



Finance Committee

CCSNH BOARD OF TRUSTEES

Meeting of March 21, 2019

Present: Trustee Alison Stebbins (Chair), Trustee Paul Holloway, Trustee Tricia Lucas, Trustee Brian Baril, MCC President Susan Huard, WMCC President Charles Lloyd, COO Charles Ansell, CCSNH Controller John Harrington, CCSNH Director of Facilities Matt Moore, Kim Brent (System Office)

Regrets: Trustee Edwin Smith

Others in Attendance: NCC President Lucille Jordan, LRCC President Larissa Baia, RVCC President Alfred Williams, LRCC CFO Marsha Bourdon, RVCC CFO Andrea Allbee, MCC CFO Kelly Chapman, NHTI BOO Stephanie Milender, GBCC VPAA Lisa McCurley, NHTI VPSA Laura Pantano, WMCC CBAO Scott Fields, CCSNH Chief Development Officer Tim Allison, CCSNH Legal Counsel Jeanne Herrick

Chair Stebbins called the meeting to order at 3:00 pm in 217 Grappone Hall, NHTI, Concord, NH.

TargetX- Customer Relationship Management Software

Mr. Ansell presented for the committee's approval a contract with Target X, a customer relationship management (CRM) tool that will provide relevant, targeted information on prospective students to improve and further standardize enrollment management strategy, and admissions and recruitment operations/tactics in particular. The goal of the software implementation is to increase substantially enrollment from high schools and adult learners.

CCSNH convened an RFP Committee to explore CRM solutions and selected Target X over four other CRM tools, based on requirements for price, technical integration, and enrollment management.

The proposal presented includes a three-year contract with Target X at \$370,000 for the first two years, and \$160,000 in year three. CCSNH also anticipates paying Salesforce for technology that Target X requires, at a rate of \$45,240 per year for three years. CCSNH received a donation from Fidelity Investments of \$455,000 for the first two years, which covers total cost for products for this period.

VOTE: The Committee, on motion of Mr. Holloway and seconded by Ms. Lucas, voted unanimously to approve the contract as presented.

Producer Services for Property and Casualty Insurance

Mr. Ansell presented for the committee's approval a proposal to authorize the Chancellor to enter into a contract with Fred C. Church Insurance, an insurance producer, to act as the broker of record on behalf of the CCSNH to secure competitively priced property and casualty insurance coverage and to provide professional guidance and related services. The purpose of the agreement is to provide CCSNH with risk management and insurance buying services. Key services provided include benchmarking to inform insurance buying decisions, negotiating terms, conditions and coverages with carriers, assisting in claims



management, and providing comprehensive risk management services to help CCSNH prioritize loss prevention activities, measure progress and thereby create safer operations and reduce risks.

The contract is the result of a competitive bid process. The three proposals submitted were reviewed by a committee with knowledge of CCSNH's insurance and risk management programs. The committee's recommendation is not based upon price alone; rather, the committee scored the proposals based on the experience of the firm, the experience of assigned personnel, work with similar clients, services offered, training programs and resources available, and cost. CCSNH negotiated with the preferred firm to determine final price and is finalizing negotiations with respect to contract form.

The contract will run for three years for coverage secured beginning FY 2020 with a flat fee of \$60,000 per year and with an option to extend for an additional term of two years with a flat fee of \$62,000.

VOTE: The Committee, on motion of Ms. Lucas and seconded by Mr. Baril, voted unanimously to authorize the Chancellor to enter into a contract with Fred C. Church Insurance, as presented.

Approval of Capital Projects

Mr. Ansell presented the following capital projects for the committee's approval:

College	Project	Estimate	Advertising Date	Bid Date
GBCC	Boiler Replacement	\$150,000	Feb-29	19-Mar
GBCC	Mechanical Equip Controls Replacement	\$150,000	Feb-29	19-Mar
LRCC	Main Building Boiler Replacement	\$930,000	25-Mar	16-Apr
MCC	Industry Lab Renovations	\$340,000	11-Apr	2-May
MCC	Mechanical Equipment Replacement	\$325,000	16-May	6-Jun
NCC	Parking Lot Improvements	\$260,000	11-Apr	2-May
NHTI	College Drive Renovations	\$550,000	16-May	6-Jun
NHTI	Institute Drive Improvements	\$450,000	25-Feb	18-Mar
RVCC	Parking Lot Improvements	\$277,300	11-Apr	2-May
WMCC	Culinary Hood & Cooler	\$150,000	11-Apr	2-May

Mr. Ansell noted that the finance and facilities committees previously approved moving funds from other projects to finance the LRCC boiler replacement project.

VOTE: The Committee, on motion of Mr. Holloway and seconded by Mr. Baril, voted unanimously to approve the capital projects as presented.



Board Finance Policy

Mr. Ansell presented for the committee's approval proposed revisions to the current board finance policy.

Mr. Ansell proposed raising the threshold for contract approval in board finance policy section 431 from \$100,000 to \$500,000. The proposed threshold is in-line with other institutions that do not require approval of the budget followed by a second approval of the specific contracts included in the budget as they arise. This change in policy would require CCSNH to continue providing trustees with detailed college budget plans at the June committee meeting that itemize major expenses for approval, followed by discussion throughout the year on the progress of items approved. A parallel process would be followed for capital planning that provides budget detail to the Board initially, followed by updates on project progress to the Asset and Resources Committee. The committee would continue the current practice of approving contracts over \$100,000 that were not included in the approved budget, as well as all contracts, included or not included in the budget, over \$500,000, and any projects considered unusual by complexity or intent.

Mr. Ansell proposed the following suggested language for this policy change: "The review and approval of proposed contracts, leases or arrangements in the amount of \$500,000 or more, or those arrangements unusual by complexity or intent, or cost in excess of \$100,000 and not originally in the budget as approved by the Board of Trustees."

VOTE: The Committee, on motion of Mr. Holloway and seconded by Mr. Baril, voted unanimously to recommend to the board the board finance policy section 431 revisions as presented.

VOTE: The Committee, on motion of Ms. Lucas and seconded by Mr. Baril, voted unanimously to approve the following board finance policy changes as presented:

- 410: "but not limited to the" to "but not limited to, the following:"
- 412: "missions" to "mission"
- 421: "CCSNH Foundation" to "CCNH Foundation"
- 424.1: Remove parenthetical that references fees that CCSNH no longer imposes
- 441: "Oversight" to "overseeing" to match verb tenses
- 442: Last bullet is redundant
- 470: Remove/ no longer relevant

Fees

Mr. Ansell presented for the committee's approval the proposed FY20 fees.

Lakes Region CC proposes removing the Tractor Trailer Program surcharge, as the program is no longer offered.

VOTE: The Committee, on motion of Mr. Holloway and seconded by Mr. Baril, voted unanimously to approve the removal of the Tractor Trailer Program surcharge.



Proposed FY20 room and board fees were presented to the committee as follows:

- Lakes Region CC
 - Replace housing deposit of \$150 with a room deposit of \$250, per academic year, to reserve a room in the apartment units, with \$50 credited towards apartment turnover service, and \$200 held for a damage deposit.
 - Up single occupancy from \$4,450 to \$4,610 and double from \$3,950 to \$4,110, with summer rates moving from \$185 to \$190, and \$130 to \$135 for singles and doubles, respectively.
- Nashua CC proposes room and board pricing at the rates listed below for students using the dormitories at the University of New Hampshire in Manchester.
 - Room Rates for 2019/2020
 - Double Room (semester) \$3,736
 - Triple Room (semester) \$3,241
 - Meal Plan Rates for 2019/2020
 - 32 week plan (10 meals per week) \$1,740
 - 32 week plan (19 meals per week) \$1,990
 - 38 week plan (10 meals per week) \$2,250
 - 38 week plan (19 meals per week) \$2,500
- Manchester CC will update its UNH-M dormitory rates to match the above, as both Nashua and Manchester post the UNH rates.
- NHTI proposes room and board increases that are more in line with similar rates at other institutions and will account for increases in infrastructure and renovation costs:
 - Double/Triple Room 8% increase from \$3,041 to \$3,285
 - Single Room 10% increase from \$3,585 to \$3,944
 - SuperSingle Room 15% increase from \$3,753 to \$4,316

For meal plan prices, NHTI recommends a five percent increase to cover kitchen equipment and repair.

- 15 meal plan from \$1610 to \$1691
- 19 meal plan from \$1750 to \$1838
- White Mountains CC proposes room and board in accordance with a new agreement with Plymouth State University that will allow White Mountains students to use Plymouth State dorms, much as in the Nashua example above with UNH-M. The rates proposed are listed below:

Residence Description	Rate
PSU Quad (Res Hall - ML)	\$ 3,275
PSU Triple (Res Hall - PE, BL, ML)	\$ 3,275
PSU Double (Res Hall - BE, PE, BL, ML, SM, GR)	\$ 3,600
PSU Single (Res Hall - PE, BE, BL, ML, SM, GR)	\$ 3,725
PSU Double w/ Bathroom (Res Hall - MP, LW)	\$ 4,025
PSU Triple w/ Bathroom (Res Hall - LW)	\$ 4,375
PSU Single-in-suite (Res Hall - MP, LW)	\$ 4,775
PSU Single w/Bathroom (Res Hall - MP, LW, ML)	\$ 5,075
PSU Apartment - Shared Bathroom (Res Hall - WM)	\$ 4,450
PSU Apartment - Private Bedroom (Res Hall - NT)	\$ 5,200



PSU Meal Plan - Unlimited + \$100 FlexCash	\$ 1,950
PSU Meal Plan - 225 block + \$100 FlexCash	\$ 1,820
PSU Meal Plan - 150 block + \$100 FlexCash	\$ 1,600
PSU Meal Plan - Restricted 60 block + \$100 FlexCash	\$ 800
PSU Student Services Fee	\$ 1,260

VOTE: The Committee, on motion of Mr. Baril and seconded by Mr. Holloway, voted unanimously to recommend to the board the room and board fees as presented. President Huard and President Lloyd abstained.

System-Level Overview of Budget Work

Mr. Ansell provided an update on the FY19 budget, noting that CCSNH expects to have, at the close of FY19, an ending cash position over \$20M, up to a 3% increase in the reserves ratio, and an increase in debt coverage from 1.11 to 1.43. Despite loss in credits activity due to enrollment decline, CCSNH has the least decline in the New England region and is higher than the US average, due to CCSNH's efforts in retention and student affordability.

The committee discussed the FY20 budget process, and CCSNH will review FY20 budgets at the next Finance Committee meeting.

College Updates

- River Valley CC reported that enrollment is higher than budgeted and salaries and benefits are under budget, and provided an update on the college's NECHE visit in April and partnership with Keene State.
- Nashua CC reported an increase in retention and a decrease in the adjunct budget due to structured scheduling.
- Lakes Region CC reported increased retention, a decreased adjunct budget, and a freeze of non-essential expenses. President Baia provided an update on the location of the culinary program, which will relocate to the campus in the fall.
- Manchester CC reported a 4% increase in enrollment due to Running Start. The master plan will be completed by April, and Spark Academy will likely start running out of the college in the fall. President Huard invites all trustees to the Goldman Sachs 10K Small Businesses Program event next Friday.
- Great Bay CC reported that enrollment has increased 4.2% from projections. The Rochester Campus strategy is under development being developed, and the VPSSEM position is expected to be filled this week.
- White Mountains CC provided an update on the Littleton location and reported that Running Start enrollment has increased.
- NHTI reported that Sweeney renovations will be completed in May.

Discussion followed regarding college auxiliary items, a topic that the committee will continue discussing at the next committee meeting in June.



Finance Committee Charter

The committee discussed the proposed focus areas for the committee this year: shared services, structured scheduling, and space utilization and maximization. The committee discussed creating a task force or subcommittee for work on the three focus areas, and Ms. Stebbins suggested adding an hour to each finance meeting for work on treasury items.

Littleton

White Mountains CC President Lloyd provided an update on the proposal to relocate the college's academic center and Diesel Heavy Equipment Program to a larger property in Littleton, in order to pursue an opportunity to increase college matriculation rates, grow enrollment, and expand the college's physical presence on the 1-93 corridor.

To make the identified leased space tenable and move-in ready, CCSNH determined the total cost for construction, renovation, and fit-up would be \$11.5m, which White Mountains CC/CCSNH and BEA jointly requested from the state's FY19 surplus "one-time investment" funding. To-date no portion of the proposal has received funding, although recent developments indicate that funding might still be possible.

Follow-Up Items

- Status updates on the capital items approved through the budget process (under Board Finance Policy)
- Review FY20 budgets at the next meeting
- Update on college auxiliary items
- Create a task force or subcommittee to work on our three focus areas--shared services, structured schedules and space utilization and maximization, auxiliary services financial model
- Add an hour to the meeting to work on treasury items
- Mr. Ansell will work with the presidents to present at the next meeting a list of all of the current shared service activities and one or two of the shared services initiatives.

Other Business

No further business was stated. The meeting adjourned at 11:00 am.

Respectfully Submitted,

Meghan Eckner
Executive Assistant to the Chancellor and Board of Trustees