

MASSACHUSETTS BAY COMMUNITY COLLEGE BOARD OF TRUSTEES

Minutes of the March 31, 2020, Finance, Compliance, Personnel & Audit Committee meeting
WebEx online meeting

Committee members participating: Diane Schmalensee (chair), Tom Peisch, Tim Clifford, Matthew Kahn, Dune Thorne.

Staff members participating: David Podell, President; Neil Buckley, Vice President for Finance & Administration; Marcus Edward, Assistant Vice President for Finance & Administration; Steve Baccari, Controller; Lynn Hunter, Vice President for Academic Affairs and Provost; Samaria Stallings, Executive Director for Human Resources; Karen Britton, Executive Director of the President's Office, Liz Kinsman, Executive Assistant to the Vice President for Academic Affairs, Stephen Dill, Interim Director of Marketing and Communication; Liz Cooper Associate Director of Marketing; Courtney Jackson, Vice President of Institutional Effectiveness and Strategic Initiatives; Deborah Georgopoulos, Executive Assistant for Finance & Administration.

As a result of the COVID-19 pandemic, meetings are now being conducted via video conference. Committee Chair Diane Schmalensee established rules for participation for remote meetings. Participants are requested to mute their microphone to prevent feedback and reduce noise, raise their hand to be recognized, or verbally ask for the floor.

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

Request to clarify the minutes to indicate the Cushing parking lot is a short walk to the campus.

MOTION: Trustee Peisch made the motion to approve the minutes of the February 25, 2020 Committee meeting as amended. Trustee Kahn seconded. Minutes are unanimously approved as amended.

ROLL CALL:

Tim Clifford, YES; Matthew Kahn, YES; Tom Peisch, YES; Diane Schmalensee, YES; Dune Thorne, YES

FINANCE ITEMS

- **FY2020 Budget vs. Actual Comparison Report *(Item 2)***
Vice President Buckley presented the report. As of February 29, 2020, revenue is on target. The February budget-to-actual report shows we are doing better than budget by approximately \$764,000. Vacant full-time positions have positively impacted the payroll expense line, resulting in a favorable variance of \$233,000 in the Permanent Staff line. The Adjunct Faculty line shows a favorable variance of approximately \$105,000.

However, unfavorable variances have been incurred in the part-time/stipends (\$102,000), overtime (\$20,000), and Operational Services (\$73,000) lines to fill the void.

Savings were also recognized in the energy and snow plowing costs as a result of the mild winter.

MOTION: Trustee Peisch made the motion to accept the FY2020 Budget vs. Actual Report and recommend approval to the Full Board. Trustee Clifford seconded. Motion was unanimously approved

ROLL CALL:

Tim Clifford, YES; Matthew Kahn, YES; Tom Peisch, YES; Diane Schmalensee, YES; Dune Thorne, YES

- **Student Accounts Receivable and Cash Report (Item 3)**
Vice President Neil Buckley presented the reports as of February 29, 2020. The receivable balance is approximately \$447,000, or 14% lower than last year's balance. The March cash numbers are holding up. With regard to cash, it is impossible to predict where we will go in the fourth quarter given the current situation. The cash report shows a favorable variance of \$1,359,349 when compared to last year.
- **Cash Position by Month (Item 4)**
Vice President Neil Buckley presented the report, noting the College remains on target.

PERSONNEL ITEMS

- **Personnel Actions Report (Item 7)**
Executive Director Stallings presented the report for informational purposes. Three new hires have joined MassBay: Sally Leung, Administrative Assistant for Business Operations; Megan Shultz, Campus Police Officer; and Patrick Audrey, Clerk III for Business Operations.
- **Recruitment Report (Item 8)**
Ms. Stallings presented the report for informational purposes. The College is recruiting for several faculty positions as well as for a Dean of Humanities, Director of Nursing, and Capital Campaign Director (grant funded).

President Podell reassured the Board that the College is vigorously pursuing these positions, using new technologies.

OTHER

- COVID-19 Estimated Costs

At the request of the Department of Higher Education and the Massachusetts Association of Community Colleges, MassBay prepared a worst-case scenario report outlining the potential costs of COVID-19. The report indicated a cost of just under \$7 million. The College will consider options to offset the increased costs and reduced revenue caused by the pandemic. Many changes will have long-term effects.

President Podell reported that the College is running at an incredible pace. All teaching, as well as nearly every other function of the College, has shifted to remote over the course of two weeks. Everyone is up and running, in many cases with the support of the IT staff.

Some students are having trouble making the adjustment, and there is a concern that students may not feel comfortable accessing support remotely. However, the College is working to ensure students have every opportunity and support to complete their classes. A pass/fail option is being discussed. President Podell reported that the offices are doing a lot of student outreach to current and prospective students. The date for withdrawal has been extended. A process is in place for appeals for students who are unable to continue, and appeals will be judged on their merit. The College does not anticipate a huge number of withdrawals. As a result of the pandemic, there is also a concern that our equity goals will be affected.

President Podell reported that the relief bill passed a week ago by the federal government is said to contain an allocation of \$50 million for Massachusetts community colleges. We don't know how or if it will be disbursed, but we estimate MassBay's share as about \$3 million.

MassBay has been spending what is necessary to ensure the College continues to provide for our students and employees, including purchasing laptops for students, providing faculty training over spring break, ensuring regular part-time workers and student employees not covered by Financial Aid continue to be paid through the end of the semester. Faculty training for summer classes may be necessary.

It was suggested that MassBay could provide opportunities to people who may be struggling in this era. This could be a chance to improve their situation and change their skill sets. Eligible high school students could be earning college credits. Spring recruitment events are being converted to online events. President Podell reported that MassBay is preparing an online Certified Nursing Assistant (CNA) program, anticipating that the state will change requirements for on campus classes.

The progress on the Framingham Health Science building continues and is keeping to the timeline. In these times it is unlikely that the funding for the facility would be endangered. The College is hopefully optimistic, but nothing is guaranteed in these unprecedented times.

Vice President Buckley updates:

- The Foundation had high exposure to equity investments, and their investment balance has gone from \$5.5 million to \$4.4 million. The Foundation elected to change their asset allocation to 60/40, and liquidated \$290,000 of equity investments in order to have money for scholarships.
- The 2020-2021 Budget will be presented in late May/early June.

ADJOURNMENT

MOTION: Trustee Peisch, moved to adjourn; Trustee Clifford seconded the motion.

ROLL CALL

Tim Clifford, YES; Matthew Kahn, YES; Tom Peisch, YES; Diane Schmalensee, YES; Dune Thorne, YES

Chair Schmalensee adjourned the meeting at 9:08 a.m.

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

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