

MASSACHUSETTS BAY COMMUNITY COLLEGE BOARD OF TRUSTEES

Minutes of the October 29, 2019, Finance, Compliance, Personnel & Audit Committee Meeting
Alumni Board Room, Wellesley Hills Campus

Committee members present:

Diane Schmalensee (chair), Matthew Kahn, Tom Peisch, Dune Thorne

Staff members present:

Steve Baccari, Controller; Neil Buckley, Vice President for Finance & Administrative Services; Marcus Edward, Assistant Vice President for Finance & Administration; Debbie Georgopoulos, Executive Assistant for Finance & Administration; Lynn Hunter, Vice President for Academic Affairs; David Podell, President; Samaria Stallings, Executive Director of Human Resources.

Call to Order and Approval of Prior Meeting Minutes –Committee Chair Diane Schmalensee confirmed quorum and called the meeting to order at 8:00 a.m. Ms. Schmalensee asked for the review of the prior committee meeting minutes (Item 1).

It was noted that a quorum of previous committee members is not available to approve the Minutes. Trustee Peisch will research the procedure for approving minutes in absence of a quorum in the event committee members' appointments have expired. It was suggested the minutes be accepted by the Trustees who were in attendance.

MOTION: Trustee Peisch made the motion to approve the minutes of the March 26, 2019, Committee meeting as presented. Trustee Kahn seconded, Trustees Thorne and Schmalensee abstained. Minutes are approved.

FINANCE ITEMS

FY2020 Budget (Item 2)

President Podell reported that the budget has been revised based on new information from actual fall enrollment numbers and more recent information on the allocation from the state. The revised budget, when compared to the original board-approved budget shows an increase of \$742,000 in net revenues and an increase of \$606,000 in expenses. The revised budget projects that we will end the fiscal year with a net surplus of \$136,000.

Vice President Buckley explained that the College conservatively budgeted a 7% decline in enrollment in the spring. Based on actual fall 2019 enrollment data, budget assumptions have been revised for an enrollment decline of 5.5%. The state appropriation revenue line increased by \$343,000 over the original budgeted amount.

The Vice President noted that the Paid Family Medical Leave (PMFL) tax has been included in the expenses. Also, the increase in the student transportation services is offset by the decrease in facility (lease) costs for the Farley School in Framingham.

There is an increased reliance on adjunct faculty. It was noted that between 60-65% of classes are taught by adjuncts.

MOTION: Trustee Peisch moved to accept the FY2020 Revised Budget and recommend approval to the full Board for consideration at the next board meeting. Trustee Kahn seconded, and the motion passed unanimously.

Trustee Thorne suggested that a one-page matrix, which indicates where meaningful changes are occurring, may be helpful for the full Board. A dashboard could include 8-10 key financial items that show Revenue and Expenses. It was suggested that the Budget v. Actual Report shows all the relevant information.

Courtney Jackson, Vice President for Institutional Research, prepares a comprehensive dashboard for the full Board. The FCPA Committee will review the Dashboard at our next meeting to see if additional financial information would be useful.

- **FY2020 Budget vs. Actual Comparison Report (Item 3)**

Vice President Buckley presented the report, which compares the first quarter of this fiscal year to the first quarter of last fiscal year. The September budget-to-actual report shows a positive variance of approximately \$624,000. This is due to better performance on actual revenue and expenses when compared to current budgeted revenue and expenses.

Noting this is early in the fiscal year, revenue is on target. The expense side shows many positive variances. This is likely a result of timing issues.

Trustee Kahn noted the net surplus of \$624,000 from the Budget-to-Actual Report; however, cash went up by \$2.2M and not the \$624,000. Vice President Buckley explained that the tuition and fees line of the Budget-to-Actual Report is based on student billings and not cash receipts.

Committee Chair Schmalensee noted it may be more accurate to look at the yearly budget, and essentially, we are on target.

MOTION: Trustee Thorne moved to accept the FY2020 Budget vs. Actual Report and recommend approval to the full Board for consideration at the next board meeting. Trustee Peisch seconded, and the motion passed unanimously.

- **Student Accounts Receivable and Cash Report (Item 4)**

Vice President Buckley presented the report as of September 30, 2019. Receivables continue to decrease.

Cash has increased \$2.2M over the past year. Massachusetts Municipal Depository Trust (MMDT) rate is currently 2.04%. MMDT rates will be included on future reports. It was

noted that in comparison to other Massachusetts community colleges, MassBay's cash and investments fall about mid-way (eighth out of 15 community colleges). Investment returns have resulted in large increases in the cash and investment position for some of our sister colleges.

Committee Chair Schmalensee requested a discussion of a monthly trends cash report with year-to-year comparisons be added to the next meeting agenda since we will be needing cash for the new building.

Trustee Kahn suggested a quarterly forecast of cash that would indicate a trend-line. He offered to share a spreadsheet he developed that could help clarify the trend and provide a snapshot of cash over time.

- **Review of Contracts Report (Item 5)**

Vice President Buckley presented the Contracts Report for new contracts greater than \$35,000.

Security cameras and work on the roof of the Tech Tower are being financed through DCAMM. Advertising and transportation are being paid through local funds. MetroWest Regional Transit Authority (MWRTA) does the vast majority of our transportation. The cost is comparable to last year, but we saved significantly from previous years when we used a private company.

Transportation is now being provided from Forest Hills and Mattapan (Orange and Red Lines) in addition to the Green Line. The College made a commitment for transportation from Forest Hills and Mattapan for a year. We will monitor ridership to ensure this is cost-effective way to transport/attract new students.

The cost per rider for traditional vs. new ridership will be identified.

- **Comparative Financial and Enrollment Review of Massachusetts Community Colleges (Item 6)**

Vice President Buckley presented the report. Investment returns have resulted in large increases in other community colleges' cash and investment positions. It was noted that almost all of our sister colleges have investments outside of MMDT. MassBay does not. This report is as of June 30, 2018. We will update the report when the June 30, 2019, results are available.

The Foundation is trying to raise \$5M in support of the new building. During this "silent phase" of the campaign, approximately \$1M has been raised to date.

UPDATES ON FACILITIES

- **Current Facilities Projects (Item 7)**

Five major projects are underway. Three are being paid for by the State (roadway, security cameras, lighting). MassBay is paying for cosmetic updates to the cafeteria and the new Felix Juliani Enrollment Center. The Juliani family was pleased to attend the ribbon cutting for the Felix Juliani Enrollment Center, which was held after Professional Day in September. The Center houses Registration, Financial Aid, and Student Accounts offices.

- **Framingham Campus Update**

President Podell reported that the College is working with Sasaki (our architects) and DCAMM every Tuesday. At this point, they are working on the design and layout of the building. This year is spent in architectural design. Plans will include direct sunlight, space to study and hangout, and room for growth. We will encourage Sasaki to be as green as possible, taking into account sustainability as well as functionality. It has been recommended that the College work to achieve the criteria for LEED (Leadership in Energy and Environmental Design) certification but not apply for it at this point as it is costly.

The piece of land we will build on has enough room for the building, but not enough for MassBay and Framingham State University (FSU) parking. Additionally, FSU has requested a storage shed remain on the site or be placed elsewhere – perhaps on our Wellesley campus. We will need to obtain off-site parking and space for the shed. Currently, MassBay has an agreement with the Brookdale Assisted Living Facility. MassBay will be meeting with FSU to discuss long-term parking issues.

Of a larger concern is that the land is actually owned by MSCBA and may cost an additional \$3.3M. It is hoped that a ground-breaking ceremony can take place in the summer.

PERSONNEL ITEMS

- **Personnel Actions Report (Item 8)**

David Podell presented the report for informational purposes.

Executive Director for Human Resources Samaria Stallings reported Bernadette Sibuma has been hired as the Assistant Director of Online Learning. Several employees have been moved into new roles. Two employees left the College.

Phara Boyer has moved from Assistant Director of Admissions to Associate Director.


- **Recruitment Report (Item 9)**

Samaria Stallings presented the report for informational purposes. Two faculty positions in the ADN Program are being advertised. The College is waiting to hear from BORN, but we want to be ready to go once we receive approval to admit new students. EMT and Computer Science faculty openings have been difficult positions to fill.

Adjournment

MOTION: Trustee Peish moved to adjourn; Trustee Thorne seconded.

Chair Schmalensee adjourned the meeting at 9:25 a.m.



Diane Schmalensee Date 11/30/20
Committee Chair
Board of Trustees



David Podell Date 12/11/2020
President
Massachusetts Bay Community College