



Board of Trustees – Audit and Finance Committee
Hartleb Technology Center, Room TC 103B, Haverhill Campus
May 6, 2015

Attendees: President Lane Glenn, David Gingerella, Matilda Delvecchio, Richard Haskell, Trustee William Moynihan, Trustee Peter Dulchinos, Trustee Jeffrey Linehan, and Linda Buckley

Chair Peter Dulchinos called the meeting to order at 4:00 pm. Meeting minutes from the March 4, 2015 meeting were approved. Motion to accept was made by Trustee Linehan, seconded by Trustee Moynihan. All in favor, none opposed.

Third Quarter Financial Package FY15: David Gingerella stated that President Glenn has developed a policy of spending what you need and not what you have. The expenses are running below what was expected and the revenues are slightly above where they were in the past.

Greening of the Campus: We have been able to shuttle students back and forth due to a nice relationship with the MVRTA which has agreed to run an express bus between the Lawrence and Haverhill campuses at 7:00 am for \$1/pp (45 or 50 people). Administrator Joe Costanza, has offered many resources to alleviate traffic by utilizing the bus routes.

We have also signed an agreement to purchase solar electricity from a local solar panel manufacturing company. Students have toured the facility and a scholarship was established for students interested in engineering.

Cash Position: The cash position under Lane’s presidency has resulted in the balance sheet being much stronger than in previous years. Strongly monitored weekly, the actual income statement is tougher because of some of the expenses that need to be covered. We have one of the lowest primary reserve ratios in the state, but it has the greatest rates of growth (6.6%) over the last several years.

The college made an important strategic decision to have all “Smart” Classrooms, which is not the norm among the Commonwealth. Trustee Moynihan suggested looking at a yearly technology budget, so that we can stay at the same level. Looking at the FY16 budget, President Glenn said that according to Jeff Bickford’s report of optimal, passable, and low stages across different types of technology replacement costs, we are several hundreds of thousands dollars short of the optimal level. He also noted that the Board needs to be aware of the present challenge, namely, to cut \$3M out of the budget, by attrition, retirements, or moving people to jobs designed to increase our enrollment and produce revenue. Secretary of Education, James Peyser has stated that if 3.5% of the community colleges’ allocation survives the budget, we will have 2.5% of the floor funding formula, resulting in approximately \$600,000. However with 9C cuts and declining enrollment, we will need to implement a fee increase of \$9, which is half of what it was last year.

FY16 Budget: In two weeks, the budget will be completed. Trustee William Moynihan emphasized the need to maintain the quality of the institution. If cuts are necessary, do not cut so strongly that it would have a detrimental effect on the students. To lessen cuts, the options of long term leaves, retirement bonuses, and extended family leaves were discussed.

Spurk Building Renovations: The Sightlines report has served the college very well. This long-term plan for our facilities was a fact-based plan demonstrating our deferred maintenance need, mainly the Spurk building. Following our presentation to DCAMM for the Spurk building renovations, our funding went from zero to \$15.2M, with an additional \$1.9M for the Swing Space renovations.

A motion to adjourn the meeting was made at 4:45 pm by Trustee William Moynihan and seconded by Trustee Jeffrey Linehan. All were in favor, none opposed.

Respectfully submitted by Linda Buckley

May 18, 2015