



CAPITAN MUNICIPAL SCHOOLS

Home of the Tigers

Memo

To: Board of Education

From: Jamie Shepperd

Date: 4/16/2026

Re: 26107 BAR

Message

Attached is an Increase BAR for fund 26107, Hard to Staff Pay Differential.

CAPITAN MUNICIPAL SCHOOLS *To Lead, Educate, and Prepare All Students*

Located in 150 Forest, Capitan, NM 88316 • Mailing Address PO Box 278, Capitan, NM 88316 • Phone (575) 354.8500 • Fax (575) 354.8505

Must submit backup for all BARs, except transfers of funds for SEG or direct grants

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
300 Don Gaspar Santa Fe, NM 87501-2786
Budget Adjustment Request

Doc. ID: 040-000-2526-0037-I

Fund Type: Direct Grant

Adjustment Type: Increase

Fiscal Year: 2025-2026

Entity Name: Capitan Municipal Schools

Adjustment Changes Intent/Scope of Program Yes or No?: No

Contact: Jamie Shepperd, Chief Financial Officer

Total Approved Budget (Flowthrough):

Phone: 575-354-8514

Email: jamie.shepperd@capitantigers.org

FLOWTHROUGH ONLY
Budget Period: 2025-07-01 To: 2026-06-30
A. Approved Carryover:
B. Total Current Year Allocation:
D. Total Funding Available:

Revenue 26107.0000.43214 \$2,500.00

Fund	Function	Object	Program	Location	Job Class	Present Budget	Adj Amt Exp	Adj Budget	ADD'L FTE
26107 REC/District Fiscal Agent	1000 Instruction	51300 Additional Compensation	2000 Special Programs	040036 Capitan Middle	1412 Teachers-Special Education		\$2,500.00	\$2,500.00	
Sub Total							\$2,500.00		
Indirect Cost									
DOC. TOTAL							\$2,500.00		

Justification:

Hard to Staff Stipend

Compliance with Sections 10-15-1 and 22-8-12, NMSA, 1978 Compilation:

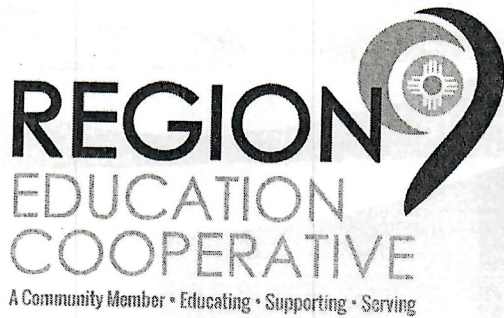
A. The requested budget/changes were authorized at a scheduled Board of Education or Governance Council meeting open to the public on:

B. Justification for the transfer: Explanation such as "underbudgeted", "insufficient budget", or "needed to close out Project" ARE NOT ACCEPTABLE. Attach additional sheets if necessary.

ALL TRANSFER BARS MUST NET OUT TO ZERO ON THE DOC. TOTAL LINE.

Approvals by Digital Signature

<u>Name</u>	<u>Role</u>	<u>Date</u>
Jamie Shepperd	Business Manager	4/16/2026 5:10:38 PM



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MEMORANDUM OF UNDERSTANDING

BETWEEN REGION 9 EDUCATION COOPERATIVE AND Capitan Municipal Schools

Memorandum # 26998000344

THIS FUNDING MEMORANDUM (Memorandum) is entered into by and between the Region 9 Education Cooperative (REC 9) and **Capitan Municipal Schools**, referred to individually as Agency and jointly as Agencies.

1. PURPOSE

The Hard-to-Staff Pay Differential is designed to support certified special education teachers who meet the criteria outlined in Addendum A, Statement of Work.

2. COMPENSATION

A. REC 9 shall pay to the Capitan Municipal Schools a one time payment for authorized services and expenses incurred pursuant to "ADDENDUM A," such compensation not to exceed **two thousand five hundred dollars and zero cents (\$2,500.00)**, inclusive of gross receipts tax (GRT). Such compensation is a maximum. There is no requirement imposed upon REC 9 pursuant to this Agreement to purchase any quota of services hereunder.

B. Nothing contained in this Agreement shall require REC 9 to pay for work that is not in compliance with the terms of this Agreement. In no event will the Capitan Municipal Schools be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided. Capitan Municipal Schools is responsible for notifying REC 9 no less than 30 days prior to the services provided under this Agreement reaching the total compensation amount.

C. Payment is subject to the availability of funds pursuant to the Appropriations provisions set forth in Paragraph 10 below and to any negotiations between the parties from year to year pursuant to Paragraph 1, PURPOSE.

D. Capitan Municipal Schools shall submit a detailed invoice accounting for all services performed and expenses incurred. If REC 9 finds that the invoiced services or expenses are not acceptable, within thirty days after the date of receipt of written notice from the Capitan Municipal Schools that payment is requested, it shall provide the Capitan Municipal Schools a

letter of exception explaining the defect or objection to the services or expenses, and outlining steps the Capitan Municipal Schools may take to provide remedial action. Upon certification by REC 9 that the services or expenses have been received and accepted, payment shall be tendered to the Capitan Municipal Schools 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, REC 9 shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein.

3. RESPONSIBILITIES OF THE PARTIES

The Agencies understand that each should be able to fulfill its responsibilities under this Memorandum and in accordance with the provisions of law and regulation that govern their individual activities. Nothing in this Memorandum is intended to negate or otherwise render ineffective any such legal provisions or operating procedures. If at any time either of the Agencies is unable to perform its functions under this Memorandum in addition to its statutory and regulatory mandates, the affected agency shall immediately provide written notice to the other to establish a date for mutual resolution.

4. SCOPE OF WORK

Capitan Municipal Schools shall provide the services as set forth in the scope of work in **"ADDENDUM A - STATEMENT OF WORK"** incorporated by reference as though fully set forth herein.

THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL SIGNED BY THE REC 9 EXECUTIVE DIRECTOR. This Agreement shall terminate on **June 19, 2026** unless otherwise terminated pursuant to Article 9 herein.

5. MAINTENANCE OF RECORDS

Each agency shall maintain its own records as required in compliance with applicable federal, state, or local laws, ordinances, and codes, but in no case for a period of less than four (4) years after the date of termination of this Memorandum. Upon written request of either agency, and during normal business hours, there shall be made available to that agency for examination of all of the other agency's records with respect to all matters covered by this Memorandum and any subsequent agreements. The examining agency may audit, examine and/or make excerpts or transcripts from such records of data as may be pertinent to this Memorandum, as well as by federal and state law. Upon the termination of this Memorandum, each party's records will be returned to that party by the other party, where a written request for the same is made within ninety (90) days from the date of termination.

The Agencies shall maintain fiscal and programmatic records relative to those funds and activities that have been made subject to this Memorandum for a minimum of seven (7) years after submission of the final expenditure report for each sub grant made subject to this Memorandum.

The Agencies further agree that each shall maintain appropriate records for strict accountability for all receipts and disbursements of funds transferred or expended pursuant to this Memorandum, pursuant to established federal and New Mexico cost accounting requirements.

It is the understanding of REC 9 that all stipend recipients are employees of Capitan Municipal Schools ; therefore, it is the responsibility of Capitan Municipal Schools to ensure all background check requirements under the State laws of New Mexico have been satisfied.

It is the understanding of REC 9 that all stipend recipients are employees of Capitan Municipal Schools ; therefore, it is the responsibility of Capitan Municipal Schools to ensure all requirements of New Mexico House Bill 128 has been satisfied for stipend recipients. NM HB128: <https://www.nmlegis.gov/Sessions/21%20Regular/final/HB0128.pdf>
Ethical misconduct definitions are found in NM HB 128.

6. CONFIDENTIALITY

All material given to, made available, prepared or assembled by one agency by virtue of this Memorandum, including but not limited to student records related to services provided under this Memorandum, shall be kept confidential in accordance with the law. Likewise, any information which an agency identifies as proprietary or confidential information, or otherwise requests to be kept confidential, will be safeguarded by the other agency and shall not be disclosed to any individual or organization without the prior written approval of the agency claiming confidentiality, except where required by law.

7. LIABILITY

Nothing in this Memorandum waives or relinquishes any immunity or defense, including, without limitation, immunity available under the New Mexico Tort Claims Act on behalf of each respective agency or its agents and representatives as a result of the executions of this Memorandum or the performance of the obligations contained herein.

The Agencies are solely and individually liable for their actions of the governing officials, officers, employees, and agents and no party to this Memorandum shall be responsible for liability incurred as a result of the other agency's acts or omissions in connection with this Memorandum.

8. DISPUTES

The Agencies will attempt to resolve disputes informally and at the lowest level at which the issues can be resolved. At each level the Agencies will attempt in good faith to resolve any dispute by discussions between representatives who have authority to settle the dispute.

Where such informal efforts do not resolve the dispute, the agency dissatisfied with the performance of any of the obligations imposed on the other, under the terms of this Memorandum, shall give written notice to the non-performing agency of the duties which the

dissatisfied agency believes have not been performed. The non-performing agency shall have 10 days from receipt if such notice to correct any failure to perform the duties so specified.

9. TERMINATION PROVISIONS

REC 9 may terminate this Memorandum for convenience or cause. Capitan Municipal Schools may terminate this Memorandum based upon REC 9's uncured, material breach of this Memorandum only after Capitan Municipal Schools written (30) day notice to REC 9 of breach and intent to terminate, and an opportunity to cure.

Notification of termination shall be given at least 30 days prior to the intended date of termination. Notification of termination shall not relieve the terminated agency of the obligation to complete duties imposed prior to the date of termination.

10. APPROPRIATIONS

The terms of this Memorandum are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Memorandum. If sufficient appropriations and authorization are not made by the Legislature, this Memorandum shall terminate immediately upon written notice being given by one agency to the other. The REC 9's decision as to whether sufficient appropriations are available shall be accepted by the Capitan Municipal Schools and shall be final. If REC 9 proposes an amendment to the Memorandum to unilaterally reduce funding, Capitan Municipal Schools shall have the option to terminate the Memorandum or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

11. EXTENSION

The Agencies may jointly agree to extend the Memorandum in writing. Notification of intent to seek to extend the Memorandum must be given to the other agency at least 30 days prior to the expiration of the Memorandum.

12. AMENDMENT

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

If REC 9 proposes an amendment to the Agreement Capitan Municipal Schools 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 9 herein, or to agree to the amendment as proposed.

13. NOTICE

Any notice required to be given to either agency by this Memorandum shall be in writing and shall be delivered by courier service, U.S. mail, or by electronic communication to the receiving agency designee as specified below. Electronic notification shall be deemed received at the time

the agency sending electronic notice receives written verification of receipt by the receiving agency, including but not limited to a read receipt.

To REC 9:

Veronica Wadley
2002 Sudderth Dr.
Ruidoso, NM 88345
veronica.wadley@regionix.org

To Capitan Municipal Schools :
P.O. Box 278
Capitan, NM 88316
jamie.shepperd@capitantigers.org

14. TOTALITY

This Memorandum incorporates all the terms agreed upon by the Agencies with respect to its subject matter. This Memorandum supersedes all prior agreements, arrangements, and communications between the Agencies, oral or written, concerning this subject matter.

15. GOVERNING LAW

This Memorandum shall be governed by the laws of the United States and the State of New Mexico.

16. EQUAL OPPORTUNITY COMPLIANCE

The Agencies agree 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 Agencies agree to assure 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, or if the employer has fifty or more employees, spousal affiliation, or, if the employer has fifteen or more employees, sexual orientation or gender identity, be discrimination under any program or activity performed under this Memorandum. If either of the Agencies is found not to be in compliance with these requirements during the term of this Memorandum, the non-complaint agency agrees to take appropriate steps to correct these deficiencies.

17. WORKERS' COMPENSATION

The Agencies agree to comply with state laws and rules applicable to workers' compensation benefits for its own employees. If the Capitan Municipal Schools fails to comply with the Workers' Compensation Act and applicable rules when required to do so, this Memorandum may be terminated by REC 9.

18. MINOR IRREGULARITIES

Anything in the contract that does not affect the price, quality and/or quantity, or any other mandatory requirement, may be corrected by the Agency, without the use of an Amendment to the contract. Notification of change shall be made to the Contractor via email.

SIGNATURES

IN WITNESS WHEREOF, REC 9, and Capitan Municipal Schools have caused this Memorandum to be executed, said memorandum to become effective as of the date set forth below, upon which it is executed by the REC 9 Executive Director.

Region 9 Education Cooperative (REC 9)

Bryan Dooley
Bryan Dooley (Apr 7, 2026 06:30:20 MDT)

04/07/2026

DATE

Bryan Dooley
Executive Director
Region 9 Education Cooperative

Capitan Municipal Schools

Jamie Sheppard

04/06/2026

DATE

REVIEWED BY REC 9 Chief Procurement Officer (CPO)

Veronica Wadley
Veronica Wadley (Apr 6, 2026 12:33:18 MDT)

04/06/2026

Signature

Date

REVIEWED BY REC 9 IGA COORDINATOR

Emilee A Lindsay
Emilee A Lindsay (Apr 6, 2026 11:10:35 MDT)

04/06/2026

Signature

Date

ADDENDUM A

STATEMENT OF WORK

REC 9 will:

a. Reimburse districts and charters for a \$2,500.00 (gross) stipend per approved eligible Special Education Teacher that have been identified through the New Mexico Public Education Department (NMPED) under the Intergovernmental Agreement (IGA) #26-924-00248, also referred to as the Hard-to-Staff Pay Differential.

The Hard-to-Staff Pay Differential is designed to support certified special education teachers who meet the following criteria:

- Currently teaching in a special education classroom with an assigned caseload of students under Code 97 or Code 151
- Have a certified license in special education
- Are completing their fourth year or beyond of teaching
- Have remained in the same school district since the 2022–23 school year under Code 97 or Code 151

b. Payment shall be dispersed to the District or Charter upon submission of an invoice to the Hard-to-Staff invoice portal. Region 9 adheres to a Net 30 payment policy for all invoices. Invoices that require revision, that are late, or that need additional verification may not be paid in accordance with the Net 30 policy.

Hard-to-Staff Pay Differential Process:

- Eligibility of special education teachers is verified in coordination with District or Charter school administration, REC 9 and NM PED.
- A Memorandum of Understanding (MOU) is executed between Region 9 and the respective District or Charter school.
- Region 9 Education Cooperative distributes funds to the District or Charter school upon receiving an invoice from District or Charter.

26107 1000 51300 2004 040036 1412

Capitan Municipal Schools will:

- a. Pay a Hard-to-Staff Pay Differential to approved, eligible Special Education Teachers (Addendum C).
- b. Pay Differential shall be paid during the FY 25/26 school year.
- c. Utilize Fund Code 26107 43214

*Note: The determination of whether the Differential will be subject to applicable taxes, ERB contributions, and associated fees, shall be at the sole discretion of the District.

ADDENDUM B

FINANCIAL INFORMATION SHEET

This is a **FIXED PRICE** agreement.

Description	Rate	Quantity	Total
Hard-to-Staff Pay Differential for eligible Special Education Teachers	\$2,500.00 stipend per teacher (gross)	1 teacher	\$2,500.00
Total			\$2,500.00

The total amount of monies payable to Capitan Municipal Schools under this Agreement shall not exceed **\$2,500.00**.

Start Date: *Contingent upon fully executed contract

End Date: June 19, 2026

Administrative.

a. Prior to start date, Contractor must provide:

1. R9 Vendor Forms (if applicable)
 - a. Direct Deposit Form
 - b. Vendor Information Form
 - c. Federal W-9

b. Gross receipts tax (GRT)

The contract amount is inclusive of gross receipts tax (GRT). Gross receipts tax (GRT) is the responsibility of the Contractor, for questions about GRT please consult a tax professional.

c. Invoicing

- Invoices shall align with the Budget and shall only include allowable costs as expressly written in *Addendum B*. Billing costs, including but not limited to, tax and professional services in excess of, or that do NOT align with the Budget shall only be allowable upon written approval from REC 9. Invoices will be subject to review and approval; billing inconsistencies may be subject to non-payment.
- Invoices to include: current address, purchase order number, MOU number, dates of service, detail of services provided per MOU scope of work, invoice number designated by Capitan Municipal Schools, date of invoice (must be after services are rendered)
- All invoices **MUST BE** received by the Agency **no later than 5:00 pm MST on June 19, 2026**. Invoices received after such date **WILL NOT BE PAID**.
- **Final Invoices** shall be marked as such.

Invoices are to be submitted to the REC 9 Hard-to-Staff invoice portal. Remit invoices to:

Region 9 Hard-to-Staff Invoice Submission Portal ----->
<https://www.formpl.us/form/4503735695900672>

Oversight and direction for the implementation of the Scope of Work as outlined in Addendum A shall be directed by the REC 9 Hard-to-Staff Pay Differential Coordinator:

Emilee Lindsay - emilee.lindsay@regionix.org

I have reviewed and agree to the information as set out in Addendum A & B JS
Contractors Initials

ADDENDUM C

Approved List of Eligible Special Education Teachers for Capitan Municipal Schools

Dwight	Menix
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