

**Minutes of the MassBay Community College Board of Trustees Meeting – 8:00 am to 10:00 am
Tuesday, September 19, 2023, by Webex and Facebook livestream**

Board Members Present: Tobey Choate, Matt Kahn, Sandy Lish, Ilissa Povich, Rod Sanz, Derin Saunders, Lili Silva, Dune Thorne

Board Members Not Present: Mikael Pyrtel, Diane Schmalensee, Wendy Vincent

Guest Present: Becky Kannam, Foundation Board Chair

Staff Present: Yvonne Anthony, Director of Grants Development; Steve Baccari, Comptroller; Liz Borg, Capital Campaign Director and Special Assistant to the President; Karen Britton, Executive Director, Office of the President; Lauren Curley, Director of Procurement and Business Operations; Lynne Davis, Dean of Health Sciences; Mishawn Davis-Eyene, Executive Director of Development; Joe DeLisle, Director of Facilities; Phil DiBlasi, Director of Public Safety; Marcus Edward, Vice President for Finance and Administration; Catherine Gildae, Assistant Dean for Institutional Effectiveness; Courtney Jackson, Vice President for Academic Affairs and Provost; Nina Keery, Dean of Humanities and Social Sciences; Lisa MacDonald, Director of Equity Compliance; Sue Maggioni, Assistant Provost; Lynn Moore, Chief Diversity Officer; Dan Pace, Interim Vice President of Human Resources; David Podell, President; David Protano, Dean of Automotive Technology and Interim Dean of STEM; Lisa Slavin, Associate Vice President for Enrollment Management; Jeremy Solomon, Associate Vice President for Institutional Advancement, Marketing, and Communications; Richard Williams, Interim Dean of Business and Professional Studies

Trustee Kahn opened the meeting and declared that a quorum was present.

INTRODUCTION OF NEW STUDENT TRUSTEE DERIN SAUNDERS

President Podell introduced new Student Trustee Derin Saunders, who was elected by his peers to represent the students on the Board. Trustee Saunders started at MassBay in spring 2022 and is involved in several campus organizations. He is looking forward to serving on the Board.

REVIEW AND APPROVAL OF JUNE 13, 2023, MEETING MINUTES

MOTION: Trustee Choate moved to approve the minutes of the June 13, 2023, meeting, and Trustee Sanz seconded the motion.

The motion passed via the following roll call vote: Trustee Choate – YES; Trustee Kahn – YES; Trustee Lish – YES; Trustee Povich – YES; Trustee Sanz – YES; Trustee Saunders – ABSTAINED; Trustee Silva – YES; Trustee Thorne – YES.

FINANCE ITEMS

Trustee Khan turned over the meeting to President Podell, who reported that last week's Finance & Administration meeting was not recorded and therefore is not legally valid. The same information that was reviewed at that meeting will be presented and voted on today. MassBay's finances as of the end of June (i.e., the end of FY23) look good.

Vice President Edwards then reported the following:

Investment Update

The market value of MassBay's portfolio is \$21.4 million as of August 31, a decrease in value of \$668,000, or 2%, for the month of August. The "Net Flows" of negative \$176, 919 represent the first quarterly draw for FY24. As of the end of August, the portfolio has gained 17.3% since inception. As of September 15, the portfolio had a market value of \$21.2 million. The portfolio is down .8% for the month of September.

FY2023 Budget vs. Actual Comparison Report

Revenue

On the revenue side, MassBay sees an unfavorable variance of \$350,000. Tuition and fees revenue is better than budget by approximately \$1.6 million. This is due to positive enrollment trends. MassBay budgeted enrollment at 5% down year over year, whereas Fall enrollment was down 2.4%, spring enrollment was up 3.2%, and summer enrollment was up 13.4%; in sum, we were approximately up 2% for the year. There is an unfavorable variance of \$256,000 in the State Maintenance Appropriation line. The College's base appropriation was \$19.3 million. We estimated performance formula funding of \$400,000 and received \$589,000. We estimated collective bargaining increases of \$445,000 (\$333,000 for MCCC and \$112,000 for AFSCME). We have not received funding for these, as the supplemental budget has not been approved and funded by the State. In terms of reserves, we budgeted anticipating using \$1.15 million of what was originally CARES Act funding, \$700,000 of the Special State Covid Allocation, and FEMA funding in the amount of \$239,000; however, the College did not need to utilize the reserve funds, allowing them to be available in future years. Contracts, Commission and Other Revenue came in above budget the \$486,000. This is mainly due to interest revenue of \$261,000 (budgeted at zero) from MMDT, which pays an interest rate of 5.55%. Mass Rehab Commission revenue of \$161,000 is included in this line as well. Mass Rehab reimburses MassBay for interpreting costs paid on behalf of students needing these services. Interpreting expenses are tracked in the Operational Services line of the budget. As a result, budget wise, it is a wash.

Expenses

On the expense side, MassBay is doing better than budget by \$2.7 million. We see positive variances in a number of lines. The positive variance of \$1.2 million on the permanent staff line is due to unpaid MCCC union increases and savings from vacant positions. The unfavorable variance of \$808,000 on the adjunct faculty line is due to better enrollment and salary increases. The positive variance of \$118 million on the Local Fringe Payments line is due to state appropriation covering all full-time payroll expenses, resulting in the state covering the full-time fringe. The positive variance of \$130,000 on the Employee Related Payments line is due to fewer reimbursement expenses being changed to this line. The positive variance of \$1.1 million is due to underspending in a number of expense categories, including Advertising, Catering, and Conferences. In addition, \$375,000 of the contingency was spent in other expense lines. The positive variance of \$121,000 in the Energy Costs/Facilities Rental line is due to savings on electricity and gas. The positive variance in the Operational Services line is due to fewer temporary workers and security staffing. There is an unfavorable variance of \$177,000 in the Furniture/Equipment line, as the College purchased equipment for the new building. Outside of the new building costs included \$41,000 for moving expenses which is included in the Consultants line. Most equipment costs will be covered by grants (e.g., Skills Capital Skills, EDA, MetroWest Health Foundation, and other grants, which were part of the Capital Campaign). Grant activity (revenue and expenses) is not included in the operating budget-to-actual report. The positive variance of \$128,000 on the Maintenance/Construction line is due to a switch to the spend state bond bill money before year end. The unfavorable variance of \$102,000 in the Debt Service line is due to a new lease for IT equipment entered into late in the fiscal year. The College has spent \$338,000 of the \$800,000 budgeted for capital, leaving a balance of \$466,000. The variance is due to the timing of summer capital projects.

President Podell reported that the MCCC retroactive increases for FY22 and F23, although contractually agreed upon, have not yet been paid because the Legislature has failed to pass a necessary Supplemental Budget. As a result, faculty are on Work to Rule in protest. They are still teaching and meeting obligations but are not attending non-required meetings or serving on committees. The Supplemental Budget bill is stuck in the House, although the Senate is ready to pass it. The community college presidents considered advancing the money, but decided not to do so because, in the past, the State did not fund state universities when they advanced increases to faculty (however, one other community college did advance the money to faculty). President Podell will forward a sample letter that Trustees could send to state reps, if they choose. Trustee Kahn noted that MassBay will be able to do even more for students in the revised budget for FY24 that will come to the Trustees in November.

MOTION: Trustee Kahn moved to approve the FY2024 Budget vs. Actual Comparison Report, and Trustee Choate seconded the motion.

The motion passed via the following roll call vote: Trustee Choate – YES; Trustee Kahn – YES; Trustee Lish – YES; Trustee Povich – YES; Trustee Sanz – YES; Trustee Saunders – YES; Trustee Silva – YES; Trustee Thorne

– YES.

Capital Budget Carry-Forward Resolution

President Podell reported that capital projects are anomalous in that we typically do the largest projects in the summer, when fewer students are in attendance. The summer crosses fiscal years: June is part of one fiscal year and July and August are part of another. Also, we endeavor to spend State money on capital projects before we spend our own. Therefore, we often have funds left in the capital budget at the end of June. We would like to ask the Board to consider a motion that would allow MassBay to carry over some capital funds into succeeding years, addressing both of these issues.

MOTION: Trustee Kahn approve that the College carry forward any unspent capital funds up to a rolling amount of \$2 million for a cumulative period of up to two years in reserves for use in subsequent years, and Trustee Choate seconded the motion.

The motion passed via the following roll call vote: Trustee Choate – YES; Trustee Kahn – YES; Trustee Lish – YES; Trustee Povich – YES; Trustee Sanz – YES; Trustee Saunders – YES; Trustee Silva – YES; Trustee Thorne – YES.

FY2024 Budget Update and Discussion

President Podell reported that community colleges in Massachusetts are at a positive crossroads. Under the prior administration, they received less funding, but under the new administration, they have gone from “wanting” to “having.” Examples are higher state allocations and funding of new programs, including MassReconnect. In other states that have initiated MassReconnect, retention has been a challenge, and as a result, MassBay’s FY24 and FY25 budgets will include a greater focus on student support services.

At this point, there remain several unknowns regarding the FY24 budget. Fall enrollment accounts for 45% of tuition and fees revenue and has not settled yet. The base appropriation is \$19.4 million, which is \$85,000 higher than the budget the Trustees approved in June. In addition to the base appropriation, MassBay receives funds for formula funding and collective bargaining increases. We will receive formula funding in the amount of \$622,032. We had included \$387,000 of formula funding in the original budget, which will now be \$235,000 higher than budget. The College is unsure of how much funds it will receive for collective bargaining increases and other salary increases. The FY23 supplemental budget for retroactive increases has not passed the House, and it is not clear which fiscal year the funding will be applied to. We also do not have official information from the Department of Higher Education (DHE) regarding non unit professional (NUP) salary increases. Therefore, a revised budget will be brought to the Board at the November meeting when we anticipate many of these matters will have been resolved.

Student Accounts Receivable and Cash Comparison Reports

As of June 30, there is an increase of \$69,000 (3%) in receivables year over year, with \$32.7 million in cash and investments. This is an increase of \$2.4 million year over year. We are earning interest of 5.55% at MMDT and 3% at Bank of America. We have a balance of \$8.8 million at MMDT and \$2 million at Bank of America, and do not plan on transferring additional funds to Prime Buchholz. The cash held at Bank of America and MMDT is for operations.

Cash and Investment Position by Month

The Cash Position by Month chart shows monthly cash balances over the last five years. The biggest deviation from the norm was a sizable increase in cash towards the end of FY21 due to the receipt of Federal Cares Act funding. Trustee Kahn noted that the College has done a great job with building cash, which has doubled in the past few years.

Contracts

MassBay currently has the three following contracts, all paid with local operating funds:

*K&M communications Corp in the amount of \$64,000,

*Oculus IT LLC in the amount of \$77,000, and

*Sierra Cedar in the amount of \$85,000.

PERSONNEL ITEMS

President Podell introduced Interim Vice President of Human Resources Dan Pace, who took Samaria Stallings' place. Interim Assistant Vice President Pace reported the following:

Personnel Actions Report

*There have been eleven new hires, including six full time faculty in ADN, Automotive, Business and Accounting, Early Childhood, and Practical Nursing.

*Fifteen employees have transitioned into new roles.

*Three employees have received changes in rank.

*Thirteen employees submitted resignations, part of the "Great Resignation" and many to take advantage of professional opportunities.

Recruitment Report

The searches for many positions are closing. The Assistant Professor of Cybersecurity position is on hold while the candidate awaits approval of a visa to work in the United States. The search committee for the Assistant Vice President of Human Resources is meeting this week.

Sabbatical Recommendations

Vice President and Provost Jackson presented recommendations for sabbaticals, noting that Professor Joan Alegi-Feeney has withdrawn her sabbatical request. Of the two remaining, this is Professor Beardsley's first sabbatical request. His focus is on the diversity, equity, and inclusion practices in MassBay's honors program, which is aligned with the College's mission. This is Professor Duchainey's second sabbatical request in eight years. Her focus is on online learning, which is also aligned with MassBay's priorities.

MOTION: Trustee Thorne moved to approve sabbaticals for Professors Beardsley and Duchainey for spring 2024 semester, and Trustee Kahn seconded the motion.

The motion passed via the following roll call vote: Trustee Choate – YES; Trustee Kahn – YES; Trustee Lish – YES; Trustee Povich – YES; Trustee Sanz – YES; Trustee Saunders – YES; Trustee Silva – YES; Trustee Thorne – YES

ENROLLMENT REPORT

Associate Vice President Slavin reported that enrollment is up 17% in FTE compared to last year, as of the third week of classes and completion of the add/drop period. Some of this growth is due to the MassReconnect initiative, even though we only had two weeks to market the program after the late passage of the State budget. Of the 17% FTE, 10% are MassReconnect students, and of the 360 total students, 138 are new to MBCC and represent 3.5% of total enrollment and 4% of FTE. Roxbury Community College's MassReconnect numbers are higher because their enrollment in the pandemic era had been very low. Based on early reports, our enrollment increase appears to be the second highest among the community colleges, and our total enrollment is close to where it was pre-pandemic, despite the decline in birth rate 18 years ago. The "enrollment cliff" is still ahead for 2026 to 2031, but MassReconnect may lessen its impact. The campus is buzzing with activity, even with an increase in online learning. The Tuition Equity program included in the state budget allows undocumented students to pay in state tuition. Free Nursing is also included in the budget, allowing our students to be less burdened financially, which will be further helpful when we begin our evening Practical Nursing program in Fall 2024.

Associate Vice President Slavin reported that the Admissions team is on the road recruiting, and Fall Open House will be on November 4.

FOUNDATION AND CAPITAL CAMPAIGN REPORTS

Foundation Board Chair Kannam reported the following:

- *Jean Dyer is now once again on the Board after holding the position of Interim Director of Nursing.
- *The Board is now more diversified.
- *The Board's new financial advisor is Wilmington Trust.
- *The Development Office's second quarterly newsletter will be coming out in October.
- *Scholarship applications for fall 2024 are being reviewed. There have been 330 applications submitted, and approximately \$100,000 will be awarded.
- *Outreach for the Back-to-School appeal for emergencies, textbooks, and scholarship support is taking place.

Campaign Director Borg reported that \$5.4 million has been raised for the Capital Campaign, which is close to the \$5.7 million goal. The ribbon cutting will be held in January. The next few months will be a good opportunity to engage new donors. Director Borg acknowledged Trustees Schmalensee, Choate, Lish, Povich, and Thorne for the valuable connections they have provided.

EXECUTIVE REPORTS

Student Trustee

Student Trustee Saunders reported the following on behalf of Student Government Association (SGA):

- *New funding requests for SGA have been approved. There is a Club Fair tomorrow, including the new Film Club Society.

President

President Podell reported the following:

- *The energy on campus at the beginning of the year is electric. Many new students have enrolled and the administration continues to be focused on mental health issues and retention.

*Several staff changes have occurred: Samaria Stallings resigned, and Dan Pace has stepped in as Interim Vice President of Human Resources; Chris LaBarbera resigned, and Sue Maggioni has been appointed Assistant Provost, with Richard Williams stepping in as Interim Dean of Business and Professional Studies; Chitra Javdekar resigned, and Dave Protano has stepped in as Interim Dean of STEM. It is a challenging time, but the College is moving forward.

- *It is going to be a busy year.

We are working on a five-year strategic plan. Several committees have submitted reports which Richard Williams is threading together. We will be consulting with external partners, the Department of Higher Education, and Board of Trustees, as we revise the draft. We will also be working on the NECHE ten-year report in preparation for a spring 2025 site visit.

The new building will open in January. We expect to receive the certificate of occupancy in late October, we will move in in November and December, and classes will begin in January. President Podell acknowledged Lauren Curley, Lynne Davis, Joe DeLisle, and Mike Lyons for all of their work on the move, and the faculty for their work, including adjusting their classes and spaces. A ribbon cutting will take place in January. We are working with the Governor's office to secure a date.

Professional Development Day will be held on September 26. The theme is *A Call to Action*, and author Dr Ibram Kendi, author of "How to Be An Anti-Racist" will be the speaker. In addition, there will be sessions related to both the equity agenda and strategic planning. President Podell emphasized what a special community MassBay is.

- *A special Campaign event with Larry Summers will take place on October 18. The Campaign is going well. Our original goal of \$5 million was increased to \$5.7 million due to increased costs, and MassBay is grateful for the work of Campaign Director Borg and Campaign Consultant Nolan as well as the connections several Trustees have made. In addition, the College has also received a \$2 to \$1 match from the state. There is a new matching

program for FY24: if we raise \$666,667, we will receive \$333,333.

*The College's next project is the Cybersecurity and Health & Fitness Center. Cybersecurity is growing quickly, MassBay is one of three colleges to be granted funds for a Cyber Range, focusing on pretend hacking. Thanks to the Facilities Department, Professors Lucciola, Moussavi, and Sena, and especially Chief Information Officer Lyons, MassBay's lab is about ready to open. Although we are the third cyber range to be funded, ours will be the first to open. In addition, the current Fitness Center is inadequate and needs an upgrade. Therefore, a new building is envisioned that would be multi-purpose, housing both the Cybersecurity program and the Health and Fitness Center.

COMMUNICATIONS

Reports from Public Safety

Director DiBlasi reported that the June, July, and August Clery and State Police reports are consistent with the 2022 reports and show no changes. MassBay's Campus Safety and Security Report will be available by October 1 as required. In addition, our statistics will be submitted to the Department of Higher Education by the mid-October deadline.

ADJOURNMENT

Trustee Kahn moved to adjourn the meeting, and Trustee Choate seconded the motion.

The motion passed via the following roll call vote: Trustee Choate – YES; Trustee Kahn – YES; Trustee Lish – YES; Trustee Povich – YES; Trustee Sanz – YES; Trustee Saunders – YES; Trustee Silva – YES; Trustee Thorne – YES

The meeting adjourned at 9:19 am.