

MASSACHUSETTS BAY COMMUNITY COLLEGE BOARD OF TRUSTEES

Minutes of the May 14, 2024, Board Finance & Administration Committee meeting
Webex Meeting – <https://www.youtube.com/@MassBayCommCollege/streams>

Committee members participating: Matthew Kahn, Chair; Tobey Choate, Trustee; Ilissa Povich, Trustee; Dune Thorne, Trustee.

Staff members participating: David Podell, President; Marcus Edward, Vice President for Finance & Administration; Steve Baccari, Controller; Courtney Jackson, Vice President for Academic Affairs and Provost; Jeremy Solomon, Vice President for Institutional Advancement, Marketing, and Communications; Diane Daniels, Assistant Vice President for Human Resources and Payroll; Deborah Grady, Executive Assistant for Finance & Administration.

Call to Order and Introductions

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

Approval of Prior Meeting Minutes *(Item 1)*.

The Chair asked for the review of the prior committee meeting minutes and called for a motion.

MOTION: Trustee Kahn made the motion to approve the minutes of the March 26, 2024, Board of Trustees' Finance & Administration Committee meeting as presented. Trustee Choate seconded. Motion passed unanimously.

ROLL CALL:

Matthew Kahn YES; Tobey Choate YES; Ilissa Povich YES; Dune Thorne YES.

FINANCE ITEMS

Vice President Marcus Edward presented the Finance Items to the Committee.

FY2024 Budget vs. Actual Comparison Report *(Item 2)*

The March budget to actual report shows a favorable variance of approximately \$1,200,000. The variance is due to better performance on revenues (due to the unexpected nearly 25% increase in spring FTE enrollment) and expenses when compared to the budget.

Revenue

Actual revenue through March 31 is \$38,980,000 compared to a projected budget of \$38,618,000 resulting in a favorable variance of approximately \$362,000.

It is anticipated that the State Maintenance Appropriation will fall short by approximately \$50K, however, the shortfall will be made up by increases in other revenue lines.

The final draw from investments will occur within the next month.

Expenses

Actual expense through March 31 is \$30,420,000 compared to a projected budget of \$31,258,000, resulting in a favorable variance of approximately \$838,000.

The College continues to do better than budget, but the intent is to spend the full expense budget of \$44.8M by year-end. Revenue may be higher, which would result in a net surplus.

Capital Budget will have no carryover.

It was noted that the state's FY2024 Supplemental Budget which includes the 2% MCCC increases is still pending a vote by the House and Senate.

President Podell reported that Free Community College (tuition and fees) is in the Senate budget, but not in the House or Governor's Budget. A decision on this matter is expected when the state's budget is finalized over the summer. The outcome should not impact the College's budget as the amount would be collected either from the students or the state. However, President Podell went on to explain that MassReconnect was funded based on the Fall enrollment. Spring enrollment was higher than Fall enrollment; thus, a deficit was realized. The state has indicated that colleges will receive additional funds to erase the deficit.

The President also reported that the kitchen project will take longer than hoped. Specs must be developed, and approval from the state must be obtained. DCAMM bond bill funds in the amount of \$900K has been allocated to the project and the remaining, approximately \$3M will come from the College's cash reserves.

Chair Kahn called for a motion.

MOTION: Trustee Kahn made the motion to accept the FY2024 Budget vs. Actual Report and recommend approval to the Full Board. Trustee Povich seconded. Motion passed unanimously.

ROLL CALL:

Matthew Kahn YES; Tobey Choate YES; Ilissa Povich YES; Dune Thorne YES.

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

Vice President Edward reported that there is a year-over-year increase of, \$458K or 16% at the end of the March, mainly due to the increase in enrollment.

Cash & Investment Comparison by Month *(Item 4)*

Vice President Edward reported that at the end of March, the College had \$38.5M in cash and investments, representing a \$5.6M increase year over year. This growth is attributed to the rise in investment value, enrollment, grant activity, and the returns from MMDT.

The Cash and Investment Chart will be updated with April information for the Full Board Meeting on May 21, 2024.

The possibility of reallocating more cash into investments was discussed. Currently, the College holds around \$15M between Bank of America and MMDT, a portion of which could potentially be invested through Prime Buchholz. Management will make a recommendation regarding investing additional funds at the June 10, 2024 meeting.

A chart showing the monthly cash balances over the last 5 years was provided to the Committee.

Investment Update *(Item 5)*

As of April 30, 2024, the investment balance stood at \$22.7 million, reflecting a 3.2% decrease for the month of April. However, as of yesterday (May 13, 2024), the balance increased to \$23.4 million, with investments earning 3.2% for the month of May thus far. Overall, the return since inception is 16%.

A discussion regarding liquidity of assets ensued. An agenda item for the next meeting of the Committee with Prime Buchholz will include a discussion regarding liquidity.

Contracts Report *(Item 6)*

Suburban Electrical Contracting, Inc. will perform the camera replacement project. The \$54,500 contract is paid with state funds.

INTERNAL CONTROLS

Marcus Edward presented the Internal Controls document, a document that the state mandates that MassBay maintains, reviews, and updates annually. This comprehensive document covers various aspects such as cash management, student payments, cash transfers between accounts, grant awards, accounts payable, refund processes, financial aid disbursement, budgeting controls, collections, abandoned property, write-off procedures, and other financial operation items. It was noted that the document is not all-inclusive.

The document may undergo audit, and the College annually responds to a questionnaire regarding Internal Controls. Moving forward, a redlined version of the Internal Controls document will be presented to the Committee each year for their review.

FEE INCREASE

President Podell reported that the College administration proposes a very modest increase in the student fee, noting that there was no increase for three years until last year when a small increase was approved. This proposed increase will help address increased costs in several areas of the College's expenses, including those due to inflation. A modest increase in fees will also help us better meet students' needs. For students receiving federal financial aid through the Pell program, this increase will be fully encompassed by a recent increase in Pell awards. If Free Community College passes, the increase will not affect the majority of students.

Marcus Edward noted that, even with a fee increase, MassBay still offers lower tuition and fees than our neighboring community colleges. A 4.3% increase is proposed, while inflation in

Massachusetts is at 6.5%. Importantly, the increase will be used to benefit the students. The FY 2025 budget includes 11 new full-time faculty lines, as well as a refresh of the furniture in the Wellesley classrooms. It is expected the increase will bring in approximately \$800K in revenue.

MOTION: Trustee Kahn made the motion to accept the \$10 fee increase per credit hour and recommend approval to the Full Board. Trustee Choate seconded. Motion passed unanimously.

ROLL CALL:

Matthew Kahn YES; Tobey Choate YES; Ilissa Povich YES; Dune Thorne YES.

PERSONNEL ITEMS

Tenure Recommendations *(Item 6)*

Provost Courtney Jackson briefly reviewed the requirements and process for tenure. In order for tenure to be awarded, the unit member must have had other than unsatisfactory evaluations and been employed at the College for a minimum of six years. Tenure is awarded during the seventh year of employment. A committee comprised of faculty and staff makes a recommendation to the Dean, who makes a recommendation to the Provost, who makes a recommendation to the President, who makes a recommendation to the Trustees.

The following unit members have been recommended for tenure by the appropriate supervisors, and by the Unit Personnel Practices Committee.

Heidi Getchell-Bastien, J.D., Associate Professor of Criminal Justice and Government
Raman Nambudripad, Ph.D., Associate Professor of Mathematics
Elizabeth Watson, M.A., Associate Professor of Human Services

MOTION: Trustee Kahn made the motion to approve tenure for the recommended individuals and recommend approval to the Full Board. Trustee Povich seconded. Motion passed unanimously.

ROLL CALL:

Matthew Kahn YES; Tobey Choate YES; Ilissa Povich YES; Dune Thorne YES.

Personnel Actions Report *(Item 6)*

Diane Daniels, Assistant Vice President of Human Resources and Payroll, presented the reports to the Committee.

- Holly Wielsma, Assistant Professor of Emergency Medical Service (EMS) in the Health Science Division; Reports to Dean of Health Sciences – Dean Lynne Davis

- James Brennan, Coordinator of Advising Operations; Reports to Director of Academic Advising, Coaching, and Transfer – Bryan Wint
- Joanis Nieves, Academic and Transfer Counselor; Reports to Director of Academic Advising, Coaching, and Transfer – Bryan Wint
- Abigail Vars, Biology Lab Technician; Reports to the Interim Dean of STEM - David Protano
- Bryan Wint, Director of Academic Advising, Coaching, and Transfer; Reports to VP for Student Development and Dean of Students – Elizabeth Blumberg

One employee has moved to a new role. Gabby Cuddy moved into an Academic and Transfer role on April 8th, 2024. Gabby reports to the Director of Academic Advising, Coaching, and Transfer – Bryan Wint.

Recruitment Report (Item 7)

Assistant Vice President Diane Daniels reported on the positions currently being recruited for which include: Dean of Teaching and Learning, and faculty in: Automotive, Behavioral Health, Chemistry, Communications, English, Environmental Studies, Practical Nursing, Computer Science, Cybersecurity and Nursing. Ms. Daniels noted all are in various stages of recruitment. A discussion regarding the low salaries that the contract allows and the process of step increases followed.

President Podell suggested that if the Committee should have the opportunity to interact with our legislators, they encourage them to approve the supplemental budget and to remind them of how poorly Community College faculty are paid.

Chairman Kahn reminded the Committee the next meeting will be on June 10, with the full Board meeting June 11, 2024.

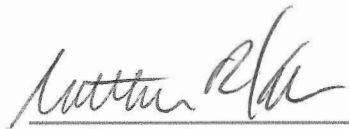
ADJOURNMENT

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

ROLL CALL:

Matthew Kahn YES; Tobey Choate YES; Ilissa Povich YES; Dune Thorne YES.

Chair Kahn adjourned the meeting at 9:01 a.m.

 6/10/24
 Matthew Kahn Date
 Committee Chair
 Board of Trustees

 6/11/2024
 David Podell Date
 President
 Massachusetts Bay Community College