

# NEW MEXICO JUNIOR COLLEGE

## BOARD MEETING

**Friday, February 11, 2011**

**Zia Room - Library**

3:00 p.m.

### AGENDA

- |  |                |
|--|----------------|
| A. Welcome   | Guy Kesner     |
| B. Adoption of Agenda                                      | Guy Kesner     |
| C. Approval of Minutes of January 13, 2011                 | Guy Kesner     |
| D. President's Report                                      | Steve McCleery |
| E. New Business  |                |
| 1. Monthly Expenditures Report                             | Dan Hardin     |
| 2. Monthly Revenue Report                                  | Dan Hardin     |
| 3. Oil and Gas Revenue Report                              | Dan Hardin     |
| 4. Schedule of Investments                                 | Dan Hardin     |
| 5. Fiscal Watch Reports                                    | Dan Hardin     |
| 6. Consideration of Western Heritage Advisory Board Member | Calvin Smith   |
| 7. Closure of Open Meeting                                 | Steve McCleery |
| 8. Consideration of Non Renewal of Contract                | Steve McCleery |
| F. Public Comments   | Guy Kesner     |
| G. Announcement of Next Meeting                            | Guy Kesner     |
| H. Adjournment   | Guy Kesner     |

# NEW MEXICO JUNIOR COLLEGE

## BOARD MEETING

JANUARY 13, 2011

### MINUTES

The New Mexico Junior College Board met on Thursday, January 13, 2011, beginning at 4:00 p.m. in the Zia Room of Pannell Library. The following members were present: Mr. Guy Kesner, Chairman; Ms. Patricia Chappelle, Secretary; Mrs. Mary Lou Vinson; Mr. Phillip Jones; Mr. Ron Black; Mrs. Yvonne Williams; and Mr. Hector Baeza.

Mr. Kesner called the meeting to order and welcomed visitors and guests present: Beth Hahn, News-Sun.

Upon a motion by Mr. Jones, seconded by Mrs. Vinson, the agenda was unanimously adopted.

Upon a motion by Mr. Jones, seconded by Mr. Baeza, the Board unanimously approved the minutes of December 13, 2010.

*Under New Business*, Dan Hardin introduced Cindy Bryan with Accounting & Consulting Group, who presented the Audit Report. Upon a motion by Ms. Chappelle, seconded by Mr. Black, the board unanimously approved the audit as presented.

Dan Hardin presented the December financial reports and with a motion by Mr. Black, seconded by Ms. Chappelle, the Board unanimously approved the expenditures for December, 2010.

Regina Choate presented Bid #1047 – Pre-Engineered Metal Building. The administration recommended acceptance of bid from Steel Depot, Hobbs, New Mexico for \$35,754.01. Upon a motion by Mr. Black, seconded by Ms. Chappelle, the Board unanimously accepted the recommendation.

Mr. Kesner called for comments from the public. There being none, the next regular board meeting was scheduled for Thursday, February 10, 2011, beginning at 4:00 p.m.

Mr. Jones moved the board go into closed session for the discussion of limited personnel matters under the provisions of section 10-15-1-H (2) of the New Mexico Statutes Annotated 1078. Mrs. Vinson seconded the motion. The roll call vote was as follows: Mr. Jones - yes; Ms. Chappelle - yes; Mr. Black - yes; Mr. Kesner - yes; Mrs. Vinson – yes; Mrs. Williams – yes; and Mr. Baeza – yes.

Upon re-convening in open meeting, Mr. Kesner stated that the matters discussed in the closed meeting were limited only to those specified in the motion for closure.

Upon a motion by Mrs. Vinson, seconded by Mr. Baeza, the board meeting adjourned at 5:05 pm.



TO: NMJC Board Members and Dr. Steve McCleery

FROM: Dr. Larry Sanderson, Director of Institutional Effectiveness  
Mary Ann Crane, Coordinator of Assessment and Quality Improvement

DATE: January 19, 2011

# NMJC

## State of the College Report

### January 2011

This report is the second in an annual series of reports presenting general information and data concerning NMJC's progress towards achieving the goals set forth in the 2010-2016 Strategic Plan. The format of this report as well as the data presented within will evolve over the coming years as the institution gathers more data related to plan objectives and organizational performance. Additional reports related to institutional performance and assessment of student learning can be found on the college website at:

<http://www.nmjc.edu/facultyandstaff/assessmentofstudentlearning.aspx>

and

<http://www.nmjc.edu/administration/institutionaleffectiveness.aspx>

**IPEDS: Pages 3-4**

NMJC reports annually into the U.S. Department of Education's National Center for Educational Statistics (NCES) Integrated Post-Secondary Data System (IPEDS) which is a system of survey components that collects institutional-level data. These data are used for policy analysis and development at the federal and state levels, for benchmarking and peer analysis at the institutional level, and by students and parents to aid in the college search process. The NCES Annual feedback Reports from which the numbers in this document are gleaned provide context for examining the data we submit to IPEDS, the NCES methodology, and comparison numbers for an IPEDS-generated peer cohort.

**Student Credit Hours: Page 5**

This is an internal report of student credit hours generate by year and term as of January 2011.

**Non-credit Workforce Training: Page 6**

This is an internal report of non-credit workforce training for both the number of participants and the number of student contact hours by year.

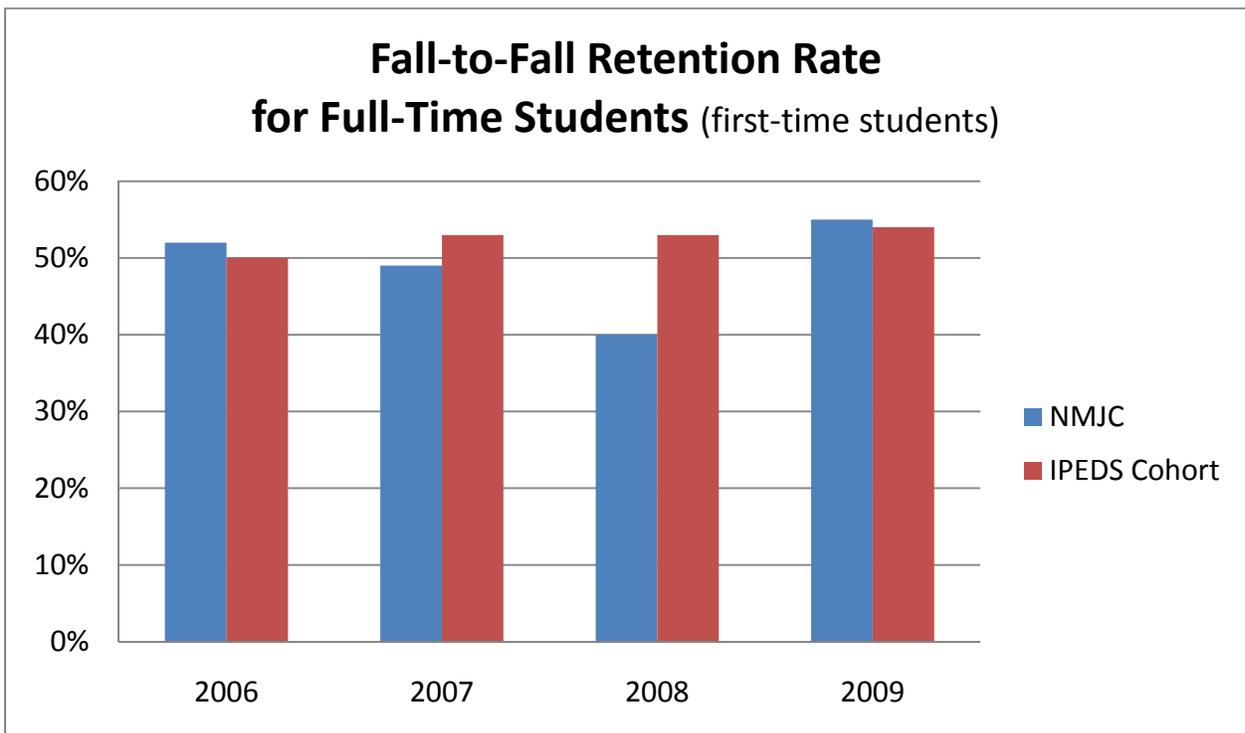
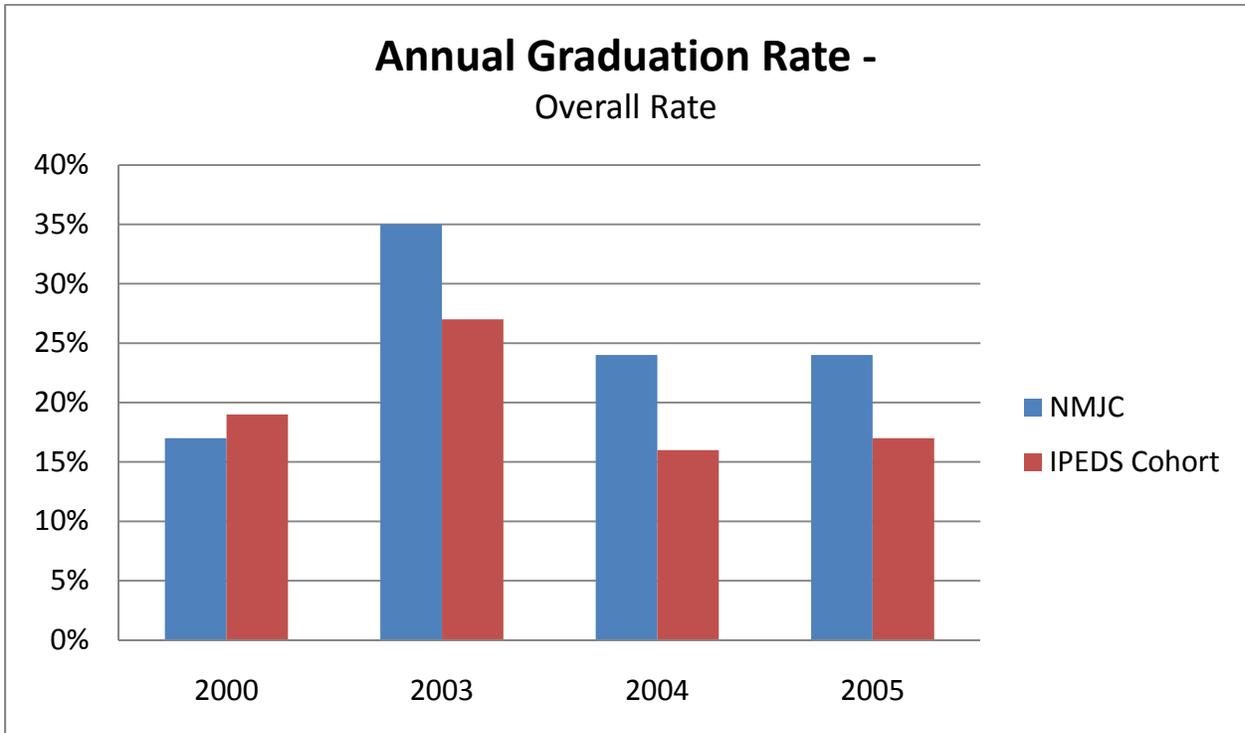
**External Funding Page 7**

This is an internal report of external funding received from government and private grants as well as endowment fund balances for the NMJC Foundation.

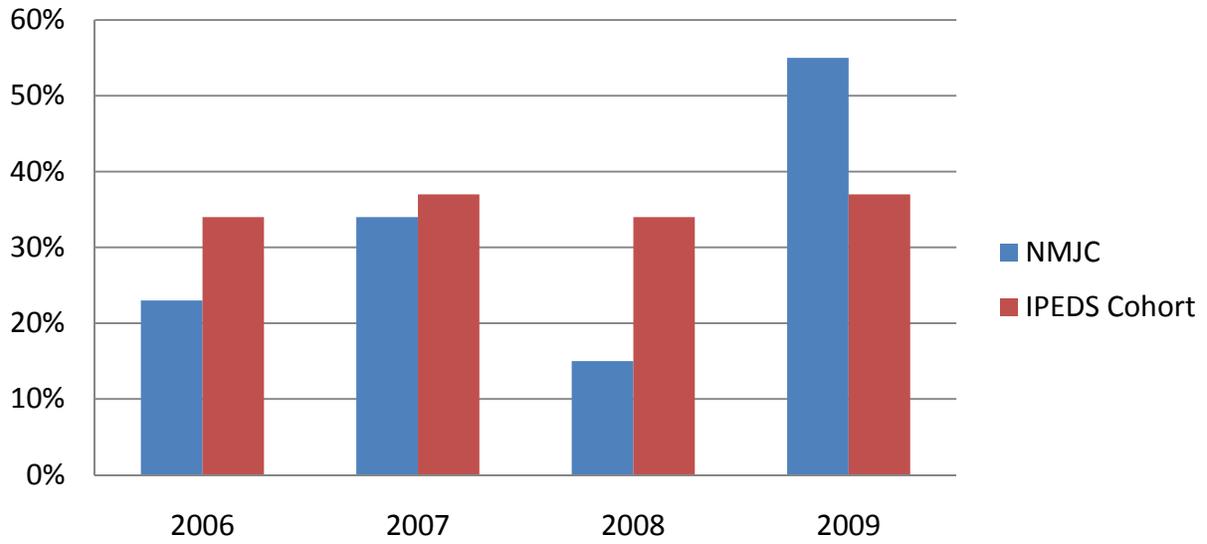
**PBIs Page 8**

There are 10 performance-based indicators (PBI) reported to the New Mexico Higher Education Department (NMHED) through the New Mexico Independent Community College Association (NMICC). The numbers presented in this report represent NMJC's reported indicators. When compiled by NMICC into their annual report, the indicators offer a comparison of NMJC to other schools within the state. Each PBI has its own methodology for calculating percentages and other information.

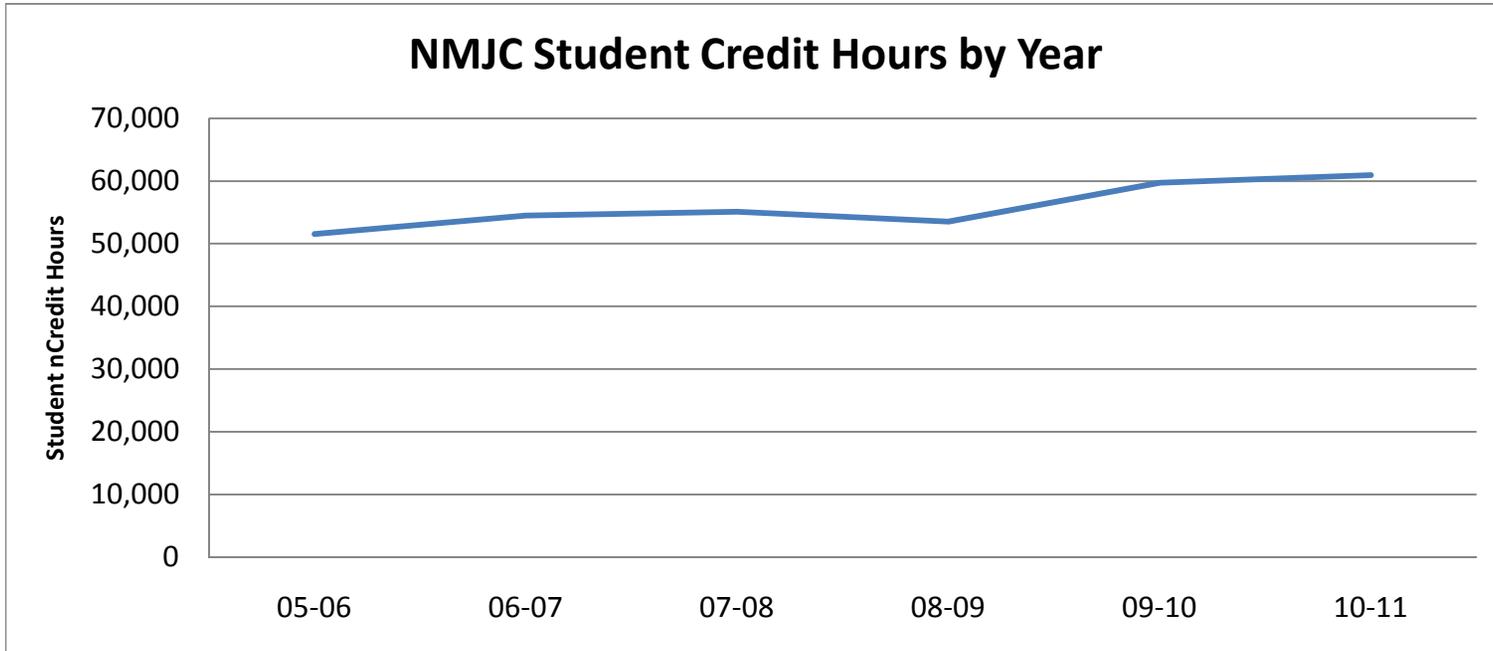
Comparison of NMJC Performance to IPEDS Identified Cohort  
 Source: Integrated Post-Secondary Reporting System  
 U.S. Department of Education



## Fall-to-Fall Retention Rate for Part-Time Students (first-time students)



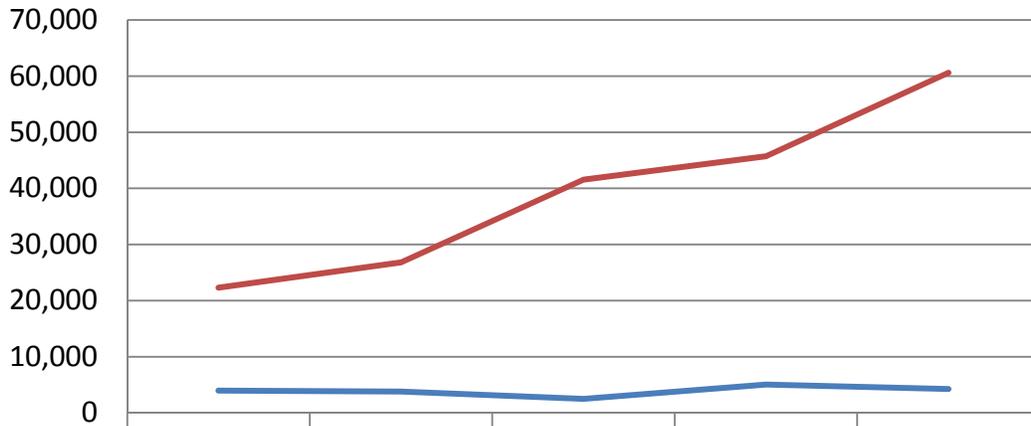
## NMJC Student Credit Hours by Year



	05-06	06-07	07-08	08-09	09-10	10-11
Summer	5,663	5,099	6,166	5,124	7,200	7,265
Fall	23,955	25,837	26,009	24,027	28,205	28,858
Spring	21,919	23,540	22,941	24,390	24,325	24,811
	<b>51,537</b>	<b>54,476</b>	<b>55,116</b>	<b>53,541</b>	<b>59,730</b>	<b>60,934</b>

**NOTE:** Spring 2011 Student Credit Hours are estimated based on enrollment projection.

## NMJC Non-credit Workforce Training Participants and Contact Hours



	2006	2007	2008	2009	2010
Participants	3,983	3,800	2,510	5,049	4,251
Contact Hours	22,319	26,821	41,563	45,721	60,610

Note: External funding support for workforce training is calculated based on annual contact hours.

External funding for workforce training:

	FY10 External Funds Received	FY11 External Funds Received
Amount received	\$78,739	\$98,581
Rank in state programs	#2	#2

# NMJC Funding

## Report of External and Foundation Funding

As of June 30, 2010

	June 2009	June 2010
NMJC Foundation		
Endowment Balance	\$4,188,977	\$4,668,321
Total Donations Received	\$293,503	\$209,875
External Funding Received		
Government Grants	\$1,511,983	\$1,565,915
Private Foundations	\$487,322	\$165,458

**New Mexico Community Colleges**  
**Community College Performance-Based Indicators**  
**Reporting Date: September 2010**

# Performance Measures	FY 08 Actual	FY 09 Actual	FY 10 Actual	FY 11 Budget	FY 12 Target
1 Percent successful after 3 years	55.9%	58.6%	61.7%	60.0%	62.0%
10 Percent complete within 150% of time	27.4%	24.1%	18.2%	33.0%	33.0%
2 Percent placed in jobs in New Mexico	68.0%	72.4%	75.8%	75.0%	75.0%
3 Percent of Hispanic students enrolled	38.8%	39.7%	38.8%	39.0%	39.0%
4 Percent of Hispanic graduates	37.2%	40.1%	42.1%	45.0%	45.0%
5 Number enrolled in area voc. School*	336	320	-	400	-
5 Contract training clients (rev. measure)	2,510	5,049	4,251	5,000	5,000
6 Number enrolled in distance education	13,183	15,412	18,548	15,000	17,000
7 Percent of programs with stable or increasing enrollment	61.9%	62.9%	65.0%	82.0%	82.0%
8 Percent persisting to following spring	63.4%	61.8%	62.0%	73.5%	73.5%
9 Percent placed in jobs or continuing education in New Mexico	77.7%	83.3%	85.7%	85.0%	85.0%

\* Vocational School Measure changed to Contract Training (see note in PBB1 5).

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# NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

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To: **New Mexico Junior College Board Members**  
From: Dan Hardin  
Date: February 5, 2011  
RE: Expenditure and Revenue Reports for January 2011

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January is month seven or 58% of the budget for the 2010/2011 fiscal year. The expenditure report represents expenditure totals that include funds expended and encumbered. The total year-to-date funds expended and/or encumbered through the month of January is \$27,390,885.00.

The total current unrestricted fund expenditures for Instruction & General through January are \$10,978,264.00, which is 59% of the projected budget. The year-to-date expenditures for Total Current Unrestricted Funds are \$13,727,942.00. As you review the current unrestricted funds many of these areas have expended a large portion of their budget. The departments either expend most of their budgets at the beginning of each semester or as in the case of Internal Services have large encumbrance for maintenance agreements. We are required to do a transfer from Instruction and General to Computer Services to cover costs in Computer Services. Some months that credit is greater than the expenses for the month in Internal Services. Student Aid is where the tuition is expensed for the High School students enrolled in the dual credit and the ITV classes; it is also where we expense the employee tuition & fee waivers, and the senior citizen tuition waivers.

In the Restricted Funds the expenditures in the Grant area is relatively normal for this time of year. Stacey Jackson, the Grants Accountant is very diligent in monitoring grants expenses and drawing funds down in a timely fashion. Restricted Student Aid had the big Pell payout in January, with the Business office issuing over one point six million dollars in checks to students. This is a payout after their bills to NMJC were paid. Total restricted funds through January of 2011 are \$6,202,024.00.

Plant fund expenditures year-to-date is \$7,460,919.00, most of which is the ongoing roofing project and the completion of the electrical project, Central Plant upgrade, Library remodel, and the Caster Activity Center remodel.

Expenditures through January 2011 were \$27,390,885.00, which is 59% of the projected budget.

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Revenue received in January 2011 was \$7,122,674.00. This consists of the tuition and fees, the monthly allocation from the state, the Oil and Gas Income, property tax revenue, bookstore and housing revenue, and restricted funds.

Tuition and Fees collected in January was \$428,443.00 as we collect tuition and fees for the spring semester. The College received \$1,084,011.00 in Oil and Gas and Oil and Gas equipment tax in January. The property tax revenue for January was \$1,538,036.00. We will receive additional property tax revenue by June. Auxiliary enterprises had revenue of \$422,589.00 in January, mostly coming from the bookstore.

Restricted funds had a large drawdown of \$2,750,036.00 from Grants and Student Aid, which follows the large expenditure in restricted student aid. We will have additional drawdowns in February.

The College has submitted draw requests for State GOB Library funds in January. Beth Hancock does an excellent job of keeping funds draw down as quickly as possible.

Total revenue for January 2011 is \$7,122,674.00, with year-to-date revenue of \$25,129,890.00 or 55% of projected budget.

The Oil and Gas report reflects the mill levy revenue from Oil and Gas and Oil and Gas equipment taxes. The total budget for Oil and Gas and Oil and Gas equipment for the year is \$5,499,992.00. The total Oil and Gas and Oil and Gas equipment revenue received through November of 2010 is \$4,327,926.00, which is 78% of the total Oil and Gas and Oil and Gas Equipment budget for the year.

The investment report shows an ending balance of \$9,625,000.00, as of the end of January.

This concludes the Financial Report for January 2011.

**NEW MEXICO JUNIOR COLLEGE**  
**Expenditure Report**  
**JANUARY 2011**

58% of Year Completed

Fund	2009-10			2010-11			
	Final Budget	Year-to-Date Expended or Encumbered	Percentage of Budget Expended	Budget	Current Expended or Encumbered	Expended or Encumbered	Percentage of Budget Expended
<b>CURRENT UNRESTRICTED FUND</b>							
Instruction and General:							
Instruction	6,791,331	5,006,225	74%	8,549,845	664,860	4,989,789	58%
Academic Support	3,271,728	1,504,386	46%	2,235,263	190,370	1,388,461	62%
Student Services	1,577,951	945,989	60%	1,681,893	136,158	953,696	57%
Institutional Support	4,594,972	1,896,688	41%	3,067,761	257,751	1,839,215	60%
Operation & Maintenance of Plant	2,914,580	1,649,449	57%	3,023,475	404,060	1,807,103	60%
Subtotal - Instruction & General	19,150,562	11,002,737	57%	18,558,237	1,653,199	10,978,264	59%
Student Activities	0	0	0%	0	0		0%
Research	0	0	0%	0	0		0%
Public Service	0	0	0%	0	0		0%
Internal Service Departments	147,077	105,371	72%	24,000	(94,680)	131,834	549%
Student Aid	605,800	610,080	101%	469,785	149,508	552,946	118%
Auxiliary Enterprises	1,665,937	1,330,521	80%	1,696,058	63,461	1,210,506	71%
Athletics	1,003,159	835,507	83%	974,729	272,748	854,392	88%
Total Current Unrestricted Fund	22,572,535	13,884,216	62%	21,722,809	2,044,236	13,727,942	63%
<b>CURRENT RESTRICTED FUND</b>							
Grants	1,705,862	819,157	48%	1,417,549	106,690	898,976	63%
Student Aid	4,050,000	5,133,009	127%	5,237,174	2,272,414	5,303,048	101%
Total Current Restricted Fund	5,755,862	5,952,166	103%	6,654,723	2,379,104	6,202,024	93%
<b>PLANT FUNDS</b>							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from Institutional Funds	12,168,843	7,203,017	59%	12,551,388	206,631	4,639,265	37%
Projects from State GOB Funds	4,007,556	3,784,656	94%	294,047	7,536	79,431	27%
Projects from State STB Funds	1,790,668	1,706,668	95%	3,000,000	0	2,039,445	68%
Projects from General Fund	140,621	8,082	6%	226,847	0	168,686	74%
Projects from Private Funds	171,487	47,409	28%	183,383		93,276	51%
Projects from State ER&R	340,024	136,061	40%	318,919	0	163,693	51%
Projects from State BR&R	1,268,966	0	0%	1,830,699	90,425	277,123	15%
Projects from Auxiliary BR&R	0	0	0%	0	0	0	0%
Subtotal - Capital and BR&R	19,888,165	12,885,893	65%	18,405,283	304,592	7,460,919	41%
Debt Service							
Revenue Bonds	0	0	0%	0	0	0	0%
Total Plant Funds	19,888,165	12,885,893	65%	18,405,283	304,592	7,460,919	41%
<b>GRAND TOTAL EXPENDITURES</b>	<b>48,216,562</b>	<b>32,722,275</b>	<b>68%</b>	<b>46,782,815</b>	<b>4,727,932</b>	<b>27,390,885</b>	<b>59%</b>

**NEW MEXICO JUNIOR COLLEGE**  
**Revenue Report**  
**JANUARY 2011**

58% of Year Completed

Fund	2009-10			2010-11			
	Final Budget	Year-to-date Revenue	Percentage of Budget Received	Budget	Current Revenue	Year-to-date Revenue	Percentage of Budget Received
<b>CURRENT UNRESTRICTED FUND</b>							
Instruction and General:							
Tuition and Fees	3,354,500	3,366,762	100%	3,523,000	428,443	3,624,284	103%
State Appropriations	7,676,400	4,304,536	56%	6,290,500	501,059	3,727,292	59%
Advalorem Taxes - Oil and Gas	5,200,000	4,875,513	94%	5,500,000	1,084,011	5,061,258	92%
Advalorem Taxes - Property	3,504,278	2,892,463	83%	4,129,578	1,538,036	3,266,454	79%
Interest Income	287,000	15,726	5%	20,000	195	7,310	37%
Other Revenues	524,363	183,401	35%	323,308	32,459	514,093	159%
Subtotal - Instruction & General	20,546,541	15,638,401	76%	19,786,386	3,584,203	16,200,691	82%
Student Activities	0	0	0%	0	0	0	0%
Public Service	0	0	0%	0	0	0	0%
Internal Service Departments	0	0	0%	24,000	0	13,178	55%
Auxiliary Enterprises	2,298,000	2,137,323	93%	2,202,000	422,589	2,183,334	99%
Athletics	310,400	175,406	57%	428,100	22,408	158,196	37%
Total Current Unrestricted	23,154,941	17,951,130	78%	22,440,486	4,029,200	18,555,399	83%
<b>CURRENT RESTRICTED FUND</b>							
Grants	1,848,907	898,406	49%	1,417,549	398,746	1,062,717	75%
Student Aid	4,050,000	4,056,356	100%	5,237,179	2,351,290	5,157,600	98%
Total Current Restricted	5,898,907	4,954,762	84%	6,654,728	2,750,036	6,220,317	93%
<b>PLANT FUNDS</b>							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from State GOB Funds	4,007,556	2,380,025	59%	294,047	79,431	79,431	0%
Projects from State STB Funds	1,790,668	830,678	46%	3,000,000	0	0	0%
Projects from General Fund	140,621	132,446	94%	226,847	168,686	168,686	0%
Projects from Private Funds	118,987	0	0%	183,383	93,276	93,276	0%
Interest Income (LGIP)	0	0	0%	80,000	2,045	12,781	0%
Total Plant Funds	6,057,832	3,343,149	55%	3,704,277	343,438	354,174	0%
<b>GRAND TOTAL REVENUES</b>	<b>35,111,680</b>	<b>26,249,041</b>	<b>55%</b>	<b>32,799,491</b>	<b>7,122,674</b>	<b>25,129,890</b>	<b>55%</b>

# NEW MEXICO JUNIOR COLLEGE

## Oil and Gas Revenue Report

### January 2011

58% of Year Completed

		OIL		GAS		COMBINED		
Sales	Month of Distribution	Price per BBL	Lea County BBLs sold	Price per MCF	Lea County MCF sold	Monthly Revenue	2009-10 Original Budget	Variance Over (Under) Budget
Actual	July	\$78.04	2,838,769	\$5.07	16,763,074	580,468	366,666	213,802
Actual	August	\$70.38	2,777,074	\$6.15	16,195,702	640,098	366,666	273,432
Actual	September	\$70.35	2,782,699	\$5.57	15,856,565	675,875	366,666	309,209
Actual	October	\$71.79	2,853,169	\$4.34	15,026,148	582,732	366,666	216,066
Actual	November	\$73.88	2,845,013	\$5.78	15,732,662	680,419	366,666	313,753
Accrual	December					366,666	366,666	0
Accrual	January					366,666	366,666	0
Accrual	February						366,666	(366,666)
Accrual	March						366,666	(366,666)
Accrual	April						366,666	(366,666)
Accrual	May						366,666	(366,666)
Accrual	June						366,666	(366,666)
Y.T.D. Production Tax Revenue						3,892,924	4,399,992	(507,068)
Y.T.D. Equipment Tax Revenue						1,168,334	1,100,000	68,334
Total Year-to-Date Oil & Gas and Equipment Tax Revenue						5,061,258	5,499,992	(438,734)

Source: New Mexico Taxation and Revenue Department

# NEW MEXICO JUNIOR COLLEGE

## Schedule of Investments

### January 2011

58% of Year Completed

Financial Institution	Amount Invested	Date Invested	Maturity Date	Period of Investment (Days)	Account Number	Interest Rate	Interest Earned
State of New Mexico Local Government Investment Pool	9,625,000	N/A	N/A	N/A	7102-1348	0.219%	1,850
<b>Total investments</b>	<u><u>9,625,000</u></u>						<u><u>1,850</u></u>

Summary of Current Month's Activity	
Beginning amount	9,625,000
Plus: deposits	0
Less: withdrawals	0
Capital Projects	9,078,551
Reserves Invested	546,449
<b>Total LGIP Investment</b>	<b>9,625,000</b>

Capital Projects	1/31/2011
Vehicles	4,950.00
Drawings & Master Plan	8,059.52
Technology Upgrade	248,461.92
JASI	93,737.00
Museum Landscaping	300,000.00
Baseball Field	201,377.94
Rodeo Arena	104,738.86
Front Entrance/Turn/Landscape	300,000.00
Equestrian Center	1,816,210.88
Student Housing Construction	552,601.59
Library Remodel	23,818.85
Frame & Door Replacement	103,433.91
Luminis Software	11,568.00
Landscaping	448,022.98
Facility Painting	900.87
Electrical Upgrade	518,768.51
Campus Signage	84,993.82
Campus Paving	207,561.17
Roof Replacement	21,070.75
Interior Lighting-Energy Retrofit	52,346.52
Old Dorms Renovation	193,346.23
Millen Dr. Sewer & Water	150,000.00
Concrete Upgrade	18,383.49
Campus Construction	101,729.22
Oil & Gas Training Center	500,000.00
Public Sector	1,826.53
Campus Security	151,297.10
Caster Old CHOF Remodel	59,625.51
Track/Arena Area Enhancement	65,044.46
Roadway Entrance-Rodeo/CDL	60,000.00
Lumens Software-Distance Learnng	5,000.00
Welding Lab	47,956.61
Copier Replacement	13,967.00
Non-Recurring Compensation	434,800.00
Athletics	626,016.57
Student Life Programming	2,440.37
Title V (Institutional)	118,611.47
Warehouse/Cont Ed Remodel	865,584.76
Radiological Control	18,198.38
Central Plant Upgrade	514,344.39
Workforce Training Contingency	2,407.25
Banner 8	25,349.12
<b>Total</b>	<b>9,078,551.55</b>

NOTE: Capital projects total does not include encumbered funds

# NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

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

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To: Board Members  
From: Dan Hardin  
RE: Fiscal Watch Reports December 2010  
Date: January 21, 2011

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Attached for your approval are the Fiscal Watch reports to be submitted to the Higher Education Department by the end of February. As you can see there are changes in the Fiscal Watch Report forms. At the last Board meeting Dr. McCleery mentioned the changes that the Higher Education Department is making in all of their reporting requirements. The first report is the Statement of Net Assets or as we had referred to previously as the Balance Sheet for December 31, 2010. The total current assets consist of Cash and Cash Equivalents in the amount of \$4,268,404.00, which represents cash in the vault and balances in the bank. Investments totaling \$9,589,592.00 are the funds that we have in the Local Government Investment Pool. We are using \$9,589,592.00 instead of the \$9,625,000.00 that we normally report at the Board meetings, because that is how the auditors reported the LGIP funds in the audit. Accounts Receivable is the gross receivables less allowance for uncollectible. Accounts Receivables are from students, grants, drawdown from the state for capital projects, third party billing, etc. Inventory is held at the bookstore. Prepaid expense is the college insurance and maintenance agreements prepaid for the entire year. Total current assets are \$17,155,697.00

Non-Current Assets are the same as is in the 2010 audit for Property, Plant and Equipment, net \$59,366,390.00. Net means less depreciation. Total Assets are \$76,522,087.00.

Current Liabilities begin with Accounts Payable of \$6,739.00. Under the Banner system, when an invoice is entered into the system there is a credit posted to Accounts Payable, as checks are cut there is debit made to Accounts Payable. When Financial Aid memo posts an award to a student there is a debit made to Accounts Payable, an offsetting credit is made when there is an actual award is posted to the student. There is a large amount of activity in and out of Accounts Payable. Accounts Payable includes Dorm

Deposits Payable, Gift Certificates from the Bookstore, and General Accounts Payable. Accrued Liabilities include all of the withholding payables for Federal Income Tax, State Income Tax, ERA, Health Insurance and other payroll related withholdings. Total accrued liabilities as of December 2010 are \$642,620.00. There is not any deferred income as of December 2010. Other Payables are a combination of gross receipts payable, voluntary withholding payables, agency accounts, and scholarships payable. Agency accounts are funds held for the various clubs and organizations around campus. The total of other payables is \$248,290.00. Long term Liabilities – current portion is the remaining principal portion of the long term liabilities to be paid in the fiscal year. Total Current Liabilities are \$997,438.00 as of December 2010. Non-Current liabilities consist of accrued interest payable, which is the interest to be paid in the remaining portion of the fiscal year on the John Watson Student Apartment loan. Accrued benefit reserves is the salaries payable and accrued vacation payable. Other long term liability is the principle portion of the John Watson Student Apartment loan in the amount of \$3,489,434.00. The total liabilities are \$5,067,114.00. The Net Assets included Invested in Capital Assets, net of related debt, for a total of \$55,708,114.00. Unrestricted net assets have a total as of December 2010 of \$15,746,609.00, with the total net assets of \$71,454,973.00.

In the Comparison of Operating and Plant funds, we are comparing the year-to-date operating revenues and expenditures as of December 2009 to the year-to-date operating revenue and expenditures for December 2010, we have some variances. The operating revenue for December 2009 was 12,554,889.00 as compared to 14,526,199.00 in December of 2010. As you know the increases are in Tuition and Fees and Local appropriations, State appropriations are down we you compare FY 09 to FY 10. Expenditures are \$76,118.00 higher in FY 10 than in FY 09, mostly in the Auxiliary Enterprise areas, but the Instruction and General is slightly down in December 2010.

The revenues and transfers disclosure for Plant funds is different than you have seen in the past. This is showing the transfer from Instruction and General to capital projects. When the Board approves moving funds from reserves to capital projects we do this by doing a transfer from the Instruction and General funds to the capital funds. In FY 10 we are only showing the interest income as revenue, the rest is transfers. Expenditures are showing actual cost and no encumbrances. Also, in December of FY 10 we had several major capital projects going on as compared to FY 11 when these projects have been completed.

The next report is the Summary of Operating and Plant Funds, which is the original budget to actual as of December 2010. These numbers are also taken from the Board reports that were presented at the January

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Board meeting. Revenues are where we should be at this time of year, except for State Appropriations. The budget is the original amount that we were to have received, but the State reduced the appropriation by the \$225,300.00. Expenditures are on track except for Internal Services, which will be back to within budget by year end.

The Cash Flow statement represents the activity during the first six months of the fiscal year. Cash flows from operating activities indicates the money coming in from tuition and fees, grants, and auxiliary enterprises, then the funds going out for salaries and benefits, payouts to students, and vendors. The net result is that it took \$5,444,032.00 more cash than was brought in. The next section shows the amount of cash from non-capital financing activities. The incoming cash from these activities is \$8,334,354.00. Next, is cash from capital financing activities, this shows the fund expended for debt service and purchase of capital assets. This is different than you have seen in the past in that it is separating out the principal and interest portion of the loan that has been paid during the fiscal year. The total is <\$5,447,595.00>. The next line is the interest that was earned from the LGIP funds thru December 2010. Basically, we began the fiscal year with \$16,404,338.00 in cash, we ended the quarter with \$13,857,996.00 in cash for a net decrease of <\$2,546,342.00>. This gives you a snap shot of the cash in and out for the first two quarters of the fiscal year.

We hope this explanation gives you a good understanding of the Fiscal Watch reports and the changes that were made to the reports by the Higher Education Department. We are asking for your approval of the Fiscal Watch reports, so that we can comply with the mandatory reporting to the HED

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Respectfully,

Dan Hardin

# New Mexico Junior College

## Statement of Net Assets (Unaudited and Unadjusted) As of (12 31 2010)

### Assets

#### Current Assets:

Cash and Cash Equivalents	\$	4,268,404
Short-Term Investments		9,589,592
Accounts Receivable, net		2,381,963
Inventories		394,064
Prepaid Expenses		521,674
Loans Receivable, net		-

Total Current Assets \$ 17,155,697

#### Non-Current Assets

Restricted Cash and Cash Equivalents		-
Restricted Short Term Investments		-
Investments Held by Others		-
Other Long-Term Investments		-
Prepaid Expenses		-
Capital Assets, net		59,366,390

Total Non-Current Assets 59,366,390

**Total Assets** \$ 76,522,087

### Liabilities

#### Current Liabilities

Accounts Payable	\$	6,739
Other Accrued Liabilities		642,620
Deferred Income		-
Other Payables		248,290
LT Liabilities - Current Portion		99,789

Total Current Liabilities \$ 997,438

#### Non-Current Liabilities

Accrued Interest Payable		68,803
Accrued Benefit Reserves	\$	511,439
Other LT Liabilities		3,489,434

Total Non-Current Liabilities 4,069,676

**Total Liabilities** \$ 5,067,114

### Net Assets

Invested in Capital Assets, net of Related Debt \$ 55,708,364

#### Restricted for:

##### Non-Expendable:

Endowments

##### Expendable:

General Activities

Federal Student Loans

Term Endowments

Capital Projects

Related Entity Activities

Unrestricted 15,746,609

**Total Net Assets** 71,454,973

**Total Liabilities & Net Assets** 76,522,087

# New Mexico Junior College

## Summary of Operating and Plant Funds (Unadjusted and Unaudited) FY 2011

Operating Funds	FY 2011 Original Budget	FY 2011 Actuals as of December 31, 2010	Percentage Earned/Spent
<b>REVENUES</b>			
Tuition & Misc Fees	\$ 3,523,000	\$ 3,195,841	90.71%
Federal Appropriations			
State Appropriations	6,943,900	3,362,021	48.42%
Local Appropriations	9,404,278	5,705,665	60.67%
Gifts, Grants & Contracts	62,000	55,287	89.17%
Endowment/Land & Perm Inc			
Sales & Services	2,202,000	1,760,745	79.96%
Other	305,308	446,640	146.29%
Total Revenue	<u>\$22,440,486</u>	<u>\$14,526,199</u>	64.73%
<b>EXPENDITURES</b>			
Instruction & General	\$ 18,558,237	9,343,065	50.34%
Student Social & Cultural Research			
Public Service			
Internal Services	24,000	226,514	943.81%
Student Aid	469,785	406,438	86.52%
Auxiliary Enterprises	1,696,058	1,147,045	67.63%
Intercollegiate Athletics	974,729	581,644	59.67%
Independent Operations (NMDA)			
Total Expenditures	<u>\$ 21,722,809</u>	<u>11,704,706</u>	53.88%
Net Transfers			
TOTAL EXPENDITURES & TRANSFERS	<u>\$ 21,722,809</u>	<u>11,704,706</u>	53.88%
Increase (Decrease) in Fund Balance	<u>\$ 717,677</u>	<u>\$2,821,493</u>	

Plant Funds	FY 2010 Original Budget	FY 2010 Actuals as of December 31, 2010	Percentage Earned/Spent
<b>REVENUES AND TRANSFERS</b>			
Required Student Fees			
Bond Proceeds			
Gifts, Grants and Contracts		-	
Interest Income		10,931	
State Appropriation	-		
Debt Service Transfers	359,026	359,026	
Other	9,942,203	6,892,203	
Total Revenues and Transfers	<u>\$ 10,301,229</u>	<u>\$ 7,262,160</u>	
<b>EXPENDITURES</b>			
Capital Projects	9,134,802	5,081,384	55.63%
Building Renewal	807,401	186,698	
Internal Service Renewal/Replacement			
Auxiliary Renewal/Replacement			
Debt Retirement	359,026	179,513	
Total Expenditures	<u>\$ 10,301,229</u>	<u>\$ 5,447,595</u>	52.88%
Increase (Decrease) in Fund Balance	<u>-</u>	<u>1,814,565</u>	

# New Mexico Junior College

## Comparison of Operating and Plant Funds (Unadjusted and Unaudited) Fiscal Year 2010 and 2011

Operating Funds	FY 2010 Actuals as of December 31, 2009	FY 2011 Actuals as of December 31, 2010	Percentage Increase (Decrease)
<b>REVENUES</b>			
Tuition & Misc Fees	\$ 2,899,102	\$ 3,195,841	10.2%
Federal Appropriations			
State Appropriations	3,875,772	3,362,021	-13.3%
Local Appropriations	4,346,392	5,705,665	31.3%
Gifts, Grants & Contracts		55,287	
Endowment/Land & Perm Inc			
Sales & Services	1,256,863	1,760,745	40.1%
Other	176,760	446,640	152.7%
<b>Total Revenue</b>	<b>\$ 12,554,889</b>	<b>\$ 14,526,199</b>	<b>15.7%</b>
<b>EXPENDITURES</b>			
Instruction & General	9,500,277	9,343,065	-1.7%
Student Social & Cultural Research			
Public Service			
Internal Services	114,568	226,514	97.7%
Student Aid	383,887	406,438	5.9%
Auxiliary Enterprises	1,056,111	1,147,045	8.6%
Intercollegiate Athletics	573,745	581,644	1.4%
Independent Operations (NMDA)			
<b>Total Expenditures</b>	<b>11,628,588</b>	<b>\$ 11,704,706</b>	<b>0.7%</b>
Net Transfers			
<b>TOTAL EXPENDITURES &amp; TRANSFERS</b>	<b>\$ 11,628,588</b>	<b>\$ 11,704,706</b>	<b>0.7%</b>
Increase (Decrease) in Fund Balance	\$ 926,301	\$ 2,821,493	

Plant Funds	FY 2010 Actuals as of December 31, 2009	FY 2011 Actuals as of December 31, 2010	Percentage Increase (Decrease)
<b>REVENUES AND TRANSFERS</b>			
Required Student Fees			
Bond Proceeds			
Gifts, Grants and Contracts			
Interest Income		10,931	
State Appropriation	3,343,149		
Debt Service Transfers	359,014	359,026	
Other	12,770,037	6,892,203	
<b>Total Revenues and Transfers</b>	<b>\$ 16,472,200</b>	<b>\$ 7,262,160</b>	
<b>EXPENDITURES</b>			
Capital Projects	\$ 12,619,100	5,081,384	-59.7%
Building Renewal		186,698	
Internal Service Renewal/Replacement			
Auxiliary Renewal/Replacement			
Debt Retirement		179,513	
<b>Total Expenditures</b>	<b>\$ 12,619,100</b>	<b>\$ 5,447,595</b>	<b>-56.8%</b>
Increase (Decrease) in Fund Balance	\$ 3,853,100	\$ 1,814,565	

Some revenues are reported on a seasonal basis or by semester and therefore may affect the Increase/(Decrease) to Fund Balance

# New Mexico Junior College

## Cash Flow Statement (Unaudited and Unadjusted) As of 12 31 2010

Cash Flows from Operating Activities		
Receipts from student tuition and fees	\$	3,195,841
Receipts from grants and contracts		3,470,281
Other receipts		
Payments to or on behalf of employees		(8,788,616)
Payment to suppliers for goods and services		(3,504,042)
Receipts from Sales and Services		1,760,745
Disbursement of net aid to students		(2,080,168)
Other Operating Revenue		501,927
Net cash (used) by operating activities	\$	<u>(5,444,032)</u>
Cash Flows from Non-Capital Financing Activities		
State Appropriations	\$	3,362,021
Mill Levy Taxes	\$	4,972,333
Private Gifts for Endowment		
Other Non-operating Expense		
Net Cash provided (used) for non-capital financing activities	\$	<u>8,334,354</u>
Cash Flows from Capital and Related Financing Activities		
Proceeds from Capital Debt		-
Capital Gifts, Grants and contracts		-
Purchase/Construction/Renovation of Capital Assets		(5,268,082)
Principal Received/Paid on Capital Debt and Leases		(98,640)
Interest and Fees Paid on Capital Debt and Leases		(80,873)
Building Fees Received from Students		-
Net Cash provided (used) for capital financing activities	\$	<u>(5,447,595)</u>
Cash Flows from Investing Activities		
Investment Earnings	\$	10,931
Net Cash provided by Investing Activities	\$	<u>10,931</u>
Increase (Decrease) in Cash and Cash Equivalents	\$	(2,546,342)
Cash and Cash Equivalents- beginning of year		16,404,338
Cash and Cash Equivalents- end of reporting period	\$	13,857,996



## Western Heritage Museum and Lea County Cowboy Hall of Fame

Where oil, water, and cowboys do mix!

February 7, 2011

Dr. Steve McCleery  
New Mexico Junior College  
5317 Lovington Highway  
Hobbs, NM 88240

Dear Dr. McCleery:

It is our pleasure to recommend Mrs. Elaine McVay as a new member of the Western Heritage Museum Advisory Board.

Mrs. McVay is one of our most dependable and dedicated docents and continues to be an asset in many of our activities playing a major role in our Christmas Around the World event. She will be an outstanding representative of the petroleum industry and has long been a highly respected Lea Countian. As you are aware, she also has a lengthy association with New Mexico Junior College and is very interested in our efforts to create a successful museum complex for Southeastern New Mexico.

We hope you can take this before the next NMJC Board for approval at the June meeting as we are anxious to have Mrs. McVay on board.

Thank you for your continuing support of the Complex and please take time to visit the newest traveling exhibition and/or attend any of our meetings or events as you have the opportunity.

Sincerely,

Ray Battaglini  
Chair  
Western Heritage Museum Advisory Board

Calvin Smith  
Executive Director