

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

Thursday, August 19, 2021
Ben Alexander Building – Daniels Room
1:30 pm

AGENDA

- | | |
|--|---------------|
| A. Welcome | Pat Chappelle |
| B. Adoption of Agenda | Pat Chappelle |
| C. Approval of Minutes of July 15, 2021 | Pat Chappelle |
| D. President's Report | Kelvin Sharp |
| E. New Business | |
| 1. Monthly Expenditure Report | Josh Morgan |
| 2. Monthly Revenue Report | Josh Morgan |
| 3. Oil and Gas Revenue Report | Josh Morgan |
| 4. Schedule of Investments | Josh Morgan |
| 5. Consideration of Research & Public Service Projects (RPSP) Funding | Josh Morgan |
| F. Public Comments | Pat Chappelle |
| • Phone Number (575) 492-2595 | |
| • Fax Number (575) 492-2559 | |
| G. Determination of Next Meeting | Pat Chappelle |
| H. Closure of Open Meeting | Pat Chappelle |
| Discussion of Limited Personnel Matters
Pursuant to NMSA 1978 §10-15-1 H(2) | |
| I. Adjournment | Pat Chappelle |

**NEW MEXICO JUNIOR COLLEGE
BOARD MEETING
JULY 15, 2021
MINUTES**

The New Mexico Junior College Board met on Thursday, July 15, 2021, beginning at 1:30 p.m. in the Ben Alexander Building, Daniels Room. The following members were present: Ms. Patricia Chappelle, Chair; Mr. Travis Glenn, Secretary; Mr. Manny Gomez; Mr. Guy Kesner; Mrs. Erica Jones; Ms. Evelyn Rising; and Mr. Hector Baeza.

Ms. Chappelle called the meeting to order and welcomed guests attending via Facebook Live due to the current COVID-19 pandemic and the current Public Health Order requiring social distancing. Ms. Chappelle stated in response to the Governor's order, guidelines continue to be followed. Ms. Chappelle encouraged the public to participate and provide public comments at the end of the formal agenda to either (575) 492-2595 or by fax to (575) 492-2559.

Upon a motion by Mr. Glenn, seconded by Ms. Rising, the agenda was unanimously adopted.

Upon a motion by Mr. Gomez, seconded by Mr. Glenn, the Board unanimously approved the minutes of June 15, 2021.

Under President's Report, Dr. Larry Sanderson was invited to introduce Mrs. Geni Cavanaugh as the Director of Communications and Mr. Deron Clark was invited to introduce Mr. Troy Coker as the Head Golf Coach/Professor. In addition, Mr. Clark announced NMJC athlete Ms. Ayla Stanislaus will be running in the Olympics for the country of Trinidad and Tobago.

Mrs. Kim Latimer was invited to provide Summer Youth College updates. Mrs. Latimer reported, with the assistance of Black Rocket, a virtual Youth College was held with twenty-four online classes scheduled from June through August for students ages 8-11 and 11-14. Mrs. Latimer noted registrations have been low this year and noted promotions of the program will continue. Dependent on COVID-19 guidelines, plans for the Fall are to offer a Black Rocket Virtual Reality Course/Snoopy Goes to the Moon and in the Spring, a Be Greater Than Average/STEAM Innovators course.

Dr. Sharp provided a Legislative Finance Committee (LFC) update. He reported LFC has formed a sub-committee for higher education. The committee is currently reviewing the design of the formula funding and transfer articulation. Dr. Sharp noted in an upcoming meeting, the focus of the sub-committee will be on transfer articulation which permits students transferring from one institution to another. He noted the Two Plus Two Project with Eastern New Mexico University places NMJC ahead of the game and moving in the right direction. Dr. Sharp expressed his appreciation to Mr. Clayton Abbey for his presence at the LFC meetings on behalf of NMJC. Mr. Gomez asked if Mr. Abbey is part of the sub-committee. Dr. Sharp responded no and stated the

committee is made up of legislators. He added Senator Gay Kernan has been selected to be part of the sub-committee giving NMJC an inside voice.

Under New Business, Dr. Sharp presented Retirements Resolutions for Robert A. Adams for nine years and six months of service, John A. Baldwin for thirty-six years of service, Susan C. Fine for seven years and five months of service, Beth Hancock for twenty-six years and five months of service, Dan D. Hardin for twenty years and two months of service, Kellyne G. Holladay for thirty-one years of service, Maria R. Juarez for twenty years of service, Adanna Martin for nineteen years and nine months of service, Lynda R. Newman for twenty-two years of service, Maria P. Ortiz for twenty-six years and eight months of service, Sheryl L. Pounds for sixteen years and seven months of service, Royce N. Sudduth for fourteen years and five months of service, Rhonda L. Sudduth for fourteen years and nine months of service, Anita S. Thomas for thirteen years and nine months of service, and Carl van der Sterre for twelve years and nine months of service. Dr. Sharp and the Board expressed their appreciation to each of the retirees for their dedication and combined service of over 291 years. Upon a motion by Mr. Glenn, seconded by Mrs. Jones, the Board unanimously approved the Retirement Resolutions as presented.

Mr. Josh Morgan joined the meeting to present the June 2021 financial reports. Upon a motion by Ms. Rising, seconded by Mr. Gomez, the Board unanimously approved the Expenditure Report for June 2021. In addition, the Revenue Report, Oil and Gas Revenue Report, and Schedule of Investments Report were reviewed.

Mr. Morgan presented the Fiscal Watch Report for June 30, 2021. Upon a motion by Mr. Kesner, seconded by Mr. Gomez, the Board unanimously approved the report as presented.

Mr. Scotty Holloman joined the meeting to provide consideration of an update to Payroll Policy No. 212. Mr. Holloman stated to comply with New Mexico state law, payment dates for support/maintenance employees have changed from the 15th and last working day of each month to the 10th and 25th of each month. The revision of Payroll Policy 212 allows timesheets to be processed in a timely manner and will comply with state law. Upon a motion by Mr. Glenn, seconded by Mrs. Jones, the Board unanimously approved the revision of Payroll Policy No. 212 as requested.

Mr. Holloman provided a COVID-19 update noting the Governor's Public Health Order has greatly diminished with less restrictions. On July 1, Higher Education Department issued a memo instructing institutions of higher education to follow CDC Guidelines. He reported NMJC is currently complying with CDC guidelines provided on June 4, 2021. Significant discussion followed.

Mr. Holloman provided consideration of rescinding the COVID Athletic Testing Plan. He reported All Together New Mexico has removed the requirement of the testing plan currently in place and has directed athletics to follow NCAA and NJCAA guidelines. Administration requested approval to rescind and repeal the COVID Athletic Testing Plan adopted on February 28, 2021. Upon a

motion by Mr. Glenn, seconded by Mr. Gomez, the Board unanimously approved this request as presented.

Ms. Chappelle called for comments from the public. Ms. Robin Haynes with Lea County Cooperative Extension Service and New Mexico State University phoned regarding assistance with possible 4-H horse programs and use of NMJC facilities. Ms. Haynes was advised to contact administration for further discussion.

The next regular board meeting was scheduled for Thursday, August 19, 2021 beginning at 1:30 pm.

Upon a motion by Mr. Kesner, seconded by Mr. Gomez, the board meeting adjourned at 2:50 pm.

Pat Chappelle, Chair

Travis Glenn, Secretary

NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

To: **New Mexico Junior College Board Members**
From: Josh Morgan
Date: August 13, 2021
RE: Expenditure and Revenue Reports for July 2021

July is the first month of the 2021/2022 fiscal year. The total expended and encumbered for the month and year to date for July was \$2,243,374.00. Purchase orders that were in place at the end of FY 21 have been rolled over into FY 22. JoeMike Gomez, Purchasing Coordinator, will also set up new purchase orders for FY 22 for the normal recurring monthly expenditures such as the utilities.

In current unrestricted funds for July, expenditures were \$1,902,860.00 for the month. Most of these expenses are the normal monthly payroll and benefit expenditures. As you can see as compared to FY 21 most areas track along with what was expended in July of last year. Internal Services (Computer Services, Motor Pool, & Document Center) have monthly credits posted to these departments.

Restricted funds expended \$49,072 for the month, most of which are normal expenditures for the grants along with student aid for the summer sessions.

The expenditures in the plant funds are mainly building renewal & replacement projects and work at student housing.

The total year to date expenditures is \$2,243,374.00.

The Current Unrestricted Revenue generated in July 2021 was \$1,683,599.00. This consists of tuition and fees, the allocation from the State, Oil and Gas accrual of \$465,000.00 and auxiliary enterprises revenue. Registration for the FY 22 summer and fall semesters began in April, in August the deferred revenue from the tuition and fees will be posted. The Oil and Gas revenue in July is also different because the Oil and Gas revenue received in July is booked in the prior fiscal year, so we use the monthly accrual of \$465,000.00 for the Oil and Gas revenue in July. The Oil & Gas report is reporting the revenue that goes into FY 21. In July, the College received \$3,115,376.00 in Oil & Gas revenue for the month of April. There will be two more months of Oil & Gas revenue to be posted in FY 21.

The investment report shows no activity in the LGIP funds for the month of July with the ending balance remaining at \$53,000,000.00.

As of the end of July, the College had \$43,880,849.29 in designated capital projects.

Stacey Wynn and other Business Office personnel have been working diligently to get the 20/21 fiscal year end closed and prepare for the upcoming audit. The auditors worked remotely with us the week of July 26th and they will be on campus the week of September 13th. Human Resources, Financial Aid, NMJC Foundation, and the Bookstore staff have also worked hard to provide information for the audit team. We appreciate everyone for their attention to detail and their professional and timely response to audit team questions.

This is the Financial Report for July 2021.

NEW MEXICO JUNIOR COLLEGE
Expenditure Report
July 2021

8% of Year Completed

Fund	2020-21			2021-22			
	Final Budget	Year-to-Date Expended or Encumbered	Percentage of Budget Expended	Budget	Current Expended or Encumbered	Expended or Encumbered	Percentage of Budget Expended
CURRENT UNRESTRICTED FUND							
Instruction and General:							
Instruction	10,267,223	413,487	4%	10,728,520	389,594	389,594	4%
Academic Support	2,372,925	212,375	9%	2,418,150	183,762	183,762	8%
Student Services	2,121,047	139,061	7%	2,129,202	110,019	110,019	5%
Institutional Support	4,566,506	328,569	7%	4,723,286	354,672	354,672	8%
Operation & Maintenance of Plant	3,983,813	416,741	10%	4,125,265	429,589	429,589	10%
Subtotal - Instruction & General	23,311,514	1,510,233	6%	24,124,423	1,467,636	1,467,636	6%
Research	-	8,782		-	9,233	9,233	
Public Service	50,000	1,012	2%	59,300	247	247	0%
Internal Service Departments	109,089	1,213	1%	100,174	1,223	1,223	1%
Student Aid	710,880	7,513	1%	760,880	76,170	76,170	10%
Auxiliary Enterprises	2,160,172	420,226	19%	2,216,283	274,699	274,699	12%
Athletics	2,267,001	90,109	4%	2,466,657	73,652	73,652	3%
Total Current Unrestricted Fund	28,608,656	2,039,088	7%	29,727,717	1,902,860	1,902,860	6%
CURRENT RESTRICTED FUND							
Grants	908,797	42,907	5%	972,048	49,072	49,072	5%
Student Aid	3,862,038	175,129	5%	3,859,255	190,913	190,913	5%
Total Current Restricted Fund	4,770,835	218,036	5%	4,831,303	239,985	239,985	5%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from Institutional Funds	29,729,122	21,971,957	74%	20,063,534	77,597	77,597	0%
Projects from State GOB Funds	1,702,500	-	0%	4,000,000	-	-	0%
Projects from State STB Funds	900,000	-	0%	2,325,000	-	-	0%
Projects from General Fund	353,400	-	0%	150,000	-	-	0%
Projects from Private Funds	-	-	0%	-	-	-	0%
Projects from State ER&R	335,000	123,562	37%	335,000	13,711	13,711	4%
Projects from State BR&R	598,000	24,284	4%	598,000	9,221	9,221	2%
Subtotal - Capital and BR&R	33,618,022	22,119,803	66%	27,471,534	100,529	100,529	0%
Debt Service							
Revenue Bonds	-	-	0%	-	-	-	0%
Total Plant Funds	33,618,022	22,119,803	66%	27,471,534	100,529	100,529	0%
GRAND TOTAL EXPENDITURES	66,997,513	24,376,927	36%	62,030,554	2,243,374	2,243,374	4%

NEW MEXICO JUNIOR COLLEGE
Revenue Report
July 2021

8% of Year Completed

2020-21

2021-22

Fund	2020-21			2021-22			
	Final Budget	Year-to-date Revenue	Percentage of Budget Received	Budget	Current Revenue	Year-to-date Revenue	Percentage of Budget Received
CURRENT UNRESTRICTED FUND							
Instruction and General:							
Tuition and Fees	3,914,806	442,323	11%	3,939,025	353,422	353,422	9%
State Appropriations	5,747,200	535,075	9%	6,404,600	510,717	510,717	8%
Advalorem Taxes - Oil and Gas	7,235,000	465,000	6%	7,235,000	465,000	465,000	6%
Advalorem Taxes - Property	9,200,000	-	0%	9,700,000	-	-	0%
Interest Income	9,000	53	1%	9,000	-	-	0%
Other Revenues	196,418	6,015	3%	191,418	20,508	20,508	11%
Subtotal - Instruction & General	26,302,424	1,448,466	6%	27,479,043	1,349,647	1,349,647	5%
Research	-	-	0%	-	-	-	0%
Public Service	-	-	0%	-	-	-	0%
Internal Service Departments	9,000	-	0%	9,000	-	-	0%
Auxiliary Enterprises	2,846,886	429,112	15%	2,756,942	290,660	290,660	11%
Athletics	535,500	44,625	8%	530,800	43,292	43,292	8%
Total Current Unrestricted	29,693,810	1,922,203	6%	30,775,785	1,683,599	1,683,599	5%
CURRENT RESTRICTED FUND							
Grants	908,797	86,881	10%	972,048	289,583	289,583	30%
Student Aid	3,862,038	201,048	5%	3,859,255	247,321	247,321	6%
Total Current Restricted	4,770,835	287,929	6%	4,831,303	536,904	536,904	11%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from State GOB Funds	1,702,500	216,512	0%	4,000,000	-	-	0%
Projects from State STB Funds	900,000	-	0%	2,325,000	-	-	0%
Projects from General Fund	353,400	-	0%	150,000	-	-	0%
Projects from Private Funds	-	-	0%	-	-	-	0%
Interest Income (LGIP)	120,000	-	0%	60,000	-	-	0%
Total Plant Funds	3,075,900	216,512	7%	6,535,000	-	-	0%
GRAND TOTAL REVENUES	37,540,545	2,426,644	6%	42,142,088	2,220,503	2,220,503	5%

NEW MEXICO JUNIOR COLLEGE

Oil and Gas Revenue Report

June 2021

100% of Year Completed

		OIL		GAS		COMBINED		
Sales	Month of	Price per BBL	Lea County BBLs sold	Price per MCF	Lea County MCF sold	Monthly Revenue	2019-20 Original Budget	Variance Over (Under) Budget
	Distribution							
Actual	July	\$37.25	17,319,589	\$1.88	50,434,252	1,561,399	465,000	1,096,399
Actual	August	\$39.07	17,858,395	\$2.09	56,003,009	1,709,971	465,000	1,244,971
Actual	September	\$36.31	17,908,397	\$2.09	55,735,897	1,641,692	465,000	1,176,692
Actual	October	\$36.27	19,745,180	\$2.15	57,564,996	1,759,720	465,000	1,294,720
Actual	November	\$37.72	19,894,709	\$2.54	59,354,345	1,945,614	465,000	1,480,614
Actual	December	\$43.52	19,752,832	\$2.83	59,838,635	2,205,833	465,000	1,740,833
Actual	January	\$49.60	20,524,781	\$3.51	61,239,671	2,680,674	465,000	2,215,674
Actual	February	\$57.25	16,767,614	\$5.23	49,960,726	2,768,299	465,000	2,303,299
Actual	March	\$60.19	22,524,450	\$3.52	66,274,277	3,464,716	465,000	2,999,716
Accrual	April	\$59.54	21,714,278	\$3.21	71,091,264	3,115,376	465,000	2,650,376
Accrual	May					465,000	465,000	0
Accrual	June					465,000	465,000	0
Y.T.D. Production Tax Revenue						23,783,294	5,580,000	18,203,294
Y.T.D. Equipment Tax Revenue						4,910,219	1,655,000	3,255,219
Total Year-to-Date Oil & Gas and Equipment Tax Revenue						<u>28,693,513</u>	<u>7,235,000</u>	<u>21,458,513</u>

Source: New Mexico Taxation and Revenue Department

NEW MEXICO JUNIOR COLLEGE

Schedule of Investments

July 2021

8% of Year Completed

Financial Institution	Amount Invested	Account Number	Interest Rate	Interest Earned
State of New Mexico Local Government Investment Pool	53,000,000	7102-1348	0.061%	2,765
Plus deposits	-			
Less withdrawals	-			
Total LGIP investments	53,000,000			2,765

Capital Project	7/31/2021
Vehicles	652,020.58
Computer Labs/ITV Upgrade	200,000.00
Campus Vestibules	1,250,000.00
Voc B Airhandler	1,000,000.00
Softball Field	4,790,000.00
National Track Meet	110,577.39
Pi Day	23,487.04
Technology Upgrade	1,057,000.14
JASI	48,134.93
WHM Storage Building	207,032.47
Baseball Field	530,173.45
Rodeo Arena	131,822.09
Fire Alarm Upgrade	818,044.43
Landscaping	1,142,669.60
Smart Classrooms	313,033.51
Campus Signage	552,142.53
Campus Paving	610,857.98
Roof Replacement	2,139,042.78
Dorm/Apartment Refurbish	573,269.60
Concrete Upgrade	476,196.80
Campus Construction	296,701.35
Oil & Gas Training	88,974.02
Workforce Training & Outreach	250,000.00
Guided Pathways Rob Johnstone	140,000.00
Campus Security	339,280.32
Copier Replacement	73,082.22
Non-Recurring Compensation	1,000,000.00
Athletics	656,489.03
Student Life Programming	20,432.28
Succession Plan	52,014.15
WHM Exhibits	35,051.93
Track Upgrades	204,986.60
Driving Range Upgrades	559,041.67
McLean Hall Renovations	122,202.75
Cafeteria Upgrade	1,562,875.54
Channel 19 Upgrade	2,389.50
Equestrian Center	2,936,700.29
Bob Moran Upgrades	14,003.07
Campus/Hospital Fencing	563,509.84
Turf Replacement	397,527.12
Watson Hall Renovation	2,443,048.52
Facilities Management System	1,251,368.09
Busing Support for Recruiting	5,872.30
Caster Upgrades	3,693,776.06
Workforce Training Center	6,000,000.00
Heidel Hall Renovation	2,000,000.00
Heidel/Hagelstein Air Handlers	400,000.00
Air Handlers	2,000,000.00
Allied Health	144,274.63
Workforce Training Contingency	1,742.69
Total	43,880,849.29

NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

5317 Lovington Highway
Hobbs, NM 88240
Phone: (575) 492-2770
Fax: (575) 492-2768

To: New Mexico Junior College Board Members
From: Josh Morgan
RE: RPSP
Date: August 13, 2021

Board members,

By September 15th of each year, New Mexico Junior College must submit to the Higher Education Department (HED) any new or renewal request for funding of the Research & Public Service Projects (RPSP) for the coming fiscal year. Below shows the funding allocated for FY21, the modified allocation after the FY 21 special legislative session, the FY22 allocation and the requested RPSP funding for fiscal year 23.

	FY 21	FY 21 (Modified)	FY22	FY 23
Athletics	\$585,600	\$535,500	\$519,500	\$585,600
Oil & Gas Training Center	\$171,300	\$161,000	\$156,200	\$171,300
Nurse Expansion	\$299,900	\$281,900	\$281,900	\$299,900
Lea County Distance Education Consortium	\$ 29,900	\$ 27,400	\$ 26,600	\$ 29,900
NMJC Community and Student Radio Station				\$ 50,000
Total	\$1,086,700	\$1,005,800	\$984,200	\$1,136,700

The administration is asking for your approval to submit to the Higher Education Department the FY 23 request for continuation of the FY 22 RPSP funding for Athletics, Oil & Gas Training, Nurse Expansion, and Lea County Distance Education Consortium, restoring the funding to the original FY 21 funding level. Also, the administration is asking for your approval to submit a FY 23 RPSP funding request in the amount of \$50,000.00 for the NMJC community and student radio station.

Respectfully,

Josh Morgan