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**New Mexico State University**

2023 / 2022

**FINANCIAL  
STATEMENTS  
AND  
SCHEDULES**

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## **Board of Regents**

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Scott Field  
*Chief Legal Affairs Officer, Interim*

D'Anne Stuart  
*Vice President, Administration and Finance, Interim*

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*Associate Controller*

Carolina Muñoz  
*Manager of Accounting and Financial Reporting*

## Report of Independent Auditors

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

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the financial statements of the business-type activities, fiduciary activities, and the discretely presented component unit of New Mexico State University (the University) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, fiduciary activities, and the discretely presented component unit of New Mexico State University as of June 30, 2023 and 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Emphasis of Matters***

##### *Reporting Entity*

As discussed in Note 2, the financial statements of the University are intended to present the financial position and the changes in financial position, and cash flows of only that portion of the business-type activities of the State of New Mexico that is attributable to the transactions of the University. They do not purport to, and do not, present fairly the financial position of the State of New Mexico as of June 30, 2023 and 2022, and the changes in financial position, or cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### *Change in Accounting Principle*

As discussed in Note 2, the University adopted Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

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

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in Total Other Post-Employment Benefits Liability and Related Ratios in accordance with GASB Statement 75 (schedule 5), and the Schedule of Proportionate Share of Net Pension Liability and Employer Contributions (schedule 6) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The Combining Statements of Net Position (schedule 1), Combining Statements of Revenues, Expenses, and Changes in Net Position (schedule 2), Budgetary Comparison Schedules (schedule 3), Bank Balances, Pledged Collateral Requirements, and Pledged Collateral by Financial Institution (schedule 4), and Schedule of Expenditures of Federal Awards (schedule 7), as required by Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying Combining Statements of Net Position (schedule 1), Combining Statements of Revenues, Expenses, and Changes in Net Position (schedule 2), Budgetary Comparison Schedules (schedule 3), Bank Balances, Pledged Collateral Requirements, and Pledged Collateral by Financial Institution (schedule 4), and Schedule of Expenditures of Federal Awards (schedule 7) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Statements of Net Position (schedule 1), Combining Statements of Revenues, Expenses, and Changes in Net Position (schedule 2), Budgetary Comparison Schedules (schedule 3), Bank Balances, Pledged Collateral Requirements, and Pledged Collateral by Financial Institution (schedule 4), and Schedule of Expenditures of Federal Awards (schedule 7) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2023, on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

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

Albuquerque, New Mexico  
December 1, 2023

## **Management's Discussion and Analysis For the Years Ended June 30, 2023 2022 and 2021 (Unaudited)**

### **Overview of Financial Statements and Financial Analysis**

Management's Discussion and Analysis is designed to provide an easily readable analysis of New Mexico State University's (the University) financial activities for the fiscal years ended June 30, 2023, 2022 and 2021. This overview is based on facts, decisions and conditions known as of the date of the independent auditors' report. There are three financial statements presented: the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows. Please read this analysis in conjunction with the University's financial statements and accompanying notes to the financial statements. Separately issued component unit financial statements are available as detailed in Note 11.

### **Using This Annual Report**

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

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

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

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

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

Additional information may be obtained by contacting the Office of the Senior Vice President for Administration and Finance at 575-646-2431 or [boffice@nmsu.edu](mailto:boffice@nmsu.edu).

For the years ended June 30, 2023, 2022 and 2021, the University's financial position was as follows:  
(In thousands)

<i>Condensed Net Position</i>	June 30, 2023	As restated June 30, 2022	June 30, 2021
<b>ASSETS</b>			
Current assets	229,149	164,497	191,192
Capital assets, net	493,787	483,379	484,626
Non-current assets	219,395	177,327	191,436
<b>TOTAL ASSETS</b>	<u>942,331</u>	<u>825,203</u>	<u>867,254</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>132,742</u>	<u>360,978</u>	<u>600,614</u>
<b>LIABILITIES</b>			
Current liabilities	96,714	76,026	73,271
Net pension liability	480,925	433,023	1,257,205
Other post-employment benefit liability	125,098	124,675	165,976
Other non-current liabilities	146,642	124,873	130,905
<b>TOTAL LIABILITIES</b>	<u>849,379</u>	<u>758,597</u>	<u>1,627,357</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>367,257</u>	<u>675,078</u>	<u>50,934</u>
<b>NET POSITION</b>			
Net investment in capital assets	391,163	376,102	371,207
Restricted	102,518	70,817	87,134
Unrestricted	(635,244)	(695,592)	(668,764)
<b>TOTAL NET POSITION</b>	<u>\$ (141,563)</u>	<u>\$ (248,673)</u>	<u>\$ (210,423)</u>
<i>Condensed Revenues, Expenses and Changes in Net Position</i>			
Operating revenues:			
Student tuition and fees (net)	\$ 50,344	\$ 74,520	\$ 71,592
Federal appropriations, grants and contracts	107,240	99,476	91,596
Other operating revenues	69,516	65,287	59,552
<b>TOTAL OPERATING REVENUES</b>	<u>227,100</u>	<u>239,283</u>	<u>222,740</u>
<b>EXPENSES</b>			
Operating expenses:			
Instruction	149,159	153,446	250,869
Research	102,436	99,291	138,463
Other operating expenses	357,006	345,501	429,856
<b>TOTAL OPERATING EXPENSES</b>	<u>608,601</u>	<u>598,238</u>	<u>819,188</u>
Net operating loss	(381,501)	(358,955)	(596,448)
Non-operating revenues and expenses:	423,682	382,359	324,218
Income (loss) before other revenues	42,181	23,404	(272,230)
Other revenues and special item	64,929	(61,654)	17,352
Increase (decrease) in net position	<u>107,110</u>	<u>(38,250)</u>	<u>(254,878)</u>
<b>NET POSITION</b>			
Beginning of year	(248,673)	(210,423)	44,455
End of year	<u>\$ (141,563)</u>	<u>\$ (248,673)</u>	<u>\$ (210,423)</u>

### General Overview for 2023 and 2022

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

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

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

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

- Increase in New Mexico Opportunity Scholarship of \$32 million.
- Reduction in benefits expense of \$17 million mostly due to a more favorable impact from pension and OPEB valuations.
- Net increase in investment income of \$20 million.

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

### General Overview for 2022 and 2021

In fiscal year 2022, total assets of the institution decreased by \$47 million primarily related to decreases cash and net capital assets. This was offset by increases in net accounts receivable. During fiscal year 2022, NMSU Carlsbad separated from NMSU per legislative approval to form Southeast New Mexico College. Cash and cash equivalents decreased by \$71 million and capital assets decreased by \$7 million due to the distributions made to Southeast New Mexico College. Accounts receivable increased by \$20 million due to increased sponsored contract and grant activity. Deferred outflows decreased by \$240 million, deferred inflows increased by \$624 million, and total liabilities decreased by \$873 million due to the results of the most recent valuation of the pension liability and related amortizations.

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

- Decrease in the pension liability of \$824 million, and the related decrease in deferred outflows of \$230 million and increase of deferred inflows of \$593 million. These items are attributable to the adjustments made to the pension liability due to the latest actuarial valuation performed and the related accruals of previous deferred balances.
- Decrease in the other post-employment benefit (OPEB) liability of \$42 million, and the related decrease in deferred outflows of \$9 million and increase of deferred inflows of \$32 million. These changes are due to the changes in employees in the valuation after the departure of the Carlsbad branch.

Increases in net accounts receivable of \$20 million, mostly attributable to the increase in federal, state, and private grants and contracts receivable of \$19 million.

Decrease in net capital assets of \$7 million due to retirements of net capital assets totaling \$18 million and depreciation of \$33 million, offset by \$44 million in additions. The retirements were mostly due to distribution to Southeast New Mexico College and the additions were mostly due to state-funded construction projects.

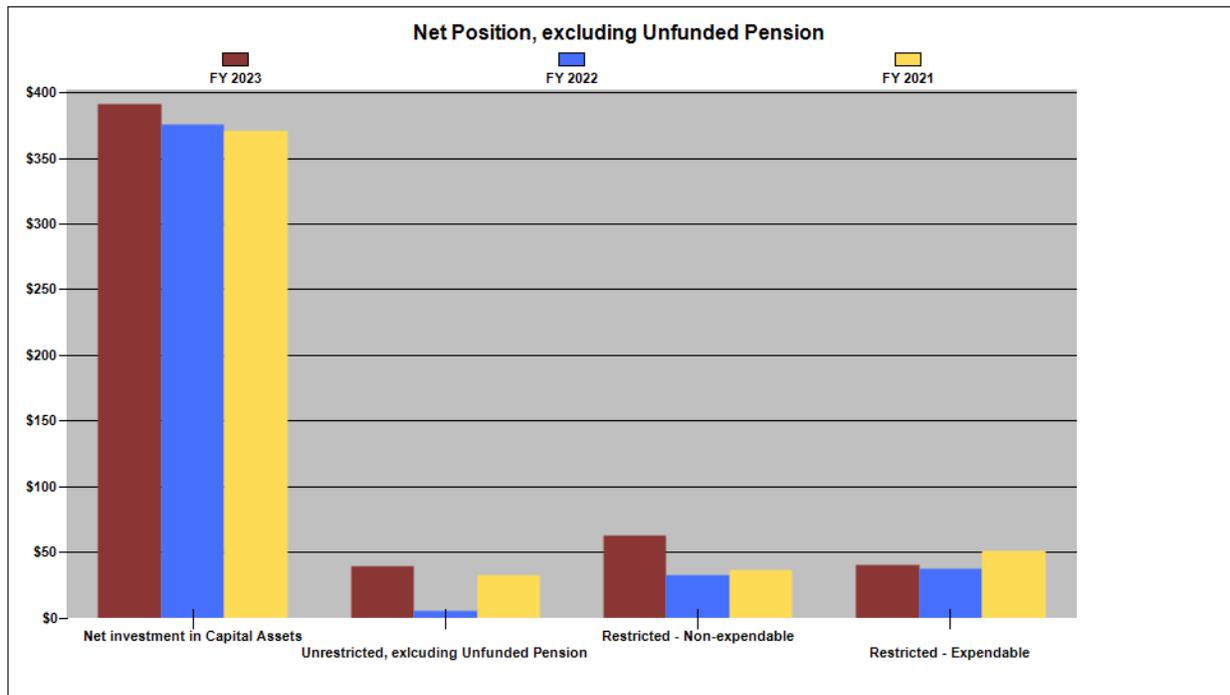
Primary components that contributed to the \$38 million net decrease in net position from the prior year include:

Distribution of assets to Southeast New Mexico College of \$88 million.

- An increase in state and capital appropriations of \$26 million and \$5 million, respectively.
- HEERF funds of \$46 million received during the year.

The Statement of Cash Flows shows a net decrease in cash. The majority of the decrease was from outflows in non-capital financing activities, particularly payments to Southeast New Mexico College, offset by HEERF receipts.

The following graph illustrates the comparison of net position (in millions) by category for fiscal years 2023, 2022 and 2021. The effect of the implementation of GASB 68 related to the net unfunded pension liability has been excluded from the graph to provide a clearer picture of the unrestricted net position.



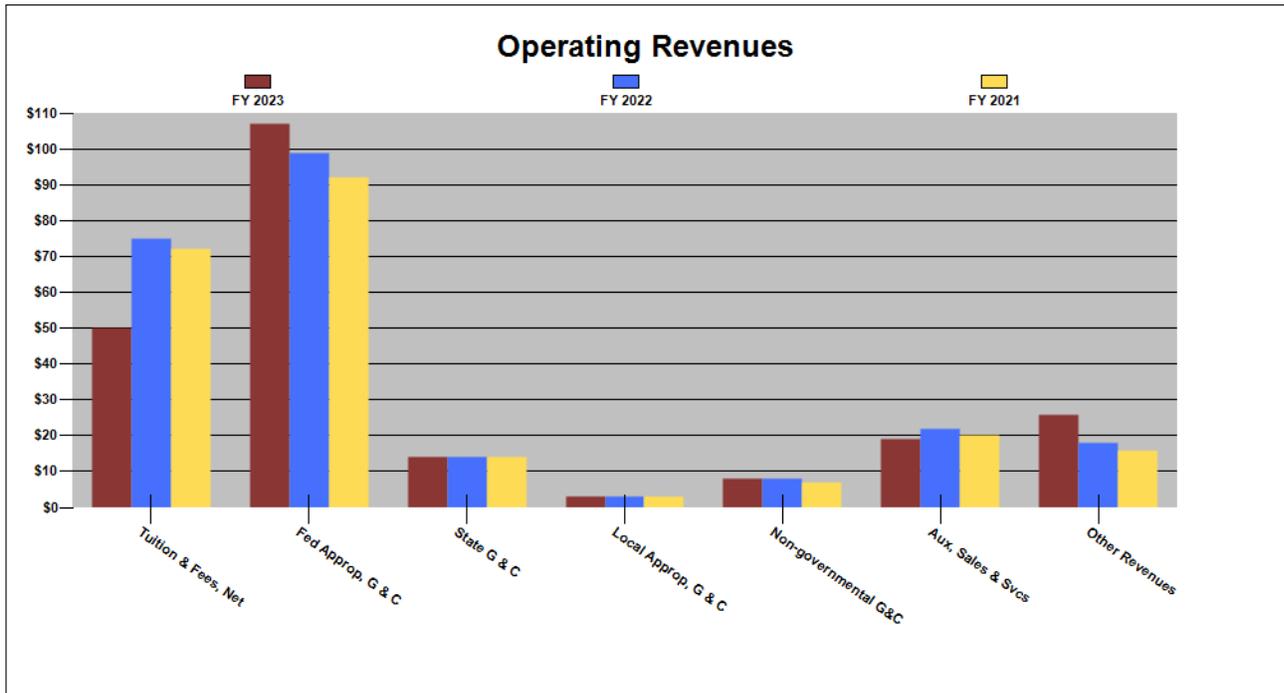
**Operating Revenues for 2023 and 2022**

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

### Operating Revenues for 2022 and 2021

Total operating revenues increased by \$23 million in fiscal year 2022 compared to 2021. Tuition and fees contributed a \$3 million increase and federal and state grants and contracts contributed \$8 million and \$6 million increases, respectively. Non-governmental grants and contracts increased \$1 million and sales and services experienced a \$2 million decrease.

The following graph illustrates a comparison of operating revenues (in millions) by type for fiscal years 2023, 2022 and 2021.



### Operating Expenses for 2023 and 2022

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

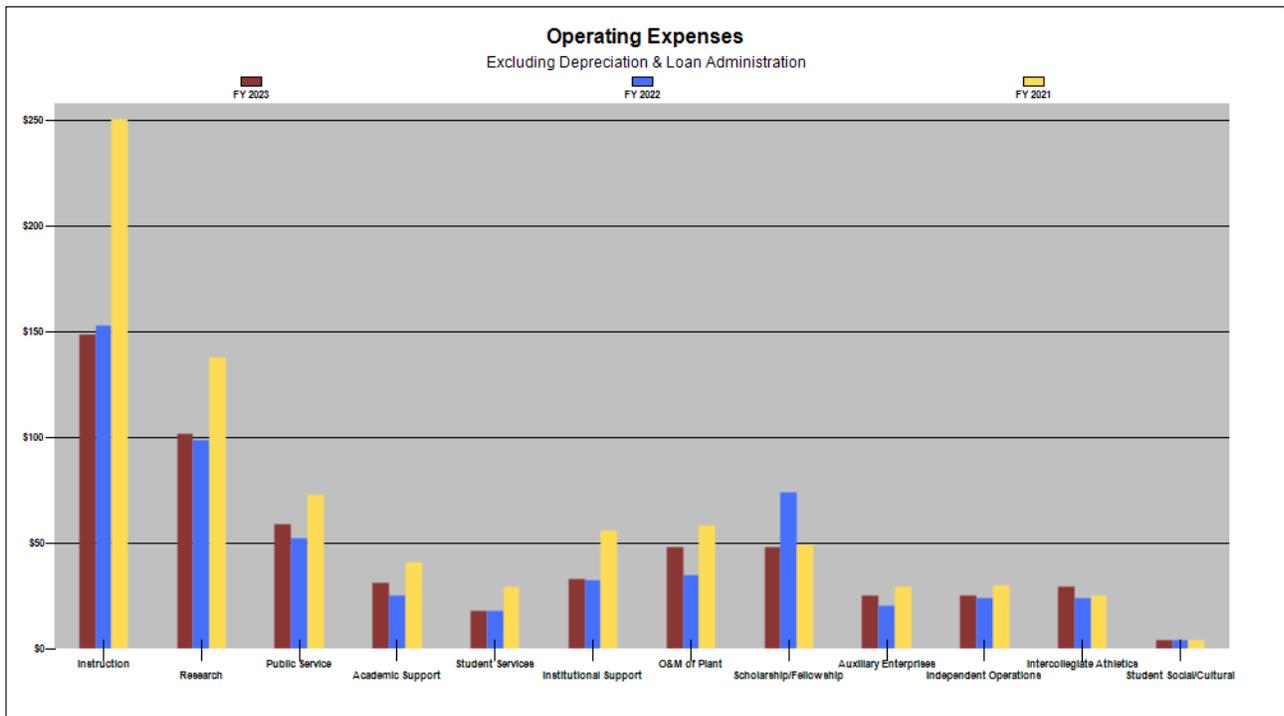
- Salary expenses increased \$20 million due to compensation increases of 6%.
- Travel increases of \$4 million due to increased collaborations coming out of the pandemic.
- Increased professional fees of \$13 million, mostly attributable to additional outsourced facility activities.
- Increase in supplies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

### Operating Expenses for 2022 and 2021

Operating expenses decreased by \$221 million in fiscal year 2022 from the prior year. The majority of the change was due to the non-cash increase to operating expenses of \$266 million in 2021 from the pension liability adjustments. Other items impacting the change in operating expenses were as follows:

- An increase in scholarships and fellowships of \$24 million due to increased student payments from HEERF funds.
- An increase in research expenditures of \$39 million.

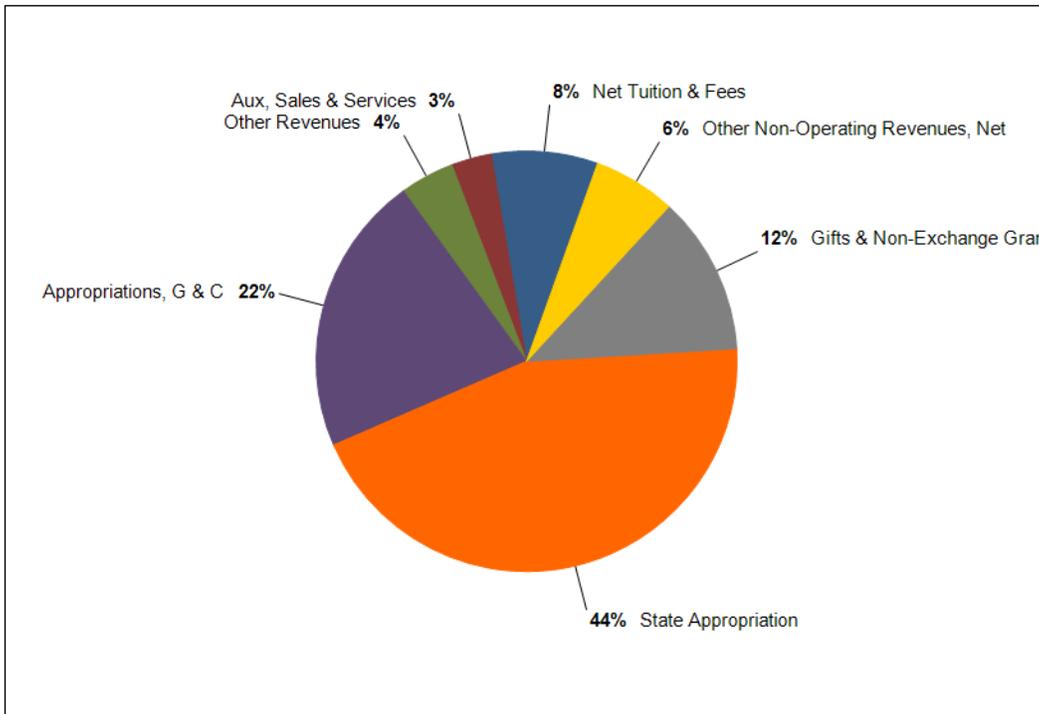
The following graph illustrates a comparison of operating expense (in millions) by function, excluding depreciation and loan administration but including the impact of pension and OPEB adjustments, for fiscal years 2023, 2022 and 2021.



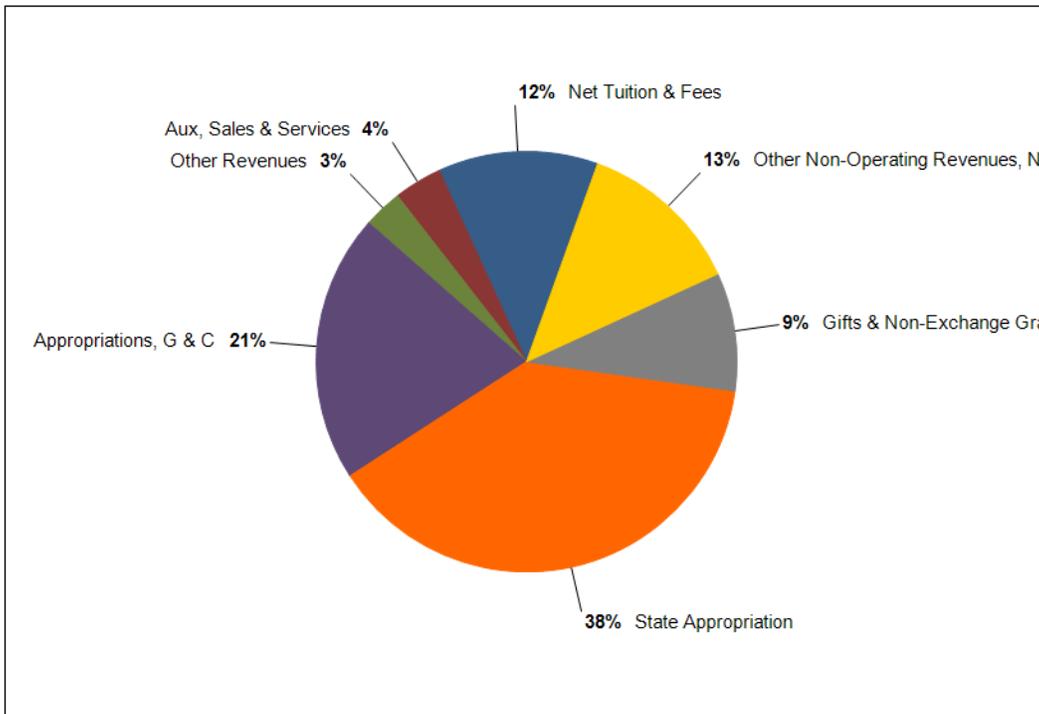
The Statement of Revenues, Expenses, and Changes in Net Position reflects a net income of \$42 million before other revenues in fiscal year 2023, a net income of \$23 million before other revenues and special item in fiscal year 2022, and a net loss before other revenues of \$272 million in fiscal year 2021. The special item expense of \$88 million in fiscal year 2022 was due to the Carlsbad separation.

The following graphs reflect the University's sources of revenue available to meet current operating costs for fiscal years 2023, 2022 and 2021.

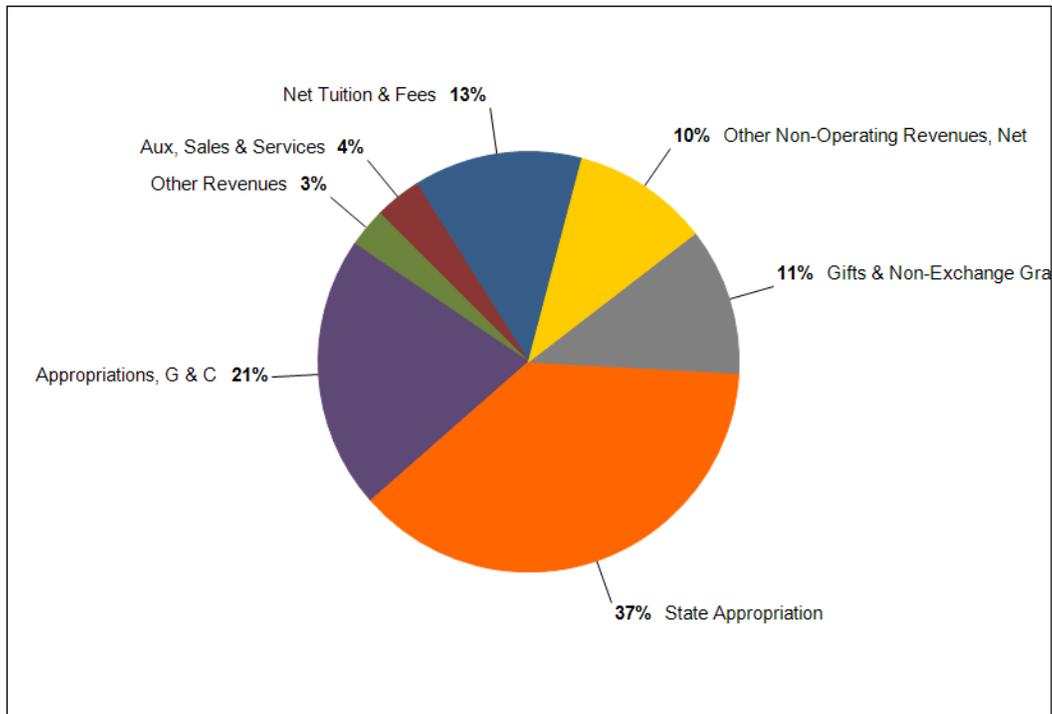
**2023 Revenues**



**2022 Revenues**



### 2021 Revenues



### Capital Asset and Debt Administration

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

During fiscal year 2022, net capital assets decreased by \$7 million due to the transfer of \$17 million in net capital assets to Southeast New Mexico College, offset by increased levels of construction and renovation activities. Projects that increased capital assets included current period expenditures for NMDA of \$8 million, the Agriculture modernization facility of \$14 million, and campus road improvements of \$1 million. In addition to construction costs, there were increases in capital assets related to capital equipment purchases of \$10 million and capital library purchases of \$3 million, which were offset by total depreciation and amortization expense of \$33 million. Debt from bonds and related notes decreased by \$9 million in fiscal year 2022.

### Budget Comparison

In comparing the total original budgeted revenue to the revised budgeted revenue for fiscal year 2023, there was a net increase of approximately \$177.3 million, and an increase of approximately \$202.2 million in revised budgeted expenditures. A portion of this increase over the original budget reflects the normal practice of making sure the institution has sufficient spending authority, and a portion reflects changes in

sources and spending this year as described below.

The significant increases to the revenue budget were:

- federal government sources of \$40.8 million,
- state appropriations of \$30.6 million, and
- other sources of \$31.2 million.

The increases in budgeted federal government revenue were due to \$14 million in I&G for HEERF funding and nurse expansion, \$9 in research, \$4 million for Pell awards in financial aid, and \$9 million in public service. Increases in budgeted state appropriations were a result of additional legislative funding appropriations which were made available in fiscal year 2023. The increase in projected revenues for other sources was a result of projected increases in indirect cost recovery and also to provide budget expenditure authority in several areas including research, public service, auxiliary enterprises, athletics, and independent operations.

Expenditure budgets increased for instruction (\$37.3 million) as well as student aid grants and stipends (\$38.1 million) to allow for expenditure authority contingencies in anticipation of higher student activity generated from increased levels of New Mexico opportunity scholarship. In addition, the public service budget was increased by \$19.6 million and internal service increased by \$12.0 million to allow for expenditure authority, particularly with increased utility costs in internal services. Capital outlay expenditure budget increased \$34.5 million and renewal and replacement increased by \$7.3 million primarily to allow for activity related to the series 2022 bond issuance in addition to scheduled construction projects.

Actual revenues earned in fiscal year 2023 were lower than the revised budget by \$74.5 million and actual expenditures were lower than the revised budget by \$165.1 million. This variance reflects conservative budgeting practices to make sure spending authority was in place.

The main contributors to the revenue budget variance were:

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

The main contributors to the expense budget variance—78% of the variance—were in instruction (\$36.2 million), research (\$15.2 million) public service (\$8.4 million), internal service (\$11.4 million), student aid (\$19.7 million), and capital outlay (\$37.5 million). Because the University budgets capital projects in their entirety, multi-year projects may result in mismatches of budget to actual revenues and expenses in any one year. In addition, the University budgeted the HEERF available funding in its entirety within instruction and student aid in order to provide spending authority

Total revenues were more than expenditures, resulting in an increase in the overall fund balance of \$31 million. The current funds contributed to an increase of \$57 million in fund balance while the plant funds had a decrease in fund balance of \$26 million.

### Factors Impacting Future Periods

The state provided an overall increase in appropriations for the fiscal year 2024. Among the highlights for higher education:

- \$10.5 million in new non-recurring funding for NMSU Global Campus,
- \$10 million in new non-recurring funding for the New Mexico Reforestation Center (NMSU is fiscal agent),
- \$10.6 million in recurring and non-recurring operating funds for the NMSU system,
- 6% average compensation increase, funded at 80% of Instruction & General (across the board),
- \$146 million in recurring funding for the Opportunity Scholarship,
- \$45 million in non-recurring for Opportunity Scholarship for the FY23 deficiency,
- \$37 million for endowed faculty and other positions, and
- \$30 million for research via the Technology Enhancement Fund.

In addition to providing more funding for the Opportunity Scholarships, the state also expanded the eligibility requirements which will potentially attract additional students to NMSU.

All campuses increased enrollment for Fall 2023. The University System saw enrollment growth of 2.8%, with an increase in student credit hours of 4.8%. Increases in enrollment at branch community college campuses ranged from 1.1% at Grants to 5.4% at Alamogordo. Main campus saw a 3.6% increase from fall 2022. Excluding the impact of NMSU-Carlsbad's transition to SENMC, this is the second straight year for enrollment increases in the NMSU System. The continued enrollment increases are favorable for the tuition revenue outlook for the NMSU system.

The outlook for state appropriations is promising. In August 2023, the New Mexico Legislative Finance Committee General Fund Recurring Revenue Outlook indicated a stronger than expected revenue projections for the state of New Mexico. The state is projecting recurring revenues fiscal year 2024 at approximately \$12.61 billion, up \$790.7 million from the December 2022 estimate, and FY25 recurring revenues are estimated at \$13.05 billion. This would result in an increase in recurring revenues estimated at \$1.41 billion for FY25, or 12.1% growth from the FY23 recurring budget.

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

The University received significant one-time appropriation funds during fiscal year 2023, which will be spent over the next few years. These activities will result in a decrease in fund balance as the appropriation funds are utilized. Two examples of this are \$10.5 million for the expansion of online degrees and programs and \$10 million to Agricultural Experiment Station for land acquisition, planning, design and construction for NM reforestation center. These funds were received in June 2023 and will be spent over the next few years.

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

	University	Discrete Component Unit
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 25,477,917	\$ 10,393,052
Restricted cash and cash equivalents	11,792,473	-
Cash and cash equivalents held in trust by component unit for NMSU	2,901,882	2,901,882
Cash and cash equivalents held in trust by others	29,181,248	-
Short-term investments	42,810,367	45,616,980
Accounts receivable, net	109,264,234	7,309,070
Due from component unit	2,032,635	419,408
Inventories	4,049,907	-
Prepaid expenses and other assets	798,574	-
Long-term receivable - current portion	839,897	16,446,110
Total current assets	229,149,134	83,086,502
Non-current assets		
Unrestricted cash and cash equivalents	44,932,530	3,744,013
Restricted cash and cash equivalents	17,454,835	-
Investments held by others	-	140,049
Investments held in trust by component unit for NMSU	76,901,345	76,901,345
Other long-term investments	62,701,450	210,520,644
Long-term receivable	17,404,990	9,957,831
Capital assets, net	493,787,372	57,491
Total non-current assets	713,182,522	301,321,373
Total assets	942,331,656	384,407,875
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
	132,741,666	-
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	29,444,570	301,408
Due to NMSU	-	2,032,635
Other accrued liabilities	29,336,212	154,672
Accrued interest payable	1,227,561	-
Held in trust for NMSU	-	2,901,882
Unearned revenue	15,927,559	334,425
Held in trust by NMSU	745,690	-
Long-term liabilities - current portion	20,031,822	151,423
Total current liabilities	96,713,414	5,876,445
Non-current liabilities		
Accrued benefit reserves	659,630	-
Held in trust for NMSU	-	76,901,345
Other long-term liabilities	145,982,546	1,294,350
Net pension liability	480,925,203	-
Other post-employment benefit liability	125,098,362	-
Total non-current liabilities	752,665,741	78,195,695
Total liabilities	849,379,155	84,072,140
<b>DEFERRED INFLOWS OF RESOURCES</b>		
	367,257,266	-
<b>NET POSITION</b>		
Net investment in capital assets	391,163,402	57,491
Restricted for:		
Donor	-	203,611,262
Non-expendable:		
Endowments	62,517,724	-
Expendable:		
Endowments	1,610,348	-
General activities	6,885,942	-
Federal student loans	4,718,333	-
Capital projects	24,620,986	-
Related entity activities	2,163,741	-
Unrestricted	(635,243,575)	96,666,982
Total net position	\$ (141,563,099)	\$ 300,335,735

**New Mexico State University**  
**Statements of Net Position - Proprietary Funds**  
**As of June 30, 2022, as restated**

	University	Discrete Component Unit
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 48,325,932	\$ 5,509,602
Restricted cash and cash equivalents	9,643,965	-
Cash and cash equivalents held in trust by component unit for NMSU	2,270,240	2,270,240
Short-term investments	29,657,804	322,239
Accounts receivable, net	66,566,872	10,260,072
Due from component unit	1,990,516	-
Inventories	4,570,946	-
Prepaid expenses	661,016	603,084
Long-term receivable - current portion	809,309	-
Total current assets	164,496,600	18,965,237
Non-current assets		
Unrestricted cash and cash equivalents	36,912,723	10,143,286
Restricted cash and cash equivalents	23,263,391	-
Investments held by others	-	139,535
Investments held in trust by component unit for NMSU	44,885,427	44,885,427
Other long-term investments	53,345,937	278,315,350
Long-term receivable	18,919,311	-
Capital assets, net	483,378,923	27,133
Total non-current assets	660,705,712	333,510,731
Total assets	825,202,312	352,475,968
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
	360,978,496	-
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	17,719,443	119,997
Due to NMSU	-	1,990,516
Other accrued liabilities	18,188,909	-
Accrued interest payable	1,132,475	-
Held in trust for NMSU	-	2,270,240
Unearned revenue	21,003,995	350,413
Held in trust by NMSU	615,449	-
Long-term liabilities - current portion	18,544,736	149,154
Total current liabilities	77,205,007	4,880,320
Non-current liabilities		
Accrued benefit reserves	659,630	-
Held in trust for NMSU	-	44,885,427
Other long-term liabilities	124,213,707	1,321,042
Net pension liability	433,022,953	-
Other post-employment benefit liability	124,674,685	-
Total non-current liabilities	682,570,975	46,206,469
Total liabilities	759,775,982	51,086,789
<b>DEFERRED INFLOWS OF RESOURCES</b>		
	675,077,946	-
<b>NET POSITION</b>		
Net investment in capital assets	376,101,836	27,133
Restricted for:		
Donor	-	283,270,492
Non-expendable:		
Endowments	33,323,580	-
Expendable:		
Endowments	1,462,479	-
General activities	6,461,221	-
Federal student loans	5,490,947	-
Capital projects	22,310,549	-
Related entity activities	1,768,409	-
Unrestricted	(695,592,141)	18,091,554
Total net position	\$ (248,673,120)	\$ 301,389,179

# New Mexico State University

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

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

# New Mexico State University

## Statements of Revenues, Expenses, and Changes in Net Position - Proprietary Funds For the Year Ended June 30, 2022, as restated

	University	Discrete Component Unit
<b>REVENUES</b>		
Operating revenues:		
Student tuition and fees (gross)	\$ 116,652,709	\$ -
Less: scholarship allowances	(42,132,579)	-
Student tuition and fees (net)	74,520,130	-
Federal appropriations, grants and contracts	99,475,967	-
State grants and contracts	13,856,095	-
Local appropriations, grants and contracts	2,956,875	-
Non-governmental grants, contracts and gifts	8,256,717	25,136,627
Sales and services	7,193,818	-
Auxiliary enterprises (net of scholarship allowances)	14,828,666	-
Other operating revenues	18,194,289	-
Total operating revenues	<u>239,282,557</u>	<u>25,136,627</u>
<b>EXPENSES</b>		
Operating expenses:		
Instruction	153,445,913	-
Research	99,290,703	-
Public service	51,544,480	-
Academic support	25,322,805	-
Student services	17,664,346	-
Institutional support	31,738,973	-
Operation and maintenance of plant	34,932,520	-
Scholarships and fellowships	73,912,902	-
Auxiliary enterprises	20,136,105	-
Independent operations	24,388,893	-
Intercollegiate athletics	24,154,882	-
Student social and cultural	3,980,919	-
Loan administration (net)	2,854,818	-
Depreciation	34,870,153	4,778
Other operating expenses	-	19,376,502
Total operating expenses	<u>598,238,412</u>	<u>19,381,280</u>
Net operating loss	<u>(358,955,855)</u>	<u>5,755,347</u>
Non-operating revenues (expenses):		
State appropriations	231,586,810	-
Federal Pell grants	37,456,348	-
State lottery scholarship	20,110,299	-
New Mexico opportunity scholarship	6,719,897	-
Local tax levy revenue	26,515,554	-
Gifts and non-exchange grants	10,655,004	-
Investment loss	(7,180,824)	(6,100,884)
Land lease and permanent fund revenue	4,280,410	-
Building fees	4,001,778	-
Loss on disposal of plant	(1,021,426)	-
Additions to quasi endowments	44,631	-
Interest and other expenses on capital asset-related debt	(3,681,321)	-
Other non-operating revenues	52,872,429	5,576,085
Net non-operating revenues (expenses)	<u>382,359,589</u>	<u>(524,799)</u>
Income before other revenues	23,403,734	5,230,548
Capital appropriations	19,979,680	-
Capital grants, gifts, and other income	6,407,556	-
Additions to permanent endowments	225,816	-
Special item - Carlsbad separation	(88,267,069)	-
Increase (decrease) in net position	<u>(38,250,283)</u>	<u>5,230,548</u>
<b>NET POSITION</b>		
Beginning of year	(210,422,837)	296,158,631
End of year	<u>\$ (248,673,120)</u>	<u>\$ 301,389,179</u>

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

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

**New Mexico State University**  
**Statement of Cash Flows - Proprietary Funds**  
**For the Year Ended June 30, 2022, as restated**

	University
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Tuition and fees and other student payments received	\$ 74,960,970
Grants and contracts received	104,872,505
Payments to suppliers	(134,558,337)
Payments for travel	(9,706,544)
Payments to employees and for employee benefits	(338,314,520)
Disbursement of net aid to students	(80,851,796)
Receipts from sales, services, and auxiliary enterprises	19,734,304
Other operating revenues	18,353,473
Net cash used by operating activities	<u>(345,509,945)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>	
State appropriations	231,586,810
Gifts and grants for other than capital purposes	74,941,548
Tax levy revenue	26,515,554
Private gifts for endowment	(40,186)
Carlsbad separation	(70,269,642)
Other non-operating expense	52,872,429
Net cash provided by non-capital financing activities	<u>315,606,513</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Proceeds from capital debt and leases	2,089,182
Capital gifts, grants and contracts	26,431,868
Purchases/construction/renovation of capital assets	(46,331,307)
Principal paid on capital debt and leases	(11,695,344)
Interest and fees paid on capital debt and leases	(1,417,499)
Building fees received from students	4,001,778
Net cash used by capital and related financing activities	<u>(26,921,322)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Proceeds from sales and maturities of investments	74,322,117
Proceeds held in trust by NMSU Foundation	(447,187)
Interest on investments	7,053,753
Purchase of investments	(94,957,025)
Net cash provided by investing activities	<u>(14,028,342)</u>
Net decrease in cash and cash equivalents	(70,853,096)
Cash and cash equivalents - beginning of year	191,269,347
Cash and cash equivalents - end of year	<u>\$ 120,416,251</u>
<b>Reconciliation of operating loss to net cash used by operating activities:</b>	
Operating loss	\$ (358,955,855)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation expense	34,870,153
Change in assets and liabilities:	
Increase in accounts receivable	(19,589,527)
Increase in prepaid expenses	(202,957)
Increase in inventory	(1,930,681)
Decrease in loans receivable	4,171,828
Increase in accounts payable and other accrued liabilities	1,579,254
Decrease in unearned revenue	(2,387,227)
Increase in held in trust by NMSU	615,449
Increase in net pension liability and related deferred inflows and outflows of resources	(3,680,382)
Net cash used by operating activities	<u>\$ (345,509,945)</u>

**New Mexico State University**  
**Statement of Fiduciary Net Position**  
**As of June 30, 2023 and 2022**

	Custodial Funds 2023	Custodial Funds 2022
	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 8,096,434	\$ 8,380,729
Accounts receivable	630,179	442,528
Total assets	<u>8,726,613</u>	<u>8,823,257</u>
<b>LIABILITIES</b>		
Accounts payable	33,474	453,452
Total liabilities	<u>33,474</u>	<u>453,452</u>
<b>NET POSITION</b>		
Restricted for:		
Individuals, organizations, and other governments	8,693,138	8,369,805
Total net position	<u>\$ 8,693,138</u>	<u>\$ 8,369,805</u>

**New Mexico State University**  
**Statement of Changes in Fiduciary Net Position**  
**For the Years Ended June 30, 2023 and 2022**

	Custodial Funds 2023	Custodial Funds 2022
	<u>2023</u>	<u>2022</u>
<b>ADDITIONS</b>		
Tax remittance from other governments	\$ 3,959,516	5,268,078
Miscellaneous	453,415	339,416
Total additions	<u>4,412,931</u>	<u>5,607,494</u>
<b>DEDUCTIONS AND SPECIAL ITEM</b>		
Debt payments for other governments	3,602,050	3,593,139
Other expense	487,548	353,590
Special item	-	386,710
Total deductions and special item	<u>4,089,598</u>	<u>4,333,439</u>
Net increase in fiduciary net position	323,333	1,274,055
<b>NET POSITION</b>		
Beginning of year	<u>8,369,805</u>	<u>7,095,750</u>
End of year	<u>\$ 8,693,138</u>	<u>\$ 8,369,805</u>

## Note 1 – Organization

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

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

The New Mexico Legislature approved in its House Bill 212 the transformation of NMSU Carlsbad into Southeast New Mexico College as part of the 2021 session. The new college was authorized as an independent college from New Mexico State University. The legislation required the transfer of functions, personnel, and property as of April 10, 2022. As part of the transfer, we made cash payments totaling \$70,269,642, a transfer of fixed assets with a net book value of \$16,237,890, library books of \$259,537, and a contingent liability of \$1,500,000. The impact of the transfer is presented as an expense to the University and is shown as a special item in 2022. As a result of this, the Carlsbad community college no longer exists as part of the University. The contingent liability at June 30, 2023 and 2022, was \$1,879,549 and \$1,274,966, respectively.

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

## Note 2 – Summary of Significant Accounting Policies

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

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

included in Note 11 - Component Units. The mailing addresses for each of the component units are included in Note 11.

GASB Statement 96, Accounting for subscription-based information technology arrangements, was adopted in fiscal year 2023 and requires a reconciliation of the previous balances with the GASB 96 adjustments shown below:

Line item	2022		
	Original Amount	Adjustment	Revised Amount
<b>Assets</b>			
Capital assets, net	\$478,095,090	\$ 5,283,833	\$483,378,923
<b>Liabilities</b>			
Long-term liabilities	\$120,108,600	\$ 5,283,833	\$125,392,433

The changes for 2022 were applied to the beginning balances.

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

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

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

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

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

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

Gains and losses resulting from securities transactions are recorded in investment income.

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

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

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

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

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

	2023	2022
Perkins student loans	\$ 2,081,573	\$ 2,936,948
Finance building sale	925,000	925,000
Lease receivable	15,238,314	15,866,672
Long-term receivable	<u>\$ 18,244,887</u>	<u>\$ 19,728,620</u>

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

The Foundation holds several irrevocable charitable remainder trusts and a pooled income fund; these

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

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

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

The University's depreciation is computed using the straight-line method. Land and land improvements are not depreciated. Estimated useful lives for major asset classes are as follows:

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

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

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

**Current Liabilities.** Current liabilities include accounts payable, other accrued liabilities and accrued interest payable. Other accrued liabilities include accrued current payroll and fringe benefits and current portion of unclaimed property. The benefits included consist of the employee and employer portions of taxes, insurance, retirement and other compensation related withholdings. Also included in current liabilities is the current portion of long-term debt and unearned revenue. Unearned revenue represents revenue collected but not earned as of June 30, 2023 and 2022. This amount is primarily composed of revenue for grants and contracts, prepaid student tuition and fees and special events. The University did not have any outstanding short-term debt for the years ended June 30, 2023 and 2022.

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

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

#### **Annual and Sick Leave Policies.**

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

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

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

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

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

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

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

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

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

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

**Income Taxes.** The income generated by the University as an instrumentality of the State of New Mexico is generally excluded from federal income taxes under section 115(a) of the Internal Revenue Code. However, the University is subject to taxation on income derived from business activities not substantially related to the University's exempt function (unrelated business income under Internal Revenue Code Section 511); such income is taxed at the normal corporate rate. Contributions to the University are deductible by donors as provided under Section 170 of the Internal Revenue Code.

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

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

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

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

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

*Operating expenses:* Operating expenses include activities such as (1) employee salaries, benefits, and related expenses; (2) scholarships and fellowships, net of scholarship allowances; (3) utilities, supplies,

and other services; (4) professional fees; and (5) depreciation expenses related to property, plant, and equipment.

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

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

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

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

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

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

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

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

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

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

	2023	2022
<b>Deferred Outflows of Resources</b>		
Related to net pension liability	\$ 131,213,034	\$ 351,698,641
Related to net OPEB liability	586,869	8,123,326
Net loss on defeasance	941,763	1,156,529
Total deferred outflows of resources	<u>132,741,666</u>	<u>360,978,496</u>
<b>Deferred Inflows of Resources</b>		
Related to net pension liability	\$ 324,974,563	\$ 619,406,883
Related to net OPEB liability	27,041,888	39,795,100
Related to leases	15,238,314	15,866,672
Unamortized bond premiums	2,501	9,291
Total deferred inflows of resources	<u>\$ 367,257,266</u>	<u>\$ 675,077,946</u>

**Reclassifications.** Certain amounts in the 2022 financial statements and notes thereto have been reclassified to conform to 2023 financial statement presentation.

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

### Note 3 - Cash and Investments

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

The Foundation (see Note 11) invests endowment and similar funds for the benefit of the University under the terms of a revocable agreement. These assets are invested in the Pool and as of June 30, 2023 and 2022, the University owned 400,177 and 259,581 shares which represented 25.37% and 21.83% of the total shares in the pool, respectively. The fair value per share as of June 30, 2023 and 2022 was \$195.37 and \$168.31, respectively.

**Cash.** The University's deposits are in demand and time deposit accounts at local financial institutions. The University requires a minimum of 50 percent collateralization of all uninsured funds deposited with a financial institution, with the exception of overnight repurchase agreements, which require 102 percent collateralization. All collateral is held in third-party safekeeping in the name of the University. The majority of the total deposits were invested in interest bearing accounts at June 30, 2023 and 2022.

**Investments.** The Associate Controller and the Banking, Investment and Tax Manager are authorized to purchase and to sell investments of the University. Investments are required to be made in a prudent manner so as to ensure an acceptable yield with a minimum risk within the guidelines of the University's investment policy, which requires investment in securities or other financial instruments which are not contrary to Section 6-10-10 and 46-9A-1 through 46-9A-10 NMSA 1978, existing bond covenants, or other externally placed restrictions. At June 30, 2023 and 2022, all investments are either held in the name of the University by its agent, or held by the University. Investments that will mature in less than one year are considered short-term. The investments not held by the Foundation consisted of U.S. agency securities, U.S. treasury notes, municipal securities, brokered negotiable certificates of deposit with an original maturity of two to five years, and corporate stocks and bonds at June 30, 2023 and 2022. The Foundation's short-term investments in marketable securities consisted entirely of U.S Government and Agency securities at June 30, 2023 and 2022.

Investments held at Foundation were \$76,901,345 and \$44,885,427 at June 30, 2023 and 2022, respectively, and represent longer term investments in debt and equity securities, including, but not limited to, pooled or common trust funds holding such types of securities, subject to any specific limitation set forth in the applicable gift instrument.

At June 30, 2023 and 2022, the investments of the University and its Discrete Component Unit consisted of the following:

	2023 Fair Value	2022 Fair Value
<b>University</b>		
U.S. Agency Securities	\$ 65,640,184	\$ 36,069,143
U.S. Treasury Securities	35,209,470	38,243,538
Domestic Equity Securities and Corporate Bonds	4,662,163	8,691,060
Pooled Investments Held by Others		
Corporate Stocks and Bonds	5,051,015	2,898,909
U.S. Government and Agency Securities	3,212,514	-
Mortgage Backed Securities	-	11,368
Limited Partnerships - Alternative	67,483,861	40,987,888
Real Estate Holdings	1,153,955	987,262
Total Investments	<u>\$ 182,413,162</u>	<u>\$ 127,889,168</u>
<b>Foundation</b>		
Corporate Stocks and Bonds	\$ 20,953,465	\$ 29,934,347
U.S Government and Agency Securities	20,427,335	17,708,497
Other Time Deposits	-	322,239
Mortgage Backed Securities	-	40,706
Limited Partnerships - Alternative	211,362,779	146,771,562
Other Investments	3,394,045	83,860,238
Total Investments	<u>\$ 256,137,624</u>	<u>\$ 278,637,589</u>

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

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

As an entity with a beneficial interest, the University receives monthly distributions of income from the LGPF as required by law. The University's beneficial interest and income received from this beneficial interest as of and for the years ending June 30, 2023 and 2022 are as follows:

	2023	2022
Balance of the University's beneficial interest as of June 30	\$ 93,251,257	\$ 86,989,614
Income received from the University's beneficial interest in the LGPF for the period ending June 30	\$ 3,498,178	\$ 3,202,253

**Assets held by the Foundation for the University.** The following is a schedule of the makeup of pooled cash and investments held by the Discrete Component Unit for the University at June 30, 2023 and 2022.

	2023	2022
Equities	7 %	60 %
Fixed income	7 %	6 %
Cash and cash equivalents	5 %	5 %
Investments not securities	81 %	29 %
	<u>100 %</u>	<u>100 %</u>

**Collateralization of Deposits.** At June 30, 2023 and 2022, the recorded values of the University's cash and time deposits with financial institutions were \$21,652,582 and \$52,440,799, respectively. Bank balances, which differ from the reported values due to reconciling items, are categorized and presented in the following table:

	2023	2022
<b>University and Fiduciary Fund</b>		
Amount insured by the Federal Deposit Insurance Corporation (FDIC)	\$ 536,754	\$ 546,967
Amount collateralized with securities held by the pledging financial institution	27,435,660	59,627,243
Uncollateralized	50,983	768,870
Total cash and time deposit bank balances	<u>28,023,397</u>	<u>60,943,080</u>
Reconciling Items:		
Add: cash equivalents	86,101,607	74,085,941
Add: cash equivalents held by others	32,083,130	2,270,240
Less: other reconciling items	(6,370,815)	(8,502,281)
Total reported cash balance	<u>\$ 139,837,319</u>	<u>\$ 128,796,980</u>
<b>Foundation</b>		
Amount insured by the FDIC	\$ 250,000	\$ 250,000
Amount in excess of FDIC, Lloyd's of London and Security Investor Protection Corporation (SIPC)	11,087,065	12,602,888
Amount at Merrill Lynch insured by SIPC, Lloyd's of London and the FDIC	1,400,000	1,400,000
Amount at Charles Schwab insured by SIPC, Lloyd's of London and the FDIC	1,400,000	1,400,000
Total reported cash balance	<u>\$ 14,137,065</u>	<u>\$ 15,652,888</u>

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

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

The following table provides information on the University's cash and cash equivalents at June 30, 2022:

Account	Type of Account	Financial Institution Balance	Reconciling Items	Book Balance
<b>Fiduciary Fund Accounts</b>				
<b>First National Bank of Alamogordo</b>				
Operational	Debt Service	\$ 651,252	\$ -	\$ 651,252
<b>Wells Fargo Bank of New Mexico</b>				
Operational	Debt Service	7,198,159	-	7,198,159
Operational	Cash Management	531,318	-	531,318
<b>Total Cash and Cash Equivalents - Fiduciary Funds</b>		<u>\$ 8,380,729</u>	<u>\$ -</u>	<u>\$ 8,380,729</u>
<b>Wells Fargo Bank of New Mexico</b>				
Operational	Checking non-interest bearing	-	(8,270,576)	(8,270,576)
Operational	Student ACH	-	(12,091)	(12,091)
Operational	General	-	71,841	71,841
Operational	Payroll	-	(316,385)	(316,385)
Operational	Credit Card	-	20,247	20,247
Operational	Cash Transfers	-	2,383	2,383
Operational	Deposit	-	2,273	2,273
Operational	Money Market (WFS)	59,838,080	-	59,838,080
Operational	Cash Management	52,474,217	-	52,474,217
Operational	Money Market (Trust)	2,002,268	-	2,002,268
<b>Stifel</b>				
Operational	Money Market	2,332	-	2,332
<b>Western Commerce Bank of Carlsbad</b>				
Operational	Deposit	15,832	21	15,853
<b>Cash on Hand</b>				
Cash on hand	Cash	41,167	-	41,167
<b>Citizen's Bank of Las Cruces</b>				
Certificate of deposit	Time Deposit	31,135	6	31,141
<b>Federated Investment Manager</b>				
Dividend reinvestment	Money Market	12,243,261	-	12,243,261
<b>New Mexico State University Foundation, Inc.</b>				
NMSU endowments	Cash	2,270,240	-	2,270,240
<b>Total Cash and Cash Equivalents - University</b>		<u>\$ 128,918,532</u>	<u>\$ (8,502,281)</u>	<u>\$120,416,251</u>
<b>Total Cash and Cash Equivalents</b>		<u>\$ 137,299,261</u>	<u>\$ (8,502,281)</u>	<u>\$128,796,980</u>

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

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

The following table provide information on the the University's investments, including reconciling items, at June 30, 2022.

Account	Type of Account	Financial Institution Balance	Reconciling Items	Book Balance
<b>FHN Financial</b>				
Domestic corporate bonds	Investment	1,996,940	-	1,996,940
<b>FHN Financial</b>				
U.S. agency securities	Investment	21,417,563	-	21,417,563
<b>Stifel</b>				
Domestic equity securities	Investment	268,086	-	268,086
<b>Raymond James</b>				
U.S. agency securities	Investment	6,008,091	-	6,008,091
<b>Raymond James</b>				
Domestic corporate bonds	Investment	5,934,666	-	5,934,666
<b>Wells Fargo Securities</b>				
U.S. agency securities	Investment	8,643,489	-	8,643,489
<b>Wells Fargo Trust</b>				
U.S. treasury securities	Investment	38,243,538	-	38,243,538
<b>Sandia Motorsports Park, Inc.</b>				
Domestic equity securities	Investment	32,427	-	32,427
<b>Principal Funds</b>				
Domestic equity securities	Investment	349,002	-	349,002
<b>Franklin Templeton</b>				
Domestic equity securities	Investment	36,411	-	36,411
<b>Innovation</b>				
Domestic equity securities	Investment	73,528	-	73,528
<b>New Mexico State University Foundation, Inc.</b>				
NMSU endowments	Investment	44,885,427	-	44,885,427
<b>Total Investments</b>		<u>\$ 127,889,168</u>	<u>\$ -</u>	<u>\$ 127,889,168</u>

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

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

Information on the Foundation's cash and cash equivalents and deposit accounts and investments, including reconciling items, at June 30, 2022, is provided below:

Account	Type of Account	Financial Institution Balance	Reconciling Items	Book Balance
<b>Wells Fargo Bank of New Mexico</b>				
Operations Program	Checking non interest bearing	\$ 1,666,972	\$ (1,830)	\$ 1,665,142
Real Estate Holdings, LLC	ACH	1,394,285	-	1,394,285
OWH II LLC	Checking non interest bearing	406,736	-	406,736
Operations	Checking non interest bearing	199,250	-	199,250
		270,884	(118,432)	152,452
<b>Merrill Lynch</b>				
Program	Money Market	81,122	-	81,122
OWH II LLC	Money Market	187,551	-	187,551
Less Cash Allocated to NMSU for AHIT (Program)	Held in Trust	(1,462,479)	-	(1,462,479)
<b>Charles Schwab</b>				
Charitable gift annuity	Money Market	13,102	-	13,102
Student trading	Money Market	16,663	-	16,663
Operating reserve	Money Market	407,559	-	407,559
Programmatic	Money Market	2,874,291	-	2,874,291
<b>Investment Cash - Charles Schwab</b>				
LTIP	Money Market	8,378,820	-	8,378,820
Real Estate Holdings, LLC	Money Market	836,900	-	836,900
Investment cash - Merrill Lynch				
Managers:				
Private Equity	Money Market	199,624	-	199,624
ALT Investments	Money Market	1,113,851	-	1,113,851
Less Cash Allocated to NMSU for AHIT	Held in Trust	(811,981)	-	(811,981)
<b>Total Cash and Cash Equivalents</b>		<u>\$ 15,773,150</u>	<u>\$ (120,262)</u>	<u>\$ 15,652,888</u>
Corporate Stocks and Bonds	Investment	\$ 87,883	-	\$ 87,883
U.S. Government and Agency Securities	Investment	17,708,497	-	17,708,497
Mortgage Backed Securities - Foreign	Investment	40,706	-	40,706
Limited Partnerships - Alternative	Investment	146,771,562	-	146,771,562
Mutual Funds	Investment	29,846,464	-	29,846,464
Non-marketable Equity Investment	Investment	80,325,000	-	80,325,000
<b>Real Estate Holdings</b>				
Real Estate Holdings	Investment	3,535,238	-	3,535,238
Short-term Investments	Investment	322,239	-	322,239
<b>Total Investments</b>		<u>\$ 278,637,589</u>	<u>\$ -</u>	<u>\$278,637,589</u>

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

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

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

A summary of the investments at June 30, 2022, and their exposure to interest rate risk based on the length of the investment follows:

	Fair Value	Less than 1 Year	1 - 5 Years	6 - 10 Years	Greater than 10 Years
<b>University</b>					
U.S. agency securities	\$ 36,069,143	\$ -	\$ 36,069,143	\$ -	\$ -
Domestic corporate bonds	7,931,606	3,994,302	3,937,304	-	-
U.S. treasury securities	38,243,538	25,663,502	12,580,036	-	-
Pooled Investments					
Mortgage-backed securities	11,368	-	11,368	-	-
	<u>82,255,655</u>	<u>\$ 29,657,804</u>	<u>\$ 52,597,851</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Items not subject to interest rate risk:</b>					
Equity securities	759,454				
Pooled Investments					
Domestic equity securities	2,898,909				
Limited partnerships - Alternative	40,987,888				
Real estate holdings (Investments not securities)	987,262				
Total Investments	<u>\$127,889,168</u>				
<b>Foundation</b>					
U.S. government and agency securities	\$ 17,708,497	\$ -	\$ 17,708,497	\$ -	\$ -
Other time deposits	322,239	322,239	-	-	-
Mortgage-backed securities	40,706	-	40,706	-	-
		<u>\$ 322,239</u>	<u>\$ 17,749,203</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Items not subject to interest rate risk:</b>					
Corporate stocks	29,934,347				
Limited partnerships - Alternative	146,771,562				
Other investments	83,860,238				
Total Investments	<u>\$278,637,589</u>				

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

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

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

A summary of the investments at June 30, 2022, and their exposure to credit risk follows:

	Rating	Fair Value
<b>University</b>		
U.S. agency securities	S&P/Moody's - AA+/Aaa	\$ 36,069,143
U.S. treasury securities	Not rated	38,243,538
Corporate bonds	S&P/Moody's - AA+/Aaa	7,931,606
Domestic equity securities	Not rated	759,454
Pooled Investments		
Mortgage-backed securities	Not rated	11,368
Domestic equity securities	Not rated	2,898,909
Limited partnerships - Alternative	Not rated	40,987,888
Real estate holdings (investments not securities)	Not rated	987,262
<b>Total Investments</b>		<u><u>\$ 127,889,168</u></u>
<b>Foundation</b>		
U.S. government and agency securities	Moody's---Aaa	\$ 17,708,497
Other time deposits	Not rated	322,239
Corporate stocks	Not rated	87,883
Mutual funds	Not rated	29,846,464
Mortgage-backed securities	Not rated	40,706
Limited partnerships - Alternative	Not rated	146,771,562
Other investments (investments not securities)	Not rated	83,860,238
<b>Total Investments</b>		<u><u>\$ 278,637,589</u></u>

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

**Custodial Credit Risk – Deposits.** This is the risk that in the event of a bank failure, the University's deposits may not be returned. Neither the University, nor its discretely presented component unit, the Foundation, has a deposit policy for custodial credit risk. As of June 30, 2023 and 2022, total bank balances of the University were \$143,306,252 and \$135,029,021, respectively. None of these balances are subject to custodial credit risk.

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

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

#### Level 1

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

#### Level 2

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

#### Level 3

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

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

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

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

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

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

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

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

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

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

The following table presents the fair value measurements of University assets recognized in the accompanying Statement of Net Position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2022.

2022	Balance as of June 30, 2022	Quoted Prices in Active Markets For Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
<b>Debt Securities</b>				
U.S. treasury securities	\$ 38,243,538	\$ 38,243,538	\$ -	\$ -
Agency securities (GSEs)	36,069,143	-	36,069,143	-
Domestic corporate bonds	7,931,606	-	7,931,606	-
<b>Total Debt Securities</b>	<u>82,244,287</u>	<u>38,243,538</u>	<u>44,000,749</u>	<u>-</u>
<b>Equity Securities</b>				
Common	685,926	685,926	-	-
Nonredeemable securities	73,528	-	-	73,528
<b>Total Equity Securities</b>	<u>759,454</u>	<u>685,926</u>	<u>-</u>	<u>73,528</u>
<b>Total Investments by Fair Value Level</b>	<u>83,003,741</u>	<u>\$ 38,929,464</u>	<u>\$ 44,000,749</u>	<u>\$ 73,528</u>
<b>Investments held by Foundation</b>				
Mutual funds	2,898,909	2,898,909	-	-
Mortgage backed securities	11,368	11,368	-	-
Real estate holdings	987,262	-	-	987,262
<b>Total investments Held by Foundation by Fair Value Level</b>	<u>3,897,539</u>	<u>\$ 2,910,277</u>	<u>\$ -</u>	<u>\$ 987,262</u>
<b>Investments Held by Foundation measured by NAV</b>				
		<b>Unfunded Commitments</b>	<b>Redemption Frequency</b>	<b>Redemption Notice Period</b>
<b>Limited Partnerships - Alternative</b>				
Private markets	\$ 681,628	\$ 5,977,571	None	None
Private real assets	329,552	1,635,148	None	None
Private credit	1,385,112	4,099,538	None	None
Global equity	17,358,095	-	Monthly	16 Days
Opportunistic credit	12,249,921	-	Monthly	16 Days
<b>Total Limited Partnerships - Alternative</b>	<u>32,004,308</u>	<u>11,712,257</u>		
<b>Hedge Fund Investments</b>				
Multi-strategy	2,699,583	-	Quarterly	90 Days
Equity long/short	4,471,626	-	None	None
<b>Total Hedge Fund Investments</b>	<u>7,171,209</u>	<u>-</u>		
<b>Domestic Venture Capital Investments</b>				
Venture capital	1,812,371	-		
<b>Total Domestic Venture Capital Investments</b>	<u>1,812,371</u>	<u>-</u>	None	None
<b>Total Investments Held by Foundation measured by NAV</b>	<u>40,987,888</u>	<u>\$ 11,712,257</u>		
<b>Total Investments</b>	<u>\$ 127,889,168</u>			

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

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

The following table presents the fair value measurements of Foundation assets recognized in the accompanying Statement of Net Position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2022.

2022	Balance as of June 30, 2022	Quoted Prices in Active Markets For Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
<b>Corporate Stocks and Bonds</b>				
Large cap growth	\$ 53,723	\$ 53,723	\$ -	\$ -
<b>Total Corporate Stocks and Bonds</b>	<u>53,723</u>	<u>53,723</u>	<u>-</u>	<u>-</u>
<b>Other Investments</b>				
Mutual funds	29,880,624	29,880,624	-	-
Mortgage backed securities	-	-	-	-
Mortgage backed securities- foreign	40,706	40,706	-	-
Government bonds	17,708,497	-	17,708,497	-
Non-marketable securities	80,325,000	-	-	80,325,000
Real estate holdings	3,535,238	-	-	3,535,238
<b>Total Other Investments</b>	<u>131,490,065</u>	<u>29,921,330</u>	<u>17,708,497</u>	<u>83,860,238</u>
<b>Total Investments by Fair Value Level</b>	<u>131,543,788</u>	<u>\$ 29,975,053</u>	<u>\$ 17,708,497</u>	<u>\$ 83,860,238</u>
<b>Investments Held by Foundation measured by NAV</b>				
		<b>Unfunded Commitments</b>	<b>Redemption Frequency</b>	<b>Redemption Notice Period</b>
<b>Limited Partnerships - Alternative</b>				
Private markets	\$ 2,440,811	\$ 21,404,797	Quarterly	90 Days
Private real assets	1,180,076	-	Quarterly	90 Days
Private credit	4,959,882	14,679,840	Quarterly	90 Days
Global equity	62,156,765	-	Quarterly	90 Days
Opportunistic credit	43,865,153	-	Quarterly	90 Days
<b>Total Limited Partnerships - Alternative</b>	<u>114,602,687</u>	<u>36,084,637</u>		
<b>Hedge Fund Investments</b>				
Multi-strategy	9,666,808	1,425,732	Quarterly	90 Days
Equity long/short	16,012,231	4,690,518	None	None
<b>Total Hedge Fund Investments</b>	<u>25,679,039</u>	<u>6,116,250</u>		
<b>Domestic Venture Capital Investments</b>				
Venture capital	6,489,836	-		
<b>Total Domestic Venture Capital Investments</b>	<u>6,489,836</u>	<u>-</u>	None	None
<b>Total Investments Held by Foundation measured by NAV</b>	<u>146,771,562</u>	<u>\$ 42,200,887</u>		
<b>Other Investments held by Foundation</b>				
Accrued interest income and other short term investments	322,239			
<b>Total Investments</b>	<u>\$ 278,637,589</u>			

**Note 4 – Accounts Receivable and Unearned Revenue**

Accounts receivable consists of the following at June 30, 2023 and 2022:

	2023	2022
<b>University</b>		
Student tuition and fees	\$ 60,932,543	\$ 53,875,572
Federal, state, and private grants and contracts	53,221,657	47,941,689
Appropriations receivable	37,691,230	5,982,654
Other	2,863,223	2,309,549
Less: allowance for doubtful accounts	<u>(45,444,419)</u>	<u>(43,542,592)</u>
Net accounts receivable	<u>\$109,264,234</u>	<u>\$ 66,566,872</u>
Due from Discrete Component Unit	2,032,635	1,990,516
<b>Fiduciary Fund</b>		
Net miscellaneous accounts receivable	<u>\$ 630,179</u>	<u>\$ 442,528</u>
<b>Foundation</b>		
Net miscellaneous accounts receivable	<u>\$ 7,309,070</u>	<u>\$ 10,260,072</u>

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

Unearned revenue consists of the following at June 30, 2023 and 2022:

	2023	2022
<b>University</b>		
Student tuition and fees	\$ 1,146,451	\$ 1,188,838
Federal, state, and private grants and contracts	8,288,876	7,091,446
Other	<u>6,492,232</u>	<u>12,723,711</u>
Total unearned revenue	<u>\$ 15,927,559</u>	<u>\$ 21,003,995</u>
<b>Foundation</b>		
Total unearned revenue	<u>\$ 334,425</u>	<u>\$ 350,413</u>

## Note 5 – Capital Assets

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

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

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

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

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

Changes in capital asset balances for the year ended June 30, 2022, were as follows:

	Balance July 1 2021	Additions	Transfers	Retirements	Balance June 30 2022
<b>University</b>					
Capital assets not depreciated:					
Land and land improvements	\$ 12,730,942	\$ -	\$ -	\$ -	\$ 12,730,942
Construction in progress	8,387,631	30,442,091	(6,010,732)	(870,326)	31,948,664
Total capital assets not being depreciated	<u>\$ 21,118,573</u>	<u>\$ 30,442,091</u>	<u>\$ (6,010,732)</u>	<u>\$ (870,326)</u>	<u>\$ 44,679,606</u>
Capital assets being depreciated:					
Buildings	\$ 842,865,528	\$ 131,482	\$ 4,216,962	\$ (28,236,185)	\$ 818,977,787
Infrastructure	88,080,870	-	1,793,770	(808,232)	89,066,408
Equipment	121,839,642	10,225,194	-	(5,233,017)	126,831,819
Software	13,444,257	102,985	-	(43,511)	13,503,731
Library books	98,400,246	3,056,986	-	(731,226)	100,726,006
Intangible right-to-use lease assets	2,170,837	96,492	-	(21,660)	2,245,669
Subscription-based IT arrangements	5,804,142	2,019,559	-	-	7,823,701
Total other capital assets	<u>1,172,605,522</u>	<u>15,632,698</u>	<u>6,010,732</u>	<u>(35,073,831)</u>	<u>1,159,175,121</u>
Less accumulated depreciation for:					
Buildings	(454,207,630)	(20,773,568)	-	14,446,401	(460,534,797)
Infrastructure	(61,787,887)	(2,967,060)	-	81,766	(64,673,181)
Equipment	(98,336,876)	(5,554,689)	-	3,635,594	(100,255,971)
Software	(12,846,313)	(158,927)	-	40,416	(12,964,824)
Library books	(75,171,289)	(3,375,872)	-	471,688	(78,075,473)
Less accumulated amortization for:					
Intangible right-to-use lease assets	(943,606)	(494,041)	-	5,956	(1,431,691)
Subscription-based IT arrangements	(993,871)	(1,545,996)	-	-	(2,539,867)
Total accumulated depreciation	<u>(704,287,472)</u>	<u>(34,870,153)</u>	<u>-</u>	<u>18,681,821</u>	<u>(720,475,804)</u>
Capital assets being depreciated, net	<u>\$ 468,318,050</u>	<u>\$ (19,237,455)</u>	<u>\$ 6,010,732</u>	<u>\$ (16,392,010)</u>	<u>\$ 438,699,317</u>
<b>Capital asset summary:</b>					
Capital assets not being depreciated	\$ 21,118,573	\$ 30,442,091	\$ (6,010,732)	\$ (870,326)	\$ 44,679,606
Other capital assets, at cost	1,172,605,522	15,632,698	6,010,732	(35,073,831)	1,159,175,121
Total cost of capital assets	<u>1,193,724,095</u>	<u>46,074,789</u>	<u>-</u>	<u>(35,944,157)</u>	<u>1,203,854,727</u>
Less: accumulated depreciation	<u>(704,287,472)</u>	<u>(34,870,153)</u>	<u>-</u>	<u>18,681,821</u>	<u>(720,475,804)</u>
Capital assets, net	<u>\$ 489,436,623</u>	<u>\$ 11,204,636</u>	<u>\$ -</u>	<u>\$ (17,262,336)</u>	<u>\$ 483,378,923</u>
<b>Foundation</b>					
Capital assets	\$ 755,733	\$ -	\$ -	\$ -	\$ 755,733
Less: accumulated depreciation	(723,822)	(4,778)	-	-	(728,600)
Capital assets, net	<u>\$ 31,911</u>	<u>\$ (4,778)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,133</u>

Of the total retirements in fiscal year 2022, a total book value of \$34,077,629 and depreciation of \$17,574,162 relates to the transfer to Southeast New Mexico College from NMSU Carlsbad.

## Note 6 – Long-Term Liabilities

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

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

A summary of changes in long-term liabilities for the University and Discrete Component Unit for the year ended June 30, 2022, follows:

	Balance July 1 2021	Additions	Reductions	Balance June 30 2022	Current Portion (due in 2023)	
<b>University</b>						
Bonds and contracts payable:						
Revenue bonds payable	\$ 113,352,890	\$ -	\$ (8,477,110)	\$ 104,875,780	\$ 7,290,000	
Subordinate revenue note direct borrowing	9,325,000	-	(1,090,000)	8,235,000	1,165,000	
Lease liability	6,019,961	2,089,182	(2,128,234)	5,980,909	1,581,457	
	<u>128,697,851</u>	<u>2,089,182</u>	<u>(11,695,344)</u>	<u>119,091,689</u>	<u>10,036,457</u>	
Total bonds and contracts						
Other liabilities:						
Accrued compensated absences	18,676,136	4,126,194	(4,304,166)	18,498,164	3,663,279	
Other post employment benefits	171,693,793	10,527,448	(52,701,556)	129,519,685	4,845,000	
Net pension liability	1,257,204,608	-	(824,181,655)	433,022,953	-	
Accrued benefit reserve	659,630	-	-	659,630	-	
Other	189,851	133,739	-	323,590	-	
	<u>1,448,424,018</u>	<u>14,787,381</u>	<u>(881,187,377)</u>	<u>582,024,022</u>	<u>8,508,279</u>	
Total other liabilities						
Total long-term liabilities	<u>\$ 1,577,121,869</u>	<u>\$ 16,876,563</u>	<u>\$(892,882,721)</u>	<u>\$ 701,115,711</u>	<u>\$ 18,544,736</u>	
	<b>Balance July 1 2021</b>	<b>Additions</b>	<b>Reductions</b>	<b>Changes in Estimate</b>	<b>Balance June 30 2022</b>	<b>Current Portion (due in 2023)</b>
<b>Foundation</b>						
Gift annuities payable	<u>\$2,281,236</u>	\$ -	\$ (232,169)	\$ (578,871)	\$ 1,470,196	\$ 149,154
Other long-term liabilities	<u>\$2,281,236</u>	\$ -	\$ (232,169)	\$ (578,871)	\$ 1,470,196	\$ 149,154

**Bonds Payable.** All outstanding University revenue bonds as of June 30, 2023 were issued as parity bonds and are all tax exempt. All bonds are payable solely from, and secured by, a pledge of and a non-exclusive first lien on certain pledged revenues. The revenues pledged to meet these debt obligations are student tuition and fees, sales and services, other operating income, investment income, and building fees. The pledged revenues for fiscal years 2023 and 2022 are \$221,843,000 and \$202,732,000, respectively. Interest payments are made twice a year, on October 1 and April 1 while principal is paid annually on April 1. Allowable premiums, and discounts on bonds payable are recorded in total and amortized according to the bonds outstanding method, which approximates the effective interest method.

The bond interest expense incurred for the fiscal years 2023 and 2022 was \$4,759,863 and \$4,525,519, respectively, net of interest income.

Total University bonds issued and outstanding at June 30, 2023 and 2022 :

	Total Issued	<u>Outstanding</u>	
		2023	2022
Bond Series 2013A, 2013B, 2013C (2.00% - 5.00%) Final Maturity 2033	56,200,000	11,070,000	13,545,000
Refunding and Improvement Revenue Bonds			
Bond Series 2017A, 2017B, 2017C (1.75% - 5.00%) Final Maturity 2042	73,240,000	59,795,000	62,825,000
Refunding and Improvement Revenue Bonds			
Bond Series 2019A and 2019B (2.00% - 5.00%) Final Maturity 2040	24,985,000	19,730,000	21,515,000
Improvement Revenue Bonds			
Bond Series 2022 (3.60% - 5.00%) Final Maturity 2042	28,065,000	28,065,000	-
Total Bonds Payable	182,490,000	118,660,000	97,885,000
Plus: Unamortized Net Premium	20,646,409	6,734,122	6,990,780
Bonds Payable, net	<u>\$ 203,136,409</u>	<u>\$ 125,394,122</u>	<u>\$ 104,875,780</u>

The maturity schedule for the University bonds payable at June 30, 2023, follows:

Year Ending June 30	Principal	Interest
2024	\$ 6,665,000	\$ 5,179,164
2025	6,945,000	4,880,306
2026	6,860,000	4,567,350
2027	6,770,000	4,266,994
2028	7,060,000	3,969,987
2029-2033	33,890,000	15,097,792
2034-2038	31,450,000	8,191,314
2039-2042	19,020,000	2,210,184
Total	<u>\$ 118,660,000</u>	<u>\$ 48,363,091</u>

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

The interest expense incurred on the note was \$252,815 and \$286,278 for fiscal years ended June 30, 2023 and 2022, respectively.

The maturity schedule for the subordinate revenue note at June 30, 2023, follows:

Year Ending June 30	Principal	Interest
2024	\$ 1,240,000	\$ 217,049
2025	1,325,000	178,981
2026	1,410,000	138,304
2027	1,500,000	95,017
2028	1,595,000	48,967
Total	<u>\$ 7,070,000</u>	<u>\$ 678,318</u>

**Lease Liability.** The University acquires various types of equipment under lease agreements. All lease agreements contain a fiscal funding clause, which allows the lease agreements to be canceled if funding for future periods is not appropriated. University administration believes that the likelihood of this occurrence is remote. NMSU recognized total payments towards lease obligations of \$2,649,993 and \$1,698,886 in fiscal years ended June 30, 2023 and 2022, respectively. The following tables detail the carrying value of assets acquired under these arrangements, the net present value of minimum lease payments, future minimum lease payments and the portion of the lease payments representing interest at June 30, 2023.

Type of Property	Asset Carrying Value	Net Present Value of Minimum Lease Payments
Office equipment	\$ 76,798	\$ 54,843
Real Estate	452,305	400,364
Subscription-Based Information Technology	9,702,537	7,248,952
Total	<u>\$ 10,231,640</u>	<u>\$ 7,704,159</u>

Year Ending June 30	Principal	Interest	Minimum Payments
2024	\$ 2,787,297	\$ 144,123	\$ 2,931,420
2025	2,754,740	92,703	2,847,443
2026	1,325,702	36,441	1,362,143
2027	832,598	12,753	845,351
2028	3,822	1,061	4,883
Total	<u>\$ 7,704,159</u>	<u>\$ 287,081</u>	<u>\$ 7,991,240</u>

## Note 7 – Health Insurance

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

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

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

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

## Note 8 – Retirement Programs

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

### A. Educational Retirement Act

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

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

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

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

	2023	2022	2021
Employee's earning \$24,000 or less:			
University contribution	17.15%	15.15%	14.15%
Employee contribution	7.90%	7.90%	7.90%
Employee's earning \$24,000 or less:			
University contribution	17.15%	15.15%	14.15%
Employee contribution	10.70%	10.70%	10.70%
University's contribution to ERB	\$ 29,432,003	\$ 27,684,763	\$ 28,188,265
University's contribution to ERB for Return to Work Program	\$315,056	\$289,151	\$278,796

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

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

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

The June 30, 2023 total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2021. The total ERB pension liability was rolled forward from the valuation date to the plan year June 30, 2022, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2022. At June 30, 2023 and 2022 the University reported liabilities of \$480,925,203 and \$433,022,953, respectively, for its proportionate share of the net pension liability. The proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2022. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2022, the University's proportion was 5.71054% which was a decrease of 0.39916% from its proportion measured as of June 30, 2021. At June 30, 2021, the University proportion was 6.10970% which was a decrease of 0.09385% from its proportion measured as of June 30, 2020.

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

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

The \$32,942,023 reported as deferred outflows of resources related to pensions resulting from University contributions subsequent to the measurement date of June 30, 2022 will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

For the year ended June 30, 2022, the University recognized a pension expense of \$28,120,888. At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 34,024,377	\$ 1,066,331
Changes of assumptions	288,242,261	493,144,282
Net difference between projected and actual earnings on pension plan investments	-	107,684,023
Changes in proportion and differences between University contributions and proportionate share of contributions	-	17,512,247
University contributions subsequent to the measurement date	29,432,003	-
Total	<u>\$ 351,698,641</u>	<u>\$ 619,406,883</u>

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

Year Ending June 30	
2024	\$ 128,297,420
2025	92,562,909
2026	22,573,770
2027	(16,730,547)
	<u>\$ 226,703,552</u>

**Actuarial assumptions:** As described above, the June 30, 2023 total ERB pension liability and net

pension liability are based on an actuarial valuation performed as of June 30, 2021. The total ERB pension liability was rolled forward from the valuation date to the Plan year June 30, 2022 using generally accepted actuarial principles. Specifically, the liabilities measured as of June 30, 2022 incorporate the following assumptions:

All members with an annual salary of more than \$24,000 will contribute 10.70% during the fiscal year ended June 30, 2022 and thereafter.

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

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

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

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

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

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

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

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Equities - Domestic	13%	
Equities - International	11%	
Fixed Income	23%	
Alternatives	52%	
Cash	1%	
Total	100%	7.00%

Discount rate: A single discount rate of 7.00% was used to measure the total ERB pension liability as of June 30, 2022 and June 30, 2021. For 2022, the single discount rate was based on an expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.69%. Based on the stated assumptions and the projection of cash flows, the Plan's fiduciary net position and future contributions were sufficient to finance all projected future benefit payments of current plan members. For 2021, the single discount rate was based on the expected rate of return on pension investments of 7.00%. Based on the stated assumptions and the projection of cash flows, the Plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current pension plan members.

**Sensitivity of the University's proportionate shares of the net pension liability to changes in the discount rate:** The following tables show the sensitivity of the net pension liability to changes in the discount rate as of fiscal year end 2023 and 2022. In particular, the table presents the University's net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower, (6.00%), or one percentage point higher, (8.00%) than the single discount rate for June 30, 2022 and 2021.

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

	2022		
	1% Decrease (2.89%)	Current Discount Rate (3.89%)	1% Increase (4.89%)
New Mexico State University's proportionate share of the net pension liability	\$ 613,112,325	\$ 433,022,953	\$ 284,197,072

**Pension plan fiduciary net position:** Detailed information about the ERB's fiduciary net position is available in the separately issued audited financial statements as of and for June 30, 2022 and 2021 which are publicly available at [www.erb.org](http://www.erb.org).

## B. Alternative Retirement Program

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

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

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

	2023	2022	2021
Employee's earning \$24,000 or less:			
University contribution	17.15%	15.15%	14.15%
Employee contribution	7.90%	7.90%	7.90%
Employee's earning \$24,000 or less:			
University contribution	17.15%	15.15%	14.15%
Employee contribution	10.70%	10.70%	10.70%
Administration fee to ERB	6.25%	4.25%	3.25%
Payroll expenses covered by ARP	\$ 38,051,219	\$ 36,715,552	\$ 35,096,862
University's contribution to the ERB for ARP	\$ 41,146,485	\$ 4,003,943	\$ 3,827,195
Administration fee paid to ERB for ARP	\$ 2,376,348	\$ 1,559,604	\$ 1,140,648
Employee contributions made to ARP	\$ 4,068,538	\$ 3,929,617	\$ 3,756,969

### C. Federal Retirement Program

**Plan Description.** Certain employees of the University working under the auspices of the United States Department of Agriculture (through various University sponsored extension programs) are covered under the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS), established with the passage of Public Law 99-335. Both are defined benefit retirement plans. FERS is a three-tiered retirement plan (covering substantially all Federal employees hired subsequent to December 31, 1986) combining Social Security benefits with a basic benefit plan and a thrift savings plan. Employees hired prior to 1984 do not participate in Social Security, but have the ability to transfer to FERS at their own discretion. The CSRS and FERS are administered by the U.S. Office of Personnel Management, Retirement Operations Center, P.O. Box 45, Boyers, Pennsylvania 16017.

**Contributions Required.** Employees covered by CSRS and FERS are considered federal employees, and as such, are obligated to contribute according to the guidelines of the federal government. For the year ended June 30, 2021 there was 0 employees enrolled under CSRS and 2 employees under FERS.

A summary of member and employer contributions to the Federal Retirement Program is provided below:

	2023	2022	2021
Employee's covered by CSRS:			
University contribution	7.00%	7.00%	7.00%
Employee contribution	7.00%	7.00%	7.00%
Employee's covered by FERS:			
University contribution	13.70%	13.70%	13.70%
Employee contribution	0.80%	0.80%	0.80%
University's contribution	\$ -	\$ 23,538	\$ 35,403
Employee's contribution	\$ -	\$ 1,076	\$ 1,770

### Note 9 – Other Postemployment Benefits Plan

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

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

The University currently pays 60% of the monthly medical and prescription premium for retirees and their eligible dependents until the retiree reaches age 70, at which time the University reduces their contribution to 30%. As of June 30, 2023 and 2022, 1,394 and 1,450 retirees met the eligibility requirements for health insurance, respectively.

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

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

Employees covered by benefit terms - At June 30, 2023 and 2022, the following employees were covered by the benefit terms:

	2023	2022
Current retirees receiving benefits	1,727	1,779
Current active members	1,494	1,676

**Annual OPEB Cost and Total OPEB Obligation.** The University's annual other postemployment benefit (OPEB) Service/Interest cost (expense) is the portion of the Actuarial Present Value of plan benefits and expenses for active employees which is allocated to a valuation year by the Actuarial Cost Method. The following table shows the components of the University's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the University's total OPEB obligation related for fiscal year 2023:

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

The total OPEB liability and sensitive information were based on an annual actuarial valuation performed as of June 30, 2023.

The following table shows the components of the University's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the University's total OPEB obligation related for fiscal year 2022:

	Total OPEB Liability
<b>Total OPEB Liability - Start of Year (July 1, 2021)</b>	<b>\$ 171,693,793</b>
Changes for the year	
Service cost	6,725,906
Interest cost	3,801,542
Differences between expected and actual experience	(20,103,342)
Changes in assumptions or other inputs	(27,753,429)
Benefit payments	(4,844,785)
Net change in total OPEB liability	(42,174,108)
<b>Total OPEB Liability - End of Year (June 30, 2022)</b>	<b>\$ 129,519,685</b>

The total OPEB liability and sensitive information were based on an annual actuarial valuation performed as of June 30, 2023. The discount rate is the only applicable change in the valuation.

A summary of the key results are shown below for fiscal year ended June 30, 2023 and 2022:

	2023	2022
Present Value of Future Benefits	\$ 155,922,270	\$ 158,721,000
Total OPEB Liability (Beginning of Fiscal Year)	\$ 129,519,685	\$ 129,519,685
Total OPEB Liability (End of Fiscal Year)	\$ 130,659,104	\$ 130,659,104

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

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

For the year ended June 30, 2022, the University recognized a OPEB expense of \$3,910,590. At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 18,263,094
Changes of assumptions	\$ 8,123,326	\$ 21,532,006
Total	\$ 8,123,326	\$ 39,795,100

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

Year Ending June 30	
2024	\$ 10,980,213
2025	11,567,082
2026	3,776,445
2027	131,279
	<u>\$ 26,455,019</u>

**Actuarial Methods and Assumptions.** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The Entry Age Normal Actuarial Cost Method was used based on level percentage of projected salary. The OPEB liability was roll forward from the valuation date to the plan year June 30, 2023, conducted in accordance with generally accepted actuarial principles.

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

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Discount Rate	3.65% per annum <i>Source: Bond Buyer 20-Bond GO Index</i>
Salary Increase Rate	2.5% per annum
Medicare Eligibility	All current and future retirees are assumed to be eligible for Medicare at age 65
Health Care Cost Trend Rate	The actuarial valuation assumes an annual health care cost trend on a select and ultimate basis. Medical and prescription benefits on a select basis at 6.25% for retirees 65 years of age and under and 5.25% for retirees over 65 years of age and on an ultimate basis at 4.25%. The select trend rates are reduced .25% each year until reaching the ultimate trend.
Per Capita Health Claim Cost	Expected pre Medicare retiree claim costs were developed by applying age adjustments to the current fully insured premiums. The annual age 60 claim costs retirees and their spouses is \$7,704. The age 70 costs for retirees is \$3,132.
Mortality Rate	Pub-2010, projected forward using SOA scale MP-2021.

**Discount Rate.** A single discount rate of 3.65% and 3.54% was used to measure the total OPEB liability as of June 30, 2023 and 2022, respectively.

**Other Information.** The discount rate was updated from the prior valuation. Termination rates were updated to the rates from the 2021 NMERB Actuarial Valuation. The trend rates were rest to an initial rate of 6.25% (5.25% for post-Medicare), grading down by 0.25% per year until reaching the ultimate rate of 4.25% based on current Healthcare Analytics Consulting. The mortality projection scale was updated from MP-2019 to MP-2020 to reflect the Society of Actuaries' recent mortality study. The Plan participation rates were updated to reflect the participation trend. Currently, the plans are considered to be unfunded as there are no assets and retiree benefits are expected to be paid annually on a cash basis.

**Health Care Trend Sensitivity Analysis.** The following schedules measures the Total OPEB Liability if the health care cost trend rate used was 1% higher than than the assumed health care cost trend rate and 1% lower than the assumed health care cost trend rate for June 30, 2023 and 2022, respectively.

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

	2022		
	1% Decrease	Current Trend	1% Increase
New Mexico State University's total OPEB liability	<u>\$ 113,174,000</u>	<u>\$ 129,519,685</u>	<u>\$ 150,009,000</u>

**Discount Rate Sensitivity Analysis.** The following tables show the sensitivity of the OPEB liability to changes in the discount rate as of fiscal year end 2023 and 2022. In particular, the table presents the University's OPEB liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower, (4.65%) and (4.54%), or one percentage point higher, (2.65%) and (2.54%) than the single discount rate for June 30, 2023 and 2022, respectively.

	2023		
	1% Decrease (4.65%)	Current Discount Rate (3.65%)	1% Increase (2.65%)
New Mexico State University's total OPEB liability	<u>\$ 114,703,000</u>	<u>\$ 130,659,104</u>	<u>\$ 150,427,000</u>

	2022		
	1% Decrease (4.54%)	Current Discount Rate (3.54%)	1% Increase (2.54%)
New Mexico State University's total OPEB liability	<u>\$ 113,703,000</u>	<u>\$ 129,519,685</u>	<u>\$ 149,116,000</u>

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

## Note 10 – Commitments

**Capitalizable Project Commitments and Financing.** The University has entered into contracts for the construction and renovation of various facilities. At June 30, 2023, the estimated remaining costs to complete these and other in-house construction and renovation projects was approximately \$177.8 million. These projects are in various stages of completion. Those deemed to be major projects are expected to be completed by May 2026. The remaining cost of all budgeted projects (both capital and non-capital) will be financed as follows:

Funding Sources	Amount
Revenue bonds	\$ 27,166,744
General obligation bonds (State of New Mexico)	98,577,888
Severance tax bonds (State of New Mexico)	9,663,733
University Funds	21,839,275
State funds	11,508,126
Gifts, grants and contracts	9,070,292
Total	<u>\$177,826,058</u>

**Other Commitments.** At June 30, 2023, the University had outstanding purchase orders for materials and services which were not received, and thus are not recorded as liabilities in the accompanying Statements of Net Position. The approximate amount of such commitments is \$42.1 million.

## Note 11 - Component Units

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

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

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

Summary of Arrowhead Center, Inc. financial information as of June 30, 2023 and 2022, and for the fiscal years then ended follows:

	2023	2022
<b>Net Position</b>		
Total assets	\$ 16,098,085	\$ 16,134,292
Total liabilities	805,299	812,918
Deferred inflows of resources	13,278,710	13,596,196
Total net position	<u>\$ 2,014,076</u>	<u>\$ 1,725,178</u>
<b>Changes in Net Position</b>		
Total revenues	\$ 1,098,128	\$ 795,213
Total expenditures	809,230	777,603
Change in net position	288,898	17,610
Net position, beginning	<u>1,725,178</u>	<u>1,707,568</u>
<b>Net position, ending</b>	<u>\$ 2,014,076</u>	<u>\$ 1,725,178</u>

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

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

#### Note 12 – Contingent Liabilities

The University has evaluated contingent liabilities from the balance sheet date through December 1, 2023, the date at which the financial statements were available to be issued, and determined there are no additional items to disclose.

### Note 13 – Natural Classification Operating Expenses

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

	2023		2022	
	University	Component Unit	University	Component Unit
Operating Expenses				
Salaries				
Faculty	\$100,116,140	\$ -	\$ 95,188,798	\$ -
Exempt staff	119,039,581	5,571,449	108,873,882	3,641,483
Non-exempt staff	15,213,713	-	13,350,355	-
Student/graduate assistant	35,926,411	122,446	33,244,435	20,672
Other compensation	5,270,325	-	4,951,939	8,954
Total salaries	<u>275,566,170</u>	<u>5,693,895</u>	<u>255,609,409</u>	<u>3,671,109</u>
Other Operating Expenses				
Benefits	62,833,862	-	80,001,650	-
Travel	14,168,740	496,100	9,706,545	125,602
Scholarship and fellowships and other program support	59,227,648	16,038,416	83,414,714	14,018,645
Utilities	15,018,939	-	15,326,176	4,763
Professional fees	45,297,418	790,211	32,180,514	636,757
Supplies and other services	99,669,595	1,700,859	87,129,251	919,626
Depreciation	36,818,625	5,807	34,870,153	4,778
Total operating expenses	<u>\$608,600,997</u>	<u>\$ 24,725,288</u>	<u>\$598,238,412</u>	<u>\$ 19,381,280</u>

### Note 14 – Unrestricted Net Position

Unrestricted net position supports the missions of the University in current and future years. The following is a breakdown of the University's unrestricted net position as of June 30, 2023:

	2023	2022
Unrestricted Net Position	\$ (635,243,575)	\$ (695,592,141)
Add: Unfunded Pension	674,686,743	700,731,195
Add: Long-Term Compensated Absences	15,415,132	14,834,885
Add: Other Post Employment Benefits	<u>157,114,124</u>	<u>161,191,459</u>
<b>Adjusted Unrestricted Net Position</b>	<u><u>211,972,424</u></u>	<u><u>181,165,398</u></u>
Unrestricted - Instruction and General	\$ 54,038,132	\$ 35,134,273
Unrestricted - Research	36,791,044	24,185,761
Unrestricted - Public Service	19,334,103	17,778,238
Unrestricted - Other	7,542,533	17,365,126
Quasi Endowments Funds	16,624,826	13,123,951
Renewals and Replacements - Buildings	23,131,489	21,904,462
Renewals and Replacements - Auxiliary Enterprises	4,375,242	7,827,497
Renewals and Replacements - Internal Services Units	6,133,046	6,698,491
Renewals and Replacements - Equipment	2,994,829	4,010,645
Unexpended plant - Designated to Projects	17,138,557	10,876,355
Unexpended plant - Future Projects/Contingency	<u>23,868,623</u>	<u>22,260,599</u>
<b>Total</b>	<u><u>\$ 211,972,424</u></u>	<u><u>\$ 181,165,398</u></u>

### Note 15 – Tax Abatements

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

### Note 16 – New Accounting Standards

GASB Statement No.94 (*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*) will become effective for fiscal year 2023. This statement provides guidance for public-private and public-public partnership arrangements (PPPs) that meet the definition of a lease in GASB 87. For all others, it provides accounting and financial reporting requirements for use of underlying assets. This statement was adopted but has no impact to the University at this time. Continued consideration will be performed in future periods.

GASB Statement No. 96 (*Subscription-Based Information Technology Arrangements*) will become effective for fiscal year 2023. This statement defines subscription-based technology arrangements and clarifies its applicability to GASB 87, as amended. Under this statement, a government should generally recognize right-to-use subscription assets and corresponding subscription liabilities. The University's operating leases were converted in accordance with this statement, as applicable, as seen in Note 5, Capital Assets.

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

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

The University has not yet determined the impact of this statement.

GASB Statement No. 100 (*Accounting Changes and Error Corrections—An Amendment of GASB Statement No. 62*) will become effective for fiscal year 2024. This statement serves to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information. The University has not yet determined the impact of this statement.

GASB Statement No. 101 (*Compensated Absences*) will become effective for fiscal year 2024. The statement provides updates for accounting and reporting for compensated absences. The University has not yet determined the impact of this statement.

### Note 17 – Subsequent Events

The University has evaluated subsequent events from the balance sheet date through December 1, 2023, the date at which the financial statements were available to be issued, and determined there are no additional items to disclose.

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

	2023
<b>Total OPEB liability</b>	
Service Cost	\$ 3,955,254
Interest	4,626,588
<b>Current Recognized deferred outflows/(inflows):</b>	
Difference between expected and actual experience	-
Changes of assumptions or other inputs	(1,881,681)
Benefit payments	<u>(5,560,742)</u>
<b>Net change in total OPEB liability</b>	<b>\$ 1,139,419</b>
<b>Total OPEB liability-beginning</b>	<b>\$ 129,519,685</b>
<b>Total OPEB liability-ending</b>	<b>\$ 130,659,104</b>
<b>Covered-employee payroll</b>	<b>\$ 119,786,000</b>
Total OPEB liability as a percentage of covered-employee payroll	109 %

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

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

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

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

	2023	2022	2021	2020	2019
University's proportion of the net pension liability	5.71054%	6.10970%	6.20355%	6.43137 %	6.66230 %
University's proportion share of the net pension liability	\$ 480,925,203	\$ 433,022,953	\$ 1,257,204,608	\$ 487,324,359	\$ 792,236,144
University's covered-employee payroll	\$ 203,545,335	\$ 205,566,001	\$ 206,801,497	\$ 196,414,377	\$ 194,360,458
University's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	236.27 %	210.65 %	607.93 %	248.11 %	407.61 %
Plan fiduciary net position as a percentage of the total pension liability	64.87%	69.77%	39.11 %	64.13 %	52.17 %

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

**Schedule of Employer Contributions - ERB Plan**

	2023	2022	2021	2020	2019
Statutorily required employer contribution	\$ 32,942,023	\$ 29,432,003	\$ 28,041,065	\$ 28,188,265	\$ 26,135,142
Contribution in relation to the statutorily required contribution	<u>32,942,023</u>	<u>29,432,003</u>	<u>28,041,065</u>	<u>28,188,265</u>	<u>26,135,142</u>
Contribution deficiency (excess)	<u>\$ -</u>				
University's covered-employee payroll	215,948,869	203,545,335	205,566,001	206,801,497	196,414,377
Contributions as percentage of covered-employee payroll	15.25 %	14.46 %	13.64 %	13.63 %	13.31 %

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

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

Schedule 3 - Combining Statement of Net Position

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

See accompanying independent auditor's report.

Schedule 3 - Combining Statement of Net Position

	New Mexico State University 2022	Alamogordo Campus 2022	Dona Ana Campus 2022	Carlsbad Campus 2022	Grants Campus 2022	Arrowhead Center, Inc. 2022	Total 2022
<b>ASSETS</b>							
Current assets:							
Cash and cash equivalents	\$ 18,008,172	\$ 2,944,580	\$ 18,448,396	\$ -	\$ 7,404,018	\$ 1,520,766	\$ 48,325,932
Restricted cash and cash equivalents	9,155,086	60,502	275,128	-	2,307	150,942	9,643,965
Cash and cash equivalents held in trust by component unit for NMSU	2,270,240	-	-	-	-	-	2,270,240
Short-term investments	29,657,804	-	-	-	-	-	29,657,804
Accounts receivable, net	58,286,103	1,103,183	6,431,486	-	715,498	30,602	66,566,872
Due from component unit	1,990,516	-	-	-	-	-	1,990,516
Inventories	4,553,922	-	17,024	-	-	-	4,570,946
Prepaid expenses	661,016	-	-	-	-	-	661,016
Long-term receivable - current portion	502,328	-	-	-	-	306,981	809,309
Total current assets	<u>125,085,187</u>	<u>4,108,265</u>	<u>25,172,034</u>	<u>-</u>	<u>8,121,823</u>	<u>2,009,291</u>	<u>164,496,600</u>
Non-current assets:							
Unrestricted cash and cash equivalents	18,424,061	6,758,575	6,940,283	-	4,789,804	-	36,912,723
Restricted cash and cash equivalents	11,247,605	-	11,873,243	-	142,543	-	23,263,391
Investments held in trust by component unit for NMSU	43,819,449	182,541	338,456	-	544,981	-	44,885,427
Other long-term investments	53,239,982	-	-	-	-	105,955	53,345,937
Long-term receivable	4,705,096	-	925,000	-	-	13,289,215	18,919,311
Capital assets, net	400,192,004	14,487,476	55,948,839	-	12,020,773	729,831	483,378,923
Total non-current assets	<u>531,628,197</u>	<u>21,428,592</u>	<u>76,025,821</u>	<u>-</u>	<u>17,498,101</u>	<u>14,125,001</u>	<u>660,705,712</u>
<b>TOTAL ASSETS</b>	<u>656,713,384</u>	<u>25,536,857</u>	<u>101,197,855</u>	<u>-</u>	<u>25,619,924</u>	<u>16,134,292</u>	<u>825,202,312</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>308,671,670</u>	<u>8,503,867</u>	<u>40,098,121</u>	<u>-</u>	<u>3,704,838</u>	<u>-</u>	<u>360,978,496</u>
<b>LIABILITIES</b>							
Current liabilities:							
Accounts payable	17,063,654	44,391	457,192	-	121,479	32,727	17,719,443
Due to NMSU	(50,000)	-	-	-	-	50,000	-
Other accrued liabilities	18,188,909	-	-	-	-	-	18,188,909
Accrued interest payable	1,132,475	-	-	-	-	-	1,132,475
Unearned revenue	16,243,722	391,377	4,204,680	-	163,856	360	21,003,995
Held in trust by NMSU	615,449	-	-	-	-	-	615,449
Long-term liabilities - current portion	18,544,736	-	-	-	-	-	18,544,736
Total current liabilities	<u>71,738,945</u>	<u>435,768</u>	<u>4,661,872</u>	<u>-</u>	<u>285,335</u>	<u>83,087</u>	<u>77,205,007</u>
Non-current liabilities:							
Accrued benefit reserves	659,630	-	-	-	-	-	659,630
Other long-term liabilities	123,483,876	-	-	-	-	729,831	124,213,707
Net pension liability	370,075,035	10,233,830	48,255,549	-	4,458,539	-	433,022,953
Other post-employment benefit liability	105,846,596	3,060,998	14,433,516	-	1,333,575	-	124,674,685
Total non-current liabilities	<u>600,065,137</u>	<u>13,294,828</u>	<u>62,689,065</u>	<u>-</u>	<u>5,792,114</u>	<u>729,831</u>	<u>682,570,975</u>
<b>TOTAL LIABILITIES</b>	<u>671,804,082</u>	<u>13,730,596</u>	<u>67,350,937</u>	<u>-</u>	<u>6,077,449</u>	<u>812,918</u>	<u>759,775,982</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>565,654,516</u>	<u>15,579,223</u>	<u>73,460,663</u>	<u>-</u>	<u>6,787,348</u>	<u>13,596,196</u>	<u>675,077,946</u>
<b>NET POSITION</b>							
Net investment in capital assets	292,726,748	14,487,476	56,873,839	-	12,013,773	-	376,101,836
Restricted for:							
Non-expendable:							
Endowments	32,257,602	182,541	338,456	-	544,981	-	33,323,580
Expendable:							
Endowments	1,462,479	-	-	-	-	-	1,462,479
General activities	6,204,987	47,956	187,319	-	20,959	-	6,461,221
Federal student loans	5,490,747	-	-	-	200	-	5,490,947
Capital projects	9,895,473	45,299	12,048,943	-	320,834	-	22,310,549
Related entity activities	(64,734)	12,546	94,270	-	1,149	1,725,178	1,768,409
Unrestricted	<u>(620,046,818)</u>	<u>(10,044,942)</u>	<u>(69,058,451)</u>	<u>-</u>	<u>3,558,070</u>	<u>-</u>	<u>(695,592,141)</u>
<b>TOTAL NET POSITION</b>	<u>\$ (272,073,516)</u>	<u>\$ 4,730,876</u>	<u>\$ 484,376</u>	<u>\$ -</u>	<u>\$ 16,459,966</u>	<u>\$ 1,725,178</u>	<u>\$ (248,673,120)</u>

See accompanying independent auditor's report.

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

	New Mexico State University 2023	Alamogordo Campus 2023	Dona Ana Campus 2023	Carlsbad Campus 2023	Grants Campus 2023	Arrowhead Center, Inc 2023	Total 2023
<b>REVENUES</b>							
Operating revenues:							
Student tuition and fees (gross)	\$ 116,529,511	\$ 1,487,854	\$ 10,686,733	\$ -	\$ 1,159,790	\$ -	\$ 129,863,888
Less: scholarship allowances	(70,632,225)	(742,341)	(7,622,340)	-	(523,382)	-	(79,520,288)
Student tuition and fees (net)	45,897,286	745,513	3,064,393	-	636,408	-	50,343,600
Federal appropriations, grants and contracts	102,951,311	1,157,960	2,655,203	-	475,237	-	107,239,711
State grants and contracts	9,918,282	575,344	3,222,090	-	385,050	-	14,100,766
Local Appropriations, grants and contracts	3,437,996	-	2,000	-	-	-	3,439,996
Non-governmental grants, contracts and gifts	7,506,033	-	32,829	-	213	-	7,539,075
Sales and services	9,602,114	13,103	340,488	-	88,592	-	10,044,297
Auxiliary enterprises (net of scholarship allowances)	8,843,899	-	-	-	-	-	8,843,899
Other operating revenues	24,685,860	79,475	694,283	-	88,593	-	25,548,211
Total operating revenues	212,842,781	2,571,395	10,011,286	-	1,674,093	-	227,099,555
<b>EXPENSES</b>							
Operating expenses:							
Instruction	118,413,622	4,371,042	24,180,372	-	2,193,770	-	149,158,806
Research	101,803,042	616,658	16,651	-	-	-	102,436,351
Public service	57,552,638	503,786	931,100	-	128,003	-	59,115,527
Academic support	23,546,379	1,238,317	5,415,480	-	490,500	-	30,690,676
Student services	12,981,284	749,457	3,568,728	-	712,287	-	18,011,756
Institutional support	25,325,222	1,437,060	6,043,501	-	680,380	-	33,486,163
Operation and maintenance of plant	46,014,155	658,157	3,011,144	-	(1,622,240)	-	48,061,216
Scholarships and fellowships	34,606,363	1,333,476	10,759,163	-	1,084,191	-	47,783,193
Auxiliary enterprises	24,624,488	2,364	193,655	-	17,027	-	24,837,534
Independent operations	24,717,686	-	-	-	-	-	24,717,686
Intercollegiate athletics	28,641,896	-	-	-	-	-	28,641,896
Student social and cultural	3,887,825	350	416,115	-	298	-	4,304,588
Loan administration (net)	536,980	-	-	-	-	-	536,980
Depreciation	31,302,948	1,198,427	3,559,304	-	757,946	-	36,818,625
Total operating expenses	533,954,528	12,109,094	58,095,213	-	4,442,162	-	608,600,997
Net operating income (loss)	(321,111,747)	(9,537,699)	(48,083,927)	-	(2,768,069)	-	(381,501,442)
Non-operating revenues (expenses):							
State appropriations	230,826,494	8,029,429	27,988,471	-	4,730,800	-	271,575,194
Federal Pell grants	27,726,543	1,237,361	11,358,899	-	1,052,516	-	41,375,319
State lottery scholarship	19,148,912	69,288	628,822	-	26,141	-	19,873,163
New Mexico opportunity scholarship	34,960,973	468,786	3,266,659	-	323,693	-	39,020,111
Local tax levy revenue	1	811,254	6,871,380	-	318,932	-	8,001,567
Gifts and non-exchange grants	12,402,886	26,850	554,262	-	60,757	-	13,044,755
Investment income (loss)	11,018,249	147,552	1,085,417	-	172,483	-	12,423,701
Building fees	3,606,117	41,095	400,000	-	-	-	4,047,212
Land lease and permanent fund	5,061,753	-	-	-	-	-	5,061,753
Loss on disposal of plant	(51,408)	-	(3,733)	-	-	-	(55,141)
Gain on sale of land	108,782	-	-	-	-	-	108,782
Additions to quasi endowments	72,424	-	-	-	-	-	72,424
Interest and other expenses on capital asset-related debt	(4,025,980)	-	-	-	-	-	(4,025,980)
Other non-operating revenues (expenses)	(1,742,801)	1,916,847	12,754,692	-	(58,320)	288,898	13,159,316
Net non-operating revenues	339,112,945	12,748,462	64,904,869	-	6,627,002	288,898	423,682,176
Income (loss) before other revenues	18,001,198	3,210,763	16,820,942	-	3,858,933	288,898	42,180,734
Capital appropriations	19,066,332	580,710	12,974,291	-	153,464	-	32,774,797
Capital grants, gifts, and other income	3,229,238	82,726	518,483	-	86,998	-	3,917,445
Additions to permanent endowments	25,713,846	1,403	2,504,407	-	17,389	-	28,237,045
Special item - Carlsbad separation	-	-	-	-	-	-	-
Increase (decrease) in net position	66,010,614	3,875,602	32,818,123	-	4,116,784	288,898	107,110,021
<b>NET POSITION</b>							
Beginning of year	(272,073,509)	4,730,874	484,373	-	16,459,964	1,725,178	(248,673,120)
End of year	\$ (206,062,895)	\$ 8,606,476	\$ 33,302,496	\$ -	\$ 20,576,748	\$ 2,014,076	\$ (141,563,099)

See accompanying independent auditor's report.

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

	New Mexico State University Campus 2022	Alamogordo Campus 2022	Dona Ana Campus 2022	Carlsbad Campus 2022	Grants Campus 2022	Arrowhead Center, Inc 2022	Total 2022
<b>REVENUES</b>							
Operating revenues:							
Student tuition and fees (gross)	\$ 103,411,898	\$ 2,048,102	\$ 9,338,251	\$ 922,635	\$ 931,823	\$ -	\$ 116,652,709
Less: scholarship allowances	(40,791,066)	(191,161)	(912,542)	(83,466)	(154,344)	-	(42,132,579)
Student tuition and fees (net)	62,620,832	1,856,941	8,425,709	839,169	777,479	-	74,520,130
Federal appropriations, grants and contracts	84,219,456	1,938,222	10,580,213	1,544,353	1,193,723	-	99,475,967
State grants and contracts	9,482,319	458,850	2,928,719	554,736	431,471	-	13,856,095
Local Appropriations, grants and contracts	2,954,875	-	2,000	-	-	-	2,956,875
Non-governmental grants, contracts and gifts	8,206,930	-	-	-	49,787	-	8,256,717
Sales and services	6,922,079	8,270	202,174	885	60,410	-	7,193,818
Auxiliary enterprises (net of scholarship allowances)	14,828,666	-	-	-	-	-	14,828,666
Other operating revenues	16,084,905	206,663	1,556,562	113,313	232,846	-	18,194,289
Total operating revenues	205,320,062	4,468,946	23,695,377	3,052,456	2,745,716	-	239,282,557
<b>EXPENSES</b>							
Operating expenses:							
Instruction	117,466,080	4,542,451	24,666,145	4,334,580	2,436,657	-	153,445,913
Research	98,730,903	425,282	133,898	620	-	-	99,290,703
Public service	49,697,156	458,884	702,023	571,650	114,767	-	51,544,480
Academic support	18,766,771	1,049,184	4,282,464	808,069	416,317	-	25,322,805
Student services	13,333,679	600,207	2,718,151	486,126	526,183	-	17,664,346
Institutional support	30,134,996	1,134,525	4,872,022	(5,019,148)	616,578	-	31,738,973
Operation and maintenance of plant	25,965,607	1,851,130	4,843,483	892,133	1,380,167	-	34,932,520
Scholarships and fellowships	49,123,137	1,819,313	20,043,497	1,658,791	1,268,164	-	73,912,902
Auxiliary enterprises	19,896,104	606	152,570	82,695	4,130	-	20,136,105
Independent operations	24,388,893	-	-	-	-	-	24,388,893
Intercollegiate athletics	24,154,882	-	-	-	-	-	24,154,882
Student social and cultural	3,436,773	-	251,905	292,241	-	-	3,980,919
Loan administration (net)	2,854,818	-	-	-	-	-	2,854,818
Depreciation	29,422,107	1,183,090	3,533,455	-	731,501	-	34,870,153
Total operating expenses	507,371,906	13,064,672	66,199,613	4,107,757	7,494,464	-	598,238,412
Net operating income (loss)	(302,051,844)	(8,595,726)	(42,504,236)	(1,055,301)	(4,748,748)	-	(358,955,855)
Non-operating revenues (expenses):							
State appropriations	192,064,901	7,309,019	24,625,537	3,968,553	3,618,800	-	231,586,810
Federal Pell grants	24,638,558	974,117	10,218,928	866,118	758,627	-	37,456,348
State lottery scholarship	19,302,739	82,313	648,152	58,717	18,378	-	20,110,299
New Mexico opportunity scholarship	5,106,353	166,201	1,235,244	131,180	80,919	-	6,719,897
Local tax levy revenue	-	770,880	5,968,377	19,456,324	319,973	-	26,515,554
Gifts and non-exchange grants	10,138,633	32,028	439,809	32,465	12,069	-	10,655,004
Investment income (loss)	(7,470,286)	31,081	109,181	106,891	42,309	-	(7,180,824)
Building fees	3,541,417	60,361	400,000	-	-	-	4,001,778
Land lease and permanent fund	4,280,410	-	-	-	-	-	4,280,410
Loss on disposal of plant	(20,528,339)	-	(930)	19,507,843	-	-	(1,021,426)
Additions to quasi endowments	44,631	-	-	-	-	-	44,631
Interest and other expenses on capital asset-related debt	(3,681,321)	-	-	-	-	-	(3,681,321)
Other non-operating revenues (expenses)	58,596,492	5,039	(332,248)	(5,421,436)	6,972	17,610	52,872,429
Net non-operating revenues	286,034,188	9,431,039	43,312,050	38,706,655	4,858,047	17,610	382,359,589
Income (loss) before other revenues	(16,017,656)	835,313	807,814	37,651,354	109,299	17,610	23,403,734
Capital appropriations	13,551,669	1,706,402	1,942,671	1,385,895	1,393,043	-	19,979,680
Capital grants, gifts, and other income	11,126,102	(1,161,573)	(1,368,966)	(1,328,286)	(859,721)	-	6,407,556
Additions to permanent endowments	329,988	1,105	879	(130,724)	24,568	-	225,816
Special item - Carlsbad separation	-	-	-	(88,267,069)	-	-	(88,267,069)
Increase (decrease) in net position	8,990,103	1,381,247	1,382,398	(50,688,830)	667,189	17,610	(38,250,283)
<b>NET POSITION</b>							
Beginning of year	(281,063,612)	3,349,627	(898,025)	50,688,830	15,792,775	1,707,568	(210,422,837)
End of year	\$ (272,073,509)	\$ 4,730,874	\$ 484,373	\$ -	\$ 16,459,964	\$ 1,725,178	\$ (248,673,120)

See accompanying independent auditor's report.

## Schedule 5A - Budgetary Comparison Schedules - Unrestricted and Restricted - All Operations for June 30, 2023

	Original Budget	Revised Budget	Actuals	Revised Budget vs Actuals - Variance Favorable (Unfavorable)
Unrestricted and restricted beginning fund balance	\$ 143,263,559	\$ 198,576,080	\$ 198,576,080	\$ -
Unrestricted and restricted revenues:				
State government appropriations	240,980,600	271,575,614	271,575,194	(420)
Federal revenue sources	155,857,553	196,608,738	162,439,493	(34,169,245)
Tuition and fees income	124,082,522	129,756,361	130,108,640	352,279
Land and permanent fund	3,397,136	3,397,136	5,061,753	1,664,617
Endowment and private gifts	13,845,525	15,738,168	14,384,190	(1,353,978)
Other sources	156,183,812	254,564,017	213,573,733	(40,990,284)
Total unrestricted and restricted revenues	<u>694,347,148</u>	<u>871,640,034</u>	<u>797,143,003</u>	<u>(74,497,031)</u>
Unrestricted and restricted expenditures:				
Instruction	161,430,912	198,711,099	162,484,880	36,226,219
Academic support	32,235,091	40,782,384	37,668,306	3,114,078
Student services	22,252,845	21,268,125	19,608,050	1,660,075
Institutional support	36,387,939	37,942,239	35,945,472	1,996,767
Operation and maintenance	27,073,297	29,025,341	28,118,510	906,831
Subtotal instruction and general	<u>279,380,084</u>	<u>327,729,188</u>	<u>283,825,218</u>	<u>43,903,970</u>
Student social and cultural activities	4,202,442	5,075,979	4,482,812	593,167
Research	118,966,223	134,704,043	119,530,270	15,173,773
Public service	58,477,204	78,064,322	69,627,720	8,436,602
Internal services	2,347,894	14,317,921	2,913,669	11,404,252
Student aid, grants and stipends	116,222,404	154,338,605	134,622,191	19,716,414
Auxiliary services	22,261,870	31,333,109	25,787,501	5,545,608
Intercollegiate athletics	22,369,676	31,041,733	29,309,234	1,732,499
Independent operations	26,514,340	33,367,251	25,940,577	7,426,674
Capital outlay	50,186,683	84,703,357	47,207,865	37,495,492
Renewal and replacement	16,547,500	23,850,908	10,788,351	13,062,557
Retirement of indebtedness	11,831,203	12,971,398	12,409,603	561,795
Total unrestricted and restricted expenditures	<u>729,307,523</u>	<u>931,497,814</u>	<u>766,445,011</u>	<u>165,052,803</u>
Net transfers to (from)	<u>28,309</u>	<u>626,816</u>	<u>130,999</u>	<u>495,817</u>
Change in fund balance	<u>(34,988,684)</u>	<u>(60,484,596)</u>	<u>30,566,993</u>	<u>91,051,589</u>
Ending fund balance	<u>\$ 108,274,875</u>	<u>\$ 138,091,484</u>	<u>\$ 229,143,073</u>	<u>\$ 91,051,589</u>

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

See accompanying independent auditor's report.

## Schedule 5B - Budgetary Comparison Schedules - Unrestricted - Instruction and General for June 30, 2023

	Original Budget	Revised Budget	Actuals	Revised Budget vs Actuals - Variance Favorable (Unfavorable)
Unrestricted beginning fund balance	\$ 12,227,759	\$ 43,082,365	\$ 43,082,365	\$ -
Unrestricted revenues:				
Tuition and fees income	97,902,751	102,515,596	102,331,729	(183,867)
Miscellaneous fees	12,315,802	13,316,309	13,163,963	(152,346)
Federal government appropriations	-	-	-	-
State government appropriations	180,893,700	193,710,214	193,710,214	-
Local government appropriations	7,378,000	7,593,000	8,003,566	410,566
Federal government grants and contracts	136,514	176,764	190,556	13,792
State government grants and contracts	-	-	-	-
Local government grants and contracts	-	-	-	-
Private gifts, grants and contracts	-	-	-	-
Endowments	-	-	-	-
Land and permanent fund	3,397,136	3,397,136	5,061,753	1,664,617
Private gifts	-	-	-	-
Sales and services	598,200	575,000	803,165	228,165
Other sources	17,690,754	23,187,153	25,710,801	2,523,648
Total unrestricted revenues	<u>320,312,857</u>	<u>344,471,172</u>	<u>348,975,747</u>	<u>4,504,575</u>
Unrestricted expenditures:				
Instruction	151,492,335	172,679,858	145,851,966	26,827,892
Academic support	30,159,544	37,740,384	35,619,224	2,121,160
Student services	21,862,520	20,545,953	19,139,129	1,406,824
Institutional support	36,097,055	37,508,783	35,707,338	1,801,445
Operation and maintenance	27,041,297	28,873,741	28,103,100	770,641
Total unrestricted expenditures	<u>266,652,751</u>	<u>297,348,719</u>	<u>264,420,757</u>	<u>32,927,962</u>
Net transfers to (from)	<u>53,671,596</u>	<u>70,480,837</u>	<u>66,846,332</u>	<u>3,634,505</u>
Change in fund balance	<u>(11,490)</u>	<u>(23,358,384)</u>	<u>17,708,658</u>	<u>41,067,042</u>
Ending fund balance	<u>\$ 12,216,269</u>	<u>\$ 19,723,981</u>	<u>\$ 60,791,023</u>	<u>\$ 41,067,042</u>

See accompanying independent auditor's report.

## Schedule 5C- Budgetary Comparison Schedules - Restricted - Instruction and General for June 30, 2023

	Original Budget	Revised Budget	Actuals	Revised Budget vs Actuals - Variance Favorable (Unfavorable)
Restricted beginning fund balance	\$ -	\$ -	\$ -	\$ -
Restricted revenues:				
Tuition and fees income	-	-	-	-
Miscellaneous fees	-	-	-	-
Federal government appropriations	5,225,205	20,031,214	12,121,407	(7,909,807)
State government appropriations	2,240,881	2,584,817	2,026,042	(558,775)
Local government appropriations	-	-	-	-
Federal government grants and contracts	-	-	-	-
State government grants and contracts	-	-	-	-
Local government grants and contracts	-	-	-	-
Private gifts, grants and contracts	81,231	119,879	81,166	(38,713)
Endowments	-	-	-	-
Land and permanent fund	-	-	-	-
Private gifts	5,180,016	7,644,559	5,175,846	(2,468,713)
Sales and services	-	-	-	-
Other sources	-	-	-	-
Total restricted revenues	<u>12,727,333</u>	<u>30,380,469</u>	<u>19,404,461</u>	<u>(10,976,008)</u>
Restricted expenditures:				
Instruction	9,938,577	26,031,241	16,632,914	9,398,327
Academic support	2,075,547	3,042,000	2,049,082	992,918
Student services	390,325	722,172	468,921	253,251
Institutional support	290,884	433,456	238,134	195,322
Operation and maintenance	32,000	151,600	15,410	136,190
Total restricted expenditures	<u>12,727,333</u>	<u>30,380,469</u>	<u>19,404,461</u>	<u>10,976,008</u>
Net transfers to (from)	-	-	-	-
Change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditor's report.

**Schedule 5 - Budgetary Comparison Schedules - Combined Campuses**

## Reconciliation of Budget

Unrestricted and Restricted - All Operations

For the Year Ended June 30, 2023

<b>Total Unrestricted and Restricted Revenues:</b>		\$ 797,143,003
Reconciling Items:		
Scholarship allowance	\$ (86,002,128)	
Elimination of Internal Revenues	(21,782,326)	
Endowment fund revenues	32,625,616	
Quasi endowment fund revenues	72,424	
Blended Component Unit Revenues (AHI, ADI)	1,372,224	
Loan Fund Additions	(378,666)	
Financial statement adjustments	<u>(3,258,008)</u>	
Total reconciling items		<u>(77,350,864)</u>
<b>Total reconciled unrestricted and restricted revenues</b>		<u><u>\$ 719,792,139</u></u>
<b>Basic Financial Statements</b>		
Operating revenues		\$ 227,099,555
Non-operating revenues		414,495,199
Non-operating revenues netted in other non-operating revenues and expenses		13,159,316
Gain on Sale of Land		108,782
Other Revenues		<u>64,929,287</u>
<b>Total revenues per Financial Statements</b>		<u><u>\$ 719,792,139</u></u>
Difference		<u><u>\$ -</u></u>
<b>Total Unrestricted and Restricted Expenses:</b>		\$ 766,445,011
Reconciling Items:		
Scholarship allowance	\$ (86,002,128)	
Elimination of Internal Sales	(21,782,326)	
Blended Component Unit expenditures (AHI, ADI)	887,579	
Depreciation expense	36,818,625	
Loan fund expenditures	536,980	
Other operating expense	(3,497,089)	
Capitalization of plant	(45,349,556)	
Bond principal payments	(8,317,500)	
Pension Expense	(26,044,463)	
Accounts Payable accrual, net	864,132	
Budget reporting adjustments	(1,296,626)	
Financial statement reporting adjustments	(525,380)	
Loss on disposal of plant	<u>(55,141)</u>	
Total reconciling items		<u>(153,762,893)</u>
<b>Total reconciled unrestricted and restricted expenses</b>		<u><u>\$ 612,682,118</u></u>
<b>Basic Financial Statements</b>		
Operating expenditures		\$ 608,600,997
Non-operating expenditures		4,025,980
Loss on disposal of plant		<u>55,141</u>
<b>Total Expenditures per Financial Statements</b>		<u><u>\$ 612,682,118</u></u>
Difference		<u><u>\$ -</u></u>

See accompanying independent auditor's report.

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

Page 1

Account	Type of Security	CUSIP No./ Security #	Maturity Date	Fair Value of Collateral	Deposit Amount
<b>CITIZEN'S BANK OF LAS CRUCES</b> <i>Certificate of Deposit</i> <i>Endowment</i>	None				<u>\$ 31,141</u>
<b>FIRST NATIONAL BANK OF ALAMOGORDO</b> <i>Cash</i>	Mortgage-Backed	31418BBB1	3/1/2024	\$ 9,184	<u>\$ 359,660</u>
<i>Cash</i>	Mortgage-Backed	3128MMXB4	1/1/2033	\$ 388,860	
<b>WELLS FARGO BANK OF NEW MEXICO</b> <i>Cash</i>	Liberty Mutual	190051720	N/A	\$ 38,000,000	<u>\$ 27,576,000</u>
<b>WESTERN COMMERCE BANK, CARLSBAD</b> <i>Cash</i>					<u>\$ 5,613</u>

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

See accompanying independent auditor's report.

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

Page 2

Account	FDIC/SPIC Insurance	Uninsured Public Funds	By the pledging Federal Institution	Excess Amounts over 50% Collateral Requirement
<b>CITIZEN'S BANK OF LAS CRUCES</b>				
<i>Certificate of Deposit</i>				
<i>Endowment</i>	\$ 31,141	\$ -	\$ -	\$ -
<b>FIRST NATIONAL BANK OF ALAMOGORDO</b>				
<i>Cash</i>	\$ 250,000	\$ 109,660	\$ 398,044	\$ 343,214
<b>WELLS FARGO BANK OF NEW MEXICO</b>				
<i>Cash</i>	\$ 250,000	\$ 27,326,000	\$ 38,000,000	\$ 24,337,000
<b>WESTERN COMMERCE BANK, CARLSBAD</b>				
<i>Cash</i>	\$ 5,613	\$ -	\$ -	\$ -

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
<b>RESEARCH AND DEVELOPMENT CLUSTER</b>					
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	AGRICULTURAL RESEARCH_BASIC & APPLIED		10.001	\$ 10,000	\$ 2,057,779
			<b>10.001 Total</b>	<b>\$ 10,000</b>	<b>\$ 2,057,779</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	PLANT & ANIMAL DISEASE, PEST CONTROL, & ANIMAL CARE		10.025	\$ -	\$ 307,625
			<b>10.025 Total</b>	<b>\$ -</b>	<b>\$ 307,625</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	SPECIALTY CROP BLOCK GRANT		10.170	\$ 310,148	\$ 903,483
<b>DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU</b>					
Texas A&M University	SPECIALTY CROP BLOCK GRANT	AM190200XXXXG008	10.170	\$ -	\$ 129,784
			<b>10.170 Total</b>	<b>\$ 310,148</b>	<b>\$ 1,033,267</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU</b>					
Utah State University	ACER ACCESS AND DEVELOPMENT PROGRAM	21ACERUT1001-00	10.174	\$ -	\$ 14,207
			<b>10.174 Total</b>	<b>\$ -</b>	<b>\$ 14,207</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU</b>					
Kansas State University	GRANTS FOR AGRICULTURAL RESEARCH	2021-38624-35736	10.200	\$ -	\$ 4,867
Texas A&M University	GRANTS FOR AGRICULTURAL RESEARCH	2021-38624-35737	10.200	\$ -	\$ 15,275
			<b>10.200 Total</b>	<b>\$ -</b>	<b>\$ 20,142</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	COOPERATIVE FORESTRY RESEARCH		10.202	\$ 7,688	\$ 602,735
			<b>10.202 Total</b>	<b>\$ 7,688</b>	<b>\$ 602,735</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	HATCH FEDERAL APPROPRIATIONS		10.203	\$ -	\$ 3,308,296
			<b>10.203 Total</b>	<b>\$ -</b>	<b>\$ 3,308,296</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	ANIMAL HEALTH FEDERAL APPROPRIATION		10.207	\$ -	\$ 32,556
			<b>10.207 Total</b>	<b>\$ -</b>	<b>\$ 32,556</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU</b>					
Montana State University	SUSTAINABLE AGRICULTURE RESEARCH & EDUCATION	2018-38640-28418	10.215	\$ -	\$ 11,634
Montana State University	SUSTAINABLE AGRICULTURE RESEARCH & EDUCATION	20193864029880	10.215	\$ -	\$ 58,121
Montana State University	SUSTAINABLE AGRICULTURE RESEARCH & EDUCATION	2020-38640-31523	10.215	\$ -	\$ 59,912
			<b>10.215 Total</b>	<b>\$ -</b>	<b>\$ 129,667</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU</b>					
Rutgers University	HIGHER EDUCATION - CHALLENGE GRANTS	2021-70003-35433	10.217	\$ -	\$ 136,815
			<b>10.217 Total</b>	<b>\$ -</b>	<b>\$ 136,815</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	HISPANIC SERVING INSTITUTION GRANTS		10.223	\$ -	\$ 38,687
			<b>10.223 Total</b>	<b>\$ -</b>	<b>\$ 38,687</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	AGRICULTURAL AND RURAL ECONOMIC RESEARCH		10.250	\$ -	\$ 9,901
<b>DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU</b>					
Iowa State University	AGRICULTURAL AND RURAL ECONOMIC RESEARCH	58-3000-2-0059	10.250	\$ -	\$ 4,100
			<b>10.250 Total</b>	<b>\$ -</b>	<b>\$ 14,001</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	National Institute of Food and Agriculture		10.303	\$ -	\$ 70,796
			<b>10.303 Total</b>	<b>\$ -</b>	<b>\$ 70,796</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	SPECIALTY CROP RESEARCH INITIATIVE		10.309	\$ 69,062	\$ 282,096
<b>DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU</b>					
Regents University of California Davis	SPECIALTY CROP RESEARCH INITIATIVE	2022-51181-38327	10.309	\$ -	\$ 3,698
Washington State University	SPECIALTY CROP RESEARCH INITIATIVE	20185118128435	10.309	\$ -	\$ 115,957
Washington State University	SPECIALTY CROP RESEARCH INITIATIVE	2019-51181-30013	10.309	\$ -	\$ 10,754
			<b>10.309 Total</b>	<b>\$ 69,062</b>	<b>\$ 412,505</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	AGRICULTURE & FOOD RESEARCH INITIATIVE		10.310	\$ 208,293	\$ 790,731
<b>DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU</b>					
Kansas State University	AGRICULTURE & FOOD RESEARCH INITIATIVE	2021-67013-33782	10.310	\$ -	\$ 2,877
Lehigh University	AGRICULTURE & FOOD RESEARCH INITIATIVE	2020-67022-31144	10.310	\$ -	\$ 12,040
New Mexico Institute of Mining and Technology	AGRICULTURE & FOOD RESEARCH INITIATIVE	2022-67020-36265	10.310	\$ -	\$ 115,073
Regents University of California Davis	AGRICULTURE & FOOD RESEARCH INITIATIVE	2021-67013-33942	10.310	\$ -	\$ 65,666
Regents University of California Davis	AGRICULTURE & FOOD RESEARCH INITIATIVE	2021-68012-35914	10.310	\$ -	\$ 174,325
Regents University of California Merced	AGRICULTURE & FOOD RESEARCH INITIATIVE	2021-69012-35916	10.310	\$ -	\$ 316,360
University of Arizona	AGRICULTURE & FOOD RESEARCH INITIATIVE	2017-68005-26867	10.310	\$ -	\$ 454,045
University of Texas	AGRICULTURE & FOOD RESEARCH INITIATIVE	2020-67023-32905	10.310	\$ -	\$ 14,827
University of Texas	AGRICULTURE & FOOD RESEARCH INITIATIVE	2022-67037-36259	10.310	\$ -	\$ 52,066
			<b>10.310 Total</b>	<b>\$ 208,293</b>	<b>\$ 1,998,010</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	FARM BUSINESS MANAGEMENT AND BENCHMARKING		10.319	\$ 500,740	\$ 2,502,827
			<b>10.319 Total</b>	<b>\$ 500,740</b>	<b>\$ 2,502,827</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU</b>					
Regents University of California Davis	CROP PROTECTION AND PEST MANAGEMENT	2022-70006-38003	10.329	\$ -	\$ 374
			<b>10.329 Total</b>	<b>\$ -</b>	<b>\$ 374</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	ENERGY EFFICIENCY & POLLUTION PREVENTION		10.351	\$ -	\$ 10,138
			<b>10.351 Total</b>	<b>\$ -</b>	<b>\$ 10,138</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	COOPERATIVE EXTENSION SERVICE		10.500	\$ 48,000	\$ 52,899
			<b>10.500 Total</b>	<b>\$ 48,000</b>	<b>\$ 52,899</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	SOIL & WATER CONSERVATION		10.902	\$ 33,825	\$ 474,716
			<b>10.902 Total</b>	<b>\$ 33,825</b>	<b>\$ 474,716</b>

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
<b>RESEARCH AND DEVELOPMENT CLUSTER</b>					
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	SOIL SURVEY		10.903	\$ -	\$ 102,466
			<b>10.903 Total</b>	<b>\$ -</b>	<b>\$ 102,466</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	PLANT MATERIALS FOR CONSERVATION		10.905	\$ -	\$ 86,495
			<b>10.905 Total</b>	<b>\$ -</b>	<b>\$ 86,495</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	STRATEGIES TO IMPROVE SOIL & WATER		10.912	\$ -	\$ 379,667
			<b>10.912 Total</b>	<b>\$ -</b>	<b>\$ 379,667</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	TECHNICAL AGRICULTURAL ASSISTANCE		10.960	\$ 9,272	\$ 33,798
			<b>10.960 Total</b>	<b>\$ 9,272</b>	<b>\$ 33,798</b>
<b>DEPARTMENT OF AGRICULTURE (USDA) - DIRECT</b>					
	DEPARTMENT OF AGRICULTURE		10.rd	\$ -	\$ 135,818
<b>DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU</b>					
Energy And Minerals Department	DEPARTMENT OF AGRICULTURE	N/A	10.rd	\$ -	\$ 5,950
Regents University of California Davis	DEPARTMENT OF AGRICULTURE	2021-2884-03	10.rd	\$ -	\$ 13,380
			<b>10.rd Total</b>	<b>\$ -</b>	<b>\$ 155,148</b>
<b>DEPARTMENT OF COMMERCE (DOC) - DIRECT</b>					
	CLIMAS AIR QUALITY & CLIMATE ASSE		11.431	\$ -	\$ 32,215
<b>DEPARTMENT OF COMMERCE (DOC) - PASS THRU</b>					
University of Arizona	CLIMAS AIR QUALITY & CLIMATE ASSE	NA17OAR4310288	11.431	\$ -	\$ 61,800
			<b>11.431 Total</b>	<b>\$ -</b>	<b>\$ 94,015</b>
<b>DEPARTMENT OF COMMERCE (DOC) - DIRECT</b>					
	CONGRESSIONALLY IDENTIFIED AWARDS AND PROJ		11.469	\$ -	\$ 1,782,970
			<b>11.469 Total</b>	<b>\$ -</b>	<b>\$ 1,782,970</b>
<b>DEPARTMENT OF COMMERCE (DOC) - PASS THRU</b>					
Saint Josephs University	MEASUREMENT AND ENGINEERING RESEARCH	70NANB21H167	11.609	\$ -	\$ 28,928
Saint Josephs University	MEASUREMENT AND ENGINEERING RESEARCH	70NANB22H145	11.609	\$ -	\$ 14,986
			<b>11.609 Total</b>	<b>\$ -</b>	<b>\$ 43,914</b>
<b>DEPARTMENT OF DEFENSE (DOD) - DIRECT</b>					
	CONSERVATION AND REHABILITATION OF NATURAL RESOURCES ON MILITARY INSTALLATIONS		12.005	\$ 2,729,661	\$ 3,029,961
			<b>12.005 Total</b>	<b>\$ 2,729,661</b>	<b>\$ 3,029,961</b>
<b>DEPARTMENT OF DEFENSE (DOD) - DIRECT</b>					
	BASIC & APPLIED SCIENTIFIC RESEARCH		12.300	\$ 196,646	\$ 404,139
<b>DEPARTMENT OF DEFENSE (DOD) - PASS THRU</b>					
University of Notre Dame	BASIC & APPLIED SCIENTIFIC RESEARCH	N00014-22-1-2454	12.300	\$ -	\$ 36,025
			<b>12.300 Total</b>	<b>\$ 196,646</b>	<b>\$ 440,164</b>
<b>DEPARTMENT OF DEFENSE (DOD) - DIRECT</b>					
	BASIC SCIENTIFIC RESEARCH		12.431	\$ -	\$ 246,539
<b>DEPARTMENT OF DEFENSE (DOD) - PASS THRU</b>					
Northeastern University	BASIC SCIENTIFIC RESEARCH	W9111NF2220001	12.431	\$ -	\$ 146,973
			<b>12.431 Total</b>	<b>\$ -</b>	<b>\$ 393,512</b>
<b>DEPARTMENT OF DEFENSE (DOD) - DIRECT</b>					
	BASIC, APPLIED, & ADVANCED RESEARCH IN SCIENCE & ENG		12.630	\$ -	\$ 111,077
			<b>12.630 Total</b>	<b>\$ -</b>	<b>\$ 111,077</b>
<b>DEPARTMENT OF DEFENSE (DOD) - DIRECT</b>					
	AIR FORCE DEFENSE RESEARCH SCIENCES PROGRAM		12.800	\$ 35,064	\$ 345,070
			<b>12.800 Total</b>	<b>\$ 35,064</b>	<b>\$ 345,070</b>
<b>DEPARTMENT OF DEFENSE (DOD) - DIRECT</b>					
	DEPARTMENT OF DEFENSE		12.rd	\$ 1,422,108	\$ 10,210,444
<b>DEPARTMENT OF DEFENSE (DOD) - PASS THRU</b>					
ARCTOS TECHNOLOGY SOLUTIONS, LLC.	DEPARTMENT OF DEFENSE	FA8650-21-D-2014	12.rd	\$ -	\$ 24,932
Colorado State University	DEPARTMENT OF DEFENSE	N/A	12.rd	\$ -	\$ 2,357
Corvid Technologies, LLC	DEPARTMENT OF DEFENSE	HQ0860-20-C-7405	12.rd	\$ -	\$ 237,903
Corvid Technologies, LLC	DEPARTMENT OF DEFENSE	N00178-19-D-5001	12.rd	\$ -	\$ 365,942
Corvid Technologies, LLC	DEPARTMENT OF DEFENSE	N68335-23-C-0076	12.rd	\$ -	\$ 41,550
Corvid Technologies, LLC	DEPARTMENT OF DEFENSE	W9124P-19-9-0001	12.rd	\$ -	\$ 7,537
Corvid Technologies, LLC	DEPARTMENT OF DEFENSE	W9124P-19-9-0001	12.rd	\$ -	\$ 2,007,276
Excet, Inc.	DEPARTMENT OF DEFENSE	GSO0816BP0059	12.rd	\$ -	\$ 213,204
Excet, Inc.	DEPARTMENT OF DEFENSE	GSO0816BP0059	12.rd	\$ -	\$ 465
General Dynamics C4 Systems Inc	DEPARTMENT OF DEFENSE	N/A	12.rd	\$ -	\$ 96,907
Kratos Defense & Security Solutions Inc	DEPARTMENT OF DEFENSE	FA8650-20-C-2404	12.rd	\$ -	\$ 289,987
Kratos Defense & Security Solutions Inc	DEPARTMENT OF DEFENSE	N/A	12.rd	\$ -	\$ 194,418
Kratos Defense & Security Solutions Inc	DEPARTMENT OF DEFENSE	W9124P-19-9-0001	12.rd	\$ -	\$ 339,638
Leidos, Inc.	DEPARTMENT OF DEFENSE	W9111NF21F0043	12.rd	\$ -	\$ 154,192
Luna Labs USA, LLC	DEPARTMENT OF DEFENSE	W9111SR-22-C-0020	12.rd	\$ -	\$ 39,574
NorthWest Research Associates, Inc.	DEPARTMENT OF DEFENSE	FA9550-17-C-0021	12.rd	\$ -	\$ 49,309
PHYSICAL SCIENCES, INCORPORATED	DEPARTMENT OF DEFENSE	W9111SR-22-C-0015	12.rd	\$ -	\$ 160,741
Purdue University	DEPARTMENT OF DEFENSE	W52P11-20-9-3009	12.rd	\$ -	\$ 76,846
Texas A&M University	DEPARTMENT OF DEFENSE	HQ00342190007	12.rd	\$ -	\$ 47,152
The Ohio State University	DEPARTMENT OF DEFENSE	FA-8650-20-2-5853	12.rd	\$ -	\$ 4,148
UES, Inc.	DEPARTMENT OF DEFENSE	W9111NF22C0003	12.rd	\$ -	\$ 14,716
University of Alaska Fairbanks	DEPARTMENT OF DEFENSE	HQ003418D0027	12.rd	\$ -	\$ 628,093
University of Arizona	DEPARTMENT OF DEFENSE	FA7000-20-2-0004	12.rd	\$ -	\$ 34,590
X-Bow Launch Systems Inc.	DEPARTMENT OF DEFENSE	HQ08451990003 & 617981T	12.rd	\$ -	\$ 382,078
			<b>12.rd Total</b>	<b>\$ 1,422,108</b>	<b>\$ 15,623,999</b>
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	CULTURAL RESOURCE MANAGEMENT		15.224	\$ -	\$ 3,162
			<b>15.224 Total</b>	<b>\$ -</b>	<b>\$ 3,162</b>

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
<b>RESEARCH AND DEVELOPMENT CLUSTER</b>					
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	RECREATION RESOURCE MANAGEMENT		15.225	\$ -	\$ 7,524
			<b>15.225 Total</b>	<b>\$ -</b>	<b>\$ 7,524</b>
<b>DEPARTMENT OF INTERIOR (DOI) - PASS THRU</b>					
Upper Hondo Soil and Water Conservation District	INVASIVE AND NOXIOUS PLANT MANAGEMENT	L20AC00367-03	15.230	\$ -	\$ 47,991
			<b>15.230 Total</b>	<b>\$ -</b>	<b>\$ 47,991</b>
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	FISH, WILDLIFE, & PLANT CONSERVATION RESOURCE MGT		15.231	\$ -	\$ 22,030
			<b>15.231 Total</b>	<b>\$ -</b>	<b>\$ 22,030</b>
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	RANGELAND RESOURCE MANAGEMENT		15.237	\$ -	\$ 59,859
			<b>15.237 Total</b>	<b>\$ -</b>	<b>\$ 59,859</b>
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	WILDLIFE RESOURCE MANAGEMENT		15.247	\$ -	\$ 28,774
			<b>15.247 Total</b>	<b>\$ -</b>	<b>\$ 28,774</b>
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	WATER DESALINATION RESEARCH & DEV			\$ -	\$ 194,526
<b>DEPARTMENT OF INTERIOR (DOI) - PASS THRU</b>					
University of Cincinnati	WATER DESALINATION RESEARCH & DEV	R21AC10486-00	15.506	\$ -	\$ 34,367
			<b>15.506 Total</b>	<b>\$ -</b>	<b>\$ 228,893</b>
<b>DEPARTMENT OF INTERIOR (DOI) - PASS THRU</b>					
Elephant Butte Irrigation District	DROUGHT RESILIENCY PROJECTS	R21AP10035-00	15.514	\$ -	\$ 24,025
			<b>15.514 Total</b>	<b>\$ -</b>	<b>\$ 24,025</b>
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	NEW MEXICO WEATHER STATIONS		15.541	\$ -	\$ 4,819
			<b>15.541 Total</b>	<b>\$ -</b>	<b>\$ 4,819</b>
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	SECURE WATER ACT		15.560	\$ -	\$ 71,910
			<b>15.560 Total</b>	<b>\$ -</b>	<b>\$ 71,910</b>
<b>DEPARTMENT OF INTERIOR (DOI) - PASS THRU</b>					
State of NM Dept Of Game And Fish	STATE WILDLIFE GRANTS	F21AF02165	15.634	\$ -	\$ 18,212
			<b>15.634 Total</b>	<b>\$ -</b>	<b>\$ 18,212</b>
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	MIGRATORY BIRD JOINT VENTURE		15.647	\$ -	\$ 63,529
			<b>15.647 Total</b>	<b>\$ -</b>	<b>\$ 63,529</b>
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	COOPERATIVE MARKETING FOR RECREATION ACTIVITIES		15.654	\$ -	\$ 14,655
			<b>15.654 Total</b>	<b>\$ -</b>	<b>\$ 14,655</b>
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	MIGRATORY BIRD MONITORING		15.655	\$ -	\$ 33,721
			<b>15.655 Total</b>	<b>\$ -</b>	<b>\$ 33,721</b>
<b>DEPARTMENT OF INTERIOR (DOI) - PASS THRU</b>					
State of NM Dept Of Game And Fish	ADAPTIVE SCIENCE	F19AP00272	15.670	\$ -	\$ 29,260
			<b>15.670 Total</b>	<b>\$ -</b>	<b>\$ 29,260</b>
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	ASSISTANCE TO STATE WATER RESEARCH INSTITUTES		15.805	\$ 30,361	\$ 199,294
			<b>15.805 Total</b>	<b>\$ 30,361</b>	<b>\$ 199,294</b>
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	US GEOLOGICAL SURVEY		15.808	\$ -	\$ 106,757
			<b>15.808 Total</b>	<b>\$ -</b>	<b>\$ 106,757</b>
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	COOPERATIVE RESEARCH UNITS PROGRAM		15.812	\$ -	\$ 330,788
			<b>15.812 Total</b>	<b>\$ -</b>	<b>\$ 330,788</b>
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	COOPERATIVE RESEARCH & TRAINING PROGRAM		15.945	\$ 10,582	\$ 252,223
			<b>15.945 Total</b>	<b>\$ 10,582</b>	<b>\$ 252,223</b>
<b>DEPARTMENT OF INTERIOR (DOI) - DIRECT</b>					
	DEPARTMENT OF INTERIOR		15.rd	\$ -	\$ 284,154
<b>DEPARTMENT OF INTERIOR (DOI) - PASS THRU</b>					
Jicarilla Apache Nation	DEPARTMENT OF INTERIOR	N/A	15.rd	\$ -	\$ 28,099
Jornada Resource Conservation and Dev Council Inc	DEPARTMENT OF INTERIOR	R19AP00267	15.rd	\$ -	\$ 14,436
University of Texas at El Paso	DEPARTMENT OF INTERIOR	R19AC00115	15.rd	\$ -	\$ 21,703
			<b>15.rd Total</b>	<b>\$ -</b>	<b>\$ 348,392</b>
<b>DEPARTMENT OF TRANSPORTATION (DOT) - DIRECT</b>					
	AIR TRANSPORTATION CENTERS FO EXCELLENCE		20.109	\$ 31,023	\$ 839,138
			<b>20.109 Total</b>	<b>\$ 31,023</b>	<b>\$ 839,138</b>
<b>DEPARTMENT OF TRANSPORTATION (DOT) - PASS THRU</b>					
New Mexico State Highway and Transportation Dpt	HIGHWAY PLANNING AND CONSTRUCTION	693JJ221300002550NMP921060	20.205	\$ -	\$ 254,366
			<b>20.205 Total</b>	<b>\$ -</b>	<b>\$ 254,366</b>
<b>DEPARTMENT OF TRANSPORTATION (DOT) - PASS THRU</b>					
Louisiana State University and A & M College	UNIVERSITY TRANSPORTATION CENTERS PROGRAM	69A3551747106	20.701	\$ -	\$ 127,635
			<b>20.701 Total</b>	<b>\$ -</b>	<b>\$ 127,635</b>
<b>DEPARTMENT OF TRANSPORTATION (DOT) - PASS THRU</b>					
Embry-Riddle Aeronautical University	DEPARTMENT OF TRANSPORTATION	N/A	20.rd	\$ -	\$ 200,013
New Mexico State Highway and Transportation Dpt	DEPARTMENT OF TRANSPORTATION	HWAR919030	20.rd	\$ -	\$ 36,605
New Mexico State Highway and Transportation Dpt	DEPARTMENT OF TRANSPORTATION	N/A	20.rd	\$ -	\$ 24,384
			<b>20.rd Total</b>	<b>\$ -</b>	<b>\$ 261,002</b>

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
<b>RESEARCH AND DEVELOPMENT CLUSTER</b>					
<b>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - DIRECT</b>					
	SCIENCE GRANTS		43.001	\$ 249,938	\$ 2,452,055
<b>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - PASS THRU</b>					
Arizona State University	SCIENCE GRANTS	80NSSC22K0485	43.001	\$ -	\$ 96,565
California Institute of Technology	SCIENCE GRANTS	80NM0018D0004	43.001	\$ -	\$ 12,218
California State University	SCIENCE GRANTS	80NSSC20K0027	43.001	\$ -	\$ 21,312
NorthWest Research Associates, Inc.	SCIENCE GRANTS	80NSSC22K0754	43.001	\$ -	\$ 29,960
Regents University of California Los Angeles	SCIENCE GRANTS	80NSSC20K0604	43.001	\$ -	\$ 42,999
Regents University of California Merced	SCIENCE GRANTS	80NSSC21K0256	43.001	\$ -	\$ 69,501
Stanford University	SCIENCE GRANTS	80NSSC21K0958	43.001	\$ -	\$ 22,922
Stanford University	SCIENCE GRANTS	80NSSC22M0162	43.001	\$ -	\$ 35,182
			<b>43.001 Total</b>	<b>\$ 249,938</b>	<b>\$ 2,782,714</b>
<b>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - DIRECT</b>					
	SPACE OPERATIONS		43.007	\$ -	\$ 45,600
			<b>43.007 Total</b>	<b>\$ -</b>	<b>\$ 45,600</b>
<b>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - DIRECT</b>					
	EDUCATION		43.008	\$ 325,441	\$ 1,340,615
<b>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - PASS THRU</b>					
University of Utah	EDUCATION	80NSSC20M0103	43.008	\$ -	\$ 4,400
			<b>43.008 Total</b>	<b>\$ 325,441</b>	<b>\$ 1,345,015</b>
<b>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - DIRECT</b>					
	SPACE TECHNOLOGY		43.012	\$ -	\$ 279,366
			<b>43.012 Total</b>	<b>\$ -</b>	<b>\$ 279,366</b>
<b>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - DIRECT</b>					
	NATIONAL AERONAUTICS & SPACE ADMINISTRATION		43.rd	\$ -	\$ 25,135
<b>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) - PASS THRU</b>					
Peraton Inc.	NATIONAL AERONAUTICS & SPACE ADMINISTRATION	80GSFC19C0063	43.rd	\$ -	\$ 27,273
Peraton Inc.	NATIONAL AERONAUTICS & SPACE ADMINISTRATION	NNG16WA70C	43.rd	\$ -	\$ 401,023
Space Telescope Science Institute	NATIONAL AERONAUTICS & SPACE ADMINISTRATION	NASS-26555 (HST) and NASS-03127 (JWST).	43.rd	\$ -	\$ 4,206
Space Telescope Science Institute	NATIONAL AERONAUTICS & SPACE ADMINISTRATION	N/A	43.rd	\$ -	\$ 8,386
Space Telescope Science Institute	NATIONAL AERONAUTICS & SPACE ADMINISTRATION	NASS-26555	43.rd	\$ 473	\$ 153,708
			<b>43.rd Total</b>	<b>\$ 473</b>	<b>\$ 619,731</b>
<b>NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT</b>					
	ENGINEERING GRANTS		47.041	\$ 12,339	\$ 627,668
<b>NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU</b>					
Arizona State University	ENGINEERING GRANTS	EEC-1449501	47.041	\$ -	\$ 464,664
Stanford University	ENGINEERING GRANTS	EEC-1028968	47.041	\$ -	\$ 3,420
University of New Mexico	ENGINEERING GRANTS	2115169	47.041	\$ -	\$ 89,168
University of North Texas	ENGINEERING GRANTS	1856052	47.041	\$ -	\$ 150,263
Wildlife Protection Management LLC	ENGINEERING GRANTS	2025971	47.041	\$ -	\$ 16,111
			<b>47.041 Total</b>	<b>\$ 12,339</b>	<b>\$ 1,351,294</b>
<b>NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT</b>					
	MATHEMATICAL & PHYSICAL SCIENCES		47.049	\$ -	\$ 647,347
<b>NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU</b>					
Assoc of Universities for Research in Astronomy, Inc. (AURA)	MATHEMATICAL & PHYSICAL SCIENCES	AST-0946422	47.049	\$ -	\$ 93,113
Associated Universities Inc	MATHEMATICAL & PHYSICAL SCIENCES	1519126	47.049	\$ -	\$ 29,497
Astrophysical Research Consortium	MATHEMATICAL & PHYSICAL SCIENCES	2034429	47.049	\$ -	\$ 618,994
Research Foundation of City University of New York (CUNY)	MATHEMATICAL & PHYSICAL SCIENCES	2206096	47.049	\$ -	\$ 47,533
			<b>47.049 Total</b>	<b>\$ -</b>	<b>\$ 1,436,484</b>
<b>NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT</b>					
	GEOSCIENCES		47.050	\$ -	\$ 610,184
<b>NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU</b>					
University of Southern California	GEOSCIENCES	EAR-1600087	47.050	\$ -	\$ 4,057
University of Texas at El Paso	GEOSCIENCES	2012475	47.050	\$ -	\$ 74,777
			<b>47.050 Total</b>	<b>\$ -</b>	<b>\$ 689,018</b>
<b>NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT</b>					
	COMPUTER & INFORMATION SCIENCE & ENGINEERING		47.070	\$ 65,355	\$ 775,444
<b>NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU</b>					
American Society for Engineering Education	COMPUTER & INFORMATION SCIENCE & ENGINEERING	2233087	47.070	\$ -	\$ 1,309
Texas A&M University	COMPUTER & INFORMATION SCIENCE & ENGINEERING	1925764	47.070	\$ -	\$ 24,752
University of Texas at El Paso	COMPUTER & INFORMATION SCIENCE & ENGINEERING	1551221	47.070	\$ -	\$ 68,659
University of Texas at El Paso	COMPUTER & INFORMATION SCIENCE & ENGINEERING	2137791	47.070	\$ -	\$ 71,649
			<b>47.070 Total</b>	<b>\$ 65,355</b>	<b>\$ 941,813</b>
<b>NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT</b>					
	BIOLOGICAL SCIENCES		47.074	\$ 12,793	\$ 2,029,915
<b>NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU</b>					
The Regents of the University of Michigan	BIOLOGICAL SCIENCES	2110233	47.074	\$ -	\$ 7,724
University of Kansas Center for Research, Inc.	BIOLOGICAL SCIENCES	1001358	47.074	\$ -	\$ 9,470
University of New Mexico	BIOLOGICAL SCIENCES	2155222	47.074	\$ -	\$ 21,275
			<b>47.074 Total</b>	<b>\$ 12,793</b>	<b>\$ 2,068,384</b>
<b>NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT</b>					
	SOCIAL, BEHAVIORAL, & ECONOMIC SCIENCES		47.075	\$ -	\$ 101,365
			<b>47.075 Total</b>	<b>\$ -</b>	<b>\$ 101,365</b>
<b>NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT</b>					
	EDUCATION & HUMAN RESOURCES		47.076	\$ 209,616	\$ 3,306,032
<b>NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU</b>					
New Mexico Highlands University	EDUCATION & HUMAN RESOURCES	1914463	47.076	\$ -	\$ 165,244
Western Interstate Commission for Higher Education	EDUCATION & HUMAN RESOURCES	2044434	47.076	\$ -	\$ 27,608
			<b>47.076 Total</b>	<b>\$ 209,616</b>	<b>\$ 3,498,884</b>

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
<b>RESEARCH AND DEVELOPMENT CLUSTER</b>					
<b>NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT</b>					
	INTERNATIONAL SCIENCE AND ENGINEERING		47.079	\$ 40,936	\$ 172,558
			<b>47.079 Total</b>	<b>\$ 40,936</b>	<b>\$ 172,558</b>
<b>NATIONAL SCIENCE FOUNDATION (NSF) - DIRECT</b>					
	OFFICE OF INTEGRATIVE ACTIVITIES		47.083	\$ -	\$ 353,587
<b>NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU</b>					
North Dakota State University	OFFICE OF INTEGRATIVE ACTIVITIES	1826834	47.083	\$ -	\$ 351,553
University of Louisiana at Lafayette	OFFICE OF INTEGRATIVE ACTIVITIES	OIA-2119688	47.083	\$ -	\$ 277,046
University of New Mexico	OFFICE OF INTEGRATIVE ACTIVITIES	OIA-1757207	47.083	\$ -	\$ 1,884,729
			<b>47.083 Total</b>	<b>\$ -</b>	<b>\$ 2,866,915</b>
<b>NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU</b>					
University of Texas at Austin	NSF TECHNOLOGY, INNOVATION, AND PARTNERSHIPS	2229453	47.084	\$ -	\$ 57,773
			<b>47.084 Total</b>	<b>\$ -</b>	<b>\$ 57,773</b>
<b>NATIONAL SCIENCE FOUNDATION (NSF) - PASS THRU</b>					
University of Texas at El Paso	NATIONAL SCIENCE FOUNDATION	1834620	47.rd	\$ (49,377)	\$ 79,990
			<b>47.rd Total</b>	<b>\$ (49,377)</b>	<b>\$ 79,990</b>
<b>ENVIRONMENTAL PROTECTION AGENCY (EPA) - PASS THRU</b>					
State of New Mexico	NONPOINT SOURCE IMPLEMENTATION GRANTS	99610119	66.460	\$ 9,597	\$ 31,361
State of New Mexico	NONPOINT SOURCE IMPLEMENTATION GRANTS	99610120	66.460	\$ 65,102	\$ 101,301
			<b>66.460 Total</b>	<b>\$ 74,699</b>	<b>\$ 132,662</b>
<b>ENVIRONMENTAL PROTECTION AGENCY (EPA) - DIRECT</b>					
	POLLUTION PREVENTION GRANTS		66.708	\$ -	\$ 21,636
<b>ENVIRONMENTAL PROTECTION AGENCY (EPA) - PASS THRU</b>					
State of New Mexico	POLLUTION PREVENTION GRANTS	C9 996101-17, C9 996101-18 & C9 996101-19	66.708	\$ -	\$ 158,417
			<b>66.708 Total</b>	<b>\$ -</b>	<b>\$ 180,053</b>
<b>ENVIRONMENTAL PROTECTION AGENCY (EPA) - PASS THRU</b>					
University of Texas at El Paso	ENVIRONMENTAL PROTECTION AGENCY	AA22-021/NADBC22-160	66.rd	\$ -	\$ 3,853
			<b>66.rd Total</b>	<b>\$ -</b>	<b>\$ 3,853</b>
<b>NUCLEAR REGULATORY COMMISSION (NRC) - PASS THRU</b>					
North Carolina State University	US NUCLEAR REGULATORY COMMISSION SCHOL AND FELLOWSHIP PGM	31310022M0038	77.008	\$ -	\$ 6,689
University of Notre Dame	US NUCLEAR REGULATORY COMMISSION SCHOL AND FELLOWSHIP PGM	31310023M0002	77.008	\$ -	\$ 1,155
			<b>77.008 Total</b>	<b>\$ -</b>	<b>\$ 7,844</b>
<b>DEPARTMENT OF ENERGY (DOE) - DIRECT</b>					
	DEPARTMENT OF ENERGY CEMRC		81.005	\$ -	\$ 2,412,636
			<b>81.005 Total</b>	<b>\$ -</b>	<b>\$ 2,412,636</b>
<b>DEPARTMENT OF ENERGY (DOE) - DIRECT</b>					
	OFFICE OF SCIENCE FINANCIAL ASSISTANCE PROGRAM		81.049	\$ 6,000	\$ 301,618
			<b>81.049 Total</b>	<b>\$ 6,000</b>	<b>\$ 301,618</b>
<b>DEPARTMENT OF ENERGY (DOE) - PASS THRU</b>					
Energy And Minerals Department	CONSERVATION RESEARCH AND DEVELOPMENT	DE-EE0009739	81.086	\$ -	\$ 15,500
			<b>81.086 Total</b>	<b>\$ -</b>	<b>\$ 15,500</b>
<b>DEPARTMENT OF ENERGY (DOE) - PASS THRU</b>					
New Mexico Consortium, Inc.	RENEWAL ENERGY RESEARCH & DEVELOPMENT	DE-EE0008902	81.087	\$ -	\$ 153,440
University of North Carolina	RENEWAL ENERGY RESEARCH & DEVELOPMENT	DE-EE0008774	81.087	\$ -	\$ 106,577
			<b>81.087 Total</b>	<b>\$ -</b>	<b>\$ 260,017</b>
<b>DEPARTMENT OF ENERGY (DOE) - DIRECT</b>					
	FOSSIL ENERGY RESEARCH AND DEVELOPMENT		81.089	\$ 6,721	\$ 18,934
			<b>81.089 Total</b>	<b>\$ 6,721</b>	<b>\$ 18,934</b>
<b>DEPARTMENT OF ENERGY (DOE) - PASS THRU</b>					
Battelle Savannah River Alliance, LLC	ENVIR REMEDIATION & WASTE PROCESSING & DISPOSAL	DE-AC09-08SR22470	81.104	\$ 53,572	\$ 227,885
			<b>81.104 Total</b>	<b>\$ 53,572</b>	<b>\$ 227,885</b>
<b>DEPARTMENT OF ENERGY (DOE) - PASS THRU</b>					
The Board of Regents of the University Of Oklahoma	NUCLEAR ENERGY RESEARCH, DEVELOPMENT & DEMONSTRATION	DE-NE0009319	81.121	\$ -	\$ 21,042
			<b>81.121 Total</b>	<b>\$ -</b>	<b>\$ 21,042</b>
<b>DEPARTMENT OF ENERGY (DOE) - DIRECT</b>					
	NATIONAL NUCLEAR SECURITY ADMINISTRATION		81.123	\$ 255,575	\$ 629,404
<b>DEPARTMENT OF ENERGY (DOE) - PASS THRU</b>					
North Carolina Agricultural and Technical State University	NATIONAL NUCLEAR SECURITY ADMINISTRATION	NA0003983	81.123	\$ -	\$ 90,731
New Mexico Consortium, Inc.	NNSA MINORITY SERVING INSTITUTION PROGRAM	89233218CNA000001	81.123	\$ -	\$ 467,982
			<b>81.123 Total</b>	<b>\$ 255,575</b>	<b>\$ 1,188,117</b>
<b>DEPARTMENT OF ENERGY (DOE) - DIRECT</b>					
	DEPARTMENT OF ENERGY		81.rd	\$ -	\$ 434,821
<b>DEPARTMENT OF ENERGY (DOE) - PASS THRU</b>					
Battelle Energy Alliance, LLC	DEPARTMENT OF ENERGY	DE-AC07-05ID14517	81.rd	\$ -	\$ 41,250
Battelle Memorial Institute	DEPARTMENT OF ENERGY	DE-AC07-05ID14517	81.rd	\$ -	\$ 2,105
Brookhaven National Laboratory	DEPARTMENT OF ENERGY	N/A	81.rd	\$ -	\$ 6,022
Eastern New Mexico University	DEPARTMENT OF ENERGY	DE-SC0023329	81.rd	\$ -	\$ 15,668
Honeywell Technology Solutions Incorporated	DEPARTMENT OF ENERGY	DE-NA0002839	81.rd	\$ -	\$ 2,029
National Renewable Energy Laboratory	DEPARTMENT OF ENERGY	DE-AC36-08G028308	81.rd	\$ -	\$ 216,458
New Mexico Consortium, Inc.	DEPARTMENT OF ENERGY	DE-ACS2-06NA25396	81.rd	\$ -	\$ 6,070
New Mexico Consortium, Inc.	DEPARTMENT OF ENERGY	IA 205	81.rd	\$ -	\$ 42,331
NTESS Sandia National Laboratories	DEPARTMENT OF ENERGY	1875431	81.rd	\$ -	\$ 51,282
NTESS Sandia National Laboratories	DEPARTMENT OF ENERGY	CA# 1875431	81.rd	\$ -	\$ 45,526
NTESS Sandia National Laboratories	DEPARTMENT OF ENERGY	N/A	81.rd	\$ -	\$ 446,259
Nuclear Waste Partnership LLC	DEPARTMENT OF ENERGY	DE-EM0001971	81.rd	\$ -	\$ 378,433
Sandia National Laboratories	DEPARTMENT OF ENERGY	N/A	81.rd	\$ -	\$ 31,328
Terra Power	DEPARTMENT OF ENERGY	DE-AR0001612	81.rd	\$ -	\$ 36,230
Triad National Security, LLC	DEPARTMENT OF ENERGY	89233218CN000001	81.rd	\$ 56,270	\$ 1,249,300
Univ Of Cal - Berkley	DEPARTMENT OF ENERGY	DE-FOA-0001905	81.rd	\$ -	\$ 228,218
			<b>81.rd Total</b>	<b>\$ 56,270</b>	<b>\$ 3,233,330</b>

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
<b>RESEARCH AND DEVELOPMENT CLUSTER</b>					
<b>DEPARTMENT OF EDUCATION (EDUC) - PASS THRU</b>					
Texas A&M University	INSTITUTE OF EDUCATION SCIENCES	R305A180060	84.305	\$ -	\$ 485
			<b>84.305 Total</b>	<b>\$ -</b>	<b>\$ 485</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - DIRECT</b>					
	FOOD & DRUG ADMINISTRATION RESEARCH		93.103	\$ -	\$ 825,317
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
Washington State Department of Agriculture	FOOD & DRUG ADMINISTRATION RESEARCH	5u18fd005913-05	93.103	\$ -	\$ 59,678
			<b>93.103 Total</b>	<b>\$ -</b>	<b>\$ 884,995</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
ECECD	MATERNAL AND CHILD HEALTH	5 U7EMC42166-02-00	93.110	\$ -	\$ 15,200
			<b>93.110 Total</b>	<b>\$ -</b>	<b>\$ 15,200</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
Dona Ana County	COMMUNITY PROGRAMS TO IMPROVE MINORITY HEALTH GRANT	CPIMP211288-01-00	93.137	\$ -	\$ 187,819
			<b>93.137 Total</b>	<b>\$ -</b>	<b>\$ 187,819</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - DIRECT</b>					
	RESEARCH RELATED TO DEAFNESS & COMMUNICATION		93.173	\$ -	\$ 30,456
			<b>93.173 Total</b>	<b>\$ -</b>	<b>\$ 30,456</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
Dona Ana County	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES	H795M084521	93.243	\$ -	\$ 12,554
			<b>93.243 Total</b>	<b>\$ -</b>	<b>\$ 12,554</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
Drexel University	OCCUPATIONAL SAFETY AND HEALTH PROGRAM	1R21OH011740-01-00	93.262	\$ -	\$ 6,922
			<b>93.262 Total</b>	<b>\$ -</b>	<b>\$ 6,922</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
University of New Mexico	DRUG ABUSE AND ADDICTION RESEARCH	3UG1DA049468-0353	93.279	\$ -	\$ 35,564
			<b>93.279 Total</b>	<b>\$ -</b>	<b>\$ 35,564</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - DIRECT</b>					
	DISCOVERY AND APPLIED RESEARCH FOR TECHNOLOGY		93.286	\$ 21,130	\$ 186,757
			<b>93.286 Total</b>	<b>\$ 21,130</b>	<b>\$ 186,757</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
University of Texas	TRANS NIH-RESEARCH SUPPORT	1U01GM132219-01	93.310	\$ -	\$ 41,614
			<b>93.310 Total</b>	<b>\$ -</b>	<b>\$ 41,614</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
State of New Mexico	CDC PARTNER CRISIS RESPONSE	NH75OT000094	93.391	\$ -	\$ 308,301
			<b>93.391 Total</b>	<b>\$ -</b>	<b>\$ 308,301</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
University of New Mexico	CANCER TREATMENT RESEARCH	2R01CA194496-06	93.395	\$ -	\$ 146,205
			<b>93.395 Total</b>	<b>\$ -</b>	<b>\$ 146,205</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
University of New Mexico	PARTNERSHIP FOR THE ADVANCEMENT	3PLOCa118100-1653	93.397	\$ -	\$ 28,951
			<b>93.397 Total</b>	<b>\$ -</b>	<b>\$ 28,951</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
Dona Ana County	COMMUNITY HEALTH WORKERS FOR PUBLIC HEALTH	5 NU58DP007036-02-00	93.495	\$ -	\$ 35,279
Dona Ana County	COMMUNITY HEALTH WORKERS FOR PUBLIC HEALTH	NU58DP007036-01-00	93.495	\$ -	\$ 30,260
			<b>93.495 Total</b>	<b>\$ -</b>	<b>\$ 65,539</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
Vanderbilt University Medical Center	CARDIOVASCULAR DISEASES RESEARCH	1R01HL158976-01	93.837	\$ -	\$ 28,918
			<b>93.837 Total</b>	<b>\$ -</b>	<b>\$ 28,918</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - DIRECT</b>					
	EXTRAMURAL RESEARCH PGM IN NEUROSCIENCES		93.853	\$ 3,651	\$ 127,349
			<b>93.853 Total</b>	<b>\$ 3,651</b>	<b>\$ 127,349</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - DIRECT</b>					
	ALLERGY, IMMUNOLOGY & TRANSPLANTATION RESEARCH		93.855	\$ 368,283	\$ 613,242
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
University of Texas	ALLERGY, IMMUNOLOGY & TRANSPLANTATION RESEARCH	U01AI151807	93.855	\$ -	\$ 121,888
			<b>93.855 Total</b>	<b>\$ 368,283</b>	<b>\$ 735,130</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - DIRECT</b>					
	BIOMEDICAL RESEARCH & RESEARCH TRAINING		93.859	\$ 1,489,321	\$ 7,144,600
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
Board of Regents Nevada System of Higher Education	BIOMEDICAL RESEARCH & RESEARCH TRAINING	U54GM104944	93.859	\$ -	\$ 175,169
El Paso Community College	BIOMEDICAL RESEARCH & RESEARCH TRAINING	1R25GM123928-01	93.859	\$ -	\$ 4,063
New Mexico Institute of Mining and Technology	BIOMEDICAL RESEARCH & RESEARCH TRAINING	1R15GM124620-01A1	93.859	\$ -	\$ 22,338
Regents of the University of Colorado	BIOMEDICAL RESEARCH & RESEARCH TRAINING	2r25ns080685-06	93.859	\$ -	\$ 2,900
University of New Mexico	BIOMEDICAL RESEARCH & RESEARCH TRAINING	1R01CA94496-01A1	93.859	\$ -	\$ 16,280
University of New Mexico	BIOMEDICAL RESEARCH & RESEARCH TRAINING	2K12GM088021-06	93.859	\$ -	\$ 1,566
			<b>93.859 Total</b>	<b>\$ 1,489,321</b>	<b>\$ 7,366,916</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - DIRECT</b>					
	DEPARTMENT OF HEALTH & HUMAN SERVICES		93.rd	\$ 2,500	\$ 1,099,458
			<b>93.rd Total</b>	<b>\$ 2,500</b>	<b>\$ 1,099,458</b>
<b>DEPARTMENT OF HOMELAND SECURITY (DHS) - PASS THRU</b>					
Mississippi State University	STATE AND LOCAL HOMELAND SECURITY TRAINING PGM	EMW-2022-CA-00024	97.005	\$ -	\$ 11,045
			<b>97.005 Total</b>	<b>\$ -</b>	<b>\$ 11,045</b>
<b>DEPARTMENT OF HOMELAND SECURITY (DHS) - PASS THRU</b>					
Florida Institute of Technology	DEPARTMENT OF HOMELAND SECURITY	2022-21110800003	97.rd	\$ -	\$ 93,867
			<b>97.rd Total</b>	<b>\$ -</b>	<b>\$ 93,867</b>
<b>RESEARCH &amp; DEVELOPMENT CLUSTER TOTAL</b>				<b>\$ 8,857,709</b>	<b>\$ 76,972,697</b>

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
<b>STUDENT FINANCIAL AID CLUSTER</b>					
<b>DEPARTMENT OF EDUCATION (EDUC) - LOANS</b>					
	PERKINS LOANS - BEGINNING BALANCE		84.038	\$ -	\$ 2,936,947
	TOTAL PERKINS LOANS			-	2,936,947
	FEDERAL DIRECT LOANS		84.268	-	30,683,401
	<b>DEPARTMENT OF EDUCATION (EDUC) - LOANS Total</b>			<b>\$ -</b>	<b>\$ 33,620,348</b>
<b>DEPARTMENT OF EDUCATION (EDUC)</b>					
	FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS		84.007	\$ -	\$ 1,036,521
	FEDERAL WORK-STUDY PROGRAM		84.033	-	1,134,776
	FEDERAL PELL GRANT PROGRAM		84.063	-	41,375,320
	TEACHER EDUCATION ASSISTANCE FOR COLLEGE AND HIGHER ED GRANTS		84.379	-	7,970
	<b>DEPARTMENT OF EDUCATION (EDUC) Total</b>			<b>\$ -</b>	<b>\$ 43,554,587</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS)</b>					
	SCHOLARSHIPS FOR DISADVANTAGED STUDENTS		93.925	\$ -	\$ 580,048
	<b>93.925 Total</b>			<b>\$ -</b>	<b>\$ 580,048</b>
	<b>TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER</b>			<b>\$ -</b>	<b>\$ 77,754,983</b>

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
<b>INDIVIDUAL AWARDS - OTHER</b>					
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	PLANT & ANIMAL DISEASE, PEST CONTROL, & ANIMAL CARE		10.025	\$ -	\$ 159,343
			<b>10.025 Total</b>	<b>\$ -</b>	<b>\$ 159,343</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	SPECIALTY CROP BLOCK GRANT		10.170	\$ -	\$ 45,017
			<b>10.170 Total</b>	<b>\$ -</b>	<b>\$ 45,017</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	FOOD BANK NETWORK		10.182	\$ 204,914	\$ 235,095
			<b>10.182 Total</b>	<b>\$ 204,914</b>	<b>\$ 235,095</b>
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU Montana State University	SUSTAINABLE AGRICULTURE RESEARCH & EDUCATION	2020-38640-31523	10.215	\$ -	\$ 13,047
			<b>10.215 Total</b>	<b>\$ -</b>	<b>\$ 13,047</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	HISPANIC SERVING INSTITUTION GRANTS		10.223	\$ 45,983	\$ 442,477
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU Texas A&M University- Kingsville	HISPANIC SERVING INSTITUTION GRANTS	2017-38422-27298	10.223	\$ -	\$ 2,672
The Florida International University Board of Trustees	HISPANIC SERVING INSTITUTION GRANTS	2021-77040-34876	10.223	\$ -	\$ 9,868
University of Texas at El Paso	HISPANIC SERVING INSTITUTION GRANTS	2018-38422-28564	10.223	\$ -	\$ 26,240
			<b>10.223 Total</b>	<b>\$ 45,983</b>	<b>\$ 481,257</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	AGRICULTURE & EDUCATION CHALLENGE GRANTS		10.226	\$ 30,272	\$ 72,374
			<b>10.226 Total</b>	<b>\$ 30,272</b>	<b>\$ 72,374</b>
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU	EXTENSION COLLABORATIVE ON IMMUNIZATION TEACHING	202117704134831	10.229	\$ 17,288	\$ 192,977
			<b>10.229 Total</b>	<b>\$ 17,288</b>	<b>\$ 192,977</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	CONSUMER DATA AND NUTRITION RESEARCH		10.253	\$ -	\$ 28,787
			<b>10.253 Total</b>	<b>\$ -</b>	<b>\$ 28,787</b>
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU Regents University of California Davis	HOMELAND SECURITY_AGRICULTURAL	2021-37621-35888	10.304	\$ -	\$ (658)
Regents University of California Davis	HOMELAND SECURITY_AGRICULTURAL	2022-37621-38279	10.304	\$ -	\$ 13,498
			<b>10.304 Total</b>	<b>\$ -</b>	<b>\$ 12,840</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	AGRICULTURE & FOOD RESEARCH INITIATIVE		10.310	\$ -	\$ 86,825
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU University of Connecticut	AGRICULTURE & FOOD RESEARCH INITIATIVE	2022-68018-36094	10.310	\$ -	\$ 17,154
University of Georgia	AGRICULTURE & FOOD RESEARCH INITIATIVE	20207002038645	10.310	\$ -	\$ 25,978
			<b>10.310 Total</b>	<b>\$ -</b>	<b>\$ 129,957</b>
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU	BEGINNING FARMER AND RANCHER DEVELOPMENT PRO	2021-49400-35588	10.311	\$ -	\$ 2,698
			<b>10.311 Total</b>	<b>\$ -</b>	<b>\$ 2,698</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	NATIONAL FOOD SAFETY TRAINING, EDUCATION		10.328	\$ -	\$ 170,520
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU State of Oregon	NATIONAL FOOD SAFETY TRAINING, EDUCATION	2021-70020-35753	10.328	\$ -	\$ 1,527
University of Arkansas	NATIONAL FOOD SAFETY TRAINING, EDUCATION	2019-70020-30350	10.328	\$ -	\$ 59,914
University of Maryland	NATIONAL FOOD SAFETY TRAINING, EDUCATION	2021-70020-35664	10.328	\$ -	\$ 35,690
			<b>10.328 Total</b>	<b>\$ -</b>	<b>\$ 267,651</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	CROP PROTECTION AND PEST MANAGEMENT		10.329	\$ -	\$ 245,580
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU Regents University of California Davis	CROP PROTECTION AND PEST MANAGEMENT	2018-70006-28881	10.329	\$ -	\$ 73,513
State of Oregon	CROP PROTECTION AND PEST MANAGEMENT	2018-70006-28881	10.329	\$ -	\$ 495
			<b>10.329 Total</b>	<b>\$ -</b>	<b>\$ 319,588</b>
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU Texas A&M University	VETERINARY SERVICES GRANT	2020-70024-32369	10.336	\$ -	\$ 23,411
			<b>10.336 Total</b>	<b>\$ -</b>	<b>\$ 23,411</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	STATE MEDIATION GRANTS		10.435	\$ -	\$ 113,095
			<b>10.435 Total</b>	<b>\$ -</b>	<b>\$ 113,095</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	OUTREACH & ASSISTANCE FOR SOCIALLY DISADVANTAGED		10.443	\$ -	\$ 209,744
			<b>10.443 Total</b>	<b>\$ -</b>	<b>\$ 209,744</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	COOPERATIVE EXTENSION SERVICE		10.500	\$ 105,612	\$ 215,271
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU Extension Foundation	COOPERATIVE EXTENSION SERVICE	2019-41595-30123	10.500	\$ -	\$ 51,780
Kansas State University	COOPERATIVE EXTENSION SERVICE	2018-48661-28954	10.500	\$ -	\$ 13,690
Kansas State University	COOPERATIVE EXTENSION SERVICE	2022-48696-36671	10.500	\$ -	\$ 8,415
Washington State University	COOPERATIVE EXTENSION SERVICE	2021-70027-34713	10.500	\$ -	\$ 1,203
			<b>10.500 Total</b>	<b>\$ 105,612</b>	<b>\$ 290,359</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	SMITH-LEVER FUNDING		10.511	\$ -	\$ 2,089,918
			<b>10.511 Total</b>	<b>\$ -</b>	<b>\$ 2,089,918</b>

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
<b>INDIVIDUAL AWARDS - OTHER</b>					
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	EXPANDED FOOD AND NUTRITION EDUCATION		10.514	\$ -	\$ 660,833
			<b>10.514 Total</b>	<b>\$ -</b>	<b>\$ 660,833</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	RENEWABLE RESOURCES EXTENSION ACT		10.515	\$ -	\$ 49,626
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU University of Florida	RENEWABLE RESOURCES EXTENSION ACT	2022-46401-37743	10.515	\$ -	\$ 6,091
			<b>10.515 Total</b>	<b>\$ -</b>	<b>\$ 55,717</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	FARM AND RANCH STRESS ASSISTANCE		10.525	\$ 158,240	\$ 294,142
			<b>10.525 Total</b>	<b>\$ 158,240</b>	<b>\$ 294,142</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	NEW BEGINNINGS FOR TRIBAL STUDENTS		10.527	\$ 256	\$ 21,534
			<b>10.527 Total</b>	<b>\$ 256</b>	<b>\$ 21,534</b>
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU Children Youth and Family Dept State NM	HEADSTART CHILD AND ADULT CARE FOOD	N/A	10.558	\$ -	\$ 28,360
			<b>10.558 Total</b>	<b>\$ -</b>	<b>\$ 28,360</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	STRATEGIES TO IMPROVE SOIL & WATER		10.912	\$ -	\$ 363,968
			<b>10.912 Total</b>	<b>\$ -</b>	<b>\$ 363,968</b>
DEPARTMENT OF AGRICULTURE (USDA) - DIRECT	DEPARTMENT OF AGRICULTURE		10.xx	\$ (4,016)	\$ 33,098
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU Extension Foundation		N/A	10.xx	\$ -	\$ 7,632
			<b>10.xx Total</b>	<b>\$ (4,016)</b>	<b>\$ 40,730</b>
DEPARTMENT OF COMMERCE (DOC) - DIRECT	CLUSTER GRANTS		11.020	\$ 13,330	\$ 149,958
			<b>11.020 Total</b>	<b>\$ 13,330</b>	<b>\$ 149,958</b>
DEPARTMENT OF COMMERCE (DOC) - DIRECT	NM BUILD TO SCALE PGRM		11.024	\$ 10,625	\$ 142,732
			<b>11.024 Total</b>	<b>\$ 10,625</b>	<b>\$ 142,732</b>
DEPARTMENT OF COMMERCE (DOC) - DIRECT	CONNECTING MINORITY COMMUNITIES		11.028	\$ -	\$ 155,258
			<b>11.028 Total</b>	<b>\$ -</b>	<b>\$ 155,258</b>
DEPARTMENT OF COMMERCE (DOC) - DIRECT	MBDA BUSINESS CENTER - AMERICAN INDIAN AND ALASKA		11.804	\$ -	\$ 388,486
			<b>11.804 Total</b>	<b>\$ -</b>	<b>\$ 388,486</b>
DEPARTMENT OF COMMERCE (DOC) - PASS THRU City of Albuquerque	MBDA BUSINESS CENTER	MB210BD8050197	11.805	\$ -	\$ 15,000
			<b>11.805 Total</b>	<b>\$ -</b>	<b>\$ 15,000</b>
DEPARTMENT OF COMMERCE (DOC) - PASS THRU New Mexico Department of Economic Development Synoptic Data Corp.	DEPARTMENT OF COMMERCE	N/A	11.xx	\$ -	\$ 1,202
	DEPARTMENT OF COMMERCE	1305M220DNWWG0061	11.xx	\$ -	\$ 158,045
			<b>11.xx Total</b>	<b>\$ -</b>	<b>\$ 159,247</b>
DEPARTMENT OF DEFENSE (DOD) - PASS THRU New Mexico Institute of Mining and Technology	AIR FORCE DEFENSE RESEARCH SCIENCES PROGRAM	FA9453-22-3-0002	12.800	\$ -	\$ 11,492
			<b>12.800 Total</b>	<b>\$ -</b>	<b>\$ 11,492</b>
DEPARTMENT OF DEFENSE (DOD) - PASS THRU Fordham University	INFORMATION SECURITY GRANTS	NSA/H98230-20-1-0387	12.902	\$ -	\$ 24,540
			<b>12.902 Total</b>	<b>\$ -</b>	<b>\$ 24,540</b>
DEPARTMENT OF DEFENSE (DOD) - PASS THRU Lockheed Martin Shared Svcs Southwest Range Services LLC Trenchant Analytics, LLC	DEPARTMENT OF DEFENSE	15-C-0107	12.xx	\$ -	\$ 16,630
	DEPARTMENT OF DEFENSE	W91151-19-C-0008	12.xx	\$ 344,572	\$ 344,572
	DEPARTMENT OF DEFENSE	W52P1J2294116	12.xx	\$ -	\$ 2,104
			<b>12.xx Total</b>	<b>\$ 344,572</b>	<b>\$ 363,306</b>
DEPARTMENT OF INTERIOR (DOI) - DIRECT	INDIAN ECONOMIC DEVELOPMENT		15.032	\$ -	\$ 58,659
			<b>15.032 Total</b>	<b>\$ -</b>	<b>\$ 58,659</b>
DEPARTMENT OF INTERIOR (DOI) - PASS THRU	ENDANGERED SPECIES CONSERV- WOLF LIVESTOCK LOSS		15.666	\$ -	\$ 210,000
			<b>15.666 Total</b>	<b>\$ -</b>	<b>\$ 210,000</b>
DEPARTMENT OF INTERIOR (DOI) - PASS THRU America View	NATIONAL LAND REMOTE SENSING EDUCATION OUTREACH	G18AP00077	15.815	\$ -	\$ 20,274
			<b>15.815 Total</b>	<b>\$ -</b>	<b>\$ 20,274</b>
DEPARTMENT OF INTERIOR (DOI) - DIRECT	NATIVE AMERICAN GRAVE PROTECTION AND REPATRIATION		15.922	\$ -	\$ 9,233
			<b>15.922 Total</b>	<b>\$ -</b>	<b>\$ 9,233</b>

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Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
<b>INDIVIDUAL AWARDS - OTHER</b>					
<b>DEPARTMENT OF TRANSPORTATION (DOT) - DIRECT</b>					
	HIGHWAY TRAINING AND EDUCATION		20.215	\$ -	\$ 35,000
			<b>20.215 Total</b>	<b>\$ -</b>	<b>\$ 35,000</b>
<b>DEPARTMENT OF TREASURY (TREAS) - PASS THRU</b>					
State of New Mexico	COVID-19 CORONAVIRUS STATE & LCL FISCAL RECOVERY FUNDS	CSRF	21.027	\$ -	\$ 14,506
State of New Mexico	COVID-19 CORONAVIRUS STATE & LCL FISCAL RECOVERY FUNDS	SLFRF0126	21.027	\$ -	\$ 1,540,103
State of New Mexico	COVID-19 CORONAVIRUS STATE & LCL FISCAL RECOVERY FUNDS	2023-NMOPPORTUNITY-12	21.027	\$ -	\$ 219,699
State of New Mexico	COVID-19 CORONAVIRUS STATE & LCL FISCAL RECOVERY FUNDS	2023-NMOPPORTUNITY-08	21.027	\$ -	\$ 1,448,845
State of New Mexico	COVID-19 CORONAVIRUS STATE & LCL FISCAL RECOVERY FUNDS	2023-NMOPPORTUNITY-05	21.027	\$ -	\$ 13,813,611
State of New Mexico	COVID-19 CORONAVIRUS STATE & LCL FISCAL RECOVERY FUNDS	2023-NMLOTTERY-02	21.027	\$ -	\$ 10,826,360
			<b>21.027 Total</b>	<b>\$ -</b>	<b>\$ 27,863,124</b>
<b>NATIONAL ENDOWMENT FOR THE ARTS (NEA) - DIRECT</b>					
	PROMOTION OF THE ARTS GRANTS TO ORGANIZATIONS		45.024	\$ -	\$ 36,548
			<b>45.024 Total</b>	<b>\$ -</b>	<b>\$ 36,548</b>
<b>NATIONAL ENDOWMENT FOR THE HUMANITIES (NEH) - PASS THRU</b>					
New Mexico Humanities Council	PROMOTION OF THE HUMANITIES	ZSO-283159-21	45.129	\$ -	\$ 1,915
			<b>45.129 Total</b>	<b>\$ -</b>	<b>\$ 1,915</b>
<b>NATIONAL ENDOWMENT FOR HUMANITIES (NEH) - DIRECT</b>					
	PROMOTION OF THE HUMANITIES		45.149	\$ -	\$ 106,070
			<b>45.149 Total</b>	<b>\$ -</b>	<b>\$ 106,070</b>
<b>NATIONAL ENDOWMENT FOR HUMANITIES (NEH) - DIRECT</b>					
	PROMOTION OF THE HUMANITIES TEACHING		45.162	\$ -	\$ 38,598
			<b>45.162 Total</b>	<b>\$ -</b>	<b>\$ 38,598</b>
<b>NATIONAL ENDOWMENT FOR HUMANITIES (NEH) - DIRECT</b>					
	MUSEUMS OF AMERICA		45.301	\$ -	\$ 19,363
			<b>45.301 Total</b>	<b>\$ -</b>	<b>\$ 19,363</b>
<b>SMALL BUSINESS ADMINISTRATION (SBA) - PASS THRU</b>					
New Mexico Small Business Development Center	SMALL BUSINESS DEVELOPMENT CENTERS	N/A	59.037	\$ -	\$ 58,572
			<b>59.037 Total</b>	<b>\$ -</b>	<b>\$ 58,572</b>
<b>SMALL BUSINESS ADMINISTRATION (SBA) - DIRECT</b>					
	FEDERAL AND STATE TECHNOLOGY PARTNERSHIP		59.058	\$ -	\$ 110,801
			<b>59.058 Total</b>	<b>\$ -</b>	<b>\$ 110,801</b>
<b>SMALL BUSINESS ADMINISTRATION (SBA) - DIRECT</b>					
	CONGRESSIONAL GRANTS		59.059	\$ -	\$ 186,288
			<b>59.059 Total</b>	<b>\$ -</b>	<b>\$ 186,288</b>
<b>ENVIRONMENTAL PROTECTION AGENCY (EPA) - DIRECT</b>					
	CONSOLIDATED PESTICIDE ENFORCEMENT COOP		66.700	\$ -	\$ 417,213
			<b>66.700 Total</b>	<b>\$ -</b>	<b>\$ 417,213</b>
<b>ENVIRONMENTAL PROTECTION AGENCY (EPA) - PASS THRU</b>					
Extension Foundation	EDUCATING NEW MEXICO'S PESTICIDE AP	83698001	66.716	\$ -	\$ 19,225
			<b>66.716 Total</b>	<b>\$ -</b>	<b>\$ 19,225</b>
<b>DEPARTMENT OF ENERGY (DOE) - DIRECT</b>					
	ENERGY PROGRAM FOR INNOVATION		81.010	\$ 40,054	\$ 277,311
			<b>81.010 Total</b>	<b>\$ 40,054</b>	<b>\$ 277,311</b>
<b>ENVIRONMENTAL PROTECTION AGENCY (EPA) - PASS THRU</b>					
State of New Mexico	GOLD KING MINE LONG TERM MONITORING	01F16901	66.802	\$ -	\$ 43,757
			<b>66.802 Total</b>	<b>\$ -</b>	<b>\$ 43,757</b>
<b>DEPARTMENT OF ENERGY (DOE) - PASS THRU</b>					
National Renewable Energy Laboratory	DEPARTMENT OF ENERGY	DE-AC36-08GO28308	81.xx	\$ -	\$ 30,617
New Mexico Consortium, Inc.	DEPARTMENT OF ENERGY	89233217CNA000001	81.xx	\$ -	\$ 14,446
New Mexico Consortium, Inc.	DEPARTMENT OF ENERGY	DE-AC52-06NA25396	81.xx	\$ -	\$ 36,483
NTESS Sandia National Laboratories	DEPARTMENT OF ENERGY	DE-AC04-A94AL85000	81.xx	\$ -	\$ 69,607
NTESS Sandia National Laboratories	DEPARTMENT OF ENERGY	N/A	81.xx	\$ -	\$ 812
Triad National Security, LLC	DEPARTMENT OF ENERGY	89233218CNA000001	81.xx	\$ -	\$ 47,763
			<b>81.xx Total</b>	<b>\$ -</b>	<b>\$ 199,728</b>
<b>DEPARTMENT OF EDUCATION (EDUC) - PASS THRU</b>					
New Mexico Higher Education Department	ADULT EDUCATION	V002A210032	84.002	\$ -	\$ 428
New Mexico Higher Education Department	ADULT EDUCATION	V002A220032	84.002	\$ -	\$ 704,499
			<b>84.002 Total</b>	<b>\$ -</b>	<b>\$ 704,927</b>
<b>DEPARTMENT OF EDUCATION (EDUC) - DIRECT</b>					
	HIGHER EDUCATION_INSTITUTIONAL AID		84.031	\$ -	\$ 1,133,860
			<b>84.031 Total</b>	<b>\$ -</b>	<b>\$ 1,133,860</b>
<b>DEPARTMENT OF EDUCATION (EDUC) - PASS THRU</b>					
New Mexico Public Education Department	CARL PERKINS	CARL D. PERKINS BASIC GRANT (FUND CODE 24174	84.048	\$ -	\$ 60,174
New Mexico Public Education Department	CARL PERKINS	V048A200031-20A	84.048	\$ -	\$ 6,390
New Mexico Public Education Department	CARL PERKINS	V048A210031	84.048	\$ -	\$ 95,056
New Mexico Public Education Department	CARL PERKINS	V048A210031 - 21A	84.048	\$ -	\$ 3,558
New Mexico Public Education Department	CARL PERKINS	V048A210031-21A	84.048	\$ -	\$ 5,336
New Mexico Public Education Department	CARL PERKINS	V048S220031	84.048	\$ -	\$ 445,890
			<b>84.048 Total</b>	<b>\$ -</b>	<b>\$ 616,404</b>
<b>DEPARTMENT OF EDUCATION (EDUC) - DIRECT</b>					
	IMPROVEMENT OF POSTSECONDARY EDUCATION		84.116	\$ -	\$ 33,109
<b>DEPARTMENT OF EDUCATION (EDUC) - PASS THRU</b>					
High Plains Regional Education Cooperative #3	IMPROVEMENT OF POSTSECONDARY EDUCATION	P116C200014	84.116	\$ -	\$ 809
			<b>84.116 Total</b>	<b>\$ -</b>	<b>\$ 33,918</b>

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Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
<b>INDIVIDUAL AWARDS - OTHER</b>					
<b>DEPARTMENT OF EDUCATION (EDUC) - DIRECT</b>					
	COLLEGE ASSISTANCE MIGRANT PGM CAMP		84.149	\$ -	\$ 480,147
			<b>84.149 Total</b>	<b>\$ -</b>	<b>\$ 480,147</b>
<b>DEPARTMENT OF EDUCATION (EDUC) - DIRECT</b>					
	GRADUATION ASSISTANCE IN AREAS OF NATIONAL NEED		84.200	\$ -	\$ 87,519
			<b>84.200 Total</b>	<b>\$ -</b>	<b>\$ 87,519</b>
<b>DEPARTMENT OF EDUCATION (EDUC) - DIRECT</b>					
	INNOVATIVE APPROACHES TO LITERACY		84.215	\$ -	\$ 212,194
			<b>84.215 Total</b>	<b>\$ -</b>	<b>\$ 212,194</b>
<b>DEPARTMENT OF EDUCATION (EDUC) - PASS THRU</b>					
New Mexico Public Education Department	STATE PERSONNEL DEVELOPMENT GRANTS	H323A170032-21	84.323	\$ -	\$ 1,039,923
			<b>84.323 Total</b>	<b>\$ -</b>	<b>\$ 1,039,923</b>
<b>DEPARTMENT OF EDUCATION (EDUC) - DIRECT</b>					
	ENGLISH LANGUAGE ACQUISITION STATE GRANTS		84.365	\$ -	\$ 287,669
			<b>84.365 Total</b>	<b>\$ -</b>	<b>\$ 287,669</b>
<b>DEPARTMENT OF EDUCATION (EDUC) - PASS THRU</b>					
Texas A&M University	SUPPORTING EFFECTIVE EDUCATOR DEVELOPMENT	U423A180074	84.423	\$ -	\$ 50,779
			<b>84.423 Total</b>	<b>\$ -</b>	<b>\$ 50,779</b>
<b>DEPARTMENT OF EDUCATION (EDUC) - PASS THRU</b>					
ECECD	COVID-19 HIGHER EDUCATION EMERG RELIEF FND ELEM&SECOND	S425C200021	84.425D	\$ -	\$ 8,220
			<b>84.425D Total</b>	<b>\$ -</b>	<b>\$ 8,220</b>
<b>DEPARTMENT OF EDUCATION (EDUC) - DIRECT</b>					
	COVID-19 HIGHER EDUCATION EMERGENCY RELIEF FUND - INSTITUTIONAL		84.425F	\$ -	\$ 6,548,019
			<b>84.425F Total</b>	<b>\$ -</b>	<b>\$ 6,548,019</b>
<b>DEPARTMENT OF EDUCATION (EDUC) - DIRECT</b>					
	COVID-19 HIGHER EDUCATION EMERGENCY RELIEF FUND - MSI		84.425L	\$ -	\$ 32,400
			<b>84.425L Total</b>	<b>\$ -</b>	<b>\$ 32,400</b>
			<b>84.425 Total</b>	<b>\$ -</b>	<b>\$ 6,588,639</b>
<b>DEPARTMENT OF EDUCATION (EDUC) - PASS THRU</b>					
High Plains Regional Education Cooperative #3	DEPARTMENT OF EDUCATION	S425U210023-21A	84.xx	\$ -	\$ 200,243
New Mexico Public Education Department	DEPARTMENT OF EDUCATION	S425V210017	84.xx	\$ -	\$ 7,875
University of New Mexico	DEPARTMENT OF EDUCATION	N/A	84.xx	\$ -	\$ 284,655
			<b>84.xx Total</b>	<b>\$ -</b>	<b>\$ 492,773</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - DIRECT</b>					
	GRADUATE PSYCHOLOGY EDUCATION PROGRAM		93.191	\$ -	\$ 225,539
			<b>93.191 Total</b>	<b>\$ -</b>	<b>\$ 225,539</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - DIRECT</b>					
	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES		93.243	\$ -	\$ 50,938
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
Children Youth and Family Dept State NM	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES	H795M082287	93.243	\$ -	\$ 2,395,827
			<b>93.243 Total</b>	<b>\$ -</b>	<b>\$ 2,446,765</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
Comagine Health	NATIONAL DIABETES PREVENTION PROGRAM	NEW 5 NU58DP006736 (OLD 5NU58DP006369)	93.261	\$ -	\$ 6,188
			<b>93.261 Total</b>	<b>\$ -</b>	<b>\$ 6,188</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
ECECD	TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	2201NMTANF	93.558	\$ -	\$ 119,438
			<b>93.558 Total</b>	<b>\$ -</b>	<b>\$ 119,438</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
Children Youth and Family Dept State NM	CHILDREN'S JUSTICE GRANTS TO STATES	G-1901NMCJA	93.643	\$ -	\$ 9,994
			<b>93.643 Total</b>	<b>\$ -</b>	<b>\$ 9,994</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
Children Youth and Family Dept State NM	TITLE IV-E PROGRAM	G2201/G2301/G2401-NMF0ST	93.658	\$ -	\$ 372,618
			<b>93.658 Total</b>	<b>\$ -</b>	<b>\$ 372,618</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - DIRECT</b>					
	MENTAL & BEHAVIORAL HEALTH EDUCATION & TRAINING		93.732	\$ -	\$ 520,073
			<b>93.732 Total</b>	<b>\$ -</b>	<b>\$ 520,073</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
Falling Colors Corporation (FCC)	STATE TARGETED RESPONSE TO THE OPIOID CRISIS		93.788	\$ -	\$ 78,903
			<b>93.788 Total</b>	<b>\$ -</b>	<b>\$ 78,903</b>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (HHS) - PASS THRU</b>					
ECECD	DEPARTMENT OF HEALTH & HUMAN SERVICES	CCDF-ACF-IM-2021-02	93.xx	\$ -	\$ 114,538
			<b>93.xx Total</b>	<b>\$ -</b>	<b>\$ 114,538</b>

See accompanying independent auditor's report.

Schedule 7 - Schedule of Expenditures of Federal Awards

Name of Program / Agency	Award Title	Grant Number	Federal Assistance Listing Number	Subrecipient Expenditures	Total Expenditures
<b>INDIVIDUAL AWARDS - OTHER</b>					
<b>SNAP CLUSTER</b>					
DEPARTMENT OF AGRICULTURE (USDA) - PASS THRU					
New Mexico Human Services Department	SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	N/A	10.561	\$ -	\$ 1,639,384
			<b>10.561 Total</b>	<b>\$ -</b>	<b>\$ 1,639,384</b>
			<b>SNAP Cluster Total</b>	<b>\$ -</b>	<b>\$ 1,639,384</b>
<b>ECONOMIC DEVELOPMENT CLUSTER</b>					
DEPARTMENT OF COMMERCE (DOC) - DIRECT					
	ECONOMIC ADJUSTMENT ASSISTANCE		11.307	\$ -	\$ 15,532
			<b>11.307 Total</b>	<b>\$ -</b>	<b>\$ 15,532</b>
			<b>Economic Development Cluster Total</b>	<b>\$ -</b>	<b>\$ 15,532</b>
<b>FISH AND WILDLIFE CLUSTER</b>					
DEPARTMENT OF INTERIOR (DOI) - PASS THRU					
State of NM Dept Of Game And Fish	SPORT FISH RESTORATION PROGRAM	F18AF00280	15.605	\$ -	\$ 99,350
			<b>15.605 Total</b>	<b>\$ -</b>	<b>\$ 99,350</b>
DEPARTMENT OF INTERIOR (DOI) - DIRECT					
	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION		15.611	\$ -	\$ 267,011
DEPARTMENT OF INTERIOR (DOI) - PASS THRU					
Arizona Game and Fish Department	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	F21AF02778-01	15.611	\$ -	\$ 636
State of NM Dept Of Game And Fish	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	F21AF00889	15.611	\$ -	\$ 53,485
State of NM Dept Of Game And Fish	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	F21AF00889-00	15.611	\$ -	\$ 2,188
State of NM Dept Of Game And Fish	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	F22AF01771	15.611	\$ -	\$ 37,367
State of NM Dept Of Game And Fish	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	GFDW180R2	15.611	\$ -	\$ 220,567
State of NM Dept Of Game And Fish	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	WILDLIFE RESTORATION GRANT W-139-R	15.611	\$ -	\$ 30,111
			<b>15.611 Total</b>	<b>\$ -</b>	<b>\$ 611,365</b>
			<b>Fish and Wildlife Cluster Total</b>	<b>\$ -</b>	<b>\$ 710,715</b>
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - DIRECT					
	HEAD START		93.600	\$ -	\$ 2,325,821
			<b>93.600 Total</b>	<b>\$ -</b>	<b>\$ 2,325,821</b>
			<b>Headstart Cluster Total</b>	<b>\$ -</b>	<b>\$ 2,325,821</b>
<b>CCDF CLUSTER</b>					
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) - PASS THRU					
ECECD	CHILD CARE AND DEVELOPMENT BLOCK GRANT	2102NMCCCS	93.575	\$ -	\$ 1,423,092
			<b>93.575 Total</b>	<b>\$ -</b>	<b>\$ 1,423,092</b>
			<b>CCDF Cluster Total</b>	<b>\$ -</b>	<b>\$ 1,423,092</b>
<b>TRIO CLUSTER</b>					
DEPARTMENT OF EDUCATION (EDUC) - DIRECT					
	TRIO STUDENT SUPPORT SERVICES PROGR		84.042	\$ -	\$ 666,328
			<b>84.042 Total</b>	<b>\$ -</b>	<b>\$ 666,328</b>
DEPARTMENT OF EDUCATION (EDUC) - DIRECT					
	TALENT SEARCH PROGRAM		84.044	\$ -	\$ 77,338
			<b>84.044 Total</b>	<b>\$ -</b>	<b>\$ 77,338</b>
DEPARTMENT OF EDUCATION (EDUC) - DIRECT					
	TRIO UPWARD BOUND		84.047	\$ -	\$ 1,060,871
			<b>84.047 Total</b>	<b>\$ -</b>	<b>\$ 1,060,871</b>
DEPARTMENT OF EDUCATION (EDUC) - DIRECT					
	TRIO MCNAIR POST-BACCALAUREATE ACHIEVEMENT		84.217	\$ -	\$ 110,788
			<b>84.217 Total</b>	<b>\$ -</b>	<b>\$ 110,788</b>
			<b>Trio Cluster Total</b>	<b>\$ -</b>	<b>\$ 1,915,325</b>
<b>INDIVIDUAL AWARDS - OTHER TOTAL</b>				<b>\$ 967,130</b>	<b>\$ 60,926,817</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				<b>\$ 9,824,839</b>	<b>\$ 215,654,497</b>

See accompanying independent auditor's report.

## Schedule 7 - Schedule of Expenditures of Federal Awards

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

Federal Appropriations, Grants and Contracts	\$ 107,239,711
Federal Pell Grant revenue	41,375,320
SLFRF revenue included in NM Opportunity Scholarship non-operating revenue	15,482,155
SLFRF revenue included in NM Lottery Scholarship non-operating revenue	10,826,360
CARES revenue reclassified to other non-operating revenue	6,588,639
	<u>181,512,185</u>
Plus/(Less) reconciling items:	
Adjustment to federal revenue for accrued liabilities and reversals	521,964
Adjustment to federal revenue for Department of Education loans	33,620,348
<b>Federal Expenditures per Schedule 7</b>	<u><u>\$ 215,654,497</u></u>

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

The accompanying schedule of expenditures of Federal Awards (the schedule) is prepared on the accrual basis of accounting and includes the federal grant activity of the University under programs of the Federal Government for the year ended June 30, 2023. The information in this schedule is presented in accordance with 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in net position, or cash flows of the University.

**Note B:** Significant Accounting Policies

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

**Note C:** Federal Direct Student Loans, ALN # 84.268. During the fiscal year ended June 30, 2023, the University processed \$30,683,401 in new loans under the Direct Student Loan Program (which includes Stafford Loans and Parents' Plus Loans).

**Note D:** During the fiscal year ended June 30, 2023, there were no federal funds made available in the form of non-cash assistance.

**Note E:** Federal Perkins Loan Program, ALN # 84.038. No additional Perkins loans were awarded for the year ended June 30, 2022, and the outstanding student loan balances under the Federal Perkins Loan Program was \$2,081,573.

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

See accompanying independent auditor's report.

## **Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of New Mexico State University (the University) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise New Mexico State University's basic financial statements, and have issued our report thereon dated December 1, 2023.

### **Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted a certain matter that is required to be reported per Section 12-6-5 NMSA 1978, that we have described in the accompanying schedule of findings and questioned costs under other matters as required by Section 12-6-5 NMSA 1978 as item 2023-001.

## **New Mexico State University's Response to Findings**

Government Auditing Standards requires the auditor to perform limited procedures on the New Mexico State University's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. New Mexico State University's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Albuquerque, New Mexico  
December 1, 2023

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

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

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

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

We have audited New Mexico State University's (the University) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2023. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

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

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

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

### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

## **Report on Internal Control Over Compliance**

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

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

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

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



Albuquerque, New Mexico  
December 1, 2023

**Schedule of Findings and Questioned Costs  
Year ended June 30, 2023**

**(1) Summary of Auditor's Results**

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

Internal control over financial reporting:

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

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

**Federal Awards**

Internal control over major federal programs:

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

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

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

Student Financial Assistance Cluster – various ALN numbers - **Unmodified**  
COVID-19 Education Stabilization Fund - Higher Education Emergency Relief Fund – ALN 84.425  
- **Unmodified**  
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - ALN 21.027 - **Unmodified**

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

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

**(2) Financial Statement Findings**

None reported.

**(3) Federal Award Findings and Questioned Costs**

None reported.

**Summary Schedule of Prior Audit Findings  
Year ended June 30, 2023**

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

None

**Section III - Federal Awards Findings and Questioned Costs**

None

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

None

**Schedule of Findings and Questioned Costs  
As Required by New Mexico State Statute 12-6-5, NMSA 1978  
Year ended June 30, 2023**

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

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

**Condition:**

During our test work over New Mexico state audit rule compliance, we noted two assets totaling \$26,674, were removed from the University's asset listing without notification to the Office of the State Auditor.

**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.

**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 noted as missing from the University's assets listing.

**Recommendation:**

We recommend the University include in their implement policies and procedures to ensure missing items are added to the notification to the Office of the State Auditor and is completed thirty 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).

**Management's Response:**

NMSU's interpretation of the New Mexico State Audit Rule was that lost and stolen items were not required to be reported. This was due to the wording in the rule, which indicated that they may be included rather than shall, as indicated for other disposition types. Upon further review, we agree that the requirements for reporting apply to all disposition types and the University Business Operations Officer will implement this change by March 1, 2024.

An exit conference was held on October 25, 2023, to discuss the current audit report and auditors' comments. In attendance were the following individuals:

**Representing the Board of Regents for New Mexico State University**

Brad Beasley	Co-Chair
Deborah Romero	Audit Committee Member
Yan Zhang	Audit Committee Community Member
Shari Jones	Audit Committee Community Member

**Representing New Mexico State University**

George Gogue	Interim President
Alan Shoho	Provost and Chief Academic Officer
Scott Fields	Interim Chief Legal Affairs Officer
D'Anne Stuart	Interim Vice President, Administration and Finance
Ross Justus	Associate Controller
Carolina Muñoz	Manager, Accounting and Finance
Damian López	Audit Liaison
Kenneth Glascock	Chief Audit Officer
Adam Cavotta	Board of Regents Chief of Staff
Robert Doyle	Privacy & IT Compliance Officer

**Representing New Mexico State University Component Units**

Alasdair Forysthe	Controller, NMSU Foundation, Inc.
Kathryn Hansen	CEO, Arrowhead Center Inc.
Vanessa Mills	Senior Accountant, Arrowhead Center Inc.
Hector Monisivaiz	Senior Accountant, Arrowhead Center Inc.

**Representing Moss Adams LLP**

Lisa Todd	Lead Engagement Partner
Ashlee Lent	Senior Manager

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