<u>MASSACHUSETTS BAY COMMUNITY COLLEGE BOARD OF TRUSTEES</u>

Minutes of the January 28, 2025, 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; Gary Prado, Trustee; Diane Schmalensee, Ex-officio.

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; Deborah Grady, Executive Assistant for Finance & Administration.

Guests: Timothy Jarry, Nate Reid, and Nicholas Anderson, from Prime Buchholz; Colleen Coffey, Executive Director, Corporate Partnerships, Workforce Development, and Community Education.

Call to Order and Introductions
Committee Chair Matthew Kahn called the meeting to order at 8:02 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.

> **<u>MOTION</u>**: Trustee Povich moved to approve the minutes of the December 3, 2024, Board of Trustees' Finance & Administration Committee meeting as presented. Trustee Choate seconded. Motion passed.
>
> **ROLL CALL:**
> Matthew Kahn APPROVED; Tobey Choate APPROVED; Ilissa Povich APPROVED; Diane Schmalensee APPROVED.

<u>INVESTMENT ITEMS</u>

Vice President Marcus Edward introduced the Prime Buchholz team (Timothy Jarry, Nicholas Anderson, and Nate Reid) to the Committee.

Tim Jarry reported that despite market volatility incurred by the announcement of China's AI app, the College's portfolio still shows a 2.5% portfolio increase in January, bringing the total to $29.8 million.

Nate Reid reviewed the meeting materials including performance highlights, international equity, flexible capital and real assets, and fixed income. Mr. Reid reported that the portfolio had a strong year in 2024, with an 11.1% increase, in line with expectations, noting domestic equity was a driver of returns, with active managers performing well. The portfolio shows a 15.2% return since inception.

Mr. Jarry reviewed the current asset allocation noting it represents a well-diversified portfolio. No reallocation is recommended at this time.

Chairman Kahn noted that while the College has withdrawn approximately $1.8 million, the portfolio has grown by over $4.8 million, a strong overall performance.

Trustee Gary Prado joined the meeting at 8:20 a.m.

CPWDCE FEES

President Podell noted that all fees, including non-credit fees, must be approved by the Board. Previously, non-credit course fees had not been formally presented to the Board for approval. A comprehensive listing of non-credit courses associated fees, and hours will now be submitted for Board review and approval.

Non-credit programs, offered through the Center for Corporate Partnerships and Workforce Development (CPWDCE), focus on workforce training and do not lead to certifications or degrees. These courses, which have grown significantly under Colleen Coffey's leadership, increasing from approximately 250 to 1,200 students annually, serve as a pathway to the workforce but are not state-funded as our credit-bearing programs are, nor are they subject to curricular review.

Colleen Coffee explained that fees for non-credit courses are based on market rates, material costs, and regional competition. Some programs, such as Certified Nursing Assistant (CNA) training and ESL courses, are highly subscribed. Earlier funding coming from ARPA grants has dried up. We now rely on philanthropy and payment plans for students in need. Non-credit students are not eligible for free tuition, but the College remains committed to supporting them and advocating for workforce development funding. Some of them advance to credit-bearing programs, such as in Health Sciences and IT.

To enhance transparency, it was recommended that the budget-to-actual reports clearly separate credit and non-credit fees in the future. Additionally, the College will continue to advocate for expanded funding for non-credit programs to ensure workforce development remains accessible.

MOTION: Trustee Schmalensee moved to approve the list of CPWDCE Courses and Fees and recommend approval to the full Board. Trustee Choate seconded. Motion passed unanimously.

ROLL CALL:
Matthew Kahn APPROVED; Tobey Choate APPROVED; Ilissa Povich APPROVED; Gary Prado APPROVED; Diane Schmalensee APPROVED.

FINANCE ITEMS

FY2025 Budget vs. Actual Comparison Report *(Item 2)*

Vice President Marcus Edward reported that as of December 31, there is a positive variance of approximately $500,000 due to revenues exceeding the projected budget.

Revenue

Tuition and Fees revenue has exceeded projections by $551,000, driven by a 16.6% increase in fall enrollment and a 20.2% increase in spring enrollment. Remission and waivers are performing $126,000 better than budgeted due to a delayed state remittance of $244,000, which will be reflected in the January report.

Expenses

Expenses are trailing projections by $155,000 due to timing, with strict controls in place to prevent departmental overspending. As of this Friday, all full-time employees will be current on salary increases, except the President, for whom we await approval from the Commissioner of Higher Education.

A negative variance of $125,000 in the Maintenance/Construction line was discussed, largely attributed to roof repairs and landscaping equipment. These expenses are initially charged to the P&L and later capitalized on the balance sheet, with associated depreciation recorded.

Chair Kahn called for a motion.

MOTION: Trustee Prado moved to accept the FY2025 Budget vs. Actual Report and recommend approval to the Full Board. Trustee Povich seconded. Motion passed unanimously.

ROLL CALL:
Matthew Kahn APPROVED; Tobey Choate APPROVED; Ilissa Povich APPROVED; Gary Prado APPROVED; Diane Schmalensee APPROVED.

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

The Student Accounts Receivables comparison report shows a $2.7 million (38%) increase in receivables due to rising enrollment and students relying on free community college programs. A decrease is expected once financial aid is disbursed.

Cash and investments totaled $36.5 million as of December 31, reflecting a year-over-year increase of $517,000.

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

A chart is included in the binder that shows the cash balances over the past five years.

Kitchen Renovation Project

The Trustees were provided with a budget-to-actual for the kitchen project. Through the end of December the College spent $95K of the $5M allocated on design. The report will be updated for each Trustee Meeting to provide a more detailed budget breakdown by project phase moving forward.

PERSONNEL ITEMS

Personnel Actions Report *(Item 6)*

The personnel actions report noted one new hire: Sean Ayala, Director of Student Development, along with four internal role changes.

Recruitment Report *(Item 7)*

The recruitment report showed 33 open positions (20 staff, 13 faculty), reflecting growth in hiring in response to increased enrollment. Faculty and staff retention remains a challenge due to lower salaries compared to four-year institutions, exacerbated by union contract constraints.

Difficulties in recruiting faculty for high-demand areas such as nursing and cybersecurity were discussed. While some progress has been made, competition with private sector salaries and four-year institutions remains a challenge. International hiring efforts have been hindered by visa restrictions.

Sabbatical Request

Courtney Jackson, Vice President for Academic Affairs and Provost, presented the request for Professor Heidi Getchell-Bastien for sabbatical leave. Professor Getchell-Bastien has been with the College since 2018, and this is her first request. If approved, she plans to use her sabbatical to develop an open educational resource (OER) for her course, GV230 (Civil Rights and Civil Liberties).

Vice President Jackson noted that OERs provide significant benefits to students by reducing or eliminating textbook costs, saving them hundreds of dollars per term. The proposal was reviewed and recommended for approval by the Sabbatical Committee, Deans, and the President.

Trustees expressed support, noting that the proposal benefits both students and faculty. A question was raised about how updates to the resource would be managed. It was clarified that Professor Getchell-Bastien, like other faculty who develop OERs, will continue to update the material as part of her ongoing research.

MOTION: Trustee Choate moved to approve the Sabbatical Request for Heidi Getchell-Bastien and recommend approval to the full Board. Trustee Prado seconded. Motion passed unanimously.

ROLL CALL:
Matthew Kahn APPROVED; Tobey Choate APPROVED; Ilissa Povich APPROVED; Gary Prado, APPROVED; Diane Schmalensee APPROVED.

ADJOURNMENT

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

ROLL CALL:
Matthew Kahn APPROVED; Tobey Choate APPROVED; Ilissa Povich APPROVED; Gary Prado, APPROVED; Diane Schmalensee APPROVED.

Chair Kahn adjourned the Jmeeting at 9:08 a.m.

3/27/25	3/28/2025
Matthew Kahn Date	David Podell Date
Committee Chair	President
Board of Trustees	Massachusetts Bay Community College