

BOARD OF REGENTS MEETING

APRIL 24, 2018

NORTHERN New Mexico College





NOTICE

The Board of Regents of Northern New Mexico College will hold a regular meeting on **Tuesday, April 24, 2018**, at **8:00AM** at the Northern New Mexico College – Espanola Campus, Espanola, New Mexico.

AMENDED FINAL AGENDA
ADDING ITEM VIII B-2

PUBLISHED AT LEAST 72 HOURS IN ADVANCE OF THE MEETING

- I. CALL TO ORDER**
- II. APPROVAL OF AGENDA**
- III. COMMENTS FROM THE BOARD**
 - A. HERC Update – Informational
 - B. May Board of Regents Meeting – Action Required
- IV. APPROVAL OF MINUTES**
- V. STUDENT SENATE PRESIDENT REPORT**
- VI. FACULTY SENATE PRESIDENT REPORT**
- VII. PRESIDENT’S REPORT AND ANNOUNCEMENTS**
 - A. Celebrate Northern – Informational
 - B. CUP Report – Informational
 - C. Energy Audit Contract – Informational
 - D. Employee Classification Policy – Action Required
- VIII. STAFF REPORTS**
 - A. Vice President for Finance & Administration
 - 1. Audit(s) Update - Informational
 - 2. Fiscal Watch – Action Required
 - 3. Monthly Budget Adjustment Requests (BARs) – Action Required
 - 4. FY19 Operating Budget - Action Required
 - B. Provost & Vice President for Academic Affairs
 - 1. Update on the HLC Interim Report – Informational
 - 2. Out of State Travel – Action Required
- IX. PUBLIC INPUT**
- X. EXECUTIVE SESSION**
 - (1) Limited personnel matters related to the hiring, promotion, demotion, dismissal, assignment, resignation, or investigation or consideration of complaints or charges against an employee;
 - a. President’s Contract
 - (2) Bargaining strategy preliminary to collective bargaining
 - (3) Threatened or pending litigation subject to the attorney-client privilege in which the College may be a participant; and
 - a. Rodriguez Update
 - b. Monument Update
 - c. B. Cordova Update
 - (4) Real estate acquisition or disposal.

Pursuant to provisions of NMSA 1978, Section 10-15-1(H)(2)(5)(7)&(8)

- XI. POSSIBLE ACTION PERTAINING TO EXECUTIVE SESSION DISCUSSION**
- XII. ADJOURNMENT**

In accordance with the Americans with Disabilities Act (ADA), physically challenged individuals who require special accommodations should contact the President's Office at 505-747-2140 at least one week prior to the meeting or as soon as possible.



MEMORANDUM

To: Northern New Mexico College Board of Regents
From: Richard J. Bailey, Jr., President
Date: April 24, 2018
Re: Board of Regents Minutes

Issue

Northern New Mexico College (NNMC) provides, on a monthly basis, Board of Regents Minutes from the previous month for review and approval.

Recommendation

Staff recommends that the Board of Regents approve the Board of Regents Minutes for March 27, 2018 as submitted or if applicable, as amended.

**NORTHERN NEW MEXICO COLLEGE
BOARD OF REGENTS SPECIAL MEETING
MARCH 27, 2018**

I. CALL TO ORDER

A Regular Meeting of the Board of Regents of Northern New Mexico College was held on Tuesday, March 27, 2018, in the Boardroom of Northern New Mexico College, Espanola Campus. Regents present: Kevin F. Powers, Damian Martinez, D. Chris Ortega, and Dr. Robert Rhodes. Board President Powers called the meeting to order at 8:16AM.

Northern New Mexico College staff present: President Richard J. Bailey, Jr.; Dr. Ivan Lopez Hurtado, Provost & Vice President for Academic Affairs; Chris Trujillo, IT; Sandy Krolick, Creative Director, Communications & Marketing; Terry Mulert, Director, NNMC Foundation; Jimi Montoya, Director, IT; Mohammad Ali Musawi, Staff Writer/Reporter; Ryan Cordova, Athletic Director/Men's Basketball Coach; and Amy Pena, Executive Assistant to the President and Board Secretary.

Others present: Robert Trapp, Rio Grande Sun; Jake Arnold; Tim Crone; Mark Komer; and M. Karen Kilgore.

II. APPROVAL OF AGENDA

Regent Robert Rhodes moved to approve the final Agenda as published. Second – Regent Damian Martinez. Motion passed unanimously. Five in favor, none opposed.

III. COMMENTS FROM THE BOARD

A. HERC Update

Board President Powers stated the Higher Education Regents Coalition (HERC) is planning to have a meeting, date not yet set, but in conjunction with the Higher Education Summit occurring in ABQ on April 19th and 20th. This meeting seems like a pretty good agenda and the last few years HED and Governor's Office have put this summit together. It has usually been a one day event, this year it has been expanded to two days. The Agenda is bigger there will be more speakers and it should be a good event. There has not been a date set yet for the meeting but it will be either the 19th or 20th.

Board President Powers asked for comments from the Regents. Regent Rhodes stated it is nice to be at the Board of Regents meeting. Regent Damian Martinez stated he thinks this is the first time the Board of Regents has a full house.

IV. APPROVAL OF THE MINUTES

Regent Rhodes moved to approve the minutes of February 26th and March 9th as presented. Second – Regent Damian Martinez. Motion passed unanimously. Regent Joshua Martinez abstained from the second meeting approval as he was not present at the meeting.

Regent Rhodes withdrew his motion as the Board of Regents agreed the approval of the minutes should be done in two separate motions. Regent Damian Martinez withdrew his Second.

Regent Rhodes moved to approve the minutes of February 26, 2018. Second – Regent Damian Martinez. Motion passed unanimously.

Regent Rhodes moved to approve the minutes of the Special Meeting of March 9th 2018. Second – Regent Damian Martinez. Motion passed 4-1, Regent Joshua Martinez abstained as he did not attend the meeting.

V. STUDENT SENATE PRESIDENT’S REPORT

None.

VI. FACULTY SENATE PRESIDENT’S REPORT

David Barton, Vice President of Faculty Senate stated David Torres, President of Faculty Senate was not able to attend the Board of Regents Meeting. Mr. Barton summarized the activities of Faculty Senate:

1. There have been curriculum changes passed for Associate of Applied Science and Radiation Protection.
2. There has been a new course passed by Faculty Senate called Critical Thinking in Science.
3. The Committee proposed process by which by financial aid maximum time frame would be set if students change majors. This would help the College a lot with keeping students on financial aid.
4. Academic standards proposed a policy where by instructors are made aware of and trained in Blackboard in order to record grades. The purpose of this is if an instructor gets sick or something happens, the College can retrieve what has happened in the course.
5. The honors committee presented a timeline, procedure and approval process for the award of Honorary Degrees.
6. The general education committee hosted a workshop during Convocation to inform faculty about the higher education department general reform process. The state is shifting all common core that all students take going from 38 hours to 30 hours.
7. The personnel committee is reviewing process to evaluate sabbatical requests and professorship evaluations. The College has had in the past two individuals who have passed in rank to full professor.

Regent Rhodes stated Dr. Barton mentioned the applied science and asked if the College has a four-year radiology degree? Dr. Lopez stated it is a two year and a certificate. Dr. Lopez stated this is just a course and it is not a degree. Dr. Barton stated it is only a curriculum change in the course of study that is already there.

Regent Powers asked if Radiation Protection is a course. Dr. Lopez stated it is a course that has been added to the program that the College has had. It is just a new course and the idea is that the College is trying to adapt to the new gen. ed requirements so this course is going to be a part of several degrees. Regent Rhodes asked if it meets what Los Alamos needs. Dr. Lopez stated basically right now the College has been working for eight months with Los Alamos to enhance the program. The idea is that whoever graduates from here, as long as they have the background check they have the technical expertise to work immediately. Los Alamos is helping the College to improve the curriculum.

President Bailey stated there are some exciting opportunities in the area of radiological control. One is that there is a new contract for a Legacy Cleanup. There is a separate \$1.3B contract, that company N3B is partnering with the College to create RCTs in addition to the group at LANS. The other exciting news and it is still in development, that there is a group of 100 miners in Questa because of the closing of operations there they are looking for a place to place those employees and there is a real interest in RCT. President Bailey stated the challenges the College is facing as an institution and all the processes the College is doing and he knows there is a lot of work to do. Through it all on the academic side of the institution there are faculty members knocking it out of the park making sure the students are getting a quality education. This is on the President and Vice President to make sure the College has all these processes. Academically this college is second to none and President Bailey thanked the faculty for their diligence and their professionalism.

VII. PRESIDENT'S REPORT

President Bailey stated he had a few things to share with the Board of Regents:

1. March 3, 2018 – RoboRave Event through partnership with LANL with students in middle school and high school doing Robotics competitions. It was a huge event at the Sports Plex. President Bailey thanked LANL for their partnership.
2. March 7 and 8 – The College had a big team spirit focus week. It started with a survey, focus groups and two-day summit. At the summit it was discussed how the college communicates with each other, how it processes and manages conflict, this is the first in series, a change in culture. In light of the challenges moving forward, we all must work together. President Bailey's intent is that this will not be disregarded. There will be a retreat in El Rito in the next couple of weeks to move forward with this. This is something that the College will work to continue to move forward on.
3. Megan Bowers Avina was recognized in Taos by Las Pistoleras Instituto Cultural De Arte De Taos for her work in photojournalism. Special thanks to Sandy Krolick for keeping the College informed on this.
4. This past Wednesday – SBDC day was celebrated in the country. The College's SBDC received five of the State awards including Job Creator and SBDC of the Year Awards.
5. Last Tuesday the College held a walkout in response to the tragedy in Parkland and countless others. Everyone gathered in the Rotunda for 17 minutes and there were some thoughtful, emotional conversations. The College also talked about what it is doing and the College has a campus emergency response plan and President Bailey gave credit to Jimi Montoya, Shawn Madrid and many others for this. There will be a quick reaction guide all over campus and the College is working with the Sheriff and City police to set up practice drills. The College needs to make sure it is providing a safe environment for staff, faculty and students.
6. There were two huge events – Third Annual Expo – 500 students participated in the Sportsplex. Special thanks to Barbara Coulter and Sara McCormick. The College also hosted the Kids Count Complex and there were over 250 community members in attendance.
7. Roundtable Event - There was a weekend of meetings with NASA and Native American Pueblos regarding science. They looked at how science in the Native American Pueblos can present some challenges especially if Western Science conflicts with their traditional science. The goal was to look at commonalities. There is real opportunity and there was a really healthy dialogue and it will be continued.

B. CUP Report

President Bailey stated Council of University Presidents (CUP) will be meeting this summer. There are some challenges in the sense that there will be a new Chancellor at NMSU and a new President at UNM. CUP will look differently and there will be new blood in CUP. The fact that Chancellor Carruthers is stepping down, he was a powerful voice in CUP. CUP needs to come together as a group united. President Bailey's focus is to stay united. This is President Bailey's goal and they must also stay united with NMICC and ACC so actually the three organizations are representing and advocating for higher education in the State.

C. Foundation Update

President Bailey turned this report over to Terry Mulert, Director, NNMC Foundation. Mr. Mulert stated he would like to take a few minutes to discuss the Foundation as a historical direction. The Foundation started 23 years ago and started with zero dollars, there was no benefactor and the people from the college and community pulled together to start the Foundation. Up until 2008 that endowment grew and in 2008 the Foundation lost a

lot of money, close to \$1M just through investments. Right now, the endowment stands at about \$3.7M and since 2014 when the new investors came on board that has grown probably about \$260,000. The mission of the Foundation, they are here to increase, manage and distribute resources to the benefit of the students, the College and the Community. Mr. Mulert stated what he has done for this meeting is going back to a presentation he did a year ago because as Regents, he knows their fiduciary responsibility to the College is of primary importance.

Mr. Mulert stated there is a sister organization in the State, Eastern New Mexico University, they have access to different revenues the College does not have access to, oil and gas which is prominent in that part of the State rather than here in Rio Arriba County. The College has 1,200 students, Eastern has 6,000. The College has 1 Foundation, Eastern has 3. The operating expenses for the Foundation on the College investment side is salaries, a little bit of cash and the space which is wonderful and they are so grateful for that. The Foundation kicks in all the cash it spends. It takes about \$80,000 to \$90,000 to run the Foundation each year; the Foundation raises that money and spends that money. Regent Damian Martinez asked how much it costs to run. Mr. Mulert stated the Foundation kicks in about \$72,000 a year cash and there are some other expenses that the College picks up. Regent Martinez asked how much the College gives to the Foundation every year. Mr. Mulert stated salaries and benefits. Regent Martinez asked what that number is. Mr. Mulert stated the number he usually uses is about \$300,000 total when you calculate salaries, benefits and in-kind donations. Regent Damian Martinez asked how much in scholarships the Foundation gave out last year. Mr. Mulert asked to save this punch line for the end because he is building up to this. Mr. Mulert stated Eastern New Mexico invests \$2.5M into their Foundation, the College, Eastern invests about \$1.6M cash each year. The College invests about \$8,000 cash and the rest in salaries and benefits and the Foundation could not do it without it, there is no question about it. Eastern's endowment is somewhere between \$10M and \$12M and the College's is about \$3.5M. This year, in 2018, Eastern projects to give around \$400,000 in scholarships, Northern New Mexico's little Foundation is going to give about \$200,000 in scholarships. The ratio there is quite stunning. When Mr. Mulert came on board the Foundation was giving about \$85,000 in scholarships, last year the Foundation had \$175,000 on the table in grants and scholarships available to students. Mr. Mulert already sees about \$200,00, things happen between now and the fall but he thinks \$200,000 is conservative. Mr. Mulert thinks it is a pretty good return on the investment and the Foundation likes to think it does a lot with a little.

Regent Damian Martinez asked if the College invests \$300,000 in the Foundation on a yearly basis and out of that the students at the College got \$170,000. Mr. Mulert stated there was \$170,000 available to grant. Regent Damian Martinez asked how much was awarded. Mr. Mulert stated about \$165,000 or so. Regent Martinez stated so about \$170,000 was awarded. Regent Damian Martinez stated this year it will be the same investment and Mr. Mulert is anticipating awarding \$200,000. Mr. Mulert stated this is correct, it will probably be more than that. Regent Rhodes asked if most of the scholarship money is endowment based. Mr. Mulert stated it used to be, that used to be the case. The Foundation is looking at a conservative drop of the endowment at 4%. When Mr. Mulert came on board there were some issues and one of them was the corpus. For the first two years on board, Mr. Mulert drew very conservatively on 3% so the Foundation could let that corpus grow. The Foundation has done a really good job on that. This year Mr. Mulert is going to recommend a 4% draw and that will give the Foundation about \$63,000, this is not approved yet but he believes the Board will approve it. It will give the Foundation \$63,000 in general scholarships, about \$42,000 in mailing, there are three different major funds in the endowment, one is general which consists of 50-60 individual funds, one is one nursing scholarship - Maley Scholarship which is about \$1M and the Solar Engineering Research Academy Grant which is about \$830,000. The big difference maker in those numbers are the annuals, this has been the biggest change. This year, the Foundation anticipates \$43,000 in Grants and renewed annual scholarships and another 16 are already on the table for the new annual changes. That is about \$60,000 on the table for annual scholarships. There is also a proposal to take \$25,000 out of cash reserves and put them in the scholarship pool as well. Mr. Mulert asked Regent Rhodes if this answered his question. Regent Rhodes stated it does and he knows how Eastern does a lot of theirs and you can't keep a job like Regent Rhodes unless you know how everybody's foundation works. Mr. Mulert stated his numbers are coming from publicly available data and he

looks at the numbers and he knows there are different ways to crunch those numbers and they probably mean different things to each. Regent Rhodes stated it is not questioning how the Foundation does it, it is more of a curiosity because it depends on which particular institution at Eastern. When you get locked into an endowment and it can be problematic if all you have is endowed scholarships. Mr. Mulert stated absolutely, when he came on board, really the only thing that the Foundation was granting out was from the endowment and that is why they were around \$80,000 a year. One of the things the Foundation is doing is hustling to fundraise to get people to give annual money. The Foundation just received a \$20,000 for an endowment and you take 4% of \$20,000 a year from now that is not a game changer for the institution.

Mr. Mulert stated there are a couple of other things he would like to point out to the Board of Regents:

1. November 11th is the Foundation Gala.
2. August – NNMC Alumni Event
3. July – All scholars who receive scholarships will attend an informational event.
4. June – Awards made
5. April – Volunteers to read the personal statements and score the applicants
6. April 6 – deadline for scholarship applications
7. March 28 – workshop with LANL Foundation to talk to students as to how to make their case and provide application packet
8. CASE Conference - Mr. Mulert will be will be a speaker and representing Espanola in April.

Regent Rhodes asked if all scholarship programs go through the Foundation. Mr. Mulert stated they do not, there are a hand full of others, there are scholarship programs administered by other entities, Lottery Scholarship and Pearl Scholarship. Mr. Mulert stated the College is working on consolidating all scholarships. Regent Rhodes asked how many scholarship opportunities are not used. Mr. Mulert stated this project is marketed heavily. There are cases where the College is not able to give money away. On the Foundation side it is a minor percentage. Dr. Lopez stated in terms of the academic programs that offer scholarships, the ones in STEM, Biology and Engineering, those are very effective, they are NSF grants. The projects are completed on time. They were given five years and in five years they were all used. There was one program, an NSF program that provided scholarship for students in the STEM area who wanted to join a teacher education program, this one was not very successful. It is just too difficult because of the salary and it ended two years ago. STEM scholarships are quite successful and all the money is gone. Regent Rhodes stated sometimes schools have 100 scholarships and 20 applicants. He is glad students are using this it is a big deal. Mr. Mulert stated when he started, his goal was to ensure students applied and consistently there are about 100.

President Bailey stated when you look at the money that the Foundation has given to students and track it over the Terry era, the fact that the College has more now than doubled the annual money given out, President Bailey does not know of any other foundation that has that striking of improvement in three years. There is an intangible and this should be questioned, and the intangible is that Terry has been a bridgebuilder, a force for cohesion in the valley and that the College benefits from directly. In terms of a partnership, President Bailey considers himself, 50% of his job is fundraising. The College would not be in a position it is in without Terry.

Mr. Mulert stated one of the things he keeps close track of is time and effort and what it takes to run a Foundation, a nonprofit, with his own Board of Directors. Mr. Mulert stated it is unfortunate that he estimated only 18% of his time is devoted to direct fundraising. It really should be 70% of his time. The only reason for that is the reality of finance, Gala, office management, scholarship program, marketing, donor records and data management is huge, board management, College at large, urgent problems and alumni. All of this is on Mr. Mulert's shoulders and he is not complaining, he loves doing it all but 10% on the scholarship program, 18% of fundraising, 20% of his time is spent directly doing the finance just to make sure all the paperwork is done.

Mr. Mulert completed his presentation and returned during Public Input to provide the Board with the following information:

Mr. Mulert stated he wanted to get his budget to answer the Board of Regents questions. In FY18, the budget for the Foundation all in from the College \$173,808. That includes benefits, salaries, everything associated to the Foundation. Regent Damian Martinez asked if there are any in-kind services provided by the College. Mr. Mulert stated there are and they are not here. Evette Abeyta stated perhaps the space that is provided, utilities, advertising. Regent Damian Martinez asked if the brochure from the Foundation is paid for by the College. Mr. Mulert stated it is a shared expense between the Foundation and Marketing. The College gets more play out of the marketing than the Foundation. Regent Martinez asked if ads are sold. Mr. Mulert stated they are.

Regent Powers would like to characterize these last comments a follow on to the report of the Foundation update rather than a public input. Board President Powers thanked Mr. Mulert for the clarification it is a significant difference from the slag number given earlier of \$300,000. Mr. Mulert stated the reason he throws this number out there is because he takes the number the Foundation puts in and if somebody asks what it costs to run the Foundation, he puts the number together.

D. Tuition Status

President Bailey stated across the State a lot of the institutions are adopting tuition increases to battle uncertainty and other things. Here at the College, the faculty, staff, students and administration are united, and because the College has been so conservative, the College is in a position in which it is not recommending tuition increase for the Academic Year 18-19. However, President Bailey would like to put something on the table and this is something the College is looking at. The College's plan is to come to the Board of Regents in fall 2019 for a potential restructuring. The College is going to do analysis on two-tiered tuition as they include some key trade programs. Lastly, exploring the possibility of certain disciplines. It will be a more comprehensive package brought to the Board of Regents and the College needs to do more homework on this. The College will spend the next academic year doing this.

Board President Powers stated with respect to tuition and work that is going to be done, it did appear that what Board President Powers saw, UNM is doing something like this for their tuition proposal, they are charging differential for upper level courses and they had a general overall increase in their tuition but they also had specific targeted increases to offset costs in specific areas. This is a good direction and Board President Powers looks forward to getting results on this as soon as something is available.

President Bailey stated next month the College will bring a proposal for a senior discount and the idea is that for students at the College and the target is 55 or older, the idea is to give them a discount. There is already a statewide senior discount where it is 65 and older who can take a class at \$5 but when you add in fees for a class it is still \$200 per class. The proposal will be \$150 flat rate for anyone 55 or older for a course, tuition and fees included. Years and years ago when the College had 2300 students, 800 students were community members taking one class. Although the College has to be thoughtful of degree programs, because the College is here to serve the community, we should also be thoughtful about community members who want to take a class.

Regent Damian Martinez asked if what President Bailey is saying that if somebody is 55 or older and they want to get a degree if they come back to school that they would pay less so the College would reverse discriminate against young people. President Bailey stated the College is looking at it. The thought right now is it would be for an individual course. Regent Rhodes stated one of the problems that happened, really for the past four or five years for Higher Education, all the formula discussion got around how do you take care of the traditional student and really lost focus on lifelong learning and that does not mean 55 and older, it means you have a

friend who just wants to take one class, 20 years old, I have to take an accounting class because that is what I need for work. This is something the College has to step back and look at, how does the College serve these students and not lose them because of this process. Regent Rhodes applauds the facts the College is getting the degrees paired back but there is no discussion, in fact in a lot of ways if someone comes on campus and takes one class and they shouldn't be.

President Bailey stated he would like to give Sandy Krolick credit for being the champion of this, there is another social benefit to this. The College has a lot of community members who are being taken care of by their grandparents. It is a unique characteristic of life in Northern New Mexico and so the thought of a full-time student at Northern and that students grandmother taking a class with the College. There is a potential for a social dynamic to occur so that now the entire community starts to embrace a culture that embraces education. There is a potential benefit.

VIII. STAFF REPORTS

A. Vice President for Finance & Administration

Board President Powers asked President Bailey to explain why Ricky Bejarano, Vice President for Finance & Administration is not at the Board of Regents Meeting. President Bailey stated the College has make sure it has skills, knowledge, experience (SKE) and make sure everyone who serves the College in its fullest capacity and has SKE necessary to perform. This is done on the Academic area and has been demonstrated by accreditation, this all speaks to it. The College has to do it on the staff side, they must be educated for the rolls they play and it must be kept current. As demonstration of this, the Vice President is in a two-day workshop looking at everything from business management to procurement to RFPs.

Board President Powers stated with this being said, the Board of Regents has his items.

1. Audit(s) Update

Board President Powers stated regarding audits, the Gantt charts are sent out and he believes everyone is receiving it each month. There is significant progress that has been made and there are a couple of items on the list that are being done to comply with some of the findings that will be adopted by the Board of Regents. President Bailey stated the monthly statements, the College will take the recommendations from the Forensic Audit and Annual Audit and fold it back in and have a much bigger capture of this. The last Gantt chart showed about 74% complete. Once the College incorporates both of the new audit reports, it will go down significantly. President Bailey wanted to point something out, one is, and to be up front on it, President Bailey is putting his job on the line, this College is in a much better position than it was a year ago in terms of processes. This audit, through June 30th of last year, because of the embezzlement, they had to assume everything the College does is a risk. They did a far more thorough job of what has been done in the last decade. The good news on this is the College has a much better picture of where it is. The challenge is now the College has much more to do. What President Bailey wants is when the Board of Regents receives the April update and the Gant Chart, even though the optics show the College is sliding, it is embracing everything and creating a more comprehensive picture for everyone.

Regent Ortega asked if there is a deadline when everything has to be corrected by. President Bailey stated the deadline is the College's own internal deadline. The gauntlet President Bailey is laying down for the College is the College knew this was a multiyear fix and some of these processes had been in place for 10 or more years it takes a while to move that beast. The College will start the 2018 Audit in the next three months and President Bailey's goal would like to have it completed on time and being able to go to the legislature being able to demonstrate it is completing items. The auditors were very clear that they recognize we are in a better position than last year and it is going to take an additional 12-18 months to clear everything. The College is about 12-

18 months to have a potential clean report. Regent Rhodes stated some of the things are the College cannot correct (ex. late audits from four years ago.) Regent Rhodes asked if there is a time they can be fixed because at times it can be visually misleading. President Bailey stated there are findings in the audit that have already been corrected but because it went through June of last year, the College has to accept they are there. Regent Rhodes stated he just has a problem with those that are old. President Bailey stated there was one last year that may be recurring and it was that there was not a full complement of Regents. The College recognizes there are some things you cannot control.

Board President Powers stated one of the findings was the late audit and the College will fix that, that will not be a finding on the 2018 audit, absolutely. There are some of those things the College cannot do anything about because they occurred in the past and some take a number of cycles to move. They cannot be out in a year. The College is going to be working on it as diligently as it can and as soon as the College cycles through enough cycles to get it clean. Regent Rhodes stated there is a significant need for policy updates and it is better to know more of them now which is a good thing about having a thorough audit stating here are the things you need to fix instead of having ten and next year having ten more. If you are going to have to rewrite policies, lets rewrite policies.

President Bailey stated this is a good point and the College has to make sure the success of the institution has to make sure its success is not tied to a personality or a specific person in a specific job. The challenge is all the process improvements the College is making will be institutionalized and formalized with a thorough set of policies so that no matter whoever is in the job, there is a clear direction. Board President Powers stated unfortunately a small organization such as the College is more reliant on one, the College does not have a Vice President for Finance and three assistants. Some of the other schools may have a depth in the administration that allows them to seamlessly take over if somebody leaves, the College has more difficulty with this than some and it has to make up for it. Board President Powers stated he believes the audit team that came in this year came in and did the audit may have done a more thorough audit than he has seen in 35 years working with local governments. They did a great job of turning over all the stones and he thinks the College can feel pretty good about the fact that if there was something wrong in the way things were done, they found it and made recommendations on how to correct the issues.

President Bailey stated what he does not want to do it point blame at one person or organization. The College was challenged with the lack of awareness, with the complacency of the way things were done. There is no mistake, President Bailey owns it now, there is no looking to the past to try to explain it. It is President Bailey's and the institutions responsibility to move forward and they will.

2. Fiscal Watch Report

Regent Powers stated there was an Audit/Finance/Facilities Committee meeting last week and there was the report from the Vice President and to summarize it, the College is in good shape in terms of fund balance and cash balance, the College is pretty solid there. The reports are on pages 30-40.

Regent Damian Martinez moved to approve Fiscal Watch Report. Second – Regent Ortega. Board President Powers added that staff recommended the Board of Regents approve the Fiscal Watch Reports as presented. **Motion passed unanimously.**

Regent Rhodes asked if the College is where it should be percentage wise. President Bailey stated the LFC came out with their quarterly report and in terms of percentage, the College is in a strong financial position more than any. The LFC report should be put on the website for everyone.

3. Monthly budget Adjustment Requests (BARs)

Regent Powers stated there are only 3 BARs this month, fairly minimal and discussed in committee, everything in line and reasonable. Recommendation from staff to approve as presented.

Regent Damian Martinez moved to approve three BARs in packet for March. Second – Regent Ortega. Motion passed unanimously.

4. True Connect Update

President Bailey stated as a reminder to Board of Regents this is an initiative for a loan program. The purpose of it is to allow employees of the institution access to a loan program to remove themselves from the potential debt spirals and payday loans. Bernalillo County, City of Santa Fe, Rio Arriba County and several other institutions are implementing this. Legal Counsel addressed concerns and the recommendation out of the committee is that legal counsel and True Connect meet to create an amended contract to bring to the Board of Regents in April.

5. Waiver Authority

President Bailey stated there is a State Statute 2.42.2.9b (1) NMAC says that Lodging Expenses in excess of \$215.00 per night that the institution needs to clarify the waiver authority of this. The Auditors recommended this process be clarified and there is a resolution for the Board of Regents consideration and it would clarify the waiver authority. The President would be the waiver authority for faculty, staff and students. The President's travel would have to be approved by the President or Vice President of the Board of Regents. Board President Powers stated there is a copy of the proposed resolution in the Board packet.

Regent Damian Martinez stated he would suggest a change to the resolution (currently in the statute at \$215.00) per night, that authority for that cap on fees is the cap on s the New Mexico Administrative Code which isn't a statute, it implements a statute. For clarity, Regent Martinez would recommend the one word be changed to NMAC. Take out the word statute and change it to NMAC. Regent Rhodes stated this makes it correct. Board President Powers stated that was the idea that with this, it will allow for this number to track with the NMAC adjustments and this does occur on a regular basis.

Regent Damian Martinez would move to approve the Waiver Authority Resolution with the change. Second – Regent Rhodes. Motion passed unanimously. Approved unanimously 5-0.

Regent Powers stated this is one of those things, we are moving, things like this where the College can move quickly and make adjustments to identified problems, the Board of Regents do so. Things like this are not out yet and the Board of Regents is making improvements.

IX. PUBLIC INPUT

None.

X. EXECUTIVE SESSION

The Board of Regents took a break at 9:27AM and reconvened at 9:40AM.

Regent Damian Martinez moved to go into Executive Session to discuss matters under NMSA 1978 Section 10-15-1(h) 2, 5 7 and 8 which includes limited personnel matters, collective bargaining strategies and real estate issues as listed in the Agenda. Second – Regent Ortega. Roll Call Vote – Regent Damian Martinez – yes, Regent Rhodes – yes, Regent Powers – yes, Regent Ortega – yes, Regent Joshua Martinez – yes. All agreed. Motion carries.

The Board of Regents entered into Executive Session at 9:40AM.

XI. POSSIBLE ACTION PERTAINING TO EXECUTIVE SESSION DISCUSSION

Regent Martinez moved to return from Executive Session and affirmatively state only those matters listed in Agenda discussed. Second – Chris Ortega. Roll Call Vote – Regent Damian Martinez – yes, Regent Powers – yes, Regent Ortega. Motion carries unanimously.

Regent Powers stated the meeting was a meeting of attrition, the Board of Regents lost two members who had to leave for other commitments. Regent Joshua Martinez left at 11:30AM and Regent Rhodes left at 12:15PM.

Regent Damian Martinez asked when the next meeting is set – April 24th. Regent Damian Martinez stated he has trial that week so he is out of pocket 16th through the 27th. Regent Damian Martinez asked when it needs to be turned in. Board President Powers stated it is May 1, 2018. Regent Damian Martinez stated April 12th might work by telephone. If Regent Damian Martinez gets preliminary budget he could let the Board of Regents know what his positions are. Regent Damian Martinez stated he is not so concerned because there is a full Board of Regents. Regent Powers stated there may need to be a finance committee and/or a board workshop. Regent Damian Martinez would not have to be there in person. There may be some significant changes. Regent Damian Martinez stated this does not stop the President or Vice President from calling Regent Damian Martinez. Regent Powers stated the date will be figured out. Regent Powers stated the next Regular Board Meeting will be May 10th. The HEP Ceremony will be that evening in Espanola. President Bailey stated one thing to consider is a barbecue at 11:30AM or so, have the meeting and return to Espanola.

X. ADJOURNMENT

Regent Damian Martinez moved to adjourn. Second – Regent Ortega. Motion carried unanimously. The Board of Regents Meeting adjourned at 1:19PM.

APPROVED:

Kevin F. Powers, Board President

Dr. Robert Rhodes, Vice President



MEMORANDUM

To: Northern New Mexico College Board of Regents
From: Richard J. Bailey, Jr., President
Date: April 24, 2018
Re: Energy Audit IGA Contract

Issue

The NNMC Board of Regents has already approved partnering with Ameresco to conduct an investment grade audit (IGA) regarding utility usage for both campuses. The attached contract is presented for your information. It has already completed legal review. I will be signing on behalf of the College but wanted the Board of Regents to have a chance to review the contract.

Recommendation

None.

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AGREEMENT
FOR
INVESTMENT-GRADE ENERGY AUDIT AND PROJECT PROPOSAL

THIS AGREEMENT is made and entered into by and between Northern New Mexico College (hereinafter "NNMC"), an institution of higher education as set forth in Article XII of the New Mexico Constitution, NNMC and AMERESCO, INC, (hereinafte "Contractor") and is effective as of the last date this Agreement is signed by the Parties subject to Paragraph 3 "Term" of this Agreement.

RECITALS

WHEREAS, this Agreement was created for use by New Mexico government entities to obtain an Investment-Grade Energy Audit of a facility from a private energy service company contractor;

WHEREAS, New Mexico law authorizes NNMC to enter into this contract, and funds have been budgeted, appropriated and otherwise made available; a sufficient unencumbered balance thereof remains available for payment; and the required approval, clearance and coordination have been accomplished from and with appropriate agencies;

WHEREAS, Contractor is a company with experience and technical and management capabilities to provide for the discovery, engineering, procurement, installation, financing, savings guarantee, maintenance and monitoring of energy and water conserving measures at facilities similar in size, function and system type to NNMC's facilities;

WHEREAS, Contractor has submitted a proposal, in response to NNMC's Request for Proposals (RFP), pertaining to the discovery, engineering, procurement, installation, financing, savings guarantee, maintenance and monitoring of energy and water conserving measures at NNMC's facilities;

WHEREAS, NNMC has selected Contractor to provide the services described herein;

WHEREAS, NNMC desires to enter into an agreement to have Contractor perform an Investment-Grade Energy Audit and Project Proposal to determine the feasibility of entering into an Guaranteed Utility Savings Contract to provide for installation and implementation of energy and water conserving measures at NNMC's facilities; and

WHEREAS, if energy and water conserving measures are determined to be feasible, and if the amount of savings can be reasonably sufficient to cover all costs, as defined by NNMC, associated with an Energy Savings Performance Contracting project, the parties intend to negotiate a Guaranteed Utility Savings Contract under which the Contractor will design, procure, install, implement, maintain and monitor such energy and water conserving measures. However, this intent does not commit NNMC to entering into such a Guaranteed Utility Savings Contract.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, NNMC and Contractor hereto covenant and agree that the following Exhibits are attached hereto (or will be, as provided in this Agreement) and are made a part of this Agreement by reference.

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IT IS AGREED BETWEEN THE PARTIES:

1. **Scope of Work.**

Contractor shall:

A. Perform an Investment-Grade Energy Audit (Audit) in accordance with this Agreement. Contractor shall work diligently to assess validity of information provided and to confirm or correct the information as needed to provide a complete and accurate Audit. NNMC will assist Contractor in performing the Audit as described in this Agreement. NNMC will work diligently to provide full and accurate information needed by Contractor for the Audit. The parties contemplate that development of the Audit will be an interactive process. NNMC will have a reasonable amount of time ---not less than 30 calendar days, but not exceeding 60 or such other period as may be mutually agreed upon --- from its receipt of the Audit report, to review and determine acceptance of Audit report. If the audit report is acceptable, NNMC will issue a Notice of Acceptance (Exhibit A).

B. Submit a Project Proposal (Proposal) to NNMC within 30 calendar days of the Audit report submittal that provides a package of energy and water conserving measures, including details as specified in this Agreement.

C. Conduct an assessment, which includes but is not limited to:

(a) Meeting with NNMC to establish interests, plans, problems, and any other issues related to facilities and operation of facilities.

(b) Collecting data and background information on buildings, equipment and facilities operation and energy use for the most recent three years from the effective date of this Contract as follows:

- (1) Building square footage;
- (2) Construction data of buildings and major additions including building envelope;
- (3) Utility company invoices;
- (4) Occupancy and usage information;
- (5) Description of all energy-consuming or energy-saving equipment used on the premises, as available;
- (6) Description of energy management procedures utilized on the premises;
- (7) Description of any energy-related improvements made or currently being implemented;
- (8) Description of any changes in the structure of the facility or energy-using or water-using equipment;
- (9) Description of future plans regarding building modifications or equipment modifications and replacements;
- (10) Drawings, as available (may include mechanical, plumbing, electrical, building automation and temperature controls, structural, architectural, modifications and remodels);
- (11) Original construction submittals and factory data (specifications, pump curves, and any similar documentation), as available;
- (12) Operating engineer logs, maintenance work orders, and any similar documentation, as available;

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- (13) Records of maintenance expenditures on energy-using equipment, including service contracts;
- (14) Prior energy audits or studies, if any.
- (c) Performing a preliminary walk-through of facilities and interviewing staff and occupants to identify potential measures.
Meeting with NNMC to present preliminary findings and establish agreement on measures to analyze.

II. Identify potential measures.

- (d) Interviewing the facility manager, maintenance staff, subcontractors and occupants of each building regarding:
 - (1) Facility operation, including energy management procedures;
 - (2) Equipment maintenance problems;
 - (3) Comfort problems and requirements;
 - (4) Equipment reliability;
 - (5) Projected equipment needs;
 - (6) Occupancy and use schedules for the facility and specific equipment;
 - (7) Past, planned, and desired facility improvements.
- (e) Surveying major energy-using equipment, including indoor and outdoor lighting, heating and heat distribution systems, cooling systems and related equipment, automatic temperature control systems and equipment, air distribution systems and equipment, outdoor ventilation systems and equipment, exhaust systems and equipment, hot water systems, electric motors, transmission and drive systems, special systems (including kitchen/dining equipment), renewable energy systems, other energy using systems, and water consuming systems (restroom fixtures, water fountains, irrigation systems, and other water systems).
 - (1) Verify settings of control systems that include computer controls systems and building thermostats;
 - (2) Measure lighting levels at various locations in a building to determine if recommended lighting levels exist;
 - (3) Inspect filters for heating and cooling systems to determine the status of maintenance activities;
 - (4) Consider maintenance staff and occupant concerns related to heating, cooling, and lighting.
- (f) Performing "late-night" surveys outside of normal business hours or on weekends to confirm building system and occupancy schedules, if deemed necessary.
- (g) Developing a preliminary list of potential energy and water conserving measures. Consider the following for each system:
 - (1) Comfort and maintenance problems;
 - (2) Energy use, loads, proper sizing, efficiencies and hours of operation;
 - (3) Current operating condition;
 - (4) Remaining useful life;
 - (5) Feasibility of system replacement;
 - (6) Hazardous materials and other environmental concerns;
 - (7) NNMC's future plans for equipment replacement or building renovations;

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- (8) Facility operation and maintenance procedures that could be affected;
- (9) Capability to monitor energy performance and verify savings.

III. Analysis measures.

(a) Establishing base year consumption by examining utility bills for the past three years for electricity, gas, steam, water, and any other energy or fuel types.

(b) Presenting base year consumption in terms of energy units as used in utility bills, in terms of dollars, and in terms of dollars per square foot.

(c) Describing the process used to determine the base year (such as averaging, selecting most representative contiguous 12 months, or other methods).

(d) Consulting with facility personnel to account for any anomalous schedule or operating conditions on billings that could skew the base year representation. (NOTE: Contractor shall account for periods of time when equipment was broken or malfunctioning in calculating the base year.)

(e) Estimating loading, usage and/or hours of operation for all major end uses of total facility consumption including, but not limited to: lighting, heating, cooling, motors (fans and pumps), plug loads, and other major energy and water using equipment. Where loading or usage are highly uncertain (including variable loads such as cooling), Contractor will use its best judgment, spot measurements or short-term monitoring. Contractor should not assume that equipment run hours equal the operating hours of the building(s) or facility staff estimates.

(f) Reconciling annual end-use estimated consumption with the annual base year consumption. This reconciliation will place reasonable "real-world" limits on potential savings.

(g) Proposing adjustments to the baseline for energy and water conserving measures that will be implemented in the future. Adjustments made to the energy baseline shall only be made for any of the following changes in conditions affecting the facility:

- (1) utility rates;
- (2) number of days in the utility billing cycle;
- (3) floor area of the facility;
- (4) operational schedule of the facility;
- (5) facility temperature;
- (6) weather, if change is significant;
- (7) amount of equipment or lighting used in the facility, if change is significant;
- (8) space type(s) in the facility, if change is significant; and
- (9) material change(s) in or to the facility.

(h) Developing a preliminary analysis of potential energy and water conserving measures. This resulting list of measures shall be compiled and submitted to NNMC within 120 calendar days of the execution of this Contract and receipt of 36 months of complete utility billing history for all metered accounts serving the facilities. Furthermore:

- (1) List all potential measures, whether cost-effective or not. Consider technologies in a comprehensive approach including, but not limited to: lighting systems, heating/ventilating/air conditioning equipment and distribution systems, controls systems, building envelope, motors, kitchen equipment, pools,

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- renewable energy systems, other special equipment, irrigation systems, and water conserving devices.
- (2) Identify measures which appear likely to be cost effective and therefore warrant detailed analysis.
 - (3) For each measure, prepare a preliminary estimate of energy or water cost savings, including description of analysis methodology, supporting calculations and assumptions used to estimate savings.
- (i) Meeting with NNMC to present preliminary findings prior to thorough analysis. Describing how the projected project economics meet the NNMC's terms for completing the Investment-Grade Energy Audit and Proposal Contract.
- (1) Discuss assessment of energy use, savings potential, project opportunities, and potential for developing an energy performance contract.
 - (2) Develop a list of recommended measures for further analysis. The NNMC shall have the option to reject calculations of savings, potential savings allowed, or project recommendations.
- (j) Performing final analysis of savings and costs for each energy and water conserving measure, including the following:
- (1) Follow the methodology of American Society of Heating, Refrigerating, and Air-Conditioning Engineers or other nationally-recognized authority following the engineering principle(s) identified for each retrofit option.
 - (2) Utilize assumptions, projections and baselines which best represent the true value of future energy or operational savings. Include accurate marginal costs for each unit of savings at the time the audit is performed, documentation of material and labor cost savings, adjustments to the baseline to reflect current conditions at the facility, calculations which account for the interactive effects of the recommended measures.
 - (3) Use best judgment regarding the employment of instrumentation and recording durations so as to achieve an accurate and faithful characterization of energy use.
 - (4) Use markups and fees stated above in all cost estimates.
 - (5) Develop a preliminary measurement and verification plan for each measure.
 - (6) Follow additional guidelines for analysis and report preparation given below.
 - (7) At the direction of NNMC, include cost to provide services and complete application for Energy Star Label, LEED-EB certification for Existing Buildings, or other certification. Also include cost for EPA's Tools for Schools or other such program related to improved air quality.

IV. Provide Investment-Grade Energy Audit Report

The report provides an engineering and economic basis for negotiating a potential Guaranteed Utility Savings Contract between NNMC and the Contractor.

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(a) Contractor shall prepare and submit to NNMC a draft Investment-Grade Energy Audit Report within 240 calendar days of the date of execution of this Contract. The report shall provide the following information:

- (1) Overview, which shall include:
 - i) Contact information;
 - ii) Summary table of recommended energy and water conserving measures, with itemization for each measure of total design and construction cost, annual maintenance costs, the first-year cost avoidance (in dollars and energy units), simple payback and equipment service life;
 - iii) Summary of annual energy and water use by fuel type and costs of existing or base year condition;
 - iv) Calculation of cost savings expected if all recommended measures are implemented and total percentage savings of total facility energy cost;
 - v) Description of the existing facility, mechanical and electrical systems;
 - vi) Summary description of measures, including estimated costs and savings for each as detailed above;
 - vii) Discussion of measures considered but not investigated in detail;
 - viii) Conclusions and recommendations.
- (2) Base year energy use, which shall include:
 - i) Description and itemization of current billing rates, including schedules and riders;
 - ii) Summary of all utility bills for all fuel types and water;
 - iii) Identification and definition of base year consumption and description of how established;
 - iv) Reconciliation of estimated end use consumption (i.e. lighting, cooling, heating, fans, plug loads, etc.) with base year (include discussion of any unusual findings).
- (3) Full written description of each energy and water conserving measure, which shall include:
 - i) Existing conditions;
 - ii) Description of equipment to be installed and how it will function;
 - iii) Discussion of facility operations and maintenance procedures that will be affected by installation/implementation;
 - iv) Plan for installing or implementing the recommended measure.
- (4) Allowable cost and savings factors approved for consideration. NNMC will provide Contractor with sufficient guidance to develop savings estimates, which shall include:
 - i) Payment sources that can be incorporated:
 - Energy and water cost savings;

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- Material/commodity savings, including scheduled replacement of parts (only for years that these cost savings are applicable);
 - Outside labor cost savings, including maintenance contracts;
 - In-house labor costs;
 - Deferred maintenance cost;
 - Offset of future capital cost;
 - Outside incentive funds (utility incentives, grants, etc.);
 - Any savings related to maintenance and operation of the facilities will be limited to those that can be thoroughly documented;
- ii) Payment sources that may also be considered and negotiated;
- iii) Additional factors related to establishing savings that cover all costs:
- Escalation rates that apply to each payment source. These are rates to be used in cash flow projections for project development purposes; (*NOTE: Use federal government guidelines on utility escalation rates to ensure reasonableness.*)
 - Interest rates (municipal tax-exempt rates for public agencies);
 - NNMC cash outlay (NNMC's sole discretion);
- iv) The markup costs are presented in Exhibit B: Cost and Pricing. These rates will be used in the Investment-Grade Energy Audit and subsequent Guaranteed Utility Savings Contract.
- (e) Savings calculations
- (1) Base year energy use and cost;
 - (2) Post-retrofit energy use and cost;
 - (3) Savings estimates including analysis methodology, supporting calculations and assumptions used;
 - (4) Annual savings estimates. The cost savings for all energy conserving measures must be estimated for each year during the contract period. Savings must be able to be achieved each year (cannot report average annual savings over the term of the contract);
 - (5) Savings estimates must be limited to savings allowed by the NNMC as described above;
 - (6) Percent cost-avoidance projected;
 - (7) Description and calculations for any proposed rate changes;
 - (8) Explanation of how savings interactions between retrofit options are accounted for in calculations;

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- (9) Operation and maintenance savings, including detailed calculations and description. Ensure that maintenance savings are only applied in the applicable years and only during the lifetime of the particular equipment;
- (10) If computer simulation is used, include a short description and state key input data. If requested by NNMC, access will be provided to the program and all assumptions and inputs used, and/or printouts shall be provided of all input files and important output files and included in the Investment-Grade Energy Audit with documentation that explains how the final savings figures are derived from the simulation program output printouts.
- (11) If manual calculations are employed, formulas, assumptions and key data shall be stated.
- (12) Conclusions, observations, and caveats.

(f) Cost estimate -- detailed scope of the construction work needed, suitable for cost estimating. Include all anticipated costs associated with installation and implementation. Provide specifications for major mechanical components as well as detailed lighting and water fixture counts. NNMC acknowledges that the price for the Project is based on the market cost as of the date of the Audit Report, for steel, copper and similar raw materials incorporated into equipment and material used for the Project. Price increases for such equipment and materials after the Audit Report was issued may either result in a project price increase or a corresponding decrease in the project size.

- (1) Engineering/design costs;
- (2) Contractor/vendor estimates for labor, materials, and equipment; include special provisions, overtime, etc., as needed to accomplish the work with minimum disruption to the operations of the facilities;
- (3) Permit costs;
- (4) Construction management fees;
- (5) Environmental costs or benefits (disposal, avoided emissions, handling of hazardous materials, etc.);
(NOTE: All markups and fees stated in this Contract shall be used in the cost estimates, unless otherwise documented and justified due to change in scope or size of project or other unforeseen circumstances.)
- (6) Conclusions, observations, and caveats;
- (7) Other cost categories as defined above under "markups" in Section 3b above.

(g) Other

- (1) Estimate of average useful service life of equipment;
- (2) Preliminary commissioning plan;
- (3) Preliminary measurement and verification plan, following the International Performance Measurement and Verification Protocol (IPMVP), explaining how savings from each measure is to be measured and verified (stipulated by Contract, utility bill analysis, end-use measurement and calculation, etc.). The

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- Preliminary M&V plan shall follow the format provided in Exhibit C: Guidelines for Draft Measurement and Verification Plan;
- (4) Discussion of impacts that facility would incur after contract ends. Consider operation and maintenance impacts, staffing impacts, budget impacts, etc., and identify who is responsible for maintenance;
 - (5) Compatibility with existing systems;
(NOTE: Include the name of the existing controls system if new controls systems will have to be compatible with an existing brand of controls. Also note if a sole-source vendor is established for controls systems.)
 - (6) Complete appendices that document the data used to prepare the analyses. Describe how data were collected.

(b) Contractor shall meet with NNMC to: review the recommendations, savings calculations and impact of the measures on the operations of the facility; describe how the projected project economics meet NNMC's terms for completing the Investment-Grade Energy Audit and Project Proposal; and discuss the willingness and capability of NNMC to make capital contributions to the project to improve the economics of the overall project.

(c) Contractor shall revise the Audit Report to reflect the measures to be installed in a Guaranteed Utility Savings Contract as directed by NNMC and shall submit **final Investment-Grade Energy Audit Report** within thirty (30) days of the above meeting.

V. Provide Project Proposal (term sheet).

(a) In anticipation of Contractor and NNMC entering into an Guaranteed Utility Savings Contract to design, install, and monitor the energy and water conserving measures proposed in the Investment-Grade Energy Audit Report, Contractor shall prepare a proposal for terms to be incorporated in the Guaranteed Utility Savings Contract, which shall include:

- (1) Project Cost is the total amount NNMC will pay for the project and Contractor's services. Costs must be consistent with maximum markups and fees established above. Costs may include but are not limited to: engineering, designing, packaging, procuring, installing (from Investment-Grade Energy Audit Report results); performance/payment bond costs; construction management fees; commissioning costs; maintenance fees; monitoring fees; training fees; legal services; overhead and profit; and other markups;
- (2) Include a List of Services that will be provided as related to each cost;
- (3) Expected term of the Energy Performance Contract;
- (4) Description of how the project will be financed including available interest rates and financing terms, based on interest rates likely available to NNMC at this time, and based on a 60-day and 90-day lock option;

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- (5) Explanation of how the savings will be calculated and adjusted due to weather (such as heating and cooling degree days), occupancy or other factors. Monitoring and verification methods must be consistent with the International Performance Monitoring and Verification Protocol 2010;
- (6) Analysis of annual cash flow for NNMC during the contract term;
- (7) Contractor agrees to meet with NNMC to present results and negotiate final terms.

(b) Services will be performed at NNMC campuses in Espanola, NM and El Rito, NM and various Ameresco, Inc. business locations.

2. Compensation.

A. Except as provided for in subparagraphs 2D and 2E below, NNMC shall pay to the Contractor in full payment for services satisfactorily performed pursuant to the Scope of Work at the rate of Sixty Six Thousand Eight Hundred and Thirty Two dollars (\$66,832). The New Mexico gross receipts tax levied on the amounts payable under this Agreement totaling _____ dollars (\$_____) shall be paid by the NNMC to the Contractor. **The total amount payable to the Contractor under this Agreement, including gross receipts tax and expenses, shall not exceed _____ dollars (\$_____).**

B. This amount is a maximum and not a guarantee that the work assigned to the Contractor under this Agreement to be performed shall equal the amount stated herein. This amount is based on a maximum of 477,376 gross square feet at fourteen cents (\$0.14) per square foot of audited facility floor area, as per Exhibit B, Cost and Pricing. NNMC shall only pay for facility floor area actually audited. Areas not audited by Contractor will not be charged to NNMC. The New Mexico gross receipts tax levied on the amounts payable under this Agreement was calculated at _____%.

C. Contractor must submit a detailed statement accounting for all services performed and expenses incurred. If NNMC finds that the services are not acceptable, within thirty days after the date of receipt of written notice from the Contractor that payment is requested, it shall provide the Contractor a letter of exception explaining the defect or objection to the services, and outlining steps the Contractor may take to provide remedial action. Upon certification by NNMC that the services have been received and accepted, payment shall be tendered to the Contractor within thirty days after the date of acceptance. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. However, NNMC shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein.

D. NNMC shall have no payment obligations under this contract, provided that Contractor and NNMC execute a Guaranteed Utility Savings Contract within 90 days *[allows sufficient time for contract negotiation, attorney review, and NNMC processing days]* after issuance of the Notice of Acceptance (Exhibit A) of the final Investment-Grade Energy Audit and Project Proposal. Instead, the fee indicated above in Paragraph A shall be incorporated into Contractor's project costs in the Guaranteed Utility Savings Contract and paid through the

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Guaranteed Utility Savings Contract funding mechanisms. NNMC agrees to pay the amount shown in paragraph A within 30 days if NNMC chooses not to enter into a Guaranteed Utility Savings Contract.

E. NNMC shall have no payment obligations under this Contract in the event that Contractor's final Investment-Grade Energy Audit and Project Proposal does not contain a package of energy and water conservation measures which, if implemented and as meeting terms of Scope of Work, will provide NNMC with utility cost savings sufficient to fund NNMC's payments of all costs and fees associated with the Guaranteed Utility Savings Contract, including: 1) the fee associated with the Investment-Grade Energy Audit; 2) all monthly payments on a lease purchase agreement to finance the measures; and 3) any annual fees for monitoring and maintenance incurred by the Contractor. Should the Contractor determine at any time during the Investment-Grade Energy Audit that savings cannot be attained to meet these terms, the Investment-Grade Energy Audit will be terminated by written notice by Contractor to NNMC. In this event, this Agreement shall be terminated and NNMC shall have no obligation to pay, in whole or in part, the amounts specified in subparagraphs 2A or 2B.

F. The Contractor does not assume responsibility to NNMC or the State of New Mexico for the anticipated energy savings projected in the Audit if NNMC selects another firm for the design and implementation of the energy conservation measures or chooses to implement the energy conservation with its own forces.

3. Term.

THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED IN WRITING BY NNMC. This Agreement shall begin on date approved by NNMC. NNMC reserves the right to renew the contract on an annual basis by mutual Agreement not exceed a total of **four (4)** years in accordance with NMSA 1978 §13-1-150.

4. Termination.

A. Grounds. NNMC may terminate this Agreement for convenience or cause. The Contractor may only terminate this Agreement based upon the NNMC's uncured, material breach of this Agreement.

B. Notice; NNMC Opportunity to Cure.

1. Except as otherwise provided in Paragraph (4)(B)(3), NNMC shall give Contractor written notice of termination at least thirty (30) days prior to the intended date of termination.

2. Contractor shall give NNMC written notice of termination at least thirty (30) days prior to the intended date of termination, which notice shall (i) identify all NNMC's material breaches of this Agreement upon which the termination is based and (ii) state what NNMC must do to cure such material breaches. Contractor's notice of termination shall only be effective (i) if NNMC does not cure all material breaches within the thirty (30) day notice period or (ii) in the case of material breaches that cannot be cured within thirty (30) days, NNMC does not, within the thirty (30) day notice period, notify the Contractor of its intent to cure and begin

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with due diligence to cure the material breach.

3. Notwithstanding the foregoing, this Agreement may be terminated immediately upon written notice to the Contractor (i) if the Contractor becomes unable to perform the services contracted for, as determined by NNMC; (ii) if, during the term of this Agreement, the Contractor is suspended or debarred by the State Purchasing Agent; or (iii) the Agreement is terminated pursuant to Paragraph 5, "Appropriations", of this Agreement.

C. Liability. Except as otherwise expressly allowed or provided under this Agreement, NNMC's sole liability upon termination shall be to pay for acceptable work performed prior to the Contractor's receipt or issuance of a notice of termination; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Agreement. The Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE NNMC'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE CONTRACTOR'S DEFAULT/BREACH OF THIS AGREEMENT.

D. Termination Management. Immediately upon receipt by either NNMC or the Contractor of notice of termination of this Agreement, the Contractor shall: 1) not incur any further obligations for salaries, services or any other expenditure of funds under this Agreement without written approval of NNMC; 2) comply with all directives issued by NNMC in the notice of termination as to the performance of work under this Agreement; and 3) take such action as NNMC shall direct for the protection, preservation, retention or transfer of all property titled to NNMC and records generated under this Agreement. Any non-expendable personal property or equipment provided to or purchased by the Contractor with contract funds shall become property of NNMC upon termination and shall be submitted to NNMC as soon as practicable.

5. Appropriations.

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Legislature, this Agreement shall terminate immediately upon written notice being given by the NNMC to the Contractor. NNMC's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. If NNMC proposes an amendment to the Agreement to unilaterally reduce funding, the Contractor shall have the option to terminate the Agreement or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

6. Status of Contractor.

The Contractor, and Contractor's agents and employees, are independent Contractors for NNMC and are not employees of the State of New Mexico. The Contractor, and Contractor's agents and employees, shall not accrue leave, retirement, insurance, bonding, use of state vehicles, or any other benefits afforded to employees of the State of New Mexico as a result of this Agreement.

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The Contractor acknowledges that all sums received hereunder are personally reportable by the Contractor for income tax purposes, including without limitation, self-employment tax and business income tax. The Contractor agrees not to purport to bind the State of New Mexico unless the Contractor has written authority to do so, and then only within the strict limits of that authority.

7. Assignment.

The Contractor or NNMC shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the prior written approval of NNMC.

8. Subcontracting.

The Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of NNMC which will not be unreasonably withheld. No such subcontract shall relieve the primary Contractor from its obligations and liabilities under this Agreement, nor shall any subcontract obligate direct payment from NNMC.

9. Release.

Final payment of the amounts due under this Agreement shall operate as a release of NNMC, its officers and employees, and the State of New Mexico from all liabilities, claims and obligations whatsoever arising from or under this Agreement.

10. Confidentiality.

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of NNMC.

11. Product of Service -- Copyright.

All materials developed or acquired by the Contractor under this Agreement shall become the property of the State of New Mexico and shall be delivered to NNMC no later than the termination date of this Agreement. Nothing developed or produced, in whole or in part, by the Contractor under this Agreement shall be the subject of an application for copyright or other claim of ownership by or on behalf of the Contractor.

12. Conflict of Interest; Governmental Conduct Act.

A. The Contractor represents and warrants that it presently has no interest and, during the term of this Agreement, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Agreement.

B. The Contractor further represents and warrants that it has complied with, and, during the term of this Agreement, will continue to comply with, and that this Agreement complies with all applicable provisions of the Governmental Conduct Act, Chapter 10, Article 16 NMSA 1978. Without in anyway limiting the generality of the foregoing, the Contractor specifically represents and warrants that:

March 14, 2018

1) in accordance with NMSA 1978, § 10-16-4.3, the Contractor does not employ, has not employed, and will not employ during the term of this Agreement any NNMC employee while such employee was or is employed by the NNMC and participating directly or indirectly in NNMC's contracting process;

2) this Agreement complies with NMSA 1978, § 10-16-7(A) because (i) the Contractor is not a public officer or employee of the State; (ii) the Contractor is not a member of the family of a public officer or employee of the State; (iii) the Contractor is not a business in which a public officer or employee or the family of a public officer or employee has a substantial interest; or (iv) if the Contractor is a public officer or employee of the State, a member of the family of a public officer or employee of the State, or a business in which a public officer or employee of the State or the family of a public officer or employee of the State has a substantial interest, public notice was given as required by NMSA 1978, § 10-16-7(A) and this Agreement was awarded pursuant to a competitive process;

3) in accordance with NMSA 1978, § 10-16-8(A), (i) the Contractor is not, and has not been represented by, a person who has been a public officer or employee of the State within the preceding year and whose official act directly resulted in this Agreement and (ii) the Contractor is not, and has not been assisted in any way regarding this transaction by, a former public officer or employee of the State whose official act, while in State employment, directly resulted in NNMC's making this Agreement;

4) this Agreement complies with NMSA 1978, § 10-16-9(A) because (i) the Contractor is not a legislator; (ii) the Contractor is not a member of a legislator's family; (iii) the Contractor is not a business in which a legislator or a legislator's family has a substantial interest; or (iv) if the Contractor is a legislator, a member of a legislator's family, or a business in which a legislator or a legislator's family has a substantial interest, disclosure has been made as required by NMSA 1978, § 10-16-7(A), this Agreement is not a sole source or small purchase contract, and this Agreement was awarded in accordance with the provisions of the Procurement Code;

5) in accordance with NMSA 1978, § 10-16-13, the Contractor has not directly participated in the preparation of specifications, qualifications or evaluation criteria for this Agreement or any procurement related to this Agreement; and

6) in accordance with NMSA 1978, § 10-16-3 and § 10-16-13.3, the Contractor has not contributed, and during the term of this Agreement shall not contribute, anything of value to a public officer or employee of NNMC.

C. Contractor's representations and warranties in Paragraphs A and B of this Article 12 are material representations of fact upon which NNMC relied when this Agreement was entered into by the parties. Contractor shall provide immediate written notice to NNMC if, at any time during the term of this Agreement, Contractor learns that Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances. If it is later determined that Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to NNMC and

March 14, 2018

notwithstanding anything in the Agreement to the contrary, NNMC may immediately terminate the Agreement.

D. All terms defined in the Governmental Conduct Act have the same meaning in this Article 12(B).

13. Amendment.

A. This Agreement shall not be altered, changed or amended except by instrument in writing executed by the parties hereto and all other required signatories.

B. If NNMC proposes an amendment to the Agreement to unilaterally reduce funding due to budget or other considerations, the Contractor shall, within thirty (30) days of receipt of the proposed Amendment, have the option to terminate the Agreement, pursuant to the termination provisions as set forth in Article 4 herein, or to agree to the reduced funding.

14. Merger.

This Agreement incorporates all the Agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, Agreements and understandings have been merged into this written Agreement. No prior Agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

15. Penalties for violation of law.

The Procurement Code, NMSA 1978 §§ 13-1-28 through 13-1-199, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities and kickbacks.

16. Equal Opportunity Compliance.

The Contractor agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Contractor assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If Contractor is found not to be in compliance with these requirements during the life of this Agreement, Contractor agrees to take appropriate steps to correct these deficiencies.

17. Applicable Law.

The laws of the State of New Mexico shall govern this Agreement, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, § 38-3-1 (G). By execution of this Agreement,

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Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

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18. Workers Compensation.

The Contractor agrees to comply with state laws and rules applicable to workers compensation benefits for its employees. If the Contractor fails to comply with the Workers Compensation Act and applicable rules when required to do so, this Agreement may be terminated by NNMC.

19. Records and Financial Audit.

The Contractor shall maintain detailed time and expenditure records that indicate the date; time, nature and cost of services rendered during the Agreement's term and effect and retain them for a period of three (3) years from the date of final payment under this Agreement. The records shall be subject to inspection by NNMC, the Department of Finance and Administration and the State Auditor. NNMC shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose the right of the NNMC to recover excessive or illegal payments.

20. Indemnification.

The Contractor shall defend, indemnify and hold harmless NNMC and the State of New Mexico from all actions, proceeding, claims, demands, costs, damages, attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of the performance of this Agreement, caused by the negligent act or failure to act of the Contractor, its officers, employees, servants, subcontractors or agents, or if caused by the actions of any client of the Contractor resulting in injury or damage to persons or property during the time when the Contractor or any officer, agent, employee, servant or subcontractor thereof has or is performing services pursuant to this Agreement. In the event that any action, suit or proceeding related to the services performed by the Contractor or any officer, agent, employee, servant or subcontractor under this Agreement is brought against the Contractor, the Contractor shall, as soon as practicable but no later than two (2) days after it receives notice thereof, notify the legal counsel of NNMC and the Risk Management Division of the New Mexico General Services Department by certified mail. In no event shall the Contractor be liable for any special, consequential, incidental, punitive, exemplary or indirect damages in tort, contract or otherwise, including, without limitation, loss of profits, loss of use of the property, or business interruption, unless caused by any reckless or negligent acts of the Contractor and its employees and agents in connection with this Agreement.

21. New Mexico Employees Health Coverage.

A. If Contractor has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Contractor certifies, by signing this agreement, to have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$250,000 dollars.

B. Contractor agrees to maintain a record of the number of employees who have (a) accepted health insurance; (b) declined health insurance due to other health insurance coverage already in place; or (c) declined health insurance for other reasons. These records are subject to

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review and audit by a representative of the state.

C. Contractor agrees to advise all employees of the availability of State publicly financed health care coverage programs by providing each employee with, as a minimum, the following web site link to additional information: <http://insurenewmexico.state.nm.us/>.

22. Employee Pay Equity Reporting.

Contractor agrees if it has ten (10) or more New Mexico employees OR eight (8) or more employees in the same job classification, at any time during the term of this contract, to complete and submit the PE10-249 form on the annual anniversary of the initial report submittal for contracts up to one (1) year in duration. If contractor has (250) or more employees contractor must complete and submit the PE250 form on the annual anniversary of the initial report submittal for contracts up to one (1) year in duration. For contracts that extend beyond one (1) calendar year, or are extended beyond one (1) calendar year, contractor also agrees to complete and submit the PE10-249 or PE250 form, whichever is applicable, within thirty (30) days of the annual contract anniversary date of the initial submittal date or, if more than 180 days has elapsed since submittal of the last report, at the completion of the contract, whichever comes first. Should contractor not meet the size requirement for reporting at contract award but subsequently grows such that they meet or exceed the size requirement for reporting, contractor agrees to provide the required report within ninety (90) days of meeting or exceeding the size requirement. That submittal date shall serve as the basis for submittals required thereafter. Contractor also agrees to levy this requirement on any subcontractor(s) performing more than 10% of the dollar value of this contract if said subcontractor(s) meets, or grows to meet, the stated employee size thresholds during the term of the contract. Contractor further agrees that, should one or more subcontractor not meet the size requirement for reporting at contract award but subsequently grows such that they meet or exceed the size requirement for reporting, contractor will submit the required report, for each such subcontractor, within ninety (90) days of that subcontractor meeting or exceeding the size requirement. Subsequent report submittals, on behalf of each such subcontractor, shall be due on the annual anniversary of the initial report submittal. Contractor shall submit the required form(s) to the State Purchasing Division of the General Services Department, and other departments as may be determined, on behalf of the applicable subcontractor(s) in accordance with the schedule contained in this paragraph. Contractor acknowledges that this subcontractor requirement applies even though contractor itself may not meet the size requirement for reporting and be required to report itself.

Notwithstanding the foregoing, if this Contract was procured pursuant to a solicitation, and if Contractor already has submitted the required report accompanying their response to such solicitation, the report does not need to be re-submitted with this Agreement.

23. Invalid Term or Condition.

If any term or condition of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected and shall be valid and enforceable.

24. Enforcement of Agreement.

A party's failure to require strict performance of any provision of this Agreement shall not

March 14, 2018

waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

25. Notices.

Any notice required to be given to either party by this Agreement shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To NNMC:
Northern New Mexico College
921 N Paseo De Onate
Española, NM 87532
Attention: Dr. Rick Bailey

To the Contractor:
Ameresco, Inc.
2375 E. Camelback Road, Suite 400
Phoenix, AZ 85016
Attention: Robert Georgeoff, Vice President

With Copy To:
Ameresco, Inc.
111 Speen Street, Suite 410
Framingham, MA 01701
Attention: General Counsel

26. Authority.

If Contractor is other than a natural person, the individual(s) signing this Agreement on behalf of Contractor represents and warrants that he or she has the power and authority to bind Contractor, and that no further action, resolution, or approval from Contractor is necessary to enter into a binding contract.

March 14, 2018

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature below.

By: _____ Date: _____
Northern New Mexico College

By: _____ Date: _____
Ameresco, Inc.

The records of the Taxation and Revenue Department reflect that the Contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

ID Number: 03-009549-00-2

By: _____ Date: _____
Taxation and Revenue Department

March 14, 2018

Exhibit A

Notice of Acceptance
(Place on NNMC letterhead)

Notice of Acceptance

Date of Notice _____

Notice is hereby given that (NNMC) accepts the Investment Grade Audit and Project Proposal submitted by the Contractor as contemplated in the Investment Grade Audit and Project Proposal Contract dated _____ with General Services Contract Number: _____.

(NNMC)

By _____

Date _____

March 14, 2018

Exhibit B

Cost and Pricing

Project Price Category		Max Markup Commitment (Percentage)
Subcontractors (under contract to ESCO)		0% (Overhead and Profit applied below)
Other Direct Purchases of Equipment, Material, Supplies (Supplied directly to ESCO)		0% (Overhead and Profit applied below)
Engineering & Design		8% of Subcontractors and Other Direct Purchases
Construction Management		8% of Subcontractors and Other Direct Purchases
Permits		1% of Subcontractors and Other Direct Purchases
Performance Bond		1.5% of Subcontractors and Other Direct Purchases
Commissioning		3% of Subcontractors and Other Direct Purchases
Training		2% of Subcontractors and Other Direct Purchases
Construction Measurement and Verification		3% of Subcontractors and Other Direct Purchases
Legal Services		1.5% of Subcontractors and Other Direct Purchases
Travel		3% of Subcontractors and Other Direct Purchases
Contingency		8% of Subcontractors and Other Direct Purchases
OTHER unspecified markups	A	
	B	
	C	
	D	
Overhead		12%
Profit		8%
Investment Grade Energy Audit, Project Proposal, Pre-Construction, and Other Unspecified Fees		
Alternative Audit Method Price per Square Foot (Statistical, etc.)		\$0.14 / SF
Solicit & Evaluate Project Financing Proposals		0%
Pre-Construction		0%
OTHER unspecified fees	A	
	B	
	C	
	D	
	E	
Post-Project Fees		
Measurement and Verification (post-retrofit)		10% of Annual Energy Savings
Warranty Service		2% of Construction Costs
Maintenance on Installed Measures		Varies on the scope of work selected by the agency
Contingency		8%
OTHER unspecified fees	A	
	B	
	C	
	D	

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El Rito Campus BUILDING'S	GROSS AREA	SPACE AREA
El Rito Facility	12349.4	11728.8
ER Apartment 1114	1381.5	1218.4
ER Apartment 1116	1381.5	1221.6
ER Barn	2190.0	2088.6
ER Storage Shed 159A	492.8	453.9
ER Storage Shed 159B	492.8	453.9
El Rito Community Center	4327.0	3991.3
ER Dean's Residence	2152.6	1454.5
ER Dean's Residence Garage	365.9	288.1
ER Delgado	16621.5	14372.7
ER Duplex	1751.4	1549.8
ER Elec-Plumb	11822.8	11049.4
ER facility staff house	2051.5	1768.8
ER Grants Gym	13657.0	12870.8
ER Green House	1403.3	1180.6
ER Astronomy Dome	117.9	99.4
ER Jaramillo hall	11954.6	10706.0
ER North Maint. Shop	1450.0	1357.8
ER N. Storage building 157A	490.5	364.0
ER N. Storage building 157B	416.0	375.4
Water Filtration Building 157C	484.0	441.0
New Pump house	261.6	235.1
Old Pump house	177.8	142.7
ER North Dorm	22137.8	19496.5
ER President's House	3102.0	2552.9
ER Pueblito 111H	5885.9	4940.5
ER South Maint. Shop	1276.7	1166.2
ER South Dorm	24017.3	19094.8
ER Spanish Colonial	15539.1	14506.6
ER Student Center	2057.6	1638.5
ER Traditional Arts	2728.3	2728.3
ER Weaving	3273.8	2783.8
Total:	167811.9	148320.7

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Exhibit C

Guidelines for Draft Measurement and Verification Plan

To be determined during the Investment Grade Audit.



MEMORANDUM

To: Board of Regents
Northern New Mexico College

From: Dr. Richard Bailey, President

Date: April 24, 2018

Re: Amended Policy – Employee Classification - Staff Handbook Part II A.

Issue

The current policy does not allow for proper classification of NNMC staff.

Overview

The amended policy includes clear definitions of staff and four new employee classifications: At-will, Interim, Student and Term Appointment. Clarification of exempt and non-exempt employees (pursuant to the Fair Labor Standards Act) is included in the amendment.

The draft policy was sent to all employees (including student employees) of the college on March 29, 2018 with a request for comment. A forum was held on April 3, 2018 to discuss the at-will section of the policy. All employees who will be changed to an at-will employee were invited to attend. Legal counsel reviewed the draft prior to releasing it for comment.

Recommendation

Approval to amend Part II A. of the Staff Handbook (Staff Employee Categories and Definitions and Categories of Staff).

PART II. STAFF EMPLOYEE CLASSIFICATION

A. Staff Employee Categories

1. Employment Positions

- a. Permanent positions are employment positions that are designated by the College as permanent, whether full-time or part-time.
- b. Casual positions will be filled with temporary employees. Employment positions which are designated by the College as casual refer to temporary positions, limited in time and/or scope. Only temporary employees will fill casual positions.

2. Employee Status

a. Regular Status

An employee hired into a permanent position who has successfully completed a probationary period and is entitled to all rights and benefits in this handbook is considered thereafter as a "regular" staff member. Nothing herein shall be construed as granting such employees any legitimate objective expectation of re-employment beyond the term of his/her present contract, each of which shall terminate on or before June 30 of each fiscal year. The Board shall have the discretion to determine whether or not to renew the employment of each regular staff employee and may refuse to renew the employment for any reasons it deems sufficient, without any requirement that the reason for such decision be provided nor that any type of hearing be given, either before or after notice is given of non-reemployment.

b. Probationary Status

A staff member shall be on probationary status during the first six (6) months from the date of initial full-time employment in a permanent position. Such probationary period shall continue for the full six (6) months even if the staff member is re-employed for the following fiscal year during his or her probationary period. Probation period may be extended for an additional period not to exceed three (3) months. Justification must be submitted to Human Resources to be included in the employee's personnel file. Any extension of probationary period beyond the additional three (3) months must have approval of the President.

c. Temporary Status

A temporary employee is an at-will employee who is hired for a specific period of time but not to exceed one fiscal year to perform a specific function.

Temporary employees hired for a period of more than three (3) months are entitled to all benefits. Temporary employees hired for a period of less than three (3) months are not entitled to any benefits except Educational Retirement Assistance (ERA) if working more than ten hours per week.

d. Consultant

A consultant is a self-employed individual, not an employee of the College, who is hired to provide services as stipulated in a consultant agreement and is not eligible for the rights and benefits of this Handbook.

3. Full-Time/Part Time Status

a. Full-Time

A staff member who works 40 hours or more per week

b. Part-Time

A staff member who works less than 40 hours per week.

A. Definitions and Categories of Staff

Employee Classifications

Staff refers to any employee of the College who is in a position other than a teaching position.

The employee classification for all staff members shall be identified on an annual basis in the contract, personnel action notice forms or other documents, which relate to or affect the employee's status within the institution. The rights and responsibilities of the faculty, including instructional chairpersons, directors and coordinators are addressed in a separate faculty policy handbook. Staff members are divided into two categories: "classified" and "non-classified," depending on their classification under the federal Fair Labor Standards Act, as amended (FLSA).

a. Classified

Staff employees who are paid based on the approved salary schedule are designated as classified staff

"Classified" employees are subject to the wage and hour provisions of the FLSA and are entitled to compensatory time off for time worked in excess of 40 hours in a single work week. The overtime compensation plan for classified staff is set forth elsewhere in this Handbook. See Part IV. Section Q.

b. Non-Classified

"Non-classified staff" employees are exempt from the maximum hour provisions of the FLSA under one or more of the available exemptions for executive, administrative or professional employees.

EMPLOYEE CLASSIFICATION
Staff Handbook - Part II A.

1. **Purpose.** The purpose of this policy is to describe the various classifications of positions of Northern New Mexico College (the College) staff in terms of employment designation (exempt or nonexempt) and employee definition.
2. **Policy.** The College employee classification policies are as follows:
 - A. **Fair Labor Standards Act.** The College describes its employees pursuant to the Fair Labor Standards Act (FLSA), as amended, which classifies employee positions as either "exempt" or "nonexempt."
 - (1) The classification of a position determines how employees may be paid, among other things, for hours worked in excess of forty (40) hours per week and whether or not he or she is subject to the minimum wage and overtime provisions of the FLSA.
 - (2) The Office of Human Resources determines whether positions shall be exempt or nonexempt.
 - a. **Exempt Employees.** Exempt employees are salaried employees and are exempt from the minimum wage and overtime provisions of the FLSA. Exempt employees include such positions as directors, managers and some professional staff.
 - b. **Nonexempt Employees.** Nonexempt employees are employees who normally are paid on an hourly basis and are subject to the minimum wage and overtime provisions of the FLSA. Nonexempt staff employees are paid based on hours worked as reported on a timesheet. They are entitled to premium compensation for overtime work. Nonexempt employee positions include such positions as secretarial, clerical, maintenance, and professional non-exempt staff.

Note: Non-exempt employees ordinarily will be paid on an hourly basis. However, the method of compensation (hourly vs. salaried) is not necessarily determinative of a particular employee's status as exempt or non-exempt. Under applicable federal regulations, an employee's job duties and the weekly rate of compensation determine the employee's status as exempt or non-exempt.
 - B. **Employee Appointment Status Distinction.**
 - (1) **Regular Full-Time Employees.** A regular full-time employee is hired for an indefinite period of time and is normally scheduled to work forty (40) hours per week.
 - (2) **Regular Part-Time Employees.** A regular part-time employee is hired for an indefinite period of time and is scheduled to work fewer than forty (40) hours per week. Employees in this category are classified either as three-quarter (3/4) time, normally scheduled to work thirty to thirty-nine (30-39) hours per week; half (1/2) time, normally scheduled to work twenty to twenty-nine (20-29) hours per week or less than half (1/2) time, normally scheduled to work one to nineteen (1-19) hours per week.
3. **Term Appointment Employees.** A term appointment employee is hired (full-time or part-time) into a position that is designated to run for a specified period of time. This may happen for various reasons, such as, the position is funded from non-recurring sources (e.g. contracts and grants) or the position is needed to complete a special project.
 - a. Term appointment employees are normally separated from the College as of a specified date unless the Human Resources office notifies the employee that the appointment shall be extended.
 - b. For the specified period of appointment, term employees are entitled to the same rights and privileges as regular status employees except the right to appeal or grieve separation at the end of the appointment.
 - c. Term appointment employees are not placed on layoff status at the end of the appointment.
4. **At-Will Employees.** At-will employees are hired or appointed into positions that directly report to any of the following: The President, Chief Financial Officer, Chief Academic Officer, Dean of Student Services, Deans and Associate Vice-Presidents. These employees serve at the pleasure of the president. Employees hired into coaching positions serve at the pleasure of the President.

Tenure-track faculty members who serve in a chair position will return to their tenure-track faculty position if the at-will position is terminated.

Employment is at-will and either party can terminate the employment relationship at any time with or without cause and with or without notice. At-will employee contracts are normally written for terms of one (1) year, are subject to renewal each year, and are still subject to at-will status. An at-will employee has no reasonable expectation of employment for the full term of his/her contract. The College may unilaterally terminate the employment of an at-will employee at any time for any legal reason or no reason prior to expiration of the term of the employee's contract.

5. **Interim** - Interim employees are hired on an emergency basis, for a period of up to but not to exceed one (1) year. An emergency position is one created to address and remedy an immediate problem or critical situation within a department of the College as designated by a Vice- President. An interim employee classification must be approved by the President.
6. **Temporary Employees.** Temporary employees are hired to work reasonably predictable schedules, full-time or part-time, that ordinarily will not exceed twelve (12) months. Temporary positions are normally not renewable; however, extensions may be granted with approval of the employee's dean, director or department head and the director of Human Resources. Temporary employees are also subject to the employment at-will status in which either party can terminate the employment relationship at any time with or without cause and with or without notice. In the event that the duration of a temporary employee's employment exceeds twelve (12) months, his or her status as a temporary, at-will employee will not change.

Change from Temporary to Regular Status. When a position is changed from temporary status to regular, the position is considered a new position and should be treated as such. The incumbent in the temporary position may be considered for employment for the regular position along with other applicants. In such cases the probationary period applicable to the new position will begin from the date of the change in status.

7. **Student Employees.** Students who are employed on campus under programs including but not limited to federal work study, state work study, are considered student employees. Student employees must be enrolled in six credit hours in order to be eligible for student employment. Student employees are limited to working 20 hours per week while school is in session (*any exceptions to the 20 hours per week must be approved by the Provost*). Student employees are also subject to the employment at-will status in which either party can terminate the employment relationship at any time with or without cause and with or without notice. Student employees are not eligible to apply for internal vacancies.
8. **Employees Holding Multiple Positions.**
 - (1) An employee working two (2) regular part-time positions totaling forty (40) hours per week shall be considered a regular full-time employee.
 - (2) If the total number of hours regularly worked is lower than forty (40), the employee shall be considered a regular part-time employee.
 - (3) An employee working a regular part-time and a temporary position shall be considered a regular part-time employee.
 - (4) If employed in two (2) positions, one (1) exempt and one (1) non-exempt, the employee shall be considered non-exempt.



MEMORANDUM

To: Board of Regents
Northern New Mexico College

From: Ricky Bejarano, Vice President for Finance & Administration

Date: April 24, 2018

Re: Fiscal Watch Report

Issue

On a monthly basis, Northern New Mexico College (NNMC) provides a set of an institutional financial reports for Board of Regent (BOR) review and approval.

Overview

The NNMC Finance Department, on a monthly basis, prepares a Fiscal Watch Report for review and discussion at the monthly Audit, Finance and Facilities Committee (AF&F) meeting. The financial report provides an overview of the institution's financial condition for all unrestricted and restricted operational funds and grants throughout the College.

The Fiscal Watch reports are presented in the format prescribed by the New Mexico Higher Education Department (NMHED) and titles at the top of the page are highlighted in turquoise. An additional report with titles highlighted in yellow is also included to provide an undated budget status report for all Budget Adjustment Requests processed through the time of the monthly AF&F meeting.

In addition, the BOR is also provided individual reports for the following financial areas summarized in the monthly institution-wide fiscal watch report:

- Unrestricted funds (11s)
- Auxiliary Programs (12s)
- Institutional Grants (41)
- Student Aid (42)
- Plant Funds (91)
- Capital Outlay Funds (92)

NNMC produces these reports on a monthly basis to insure that the BOR is regularly informed about the current financial condition of the institution.

Recommendation

Staff recommends that the Board of Regents approve the Fiscal Watch Report for the period ending March, 2018.

Northern New Mexico College

Statement of Net Position
(Unaudited and Unadjusted)
March 31, 2018

Assets	
Current Assets:	
Cash and Cash Equivalents	3,519,883
Short-Term Investments	-
AR - Just student	631,278
AR - Other than student	1,053,933
Inventories	267,452
Prepaid Expenses	102,650
Loans Receivable, net	124,991
Total Current Assets	<u>5,700,187</u>
Non-Current Assets	
Restricted Cash and Cash Equivalents	-
Restricted Short Term Investments	-
Investments Held by Others	-
Other Long-Term Investments	-
Prepaid Expenses	-
Capital Assets, net	33,543,287
Total Non-Current Assets	<u>33,543,287</u>
Total Assets	<u>39,243,474</u>
Deferred Outflows of Resources	
Pension Related (6/30/17 balances)	2,855,657
Total Deferred Outflows of Resources	<u>2,855,657</u>
Liabilities	
Current Liabilities	
Accounts Payable	699,851
Other Accrued Liabilities	1,600,493
Deferred Income	130,863
LT Liabilities - Current Portion	-
Total Current Liabilities	<u>2,431,208</u>
Non-Current Liabilities	
Accrued Interest Payable	-
Accrued Benefit Reserves	-
Other LT Liabilities	142,216
Net Pension Liability	21,071,157
Total Non-Current Liabilities	<u>21,213,373</u>
Total Liabilities	<u>23,644,581</u>
Deferred Inflows of Resources	
Pension Related (6/30/17 balances)	2,786,275
Total Deferred Inflows of Resources	<u>2,786,275</u>
Net Position	
Invested in Capital Assets, net of Related Debt	33,543,287
Restricted for:	
Nonexpendable:	
Endowments	-
Expendable:	
General Activities	(119,273)
Federal Student Loans	-
Term Endowments	-
Capital Projects	-
Debt Service	-
Related Entity Activities	-
Unrestricted	
Unrestricted without NFP	3,246,036
Net Fiduciary Position	(21,001,775)
Total Unrestricted (includes 6/30/17 NFP)	<u>(17,755,739)</u>
Total Net Position	<u>15,668,275</u>

Northern New Mexico College

Summary of Operating and Plant Funds (Unadjusted and Unaudited) Fiscal Year 2018

Operating Funds	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2018 Actuals as of March 31, 2018	Percentage Earned/Spent
REVENUES				
Tuition & Misc Fees	\$ 3,923,369	\$ 3,923,369	\$ 3,859,062	98.4%
Federal Appropriations	-	-	-	-
State Appropriations	10,438,300	10,438,300	7,828,200	75.0%
Local Appropriations	-	-	-	-
Gifts, Grants & Contracts	7,120,695	7,120,695	5,530,723	77.7%
Endowment/Land & Perm Inc	163,525	163,525	138,203	84.5%
Sales & Services	724,056	724,056	555,902	76.8%
Other	32,223	32,223	174,551	541.7%
Total Revenue	22,402,168	22,402,168	18,086,642	80.7%
BEGINNING BALANCE	781,308	781,308	1,647,338	210.84%
TOTAL AVAILABLE	23,183,476	23,183,476	19,733,979	85.1%
EXPENDITURES				
Instruction & General	16,050,843	16,050,843	10,733,075	66.9%
Student Social & Cultural	87,880	87,880	58,940	67.1%
Research	-	-	12,557	-
Public Service	574,306	574,306	337,023	58.7%
Internal Services	169,739	169,739	53,293	31.4%
Student Aid	4,534,943	4,534,943	4,288,768	94.6%
Auxiliary Enterprises	859,053	859,053	573,731	66.8%
Intercollegiate Athletics	676,712	676,712	435,152	64.3%
Independent Operations (NMDA)	-	-	-	-
Total Expenditures	22,953,476	22,953,476	16,492,540	71.9%
NET TRANSFERS OUT / (IN)	230,000	230,000	84,209	-
TOTAL EXPENDITURES & TRANSFERS	23,183,476	23,183,476	16,576,749	71.5%
ENDING FUND BALANCE	\$ (0)	\$ (0)	3,157,231	

Plant Funds	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2018 Actuals as of March 31, 2018	Percentage Earned/Spent
REVENUES AND TRANSFERS				
Required Student Fees	-	-	-	-
Bond Proceeds	-	-	-	-
Gifts, Grants and Contracts	-	-	-	-
Interest Income	-	-	-	-
State Appropriation	\$ 914,679	\$ 914,679	\$ 466,820	51.0%
Debt Service Transfers	-	-	-	-
Other	-	-	-	-
Total Revenues and Transfers	914,679	914,679	466,820	51.0%
BEGINNING BALANCE	-	-	-	-
TOTAL AVAILABLE	914,679	914,679	466,820	51.0%
EXPENDITURES				
Capital Projects	914,679	914,679	501,002	54.8%
Building Renewal	230,000	230,000	76,026	33.1%
Internal Service Renewal/Replacement	-	-	-	-
Auxiliary Renewal/Replacement	-	-	-	-
Debt Retirement	-	-	-	-
Total Expenditures	1,144,679	1,144,679	577,028	50.4%
NET TRANSFERS OUT / (IN)	(230,000)	(230,000)	(84,209)	36.6%
TOTAL EXPENDITURES & TRANSFERS	914,679	914,679	492,819	53.9%
ENDING FUND BALANCE	\$ -	\$ -	(25,999)	

Northern New Mexico College

Comparison of Operating and Plant Funds (Unadjusted and Unaudited) Fiscal Year 2018 and 2017

Operating Funds	FY 2018 Actuals as of March 31, 2018	FY 2017 Actuals as of March 31, 2017	Percentage Increase (Decrease)
REVENUES			
Tuition & Misc Fees	\$ 3,859,062	\$ 3,732,827	3.4%
Federal Appropriations	-	-	-
State Appropriations	7,828,200	8,048,300	-2.7%
Local Appropriations	-	-	-
Gifts, Grants & Contracts	5,530,723	6,199,767	-10.8%
Endowment/Land & Perm Inc	138,203	132,417	4.4%
Sales & Services	555,902	659,079	-15.7%
Other	174,551	120,806	44.5%
Total Revenue	18,086,642	18,893,196	-4.3%
BEGINNING BALANCE	1,647,338	931,318	76.9%
TOTAL AVAILABLE	19,733,979	19,824,514	-0.5%
EXPENDITURES			
Instruction & General	10,733,075	12,070,303	-11.1%
Student Social & Cultural	58,940	63,894	-7.8%
Research	12,557	5,839	115.0%
Public Service	337,023	372,299	-9.5%
Internal Services	53,293	(156,238)	-134.1%
Student Aid	4,288,768	3,828,124	12.0%
Auxiliary Enterprises	573,731	723,329	-20.7%
Intercollegiate Athletics	435,152	584,817	-25.6%
Independent Operations (NMDA)	-	-	-
Total Expenditures	16,492,540	17,492,368	-5.7%
NET TRANSFERS OUT / (IN)	84,209	79,861	5.4%
TOTAL EXPENDITURES & TRANSFERS	16,576,749	17,572,229	-5.7%
ENDING FUND BALANCE	\$ 3,157,231	\$ 2,252,285	40.2%

Plant Funds	FY 2018 Actuals as of March 31, 2018	FY 2017 Actuals as of March 31, 2017	Percentage Increase (Decrease)
REVENUES AND TRANSFERS			
Required Student Fees	-	-	-
Bond Proceeds	-	-	-
Gifts, Grants and Contracts	-	-	-
Interest Income	-	-	-
State Appropriation	\$ 466,820	\$ 2,143,140	-78.2%
Debt Service Transfers	-	-	-
Other	-	-	-
Total Revenues and Transfers	466,820	2,143,140	-78.2%
BEGINNING BALANCE	-	-	-
TOTAL AVAILABLE	466,820	2,143,140	-78.2%
EXPENDITURES			
Capital Projects	501,002	2,143,140	-76.6%
Building Renewal	76,026	83,496	-8.9%
Internal Service Renewal/Replacement	-	-	-
Auxiliary Renewal/Replacement	-	-	-
Debt Retirement	-	-	-
Total Expenditures	577,028	2,226,636	-74.1%
NET TRANSFERS OUT / (IN)	(84,209)	(79,861)	5.4%
TOTAL EXPENDITURES AND TRANSFERS	492,819	2,146,775	-77.0%
ENDING FUND BALANCE	\$ (25,999)	\$ (3,635)	615.2%

Some revenues are reported on a seasonal basis or by semester and therefore may affect the Increase/(Decrease) to Fund Balance

Northern New Mexico College

Statement of Cash Flows (Unaudited and Unadjusted) March 31, 2018

Cash Flows from Operating Activities	
Receipts from student tuition and fees	\$ 3,550,695
Receipts from grants and contracts	5,650,963
Other receipts	-
Payments to or on behalf of employees	(9,038,759)
Payment to suppliers for goods and services	(4,017,623)
Receipts from Sales and Services	555,902
Payments for scholarships	(4,407,432)
Other Operating Revenue	358,588
Net cash (used) by operating activities	<u>(7,347,666)</u>
Cash Flows from Non-Capital Financing Activities	
State Appropriations	8,295,020
Gifts for other than Capital Purposes	-
Private Gifts for Endowment	-
Other Non-operating Expense	-
Net Cash provided (used) for non-capital financing activities	<u>8,295,020</u>
Cash Flows from Capital and Related Financing Activities	
Proceeds from Capital Debt	-
Capital Gifts, Grants and contracts	-
Purchase/Construction/Renovation of Capital Assets	-
Principal Received/Paid on Capital Debt and Leases	-
Interest and Fees Paid on Capital Debt and Leases	-
Building Fees Received from Students	-
Net Cash provided (used) for capital financing activities	<u>-</u>
Cash Flows from Investing Activities	
Investment Earnings	138,203
Net Cash provided by Investing Activities	<u>138,203</u>
Increase (Decrease) in Cash and Cash Equivalents	1,085,557
Cash and Cash Equivalents- beginning of year	2,434,326
Cash and Cash Equivalents- end of reporting period	<u>\$ 3,519,883</u>

Northern New Mexico College

Summary of Operating and Plant Funds (Unadjusted and Unaudited) Fiscal Year 2018

Operating Funds	FY 2018 Original Budget	FY 2018 Revised Budget thru BAR.ID_138	FY 2018 Actuals as of March 31, 2018	Percentage Earned/Spent
REVENUES				
Tuition & Misc Fees	\$ 3,923,369	\$ 3,927,260	\$ 3,859,062	98.3%
Federal Appropriations	-	-	-	-
State Appropriations	10,438,300	10,438,300	7,828,200	75.0%
Local Appropriations	-	-	-	-
Gifts, Grants & Contracts	7,120,695	7,865,777	5,530,723	70.3%
Endowment/Land & Perm Inc	163,525	163,525	138,203	84.5%
Sales & Services	724,056	638,939	555,902	87.0%
Other	32,223	166,474	174,551	104.9%
Total Revenue	22,402,168	23,200,275	18,086,642	78.0%
BEGINNING BALANCE	781,308	781,308	1,647,338	210.84%
TOTAL AVAILABLE	23,183,476	23,981,583	19,733,979	82.3%
EXPENDITURES				
Instruction & General	16,050,843	16,177,084	10,733,075	66.3%
Student Social & Cultural	87,880	95,720	58,940	61.6%
Research	-	-	12,557	-
Public Service	574,306	537,655	337,023	62.7%
Internal Services	169,739	166,019	53,293	32.1%
Student Aid	4,534,943	5,455,531	4,288,768	78.6%
Auxiliary Enterprises	859,053	859,053	573,731	66.8%
Intercollegiate Athletics	676,712	550,663	435,152	79.0%
Independent Operations (NMDA)	-	-	-	-
Total Expenditures	22,953,476	23,841,725	16,492,540	69.2%
NET TRANSFERS OUT / (IN)	230,000	264,182	84,209	-
TOTAL EXPENDITURES & TRANSFERS	23,183,476	24,105,907	16,576,749	68.8%
ENDING FUND BALANCE	\$ (0)	\$ (124,324)	\$ 3,157,231	-

Plant Funds	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2018 Actuals as of March 31, 2018	Percentage Earned/Spent
REVENUES AND TRANSFERS				
Required Student Fees	-	-	-	-
Bond Proceeds	-	-	-	-
Gifts, Grants and Contracts	-	-	-	-
Interest Income	-	-	-	-
State Appropriation	\$ 914,679	\$ 881,099	\$ 466,820	53.0%
Debt Service Transfers	-	-	-	-
Other	-	-	-	-
Total Revenues and Transfers	914,679	881,099	466,820	53.0%
BEGINNING BALANCE	-	-	-	-
TOTAL AVAILABLE	914,679	881,099	466,820	53.0%
EXPENDITURES				
Capital Projects	914,679	915,281	501,002	54.7%
Building Renewal	230,000	230,000	76,026	33.1%
Internal Service Renewal/Replacement	-	-	-	-
Auxiliary Renewal/Replacement	-	-	-	-
Debt Retirement	-	-	-	-
Total Expenditures	1,144,679	1,145,281	577,028	50.4%
NET TRANSFERS OUT / (IN)	(230,000)	(264,182)	(84,209)	31.9%
TOTAL EXPENDITURES & TRANSFERS	914,679	881,099	492,819	55.9%
ENDING FUND BALANCE	\$ -	\$ -	\$ (25,999)	-

Statement of
Revenues, Expenditures, and Other Changes in Financial Position
for the period ended March 31, 2018

11 Current Unrestricted Funds

	CURRENT YEAR	PRIOR YEAR	COMPARISON	
	3/31/2018	3/31/2017	CURRENT TO PRIOR	PERCENT
REVENUES:				
Academic Tuition	2,176,629.56	2,113,958.00	62,671.56	2.97
Continuing Educ Tuition and Fees	29,637.00	67,286.64	(37,649.64)	(55.95)
Academic Fees	1,467,776.07	1,381,863.25	85,912.82	6.22
Nursing Standardized Testing Fee	14,033.25	8,082.50	5,950.75	73.63
State Government Appropriations	7,642,800.00	7,861,300.00	(218,500.00)	(2.78)
Government Grants and Contracts	158,313.79	222,596.22	(64,282.43)	(28.88)
Private Gifts and Grants	-	-	-	-
Endowment Land and Permanent Fund	138,203.44	132,417.39	5,786.05	4.37
Sales and Service	1,251.00	434.00	817.00	188.25
Other Sources of Revenue	118,080.28	159,723.42	(41,643.14)	(26.07)
TOTAL REVENUES:	11,746,724.39	11,947,661.42	(200,937.03)	(1.68)
EXPENDITURES:				
Instruction	3,734,283.84	3,798,333.08	(64,049.24)	(1.69)
Academic Support	846,178.00	803,540.01	42,637.99	5.31
Student Services	799,783.04	844,349.05	(44,566.01)	(5.28)
Institutional Support	2,820,170.59	2,610,388.28	209,782.31	8.04
Operations and Maintenance of Plant	1,260,939.45	1,358,784.97	(97,845.52)	(7.20)
Public Service	320,578.37	372,299.27	(51,720.90)	(13.89)
Internal Service Departments	53,293.47	(155,342.32)	208,635.79	
Student Aid Grants and Stipends	51,956.68	55,863.84	(3,907.16)	(6.99)
TOTAL EXPENDITURES:	9,887,183.44	9,688,216.18	198,967.26	2.05
TRANSFERS AMONG FUNDS:				
Transfer In	183,156.19	206,209.01	(23,052.82)	(11.18)
Transfer (Out)	(389,281.13)	(596,099.48)	206,818.35	34.70
TOTAL TRANSFERS AMONG FUNDS:	(206,124.94)	(389,890.47)	183,765.53	(47.13)
NET INCREASE/DECREASE IN NET ASSETS	1,653,416.01	1,869,554.77	(216,138.76)	(11.56)
Fund Balance, Beginning of the Period	1,645,991.88	841,365.71	804,626.17	95.63
Fund Balance, End of the Period	<u>3,299,407.89</u>	<u>2,710,920.48</u>	<u>588,487.41</u>	<u>21.71</u>

Statement of
Revenues, Expenditures, and Other Changes in Financial Position
for the period ended March 31, 2018

12 Current Unrestricted Funds Designated

	CURRENT	PRIOR YEAR	COMPARISON	
	YEAR		CURRENT TO	PERCENT
	3/31/2018	3/31/2017	PRIOR	
REVENUES:				
Academic Fees	96,968.17	92,736.43	4,231.74	4.56
State Government Appropriations	185,400.00	187,000.00	(1,600.00)	(0.86)
Other Sources of Revenue	21,351.47	6,179.62	15,171.85	245.51
Auxiliary Enterprises	366,196.39	433,074.36	(66,877.97)	(15.44)
Housing and Food Service	128,171.76	123,345.87	4,825.89	3.91
Sostenga	-	704.50	(704.50)	(100.00)
Staff and Faculty Housing	44,445.05	31,747.42	12,697.63	40.00
Inter-Collegiate Athletics	34,336.18	24,602.07	9,734.11	39.57
TOTAL REVENUES:	876,869.02	899,390.27	(22,521.25)	(2.50)
EXPENDITURES:				
Student Aid Grants and Stipends	120,100.00	-	120,100.00	
Auxiliary Enterprises	573,731.22	721,163.82	(147,432.60)	(20.44)
Intercollegiate Athletics	435,151.99	567,581.80	(132,429.81)	(23.33)
TOTAL EXPENDITURES:	1,128,983.21	1,288,745.62	(159,762.41)	(12.40)
TRANSFERS AMONG FUNDS:				
Transfer In	204,395.59	337,090.98	(132,695.39)	(39.37)
Transfer (Out)	(787.00)	-	(787.00)	
TOTAL TRANSFERS AMONG FUNDS:	203,608.59	337,090.98	(133,482.39)	(39.37)
NET INCREASE/DECREASE IN NET ASSETS	(48,505.60)	(52,264.37)	3,758.77	7.19
Fund Balance, Beginning of the Period	1,346.00	94,420.55	(93,074.55)	(98.57)
Fund Balance, End of the Period	(47,159.60)	42,156.18	(89,315.78)	(211.87)

Statement of
Revenues, Expenditures, and Other Changes in Financial Position
for the period ended March 31, 2018

41 Grants

	CURRENT YEAR 3/31/2018	PRIOR YEAR 3/31/2017	COMPARISON CURRENT TO PRIOR PERCENT	
REVENUES:				
Government Grants and Contracts	1,571,549.16	2,401,590.20	(830,041.04)	(34.56)
Private Gifts and Grants	47,029.06	35,974.93	11,054.13	30.73
Other Sources of Revenue	-	(207.39)	207.39	100.00
TOTAL REVENUES:	<u>1,618,578.22</u>	<u>2,437,357.74</u>	<u>(818,779.52)</u>	<u>96.17</u>
EXPENDITURES:				
Instruction	830,324.55	1,307,305.95	(476,981.40)	(36.49)
Academic Support	5,721.24	8,531.25	(2,810.01)	(32.94)
Student Services	278,056.38	363,199.23	(85,142.85)	(23.44)
Institutional Support	22,575.71	639,780.38	(617,204.67)	(96.47)
Operations and Maintenance of Plant	3,862.72	-	3,862.72	
Research	12,557.09	5,839.48	6,717.61	115.04
Public Service	16,445.06	-	16,445.06	
Student Aid Grants and Stipends	355,234.72	35,096.66	320,138.06	912.16
TOTAL EXPENDITURES:	<u>1,524,777.47</u>	<u>2,359,752.95</u>	<u>(834,975.48)</u>	<u>(35.38)</u>
TRANSFERS AMONG FUNDS:				
Transfer In	-	207.39	(207.39)	(100.00)
Transfer (Out)	(93,800.75)	(77,812.18)	(15,988.57)	(20.55)
TOTAL TRANSFERS AMONG FUNDS:	<u>(93,800.75)</u>	<u>(77,604.79)</u>	<u>(16,195.96)</u>	<u>20.87</u>
NET INCREASE/DECREASE IN NET ASSETS	-	-	-	-
Fund Balance, Beginning of the Period	-	-	-	
Fund Balance, End of the Period	<u>-</u>	<u>-</u>	<u>-</u>	

Statement of
Revenues, Expenditures, and Other Changes in Financial Position
for the period ended March 31, 2018

42 Student Aid

	CURRENT	PRIOR YEAR	COMPARISON	
	YEAR		CURRENT TO	
	3/31/2018	3/31/2017	PRIOR	PERCENT
REVENUES:				
Academic Fees	2,246.80	130.84	2,115.96	1,617.21
Government Grants and Contracts	3,559,329.15	3,343,730.34	215,598.81	6.45
Private Gifts and Grants	194,502.04	196,111.74	(1,609.70)	(0.82)
Other Sources of Revenue	5,197.07	1,187.61	4,009.46	337.61
Sostenga	-	8.49	(8.49)	(100.00)
TOTAL REVENUES:	3,761,275.06	3,541,169.02	220,106.04	6.22
EXPENDITURES:				
Instruction	-	23,527.51	(23,527.51)	(100.00)
Academic Support	-	3,307.50	(3,307.50)	(100.00)
Student Services	129,099.85	53,379.03	75,720.82	141.86
Institutional Support	2,079.38	8,118.75	(6,039.37)	(74.39)
Operations and Maintenance of Plant	-	4,312.50	(4,312.50)	(100.00)
Student Aid Grants and Stipends	3,761,476.44	3,737,163.67	24,312.77	0.65
Auxiliary Enterprises	-	2,437.50	(2,437.50)	(100.00)
Intercollegiate Athletics	-	18,183.75	(18,183.75)	(100.00)
TOTAL EXPENDITURES:	3,892,655.67	3,850,430.21	42,225.46	1.10
TRANSFERS AMONG FUNDS:				
Transfer In	12,707.91	50,543.68	(37,835.77)	(74.86)
Transfer (Out)	(600.00)	-	(600.00)	
TOTAL TRANSFERS AMONG FUNDS:	12,107.91	50,543.68	(38,435.77)	(74.86)
NET INCREASE/DECREASE IN NET ASSETS	(119,272.70)	(258,717.51)	139,444.81	53.90
Fund Balance, Beginning of the Period	-	-	-	
Fund Balance, End of the Period	<u>(119,272.70)</u>	<u>(258,717.51)</u>	<u>139,444.81</u>	

Statement of
Revenues, Expenditures, and Other Changes in Financial Position
for the period ended March 31, 2018

91 Unexpended Plant Funds

	CURRENT YEAR 3/31/2018	PRIOR YEAR 3/31/2017	COMPARISON CURRENT TO PRIOR PERCENT	
REVENUES:				
(none)	-	-	-	-
TOTAL REVENUES:	-	-	-	-
EXPENDITURES:				
Plant Funds	76,025.83	83,495.97	(7,470.14)	(8.95)
TOTAL EXPENDITURES:	76,025.83	83,495.97	(7,470.14)	(8.95)
TRANSFERS AMONG FUNDS:				
Transfer In	50,026.77	79,860.60	(29,833.83)	(37.36)
Transfer (Out)	-	-	-	-
TOTAL TRANSFERS AMONG FUNDS:	50,026.77	79,860.60	(29,833.83)	(37.36)
NET INCREASE/DECREASE IN NET ASSETS	(25,999.06)	(3,635.37)	(22,363.69)	(615.17)
	(25,999.06)	-	-	-
Fund Balance, Beginning of the Period	-	-	-	-
Fund Balance, End of the Period	(25,999.06)	(3,635.37)	(22,363.69)	615.17
end fb by fd #	(25,999.06)	(3,635.37)	-	-

Statement of
Revenues, Expenditures, and Other Changes in Financial Position
for the period ended March 31, 2018

92 Capital Projects

	CURRENT	PRIOR YEAR	COMPARISON	
	YEAR		CURRENT TO	PERCENT
	3/31/2018	3/31/2017	PRIOR	
REVENUES:				
State Government Appropriations	466,819.71	2,143,140.02	(1,676,320.31)	(78.22)
TOTAL REVENUES:	466,819.71	2,143,140.02	(1,676,320.31)	(78.22)
EXPENDITURES:				
Plant Funds	501,002.13	2,143,140.02	(1,642,137.89)	(76.62)
TOTAL EXPENDITURES:	501,002.13	2,143,140.02	(1,642,137.89)	(76.62)
TRANSFERS AMONG FUNDS:				
Transfer In	34,182.42	-	34,182.42	
Transfer (Out)	-	-	-	
TOTAL TRANSFERS AMONG FUNDS:	34,182.42	-	34,182.42	-
NET INCREASE/DECREASE IN NET ASSETS	-	-	-	-
Fund Balance, Beginning of the Period	-	-	-	
Fund Balance, End of the Period	-	-	-	

NORTHERN New Mexico College
MEMORANDUM



To: Board of Regents,
Northern New Mexico College

From: Ricky Bejarano, Interim Vice President for Finance & Administration

Date: April 24, 2018

Re: Monthly Budget Adjustment Requests

Issue

On a monthly basis, Northern New Mexico College (NNMC) provides all Budget Adjustment Requests (BARs) for review and approval by the Board of Regents (BOR). Included in the packet are BARs for March and April 2018.

Overview

NNMC prepares BARs on an ongoing basis to ensure the transparent management and expenditure of all restricted and unrestricted financial resources of the college follow statutory requirements, state procurement and internal budgetary guidelines. In addition to the actual BARs and supporting line item budget information, the NNMC Finance Department, also provides a year-to-date listing of all BARs processed by the institution in the normal course of business. The various types of budget adjustments presented to the BOR for review and approval include:

- Initial Budgets (0 restricted, 0 unrestricted)
- Budget Increases (2 restricted, 3 unrestricted)
- Budget Decreases (2 restricted, 0 unrestricted)
- Budget Transfers (0 restricted, 0 unrestricted)
- Total BARS – 7 (Total BARS Year to Date – FY18=139)

The Interim Vice President of Finance and Administration is responsible for the approval of all intra-department budget transfers and regular line item budget maintenance, resulting in a net zero impact to institutional operating budgets. BOR authorization is requested for all inter-department budget transfers and budget adjustments requiring an increase or decrease in current budget authorization levels.

The Audit, Finance and Facilities Committee is responsible for reviewing all Budget Adjustment Requests prior to the monthly BOR meetings for final action.

Recommendation

Staff recommends that the Board of Regents approve the attached Budget Adjustment Requests as prepared internally through April 13, 2018.

Northern New Mexico College

FY18 (2017-2018)

Friday, April 13, 2018

BAR No.	Fund Type	BAR Type	Approved	Fund	Org	Fund Title	FTE	Amount
17180001	Combined	Maintenance	12/13/2017	11000	4206	Instruction & General	0.00	\$0
17180002	Unrestricted	Maintenance	7/25/2017	11000	2263	Instruction & General	0.00	\$0
17180003	Unrestricted	Maintenance	7/25/2017	11000	2431	Instruction & General	0.00	\$0
17180004	Unrestricted	Maintenance	7/25/2017	11303	1020	Indirect Cost Funds	0.00	\$0
17180005	Unrestricted	Maintenance	8/18/2017	11000	1007	Instruction & General	0.00	\$0
17180006	Restricted	Increase	8/18/2017	41460	2355	Northern New Mexico STEM	0.00	\$7,080
17180007	Unrestricted	Increase	8/18/2017	11012	1007	Department Discretionary	0.00	\$17,009
17180008	Restricted	Increase	8/18/2017	41461	1007	LANS Investment 2017	0.00	\$60,000
17180009	Restricted	Increase	9/25/2017	41101	2725	High School Equivalent Program	0.00	\$92,433
17180010	Unrestricted	Maintenance	10/10/2017	11012	1040	Department Discretionary	0.00	\$400
17180011	Unrestricted	Maintenance	8/24/2017	12105	3121	Athletics Administration	0.00	\$0
17180012	Restricted	Increase	9/25/2017	41181	2811	ABE Federal	0.00	(\$1,467)
17180013	Foundation	Approved Budget	9/25/2017	34000	1005	Foundation-Operating	0.00	\$74,012
17180014	Unrestricted	Maintenance	8/24/2017	11000	2054	Instruction & General	0.00	\$0
17180015	Restricted	Decrease	9/25/2017	41211	2811	ABE State	0.00	(\$17,550)
17180016	Unrestricted	Maintenance	8/24/2017	12011	3731	Food Service Espanola	0.00	\$0
17180017	Restricted	Increase	9/25/2017	41102	3052	College Assistance Migrant Progr	0.00	\$71,178
17180018	Restricted	Increase	9/25/2017	41103	3052	Upward Bound 2017	0.00	\$274,022
17180019	Unrestricted	Maintenance	8/31/2017	91210	4521	Equipment Repair & Replacemen	0.00	\$0
17180020	Restricted	Decrease	9/25/2017	40108	2355	NSF CC*DNI	0.00	(\$3,030)
17180021	Restricted	Maintenance	8/31/2017	41102	3052	College Assistance Migrant Progr	0.00	\$0
17180022	Unrestricted	Maintenance	8/31/2017	11201	3041	Financial Aid Admin Cost Allowa	0.00	\$0
17180023	Unrestricted	Increase	9/25/2017	11011	2431	Nursing Enhancement	0.00	\$33,192
17180024	Unrestricted	Maintenance	8/31/2017	11012	2212	Department Discretionary	0.00	\$0
17180025	Restricted	Maintenance	8/31/2017	41101	2725	High School Equivalent Program	0.00	\$0
17180026	Unrestricted	Maintenance	9/18/2017	11000	2722	Instruction & General	0.00	\$0

BAR No.	Fund Type	BAR Type	Approved	Fund	Org	Fund Title	FTE	Amount
17180027	Restricted	Maintenance	9/18/2017	41193	2571	Carl Perkins - Vocational Services	0.00	(\$1,380)
17180028	Unrestricted	Transfer	9/25/2017	41461	2114	LANS Investment 2017	0.00	\$0
17180029	Restricted	Increase	9/25/2017	40116	2355	NSF Cybersecurity	0.00	\$153,824
17180030	Unrestricted	Maintenance	9/18/2017	11000	1007	Instruction & General	0.00	\$0
17180031	Restricted	Increase	9/25/2017	41191	2571	Perkins Redistribution Funds	0.00	\$2,059
17180032	Restricted	Decrease	11/3/2017	40106	2263	NM INBRE	0.00	(\$13,432)
17180033	Restricted	Increase	11/3/2017	40115	2263	UTEP BUILDING Scholars	0.00	\$20,000
17180034	Restricted	Increase	11/3/2017	40111	2263	NSF BEST	0.00	\$43,055
17180035	Restricted	Maintenance	10/10/2017	40108	2355	NSF CC*DNI	0.00	\$0
17180036	Restricted	Maintenance	10/10/2017	41101	2725	High School Equivalent Program	0.00	\$21,516
17180037	Restricted	Maintenance	10/10/2017	41102	3052	College Assistance Migrant Progr	0.00	\$15,600
17180038	Unrestricted	Maintenance	10/10/2017	11000	2431	Instruction & General	0.00	\$0
17180039	Foundation	Increase	11/3/2017	36000	6300	Temporarily Restricted	0.00	\$5,000
17180040	Restricted	Increase	11/3/2017	41460	2355	Northern New Mexico STEM	0.00	\$2,150
17180041	Restricted	Decrease	11/3/2017	40103	2263	NSF DUE NMIMT	0.00	(\$4,958)
17180042	Unrestricted	Maintenance	10/10/2017	11012	2355	Department Discretionary	0.00	\$0
17180043	Foundation	Increase	11/3/2017	36000	6100	Temporarily Restricted	0.00	\$7,500
17180044	Restricted	Maintenance	10/10/2017	40106	2263	NM INBRE	0.00	\$0
17180045	Unrestricted	Maintenance	12/13/2017	11801	3501	Internal Services	0.00	(\$170,844)
17180046	Unrestricted	Maintenance	10/10/2017	11000	4202	Instruction & General	0.00	\$0
17180047	Unrestricted	Increase	11/3/2017	11000	2826	Instruction & General	0.00	\$5,000
17180048	Restricted	Decrease	11/3/2017	40104	2355	NSF DUE PEARL	0.00	(\$16,064)
17180049	Restricted	Increase	11/3/2017	92536	2826	GO Bond 2014 Library Allocation	0.00	\$9
17180050	Restricted	Decrease	11/3/2017	40110	2268	SWNRCT Program USDA	0.00	(\$23,104)
17180051	Restricted	Increase	11/3/2017	40112	2355	NSF INCLUDES	0.00	\$114,929
17180052	Restricted	Increase	11/3/2017	40113	2355	NSF EDUCERE	0.00	\$67,619
17180053	Restricted	Maintenance	10/10/2017	41103	3052	Upward Bound 2017	0.00	\$0
17180054	Restricted	Maintenance	10/12/2017	40106	2263	NM INBRE	0.00	\$0
17180055	Unrestricted	Maintenance	1/4/2018	11000	1020	Instruction & General	0.00	\$0
17180056	Restricted	Increase	11/3/2017	40114	2268	USDA OASCR	0.00	\$1,522

BAR No.	Fund Type	BAR Type	Approved	Fund	Org	Fund Title	FTE	Amount
17180057	Restricted	Maintenance	10/12/2017	11012	2212	Department Discretionary	0.00	\$0
17180058	Restricted	Increase	11/3/2017	41144	4201	Title III NRGSC-NNMC	0.00	\$61,996
17180059	Unrestricted	Maintenance	10/12/2017	11000	4011	Instruction & General	0.00	\$0
17180060	Unrestricted	Maintenance	10/26/2017	34000	4206	Foundation-Operating	0.00	\$0
17180061	Unrestricted	Maintenance	10/26/2017	12105	3121	Athletics Administration	0.00	\$0
17180062	Unrestricted	Maintenance	12/13/2017	11000	4206	Instruction & General	0.00	\$0
17180063	Restricted	Increase	11/3/2017	41103	3052	Upward Bound 2017	0.00	\$6,900
17180064	Unrestricted	Increase	11/3/2017	11011	2431	Nursing Enhancement	0.00	\$7,500
17180065	Restricted	Decrease	12/8/2017	11730	3421	Small Business Development Ctr	0.00	(\$51,051)
17180066	Unrestricted	Maintenance	11/16/2017	11000	2355	Instruction & General	0.00	\$0
17180067	Foundation	Maintenance	11/16/2017	34000	4206	Foundation-Operating	0.00	\$0
17180068	Foundation	Maintenance	11/16/2017	34000	4206	Foundation-Operating	0.00	\$0
17180069	Unrestricted	Maintenance	11/16/2017	11000	4202	Instruction & General	0.00	\$0
17180070	Unrestricted	Maintenance	12/1/2017	11000	2131	Instruction & General	0.00	\$0
17180071	Unrestricted	Maintenance	12/1/2017	11000	1005	Instruction & General	0.00	\$0
17180072	Restricted	Decrease	12/8/2017	40108	2355	NSF CC*DNI	0.00	(\$981)
17180073	Restricted	Decrease	12/8/2017	40113	2355	NSF EDUCERE	0.00	(\$28)
17180074	Restricted	Decrease	12/8/2017	41102	3052	College Assistance Migrant Progr	0.00	(\$222)
17180075	Restricted	Maintenance	12/1/2017	41170	2212	Alliance for Minority Participatio	0.00	\$0
17180076	Restricted	Decrease	12/8/2017	41458	2268	LANL Rio Arriba Internship Prog	0.00	(\$14,945)
17180077	Unrestricted	Transfer	12/8/2017	92532	4521	STB-2013 J. Montoya Renovation	0.00	\$0
17180078	Unrestricted	Increase	1/12/2018	11012	1007	Department Discretionary	0.00	\$20,122
17180079	Restricted	Increase	1/12/2018	41223	2811	C3 Initiative	0.00	\$15,535
17180080	Restricted	Maintenance	12/13/2017	41455	2263	The Grass Foundation	0.00	\$0
17180081	Unrestricted	Transfer	1/12/2018	11000	2826	Instruction & General	0.00	\$0
17180082	Unrestricted	Maintenance	12/13/2017	11000	2871	Instruction & General	0.00	\$0
17180083	Foundation	Increase	1/12/2018	36800	7401	Foundation SERPA End Investm	0.00	\$20,000
17180084	Unrestricted	Increase	1/12/2018	83027	3281	Student Organizations	0.00	\$2,427
17180085	Unrestricted	Increase	1/12/2018	92539	2826	GO Bond 2016 Library Allocation	0.00	\$17,090
17180086	Unrestricted	Maintenance	12/13/2017	11801	3501	Internal Services	0.00	\$0

BAR No.	Fund Type	BAR Type	Approved	Fund	Org	Fund Title	FTE	Amount
17180087	Unrestricted	Increase	1/12/2018	11201	3041	Financial Aid Admin Cost Allowa	0.00	\$20,961
17180088	Unrestricted	Maintenance	1/4/2018	12105	3122	Athletics Administration	0.00	\$0
17180089	Restricted	Maintenance	1/4/2018	11730	3421	Small Business Development Ctr	0.00	\$0
17180090	Restricted	Maintenance	1/4/2018	41103	3052	Upward Bound 2017	0.00	\$0
17180091	Restricted	Maintenance	1/4/2018	41101	2725	High School Equivalent Program	0.00	\$0
17180092	Restricted	Maintenance	1/4/2018	41102	3052	College Assistance Migrant Progr	0.00	\$0
17180093	Unrestricted	Increase	1/12/2018	11012	2811	Department Discretionary	0.00	\$5,246
17180094	Unrestricted	Maintenance	1/5/2018	11000	1005	Instruction & General	0.00	\$0
17180095	Unrestricted	Increase	2/26/2018	83027	3241	Student Organizations	0.00	\$408
17180096	Unrestricted	Maintenance	1/17/2018	11000	2431	Instruction & General	0.00	\$0
17180097	Unrestricted	Maintenance	1/17/2018	12105	3122	Athletics Administration	0.00	\$0
17180098	Unrestricted	Increase	2/26/2018	83027	3126	Student Organizations	0.00	\$380
17180099	Restricted	Maintenance	1/23/2018	40110	2268	SWNRCT Program USDA	0.00	\$0
17180100	Unrestricted	Maintenance	1/23/2018	83000	3221	Student Services Support	0.00	\$0
17180101	Foundation	Maintenance	1/23/2018	34000	1005	Foundation-Operating	0.00	\$0
17180102	Unrestricted	Maintenance	2/20/2018	12105	3123	Athletics Administration	0.00	\$0
17180103	Restricted	Maintenance	2/20/2018	41102	3052	College Assistance Migrant Progr	0.00	\$0
17180104	Unrestricted	Increase	2/26/2018	11012	2263	Department Discretionary	0.00	\$1,137
17180105	Restricted	Increase	2/26/2018	41224	3052	ENLACE	0.00	\$48,000
17180106	Unrestricted	Maintenance	2/20/2018	11013	2653	Continuing Ed	0.00	\$0
17180107	Foundation	Increase	2/26/2018	35000	5100	Foundation-Unrestricted	0.00	\$17,740
17180108	Unrestricted	Increase	2/26/2018	11012	1040	Department Discretionary	0.00	\$8,000
17180109	Unrestricted	Maintenance	2/20/2018	11000	2212	Instruction & General	0.00	\$0
17180110	Unrestricted	Maintenance	2/20/2018	11000	2571	Instruction & General	0.00	\$0
17180111	Unrestricted	Increase	2/26/2018	11801	3501	Internal Services	0.00	\$66,111
17180112	Unrestricted	Decrease	2/26/2018	11011	2431	Nursing Enhancement	0.00	(\$63,715)
17180113	Unrestricted	Maintenance	2/20/2018	11013	2653	Continuing Ed	0.00	\$0
17180114	Unrestricted	Maintenance	3/5/2018	11012	1007	Department Discretionary	0.00	\$0
17180115	Restricted	Maintenance	3/5/2018	40104	2355	NSF DUE PEARL	0.00	\$0
17180116	Foundation	Maintenance	3/5/2018	34000	1005	Foundation-Operating	0.00	\$0

BAR No.	Fund Type	BAR Type	Approved	Fund	Org	Fund Title	FTE	Amount
17180117	Restricted	Maintenance	3/5/2018	41461	4522	LANS Investment 2017	0.00	\$0
17180118	Unrestricted	Maintenance	3/5/2018	11000	4011	Instruction & General	0.00	\$0
17180119	Unrestricted	Decrease	3/27/2018	42111	3646	NM Success Scholarships	0.00	(\$90,000)
17180120	Unrestricted	Maintenance	3/19/2018	11303	1022	Indirect Cost Funds	0.00	\$0
17180121	Restricted	Increase	3/27/2018	41193	2571	Carl Perkins - Vocational Services	0.00	\$29,787
17180122	Restricted	Decrease	3/27/2018	40116	2355	NSF Cybersecurity	0.00	(\$137,440)
17180123	Unrestricted	Maintenance	3/20/2018	92539	2826	GO Bond 2016 Library Allocation	0.00	\$0
17180124	Restricted	Maintenance	3/20/2018	41101	2725	High School Equivalent Program	0.00	\$0
17180125	Foundation	Maintenance	4/13/2018	34000	4206	Foundation-Operating	0.00	\$0
17180126	Unrestricted	Increase		42312	3613	Federal Agencies Scholarship	0.00	\$17,000
17180127	Unrestricted	Increase		83027	3281	Student Organizations	0.00	\$3,098
17180128	Restricted	Maintenance	4/13/2018	40106	2833	NM INBRE	0.00	\$0
17180129	Unrestricted	Maintenance	4/13/2018	11012	1007	Department Discretionary	0.00	\$0
17180130	Unrestricted	Maintenance	4/13/2018	11000	1022	Instruction & General	0.00	\$0
17180131	Restricted	Increase		40117	2571	AFRL-NM Technology Transfer	0.00	\$125,203
17180132	Restricted	Increase		40118	2355	USC: Cybersecurity Pipeline	0.00	\$28,080
17180133	Restricted	Decrease		41191	2571	Perkins Redistribution Funds	0.00	(\$9,756)
17180134	Restricted	Decrease		41212	2811	ABE Instructional Materials	0.00	(\$780)
17180135	Unrestricted	Maintenance	4/10/2018	11000	1007	Instruction & General	0.00	\$0
17180136	Unrestricted	Maintenance	4/13/2018	12105	3127	Athletics Administration	0.00	\$0
17180137	Foundation	Maintenance	4/13/2018	34000	4206	Foundation-Operating	0.00	\$0
17180138	Unrestricted	Increase		83027	3276	Student Organizations	0.00	\$1,527
17180139	Unrestricted	Maintenance	4/13/2018	11000	1020	Instruction & General	0.00	\$0
BAR Net Total							0.00	\$1,118,397

**Northern New Mexico College
FY18 (2017-2018)**

**BAR Num 17180126
Tuesday, March 27, 2018**

**Fund Type: Unrestricted
BAR Type: Increase**

Fun	Category	Account	Description	FTE	Amount
Federal Agencies Scholarship					
Org	Revenue	42312-3613-55005-191	Private Gifts and Grants	0.00	\$17,000
Native American Scholarships					
	Total Revenue			0.00	\$17,000
	Expense	42312-3613-71149-191	Scholarship Expense	0.00	\$17,000
	Total Expense			0.00	\$17,000
	BAR Net Total Increase			0.00	\$17,000

Vice President for Finance and Administration
NNMC Board of Regents Representative

**Northern New Mexico College
FY18 (2017-2018)**

**BAR Num 17180127
Tuesday, March 27, 2018**

**Fund Type: Unrestricted
BAR Type: Increase**

Fun	Student Organizations	Org	SNA-Student Nursing Assoc	Category	Account	Description	FTE	Amount
Revenue	83027-3281-58001-151	Other Revenue	0.00	\$3,098				
Total Revenue			0.00	\$3,098				
Expense	83027-3281-71131-151	Supplies and Expense	0.00	\$3,098				
Total Expense			0.00	\$3,098				
BAR Net Total Increase			0.00	\$3,098				

Vice President for Finance and Administration

NNMC Board of Regents Representative

Northern New Mexico College

BAR Num 17180131
Tuesday, April 03, 2018

FY18 (2017-2018)

Fund Type: Restricted

BAR Type: Increase

Fun	Indirect Cost Funds	Org	Business Education	Category	Account	Description	FTE	Amount
Revenue	11303-2571-80278-101					Transfer In Indirect	0.00	\$23,476
Revenue	40117-2571-54103-608					Federal Grants and Contracts Rev	0.00	\$101,728
Total Revenue							0.00	\$125,203
Expense	11303-1020-71951-131					Indirect Cost	0.00	\$23,476
Expense	40117-2571-61101-101					Faculty Salaries Full-time	0.00	\$6,000
Expense	40117-2571-61103-101					Faculty Salaries Adjunct	0.00	\$17,540
Expense	40117-2571-61301-101					Professional Salaries-FT	0.00	\$9,500
Expense	40117-2571-61451-101					Student Salaries	0.00	\$20,000
Expense	40117-2571-62111-101					Medicare	0.00	\$769
Expense	40117-2571-62112-101					FICA	0.00	\$2,500
Expense	40117-2571-62121-101					Retirement - ERA	0.00	\$2,000
Expense	40117-2571-62141-101					Retiree Health Care - ERA	0.00	\$300
Expense	40117-2571-62151-101					Health Insurance	0.00	\$1,800
Expense	40117-2571-62152-101					Dental Insurance	0.00	\$50

**Fun AFRL-NM Technology Transfer
Org Business Education**

Expense	40117-2571-62153-101	Vision Insurance	0.00	\$50
Expense	40117-2571-62161-101	Basic Life	0.00	\$46
Expense	40117-2571-62180-101	Workers Compensation	0.00	\$8
Expense	40117-2571-71102-101	Advertising Expense	0.00	\$6,000
Expense	40117-2571-71128-101	Software Purchases up to 999.99	0.00	\$3,900
Expense	40117-2571-71131-101	Supplies and Expense	0.00	\$4,638
Expense	40117-2571-71805-101	Grant-Project Activities	0.00	\$1,800
Expense	40117-2571-72123-101	In-State Travel	0.00	\$1,351
Expense	40117-2571-80178-101	Transfer Out Indirect	0.00	\$23,476
Total Expense			0.00	\$125,203

BAR Net Total Increase

0.00 **\$125,203**

Vice President for Finance and Administration

NNMC Board of Regents Representative

Northern New Mexico College
FY18 (2017-2018)

BAR Num 17180132
 Tuesday, April 03, 2018

Fund Type: Restricted
BAR Type: Increase

Fun Org	Indirect Cost Funds Engineering	Category	Account	Description	FTE	Amount	
Revenue	11303-2355-80278-101			Transfer In Indirect	0.00	\$5,265	
Revenue	40118-2355-54103-608			Federal Grants and Contracts Rev	0.00	\$22,815	
Total Revenue						0.00	\$28,080
Expense	11303-1020-71951-101			Indirect Cost	0.00	\$5,265	
Expense	40118-2355-61106-101			Faculty Sal-Ovrld Non-Teaching	0.00	\$9,167	
Expense	40118-2355-62111-101			Medicare	0.00	\$133	
Expense	40118-2355-62112-101			FICA	0.00	\$239	
Expense	40118-2355-62121-101			Retirement - ERA	0.00	\$1,283	
Expense	40118-2355-62141-101			Retiree Health Care - ERA	0.00	\$183	
Expense	40118-2355-62151-101			Health Insurance	0.00	\$500	
Expense	40118-2355-62152-101			Dental Insurance	0.00	\$50	
Expense	40118-2355-62153-101			Vision Insurance	0.00	\$10	
Expense	40118-2355-62161-101			Basic Life	0.00	\$10	
Expense	40118-2355-62180-101			Workers Compensation	0.00	\$10	

**Fun USC: Cybersecurity Pipeline
Org Engineering**

Expense	40118-2355-62181-101	Workers Compensation Insurance Bill	0.00	\$200
Expense	40118-2355-62190-101	Unemployment Compensation	0.00	\$315
Expense	40118-2355-71145-101	Purchased Services	0.00	\$2,500
Expense	40118-2355-72124-101	Out-of-State Travel	0.00	\$2,950
Expense	40118-2355-80178-101	Transfer Out Indirect	0.00	\$5,265

Total Expense

0.00

\$28,080

BAR Net Total Increase

0.00

\$28,080

Vice President for Finance and Administration

NNMC Board of Regents Representative

Northern New Mexico College

BAR Num 17180133
 Tuesday, April 03, 2018

FY18 (2017-2018)

Fund Type: Restricted

BAR Type: Decrease

Fun	Indirect Cost Funds	Org	Business Education	Category	Account	Description	FTE	Amount
Revenue	11303-2571-80278-132					Transfer In Indirect	0.00	(\$443)
Revenue	41191-2571-54103-608					Federal Grants and Contracts Rev	0.00	(\$9,313)
Total Revenue							0.00	(\$9,756)
Expense	11303-1020-71951-131					Indirect Cost	0.00	(\$443)
Expense	41191-2571-73104-102					Electronics-Computer up to 4999.99	0.00	(\$8,870)
Expense	41191-2571-80178-102					Transfer Out Indirect	0.00	(\$443)
Total Expense							0.00	(\$9,756)
BAR Net Total Decrease							0.00	(\$9,756)

Vice President for Finance and Administration

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NNMC Board of Regents Representative

**Northern New Mexico College
 FY18 (2017-2018)**

**BAR Num 17180134
 Wednesday, April 04, 2018**

**Fund Type: Restricted
 BAR Type: Decrease**

Fun ABE Instructional Materials Org ABE	Category	Account	Description	FTE	Amount
	Revenue	41212-2811-54202-605	State Grant & Contract Revenue	0.00	(\$780)
Total Revenue				0.00	(\$780)
	Expense	41212-2811-71125-105	Resource Materials	0.00	(\$780)
Total Expense				0.00	(\$780)
BAR Net Total Decrease				0.00	(\$780)

Vice President for Finance and Administration

NNMC Board of Regents Representative

**Northern New Mexico College
FY18 (2017-2018)**

**BAR Num 17180138
Thursday, April 12, 2018**

**Fund Type: Unrestricted
BAR Type: Increase**

Fun Org Category	Student Organizations Cheerleaders Account	Description	FTE	Amount
Revenue	83027-3126-58001-151	Other Revenue	0.00	\$1,327
Revenue	83027-3276-58001-151	Other Revenue	0.00	\$200
Total Revenue				\$1,527
Expense	83027-3126-71131-151	Supplies and Expense	0.00	\$1,000
Expense	83027-3126-71354-151	Uniforms	0.00	\$327
Expense	83027-3276-71131-151	Supplies and Expense	0.00	\$200
Total Expense				\$1,527
BAR Net Total Increase			0.00	\$1,527

Vice President for Finance and Administration
 NNMC Board of Regents Representative



HIGHER LEARNING COMMISSION

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April 2, 2018

President Richard Bailey
Northern New Mexico College
921 Paseo de Oate
Española, NM 87532

Dear President Bailey:

The interim report you submitted to our office has now been reviewed. A staff analysis of the report is enclosed.

On behalf of the Higher Learning Commission staff received the report on Title IV standards, plan to increase full-time faculty, and assessment of curricular and co-curricular learning outcomes. No further reports are required.

The Open Pathway Assurance Review is scheduled for 2019 – 2020. The institution's next reaffirmation of accreditation is scheduled for 2025 – 2026.

For more information on the interim report process contact Lil Nakutis, Accreditation Processes Manager, at lnakutis@hlcommission.org. Your HLC staff liaison is Tom Bordenkircher (tbordenkircher@hlcommission.org); (800) 621-7440 x 122.

Thank you.

HIGHER LEARNING COMMISSION



STAFF ANALYSIS OF INSTITUTIONAL REPORT

DATE: April 2, 2018

STAFF LIAISON: Tom Bordenkircher

REVIEWED BY: Steven Kapelke

INSTITUTION: Northern New Mexico College, Espanola, NM

EXECUTIVE OFFICER: Dr. Richard Bailey, President

PREVIOUS COMMISSION ACTION AND SOURCES: An interim report is required by 12/1/2017 on Title IV standards, plan to increase full-time faculty, and assessment of curricular and co-curricular learning outcomes.

This interim report derives from the Team Report of the institution's 2016 Comprehensive Evaluation which states:

The Comprehensive Quality Review team recommends that NNMC submit a criterion-related monitoring report on December 1st of 2017. This report should specifically address concerns related to core components 3C and 3E. Specifically, NNMC should include in its report detailed information about its progress related to the following:

- *Progress in alignment with NNMC's three-year plan to increase the number of full-time faculty by at least 5.75 FTE, increasing its faculty-to-program ratio*
- *Demonstration of continued maturity of a culture and infrastructure to support assessment of curricular and co-curricular learning outcomes; specifically, NNMC should submit its co-curricular assessment plan along with any data related to assessment of co-curricular learning and how that assessment data has been utilized in quality improvement efforts.*

The Federal Compliance panel review noted that NNMC remains under oversight by the United States Department of Education. The CQR team followed up and found the college to be making excellent progress on these issues; however, NNMC will need to provide evidence that it is meeting Title IV standards and is no longer under oversight by the United States Department of Education.

REPORT PRESENTATION AND QUALITY: The Northern New Mexico College (NNMC) interim report is presented clearly and organized around the three primary areas of concern identified in the Team Report of the institution's 2016 Comprehensive Evaluation: 1) sufficiency of faculty numbers; 2) learning outcomes assessment and

demonstration of support for curricular and co-curricular learning outcomes; and 3) student default rates. In addition to the report narrative, the institution has supplied an appendix that contains extensive information pertaining to faculty numbers.

REPORT SUMMARY: Following a brief introductory section that provides context for the body of the report, the document is presented in three sections, each addressing one of the concerns noted in the Report Presentation section above.

With regard to the institution's three-year plan to increase the size of its full-time faculty by 5.75 FTE, the report provides a table, below, that shows the original plan, indicating where new faculty appointments are to take place and during which academic year.

Table 1. Original 3-year plan

College	Vacant	2016-17	2017-18	2018-19
Arts and Sciences	1	Fill vacancies	Add 2 FTE	Add 2 FTE
Engineering	0	Retain Faculty	Retain Faculty	Retain Faculty
Health Sciences	1	Add 0.5 FTE	Fill vacancies	Retain Faculty
Business Administration	1	Fill vacancies	Add 0.25 FTE	Retain Faculty
Education	1	Fill vacancies	Add 1 FTE	Retain Faculty

Table 2, below, shows progress on the three-year plan, noting the College's intention to have a full-time faculty complement of 48 by FY2018-2019.

Table 2. 3-year plan progress

	Original (FY 15-16)	FY 16-17	FY 17-18	FY 18-19
Number of Full-Time Faculty Members	37	40	39 (7*)	48
Number of Programs	29	25	25	25
Ratio (Faculty/Program)	1.27	1.6	1.56 (1.84*)	1.92

*The number of vacancies that we expect to hire this academic year and the expected ratio when vacancies are filled.

In its narrative the report notes a number of factors contributing to the numbers represented in the second table, including the hiring delays caused by changes in the institution's Human Resources office. However, according to the report, all vacant positions have been advertised, budget allocations for the positions remain intact, and

the institution expects to have 46 full-time faculty members by the close of the 2017-2018 academic year, with two additional faculty lines added for AY2018-2019, as indicated in Table 2.

The report also cites strategies the College is using with regard to the relationship of full-time faculty members and instructional programs. These include, but are not limited to, the relegation of low or zero enrollment programs to moratorium or suspension status, and faculty retention initiatives such as flexible work schedules for faculty members seeking advanced degrees.

The second issue addressed in the report falls under the general heading of Assessment and focuses primarily on the development of institutional student learning outcomes (CSLOs), the assessment of these outcomes, and the improvement in co-curricular assessment. Here the report notes that the College established its CSLOs in response to a 2014 AQIP Strategic Forum, which led to the adoption of four learning outcomes and the enactment of what the report terms “a college-wide assessment effort.” The report describes the institution’s efforts to sustain and continue to improve these procedures, citing the creation of the Co-curricular Committee and the work of the Committee for Learning Assessment of Students (CLASs)

The document then presents a timeline that shows actions taken by the College to improve its assessment efforts within instructional programs (“*Curricular Assessment*”). The timeline commences with the Fall 2016 semester, ends in 2017 and notes a number of key changes, including the review and update of the College-wide Curricular Assessment Plan and Cycle, and the development of a College-Wide Curriculum Map to assess CSLOs.

The report also presents a second timeline, showing significant steps taken by the institution to improve assessment of co-curricular learning (“*Co-Curricular Assessment*”). Among the noteworthy activities identified here are the creation of the Co-Curricular Committee in Fall 2016 and the development of what the report terms “a *guiding plan for co-curricular assessment*,” which was devised by the Committee. An additional brief schedule/timeline describes future actions related to co-curricular assessment in the Spring and Fall semesters of 2018.

The third major section of the document provides an account of the institution’s efforts to bring down its student default rates. Although the default rates have declined in recent years, the College continues to identify means by which it hopes to lower them further, despite challenges resulting from reductions to higher education funding in the State of New Mexico State Budget and less funding available through the Lottery Scholarship. Here the report lists “*ways the College [is exploring] to help lower the possibility of student default*,” including continuing its commitment to the low tuition rates that make the institution “*the most affordable four-year program in all of the Southwest US.*”



MEMORANDUM

To: Board of Regents
Northern New Mexico College

From: Ivan Lopez, Provost and VPAA

Date: April 18, 2018

Re: Out-of-Country Travel Request for NNMC Professor Dr. Rhiannon West

Issue

Out-of-Country Travel Request for NNMC Professor, Dr. Rhiannon West to perform mentoring and ecological research with two students from NNMC.

Overview

Dr. West is requesting permission to travel to a field research station run by the University of the Bahamas on San Salvador Island. Dr. West and two students will perform field research on a group of fishes that are only found in some of the lakes in the interior of San Salvador Island. Dr. West has performed research with undergraduates at this site in the past. That research resulted in publications in respected scientific journals in her field and the undergraduate went on to graduate school at Colorado State University.

Recommendation

I recommend the Board of Regents approve Dr. West's request to travel to San Salvador Island, (The Bahamas) to perform ecological field research and mentoring.