



## **Finance Committee**

### **CCSNH BOARD OF TRUSTEES**

### **Meeting of April 21, 2022**

**Present:** Trustee Alison Stebbins (*Chair*), Trustee Tricia Lucas, MCC President Brian Bicknell, WMCC President Charles Lloyd, Trustee Todd Emmons, Trustee Paul Holloway (*videoconference*), CCSNH Chief Operating Officer Scott Fields, CCSNH Controller John Harrington (*videoconference*), CCSNH Director of Facilities Matt Moore (*videoconference*)

**Regrets:** Trustee Robert Baines

**Others in Attendance:** CCSNH Chancellor Mark Rubinstein, NCC President Lucille Jordan, RVCC President Alfred Williams (*videoconference*), GBCC President Cheryl Lesser (*videoconference*), LRCC President Larissa Baia (*videoconference*), NHTI CFO Marsha Bourdon (*videoconference*), RVCC CFO Michelle Lockwood (*videoconference*), NCC BAO Laurie Berna (*videoconference*), GBCC Chief Accounting Officer Tom Andruskevich (*videoconference*), CCSNH Chief Advancement Officer Tim Allison (*videoconference*), MCC Business Affairs Officer Kelly Marr (*videoconference*), CCSNH Executive Director of Government Affairs and Communications Shannon Reid (*videoconference*), CCSNH Consultant Steve Fader (*videoconference*)

Chair Stebbins called the meeting to order at 12:05 pm in room 301 Grappone Hall, NHTI, Concord, NH.

#### Approval of the January 20, 2022, February 11, 2022, and February 17, 2022 Meeting Minutes

**VOTE:** The Committee, on motion of Ms. Lucas and seconded by President Lloyd, voted unanimously by roll call to approve the minutes of the January 20, 2022, February 11, 2022, and February 17, 2022 meetings as written.

#### Reserve Funded Projects

Mr. Fields presented the reserve requests from the colleges. Great Bay CC's request includes funding for EAB implementation, boiler replacement, and x-ray machines for the Vet Tech program. The total amount for these projects and purchases is \$182,295; the total amount is less than the Board Reserve Policy threshold requiring a formal vote.

Lakes Region CC did not submit new requests for FY23, as the college will roll over the funds allocated to the Turner Building project approved in FY22.

President Bicknell presented the FY23 reserves request for Manchester CC, including cybersecurity and workforce development staffing, roofing and siding expenses for the maintenance building, and upgrades for the computer and library labs. Discussion followed regarding the maintenance building that will be torn down in a few years, and the need to create a template on reserves that outlines the colleges' approach on reserves and strategic investments. Need to consider health of reserves, strategic investments, and also how can handle unfunded liabilities that are looming, to further discuss at the next committee meeting. MCC's total request is \$369,920 and requires a motion to approve.

The reserve request for Nashua CC includes funding for security and storage server upgrades; the total amount of \$159,320 is less than the Board Reserve Policy threshold requiring a formal vote.



Ms. Bourdon presented the request for NHTI, which includes funding for an all-terrain vehicle and bathroom repairs; the total amount of \$141,000 is less than the Board Reserve Policy threshold requiring a formal vote.

President Williams reported that River Valley CC did not submit a reserve request for FY23 but will roll over the previously approved FY22 request of \$670,000 to renovate labs.

President Lloyd reviewed the reserve request from White Mountains CC, which includes additional funding for the parking lots in Berlin and Littleton and boiler replacement. WMCC's total request is \$860,000 (\$530,000 increase to existing parking lot line item and \$330,000 to replace one of the College's boilers) and requires a motion to approve.

**VOTE:** The Committee, on motion of Ms. Lucas and seconded by Mr. Emmons, voted unanimously by roll call to approve the reserve request for \$860,000 to fund all White Mountains CC projects as presented.

**VOTE:** The Committee, on motion of Ms. Stebbins and seconded by Mr. Emmons, voted unanimously by roll call to approve the reserve request from Manchester CC for \$370,000, with status updates provided to the committee at the 6-month mark.

#### Equity in Compensation of Presidents

The inequity in executive compensation does not align with the compensation policy and is a liability for the system in terms of not recognizing the talent and responsibility for the system that the presidents shoulder. The chancellor will bring this matter to the board in May, for a resolution in the June-July timeline.

#### Finance Summary Update

Mr. Fields reported on the current financial state of CCSNH. While expenses are being managed well, tuition revenue continues to decline. Total credits sold, including dual enrollments, are down 7% YTD compared to the prior year. While enrollment across the system is down 9.7%, it continues to rebound following the downturn of the pandemic. FY22 will end with a positive cash position relative to the approved budget.

Mr. Fields provided an update on federal stimulus funding and accounting. The Treasury Department has granted automatic extensions to all higher education institutions to accommodate using funds beyond June 30, 2022. This adjustment will allow CCSNH to draw down any lost revenue for the colleges and funding encumbered to cover the HVAC projects that were approved in FY21, and remaining funds may be used by the colleges for any pandemic-related student or technology need. To date, the colleges have distributed over \$18 million—99.8% of all funds received—to students. The committee commended the colleges for their work disbursing student aid and spending down the total allocation.

#### FY23 Operating Budget

Mr. Fields presented the System Office budget. Special funds have been allocated for positions in institutional research and Target X that will not impact college budgets. Discussion followed regarding building in "breakage" and the difficulty filling positions, as reflected in the reduced salary and benefits expenses. President Lesser reported that the GBCC operating efficiencies and growth are the focus points for programming in terms of identifying areas that need to grow or be eliminated. The college is budgeting for flat tuition and fees and a 5% increase in non-credit revenue. The college is budgeting for a 2% increase, due to an increase in credits sold and vacancy savings.



Mr. Fader reported that while demographics are challenging, enrollment at LRCC has increased during the pandemic due to owners of second homes moving permanently to the region. Mr. Fader proposed a balanced budget for the college, based on 3% growth and increasing vacancy savings.

MCC President Bicknell noted that enrollment projections will come into clearer view in the summer.

Despite a downward trend in enrollment, Nashua CC presented a balanced budget, noting progress made on shared positions in Financial Aid and an increasing vacancy rate.

Ms. Bourdon reported that NHTI is conservatively forecasting 3% down. Other revenue in FY23 includes a 13% increase as a result of business training efforts, medical apprenticeship, dental program repackaging, and opportunities for grants to partner with the Department of Corrections.

Both RVCC and WMCC were not able to present their FY23 budgets and will be asked to do so at the June Finance meeting.

#### Keene Property Update

CCSNH is still negotiating the offer for the property and determining responsibility for the damaged wall. Another interested party has come forward.

#### Manchester CC Meal Plan

Ms. Marr presented a proposal from Manchester CC for a meal plan that will address the many community members experiencing food insecurity. The meal plan will make it possible for students to receive funding through financial aid, and it will be offered at three different levels so that students can pick the plan that best matches their needs, effective July 1.

**VOTE:** The Committee, on motion of President Lloyd and seconded by Ms. Lucas voted unanimously to recommend to the full board the approval of the food plan proposal from Manchester CC as presented.

Mr. Fields left the meeting at 1:52 pm.

#### Project Cost Increases

As a point of information, the committee was asked to note that project costs continue to increase.

#### Proposed Programs & NH Career Academy

Chancellor Rubinstein provided an update on the NH Career Academy initiative, which has proposed further expansion of the program. As the Student Success Committee continues to work through the considerations of the proposal, the Finance Committee will be asked to assess financial implications at an upcoming meeting.

#### Other Business

No further business was stated. The committee meeting adjourned at 2:01 pm.

Respectfully Submitted,

Meghan Eckner



Chief of Staff, Executive Assistant to the Chancellor and Board of Trustees