

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

Thursday, March 22, 2007

Zia Room - Library

4:00 p.m.

AGENDA

- | | |
|--|----------------|
| A. Welcome | Larry Hanna |
| B. Adoption of Agenda | Larry Hanna |
| C. Approval of Minutes of February 22, 2007 | 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 Increase | Steve McCleery |
| 6. Consideration of Policy No. 400 | Steve McCleery |
| 7. Consideration of ERB/Supplemental Retirement Plan | Steve McCleery |
| F. Closure of Open Meeting | Larry Hanna |
| G. Public Comments | Larry Hanna |
| H. Announcement of Next Meeting | Larry Hanna |
| I. Adjournment | Larry Hanna |

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

FEBRUARY 22, 2007

MINUTES

The New Mexico Junior College Board met on Thursday, February 22, 2007, beginning at 4:00 p.m. in the Zia Room of Pannell Library. The following members were present: Mr. Larry Hanna, Chairman; Mrs. Patricia Worrell, Secretary; Mr. Phillip Jones; Mr. Guy Kesner; Mrs. Yvonne Williams; and Mr. Ron Black. Not present was Mr. John Hice, Jr.

Mr. Hanna called the meeting to order and welcomed visitors and guests present.

Upon a motion by Mr. Jones, seconded by Mrs. Worrell, the agenda was unanimously adopted, as presented.

Upon a motion by Mrs. Williams, seconded by Mrs. Worrell, the board unanimously approved the minutes of January 18, 2007, as written.

Under President's Report, Dr. McCleery presented Larry Hanna and Pat Worrell their five year service pens. Jennifer Jordon presented the Hobbs Women's Civic Club "Pilars of Education" and bound history books in appreciation for their generous donation. Michael Rutledge gave a presentation on the New Mexico Junior College Video Network.

Mrs. Worrell moved the board go into closed session for the discussion of limited personnel matters and the purchase of real property under the provisions of section 10-15-1-H (2) & (8) of the New Mexico Statutes Annotated 1978. Mr. Jones seconded the motion. The roll call vote was as follows: Mr. Jones – yes; Mrs. Worrell – yes; Mr. Black – yes; Mrs. Williams – yes; Mr. Kesner – yes; and Mr. Hanna - yes.

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

Under New Business, Dan Hardin presented the January financial reports and with a motion by Mrs. Worrell, seconded by Mr. Kesner, the board unanimously approved the expenditures for January, 2007.

Mr. Hardin and Charley Carroll presented a proposal from Donner Plumbing for \$426,680 to complete the four pipe conversion for T-Bird and Zia dorms. This is the first phase of the T-Bird and Zia dorm renovation. Upon a motion by Mr. Jones, seconded by Mrs. Williams, the board unanimously approved the proposal, as well as the transfer of \$426,680 from reserves.

Josh Morgan presented Bid #993 – Permanent and Portable Signage for NMJC Campus. The administration recommended acceptance of the bid from Superior Sign & Lighting, El Paso, Texas for \$41,880. Upon a motion by Mr. Jones, seconded by Mr. Black, the board unanimously accepted the recommendation.

Dr. McCleery presented a recommended list of individuals to be appointed to the Western Heritage Museum Advisory Board, as per the New Mexico Junior College Museum Advisory Board Resolution. Upon a motion by Mrs. Worrell, seconded by Mrs. Williams, the board approved the recommendation. Mr. Jones abstained from the vote.

Lisa Hardison and Staci Barcuch presented a proposed facility usage fees formula for board consideration. After some discussion and upon a motion by Mr. Kesner, seconded by Mrs. Williams, the board unanimously approved the proposed formula.

Regina Organ recommended Ms. Shanessa McClain for the Assistant Director of Financial Aid position at an annual salary of \$30,004. Upon a motion by Mrs. Williams, seconded by Mrs. Worrell, the board unanimously approved the employment of Ms. McClain, effective March 1, 2007.

Mr. Hanna called for comments from the public. There being none, the next regular board meeting was scheduled for March 22, 2007, beginning at 4:00 p.m.

Upon a motion by Mr. Kesner, seconded by Mr. Black, the board meeting adjourned at 5:55 p.m.

NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

To: New Mexico Junior College Board Members

From: Dan Hardin

Date: March 8, 2007

RE: Expenditure and Revenue Reports for February 2007

February is the eighth month of the fiscal year or 67% of the 2006/2007 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 \$25,500,439.00.

The total current unrestricted fund expenditures for Instruction & General through February are \$10,790,964.00, which is 61% 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 Current Unrestricted Funds, all 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.

The expenditures for the Current Restricted Funds are \$4,667,103.00, which is 80% of the projected budget. Most of the expenditures are in the Student Aid from the Pell and Direct Loans at the start of the Spring Semester. Grants have expended about 55% of the projected budget. Most of the Grants have several more months in their fiscal year.

Plant funds have expended or encumbered \$6,790,127.00 as we have encumbered funds for the Workforce Training Center.

Expenditures and encumbrances through February 2007 were \$25,500,439.00, or 63% of the projected budget.

Revenue received in February 2007 was \$2,802,249.00. In unrestricted revenue we had \$2,107,392.00 in revenue for the month. This was generated mostly from Tuition and Fees of \$133,777.00, the allocation from the state of \$1,026,458.00, oil and gas and oil and gas equipment tax income of \$712,715.00, and property mill levy tax revenue of \$118,189.00. In the allocation from the state we received the normal allocation of 609,558.00, and additionally we received the allocation for compensation for \$241,200.00, and \$175,700.00 for the second half of the special funding for Nursing Enhancements, Law Enforcement, Western Heritage Museum, and Distance Education.

A correction was made in the Advalorem Property Taxes from the January report. In the January report the year-to-date total was \$2,830,452.00, the year-to-date total should have been \$2,008,077.00. The revenue received in February for the Advalorem Property Taxes was \$118,189.00 bringing the year-to-date total to \$2,126,267.00. There will still be a large allocation of property tax from the Treasurer before the end of the fiscal year.

Restricted funds had revenue of \$694,857.00 from drawdowns in February for Grants and from restricted financial aid.

We did not have any revenue in Plant funds for February.

Total revenue for February 2007 is \$2,802,249.00, with year-to-date revenue of \$24,876,747.00 or 78% of projected budget.

Oil and Gas revenue remains strong, with the actual revenue through January totaling \$4,944,955.00. This is \$2,728,286.00 over budget projections for the first seven months of the year. Oil and Gas equipment tax has a year-to-date total of \$1,487,783.00, which is \$587,783.00 over the budget for the year.

The investment report shows an ending balance of \$12,125,000.00. Of the \$12,125,000.00 in LGIP, \$7,124,273.98 is designated as capital projects.

This concludes the Financial Report for February 2007.

NEW MEXICO JUNIOR COLLEGE

Expenditure Report

February 2007

67% of Year Completed

Fund	2005-06			2006-07			
	Final Budget	Year-to-Date Expended or Encumbered	Percentage of Budget Expended	Budget	Current Expended or Encumbered	Year-to-date Expended or Encumbered	Percentage of Budget Expended
CURRENT UNRESTRICTED FUND							
Instruction and General:							
Instruction	6,473,856	3,911,321	60%	7,344,564	611,911	4,540,336	62%
Academic Support	1,647,860	1,222,194	74%	2,454,663	186,077	1,653,628	67%
Student Services	1,172,516	866,328	74%	1,380,382	107,557	876,657	64%
Institutional Support	3,829,760	1,900,721	50%	4,072,396	178,036	1,990,273	49%
Operation & Maintenance of Plant	2,150,250	1,591,764	74%	2,543,319	245,328	1,730,070	68%
Subtotal - Instruction & General	15,274,242	9,492,328	62%	17,795,324	1,328,909	10,790,964	61%
Student Activities	202,274	140,560	69%	197,651	16,378	151,530	77%
Research	0	0	0%	0	0	0	0%
Public Service	0	0	0%	0	0	0	0%
Internal Service Departments	1,015,984	395,824	39%	378,896	33,714	334,558	88%
Student Aid	371,498	403,662	109%	476,039	3,539	433,068	91%
Auxiliary Enterprises	1,695,745	1,387,106	82%	1,677,990	181,910	1,619,295	97%
Athletics	715,560	559,816	78%	783,949	53,096	713,794	91%
Total Current Unrestricted Fund	19,275,303	12,379,296	64%	21,309,849	1,617,546	14,043,209	66%
CURRENT RESTRICTED FUND							
Grants	1,558,078	854,590	55%	1,823,022	105,464	997,575	55%
Student Aid	4,694,393	3,553,914	76%	4,000,000	153,572	3,669,528	92%
Total Current Restricted Fund	6,252,471	4,408,504	71%	5,823,022	259,036	4,667,103	80%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from Institutional Funds	5,982,647	3,757,130	63%	7,890,054	69,081	2,872,572	36%
Projects from State GOB Funds	3,980,399	204,762	5%	3,431,272	9,744	3,378,438	98%
Projects from State STB Funds	0	0	0%	0	0	0	0%
Projects from General Fund	0	0	0%	735,262	54,837	320,772	44%
Projects from Private Funds	1,350,000	797,177	59%	702,664	16,056	218,345	31%
Projects from State ER&R	76,064	0	0%	90,916	0	0	0%
Projects from State BR&R	353,945	314,932	89%	352,303	0	0	0%
Projects from Auxiliary BR&R	44,702	44,702	100%	16,943	0	0	0%
Subtotal - Capital and BR&R	11,787,757	5,118,703	43%	13,219,414	149,718	6,790,127	51%
Debt Service							
Revenue Bonds	0	0	0%	0	0	0	0%
Total Plant Funds	11,787,757	5,118,703	43%	13,219,414	149,718	6,790,127	51%
GRAND TOTAL EXPENDITURES	37,315,531	21,906,503	59%	40,352,285	2,026,300	25,500,439	63%

NEW MEXICO JUNIOR COLLEGE

Revenue Report

February 2007

67% of Year Completed

2005-06

2006-07

Fund	2005-06			2006-07			
	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	2,438,985	2,087,376	86%	2,647,425	133,777	2,499,283	94%
State Appropriations	7,553,000	5,216,919	69%	8,800,842	1,026,458	6,316,006	72%
Advalorem Taxes - Oil and Gas	4,165,200	6,237,296	150%	4,700,000	712,715	6,749,405	144%
Advalorem Taxes - Property	2,588,000	2,036,065	79%	2,800,000	118,189	2,126,267	76%
Interest Income	120,000	118,715	99%	185,000	50,360	281,957	152%
Other Revenues	209,550	164,262	78%	225,050	15,909	179,586	80%
Subtotal - Instruction & General	17,074,735	15,860,633	93%	19,358,317	2,057,408	18,152,504	94%
Student Activities	120,000	103,647	86%	110,000	408	107,025	97%
Public Service	0	0	0%	0	0	0	0%
Internal Service Departments	0	0	0%	0	0	0	0%
Auxiliary Enterprises	1,922,200	1,761,479	92%	2,250,052	46,351	2,052,918	91%
Athletics	39,600	23,931	60%	39,100	3,225	25,800	66%
Total Current Unrestricted	19,156,535	17,749,690	93%	21,757,469	2,107,392	20,338,247	93%
CURRENT RESTRICTED FUND							
Grants	1,558,078	890,522	57%	1,839,628	164,638	1,121,149	61%
Student Aid	4,694,393	2,546,371	54%	4,000,000	530,219	3,417,351	85%
Total Current Restricted	6,252,471	3,436,893	55%	5,839,628	694,857	4,538,500	78%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from State GOB Funds	3,968,012	122,972	3%	3,420,676	0	0	0%
Projects from State STB Funds	0	0	0%	0	0	0	0%
Projects from General Fund	0	0	0%	735,262	0	0	0%
Projects from Private Funds	1,350,000	1,350,000	100%	0	0	0	0%
Interest Income	0	0	0%	0	0	0	0%
Total Plant Funds	5,318,012	1,472,972	28%	4,155,938	0	0	0%
GRAND TOTAL REVENUES	30,727,018	22,659,555	74%	31,753,035	2,802,249	24,876,747	78%

NEW MEXICO JUNIOR COLLEGE

Oil and Gas Revenue Report

February 2007

67% 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	2006-07 Original Budget	Variance Over (Under) Budget
Actual	July	\$63.05	3,252,614	\$6.92	19,403,806	757,763	316,667	441,096
Actual	August	\$64.01	3,145,974	\$6.24	18,450,466	742,051	316,667	425,384
Actual	September	\$67.80	2,963,641	\$7.32	18,029,382	747,815	316,667	431,148
Actual	October	\$59.37	2,967,899	\$6.38	17,164,332	808,322	316,667	491,655
Actual	November	\$53.95	2,900,596	\$7.07	17,421,063	673,808	316,667	357,141
Actual	December					502,481	316,667	185,814
Actual	January					712,715	316,667	396,048
Actual	February					316,667	316,667	0
Accrual	March							0
Accrual	April							0
Accrual	May							0
Accrual	June							0
Y.T.D. Production Tax Revenue						5,261,622	2,533,336	2,728,286
Y.T.D. Equipment Tax Revenue						1,487,783	900,000	587,783
Total Year-to-Date Oil & Gas and Equipment Tax Revenue						6,749,405	3,433,336	3,316,069

Source: New Mexico Taxation and Revenue Department

Per Johnson, Miller & Co., C.P.A.'s, an accrual is made for oil and gas revenue for the reporting month.

NEW MEXICO JUNIOR COLLEGE Schedule of Investments February 2007

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	12,125,000	N/A	N/A	N/A	7102-1348	5.41%	50,325
Total Investments	<u>12,125,000</u>						<u>50,325</u>

Summary of Current Month's Activity	
Beginning amount	11,125,000
Plus: deposits	1,000,000
Less: withdrawals	0
Capital Projects	7,124,274
Reserves Invested	5,000,726
Total LGIP Investment	12,125,000

Capital Projects	2/28/2007
Technology Upgrade	95,948.56
Workforce Training Center	1,745,686.14
High Tech Start Up	163,346.40
Vehicles	11,524.49
Drawings & Master Plan	10,305.63
Baseball Field	119,503.72
Rodeo Arena	7,836.78
Dormitory Landscape	1,622.23
Millen Fence/Landscape	72,016.31
Ben Alexander Student Center	0.00
JASI	136,574.98
Computer Equipment Rebates	4,354.51
Marketing	58,136.04
West Texas ITV	50,000.00
Equestrian Center	150,000.00
Telephone System	0.00
Student Housing Construction	2,393,183.10
Classroom Furniture Replacement	0.00
Video Security Camera Replacmt	0.00
Testing Center	250,000.00
Campus Village Development Proj	16,785.00
Landscaping	0.00
Facility Painting	50,000.00
Smart Classrooms	0.00
Millen Drive Signalization	95,000.00
Electrical Upgrade	588,560.15
Campus Signage	50,000.00
Campus Paving	60,000.00
Video Security-Student Apts	0.00
Roof Replacement	273,328.14
Interior Lighting-Energy Retrofit	100,000.00
Bookstore POS System	0.00
Old Dorms Renovation	193,881.80
Infrastructure	426,680.00
Total	7,124,273.98

NOTE: Capital projects total does not include encumbered funds



Memo

DATE: March 21, 2007
TO: New Mexico Junior College Board Members
FROM: Steve McCleery
SUBJECT: Western Museum Advisory Board (Revised List)

As per the New Mexico Junior College Museum Advisory Board Resolution, I recommend the following individuals be appointed to the Western Heritage Museum Advisory Board.

Ray Battaglini
Edmundo Castaneda
Rinehard Hinterreither
Phillip Jones
Randy McCormick
Charley Smith
Janice Spence

I visited with each of these individuals, and they have agreed to serve

Thank you for your consideration.

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 16, 2007

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

In-district	\$24.00
Out-of-district	\$41.00
Out-of-state	\$46.00

Each year administration meets with students to review the tuition rates, discussing tuition credit, and comparing NMJC tuition rates with area colleges. With the input from the students, it is the administration's recommendation to increase tuition by \$4.00 for In-district, \$5.00 for Out-of-district and \$5.00 for Out-of-state students.

In-district	\$28.00
Out-of-district	\$46.00
Out-of-state	\$51.00

Respectfully,



Dan Hardin



Office of the President

NEW MEXICO JUNIOR COLLEGE

Memo

DATE: March 19, 2007
TO: New Mexico Junior College Board Members
FROM: Steve McCleery *SM*
SUBJECT: Policy No. 400

Attached is a copy of Policy 400. I recommend the Policy be approved.

Thank you for your consideration.

assertion, including the basis for the assertion, to the President within fifteen (15) days from the date of notice of non-renewal of the contract.

I. Procedure for Notification, Non-Renewal of Employment Contracts

It shall be the responsibility of the President to recommend annually to the Board whether or not an employee shall be offered a contract for re-employment for the following year. The College owes no further contractual obligation to any employee at the expiration of his/her annual contract. The Board has no obligation to renew the employment contract nor does any employee have the right to expect re-employment regardless of funding source. No employee, including the President, has the authority to give express or implied assurance of employment to an employee regardless of the funding source beyond any current contract period. Continued employment for the individuals employed on the basis of external/soft money shall be contingent upon receipt of adequate funding from the outside source, as well as the College's decision in allocating funds.

II. Procedure for Non-Renewal of an Annual Contract

Upon determination by the President and approval of the Board, if an employee's contract shall not be renewed, the President shall give a written notification, no later than February 15. This notification shall be delivered in person by the President or the President's Designee or sent by certified mail to the last known address of the employee.

NOTE: *This notification procedure shall be set aside if the Board determines a reduction in force is necessary due to the economic conditions related to the College's ability to meet its fiscal obligations. (See Result of Reduction In Force/Salary Reduction, Policy No. 205).*

III. Reasons for Non-Renewal

The reasons for the determination not to renew the employment contract need not be stated. The Board shall not rely upon reasons that violate employee constitutional rights in making the determination not to renew an employee's employment contract. An employee who asserts that his/her non-renewal is based upon violation of his/her constitutional rights shall fully set forth in writing such



NEW MEXICO JUNIOR COLLEGE

Office of the President

Memo

DATE: March 19, 2007
TO: New Mexico Junior College Board Members
FROM: Steve McCleery *SM*
SUBJECT: ERB/Supplemental Retirement Plan

I am recommending that employees who are legally precluded from participating in the State ERB Retirement Plan be allowed to participate in both Social Security and the Institutional Supplemental Retirement Plan.

Thank you for your consideration.