

**MINUTES OF REGULAR MEETING
SAN JUAN COLLEGE BOARD
MARCH 1, 2011**

ITEM A. CALL TO ORDER

The meeting was called to order by Chairman Chance at 7:06 p.m. The following members were present:

R. Shane Chance, Chairman
Kenneth W. Hare, Vice Chairman
Eva B. Stokely, Secretary
Evelyn B. Benny, Member
Chad R. King, Member
Dr. Joseph P. Pope, Member
John C. Thompson, Member

ITEM B. WELCOME OF GUESTS AND VISITORS

San Juan College administrators and staff in attendance were Stacey Allen, Dr. Merrill Adams, Linda Baker, Sherrie Biringer, Jon Betz, Steve Biernacki, Oliver Borden, Dr. Alvin Brown, Gayle Dean, Dave Eppich, MaryAnne Facio, Phillip Gallegos, Dianne Garcia, Candace Gilfillan, Laurie Gruel, Dr. Sher Hruska, J. Pernell Jones, Lynn Lane, Diana Lang, Bill Lewis, Jeannie Malandro, Dr. Pam Miller, Nancy Shepherd, Bryan Smiley, Maury Tiehen, Tim Warren, and Lisa Wilson. Also in attendance were Chris VanDyke, Greer, Stafford Architects; Dennis Wilkinson, Marrow, Reardon, Wilkinson & Miller; Bob Echols, Cheney, Walters & Echols; Jenny Kane, Daily Times; Lonnie Anderson, Jack Hruska, and Myke Lane, community members.

ITEM C. ADOPTION OF AGENDA

Dr. Pope moved and Mr. King seconded the motion to adopt the agenda with the deletion of Items E, G, H, I, and J4. **MOTION CARRIED** by unanimous voice vote.

ITEM D. APPROVAL OF MINUTES

1. **Approval of Minutes of Regular Board Meeting on February 1, 2011**

Mr. King moved and Mrs. Benny seconded the motion to approve the Regular Meeting Minutes of February 1, 2011. **MOTION CARRIED** by unanimous voice vote.

2. **Approval of Minutes of Executive Board Session on February 1, 2011**

Dr. Pope moved and Mrs. Stokely seconded the motion to approve the Executive Session Minutes of February 1, 2011. **MOTION CARRIED** by unanimous voice vote.

ITEM E. CORRESPONDENCE

None

Executive Session to Discuss Personnel Matters

Pursuant to Sections 10-15-1 to 10-15-4, NMSA 1978, Subsection E, Paragraph 2, the Board will go into Executive Session to discuss personnel matters. A motion was made at 7:10 p.m. by Dr. Pope and seconded by Mrs. Stokely for the Board to meet in Executive Session. **MOTION CARRIED** by unanimous voice vote. The Executive Session concluded at 7:50 p.m., and the matters discussed in the closed meeting were limited only to those specified in the motion for closure.

Dr. Pope moved and Mrs. Benny seconded the motion to return to the Regular Meeting. **MOTION CARRIED** by unanimous voice vote.

Mr. Hare made a motion that the Board extend an offer of employment to Michael Tacha as Interim President, effective immediately. Mrs. Stokely seconded the motion.

The Board was polled individually to approve the motion and second: Mr. King, yes; Dr. Pope, yes; Mrs. Benny, yes; Mrs. Stokely, yes; Mr. Hare, yes; Mr. Thompson, yes; Chairman Chance, yes. **MOTION CARRIED** by unanimous voice vote.

ITEM F. STAFF REPORTS

1. **Personnel Report**

Ms. Stacey Allen, Director, Human Resources, reported that the following appointments were made since the last Board meeting: Robert Holman was hired as Lab Technician, Office of Technology Services, effective January 31, 2011; Allen Werito was hired as Custodial Worker II, Physical Plant, effective February 1, 2011; Desiree Martinez was hired as Custodial Worker II, Physical Plant, effective February 16, 2011; and Maxine Chapman was hired as Instructor, Surgical Technician Program, School of Health Sciences, effective February 14, 2011.

Changes: Katherine Leach changed from Math Tutoring Coordinator, Student Engagement to Director of Launch Program, Student Engagement, effective February 1, 2011.

Separations: Gary Phillips, Custodial Worker II, Physical Plant, resigned for personal reasons effective January 14, 2011; Larry Reynolds, Groundskeeper III, Physical Plant, resigned for personal reasons effective February 3, 2011; and Michelle Naranjo, Lead Teacher, Child & Family Development Center, resigned for personal reasons effective February 17, 2011.

Mr. King moved and Mrs. Benny seconded the motion to approve the Personnel Report as submitted. **MOTION CARRIED** by unanimous voice vote.

2. Financial Report

Mr. J. Pernell Jones, Vice President for Business Services, presented the financial report for the month ending January 2011.

Total Assets at month end amounted to \$107.5 million. Of that total, \$81.8 million was Property, Plant & Equipment; \$18.6 million was Cash & Investments; and \$3.5 million was Student Accounts Receivable. The Student Accounts Receivable total was up nearly 35% from the total reported at the end of December. With January representing the culmination of the primary enrollment period for Spring, this increase was consistent with expectations. The Operating Budget Variance Report through January 31, 2011, showed actual revenue to date was below budgeted revenue by \$109,624—primarily due to the \$102,841 unfavorable variance reported for Investment Income. Components of that variance included \$13,000 related to revenue anticipated from rental of campus facilities; \$24,000 related to return on investments; and \$60,000 related to anticipated revenue from rental of apartments to automotive students. In terms of total expenses, the institution reported a favorable budget variance of \$1,672,500. More than 80% of that variance--\$1.36 million--was attributable to salaries and benefits resulting primarily from positions that have been vacant at some point throughout the fiscal year. The three rows displayed at the bottom of the Operating Budget Variance Report translated the reported budget variance into potential impact on the College's unrestricted fund balance. In December, the Board approved a revised deficit budget of \$1.5 million. Relative to that approved budget, results through January indicated a favorable variance of \$1.56 million, which means that if the fiscal year ended January 31, the college would actually have increased its fund balance by nearly \$60,000. However, the fiscal year did not end January 31 as there are 5 months yet to be reported. The bottom line is that the College has been successful in controlling expenses this year, so it is in a relatively effective position with regard to the operating budget. The primary element to watch for over the remaining

5 months is how the collection of property and production taxes proceed. The auxiliary Bookstore Operations, through the first seven months of the fiscal year, reported a favorable variance of \$27,078. The basis of this favorable position is Bookstore revenue which exceeded budgeted expectations by nearly 5%. The budget variance for Food Services through January reported an unfavorable budget variance of \$71,319 largely due to sales falling short of budgeted expectations by \$144,320.

Dr. Pope moved and Mr. King seconded the motion to approve the Financial Report as submitted. **MOTION CARRIED** by unanimous voice vote.

3. **Update on the SJC CDL Program**

Mr. Maury Tiehen, Department Head/Instructor CDL, School of Energy, presented a brief history of the College CDL Program, highlighted key facets of the program, and provided a comparison of the San Juan College CDL Program with others in the state.

ITEM G. CITIZEN COMMENT

None

ITEM H. OLD BUSINESS

There were no old business items for discussion or approval.

ITEM I. PRESIDENT'S REPORT

None

ITEM J. NEW BUSINESS

1. **Change Order for Phase II Construction of the Health Sciences Center**

In July 2010, Trustees approved FCI Constructors as general contractor for Phase II construction of the Health Sciences Center at San Juan College.

The economic downturn resulted in a considerably favorable bidding climate for this project. The College is currently projecting a favorable variance for the entire project of nearly \$1 million. Funding for this project was made available by the 2008 state general obligation bond and is restricted to “plan, design, construct, equip, and furnish the Health Sciences Center at San Juan College.”

In collaboration with the School of Health Sciences and other stakeholders in Learning, the administration has established the following priorities for dispensation of the remaining funds:

- A new microbiology lab, with prep area in the Health Sciences Center
- Three additional offices for faculty
- The paving of approximately 100 parking spaces contiguous to the Health Sciences Center.

The opinion of probable cost for these scopes is \$700,000. Upon approval by the Board of Trustees, the College will seek approval from the New Mexico Higher Education Department and commence pricing negotiations with FCI.

Dr. Pope moved and Mr. King seconded the motion to approve as presented. **MOTION CARRIED** by unanimous voice vote.

2. **Approval of Parking Lot Improvements**

The FY11 Budget Adjustment approved by Trustees at the December 2010 Board meeting included the expenditure of the prior year's operating surplus of \$774,000 for various improvements to the College's physical plant.

As construction of the Health Sciences Center is completed in late Spring, the administration proposes paving the existing parking area between the Health Sciences Center and the West Classroom Complex. The College anticipates seeking approval from the New Mexico Higher Education Department (HED) to pave approximately 100 spaces adjacent to the Health Sciences Center utilizing proceeds from the 2008 statewide general obligation bond for Health Sciences. The administration proposes paving the remaining spaces in the lot (approximately 360) utilizing the FY10 surplus set aside for physical plant improvements. The opinion of probable cost for this scope is \$475,000, including applicable gross receipts tax.

If approved by the Board, the institution will have to obtain approval for this project from HED.

Mr. King moved and Mr. Thompson seconded the motion to approve as presented. **MOTION CARRIED** by unanimous voice vote.

3. **Approval of Replacement Chiller for the San Juan College 30th Street Complex**

In January, the sub-zero weather in the area froze and cracked the 10-year old external air-cooled chiller that provides air conditioning to the

College's 30th Street complex. A claim has been submitted to the state Risk Management Division for the damaged unit.

The administration proposes replacing this unit with a more energy-efficient model. The replacement unit is available from Johnson Controls, Inc., through a state-negotiated General Services Administration contract in the amount of \$115,000 including applicable gross receipts tax.

The administration anticipates receipt of insurance proceeds from the claim submitted to New Mexico Risk Management. Costs of the replacement unit not covered by these insurance proceeds will be funded from past appropriations the College has received from the state for Building Renewal and Replacement.

Mrs. Stokely moved and Dr. Pope seconded the motion to approve as presented. **MOTION CARRIED** by unanimous voice vote.

4. **Approval of Tuition Increase**

This item was deleted from the agenda.

ITEM K. ANNOUNCEMENT OF NEXT MEETING

The next regular meeting will be held on Tuesday, April 5, 2011, at 7:00 p.m. in the San Juan College Board Room.

ITEM L. ADJOURNMENT

Mr. Thompson moved and Mrs. Benny seconded the motion to adjourn. The meeting was adjourned by Chairman Chance at 9:26 p.m.

R. Shane Chance, Chairman
San Juan College Board

ATTEST:

_____, Secretary
San Juan College Board

Date: April 5, 2011