



Finance Committee

CCSNH BOARD OF TRUSTEES

Meeting of September 17, 2020

Present (teleconference): Trustee Alison Stebbins (Chair), Trustee Paul Holloway, Trustee Edwin Smith, Trustee Tricia Lucas, Trustee Robert Baines, MCC President Brian Bicknell, WMCC President Charles Lloyd, COO Charles Ansell, CCSNH Controller John Harrington, CCSNH Director of Facilities Matt Moore

Others in Attendance (teleconference): NCC President Lucille Jordan, RVCC President Alfred Williams, NHTI President Gretchen Mullin-Sawicki, GBCC Interim President Cathryn Addy, LRCC President Larissa Baia, LRCC CFO Marsha Bourdon, NHTI Budget Officer Melanie Kirby, WMCC Chief Business Affairs Officer Scott Fields, RVCC CFO Michelle Lockwood, NCC Business Office Manager Laurie Berna, CCSNH Executive Director of Government Affairs and Communications Shannon Reid, CCSNH Legal Counsel Jeanne Herrick, CCSNH Chief Advancement Officer Tim Allison, CCSNH Director of Financial Operations Kim Brent, Interim Chancellor Susan Huard, CCSNH Board of Trustees Chair Jeremy Hitchcock

Chair Stebbins called the telephonic meeting to order at 2:01 pm. Regarding the conduct of a telephonic meeting and counting all members toward the quorum requirement whether or not physically present in the meeting location, the Chair declared an emergency meeting in order to follow social distancing guidelines related to the current public health crisis, pursuant to RSA 91-A: 2 (III)(b).

Committee Goals

Ms. Stebbins reviewed progress on the established committee goals:

- Optimize shared services between the colleges: Technological systems and processes are increasingly consistent and standard across the colleges, and the next step is to work more closely in this respect with the university system.
- Review and make informed decisions on all college auxiliary services: Solutions have been found for all three childcare centers in the system, with more progress to be made on housing auxiliaries. This focus has led to progress overall on auxiliary expenses as a system.
- Develop a strategic roadmap for structured schedules and space utilization maximization: Given the pandemic, less progress has been made in this area but there are opportunities to make more progress. Currently, five of the seven colleges are scheduling students for the fall and spring semesters at the same time.
- Educate all board members on the budget and financial operations and controls of CCSNH: This has been aided by increased communication to the board on this area. Chair Stebbins would like more progress to be made on education.

Ms. Stebbins and the committee thanked Mr. Ansell, who will leave CCSNH to start a new position at Complete College America next month, for the substantial progress made in these areas and for the work he has done for the system and board during his tenure.

Approval of June 18, 2020 Minutes

VOTE: The Committee, on motion of Mr. Smith and seconded by Ms. Lucas, voted unanimously by roll call to approve the minutes of the June 18, 2020 meeting as revised.



Facilities Update

A section of NHTI's Sweeney Hall roof must be replaced as soon as possible. A construction firm will prepare a budget for this project. CCSNH proposes moving \$300,000 from the Capital Critical Maintenance funds that were not used as anticipated for a parking lot at Great Bay CC, as agreed to by the college presidents and pending board approval.

VOTE: The Committee, on motion of Mr. Holloway and seconded by Mr. Smith, voted unanimously by roll call to approve a transfer of \$300,000 from the Laws of 2017 Critical Maintenance Capital Fund, originally anticipated to be used for Great Bay Community College parking lot, to NHTI Critical Maintenance, for the emergency replacement of the Sweeney Hall roof.

Chair Stebbins proposed that CCSNH provide the Finance Committee with an assessment of maintenance for FY22, including updates on the most critical deferred maintenance that needs to be addressed.

Overview of FY20 and FY21

Mr. Ansell provided a budget update. Although the enrollment cycle is incomplete for fall, most colleges are reporting declines, most significantly for minority and low-income students. Regarding state appropriations, CCSNH does not anticipate any state rescissions in FY21, but federal action on a second stimulus for FY22 is necessary for the State of NH to avoid significant cost-cutting measures. Updated forecasts on revenue and expenses will be presented at the next meeting in December. CCSNH expects the financial position will continue to improve, based on the present enrollment and state appropriations in FY21, as well as continued focus and work on enrollment management, expense reduction, and limited use of reserves.

VOTE: The Committee, on motion of Ms. Lucas and seconded by Mr. Baines, voted unanimously by roll call that, to maintain financial sustainability and overall strong cash position, no college shall use more than fifty percent of its reserves to support expenses for FY 2021. If a college believes it must exceed this threshold, rationale and analysis must be presented to the Finance Committee, in the context of FY 2022 plans, in December 2020.

Members noted the importance of having been attentive to reserves to help CCSNH be prepared for unexpected and highly disruptive circumstances faced with the pandemic. At the next meeting, the committee will review an accounting of reserves used in FY20.

College Summary Financials: Opportunities and Challenges

Presidents Lloyd and Bicknell presented the variables currently impacting college budgets:

- Enrollment: There has been high variability in enrollment numbers from summer to fall and from the start of the semester to now, most recently due to an increase in withdrawals that is attributable to students who are parents experiencing issues with childcare and schooling, as well as more general uncertainty about students' financial circumstances. It is difficult to predict how many withdrawn students will return, also impacting fall-to spring retention.
- Reduction in Expenses: CCNSH did see reduced expenditures due in part to decreased enrollment and the resulting canceled sections, and savings on utility costs.
- Tuition Assistance: Tuition assistance available for the Fall semester had a significant impact on increasing and maintaining enrollment numbers.

Each college presented enrollment, budget, and other updates.

- Great Bay CC: President Addy reported that credits sold are down 3.5% in the budget. The welding lab at Rochester was completed and the welding program is experiencing strong enrollment.



- Lakes Region CC: President Baia reported that FY20 operating and housing budgets ended with positive net income for the fourth year in a row, at the same time that enrollment decreased. FY21 enrollment is higher than projected for the college.
- Manchester CC: President Bicknell announced that lab renovations have been completed so that programs can continue following social distance guidelines.
- Nashua CC: President Jordan reported that the college has seen an increase in new students largely due to GOFERR funds and an effective marketing strategy. The college has also seen an increase in non-credit offerings and revenue.
- NHTI: President Mullin-Sawicki plans to use reserves, but the college also projects significant cost savings. Anticipating up to a 20% drop in enrollment, so closely looking at programs to see where program sharing might be possible. The committee commended President Mullin-Sawicki, for how she has managed the difficult financial situation.
- River Valley CC: President Williams noted that vacant positions and strong summer enrollment allowed the college to fill positions in student services and other key roles.
- White Mountains CC: President Lloyd reported that the college has seen a small decrease in first-time new students. Running Start program enrollment is increasing, and the college is actively managing expenses and operations.

Stratham Update

Ms. Stebbins reported that monthly payments have been submitted on-time and will continue to be monitored on a monthly basis.

Other Business

Mr. Fields will provide leadership and support for financial operations at the system level after Mr. Ansell departs. The Chief Operating Officer position is expected to be filled by December according to the present timeline.

Follow-Up Items for the Next Meeting

- Updated forecasts on revenue and expenses
- Accounting of reserves used in FY20
- Assessment of maintenance for FY22, including updates on the most critical deferred maintenance
- FY22 budget preparation

No further business was stated. The committee meeting adjourned at 3:44 pm.

Respectfully Submitted,

Meghan Eckner
Executive Assistant to the Chancellor and Board of Trustees