



Purchasing Services Office

801 Leroy Place
Socorro, NM 87801
(575) 835-5886

Letter of Addendum

TO: All Offerors

FROM: Meradeth Montoya, Associate Director of Purchasing

DATE: 4/5/2026

RE: RFP Number: RFP26030026- Amendment No. 1
Commodity: Audit Services

Q1: Could we please get copies of the New Mexico Tech Foundation and the Research Park Corporation?

A1: Please see attached documents.

Q2: Will any tax preparation or assistance with IRS Form 990 be included in the scope of work?

A2: No. Tax preparation services, including Form 990 filings, are not included in this RFP. These services are currently provided under a separate agreement.

Q3: We do not currently have an office in the State of New Mexico. Are firms outside the state able to propose?

A3: Yes. Firms located outside the State of New Mexico are eligible to submit proposals. Offerors should demonstrate their ability to effectively perform on site services, coordination, and any associated travel in a manner that is cost effective and does not impact the quality or timeliness of services.

Q4: Does the State of New Mexico require the audit partner to be licensed in the State? Does the Institute have authority to oversee and review the audit?

A4: The selected firm must be included on the authorized list of audit firms maintained by the New Mexico Office of the State Auditor. All work must comply with applicable requirements, including NMAC 2.2.2. Oversight and review are conducted in accordance with these requirements.

Q5: What were the fees for audit, single audit, and financial statement preparation for the prior three years, including component units?

A5: The Institute has provided available historical fee information below. Due to prior facility impacts affecting record accessibility, all information currently available has been provided.

	FY23	FY24	FY25
Audit	62,434	62,434	65,000
Single Audit	28,272	28,272	40,000
Component Units	57,476	43,479	45,000
Financial Statement Prep	8,246	14,243	8,600
GRT	12,113	11,318	12,094
	168,541	159,746	170,694

Q6: Please provide prior year fees by engagement broken down by area and any additional related fees.

A6: The following represents the most recent available fee breakdown by component and engagement area.

Component	NMT	RPC	Foundation
Financial Statement Audit	\$65,000	\$19,000	\$18,000
Federal Single Audit	\$30,000		
Financial Statement Preparation	\$8,600	\$4,000	\$4,000
Other – Component Units (Foundation + Research Park)			
Other non-audit services	\$10,000		
Subtotal – Fees (excl. tax)	\$113,600	\$23,000	\$22,000
Gross Receipts Tax	\$8,663	\$1,754	\$1,678
Total Compensation (incl. GRT)	\$122,263	\$24,754	\$23,678

Q7: Why is NMIMT going out to bid again so soon after 2025?

A7: The FY2025 engagement was intentionally structured as a one year contract due to a change in administration. The Institute is now proceeding with a new solicitation.

Q8: Is the predecessor auditor allowed to bid? Is the rotation period reset due to acquisition?

A8: Yes. The predecessor is eligible to submit a proposal. Per guidance from the New Mexico Office of the State Auditor, the firm is considered a new entity and the rotation period is reset.

Q9: What are you looking for in an audit firm?

A9: A firm with demonstrated experience in higher education and research university audits.

Q10: What does value look like for this engagement?

A10: Value will be determined through the evaluation criteria outlined in the RFP.

- Q11:** Why are you going out to bid?
A11: The prior engagement was for one year therefore a new solicitation is required.
- Q12:** Is the current auditor included in the bid process?
A12: Yes. The current auditor is eligible to submit a proposal.
- Q13:** What are the biggest concerns for the upcoming year?
A13: Implementation of GASB 103.
- Q14:** When are you ready for audit fieldwork interim and year end?
A14: Interim fieldwork is anticipated to begin June 1, 2026. Year-end fieldwork is anticipated to begin August 15, 2026.
- Q15:** When must reports be issued?
A15: Reports must be issued prior to November 1, 2026 in accordance with State Auditor requirements.
- Q16:** Do you prefer in person or remote auditing?
A16: Both approaches are acceptable.
- Q17:** Are there separate accounting teams for the University Foundation and Research Park?
A17: These functions overlap.
- Q18:** Are there any significant changes expected in FY2026 or future years?
A18: No significant changes are currently anticipated for FY2026. Construction projects are ongoing and expected to be completed in late FY2026 or early FY2027. An ERP transition to Banner SaaS is anticipated in future years.
- Q19:** Confirm proposal submission requirements paper copy and thumb drive due April 10 at 2:00 PM MT.
A19: Correct. Proposals must be submitted as specified in the RFP.
- Q20:** Confirm tax services are not included and whether another firm is engaged?
A20: Correct. Tax services are not included. A separate firm is currently engaged for those services.
- Q21:** Regarding use of internal auditors is the Institute planning to utilize internal audit staff and provide estimated hours?
A21: The Institute does not currently have an internal auditor. No estimated hours are available.
- Q22:** Confirm applicability of Government Flow Down Provisions and whether this is federally funded.
A22: This agreement is not considered a federally funded project for purposes of this procurement.
- Q23:** Please provide additional detail regarding specialized service centers and DCAA related procedures.
A23: This question would have required additional clarification however the deadline for submission of questions has passed. No further response will be provided.

Q24: Please provide FY2025 audited financial statements for the Foundation and Research Park.

A24: Please see attached.

Q25: What is the timeline for next steps after proposal submission interviews and award timing?

A25: Due to time constraints interviews will not be conducted. A final selection will be made and submitted to the State Auditor by May 1.

ALL OFFERORS ARE REQUIRED TO CONFIRM THE RECEIPT OF THIS AMENDMENT IN THEIR RESPONSE.
ALL OTHER TERMS AND CONDITIONS OF THE RFP REMAIN UNCHANGED.

Report of Independent Auditors
and Financial Statements

**The New Mexico Tech Foundation
(A Component Unit of the New Mexico Institute of
Mining and Technology)**

June 30, 2025



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The New Mexico Tech Foundation
(A Component Unit of the New Mexico Institute of
Mining and Technology)
Official Roster (unaudited)
June 30, 2025

Clinton Marrs	President
Jeff Corey	Vice President
Borden Putnam	Secretary/Treasurer
Colleen Foster	Executive Director
Jerry Armijio	Trustee
Kip Purcell	Trustee
Deborah Corey	Trustee
Dr. Mahyar Amouzegar	Trustee
Dr. Neila Dunbar	Trustee
Raven Goswick	Trustee
Delilah Walsh	Trustee
Lisa Noell	Trustee
Geraldine Rivera	Trustee
Cindy Ardito	Trustee
Mackenzie Best	Trustee
Earl DeBrine	Trustee

Report of Independent Auditors

The Board of Trustees
The New Mexico Tech Foundation
and
Mr. Joseph M. Maestas, PE, CFE
New Mexico State Auditor

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the New Mexico Tech Foundation (the Foundation), a component unit of the New Mexico Institute of Mining and Technology (the Institute), which comprise the statement of net position as of June 30, 2025, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Foundation's financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective statement of net position of the New Mexico Tech Foundation as of June 30, 2025, and the respective change in financial position, and, where applicable, cashflows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 Foundation 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 opinion.

Emphasis of Matter – Reporting Entity

As described in Note 1, the financial statements of the Foundation are intended to present the net position and the revenues, expenses, and changes in net position of only the Foundation. They do not purport to, and do not, present fairly the net position of the New Mexico Institute of Mining and Technology as of June 30, 2025, and the revenues, expenses, and changes in net position, or where applicable, its cash flows, for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 opinion. 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 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 Foundation'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 Foundation'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

Management has omitted the Management’s Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2025, on our consideration of New Mexico Tech Foundation’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 New Mexico Tech Foundation’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 New Mexico Tech Foundation’s internal control over financial reporting and compliance.

Baker Tilly US, LLP

Albuquerque, New Mexico
October 22, 2025

Financial Statements

The New Mexico Tech Foundation
(A Component Unit of the New Mexico Institute of
Mining and Technology)
Statement of Net Position
June 30, 2025

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 862,625
Promises to give	39,000
Investments, restricted expendable	6,712,110
Investments, unrestricted	21,640,398
Lease receivable	86,081
Other assets	3,246

Total current assets	29,343,460
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NONCURRENT ASSETS

Promises to give, net of discount	251,977
Investments, restricted nonexpendable	15,397,141
Accrued interest receivable	2,830
Capital assets, net of accumulated depreciation of \$1,378,205	1,167,003

Total noncurrent assets	16,818,951
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TOTAL ASSETS	\$ 46,162,411
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LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION

CURRENT LIABILITIES

Account payable	\$ 35,355
Due to the Institute	59,295

Total current liabilities	94,650
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DEFERRED INFLOW OF RESOURCES	69,462
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Total liabilities and deferred inflows of resources	164,112
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NET POSITION

Net investment in capital assets	1,167,003
Restricted, nonexpendable	15,688,118
Restricted, expendable	6,712,110
Unrestricted	22,431,068

Total net position	45,998,299
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TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 46,162,411
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See accompanying notes.

The New Mexico Tech Foundation
(A Component Unit of the New Mexico Institute of
Mining and Technology)
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2025

OPERATING REVENUES	
Donations and promises to give, net of discounts	\$ 1,350,661
Total operating revenues	1,350,661
OPERATING EXPENSES	
Awards and scholarships	1,100,007
Support of the Institute	2,094,986
General and administrative expenses	256,516
Depreciation	84,213
Total operating expenses	3,535,722
Operating loss	(2,185,061)
NONOPERATING REVENUES	
Lease income	24,840
Net realized/unrealized gain on investments	3,228,047
Investment income	1,276,570
Interest income	4,255
Total nonoperating income	4,533,712
CHANGE IN NET POSITION	2,348,651
NET POSITION, beginning of year	43,649,648
NET POSITION, end of year	\$ 45,998,299

See accompanying notes.

The New Mexico Tech Foundation
(A Component Unit of the New Mexico Institute of
Mining and Technology)
Statement of Cash Flows
Year Ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Contributions received from donors	\$ 1,340,400
Other expense	(291,919)
Support to the Institute - other support	(2,203,902)
Payments to the Institute - awards and scholarships	<u>(1,100,007)</u>

Net cash from operating activities (2,255,428)

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from lease payments	24,840
Proceeds from sales of investments	1,984,345
Investment and interest income	1,386,382
Reinvested investment income	(1,276,570)
Purchases of investments	<u>(1,114,666)</u>

Net cash from investing activities 1,004,331

NET CHANGE IN CASH AND CASH EQUIVALENTS (1,251,097)

CASH AND CASH EQUIVALENTS, beginning of year 2,113,722

CASH AND CASH EQUIVALENTS, end of year \$ 862,625

RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

Operating loss	\$ (2,185,061)
Adjustments to reconcile operating loss to net cash from operating activities	
Depreciation	84,213
Donated stock	(212,109)
Donation of building improvement	(121,417)
Changes in assets and liabilities	
Promises to give	221,832
Other assets	(3,246)
Accrued interest receivable	(77,570)
Deferred inflows of resources	(7,051)
Accounts payable	35,307
Due to the Institute	<u>9,674</u>

NET CASH FROM OPERATING ACTIVITIES \$ (2,255,428)

SUPPLEMENTAL NONCASH DISCLOSURES

Receipts of donated stock	<u>\$ (212,109)</u>
Receipts of building improvement donation	<u><u>\$ (121,417)</u></u>

See accompanying notes.

The New Mexico Tech Foundation
(A Component Unit of the New Mexico Institute of
Mining and Technology)
Notes to Financial Statements

Note 1 – Description of Business

The New Mexico Tech Foundation (the Foundation), a component unit of the New Mexico Institute of Mining and Technology (the Institute), is a New Mexico not-for-profit foundation located in Socorro, New Mexico. The Foundation is organized to promote and advance the interests of the Institute by making funds available for institutional support and scholarships. The Foundation has no component units.

Note 2 – Summary of Significant Accounting Policies

Basis of presentation – The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America for governmental entities (GAAP).

Revenue and cost recognition – The Foundation's financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Accordingly, revenues are recognized when they are earned, and expenses are recognized as soon as the liability is incurred.

Operating revenues and contributions are those received by the Foundation for events and activities that relate directly to the Foundation, and operating expenses are those incurred for events and activities that relate to administration, scholarships, and awards for students. Revenues, expenses, gains, and losses from investments are considered nonoperating.

Classification of revenues – The Foundation has classified its revenues as either operating or nonoperating according to the following criteria:

Operating revenues – Operating revenues include activities that have the characteristics of exchange transactions such as transactions such as gifts and contributions. Revenue on contracts and grants are recognized to the extent that the underlying exchange transaction has occurred.

Gifts and contributions are recognized when all applicable eligibility requirements have been met.

Contributions of donated noncash assets are recorded at their fair values in the period received.

Nonoperating revenues – Nonoperating revenues include activities that have the characteristics of nonexchange transactions, including other revenue sources that are consistently applied as nonoperating revenues, such as lease income, investment, and interest income.

Net position – Unrestricted net position represents resources whose use is not limited or restricted by donors. Unrestricted net position has arisen from exchange transactions, receipt of unrestricted contributions, and expirations of existing restrictions. Restricted expendable contributions are recorded as unrestricted to the extent the restrictions expire in the same reporting period.

The New Mexico Tech Foundation
(A Component Unit of the New Mexico Institute of
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Notes to Financial Statements

Restricted expendable net position represents resources whose use is limited by donors for the support of the academic activities of the Institute faculty and/or students. Such restrictions are legally enforceable or contractually obligated to spend in accordance with imposed restrictions by third parties. Restricted expendable net position is released from restriction as the purpose restrictions are met.

Restricted nonexpendable assets represent those that cannot be expended based on donor restriction. Nonexpendable restricted net position consists of endowment and similar type funds in 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, which may either be expended or added to principal. When both restricted and unrestricted funds are available, restricted funds are expended first.

Net investment in capital assets is intended to reflect the portion of net position, which is associated with nonliquid capital assets. There is no related debt.

Deferred inflows and outflows – Deferred outflows of resources consumed and deferred inflows of resources received and available are elements of the statement of net position. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. There were deferred inflows of resources of \$69,462 at June 30, 2025. The deferred inflows of resources will be amortized over the life of the lease.

Cash and cash equivalents – For purposes of the statement of cash flows, the Foundation considers cash on hand, cash held in banks, and highly liquid instruments with original maturities of three months or less to be cash and cash equivalents.

Promises to give – Promises to give, which are nonendowed, are recognized as increases in assets and nonoperating revenues upon receipt of a signed commitment, so long as collectability is probable, and when all applicable eligibility requirements are met. An allowance for doubtful promises to give is recorded when the promise is recorded. The allowance is based on loss experience and other factors that management considers necessary in estimating losses on promises to give. Noncurrent promises to give are discounted between 0.84%-2.25% which is the U.S. prime rate in effect coinciding with the date of the promise. All promises to give are for endowed donations. No allowance for doubtful accounts related to such promises was deemed necessary at June 30, 2025.

Investments – The Board of Trustees has the sole authority and responsibility to make changes to the Foundation's investment policies. There were no significant changes to its investment policy during the year. In conformity with the Uniform Prudent Management of Institutional Funds Act (UPMIFA) (Chapter 46, Article 9A 1-10 NMSA 1978), the Foundation primarily invests through the New Mexico State Investment Council's (NMSIC) investment funds or in various mutual funds held and managed by a national brokerage firm.

The New Mexico Tech Foundation
(A Component Unit of the New Mexico Institute of
Mining and Technology)
Notes to Financial Statements

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statement of net position in accordance with Government Accounting Standards Board (GASB) 72. Mutual funds are based on the Foundation's pro-rata share of unit value of the mutual funds. Investment transactions are recorded on the trade date basis. Dividends are recognized as income when declared. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) are reported as increases or decreases in net position on the statement of revenues, expenses, and changes in net position.

The Foundation has no limitations on the types of investments or deposits it can make within the scope of its investment policy. The following are the target allocations for the investments:

Asset Class	Long-Term Target	Allowable Range
Fixed income	30%	25-50%
Equity	70%	50-70%

Due to the nature of the investments, it is reasonable that changes in the value of investments will occur in the near future and could materially affect the amounts reported. The determination of fair values includes, among other things, published market prices, prices obtained from pricing services, and prices quoted by independent brokers at current exchange rates.

The Foundation has an agreement with the Institute for investment of the majority of the Foundation's funds. Income is allocated based on the proportionate market value of the investment of each participating fund.

Information relating to the NMSIC's use of derivatives is not made available to the Foundation. For GASB 40 disclosure information related to the investments held at the NMSIC, the reader should refer to the separate audit report and required supplementary information of the NMSIC for the fiscal year ended June 30, 2025. That report may be obtained by writing to the New Mexico State Investment Council, 41 Plaza la Prensa, Santa Fe, New Mexico 87507. The report is also available on the NMSIC website at www.sic.state.nm.us.

Net appreciation/depreciation on donor-restricted endowments and related investment income are recorded as an increase in restricted expendable net position until the amount is expended in accordance with donor specifications.

Capital assets – The Foundation records tangible and intangible capital assets purchased at cost, and donations at their estimated fair value on the date of donation. The building, which is the only depreciable asset, is depreciated using a straight-line method over a twenty-seven and a half to thirty year estimated useful life. The Foundation capitalizes real property over \$100,000 and equipment purchases with a cost over \$5,000.

The New Mexico Tech Foundation
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Long-lived assets – The Foundation reviews its long-lived assets (property) for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. There was no impairment of such assets as of June 30, 2025.

Leases – The Foundation recognizes lease contracts or equivalents that have a term exceeding one year and the cumulative future receipts on the contract exceed \$5,000 that meet the definition of an other than short-term lease. The Foundation uses the same interest rate it charges to lessee as the discount rate or that is implicit in the contract to the lessee. Short-term lease receipts and variable lease receipts not included in the measurement of the lease receivable are recognized as income when earned.

Recently issued accounting standards – GASB Statement No. 102 – *Certain Risk Disclosures* (GASB 102) was issued in December 2023 and requires governments to assess whether a concentration or constraint exists that would impact the issuers ability to operate or service debt. This statement is effective for fiscal years beginning after June 15, 2024. The implementation of this standard does not have any effect on the financial statements of the Foundation.

Due to the Institute – This payable is \$59,295 at June 30, 2025, and represents funds that are to be paid to the Institute for operational expenses.

Endowments – The endowment spending policy is in alignment with the long-term endowment management philosophy of the Foundation, which is to preserve the permanent viability of the endowment. The Foundation supports vital scholarship and other programs from the earnings of its endowment. These programs are in concert with provisions established by the donors of the endowment. Net appreciation/depreciation on donor-restricted endowments and related investment income are recorded as an increase in restricted, expendable net position and are available for expenditure in accordance with donor specifications and in accordance with the State of New Mexico Uniform Prudent Management of Institutional Funds Act (46-9A 1-10 NMSA 1978).

Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates used in preparing these financial statements include the estimated useful life of capital assets and the valuation of investments.

Income taxes – The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been classified by the Internal Revenue Service as a public charity. The Foundation is exempt from income taxation on its normal activities. The Foundation is classified as a supporting organization of the Institute and not a private foundation.

The New Mexico Tech Foundation
(A Component Unit of the New Mexico Institute of
Mining and Technology)
Notes to Financial Statements

Subsequent events – Subsequent events are events or transactions that occur after the statement of net position date but before the financial statements are issued or are available to be issued. The Foundation recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of net position, including the estimates inherent in the process of preparing the financial statements. The Foundation’s financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of net position, but arose after the statement of net position date and before the financial statements are available to be issued. The Foundation has evaluated subsequent events through October 22, 2025, which is the date the financial statements are available to be issued.

Note 3 – Cash and Cash Equivalents

Custodial credit risk – Custodial credit risk is the risk that in the event of a bank failure, the entity’s deposits may not be returned to it. The Foundation does not have a deposit policy for custodial credit risk. As of June 30, 2025, the Foundation’s deposits were exposed to custodial credit risk as follows:

	First State Bank	Wells Fargo	Total
Total of deposits in the bank	\$ 802,839	\$ 69,776	\$ 872,615
FDIC coverage	(250,000)	(69,776)	(319,776)
Total uninsured and uncollateralized funds	\$ 552,839	\$ -	\$ 552,839

Deposit classification in the financial statements at June 30, 2025, is as follows:

Name of Depository	Account Name	Bank Account Type	Bank Balance	Reconciling Items	Financial Statement Balance
First State Bank	Checking-Interest Bearing	Cash	\$ 759,525	\$ (9,990)	\$ 749,535
First State Bank	Savings	Cash	43,314	-	43,314
Wells Fargo	Savings	Cash	69,776	-	69,776
Cash and cash equivalents			\$ 872,615	\$ (9,990)	\$ 862,625

The Foundation does not receive public funds and pledged collateral is not required.

The New Mexico Tech Foundation
(A Component Unit of the New Mexico Institute of
Mining and Technology)
Notes to Financial Statements

Note 4 – Investments

A summary of investments at June 30, 2025, is as follows:

Investments	Ratings	Fair Value
Investments held with the New Mexico State Investment Council (NMSIC) pooled funds		
Credit Plus Pool	A1	\$ 10,114,283
Non-U.S. Emerging Markets Index Pool	Not rated	3,491,412
Non-U.S. Developed Markets Index Pool	Not rated	6,664,708
U.S. Large Cap Index Pool	Not rated	7,709,771
U.S. Small/Mid Cap Pool	Not rated	2,330,960
Real Return Pool	Not rated	2,311,728
Investments not subject to categorization		
New Mexico State Investment Council Pooled Funds		<u>11,126,787</u>
Total investments		<u>\$ 43,749,649</u>

The NMSIC provides investment services in accordance with its policies and statutory requirements of NMSA 1978 Section 6-8-9.

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As of June 30, 2025, the Foundation had fixed income and bond type investments subject to interest rate risk.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As of June 30, 2025, none of the above investments were subject to credit risk.

Note 5 – Fair Value of Investments

GAAP establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;

The New Mexico Tech Foundation
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Notes to Financial Statements

- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at June 30, 2025.

The investment portfolio is comprised of pooled investments with the NMSIC and is recorded in the financial statements at fair value. The corresponding unrealized gain or loss in the fair value in relation to cost is accounted for as a separate item in the statement of revenues, expenses, and changes in net position.

During 2025, the Foundation used the net asset value provided by the NMSIC as an approximation of the fair value of NMSIC investments. These investments are classified within Level 1 of the fair value hierarchy. This approach has not changed from previous periods.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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The following table presents the fair value measurements of assets and liabilities at June 30, 2025:

	Fair Value Measurements Using			Fair Value
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Investments held with the New Mexico State Investment Council (NMSIC) pooled funds				
Non-U.S. Emerging Markets Index Pool	\$ 3,491,412	\$ -	\$ -	\$ 3,491,412
Non-U.S. Developed Markets Index Pool	6,664,708	-	-	6,664,708
U.S. Large Cap Index Pool	7,709,771	-	-	7,709,771
U.S. Small/Mid Cap Pool	2,330,960	-	-	2,330,960
	\$ 20,196,851	\$ -	\$ -	\$ 20,196,851
Investments Measured at NAV Practical Expedient				
Investments held with the New Mexico State Investment Council (NMSIC)				
Credit Plus Pool				10,114,283
Credit & Structured Finance Pool				4,579,069
Private Equity Pool				4,424,644
Real Estate Pool				2,123,074
Real Return Pool				2,311,728
				\$ 43,749,649

GASB 72 requires additional disclosure for certain types of investments that calculate net asset value per share but are not publicly traded to assist in understanding the nature and risk of these investments by major category. The table below summarizes the fair value and other pertinent liquidity information of investments at June 30, 2025:

Investments	Fair Value	Redemption Frequency	Redemption Notice Period	Outstanding Commitments
Non-U.S. Emerging Markets Index Pool	\$ 3,491,412	Daily	5 Business Days	NA
Non-U.S. Developed Markets Index Pool	6,664,708	Daily	5 Business Days	NA
U.S. Large Cap Index Pool	7,709,771	Daily	5 Business Days	NA
U.S. Small/Mid Cap Pool	2,330,960	Daily	5 Business Days	NA
Credit Plus Pool	10,114,283	Monthly	5 Days/1 Month over \$5M	NA
Credit & Structured Finance	4,579,069	4 times per year	3 months	NA
Private Equity Pool	4,424,644	2 times per year	9 months	NA
Real Estate Pool	2,123,074	2 times per year	3 months	NA
Real Return Pool	2,311,728	2 times per year	3 months	NA

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Note 6 – Promises to Give

Promises to give consist of the following at June 30, 2025:

Amounts receivable in less than one year	\$ 39,000
Amounts receivable in more than one year	<u>271,000</u>
Total promises to give	310,000
Discounts to net present value	<u>(19,023)</u>
Promises to give, net	290,977
Less current portion	<u>(39,000)</u>
Noncurrent portion	<u><u>\$ 251,977</u></u>

Note 7 – Capital Assets

Capital assets consist of the following at June 30, 2025:

	Beginning Balance	Increases	Decreases	Transfer	Ending Balance
Capital assets not being depreciated					
Land	\$ 437,100	\$ -	\$ -	\$ -	\$ 437,100
Artwork	130,500	-	-	-	130,500
Total capital assets not being depreciated	<u>567,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>567,600</u>
Capital assets being depreciated					
Buildings	1,856,191	-	-	-	1,856,191
Buildings Improvements	-	121,417	-	-	121,417
Total capital assets being depreciated	<u>1,856,191</u>	<u>121,417</u>	<u>-</u>	<u>-</u>	<u>1,977,608</u>
Accumulated depreciation					
Buildings	<u>(1,293,992)</u>	<u>(84,213)</u>	<u>-</u>	<u>-</u>	<u>(1,378,205)</u>
Capital assets, net	<u><u>\$ 1,129,799</u></u>	<u><u>\$ 37,204</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,167,003</u></u>

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Notes to Financial Statements

Note 8 – Related-Party Transactions and Donated Services

The Institute provides the Foundation's office space in exchange for property management services provided to the Institute by the Foundation. These transactions are not recorded in the Foundation's financial statements, as they are not significant, and the value is not subject to reasonable estimation. The Institute did not charge the Foundation for accounting and management services during the year ended June 30, 2025. The Foundation provided the Institute \$2,203,902 of support for the year ended June 30, 2025.

The Foundation leases an apartment building to the Institute which expires June 30, 2026. Additionally, the Foundation leases a residential building to a third party. Lease revenues were \$114,990 for 2025. The lease is classified as a short-term lease on a month-to-month basis.

The Foundation funded \$1,100,007 in scholarships and awards which were provided through the Institute during the year ended June 30, 2025. The funding for these scholarships comes primarily from assets held by the Foundation from which the Institute is entitled to 4.5% of the income but has no title to the assets themselves. However, income earned on such assets upon which the Institute has claim is recorded in the accompanying basic financial statements.

The Foundation has a Due to the Institute on the statement of net position of \$59,295 at June 30, 2025.

Note 9 – Risk Management

The Foundation is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; and errors and omissions and natural disasters. The Foundation is insured under the Institute's risk management program for liability and casualty insurance, and through a private carrier for director and officer liability insurance. There have been no significant reductions in coverage from prior years.

Note 10 – Donor-Restricted Endowments

The Foundation solicits contributions to support the activities of the Institute. Contributions received may be unrestricted, restricted for a certain time or for a certain purpose, or restricted in perpetuity. Amounts which are restricted in perpetuity are classified as restricted, nonexpendable on the statement of net position, and were \$15,688,118 at June 30, 2025.

Net appreciation/depreciation on donor-restricted endowments and related investment income are recorded as an increase or decrease in restricted, expendable net position until the amount is expended in accordance with donor specifications. The investment policy is in accordance with the State of New Mexico UPMIFA (Chapter 46, Article 9A 1-10 NMSA 1978). The investment income, including realized gains, from the restricted, nonexpendable net position as well as the balance of the unrestricted net position is generally available for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. During the current year, donor-restricted endowments had investment gains of \$4,504,617.

The New Mexico Tech Foundation
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Notes to Financial Statements

The Board of Trustees of the Foundation has interpreted the UPMIFA as requiring the preservation of the fair value of the original contribution as of the contribution date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result, the Foundation classifies as restricted, nonexpendable net position (a) the original value of contribution to the endowment, (b) the original value of subsequent contribution to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor agreement at the time the contribution is added to the fund. There were no donor endowments whose fair value was less than the original value (under water) during 2025.

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate income from the restricted, nonexpendable endowment funds:

1. The duration and preservation of the various funds,
2. The purpose of the donor-restricted funds,
3. General economic conditions,
4. The possible effect of inflation and deflation,
5. The expected total return from income and the appreciation of investments,
6. Other resources of the Foundation,
7. The Foundation's investment policies.

Spending policy – The Foundation has available for distribution in any given year, all amounts in the unrestricted net position. However, the actual number of scholarships given out may be limited by the number of qualified applicants for the various scholarships. The decisions to award scholarships depends on the scholarship, with some being decided by the Board of Trustees, and others being decided by the Institute. The Foundation also may provide general support to the Institute by way of supporting fundraising and promotional activities.

Return objectives and risk parameters – The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a consistent stream of funding for scholarships and related activities, while seeking to maintain the purchasing power of the endowment assets and minimizing their exposure to significant market fluctuations. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period.

Endowment composition by type of fund – All funds in the Endowment are donor-restricted for the use of providing scholarships and support activities for the Institute.

The New Mexico Tech Foundation
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Notes to Financial Statements

Strategies employed for achieving objectives – To satisfy its long-term objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation investments are either held by the NMSIC, or in a variety of mutual funds to achieve its long-term return objectives within prudent risk constraints.

The following is a summary of endowments at June 30, 2025:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Restricted, nonexpendable	\$ 14,623,096	\$ 1,065,022	\$ -	\$ 15,688,118
Restricted, expendable	4,939,867	3,535,836	(1,763,593)	6,712,110
	<u>\$ 19,562,963</u>	<u>\$ 4,600,858</u>	<u>\$ (1,763,593)</u>	<u>\$ 22,400,228</u>

Note 11 – Leases

The Foundation is a lessor for noncancellable leases of an apartment complex with lease terms through June 30, 2026. For the year ending June 30, 2025, the Foundation recognized \$114,990 in lease revenue released from the deferred inflows of resources related to the leases. The Foundation recognized interest revenue of \$4,255 for the year ending June 30, 2025. No inflows of resources were recognized in the year related to termination penalties or residual value guarantees during the fiscal year.

The future principal and interest lease receipts as of June 30, 2025, were as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	<u>\$ 86,081</u>	<u>\$ 2,830</u>	<u>\$ 88,911</u>

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 Trustees
The New Mexico Tech Foundation
and
Mr. Joseph M. Maestas, PE, CFE
New Mexico State Auditor

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the New Mexico Tech Foundation, a component unit of the New Mexico Institute of Mining and Technology, which comprise the statement of net position as of June 30, 2025, and the related statement of revenues, expenses, and changes in net position and statement of cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated October 22, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered New Mexico Tech Foundation'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of New Mexico Tech Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of New Mexico Tech Foundation'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 New Mexico Tech Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Baker Tilly US, LLP

Albuquerque, New Mexico
October 22, 2025

The New Mexico Tech Foundation
(A Component Unit of the New Mexico Institute of
Mining and Technology)
Summary of Audit Results (As Required by NMAC 2.2.2.10 (L)(1)(f))
June 30, 2025

Section I – Summary of Auditor’s Results

Financial Statements

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

Internal control over financial reporting:

- Material weakness(es) identified? Yes No

- Significant deficiency(ies) identified? Yes None reported

Material noncompliance noted? Yes No

**The New Mexico Tech Foundation
(A Component Unit of the New Mexico Institute of
Mining and Technology)
Schedule of Findings and Responses
June 30, 2025**

Section II – Financial Statement Findings

None

**The New Mexico Tech Foundation
(A Component Unit of the New Mexico Institute of
Mining and Technology)
Summary Schedule of Prior Audit Findings
June 30, 2025**

None

The New Mexico Tech Foundation
(A Component Unit of the New Mexico Institute of
Mining and Technology)
Exit Conference
Year Ended June 30, 2025

An exit conference was held on October 20, 2025. During the meeting, the contents of this report were discussed with the following individuals:

The New Mexico Tech Foundation

Dr. David Lepre, Sr., Regent President

Jerry A. Armijo, Board Member

Dr. Michael Jackson, Interim President

Delilah Walsh, Vice President for Administration and Finance & Chief Financial Officer

Shaojie (Jenny) Ma, CPA, Associate Vice President for Administration and Finance

Melissa Tull, Controller

Carrie Marsyla, Director, Cost Accounting and Reporting

Mindi Orum, Manager, Cost Accounting and Reporting

Baker Tilly US, LLP

Lisa Todd, CPA, Principal

Janna Skinner, Senior Manager

The Foundation is responsible for the contents of the financial statements. Baker Tilly US, LLP assisted with the preparation of the financial statements.

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Report of Independent Auditors
and Financial Statements

**The New Mexico Tech University
Research Park Corporation
(A Blended Component Unit of the New Mexico Institute
of Mining and Technology)**

June 30, 2025

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The New Mexico Tech University Research Park Corporation
(A Blended Component Unit of the New Mexico Institute of
Mining and Technology)
Official Roster (unaudited)
June 30, 2025

Dale Dekker	Chairman/President
Dr. Yolanda King	Vice-President
Memo Inal	Secretary/Treasurer
Dr. Mahyar Amouzegar	Director
Delilah Walsh	Director
Dr. Lique Coolen	Director
Myrriah Tomar	Director
Warren Ostergren	Director
John Saiz	Director
Larry Udell	Director
Ward Hendon	Director
Harold Lavender	Director
Dr. Callum Bell	Director

Report of Independent Auditors

The Board of Directors
The New Mexico Tech University Research Park Corporation
and
Mr. Joseph M. Maestas, PE, CFE
New Mexico State Auditor

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The New Mexico Tech University Research Park Corporation (the Corporation), a blended component unit of the New Mexico Institute of Mining and Technology (the Institute), which comprise the statement of net position as of June 30, 2025, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Corporation's 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 Corporation as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 Corporation 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 opinion.

Substantial Doubt About the Corporation's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Corporation will continue as a going concern. As discussed in Note 9 to the financial statements, the Corporation has sustained operating losses. These factors, among others, as disclosed in Note 9, raise substantial doubt about the Corporation's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding this matter are also described in Note 9. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty. 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 Corporation'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 Corporation'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 Corporation'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

Management has omitted the Management’s Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2025, on our consideration of the Corporation’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 Corporation’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 Corporation’s internal control over financial reporting and compliance.

Baker Tilly US, LLP

Albuquerque, New Mexico
October 22, 2025

Financial Statements

The New Mexico Tech University Research Park Corporation
(A Blended Component Unit of the New Mexico Institute of
Mining and Technology)
Statement of Net Position
June 30, 2025

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 240,989
Investments	1,520,559
Accounts receivable	<u>7,775</u>

Total current assets 1,769,323

NONCURRENT ASSETS

Capital assets, net of accumulated amortization of \$262,500	1,479,909
Investment in Socorro Venture Funds I, LP	<u>57,432</u>

Total noncurrent assets 1,537,341

TOTAL ASSETS \$ 3,306,664

LIABILITIES AND NET POSITION

CURRENT LIABILITIES

Accounts payable	<u>\$ 27,808</u>
------------------	------------------

Total current liabilities 27,808

NONCURRENT LIABILITIES

Due to New Mexico Tech	<u>1,606,144</u>
------------------------	------------------

Total noncurrent liabilities 1,606,144

Total liabilities 1,633,952

NET POSITION

Net investment in capital assets	1,479,909
Unrestricted	<u>192,803</u>

Total net position 1,672,712

TOTAL LIABILITIES AND NET POSITION \$ 3,306,664

See accompanying notes.

The New Mexico Tech University Research Park Corporation
(A Blended Component Unit of the New Mexico Institute of
Mining and Technology)
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2025

OPERATING REVENUES	
Option fees	<u>\$ 41,726</u>
OPERATING EXPENSES	
Administrative	44,505
Patent-related costs and legal expenses	98,185
Patent amortization	<u>103,655</u>
Total operating expenses	<u>246,345</u>
Net operating loss	<u>(204,619)</u>
NONOPERATING REVENUES	
Investment income	34,499
Realized gain from the sale of investments	23,754
Net unrealized gain on investments	<u>105,748</u>
Total nonoperating revenues	<u>164,001</u>
CHANGE IN NET POSITION	(40,618)
NET POSITION, beginning of year	<u>1,713,330</u>
NET POSITION, end of year	<u><u>\$ 1,672,712</u></u>

See accompanying notes.

The New Mexico Tech University Research Park Corporation
(A Blended Component Unit of the New Mexico Institute of
Mining and Technology)
Statement of Cash Flows
Year Ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Option fees	\$ 41,726
Receipts from New Mexico Tech	184,883
Payments to vendors	<u>(251,275)</u>
Net cash used by operating activities	<u>(24,666)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash paid for patents	(88,184)
Cash paid for trademark	(2,607)
Proceeds from the sale of investments	100,000
Purchases of investments	<u>(78,498)</u>
Net cash used by investing activities	<u>(69,289)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(93,955)
CASH AND CASH EQUIVALENTS, beginning of year	<u>334,944</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 240,989</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) PROVIDED BY OPERATING ACTIVITIES	
Change in operating loss	\$ (204,619)
Adjustments to reconcile to net cash from operating activities:	
Realized gain from the sale of investments	(23,754)
Amortization expense	103,655
Changes in assets and liabilities	
Increase in accounts receivable	(7,775)
Decrease in accounts payable	(77,056)
Increase in due to New Mexico Tech	<u>184,883</u>
NET CASH USED BY OPERATING ACTIVITIES	<u><u>\$ (24,666)</u></u>
NON-CASH INVESTING ACTIVITIES	
Purchase of investments	<u><u>\$ 36,000</u></u>

See accompanying notes.

The New Mexico Tech University Research Park Corporation (A Blended Component Unit of the New Mexico Institute of Mining and Technology) Notes to Financial Statements

Note 1 – Description of Business

The New Mexico Tech University Research Park Corporation (Corporation), a blended component unit of the New Mexico Institute of Mining and Technology (Institute or New Mexico Tech), is a New Mexico not-for-profit corporation located in Socorro, New Mexico. On November 19, 2014, the Corporation became a not-for-profit entity effective July 1, 2013, upon receipt of the Internal Revenue Service (IRS) determination letter, which changed the status from a “C” Corporation, a taxable entity. The Corporation is charged to assist the Institute by making funds available to pursue technology research and other programs being carried out by the Institute. The Corporation has no component units. The Corporation is organized under the New Mexico Research Park and Economic Act of the New Mexico Statutes Annotated (21-28-1 through 21-28-25 NMSA 1978) to promote, develop, and manage research parks or technological innovations for scientific, educational, and economic development opportunities in accordance with bylaws adopted by the Corporation.

Going concern – These financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) assuming the Corporation will continue as a going concern. The going concern assumption contemplates the realization of assets and satisfaction of liabilities in the normal course of business. However, substantial doubt about the Corporation’s ability to continue as a going concern exists.

The Corporation’s memorandum of understanding (MOU) with the Institute was amended October 2, 2024 (Note 9), whereas the Institute is not financially obligated to the Corporation, however, it may consider offering additional support when deemed essential to assist the Corporation’s success.

The Corporation is evaluating strategies to obtain the required funding for future operations. These strategies may include, but are limited to, sale of common stock shares or other equity assets, licensing revenue generated from patent commercialization efforts, and other returns on investments from the Institute’s intellectual property commercialization efforts. As such, there can be no assurance that the Organization will be able to obtain additional liquidity when needed or under acceptable terms, if at all.

The financial statements do not include any adjustments to the carrying amounts and classification of assets, liabilities, and reported expenses that may be necessary if the Corporation were unable to continue as a going concern.

Note 2 – Summary of Significant Accounting Policies

Basis of presentation – The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for governmental entities.

Revenue and cost recognition – The Corporation’s financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Accordingly, revenues are recognized when they are earned and expenses are recognized as soon as the liability is incurred.

Operating revenues are typically derived from fees charged for the use of licenses and other rights.

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Operating expenses represent salaries, amounts paid to acquire or maintain licenses and patents, and expenses that are necessary to carry out the mission of the Corporation. Examples of operating expenses are legal expenses and professional services.

Nonoperating revenues represent nonexchange transactions and investment income (loss). Examples of nonoperating revenues include donations, interest income related to notes receivable, and other income items.

Net position – Unrestricted net position represents resources whose use is not limited or restricted by time or purpose. Unrestricted net position has arisen primarily from the receipt of donations and interest on notes receivable less administrative expenses.

Restricted net position represents resources that have third-party (statutory or granting agency) limitations on their use. There are no restrictions on net position at June 30, 2025.

Net investment in intangible assets is intended to reflect the portion of net position, which is associated with nonliquid intangible assets. There is no related debt.

Deferred inflows and outflows – Deferred outflows of resources consumed and deferred inflows of resources received and available are elements of the statement of net position. There were no deferred outflows or inflows of resources to separately report at June 30, 2025.

Cash and cash equivalents – For purposes of the statement of cash flows, the Corporation considers cash and cash equivalents to be cash held in the bank at June 30, 2025.

Investments – Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the balance sheet in accordance with GASB 72. Mutual funds are based on the Corporation's pro-rata share of unit value of the mutual funds. Investment transactions are recorded on the trade date basis. Dividends are recognized as income when declared. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) are reported as increases or decreases in net position on the statement of revenues, expenses, and changes in net position.

In conformity with the Uniform Prudent Management of Institutional Funds Act (UPMIFA) (Chapter 46, Article 9A 1-10 NMSA 1978), the Corporation primarily invests through the New Mexico State Investment Council's (NMSIC) investment funds.

Due to the nature of the investments, it is reasonable that changes in the value of investments will occur in the near future and could materially affect the amounts reported. The determination of fair values includes, among other things, published market prices, prices obtained from pricing services, and prices quoted by independent brokers at current exchange rates.

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For GASB 40 disclosure information related to the investments held at the NMSIC, the reader should refer to the separate audit report and required supplementary information of the NMSIC for the fiscal year ended June 30, 2025. That report may be obtained by writing to the New Mexico State Investment Council, 41 Plaza la Prensa, Santa Fe, New Mexico 87507. The report is also available on the NMSIC website at www.sic.state.nm.us.

Capital assets – These are intangible assets whereas the Corporation capitalizes the costs associated with the acquisition of patents and amortizes these costs using the straight-line method over the twenty-year estimated useful life of the patents. Costs incurred to maintain and defend patents are expensed as incurred. The Corporation reviews the remaining useful life of the patents and analyzes for impairment whenever events or changes in circumstances indicate that the carrying amount is less than the estimated fair value. All costs associated with patents pending approval are capitalized, but not amortized until the estimated patent approval date. If approval is denied, the reported cost to date of the patent application is written off at that time. At June 30, 2025, there was no impairment of patents.

The Corporation capitalizes the costs associated with the acquisition of trademarks and analyzes for impairment on an annual basis. Management determined no impairment was necessary for the year ended June 30, 2025.

Due to New Mexico Tech – The current amount due to New Mexico Tech represents funding provided to support operations.

Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates used in preparing these financial statements include the estimated useful life of intangible assets, impairment of patents, and trademarks.

Income taxes – The Corporation applied for and received tax exempt status under Section 501(c)(3) of the Internal Revenue Code as of July 2014, effective July 1, 2013. The Corporation is exempt from income taxes on its normal activities. The Corporation is classified as a public charity supporting the Institute and not a private foundation.

Subsequent events – Subsequent events are events or transactions that occur after the statement of net position date but before the financial statements are issued or are available to be issued. The Corporation recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of net position, including the estimates inherent in the process of preparing the financial statements. The Corporation's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of net position, but arose after the statement of net position date and before the financial statements are available to be issued. The Corporation has evaluated subsequent events through October 22, 2025, which is the date the financial statements are available to be issued.

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Recently issued accounting standards – GASB Statement No. 102 – *Certain Risk Disclosures* (GASB 102) became effective in fiscal year 2025. GASB 102 serves to provide users of government financial statements with essential information about risks related to an entity’s vulnerabilities due to the variety of risks that entity faces. The implementation of this standard does not have any effect on the financial statements of the Corporation.

Note 3 – Cash and Bank Deposits

The Corporation does not have any limitations on the types of investments it may invest in. The Corporation does not hold any public money and no funds were received from any government entity or as a result of research grants.

Custodial credit risk – Custodial credit risk is the risk that in the event of a bank failure, the entity’s deposits may not be returned to it. The Corporation does not have a deposit policy for custodial credit risk. As of June 30, 2025, the Corporation’s deposits were exposed to custodial credit risk as follows:

	First State Bank
Total of deposits in the bank	\$ 240,989
Federal Deposit Insurance Coverage (FDIC) coverage	(240,989)
Total uninsured and uncollateralized funds	\$ -

Deposit classification in the financial statements at June 30, 2025, follows:

Name of Depository	Account Name	Bank Account Type	Bank Balance	Reconciling Items	Financial Statement Balance
First State Bank	Checking (Non-Interest bearing)	Cash	\$ 240,989	\$ -	\$ 240,989

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Note 4 – Capital Assets

Capital Assets (Intangible) consist of the following at June 30, 2025:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Amortized intangible assets					
Patents	\$ 833,224	\$ 90,353	\$ -	\$ -	\$ 923,577
Trademarks	6,343	1,965	-	-	8,308
Less accumulated amortization	<u>(158,845)</u>	<u>(103,655)</u>	<u>-</u>	<u>-</u>	<u>(262,500)</u>
	<u>680,722</u>	<u>(11,337)</u>	<u>-</u>	<u>-</u>	<u>669,385</u>
Unamortized patents					
Cost	<u>708,396</u>	<u>102,128</u>	<u>-</u>	<u>-</u>	<u>810,524</u>
	<u>\$ 1,389,118</u>	<u>\$ 90,791</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,479,909</u>

Note 5 – Investments

A summary of investments at June 30, 2025, is as follows:

Investments	Ratings	Fair Value
Investments held with the New Mexico State Investment Council (NMSIC) pooled funds		
US Large Cap Index Pool	Not rated	\$ 440,729
Core Bonds Pool	AAA	251,912
Non-US Emerging Markets Active Pool	Not rated	138,761
US Small/Mid Cap Pool	Not rated	87,698
Private Debt Market Pool	Not rated	77,978
Non-US Developed Markets Index Pool	Not rated	321,254
Private Equity Pool	Not rated	141,287
Real Estate Pool	Not rated	60,940
Socorro Ventures Funds I, LP	Not rated	<u>57,432</u>
Total investments		<u>\$ 1,577,991</u>

The NMSIC provides investment services in accordance with its policies and statutory requirements of NMSA 1978 Section 6-8-9.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As of June 30, 2025, the Corporation had fixed income and bond type investments subject to interest rate risk.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As of June 30, 2025, none of the above investments were subject to credit risk.

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Notes to Financial Statements

Note 6 – Fair Value of Investments

US generally accepted accounting principles establish a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Corporation has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at June 30, 2025.

Investments held with NMSIC pooled funds – The investment portfolio is comprised of pooled investments with the NMSIC, which are recorded in the financial statements at fair value. The corresponding unrealized gain or loss in the fair value in relation to cost is accounted for as a separate item in the statement of revenues, expenses, and changes in net position.

During 2024, the Corporation used the net asset value provided by the NMSIC as an approximation of the fair value of NMSIC investments. Certain investments are classified within Levels 1 and 2 of the fair value hierarchy. The remaining investments are classified as net asset value (NAV) practical expedient. This approach has not changed from previous periods.

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Private Equity Limited Partnership – Socorro Ventures Fund I LP – The Socorro Ventures Fund I LP (the Fund) is a limited partnership formed on November 13, 2020, for the purpose of investing in portfolio investments that add value. The interest in the Fund’s proportionate share of the fair value of the Fund’s underlying investments and other assets. The fair value of the Fund’s investments is not readily determinable and is recorded using NAV. NAV is generally provided by the investment managers, but the Corporation considers the reasonableness of the NAV, based on market information, to arrive at the fair value estimates for each investment.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table presents the fair value measurements of assets and liabilities at June 30, 2025:

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments held with the New Mexico State Investment Council (NMSIC) pooled funds				
US Large Cap Index Pool	\$ 440,729	\$ 440,729	\$ -	\$ -
Non-US Emerging Markets Active Pool	138,761	138,761	-	-
US Small/Mid Cap Pool	87,698	87,698	-	-
Non-US Developed Markets Index Pool	321,254	321,254	-	-
	988,442	<u>\$ 988,442</u>	<u>\$ -</u>	<u>\$ -</u>
Investments measured at NAV practical expedient				
Investments held with NMSIC				
Core Bonds Pool	251,912			
Private Equity Pool	141,287			
Real Estate Pool	60,940			
Private Debt Market Pool	77,978			
Socorro Ventures Funds I, LP	57,432			
Total investments	<u>\$ 1,577,991</u>			

GASB 72 requires additional disclosure for certain types of investments that calculate net asset value per share but are not publicly traded to assist in understanding the nature and risk of these investments by major category. The table below summarizes the fair value and other pertinent liquidity information of investments at June 30, 2025:

Investments	Fair Value	Redemption Frequency	Redemption Notice Period	Outstanding Commitments
US Large Cap Index Pool	\$ 440,729	Daily	5 Business Days	NA
Non-US Emerging Markets Active Pool	138,761	Daily	5 Business Days	NA
US Small/Mid Cap Pool	87,698	Daily	5 Business Days	NA
Non-US Developed Markets Index Pool	321,254	Daily	5 Business Days	NA
Core Bonds Pool	251,912	Monthly	5 Days/1 Month over \$5M	NA
Private Debt Market Pool	77,978	4 times per year	3 months	NA
Private Equity Pool	141,287	2 times per year	9 months	NA
Real Estate Pool	60,940	2 times per year	3 months	NA
Socorro Ventures Funds I, LP	57,432	Notice of partnership termination	Notice of partnership termination	\$ 255,000

**The New Mexico Tech University Research Park Corporation
(A Blended Component Unit of the New Mexico Institute of
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Notes to Financial Statements**

Note 7 – Related-Party Relationships and Transactions

The Institute provides, on a rent-free basis, the Corporation's office space. This amount is not significant to report as in-kind lease revenue with an offset to in-kind lease expense in the same amount.

Balances due to the Institute are \$1,606,144 as of June 30, 2025. There is an additional account payable item also due to the Institute in the amount of \$3,179 as of June 30, 2025.

Several of the Corporation's board members are also officers of the Institute.

Note 8 – Risk Management and Other Uncertainties

The Corporation is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; and natural disasters. The Corporation is insured for liability and casualty insurance, and for director and officer liability insurance. There have been no significant reductions in coverage from the prior year and there have been no settlements in any of the past years.

Note 9 – Agreement with the Institute to Provide Support

The financial statements have been prepared on a going concern basis, which contemplates the full realization of the Corporation's assets and the discharging of liabilities in the normal course of business for the foreseeable future. Management has determined that the Corporation's ability to continue as a going concern is dependent on support from the Institute as outlined in the memo of understanding (MOU) amended October 2, 2024. The Institute, which is the sole member of the Corporation, has at its discretion the option to provide operational, financial, and logistical support until the Corporation can generate sufficient cash flows to cover operating costs, but the Institute is not obligated to provide such support.

The MOU may be terminated by either party upon written notice at least ninety days prior to the proposed termination date. If the Institute is the terminating party, the Corporation shall not incur or encumber any further operating expenses after receiving notice without the Institute's written approval. Upon termination, the parties shall satisfy all obligations, financial and otherwise, incurred or accrued to the date of termination.

**The New Mexico Tech University Research Park Corporation
(A Blended Component Unit of the New Mexico Institute of
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Notes to Financial Statements**

Note 10 – Scale Venture Development Inc.

Scale Venture Development Inc. (SVDI) is a for profit corporation incorporated in New Mexico in September 2019. It is designed to provide investment management and supervisory services to one or more collective investment vehicles. SVDI has the authority to issue 10,000 shares of common stock at no par value. The Corporation is the sole shareholder of SVDI and has no obligation to SVDI or its creditors with respect to such shares except the obligation to pay the full monetary consideration when such shares are to be issued. Under GASB Statement No. 72, *Fair Value Measurement and Application* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – An Amendment of GASB Statements No. 14 and No. 34*, the Corporation's equity interest in SVDI meets the definition of an investment. As of June 30, 2025, the Corporation has not made any cash contribution to SDIV. Under the agreement, there has been no issuance of common stock and when the Corporation purchases the stock then it will be reported as an investment in the Corporation's financial statements.

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 Directors
The New Mexico Tech University Research Park Corporation
and
Mr. Joseph M. Maestas, PE, CFE
New Mexico State Auditor

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The New Mexico Tech University Research Park Corporation (the Corporation), a blended component unit of the New Mexico Institute of Mining and Technology, which comprise the statement of net position as of June 30, 2025, and the related statement of revenues, expenses, and changes in net position and statement of cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated October 22, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation'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 Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Baker Tilly US, LLP

Albuquerque, New Mexico
October 22, 2025

**The New Mexico Tech University Research Park Corporation
(A Blended Component Unit of the New Mexico Institute of
Mining and Technology)
Summary of Audit Results (As Required by NMAC 2.2.2.10 (L)(1)(f))
June 30, 2025**

Section I – Summary of Auditor’s Results

Financial Statements

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

Internal control over financial reporting:

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

Material noncompliance noted? Yes No

**The New Mexico Tech University Research Park Corporation
(A Blended Component Unit of the New Mexico Institute of
Mining and Technology)
Schedule of Findings and Responses
June 30, 2025**

Section II – Financial Statement Findings

None.

**The New Mexico Tech University Research Park Corporation
(A Blended Component Unit of the New Mexico Institute of
Mining and Technology)
Summary Schedule of Prior Audit Findings
June 30, 2025**

None.

**The New Mexico Tech University Research Park Corporation
(A Blended Component Unit of the New Mexico Institute of
Mining and Technology)
Exit Conference
Year Ended June 30, 2025**

An exit conference was held on October 20, 2025. During the meeting, the contents of this report were discussed with the following individuals:

The New Mexico Tech University Research Park Corporation

Delilah Walsh, Vice President for Administration and Finance & Chief Financial Officer

Melissa Tull, Controller

Shaojie (Jenny) Ma, Associate Vice President for Administration and Finance

Kimberly Armijo, Assistant Controller

Baker Tilly US, LLP

Lisa Todd, CPA, Principal

Janna Skinner, Senior Manager

The Corporation is responsible for the contents of the financial statements. Baker Tilly US, LLP assisted with the preparation of the financial statements.

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