
Regrets: Jeremy Hitchcock, Alison Stebbins, Jack Calhoun

Also in attendance: Matt Moore, Mike Marr, Kelly Chapman, Sarah Diversi, Lynn Moore, Amber Wheeler, Melanie Kirby, John Harrington, Sara Sawyer, and Joanne Berry.

The meeting was called to order at 10:20 a.m. at NE Delta Dental, Concord, NH.

1. **Approval of Minutes of the March 26, 2013 Meeting**

   **VOTE:** The Committee, on motion by Mr. Heath, seconded by Mr. Duhaime, voted unanimously to approve the March 26, 2013 meeting minutes as presented.

2. **Ratification of Votes**

   **VOTE:** The Committee, on motion of Mrs. Shields, seconded by Ms. Lucas, voted unanimously to ratify the vote for the ACSM Inc. contract with Great Bay CC in the amount of $159,600

   **VOTE:** The Committee, on motion of Mr. Paquette, seconded by Ms. Lucas, voted 10-1 (Duhaime abstained) to ratify the vote for the Catholic Medical Center contract with Manchester CC in the amount of $100,000.

   **VOTE:** The Committee, on motion of Mr. Heath, seconded by Ms. Lucas, voted unanimously to ratify the Martini Northern LLC contract with Manchester CC in the amount of $1,271,694.
VOTE: The Committee, on motion of Mr. Heath, seconded by Mr. Garfield, voted unanimously to ratify the vote for the Clean Aire Technology contract with White Mountains CC in the amount of $112,108.

3. Financial Position

Mr. Marr presented the May 24 financial update: annual budget, YTD activity, $ variance and % variance. Tuition and fee revenue is $2.5 million under budget. Expenses were adjusted accordingly. He also referred the narrative with more detailed explanation.

Mr. Densmore noted that this has been a difficult year to manage and acknowledged the presidents and CFOs.

In response to a question on bad debt, it was explained that bad debt expense is projected as 1.6% of tuition/fees.

**ACTION** It was requested that the Total lines also include the $ variance.

4. Credits Sold

Mr. Marr referred to the three reports provided: four year credits comparison by fiscal year, by spring term and by summer term.

Spring: one year change was a 2.04% decrease in credits sold for the system.

Question was raised by Trustee Lucas about who analyzes the decrease factors? Discussion followed.

Mr. Rioux added that enrollment projections for the operating budgets are determined by the college when developing their biennium budgets. This topic could be included for discussion at a Board retreat. Colleges used a 4% increase each year in budget projections for FY14 and 15.

Mr. Holloway shared some of the discussions recently held at the Marketing Ad Hoc Committee meeting. The committee is looking at all total marketing dollars, target markets, promoting the quality of programs, impact of the debt students carry after graduation etc.
5. **FY12 Audit Update**

Mr. Marr referred to the BerryDunn report on Financial Statements and Federal Reports in Accordance with OMB Circular A-133 for the period June 30, 2012 and 2011. He addressed the following items that were not discussed at the last meeting.

The opinion we received was an unqualified opinion.

He referred to statements of net position. We have a healthy cash position - very strong throughout the year.

Capital assets increased due to our acquiring buildings and lands from the state.

Schedule of Expenditures of Federal Awards: We are drawing down $75 million in student financial aid; about $42 million is refunded to students.

6. **FY14-15 Operating Budget**

Mr. Marr explained the process to date regarding the FY14-15 operating budget. We initially submitted a budget request of $42.5 million each year. To date HB1 includes $40 million in FY14 and $42.5 million in FY15. The increase in FY15 positions CCSNH to reduce tuition in AY14-15. In addition, the Senate version of the budget reestablishes the Unique program and changed our source of funds to 100% general funds.

HB 2 includes a section regarding the cost allocation for retiree health benefits. In FY14 and 15, CCSNH will pay the State approximately $1 million each year for retiree health benefits. Included in the section is language establishing a task force of CCSNH and DAS personnel to review the cost allocation for the retiree health benefit.

The Senate will vote on its version of the budget bills and then enter the Committee of Conference phase.

7. **Sale of Stratham Property**

Mr. Rioux reported that Governor and Council approved the sale. The Stratham Planning Board has also approved with conditions that the buyer has approved. We are awaiting the fire department permit which includes a review of the sprinkler system requirement. Another meeting with Juliet Marine will be held tomorrow and updates will be provided.
8. Contracts

- CCSNH – Marketing Consultation, Development and Design with Saltwater Creative, LLC in the amount not to exceed $325,000.
  
  Mr. Marr explained that this company has been hired for the marketing of the TAACCCT grant programs including the Rochester center. The bid process was followed.

  VOTE: The Committee, on motion of Mr. Heath, seconded by Mr. Garfield, voted unanimously to approve the Saltwater Creative LLC contract with CCSNH in the amount not to exceed $325,000.

- Manchester Community College – Temporary Kitchen Classroom Renovation (MCC13-17) with Torphy Construction & Development, LLC in the amount of $440,885.

  This contract was approved by Facilities Committee earlier today.

  VOTE: The Committee, on motion of Mr. Heath, seconded by Mr. Duhaime, voted unanimously to approve the Torphy Construction & Development LLC contract for Manchester CC in the amount of $440,885.

- Nashua Community College – Construction Manager Services for FY 14 & 15 for the amount of $400,000 and other small projects as they become funded throughout the FY 14/15 period.

  This contract was not finalized for vote but was discussed at the Facilities Committee and a phone vote is forthcoming.

- NHTI – Concord’s Community College – Construction Management Services FY 13 through FY15 (CON13-15) with Milestone Engineering & Construction, Inc. in the amount of $942,392.00.

  At the Facilities Committee meeting, it was explained that the construction manager will provide preconstruction services and preparation of the needed documents. If we receive capital funding, we will then submit amendments to the contract. Projects currently being addressed were listed. Having a CM on board will enable us to move quickly as funding becomes available. Projects that they will address now include the library roof. We have input on subcontractors with this CM project. The facilities committee approved the contact.
VOTE: The Committee, on motion of Mr. Paquette, seconded by Mr. Garfield, voted unanimously to approve the Milestone Engineering & Construction Inc. contract for NHTI in the amount of $942,392.

- River Valley Community College – Construction Management Services for FY 13/14/15 (which include Renovations and various small projects) with MacMillin a DEW Construction Company.

This contract is not finalized and will also require a telephone vote.

- Contract amendment with Executive Alliance

Ms. Sawyer explained that this amendment is for the continuation of the Executive Alliance services. We are in final phases of implementation of an online benefit enrollment system. Executive Alliance is being used for technical support as needed including training for reporting and update changes and rate table changes. It is anticipated that we will be taking over these items in the near future.

VOTE: The Committee, on motion of Mr. Garfield seconded by Ms. Shields, voted unanimously to approve the Executive Alliance contract amendment for CCSNH in the amount $115,000 (bringing the contract to a total of $855,000)

9. Other

Purchasing Policy Changes:

Mr. Marr explained changes to the purchasing policies that were recently approved by SLT. These changes will provide for a streamlined purchasing system and will expedite the contracting process.

Additional Votes Required:

Mr. Marr requested a vote from the committee to exempt funds obtained via fund raising from the year end lapse process. This will allow the funds to be used for the specified purpose.

VOTE: The Committee, on motion of Mr. Heath, seconded by Mr. Duhaime, voted unanimously to exempt funds obtained via Fund Raising activities from the year end lapse process. These funds will be recorded as restricted funds.
Nashua CC requested approval to spend $271,000, the amount by which FY13 actual revenue exceeded budgeted revenue,

Vote: The Committee, on motion of Mr. Paquette, seconded by Mr. Shyne, voted unanimously to approve Nashua CC’s request to use revenue in excess of budgeted revenue in the amount of $271,000.

Manchester CC requested approval to spend $187,000, the amount by which FY13 actual revenue exceeded budgeted revenue.

VOTE: The Committee, on motion of Mr. Paquette, seconded by Mr. Duhaime, voted unanimously to approve Manchester CC’s request to use revenue in the excess of budgeted revenue in the amount of $187,000.

Trustee Paquette inquired as to whether NHTI was using an electronic textbook system for the paramedic program. NHTI will research and provide an answer for the next meeting.

All agreed to the future meeting dates: September 24 and November 20

Next Meeting: July 23, 2013 at 10:00 a.m.

The meeting adjourned at 11:33 a.m.

Respectfully submitted,

Marie Anne Mills
Assistant to the Chancellor