

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

Thursday, September 21, 2017

Zia Board Room – Library

1:30 pm

AGENDA

- | | |
|---|---------------|
| A. Welcome | Pat Chappelle |
| B. Adoption of Agenda | Pat Chappelle |
| C. Approval of Minutes of August 17, 2017 | Pat Chappelle |
| D. President's Report | Kelvin Sharp |
| E. New Business | |
| 1. Monthly Expenditure Reports | Dan Hardin |
| 2. Monthly Revenue Report | Dan Hardin |
| 3. Oil and Gas Revenue Report | Dan Hardin |
| 4. Schedule of Investments | Dan Hardin |
| F. Public Comments | Pat Chappelle |
| G. Announcement of Next Meeting | Pat Chappelle |
| H. Closure of Open Meeting | Pat Chappelle |
| I. Adjournment | Pat Chappelle |

**NEW MEXICO JUNIOR COLLEGE
BOARD MEETING
AUGUST 17, 2017
MINUTES**

The New Mexico Junior College Board met on Thursday, August 17, 2017, beginning at 1:30 p.m. in the Zia Room of Pannell Library. The following members were present: Ms. Patricia Chappelle, Madam Chair; Mr. Ron Black, Secretary; Mr. Hector Baeza and Mr. Manny Gomez. Members absent were Mr. Travis Glenn and Mrs. Mary Lou Vinson.

Ms. Chappelle called the meeting to order and welcomed visitors and guests present: Mr. BJ Choice, Ms. Evelyn Rising and Dorothy Fowler with the Hobbs News Sun.

Upon a motion by Mr. Gomez, seconded by Mr. Black, the agenda was unanimously adopted.

Upon a motion by Mr. Baeza, seconded by Mr. Gomez, the Board unanimously approved the minutes of July 20, 2017.

Under President's Report, Mr. Bill Kunko, Director of Computer Services, provided an update on the recent computer ransomware virus, encrypting data throughout the NMJC campus. Mr. Kunko stated after discussions with the FBI, it was agreed the ransom demand for the unencrypt codes would not be paid. He reported servers were backed up, faculty and staff data was not compromised, payroll went out, students were able to register for the fall classes, and the bookstore is open for business. He noted this new strain of virus got through several layers of security systems that were in place. Servers infected are being reformatted with backup and approximately 75% are up and running. Infected personal computers are being reformatted and will rely on backups for any restoration. The e-mail server, which has a large volume of data, has not yet been restored. Mr. Kunko stated, through conversations with the FBI, the cause of the virus is still unknown but indicated 90% of the time the source is from an e-mail

virus. Mr. Gomez recommended a documented write-up of the occurrence for future prevention measures. Mr. Kunko expressed his appreciation to everyone on campus who worked tirelessly to get things up and running. Dr. Sharp expressed his appreciation to Mr. Kunko for his leadership during this crisis.

Mrs. Kim Latimer, Program Planner for Continuing Education and Community Programs, provided updates of the Youth College Computer Classes. Mrs. Latimer reported, for the full six weeks of all classes, there were 243 registrations for the month of June and 140 registrations for the month of July with students ranging from the ages of 8 to 14. Of those registrations, 107 were computer class students. Mrs. Latimer further reported of the 107 students, 24 of those students took more than one class. Mrs. Latimer introduced computer instructors Ms. Betty Williams and Mr. David Bautista and stated the success of the computer classes would not have been possible without their talents and help. Mr. Gomez expressed his appreciation to Ms. Williams, Mr. Bautista, and Mrs. Latimer for their contributions and direction of the summer program noting the numbers are indicative of the need and demand in our community.

Mr. Steve Saucedo, Director of Workforce Training, provided updates of the Workforce Training Program. Mr. Saucedo reported with the recent partnership of Condensed Curriculum International (CCI), a Phlebotomy Program was offered for the first time in the spring of 2017. The class opened with 16 students. Of the 16 students, 14 passed the national exam on the first attempt and two passed on the second attempt. Mr. Saucedo reported August 14 finished the summer Phlebotomy Program with seven students that will soon be taking the National Exam. Beginning October 2 through December 14, a 90-hour EMT program will be offered. In addition, he reported a revived EMT Basic Program is back. Partnering with ENMU-Roswell, on June 6 the program opened with 18 spots that filled in 10 days. An additional six spots were opened and filled in 24 hours. Eastern New Mexico noted no other school has filled a class of 24 students in less than two weeks. In October, EMT Refresher classes will begin for firefighter's continuing education credits, alleviating the need for students to travel elsewhere. In 2018, EMT Basic, EMT Intermediate, and two EMT Refresher programs will be offered. In addition, Mr. Saucedo reported the three week Commercial Driver's License Program is booked through December 2017, the Instrumentation &

Controls Program is up and running with a new cohort, the Lease Pumper Operator Program is being offered on a consistent basis, and a new program, Groundman & Lineman, which began in early July, will have its next round on October 16. He further stated the ongoing professional development courses offered on demand are also continuing. On another note, Dr. Sharp added Dr. August Fons, Dean of Public Safety, is already underway with another Law Enforcement Academy with 21 students and expressed his appreciation for Dr. Fon's leadership.

Dr. Stephanie Ferguson, Dean of Distance Learning & Professional Studies, announced Professors of Nursing, Ms. Nicole Killer and Ms. Heather Swinney, recently part time professors are now full time professors. In addition, Dr. Ferguson and Dr. Shanna LaCount, Director/Professor of Equine, announced NMJC will have articulation agreements in place with Texas Tech and New Mexico State before the end of the semester. Dr. LaCount stated New Mexico State is excited about the degree plan and is prepared to accommodate NMJC students. Dr. Ferguson stated this will position NMJC students to attend a four year institution and complete their degree in either animal science, some other branch of agricultural science or pre-veterinary science.

Dean Dianne Marquez, Dean of Arts & Humanities, announced three new hires, Ms. Kori Thompson, Professor of History, Ms. Shelby Litwicki, Professor of English, and Ms. Teresa Dovalpage, Professor of Spanish & English as a Second Language.

Dr. Lisa Crandall, Dean of Business, Math & Sciences, announced a new hire, Ms. Larchinee Turner, Professor of Biology, with a Specialty in Botany, which could possibly expand to other areas of teaching.

Dr. Sharp reminded everyone of NMJC's Fall Social hosted by McLean Hall and Training & Outreach and invited and encouraged everyone to attend.

Under New Business, Mr. Dan Hardin presented the July 2017 financial reports. Upon a motion by Mr. Gomez, seconded by Mr. Baeza, the Board unanimously approved the Expenditure Report for July 2017. In addition, the Revenue Report, Oil and Gas Revenue Report, and Schedule of Investments Report were reviewed.

Mr. Dan Hardin presented a renewal request of the Research & Public Service Projects (RPSP) for the coming fiscal year. The requested RPSP projects for fiscal year 2019 are as follows: Athletics \$483,400.00; Oil & Gas Training Center \$176,200.00; Nurse Education \$308,200.00; and Lea County Distance Education Consortium \$29,900.00. Upon a motion by Mr. Black, seconded by Mr. Gomez, the Board unanimously approved this request.

Mr. Dan Hardin presented a request for approval of the HED transmittal for the Allied Health Construction Project and a request to move \$2,265,000.00 from I&G Reserves to the Allied Health Building Construction Project. This will bring the institutional funds for the Allied Health Building Project to \$5,795,000.00. Upon a motion by Mr. Baeza, seconded by Mr. Gomez, the HED transmittal for the Allied Health Construction Project and transfer of funds from reserves to the construction project were approved.

Ms. Chappelle called for comments from the public. There being none, the next regular board meeting was scheduled for Thursday, September 21, 2017 beginning at 1:30 pm.

Mr. Gomez 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 New Mexico Statutes Annotated 1978. Mr. Black seconded the motion. The roll call vote was as follows: Mr. Baeza – yes; Mr. Black – yes; Mr. Gomez – yes; and Ms. Chappelle – yes.

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

Upon a motion by Mr. Black, seconded by Mr. Gomez, the board meeting adjourned at 3:30 pm.

Pat Chappelle, Chair

Ron Black, Secretary

NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

To: **New Mexico Junior College Board Members**
From: Dan Hardin
Date: September 15, 2017
RE: Expenditure and Revenue Reports for August

August is the second month of the 2017/2018 fiscal year. The Expenditure report reflects funds expended and encumbered. Total current unrestricted funds expended year-to-date is \$4,549,008.00. In reviewing the unrestricted fund expenditures some funds have a higher percentage of expenditures through August. These areas have expenditures that are tied to the beginning of the fall semester or have had large encumbrances. Student Aid is at 29% due to the awards at the beginning of the fall semester. Auxiliary Enterprise is at 27% because of encumbering the Food Service contract with Sodexo. In Athletics, grant-in-aid has been awarded for the student athletes. In the restricted funds year-to-date we have expended \$1,967,346.00 as we have the semi annual financial aid payout to the students. September will have large expenditures in restricted financial aid as the student loans will be posted on September 21st for the first time borrowers.

The expenditures and/or encumbrances for the month in the Plant funds were \$137,869.00 with the year-to-date total of \$1,161,107.00.

Total year-to-date expenditures through the month of August are \$7,677,461.00, which reflects the encumbrances for the various capital projects, the restricted fund expenditures, and the unrestricted expenditures. In comparing the total year-to-date expenditures from FY 17 to FY 18, the expenditures are down by almost eight million. This is due to the Health Wellness & Learning Center project that was funded in FY 17.

The revenue for the month in Current Unrestricted Funds is \$5,215,717.00. Revenue consists of tuition and fees, the state appropriation, oil and gas monthly accrual, and auxiliary enterprises. As we mentioned last month, the Deferred Revenue from FY 17 was posted in July. In the restricted funds we received \$293,330.00 from restricted student aid and grant drawdown. Total revenue for the month of August is \$2,765,814.00, with the year-to-date revenue totaling \$5,653,127.00 or 14% of the projected revenue.

The Oil and Gas report is still reflecting the revenue the College received and is posting to FY 17. Oil and Gas funds received in August for the month of May were \$915,406.00. The College will receive an allocation of Oil & Gas revenue around the

25th of September, which will be the allocation for June 2017. This allocation will be posted to FY 17.

In the Investment report there is \$8,593,127.46 in the LGIP, of which designated capital projects currently total \$12,034,115.65.

This is the Financial Report for August 2017.

NEW MEXICO JUNIOR COLLEGE

Expenditure Report

August 2017

16% of Year Completed

Fund	2016-17			2017-18			
	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	10,189,730	1,124,843	11%	10,058,717	628,990	1,124,230	11%
Academic Support	2,520,941	452,576	18%	2,501,303	262,336	450,755	18%
Student Services	1,996,717	326,321	16%	1,990,627	164,413	317,666	16%
Institutional Support	3,847,809	932,777	24%	3,888,147	382,466	687,800	18%
Operation & Maintenance of Plant	3,653,853	661,598	18%	3,652,603	309,706	698,602	19%
Subtotal - Instruction & General	22,209,050	3,498,115	16%	22,091,397	1,747,911	3,279,053	15%
Research	0		0%	850,000	74,774	135,991	16%
Public Service	0		0%	50,000	4,465	4,465	9%
Internal Service Departments	85,520	(4,210)	-5%	87,288	20,363	13,253	15%
Student Aid	668,551	357,964	54%	668,551	170,657	194,995	29%
Auxiliary Enterprises	2,038,349	650,892	32%	2,066,294	186,894	559,516	27%
Athletics	1,191,478	455,816	38%	1,270,979	325,014	361,735	28%
Total Current Unrestricted Fund	26,192,948	4,958,577	19%	27,084,509	2,530,078	4,549,008	17%
CURRENT RESTRICTED FUND							
Grants	1,977,141	214,770	11%	1,977,141	89,007	161,659	8%
Student Aid	3,989,359	1,755,601	44%	3,989,359	1,747,720	1,805,687	45%
Total Current Restricted Fund	5,966,500	1,970,371	33%	5,966,500	1,836,727	1,967,346	33%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from Institutional Funds	11,519,140	3,130,342	27%	9,723,989	120,393	1,117,029	11%
Projects from State GOB Funds	4,955,549	4,950,000	0%	3,960,000			0%
Projects from State STB Funds	785,072	500,900	0%	596,058			0%
Projects from General Fund	0		0%	0			0%
Projects from Private Funds	0		0%	0			0%
Projects from State ER&R	332,720	40,165	12%	332,720	1,241	24,195	7%
Projects from State BR&R	597,281	33,141	6%	597,281	16,235	19,883	3%
Subtotal - Capital and BR&R	18,189,762	8,654,548	48%	15,210,048	137,869	1,161,107	8%
Debt Service							
Revenue Bonds	0	0	0%	0	0	0	0%
Total Plant Funds	18,189,762	8,654,548	48%	15,210,048	137,869	1,161,107	8%
GRAND TOTAL EXPENDITURES	50,349,210	15,583,496	31%	48,261,057	4,504,674	7,677,461	16%

NEW MEXICO JUNIOR COLLEGE

Revenue Report

August 2017

16% of Year Completed

Fund	2016-17			2017-18			
	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	3,667,000	1,980,182	54%	3,812,000	626,278	1,981,019	52%
State Appropriations	5,982,400	997,483	17%	5,629,937	469,158	938,316	17%
Advalorem Taxes - Oil and Gas	7,235,000	930,000	13%	7,235,000	465,000	930,000	13%
Advalorem Taxes - Property	7,052,621		0%	7,700,000		0	0%
Interest Income	15,000	7	0%	10,000	317	317	3%
Other Revenues	347,984	182,490	52%	296,538	52,016	63,358	21%
Subtotal - Instruction & General	24,300,005	4,090,162	17%	24,683,475	1,612,769	3,913,010	16%
Research	0	0	0%	400,000	0	0	0%
Public Service	0	0	0%	0	0	0	0%
Internal Service Departments	39,170	2,607	7%	12,500			0%
Auxiliary Enterprises	2,586,000	1,291,424	50%	3,668,000	815,487	1,227,983	33%
Athletics	477,300	78,616	16%	448,100	37,342	74,724	17%
Total Current Unrestricted	27,402,475	5,462,809	20%	29,212,075	2,465,598	5,215,717	18%
CURRENT RESTRICTED FUND							
Grants	1,977,141	223,524	11%	1,977,141	88,959	162,966	8%
Student Aid	3,989,359	1,605,160	40%	3,989,359	204,371	267,558	7%
Total Current Restricted	5,966,500	1,828,684	31%	5,966,500	293,330	430,524	7%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from State GOB Funds	4,955,549		0%	3,960,000			0%
Projects from State STB Funds	785,072	0	0%	596,058	0	0	0%
Projects from General Fund	0	0	0%	0	0	0	0%
Projects from Private Funds	0	0	0%	0	0	0	0%
Interest Income (LGIP)	10,000	4,003	40%	25,000	6,886	6,886	0%
Total Plant Funds	5,750,621	4,003	0%	4,581,058	6,886	6,886	0%
GRAND TOTAL REVENUES	39,119,596	7,295,496	19%	39,759,633	2,765,814	5,653,127	14%

NEW MEXICO JUNIOR COLLEGE

Oil and Gas Revenue Report

June 2017

100% of Year Completed

		OIL		GAS		COMBINED		
Sales	Month of	Price	Lea County	Price	Lea County	Monthly	2015-16	Variance
	Distribution	per BBL	BBLs sold	per MCF	MCF sold			
							Budget	Budget
Actual	July	\$39.01	6,018,599	\$2.97	20,943,874	669,124	465,000	204,124
Actual	August	\$38.71	6,014,911	\$2.94	21,145,798	668,295	465,000	203,295
Actual	September	\$40.18	5,881,993	\$2.97	20,075,420	630,153	465,000	165,153
Actual	October	\$44.27	4,992,790	\$3.81	16,487,829	642,976	465,000	177,976
Actual	November	\$40.85	6,329,185	\$3.09	19,895,927	867,462	465,000	402,462
Actual	December	\$47.27	6,610,540	\$3.85	21,562,618	867,215	465,000	402,215
Actual	January	\$47.68	6,844,208	\$3.97	21,818,831	965,639	465,000	500,639
Actual	February	\$48.54	6,156,981	\$3.93	19,939,636	869,151	465,000	404,151
Actual	March	\$44.43	7,265,497	\$3.11	24,083,587	882,691	465,000	417,691
Actual	April	\$45.33	7,123,823	\$3.53	23,299,852	933,940	465,000	468,940
Actual	May	\$40.54	7,723,753	\$3.52	25,307,231	915,406	465,000	450,406
Accrual	June					465,000	465,000	0
Y.T.D. Production Tax Revenue						9,377,052	5,580,000	3,797,052
Y.T.D. Equipment Tax Revenue						1,645,838	1,655,000	(9,162)
Total Year-to-Date Oil & Gas and Equipment Tax Revenue						11,022,890	7,235,000	3,787,890

Source: New Mexico Taxation and Revenue Department

NEW MEXICO JUNIOR COLLEGE

Schedule of Investments

August 2017

16% of Year Completed

Financial Institution	Amount Invested	Account Number	Interest Rate	Interest Earned
State of New Mexico Local Government Investment Pool	8,593,127	7102-1348	0.147%	6,886
Plus deposits	0			
Less withdrawals	0			
Total LGIP investments	<u>8,593,127</u>			<u>6,886</u>

Capital Project	8/31/2017
Vehicles	8,443.50
Campus Master Plan	60,000.00
Technology Upgrade	228,067.53
JASI	10,860.82
WHM South Gallery	266,594.43
Baseball Field	19,862.95
Rodeo Arena	15,815.69
Luminis Software	2,993.00
Landscaping	188,303.99
Campus Signage	248,169.87
Dorm/Apartment Refurbish	88,317.83
Campus Construction	196,244.93
Oil & Gas Training	145,937.32
Public Sector	9,227.00
Campus Security	91,130.63
Lumens Software-Distance Learning	5,000.00
Copier Replacement	274.00
Non-Recurring Compensation	652,169.10
Athletics	3,188.90
Student Life Programming	20,432.28
Warehouse/Cont Ed Remodel	384.00
Succession Plan	52,014.15
WHM Exhibits	82,001.94
Mansur Hall Upgrades	1,961.13
Driving Range Upgrades	200,000.00
Entertainment Technology	88,678.63
Cafeteria Upgrade	175,530.15
Channel 19 Upgrade	18,126.10
FERPA & Title IX	5,610.68
Equestrian Center	3,000,000.00
Bob Moran Upgrades	59,033.91
Turf Replacement	82,781.47
WHM Titanic Exhibit	6,761.81
HVAC Software-Central Plant	200,000.00
Busing Support for Recruiting	5,872.30
HED Faculty Development	18,126.10
Omni Update	7,500.00
Allied Health	5,766,383.55
Workforce Training Contingency	2,315.96
Total	12,034,115.65