

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

Thursday, March 18, 2010

Moran Building – Multi Purpose Room

4:00 p.m.

AGENDA

- | | |
|---|----------------|
| A. Welcome | Larry Hanna |
| B. Adoption of Agenda | Larry Hanna |
| C. Approval of Minutes of February 18, 2010 | Larry Hanna |
| 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 Tuition Rate Increase | Dan Hardin |
| 6. Consideration of Senior Citizen Discount | Dan Hardin |
| 7. Consideration of Bid #1038 – To Furnish Commercial Package Insurance | Regina Choate |
| F. Public Comments | Larry Hanna |
| G. Announcement of Next Meeting | Larry Hanna |
| H. Adjournment | Larry Hanna |

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

FEBRUARY 18, 2010

MINUTES

The New Mexico Junior College Board met on Thursday, February 18, 2010, beginning at 4:00 p.m. in the Multi Purpose Room of the Moran Building. The following members were present: Mr. Larry Hanna, Chairman; Ms. Patricia Chappelle, Secretary; Mr. Phillip Jones; Mr. Ron Black; Mrs. Yvonne Williams; and Mrs. Mary Lou Vinson. Not present was Mr. Guy Kesner.

Ms. Chappelle 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, as presented.

Upon a motion by Mrs. Vinson, seconded by Mrs. Williams, the Board unanimously approved the minutes of January 14, 2010.

Under President's Report, Dr. Gratton introduced Professor Susan Waters, who has been selected as an artist-in-residence at Wrangell-St. Elias Nation Park in Alaska for two weeks this summer. She was selected by the Department of the Interior. Ms. Waters shared a power point presentation on Wrangell-St. Elias Nation Park. Dr. McCleery gave a legislative update. We have no budget yet and the special session is scheduled to begin on Wednesday.

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

Mr. Hardin presented the January financial reports and with a motion by Mrs. Williams, seconded by Mrs. Vinson, the Board unanimously approved the expenditures for January, 2010. Upon a motion by Mrs. Vinson,

seconded by Mrs. Williams, the Board unanimously approved the Fiscal Watch Reports.

Mrs. Vinson 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 1978. Mr. Jones seconded the motion. The roll call vote was as follows: Mr. Jones – yes; Mr. Black – yes; Ms. Chappelle – yes; Mr. Hanna – yes; Mrs. Vinson – yes; and Mrs. Williams – 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.

Ms. Chappelle called for comments from the public. There being none, the next regular board meeting was scheduled for Thursday, March 18, 2010, beginning at 4:00 p.m.

Upon a motion by Mrs. Williams, seconded by Mr. Hanna, the board meeting adjourned at 5:35 p.m.

NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

To: **New Mexico Junior College Board Members**
From: Dan Hardin
Date: March 5, 2010
RE: Expenditure and Revenue Reports for February 2010

February is the eighth month of the fiscal year or 67% of the 2009/2010 budget. The expenditure report represents expenditure totals that include funds expended and encumbered. The total year-to-date funds expended and/or encumbered through the month of February is \$35,072,586.00.

The total current unrestricted fund expenditures for Instruction & General through February are \$15,746,934.00, which is 69% of the projected budget. The expenditures in Instruction and General are normal with most departments within reasonable percentage of expenditures for this time of year. In the other Current Unrestricted Funds, most funds are over the 67% for the budget year. All of these funds either have large expenditures at the beginning of each semester or they have large encumbrances for maintenance agreements. Each month there is a charge to Instruction, Academic Support, Student Services, and Institutional Support for the support from Computer Services. The credit goes to Computer Services in the Internal Services area, which in February the credit was greater than the expenses in Computer Services. Student Aid is at 100% budget level due to the waivers placed on student accounts at the beginning of the spring semester.

The expenditures for the Current Restricted Funds are \$6,396,160.00. Most of the expenditures are in the Student Aid from the Pell and Direct Loans at the start of the spring semester. If you will look at the amount of student aid processed last year compared to this year, you see that restricted student aid is two million over the amount of financial aid process last year. Grants have expended about 52% of the projected budget. Most of the Grants have several more months in their fiscal year.

Plant funds have expended or encumbered \$12,929,492.00, which consists mostly of expenditures and encumbrances for the four major projects that are currently under way, the Central Plant remodel, electrical service upgrade, Pannell Library remodel, and the old Cowboy Hall of Fame remodel in Caster.

Expenditures and encumbrances through February 2010 were \$35,072,586.00, or 72% of the projected budget.

Revenue received in February 2010 was \$3,285,877.00. In unrestricted revenue the institution received \$2,937,351.00 during the month of February. This was generated mostly from the monthly allocation from the state of \$622,595.00, and oil and gas revenue of \$674,883.00, oil and gas equipment tax income of \$1,008,616.00, property tax revenue of \$563,664.00.

Restricted funds had revenue of \$298,689.00 from draw downs in February for Grants and from restricted financial aid.

There was not any plant revenue received in February.

Total revenue for February 2010 is \$3,285,877.00, with year-to-date revenue of \$29,534,918.00 or 84% of projected budget.

Oil and Gas revenue remains steady, with the actual revenue received for December in the amount of \$674,883.00, the total year-to-date Oil & Gas and Oil & Gas Equipment is \$6,559,012.00. Oil & Gas is ahead of budgeted revenue by \$1,537,905.00 and Oil & Gas Equipment revenue is \$1,221,107.00 over budgeted projections for the first six months of the year.

The investment report shows an ending balance of \$9,625,000.00 in the LGIP fund. There was no correspondence received from the LGIP concerning the Reserve Contingency Fund in February. At the end of February there was \$10,193,127.14 in designated institutional capital projects. It may appear that we do not have enough money to cover the designated projects, but we waiting to receive almost 1.5 million from draws from the State on Central Plant and Library projects and there is over three million in other institutional accounts.

This concludes the Financial Report for February 2010

NEW MEXICO JUNIOR COLLEGE
Expenditure Report
February 2010

67% of Year Completed

Fund	2008-09			2009-10			
	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	8,385,508	6,098,185	73%	7,045,649	813,665	5,819,890	83%
Academic Support	2,784,192	1,917,857	69%	3,312,145	194,419	1,698,805	51%
Student Services	1,435,006	952,104	66%	1,621,766	144,741	1,090,730	67%
Institutional Support	4,024,733	1,811,219	45%	4,162,778	255,466	2,152,154	52%
Operation & Maintenance of Plant	2,735,003	1,971,590	72%	2,983,937	856,730	1,906,179	64%
Subtotal - Instruction & General	19,364,442	12,750,955	66%	19,126,275	2,265,021	12,667,758	66%
Student Activities	200,314	146,804	73%	0	0	0	0%
Research	0	0	0%	0	0	0	0%
Public Service	0	0	0%	0	0	0	0%
Internal Service Departments	621,622	499,907	80%	221,223	(17,988)	87,383	39%
Student Aid	504,473	530,944	105%	628,094	16,610	626,690	100%
Auxiliary Enterprises	1,693,320	1,658,443	98%	1,676,004	168,071	1,492,592	89%
Athletics	1,091,624	958,902	88%	1,009,547	37,004	872,511	86%
Total Current Unrestricted Fund	23,475,795	16,545,955	70%	22,661,143	2,468,718	15,746,934	69%
CURRENT RESTRICTED FUND							
Grants	1,979,279	994,008	50%	1,848,907	143,846	962,950	52%
Student Aid	4,000,000	3,356,768	84%	4,050,000	300,201	5,433,210	134%
Total Current Restricted Fund	5,979,279	4,350,776	73%	5,898,907	444,047	6,396,160	108%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from Institutional Funds	15,202,776	4,066,483	27%	12,746,856		7,184,017	56%
Projects from State GOB Funds	1,555,621	227,115	15%	4,007,556	312	3,784,968	94%
Projects from State STB Funds	1,810,000	728,268	40%	1,790,668		1,706,667	95%
Projects from General Fund	178,282	29,543	17%	108,281	35,868	43,950	41%
Projects from Private Funds	574,243	456,961	80%	176,487	13,158	60,567	34%
Projects from State ER&R	197,252	0	0%	340,024	8,309	144,370	42%
Projects from State BR&R	683,588	0	0%	1,268,966	4,953	4,953	0%
Projects from Auxiliary BR&R	302	0	0%	0	0	0	0%
Subtotal - Capital and BR&R	20,202,064	5,508,370	27%	20,438,838	62,600	12,929,492	63%
Debt Service							
Revenue Bonds	0	0	0%	0	0	0	0%
Total Plant Funds	20,202,064	5,508,370	27%	20,438,838	62,600	12,929,492	63%
GRAND TOTAL EXPENDITURES	49,657,138	26,405,101	53%	48,998,888	2,975,365	35,072,586	72%

NEW MEXICO JUNIOR COLLEGE
Revenue Report
February 2010

67% of Year Completed

Fund	2008-09			2009-10			
	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	3,259,000	3,085,303	95%	3,354,500	49,233	3,415,995	102%
State Appropriations	8,299,600	5,900,905	71%	7,676,400	622,595	4,927,131	64%
Advalorem Taxes - Oil and Gas	5,200,000	9,358,874	180%	5,200,000	1,683,498	6,559,011	126%
Advalorem Taxes - Property	3,100,000	2,478,146	80%	3,504,278	563,664	3,456,127	99%
Interest Income	508,252	127,400	25%	287,000	590	16,316	6%
Other Revenues	246,100	468,037	190%	524,363	17,771	201,172	38%
Subtotal - Instruction & General	20,612,952	21,418,665	104%	20,546,541	2,937,351	18,575,752	90%
Student Activities	0	0	0%	0	0	0	0%
Public Service	0	0	0%	0	0	0	0%
Internal Service Departments	0	0	0%	0	0	0	0%
Auxillary Enterprises	2,331,600	2,253,531	97%	2,298,000	26,840	2,164,163	94%
Athletics	320,500	211,000	66%	310,400	22,997	198,403	64%
Total Current Unrestricted	23,265,052	23,883,196	103%	23,154,941	2,987,188	20,938,318	90%
CURRENT RESTRICTED FUND							
Grants	1,979,279	987,576	50%	1,848,907	164,989	1,063,395	58%
Student Aid	4,000,000	2,991,125	75%	4,050,000	133,700	4,190,056	103%
Total Current Restricted	5,979,279	3,978,701	67%	5,898,907	298,689	5,253,451	89%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from State GOB Funds	1,586,048	186,184	12%	4,007,556		2,380,025	59%
Projects from State STB Funds	1,810,000	837,676	46%	1,790,668	0	830,678	46%
Projects from General Fund	178,282	45,000	25%	140,621	0	132,446	94%
Projects from Private Funds	0	0	0%	118,987	0	0	0%
Interest Income	0	0	0%	0	0	0	0%
Total Plant Funds	3,574,330	1,068,860	30%	6,057,832	0	3,343,149	0%
GRAND TOTAL REVENUES	32,818,661	28,930,757	88%	35,111,680	3,285,877	29,534,918	84%

NEW MEXICO JUNIOR COLLEGE

Oil and Gas Revenue Report

February 2010

67% 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	2009-10 Original Budget	Variance Over (Under) Budget
Actual	July	\$66.39	2,665,937	\$4.35	17,522,974	608,832	350,000	258,832
Actual	August	\$61.14	2,739,779	\$4.22	17,347,785	577,184	350,000	227,184
Actual	September	\$63.27	2,896,053	\$4.53	17,047,870	602,864	350,000	252,864
Actual	October	\$63.37	2,898,967	\$5.46	16,949,015	540,649	350,000	190,649
Actual	November	\$72.57	2,782,110	\$5.42	14,853,054	633,493	350,000	283,493
Actual	December					674,883	350,000	324,883
Accrual	January					350,000	350,000	0
Accrual	February					350,000	350,000	0
Accrual	March							0
Accrual	April							0
Accrual	May							0
Accrual	June							0
Y.T.D. Production Tax Revenue						4,337,905	2,800,000	1,537,905
Y.T.D. Equipment Tax Revenue						2,221,107	1,000,000	1,221,107
Total Year-to-Date Oil & Gas and Equipment Tax Revenue						6,559,012	3,800,000	2,759,012

Source: New Mexico Taxation and Revenue Department

NEW MEXICO JUNIOR COLLEGE

Schedule of Investments

February 2010

67% of Year Completed

Financial Institution	Amount Invested	Date Invested	Maturity Date	Period of Investment (Days)	Account Number	Interest Rate	Interest Earned
State of New Mexico Local Government Investment Pool	9,625,000	N/A	N/A	N/A	7102-1348	0.035%	334
Total Investments	<u>9,625,000</u>						<u>334</u>

Summary of Current Month's Activity	
Beginning amount	9,625,000
Plus: deposits	0
Less: withdrawals	0
Capital Projects	10,193,127
Reserves Invested	-568,127
Total LGIP Investment	9,625,000

Capital Projects	2/28/2010
Drawings & Master Plan	12,805.63
Marketing	49,932.06
Technology Upgrade	21,944.05
Workforce Training Center	0.00
High Tech Startup	1,346.40
JASI	101,118.20
Baseball Field	9,952.82
Rodeo Arena	-9,017.02
Equestrian Center	431,973.94
Infrastructure	26,078.81
Student Housing Construction	54,531.16
Testing Center Remodel	3,253,294.59
Frame & Door Replacement	150,000.00
Campus Village Development Proj	17,515.42
Luminis Software	16,991.00
Landscaping	458,363.41
Facility Painting	1,749.01
Millen Drive Signalization	95,000.00
Electrical Upgrade	543,600.50
Campus Signage	37,056.00
Campus Paving	7,561.17
Roof Replacement	266,900.40
Interior Lighting-Energy Retrofit	40,668.22
Old Dorms Renovation	45,089.51
Millen Dr. Sewer & Water	53,218.82
Board Room	15,786.44
Concrete Upgrade	31,641.65
Campus Construction	29,851.47
Oil & Gas Training Center	302,853.06
Workforce Training/Outreach	0.00
Professional Writing/Publishing	2,861.60
Public Sector	1,826.53
Campus Security	8,021.71
Caster Bleachers	9,805.66
Caster Old CHOF Remodel	976,000.00
Track/Arena Area Enhancement	65,044.46
Roadway Entrance-Rodeo/CDL	60,000.00
Lumens Software-Distance Learnig	5,000.00
Welding Lab	50,000.00
Copier Replacement	12,501.00
Distance Ed Equipment	89,563.86
Non-Recurring Compensation	677,950.00
Athletics	463,461.23
Student Life Programming	5,000.00
Title V (Institutional)	138,562.56
CDL Truck Driving Program	43,262.14
Central Plant Upgrade	1,515,000.00
Workforce Training Contingency	1,459.67
Total	10,193,127.14

NOTE: Capital projects total does not include encumbered funds

NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

5317 Lovington Highway
Hobbs, NM 88240
Phone: (505)392-5210
Fax: (505)392-2526

To: New Mexico Junior College Board Members
From: Dan Hardin
RE: Tuition Rate Increase
Date: March 10, 2010

The current tuition rate for New Mexico Junior College is as follows:

In-district	\$29.00
Out-of-district	\$47.00
Out-of-state	\$52.00

Each year administration meets with students to review the tuition rates, discussing tuition credit, and comparing NMJC tuition rates with area colleges. Additionally, the administration evaluates the funding formula increase in tuition revenue credit. This legislative session the tuition revenue credit was increased by 9%. With the input from the students and the increase in the tuition credit, it is the administration's recommendation to increase tuition by \$3.00 for In-district, \$4.00 for Out-of-district and \$4.00 for Out-of-state students.

In-district	\$32.00
Out-of-district	\$51.00
Out-of-state	\$56.00

Respectfully,



Dan Hardin

NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

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

To: New Mexico Junior College Board Members
From: Dan Hardin
RE: Senior Citizen Discount
Date: March 11, 2010

Board members,

With approval from the New Mexico Junior College Board in September of 2007, the Senior Citizen Discount waived the general usage fee and course fees for students that are 55 years old or older. This was very well received and has been utilized by the senior students. In FY 10 there are 1,505 student credit hours taken by students 55 and older. The course fees and general usage fees waived amounted to \$37,110.00 for the 1,505 hours. Although the discount has been successful, there are problems with waiving course fees. Banner can not be set up to automatically waive course fees, seniors cannot register online and get the senior discount automatically. The process is a manual process to code the seniors for the waiver of course fees each semester. If a senior drops a class then the business office must manually make corrections to the senior citizens bill.

The administration is asking for your approval to change the policy of waiving the general usage fee and course fees for students that are 55 and older and instead giving a tuition waiver to students that are 55 and older. If a tuition waiver was offered to students that are 55 and older Banner can be set up to automatically waive the tuition based on any student that is 55 or older. This would eliminate any manual adjustment or enrollment of students 55 and older. In FY 10 the cost to waive the general usage fee and course fees is \$37,110.00 if the tuition waiver had been in place the waiver cost would have been approximately \$46,023.00. There would be an increase of cost to the institution of \$8,913.00 for the fiscal year. Your consideration is greatly appreciated.

Sincerely,

Dan Hardin

INVITATION TO BID #1038

**To Furnish a Commercial Package Insurance Policy
For New Mexico Junior College**

Board Documents

Date: March 18, 2010
Prepared by: Regina Choate
Coordinator of Purchasing

NEW MEXICO JUNIOR COLLEGE

BOARD DOCUMENTS

General Information

1. On January 16, 2010, a legal notice was posted in the following newspaper requesting sealed bids for the Commercial Insurance Package Policy for NMJC:

The Hobbs Daily News Sun

2. Bid packets were sent to two potential bidders.
3. One (1) vendor submitted a bid.
4. The Business Office has evaluated the bid received. Their recommendation is shown on Page 3.

NEW MEXICO JUNIOR COLLEGE

BOARD DOCUMENTS

Evaluation and Recommendation

The vendor responding to Invitation to Bid #1038 was: Daniels Insurance Agency, Inc., Hobbs, NM.

The Vice President for Finance, Accountant/Controller and Coordinator of Purchasing have evaluated the bid received and make the following recommendation:

It is recommended that the bid submitted by Daniels Insurance Agency, Inc. to provide package insurance coverage for New Mexico Junior College be accepted.

Cost of coverage: \$252,997.00 for one policy period commencing April 1, 2010; with options to renew the policies for up to four additional years.

**Source of funding: College General Insurance Account:
11000-4101-71201-141**

NEW MEXICO JUNIOR COLLEGE

INVITATION TO BID # 1038

SECTION A.

BID TERMS AND CONDITIONS

1. The coverage offered are to be effective at 12:01 a.m., Thursday, April 1, 2010. Bid proposals for furnishing insurance coverage must be received in the New Mexico Junior College Business Office no later than 2:00 p.m. Tuesday, March 9, 2010.

The initial term of this bid shall be for one policy period. New Mexico Junior College reserves the right to evaluate on a year-to-year basis whether or not to accept renewal of the policy for up to four (4) additional years, without bidding, based on whether the College is satisfied with the service received and/or the renewal premiums.

2. Award of this bid will be made by the New Mexico Junior College Board. The successful bidder must be prepared to issue a binder at inception date of the policy.
3. Any and all additions or deletions of buildings, contents and other specific requests of New Mexico Junior College during the policy period shall be made at the pro-rata net rate applicable per unit at the inception date of the policy. Bona fide college buildings, contents, and other properties and exposures properly insurable under this insurance program and bid shall be afforded blanket protection in all coverage to protect the College against inadvertent omission on buildings, contents and other properties and exposures from listing or schedule. Records of the College will be made available for inspection as deemed necessary.
4. Bid proposals will be accepted from qualified agents who will present the proposal and service contracts. Qualified agents are defined for the purpose of this bid to include only an insurance agent who has furnished a reasonable proof to NMJC of the following:
 - 1) The agent is fully licensed and legally qualified under the laws and regulations of the State of New Mexico to sell and service all types of insurance required to be offered in this bid.
 - 2) The agent has the service reputation, experience and facilities adequate to make satisfactory delivery of necessary services.

5. The package insurance policy provided must be written with an insurance company possessing a Best's insurance rating of A or better and with a Best's financial rating of X or better and must be clearly indicated within the bidder's proposal. The insurance company shall be licensed in the State of New Mexico and must meet all other conditions that may be required by the Insurance Commissioner of the State of New Mexico. NMJC's current carrier is Philadelphia Insurance Company.
6. The package policy must be non-assessable and shall contain a minimum sixty-day notice of cancellation or non-renewal clause.
7. It is understood that all audit adjustments or premiums will be based on the rates, credits, and modifications set forth in the bidder's proposal.
8. Bidders are instructed to furnish complete and accurate information with their sealed bid. If a letter is submitted, it must be attached to and made an integral part of the bid.
9. The successful bidder shall agree to furnish New Mexico Junior College complete loss experience data on a quarterly basis for all coverage under this bid.
10. **Sample copies of all policy forms are required to be furnished with the bidder's response.**
11. Bidders desiring additional information or clarification of the items described herein must make such requests in writing to the Coordinator of Purchasing and/or Vice President of Finance prior to seventy-two (72) hours of the time for receiving bids. No explanation or interpretation from NMJC other than that supplied in written form will be considered official or binding.
12. The terms and conditions and specifications of this Invitation to Bid #1038 shall become an integral part of the contract between New Mexico Junior College and the carrier and its designated agent.
13. Bid amounts must be submitted on the enclosed NMJC Bid Submittal Form.
14. Only a complete package bid providing all stated coverage will be accepted. Exceptions to the specifications must be clearly explained.
15. It is the bidder's responsibility to deliver the bid at the proper time and to the place designated. The mere fact that a bid was dispatched will not be considered. Facsimile submissions will not be accepted.
16. For a bid to be considered, it must bear the original signature of the authorized legal representative of the bidder.

17. Place attached label on the outside of the bid envelope.
18. Pursuant to Section 13-1-191, NMSA 1978, no bribes, kickbacks, gratuities, bonuses or premiums will be accepted or considered in awarding this bid.
19. New Mexico Junior College reserves the right to reject any and/or all bids and to waive all technicalities when in the best interest of the College to do so.

SECTION B.

COMMERCIAL PROPERTY SPECIFICATIONS

BLANKET BUILDINGS, BUSINESS AND PERSONAL PROPERTY CONTENTS

1. Coverage to apply to all properties as per the attached Schedule of Property Values (Schedule B-1) of recommended building and contents values.
2. Blanket coverage on an agreed value bases on buildings in the amount of \$101,313,940 and contents in the amount of \$6,928,143 / 90% coinsurance / \$5,000 deductible.
3. Coverage to be provided on a Replacement Cost basis, along with an agreed amount endorsement.
4. Valuations of buildings and contents set forth in Schedule B-1 are so listed for rating purposes only.
5. Each bidder is required to include with his bid proposal a clear and complete explanation of the method that will be used to compute premiums for any additions to buildings, contents and erection of new buildings.
6. The College currently carries additional coverage / deductibles:
 - a) Deductible of \$1,000 per occurrence.
 - b) Extra Expense coverage in the amount of \$25,000 for extra expenses arising from a covered cause of loss.
 - d) Pollutants coverage providing for the removal of debris of covered property caused by or resulting from a covered cause of loss and pollutant clean up and removal caused by a covered cause of loss.
 - e) Leased property is covered for which the College has a contractual responsibility. See Schedule B-2 on Page 6.

SCHEDULE B-1

STATEMENT OF PROPERTY VALUES **(SEE ATTACHED FILE)**

SCHEDULE B-2

LEASED EQUIPMENT

The college maintains blanket coverage on leased credit card machines and a postage machine in the amount of \$78,624.48. The lessees, Northern Leasing Systems Inc, 132 West 31st Street, 14th Floor, New York, NY 10001-5095 and Pitney Bowes, 1 Elmcroft Road, Stamford CT 06484-4301 shall be named as the loss payees.

A detailed schedule of the equipment will be made available upon request.

SECTION C.

COMMERCIAL PROPERTY SPECIFICATIONS

COMMERCIAL INLAND MARINE

1. Commercial Inland Marine coverage is to be provided for the following categories according to the attached scheduled properties:
 - * Schedule C-1 Contractor Equipment
 - * Schedule C-2 Musical Equipment
 - * Schedule C-3 Various Cameras
 - * Schedule C-4 Scientific and Medical Equipment
 - * Schedule C-5 Miscellaneous Tools

2. A deductible of \$1,000 shall apply

SCHEDULE C-1 thru C-5

(SEE ATTACHED FILE)

SECTION D.

MUSEUM COLLECTION SPECIFICATIONS

(See Schedule D-1 on following pages)

The college has a museum, the Western Heritage Museum Complex, & Lea County Cowboy Hall of Fame that is located on the college campus.

Schedule D-1 is a scheduled inventory of collections with estimated values. The college carries an endorsement on these collectibles with limits of \$1,586,525.00 / \$1,000 deductible.

Coverage is also provided for non-scheduled fine arts on temporary exhibition in any of the New Mexico Junior College buildings in the amount of \$50,000.00.

SECTION E.

Equipment Breakdown Coverage

1. Loss experience: None
Current carrier: Philadelphia Insurance Company

2. Limits of Liability:

Limit of insurance: \$108,242,083 (combined value of Buildings and Personal Property)
Extra expense: \$ 25,000
Deductible: \$ 1,000

3. Blanket group coverage:

Group 1 – Boilers and fired pressure vessels

Group 2A – All unfired pressure vessels

Group 3 – All metal steam piping

Group 4 – All systems of refrigerating and air conditioning including
Additional vessels and piping 5 HP and more capacity

Group 5 – Centrifugal pumps – compressors – fans or blowers driven by
Motor 5 HP and over

Group 6 – Reciprocating pumps and compressors driven by motor 5 HP
and over

Group 7 – Electric motors 5 HP and over

Group 8 – Enclosed gear sets 5 HP and over
Object limit 100%
Coinsurance 80%

SCHEDULE E-1

BOILER & MACHINERY EQUIPMENT

2 – 400 Ton Chillers (approximate cost \$200,000.00)

1 – 800 Ton Chiller (approximate cost \$300,000.00)

3 – High Pressure Boilers

SECTION F.

COMMERCIAL AUTO SPECIFICATIONS

(See Schedule F-1 & F-2 on following page)

Coverage shall be quoted to provide split limits as follows:

1. *Liability:*

- a) Liability:
 - Any Auto \$1,050,000 each accident

- b) Medical payments:
 - Owned autos \$ 5,000 each insured

- c) Uninsured/underinsured motorists:
 - Owned autos \$1,050,000 each accident

2. *Physical Damage:*

- a) Comprehensive (broad form):
 - Owned autos \$1,000 deductible
 - Hired and non-owned autos \$1,000 deductible

- b) Collision coverage:
 - Owned autos \$1,000 deductible
 - Hired and non-owned autos \$1,000 deductible

- 3. Employees of the college, including students, are to be considered insured's.
- 4. The college maintains an approved drivers list for all drivers. The college has a student driver's policy which discourages students from driving. However, the policy provides limited situations where a student may be allowed to drive with certain listed restrictions and upon being pre-approved by the college.
- 5. No vehicles are permanently assigned to any employee for regular use. Students are not allowed to utilize their personal vehicles for college trips, with the exception of the NMJC rodeo program.
- 6. The college has automotive technology classes sanctioned by General Motors and Ford Motor Companies. Both companies have provided vehicles on consignment for automotive technology training. We are requesting Garage Keepers Insurance on a direct primary basis with a limit of \$90,000 with a deductible of \$500 for comprehensive insurance and a \$500 deductible for collision insurance.

SECTION G.

CRIME AND PUBLIC EMPLOYEE DISHONESTY SPECIFICATIONS

CRIME AND PUBLIC EMPLOYEE DISHONESTY

- 1. A \$100,000 limit / \$1,000 deductible for any one occurrence is provided for blanket public employee dishonesty covering money, securities and property other than money and securities resulting from theft, disappearance and/or destruction.

2. Money and securities protection

\$100,000 limit (inside building)

\$100,000 limit (outside building)

3. Coverage shall apply to inside and outside the premises of the NMJC Business Office and NMJC Bookstore.

4. A Schwab, 2 hour, relocking device, 855088 underwriter's label vault door with a UL rating of A27330 is located in the NMJC Business Office.

5. All deposits and change orders are transported to and from the college's banks by NMJC Business Office personnel.

SECTION H.

PUBLIC ENTITY GENERAL LIABILITY SPECIFICATIONS

1. Public entity general liability insurance broad coverage to be provided on an occurrence basis.

2. Limits of liability are as follows:

- | | |
|--|--------------------------|
| a. Bodily Injury and Property Damage Limit | \$1,050,000 per |
| occurrence | |
| b. Personal Injury and Advertising Injury Limit | \$1,050,000 each offense |
| c. Employee Benefits Injury Limit | \$1,050,000 each offense |
| d. Fire, Lightning or Explosion Damage Limit | \$500,000 any one event |
| e. Medical Payments Coverage Limit | \$ |
| 10,000 any one person. | \$ |
| 10,000 any one accident | |
| \$100,000 aggregate | |
| f. General Aggregate Limit (Other than products-completed operations, fire, lightning or explosion damage and medical payments coverage \$3,000,000. | |

g. Products and completed work
Aggregate limit \$1,050,000

3. Corporal punishment – provisions should be made for the use of reasonable force to allow for the protect persons or property or corporal punishment to any student or pupil administered by or at the direction of the College.
4. Contractual liability – to be added as an endorsement.
5. Athletic participants to be included while practicing for or participating in any contest or exhibition of a sporting nature.
6. All NMJC employees and board members shall be included as additional insureds.
7. The College maintains two resident dormitories and two apartment style residencies having a total maximum occupancy of 396 students.
8. NMJC owns and operates a racquetball/fitness center, which has approximately 290 members, 340 students, and 57 guests from the general public. Included in the facility's operations are racquetball, aerobics, weight lifting and swimming.
9. NMJC's cafeteria and snack bar operations are operated by an Independent Contractor.

SECTION I.

PROFESSIONAL LIABILITY SPECIFICATIONS

1. Professional liability coverage shall apply to all Trustees and Officers, Administrators, Faculty and other professional employees of NMJC.
2. Coverage shall be provided on an occurrence basis.
3. Limit of liability:

\$ 5,000,000 each claim
\$10,000,000 option requested

Retention:

\$2,500	each covered insured
\$10,000	aggregate maximum all covered persons per loss
\$10,000	covered named insured per loss

4. Coverage shall provide for the following:

- cost of defense paid in addition to the annual aggregate limit of liability.
- Plaintiff's legal fees when they are successful in a civil rights case.
- Parent's legal costs in successful special education hearings.
- Legal actions arising from hiring, firing, promotion or demotion.
- Alleged violation of federal or state constitutional civil rights.
- Defense of claims seeding back pay.

5. The NMJC district has been in existence since 1965 and currently has seven board members elected by district. The names, occupations and official titles of current Board Members are as follows:

Mr. Larry Hannah	Attorney	Board Chairman
Ms. Pat Chappelle	County Clerk	Board Secretary
Mr. Ron Black	Retired Educator	Board Member
Mrs. Yvonne Williams	Paraprofessional Educator	Board Member
Ms. Mary Lou Vinson	LES Employee	Board Member
Mr. Phillip Jones	Retired Educator	Board Member
Mr. Guy Kesner	Insurance Agent	Board Member

6. The college is not involved in any current disputes regarding discrimination or any other civil suits. The college district, board and/or employees have no knowledge of any pending federal, state, or legal actions or proceedings against the district, board members or employees. We are not aware of any act, error or omission that might afford valid grounds for any future claim which would fall within the scope of this coverage.

7. No similar insurance on behalf of the college has been declined, canceled or renewal thereof refused.

SECTION J.

EXCESS UMBRELLA SPECIFICATIONS

The college desires to carry a \$5,000,000 limit and an optional \$10,000,000 quote on umbrella excess liability coverage.

SECTION K.

LOSS EXHIBITS

Five year loss history can be obtained upon request.

SECTION L.

INFORMATIONAL DOCUMENTS

NMJC 2008/2009 Financial Audit can be obtained upon request.

NMJC 2008/2009 College Catalog is available at www.nmjc.edu.

New Mexico Junior College
 Invitation to Bid # 1038
 Insurance Policy
 Bid Opening: Tuesday, March 9, 2010 - 2:00 PM

DESCRIPTION	DANIELS INSURANCE HOBBS, NM		HARTGRAVES INSURANCE LOVINGTON, NM	
		COST OF PREMIUM		COST OF PREMIUM
Blanket Buildings, Business and Personal Property Contents Coverage	\$	113,184.00		NO BID
Builder's Risk Coverage		NA -Coverage is written on a per project basis.		
Commercial Inland Marine Coverage	\$	9,105.00		
Museum Collections Coverage	\$	3,240.00		
Boiler & Machinery Coverage	\$	12,340.00		
Commercial Automobile Coverage	\$	37,726.00		
Crime & Public Employee Dishonesty Coverage	\$	2,506.00		
Public Entity General Liability Coverage	\$	27,884.00		
Professional Liability Coverage	\$	24,541.00		
Excess Umbrella Coverage	\$	22,471.00		
GRAND TOTAL	\$	252,997.00		