



Board of Trustees Finance Committee

Thursday, June 15, 2023

NHTI - Concord's Community College | Grappone 106

Attendees: Chair Alison Stebbins, Chief Operating Officer Scott Fields, Trustee Tricia H. Lucas, Trustee Nick Toumpas, MCC President Brian Bicknell, WMCC President Charles Lloyd,

Regrets: Trustee Todd Emmons, Trustee Robert Baines,

Guests: Chancellor Mark Rubinstein, Trustee Katharine Bogle Shields, Trustee Donnalee M. Lozeau, Trustee John C. Calhoun, Trustee Christopher Dodge, Trustee Edwin Smith, Trustee Gregory Eastman, Trustee Richard Ackerman, Trustee Kimberly Eckenrode, Trustee Sharon Harris, Trustee Steven Slovenski, Trustee Tiffany Eddy, Trustee Stephen Appleby, Trustee Will Cunningham, GBCC President Cheryl Lesser, NCC President Lucille Jordan, NHTI President Patrick Tompkins, RVCC President Alfred Williams IV, Director Ann-Marie Hartshorn, Director Beth Doiron, Director Jason Bishop, Director Matt Moore, Director Sara Sawyer, Executive Director Shannon Reid, Executive Director Tim Allison, WMCC VPAA Kristen Miller, NHTI BAO Marsha Bourdon, LRCC BAO Adriana Komst, GBCC CFO Tom Andruskevich (via Zoom), MCC BAO Kelly Marr (via Zoom), CAO RVCC Michelle Lockwood (via Zoom), Consultant Steve Fader (via Zoom)

Meeting Minutes:

Committee Chair Stebbins opened the meeting at 12:20pm with a brief review of the agenda.

Action Items:

1. Approval request for the 8/25/2022, 10/20/2022, 3/16/2023, and 4/20/2023 Finance Committee Meeting Minutes.
 - a. Trustee Lucas motioned to approve the minutes as presented, Trustee Toumpas seconded the motion. Motion passed unanimously.
2. Approval request to adopt the overarching principles that will be used to guide the redrafting of Board Finance Policy 470 (Reserves) and establish a working group that will be tasked with providing recommendations on the policy and for defining an approach for implementation.
 - a. Trustee Toumpas motioned to adopt the guiding principles listed below to guide a working group in revising Board Finance Policy 470 (Reserves). The group will consist of the Chancellor, the Chief Operating Officer, at least one College President, and a Trustee from the Finance Committee and will report to the Board.
 - i. Alignment with Pillar IV of the 2023-2026 CCSNH Strategic Plan - Financial Sustainability and Stewardship;
 - ii. Maintain balanced budgets, with extenuating circumstances to be the rare exception;
 - iii. To sustain system-wide resources, in a meaningful way, that will address the short- and long-term needs of CCSNH through defined reserve funds for operations, deferred / critical maintenance, non-operating, and strategic investments.
 - b. The motion was seconded by President Lloyd. Motion passed unanimously.
 - i. It was also noted that there is conflicting language in the Finance policies which is the basis for wanting to review the language of Board Finance Policy 470.

- ii. There was a discussion about meaningful leverage of reserves, and the desire to stop using them to balance budgets. It was noted that there has been progress made in how reserves are viewed and used.
 - c. Trustee Toumpas motioned that until Board Policy 470 is fully constituted colleges seeking to use more than \$100,000.00 not previously approved in their budget must go before the Finance Committee for approval, and if seeking to use more than \$500,000.00 must go before the full Board for approval, President Lloyd seconded the motion. Motion passed unanimously.
3. Chief Operating Officer Fields presented the FY 24 slate of fees for approval. There were a total of 77 changes/additions with 56 requiring Board approval.
 - a. Trustee Toumpas motioned to approve the fees as presented, President Lloyd seconded the motion. Motion passed unanimously.
 - i. COO Fields explained that many fees had not been changed for 4-5 years, and that it was recommended that the Presidents work together and with their respective teams to better align fees for similar programs.
 - ii. It was noted that we do not have an international student rate.
 - b. At the request of Trustee Stebbins, Trustee Toumpas amended his motion to include the elimination of the fee for Prior Learning Assessment. The amended motion was seconded by Trustee Stebbins and passed unanimously.
4. Request for approval to award system-wide contracts for architectural and engineering services.
 - a. Trustee Toumpas motioned to recommend the awarding of 3-year contracts to selected firms from RFP submissions not to exceed \$250,000.00 in aggregate, President Lloyd seconded the motion. Motion passed unanimously.
5. Request for approval for River Valley Community College to use reserves.
 - a. President Lloyd motioned to approve the use of up to \$200,000.00 to replace the retaining wall at the Washington Street location in Keene noting the funds would be replenished by the proceeds of the building sale, Trustee Toumpas seconded the motion. Motion passed unanimously.
6. Request for approval for Great Bay Community College to use reserves.
 - a. President Bicknell motioned to approve an additional \$27,000.00 in reserve spending that will bring the grand total to \$112,000.00, Trustee Toumpas seconded the motion. Motion passed unanimously.

Update Items:

1. COO Fields gave a summary of the FY 23 budget highlighting that what started as a projected deficit ended in a net positive. This was mostly due to personnel savings of \$2.7mm, or a 3% variance from what was projected. He noted that we need to do better with projecting in the future.
2. COO Fields went over the process of budgeting FY 24 and noted that there was still much work to be done before budgets were finalized. He noted that currently FY 24 is showing a total budget that is cash positive by approximately \$290,000.00.
 - a. Chancellor Rubinstein pointed out that the FY 24 budgets were built with a 3% salary increase that will need to be adjusted to better reflect inflation. He also noted that even with this increase we will still need to produce balanced budgets for each college, unless otherwise approved by the Board for exception. He anticipates the updated budgets being ready for the July Board of Trustees meeting.
3. COO Fields explained that budget planning starts in December and the campus BAO's meet throughout the spring to refine numbers. Budgets are due to be submitted to the System

Office in April. He also noted that this is the first year with the new IT organization where costs are coming out of the System Office as opposed to individual campuses.

- a. White Mountains Community College is projecting a flat enrolment. President Lloyd noted they are doing the Prison Education Program, have built a presence at Kennett High School, are seeing an increase in applications for the Diesel program, and have completed an LED project that has lowered utility costs. He also noted they will no longer have leases in North Conway or Berlin. He gave thanks to Steve Fader for his assistance.
- b. The System Office is projecting a significant increase in salaries due to the IT shift (which caused shared costs to campuses to increase). The System Office has submitted a balanced budget in FY24 as a result of stronger investment revenue projections and improved contract negotiations. The System Office was able to keep many contracts flat, or close to flat, thanks to the hard work of Mr. Sean Fitzpatrick and CIO Barbara Spada.
- c. River Valley Community College is projecting a 4% decrease in enrollment. President Williams noted they have put an Admissions Counselor at the High School to boost enrollment of traditional college age students, and they have started 8th grade bootcamps. They have partnered with Dartmouth Hitchcock for a Medical Assistant program and Health Care program.
 - i. There was a question about the surplus this year. President Williams noted they had a 12% vacancy rate as opposed to the projected 9%, and the generator that was going to cost them approximately \$200,000.00 was donated.
- d. NHTI - Concord's Community College is presenting a balanced budget for FY 24, however, is projecting a deficit in FY 25. President Tompkins noted they are also experiencing higher vacancy rates in key positions and there is a need to do some restructuring/realigning positions into the correct budget lines. They are looking at master planning, their overall footprint, and what space they actually need. They have also signed a lease to rent out the first two floors of the empty dormitory.
- e. Nashua Community College is projecting an increase in enrollment. President Jordan highlighted that their Admissions staff is out in the community 7 days a week at events and interacting with the community. Their workforce program is strong and has had success with their bootcamps. They are doing a strategic review of vacancies, and they have secured and are looking to secure more grants.
- f. Manchester Community College is projecting a flat or very slightly increased enrollment. President Bicknell noted a collaboration with Elliot Hospital. He also noted that this projection is conservative.
- g. Lakes Region Community College is projecting a 2% increase in enrollment. Interim President Cate noted that is on trend with the increase in applications and acceptances. He discussed moving the housing maintenance to the housing budget, and that there is an increased interest in housing as they currently have a waiting list.
- h. Great Bay Community College has planned for a deficit. President Lesser noted that Chief Business Affairs Officer Tom Andruskevich has done great work on the budget. They are down 2% in enrollment, but their retention is up 7.5% from fall to spring. President Lesser is working with her team to critically evaluate all positions, they have eliminated 9 positions and transitioned 4 from full time to part time. The transition of IT to the System Office, and the shared VP position have helped. They are also reviewing programs, program locations, and all external contracts.
 - i. President Lloyd motioned to accept all FY 24 budgets are presented, President Bicknell seconded the motion. Motion passed unanimously.

4. Chancellor Rubinstein gave an update on the Promise Program. He gave a special thanks to Dan Bennett, President of the New Hampshire Automobile Dealers Association, who advocated for the program in the Senate. He noted relationship with NHADA was another lasting gift from Trustee Paul Holloway. We are currently slated to receive \$3mm for this program as opposed to the requested \$3mm per year. This will be a great start and Executive Director Tim Allison is working on finding additional funding sources.
 - a. Trustee Stebbins thanks Chancellor Rubinstein for taking us down this path and getting us to the table with the states around us. Chancellor Rubinstein noted that they have changed the conversation from being 50th out of 50 to what the CCSNH can do to help the citizens and state of NH. The system appreciates the 18% increase in funding to ensure programs like this are available to assist students.

No further business was brought forward.

Meeting adjourned at 2:20pm.

Respectfully submitted,

Cassandra Hoefs
Executive Assistant to the Chancellor and the Board of Trustees