

## **MASSACHUSETTS BAY COMMUNITY COLLEGE BOARD OF TRUSTEES**

Minutes of the January 25, 2022, Finance, Compliance, Personnel, Investment, & Audit Committee meeting

Webex Meeting – Facebook Livestream at massbay.edu

**Committee members participating:** Matthew Kahn, Chair; Diane Schmalensee, Ex-officio; Lily Silva, Dune Thorne, Robert Huttig.

**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; Courtney Jackson, Vice President for Institutional Effectiveness and Strategic Initiatives; Samaria Stallings, Executive Director for Human Resources; Liz Cooper Associate Director of Public Relations; Deborah Georgopoulos, Executive Assistant for Finance & Administration.

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

**MOTION:** Trustee Schmalensee made the motion to approve the minutes of the December 7, 2021, Committee meeting as presented. Trustee Kahn seconded. Motion passed with one abstention.

### **ROLL CALL:**

Robert Huttig YES; Matthew Kahn YES; Diane Schmalensee YES; Lily Silva ABSTAIN; Dune Thorne YES.

## **FINANCE ITEMS**

### **FY2022 Budget vs. Actual Comparison Report. *(Item 2)***

President Podell reported that enrollment for the Spring at this moment is up 2% in FTE % and 5% headcount; these are not yet final numbers, however. New students are up about 48%, which bodes well for the Fall. The College budgeted for a 10% decline in enrollment, so this suggests a good outcome for the budget. This is the first week of school and we can expect some further activity in enrollment over the next two weeks.

The President reported on activities on campus:

- 50% of classes are in person (over three campuses); 25% remote/synchronous; 25% online/asynchronous.
- New enrollment in Health Science is up 25%; Automotive is down due to reduced class size; non-degree students is up 5%; other divisions are steady.
- Pre-packaged breakfast and lunch are being offered at the Wellesley Campus; food carts are present at Framingham.
- Plexiglas barriers have been installed in offices.
- Several office changes including: a new Campus Police Office, relocated Admissions Staff area, relocated SGA Office, and expanded Coaching Commons.

- Restricted entrance to the Wellesley Campus, including proof of vaccination to enter the building. Access to Framingham is shared with Framingham Schools staff (who are not required to be vaccinated, although we assured the vast majority are).

Vice President Buckley reported that the College continues to remain strong in fiscal 2022. The report, as of December 31, 2021, shows a positive variance of \$2.27M. Enrollment is doing better than projected. The original budget was developed based on a 15% decline in enrollment, which was revised to a 10% decline, and realized a 7.7% decline in the Fall. The College, at this point in time, is experiencing a 2% increase in enrollment in the Spring semester. There will be changes in enrollment in the upcoming weeks, but this is all very good news.

The Expense Report shows a \$1.2M positive variance, mostly due to savings in the staffing lines. The College is saving significantly as a result of the employment environment; people are leaving and it's taking substantially longer to fill positions.

The negative number in the Consultants line is a result of consultant expenses to fill critical staff positions, i.e. Financial Aid and the Registrar's Office. The negative variance in the Information Technology line is due to a timing of expenses.

Vice President Buckley is confident we have sufficient resources allocated for a return to campus and fewer classes being remote.

A discussion followed regarding the need to modify the budget. The College has had a very large reserve. Consideration should be given to adding a "discount factor" to personnel costs in future budgets. Assistant Vice President Marcus Edward cautioned that the budget was prepared on the basis of being remote in the Fall and in-person in the Spring. The College anticipates more expenses in the Spring, and it may be premature to revise the budget at this point. In preparing the budget for FY2023, consideration will be given to a less conservative approach, identifying funds for operations and contributing less to reserves.

Robert Huttig asked if the "great resignation" is impacting MassBay, and suggested some of the reserve funds may be directed toward salary increases which could help with the struggle to fill positions. President Podell advised that salaries are in large part limited by union contracts, and generally when an employee leaves, they are replaced so a savings is not realized. Mr. Huttig will request the Student Advisory Council advocate with the state for better faculty salaries.

**MOTION:** Trustee Kahn made the motion to accept the FY2022 Budget vs. Actual Report and recommend approval to the Full Board. Trustee Schmalensee seconded. Motion passed unanimously

**ROLL CALL:**

Robert Huttig YES; Matthew Kahn YES; Diane Schmalensee YES; Lily Silva YES; Dune Thorne YES.

**Student Accounts Receivable and Cash Report *(Item 3)***

Vice President Neil Buckley presented the report.

Student Accounts Receivable continues to do very well. Overall receivables are down 1%.

The cash position continues to grow, and is at \$31.8M as of December 31, 2021, an increase of \$10.8M over December 31, 2020. Contributing factors are operating performance from last year, and CARES Act funding. The loss of CARES Act funding in future years may result in a reduced contribution to reserves. It will depend on how quickly enrollment turns around. The amount of state support will also have an impact.

President Podell reminded the Committee that the Department of Higher Education (DHE) is having a financial study being done by EY Parthenon of how public colleges in Massachusetts do their funding which could also conceivably result in changes. There are many unknowns.

#### **Cash Position by Month** *(Item 4)*

Vice President Neil Buckley presented the graphic report which shows the monthly cash position for the last five fiscal years.

#### **Contracts Report** *(Item 5)*

Vice President Neil Buckley presented the report. One three-year contract dealing with HVAC Maintenance Contract was presented.

#### **Discussion on College Financing for new Framingham Campus**

Vice President Neil Buckley led the discussion regarding additional funding requested by the Division of Capital Asset Management and Maintenance (DCAMM) for the new Health Sciences Center.

Vice President Buckley reported that the original project was estimated at \$56M. As a result of COVID, and supply chain issues, the cost has gone up by \$7.3M for a total of \$63.3M. DCAMM has requested an additional \$655K from MassBay.

**MOTION:** Trustee Kahn made the motion to approve additional financing for the new Framingham Campus and recommend approval to the Full Board. Trustee Schmalensee seconded. Motion passed unanimously

#### **ROLL CALL:**

Robert Huttig YES; Matthew Kahn YES; Diane Schmalensee YES; Lily Silva YES; Dune Thorne YES.

The total contribution from MassBay will be \$5,655,000. The additional funding will not affect the \$5M Capital Campaign. \$2.5M of the Capital Campaign has been reached.

#### **INVESTMENT REPORT**

The College has been working with AlderBrook Associates. A very complex Request for Proposals (RFP) was issued, and a conference call with qualified bidders has taken place. Twelve firms expressed an interest. Responses are due at 11:00 a.m. today. Director of Procurement and Business Operations Lauren Curley will prepare a weighted review sheet, which will include both quantitative (fees, structure, etc.) and qualitative (service, experience, etc.) measures. The fiscal team will review and present a recommendation to the Investment Committee. The Investment Committee will then meet with AlderBrook and the Fiscal Team to review the recommendation.

#### **COMPLIANCE REPORT**

Steve Baccari reported that the Committee invited Kathy Martin, Compliance Officer from Bristol Community College, who advised the Committee of specific issues and controls to be aware of. The

presentation was very informative and we will be able to apply her knowledge when we are discussing with different departments about how they set up controls and how they assess different risks and what their compliance needs are.

Presently, there are no issues we are aware of. A few deadlines are coming up and the College is on track.

## **PERSONNEL ITEMS**

### **Personnel Actions Report** *(Item 6)*

Executive Director Samaria Stallings reported on:

#### **New hires**

- Yvonne Anthony, Director of Grants Development.
- Jessica MacDonald, Recruitment Assistant.

#### **Employees in new roles include**

- Jean Dyer is serving as Interim Director of Nursing.
- Laura Lavalee has been appointed Registrar.
- Richard Williams will be working in Strategic Initiatives as Associate Dean for Student Success & Strategic Initiatives.
- John Martin has been appointed Coordinator, Veterans and Military Services.
- Kelly Graska has moved from Student Development to the Administrative Assistant II position in the Academic Achievement Center.

#### **Employees who left the College**

- Four part-time and one full-time person left MassBay.
- Executive Director Stallings reported that since the Community Colleges mandated vaccinations, it appears at present that two full-time and two adjunct employees will separate from the College.

### **Recruitment Report** *(Item 7)*

- Dean Lynn Davis is also serving as Interim Director of the EMT Program. The position has been reposted as Assistant Professor of Emergency Medical Services.
- The College will be using a recruitment agency for difficult to fill technical positions in the IT Department.
- The recruiting firm Greenwood Asher will be assisting the College with the search for the Vice President for Academic Affairs and Provost Position.

Executive Director Stallings also noted that the new Chief of Police, Director of Campus Safety will be starting at the end of the month.

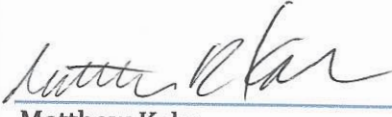
**ADJOURNMENT**

**MOTION:** Trustee Kahn moved to adjourn the meeting,  
seconded by Trustee Schmalensee.

**ROLL CALL:**

Robert Huttig YES; Matthew Kahn YES; Diane Schmalensee YES; Lily Silva YES; Dune Thorne YES.

Chair Kahn adjourned the meeting at 9:47 a.m.

 3/31/2022  
Matthew Kahn  
Committee Chair  
Board of Trustees  
Date

 3/31/2022  
David Podell  
President  
Massachusetts Bay Community College  
Date