

**AUDIT OF CAPITAL PROJECTS
WITHIN PLANNING, DESIGN & CONSTRUCTION**

THE UNIVERSITY OF NEW MEXICO

**Report 2021-01
August 5, 2021**



**THE UNIVERSITY OF
NEW MEXICO.**

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ABBREVIATIONS

BR&R	Building Repair and Renewal
CPMIS	Construction Project Management Information System
F&A	Finance & Administrative
FM.....	Facilities Management
FY18	Fiscal Year 2018 (7/1/17 – 6/30/18)
FY19	Fiscal Year 2019 (7/1/18 – 6/30/19)
FY20	Fiscal Year 2020 (7/1/19 – 6/30/20)
FY21	Fiscal Year 2021 (7/1/20 – 6/30/21)
HSC.....	Health Sciences Center
IA	UNM Internal Audit Department
ISS.....	Institutional Support Services
ISC	Internal Service Center
JOC	Job-Order Contracting
LY	Legislative Year(s)
OMB	Office of Management and Budget
PDC.....	Planning, Design & Construction
PM/CM	Project Manager/Construction Manager
RFP	Request For Proposal
UAP.....	University Administrative Policies
University.....	University of New Mexico
UNM	University of New Mexico

EXECUTIVE SUMMARY

Capital projects within Planning, Design & Construction (PDC) were selected for audit as part of the FY21 Internal Audit plan. The audit focused on Capital Project operations from 2018-2020, and examined financial performance during that audit period. Internal Audit (IA) examined: project management; vendor selection; financial management; billing accuracy; and contract compliance.

PDC has a control environment in place that mitigates most risks inherent in their operations. IA's review of practices in place during the audit period resulted in recommended improvements that will formalize requirements for fulfilling critical operating procedures, and better align operations with UNM policies.

Key Recommendations

1. Update the PDC Procedures Manual to incorporate financial management processes and expand operational guidelines to apply to all projects overseen by PDC.
2. Improve vendor selection documentation process to support general compliance with Purchasing guidelines.
3. Partner with Financial Services to develop a written plan to mitigate the impact excess reserve balances within the Internal Service Center have on the University's Finance & Administrative Cost Pool calculations.

PDC leadership and staff were professional and made themselves available to answer questions and provide support throughout the audit. Internal Audit is appreciative of all their efforts.

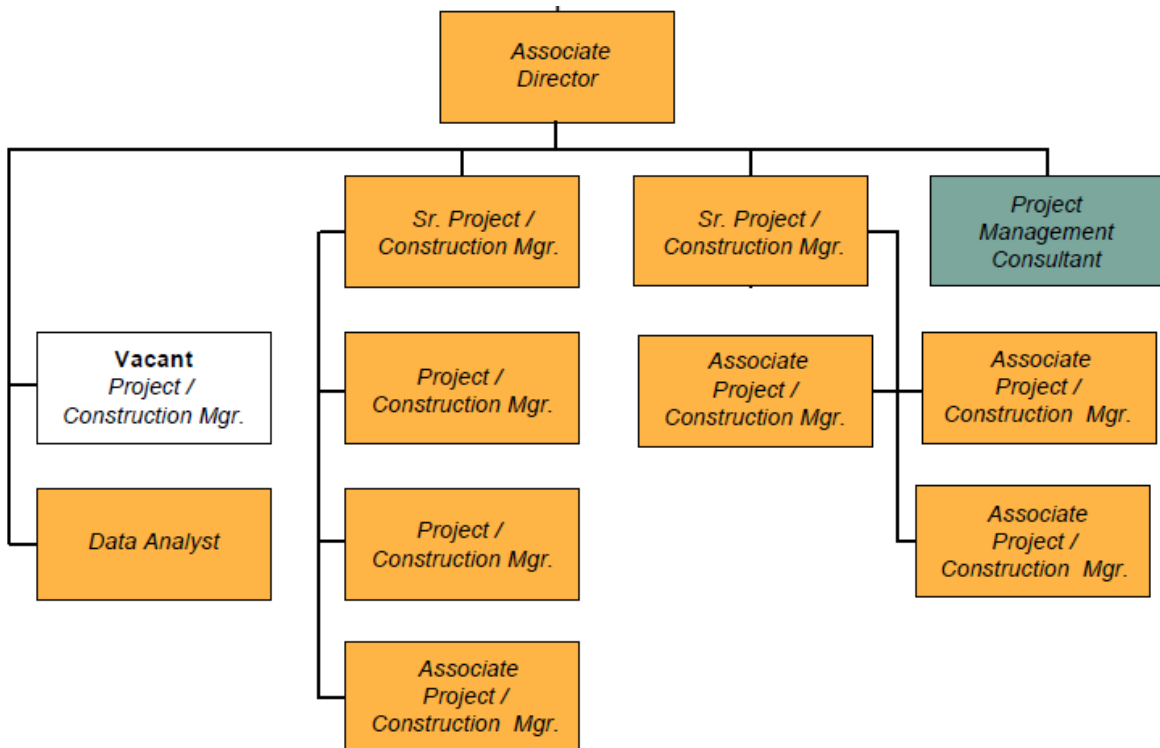
INTRODUCTION

BACKGROUND

Planning, Design & Construction (PDC) is an organization within Institutional Support Services that provides new construction and remodel management services for Main Campus, UNM Branch Campuses, HSC Academic areas, and minor projects within HSC clinical areas. PDC’s overarching mission is, “To steward UNM’s campus identity and lead capital development to create outstanding environments,” to enact its vision of providing UNM, “Great spaces for great people doing great things!”

PDC is led by a Director, who also serves as the University Architect, and is charged with leading all aspects of the planning, design, and construction of campus facilities. Construction management is led by an Associate Director, who has been with PDC for over 12 years, and is currently supported by a staff of nine (9) project managers/construction managers (PM/CMs).

Chart 1. Project & Construction Management Division within PDC



SOURCE: Planning, Design & Construction Org. Chart as of February 4, 2021

Funding Capital Projects

Capital projects can have a variety of funding sources, but a majority of funding comes from capital outlays passed by the State Legislature. Those outlays can have many sources, but are generally sourced from either severance tax proceeds; or, for many very-large construction projects, passage of general obligation bond legislation, which also requires passage by vote of New Mexico's registered voters. It is further noted that general obligation bonds, which are only offered in even-numbered legislative years, passed by public votes in 2016 (63.35% voting 'Yes'), 2018 (65.80% voting 'Yes'), and 2020 (64.92% voting 'Yes'), indicating steady public support for capital projects at UNM. This also suggests that general obligation bonds remain a viable financing option in the future.

In addition to the capital outlays funding discussed above, the State also provides Building Repair and Renewal (BR&R) funding through a separate allocation, as well as direct project funding through the State's General Fund. In the course of auditing capital projects, some of those projects were funded with BR&R funding. However, this audit does not assess any aspect of the sufficiency of BR&R funding, deferred maintenance backlogs, or other considerations of the adequacy of the state of the facilities on campus, as that is outside the scope of this audit, which focuses on the management of construction and renovations of campus facilities.

Finally, capital projects funding may also be derived from UNM-issued bonds or minor plant funds. They may also be self-funded by the Departments, Schools/Colleges, or other University areas in need of facility improvements. Although these improvements might be eligible for BR&R funding, the need to focus BR&R funding on the most critical needs as identified through the University's own facilities assessment processes means that minor improvements that are nonemergent in scope are often left to the Departments to self-fund. Refer to Exhibit A for PDC's overview of capital projects funding sources.

PURPOSE, SCOPE AND OBJECTIVES

The Capital Projects audit was part of the FY2021 Internal Audit plan. The audit focused on capital projects from calendar years 2018 thru 2020, in order to ensure both small projects as well as large projects spanning multiple years could be included in that assessment. The audit only covers capital projects recorded in the operating ledger indexes under ADGC, the level 4 organization code of PDC. The audit sought to accomplish the following objectives:

- Obtain an understanding of the funding sources of construction projects during the audit period;
- Obtain an understanding of the processes in place within PDC that govern how Capital Projects operate;
- Assess compliance with project management processes, including:

- Vendor selection; and
 - Project file management, including invoice review and approval.
- Assess the financial operations of PDC, including correct application of project fee rates and timely closeout of capital project indices.

PROCEDURES

Internal Audit performed the following procedures:

- Inquired with management and relevant staff;
- Reviewed PDC's Procedures Manual, process flow charts, guidelines, and University Administrative Policies (UAPs) relevant to capital project activities;
- Developed an understanding of the operating environment from a risk perspective;
- Conducted virtual walkthroughs of key operating procedures within PDC and Purchasing, to the extent those operations overlapped with the audit scope;
- Obtained data files from PDC and UNM accounting systems for generating populations and developing sampling methodology for testing and analysis of transactions and financial performance;
- Obtained fee schedules, Procurement Services Matrix, copies of RFP submissions, and construction contracts with external vendors to assess compliance with State Procurement Code requirements; and,
- Performed detailed testing of construction invoices to ensure consistency with contracted work, proper review, approval documentation, and reasonableness; and
- Gained an understanding of the information management system in use within PDC, including the relevant aspects of systems in their direct control.

The audit of the Capital Projects within Planning, Design and Construction was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors.

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

OPERATIONAL PERFORMANCE

PDC has the primary responsibility of managing capital project activities across the UNM system, with the exception of clinical projects which may be led by UNM Hospitals, UNM Comprehensive Cancer Center, or HSC facilities managers. PDC's 10 largest projects during the audit period by budget and project status are presented in Table 1 below.

Table 1. Top 10 Projects by Project Budget

Project Description	Primary Funding Source(s)	Project Status @ 12/31/20	Project Budget
Physics & Astronomy and Interdisciplinary Science (PAIS) Building	2016 G.O. Bonds / 2017 UNM Bonds	Occupied / In Closeout	\$ 65,787,710
Johnson Center Expansion & Renovation	2016 UNM Bonds	Occupied / In Closeout	35,533,698
Clark Hall (Chemistry) Renovation	2018 G.O. Bonds	Construction In Progress	16,500,000
UNM ROTC Renovation	2018 G.O. Bonds	Construction In Progress	9,514,000
UNM Valencia Workforce Training Center	UNM Valencia Funds	Design	7,112,845
UNM Taos Campus Career Center (Klauer Campus)	2018 G.O. Bonds	Construction In Progress	6,187,500
UNM Valencia Campus Infrastructure	Valencia County Bonds	Construction In Progress	4,900,000
Natural History Science Center (Biology Annex)	2017 UNM Bonds	Construction In Progress	4,083,356
UNM Olympic Training Center	2018 / 2020 Severance Tax	Planning	3,456,437
UNM Security Cameras & Fire Suppression Systems	2020 General Fund Allocation	Construction In Progress	3,070,000

SOURCE: PDC Project Listings and UNM Banner Accounting System

PDC produces an annual report summarizing its operational performance for the most recently completed fiscal year. In its FY20 report, PDC presented the information in Table 2 below as an overview of active projects as of June 30, 2020.

Table 2. Active PDC Projects by Budget Range

Budget Range	# of Projects	%	Dollar Amount	%
Under \$100k	91	54%	1,671,579	1%
\$100k - \$299,999	39	23%	7,778,236	4%
\$300k - \$999,999	21	12%	12,642,981	7%
\$1M+	18	11%	169,882,063	88%
Total	169	100%	191,974,859	100%

SOURCE: PDC's FY20 Annual Report, p. 13

From review of project requests during the audit period, it was noted that new capital project requests in 2020 decreased by approximately 58% compared to an average of the prior three calendar years. Internal Audit believes this is attributable to the shift to remote work due to the COVID-19 pandemic, and anticipates that requests will return to a more normal frequency as faculty, staff and students transition back to traditional in-person working, teaching, and learning environments.

Project Authority

UAP 5050, Facility Maintenance, Repair, and Alteration, gives PDC broad authority over all capital projects that take place on UNM's Albuquerque campuses. The intent of this policy is to "ensure adherence to UNM standards and regulatory requirements for health and safety." Institutional Support Services (ISS) may authorize areas outside of PDC to perform facilities work, but such authorization is generally limited to Departments or Units that possess sufficient expertise and dedicated in-house resources that can ensure conformity with the requirements under UAP, as well as regulatory regimes that may also apply. "Unless otherwise authorized in this policy, only the Facilities Management Department and Planning, Design, and Construction (PDC) can authorize facilities work at UNM's Albuquerque Campuses and the UNM West campus."

Upon review of the State's annual capital outlays legislation, it was noted that some projects associated with the Health Sciences Center (HSC) were not accounted for within PDC. Internal Audit discussed this matter with management and they acknowledged that HSC, UNM Hospitals, and UNM Comprehensive Cancer Center have standalone capital projects staff that provide project and construction management services, rather than utilizing PDC's existing PM/CM staff. The audit had been planned consistent with the above-mentioned provisions of *UAP 5050*, which gives PDC the responsibility of managing the myriad risks inherent in capital projects. Accordingly, Internal Audit did not include capital projects occurring outside of PDC in the audit and did not assess the operations or compliance with *UAP* and other regulatory provisions to which those projects are still subject.

Operational Processes

Capital project requests by the project stakeholders are submitted through a web-based, work-request and work-order tracking system run by Facilities Management (FM). FM notifies PDC of the capital project request, and PDC will assign it a unique project number, create a project folder on their share drive, and assign the project to a project manager/construction manager (PM/CM).

The PM/CM will consult with the requesting party on the size and nature of the project, the funding available for it, and obtain an estimated deliverable date. The PM/CM will develop a formal project scope in partnership with the project stakeholders, and then obtain signoff from the person(s) responsible for providing funding, before moving forward with the project.

Once funding is secured, the PM/CM works with architects/design engineers, as needed, for the development of contract drawings to achieve the intended project result. The drawings are used by the PM/CM to identify a method of project delivery that provides the best value to the University. The method considers timeliness of completion as well as management of project cost. These processes are formalized in PDC's Procedures Manual, which lays out specific process requirements for operating a project.

As part of the audit, several projects were randomly selected and assessed for conformity with the processes laid out in the PDC Procedures Manual. The Procedures Manual nominally limits its application to projects under \$300,000, with the intention of providing clear guidelines for the less-experienced PM/CMs who tend to work smaller projects. Unfortunately, the absence of a clearly

stated procedural document inclusive of large scope projects suggests that despite having higher inherent financial, safety, and regulatory risks, these projects are subject to fewer defined protocols. While this is not the case in practice, this approach has resulted in a diversity of practice with respect to uniformity of project documentation in the project file folders.

Recommendation 1

PDC should revise the PDC Procedures Manual so that it applies to all projects within PDC, and provides adequate guidelines to ensure it conforms with the myriad types of risks, regulations, and laws such projects are subject to. That revision should also incorporate financial management processes critical to the successful operation of PDC (i.e. financial closeout processes for projects, monthly reconciliations of Banner data to project cost data, invoice approval documentation requirements, limitations on reserves, etc.).

Response from PDC Director

Action Items
<i>Targeted Completion Date: August 16, 2021</i>
<i>Assigned to: Associate Director, PDC</i>
<i>Corrective Action Planned: PDC agrees with the finding. PDC will revise its Procedures Manual to address capital project processes for projects of all sizes and related fiscal activities.</i>

Vendor Selection

Capital projects rely on external vendors to provide construction, mechanical, electrical, roofing, and other services for project completion. The sheer number of construction projects, and the need in some cases to utilize multiple vendors for different aspects of a single project, results in a rather large burden on the Purchasing Department to facilitate the formal RFP bid processes mandated under the State Procurement Code. As a form of administrative convenience, Purchasing has worked with PDC to establish vendor pools for various trade groups, allowing them to preclear vendors through the solicitation process and ensure they are able to meet the requirements for operating as a vendor at UNM.

PDC assumes responsibility for the vendor selection process. The specific PM/CMs generally determine, based on project scope, budget, timeline and experience, which vendors from the preestablished pools would best meet the needs of the project. The PDC Procedures Manual specifies that for each vendor selection, the PM/CM must document the basis for vendor selection by completing a Procurement Justification Form, indicating the basis for selecting the successful vendor.

As part of the audit, projects whose vendors were selected from the Job Order Contracting (JOC) vendor pool, the On-Call vendor pool, or who were selected using an informal bid process allowable for contracts less than \$60,000, were assessed to determine whether the Procurement Justification Form was completed for the selected vendor.

In 11 out of 36 (31%) vendor selections tested, the vendor selected was not the lowest priced vendor, and additional justification to support the vendor selection was not retained within either the project file, nor was it retained as part of the procurement record in LoboMart. All eleven exceptions were observed within the JOC vendor pool procurement process, and involved PDC not providing support to Purchasing explaining the basis for vendor selection in those cases. Similarly, Purchasing did not consistently require additional support for JOC vendor selections in such cases.

Recommendation 2

Purchasing should ensure that PDC adequately supports the vendor selected when utilizing a JOC vendor who does not have the lowest adjustment factor in the trade group.

Response from Purchasing Director

Action Items
<i>Targeted Completion Date: August 16, 2021</i>
<i>Assigned to: Associate Director, PDC</i>
<i>Corrective Action Planned: Purchasing and PDC agree with the finding. Purchasing worked with PDC to improve the existing justification form to obtain better justification from PM/CMs when awards are not given to the lowest bidder on JOC projects.</i>

Vendor Payment

Payments to vendors are a majority of the expenses incurred by PDC in any year. Table 3 below illustrates the volume of invoices PM/CMs must review and approve before they can be paid.

Table 3. Invoices Paid During the Audit Period (CY18 – CY20)

	2018	2019	2020
# of Invoices	1,245	1,025	896
Invoiced Amount Paid	\$ 56,054,522	\$ 62,525,989	\$ 27,570,428

SOURCE: UNM Banner Accounting System

As part of the audit, a walkthrough was conducted with PDC management to determine the process for documenting the review and approval by PM/CMs to pay vendor invoices received for construction projects they managed. During that discussion, it was explained that a spreadsheet is

maintained on the departmental share drive, which is continuously updated as invoices are received requiring PM/CM approval. PM/CMs will go into the spreadsheet on the share drive, check a checkbox to indicate it is ready to be paid, and the fiscal technician will indicate the services/goods as received in LoboMart, allowing for payment to be processed. IA noted that PDC's internal process does not record the identification of the PM/CM approving invoice payment, only that a checkbox was "checked," resulting in there being no approval record to audit. *UAP 2000, "Responsibility and Accountability for University Information and Transactions,"* charges the Departmental Approver to "verify the appropriateness of the transaction," which this process does not sufficiently accomplish. Although review of the selected invoices for testing did not identify any obvious signs of misbilling or payments for work not performed, if such a circumstance did arise, the process in place during the audit period would not provide sufficient evidence that the PM/CM certified completion of the work to allow for payment.

Recommendation 3

PDC should revise its invoice review and approval process to create a record of PM/CM approval prior to indicating the work as "received" within LoboMart.

Response from PDC Director

Action Items
<i>Targeted Completion Date: August 16, 2021</i>
<i>Assigned to: Financial Officer, PDC</i>
<i>Corrective Action Planned: PDC agrees with the finding. Upon feedback from IA during fieldwork, PDC immediately revised the process to capture PM/CM approval of invoices, with those approvals retained within the spreadsheet utilized to track invoice approval and payment for projects.</i>

FINANCIAL PERFORMANCE

Internal Service Center

Capital Projects operations function under an Internal Service Center (ISC), accounted for within index 250012, with services being solely provided to entities internal to UNM. Operations are fully self-funded through the application of project fees established in a published fee schedule. The stability of PDC's operations depends on having sufficient project fees to cover its cost of operations.

ISCs are subject to limitations under the Office of Management & Budget's (OMB) *2 CFR Part 200, Uniform Guidance, §200.402 thru §200.406 and §200.468*. This guidance has been put into

policy in *UAP 2440, Internal Service Centers*, as well as through guidelines promulgated on UNM's Unrestricted Accounting website. This policy requires the ISC manager to, among other things, "operate the internal service center at break-even and in accordance with the center's budget" and states that "internal service centers will be allowed to accumulate an operating reserve of no more than sixty (60) days of estimated expenses (16.67% of annual operating budget) upon appropriate justification and documentation." To address this risk, UAP 2440 requires departments to submit rates for the upcoming Financial Services accounting office by March 15. However, PDC understood submission of rates to be required only when rates changed, not on an annual basis. As such, PDC last submitted the form at when rates were last revised in October 2018.

The Unrestricted Accounting Internal Service Center website also restricts transfers of monies earned within ISCs to other funds. As *UAP 2440* states, "A critical component of the federal accounting requirements is that the rates internal service centers charge must be carefully developed to ensure that they do not include costs that have been charged to a contract or grant either as a direct charge or *through facilities and administrative cost pools used to determine the University's facilities and administrative cost rate.*" (Emphasis added.) In other words, excess costs incurred due to sustained profit-making activities could inflate the costs used in determining the University's F&A rate.

As demonstrated in Table 4 below, the ISC operating index has consistently generated increasing profits throughout the audit period, in excess of the 16% annual operating budget allowable under *UAP 2440*. These profits are a result of the income generated from several large GOB-funded projects, which provide project management efficiencies that are not normally experienced on more modestly budgeted projects. PDC anticipates applying any profit to the cost of personnel over the coming years when large GOB-funded projects are absent from PDC management portfolio, yet continuity of experienced project staff is still required.

Table 4: Summarized Revenues and Expenses of Capital Projects Internal Service Center

	<i>Fiscal Year</i>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenues (except Reserves)	1,215,509	1,641,585	2,023,449
Reserves	207,554	252,485	502,509
Total Revenues	1,423,062	1,894,070	2,525,957
Total Expenses	1,170,577	1,391,561	1,578,996
Net Profit (Loss)	252,485	502,509	946,962

SOURCE: UNM Banner Accounting System

Recommendation 4

PDC should review its capital projects finance operations and perform the following:

- Annually review the fee schedule against anticipated future operating costs, with a goal of right-sizing fees to operate in a cost-recoverable manner;

- Submit proposed fee schedule to Unrestricted Accounting annually, as required under policy; and,
- Partner with Unrestricted Accounting to develop a written plan to mitigate the impact excess reserve balances within the Internal Service Center have on the University's Finance & Administrative Cost Pool calculations.

Response from PDC Director

Action Items
<i>Targeted Completion Date: August 16, 2021</i>
<i>Assigned to: Financial Officer, PDC</i>
<i>Corrective Action Planned: PDC agrees with the finding. PDC will update the project fee schedule annually, and submit it to Unrestricted Accounting consistent with the requirements in UAP 2440; PDC will also coordinate with Unrestricted Accounting to ensure excess reserve balances in the ISC do not negatively impact the University's F&A cost pool calculation.</i>

Project Cost Capture

Financial management of capital projects activities are overseen by a Financial Officer, with day-to-day activities supported by a Fiscal Services Tech. The financial operations play a critical role in ensuring that project costs are timely captured, and the Departments receiving these services are billed at a rate consistent with the fee schedule.

At present, PDC uses a web-based maintenance management application to track its projects, and some costs can be associated with specific projects within the application. However, the financial management team within PDC generally relies on spreadsheets to track individual project costs, reconciling against actuals hitting Banner, to ensure all project costs are captured.

Project Fees

Upon completion of the project, the PM/CM submits a project closeout form to the financial management team. Using the total project costs on the closeout form, the fiscal technician will reconcile those charges against charges incurred within the Banner operating index that held the project to ensure all associated charges are identified. Once a final project cost is totaled, a project fee is calculated using the fee rate schedule in effect at the start of the project. Finally, the Fiscal Technician will journal voucher the project costs, including the project fee, to the benefitting Department/Unit, applying the project fee to the operations ISC in the process.

Because the fees form the basis of the revenue generation by the ISC, *UAP 2440* makes clear that fees charged must be universally applied to all projects across campus. Upon review of a sample selection of projects, IA identified in 11 out of 34 (32%) selections that the project fees charged

during the audit period varied from what was owed using final project costs and the fee schedule in place at the start of the project. It was noted that many of these projects originated during the tenure of the former financial officer, who undertook a process of prebilling small projects based on project budget. However, one shortcoming to this approach was that the prior financial officer failed to reconcile the fee charged using budgeted costs to the fee owed using final incurred costs, resulting in numerous instances of under-or over-charges on projects. This practice went unnoticed by management during their annual review of financial projects. Although the current financial officer made significant strides in correcting these variances and refunding departments by the end of FY20, there remained a number that were identified under audit.

Another challenge within PDC is that areas around campus have facilities expertise in-house and have requested to pay at a discounted rate. In one case, certain project costs were excluded from the cost basis in calculating the project fee. *UAP 2440* makes explicit that billing rates “must be applied to all internal users on the same basis.” Accordingly, absent the published fee schedule establishing alternate rates in certain cases that would be universally applicable to the campus community, rate charges that deviate from the published fee schedule are unallowable.

Recommendation 5

PDC should strictly adhere to its published fee schedule, with any alternate fee schedules for in-house personnel being listed on the published fee schedule to provide that opportunity to all members of the campus community. Management should also periodically review with the Financial Officer whether fee rate calculations applied to projects are being charged timely and accurately.

Response from PDC Director

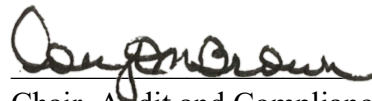
Action Items
<i>Targeted Completion Date: August 16, 2021</i>
<i>Assigned to: Financial Officer, PDC</i>
<i>Corrective Action Planned: PDC agrees with this finding. Going forward, PDC will charge fees on PDC projects consistent with its project fee schedule and management will periodically review for accuracy of project fees.</i>

APPROVALS



Victor Griego, CPA
Interim Director, Internal Audit Department

Approved for Publication



Chair, Audit and Compliance Committee

EXHIBIT A

Capital Project Funding Sources

State Funding:

- **General Obligation Bond (GOB)**
- **Severance Tax Bond (STB)**
- **General Fund (GF)**

General Obligation Bond (GOB):

- available to Higher Education Institutions every 2 years (even years)
- projects meant for new construction or large facility renovation
- must be approved by voters
- Funding must be spent in 4 years or reverts back to the state

Severance Tax Bond (STB):

- available to Higher Education Institutions every year
- projects meant for remodels, infrastructure, smaller facility renovations
- Funding must be spent in 4 years or reverts back to the state

General Fund (GF):

- available to Higher Education Institutions every year
- rarest funding source due to the demands on the General Fund

Source: PDC Website, 'Capital Outlay projects Process Diagram', p. 3

Capital Project Funding Sources

- | | | |
|---|---|--|
| University Funding: | <ul style="list-style-type: none">• Institutional Bond• Building Renewal & Replacement (BR&R)• Department, Reserves, HSC Capital Funds | <ul style="list-style-type: none">• Grant• Local County Bonds (Branches)• Education Gross Receipts Tax (Taos) |
| Institutional Bond: | <ul style="list-style-type: none">• UNM issues a bond series to fund capital projects and leverage state funding• Bonds issued 7-10 years based on institutional credit rating | |
| Building Renewal & Replacement (BR&R): | <ul style="list-style-type: none">• UNM funds specifically for facility renewal and replacement available each FY• Projects vetted through internal stakeholders | |
| Grant: | <ul style="list-style-type: none">• Grants with facility funds included | |
| Department, Reserves, HSC Capital Funds: | <ul style="list-style-type: none">• Institutional funds made available for capital project funding to leverage other capital funding (state, grant, local bond, etc.) | |
| Local County Bonds (Branches): | <ul style="list-style-type: none">• Branches have access to local county bonds to leverage state funding• Branches can also issue their own bonds to leverage state funding | |
| Education Gross Receipts Tax (Taos): | <ul style="list-style-type: none">• Gross Receipts Tax in Taos County with percentage specifically for educational institutions in Taos County. | |

Source: PDC Website, 'Capital Outlay projects Process Diagram', p. 4