

# NEW MEXICO JUNIOR COLLEGE

## BOARD MEETING

**Thursday, August 25, 2016**

**Zia Room – Library**

**1:30 p.m.**

### AGENDA

- |   |               |
|---|---------------|
| A. Welcome  | Pat Chappelle |
| B. Adoption of Agenda   | Pat Chappelle |
| C. Approval of Minutes of July 21, 2016   | Pat Chappelle |
| D. President's Report   | Kelvin Sharp  |
| 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. Quarterly Financial Action Report  | Dan Hardin    |
| 6. Consideration of Research & Public Services Projects (RPSP) Funding                      | Dan Hardin    |
| 7. Consideration of Appointment of Dr. Kelvin Sharp to the<br>New Horizons Foundation Board | Dale Gannaway |
| 8. Personnel Consideration – Public Safety Officer  | Bill Morrill  |
| 9. Personnel Consideration – Public Safety Officer  | Bill Morrill  |
| 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  
JULY 21, 2016  
MINUTES**

The New Mexico Junior College Board met on Thursday, July 21, 2016, beginning at 3:00 p.m. in the Zia Room of Pannell Library. The following members were present: Ms. Patricia Chappelle, Madam Chair; Mr. Ron Black, Secretary; Mr. Travis Glenn; Mr. Manny Gomez; Mrs. Mary Lou Vinson; Mr. Zeak Williams; and Mr. Hector Baeza.

Ms. Chappelle called the meeting to order and welcomed visitors and guests present: Dorothy Fowler, Hobbs News-Sun.

Ms. Chappelle thanked the committee who worked diligently to prepare for Dr. McCleery's retirement reception being held at the Lea County Event Center.

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

Upon a motion by Mr. Gomez, seconded by Mr. Baeza, the Board unanimously approved the minutes of June 20, 2016.

***Under President's Report,*** Dr. Sharp expressed his appreciation to staff and faculty who graciously assisted him with his first two weeks on campus. He stated he is looking forward to the beginning of the fall semester, the return of students, and the activities on the campus. In the coming months, he stated he would be in contact with various individuals on campus to begin working on the next Strategic Plan, Master Plan and review of NMJC's mission and value statements.

***Under New Business,*** Mr. Dan Hardin presented the June, 2016 financial reports. Upon a motion by Mr. Glenn, seconded by Mrs. Vinson, the Board unanimously approved the Expenditure Report for June, 2016. In addition, the Revenue Report, Oil and Gas Revenue Report, and Schedule of Investments Report were reviewed.

Ms. Chappelle presented a request for consideration for NMJC Board members to travel to New Orleans for Association of Community College Trustees (ACCT) training beginning on October 5 through October 8, 2016. She stated ACCT is a professional organization that has conducted NMJC's Board training workshops in the last several years. In addition, she noted ACCT was involved in the hiring of a new president for NMJC. After detailed discussions and upon a motion by Mrs. Vinson, seconded by Mr. Gomez, the Board unanimously approved travel for Mr. Zeak Williams, Mr. Travis Glenn, Dr. Kelvin Sharp and probable travel for Mr. Hector Baeza and Mr. Ron Black.

Mr. Bill Morrill presented a request for consideration of revisions to the NMJC Employee Handbook. After review and detailed discussion of the revisions and a motion by Mrs. Vinson, seconded by Mr. Gomez, the Board unanimously approved revisions to the Employee Handbook.

Dr. Dennis Atherton recommended Ms. Stephanie K. Ferguson for the Dean of Distance Learning and Professional Studies position at a 12-month salary of \$72,266.00. Upon a motion by Mr. Glenn, seconded by Mr. Baeza, the Board unanimously approved the employment of Stephanie K. Ferguson, effective August 1, 2016.

Dr. Dennis Atherton recommended Ms. Elizabeth D. Crandall for the Dean of Business, Math and Sciences position at a 12-month salary of \$79,000.00. Upon a motion by Mrs. Vinson, seconded by Mr. Glenn, the Board unanimously approved the employment of Elizabeth D. Crandall, effective August 1, 2016.

Dr. Dennis Atherton recommended Ms. Shanna H. LaCount for the Director/Professor of Equine position at a 12-month salary of \$64,880.00. Upon a motion made by Mr. Black, seconded by Mr. Gomez, the Board unanimously approved the employment of Shanna H. LaCount, effective August 15, 2016.

Dr. Michele Clingman requested approval for employment of Ms. Sonya Agnew, relative of Mr. Clint Agnew, Public Safety Officer, for the Administrative Assistant – Enrollment Management position as per the NMJC Employee

Handbook Policy No. 203 – Employment of Relatives. Upon a motion made by Mr. Glenn, seconded by Mr. Baeza, the Board unanimously approved the employment of Ms. Sonya Agnew beginning July 25, 2016, if background checks have been completed.

Ms. Chappelle called for comments from the public. Dr. Darrell Beauchamp provided updates of the Titanic Exhibition. He reported the security team who arrived with the artifacts to install a new security system decided against installation of the new system as they felt the security already in place at the museum was adequate. With the assistance of supporters such as The Maddox Foundation, City of Hobbs, NMJC and other supporters, free admission tickets were provided to the Board and Dr. Sharp for distribution.

Mr. Black encouraged everyone to utilize Fly Hobbs air services. He noted United Airlines plans to replace approximately 300 planes with 150 new planes that will increase occupancy from 50 passengers to 75 passengers. The new planes will be more efficient and less expensive to operate. He reiterated the importance and the economic purposes for Hobbs to keep air services and encouraged everyone to use Fly Hobbs.

The next regular board meeting was scheduled for Thursday, August 25, 2016 beginning at 1:30 pm.

Ms. Chappelle stated there was no need for a closed session and asked for a motion to adjourn. Upon a motion by Mrs. Vinson, seconded by Mr. Gomez, the board meeting adjourned at 4:00 pm.

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Pat Chappelle, Chair

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Ron Black, Secretary

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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: August 15, 2016  
RE: Expenditure and Revenue Reports for July 2016

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July is the first month of the 2016/2017 fiscal year. The total expended and encumbered for the month and year to date for July was \$10,366,064.00. Purchase orders that were in place at the end of FY 16, were rolled over into FY 17. Regina Choate, Purchasing Coordinator, also set up new purchase orders for FY 17 for the normal recurring monthly expenditures such as the utilities. It appears that large sums of funds were expended in the month of July, but a large portion of the amount expended is due to the encumbering of funds.

In current unrestricted funds for July, expenditures were \$1,979,563.00 for the month. Most of these expenses are the normal payroll and benefit expenditures for the month. As you can see as compared to FY 16 most areas track along with what was expended in July of last year. Auxiliary Enterprises did not expend in FY 17 as much as was expended in July of FY 16, but this is more of a timing issue than less spending.

Restricted funds expended \$243,153 for the month, most of which are normal expenditures for the grants along with some student aid for the summer sessions.

The expenditures in the plant funds are mainly the encumbrances for construction projects. The purchase order for the Health Wellness and Learning Center is \$4,950,000.00, Entertainment Technology project is \$1,749,666.87, Technology Upgrades is \$315,642.61, and Campus Security upgrades are \$80,538.74.

The total year to date expenditures is \$10,366,064.00.

The Revenue generated in July 2016 was \$1,950,472.00. 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 17 summer and fall semesters began in April. All of the revenue from the registration for the 2016 summer and fall semesters went into deferred revenue. In August we will move all of that deferred revenue into tuition and fee revenue for the new fiscal year. The Oil and Gas revenue in July is also different because the Oil and Gas revenue that was received during 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 16. In

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July, the College received \$578,293.00 in Oil & Gas revenue for the month of April. There will be two more months of Oil & Gas revenue that will be posted in FY 16.

The investment report shows no activity in the LGIP funds for the month of July with the ending balance remaining at \$10,593,127.00. At the end of July, the College had \$14,361,858.87 allocated for capital projects.

Josh Morgan and other Business Office personnel have been working diligently to get the 15/16 fiscal year end closed and prepare for the upcoming audit. The auditors were on campus the week of August 1st and then again the week of September 6th.

This is the Financial Report for July 2016.

# NEW MEXICO JUNIOR COLLEGE

## Expenditure Report

### July 2016

8% of Year Completed

Fund	2015-16			2016-17			
	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>							
<b>Instruction and General:</b>							
Instruction	10,103,380	513,896	5%	10,189,730	512,113	512,113	5%
Academic Support	2,628,124	221,991	8%	2,520,941	236,839	236,839	9%
Student Services	1,988,062	139,819	7%	1,996,717	141,646	141,646	7%
Institutional Support	3,694,568	415,321	11%	3,847,809	395,426	395,426	10%
Operation & Maintenance of Plant	3,658,460	453,883	12%	3,653,853	380,168	380,168	10%
<b>Subtotal - Instruction &amp; General</b>	<b>22,072,594</b>	<b>1,744,910</b>	<b>8%</b>	<b>22,209,050</b>	<b>1,666,192</b>	<b>1,666,192</b>	<b>8%</b>
Student Activities	0		0%	0	0		0%
Research	0		0%	0	0		0%
Public Service	0		0%	0	0		0%
Internal Service Departments	85,520	29,235	34%	85,520	6,185	6,185	7%
Student Aid	668,551	21,221	3%	668,551	11,351	11,351	2%
Auxiliary Enterprises	1,858,486	436,751	24%	2,038,349	197,876	197,876	10%
Athletics	1,157,636	27,428	2%	1,191,478	97,959	97,959	8%
<b>Total Current Unrestricted Fund</b>	<b>25,842,787</b>	<b>2,259,545</b>	<b>9%</b>	<b>26,192,948</b>	<b>1,979,563</b>	<b>1,979,563</b>	<b>8%</b>
<b>CURRENT RESTRICTED FUND</b>							
Grants	2,055,881	622,675	30%	1,977,141	83,828	83,828	4%
Student Aid	4,989,673	176,738	4%	3,989,359	159,325	159,325	4%
<b>Total Current Restricted Fund</b>	<b>7,045,554</b>	<b>799,413</b>	<b>11%</b>	<b>5,966,500</b>	<b>243,153</b>	<b>243,153</b>	<b>4%</b>
<b>PLANT FUNDS</b>							
<b>Capital Outlay / Bldg. Renewal &amp; Repl.</b>							
Projects from Institutional Funds	13,587,117	1,884,081	14%	11,519,140	2,659,307	2,659,307	23%
Projects from State GOB Funds	5,298,450	317,875	0%	4,955,549	4,950,000	4,950,000	100%
Projects from State STB Funds	705,000		0%	785,072	500,900	500,900	0%
Projects from General Fund	0		0%	0			0%
Projects from Private Funds	0		0%	0			0%
Projects from State ER&R	332,720	45,289	14%	332,720			0%
Projects from State BR&R	597,281	190,200	32%	597,281	33,141	33,141	6%
Subtotal - Capital and BR&R	<b>20,520,568</b>	<b>2,437,445</b>	<b>12%</b>	<b>18,189,762</b>	<b>8,143,348</b>	<b>8,143,348</b>	<b>45%</b>
<b>Debt Service</b>							
Revenue Bonds	0	0	0%	0	0	0	0%
<b>Total Plant Funds</b>	<b>20,520,568</b>	<b>2,437,445</b>	<b>12%</b>	<b>18,189,762</b>	<b>8,143,348</b>	<b>8,143,348</b>	<b>45%</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>53,408,909</b>	<b>5,496,403</b>	<b>10%</b>	<b>50,349,210</b>	<b>10,366,064</b>	<b>10,366,064</b>	<b>21%</b>

**NEW MEXICO JUNIOR COLLEGE**  
**Revenue Report**  
**July 2016**

8% of Year Completed

Fund	2015-16			2016-17			
	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	3,692,200	505,055	14%	3,667,000	431,458	431,458	12%
State Appropriations	6,129,500	510,804	8%	5,982,400	498,992	498,992	8%
Advalorem Taxes - Oil and Gas	7,235,000	465,000	6%	7,235,000	465,000	465,000	6%
Advalorem Taxes - Property	6,853,725		0%	7,052,621			0%
Interest Income	4,000		0%	15,000			0%
Other Revenues	317,000	364	0%	347,984	76,215	76,215	22%
Subtotal - Instruction & General	24,231,425	1,481,223	6%	24,300,005	1,471,665	1,471,665	6%
Student Activities	0	0	0%	0	0	0	0%
Public Service	0	0	0%	0	0	0	0%
Internal Service Departments	27,000		0%	39,170			0%
Auxiliary Enterprises	2,288,000	38,673	2%	2,586,000	277,341	277,341	11%
Athletics	487,100	40,910	8%	477,300	39,308	39,308	8%
Total Current Unrestricted	27,033,525	1,560,806	6%	27,402,475	1,788,314	1,788,314	7%
<b>CURRENT RESTRICTED FUND</b>							
Grants	2,055,881	622,421	30%	1,977,141	2,583	2,583	0%
Student Aid	4,989,673	175,305	4%	3,989,359	159,575	159,575	4%
Total Current Restricted	7,045,554	797,726	11%	5,966,500	162,158	162,158	3%
<b>PLANT FUNDS</b>							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from State GOB Funds	5,000,000		0%	4,955,549			0%
Projects from State STB Funds	705,000	0	0%	785,072	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)	13,105		0%	10,000			0%
Total Plant Funds	5,718,105	0	0%	5,750,621	0	0	0%
<b>GRAND TOTAL REVENUES</b>	<b>39,797,184</b>	<b>2,358,532</b>	<b>6%</b>	<b>39,119,596</b>	<b>1,950,472</b>	<b>1,950,472</b>	<b>5%</b>



# NEW MEXICO JUNIOR COLLEGE

## Oil and Gas Revenue Report

### June 2016

100% 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	2015-16 Original Budget	Variance Over (Under) Budget
Actual	July	\$45.16	5,898,788	\$2.85	17,668,988	720,659	465,000	255,659
Actual	August	\$35.51	6,117,230	\$2.76	17,591,052	678,487	465,000	213,487
Actual	September	\$40.02	6,000,461	\$2.81	17,818,034	679,100	465,000	214,100
Actual	October	\$40.75	6,059,129	\$2.75	18,623,279	704,218	465,000	239,218
Actual	November	\$36.54	5,895,503	\$2.56	17,591,186	594,349	465,000	129,349
Actual	December	\$29.81	5,565,429	\$2.41	15,996,106	489,235	465,000	24,235
Actual	January	\$25.60	5,776,954	\$2.18	15,894,801	426,723	465,000	(38,277)
Actual	February	\$25.37	5,345,690	\$2.09	16,448,866	379,449	465,000	(85,551)
Actual	March	\$30.65	6,199,048	\$2.02	18,685,606	544,160	465,000	79,160
Actual	April	\$33.46	6,100,273	\$2.39	19,480,042	578,293	465,000	113,293
Accrual	May					465,000	465,000	0
Accrual	June					465,000	465,000	0
Y.T.D. Production Tax Revenue						6,724,673	5,580,000	1,144,673
Y.T.D. Equipment Tax Revenue						2,569,853	1,655,000	914,853
<b>Total Year-to-Date Oil &amp; Gas and Equipment Tax Revenue</b>						<b>9,294,526</b>	<b>7,235,000</b>	<b>2,059,526</b>

Source: New Mexico Taxation and Revenue Department

# NEW MEXICO JUNIOR COLLEGE

## Schedule of Investments

### July 2016

8% of Year Completed

Financial Institution	Amount Invested	Account Number	Interest Rate	Interest Earned
State of New Mexico Local Government Investment Pool	10,593,127	7102-1348	0.147%	0
Plus deposits	0			
Less withdrawals	0			
<b>Total LGIP investments</b>	<u>10,593,127</u>			<u>0</u>

Capital Projects	7/31/2016
Vehicles	50,000.00
Technology Upgrade	554,710.34
JASI	6,737.63
WHM South Gallery	266,594.43
Baseball Field	27,362.95
Rodeo Arena	58,823.93
Luminis Software	2,993.00
Landscaping	298,306.33
Campus Signage	601.67
Dorm/Apartment Refurbish	413,133.57
Campus Construction	275,994.57
Oil & Gas Training	159,700.08
Public Sector	9,227.00
Campus Security	124,782.90
Lumens Software-Distance Learnng	5,000.00
Copier Replacement	274.00
Non-Recurring Compensation	152,169.10
Athletics	42,991.36
Student Life Programming	20,432.28
Warehouse/Cont Ed Remodel	669.00
Succession Plan	52,014.15
WHM Exhibits	31,064.39
Mansur Hall Upgrades	15,861.02
Senior Warm Water Wellness Ctr	5,000,000.00
Driving Range Upgrades	200,000.00
Entertainment Technology	2,363,954.03
Cafeteria Upgrade	213,738.32
Channel 19 Upgrade	32,719.62
FERPA & Title IX	8,564.50
Equestrian Center	3,000,000.00
Bob Moran Upgrades	60,914.39
Turf Replacement	82,781.47
WHM Titanic Exhibit	70,307.32
HVAC Software-Central Plant	200,000.00
Busing Support for Recruiting	6,000.00
HED Faculty Development	20,000.00
Allied Health	530,000.00
Workforce Training Contingency	3,435.52
<b>Total</b>	<b>14,361,858.87</b>

NOTE: Capital projects total does not include encumbered funds

**NEW MEXICO JUNIOR COLLEGE****STATEMENTS OF NET POSITION**

June 30, 2016

<b>ASSETS</b>	<u>Primary Government</u>
<b>Current assets:</b>	
Cash and cash equivalents	\$ 8,003,189
Short-term investments	10,593,127
Accounts receivable, net	1,655,159
Inventories	666,590
Prepaid expenses	542,123
Prepaid summer expenses	154,054
<b>Total current assets</b>	<u>21,614,241</u>
<b>Non-current assets:</b>	
Capital assets, net	75,539,685
<b>Total non-current assets</b>	<u>75,539,685</u>
<b>Total assets</b>	<u>97,153,926</u>
<b>Deferred outflows</b>	
Deferred outflows - contributions after measurement date	1,567,745
Deferred outflows - change in proportion	834,438
<b>Total deferred outflows</b>	<u>2,402,183</u>
<b>Total assets and deferred outflows</b>	<u>\$ 99,556,108</u>
<b>LIABILITIES AND NET POSITION</b>	
<b>Current liabilities:</b>	
Accounts payable	3,121,556
Accrued expenses	1,116,529
Unearned revenue	1,147,101
Compensated absences	212,050
<b>Total current liabilities</b>	<u>5,597,236</u>
<b>Non-current liabilities:</b>	
Compensated absences	108,264
Net pension liability	22,591,262
<b>Total non-current liabilities</b>	<u>22,699,526</u>
<b>Total liabilities</b>	<u>28,296,762</u>
<b>Deferred inflows</b>	
Deferred inflows - investment experience	2,053,639
Deferred inflows - actuarial experience	336,529
<b>Total deferred inflows</b>	<u>2,390,168</u>
<b>Total liabilities and deferred inflows</b>	<u>30,686,930</u>
<b>Net assets:</b>	
Invested in capital assets, net of related debt	75,539,685
Unrestricted	(6,670,507)
<b>Total net position</b>	<u>68,869,178</u>
<b>Total liabilities and net position</b>	<u>\$ 99,556,108</u>

**NEW MEXICO JUNIOR COLLEGE**

**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**

June 30, 2016

	<u>Primary Government</u>
<b>Operating revenues:</b>	
Student tuition, fees and trainings	\$ 3,976,360
Federal grants and contracts	1,783,724
State and other grants and contracts	733,771
Auxiliary enterprises	2,576,072
Intercollegiate athletics	488,695
<b>Total operating revenues</b>	<u>9,558,623</u>
<b>Operating expenses:</b>	
Instruction	10,033,673
Academic support	2,549,417
Student services	2,991,921
Institutional support	4,813,987
Operations and maintenance	3,765,729
Depreciation	3,912,270
Renewals and replacements	1,400,112
Student aid	3,505,935
Public service	162,569
Intercollegiate athletics	1,598,448
Auxiliary enterprise expenses	2,882,919
<b>Total operating expenses</b>	<u>37,616,978</u>
<b>Operating income (loss)</b>	<u>(28,058,356)</u>
<b>Non-operating revenues (expenses):</b>	
Property taxes	8,003,938
Oil and gas taxes	8,363,609
Federal pell grants	2,418,379
State appropriations, non-capital	6,192,800
Other revenue sources	876,559
Investment income (Loss)	33,142
Loss on sale of capital assets	(52,189)
<b>Net non-operating revenues (expenses)</b>	<u>25,836,238</u>
<b>Income (loss) before capital appropriations</b>	(2,222,118)
<b>State appropriations, capital</b>	<u>743,225</u>
<b>Change in net assets</b>	(1,478,892)
<b>Net position, beginning of year</b>	<u>70,348,070</u>
<b>Net position, end of year</b>	<u>\$ 68,869,178</u>

**NEW MEXICO JUNIOR COLLEGE****STATEMENT OF CASH FLOWS**

For the year ended June 30, 2016

	Primary Government
Cash flows from operating activities:	
Tuition, fees and trainings	\$ 6,619,926
Federal and state grants and contracts	3,256,211
Auxiliary enterprise charges	2,576,072
Intercollegiate athletics	488,695
Payments to employees and for employee benefits	(20,161,990)
Disbursement of net aid to students	(3,992,612)
Payments to suppliers	(7,989,463)
<b>Net cash (used) by operating activities</b>	<u>(19,203,161)</u>
Cash flows from noncapital financing activities:	
State appropriations	6,192,800
Federal pell grants	2,418,379
Property taxes	8,003,938
Oil and gas taxes	8,363,609
<b>Net cash provided by noncapital financing activities</b>	<u>24,978,726</u>
Cash flows from capital financing activities:	
Other revenue sources	876,559
Capital appropriations	743,225
<b>Net cash provided by capital financing activities</b>	<u>1,619,784</u>
Cash flows from investing activities:	
Purchase of capital assets	(6,756,504)
Interest received	33,142
<b>Net cash (used) by investing activities</b>	<u>(6,723,361)</u>
<b>Net increase in cash and cash equivalents</b>	671,988
<b>Cash and cash equivalents - beginning of year</b>	<u>17,924,328</u>
<b>Cash and cash equivalents - end of year</b>	<u>\$ 18,596,316</u>
<b>Reconciliation to Statement of Net Position</b>	
<b>Cash and cash equivalents</b>	\$ 8,003,189
<b>Short-term investments</b>	10,593,127
<b>Cash and cash equivalents - end of year</b>	<u>\$ 18,596,316</u>
Operating Loss	\$ (28,058,356)
Reconciliation of operating loss to net cash used by operating activities:	
Depreciation expense	3,912,270
Changes in assets and liabilities:	
Accrued expenses	24,905
Inventory	139,614
Unearned revenues	100,113
Prepaid expenses	(234,238)
Accounts payable	2,366,483
Accounts receivable, net	2,543,452
Prepaid summer expenses	2,595
<b>Net cash (used) by operating activities</b>	<u>\$ (19,203,161)</u>

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# 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  
Date: August 19, 2016

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Board member, as we did for the March Fiscal Watch reports, financial information is provided to the Board, but the Higher Education Department is only requiring the Board approve the Quarterly Financial Action Report. Attached for your review are the financial reports for June 2016, these reports will be very similar to the financials that are presented in the audit report. The first report is the Statement of Net Position for June 30, 2016. The total current assets consist of Cash and Cash Equivalents in the amount of \$8,003,189.00, which represents cash in the vault and balances in the bank. Investments totaling \$10,593,127.00 are the funds that we have in the Local Government Investment Pool. 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. An example of a prepaid expense would be a maintenance agreement prepaid for the entire year. Total current assets are \$21,614,241.00. Non-Current Assets are the capital assets totaling \$75,539,685.00, with Total Assets of \$97,153,926.00. Deferred Outflows of Resources related to pensions (ERB) Education Retirement Board, include employer contributions and the changes in differences between contributions and proportionate share of contributions. Total Deferred Outflows of \$2,402,183.00 plus Total Assets equal the Total Assets and Deferred Outflows of \$99,556,108.00. Current Liabilities begin with Accounts Payable of \$3,121,556.00. 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 a debit made to Accounts Payable. When Financial Aid memo posts an award to a student there is a debit generated in Accounts Payable, an offsetting credit is made when there is an actual award posted to the student. There is a large amount of activity in and out of Accounts Payable. Accounts Payable also includes Gross Receipts. Accrued Expenses include all of the withholding payables for Federal Income Tax, State Income Tax, ERA, Health Insurance, gross receipts, and other payroll related withholdings. Total Accrued Expense as

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of June 30, 2016 was \$1,611,529.00. Unearned Revenue in the past was called deferred revenue which is normally income for tuition, fees, or housing that we receive in the Spring semester for the coming Summer and Fall semesters. In the past, Compensated absences were called Other Payables which is a combination of salaries payable and accrued vacation payables. The total of Current Compensated Absences is \$212,050.00. Total Current Liabilities are \$5,597,236.00 as of June 30, 2016. Non-Current Liabilities include Compensated Absences (over one year) and Net pension liabilities of \$22,591,262.00, for a total non-current liability of \$22,699,526.00. Total liabilities are \$28,296,762.00, this total plus Deferred Inflows that include the net difference between projected and actual earnings on pension plan investments. Total Deferred Inflow of Resources \$2,390,168.00 and Liabilities is \$30,686,930.00. The Net Assets include Invested in Capital Assets, net of related debt, for a total of \$75,539,685.00. Unrestricted net position is (6,670,507) with the Total Net Position as of June 2016 \$68,869,178.

The next report is the Statement of Revenues, Expenses and Changes in New Assets as of June 2016. This report follows the format in the audit report. Operating revenues total \$9,558,623.00, with operating expenses totaling \$37,616,978.00, and non-operating revenues (expenses) total \$25,836,238.00. Most of these numbers will be very close to the final numbers that the auditors present, but we still have two months of Oil & Gas revenue to be posted that will be reflected in the final audit numbers.

The Cash Flow statement represents the activity for FY 16 fiscal year. Cash flows from operating activities indicates the money coming in from tuition and fees, grants, auxiliary enterprises, and other revenues, then the funds going out for salaries and benefits, payouts to students, and vendors. The net result is that it took \$19,203,161 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 \$24,978,726.00. The third section is cash from capital financing activities, this shows the revenue from State funding for STB and GOB grants, with funds expended for purchase of capital assets. The fiscal year began with \$17,924,328.00 in cash; we ended June with \$18,596,316.00 in cash for a net increase of \$671,988.00. This gives you look of the cash in and out for fiscal year 16.

The Quarterly Financial Actions Report is a yes or no self-disclosure report that would flag problems that an institution might be having that would not be evident in the financial reports. Even though the economy of Lea County has slowed down tremendously, the College continues to remain viable and in good financial standing. We hope this explanation gives you a good understanding of the fiscal condition of the College at yearend. We are asking for your approval of the Quarterly Financial Action Report for June 30, 2016.

Respectfully,

Dan Hardin

## QUARTERLY FINANCIAL ACTIONS REPORT

Fiscal Year 16

Today's Date: 8-19-2016

Period (check one)

1st quarter \_\_\_\_\_

2nd quarter \_\_\_\_\_

3rd quarter \_\_\_\_\_

4th quarter X

Institution: New Mexico Junior College

### DURING THE TIME PERIOD COVERED BY THIS REPORT, DID YOUR INSTITUTION:

(1) Request an advance of state subsidy? Yes: No: X

(2) Fail to make its required payments, as scheduled, to appropriate retirement system(s)?

Yes: No: X

(3) Fail to make its payroll payments, as scheduled?

Yes: No: X

(4) Fail to make its scheduled debt service payments?

Yes: No: X

(5) Fail to make payments to vendors, as scheduled, due to a cash deficiency or a substantial deficiency in the payment processing system?

Yes: No: X

(6) Relative to its original budget for the fiscal year, experience any actual or anticipate any projected financial changes (such as unbudgeted decreases in revenues or unbudgeted increases in expenditures) that will result in a substantially reduced year-end fund balance or larger deficit this fiscal year?

Yes: No: X

If the answer to any of the above is "Yes," please describe in a separate document: (i) the reason for the occurrence, (ii) the actions taken by your institution to resolve this particular occurrence, and (iii) the actions taken by your institution to prevent events such as this from occurring again.

In addition, if the answer to number 6 is "Yes," please describe in a separate document the nature of the financial changes and describe and assess the impact that the changes will have on your institution's planned year-end financial position.



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## 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: New Mexico Junior College Board  
From: Dan Hardin  
RE: RPSP (Research & Public Service Projects)  
Date: August 25, 2016

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Board members, each September the College is required to submit a request to the HED to continue the funding for the four RPSP projects for the coming fiscal year. The four current NMJC RPSP projects are Athletics, Oil & Gas Training, Nurse Expansion, and Lea County Distance Education. All are very important to the overall budget of the College. This year the request to the HED is asking to continue the funding for FY 18 and for funding to be raised back to the FY 15 level of funding. With the current financial condition of the State, we do not anticipate funding levels will be restored, but if we do not ask it will not happen.

Additionally, this year Dr. Sanderson is submitting a proposal for a new RPSP funding to cover operational cost of the NMJC Community and Student Radio Station. As you know the NMJC Foundation received the equipment and ownership of an existing radio station. RPSP funding would allow the operations of the radio station to expand and be more beneficial to the NMJC students and to Lea County.

Today, we are asking for your approval to submit to the HED the RPSP request as ranked and for the amounts listed including the request for a new RPSP.

Respectfully,



Dan Hardin

**NEW MEXICO HIGHER EDUCATION DEPARTMENT**

**Research & Public Service Project (RPSP) and other Funding Requests**

**FY 2018**

**Print, sign, and submit packet to NMHED per instructions by 9/12/16**

**Institution:** New Mexico Junior College

**Primary Contact**  
**Name:** Dan Hardin

**Phone:** 575 492 2770

**Email:** dhardin@nmjc.edu

**Governing Board Signature:**

Date:

08/25/16

Rank Projects in order of importance	Program/Project Title	Request in FY 18	New Program (X)
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1	Athletics	486,200	
2	Oil and Gas Training Center	176,200	
3	Nurse Expansion	308,200	
4	Lea County Distance Education Consortium	29,900	
5	NMJC Community and Student Radio Station	50,000	X
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			

**Total Funding Request \$ 1,050,500.00 1**

Please Insert rows as necessary.



## Memorandum

**To:** Dr. Kelvin Sharp, President  
New Mexico Junior College  
**From:** Dale Gannaway, Executive Director  
New Horizons Foundation (NHF)  
**Date:** August 25, 2016

**RE:** Appointment of Dr. Kelvin Sharp to the NHF Board of Directors

Dr. Steve McCleery has resigned his position as a Director of the New Horizons Foundation Board of Directors effective July 1, 2016. As called for in Section 3 (b) of the NHF By-Laws, "Directors shall be elected to the Board of Directors by the affirmative vote of a majority of the Board of Directors of New Mexico Junior College".

Therefore, the NHF Board of Directors respectfully submits the name of Dr. Kelvin Sharp for appointment to the NHF Board of Directors effective August 1, 2016.

Thank you for your consideration in this matter.



# NEW MEXICO JUNIOR COLLEGE

Office of the President

June 7, 2016

New Horizons Foundation Board,  
Executive Director, and  
New Horizons Team

Dear Folks,

As you know, I plan to retire on July 31, 2016, and Dr. Kelvin Sharp begins his NMJC presidential tenure on July 1, 2016. As of July 1, 2016, please consider this letter as my official resignation from the New Horizons Board.

It has been my honor and privilege to be a part of New Horizons Foundation, and I sincerely believe that NHF represents a fantastic and real opportunity to diversify the Lea County Economy, the State's economy, and the Permian Basin. I firmly believe the NHF Board, Executive Director, the NHF Team, Lea County, and New Mexico Junior College have created and supported a very special organization and opportunity.

Please accept this letter as my heartfelt thanks for your commitment to New Horizons Foundation and the vision and purpose you serve.

Sincerely,

Steve McCleery, Ed.D  
President

**NEW MEXICO JUNIOR COLLEGE**  
**Personnel Recommendation for Board Consideration**

The following candidate is being recommended for employment as follows: Date August 10, 2016

Candidate's name Michael A. Weiss

Position title Public Safety Officer

New position  Existing position      Classification  Faculty  Professional  Other \_\_\_\_\_

Is candidate related to another NMJC employee?  yes  no      If so, to whom \_\_\_\_\_

Effective date of employment September 1, 2016      Standard contract length  12 mos.  9 mos.  other \_\_\_\_\_

Funding source Institutional


Paid advertising beyond \*standard HigherEdJob.com  
(\*Standard: The Hobbs News-Sun, NM Dept. of Labor, NMJC Website)

Posted salary range \$39,290 to \$58,935      Recommended annual salary \$ 60,000      Prorated salary  yes  no

Account number(s) with respective % allocation(s) 11000 3101 61301 133      100%

**Recommended and approved by:**

  
Supervisor

  
Dean/Director

\_\_\_\_\_  
Vice President

  
President

**Selection Committee Members:** Bill Morrill – Director of Administrative Services

Dennis Kelley – Director of Public Safety and Security

Comments: Mr. Weiss with more than twenty-one years of experience meets and/or exceeds the minimum requirements for  
this position.

## **ABBREVIATED RESUME**

### **Position**

Public Safety Officer

### **Personal Data**

Name: Michael A. Weiss

### **Professional Experience**

Katrina Weiss State Farm, Hobbs, NM Insurance Agent	06/2015 to present
Hobbs New Mexico Police Department, Hobbs, NM	
Internal Affairs Lieutenant	02/2015 to 05/2015
Detective Lieutenant	06/2012 to 01/2015
Detective Sergeant	07/2010 to 05/2012
Patrol Sergeant	06/2008 to 06/2010
Internal Affairs Sergeant	06/2006 to 05/2008
Detective	06/1998 to 05/2006
Police Officer	01/1995 to 05/1998

### **Certifications**

New Mexico Peace Officer Certification  
New Mexico Licensed Insurance Agent



# New Mexico Junior College

## Career Opportunities

### Position Announcement • July 2016

**Position Title:** Public Safety Officer

**Abbreviated Position Description:** This position reports to the Public Safety Supervisor and the Director of Public Safety. Duties and responsibilities shall be, but are not limited to, the following: 1) Patrols the campus on foot or patrol unit to check for the general security of the campus. 2) Checks doors and windows of all buildings and secures said buildings. 3) Observes activity and traffic in assigned area to enforce college rules/regulations. 4) Assists person on the campus that require directions. 5) Responds to alarms and calls and takes action based on call type. 6) Completes a daily turnover report of activities to supervisor. 7) Ability to conduct complex investigations and complete reports as a result of criminal and policy violations. 8) May be assigned specific tasks or duties as deemed necessary. 9) Maintains security of the dormitories; monitors student activity outside the dormitories and reports incidents to supervisor. 10) Must be able to assist with training of other college employees in a variety of topics. 11) Must be able to satisfactorily complete Title VII and Title IX training and be able to investigate incidents of this nature. 12) Must be able to attend and satisfactorily complete training relating to Active Shooter and other advanced courses and convey the material learned in the courses to others on the campus. 13) May serve on various campus committees as assigned. 14) Must be willing to work shift work including holidays, weekends and special events as needed. 15) Performs other duties as assigned or required, and 16) Nothing contained herein shall limit the President in assigning the employee to any of the various college activities for which he/she would be qualified in order to meet the needs of New Mexico

**Qualifications:** 1) Must have appropriate credentials, and keep the credentials current, to legally be able to carry a college issued firearm and be able to meet State of New Mexico Law Enforcement firearms qualification standards. The actual approval to carry the weapon on the campus would solely rest on the approval of the President of the college. 2) Must maintain knowledge of current Law Enforcement Standards on Use of Force guidelines. 3) Must have a minimum of High School Diploma. College hours or degrees are preferred. 4) Must be well versed in State of New Mexico Criminal Code and have ability to properly classify criminal matters under the Federal Bureau of Investigation UCR guidelines. 5) Must possess and continue to possess a New Mexico or Texas Driver's License. 6) Must have ability to analyze situations quickly and objectively to determine and take emergency action, identify potential hazards and take preventive action up to and including the use of deadly force. 7) Must have the ability to use a variety of office equipment, including computer proficiency in word processing in order to prepare clear and concise reports. 8) Applicant must satisfactorily pass a drug and alcohol test and the background check prior to employment.

**Salary/Benefits:** This is a twelve month professional position. Salary range is \$39,290 to \$58,935 depending upon education and experience. Standard NMJC employee benefits apply.

**Application Deadline:** Open until filled. Interviews will be conducted by a selection committee and will commence upon receipt of completed applications by qualified candidates. To ensure consideration, all application materials must be received as soon as possible.

**To Apply:** Submit NMJC application form on line at [www.nmjc.edu](http://www.nmjc.edu) (under Employment Opportunities), letter of application (cover letter), resume, unofficial transcripts for **all** degrees listed on resume (official transcripts required prior to employment), and three references with current telephone numbers and addresses.

**Human Resources, New Mexico Junior College, 1 Thunderbird Circle, Hobbs, NM 88240**

New Mexico Junior College is an Equal Opportunity Affirmative Action Employer and does not discriminate in its educational and employment policies and procedures with regard to race, color, religion, sex, sexual orientation, national origin, age, disability, genetic information, or veteran status. Qualified minority applicants are encouraged to apply.

For information concerning employment, please contact the Human Resources Office at (575) 492-2791. For information concerning Section 504 accessibility, contact the Special Needs Coordinator in the Counseling Department at (575) 492-2576.

**"Equal Opportunity Education and Employment"**

One Thunderbird Circle, Hobbs, NM, 88240 • Phone: (575) 492-2790 • Fax: (575) 492-2796 • Toll Free: 1-800-657-6260 • E-mail: [kmiller@nmjc.edu](mailto:kmiller@nmjc.edu)



# NEW MEXICO JUNIOR COLLEGE

## Personnel Recommendation for Board Consideration

The following candidate is being recommended for employment as follows:

Date August 12, 2016

Candidate's name Candace N. McTizic-Garcia

Position title Public Safety Officer

New position  Existing position      Classification  Faculty  Professional  Other \_\_\_\_\_

Is candidate related to another NMJC employee?  yes  no      If so, to whom \_\_\_\_\_

Effective date of employment \*September 1, 2016      Standard contract length  12 mos.  9 mos.  other \_\_\_\_\_

Funding source Institutional

Paid advertising beyond \*standard HigherEdJob.com

(\*Standard: The Hobbs News-Sun, NM Dept. of Labor, NMJC Website)

Posted salary range \$39,290 to \$58,935      Recommended annual salary \$ 52,000      Prorated salary  yes  no

Account number(s) with respective % allocation(s) 11000 3101 61301 133      100%

Recommended and approved by:

  
Supervisor

  
Dean/Director

\_\_\_\_\_  
Vice President

  
President

Selection Committee Members: Bill Morrill – Director of Administrative Services

Dennis Kelley – Director of Public Safety and Security

Comments: Ms. McTizic-Garcia with more than seven years of experience meets and/or exceeds the minimum requirements for this position.

\* Pending background check



## **ABBREVIATED RESUME**

### **Position**

Public Safety Officer

### **Personal Data**

Name: Candace McTizic-Garcia

### **Professional Experience**

Centerra, Hobbs, NM Alarm Station Operator	09/2013 to present
Tactical Security Solutions, Hobbs, NM Alarm Station Operator	06/2011 to 09/2013
Lea County Correctional Facility, Hobbs, NM Sergeant	06/2009 to 06/2011

### **Certifications**

NM Private Investigation Board Security Guard Card, Level 3, No. 42935, expires 09/2017



# New Mexico Junior College

## Career Opportunities

**Position Announcement • August 2016 (two positions available)**

**Position Title:** Public Safety Officer

**Abbreviated Position Description:** This position reports to the Public Safety Supervisor and the Director of Public Safety. Duties and responsibilities shall be, but are not limited to, the following: 1) Patrols the campus on foot or patrol unit to check for the general security of the campus. 2) Checks doors and windows of all buildings and secures said buildings. 3) Observes activity and traffic in assigned area to enforce college rules/regulations. 4) Assists person on the campus that require directions. 5) Responds to alarms and calls and takes action based on call type. 6) Completes a daily turnover report of activities to supervisor. 7) Ability to conduct complex investigations and complete reports as a result of criminal and policy violations. 8) May be assigned specific tasks or duties as deemed necessary. 9) Maintains security of the dormitories; monitors student activity outside the dormitories and reports incidents to supervisor. 10) Must be able to assist with training of other college employees in a variety of topics. 11) Must be able to satisfactorily complete Title VII and Title IX training and be able to investigate incidents of this nature. 12) Must be able to attend and satisfactorily complete training relating to Active Shooter and other advanced courses and convey the material learned in the courses to others on the campus. 13) May serve on various campus committees as assigned. 14) Must be willing to work shift work including holidays, weekends and special events as needed. 15) Performs other duties as assigned or required, and 16) Nothing contained herein shall limit the President in assigning the employee to any of the various college activities for which he/she would be qualified in order to meet the needs of New Mexico

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