

MASSACHUSETTS BAY COMMUNITY COLLEGE BOARD OF TRUSTEES

Minutes of the April 5, 2022, Finance & Administration Committee meeting

Webex Meeting – Facebook Livestream at massbay.edu

Committee members participating: Matthew Kahn, Chair; Diane Schmalensee, Ex-officio; Ilissa Povich, Trustee; Lili Silva, Trustee, Dune Thorne, Trustee.

Staff members participating: David Podell, President; Marcus Edward, Vice President for Finance & Administration; Steve Baccari, Controller; Lauren Curley, Director of Procurement & Business Operations; Lynn Hunter, Vice President for Academic Affairs and Provost; Courtney Jackson, Vice President for Institutional Effectiveness and Strategic Initiatives; Samaria Stallings, Vice President of Human Resources & Payroll; Jeremy Solomon, Assistant Vice President for Institutional Advancement, Marketing, and Communications; Deborah Georgopoulos, Executive Assistant for Finance & Administration.

Guests: Kate Taylor and Jennifer Borggaard from AlderBrook.

Call to Order and Introductions

Committee Chair Matthew Kahn confirmed quorum and called the meeting to order at 8:01 a.m.

Investment Discussion *(Item 1)*

Chair Matthew Kahn updated the Committee on the status of the investment advisors.

Vice President Edward introduced Kate Taylor and Jennifer Borggaard from AlderBrook. Jennifer Boggaard explained that a Request for Proposals (RFP) for an Outsourced Chief Investment Officer (OCIO) had been developed and College management met with AlderBrook Advisors to review respondents to the RFP. A comprehensive spreadsheet detailing the criteria used to select the recommended company was provided to the Trustees prior to the meeting. Consideration was given to structure, stability, expertise, philosophy, performance, governance, and fees. A discussion of responses followed.

Ten responses to the RFP were received. Three companies were interviewed by College management and AlderBrook including Aetos, F.L. Putnam, and Prime Buchholz. AlderBrook did an analysis of all the responses, and based on the scoring rubric they developed, Prime Buchholz is the recommended firm. College Management concurred.

The recording of the interview with Prime will be shared with the Committee.

The Finance & Administration Committee and Management will meet with Prime Buchholz to develop the Policy Statement, and questions requiring consideration of the Full Board will be produced. It should be noted that the College is in favor of a diverse Prime Buchholz team serving the College. Prime Buchholz will work with the College to meet our goals.

MOTION: Trustee Kahn made the motion to accept Management's recommendation to award the Investment Manager Contract to Prime Buchholz, and recommend approval to the Full Board. Trustee Schmalensee seconded. Motion passed unanimously.

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

Dune Thorne left the meeting at 8:30 a.m.

Approval of Prior Meeting Minutes

The Chair asked for the review of the prior committee meeting minutes. *(Item 2).*

MOTION: Trustee Kahn made the motion to approve the minutes of the March 1, 2022, Committee meeting as presented. Trustee Schmalensee seconded. Motion passed.

ROLL CALL:

Matthew Kahn YES; Ilissa Povich ABSTAIN; Diane Schmalensee YES; Lili Silva, ABSTAIN.

Lili Silva left the meeting at 8:45 a.m.

FINANCE ITEMS

FY2022 Budget vs. Actual Comparison Report. *(Item 3)*

President Podell noted things continue to look good at this point in this semester. Vice President Marcus Edward reviewed the report.

The February budget-to-actual report shows a favorable variance of approximately \$2.1M. The variance is due to better performance than projected on revenue and expenses when compared to budget.

On the revenue side, better enrollment is driving the positive variance. The College budgeted for a 10% decline in enrollment. The College saw a 7.7% decline for the Fall semester. A 2.4% decline was recognized for the Spring, which was the lowest decline among all the community colleges in Massachusetts.

On the expense side, the College continues to see savings in the permanent staff line. About half of the savings is from salary increases that have yet to be paid for the fiscal year. There are also savings on the adjunct faculty line as a result of the reduced number of courses. Positive variances were also shown on other lines including employee related expenses, administrative expenses and maintenance expenses. A negative variance is shown in IT expenses due to various initiatives including e-911 services, equipment upgrades, and using outside IT professionals.

Vice President Edward reported that the College is currently working on the FY2023 budget and intends to bring a draft to the June meeting.

Matthew Kahn asked if it might be possible to prepare the budget differently than using a 3-year average. Looking at the projected budget on a quarterly basis may reduce the significant variances in the monthly budget-to-actual reports.

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; Ilissa Povich YES; Diane Schmalensee YES.

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

Marcus Edward presented the report.

Receivables more than doubled through the end of February due to timing. Last fiscal year, financial aid was disbursed in February. This year, financial aid was disbursed in March. The March report indicates the College is doing much better than this report reflects.

Vice President Edward reported that the Cash Comparison Report shows cash is approximately \$9.7M higher than last year. Included in the cash balance of \$32M is \$7M of the *Coronavirus Aid, Relief, and Economic Security* (CARES) Act funds which the College has earned and will be used fractionally over the next few years.

President Podell explained the College had to meet certain criteria to be eligible to earn CARES Act funds. Those requirements were met, and the funds received are now designated separately in reserves and will be used over the next few years to make up for lost revenue.

The College prepared a projection of cash needs for AlderBrook as part of the investment project. Vice President Edward will share that document with the Committee.

Cash Position by Month *(Item 5)*

Vice President Marcus Edward presented the report which is a monthly cash comparison report over 5 years. The report illustrates FY2022, both with and without CARES Act funds.

Contracts Report *(Item 6)*

Vice President Edward presented the report on contracts greater than \$50,000.

Taylor & Burns has been awarded the contract for design services for the student parking lot. The cost is being covered by the Division of Capital Asset Management and Maintenance (DCAMM).

Tuition & Fee Survey *(Item 7)*

Vice President Edward presented a comparative report of the tuition and mandatory fees at Massachusetts Community Colleges over a ten-year period. Of the fifteen community colleges, the enrollment ranking report for FY2021 showed that Bunker Hill had the largest enrollment. MassBay was tenth in enrollment. For the Tuition and Fees ranking, Bunker Hill had the lowest tuition and fees. MassBay ranked sixth, just outside the top third most affordable community colleges. MassBay is below the weighted average in tuition and fees.

A few larger community colleges are more expensive than MassBay. The College has not increased fees in the last two years and it is not likely fees will increase in FY2023. MassBay does a good job of addressing student needs while keeping fees low. This is a good selling point for MassBay.

Trustee Schmalensee noted that in addition to tuition and fees, students have other needs such as transportation and food that may impede their attendance. President Podell reported that the College tries to support other costs, however, these costs are not generally funded by the state. Some federal American Rescue Plan Act (ARPA) funds are being set aside to address student food insecurity, however the College has not received the funds yet.

PERSONNEL ITEMS

Personnel Actions Report *(Item 8)*

Assistant Vice President Samaria Stallings presented the new hires:

- Jared Brockway, Admissions Recruitment Counselor

Employees in new roles: (7 internal transitions, most reclassification)

- Nhon Pham, EDP System Analyst III, Office of Information Technology
- Ashanty Valentin Brito, Data Specialist, Business and Professional Studies
- Jacqueline Hanlon Rosati, Assistant Comptroller, Fiscal Affairs
- Feby Sesar, Director of Grants Administration
- Max Pacheco, EDP System Analyst IV, Office of Information Technology
- Neil Buckley, Special Advisor, President's Office
- Samaria Stallings, Assistant Vice President of Human Resources and Payroll

Four employees left the College, three due to retirement and one to another position.

Recruitment Report (*Item 9*)

- The College continues to recruit for full-time faculty for Fall 2022.
- Greenwood & Asher is leading the search for the Vice President for Academic Affairs & Provost position.
- The College will be working with Stockman Search to assist with filling the Assistant Dean of Nursing position.

Assistant Vice President Stallings reported that compensation for some of the harder to fill non-unit roles may be adjusted to closer to market value, however, union positions are more constricted due to contracts.

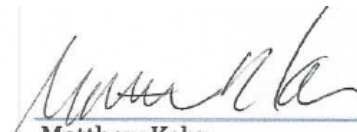
ADJOURNMENT


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

ROLL CALL:

Matthew Kahn YES; Ilissa Povich YES; Diane Schmalensee YES.

Chair Kahn adjourned the meeting at 9:20 a.m.

 5/16/22
Matthew Kahn
Committee Chair
Board of Trustees
Date

 5/16/2022
David Podell
President
Massachusetts Bay Community College
Date