

**MINUTES OF REGULAR MEETING
SAN JUAN COLLEGE BOARD
September 5, 2017**

ITEM A. CALL TO ORDER

John Thompson called the meeting to order at 7:17 p.m. The following members were present:

Dr. Joseph Pope, Vice Chairman
R. Shane Chance, Member
Byron Manning, Secretary
Evelyn B. Benny, Member
Hoskie Benally, Jr., Member

ITEM B. WELCOME OF GUESTS AND VISITORS

San Juan College administrators and staff in attendance were: Dr. Toni Pendergrass, Barbara Ake, Jon Betz, John Boggs, Virgil Caldwell, Gayle Dean, Ed DesPlas, Adrienne Forgette, Chris Harrelson, Ron Jernigan, Kerri Langoni, Bill Lewis, Michael Ottinger, Brad Purdy, Barbara Wickman, Vinny Zicoello, Leslie Saavedra, Mary Schumacher-Hoerner, Dena Stewart, Therese Millis, Cameron Cooper, Melody Conrad, Andrea Cooper, Don Ellis, and Luke Renner.

Guests: Joe Rasor, John Mohler, and Raymundo Payan

ITEM C. ADOPTION OF AGENDA

Mr. Chance and Dr. Pope seconded the motion to adopt the agenda. **MOTION CARRIED** by a unanimous voice vote.

ITEM D. REPORTS

1. Monthly Presentation

Ms. Mary Schumacher-Hoerner presented a Child and Family Development Center Accreditation Update.

2. Association Reports

Support Staff Association (SSA) Ms. Leslie Saavedra shared that sixteen staff members attended the Administrative Assistance Conference participating in two different tracks for training. They appreciated the opportunity for growth. At the September 20 meeting the by-law revision will be shared with the group as a whole for review. The position of secretary is now open and a replacement is being searched for.

Student Association (SA) Mr. Raymundo Payan reported the SA has a full senate this year. The current projects are the constitution, by-laws, and a financial handbook. They will be assisting with the Veteran Stand Down by making shower packs. There will be a college fair held in conjunction with Student Rush over the next two days. The movie Wonder Woman will be showing on Friday. Mr. Payan also thanked Dr. Pendergrass and Mr. Eppich for their assistance over the summer in working the student government.

Faculty Association (FA) Mr. Lance Myler shared a power point that reviewed the process for faculty rank and promotion. He then introduced the faculty that were promoted this past year: Luke Renner, Cameron Cooper, and Don Ellis. Mr. Myler also stated the faculty have had positive reactions to recent administrative structural changes. They do expect there to be a learning curve that will result in short-term inefficiencies. The faculty look forward to working with administration on further changes.

Professional Staff Association (PSA) Mr. John Boggs reported he has received several positive comments about the organizational change and the direction the College is moving. The PSA is supporting the Veteran Stand Down event on October 13. A sub-committee is being formed to review the by-laws. The next meeting will be on September 13.

ITEM E. CITIZEN COMMENT

None.

ITEM F. CONSENT AGENDA

1. Approval of Minutes of Regular Board Meeting on August 1, 2017

The August 1, 2017 minutes were presented in the Board packet for approval.

2. Correspondence

Mr. Edward L. Mendez, Director Rural Veterans Coordination Program New Mexico Department of Veteran Services sent Brad Maxwell, Rural Veteran Coordinator SJC, a thank you for the great job he is doing to help veterans across the state.

3. Financials

Included in the Board packet are the monthly financial reports for the month ended July 31, 2017.

4. Personnel Report

The following appointments were made since the last Board meeting: Jeremy Allen, Custodian, Physical Plant, effective August 7, 2017; Kenneth Hibner, Assistant Director, Public Safety, effective August 7, 2017; Jessica Anaya,

Admissions Assistant, Enrollment Services, effective August 14, 2017; Dawn Barnes, Sign Language Interpreter, Advising and Counseling, effective August 14, 2017; Beau Betoni, Art Gallery Assistant, Fine Arts, effective August 14, 2017; Lisa Dorner, Instructor of Nursing, School of Health Sciences, effective August 14, 2017; Michele Eiland, Clinical Coordinator-Instructor of EMS, School of Health Sciences, effective August 14, 2017; Janet Parkes, Assistant Professor Chemistry, School of Math, Science and Engineering, effective August 14, 2017; Chulwoo Shin, Assistant Professor Biology, School of Math, Science, and Engineering, effective August 14, 2017; Karina Todechine, Part-time Library Assistant II, Library, effective August 14, 2017; Guy Youell, Custodian, Physical Plant, effective August 214, 2017; Chancy Deal, Instructor of Auto Body, School of Trades and Technology, effective August 15, 2017; Victor Moreno, Custodian, Physical Plant, effective August 21, 2017.

Changes: Janet Peterson, from Professor of English, School of Humanities to Director, Center for Professional Development, effective August 14, 2017; Ed DesPlas, from Vice President for Administrative Services to Executive Vice President for Administrative Services, effective August 15, 2017; Adrienne Forgette, from Associate Vice President for Learning to Vice President for Learning, effective August 15, 2017; Eileen Richey, from Director Support Services to Director Auxiliary Services, effective August 15, 2017; Jennifer Hargrove, from Academic Scheduler, Office for Learning to Financial Aid Advisor, Financial Aid, effective August 28, 2017.

Separations: Derrick Joe, Custodian, Physical Plant, separation of employment, effective August 18, 2017; Michael Roesemann, Electronic Access and Locksmith, Physical Plant, separation of employment, effective August 18, 2017; Marcia Sterling-Penn, Director Student Activities, separation of employment, August 21, 2017.

5. Information Report – Catering Activities Through College Food Service

The report of catering activities by A’viands, LLC for the month of July 2017 is included in the board packet.

Recommendation

I recommend the Board accept this information report.

6. Approval for Certification of Asset Inventory

The governing unit of the College is required to certify the inventory of equipment assets of the College at year end as part of the year-end audit process. For this purpose, the inventory of the equipment and capital assets has been completed to the best of the San Juan College staff’s ability and is presented to the Board of Trustees. The list of SJC’s asset inventory has been included in the board packet.

Recommendation

I recommend the Board approve and certify the San Juan College asset inventory for purposes of the FY 2017 audit.

7. Exception to Board Policy 500 - Nepotism

Board of Trustees Policy #500, prohibits employment of individuals from the same immediate family to be in a supervisory/subordinate relationship or below the same lines of authority. College Administration is recommending an exception be granted for Jackie Cote, an Instructional Associate and Simulation Repair Technician in the Nursing Simulation Lab and for Chance Ewing, a Simulation Lab Technician. Neither Cote nor Ewing are in a supervisory/subordinate relationship with their family member employed by the College, but Cote, Ewing and their respective family members are employed under the same lines of authority: the Dean of the School of Health Sciences.

Individuals qualified for the positions of Simulation Lab Technician and Simulation Repair Technician are not readily available, as they require unique training and skills in order to perform the duties of these positions; a limited number of individuals in the United States possess this training. In the case of the Simulation Repair Technician position, Ms. Cote possesses certification that permits her to do official warranty repair work on the School's costly simulation manikins, saving the School of Health Sciences thousands of dollars and down time. In light of the aforementioned, College Administration respectfully requests an exception to Board Policy #500 for each, Cote and Ewing.

Recommendation

I recommend that that the two exceptions to Board of Trustees Policy #500 requested above, be granted.

8. Information Report – Update to June 30, 2017 Operating Budget Variance Report

As the accounting office goes through the closing process for fiscal year 2017, the preliminary Operating Budget Report for June 30, 2017 has been updated for the following:

- Transfers to the Debt Service Fund \$369,831
- A transfer of unused proceeds from hail insurance claim \$ 41,950
- Transfers to the Repair and Renewal Fund, pursuant to Board Policy 806 II. B. 2. \$689,084

The updated report is still a preliminary estimate and has not be audited. All year-end accruals and adjustments have not yet been completed; the “Net Increase to Fund Balance After Transfers” is subject to change as much \$750

thousand downward. Even so, it is anticipated that the 2016-17 fiscal year will close in a strong positive position.

San Juan College				
Operating Budget Variance Report				
For the 12 Month Period Ending June 30, 2017				
	Budget	YE Actual	YTD Actual	YTD Actual
	FY 16/17	FY 15/16	FY 16/17	FY 15/16
Revenues				
State Appropriations	\$ 23,416,603	\$ 25,072,455	\$ 23,418,630	\$ 25,072,455
Local Taxes - Property	12,615,314	12,420,063	12,627,002	12,420,063
Local Taxes - Production	1,846,649	1,531,663	1,907,800	1,531,663
Tuition and Fees	11,615,595	12,058,220	11,820,465	12,058,220
Other Revenue	7,532,336	8,482,371	7,525,714	8,482,371
Total Revenues	57,026,497	59,564,773	57,299,611	59,564,773
Cost of Goods Sold	(70,000)	(59,602)	(29,574)	(59,602)
Net Revenues	56,956,497	59,505,170	57,270,037	59,505,170
Expenditures				
Salaries	28,435,787	28,766,775	27,791,908	28,766,775
Benefits	10,561,764	11,221,577	10,561,512	11,221,577
Operating Expenses	15,504,808	16,269,684	14,078,401	16,269,684
Travel	624,218	428,105	402,379	428,105
Equipment	372,221	302,065	323,083	302,065
Total Expenditures	55,498,798	56,988,205	53,157,283	56,988,205
Net Income (Loss) Before Transfers	1,457,699	2,516,965	4,112,754	2,516,965
Transfers Out to Auxilliary	(320,396)	(96,023)	(162,813)	(96,023)
Transfers Out to R&R, and Debt Service	(1,130,248)	(1,324,798)	(2,177,612)	(1,324,798)
Net Increase/(Decrease) to Fund Balance After Transfers	\$ 7,055	\$ 1,096,144	\$ 1,772,329	\$ 1,096,144
Estimated				

Recommendation

I recommend the Board accept and acknowledge this information.

Recommendation

Mr. Chance moved and Ms. Benny seconded the motion to take the recommended actions as presented on the Consent Agenda. **MOTION CARRIED** by unanimous voice vote.

ITEM G. INDIVIDUAL ITEMS/NEW BUSINESS

1. APPROVAL OF FY2019 RESEARCH AND PUBLIC SERVICE PROJECTS REQUEST

Annually, the College submits requests to the New Mexico Higher Education Department for Research and Public Service Projects (RPSP). The funding targets expansion and/or enhancement of programs that serve a particular public need.

The College Administration recommends the following requests and priority ranking for funding for fiscal year 2019:

1. Nursing	\$200,000
2. Cybersecurity	\$ 75,000
3. Dental Hygiene	\$175,000
4. Tribal Energy Management	<u>\$ 50,000</u>
Total Request	\$500,000

Mr. Manning moved and Dr. Pope seconded the motion to approve these Research and Public Service Projects requests and priority rankings for fiscal year 2018-2019. **MOTION CARRIED** by unanimous voice vote.

2. APPROVAL OF ADDITIONAL PURCHASE OF ELLUCIAN SOFTWARE

At the June 6, 2017 meeting of the Board of Trustees, the fiscal year 2018 renewal of existing Ellucian software licenses and maintenance fees of \$378,042 was approved. The College Administration requests approval for additional purchases of software capabilities and capacities including: unlimited Unidata Unrestricted Colleague licenses, employee training and training library subscription, Financial Aid self-service, WebAdviser Benefit enrollment. The additional cost of these capabilities and capacities is \$94,780 plus applicable gross receipts taxes.

Dr. Pope moved and Mr. Manning seconded the motion to approve the additional purchase from Ellucian and that purchase orders be authorized to encumber necessary funds. **MOTION CARRIED** by unanimous voice vote.

3. SAN JUAN COLLEGE MISSION AND VISION STATEMENTS

On July 11, 2017, using an internet-based audio visual application in a work session setting, the San Juan College Board of Trustees was assisted by strategic planning consultant Ms. Liz Murphy in crafting initial drafts of potential mission statements and potential vision statements. From that session, four sets of potential mission and vision statements emerged. On August 14, 2017 Ms. Murphy attended a Board work session and assisted the Trustees in refining and narrowing the choices of potential mission and vision statements down to two possible mission statements and one favored possible vision

statement. On August 15, 2017, Ms. Murphy spoke to the College community at the College's Fall 2017 Convocation and facilitated a process to gather feedback on the Trustees' two mission statements and the vision statement under consideration.

The two refined and revised mission statements currently under consideration are:

- Educate individuals, empowering them to thrive in an ever changing world.
- Educate and empower individuals to thrive in an ever changing world.

The favored vision statement is:

- Inspire success through world-class education.

Dr. Pope moved and Ms. Benny seconded the motion to approve and adopt the mission statement: *Educate and empower individuals to thrive in an ever changing world* and the vision statement: *Inspire success through world-class education*. These will be effective September 6, 2017 and will remain in effect until changed by Board action. **MOTION CARRIED** by unanimous voice vote.

4. STATE OF NEW MEXICO GROUP BENEFITS PLAN

On July 1, 2012, San Juan College elected to discontinue participation in the State of New Mexico group benefits plan, managed by the New Mexico General Services Administration. This decision was caused by the State of New Mexico group benefits plan exclusion of retirees and the cost to join the New Mexico Retiree Healthcare Authority. Since then, San Juan College has provided employee and retiree healthcare benefits through its own small group plan.

The rising cost of the San Juan College group benefits plan has become unsustainable. In 2017, after restructuring the medical coverage plan to reduce costs and benefits, premiums increased by 19%. In 2018, the cost of medical benefits provided by the group plan are to increase by 39%. With this rate increase, total premium costs (currently shared by the College and employees on a 73% college/27% employee basis) would increase by \$2.1 million from the projected cost for 2017.

College Administration has secured permission from the State of New Mexico General Services Administration to re-join the State's group benefits. With over 65,000 members, the State plan represents a significantly larger risk pool with greater buying power and stability. The General Services Administration has approved the College's membership for active employees in the plan without provision of a load (a premium surcharge for the first year). The State's plan

provides for three medical plan options for active employees. The benefits of these plans are more advantageous for employees and the premiums are well below the 2018 rates for San Juan College's small benefits plan. Rates for the State plan's medical coverages are in place and known for January 2018 through June 2018 as well as for July 2018 through June 2019. The State plan's medical rates will increase by only 3% for fiscal year 2018-2019.

Based on current employee participation in San Juan College's small group benefits plan, the cost of medical insurance coverage through the State plan will be approximately \$1.035 million less than the total premium costs shared by the College and employees for 2017; the College's share of these projected savings is \$721 thousand. The projection for employee savings is \$314 thousand.

College leadership recommends that the cost of health benefits will be shared by the College and participating employees as follows:

- employees with annual base pay up to \$50,000 20% employee/80% college
- employees with annual base pay over \$50,000 35% employee/65% college

A number of factors will negatively impact the College's share of overall savings projected from the lower cost of medical coverage in the State plan including:

- The cost of purchasing individual health policies for "pre-65" retirees. These premiums will not be known until November 2017.
- The modest cost increase for post-65 retiree coverage.
- The number of active employees currently not covered by the SJC small group plan who may elect to obtain coverage through SJC and the State of New Mexico group benefits plan.
- The cost of coverage upgrades as some employees may choose to participate in richer plans as offered by the State's group benefits plan's options.

The State group benefits plan will also provide San Juan College employees the option to carry other health coverages including dental, vision, life, and disability. The rate structures for all coverages have been provided to Trustees in information packets prior to this meeting.

Mr. Chance moved and Mr. Manning seconded the motion to approve San Juan College's return to the State of New Mexico's Group Health Insurance Plan as herein discussed. **MOTION CARRIED** by unanimous voice vote.

ITEM H. ANNOUNCEMENT OF NEXT MEETING

The next regular meeting will be held on **Tuesday, October 10, 2017 at 7:00 p.m.** in the San Juan College Board Room.

ITEM I. TENTATIVE CLOSED SESSION

None.

ITEM J. ADJOURNMENT

Mr. Chance moved and Ms. Benny seconded the motion to adjourn. Mr. Thompson adjourned the meeting at 8:10 p.m.

Mr. John Thompson, Chairman
San Juan College Board

ATTEST:

Byron Manning, Secretary
San Juan College Board

Date: October 10, 2017