absences	-	-	-
Estimated third-party payor settlements	-	-	-
Medicare accelerated and advance payment program	-	-	-
Other current liabilities	1,018,038	-	-
<b>Total current liabilities</b>	<b>\$ 7,819,778</b>	<b>\$ -</b>	<b>\$ 681,787</b>
<b>Noncurrent liabilities</b>			
Bonds payable – noncurrent	\$ -	\$ -	\$ -
Long-term debt – noncurrent	-	-	428,247
Due to The University of New Mexico	-	-	12,622,001
<b>Total noncurrent liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,050,248</b>
<b>Total liabilities</b>	<b>\$ 7,819,778</b>	<b>\$ -</b>	<b>\$ 13,732,035</b>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 35,656	\$ -	\$ 3,273,004
Restricted expendable	-	-	-
Unrestricted	14,731,287	-	3,714,908
<b>Total net position</b>	<b>\$ 14,766,943</b>	<b>\$ -</b>	<b>\$ 6,987,912</b>

See accompanying independent auditors' report.



# SCHEDULE 5

Lobo Energy, Inc.	UNM Medical Group, Inc.	UNM Sandoval Regional Medical Center, Inc.	Total before Eliminations	Eliminations	Total
\$ 885,649	\$ 31,222,843	\$ 27,906,640	\$ 73,039,326	\$ -	\$ 73,039,326
-	-	-	-	-	-
-	-	-	12,646,362	-	12,646,362
10,176	-	-	764,913	-	764,913
-	53,747,251	9,913,976	63,661,227	-	63,661,227
-	6,225,940	250,136	6,476,076	(6,476,076)	-
-	60,142	24,972	85,114	(85,114)	-
-	-	648,008	648,008	-	648,008
-	-	203,274	203,274	-	203,274
-	-	2,580,991	2,580,991	-	2,580,991
-	1,695,212	483,431	2,181,349	(1,297,768)	883,581
<b>\$ 895,825</b>	<b>\$ 92,951,388</b>	<b>\$ 42,011,428</b>	<b>\$ 162,286,640</b>	<b>\$ (7,858,958)</b>	<b>\$ 154,427,682</b>
\$ -	\$ 10,703,437	\$ -	\$ 10,703,437	\$ -	\$ 10,703,437
-	27,262,111	15,275,857	42,539,718	-	42,539,718
-	-	-	-	-	-
-	17,132,426	-	17,132,426	-	17,132,426
7,433,941	4,168,404	94,706,913	123,186,177	-	123,186,177
<b>\$ 7,433,941</b>	<b>\$ 59,266,378</b>	<b>\$ 109,982,770</b>	<b>\$ 193,561,758</b>	<b>\$ -</b>	<b>\$ 193,561,758</b>
<b>\$ 8,329,766</b>	<b>\$ 152,217,766</b>	<b>\$ 151,994,198</b>	<b>\$ 355,848,398</b>	<b>\$ (7,858,958)</b>	<b>\$ 347,989,440</b>
\$ -	\$ -	\$ 2,279,949	\$ 2,279,949	\$ -	\$ 2,279,949
\$ -	\$ -	\$ 2,279,949	\$ 2,279,949	\$ -	\$ 2,279,949
\$ 63,985	\$ 11,086,463	\$ 10,565,854	\$ 24,256,435	\$ -	\$ 24,256,435
-	-	-	-	-	-
1,120,455	-	5,708,461	6,915,884	-	6,915,884
-	63,862,187	1,170,361	69,888,974	(69,888,974)	-
-	24,972	60,142	85,114	(85,114)	-
-	-	2,189,129	2,189,129	-	2,189,129
-	-	3,123,295	3,123,295	-	3,123,295
-	-	6,742,718	6,742,718	-	6,742,718
-	-	-	1,018,038	-	1,018,038
<b>\$ 1,184,440</b>	<b>\$ 74,973,622</b>	<b>\$ 29,559,960</b>	<b>\$ 114,219,587</b>	<b>\$ (69,974,088)</b>	<b>\$ 44,245,499</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
94,714	-	100,677,206	101,200,167	-	101,200,167
-	-	-	12,622,001	(12,622,001)	-
<b>\$ 94,714</b>	<b>\$ -</b>	<b>\$ 100,677,206</b>	<b>\$ 113,822,168</b>	<b>\$ (12,622,001)</b>	<b>\$ 101,200,167</b>
<b>\$ 1,279,154</b>	<b>\$ 74,973,622</b>	<b>\$ 130,237,166</b>	<b>\$ 228,041,755</b>	<b>\$ (82,596,089)</b>	<b>\$ 145,445,666</b>
\$ 6,218,772	\$ 4,168,404	\$ (9,398,805)	\$ 4,297,031	\$ 13,053,044	\$ 17,350,075
-	-	15,383,735	15,383,735	-	15,383,735
831,840	73,075,740	18,052,051	110,405,826	(13,053,044)	97,352,782
<b>\$ 7,050,612</b>	<b>\$ 77,244,144</b>	<b>\$ 24,036,981</b>	<b>\$ 130,086,592</b>	<b>\$ -</b>	<b>\$ 130,086,592</b>

# THE UNIVERSITY OF NEW MEXICO

## Combining Statement of Net Position as of June 30, 2020 – Blended Component Units

	UNM Rainforest Innovations	Innovate ABQ, Inc.	Lobo Development Corporation
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 6,864,189	\$ -	\$ 3,373,745
Cash and cash equivalents – restricted	-	-	-
Short-term investments	3,897,683	-	-
Accounts receivable, net	404,843	116,734	18,750
Patient receivables, net	-	-	-
Due from The University of New Mexico	-	-	87,937
Due from affiliates	1,000	-	-
Estimated third-party payor settlements	-	-	-
Other receivables, net	-	-	-
Inventories	-	-	-
Other current assets	-	8,344	3,494
<b>Total current assets</b>	<b>\$ 11,167,715</b>	<b>\$ 125,078</b>	<b>\$ 3,483,926</b>
<b>Noncurrent assets</b>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Investments	1,735	-	-
Due from The University of New Mexico	-	-	883,331
Other noncurrent assets	-	-	-
Capital assets, net	32,879	7,523,605	16,877,113
<b>Total noncurrent assets</b>	<b>\$ 34,614</b>	<b>\$ 7,523,605</b>	<b>\$ 17,760,444</b>
<b>Total assets</b>	<b>\$ 11,202,329</b>	<b>\$ 7,648,683</b>	<b>\$ 21,244,370</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued expenses	\$ 2,262,073	\$ 25,420	\$ 29,580
Bonds payable – current	-	-	-
Long-term debt – current	-	-	80,358
Due to The University of New Mexico	427,185	-	418,320
Due to affiliates	-	-	-
Accrued compensated absences	-	-	-
Estimated third-party payor settlements	-	-	-
Medicare accelerated and advance payment program	-	-	-
Other current liabilities	890,126	141,701	-
<b>Total current liabilities</b>	<b>\$ 3,579,384</b>	<b>\$ 167,121</b>	<b>\$ 528,258</b>
<b>Noncurrent liabilities</b>			
Bonds payable – noncurrent	\$ -	\$ -	\$ -
Long-term debt – noncurrent	-	-	516,996
Due to The University of New Mexico	-	-	13,088,472
<b>Total noncurrent liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,605,468</b>
<b>Total liabilities</b>	<b>\$ 3,579,384</b>	<b>\$ 167,121</b>	<b>\$ 14,133,726</b>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 32,879	\$ 7,523,605	\$ 2,772,967
Restricted expendable	-	-	-
Unrestricted	7,590,066	(42,043)	4,337,677
<b>Total net position</b>	<b>\$ 7,622,945</b>	<b>\$ 7,481,562</b>	<b>\$ 7,110,644</b>

See accompanying independent auditors' report.

# SCHEDULE 6

Lobo Energy, Inc.	UNM Medical Group, Inc.	UNM Sandoval Regional Medical Center, Inc.	Total before Eliminations	Eliminations	Total
\$ 783,599	\$ 20,440,060	\$ 32,069,503	\$ 63,531,096	\$ -	\$ 63,531,096
-	-	6,313,272	6,313,272	-	6,313,272
-	-	-	3,897,683	-	3,897,683
9,888	-	-	550,215	-	550,215
-	35,476,025	6,940,108	42,416,133	-	42,416,133
-	6,951,051	389,799	7,428,787	(7,428,787)	-
-	527,266	19,093	547,359	(542,844)	4,515
-	-	427,806	427,806	-	427,806
-	-	1,206,102	1,206,102	-	1,206,102
-	-	2,265,744	2,265,744	-	2,265,744
-	1,485,238	1,021,035	2,518,111	(1,297,768)	1,220,343
<b>\$ 793,487</b>	<b>\$ 64,879,640</b>	<b>\$ 50,652,462</b>	<b>\$ 131,102,308</b>	<b>\$ (9,269,399)</b>	<b>\$ 121,832,909</b>
\$ -	\$ 9,676,561	\$ -	\$ 9,676,561	\$ -	\$ 9,676,561
-	28,162,605	15,083,228	43,247,568	-	43,247,568
-	-	-	883,331	(883,331)	-
-	15,565,183	-	15,565,183	-	15,565,183
7,858,737	3,545,874	95,475,016	131,313,224	-	131,313,224
<b>\$ 7,858,737</b>	<b>\$ 56,950,223</b>	<b>\$ 110,558,244</b>	<b>\$ 200,685,867</b>	<b>\$ (883,331)</b>	<b>\$ 199,802,536</b>
<b>\$ 8,652,224</b>	<b>\$ 121,829,863</b>	<b>\$ 161,210,706</b>	<b>\$ 331,788,175</b>	<b>\$ (10,152,730)</b>	<b>\$ 321,635,445</b>
\$ 61,821	\$ 12,049,278	\$ 11,775,849	\$ 26,204,021	\$ -	\$ 26,204,021
-	-	4,275,000	4,275,000	-	4,275,000
1,091,261	-	-	1,171,619	-	1,171,619
-	40,116,029	1,047,759	42,009,293	(42,009,293)	-
-	15,638	527,206	542,844	(542,844)	-
-	-	2,018,148	2,018,148	-	2,018,148
-	-	1,001,630	1,001,630	-	1,001,630
-	-	7,330,765	7,330,765	-	7,330,765
-	-	3,617,914	4,649,741	-	4,649,741
<b>\$ 1,153,082</b>	<b>\$ 52,180,945</b>	<b>\$ 31,594,271</b>	<b>\$ 89,203,061</b>	<b>\$ (42,552,137)</b>	<b>\$ 46,650,924</b>
\$ -	\$ -	\$ 109,005,000	\$ 109,005,000	\$ -	\$ 109,005,000
1,215,169	-	-	1,732,165	-	1,732,165
-	-	-	13,088,472	(13,088,472)	-
<b>\$ 1,215,169</b>	<b>\$ -</b>	<b>\$ 109,005,000</b>	<b>\$ 123,825,637</b>	<b>\$ (13,088,472)</b>	<b>\$ 110,737,165</b>
<b>\$ 2,368,251</b>	<b>\$ 52,180,945</b>	<b>\$ 140,599,271</b>	<b>\$ 213,028,698</b>	<b>\$ (55,640,609)</b>	<b>\$ 157,388,089</b>
\$ 5,552,307	\$ 3,545,874	\$ (17,804,984)	\$ 1,622,648	\$ 13,506,792	\$ 15,129,440
-	-	21,497,655	21,497,655	-	21,497,655
731,666	66,103,044	16,918,764	95,639,174	(13,506,792)	82,132,382
<b>\$ 6,283,973</b>	<b>\$ 69,648,918</b>	<b>\$ 20,611,435</b>	<b>\$ 118,759,477</b>	<b>\$ -</b>	<b>\$ 118,759,477</b>

# THE UNIVERSITY OF NEW MEXICO

Combining Statement of Revenues, Expenses, and Changes in Net Position for the year ended June 30, 2021 – Blended Component Units

	UNM Rainforest Innovations	Innovate ABQ, Inc.	Lobo Development Corporation
<b>REVENUES</b>			
<b>Operating revenues</b>			
Net patient service	\$ -	\$ -	\$ -
Sales and services	-	-	348,098
Operational support	2,034,000	-	-
Other operating revenues	55,733,707	-	1,761,558
<b>Total operating revenues</b>	<b>\$ 57,767,707</b>	<b>\$ -</b>	<b>\$ 2,109,656</b>
<b>EXPENSES</b>			
<b>Operating expenses</b>			
General and administrative	\$ 38,077,852	\$ -	\$ 702,046
Depreciation expense	9,596	-	469,489
Program expenses	14,211,304	-	99,925
<b>Total operating expenses</b>	<b>\$ 52,298,752</b>	<b>\$ -</b>	<b>\$ 1,271,460</b>
<b>Net operating income (loss)</b>	<b>\$ 5,468,955</b>	<b>\$ -</b>	<b>\$ 838,196</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
State appropriations	\$ -	\$ -	\$ -
Sandoval county mill levy	-	-	-
Federal CARES Act grants	-	-	-
Federal bond subsidy	-	-	-
Investment income	1,675,043	-	47,159
Interest expense	-	-	(454,775)
Distributions to the University of New Mexico	-	-	(650,000)
Discontinued operations (note 2(A))	-	(7,481,562)	-
Other nonoperating revenues and expenses, net	-	-	96,688
<b>Net nonoperating revenues (expenses)</b>	<b>\$ 1,675,043</b>	<b>\$ (7,481,562)</b>	<b>\$ (960,928)</b>
<b>Change in net position</b>	<b>\$ 7,143,998</b>	<b>\$ (7,481,562)</b>	<b>\$ (122,732)</b>
<b>Net position at beginning of year</b>	<b>7,622,945</b>	<b>7,481,562</b>	<b>7,110,644</b>
<b>Net position at end of year</b>	<b>\$ 14,766,943</b>	<b>\$ -</b>	<b>\$ 6,987,912</b>

See accompanying independent auditors' report.

# SCHEDULE 7

Lobo Energy, Inc.	UNM Medical Group, Inc.	UNM Sandoval Regional Medical Center, Inc.	Total before Eliminations	Eliminations	Total
\$ -	\$ 206,163,252	\$ 84,893,742	\$ 291,056,994	\$ -	\$ 291,056,994
2,171,065	38,876,057	-	41,395,220	(2,171,065)	39,224,155
-	-	-	2,034,000	(2,034,000)	-
-	4,399,741	1,602,187	63,497,193	(2,065,178)	61,432,015
<b>\$ 2,171,065</b>	<b>\$ 249,439,050</b>	<b>\$ 86,495,929</b>	<b>\$ 397,983,407</b>	<b>\$ (6,270,243)</b>	<b>\$ 391,713,164</b>
\$ 225,143	\$ 248,203,763	\$ 89,110,825	\$ 376,319,629	\$ (169,946,324)	\$ 206,373,305
424,796	1,434,946	5,452,586	7,791,413	-	7,791,413
712,481	-	-	15,023,710	(4,118,113)	10,905,597
<b>\$ 1,362,420</b>	<b>\$ 249,638,709</b>	<b>\$ 94,563,411</b>	<b>\$ 399,134,752</b>	<b>\$ (174,064,437)</b>	<b>\$ 225,070,315</b>
<b>\$ 808,645</b>	<b>\$ (199,659)</b>	<b>\$ (8,067,482)</b>	<b>\$ (1,151,345)</b>	<b>\$ 167,794,194</b>	<b>\$ 166,642,849</b>
\$ -	\$ 1,149,900	\$ -	\$ 1,149,900	\$ -	\$ 1,149,900
-	-	7,149,790	7,149,790	-	7,149,790
-	-	7,017,914	7,017,914	-	7,017,914
-	-	7,333	7,333	-	7,333
5,799	12,864	4,913	1,745,778	-	1,745,778
(47,805)	-	(2,314,784)	(2,817,364)	399,483	(2,417,881)
-	-	-	(650,000)	650,000	-
-	-	-	(7,481,562)	-	(7,481,562)
-	6,632,121	(372,138)	6,356,671	-	6,356,671
<b>\$ (42,006)</b>	<b>\$ 7,794,885</b>	<b>\$ 11,493,028</b>	<b>\$ 12,478,460</b>	<b>\$ 1,049,483</b>	<b>\$ 13,527,943</b>
\$ 766,639	\$ 7,595,226	\$ 3,425,546	\$ 11,327,115	\$ 168,843,677	\$ 180,170,792
6,283,973	69,648,918	20,611,435	118,759,477	-	118,759,477
<b>\$ 7,050,612</b>	<b>\$ 77,244,144</b>	<b>\$ 24,036,981</b>	<b>\$ 130,086,592</b>	<b>\$ 168,843,677</b>	<b>\$ 298,930,269</b>

# THE UNIVERSITY OF NEW MEXICO

Combining Statement of Revenues, Expenses, and Changes in Net Position for the year ended June 30, 2020 – Blended Component Units

	UNM Rainforest Innovations	Innovate ABQ, Inc.	Lobo Development Corporation
<b>REVENUES</b>			
<b>Operating revenues</b>			
Net patient service	\$ -	\$ -	\$ -
Nongovernmental grants, bequests, and contributions	-	419,324	-
Sales and services	-	-	1,050,972
Operational support	2,034,000	-	-
Other operating revenues	54,341,187	348,408	1,364,244
<b>Total operating revenues</b>	<b>\$ 56,375,187</b>	<b>\$ 767,732</b>	<b>\$ 2,415,216</b>
<b>EXPENSES</b>			
<b>Operating expenses</b>			
General and administrative	\$ 25,310,588	\$ 377,750	\$ 287,167
Depreciation expense	8,011	117,846	469,490
Program expenses	24,686,788	263,563	-
<b>Total operating expenses</b>	<b>\$ 50,005,387</b>	<b>\$ 759,159</b>	<b>\$ 756,657</b>
<b>Net operating income (loss)</b>	<b>\$ 6,369,800</b>	<b>\$ 8,573</b>	<b>\$ 1,658,559</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
State appropriations	\$ -	\$ -	\$ -
Sandoval county mill levy	-	-	-
Federal CARES Act grants	-	-	-
Federal bond subsidy	-	-	-
Investment income	247,177	-	82,423
Interest expense	-	-	(444,643)
Distributions to the University of New Mexico	-	-	(775,000)
Other nonoperating revenues and expenses, net	-	-	-
<b>Net nonoperating revenues (expenses)</b>	<b>\$ 247,177</b>	<b>\$ -</b>	<b>\$ (1,137,220)</b>
<b>Change in net position</b>	<b>\$ 6,616,977</b>	<b>\$ 8,573</b>	<b>\$ 521,339</b>
<b>Net position at beginning of year</b>	<b>1,005,968</b>	<b>7,472,989</b>	<b>6,589,305</b>
<b>Net position at end of year</b>	<b>\$ 7,622,945</b>	<b>\$ 7,481,562</b>	<b>\$ 7,110,644</b>

See accompanying independent auditors' report.

# SCHEDULE 8

Lobo Energy, Inc.	UNM Medical Group, Inc.	UNM Sandoval Regional Medical Center, Inc.	Total before Eliminations	Eliminations	Total
\$ -	\$ 224,213,077	\$ 76,453,989	\$ 300,667,066	\$ -	\$ 300,667,066
-	-	-	419,324	(70,000)	349,324
2,171,065	34,192,316	-	37,414,353	(2,171,065)	35,243,288
-	-	-	2,034,000	(2,034,000)	-
-	2,620,718	1,749,999	60,424,556	(2,061,273)	58,363,283
<b>\$ 2,171,065</b>	<b>\$ 261,026,111</b>	<b>\$ 78,203,988</b>	<b>\$ 400,959,299</b>	<b>\$ (6,336,338)</b>	<b>\$ 394,622,961</b>
\$ 230,839	\$ 279,149,666	\$ 77,176,128	\$ 382,532,138	\$ (202,766,767)	\$ 179,765,371
433,751	1,145,806	5,629,891	7,804,795	-	7,804,795
763,269	-	-	25,713,620	(4,199,335)	21,514,285
<b>\$ 1,427,859</b>	<b>\$ 280,295,472</b>	<b>\$ 82,806,019</b>	<b>\$ 416,050,553</b>	<b>\$ (206,966,102)</b>	<b>\$ 209,084,451</b>
<b>\$ 743,206</b>	<b>\$ (19,269,361)</b>	<b>\$ (4,602,031)</b>	<b>\$ (15,091,254)</b>	<b>\$ 200,629,764</b>	<b>\$ 185,538,510</b>
\$ -	\$ 1,160,200	\$ -	\$ 1,160,200	\$ -	\$ 1,160,200
-	-	6,465,723	6,465,723	-	6,465,723
-	1,619,761	3,070,405	4,690,166	-	4,690,166
-	-	1,756,026	1,756,026	-	1,756,026
6,241	1,431,174	219,797	1,986,812	(9,892)	1,976,920
(76,241)	-	(5,192,650)	(5,713,534)	411,831	(5,301,703)
-	-	-	(775,000)	775,000	-
-	6,095,112	(1,419,622)	4,675,490	-	4,675,490
<b>\$ (70,000)</b>	<b>\$ 10,306,247</b>	<b>\$ 4,899,679</b>	<b>\$ 14,245,883</b>	<b>\$ 1,176,939</b>	<b>\$ 15,422,822</b>
<b>\$ 673,206</b>	<b>\$ (8,963,114)</b>	<b>\$ 297,648</b>	<b>\$ (845,371)</b>	<b>\$ 201,806,703</b>	<b>\$ 200,961,332</b>
<b>5,610,767</b>	<b>78,612,032</b>	<b>20,313,787</b>	<b>119,604,848</b>	<b>-</b>	<b>119,604,848</b>
<b>\$ 6,283,973</b>	<b>\$ 69,648,918</b>	<b>\$ 20,611,435</b>	<b>\$ 118,759,477</b>	<b>\$ 201,806,703</b>	<b>\$ 320,566,180</b>



# THE UNIVERSITY OF NEW MEXICO

## Combining Statement of Cash Flows as of June 30, 2021 – Blended Component Units

	UNM Rainforest Innovations	Innovate ABQ, Inc.	Lobo Development Corporation
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from insurance and patients	\$ -	\$ -	\$ -
Cash payments to employees	-	-	(256,842)
Cash payments for benefits	-	-	-
Cash payments to suppliers	(38,577,817)	-	(410,145)
Other cash receipts (payments)	47,947,868	-	2,109,656
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 9,370,051</b>	<b>\$ -</b>	<b>\$ 1,442,669</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash received from state appropriations	\$ -	\$ -	\$ -
Cash received from Sandoval County mill levy	-	-	-
Cash received from federal CARES Act grants	-	-	-
Other nonoperating cash receipts	-	-	-
<b>Net cash provided by noncapital financing activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Cash received from mortgage refinancing	\$ -	\$ -	\$ -
Cash received from federal bond subsidy	-	-	-
Principal payments of bonds	-	-	-
Principal payments on mortgage	-	-	-
Interest payments on bonds	-	-	-
Interest and insurance payments on mortgage	-	-	-
Cash payments for mortgage reserve fund	-	-	-
Other cash receipts (payments)	(12,373)	-	(1,958,863)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>\$ (12,373)</b>	<b>\$ -</b>	<b>\$ (1,958,863)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sales and maturities of investments	\$ -	\$ -	\$ -
Purchases of investments	(7,814,744)	-	-
Investment income	741,093	-	47,159
Other cash receipts	-	-	971,268
<b>Net cash provided by (used in) investing activities</b>	<b>\$ (7,073,651)</b>	<b>\$ -</b>	<b>\$ 1,018,427</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>\$ 2,284,027</b>	<b>\$ -</b>	<b>\$ 502,233</b>
Cash and cash equivalents – beginning of year	6,864,189	-	3,373,745
<b>Cash and cash equivalents – end of year</b>	<b>\$ 9,148,216</b>	<b>\$ -</b>	<b>\$ 3,875,978</b>

See accompanying independent auditors' report.

# SCHEDULE 9

Lobo Energy, Inc.	UNM Medical Group, Inc.	UNM Sandoval Regional Medical Center, Inc.	Total before Eliminations	Eliminations	Total
\$ -	\$ 226,382,095	\$ 83,520,597	\$ 309,902,692	\$ -	\$ 309,902,692
(550,250)	(20,715,599)	(34,537,849)	(56,060,540)	-	(56,060,540)
-	(3,297,762)	-	(3,297,762)	-	(3,297,762)
(385,210)	(33,218,398)	(45,526,199)	(118,117,769)	204,528	(117,913,241)
2,170,777	(162,475,338)	(6,240,625)	(116,487,662)	92,683,887	(23,803,775)
<b>\$ 1,235,317</b>	<b>\$ 6,674,998</b>	<b>\$ (2,784,076)</b>	<b>\$ 15,938,959</b>	<b>\$ 92,888,415</b>	<b>\$ 108,827,374</b>
\$ -	\$ 1,149,900	\$ -	\$ 1,149,900	\$ -	\$ 1,149,900
-	-	6,878,846	6,878,846	-	6,878,846
-	-	3,400,000	3,400,000	-	3,400,000
-	-	195,903	195,903	-	195,903
<b>\$ -</b>	<b>\$ 1,149,900</b>	<b>\$ 10,474,749</b>	<b>\$ 11,624,649</b>	<b>\$ -</b>	<b>\$ 11,624,649</b>
\$ -	\$ -	\$ 111,440,227	\$ 111,440,227	\$ -	\$ 111,440,227
-	-	877,713	877,713	-	877,713
-	-	(113,280,000)	(113,280,000)	-	(113,280,000)
-	-	(5,134,468)	(5,134,468)	-	(5,134,468)
-	-	(2,573,150)	(2,573,150)	-	(2,573,150)
-	-	(2,162,787)	(2,162,787)	-	(2,162,787)
-	-	(187,827)	(187,827)	-	(187,827)
(1,139,066)	(2,063,948)	(7,146,620)	(12,320,870)	1,503,232	(10,817,638)
<b>\$ (1,139,066)</b>	<b>\$ (2,063,948)</b>	<b>\$ (18,166,912)</b>	<b>\$ (23,341,162)</b>	<b>\$ 1,503,232</b>	<b>\$ (21,837,930)</b>
\$ -	\$ 12,158,097	\$ -	\$ 12,158,097	\$ -	\$ 12,158,097
-	(11,040,558)	-	(18,855,302)	-	(18,855,302)
5,799	(204,181)	104	589,974	-	589,974
-	5,135,351	-	6,106,619	(971,268)	5,135,351
<b>\$ 5,799</b>	<b>\$ 6,048,709</b>	<b>\$ 104</b>	<b>\$ (612)</b>	<b>\$ (971,268)</b>	<b>\$ (971,880)</b>
\$ 102,050	\$ 11,809,659	\$ (10,476,135)	\$ 4,221,834	\$ 93,420,379	\$ 97,642,213
783,599	30,116,621	38,382,775	79,520,929	-	79,520,929
<b>\$ 885,649</b>	<b>\$ 41,926,280</b>	<b>\$ 27,906,640</b>	<b>\$ 83,742,763</b>	<b>\$ 93,420,379</b>	<b>\$ 177,163,142</b>

# THE UNIVERSITY OF NEW MEXICO

## Combining Statement of Cash Flows as of June 30, 2020 – Blended Component Units

	UNM Rainforest Innovations	Innovate ABQ, Inc.	Lobo Development Corporation
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from insurance and patients	\$ -	\$ -	\$ -
Cash received from Medicare advance payment plan	-	-	-
Cash payments to employees	-	-	(135,288)
Cash payments for benefits	-	-	-
Cash payments to suppliers	(23,898,873)	(601,609)	(148,420)
Other cash receipts (payments)	32,607,780	734,293	2,402,716
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 8,708,907</b>	<b>\$ 132,684</b>	<b>\$ 2,119,008</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash received from state appropriations	\$ -	\$ -	\$ -
Cash received from Sandoval County mill levy	-	-	-
Cash received from federal CARES Act grants	-	-	-
Other nonoperating cash receipts (payments)	-	-	(269,143)
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (269,143)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Cash received from federal bond subsidy	\$ -	\$ -	\$ -
Principal payments of bonds	-	-	-
Interest payments on bonds	-	-	-
Cash payments for mortgage reserve fund	-	-	-
Other cash payments	(7,850)	(250,521)	(3,105,992)
<b>Net cash used in capital and related financing activities</b>	<b>\$ (7,850)</b>	<b>\$ (250,521)</b>	<b>\$ (3,105,992)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sales and maturities of investments	\$ -	\$ -	\$ -
Purchases of investments	(3,384,591)	-	-
Investment income	495,660	-	82,423
Other cash receipts (payments)	-	-	(971,268)
<b>Net cash provided by (used in) investing activities</b>	<b>\$ (2,888,931)</b>	<b>\$ -</b>	<b>\$ (888,845)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>\$ 5,812,126</b>	<b>\$ (117,837)</b>	<b>\$ (2,144,972)</b>
Cash and cash equivalents – beginning of year	1,052,063	117,837	5,518,717
<b>Cash and cash equivalents – end of year</b>	<b>\$ 6,864,189</b>	<b>\$ -</b>	<b>\$ 3,373,745</b>

See accompanying independent auditors' report.

# SCHEDULE 10

Lobo Energy, Inc.	UNM Medical Group, Inc.	UNM Sandoval Regional Medical Center, Inc.	Total before Eliminations	Eliminations	Total
\$ -	\$ 268,001,177	\$ 75,806,628	\$ 343,807,805	\$ -	\$ 343,807,805
-	-	7,330,765	7,330,765	-	7,330,765
(550,326)	(18,018,001)	(31,369,119)	(50,072,734)	-	(50,072,734)
-	(2,499,045)	-	(2,499,045)	-	(2,499,045)
(426,021)	(29,177,814)	(40,304,445)	(94,557,182)	233,332	(94,323,850)
2,171,065	(222,842,832)	(2,380,207)	(187,307,185)	165,306,916	(22,000,269)
<b>\$ 1,194,718</b>	<b>\$ (4,536,515)</b>	<b>\$ 9,083,622</b>	<b>\$ 16,702,424</b>	<b>\$ 165,540,248</b>	<b>\$ 182,242,672</b>
\$ -	\$ 1,160,200	\$ -	\$ 1,160,200	\$ -	\$ 1,160,200
-	-	6,690,081	6,690,081	-	6,690,081
-	1,619,761	6,688,319	8,308,080	-	8,308,080
-	-	14,960	(254,183)	269,143	14,960
<b>\$ -</b>	<b>\$ 2,779,961</b>	<b>\$ 13,393,360</b>	<b>\$ 15,904,178</b>	<b>\$ 269,143</b>	<b>\$ 16,173,321</b>
\$ -	\$ -	\$ 885,646	\$ 885,646	\$ -	\$ 885,646
-	-	(4,075,000)	(4,075,000)	-	(4,075,000)
-	-	(5,284,337)	(5,284,337)	-	(5,284,337)
-	-	(1,876,653)	(1,876,653)	-	(1,876,653)
(1,139,067)	(2,226,580)	(3,030,848)	(9,760,858)	1,592,802	(8,168,056)
<b>\$ (1,139,067)</b>	<b>\$ (2,226,580)</b>	<b>\$ (13,381,192)</b>	<b>\$ (20,111,202)</b>	<b>\$ 1,592,802</b>	<b>\$ (18,518,400)</b>
\$ -	\$ 1,431,174	\$ -	\$ 1,431,174	\$ -	\$ 1,431,174
-	(861,297)	-	(4,245,888)	-	(4,245,888)
6,241	-	219,797	804,121	(9,892)	794,229
-	1,272,191	-	300,923	971,268	1,272,191
<b>\$ 6,241</b>	<b>\$ 1,842,068</b>	<b>\$ 219,797</b>	<b>\$ (1,709,670)</b>	<b>\$ 961,376</b>	<b>\$ (748,294)</b>
\$ 61,892	\$ (2,141,066)	\$ 9,315,587	\$ 10,785,730	\$ 168,363,569	\$ 179,149,299
721,707	32,257,687	29,067,188	68,735,199	-	68,735,199
<b>\$ 783,599</b>	<b>\$ 30,116,621</b>	<b>\$ 38,382,775</b>	<b>\$ 79,520,929</b>	<b>\$ 168,363,569</b>	<b>\$ 247,884,498</b>

Combining Statement of Net Position as of June 30, 2021 – Discretely Presented Component Units

	University of New Mexico Foundation, Inc.	The Robert O. Anderson Schools of Management Foundation	UNM Lobo Club	The University of New Mexico Alumni Association	Total
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 9,009,615	\$ 1,188,972	\$ 4,067,283	\$ 1,174,231	\$ 15,440,101
Short-term investments	-	3,133,018	-	10,422,838	13,555,856
Accounts receivable, net	1,374,579	-	8,596	289	1,383,464
Due from The University of New Mexico	-	144,383	-	-	144,383
Other current assets	571,878	-	19,544	28,559	619,981
<b>Total current assets</b>	<b>\$ 10,956,072</b>	<b>\$ 4,466,373</b>	<b>\$ 4,095,423</b>	<b>\$ 11,625,917</b>	<b>\$ 31,143,785</b>
<b>Noncurrent assets</b>					
Investments	\$ 305,681,372	\$ -	\$ -	\$ -	\$ 305,681,372
Beneficial interest in irrevocable split interest agreements	22,990,912	-	-	-	22,990,912
Other noncurrent assets	4,495,568	-	-	-	4,495,568
Capital assets, net	189,974	-	-	-	189,974
<b>Total noncurrent assets</b>	<b>\$ 333,357,826</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 333,357,826</b>
<b>Total assets</b>	<b>\$ 344,313,898</b>	<b>\$ 4,466,373</b>	<b>\$ 4,095,423</b>	<b>\$ 11,625,917</b>	<b>\$ 364,501,611</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Accounts payable and accrued expenses	\$ 1,444,529	\$ 2,211	\$ -	\$ 16,352	\$ 1,463,092
Notes payable	1,316,825	-	-	-	1,316,825
Advance funding received	757,772	-	-	-	757,772
Due to The University of New Mexico	5,275,569	-	1,309,770	-	6,585,339
Annuities payable	318,395	-	-	-	318,395
Other current liabilities	556,810	-	-	-	556,810
<b>Total current liabilities</b>	<b>\$ 9,669,900</b>	<b>\$ 2,211</b>	<b>\$ 1,309,770</b>	<b>\$ 16,352</b>	<b>\$ 10,998,233</b>
<b>Noncurrent liabilities</b>					
Due to The University of New Mexico	\$ 3,193,588	\$ -	\$ -	\$ -	\$ 3,193,588
Annuities payable	2,192,421	-	-	-	2,192,421
<b>Total noncurrent liabilities</b>	<b>\$ 5,386,009</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,386,009</b>
<b>Total liabilities</b>	<b>\$ 15,055,909</b>	<b>\$ 2,211</b>	<b>\$ 1,309,770</b>	<b>\$ 16,352</b>	<b>\$ 16,384,242</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Beneficial interest in irrevocable split interest agreements	\$ 23,295,038	\$ -	\$ -	\$ -	\$ 23,295,038
Unearned revenue	-	-	632,123	-	632,123
<b>Total deferred inflows of resources</b>	<b>\$ 23,295,038</b>	<b>\$ -</b>	<b>\$ 632,123</b>	<b>\$ -</b>	<b>\$ 23,927,161</b>
<b>NET POSITION</b>					
Net investment in capital assets	\$ 189,974	\$ -	\$ -	\$ -	\$ 189,974
Restricted nonexpendable	275,007,796	-	-	-	275,007,796
Restricted expendable	25,330,723	950,758	-	-	26,281,481
Unrestricted	5,434,458	3,513,404	2,153,530	11,609,565	22,710,957
<b>Total net position</b>	<b>\$ 305,962,951</b>	<b>\$ 4,464,162</b>	<b>\$ 2,153,530</b>	<b>\$ 11,609,565</b>	<b>\$ 324,190,208</b>

See accompanying independent auditors' report.

Combining Statement of Net Position as of June 30, 2020 – Discretely Presented Component Units

	University of New Mexico Foundation, Inc.	The Robert O. Anderson Schools of Management Foundation	UNM Lobo Club	The University of New Mexico Alumni Association	Total
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 12,164,356	\$ 1,383,820	\$ 3,688,090	\$ 1,231,309	\$ 18,467,575
Short-term investments	-	2,783,062	-	8,478,298	11,261,360
Accounts receivable, net	850,277	380,510	-	1,727	1,232,514
Due from The University of New Mexico	-	54,967	-	-	54,967
Other current assets	565,565	-	18,655	27,770	611,990
<b>Total current assets</b>	<b>\$ 13,580,198</b>	<b>\$ 4,602,359</b>	<b>\$ 3,706,745</b>	<b>\$ 9,739,104</b>	<b>\$ 31,628,406</b>
<b>Noncurrent assets</b>					
Investments	\$ 231,979,096	\$ -	\$ -	\$ -	\$ 231,979,096
Beneficial interest in irrevocable split interest agreements	19,941,453	-	-	-	19,941,453
Other noncurrent assets	4,641,288	-	-	-	4,641,288
<b>Total noncurrent assets</b>	<b>\$ 256,561,837</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 256,561,837</b>
<b>Total assets</b>	<b>\$ 270,142,035</b>	<b>\$ 4,602,359</b>	<b>\$ 3,706,745</b>	<b>\$ 9,739,104</b>	<b>\$ 288,190,243</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Accounts payable and accrued expenses	\$ 2,010,724	\$ 4,387	\$ -	\$ 35,293	\$ 2,050,404
Notes payable	658,912	-	-	-	658,912
Advance funding received	361,929	-	-	-	361,929
Due to The University of New Mexico	8,281,728	305,793	2,119,669	-	10,707,190
Unearned revenue	-	668,845	-	-	668,845
Annuities payable	367,299	-	-	-	367,299
Other current liabilities	463,190	-	-	-	463,190
<b>Total current liabilities</b>	<b>\$ 12,143,782</b>	<b>\$ 979,025</b>	<b>\$ 2,119,669</b>	<b>\$ 35,293</b>	<b>\$ 15,277,769</b>
<b>Noncurrent liabilities</b>					
Notes payable	\$ 644,875	\$ -	\$ -	\$ -	\$ 644,875
Due to The University of New Mexico	3,087,067	-	-	-	3,087,067
Annuities payable	2,060,973	-	-	-	2,060,973
<b>Total noncurrent liabilities</b>	<b>\$ 5,792,915</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,792,915</b>
<b>Total liabilities</b>	<b>\$ 17,936,697</b>	<b>\$ 979,025</b>	<b>\$ 2,119,669</b>	<b>\$ 35,293</b>	<b>\$ 21,070,684</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Beneficial interest in irrevocable split interest agreements	\$ 20,101,312	\$ -	\$ -	\$ -	\$ 20,101,312
Unearned revenue	-	-	303,182	-	303,182
<b>Total deferred inflows of resources</b>	<b>\$ 20,101,312</b>	<b>\$ -</b>	<b>\$ 303,182</b>	<b>\$ -</b>	<b>\$ 20,404,494</b>
<b>NET POSITION</b>					
Restricted nonexpendable	\$ 208,057,913	\$ -	\$ -	\$ -	208,057,913
Restricted expendable	20,080,545	571,540	-	-	20,652,085
Unrestricted	3,965,568	3,051,794	1,283,894	9,703,811	18,005,067
<b>Total net position</b>	<b>\$ 232,104,026</b>	<b>\$ 3,623,334</b>	<b>\$ 1,283,894</b>	<b>\$ 9,703,811</b>	<b>\$ 246,715,065</b>

See accompanying independent auditors' report.

Combining Statement of Revenues, Expenses, and Changes in Net Position for the year ended June 30, 2021 –  
Discretely Presented Component Units

	University of New Mexico Foundation, Inc.	The Robert O. Anderson Schools of Management Foundation	UNM Lobo Club	The University of New Mexico Alumni Association	Total
<b>REVENUES</b>					
Operating revenues					
Nongovernmental grants, bequests, and contributions	\$ 23,221,504	\$ 114,600	\$ 3,287,497	\$ -	\$ 26,623,601
Sales and services	-	-	87,720	3,865	91,585
Operational support	7,851,392	-	-	-	7,851,392
Other operating revenues	121,500	2,366	-	601,482	725,348
<b>Total operating revenues</b>	<b>\$ 31,194,396</b>	<b>\$ 116,966</b>	<b>\$ 3,375,217</b>	<b>\$ 605,347</b>	<b>\$ 35,291,926</b>
<b>EXPENSES</b>					
Operating expenses					
General and administrative	\$ 11,529,575	\$ 48,711	\$ 195,187	\$ 250,418	\$ 12,023,891
Program expenses	-	-	2,321,899	313,955	2,635,854
Distributions to the University of New Mexico	33,383,432	-	-	-	33,383,432
<b>Total operating expenses</b>	<b>\$ 44,913,007</b>	<b>\$ 48,711</b>	<b>\$ 2,517,086</b>	<b>\$ 564,373</b>	<b>\$ 48,043,177</b>
Net operating income (loss)	<b>\$ (13,718,611)</b>	<b>\$ 68,255</b>	<b>\$ 858,131</b>	<b>\$ 40,974</b>	<b>\$ (12,751,251)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment income	\$ 71,458,531	\$ 347,666	\$ 11,505	\$ 1,920,403	\$ 73,738,105
Other nonoperating revenues and expenses, net	-	424,907	-	4,377	429,284
Distributions to the University of New Mexico	-	-	-	(60,000)	(60,000)
Net nonoperating revenues	<b>\$ 71,458,531</b>	<b>\$ 772,573</b>	<b>\$ 11,505</b>	<b>\$ 1,864,780</b>	<b>\$ 74,107,389</b>
Income before other revenues	<b>\$ 57,739,920</b>	<b>\$ 840,828</b>	<b>\$ 869,636</b>	<b>\$ 1,905,754</b>	<b>\$ 61,356,138</b>
Contributions to permanent endowments	\$ 16,119,005	\$ -	\$ -	\$ -	\$ 16,119,005
<b>Total other revenues</b>	<b>\$ 16,119,005</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,119,005</b>
Change in net position	<b>\$ 73,858,925</b>	<b>\$ 840,828</b>	<b>\$ 869,636</b>	<b>\$ 1,905,754</b>	<b>\$ 77,475,143</b>
Net position at beginning of year	232,104,026	3,623,334	1,283,894	9,703,811	246,715,065
Net position at end of year	<b>\$ 305,962,951</b>	<b>\$ 4,464,162</b>	<b>\$ 2,153,530</b>	<b>\$ 11,609,565</b>	<b>\$ 324,190,208</b>

See accompanying independent auditors' report.

# SCHEDULE 14

Combining Statement of Revenues, Expenses, and Changes in Net Position for the year ended June 30, 2020 –  
Discretely Presented Component Units

	University of New Mexico Foundation, Inc.	The Robert O. Anderson Schools of Management Foundation	UNM Lobo Club	The University of New Mexico Alumni Association	Total
<b>REVENUES</b>					
Operating revenues					
Nongovernmental grants, bequests, and contributions	\$ 26,271,299	\$ 255,886	\$ 4,822,870	\$ -	\$ 31,350,055
Sales and services	-	2,447,373	224,225	3,465	2,675,063
Operational support	7,971,146	-	-	-	7,971,146
Other operating revenues	174,309	17,415	-	722,843	914,567
<b>Total operating revenues</b>	<b>\$ 34,416,754</b>	<b>\$ 2,720,674</b>	<b>\$ 5,047,095</b>	<b>\$ 726,308</b>	<b>\$ 42,910,831</b>
<b>EXPENSES</b>					
Operating expenses					
General and administrative	\$ 12,891,134	\$ 2,254,128	\$ 246,607	\$ 297,135	\$ 15,689,004
Program expenses	-	430,060	4,785,954	391,759	5,607,773
Distributions to the University of New Mexico	33,536,172	-	-	-	33,536,172
<b>Total operating expenses</b>	<b>\$ 46,427,306</b>	<b>\$ 2,684,188</b>	<b>\$ 5,032,561</b>	<b>\$ 688,894</b>	<b>\$ 54,832,949</b>
Net operating income (loss)	<b>\$ (12,010,552)</b>	<b>\$ 36,486</b>	<b>\$ 14,534</b>	<b>\$ 37,414</b>	<b>\$ (11,922,118)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment income	\$ (1,541,275)	\$ 75,774	\$ 21,626	\$ 275,191	\$ (1,168,684)
Other nonoperating revenues and expenses, net	-	(137,500)	-	6,139	(131,361)
Distributions to the University of New Mexico	-	-	-	(75,000)	(75,000)
Net nonoperating revenues (expenses)	<b>\$ (1,541,275)</b>	<b>\$ (61,726)</b>	<b>\$ 21,626</b>	<b>\$ 206,330</b>	<b>\$ (1,375,045)</b>
Income (loss) before other revenues	<b>\$ (13,551,827)</b>	<b>\$ (25,240)</b>	<b>\$ 36,160</b>	<b>\$ 243,744</b>	<b>\$ (13,297,163)</b>
Contributions to permanent endowments	\$ 9,678,086	\$ -	\$ -	\$ -	\$ 9,678,086
<b>Total other revenues</b>	<b>\$ 9,678,086</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,678,086</b>
Change in net position	<b>\$ (3,873,741)</b>	<b>\$ (25,240)</b>	<b>\$ 36,160</b>	<b>\$ 243,744</b>	<b>\$ (3,619,077)</b>
Net position at beginning of year	235,977,767	3,648,574	1,247,734	9,460,067	250,334,142
Net position at end of year	<b>\$ 232,104,026</b>	<b>\$ 3,623,334</b>	<b>\$ 1,283,894</b>	<b>\$ 9,703,811</b>	<b>\$ 246,715,065</b>

See accompanying independent auditors' report.



# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 15

Budget Comparison – Unrestricted and Restricted – All Operations  
Year Ended June 30, 2021

	Original Budget	Final Budget	Actuals	Final Budget vs Actuals Favorable (Unfavorable)
Unrestricted and Restricted Beginning Net Position	\$ 466,826,272	\$ 577,161,366	\$ 577,161,366	\$ -
Unrestricted and Restricted Revenues:				
Tuition and Fees	\$ 191,448,351	\$ 189,176,086	\$ 194,736,707	\$ 5,560,621
Federal Government Appropriations	39,185	39,185	193,414	154,229
State Government Appropriations	359,430,431	323,289,054	323,080,756	(208,298)
Local Government Appropriations	9,208,467	9,208,467	9,667,772	459,305
Federal Government Contracts/Grants	261,992,253	428,042,690	334,565,830	(93,476,860)
State Government Contracts/Grants	52,895,442	54,391,089	51,247,979	(3,143,110)
Local Government Contracts/Grants	5,333,097	5,897,846	3,681,502	(2,216,344)
Private Contracts/Grants	35,075,002	28,578,040	23,652,404	(4,925,636)
Endowments and Private Gifts	22,526,153	27,301,581	33,161,685	5,860,104
Land and Permanent Fund	11,380,000	10,750,000	10,909,456	159,456
Sales and Services	515,513,942	493,678,412	475,716,387	(17,962,025)
Other	154,241,452	230,997,509	214,229,938	(16,767,571)
Total Unrestricted and Restricted Revenues	\$ 1,619,083,775	\$ 1,801,349,959	\$ 1,674,843,830	\$ (126,506,129)
Unrestricted and Restricted Expenditures:				
Instruction	\$ 298,654,536	\$ 275,944,874	\$ 261,983,389	\$ 13,961,485
Academic Support	60,294,694	57,049,548	51,559,065	5,490,483
Student Services	33,939,318	33,541,024	30,863,543	2,677,481
Institutional Support	74,583,027	71,531,961	65,574,371	5,957,590
Operations and Maintenance	48,159,013	45,317,690	44,133,462	1,184,228
Student Social and Cultural	10,163,600	8,919,048	6,974,925	1,944,123
Research	222,114,149	310,999,454	273,620,772	37,378,682
Public Service	471,470,990	468,066,909	431,983,670	36,083,239
Internal Services	7,644,201	12,366,487	6,007,588	6,358,899
Student Aid, Grants, and Stipends	138,669,763	162,161,614	110,535,033	51,626,581
Auxiliary Services	47,101,210	42,269,880	35,005,987	7,263,893
Intercollegiate Athletics	32,706,467	31,799,484	25,577,988	6,221,496
Independent Operations	99,096,276	103,949,562	101,280,645	2,668,917
Capital Outlay	149,485,434	313,632,891	281,794,234	31,838,657
Building Renewal and Replacement	10,000,000	9,000,000	7,296,288	1,703,712
Retirement of Indebtedness	37,407,897	113,809,808	100,983,213	12,826,595
Total Unrestricted and Restricted Expenditures	\$ 1,741,490,575	\$ 2,060,360,234	\$ 1,835,174,173	\$ 225,186,061
Net Transfers	\$ 8,041,835	\$ 8,685,735	\$ 5,557,925	\$ (3,127,810)
Change in Net Position (Budgetary Basis)	\$ (114,364,965)	\$ (250,324,540)	\$ (154,772,418)	\$ 95,552,122
Ending Net Position	\$ 352,461,307	\$ 326,836,826	\$ 422,388,948	\$ 95,552,122

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 these 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, and E. Each individual item of transfer between funds and/or functions.

See accompanying independent auditors' report.

Budget Comparison - Unrestricted - Instruction & General  
Year Ended June 30, 2021

	Original Budget	Final Budget	Actuals	Final Budget vs Actuals Favorable (Unfavorable)
Unrestricted Beginning Net Position	\$ 48,798,514	\$ 74,072,990	\$ 74,072,990	\$ -
Unrestricted Revenues:				
Tuition and Fees	\$ 173,187,368	\$ 173,842,242	\$ 179,732,718	\$ 5,890,476
Federal Government Appropriations	-	-	25,082	25,082
State Government Appropriations	302,099,600	271,282,540	271,288,351	5,811
Local Government Appropriations	9,208,467	9,208,467	9,667,772	459,305
Federal Government Contracts/Grants	180,000	3,794,525	5,949,654	2,155,129
State Government Contracts/Grants	2,000	11,598	20,981	9,383
Local Government Contracts/Grants	-	-	-	-
Private Contracts/Grants	-	-	-	-
Endowments and Private Gifts	-	-	100	100
Land and Permanent Fund	11,380,000	10,750,000	10,909,456	159,456
Sales and Services	1,100,452	985,060	357,152	(627,908)
Other	56,104,951	59,509,338	62,003,121	2,493,783
Total Unrestricted Revenues	\$ 553,262,838	\$ 529,383,770	\$ 539,954,387	\$ 10,570,617
Unrestricted Expenditures:				
Instruction	\$ 288,438,007	\$ 266,965,772	\$ 256,812,908	\$ 10,152,864
Academic Support	59,491,706	56,167,903	51,245,166	4,922,737
Student Services	33,310,902	32,913,353	30,704,115	2,209,238
Institutional Support	74,190,554	71,140,261	65,559,270	5,580,991
Operations and Maintenance	48,136,513	45,295,190	44,133,462	1,161,728
Total Unrestricted Expenditures	\$ 503,567,682	\$ 472,482,479	\$ 448,454,921	\$ 24,027,558
Net Transfers	\$ (51,652,498)	\$ (67,804,938)	\$ (71,276,006)	\$ (3,471,068)
Change in Net Position (Budgetary Basis)	\$ (1,957,342)	\$ (10,903,647)	\$ 20,223,460	\$ 31,127,107
Ending Net Position	\$ 46,841,172	\$ 63,169,343	\$ 94,296,450	\$ 31,127,107

See accompanying independent auditors' report.

Budget Comparison - Restricted - Instruction & General  
Year Ended June 30, 2021

	Original Budget	Final Budget	Actuals	Final Budget vs Actuals Favorable (Unfavorable)
Restricted Beginning Net Position	\$ -	\$ -	\$ -	\$ -
Restricted Revenues:				
Tuition and Fees	\$ -	\$ -	\$ -	\$ -
Federal Government Appropriations	-	-	-	-
State Government Appropriations	-	-	-	-
Local Government Appropriations	-	-	-	-
Federal Government Contracts/Grants	8,413,536	6,963,178	4,374,642	(2,588,536)
State Government Contracts/Grants	2,128,781	2,360,036	1,132,471	(1,227,565)
Local Government Contracts/Grants	216,059	1,351,038	128,443	(1,222,595)
Private Contracts/Grants	1,192,530	116,366	326	(116,040)
Endowments and Private Gifts	-	-	-	-
Land and Permanent Fund	-	-	-	-
Sales and Services	-	-	-	-
Other	-	-	-	-
Total Restricted Revenues	\$ 11,950,906	\$ 10,790,618	\$ 5,635,882	\$ (5,154,736)
Restricted Expenditures:				
Instruction	\$ 10,216,529	\$ 8,979,102	\$ 5,170,481	\$ 3,808,621
Academic Support	802,988	881,645	313,899	567,746
Student Services	628,416	627,671	159,428	468,243
Institutional Support	392,473	391,700	15,101	376,599
Operations and Maintenance	22,500	22,500	-	22,500
Total Restricted Expenditures	\$ 12,062,906	\$ 10,902,618	\$ 5,658,909	\$ 5,243,709
Net Transfers	\$ 112,000	\$ 112,000	\$ 23,027	\$ (88,973)
Change in Net Position (Budgetary Basis)	\$ -	\$ -	\$ -	\$ -
Ending Net Position	\$ -	\$ -	\$ -	\$ -

See accompanying independent auditors' report.

# THE UNIVERSITY OF NEW MEXICO

## Reconciliation of Budgetary Basis to Financial Statement Basis Unrestricted and Restricted - All Operations Year Ended June 30, 2021

### Total Unrestricted and Restricted Revenues:

Budgetary Basis	\$ 1,674,843,830
Reconciling items:	
University of New Mexico Hospital (amount not in budgetary basis)	1,660,489,989
University of New Mexico Behavioral Health Operations (amount not in budgetary basis)	58,391,805
Blended component units (amount not in budgetary basis)	414,330,952
Intercompany eliminations (amount not in budgetary basis)	(636,379,511)
Scholarship allowance (amount not in budgetary basis)	(89,404,919)
Endowment fund items (amount not in budgetary basis)	70,023,883
Investment in plant items (amount not in budgetary basis)	468,187
Institutional fund items (amount not in budgetary basis)	(31,716,698)
Bond proceeds (amount not in financial statements)	(65,175,327)
Revenue/expenditure classification differences	(387,066)
Other	18,499,233
Total reconciling items	\$ 1,399,140,528
Total reconciled unrestricted and restricted revenues per budgetary basis	\$ 3,073,984,358
Basic Financial Statements	
Operating revenues	\$ 2,316,190,285
Nonoperating revenues	729,983,092
Nonoperating revenues netted in other nonoperating revenues and expenses	17,652,754
Capital contributions	10,158,227
Total unrestricted and restricted revenues per financial statements	\$ 3,073,984,358
Difference	\$ -

### Total Unrestricted and Restricted Expenditures:

Budgetary Basis	\$ 1,835,174,173
Reconciling items:	
University of New Mexico Hospital (amount not in budgetary basis)	1,317,620,913
University of New Mexico Behavioral Health Operations (amount not in budgetary basis)	52,025,987
Blended component units (amount not in budgetary basis)	403,003,837
Intercompany eliminations (amount not in budgetary basis)	(636,379,511)
Scholarship allowance (amount not in budgetary basis)	(89,404,919)
Endowment fund items (amount not in budgetary basis)	3,996,981
Investment in plant items (amount not in financial statements)	(1,354,915)
Depreciation expense (amount not in budgetary basis)	64,349,713
Capitalized expenditures (amount not in financial statements)	(34,999,603)
Bond principal payments (amount not in financial statements)	(86,575,000)
GASB 68 pension expense (amount not in budgetary basis)	693,470,416
GASB 75 other postemployment benefits expense (amount not in budgetary basis)	(8,092,300)
Revenue/expenditure classification differences	(387,066)
Other	8,758,387
Total reconciling items	\$ 1,686,032,920
Total reconciled unrestricted and restricted expenditures per budgetary basis	\$ 3,521,207,093
Basic Financial Statements	
Operating expenditures	\$ 3,463,905,386
Nonoperating expenditures	16,880,225
Nonoperating expenditures netted in other nonoperating revenues and expenses	40,421,482
Total unrestricted and restricted expenditures per financial statements	\$ 3,521,207,093
Difference	\$ -

See accompanying independent auditors' report.

# THE UNIVERSITY OF NEW MEXICO

## Schedule of Pledged Collateral as of June 30, 2021 - Primary Institution

Financial Institution	Account Type	Account Name	Book Balance	Bank Balance
Compass Bank	Checking	*Lobo Development - Business Checking	\$ 3,875,978	\$ 251,119
	Checking	*Lobo Energy - Business Checking	885,649	505,410
			<b>\$ 4,761,627</b>	<b>\$ 756,529</b>
		Less FDIC Insurance		(500,000)
		Uninsured Public Funds		<b>\$ 256,529</b>
Enterprise Bank	Checking	Los Alamos Campus Depository	<b>\$ 12,850</b>	<b>\$ 12,850</b>
		Less FDIC Insurance		(12,850)
		Uninsured Public Funds		<b>\$ -</b>
U.S. Bank	Checking	General Depository	<b>\$ 20,616,914</b>	<b>\$ 19,074,494</b>
			<b>\$ 20,616,914</b>	<b>\$ 19,074,494</b>
		Less FDIC Insurance		(250,000)
		Uninsured Public Funds		<b>\$ 18,824,494</b>
		Collateral Requirement (50%)		<b>\$ 9,412,247</b>
		Fair Value of Collateral		<b>\$ 65,000,000</b>
		Over (Under) Collateralized		<b>\$ 55,587,753</b>
Wells Fargo	Checking	UNMH Operating Account	\$ 510,848,230	\$ 521,542,492
		UNMH Operating Account	22,719	22,719
	Savings		<b>\$ 510,870,949</b>	<b>\$ 521,565,211</b>
		Less FDIC Insurance		(250,000)
		Uninsured Public Funds		<b>\$ 521,315,211</b>
		Collateral Requirement (50%)		<b>\$ 260,657,606</b>
		Fair Value of Collateral		<b>\$ 581,882,552</b>
		Over (Under) Collateralized		<b>\$ 321,224,947</b>
	Checking	*UNMMG Operating Account	\$ 41,454,869	\$ 41,169,417
	Checking	*UNMMG Cancer Center	102,515	102,515
	Checking	*UNMMG Truman RX	75,000	75,000
			<b>\$ 41,632,384</b>	<b>\$ 41,346,932</b>
		Less FDIC Insurance		(250,000)
		Uninsured Public Funds		<b>\$ 41,096,932</b>
		Collateral Requirement (50%)		<b>\$ 20,548,466</b>
		Fair Value of Collateral		<b>\$ 74,501,816</b>
		Over (Under) Collateralized		<b>\$ 53,953,350</b>
	Other	Commercial Paper	\$ 110,782,961	
		Interest-Bearing Cash Sweep (ICS)	70,740,807	
		Money Markets	286,571	
		VEBA Trust	280,225	
		Petty Cash/Other	131,725	
		Component Unit deposits held by UNM	(5,840,594)	
		Rainforest Innovations	9,148,216	\$ -
		**Sandoval Regional Medical Center	27,906,640	-
			<b>\$ 213,436,551</b>	<b>\$ -</b>
<b>Total Cash and Cash Equivalents – Primary Institution</b>			<b>\$ 791,331,275</b>	<b>\$ 582,756,016</b>

\*Blended Component Units - Public Money Entities

\*\*Blended Component Units - Non-Public Money Entities

See accompanying independent auditors' report.

# SCHEDULE 18

CUSIP Identification	Maturity Date	Type of Securities	Amount
<b>Main Campus*</b>			
530016	12/11/2020	LOC	\$ 65,000,000
<i>Total Pledged Collateral</i>			<b>\$ 65,000,000</b>

\* - Pledged collateral is held by U.S. Bank in the University's name

<b>UNM Medical Group***</b>			
31329KPA6	02/01/32	FMAC FEPC	\$ 8,547,859
3132A5G74	06/01/47	FMAC FEPC	5,196,253
3132A5HB4	07/01/47	FMAC FEPC	6,669,873
3132A9R25	04/01/31	FMAC FEPC	6,921,167
3133KKG49	08/01/49	FMAC FEPC	5,059,043
3133KHLN4	02/01/50	FMAC FEPC	6,641,861
3138E0RA9	12/01/41	FNMA FNMS	9,126,369
3138NXE29	01/01/43	FNMA FNMS	4,166,675
3138WPGZ1	04/01/43	FNMA FNMS	11,810,502
3140GTUH1	07/01/47	FNMA FNMS	7,495,932
3140K7N66	03/01/50	FNMA FNMS	2,866,282
<i>Total Pledged Collateral</i>			<b>\$ 74,501,816</b>

\*\*\* - Pledged collateral is held by Wells Fargo's trust departments or their agent in UNMMG's name

CUSIP Identification	Maturity Date	Type of Securities	Amount
<b>UNM Hospital**</b>			
3132A5D36	7/1/2045	FMAC	\$ 33,013,816
3132A5EK7	11/1/2045	FMAC	3,708,697
3132A5GQ2	3/1/2047	FMAC	45,747,048
3132A5GW9	4/1/2047	FMAC	20,832,183
3132A5HB4	7/1/2047	FMAC	52,390,267
31339U4Z0	11/1/1949	FMAC	6,622,405
3133A2EZ9	2/1/2050	FMAC	19,538,250
3133KGTP3	10/1/2049	FMAC	34,469,315
3133KGZL5	11/1/2049	FMAC	37,504,697
3138W7GH1	3/1/2043	FNMA	47,725,652
3140EWA70	5/1/2031	FNMA	16,586,348
3140FCTG3	2/1/2047	FNMA	62,331,395
3140J8XU2	8/1/2038	FNMA	7,904,205
3140K16J0	1/1/2050	FNMA	25,350,808
3140K5JR9	2/1/2050	FNMA	42,817,232
31418B5E2	6/1/2031	FNMA	21,002,381
31418CU77	3/1/2048	FNMA	37,926,895
31418DGL0	10/1/2049	FNMA	66,410,958
<i>Total Bank Of New York</i>			<b>\$ 581,882,552</b>

\*\* - Pledged collateral is held in safekeeping by the Bank of New York Mellon

# THE UNIVERSITY OF NEW MEXICO

## Schedule of Pledged Collateral as of June 30, 2021 - Discretely Presented Component Units

Financial Institution	Account Type	Account Name	Book Balance	Bank Balance	
*UNM Foundation					
Nusenda Federal Credit Union	Cash	General Fund	\$ 190,270	\$ 190,270	
		Less NCUA Insurance		(190,270)	
		Uninsured Public Funds		\$ (190,270)	
Wells Fargo Bank	Cash	UNM Foundation Operating	\$ 5,072,967	\$ 5,201,239	
	Cash	Development	2,331,449	1,629,408	
			\$ 7,404,416	\$ 6,830,647	
		Less FDIC Insurance		(250,000)	
		Uninsured Public Funds		\$ 6,580,647	
		Collateral Requirement (50%)		\$ 3,290,324	
		Fair Value of Collateral		\$ 6,333,923	
		Over (Under) Collateralized		\$ 3,043,600	
	Washington Federal	Cash	UNM Foundation Operating	\$ 1,301,750	\$ 1,301,750
			Less FDIC Insurance		(250,000)
			Uninsured Public Funds		\$ 1,051,750
		Collateral Requirement (50%)		\$ 525,875	
		Fair Value of Collateral		\$ -	
		Over (Under) Collateralized		\$ (525,875)	
Other	Foundation Money Market	\$ 113,179	\$ 113,179		
Total Cash and Cash Equivalents – UNM Foundation			\$ 9,009,615	\$ 8,435,846	
**Anderson Schools of Management Foundation			\$ 1,188,972	\$ 1,188,972	
**UNM Lobo Club			4,067,283	4,067,283	
**UNM Alumni Association			1,174,231	1,174,557	
Total Cash and Cash Equivalents – Discretely Presented Component Units			\$ 15,440,101	\$ 14,866,658	

\*Discretely Presented Component Units - Public Money Entities

\*\*Discretely Presented Component Units - Non-Public Money Entities

See accompanying independent auditors' report.

# SCHEDULE 18

CUSIP Identification	Maturity Date	Type of Securities	Amount
<b>UNM Foundation</b>			
3140X5R47	1/1/2050	FN-30	\$ 4,872,249
31334YCD7	8/1/2049	FHG-3	1,461,674
<i>Total Pledged Collateral</i>			<b>\$ 6,333,923</b>

Pledged collateral is held by Wells Fargo's trust departments in UNM Foundation's name.



# THE UNIVERSITY OF NEW MEXICO

## Schedule of Individual Deposit and Investment Accounts as of June 30, 2021 - Primary Institution

### Individual Deposit Accounts

Name of Bank/Broker	Account Type		Balance per Bank Statement	Reconciled Balance per Books
Compass Bank	*Lobo Development - Business Checking	Checking	\$ 251,119	\$ 3,875,978
	*Lobo Energy - Business Checking	Checking	505,410	885,649
Enterprise Bank	Los Alamos Campus Depository	Checking	12,850	12,850
U.S. Bank	General Depository	Checking	19,074,494	20,616,914
Wells Fargo	UNMH Operating Account	Checking	521,542,492	510,848,230
	UNMH Operating Account	Savings	22,719	22,719
	*UNMMG Operating Accounting	Checking	41,169,417	41,454,869
	*UNMMG Cancer Center	Checking	102,515	102,515
	*UNMMG Truman RX	Checking	75,000	75,000
Other	Commercial Paper	Sweep		110,782,961
	Interest-Bearing Cash Sweep (ICS)	Sweep		70,740,807
	Money Markets	Money Market	-	286,571
	VEBA Trust	Trust		280,225
	Petty Cash/Other	Cash on Hand		131,725
	Component Unit deposits held by UNM			(5,840,594)
		**Rainforest Innovations	-	9,148,216
		**Sandoval Regional Medical Center	-	27,906,640
<b>Total Cash and Cash Equivalents - Primary Institution</b>			<b>\$ 582,756,016</b>	<b>\$ 791,331,275</b>

\*Blended Component Units - Public Money Entities

\*\*Blended Component Units - Non-Public Money Entities

See accompanying independent auditors' report.

# SCHEDULE 19

## Individual Investment Accounts

Name of Bank/Broker	Account Type	Balance per Bank Statement	Reconciled Balance per Books
Bank of Oklahoma	Retirement of Indebtedness	Money Market	\$ 282,578
		Certificate of Deposit	707,142
		U.S. Treasury Securities	1,331,228
	VEBA Trust	Money Market	790,380
		Mutual Funds - Fixed Income	19,521,015
		Mutual Funds - Equity	38,980,587
Fidelity Investments	ASM Student Portfolio Account	Cash	13,849
		Exchange-Traded Funds	2,179,462
		Equity	2,493,699
Northern Trust	Consolidated Investment Fund	Money Market	76,253,700
		Mutual Funds - Fixed	37,664,882
		Mutual Funds - Equity	158,928,083
		International Equity Fund	87,727,033
		Illiquid Real Assests	18,210,304
		Private Equity	106,467,928
		Marketable Alternatives	95,045,532
US Bank	Operating Investment Account	Cash	9,220,940
		U.S. Treasury Securities	188,456,675
		US Government Agencies	7,385,144
		Foreign Issued	54,451,414
		Corporate Bonds	144,300,710
		Municipal Bonds	6,336,262
	UNMH Short-Term Investment Accounts	Money Market	37,951
	UNMH Short-Term Investment Accounts	U.S. Treasury Securities	36,949,942
	*UNMMG Investment Account	U.S. Treasury Securities	14,419,137
	*UNMMG Investment Account	Corporate Bonds	12,842,974
Wells Fargo	Bldg, Renewal & Replacement	Money Market	35,679
		U.S. Government Agencies	7,783,255
	Retirement of Indebtedness	Money Market	2,325,359
		Certificate of Deposit	2,530,494
		U.S. Government Agencies	1,841,251
	UNMH Trust Accounts (Short term)	Money Market	206,887
	UNMH Trust Accounts (Long term)	Money Market	17,962,481
Investment in TLSC	UNMH Other Investments	Equity	6,718,460
Investment in TriWest	UNMH Other Investments	Equity	5,000,000
Investment in TRL (TriCore)	UNMH Other Investments	Equity	23,095,413
	Less: Foundation Interest in CIF		(302,474,883)
	**Rainforest Innovations	12,648,112	12,648,112
	**Sandoval Regional Medical Center	15,275,857	15,275,857
Total Investments - Primary Institution		\$ 913,946,916	\$ 913,848,561

\*Blended Component Units - Public Money Entities

\*\*Blended Component Units - Non-Public Money Entities

See accompanying independent auditors' report.

# THE UNIVERSITY OF NEW MEXICO

## Schedule of Individual Deposit and Investment Accounts as of June 30, 2021 - Discretely Presented Component Units

### Individual Deposit Accounts

Name of Bank/Broker		Account Type	Balance per Bank Statement	Reconciled Balance per Books
<b>Component Units – Public Money Entities</b>				
<b>*UNM Foundation, Inc.</b>				
Fidelity	Restricted Fund	Money Market	\$ 101,462	\$ 101,462
Hilltop Securities	Charitable Trust Fund	Money Market	11,717	11,717
Nusenda Credit Union	General Fund	Cash	180,255	180,255
	Restricted Fund	Cash	10,015	10,015
Wells Fargo	Operating	Cash	5,201,239	5,072,967
	Development	Cash	1,629,408	2,331,449
Washington Federal	Operating	Cash	1,301,750	1,301,750
<b>Total Cash and Cash Equivalents - UNM Foundation, Inc.</b>			<b>\$ 8,435,846</b>	<b>\$ 9,009,615</b>
<b>**Anderson Schools of Management Foundation</b>			1,188,972	1,188,972
<b>**UNM Lobo Club</b>			4,067,283	4,067,283
<b>**UNM Alumni Association</b>			1,174,557	1,174,231
<b>Total Cash and Cash Equivalents - Discretely Presented Component Units</b>			<b>\$ 14,866,658</b>	<b>\$ 15,440,101</b>

\*Discretely Presented Component Units - Public Money Entities

\*\*Discretely Presented Component Units - Non-Public Money Entities

See accompanying independent auditors' report.

# SCHEDULE 19

## Individual Investment Accounts

Name of Bank/Broker		Account Type	Balance per Bank Statement	Reconciled Balance per Books
Component Units – Public Money Entities				
*UNM Foundation, Inc.				
Fidelity	Operating Fund	Mutual Funds-Equity	\$ 370,589	\$ 370,589
Hilltop Financial Services	Charitable Trust Fund	Domestic Corporate Stock	199,871	199,871
		Mutual Funds-Fixed	254,117	254,117
UBS Financial Services	Endowed Chair	Municipal Bonds	-	-
		Other	-	-
	Endowed Professorship	Municipal Bonds	-	-
Morgan Stanley Smith Barney	UNM Foundation Inc.	Domestic Corporate Stock	72	72
Vanguard Investment	Operating Fund	US Treasury Notes	-	-
	Operating Fund	Mutual Funds, Fixed	2,329,063	2,329,063
CIF	Endowments	Consolidated Investment Fund	302,527,660	302,527,660
Total Investments - UNM Foundation, Inc.			\$ 305,681,372	\$ 305,681,372
**Anderson Schools of Management Foundation			3,133,018	3,133,018
**UNM Alumni Association			10,422,838	10,422,838
Total Investments - Discretely Presented Component Units			\$ 319,237,228	\$ 319,237,228

\*Discretely Presented Component Units - Public Money Entities

\*\*Discretely Presented Component Units - Non-Public Money Entities

See accompanying independent auditors' report.

# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
<b>MAJOR PROGRAMS</b>					
<b>Department of Housing and Urban Development</b>					
Direct Awards					
Mortgage Insurance_Hospitals - Loans	14.128			-	199,585,000
		Total Department of Housing and Urban Development Direct Awards		-	199,585,000
		<b>Total Department of Housing and Urban Development</b>		-	<b>199,585,000</b>
<b>Department of Education</b>					
Direct Awards					
Covid-19 Education Stabilization Fund	84.425 E,F,L			\$ -	\$ 49,191,497
		Total Department of Education Direct Awards		-	49,191,497
Pass-Through Awards					
		New Mexico Early Childhood Development			
Covid-19 Education Stabilization Fund	84.425 E,F,L	Partnership	2RSR3	-	12,067
Covid-19 Education Stabilization Fund	84.425 E,F,L	New Mexico Higher Education Department	2RSG2	1,536,356	1,614,749
		State of New Mexico Early Childhood Education and Care Depar			
Covid-19 Education Stabilization Fund	84.425 E,F,L	and Care Depar	7R191	-	6,660
		State of New Mexico Early Childhood Education and Care Depar			
Covid-19 Education Stabilization Fund	84.425 E,F,L	and Care Depar	7R192	-	5,000
		Total Department of Education Pass-Through Awards		1,536,356	1,638,476
		<b>Total Department of Education</b>		<b>1,536,356</b>	<b>50,829,973</b>
<b>Department of Health &amp; Human Services</b>					
Direct Awards					
Covid-19 - Testing for the Uninsured	93.461			-	3,177,790
Covid-19 - Provider Relief Fund	93.498			-	28,572,252
		Total Department of Health & Human Services Direct Awards		-	31,750,042
		<b>Total Department of Health &amp; Human Services</b>		-	<b>31,750,042</b>
<b>TOTAL MAJOR PROGRAMS</b>				<b>\$ 1,536,356</b>	<b>\$ 282,165,015</b>
<b>NONMAJOR PROGRAMS</b>					
<b>STUDENT FINANCIAL ASSISTANCE CLUSTER</b>					
<b>Department of Education</b>					
Direct Awards					
Federal Supplemental Educational Opportunity Grants	84.007			\$ -	\$ 1,613,842
Federal Work-Study Program	84.033			-	1,848,323
Federal Perkins Loans	84.038			-	4,087,732
Federal Pell Grant Program	84.063			-	33,495,135
Federal Direct Student Loans	84.268			-	77,068,610
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	84.379			-	108,880
		Total Department of Education Direct Awards		-	118,222,522
		<b>Total Department of Education</b>		-	<b>118,222,522</b>
<b>Department of Health &amp; Human Services</b>					
Direct Awards					
Nurse Faculty Loan Program	93.264			-	695,621
Health Professions Student Loans	93.342			-	549,733
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925			-	1,300,000
		Total Department of Health & Human Services Direct Awards		-	2,545,354
		<b>Total Department of Health &amp; Human Services</b>		-	<b>2,545,354</b>
<b>TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER</b>				-	<b>120,767,876</b>
<b>RESEARCH AND DEVELOPMENT CLUSTER</b>					
<b>Department of Agriculture</b>					
Direct Awards					
Department of Agriculture	10.RD			-	101,932
Agricultural Research Basic and Applied Research	10.001			-	1,492
Agriculture and Food Research Initiative (AFRI)	10.310			1,621	462,250
Rural Community Development Initiative	10.446			-	136,567
		Total Department of Agriculture Direct Awards		1,621	702,241
Pass-Through Awards					
Department of Agriculture	10.RD	Presbyterian Healthcare Services	3RCN4	-	347
Specialty Crop Block Grant Program - Farm Bill	10.170	NM Department of Agriculture	2RST5	-	5,192
Agriculture and Food Research Initiative (AFRI)	10.310	University of Texas at El Paso	2RDY3	-	16,036
Cooperative Extension Service	10.500	New Mexico State University	3RGC3	-	32,545
		Total Department of Agriculture Pass-Through Awards		-	54,120
		<b>Total Department of Agriculture</b>		<b>1,621</b>	<b>756,361</b>

# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
<b>Department of Commerce</b>					
Direct Awards					
Department of Commerce	11.RD			-	(7,257)
		Total Department of Commerce Direct Awards		-	(7,257)
		<b>Total Department of Commerce</b>		-	<b>(7,257)</b>
<b>Department of Defense</b>					
Direct Awards					
Department of Defense	12.RD			568,685	2,501,878
Collaborative Research and Development	12.114			-	727,806
Basic and Applied Scientific Research	12.300			1,034,849	3,323,081
Science, Technology, Engineering & Mathematics (STEM)					
Education, Outreach and Workforce Program	12.330			-	204,433
Scientific Research - Combating Weapons of Mass Destruction	12.351			313,510	983,685
Military Medical Research and Development	12.420			390,725	1,587,954
Basic Scientific Research	12.431			18,407	707,304
Centers for Academic Excellence	12.598			88,800	620,314
Research and Technical Assistance	12.615			-	345,601
Basic, Applied, and Advanced Research in Science and Engineering	12.630			-	302,940
Air Force Defense Research Sciences Program	12.800			1,539,922	3,903,748
Research and Technology Development	12.910			-	46,943
		Total Department of Defense Direct Awards		3,954,898	15,255,687
Pass-Through Awards					
COVID-19 - Department of Defense	12.RD	Johns Hopkins University	3RJP2	-	142,975
COVID-19 - Department of Defense	12.RD	Los Alamos National Laboratory	3RFF9	-	106,030
Department of Defense	12.RD	Advanced Technology International	3RGU4	1,228,891	1,662,168
Department of Defense	12.RD	AEgis Technologies Group	2RQS5	-	34,516
Department of Defense	12.RD	Applied Technology Associates	2RNN4	-	20,099
Department of Defense	12.RD	ATA Aerospace	2RNA7	-	15,836
Department of Defense	12.RD	Brandywine Photonics	2RSV4	-	36,968
Department of Defense	12.RD	Charles River Analytics, Inc.	2RNR7	-	124,926
Department of Defense	12.RD	Crystalline Mirror Solutions LLC	2RNF3	-	133,297
Department of Defense	12.RD	Engility Corporation	2RPK6	-	(4,257)
Department of Defense	12.RD	General Electric Co	2RSB3	-	16,316
Department of Defense	12.RD	Leidos Inc	2RKQ6	-	39,526
Department of Defense	12.RD	LoadPath	2RPQ0	-	11,227
Department of Defense	12.RD	Metabiota, Inc.	3REG9	-	1,582
Department of Defense	12.RD	Mid Region Council of Government	2RQG8	-	15,214
Department of Defense	12.RD	New Mexico Military Affairs Department	2RQT7	-	15,995
Department of Defense	12.RD	Northrop Grumman Corporation	2RFR2	-	(5,613)
Department of Defense	12.RD	Physical Sciences, Inc.	2RQQ2	-	43,356
Department of Defense	12.RD	Physical Sciences, Inc.	2RSQ7	-	30,722
Department of Defense	12.RD	Radiant Technology	2RQW5	-	46,330
Department of Defense	12.RD	Tau Technologies LLC	2RPB4	-	2,560
Department of Defense	12.RD	Tau Technologies LLC	3REC3	-	117,490
Department of Defense	12.RD	Teledyne Scientific and Imaging	2RQY9	-	70,290
Department of Defense	12.RD	The Optical Sciences Company (TOSC)	2RNN5	-	86,628
Department of Defense	12.RD	Verus Research	2RNG6	-	16,637
Department of Defense	12.RD	Verus Research	2RQH1	-	96,465
Department of Defense	12.RD	Verus Research	2RQZ0	-	254,411
	12.RD Subtotal			1,228,891	3,131,694
Basic and Applied Scientific Research	12.300	ASR Corporation	2RLK0	-	(383)
Basic and Applied Scientific Research	12.300	Carnegie Mellon University	2RLS0	-	64,200
Basic and Applied Scientific Research	12.300	Carnegie Mellon University	2RSU9	-	13,964
Basic and Applied Scientific Research	12.300	Clemson University	2RLF2	-	37,681
Basic and Applied Scientific Research	12.300	University of Texas Arlington	2RLG6	-	27,367
	12.300 Subtotal			-	142,829
Navy Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance	12.335	Physical Sciences, Inc.	2RPF4	-	174,516
Scientific Research - Combating Weapons of Mass Destruction	12.351	Pennsylvania State University	2RLB1	-	41,059
Scientific Research - Combating Weapons of Mass Destruction	12.351	Sandia National Laboratories	3RAB6	-	(702)
	12.351 Subtotal			-	40,357
Military Medical Research and Development	12.420	National Trauma Institute	3RCL1	-	47,359
Military Medical Research and Development	12.420	University of Pittsburgh	3REK1	-	3,214
	12.420 Subtotal			-	50,573
Basic Scientific Research	12.431	Leonard Wood Institute	2RSQ8	-	41,246
Basic Scientific Research	12.431	University of Missouri	2RNQ0	-	95,637
Basic Scientific Research	12.431	University of Southern California	2RNN9	-	103,002
	12.431 Subtotal			-	239,885
Community Economic Adjustment Assistance for Compatible Use and Joint Land Use Studies	12.610	New Mexico Economic Development Dept	2RSS8	-	3,078

# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
Basic, Applied, and Advanced Research in Science and Engineering	12.630	DexMat	2RQV5	-	32,275
Basic, Applied, and Advanced Research in Science and Engineering	12.630	Rochester Institute of Technology	2RSC6	-	4,000
Basic, Applied, and Advanced Research in Science and Engineering	12.630	Technology Student Association	2RPR4	-	19,270
	12.630 Subtotal			-	55,545
COVID-19 - Uniformed Services University Medical Research Projects	12.750	The Geneva Foundation	3RJQ3	29,482	164,658
Air Force Defense Research Sciences Program	12.800	Bluecom Systems and Consulting LLC	2RNC6	-	45,291
Air Force Defense Research Sciences Program	12.800	Board of Trustees of Michigan State University	2RLM4	-	86,435
		Millennium Engineering and Integration Company	2RQA6	-	180,262
Air Force Defense Research Sciences Program	12.800	New Mexico Institute of Mining and Technology	2RMB4	-	46,208
Air Force Defense Research Sciences Program	12.800	University of California Irvine	2RNP6	-	3,802
Air Force Defense Research Sciences Program	12.800	University of Oklahoma	2RQK2	-	105,541
Air Force Defense Research Sciences Program	12.800	University of Texas Arlington	2RHY0	-	(235)
	12.800 Subtotal			-	467,304
Air Force Academy Athletic Programs	12.801	Prewitt Ridge Inc.	2RSV2	-	9,538
Research and Technology Development	12.910	Thermo Dynamic Films	2RLZ3	-	176,511
Research and Technology Development	12.910	Thermo Dynamic Films	2RMX7	-	96,910
	12.910 Subtotal			-	273,421
Total Department of Defense Pass-Through Awards				1,258,373	4,753,398
Total Department of Defense				5,213,271	20,009,085
<b>Department of the Interior</b>					
Direct Awards					
Education Enhancements	15.151			-	112,747
Cultural Resources Management	15.159			-	15,760
Cultural and Paleontological Resources Management	15.224			-	33,041
Fish, Wildlife and Plant Conservation Resource Management	15.231			2,846	45,027
Joint Fire Science Program	15.232			-	49,917
Wildlife Resource Management	15.247			-	(13)
Fish and Wildlife Coordination Act	15.517			-	399,808
Upper Colorado and San Juan River Basins Endangered Fish Recovery	15.529			55,672	86,468
SECURE Water Act – Research Agreements	15.560			-	174,091
Endangered Species Recovery Implementation	15.657			-	18,147
Fish and Wildlife Coordination and Assistance	15.664			-	423
Youth Engagement, Education, and Employment	15.676			-	35,079
Cooperative Ecosystem Studies Units	15.678			-	147,523
U.S. Geological Survey Research and Data Collection	15.808			-	90,024
Native American Graves Protection and Repatriation Act	15.922			-	4,005
American Battlefield Protection	15.926			-	12,868
Cooperative Research and Training Programs – Resources of the National Park System	15.945			7,573	665,471
		Total Department of the Interior Direct Awards		66,091	1,890,386
Pass-Through Awards					
Wildlife Resource Management	15.247	NatureServe	2RSW9	-	6,258
Fish and Wildlife Coordination Act	15.517	National Audubon Society Inc	2RPS1	-	122,599
Fish and Wildlife Coordination Act	15.517	Wayne State University	2RQX1	-	45,193
	15.517 Subtotal			-	167,792
National and Regional Climate Adaptation Science Centers	15.820	University of Oklahoma	2RPB9	-	121,277
National and Regional Climate Adaptation Science Centers	15.820	University of Oklahoma	2RQC5	-	72
National and Regional Climate Adaptation Science Centers	15.820	University of Oklahoma	2RSS9	-	4,781
	15.820 Subtotal			-	126,130
Total Department of the Interior Pass-Through Awards				-	300,180
Total Department of the Interior				66,091	2,190,566
<b>Department of Justice</b>					
Direct Awards					
Department of Justice	16.RD			-	2,840
State Justice Statistics Program for Statistical Analysis Centers	16.550			-	112,353
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560			-	190,391
		Total Department of Justice Direct Awards		-	305,584
Pass-Through Awards					
Department of Justice	16.RD	Research Triangle Institute	3RHZ9	-	19,577
Department of Justice	16.RD	Santa Clara Indian Pueblo	3RDK1	-	42,808
	16.RD Subtotal			-	62,385

# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	Rand Corp	3RLA1	-	8,760
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	Research Triangle Institute	2RSA2	3,854	13,884
	16.560 Subtotal			3,854	22,644
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	Bernalillo County	2RPJ2	-	(224)
Innovations in Community-Based Crime Reduction	16.817	Second Judicial District Court	2RNJ3	-	8,067
Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838	New Mexico Human Services Department	3RKB2	-	58,591
		Total Department of Justice Pass-Through Awards		3,854	151,463
		<b>Total Department of Justice</b>		<b>3,854</b>	<b>457,047</b>
<b>Department of Transportation</b>					
Direct Awards					
Department of Transportation	20.RD			-	124,431
Highway Training and Education	20.215			-	33,245
		Total Department of Transportation Direct Awards		-	157,676
Pass-Through Awards					
Department of Transportation	20.RD	New Mexico Department of Transportation	2RJG6	-	32,945
Department of Transportation	20.RD	New Mexico Department of Transportation	2RLY9	-	120,313
Department of Transportation	20.RD	New Mexico Department of Transportation	2RMM3	-	495,232
Department of Transportation	20.RD	New Mexico Department of Transportation	2RMS8	-	78,801
Department of Transportation	20.RD	New Mexico Department of Transportation	2RNS1	-	37,402
Department of Transportation	20.RD	New Mexico Department of Transportation	2RNT1	-	76,035
Department of Transportation	20.RD	New Mexico Department of Transportation	2RPH8	-	250,136
Department of Transportation	20.RD	New Mexico Department of Transportation	2RPY0	-	54,059
Department of Transportation	20.RD	New Mexico Department of Transportation	2RQH9	-	37,957
Department of Transportation	20.RD	New Mexico Department of Transportation	2RSL8	-	49,034
	20.RD Subtotal			-	1,231,914
Highway Planning and Construction	20.205	Alpine Archaeological Consultants, Inc.	2RLZ4	-	8,112
Highway Planning and Construction	20.205	Alpine Archaeological Consultants, Inc.	2RSD1	-	12,601
	20.205 Subtotal			-	20,713
Railroad Research and Development	20.313	National Academy of Sciences	2RMU9	-	(1,895)
University Transportation Centers Program	20.701	Louisiana State University	2RKR3	-	293,774
		Total Department of Transportation Pass-Through Awards		-	1,544,506
		<b>Total Department of Transportation</b>		-	<b>1,702,182</b>
<b>Department of the Treasury</b>					
Pass-Through Awards					
COVID-19 - Coronavirus Relief Fund	21.019	University of Utah	3RKB1	-	22,772
		Total Department of the Treasury Pass-Through Awards		-	22,772
		<b>Total Department of the Treasury</b>		-	<b>22,772</b>
<b>National Aeronautics &amp; Space Administration</b>					
Direct Awards					
Science	43.001			180,225	980,196
Aeronautics	43.002			-	27,805
Office of Stem Engagement (OSTEM)	43.008			-	71,157
Space Technology	43.012			-	83,382
		Total National Aeronautics & Space Administration Direct Awards		180,225	1,162,540
Pass-Through Awards					
National Aeronautics and Space Administration	43.RD	Bluecom Systems and Consulting LLC	2RPS6	-	102,338
National Aeronautics and Space Administration	43.RD	Intelligent Automation, Inc.	2RSJ2	-	4,046
National Aeronautics and Space Administration	43.RD	Jet Propulsion Lab	2RJ72	-	182,411
National Aeronautics and Space Administration	43.RD	New Mexico State University	2RLD5	-	817
National Aeronautics and Space Administration	43.RD	Space Telescope Science Institute	2RSG9	-	4,852
National Aeronautics and Space Administration	43.RD	Wyle Laboratories, Inc.	2RNG8	-	26,154
	43.RD Subtotal			-	320,618
Science	43.001	Blue Marble Space Institute of Science	2RKW5	-	14,608
Science	43.001	Colorado State University	2RMQ5	-	30,312
Science	43.001	Georgetown University	2RNC1	-	76,195
Science	43.001	Massachusetts Institute of Technology	2RSL2	-	43,140
Science	43.001	Smithsonian Astrophysical Observatory	2RQJ4	-	42,952
Science	43.001	University of Chicago	2RMA7	-	54,659
Science	43.001	University of Colorado	2RQX7	-	38,301
	43.001 Subtotal			-	300,167
		Board of Trustees of the Leland Stanford Junior University	2RQU9	-	46,812
Aeronautics	43.002	Prewitt Ridge Inc.	2RSP8	-	5,513
	43.002 Subtotal			-	52,325
Exploration	43.003	University of Central Florida	2RPQ6	-	4,341
Exploration	43.003	Wyle Laboratories, Inc.	2RQB0	-	150,144
	43.003 Subtotal			-	154,485



# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
Space Operations	43.007	Washington University	2RKG6	-	15,052
Office of Stem Engagement (OSTEM)	43.008	New Mexico Space Grant Consortium	2RQF2	-	30,349
Office of Stem Engagement (OSTEM)	43.008	New Mexico Space Grant Consortium	2RQK4	-	25,000
Office of Stem Engagement (OSTEM)	43.008	New Mexico Space Grant Consortium	2RQN2	-	3,800
Office of Stem Engagement (OSTEM)	43.008	New Mexico State University	2RGG6	-	(5,947)
Office of Stem Engagement (OSTEM)	43.008	New Mexico State University	2RQV6	-	50,000
Office of Stem Engagement (OSTEM)	43.008	New Mexico State University	2RSF2	-	22,708
	43.008 Subtotal			-	125,910
Total National Aeronautics & Space Administration Pass-Through Awards				-	968,557
<b>Total National Aeronautics &amp; Space Administration</b>				<b>180,225</b>	<b>2,131,097</b>
<b>National Foundation on the Arts &amp; Humanities</b>					
Pass-Through Awards					
Promotion of the Arts Grants to Organizations and Individuals	45.024	Village of Los Lunas	2RMZ9	-	10,721
Total National Foundation on the Arts & Humanities Pass-Through Awards				-	10,721
<b>Total National Foundation on the Arts &amp; Humanities</b>				<b>-</b>	<b>10,721</b>
<b>National Science Foundation</b>					
Direct Awards					
National Science Foundation	47.RD			-	137,675
COVID-19 - Engineering	47.041			-	95,167
Engineering	47.041			75,606	1,359,432
	47.041 Subtotal			75,606	1,454,599
Mathematical and Physical Sciences	47.049			97,356	2,527,905
Geosciences	47.050			1,541,238	3,639,313
Computer and Information Science and Engineering	47.070			194,761	2,292,299
Biological Sciences	47.074			189,072	2,757,894
COVID-19 - Biological Sciences	47.074			-	197,792
	47.074 Subtotal			189,072	2,955,686
COVID-19 - Social, Behavioral, and Economic Sciences	47.075			-	7,119
Social, Behavioral, and Economic Sciences	47.075			-	151,746
	47.075 Subtotal			-	158,865
Education and Human Resources	47.076			89,376	4,802,242
Polar Programs	47.078			-	102,133
Office of International Science and Engineering	47.079			-	10,709
Integrative Activities	47.083			1,778,115	3,692,235
Total National Science Foundation Direct Awards				3,965,524	21,773,661
Pass-Through Awards					
National Science Foundation	47.RD	University of Southern California	2RPT7	-	24,170
Engineering	47.041	Arizona State University	2RJP1	-	111,123
Engineering	47.041	K&A Wireless LLC	2RJC6	-	7,270
Engineering	47.041	Trustees of Purdue University	2RKW0	-	276,641
Engineering	47.041	Trustees of Purdue University	2RPG2	-	158,237
Engineering	47.041	University Industry Demonstration Partnership (UIDP)	2RSU5	-	19,842
Engineering	47.041	University of Texas Austin	2R913	-	418,406
	47.041 Subtotal			-	991,519
Mathematical and Physical Sciences	47.049	Associated Universities Inc	2RMU6	-	22,608
Mathematical and Physical Sciences	47.049	Cornell University	2RQZ3	-	46,793
Mathematical and Physical Sciences	47.049	Duke University	2RMK1	-	175,300
Mathematical and Physical Sciences	47.049	Explora	2RLR4	-	5,158
Mathematical and Physical Sciences	47.049	University of Colorado	2RQT3	-	121,179
	47.049 Subtotal			-	371,038
Geosciences	47.050	Columbia University	2RNU4	-	1,016
Geosciences	47.050	Cornell University	2RKX8	-	11,131
Geosciences	47.050	Denison University	4R205	-	45,263
Geosciences	47.050	Johns Hopkins University	2RLV0	-	(2,546)
Geosciences	47.050	LUMCON	2RKV4	-	(1,123)
Geosciences	47.050	Regents of the University of Idaho	2RSR4	-	3,734
Geosciences	47.050	University of Arizona	2RBT5	-	1,534
Geosciences	47.050	University of Colorado	2RKP4	-	153,142
	47.050 Subtotal			-	212,151
Computer and Information Science and Engineering	47.070	Santa Fe Institute	2RSS1	-	14,115
Computer and Information Science and Engineering	47.070	University of Tennessee	2RMP6	-	8,345
Computer and Information Science and Engineering	47.070	University of Vermont	2RSD3	-	4,318
	47.070 Subtotal			-	26,778
Biological Sciences	47.074	University of Washington	2RPK7	-	47,116
Biological Sciences	47.074	Washington State University	2RMT5	-	17,333
	47.074 Subtotal			-	64,449
Education and Human Resources	47.076	Arizona State University	2RHY8	-	159,201

# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
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Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
Education and Human Resources	47.076	Arizona State University	2RHZ2	-	75,632
Education and Human Resources	47.076	Educational Testing Services	2RMR8	-	(12)
Education and Human Resources	47.076	New Mexico State University	2RMQ3	-	88,585
Education and Human Resources	47.076	Pasadena City College	2RQS7	-	48,509
	47.076 Subtotal			-	371,915
Office of International Science and Engineering	47.079	Institute for Learning Innovation	2RPN0	-	9,766
Integrative Activities	47.083	Clemson University	3RBK3	-	59,050
		Total National Science Foundation Pass-Through Awards		-	2,130,836
		<b>Total National Science Foundation</b>		<b>3,965,524</b>	<b>23,904,497</b>
<b>Department of Veterans Affairs</b>					
Direct Awards					
Department of Veterans Affairs	64.RD			-	271,958
		Total Department of Veterans Affairs Direct Awards		-	271,958
Pass-Through Awards					
Department of Veterans Affairs	64.RD	Biomedical Research Institute of New Mexico	3RFZ6	-	9,188
		Total Department of Veterans Affairs Pass-Through Awards		-	9,188
		<b>Total Department of Veterans Affairs</b>		-	<b>281,146</b>
<b>Environmental Protection Agency</b>					
Direct Awards					
Science To Achieve Results (STAR) Research Program	66.509			31,852	192,330
P3 Award: National Student Design Competition for Sustainability	66.516			-	9,858
		Total Environmental Protection Agency Direct Awards		31,852	202,188
Pass-Through Awards					
Surveys, Studies, Investigations, Demonstrations, and Training					
Grants - Section 1442 of the Safe Drinking Water Act	66.424	University of North Carolina at Chapel Hill	2RMT2	-	160,196
Long Island Sound Program	66.437	New Mexico Environment Department	2RJM9	-	(1,493)
Regional Wetland Program Development Grants	66.461	New Mexico Environment Department	2RPX2	-	18,626
Regional Wetland Program Development Grants	66.461	New Mexico Environment Department	2RQC6	-	51,479
Regional Wetland Program Development Grants	66.461	New Mexico Environment Department	2RSM1	-	13,865
	66.461 Subtotal			-	83,970
Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	66.802	Dine College	2RSX3	-	240
Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	66.802	Dine College	3RFW8	-	8,328
	66.802 Subtotal			-	8,568
		Total Environmental Protection Agency Pass-Through Awards		-	251,241
		<b>Total Environmental Protection Agency</b>		<b>31,852</b>	<b>453,429</b>
<b>Department of Energy</b>					
Direct Awards					
Priorities and Allocations for Energy Programs and	81.048			39,792	340,520
COVID-19 - Office of Science Financial Assistance Program	81.049			-	151,699
Office of Science Financial Assistance Program	81.049			377,230	1,427,773
	81.049 Subtotal			377,230	1,579,472
Fossil Energy Research and Development	81.089			113,551	469,172
Stewardship Science Grant Program	81.112			-	318,792
Nuclear Energy Research, Development and Demonstration	81.121			281,575	731,715
Predictive Science Academic Alliance Program	81.124			167,794	348,485
Advanced Research Projects Agency - Energy	81.135			155,948	428,239
Minority Economic Impact	81.137			-	33,069
		Total Department of Energy Direct Awards		1,135,890	4,249,464
Pass-Through Awards					
COVID-19 - Department of Energy	81.RD	Los Alamos National Laboratory	3RJN5	-	30,790
COVID-19 - Department of Energy	81.RD	Sandia National Laboratories	3RHX1	-	470
Department of Energy	81.RD	AEgis Technologies Group	2RQH2	-	191,346
Department of Energy	81.RD	Battelle Memorial Institute	2RDM2	-	130,289
Department of Energy	81.RD	Battelle Memorial Institute	2RLV2	-	10,077
Department of Energy	81.RD	Battelle Memorial Institute	2RLV3	-	4,488
Department of Energy	81.RD	Battelle Memorial Institute	2RMT1	93,710	576,489
		Board of Trustees of the Leland Stanford Junior			
Department of Energy	81.RD	University	2RNC8	-	69,901
Department of Energy	81.RD	Brookhaven Science Associates LLC	2RPP9	-	45,523
Department of Energy	81.RD	Brookhaven Science Associates LLC	2RQH5	-	128,497
Department of Energy	81.RD	Honeywell Corporation	2RQD0	-	8,180
Department of Energy	81.RD	Honeywell Corporation	2RSJ6	-	32,934
Department of Energy	81.RD	Idaho National Laboratory	2RPX5	-	126,471
Department of Energy	81.RD	Lawrence Berkeley National Laboratory	2RQV7	-	141,316
Department of Energy	81.RD	Lawrence Berkeley National Laboratory	2RQZ1	-	38,423
Department of Energy	81.RD	Lawrence Livermore National Laboratory	2RPN1	-	12,070
Department of Energy	81.RD	Lawrence Livermore National Laboratory	2RQD5	-	42,497
Department of Energy	81.RD	Lawrence Livermore National Laboratory	2RQF1	-	40,138

# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
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Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
Department of Energy	81.RD	Lawrence Livermore National Laboratory	2RSB7	-	62,099
Department of Energy	81.RD	Lawrence Livermore National Laboratory	2RSH4	-	37,566
Department of Energy	81.RD	Los Alamos National Laboratory	2RFG7	-	9,423
Department of Energy	81.RD	Los Alamos National Laboratory	2RJU4	-	69,397
Department of Energy	81.RD	Los Alamos National Laboratory	2RKQ2	-	23,093
Department of Energy	81.RD	Los Alamos National Laboratory	2RLT7	-	66,278
Department of Energy	81.RD	Los Alamos National Laboratory	2RMS4	-	41,702
Department of Energy	81.RD	Los Alamos National Laboratory	2RMW3	-	93,935
Department of Energy	81.RD	Los Alamos National Laboratory	2RNG0	-	61,000
Department of Energy	81.RD	Los Alamos National Laboratory	2RNG1	-	69,944
Department of Energy	81.RD	Los Alamos National Laboratory	2RNU9	-	(415)
Department of Energy	81.RD	Los Alamos National Laboratory	2RPL6	-	5,066
Department of Energy	81.RD	Los Alamos National Laboratory	2RPP0	-	14,986
Department of Energy	81.RD	Los Alamos National Laboratory	2RPY3	-	189,930
Department of Energy	81.RD	Los Alamos National Laboratory	2RPZ0	-	89,607
Department of Energy	81.RD	Los Alamos National Laboratory	2RQC7	-	22,654
Department of Energy	81.RD	Los Alamos National Laboratory	2RQN7	-	123,117
Department of Energy	81.RD	Los Alamos National Laboratory	2RSB5	-	209,286
Department of Energy	81.RD	Los Alamos National Laboratory	2RSB9	-	16,672
Department of Energy	81.RD	Los Alamos National Laboratory	2RSN2	-	20,286
Department of Energy	81.RD	Los Alamos National Laboratory	2RSQ6	-	6,608
Department of Energy	81.RD	Los Alamos National Laboratory	2RSV7	-	20,156
Department of Energy	81.RD	Los Alamos National Laboratory	3RGP9	-	(594)
Department of Energy	81.RD	Los Alamos National Laboratory	5R164	-	7,238
Department of Energy	81.RD	MIND Research Network	2RH75	-	71,719
		New Mexico Energy Minerals and Natural Resources Dept	2RPZ2	16,076	30,403
Department of Energy	81.RD	NMC Inc	2RMU1	-	44,202
Department of Energy	81.RD	NMC Inc	2RPH7	-	7,624
Department of Energy	81.RD	NMC Inc	2RPM1	-	10,135
Department of Energy	81.RD	NMC Inc	2RQN9	-	33,500
Department of Energy	81.RD	NMC Inc	2RSG8	-	17,226
Department of Energy	81.RD	Osazda Energy, Inc.	2RNK8	-	30,409
Department of Energy	81.RD	Sandia National Laboratories	2RFH5	-	12,729
Department of Energy	81.RD	Sandia National Laboratories	2RHD5	-	31,185
Department of Energy	81.RD	Sandia National Laboratories	2RKG9	-	424
Department of Energy	81.RD	Sandia National Laboratories	2RKZ9	-	(843)
Department of Energy	81.RD	Sandia National Laboratories	2RLA0	-	41,187
Department of Energy	81.RD	Sandia National Laboratories	2RLD8	-	23,661
Department of Energy	81.RD	Sandia National Laboratories	2RLL5	-	64,490
Department of Energy	81.RD	Sandia National Laboratories	2RLQ1	-	(440)
Department of Energy	81.RD	Sandia National Laboratories	2RLU0	-	31,786
Department of Energy	81.RD	Sandia National Laboratories	2RLW3	-	46,687
Department of Energy	81.RD	Sandia National Laboratories	2RMK0	-	(1,118)
Department of Energy	81.RD	Sandia National Laboratories	2RMT8	-	127,825
Department of Energy	81.RD	Sandia National Laboratories	2RMV4	-	13,334
Department of Energy	81.RD	Sandia National Laboratories	2RMX2	-	4,294
Department of Energy	81.RD	Sandia National Laboratories	2RMY9	-	6,826
Department of Energy	81.RD	Sandia National Laboratories	2RNA3	-	23,249
Department of Energy	81.RD	Sandia National Laboratories	2RND6	-	727
Department of Energy	81.RD	Sandia National Laboratories	2RNH0	-	55,564
Department of Energy	81.RD	Sandia National Laboratories	2RNH2	-	39,546
Department of Energy	81.RD	Sandia National Laboratories	2RNM4	-	(2,116)
Department of Energy	81.RD	Sandia National Laboratories	2RNR5	-	9,492
Department of Energy	81.RD	Sandia National Laboratories	2RNR9	-	119,934
Department of Energy	81.RD	Sandia National Laboratories	2RNZ8	-	62,671
Department of Energy	81.RD	Sandia National Laboratories	2RPC7	-	53,698
Department of Energy	81.RD	Sandia National Laboratories	2RPD8	-	39,549
Department of Energy	81.RD	Sandia National Laboratories	2RPDZ	-	91,835
Department of Energy	81.RD	Sandia National Laboratories	2RPF5	-	(88)
Department of Energy	81.RD	Sandia National Laboratories	2RPJ1	-	107,792
Department of Energy	81.RD	Sandia National Laboratories	2RPJ5	-	41,767
Department of Energy	81.RD	Sandia National Laboratories	2RPK0	-	113,154
Department of Energy	81.RD	Sandia National Laboratories	2RPK3	-	6,982
Department of Energy	81.RD	Sandia National Laboratories	2RPK4	-	99,322
Department of Energy	81.RD	Sandia National Laboratories	2RPK5	-	152,030
Department of Energy	81.RD	Sandia National Laboratories	2RPL0	-	29,951
Department of Energy	81.RD	Sandia National Laboratories	2RPL8	-	29,947
Department of Energy	81.RD	Sandia National Laboratories	2RPN6	-	1,429
Department of Energy	81.RD	Sandia National Laboratories	2RPP3	-	18,073
Department of Energy	81.RD	Sandia National Laboratories	2RPP4	-	21,519
Department of Energy	81.RD	Sandia National Laboratories	2RPQ2	-	37,916
Department of Energy	81.RD	Sandia National Laboratories	2RPQ3	-	(1,969)
Department of Energy	81.RD	Sandia National Laboratories	2RPT2	-	22,415
Department of Energy	81.RD	Sandia National Laboratories	2RPV7	-	72,571
Department of Energy	81.RD	Sandia National Laboratories	2RPV8	-	52,707

# THE UNIVERSITY OF NEW MEXICO

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Schedule of Expenditures of Federal Awards  
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Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
Department of Energy	81.RD	Sandia National Laboratories	2RPV9	-	70,023
Department of Energy	81.RD	Sandia National Laboratories	2RPW1	-	36,683
Department of Energy	81.RD	Sandia National Laboratories	2RPX4	-	370,999
Department of Energy	81.RD	Sandia National Laboratories	2RPY2	-	24,124
Department of Energy	81.RD	Sandia National Laboratories	2RQA0	-	57,480
Department of Energy	81.RD	Sandia National Laboratories	2RQA8	-	125,217
Department of Energy	81.RD	Sandia National Laboratories	2RQB3	-	75,109
Department of Energy	81.RD	Sandia National Laboratories	2RQD6	-	12,916
Department of Energy	81.RD	Sandia National Laboratories	2RQD7	-	43,331
Department of Energy	81.RD	Sandia National Laboratories	2RQF5	-	20,249
Department of Energy	81.RD	Sandia National Laboratories	2RQG1	-	30,623
Department of Energy	81.RD	Sandia National Laboratories	2RQG7	-	48,299
Department of Energy	81.RD	Sandia National Laboratories	2RQJ3	-	14,000
Department of Energy	81.RD	Sandia National Laboratories	2RQL1	-	69,582
Department of Energy	81.RD	Sandia National Laboratories	2RQL2	-	36,605
Department of Energy	81.RD	Sandia National Laboratories	2RQL7	-	70,190
Department of Energy	81.RD	Sandia National Laboratories	2RQP1	-	24,995
Department of Energy	81.RD	Sandia National Laboratories	2RQP8	-	19,653
Department of Energy	81.RD	Sandia National Laboratories	2RQR9	-	27,675
Department of Energy	81.RD	Sandia National Laboratories	2RQS3	-	26,129
Department of Energy	81.RD	Sandia National Laboratories	2RQS4	-	51,122
Department of Energy	81.RD	Sandia National Laboratories	2RQT4	-	1,375
Department of Energy	81.RD	Sandia National Laboratories	2RQU1	-	68,328
Department of Energy	81.RD	Sandia National Laboratories	2RQV3	-	71,536
Department of Energy	81.RD	Sandia National Laboratories	2RQV8	-	69,539
Department of Energy	81.RD	Sandia National Laboratories	2RQX3	-	61,712
Department of Energy	81.RD	Sandia National Laboratories	2RQY0	-	51,129
Department of Energy	81.RD	Sandia National Laboratories	2RQY1	-	40,006
Department of Energy	81.RD	Sandia National Laboratories	2RQY2	-	44,986
Department of Energy	81.RD	Sandia National Laboratories	2RQY3	-	8,745
Department of Energy	81.RD	Sandia National Laboratories	2RQY5	-	73,233
Department of Energy	81.RD	Sandia National Laboratories	2RSA0	-	20,000
Department of Energy	81.RD	Sandia National Laboratories	2RSA5	-	6,876
Department of Energy	81.RD	Sandia National Laboratories	2RSA8	-	23,571
Department of Energy	81.RD	Sandia National Laboratories	2RSB4	-	19,264
Department of Energy	81.RD	Sandia National Laboratories	2RSB8	-	26,289
Department of Energy	81.RD	Sandia National Laboratories	2RSC5	-	64,688
Department of Energy	81.RD	Sandia National Laboratories	2RSC7	-	81,511
Department of Energy	81.RD	Sandia National Laboratories	2RSD8	-	60,966
Department of Energy	81.RD	Sandia National Laboratories	2RSF1	-	18,566
Department of Energy	81.RD	Sandia National Laboratories	2RSF3	-	5,911
Department of Energy	81.RD	Sandia National Laboratories	2RSF8	-	31,798
Department of Energy	81.RD	Sandia National Laboratories	2RSG7	-	21,647
Department of Energy	81.RD	Sandia National Laboratories	2RSH1	-	5,377
Department of Energy	81.RD	Sandia National Laboratories	2RSH3	-	28,672
Department of Energy	81.RD	Sandia National Laboratories	2RSH6	-	61,433
Department of Energy	81.RD	Sandia National Laboratories	2RSK5	-	30,210
Department of Energy	81.RD	Sandia National Laboratories	2RSK9	-	35,819
Department of Energy	81.RD	Sandia National Laboratories	2RSM5	-	53,993
Department of Energy	81.RD	Sandia National Laboratories	2RSU1	-	29,507
Department of Energy	81.RD	Sandia National Laboratories	2RSU6	-	12,472
Department of Energy	81.RD	Sandia National Laboratories	2RSW4	-	1,918
Department of Energy	81.RD	Sandia National Laboratories	2RSW8	-	1,810
Department of Energy	81.RD	Sandia National Laboratories	2RTB1	-	975
Department of Energy	81.RD	Sandia National Laboratories	3RJM9	-	9,991
	81.RD Subtotal			109,786	7,234,702
Office of Science Financial Assistance Program	81.049	Lawrence Berkeley National Laboratory	2RBD9	-	116,000
Office of Science Financial Assistance Program	81.049	Lenzner Research LLC	2RNV8	-	1
Office of Science Financial Assistance Program	81.049	North Carolina State University	2RPN5	-	198,897
Office of Science Financial Assistance Program	81.049	Star Cryoelectronics LLC	2RML8	-	23,370
Office of Science Financial Assistance Program	81.049	Washington University	2RZ37	-	3
Office of Science Financial Assistance Program	81.049	XUV Lasers, Inc.	2RQX4	-	36,130
	81.049 Subtotal			-	374,401
Conservation Research and Development	81.086	Lumileds	2RQN6	-	105,783
Conservation Research and Development	81.086	Washington State University	2RSB1	-	68,111
	81.086 Subtotal			-	173,894
Renewable Energy Research and Development	81.087	Osazda Energy, Inc.	2RSN1	-	31,723
Fossil Energy Research and Development	81.089	New Mexico Institute of Mining and Technology	2RSB2	-	23,067
Stewardship Science Grant Program	81.112	Cornell University	2RLK8	-	16,577
Defense Nuclear Nonproliferation Research	81.113	Regents of the University of Michigan	2RPC9	-	218,073

# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
Nuclear Energy Research, Development and Demonstration	81.121	Colorado School of Mines	2RLD2	-	37,573
Nuclear Energy Research, Development and Demonstration	81.121	Utah State University	2RJQ8	-	138,185
	81.121 Subtotal			-	175,758
National Nuclear Security Administration (NNSA) Minority Serving Institutions (MSI) Program	81.123	Universidad Ana G. Méndez	2RQZ4	-	9,396
National Nuclear Security Administration (NNSA) Minority Serving Institutions (MSI) Program	81.123	Universidad Del Turabo	2RJF1	-	8,699
	81.123 Subtotal			-	18,095
Advanced Research Projects Agency - Energy	81.135	HyperJet Fusion Corp.	2RSG3	-	47,840
Advanced Research Projects Agency - Energy	81.135	Julia Computing, Inc.	2RSL1	-	3,008
Advanced Research Projects Agency - Energy	81.135	Rensselaer Polytechnic Institute	2RMM2	-	292,564
Advanced Research Projects Agency - Energy	81.135	Rensselaer Polytechnic Institute	2RPH6	-	51,673
	81.135 Subtotal			-	395,085
Total Department of Energy Pass-Through Awards				109,786	8,661,375
Total Department of Energy				1,245,676	12,910,839
<b>Department of Education</b>					
Direct Awards					
Graduate Assistance in Areas of National Need	84.200			-	148
Total Department of Education Direct Awards				-	148
Pass-Through Awards					
Department of Education	84.RD	University of Oklahoma	3RBS7	-	(1,205)
Child Care Access Means Parents in School	84.335	San Juan College	2RSQ2	-	1,154
Total Department of Education Pass-Through Awards				-	(51)
Total Department of Education				-	97
<b>National Archives and Records Administration</b>					
Direct Awards					
National Historical Publications and Records Grants	89.003			-	113,601
Total National Archives and Records Administration Direct Awards				-	113,601
Total National Archives and Records Administration				-	113,601
<b>Department of Health &amp; Human Services</b>					
Direct Awards					
COVID-19 - Department of Health & Human Services	93.RD			6,165	1,171,661
Department of Health & Human Services	93.RD			709,141	3,286,153
	93.RD Subtotal			715,306	4,457,814
Training in General, Pediatric, and Public Health Dentistry	93.059			-	(240)
Maternal and Child Health Federal Consolidated Programs	93.110			-	749,412
Environmental Health	93.113			584,089	3,194,313
Oral Diseases and Disorders Research	93.121			51,608	583,606
Emergency Medical Services for Children	93.127			-	45,183
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135			-	774,717
COVID-19 - Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135			-	23,790
	93.135 Subtotal			-	798,507
Community Programs to Improve Minority Health Grant Program	93.137			-	176,210
NIEHS Superfund Hazardous Substances Basic Research and Education	93.143			182,953	1,210,930
COVID-19 - HIV-Related Training and Technical Assistance	93.145			233,012	374,928
HIV-Related Training and Technical Assistance	93.145			2,094,484	3,300,043
	93.145 Subtotal			2,327,496	3,674,971
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153			-	489,747
COVID-19 - Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153			-	36,185
	93.153 Subtotal			-	525,932
Research Related to Deafness and Communication Disorders	93.173			285,128	510,219
Telehealth Programs	93.211			-	342,142
Research on Healthcare Costs, Quality and Outcomes	93.226			-	294,744
Mental Health Research Grants	93.242			222,007	2,168,252
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243			-	142,397
Advanced Nursing Education Workforce Grant Program	93.247			-	635,644
Grants for Education, Prevention, and Early Detection of Radiogenic Cancers and Diseases	93.257			-	216,208
Occupational Safety and Health Program	93.262			135,257	(7,393)
Alcohol Research Programs	93.273			447,972	5,889,865
COVID-19 - Alcohol Research Programs	93.273			23,050	822,826
	93.273 Subtotal			471,022	6,712,691

# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
COVID-19 - Drug Abuse and Addiction Research Programs	93.279			29,641	1,367,000
Drug Abuse and Addiction Research Programs	93.279			159,853	777,905
	93.279 Subtotal			189,494	2,144,905
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286			-	240,451
Teenage Pregnancy Prevention Program	93.297			(8,666)	67,691
Minority Health and Health Disparities Research	93.307			429,910	3,472,872
COVID-19 - Trans-NIH Research Support	93.310			-	376,997
Trans-NIH Research Support	93.310			1,428,420	5,642,921
	93.310 Subtotal			1,428,420	6,019,918
National Center for Advancing Translational Sciences	93.350			-	4,313,771
Construction Support	93.352			-	3,172
21st Century Cures Act - Beau Biden Cancer Moonshot	93.353			-	1,377,102
COVID-19 - 21st Century Cures Act - Beau Biden Cancer Moonshot	93.353			14,921	124,202
	93.353 Subtotal			14,921	1,501,304
Nursing Research	93.361			4,838	83,335
Cancer Cause and Prevention Research	93.393			1,181,986	2,204,852
Cancer Detection and Diagnosis Research	93.394			12,689	706,366
Cancer Treatment Research	93.395			41,555	752,739
Cancer Biology Research	93.396			-	1,169,435
COVID-19 - Cancer Centers Support Grants	93.397			198,240	1,650,501
Cancer Research Manpower	93.398			-	260,922
Cancer Control	93.399			41,712	1,941,647
Child Care and Development Block Grant	93.575			-	274,825
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632			-	598,075
Cardiovascular Diseases Research	93.837			600,970	1,177,975
Lung Diseases Research	93.838			-	882,388
Blood Diseases and Resources Research	93.839			-	246,004
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847			320,868	1,391,198
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853			290,119	3,514,782
Allergy and Infectious Diseases Research	93.855			486,710	5,009,053
Biomedical Research and Research Training	93.859			442,105	9,911,496
Child Health and Human Development Extramural Research	93.865			45,713	529,639
Aging Research	93.866			236,975	1,491,888
Vision Research	93.867			269,768	981,022
Grants for Primary Care Training and Enhancement	93.884			47,851	222,823
International Research and Research Training	93.989			206,467	257,241
Total Department of Health & Human Services Direct Awards				11,457,511	79,453,832
Pass-Through Awards					
COVID-19 - Department of Health & Human Services	93.RD	CDC Foundation	3RJB9	-	4,196
COVID-19 - Department of Health & Human Services	93.RD	Leidos Inc	3RJD3	-	696,941
COVID-19 - Department of Health & Human Services	93.RD	Pennsylvania State University	3RKF5	-	19,846
COVID-19 - Department of Health & Human Services	93.RD	University of Arizona	3RJR8	-	6,714
Department of Health & Human Services	93.RD	Albuquerque Public Schools	3RGA6	-	30,963
Department of Health & Human Services	93.RD	Albuquerque Public Schools	3RHL8	-	33,248
Department of Health & Human Services	93.RD	Biological Mimetics, Inc.	3RHD2	-	2,340
Department of Health & Human Services	93.RD	BioRealm LLC	2RQU5	-	13,003
Department of Health & Human Services	93.RD	CDC Foundation	3RKL4	-	1,761
Department of Health & Human Services	93.RD	Children's Hospital of Philadelphia	3RDM4	-	3,010
Department of Health & Human Services	93.RD	Duke University	3REK9	-	439
Department of Health & Human Services	93.RD	Duke University	3RFH7	-	4,133
Department of Health & Human Services	93.RD	Duke University	3RFU6	-	4,526
Department of Health & Human Services	93.RD	Duke University	3RJW9	-	526
Department of Health & Human Services	93.RD	Elizabeth Glaser Pediatric AIDS Foundation	3RKR2	-	14,680
Department of Health & Human Services	93.RD	Elizabeth Glaser Pediatric AIDS Foundation	3RKV6	-	833
Department of Health & Human Services	93.RD	Fort Defiance Indian Hospital	3RKB4	-	4,529
Department of Health & Human Services	93.RD	Genentech Inc	3RKC1	-	3,683
Department of Health & Human Services	93.RD	Gynecologic Oncology Group	3RS18	-	582
Department of Health & Human Services	93.RD	International Association for Indigenous Aging	3RJY8	-	2,186
Department of Health & Human Services	93.RD	Leidos Inc	3RAQ5	-	70,727
Department of Health & Human Services	93.RD	Los Alamos National Laboratory	3RKX5	-	14,396
Department of Health & Human Services	93.RD	Lovelace Respiratory Research Institute	3RFY3	-	(1,830)
Department of Health & Human Services	93.RD	Lynntech, Inc.	3RFD5	-	37,811
Department of Health & Human Services	93.RD	New Mexico Cancer Care Alliance	3RAV6	-	(3,324)
Department of Health & Human Services	93.RD	New Mexico Department of Health	3RCN2	-	63,791
Department of Health & Human Services	93.RD	Northwest Portland Area Indian Health Board	3RDL8	-	128,318
Department of Health & Human Services	93.RD	Oregon Health & Science University	3RQ96	-	16,979
Department of Health & Human Services	93.RD	Research Triangle Institute	3RA39	-	23,717
Department of Health & Human Services	93.RD	RTI International	3RG40	-	5,064
Department of Health & Human Services	93.RD	Taos Pueblo Administration	3RCL4	-	51,106



# THE UNIVERSITY OF NEW MEXICO

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Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
Department of Health & Human Services	93.RD	Terumo BCT, Inc.	3RJ6	-	1,661
Department of Health & Human Services	93.RD	The Task Force for Global Health	3RJ3	-	21,885
Department of Health & Human Services	93.RD	University of Washington	3REL2	-	164,087
Department of Health & Human Services	93.RD	VisionQuest Biomedical LLC	3JR4	-	54,051
Department of Health & Human Services	93.RD	Westat Inc	3RDP8	-	319
Department of Health & Human Services	93.RD	Westat Inc	3RJY5	-	32,031
	93.RD Subtotal			-	1,528,928
COVID-19 - Global AIDS	93.067	Elizabeth Glaser Pediatric AIDS Foundation	3RJF7	-	120,425
COVID-19 - Global AIDS	93.067	University of Maryland	3RGX9	-	26,755
Global AIDS	93.067	Elizabeth Glaser Pediatric AIDS Foundation	3RKN5	-	11,661
	93.067 Subtotal			-	158,841
Environmental Public Health and Emergency Response	93.070	New Mexico Department of Health	3RFL5	-	64
Blood Disorder Program: Prevention, Surveillance, and Research	93.080	Oregon Health & Science University	3RDC1	-	15,702
Blood Disorder Program: Prevention, Surveillance, and Research	93.080	Oregon Health & Science University	3RLA6	-	13,213
	93.080 Subtotal			-	28,915
		Institute for Advanced Clinical Trials for Children, Inc.			
Food and Drug Administration Research	93.103		3REU9	-	2,090
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	93.104	Mescalero Apache Tribal Council	3RBL9	-	46,048
Maternal and Child Health Federal Consolidated Programs	93.110	Oregon Health & Science University	3REF6	-	40,414
Environmental Health	93.113	State University of Iowa	2RJV2	-	4,001
Environmental Health	93.113	University of Louisville	3RGB1	-	66,308
	93.113 Subtotal			-	70,309
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	New Mexico Department of Health	3RFD9	-	733
Injury Prevention and Control Research and State and Community Based Programs	93.136	New Mexico Department of Health	2RQU4	-	4,190
Injury Prevention and Control Research and State and Community Based Programs	93.136	New Mexico Department of Health	2RSZ9	-	8,987
Injury Prevention and Control Research and State and Community Based Programs	93.136	New Mexico Department of Health	3RCG8	-	346,746
Injury Prevention and Control Research and State and Community Based Programs	93.136	New Mexico Department of Health	3RGC9	-	7,097
Injury Prevention and Control Research and State and Community Based Programs	93.136	New Mexico Department of Health	3RGQ1	-	(21,426)
Injury Prevention and Control Research and State and Community Based Programs	93.136	New Mexico Department of Health	3RHY8	-	2,035
Injury Prevention and Control Research and State and Community Based Programs	93.136	New Mexico Department of Health	3RKN2	-	4,397
Injury Prevention and Control Research and State and Community Based Programs	93.136	State of New Mexico	3RKU8	-	1,098
	93.136 Subtotal			-	353,124
Human Genome Research	93.172	Armonica Technologies, LLC	2RST2	-	46,249
Human Genome Research	93.172	President and Fellows of Harvard College	2RMC3	-	67,309
	93.172 Subtotal			-	113,558
Research and Training in Complementary and Integrative Health	93.213	H Lee Moffitt Cancer Center	2RMG8	-	24,055
Research and Training in Complementary and Integrative Health	93.213	Pacific University	2RNG2	-	88,810
	93.213 Subtotal			-	112,865
Research on Healthcare Costs, Quality and Outcomes	93.226	Regents of the University of Colorado	3RX42	-	(8)
Research on Healthcare Costs, Quality and Outcomes	93.226	Vanderbilt University Medical Center	3RFJ5	-	36,568
	93.226 Subtotal			-	36,560
National Center on Sleep Disorders Research	93.233	Ohio State University	3RGW1	-	(489)
National Center on Sleep Disorders Research	93.233	Ohio State University	3RJW7	-	14,394
	93.233 Subtotal			-	13,905
Mental Health Research Grants	93.242	Georgia State University	3RFZ8	-	12,475
Mental Health Research Grants	93.242	Georgia State University	3RGW3	-	21,882
Mental Health Research Grants	93.242	Kaiser Foundation Research Institute	2RSA1	-	41,492
Mental Health Research Grants	93.242	Rand Corp	3RGS4	-	821,015
Mental Health Research Grants	93.242	Rand Corp	3RKU5	-	78,425
Mental Health Research Grants	93.242	University of California- San Diego	3RAP5	-	37,004
Mental Health Research Grants	93.242	University of Colorado at Denver	3RED4	54,423	96,613
Mental Health Research Grants	93.242	University of Colorado at Denver	3RKB8	-	72,916
	93.242 Subtotal			54,423	1,181,822
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Bernalillo County	3RFB2	-	36,583
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Falling Colors Corporation	2RNX1	-	18,537
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Falling Colors Corporation	3RFA3	-	305

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Schedule of Expenditures of Federal Awards  
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Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Falling Colors Corporation	3RHJ2	-	99,997
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Falling Colors Corporation	3RHL9	-	157,227
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Falling Colors Corporation	3RHN6	-	127,050
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Falling Colors Corporation	3RHR3	-	417,049
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	New Mexico Behavioral Health Collaborative (HSD)	3RHX4	-	98,900
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	New Mexico Children Youth and Families Department	3RGP2	-	144,187
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	New Mexico Children Youth and Families Department	3RHB1	-	303,093
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Pueblo of San Felipe	3RFC8	-	109,442
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Pueblo of San Felipe	3RFC9	-	201,472
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Pueblo of San Felipe	3RGY9	-	102,220
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Quartz Valley Indian Reservation	3RGB6	-	107,663
	93.243 Subtotal			-	1,923,725
COVID-19 - Occupational Safety and Health Program	93.262	University of Texas Health Center at Tyler	3RJT5	-	9,999
Occupational Safety and Health Program	93.262	University of Texas Health Center at Tyler	3RFF2	5,995	97,223
Occupational Safety and Health Program	93.262	University of Texas Health Center at Tyler	3RJZ9	-	4,746
	93.262 Subtotal			5,995	111,968
Health Systems Strengthening and HIV/AIDS Prevention, Care and Treatment under the President's Emergency Plan for AIDS Relief	93.266	JHPIEGO Corporation	3REB2	-	142,349
Alcohol Research Programs	93.273	Arizona State University	2RQD2	-	12,465
Alcohol Research Programs	93.273	Klein Buendel Inc	2RMV1	-	21,656
Alcohol Research Programs	93.273	Medical University of South Carolina	2RNF7	-	46,075
Alcohol Research Programs	93.273	MIND Research Network	2RGC2	-	61,454
Alcohol Research Programs	93.273	Old Dominion University	2RGL8	-	87,282
Alcohol Research Programs	93.273	University of Arkansas	2RMT4	-	110,481
Alcohol Research Programs	93.273	University of North Carolina at Chapel Hill	2RPF0	-	49,734
	93.273 Subtotal			-	389,147
Drug Abuse and Addiction Research Programs	93.279	Arizona State University	3RJD4	-	83,122
Drug Abuse and Addiction Research Programs	93.279	McLean Hospital	3RHU2	-	610
Drug Abuse and Addiction Research Programs	93.279	New York University School of Medicine	2RSM0	-	164,035
		Oregon Research Behavioral Intervention Strategies	3RHZ8	-	56,668
Drug Abuse and Addiction Research Programs	93.279	Research Foundation for Mental Hygiene	2RLK4	-	3,629
Drug Abuse and Addiction Research Programs	93.279	Texas Christian University	2RPC8	-	279,415
Drug Abuse and Addiction Research Programs	93.279	University of Cincinnati	3RJM2	-	11,664
Drug Abuse and Addiction Research Programs	93.279	University of Utah	2RPM9	-	58,567
Drug Abuse and Addiction Research Programs	93.279	Yale University	3RJL4	-	306,887
	93.279 Subtotal			-	964,597
COVID-19 - Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	RingIR Inc.	3RKB3	-	25,683
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	NMC Inc	2RLD6	-	(62)
	93.286 Subtotal			-	25,621
COVID-19 - Minority Health and Health Disparities Research	93.307	Washington State University	3RET1	-	43,320
Minority Health and Health Disparities Research	93.307	MIND Research Network	2RQH6	-	55,774
Minority Health and Health Disparities Research	93.307	University of Colorado at Denver	3REL9	-	18,513
	93.307 Subtotal			-	117,607
COVID-19 - Trans-NIH Research Support	93.310	Washington State University	3RJY9	-	22,676
Trans-NIH Research Support	93.310	Duke University	3RER4	-	1,067
Trans-NIH Research Support	93.310	Duke University	3RER8	-	39,528
Trans-NIH Research Support	93.310	Jackson Laboratory	3RGD7	-	98,579
Trans-NIH Research Support	93.310	University of Arkansas	3RKR3	-	54,058
Trans-NIH Research Support	93.310	University of Arkansas	3RKY4	-	27,692
Trans-NIH Research Support	93.310	University of Arkansas	3RKY5	-	27,783
Trans-NIH Research Support	93.310	University of Miami	3RDZ3	-	340,598
	93.310 Subtotal			-	611,981
COVID-19 - Emerging Infections Programs	93.317	New Mexico Department of Health	3RHW3	-	1,151,930
Emerging Infections Programs	93.317	New Mexico Department of Health	2RQU4	-	5,587
Emerging Infections Programs	93.317	New Mexico Department of Health	3RHP3	-	64,224
	93.317 Subtotal			-	1,221,741



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Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
COVID-19 - CSELS Partnership: Strengthening Public Health Laboratories	93.322	Association of Public Health Laboratories	3RKV2	-	21,667
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	New Mexico Department of Health	3RHW3	-	538,122
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	New Mexico Department of Health	2RSS3	-	22,127
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	New Mexico Department of Health	3RHC2	-	(5,074)
	93.323 Subtotal			-	555,175
COVID-19 - National Center for Advancing Translational Sciences	93.350	University of Washington	3RHW8	-	8,931
COVID-19 - National Center for Advancing Translational Sciences	93.350	Vanderbilt University Medical Center	3RJW6	-	25,503
National Center for Advancing Translational Sciences	93.350	Cedars Sinai Medical Center	3RJE2	-	185,498
National Center for Advancing Translational Sciences	93.350	Duke University	3RGQ3	-	10,527
National Center for Advancing Translational Sciences	93.350	University of Pittsburgh	3RET3	-	32,338
National Center for Advancing Translational Sciences	93.350	University of Utah	3RGV5	-	136,703
National Center for Advancing Translational Sciences	93.350	University of Washington	3RDL6	-	(2,239)
	93.350 Subtotal			-	397,261
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	New Mexico Department of Health	3RGG4	-	2,817
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	New Mexico Department of Health	3RHM9	-	4
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	New Mexico Department of Health	3RKZ7	-	39,837
	93.354 Subtotal			-	42,658
Nursing Research	93.361	Emory University	3RDC4	-	(3,510)
Nursing Research	93.361	Southcentral Foundation	2RMN2	-	(22,468)
	93.361 Subtotal			-	(25,978)
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	National Network of Public Health Institutes	3RGU2	-	278,364
Cancer Cause and Prevention Research	93.393	Indiana University	3REN1	-	11,750
Cancer Cause and Prevention Research	93.393	Klein Buendel Inc	3RGE7	-	22,769
Cancer Cause and Prevention Research	93.393	Lawrence Berkeley National Laboratory	3RCG3	-	68,326
Cancer Cause and Prevention Research	93.393	Lovelace Respiratory Research Institute	3RFS1	-	110,835
Cancer Cause and Prevention Research	93.393	Rutgers the State University	3REP8	-	23,251
Cancer Cause and Prevention Research	93.393	Trustees of the University of Pennsylvania	3RKT6	-	37,584
Cancer Cause and Prevention Research	93.393	University of North Carolina at Chapel Hill	3RJB1	-	49,426
	93.393 Subtotal			-	323,941
Cancer Detection and Diagnosis Research	93.394	Rector & Visitors of the University of Virginia	3RGA9	-	115,203
Cancer Detection and Diagnosis Research	93.394	SRI International	2RPS5	-	53,134
	93.394 Subtotal			-	168,337
Cancer Treatment Research	93.395	Brigham & Women's Hospital	3RGX5	-	94,664
Cancer Treatment Research	93.395	Children's Hospital of Philadelphia	3RHD6	-	3,865
Cancer Treatment Research	93.395	Children's Hospital of Philadelphia	3RHV3	-	305,200
Cancer Treatment Research	93.395	Children's Hospital of Philadelphia	3RS88	-	1,546
Cancer Treatment Research	93.395	Linnaeus Therapeutics, Inc.	3RGB7	-	1
Cancer Treatment Research	93.395	NRG Oncology Foundation, Inc.	3RFU2	-	3,129
Cancer Treatment Research	93.395	Rutgers the State University	2RMR9	-	237,956
	93.395 Subtotal			-	646,361
Cancer Biology Research	93.396	Yale University	3RJT1	-	164,970
Cancer Research Manpower	93.398	University of Texas HSC Houston	3RHB7	-	11,111
Cancer Control	93.399	NRG Oncology Foundation, Inc.	3RKB5	-	13,639
Cancer Control	93.399	Wake Forest University Health Sciences	3RKC7	-	25,474
	93.399 Subtotal			-	39,113
Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke	93.426	New Mexico Department of Health	2RQU4	-	10,299
Every Student Succeeds Act/Preschool Development Grants	93.434	State of New Mexico Early Childhood Education and Care Depart	2RQW0	-	37,834
Preventing Maternal Deaths: Supporting Maternal Mortality Review Committees	93.478	New Mexico Department of Health	3RHH3	-	16,075
Preventing Maternal Deaths: Supporting Maternal Mortality Review Committees	93.478	New Mexico Department of Health	3RHN7	-	1,010
Preventing Maternal Deaths: Supporting Maternal Mortality Review Committees	93.478	New Mexico Department of Health	3RJE1	-	36,352
	93.478 Subtotal			-	53,437
Head Start	93.600	State of New Mexico Early Childhood Education and Care Depart	2RSL4	-	11,537
Accountable Health Communities	93.650	Presbyterian Healthcare Services	3RDH4	-	127,403

# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT) for Patients and Communities Act	93.664	New Mexico Human Services Department	3RHN5	-	541,022
Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	93.665	New Mexico Behavioral Health Collaborative (HSD)	3RKQ5	-	16,019
PPHF: Racial and Ethnic Approaches to Community Health Program financed solely by Public Prevention and Health Funds	93.738	Presbyterian Healthcare Services	3RX07	-	48,394
Medical Assistance Program	93.778	New Mexico Human Services Department	3RAZ1	-	14,202
Medical Assistance Program	93.778	New Mexico Human Services Department	3RHN4	-	28,030
Medical Assistance Program	93.778	New Mexico Human Services Department	3RHV5	-	137,500
Medical Assistance Program	93.778	New Mexico Human Services Department	3RJZ2	-	13,013
	93.778 Subtotal			-	192,745
Opioid STR	93.788	Falling Colors Corporation	3RFF7	-	234,795
Opioid STR	93.788	Falling Colors Corporation	3RJM3	-	301,544
		New Mexico Behavioral Health Collaborative (HSD)			
Opioid STR	93.788		3RJP8	-	633,916
Opioid STR	93.788	Utah State University	3RFL3	-	6,168
	93.788 Subtotal			-	1,176,423
Cardiovascular Diseases Research	93.837	Duke University	3RFT5	-	12,434
Cardiovascular Diseases Research	93.837	Exhalix, LLC	3RFD7	-	129,457
Cardiovascular Diseases Research	93.837	Nob Hill Therapeutics, Inc.	3RJV4	-	30,000
Cardiovascular Diseases Research	93.837	Regents of the University of Michigan	3RAV8	-	14,408
Cardiovascular Diseases Research	93.837	University of Oklahoma	2RJS2	-	8,587
Cardiovascular Diseases Research	93.837	University of Pittsburgh	3RDQ1	-	10
Cardiovascular Diseases Research	93.837	University of Pittsburgh	3RHG9	-	12,502
	93.837 Subtotal			-	207,398
Lung Diseases Research	93.838	Brigham & Women's Hospital	3RJK1	-	98,725
Lung Diseases Research	93.838	Exhalix, LLC	3RHU6	-	17,620
	93.838 Subtotal			-	116,345
Blood Diseases and Resources Research	93.839	Johns Hopkins University	3RGD1	-	1,310
Blood Diseases and Resources Research	93.839	University of Utah	3RGN1	-	148,412
	93.839 Subtotal			-	149,722
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	Boston University	2RSS2	-	915
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	Baylor College of Medicine	3RFB5	-	(7,488)
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	Baylor College of Medicine	3RHC1	-	70,533
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	Bessor Pharmaceuticals	3RLB6	-	3,171
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	Case Western Reserve University	3REU3	-	(2,834)
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	Case Western Reserve University	3RFP9	-	3,084
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	Case Western Reserve University	3RHD8	-	123,234
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	George Washington University	3RBK8	-	11,108
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	George Washington University	3RCT8	-	424,618
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	GPER G-1 Development Group LLC	3RJZ4	-	142,662
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	Nationwide Childrens Hospital	3RJR6	-	9,141
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	The Children's Mercy Hospital	3REQ1	-	16,551
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	The Children's Mercy Hospital	3REQ2	-	10,684
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	Trustees of the University of Pennsylvania	3RDJ6	-	4,557
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	Trustees of the University of Pennsylvania	3RKC9	-	53,794
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	University of Colorado at Denver	3RBQ3	-	11,153
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	University of Pittsburgh	3RDL5	-	150,559
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	University of Pittsburgh	3RHD3	-	3,748
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	University of Washington	3RHC3	-	79,449
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	VisionQuest Biomedical, LLC	3RBT7	-	930
	93.847 Subtotal			-	1,108,694
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	Emory University	3RGV1	-	166,067
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	MIND Research Network	3RAZ8	-	(11,904)
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	Regents of the University of California	3RX35	-	(3,862)
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	University of California San Francisco	3RBV3	-	47,853
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	University of California San Francisco	3RGV3	-	121,830
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	University of Chicago	3REJ9	-	11,124
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	University of Cincinnati	3RFN4	-	1,846
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	University of South Carolina	3RZ56	-	55,865
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	University of Washington	3RT01	-	10,996
	93.853 Subtotal			-	399,815

# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
Allergy and Infectious Diseases Research	93.855	Albert Einstein College of Medicine	3RGC2	-	184,230
Allergy and Infectious Diseases Research	93.855	Arkansas Children's Research Institute	3RKU1	-	6,969
Allergy and Infectious Diseases Research	93.855	Boston Children's Hospital	3RFX1	-	90,391
Allergy and Infectious Diseases Research	93.855	General Hospital Corp	3RCL8	-	49,446
Allergy and Infectious Diseases Research	93.855	General Hospital Corp	3REW5	-	126,281
Allergy and Infectious Diseases Research	93.855	Henry M Jackson Foundation	3RGH3	-	207,474
Allergy and Infectious Diseases Research	93.855	Henry M Jackson Foundation	3RGQ9	-	5,052
Allergy and Infectious Diseases Research	93.855	Trustees of Tufts College	3RJR1	-	14,886
Allergy and Infectious Diseases Research	93.855	University of Colorado	3RKU6	-	4,542
Allergy and Infectious Diseases Research	93.855	University of Maryland	3RED1	-	77,815
Allergy and Infectious Diseases Research	93.855	University of Washington	3RAG6	-	(160)
COVID-19 - Allergy and Infectious Diseases Research	93.855	Missouri Breaks Industries Research Inc	3RJX1	-	1,927
	93.855 Subtotal			-	768,853
Biomedical Research and Research Training	93.859	Arkansas Children's Hospital Research Institute	3RKT9	-	10,991
		East Carolina University, Brody School of			
Biomedical Research and Research Training	93.859	Medicine	3RFS6	-	68,429
Biomedical Research and Research Training	93.859	Louisiana State University	2RJA6	-	13,062
Biomedical Research and Research Training	93.859	MIND Research Network	3REY5	-	75,961
Biomedical Research and Research Training	93.859	New Mexico INBRE	2RSW5	-	379
Biomedical Research and Research Training	93.859	New Mexico State University	2RNU6	-	55,423
Biomedical Research and Research Training	93.859	New Mexico State University	2RPD5	-	58,982
Biomedical Research and Research Training	93.859	New Mexico State University	2RSV6	-	19,901
Biomedical Research and Research Training	93.859	New Mexico State University	3RGA4	-	538,638
Biomedical Research and Research Training	93.859	New Mexico State University	3RX96	-	85
Biomedical Research and Research Training	93.859	San Diego State University Foundation	2RNH1	-	84,060
Biomedical Research and Research Training	93.859	Trustees of the University of Pennsylvania	2RPA7	-	44,811
Biomedical Research and Research Training	93.859	Trustees of Tufts College	3RKP3	-	3,114
Biomedical Research and Research Training	93.859	Univ of Nevada Las Vegas	3REV2	-	37,632
Biomedical Research and Research Training	93.859	Univ of Nevada Las Vegas	3REV3	-	86,921
Biomedical Research and Research Training	93.859	Univ of Nevada Las Vegas	3REV4	-	199,705
Biomedical Research and Research Training	93.859	Univ of Nevada Las Vegas	3REV5	-	14,452
Biomedical Research and Research Training	93.859	Univ of Nevada Las Vegas	3RFR7	-	(1,611)
Biomedical Research and Research Training	93.859	Univ of Nevada Las Vegas	3RHB4	-	(2,847)
Biomedical Research and Research Training	93.859	Univ of Nevada Las Vegas	3RKV1	-	38,529
Biomedical Research and Research Training	93.859	University of Utah	2RSP5	-	14,589
Biomedical Research and Research Training	93.859	Virtici, LLC	3REV9	383,078	825,893
Biomedical Research and Research Training	93.859	Virtici, LLC	3RJN4	-	42,367
	93.859 Subtotal			383,078	2,229,466
Emerging Infections Sentinel Networks	93.860	University of California Los Angeles	3RJ57	-	11,832
Child Health and Human Development Extramural Research	93.865	Nationwide Childrens Hospital	3RFD2	-	1,920
Child Health and Human Development Extramural Research	93.865	Pacific Institute for Research & Evaluation	3RBC3	-	59,432
Child Health and Human Development Extramural Research	93.865	Research Triangle Institute	3RHK1	-	20,795
Child Health and Human Development Extramural Research	93.865	Research Triangle Institute	3RHT4	-	17,434
Child Health and Human Development Extramural Research	93.865	University of Arkansas	3RFX6	-	52,077
Child Health and Human Development Extramural Research	93.865	University of Arkansas	3RHD1	-	6,285
Child Health and Human Development Extramural Research	93.865	University of Arkansas	3RJF6	-	21,185
	93.865 Subtotal			-	179,128
Aging Research	93.866	Boston Medical Center	3RJU6	-	61,265
Aging Research	93.866	Chapman University	2RLH0	-	64,178
Aging Research	93.866	Columbia University	3RFC6	-	20,397
Aging Research	93.866	Florida State University	2RSP6	-	28,231
Aging Research	93.866	University of Florida	2RGQ9	-	7,571
Aging Research	93.866	University of Southern California	3RCM9	-	29,589
	93.866 Subtotal			-	211,231
Vision Research	93.867	Jaeb Center for Health Research, Inc.	3RL32	-	(35,670)
		State of New Mexico Early Childhood Education			
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	and Care Depar	2RHU5	-	274,971
Medical Library Assistance	93.879	University of North Texas Health Science Center	3RKT1	-	19,235
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	New Mexico Department of Health	3RGJ1	-	1,262
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	New Mexico Department of Health	3RGV8	-	14,023
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	New Mexico Department of Health	3RHR4	-	18,153
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	New Mexico Department of Health	3RJE4	-	2,056
	93.898 Subtotal			-	35,494

# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	93.912	Miners Colfax Medical Center	3RFZ9	-	21,504
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	93.912	Taos Health Systems	3RJM8	-	14,078
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	93.912	Utah State University	3RGW6	-	3,810
	93.912 Subtotal			-	39,392
Block Grants for Community Mental Health Services	93.958	New Mexico Children Youth and Families Department	3RHM1	-	20,705
Block Grants for Community Mental Health Services	93.958	New Mexico Human Services Department	3RHM2	-	367,204
	93.958 Subtotal			-	387,909
Block Grants for Prevention and Treatment of Substance Abuse	93.959	Falling Colors Corporation	2RNX1	-	187
CDC's Collaboration with Academia to Strengthen Public Health	93.967	Association of American Medical Colleges	3RKA4	-	8,893
Improving Student Health and Academic Achievement through Nutrition, Physical Activity and the Management of Chronic Conditions in Schools	93.981	NM Public Education Department	3RHL6	-	70,665
Improving Student Health and Academic Achievement through Nutrition, Physical Activity and the Management of Chronic Conditions in Schools	93.981	NM Public Education Department	3RHL8	-	25,453
	93.981 Subtotal			-	96,118
Mental Health Disaster Assistance and Emergency Mental Health International Research and Research Training	93.982	New Mexico Behavioral Health Collaborative	3RJZ5	-	78,300
	93.989	President and Fellows of Harvard College	3RDF8	-	28,859
Maternal and Child Health Services Block Grant to the States	93.994	New Mexico Department of Health	2RQU4	-	2,920
Maternal and Child Health Services Block Grant to the States	93.994	New Mexico Department of Health	3RHH3	-	16,075
Maternal and Child Health Services Block Grant to the States	93.994	New Mexico Department of Health	3RHL5	-	18,765
	93.994 Subtotal			-	37,760
Assisted Outpatient Treatment	93.997	City of Albuquerque	2RPF7	-	79,302
Total Department of Health & Human Services Pass-Through Awards				443,496	20,469,154
		<b>Total Department of Health &amp; Human Services</b>		<b>11,901,007</b>	<b>99,922,986</b>
<b>Department of Homeland Security</b>					
Direct Awards					
Cooperating Technical Partners	97.045			-	484,311
		Total Department of Homeland Security Direct Awards		-	484,311
Pass-Through Awards					
Crisis Counseling	97.032	Falling Colors Corporation	3RJF9	-	14,520
		Total Department of Homeland Security Pass-Through Awards		-	14,520
		<b>Total Department of Homeland Security</b>		<b>-</b>	<b>498,831</b>
<b>United States Agency for International Development</b>					
Pass-Through Awards					
COVID-19 - USAID Foreign Assistance for Programs Overseas	98.001	Regents of the University of California	3RGV2	-	113,953
USAID Foreign Assistance for Programs Overseas	98.001	JHPIEGO Corporation	3RHP7	-	12,077
	98.001 Subtotal			-	126,030
		<b>Total United States Agency for International Development</b>		<b>-</b>	<b>126,030</b>
<b>TOTAL RESEARCH AND DEVELOPMENT CLUSTER</b>				<b>22,609,121</b>	<b>165,484,030</b>
<b>477 CLUSTER</b>					
<b>Department of Health &amp; Human Services</b>					
Pass-Through Awards					
Temporary Assistance for Needy Families	93.558	New Mexico Human Services Department	6R196	-	478,981
		Total Department of Health & Human Services Pass-Through Awards		-	478,981
		<b>Total Department of Health &amp; Human Services</b>		<b>-</b>	<b>478,981</b>
<b>TOTAL 477 CLUSTER</b>				<b>-</b>	<b>478,981</b>

# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
<b>CCDF CLUSTER</b>					
<b>Department of Health &amp; Human Services</b>					
Pass-Through Awards					
COVID-19 - Child Care and Development Block Grant	93.575	State of New Mexico Early Childhood Education : 7R193		-	2,501
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	New Mexico Children Youth and Families Department	2RKW6	-	369,739
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	State of New Mexico Early Childhood Education and Care Depart	2RDV7	-	480,270
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	State of New Mexico Early Childhood Education and Care Depart	2RKY3	-	1,771,039
93.596 Subtotal				-	2,621,048
Total Department of Health & Human Services Pass-Through Awards				-	2,623,549
		<b>Total Department of Health &amp; Human Services</b>		-	<b>2,623,549</b>
<b>TOTAL CCDF CLUSTER</b>				-	<b>2,623,549</b>
<b>CLEAN WATER STATE REVOLVING FUND CLUSTER</b>					
<b>Environmental Protection Agency</b>					
Pass-Through Awards					
Capitalization Grants for Clean Water State Revolving Funds	66.458	Tennessee Department of Environment and Conservation	2RPN2	-	43,711
Total Environmental Protection Agency Pass-Through Awards				-	43,711
		<b>Total Environmental Protection Agency</b>		-	<b>43,711</b>
<b>TOTAL CLEAN WATER STATE REVOLVING FUND CLUSTER</b>				-	<b>43,711</b>
<b>DRINKING WATER STATE REVOLVING FUND CLUSTER</b>					
<b>Environmental Protection Agency</b>					
Pass-Through Awards					
Capitalization Grants for Drinking Water State Revolving Funds	66.468	Vermont Department of Environmental Conservation	2RPX3	-	1,401
Total Environmental Protection Agency Pass-Through Awards				-	1,401
		<b>Total Environmental Protection Agency</b>		-	<b>1,401</b>
<b>TOTAL DRINKING WATER STATE REVOLVING FUND CLUSTER</b>				-	<b>1,401</b>
<b>MEDICAID CLUSTER</b>					
<b>Department of Health &amp; Human Services</b>					
Pass-Through Awards					
Medical Assistance Program	93.778	New Mexico Human Services Department	3RAZ1	-	4,281
Medical Assistance Program	93.778	New Mexico Human Services Department	3RCA5	-	454,083
Medical Assistance Program	93.778	New Mexico Human Services Department	3RHK4	-	1,814,656
Medical Assistance Program	93.778	New Mexico Human Services Department	3RLB7	-	848
93.778 Subtotal				-	2,273,868
Total Department of Health & Human Services Pass-Through Awards				-	2,273,868
		<b>Total Department of Health &amp; Human Services</b>		-	<b>2,273,868</b>
<b>TOTAL MEDICAID CLUSTER</b>				-	<b>2,273,868</b>
<b>SNAP CLUSTER</b>					
<b>Department of Agriculture</b>					
Pass-Through Awards					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	New Mexico Human Services Department	3RGR3	-	297,111
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	New Mexico Human Services Department	3RJN8	-	593,507
10.561 Subtotal				-	890,618
Total Department of Agriculture Pass-Through Awards				-	890,618
		<b>Total Department of Agriculture</b>		-	<b>890,618</b>
<b>TOTAL SNAP CLUSTER</b>				-	<b>890,618</b>
<b>SPECIAL EDUCATION CLUSTER (IDEA)</b>					
<b>Department of Education</b>					
Pass-Through Awards					
Special Education Grants to States	84.027	NM Public Education Department	3RHL3	-	521,181
Special Education Preschool Grants	84.173	NM Public Education Department	3RHJ4	-	117,915
Special Education Preschool Grants	84.173	NM Public Education Department	3RN37	-	(13,088)
84.173 Subtotal				-	104,827
Total Department of Education Pass-Through Awards				-	626,008
		<b>Total Department of Education</b>		-	<b>626,008</b>
<b>TOTAL SPECIAL EDUCATION CLUSTER (IDEA)</b>				-	<b>626,008</b>

# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
<b>TRIO CLUSTER</b>					
<b>Department of Education</b>					
Direct Awards					
TRIO Student Support Services	84.042			-	901,159
TRIO Upward Bound	84.047			-	1,668,449
Educational Opportunity Centers, TRIO_Educational Opportunity Centers	84.066			-	271,192
TRIO McNair Post-Baccalaureate Achievement	84.217			-	258,970
		Total Department of Education Direct Awards		-	3,099,770
		<b>Total Department of Education</b>		-	<b>3,099,770</b>
<b>TOTAL TRIO CLUSTER</b>					
				-	<b>3,099,770</b>
<b>OTHER NONMAJOR PROGRAMS</b>					
<b>Department of Agriculture</b>					
Direct Awards					
Hispanic Serving Institutions Education Grants	10.223			61,440	232,299
		Total Department of Agriculture Direct Awards		61,440	232,299
		<b>Total Department of Agriculture</b>		<b>61,440</b>	<b>232,299</b>
<b>Department of Defense</b>					
Direct Awards					
Language Grant Program	12.900			-	60,303
		Total Department of Defense Direct Awards		-	60,303
Pass-Through Awards					
CyberSecurity Core Curriculum	12.905	University of Colorado	2RSK4	-	11,084
		Total Department of Defense Pass-Through Awards		-	11,084
		<b>Total Department of Defense</b>		-	<b>71,387</b>
<b>Department of the Interior</b>					
Direct Awards					
Department of the Interior	15.U01			-	1,922,799
		Total Department of the Interior Direct Awards		-	1,922,799
		<b>Total Department of the Interior</b>		-	<b>1,922,799</b>
<b>Department of Justice</b>					
Direct Awards					
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525			-	115,331
		Total Department of Justice Direct Awards		-	115,331
Pass-Through Awards					
Justice Systems Response to Families	16.021	Enlace Comunitario	2RPN4	-	43,790
Crime Victim Assistance	16.575	New Mexico Crime Victims Reparation Commission	3RGL4	-	25,827
Crime Victim Assistance	16.575	New Mexico Crime Victims Reparation Commission	3RHB2	-	29,111
Crime Victim Assistance	16.575	New Mexico Crime Victims Reparation Commission	3RJP9	-	43,118
Crime Victim Assistance	16.575	New Mexico Crime Victims Reparation Commission	3RJW4	-	77,610
	16.575 Subtotal			-	175,666
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	New Mexico Public Safety Department	3RHV7	-	34,806
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	New Mexico Public Safety Department	3RHX8	-	27,085
	16.742 Subtotal			-	61,891
		Total Department of Justice Pass-Through Awards		-	281,347
		<b>Total Department of Justice</b>		-	<b>396,678</b>
<b>Department of State</b>					
Direct Awards					
Public Diplomacy Programs	19.040			32,142	66,837
		Total Department of State Direct Awards		32,142	66,837
		<b>Total Department of State Direct Awards</b>		<b>32,142</b>	<b>66,837</b>
<b>National Foundation on the Arts &amp; Humanities</b>					
Direct Awards					
Promotion of the Humanities Division of Preservation and Access	45.149			-	9,358
Promotion of the Humanities Teaching and Learning Resources and Curriculum Development	45.162			-	20,766
Promotion of the Humanities Professional Development	45.163			-	92,566
Museums for America	45.301			-	5,851
National Leadership Grants	45.312			18,100	50,275
		Total National Foundation on the Arts & Humanities Direct Awards		18,100	178,816
		<b>Total National Foundation on the Arts &amp; Humanities</b>		<b>18,100</b>	<b>178,816</b>



# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
<b>National Science Foundation</b>					
Pass-Through Awards					
National Science Foundation	47.U02	University of San Diego	3RFD3	-	6,441
		Total National Science Foundation Pass-Through Awards		-	6,441
		<b>Total National Science Foundation</b>		-	<b>6,441</b>
<b>Small Business Administration</b>					
Pass-Through Awards					
Small Business Development Centers	59.037	Santa Fe Community College	4R200	-	10,741
Small Business Development Centers	59.037	Santa Fe Community College	6R183	-	12,197
	59.037 Subtotal			-	22,938
		Total Small Business Administration Pass-Through Awards		-	22,938
		<b>Total Small Business Administration</b>		-	<b>22,938</b>
<b>Department of Veterans Affairs</b>					
Direct Awards					
Department of Veterans Affairs	64.U03			-	4,866
		Total Department of Veterans Affairs Direct Awards		-	4,866
		<b>Total Department of Veterans Affairs</b>		-	<b>4,866</b>
<b>Environmental Protection Agency</b>					
Direct Awards					
Environmental Finance Center Grants	66.203			-	56,581
		Total Environmental Protection Agency Direct Awards		-	56,581
Pass-Through Awards					
Environmental Finance Center Grants	66.203	University of North Carolina at Chapel Hill	2RPY5	-	10,066
Environmental Finance Center Grants	66.203	Wichita State University	2RPS4	-	56,611
	66.203 Subtotal			-	66,677
Brownfields Training, Research, and Technical Assistance Grants and Cooperative Agreements	66.814	Kansas State University	2RLG2	-	51,490
Environmental Protection Agency	66.U04	PG Environmental	2RLR8	-	17,058
Environmental Protection Agency	66.U05	The Cadmus Group, Inc.	2RMF9	-	433,328
		Total Environmental Protection Agency Pass-Through Awards		-	568,553
		<b>Total Environmental Protection Agency</b>		-	<b>625,134</b>
<b>Department of Energy</b>					
Pass-Through Awards					
Epidemiology and Other Health Studies Financial Assistance Program	81.108	Johns Hopkins University	3RHG3	-	1,773
Department of Energy	81.U06	Los Alamos National Laboratory	2RJG4	-	132,323
Department of Energy	81.U07	Sandia National Laboratories	2RNX2	-	183,410
Department of Energy	81.U08	NMC Inc	5R159	-	9,267
Department of Energy	81.U09	NMC Inc	5R160	-	69,226
		Total Department of Energy Pass-Through Awards		-	395,999
		<b>Total Department of Energy</b>		-	<b>395,999</b>
<b>Department of Education</b>					
Direct Awards					
Undergraduate International Studies and Foreign Language Programs	84.016			-	21,697
Higher Education Institutional Aid	84.031			-	1,363,565
Higher Education Institutional Aid (B)	84.031			15,121	1,218,610
	84.031 Subtotal			15,121	2,582,175
Migrant Education High School Equivalency Program	84.141			-	428,329
Migrant Education College Assistance Migrant Program	84.149			-	412,550
Indian Education -- Special Programs for Indian Children	84.299			-	69,720
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	84.325			-	32,323
Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326			-	119,594
Child Care Access Means Parents in School	84.335			-	444,591
		Total Department of Education Direct Awards		15,121	4,110,979
Pass-Through Awards					
Adult Education - Basic Grants to States	84.002	New Mexico Higher Education Department	4R202	-	(269)
Adult Education - Basic Grants to States	84.002	New Mexico Higher Education Department	4R211	-	130,000
Adult Education - Basic Grants to States	84.002	New Mexico Higher Education Department	5R158	-	83,954
Adult Education - Basic Grants to States	84.002	New Mexico Higher Education Department	6R184	-	125
Adult Education - Basic Grants to States	84.002	New Mexico Higher Education Department	6R193	-	128,530
Adult Education - Basic Grants to States	84.002	New Mexico Higher Education Department	6R194	-	11,998
Adult Education - Basic Grants to States	84.002	New Mexico Higher Education Department	6R197	-	123,687

# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
Adult Education - Basic Grants to States	84.002	New Mexico Higher Education Department	7R182	-	91,073
Adult Education - Basic Grants to States	84.002	New Mexico Higher Education Department	7R183	-	12,405
	84.002 Subtotal			-	581,503
Special Education Regional Resource Centers	84.028	NM Public Education Department	3RN37	-	(30,538)
Higher Education Institutional Aid	84.031	Adams State University	7R137	-	89,966
Higher Education Institutional Aid	84.031	Eastern New Mexico University Roswell	7R135	-	45,867
	84.031 Subtotal			-	135,833
Career and Technical Education -- Basic Grants to States	84.048	NM Public Education Department	4R209	-	26,700
Career and Technical Education -- Basic Grants to States	84.048	NM Public Education Department	4R213	-	56,845
Career and Technical Education -- Basic Grants to States	84.048	NM Public Education Department	5R161	-	7,089
Career and Technical Education -- Basic Grants to States	84.048	NM Public Education Department	6R198	-	69,354
Career and Technical Education -- Basic Grants to States	84.048	NM Public Education Department	7R181	-	10,071
Career and Technical Education -- Basic Grants to States	84.048	NM Public Education Department	7R187	-	45,680
	84.048 Subtotal			-	215,739
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	New Mexico Division of Vocational Rehabilitation	3RFW4	-	8,421
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	New Mexico Division of Vocational Rehabilitation	3RHS1	-	355,357
	84.126 Subtotal			-	363,778
Special Education-Grants for Infants and Families	84.181	New Mexico Department of Health	3RDX4	-	(25,041)
Special Education-Grants for Infants and Families	84.181	New Mexico Department of Health	3RDX7	-	(19,384)
Special Education-Grants for Infants and Families	84.181	New Mexico Department of Health	3RFT8	-	3,907
Special Education-Grants for Infants and Families	84.181	New Mexico Department of Health	3RFU8	-	924
Special Education-Grants for Infants and Families	84.181	New Mexico Department of Health	3RHF8	-	601,298
Special Education-Grants for Infants and Families	84.181	New Mexico Department of Health	3RHJ3	-	777,620
Special Education-Grants for Infants and Families	84.181	New Mexico Department of Health	3RHR6	-	101,983
	84.181 Subtotal			-	1,441,307
Ready-To-Learn Television	84.295	Boise State University	2RSV5	-	14,602
Ready-To-Learn Television	84.295	Corporation for Public Broadcasting	2RMZ7	-	1,208,277
Ready-To-Learn Television	84.295	Corporation for Public Broadcasting	2RMZ8	-	3,316
Ready-To-Learn Television	84.295	Corporation for Public Broadcasting	2RPP1	-	50,431
Ready-To-Learn Television	84.295	Corporation for Public Broadcasting	2RPP2	-	333,163
Ready-To-Learn Television	84.295	Corporation for Public Broadcasting	2RQM3	-	14,236
Ready-To-Learn Television	84.295	Corporation for Public Broadcasting	2RSF9	-	232,510
	84.295 Subtotal			-	1,856,535
Department of Education	84.U10	State of New Mexico	3RHS5	-	215,088
		Total Department of Education Pass-Through Awards		-	4,779,245
		<b>Total Department of Education</b>		<b>15,121</b>	<b>8,890,224</b>
<b>Department of Health &amp; Human Services</b>					
Direct Awards					
Area Health Education Centers	93.107			321,527	428,933
COVID-19 - Area Health Education Centers	93.107			67,779	90,622
	93.107 Subtotal			389,306	519,555
COVID-19 - Preventive Medicine Residency	93.117			-	443,183
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243			-	364,186
COVID-19 - Poison Center Support and Enhancement Grant	93.253			-	31,576
Poison Center Support and Enhancement Grant	93.253			-	131,762
	93.253 Subtotal			-	163,338
COVID-19 - Nurse Education, Practice Quality and Retention Grants	93.359			-	60,045
Nurse Education, Practice Quality and Retention Grants	93.359			-	384,118
	93.359 Subtotal			-	444,163
Health Careers Opportunity Program	93.822			-	645,807
Grants for Primary Care Training and Enhancement	93.884			63,107	380,617
COVID-19 - Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918			-	106,481
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918			-	665,790
	93.918 Subtotal			-	772,271
Ryan White HIV/AIDS Dental Reimbursement and Community Based Dental Partnership Grants	93.924			-	261,558
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946			-	55,897
Health Professions Recruitment Program for Indians	93.970			-	2,107
Department of Health & Human Services	93.U17			-	211,141
		Total Department of Health & Human Services Direct Awards		452,413	4,263,823



# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
Pass-Through Awards					
COVID-19 - Public Health Emergency Preparedness Injury Prevention and Control Research and State and Community Based Programs	93.069	New Mexico Department of Health	3RHV2	-	132,718
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.136	New Mexico Department of Health	3RHN1	-	74,768
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	American Academy of Addiction Psychiatry	3RGT4	-	8,322
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Falling Colors Corporation	3RFB1	-	192
	93.943 Subtotal			-	8,514
Advanced Nursing Education Workforce Grant Program	93.247	Presbyterian Healthcare Services	3RGW5	-	98,594
Immunization Cooperative Agreements	93.268	New Mexico Department of Health	3RFR1	-	58
Immunization Cooperative Agreements	93.268	New Mexico Department of Health	3RHS2	-	64,855
	93.268 Subtotal			-	64,913
Emerging Infections Programs	93.317	New Mexico Department of Health	3RFQ9	-	5,591
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	New Mexico Department of Health	3RHV2	-	446,836
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	New Mexico Department of Health	3RFQ9	-	114
	93.323 Subtotal			-	446,950
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	Association of University Centers of Disabilities	3RJG1	-	470
1332 State Innovation Waivers	93.423	New Mexico Department of Health	3RFU7	-	1,076,352
Every Student Succeeds Act/Preschool Development Grants	93.434	New Mexico Children Youth and Families Department	3RGC7	-	121,961
Every Student Succeeds Act/Preschool Development Grants	93.434	State of New Mexico Early Childhood Education and Care Depart	2RDV7	-	130,200
	93.434 Subtotal			-	252,161
Public Health Training Centers Program	93.516	Tulane University	3RFF1	-	30,061
MaryLee Allen Promoting Safe and Stable Families Program	93.556	New Mexico Children Youth and Families Department	3RJR5	-	24,669
State Court Improvement Program	93.586	New Mexico Administrative Office of the Courts	2RPZ4	-	58,629
State Court Improvement Program	93.586	New Mexico Administrative Office of the Courts	2RSU0	-	34,565
	93.586 Subtotal			-	93,194
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	New Mexico Children Youth and Families Department	2RKW6	-	231,374
COVID-19 - Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	93.665	Falling Colors Corporation	3RJA4	-	106,379
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	New Mexico Children Youth and Families Department	3RD28	-	999,974
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	New Mexico Children Youth and Families Department	3RFV9	-	387,283
	93.870 Subtotal			-	1,387,257
Tribal Maternal, Infant, and Early Childhood Home Visiting	93.872	Pueblo of San Felipe	3RBK9	-	44,458
National Bioterrorism Hospital Preparedness Program	93.889	New Mexico Department of Health	3RHA7	-	(1,264)
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	New Mexico Department of Health	UNMH	-	85,000
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	New Mexico Department of Health	2RPD3	-	933
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	New Mexico Department of Health	2RQX6	-	25,949
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	New Mexico Department of Health	3RFV4	-	12,002
	93.898 Subtotal			-	123,884
Healthy Start Initiative	93.926	Project Concern International	3RGJ6	-	19,714
Block Grants for Community Mental Health Services	93.958	BHSD	UNMH	-	556,660
Block Grants for Prevention and Treatment of Substance Abuse	93.959	BHSD	UNMH	-	127,379
Improving Student Health and Academic Achievement through Nutrition, Physical Activity and the Management of Chronic Conditions in Schools	93.981	NM Public Education Department	2RSD6	-	44,495
Maternal and Child Health Services Block Grant to the States	93.994	New Mexico Department of Health	UNMH	-	119,260
Maternal and Child Health Services Block Grant to the States	93.994	New Mexico Department of Health	3REC7	-	99,209
Maternal and Child Health Services Block Grant to the States	93.994	New Mexico Department of Health	3RHT1	-	47,538
	93.994 Subtotal			-	266,007
Department of Health & Human Services	93.U11	University of South Florida Board of Trustees	3R79V	-	5,050
Department of Health & Human Services	93.U12	New Mexico Department of Health	3RBX2	-	(49,025)

# THE UNIVERSITY OF NEW MEXICO

# SCHEDULE 20

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
Department of Health & Human Services	93.U13	Miners Colfax Medical Center	3REA1	-	(6,493)
Department of Health & Human Services	93.U14	Falling Colors Corporation	3RFP8	-	54
Department of Health & Human Services	93.U15	Miners Colfax Medical Center	3RFZ4	-	(2,961)
Department of Health & Human Services	93.U16	Association of University Centers of Disabilities	3RGT2	-	(140)
Department of Health & Human Services	93.U18	Falling Colors Corporation	3RHP9	-	140,065
Department of Health & Human Services	93.U19	Falling Colors Corporation	3RKH4	-	53
Department of Health & Human Services	93.U20	Santo Domingo Pueblo	3RKS3	-	5,801
Department of Health & Human Services	93.U21	First Choice Community Healthcare	3RW55	-	192,302
Total Department of Health & Human Services Pass-Through Awards				-	5,500,004
Total Department of Health & Human Services				452,413	9,763,827
<b>Department of Homeland Security</b>					
Pass-Through Awards					
Crisis Counseling	97.032	Falling Colors Corporation	3RJP9	-	15,183
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	New Mexico Department of Homeland Security	UNMH	-	2,060,168
Emergency Management Performance Grants	97.042	New Mexico Department of Homeland Security	3RHR5	-	6,525
Total Department of Homeland Security Pass-Through Awards				-	2,081,876
Total Department of Homeland Security				-	2,081,876
<b>United States Agency for International Development</b>					
Pass-Through Awards					
COVID-19 - USAID Foreign Assistance for Programs Overseas	98.001	Regents of the University of California	3RGV2	-	182,967
Total United States Agency for International Development Pass-Through Awards				-	182,967
Total United States Agency for International Development				-	182,967
<b>TOTAL OTHER NONMAJOR PROGRAMS</b>				579,216	24,843,088
<b>TOTAL NONMAJOR PROGRAMS</b>				\$ 23,188,337	\$ 321,132,900
<b>TOTAL FEDERAL AWARDS</b>				\$ 24,724,693	\$ 603,297,915
<b>Reconciliation to Exhibit B - Statement of Revenues, Expenditures, and Changes in Net Position</b>					
<b>Federal awards revenue (per Exhibit B):</b>					
Federal grants and contracts revenue	\$	310,304,256			
Federal pell grant revenue		33,495,135			
Federal CARES Act revenue		92,336,723			
<b>Total federal awards revenue</b>		436,136,114			
<b>Reconciling items:</b>					
Department of Housing and Urban Development loan guarantees		199,585,000			
Federal Direct loans advanced to students		77,068,610			
Perkins loans outstanding		4,087,732			
Nurse faculty loans outstanding		695,621			
Health professions student loans outstanding		549,733			
Federal HEERF III funding recognized as unearned revenue		15,970,271			
Federal CARES Act revenue - Provider Relief Funds not reportable on schedule 20		(36,455,692)			
Fee for service federal contract revenues - not reportable on schedule 20		(92,562,752)			
Residual balances on federal grants and contracts		(1,776,722)			
<b>Total federal expenditures per schedule 20</b>	\$	603,297,915			

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Program	Federal Assistance Listing	Pass-Through Entity	Grant Number	Subrecipient Expenditures	Total Expenditures
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## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

### Note 1: Significant Accounting Policies

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the 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). 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 assets, or cash flows of the University.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, whereas certain types of expenditures are not allowable or are limited as to reimbursement. The University did not use the 10% de minimis indirect rate allowed under the Uniform Guidance.

### Note 2: Federal Student Loan Programs

The federal student loan programs listed subsequently are administered directly by the University, and balances and transactions relating to these programs are included in the University's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at June 30, 2021 consists of:

Federal Assistance Listing and Program Name	Outstanding Balance at June 30, 2021
84.038 - Federal Perkins Loans	\$ 2,936,442
93.264 - Nurse Faculty Loan Program	\$ 658,217
93.342 - Health Professions Student Loans	\$ 462,156

### Note 3: Department of Housing and Urban Development 242 Loan Guarantee

During fiscal year 2005, the Regents of the University of New Mexico issued FHA Insured Hospital Mortgage Revenue Bonds for the construction of the Children's Hospital and Critical Care Pavilion. In conjunction with the construction project, the Department of Housing and Urban Development, under Section 242 Federal Assistance Listing 14.128, issued a loan guarantee for the mortgage amount. As of June 30, 2021, \$80,355,000 is outstanding and is considered subject to continuing compliance requirements under OMB Uniform Guidance.

During fiscal year 2011, the Sandoval Regional Medical Center (SRMC) issued FHA Insured Hospital Mortgage Revenue Bonds for the construction of the Sandoval Regional Medical Center. In conjunction with the construction project, the Department of Housing and Urban Development, under Section 242 Federal Assistance Listing 14.128, issued a loan guarantee for the mortgage amount. As of June 30, 2021, \$109,005,000 is outstanding and is considered subject to continuing compliance requirements under OMB Uniform Guidance.

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## **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  
University of New Mexico  
and  
Mr. Brian S. Colón, Esq.  
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, fiduciary activities, and the aggregate discretely presented component units of the University of New Mexico (the University) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise University's basic financial statements, and have issued our report thereon dated October 29, 2021. Our report includes a reference to other auditors who audited the financial statements of UNM Hospital, UNM Behavioral Operations, UNM Medical Group, Inc., and Sandoval Regional Medical Center (SRMC), as described in our report on the University's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

### **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 may exist that have not been identified.

### **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*.

We noted certain matters that are required to be reported per Section 12-6-5 NMSA 1978, that we have described in the Section 12-6-5 NMSA 1978 Findings Schedule, as items 2021-001 through 2021-002.

### **The University's Response to Findings**

The University's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The University's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **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 result 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.

Albuquerque, New Mexico  
October 29, 2021

# **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  
University of New Mexico  
and  
Mr. Brian S. Colón, Esq.  
New Mexico State Auditor

## **Report on Compliance for Each Major Federal Program**

We have audited the University of New Mexico's (the University) compliance with the types of compliance requirements described 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, 2021. 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.

### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the University's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the University's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the University complied, in all material respects, with the types of 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, 2021.

## Report on Internal Control Over Compliance

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 29, 2021



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# THE UNIVERSITY OF NEW MEXICO

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## SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2021

### Section I – Summary of Auditor Results

#### *Basic Financial Statements*

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP: **Unmodified**

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes   X   No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes   X   None reported

Noncompliance material to basic financial statements noted?

\_\_\_\_\_ Yes   X   No

#### *Federal Awards*

Internal control over major federal programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes   X   No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes   X   None reported

Type of auditors' report issued on compliance for major federal programs: **Unmodified**

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

\_\_\_\_\_ Yes   X   No

Identification of major federal programs:

Mortgage Insurance – Hospitals and SRMC – Federal Assistance Listing number 14.128  
Covid-19 Education Stabilization Fund – Federal Assistance Listing number 84.425  
Covid-19 Testing for the Uninsured – Federal Assistance Listing number 93.461  
Covid-19 Provider Relief Fund – Federal Assistance Listing number 93.498

Dollar threshold used to distinguish between type A and type B programs:

\$3,000,000

Auditee qualified as low-risk auditee?

  X   Yes \_\_\_\_\_ No

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# THE UNIVERSITY OF NEW MEXICO

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## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2021

### Section II – Basic Financial Statement Findings

None

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# THE UNIVERSITY OF NEW MEXICO

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2021

## Section III – Federal Award Findings and Questioned Costs

None

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# THE UNIVERSITY OF NEW MEXICO

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended June 30, 2021

**Finding 2020-001. Other Matters in Accordance with 2.2.2.10(L)(1) NMAC – Assets Inventory Control**

Current Status: Resolved

**Finding 2020-002. Other Matters in Accordance with 2.2.2.10(L)(1) NMAC – Control Deficiency (finding that does not rise to the level of significant deficiency) – User Access Review (Modified and repeated – 2017-001, 2018-004, and 2019-004) – UNM Hospital, UNM Behavioral Health Operations, Sandoval Regional Medical Center, and UNM Medical Group**

Current Status: Modified and repeated as 2021-002

**Finding 2020-003. Other Matters in Accordance with 2.2.2.10(L)(1) NMAC at the Institution Level – Significant Deficiency in Internal Controls at the Individual Component Unit Level – General Ledger Reconciliation/Financial Close and Reporting Process – The Robert O. Anderson Schools of Management Foundation**

Current Status: Resolved

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# THE UNIVERSITY OF NEW MEXICO

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SECTION 12-6-5 NMSA 1978 FINDINGS  
Year Ended June 30, 2021

## Other Findings as Required by Section 12-6-5 NMSA 1978

### 2021-001. Asset Disposal – Other Matters

#### Condition

During our test work over state compliance, we noted one asset totaling \$63,523, was removed from the University's asset listing without notification to the Office of the State Auditor. This asset, as well as another asset in the amount of \$19,497 included on UNM's listing, were identified for removal by the University's IT Department, as unable to locate, during the physical inventory in 2019, yet the two assets remained on the asset listing through February of 2021.

#### Criteria

NMSA 1978, Section 13-6-1(B)(2) and Section 2.2.2.10(U) NMAC requires entities to notify the Office of the State Auditor thirty days prior to making a deletion of any property from its capital asset listing. Assets identified for removal should be removed from the University's asset listing timely to provide accurate financial reports.

#### Effect

Non-compliance with State statute and Administrative Code. Failure to follow required rules, regulations and policies weaken internal controls in place to safeguard assets.

#### Cause

Lack of a procedure to notify the Office of the State Auditor of deletion of assets that cannot be located. Lack of procedure to ensure that assets identified for deletion by the department have been properly removed from the listing in a timely manner.

#### Recommendation

We recommend UNM implement procedures to ensure notification to the Office of the State Auditor is completed at least 30 days prior to deleting items, or as soon as practicable, from its public inventory listing for all deleted assets in compliance with NMSA 1978, Section 13-6-1 (B)(2). If an item on the asset listing cannot be located, the notification to the Office of the State Auditor should indicate this fact. We recommend that UNM implement procedures to remove assets from the listings in a timely manner after the department's notification has been submitted.

#### University Response

The two pieces of equipment noted in the Condition Section were purchased in June 2010, had a useful life of three years, and were fully depreciated and had a zero net book value beginning June 2013. The net effect on the financial statements for fully depreciated assets is zero.

Per University Policy 7710-Property Management and Control, departmental requests for deletion of assets are reviewed and approved by the Department Dean, Director, Department Head, or Principle Investigator prior to submission to Inventory Control. Upon submission to central Inventory Control, the request is fully reviewed before final approval and deletion. The review by the Inventory Control Department includes follow up with the requesting department and a request that an additional search occur for old inventory items that are no longer in use. The additional searches frequently result in the department locating assets originally requested for deletion. Thorough follow up with departments adds to the amount of time between original requests by Departments and final deletion by Inventory Control. For the two assets listed in the Condition Section, the pandemic also contributed to the length of time between the departmental deletion request and the actual deletion of the items from the inventory.

The Inventory Control Manager will begin to report all assets deleted after January 1, 2022 on the Notification of Proposed Disposition of Assets to the State Auditor. The University's interpretation of NMSA 1978, Section 13-6-1(B)(2) and Section 2.2.2.10(U) NMAC has been that the language applies to assets proposed for disposition that are available for other state agencies to have the ability to claim if desired. The University's Notification to the State Auditor including all asset deletions will identify the assets that will be available to other state agencies to claim.

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# THE UNIVERSITY OF NEW MEXICO

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## SECTION 12-6-5 NMSA 1978 FINDINGS

Year Ended June 30, 2021

### **2021-002 (2017-001). User Access Review (Modified and repeated – 2017-001, 2018-004, 2019-004, and 2020-002) – Other Matters – UNM Hospital, UNM Behavioral Health Operations, Sandoval Regional Medical Center, and UNM Medical Group**

#### **Condition**

In our testwork related to the controls over user access reviews, we noted in the one sampled quarter for the IDX, Soarian, and Lawson systems that lookback procedures or impact assessments were not completed after the user access reviews for the individuals identified for access change (termination, user change, etc.), to determine whether the user(s) performed any inappropriate activity from the time the applicable change was noted/requested to the time the user(s) was removed from the application.

Also, in accordance with the organization's user account policy, access to applications must be disabled from applications within three business days of the termination date. We noted in our test of the design of the user termination control in the UNM Hospital's Soarian system, a request for removal of access was not sent until seven days after the user's terminations date. However, the system access removal was promptly completed within a day of receipt of the request.

In prior years, we identified certain controls over user access reviews were not operating effectively. Management has continued to update processes and procedures to address the specific deficiencies identified in prior years. The root cause of prior year deficiencies related to departmental leadership training of account disable requirements and the employee termination checklist when employees leave the organization, as well as the training of application administration personnel on accurate documentation and timely completion of disabling accounts.

Management has implemented the following changes over the past several years to address the control deficiencies: updated documented procedures for the Cerner account audits and increased the audit sample sizes; developed more specific training for IT analysts; UNMH and UNMMG utilized a nightly safety net report from the HR department to identify employee records that were terminated (SRMC in process); and emphasized IT and HR collaborations on the termination processes and procedures. In addition, in fiscal year 2021 a monthly distribution of a termination listing to application owners was implemented and this new procedure is in the review stage.

Management is still in process of refining the policy, process, and procedures for lookback or impact assessments. Subsequent to the 2021 audit period, instructions have been communicated to the application analysts for the Soarian, IDX and Lawson systems to include account last login dates to support the lookback requirements during quarterly audit for all exceptions identified.

#### **Criteria**

The entities' systems process, record, and store information that is vital to the entities' daily operations, and certain systems contain protected health information of the entity's patients. It is critical that access to these systems is properly maintained to prevent inappropriate transactions from occurring, data from being lost, and to prevent protected health information from being released. The entity has a formal policy to periodically review user access to ensure active employees have the proper level of access in the applicable systems, and that terminated employees have been timely deactivated. Based on industry standards, the appropriate disabling of access within IT systems would occur within a reasonable time, three business days from terminations per the organization's policy.

#### **Effect**

There is an increased risk that a terminated or unauthorized employee has continued access to IT systems and the data contained therein subsequent to termination or change of employment terms or responsibilities, potentially resulting in a breach of data or protected health information.

#### **Cause**

The controls related to the removal of terminated users and the user access review process was not operating effectively, and aspects of its performance could not be evidenced through documentation retained.

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# THE UNIVERSITY OF NEW MEXICO

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## SECTION 12-6-5 NMSA 1978 FINDINGS Year Ended June 30, 2021

### **Recommendation**

We recommend that the disabling of user access within IT systems should take place within a reasonable time (three business days per the organizations policy) and that the entities develop look back procedures to ensure no inappropriate activity has occurred due to access changes. Management should continue to enhance its review of user access, which should occur periodically during the year.

A departmental manager or individual responsible for the functional data should perform the user access review. Evidence of the performance of the review, including remedial action taken, should be maintained.

### **University Response**

The process of notification to the Soarian team is triggered by the individual supervisors in the organization to IT teams and the Human Resources department. The controls in place to deactivate Soarian Financials accounts in a timely fashion are appropriate and working as designed when the Soarian Team is notified by the organizational supervisors of the terminating employees.

The process of notification to the Soarian team is triggered by the individual supervisors in the organization as identified on the exit checklist created by the HR department. The exit checklist includes submission of the Termination action in the Human Resources system as well as communication to the Termination Notification email distribution list that notifies the application teams to disable accounts.

IT/PFS Management will work with Human Resources to initiate additional education on exit checklist requirements and timeline expectations to organization supervisors to support timely notification of terminating employees.

User Access Reviews will continue to be performed by the Soarian, IDX, and Lawson teams. For accounts identified as active after the employee termination date, the Last Login date for the Soarian and IDX account audits and the last login for the Lawson HSCNetID AD account will be documented. These documented dates will be the look back documentation.

The Chief Information Officer and the Chief Financial Officers (where applicable) will be responsible for the corrective action plan, with a completion date of March 31, 2022.

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# THE UNIVERSITY OF NEW MEXICO

## Schedule of Pledged Revenues for the year ended June 30, 2021 — University Only Unaudited

	Tuition and fees	Net patient service	Grants and contracts	Sales, services, and auxiliary enterprises
<b>Revenues</b>	\$ 130,344,997	\$ 1,592,975,818	\$ 509,915,529	\$ 90,800,380
<b>Excluded Revenues:</b>				
State appropriations				
Local appropriations				
Distributions to UNM from UNMMG		(167,859,162)		
Distributions to UNM from SRMC		(1,882,634)		
Restricted funds	19,171,050			6,795,208
Federal grants & contracts			354,199,583	
State grants & contracts			39,083,912	
Nongovernmental grants & contracts			30,159,056	
Facilities and administrative cost recovery			(51,571,427)	
University of New Mexico Hospital (Hospital)		1,257,695,536	62,849,166	
University of New Mexico Behavioral Health Operations (BHO)		42,207,128	3,684,957	
Blended component units		291,056,994	7,017,914	38,876,057
<b>Total Excluded Revenues</b>	\$ 19,171,050	\$ 1,421,217,862	\$ 445,423,161	\$ 45,671,265
<b>Pledged Revenues</b>	\$ 111,173,947	\$ 171,757,956	\$ 64,492,368	\$ 45,129,115

### Resources available to cover the University's debt service (excluding Hospital, BHO, and component units)

Pledged Revenues	\$ 479,137,335
Less FY21 debt service for the University:	
University's interest payments on debts	14,998,064
University's principal repayments on debts	86,575,000
Excess of pledged revenues over debt service	\$ 377,564,271
University's future average annual debt service through year ended June 30, 2047	\$ 18,235,726
University's future highest annual debt service year ended June 30, 2022	\$ 35,403,934

See accompanying independent auditors' report.

# SCHEDULE 21

State and local appropriations	County mill levies	Investments	Capital	Gifts	Other	Total
\$ 343,973,371	\$ 119,282,236	\$ 78,944,518	\$ 17,639,789	\$ 40,576,948	\$ 109,109,290	\$ 3,033,562,876
308,239,625						308,239,625
21,187,446						21,187,446
						(167,859,162)
						(1,882,634)
		4,848,051	17,639,789	28,912,652	(13,467,205)	63,899,545
						354,199,583
						39,083,912
						30,159,056
						(51,571,427)
5,978,300	95,312,579	491,880		2,754,668	56,415,654	1,481,497,783
7,418,100	16,819,867			1,943	(222,544)	69,909,451
1,149,900	7,149,790	1,745,778		23,111	60,542,819	407,562,363
\$ 343,973,371	\$ 119,282,236	\$ 7,085,709	\$ 17,639,789	\$ 31,692,374	\$ 103,268,724	\$ 2,554,425,541
\$ -	\$ -	\$ 71,858,809	\$ -	\$ 8,884,574	\$ 5,840,566	\$ 479,137,335

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# THE UNIVERSITY OF NEW MEXICO

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## EXIT CONFERENCE

June 30, 2021

The financial statements were prepared by the financial officials of the University of New Mexico. An exit conference was conducted on October 29, 2021, in which the contents of this report were discussed with the following:

### UNIVERSITY OF NEW MEXICO

Doug Brown	Chair, UNM Board of Regents Audit Committee
William H. Payne	Vice Chair, UNM Board of Regents Audit Committee
Randy Ko	UNM Board of Regents Audit Committee
Garnett S. Stokes	UNM President
Douglas Ziedonis	Executive Vice President for UNM Health Sciences
Teresa Costantinidis	Senior Vice President for Finance & Administration
Elizabeth Metzger	University Controller
Ava J. Lovell	Senior Executive Officer for Finance & Administration, HSC
Arthur Culpepper	Chief HSC Compliance Officer
Angela Vigil	Executive Director HSC Compliance
Terry Babbitt	Interim Chief of Staff
Duane Arruti	Chief Information Officer
Bonnie White	Chief Financial Officer, UNM Hospitals
Ari Vazquez	Deputy University Counsel
Mallory Reviere	Special Assistant to the Board of Regents
Victor Griego	Internal Audit Director
Staff	University Internal Audit Department

### NEW MEXICO OFFICE OF THE STATE AUDITOR

Brian Colon	State Auditor
Natalie Cordova	Deputy State Auditor
Lynette Kennard	Financial Audit Division Director
Elena Tercero	Audit Manager

### MOSS ADAMS LLP

Lisa Todd	Partner
Sujan Bhandari	Senior Manager

### KPMG LLP

John Kennedy	Partner
Jaime Cavin	Senior Manager
Ruth Senior	Senior Manager

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# THE UNIVERSITY OF NEW MEXICO

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Summary of Auditor's Results (As Required by 2.2.2.10 (L)(1) – NMAC)  
June 30, 2021

## *Financial Statements*

Type of report the auditor issued on whether the financial  
statements audited were prepared in accordance with GAAP:      Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?      ☐ Yes      ☒ No
- Significant deficiency(ies) identified?      ☐ Yes      ☒ None reported

Compliance and other matters noted?      ☒ Yes      ☐ No