

MASSACHUSETTS BAY COMMUNITY COLLEGE BOARD OF TRUSTEES

Minutes of the March 1, 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; Dune Thorne, Trustee.

Staff members participating: David Podell, President; Marcus Edward, 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; Jeremy Solomon, Assistant Vice President for Institutional Advancement, Marketing, and Communications; 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 8:01 a.m. The Chair asked for the review of the prior committee meeting minutes. *(Item 1)*.

MOTION: Trustee Schmalensee moved to approve the minutes of the January 25, 2022, Committee meeting as presented. Trustee Kahn seconded. Motion passed unanimously.

ROLL CALL:

Matthew Kahn YES; Diane Schmalensee YES; Dune Thorne YES.

FINANCE ITEMS

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

President Podell noted the report continues to indicate a positive variance, however the College anticipates a lower variance by the end of the fiscal year as a result of returning to campus this semester.

Vice President Marcus Edward reviewed the report. The January budget to actual report shows a favorable variance of approximately \$1,378,000. The variance is due to better performance on revenue and expenses when compared to budget.

The Vice President explained that the positive variance of \$458K in revenue was mainly a result of the positive variance in tuition and fees of \$356K. The College budgeted for a 10% decline in enrollment, but realized a 7.7% decline in the Fall, and a 2.4% decline (FTE) in the Spring.

On the expense side, the permanent staff category shows a positive variance of almost \$560K. This variance is attributable to the “great resignation” and the number of open permanent staff positions, and to budgeted salary increases that are yet to be paid. Negotiations with the unions are ongoing, and the budgeted 1.5% NUP salary increase will correspond retroactively with the union increase.

Vice President Edward explained that Administrative Expenses will always see a positive variance because the contingency is budgeted in that line, and funds are transferred from there as necessary. Now that the College is less remote, expenses will be higher and the majority of expenses will be realized in the second half of the fiscal year.

In addition to employee related savings, other factors included a positive variance in maintenance/construction and capital expenses.

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:

Matthew Kahn YES; Diane Schmalensee YES; Dune Thorne YES.

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

Vice President Edward presented the report. The report shows a 3% increase in receivables which is due to timing. The cash balance reflects an increase in cash of \$8.9M, almost \$7M of which is due to CARES Act reserves.

Cash Position by Month *(Item 4)*

Vice President Edward presented the report which is a monthly cash comparison report over 5 years. An additional line has been added to the report for FY2022 which indicates the cash balance without CARES Act reserves.

Framingham Campus Budget Overruns *(Item 5)*

Vice President Edward provided a summary of the budget overruns for the construction of the new Framingham Campus. Most expenses were increases in HVAC and electrical expenses, resulting in a total shortfall of around \$7M, of which the State is covering the vast majority. President Podell noted that the costs will fluctuate.

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

Vice President Edward shared *Notes from Massachusetts Community Colleges Chief Financial Officers Enrollment Reports* which shows data from the 15 Massachusetts community colleges. For the spring semester, MassBay did better in enrollment than the other 14 community colleges. It was noted that for colleges that did not require proof of vaccination before registration, the average decline is 6.7% compared to 11% for colleges that required proof of vaccination before registration.

President Podell explained that students taking only remote classes are not required to be vaccinated. However, students coming to campus, and all MassBay employees are required to be vaccinated; there are some accommodations made for religious or medical reasons. The President also noted that enrollment specifically of new students at MassBay went up 28% in the Spring which bodes well for Fall enrollment.

The *Financial Review of the Cash and Investments Per Audited Financial Statements* of the Community Colleges indicated that MassBay was below the average cash balance for two of the last three years, and only nominally above average (2%) for FY2021. It was noted that many of the community colleges have investments.

PERSONNEL ITEMS

Personnel Actions Report *(Item 7)*

Executive Director Stallings presented the list of new hires:

- Dejour Hollins, Students of Color Coach;
- Philip DiBlasi, Chief of Police, Director of Campus Safety and Security;
- Ryan Grant, Coordinator of Academic and Transfer Advising;
- Alysha Stankowski, Human Resources Associate.

Employees in new roles:

- Alex Jean-Jacques, Director of Financial Aid;
- Debra Brandy, Financial Aid Coordinator.

Five employees have left the College.

Consideration may be given to incentivizing referrals for employment as a way of attracting qualified candidates and minimizing the effects of the “great resignation”.

Recruitment Report *(Item 8)*

MassBay is actively recruiting for two senior positions:

- Assistant Professor for Emergency Medical Services and
- Vice President of Academic Affairs & Provost.

The College is working with Greenwood and Asher on the Vice-Presidential search.

INVESTMENT UPDATES

Vice President Edward reported that of twelve vendors that showed interest in the Request for Proposals (RFP), seven submitted responses. Management, including Marcus Edward, Neil Buckley, David Podell, Steve Baccari, and Lauren Curley, along with AlderBrook will be talking to three firms on March 10, and will bring their recommendation to the Committee for deliberation. Then next scheduled FCPI&A Meeting is April 5, 2022.

OTHER

A discussion followed regarding renaming the Committee. The name “Finance, Compliance, Personnel, Investment, & Audit Committee” (FCPI&A) has become cumbersome. A motion to rename the Committee to the Finance & Administration Committee will be presented to the Board.

President Podell reported that MassBay does not have any full-time or part-time Ukrainian students.

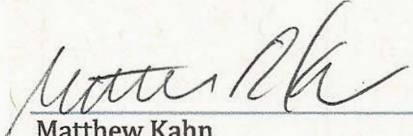
ADJOURNMENT

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

ROLL CALL:

Matthew Kahn YES; Diane Schmalensee YES; Dune Thorne YES.

Chair Kahn adjourned the meeting at 8:38 a.m.

 5/16/22

Matthew Kahn
Committee Chair
Board of Trustees
Date

 5/16/2022

David Podell
President
Massachusetts Bay Community College
Date