

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

Thursday, April 18, 2019
Zia Board Room – Library
1:30 pm

AGENDA

- | | |
|---|----------------------------|
| A. Welcome | Pat Chappelle |
| B. Adoption of Agenda | Pat Chappelle |
| C. Approval of Minutes of April 1, 2019 | Pat Chappelle |
| D. President's Report | Kelvin Sharp |
| E. New Business | |
| 1. Consideration of 2019-2020 Budget Recommendation | Kelvin Sharp
Dan Hardin |
| 2. Consideration of President's Contract | Pat Chappelle |
| 3. Monthly Expenditure Reports | Dan Hardin |
| 4. Monthly Revenue Report | Dan Hardin |
| 5. Oil and Gas Revenue Report | Dan Hardin |
| 6. Schedule of Investments | Dan Hardin |
| 7. Fiscal Watch Report | Dan Hardin |
| 8. Consideration of Infrastructure Improvements | Dan Hardin |
| F. Public Comments | Pat Chappelle |
| G. Announcement of Next Meeting | Pat Chappelle |
| H. Adjournment | Pat Chappelle |

**NEW MEXICO JUNIOR COLLEGE
BOARD MEETING
APRIL 1, 2019
MINUTES**

The New Mexico Junior College Board met on Monday, April 1, 2019, beginning at 1:30 p.m. in the Zia Room of Pannell Library. The following members were present: Ms. Patricia Chappelle, Madam Chair; Mr. Ron Black, Secretary; Mr. Travis Glenn; Mr. Manny Gomez; Ms. Evelyn Rising; and Mr. Hector Baeza. Mrs. Mary Lou Vinson was absent.

Ms. Chappelle called the meeting to order and welcomed visitors and guests present: Todd Bailey, Hobbs News-Sun and Brad Caress, Daniels Insurance Agency, Inc.

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

Upon a motion by Mr. Gomez, seconded by Mr. Glenn, the Board unanimously approved the minutes of February 21, 2019.

Under President's Report, Coach Drew Sanders introduced the Lady T-Birds Basketball Team. Dr. Sharp recognized the team and the coaches for their accomplishment as the runner-up team at the NJCAA Region V and National Basketball Tournaments. Coach Sanders thanked administration and the Board for their continued support.

Professor Shelby Litwicki introduced Ms. Raquel Ortega and Mr. Dean Morissey, PTK students nominated for the All-Academic USA Team. Professor Litwicki noted PTK student Vianey Villalobos was unable to attend. She reported the students were recently recognized in Santa Fe, New Mexico at the capital and noted students will have the opportunity to receive scholarships as well as other opportunities in the state. She further reported student Vianey Villalobos will also

be recognized within the nation for being the recipient of the Workforce Pathways Scholarship for earning the highest in the state.

Professor John Baldwin and Ms. Nelda Helms provided updates on the CORE classes. Professor Baldwin reported the transition of the Del Norte Center students to the CORE facility went well and students have adapted to the change with ease. Enrollment numbers, from spring to fall of 2018, increased from 127 students to 253 students. In addition, he reported new classes have been added with one new instructor. The Board thanked Professor Baldwin and Ms. Helms for their continued support of the CORE classes.

Dr. August Fons, Dean of Public Safety and Mr. Walter Coburn, Lead Instructor of Law Enforcement (LE) provided updates of the LE program. Mr. Coburn reported total enrollment for two LE academies held last year was 55 with a total of 49 graduates. He stated a number of agencies across the State of New Mexico from Gallup to Hobbs were serviced to include New Mexico Livestock and the New Mexico Parks. He reported the current enrollment for LE is 17 cadets with an anticipated class of 30/32 students in the fall of 2019. Advanced trainings conducted last year include Firearms Instructor Classes, Instructor Update Classes and a Use of Force Instructor Class. In addition, last year's two Public Safety Telecommunicator Academy classes graduated 15 cadets with another academy scheduled to begin in a couple of weeks with 13 currently registered. Mr. Travis asked if the curriculum is state mandated. Mr. Coburn responded the curriculum is mandated by the state.

Ms. Chappelle was pleased to announce and congratulated Ms. Evelyn Rising for her recent appointment as a Coordinator to the Association of Community College Trustees (ACCT) Western Region. She further noted Ms. Rising is the first from the State of New Mexico and New Mexico Junior College to serve as a representative for ACCT. Ms. Chappelle also noted Ms. Rising will assist with the preparation of the agenda for the ACCT Leadership Conference to be held in October 2019 in San Francisco, California.

Under New Business, Mr. Dan Hardin presented the February 2019 financial reports. Upon a motion by Mr. Glenn, seconded by Mr. Baeza, the Board

unanimously approved the Expenditure Report for February 2019. In addition, the Revenue Report, Oil and Gas Revenue Report, and Schedule of Investments Report were reviewed.

Mr. Dan Hardin presented a recommendation to keep tuition rates the same and change the number of hours charged from the first 12 credit hours to the first 15 credit hours per semester. Hours taken over the first 15 will have no charge. In district students, taking 15 credit hours will pay \$570.00 in tuition and a \$270.00 general usage fee. Upon a motion made by Mr. Gomez, seconded by Ms. Rising, the Board unanimously approved this recommendation.

Dr. Sharp presented Resolution No. 2019-2 honoring and recognizing Senator Carroll Leavell on his recent retirement from the New Mexico State Senate after serving more than 22 years and for his service to District 41, which encompasses portions of Lea County and Eddy County, New Mexico. Upon a motion made by Mr. Baeza, seconded by Ms. Rising, the Board unanimously approved this resolution.

Mr. JoeMike Gomez presented a consideration of ITB #1091, Commercial Package Insurance Policy for NMJC. Recommendation was made to award the bid to Daniels Insurance Agency, Inc. with an annual premium of \$315,920.00. Mr. Gomez and Mr. Brad Caress provided substantial detail of the package insurance policy and premiums. Following questions and answers and upon a motion made by Mr. Baeza, seconded by Mr. Gomez, the Board unanimously approved this recommendation.

Ms. Chappelle called for comments from the public. There being none, a budget work session was scheduled for Thursday, April 11, 2019 beginning at 1:30 pm and the next regular board meeting was scheduled for Thursday, April 18, 2019 beginning at 1:30 pm with the Allied Health Building Ribbon Cutting to follow directly after the regular board meeting.

Mr. Glenn moved the board go into closed session for the discussion of limited personnel matters under the provisions of section 10-15-1-H (2) of New Mexico Statutes Annotated 1978 for the purpose of the annual review of the president's

contract and non-renewal of another employee and for the discussion of pending or threatened litigation of Carney vs. City of Hobbs et.al. under the provisions of section 10-15-1 (H) (7) of New Mexico Statues Annotated 1978. Ms. Rising seconded the motion. The roll call vote was as follows: Mr. Baeza – yes; Ms. Rising – yes; Mr. Black – yes; Mr. Glenn – yes; Mr. Gomez – yes; and Ms. Chappelle – yes.

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

Upon a motion by Mr. Black, seconded by Ms. Rising, the board meeting adjourned at 4:11 pm.

Pat Chappelle, Chair

Ron Black, Secretary

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
From: Dan Hardin
RE: FY 20 Budget
Date: April 18, 2019

Board Members,

The administration is asking for your approval of the FY 20 Operating Budget in the amount of \$29,594,163.00, which includes a 4% salary increase to all staff. The administration is also asking for your approval of the Capital Projects in the amount of \$7,530,000.00.

Board members, we very much appreciate your support of New Mexico Junior College.

Respectfully,

Dan Hardin

THIRD AMENDMENT TO EMPLOYMENT AGREEMENT BY AND BETWEEN
NEW MEXICO JUNIOR COLLEGE AND DR. KELVIN SHARP

This Third Amendment ("Amendment") to the Employment Agreement by and between NEW MEXICO JUNIOR COLLEGE ("College") and DR. KELVIN SHARP ("Employee") is effective this 18th day of April, 2019.

WITNESSETH:

WHEREAS, on March 31, 2016, College and Employee entered into an Employment Agreement dated effective July 1, 2016 ("Original Agreement"), the Original Agreement was amended by Amendment to Employment Agreement by and between New Mexico Junior College and Dr. Kelvin Sharp dated April 20, 2017, the Original Agreement was further amended by Second Amendment to Employment Agreement by and between New Mexico Junior College and Dr. Kelvin Sharp dated April 19, 2018 (the Original Agreement as amended hereinafter individually and collectively referred to as the "Agreement").

WHEREAS, College and Employee mutually agree to amend the Agreement as set forth below.

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to amend the Agreement as follows:

1. Section 3 of the Agreement is amended by deleting said Section in its entirety and substituting the following in lieu thereof:

“3. Term. This Agreement is for six (6) years effective July 1, 2016, and terminating June 30, 2022, unless sooner terminated as provided herein. It is specifically agreed and understood between the parties that nothing contained in this Agreement shall be construed to guarantee or imply an expectation of continued employment with the College beyond the term of this Agreement.”

2. Section 5 of the Agreement is amended by deleting said Section in its entirety and substituting the following in lieu thereof:

“5. Compensation. For all services rendered by Sharp under this Agreement, Sharp shall be paid an annual salary payable in bi-weekly installments in accordance with College practice. For the first year of this Agreement, the annual salary shall be Two Hundred Twenty-Three Thousand Dollars (\$223,000.00). For the fiscal year July 1, 2018 through June 30, 2019, the annual salary shall be Two Hundred Twenty-Nine Thousand Six Hundred Ninety Dollars (\$229,690.00). For the fiscal year July 1, 2019 through June 30, 2020, the annual salary shall be Two Hundred Thirty-Eight Thousand Eight Hundred Seventy-Seven Dollars and Sixty Cents (\$238,877.60). All such salary shall be subject to all withholding as required by law and deductions for benefits. The annual salary shall be reviewed annually following the Annual Review of Sharp. Such salary may be adjusted at the

discretion of the Board. Sharp shall have all fringe benefits afforded other College employees.”

3. Section 6 of the Agreement is amended by deleting said Section in its entirety and substituting the following in lieu thereof:

“6. Retention Bonus. Subject to the remaining terms of this Agreement, College will pay Sharp a retention bonus (“Retention Bonus”) in the gross amount of \$7,000.00 per year to be paid on or about June 30, 2017 and June 30, 2018. College will pay Sharp a Retention Bonus in the gross amount of \$7,210.00 per year to be paid on or about June 30, 2019, June 30, 2020, June 30, 2021 and June 20, 2022. Sharp must remain actively employed and be in compliance with the Board’s policies and directives concerning job performance and conduct as of each payout date in order for Sharp to receive the Retention Bonus payment. Any Retention Bonus payments made under this Agreement are subject to regular tax withholdings and other authorized deductions.”

4. Section 10 of the Agreement is amended by deleting said Section in its entirety and substituting the following in lieu thereof:

“10. Additional Matters. A. College shall provide Sharp a wireless network, a lap top computer and such other technology and communication devices as the parties may agree would be useful or beneficial in Sharp carrying out the duties of President. The College shall pay for all expenses incident thereto, including repairs and equipment replacement. Upon termination of Sharp’s employment with the College all such technology and communication devices shall be returned to the College.

B. Sharp shall be able to board horses in the stalls owned by the College. Further Sharp shall be allowed to use the rodeo facilities for roping and other related uses. Additionally, Sharp shall be entitled to park trailers and other vehicles in and around the College rodeo facilities. Sharp shall be responsible for all feed, veterinary care and other expenses related to boarding his horses. College shall not be liable for any sickness, disease, theft, death or injury which may be suffered by any of Sharp’s horses. All risks relating to boarding of horse (s) and/or the working or riding of such horse(s) are to be borne by Sharp. Sharp agrees to hold College harmless from any claim resulting from damage or injury caused to or by said horse(s), Sharp or his guests and invitees, to anyone, including but not limited to legal fees and/or expenses incurred by College in defense of such claims. Sharp agrees to carry and maintain in full force and effect, liability insurance protecting Sharp and College from any and all claims regarding boarding, riding, and/or working Sharp’s horse on College property. College shall be named an additional insured on such insurance.

5. All other provisions of the Agreement, except as specifically changed herein are ratified and approved.

IN WITNESS WHEREOF, the parties have executed this Amendment effective the date and year first above written.

NEW MEXICO JUNIOR COLLEGE

By: _____
Pat Chappelle, Chair

Dr. Kelvin Sharp

NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

To: **New Mexico Junior College Board Members**
From: Dan Hardin
Date: April 12, 2019
RE: Expenditure and Revenue Reports for March 2019

New Mexico Junior College Board members, we have completed nine months or 75% of the fiscal year. On the Expenditure Report, the total year-to-date funds expended and/or encumbered through the month of March is \$37,292,511.00.

The total expenditures for Instruction & General as of the end of March are \$15,420,566.00, which is 67% of the projected budget. This compares to the \$15,457,423.00 expended at the end of March 2018. The total current unrestricted fund expenditures through March of 2019 are \$20,206,906.00. In the unrestricted funds several of the areas are over the 75% budget for the year. All of those areas have large expenses or encumbrances that occur at the beginning of the semesters or the fiscal year. Research is the New Horizons Foundation, as has been reported more of the New Horizons expenditures are being done independently of the College. Public Service is the radio station. Internal Services should be within budget by the end of the semester, with the charge out credit posting monthly for computer services. Auxiliary Enterprises will begin to have credits posting from return of books. Athletics will be over budget due to team travel expenditures for the regional and national competition.

Restricted Funds had \$427,511.00 in expenditures for the month of March. Restricted Student Aid expenditures are slowing down, but the Grants expenditures will continue. Total year-to-date restricted expenditures are \$4,785,767.00.

Plant funds had \$799,959.00 in expenditures or encumbrances for the month of March. The major capital project expenditures in March were Technology Upgrades and the Track upgrade. Total year-to-date plant fund expenditures and/or encumbrances are \$12,299,838.00.

The total expenditures year-to-date through March 2019 is \$37,292,511.00.

The revenue generated in Current Unrestricted funds for March 2019 was \$2,224,276.00. This is from the state appropriation and oil and gas revenue. The total year-to-date revenue for unrestricted funds is \$31,474,941.00.

There was \$394,093.00 drawn in for restricted Grant revenue in March, and \$227,697 in the Restricted Student Aid revenue. The total year-to-date revenue in the restricted funds is \$4,689,916.00.

Plant fund revenue in March was \$37,797, which is the interest in the LGIP funds. The total revenue year-to-date for plant funds is \$608,345.00.

The total revenue for the month was \$2,883,863.00 and the total year-to-date revenue is \$36,773,202.00

If you will remember, the State is now three months behind in the distribution of the Oil and Gas revenue, so the revenue received in March is for the month of December. The allocation received in March was \$1,500,298. The total revenue year-to-date for the oil and gas equipment tax is \$2,369,755.00. Total year-to-date for oil and gas and oil and gas equipment tax is \$14,017,322.00 including the accruals for January, February and March.

The investment report shows the total investments of \$23,593,127.00 as of the end of March, with \$12,528,173.63 allocated as capital projects. The interest income from the LGIP was \$37,797.00.

Board members thank you very much for taking your time to attend the Board budget workshop, hopefully the workshop demonstrated that the College is financially sound and headed in the right direction.

This is the finance report for March 2019

NEW MEXICO JUNIOR COLLEGE
Expenditure Report
March 2019

75% of Year Completed

Fund	2017-18			2018-19			
	Final Budget	Year-to-Date Expended or Encumbered	Percentage of Budget Expended	Budget	Current Expended or Encumbered	Expended or Encumbered	Percentage of Budget Expended
CURRENT UNRESTRICTED FUND							
Instruction and General:							
Instruction	10,058,717	6,772,506	67%	10,219,294	462,279	6,781,911	66%
Academic Support	2,501,303	1,934,756	77%	2,656,318	171,366	1,728,479	65%
Student Services	1,990,627	1,380,680	69%	2,046,450	140,743	1,436,445	70%
Institutional Support	3,888,147	2,805,898	72%	4,317,093	308,451	2,908,884	67%
Operation & Maintenance of Plant	3,652,603	2,563,583	70%	3,731,780	501,028	2,564,847	69%
Subtotal - Instruction & General	22,091,397	15,457,423	70%	22,970,935	1,583,867	15,420,566	67%
Research	850,000	807,651	95%	850,000	20,689	290,539	34%
Public Service	50,000	24,051	48%	50,000	1,397	23,698	47%
Internal Service Departments	87,288	271,973	312%	119,306	88,247	193,795	162%
Student Aid	668,551	466,981	70%	685,880	4,177	502,956	73%
Auxiliary Enterprises	2,066,294	2,191,399	106%	2,125,946	122,682	2,288,888	108%
Athletics	1,270,979	1,357,163	107%	1,613,798	112,640	1,486,464	92%
Total Current Unrestricted Fund	27,084,509	20,576,641	76%	28,415,865	1,933,699	20,206,906	71%
CURRENT RESTRICTED FUND							
Grants	1,977,141	648,109	33%	881,787	373,665	829,422	94%
Student Aid	3,989,359	4,126,768	103%	4,188,219	53,846	3,956,345	94%
Total Current Restricted Fund	5,966,500	4,774,877	80%	5,070,006	427,511	4,785,767	94%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from Institutional Funds	9,723,989	7,508,139	77%	18,203,440	764,674	10,897,127	60%
Projects from State GOB Funds	3,960,000	3,464,011	0%	289,894		287,717	99%
Projects from State STB Funds	596,058	557,752	0%	114,064		114,064	100%
Projects from General Fund	0	36,282	0%				0%
Projects from Private Funds	0		0%				0%
Projects from State ER&R	332,720	85,340	26%	332,720	15,909	285,876	86%
Projects from State BR&R	597,281	399,870	67%	597,281	19,376	715,054	120%
Subtotal - Capital and BR&R	15,210,048	12,051,394	79%	19,537,400	799,959	12,299,838	63%
Debt Service							
Revenue Bonds	0	0	0%	0	0	0	0%
Total Plant Funds	15,210,048	12,051,394	79%	19,537,400	799,959	12,299,838	63%
GRAND TOTAL EXPENDITURES	48,261,057	37,402,912	78%	53,023,271	3,161,169	37,292,511	70%

NEW MEXICO JUNIOR COLLEGE
Revenue Report
March 2019

75% of Year Completed

Fund	2017-18			2018-19			
	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	3,812,000	3,855,685	101%	3,887,000	42,991	3,610,886	93%
State Appropriations	5,629,937	4,222,422	75%	5,805,900	478,259	4,366,725	75%
Advalorem Taxes - Oil and Gas	7,235,000	9,204,904	127%	7,235,000	1,500,653	14,017,322	194%
Advalorem Taxes - Property	7,700,000	6,002,370	78%	8,530,000	90,642	6,580,113	77%
Interest Income	10,000	2,412	24%	10,000	60	29,446	294%
Other Revenues	296,538	334,207	113%	320,476	26,386	138,213	43%
Subtotal - Instruction & General	24,683,475	23,622,000	96%	25,788,376	2,138,991	28,742,705	111%
Research	400,000	300,000	0%				0%
Public Service	0	0	0%				0%
Internal Service Departments	12,500	7,306	58%	12,500	27	6,090	49%
Auxiliary Enterprises	3,668,000	2,688,050	73%	2,615,000	47,417	2,375,205	91%
Athletics	448,100	343,957	77%	454,600	37,841	350,941	77%
Total Current Unrestricted	29,212,075	26,961,313	92%	28,870,476	2,224,276	31,474,941	109%
CURRENT RESTRICTED FUND							
Grants	1,977,141	761,196	38%	881,787	394,093	871,194	99%
Student Aid	3,989,359	3,775,989	95%	4,188,219	227,697	3,818,722	91%
Total Current Restricted	5,966,500	4,537,185	76%	5,070,006	621,790	4,689,916	93%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from State GOB Funds	3,960,000		0%	289,894		285,731	99%
Projects from State STB Funds	596,058	381,614	0%	114,064		98,046	86%
Projects from General Fund	0	0	0%				0%
Projects from Private Funds	0	0	0%				0%
Interest Income (LGIP)	25,000	60,418	242%	102,000	37,797	224,568	220%
Total Plant Funds	4,581,058	442,032	10%	505,958	37,797	608,345	120%
GRAND TOTAL REVENUES	39,759,633	31,940,530	80%	34,446,440	2,883,863	36,773,202	107%

NEW MEXICO JUNIOR COLLEGE

Oil and Gas Revenue Report

March 2019

75% of Year Completed

		OIL		GAS		COMBINED		
Sales	Month of	Price per BBL	Lea County BBLs sold	Price per MCF	Lea County MCF sold	Monthly Revenue	2018-19 Original Budget	Variance Over (Under) Budget
	Distribution							
Actual	July	\$56.15	11,392,196	\$3.96	38,449,318	1,751,427	465,000	1,286,427
Actual	August	\$53.48	12,001,561	\$4.08	39,538,035	1,812,473	465,000	1,347,473
Actual	September	\$51.50	12,127,678	\$4.25	38,366,913	1,660,585	465,000	1,195,585
Actual	October	\$52.27	15,142,498	\$3.88	40,180,187	1,885,677	465,000	1,420,677
Actual	November	\$47.12	13,499,458	\$3.52	35,170,806	1,642,107	465,000	1,177,107
Actual	December	\$39.77	14,526,397	\$3.15	38,393,710	1,500,298	465,000	1,035,298
Accrual	January					465,000	465,000	0
Accrual	February					465,000	465,000	0
Accrual	March					465,000	465,000	0
Accrual	April						465,000	(465,000)
Accrual	May						465,000	(465,000)
Accrual	June						465,000	(465,000)
Y.T.D. Production Tax Revenue						11,647,567	5,580,000	6,067,567
Y.T.D. Equipment Tax Revenue						2,369,755	1,655,000	714,755
Total Year-to-Date Oil & Gas and Equipment Tax Revenue						<u>14,017,322</u>	<u>7,235,000</u>	<u>6,782,322</u>

Source: New Mexico Taxation and Revenue Department

NEW MEXICO JUNIOR COLLEGE

Schedule of Investments

March 2019

75% of Year Completed

Financial Institution	Amount Invested	Account Number	Interest Rate	Interest Earned
State of New Mexico Local Government Investment Pool	20,593,127	7102-1348	2.42%	37,797
Plus deposits	0			
Less withdrawals	0			
Total LGIP investments	20,593,127			37,797
Lea County State Bank CDAR	3,000,000		2.30%	

Capital Project	3/31/2019
Vehicles	186,615.56
Campus Master Plan	130,587.24
PI Day	4,820.44
Technology Upgrade	137,758.76
JASI	15,186.72
WHM South Gallery	266,594.00
Baseball Field	0.00
Rodeo Arena	182,798.02
Infrastructure	642,524.24
Luminis Software	2,993.00
Landscaping	128,750.70
Smart Classrooms	0.00
Campus Signage	46,123.81
Dorm/Apartment Refurbish	46,451.14
Campus Construction	51,048.73
Oil & Gas Training	143,888.70
Public Sector	9,227.00
Campus Security	30,626.67
Lumens Software-Distance Learning	5,000.00
Copier Replacement	373.49
Non-Recurring Compensation	652,169.10
Athletics	5,534.03
Student Life Programming	20,432.28
Succession Plan	52,014.15
WHM Exhibits	51,791.74
Track Upgrades	751,057.76
Driving Range Upgrades	500,000.00
McLean Hall Renovations	750,000.00
Cafeteria Upgrade	114,646.16
Channel 19 Upgrade	8,115.71
FERPA & Title IX	2,572.10
Equestrian Center	3,000,000.00
Bob Moran Upgrades	37,409.64
Turf Replacement	82,781.47
HVAC Software-Central Plant	200,000.00
Busing Support for Recruiting	5,872.30
HED Faculty Development	3,542.99
Caster Upgrades	3,970,713.24
Allied Health	286,499.03
Workforce Training Contingency	1,653.62
Total	12,528,173.54

NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

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

To: Board Members
From: Dan Hardin
RE: Quarterly Financial Action Report
Date: April 12, 2019

To comply with the HED (Higher Education Department) mandate that each College Board approve a quarterly financial action statement, attached is the Quarterly Action Statement for the quarter ending on March 31, 2019. This disclosure notifies you as the NMJC Board as well as the HED to any financial problems that might not be evident with an income and expense report. The College has made all required payments, payroll, and scheduled payments to vendors. Please approve the Quarterly Financial Action Report as of March 31, 2019.

Respectfully,



Dan Hardin

New Mexico Higher Education Department
Institutional Finance Division
Quarterly Financial Certification Template

Please complete and sign the following certification form and submit with Quarterly Financial Statements and Quarterly Financial Actions Report.

I certify that I believe the information provided in the attached (a) Financial Statements, and (b) Financial Actions Report, for the:

1st _____ 2nd _____ 3rd 4th _____ Quarter, FY _____ 19 _____

are correct as of the date indicated below, and that

New Mexico Junior College

has a functioning financial accounting system that captures assets, liabilities, revenues, and expenditures on a timely basis, and the Governing Board receives timely notification of any significant actual or projected variances between budgeted and actual revenues and expenditures.

Pat Chappelle Board Chair

Dr. Kelvin Sharp President



Dan Hardin Vice President for Finance

QUARTERLY FINANCIAL ACTION REPORT

Fiscal Year 19

Today's Date: 3-31-2019

Period (check one)

1st quarter _____ 2nd quarter _____ 3rd quarter X 4th quarter _____

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.

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: HED Capital Projects request
Date: April 12, 2019

Board members,

With the passage of the GOB (General Obligation Bond) D in November 2018, New Mexico Junior College will have available funding of \$2,500,000.00 for Infrastructure Improvements. The College was also awarded \$400,000.00 in General Fund Capital Outlay in the 2019 legislative session for infrastructure and fire alarm systems. The College has been working with Bridgers & Paxton to assess and design a new campus wide fire alarm and notification system along with a campus access control system. The College would like to move forward with presenting this project to the HED capital projects committee on May 8th.

Bridgers and Paxton will put together a bid package and oversee the bidding process. The Bridgers & Paxton estimated cost for the campus wide fire alarm and notification system and the campus access control system project is \$1,891,000.00. The College will submit to the Higher Education Department a request for approval of the fire alarm and notification system project and propose to use \$1,491,000.00 of GOB funds, \$400,000.00 in General Fund Capital Outlay funds along with \$165,000.00 of institutional funds that has been committed for design and engineering. Bridgers & Paxton will complete the construction documents the first week of May and then start the bid process.

The administration is asking for your permission to present the fire alarm, notification and campus access system project to the Higher Education Department. Contingent upon the results of the bid process, the College will come back to the Board in June for approval of the bid for the fire alarm, notification and campus access system project.

Respectfully,



Dan Hardin