

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

Thursday, October 20, 2011

Zia Room - Library

4:00 p.m.

AGENDA

- | | |
|---|----------------|
| A. Welcome | Guy Kesner |
| B. Adoption of Agenda | Guy Kesner |
| C. Approval of Minutes of September 15, 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. Consideration of In-District Tuition for Workforce Training Partnerships | Jeff McCool |
| 6. Consideration of NMJC Research Foundation Proposal | Robert Rhodes |
| F. Public Comments | Guy Kesner |
| G. Announcement of Next Meeting | Guy Kesner |
| H. Closure of Open Meeting | Guy Kesner |
| I. Adjournment | Guy Kesner |

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

SEPTEMBER 15, 2011

MINUTES

The New Mexico Junior College Board met on Thursday, September 15, 2011, beginning at 4:00 p.m. in the Zia Room of Pannell Library. The following members were present: Mr. Guy Kesner, Chairman; Mr. Phillip Jones; Mrs. Mary Lou Vinson; Mr. Ron Black; and Mr. Zeak Williams. Not present was Ms. Patricia Chappelle 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. Black, seconded by Mr. Williams, the Board unanimously approved the minutes of August 18, 2011.

Under President's Report, Dr. McCleery presented the proposed formula funding update.

Under New Business, Dan Hardin presented the August financial reports and with a motion by Mrs. Vinson, seconded by Mr. Black, the Board unanimously approved the expenditures for August, 2011.

Regina Organ recommended Maryellen Baeza for the Admission Specialist position at an annual salary of \$31,129. Upon a motion by Mr. Jones, seconded by Mrs. Vinson, the Board unanimously approved the employment of Ms. Baeza, effective September 16, 2011.

Dr. McCleery presented a retirement resolution for Robert Bensing. Upon a motion by Mr. Jones, seconded by Mrs. Vinson, the Board unanimously adopted the resolution.

The next regular board meeting was scheduled for Thursday, October 20, 2011, beginning at 4:00 p.m.

Mr. Black 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; Mr. Black - yes; Mr. Kesner - yes; Mrs. Vinson - yes; and Mr. Williams - 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. Black, the board meeting adjourned at 2:30 p.m.

NEW MEXICO JUNIOR COLLEGE

Expenditure Report

September 2011

25% of Year Completed

Fund	2010-11			2011-12			
	Final Budget	Year-to-Date Percentage Expended or Encumbered	% of Budget Expended	Budget	Current Expended or Encumbered	Expended or Encumbered	Percentage of Budget Expended
CURRENT UNRESTRICTED FUND							
Instruction and General:							
Instruction	8,549,845	1,683,847	20%	8,437,426	790,140	1,860,010	22%
Academic Support	2,235,263	612,628	27%	2,206,429	151,806	540,691	25%
Student Services	1,681,893	398,361	24%	1,665,722	100,623	365,138	22%
Institutional Support	3,067,761	851,581	28%	2,987,693	242,656	788,344	26%
Operation & Maintenance of Plant	3,023,475	785,532	26%	2,958,467	255,640	824,702	28%
Subtotal - Instruction & General	18,558,237	4,331,949	23%	18,255,737	1,540,865	4,378,885	24%
Student Activities	0	0	0%	0	0	0	0%
Research	0	0	0%	0	0	0	0%
Public Service	0	0	0%	0	0	0	0%
Internal Service Departments	24,000	12,809	53%	80,394	71,752	70,615	88%
Student Aid	469,785	266,844	57%	516,579	24,694	294,937	57%
Auxiliary Enterprises	1,696,058	680,750	40%	1,706,196	122,863	252,064	15%
Athletics	974,729	405,308	42%	972,058	107,729	389,158	40%
Total Current Unrestricted Fund	21,722,809	5,697,660	26%	21,530,964	1,867,903	5,385,659	25%
CURRENT RESTRICTED FUND							
Grants	1,417,549	392,040	28%	1,569,789	145,498	310,440	20%
Student Aid	5,237,174	2,736,138	52%	5,033,468	512,975	2,803,686	56%
Total Current Restricted Fund	6,654,723	3,128,178	47%	6,603,257	658,473	3,114,126	47%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from Institutional Funds	12,440,773	2,625,153	21%	10,910,281	756,652	4,045,584	37%
Projects from State GOB Funds	294,047	38,511	13%	325,911	8,716	51,699	16%
Projects from State STB Funds	3,000,000	498,763	17%	1,840,824	0	1,840,824	100%
Projects from General Fund	224,122	147,329	66%	24,956	6,000	12,000	48%
Projects from Private Funds	103,383	12,000	12%	487,945	(9,780)	431,850	89%
Projects from State ER&R	318,919	143,842	45%	441,780	0	55,054	12%
Projects from State BR&R	1,830,699	23,553	1%	1,584,709	142,547	242,547	15%
Subtotal - Capital and BR&R	18,211,943	3,489,151	19%	15,616,406	904,135	6,679,558	43%
Debt Service							
Revenue Bonds	0	0	0%	0	0	0	0%
Total Plant Funds	18,211,943	3,489,151	19%	15,616,406	904,135	6,679,558	43%
GRAND TOTAL EXPENDITURES	46,589,475	12,314,989	26%	43,750,627	3,430,511	15,179,343	35%

NEW MEXICO JUNIOR COLLEGE
Revenue Report
September 2011

25% of Year Completed

2010-11

2011-12

Fund	2010-11			2011-12			
	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	3,523,000	2,077,775	59%	3,589,200	48,712	2,106,138	59%
State Appropriations	6,515,800	1,544,077	24%	5,505,200	457,179	1,390,600	25%
Advalorem Taxes - Oil and Gas	5,500,000	1,313,921	24%	5,900,000	818,119	1,551,451	26%
Advalorem Taxes - Property	3,904,278	43,014	1%	4,905,732	0	0	0%
Interest Income	20,000	7,595	38%	20,000	79	193	1%
Other Revenues	323,308	177,578	55%	329,471	0	122,285	37%
Subtotal - Instruction & General	19,786,386	5,163,960	26%	20,249,603	1,324,089	5,170,667	26%
Student Activities	0	0	0%	0	0	0	0%
Public Service	0	0	0%	0	0	0	0%
Internal Service Departments	24,000	5,828	24%	24,000	5,258	9,776	41%
Auxiliary Enterprises	2,202,000	1,275,670	58%	2,184,000	99,595	1,268,085	58%
Athletics	428,100	68,564	16%	326,200	26,991	81,165	25%
Total Current Unrestricted	22,440,486	6,514,022	29%	22,783,803	1,455,933	6,529,693	29%
CURRENT RESTRICTED FUND							
Grants	1,417,549	402,103	28%	1,569,789	240,316	315,743	20%
Student Aid	5,237,179	2,363,206	45%	5,033,468	1,548,870	2,196,636	44%
Total Current Restricted	6,654,728	2,765,309	42%	6,603,257	1,789,186	2,512,379	38%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from State GOB Funds	294,047	0	0%	0			0%
Projects from State STB Funds	3,000,000	0	0%	1,840,824	222,704	222,704	12%
Projects from General Fund	224,122	0	0%	312,972	0	0	0%
Projects from Private Funds	103,383	0	0%	416,000	0	416,000	100%
Interest Income (LGIP)	80,000	0	0%	37,000	2,720	5,428	0%
Total Plant Funds	3,701,552	0	0%	2,606,796	225,424	644,132	25%
GRAND TOTAL REVENUES	32,796,766	9,279,331	28%	31,993,856	3,470,543	9,686,204	30%

NEW MEXICO JUNIOR COLLEGE

Oil and Gas Revenue Report

September 2011

25% of Year Completed

		OIL		GAS		COMBINED		
Month of	Sales Distribution	Price per BBL	Lea County BBLs sold	Price per MCF	Lea County MCF sold	Monthly Revenue	2011-12 Original Budget	Variance Over (Under) Budget
Actual	July	\$94.64	2,833,838	\$8.06	14,534,816	818,088	366,666	451,422
Accrual	August	\$89.64	2,788,858	\$7.64	14,874,525	366,666	366,666	0
Accrual	September					366,666	366,666	0
Accrual	October							0
Accrual	November							0
Accrual	December							0
Accrual	January							0
Accrual	February							0
Accrual	March							0
Accrual	April							0
Accrual	May							0
Accrual	June							0
Y.T.D. Production Tax Revenue						1,551,420	1,099,998	451,422
Y.T.D. Equipment Tax Revenue						31	1,500,000	(1,499,969)
Total Year-to-Date Oil & Gas and Equipment Tax Revenue						1,551,451	2,599,998	(1,048,547)

Source: New Mexico Taxation and Revenue Department

NEW MEXICO JUNIOR COLLEGE

Schedule of Investments

September 2011

25% 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 P	11,625,000	N/A	N/A	N/A	7102-1348	0.225%	2,720
Total investments	<u>11,625,000</u>						<u>2,720</u>

Summary of Current Month's Activity	
Beginning amount	11,625,000
Plus: deposits	0
Less: withdrawals	0
Capital Projects	10,096,249
Reserves Invested	1,528,751
Total LGIP Investment	11,625,000

Capital Projects	9/30/2011
Technology Upgrade	531,784.66
JASI	69,989.39
WHM South Gallery	281,675.85
Baseball Field	960,133.43
Rodeo Arena	1,048,864.65
Original Entrance Landscaping	1,077,595.14
Student Housing Construction	544,455.90
Frame & Door Replacement	72,422.18
Luminis Software	11,568.00
Electrical Upgrade	0.00
Campus Signage	165,682.15
Campus Paving	207,561.17
Roof Replacement	546,070.75
Interior Lighting-Energy Retrofit	52,346.52
Old Dorms Renovation	0.00
Millen Dr. Sewer & Water	0.00
Campus Construction	114,561.72
Oil & Gas Training Center	127,485.20
Public Sector	1,826.53
Campus Security	44,921.93
Track/Arena Area Enhancement	65,044.46
Roadway Entrance-Rodeo/CDL	60,000.00
Lumens Software-Distance Learn	5,000.00
Welding Lab	41,246.00
Copier Replacement	30,172.00
Non-Recurring Compensation	1,000,000.00
Athletics	726,655.08
Student Life Programming	2,440.37
Title V (Institutional)	79,597.97
Warehouse/Cont Ed Remodel	9,799.18
Succession Plan	141,001.00
Energy Technology Equipment	686,748.30
Watson Hall Stage Lighting	100,000.00
WHM Exhibits	78,459.73
Remodel McLean/Mansur/VocB/H	402,806.26
Shade Structure/Landscape AIPP	50,000.00
Natorium	700,000.00
Central Plant Upgrade	35,419.02
Workforce Training Contingency	718.77
Banner 8	22,195.37
Total	10,096,248.68

NOTE: Capital projects total does not include encumbered funds

Memo

Date: October 13, 2011
To: Dr. Steve McCleery and the New Mexico Junior College Board
From: Jeff McCool, Dean of Training & Outreach
RE: In-District Tuition Request for ALL Workforce Training Partnerships

As the Training & Outreach Division continues to develop and expand the Don Bratton Energy Technology Center, opportunities will present themselves to develop training programs for both credit and non-credit. As we pursue training opportunities involving credit courses, I am asking that consideration be given for charging in-district tuition for all workforce training partnerships and the credit courses that they may include. By standardizing this piece of the potential agreements, it will allow consistency as we negotiate with each of our potential partners, not to mention the cost savings that it could provide to our potential partners if the training involves numerous employees from out-of-district, or out-of-state locales. Most employee training that takes place here at New Mexico Junior College is done to provide and prepare the workforce within a 125 mile radius of New Mexico Junior College. Therefore, it can be stated that the training does, in fact, provide a benefit to our local area, but our region as well. This decision will help make the credit piece more agreeable as we negotiate contracts, and the benefit to New Mexico Junior College is exponentially greater as we factor in the FTE matching from the state.

Thank you for your consideration.



New Mexico Junior College

Division of Training and Outreach

TO: NMJC Board Members and Dr. Steve McCleery

FROM: Dr. Robert Rhodes, Vice President of Training and Outreach

DATE: October 17, 2011

NMJC Research Foundation

The New Mexico Statutes (University Research Park and Economic Development Act, NMSA 1978 Section 21-28-1) allows the creation of a Research Park Corporation for the purposes of promoting, developing and administering research parks or technological innovations for scientific, educational and economic development opportunities in accordance with bylaws adopted by the research park corporation or economic development initiatives that support the teaching, research or service mission of the university.

The NMJC Research Foundation would allow the college to interact with public and private entities in ways that would allow for greater ease in encouraging and supporting activities related to the stated mission. It allows the college through the foundation to provide an environment where businesses and other public institutions can work with faculty and students to take advantage of opportunities for collaborative research and development.

In a study for the National Council of State Legislators, The Council for Community and Economic Research identified the following issues and outcomes:

These align with the Issues identified at the strategic planning session held with the stakeholder of New Mexico Junior College

Key Issues	Expected Outcomes
Limited Access Institutional Resources	Accessibility of faculty and staff to community
How to Ensure Affordability	Disposition of new or state-of-the-art knowledge
Need to Strengthen Quality	Complex intellectual, life, & civic skills
Community and Educational Accountability	Intentional learning
Need to Improve Student Preparation	Creativity, innovation
Need to Improve Completion	International skills
Need for Greater Student/Faculty Engagement	Career-specific technical knowledge and skills
Low academic prestige and value given to community service activities	Faculty culture and rewards
Lack of extra-academic experience	Disconnected industry and educational institution
Limited external influence on curriculum	Highly regarded faculty
Faculty/student efforts to address community problems	Highly positive in-migration rates
Ensure highest quality outcomes that teaches: Research agenda setting	Broad access to the benefits of institutional amenity assets
Increased Competition for limited Federal research funding	Industry partnerships
Rules that limit benefits from research outcomes	Academic discoveries and assets applied to addressing commercial or social problems
Loss of locally developed talent	Technical expertise provided to public and private enterprises
Insularity of some campus settings	New business opportunities and ideas
Town/gown development conflicts	Linkages between institutional programs and private advisors and/or users
	More learners attaining economically valued credentials
	Shared Responsibility

*Center for Regional Economic Competitiveness

To implement the NMJC Research Foundation the New Mexico Junior College would need to adopt an initial set of By-laws and Articles of Incorporation. It would also need to designate an Organizing Board of Directors

Sincerely
Robert Rhodes\
Attachments

BY-LAWS
OF THE
NMJC RESEARCH FOUNDATION

ARTICLE I
MEMBERS

Section 1. The Corporation shall not have any members.

ARTICLE II
BOARD OF DIRECTORS

Section 1. The affairs of the Corporation shall be managed by a Board of Directors.

Section 2. The number of Directors who constitute the Board of Directors shall five (5).

Section 3.

(a) Directors shall be elected to the Board of Directors by the affirmative vote of a majority of the Board of New Mexico Junior College. The term of office of a Director shall be three (3) years, except as otherwise provided in these by-laws. A Director who is an official of New Mexico Junior College shall be eligible to serve as Director only as long as that person continues to be employed by New Mexico Junior College.

(b) The number of Directors provided for in Section 2 may be increased by amendment of these by-laws. Vacancies in the office of Director due to either an increase in the number of Directors, resignation or death may be filled by the affirmative vote of a majority of the Board of New Mexico Junior College. A person may be elected as a Director to fill a vacancy either for a full three year term or for the remainder of the term of the Director being replaced.

(c) The Board of New Mexico Junior College may remove any Director of the Corporation if such action, in the judgment of the Board of New Mexico Junior College, is in the best interest of the Corporation. Appointment or election as a Director of the Corporation shall not, of itself, establish or create contract rights.

(d) The Board of Directors may elect a Chairperson to preside at all meetings of the Board of Directors and the shareholders, and invest him with such powers and delegate to him such duties as the Board of Directors may from time to time designate. In the event no chairman is elected, or the designated chairman is unable to act, the President shall preside at meetings of the Board of Directors.

Section 4. The annual meeting of the Board of Directors shall be held upon the call of the President at any time during the month of April of the year in which such annual meeting is to be held. Regular meetings of the Board of Directors may be held at such time and place as shall from time to time be determined by the Board of Directors. Special meetings of the Board of Directors may be called by the President on five days' notice to each Director, either personally or by mail, facsimile, or telephone. At least ten

(10) days prior to all regular meetings of the Board of Directors, a written reminder notice thereof shall be sent by the Executive Director of the Corporation to each Director by mail to the address furnished by such Director.

Section 5. Actual presence of a Director at any meeting shall constitute, as to such Director, a waiver of any notice herein required.

Section 6. A quorum at the annual meeting of the Directors, or at any regular or special meeting of the Directors, shall consist of a majority of the Directors then in office.

Section 7. The Directors may hold their meetings, whether annual, regular or special, and keep the books of the corporation, within or outside the state of New Mexico, except as otherwise provided by statute.

Section 8. A Director shall not receive compensation for services, but may be reimbursed by the Corporation for reasonable expenses incurred in connection with attendance at any annual, regular or special meeting of the Board; provided that nothing herein contained shall prevent any Director from serving the Corporation in any other capacity and receiving reasonable compensation therefore. Such compensation and the capacity in which such Directors serve, shall be reported annually to the Board.

Section 9. The Board of Directors shall at its annual meeting elect a Chairman of the Board, Executive Director, a Vice President, a Treasurer, a Secretary, and such other corporate officers as it may from time to time determine. The term of office of such corporate officers shall be one (1) year or until a successor is elected. The Executive Director shall be an operational employee of the Corporation. The Board of Directors may from time to time designate other employee positions as officers of the Corporation. An employee officer of the Corporation shall hold office until the appointment or designation of officer status is terminated either by the Board of Directors. Any officer elected, appointed, or designated by the Board of Directors may be removed at any time by the affirmative vote of the majority of the Directors then in office.

Section 10. Any action required by the Corporation's Articles of Incorporation, By-Laws, or any law, to be taken at a meeting, or any other action which may be taken at a meeting, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Directors entitled to vote with respect to the matter thereof. Such consent shall have the same force and effect as the unanimous vote.

ARTICLE III OFFICERS: DUTIES, DELEGATIONS TO STAFF

Section 1. The officers of the Corporation shall have such powers and perform such duties respectively as are normal to such officers or as shall from time to time be assigned to them by the Board of Directors.

Section 2. The principal duties of the Chairman of the Board shall be to preside over all meetings of the Board of Directors, and to have general supervision of the affairs of the Board of Directors.

Section 3. The Executive Director shall be an employee of the Corporation. The Executive Director will perform all duties incident to such office and such other duties as may be provided in these Bylaws or as may be prescribed from time to time by the Board of Directors.

Section 4. The principal duties of the Vice President shall, in accordance with the terms of Section 2 of this Article, be to discharge the duties of the Chairman of the Board in the event of the Chairman of the Board's refusal to act, absence or disability.

Section 5. The principal duties of the Secretary shall be keep all books, papers, records and documents belonging to the Corporation or pertaining to the business thereof.

Section 6. The principal duties of the Treasurer shall be to keep an account of all monies, credits and property of any and every nature of the Corporation, and keep an accurate account of monies received and disbursed and proper vouchers for monies disbursed, and to render such accounts, statements and inventory of monies received and disbursed and of money and property on hand, and generally of all matters pertaining to this office as shall be required by the Board of Directors.

Section 7. The day to day operations of the Corporation shall be carried on by the employees and staff of the Corporation under the general supervision and control of the Executive Director who shall be responsible to the Board of Directors.

ARTICLE IV COMMITTEES

The Board of Directors may from time to time designate and appoint one or more standing committees as it sees fit. Such committees shall have and exercise such prescribed authority as is designated by the Board of Directors

ARTICLE V SEAL

The Corporation shall not have a seal.

ARTICLE VI FISCAL YEAR

The fiscal year of the Corporation shall be from July 1 through June 30.

ARTICLE VII

Indemnification of Directors, Directors, Officers, Employees and Agents

Any person (and the heirs, executors and administrators of such person) made or threatened to be made a party to any action, suit or proceeding by reason of the fact that he is or was a Director, employee, agent or officer of the Corporation shall be indemnified by the Corporation against any and all liability and the reasonable expenses, including attorney's fees and disbursements, incurred by him (or by his heirs, executors or administrators) in connection with the defense or settlement of such action, suit or proceeding, or in connection with any appearance therein, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Director, employee, agent or officer is liable for gross negligence or misconduct in the performance of his duties. Such right of indemnification shall not be deemed exclusive of any other rights to which such Director, employee, agent or officer (or such heirs, executors of administrators) may be entitled apart from this Article.

ARTICLE IX
AMENDMENT OF BY-LAWS

These by-laws may be amended, altered or repealed by the Board of Directors at any annual, regular or special meeting thereof, providing that notice of the proposed amendment be given in writing to all of the Directors at least five days before such meeting. Provided, however, Article II, Section 3(a) may only be amended by the Board of New Mexico Junior College.

Adopted this _____ day of _____, 2011

Secretary

President

Articles of Incorporation

of

NMJC RESEARCH FOUNDATION

A Nonprofit New Mexico Corporation

ARTICLE ONE

Name: The name of the Corporation is NMJC RESEARCH FOUNDATION, a Nonprofit New Mexico corporation ("Corporation").

ARTICLE TWO

Duration: The duration of this Corporation is perpetual.

ARTICLE THREE

Purposes:

A. **General Purposes:** The purposes for which this Corporation is organized are to engage exclusively in charitable, educational and scientific purposes and all other purposes allowed by Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or any corresponding section of any future federal tax code (the "Code"). It is intended that this corporation shall continue to have the status of a corporation which is exempt from federal and state income taxation.

B. **Specific Purposes:** This Corporation is formed in accordance with the provisions of the University Research Park and Economic Development Act, NMSA 1978 Section 21-28-1 et. seq. In addition to all other rights, purposes and powers, the Corporation shall promote, develop and administer technological innovations for scientific, educational, and economic development initiatives that support the teaching, research or service mission of New Mexico Junior College.

C. **Restrictions:** No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article Three hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles, this Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this Corporation.

D. Disposition at Termination: In the event of the termination, liquidation or dissolution of this Corporation, all of the remaining assets and net income of the Corporation shall be transferred and conveyed to New Mexico Junior College.

ARTICLE FOUR

Private Foundation: Notwithstanding any other provisions in these Articles of Incorporation, at all times that the Corporation is a private foundation within the meaning of Section 509 of the Code; it shall be subject to the following additional restrictions:

1.The Corporation will distribute its income for each tax year at a time and in a manner as not to become subject to the tax on undistributed income imposed by section 4942 of the Code.

2.The Corporation will not engage in any act of self-dealing as defined in section 4941(d) of the Code.

3.The Corporation will not retain any excess business holdings as defined in section 4943(c) of the Code.

4.The Corporation will not make any investments in a manner as to subject it to tax under section 4944 of the Code.

5.The Corporation will not make any taxable expenditure as defined in section 4945 of the Code.

ARTICLE FIVE

Members: The Corporation will not have members.

ARTICLE SIX

Registered Office/Agent: The location of the initial registered office of this Corporation at the commencement of business is 5317 Lovington Highway, Hobbs, New Mexico 88240, and the name of the initial registered agent therein and in charge of that office upon which process against this corporation may be served is New Mexico Junior College.

ARTICLE SEVEN

Board of Directors: The number of directors constituting the initial Board of Directors shall be five (5). The names and addresses of the persons who are to serve as directors until the first annual meeting of directors, or until their successors are elected and qualify are:

Steve McCleery
5317 Lovington Highway
Hobbs, New Mexico 88240

ARTICLE EIGHT

Indemnification/Compensation: The Board of Directors shall be indemnified and held harmless by the Corporation from any liabilities to the greatest extent allowed by law for all acts of the Board of Directors undertaken in good faith.

ARTICLE NINE

Incorporator: The incorporator is New Mexico Junior College, whose address is 5317 Lovington Highway, Hobbs, New Mexico 88240.

The undersigned, being the incorporator for purposes of forming a corporation, doing business as described in these Articles of Incorporation and pursuant to the Nonprofit Corporation Act of New Mexico, make and file these Articles of Incorporation and certify that the facts stated above are true.

Dated: October____, 2011.

New Mexico Junior College

By:_____
 Steve McCleery, President