



**Board of Trustees Audit and Finance Committee**  
**Wednesday, May 4, 2016**  
**Quarrybrook Outdoor Learning Center, Windham, NH**

**Attendees:** President Lane Glenn, Richard Haskell, Michael Pierce, Linda Buckley,  
Chairwoman Marianne Paley Nadel, Trustees William Cox and Jeffrey Linehan

Chairwoman Marianne Paley Nadel called the meeting to order at 4:15 pm. Meeting minutes from the March 2, 2016 meeting were approved with a motion made by Trustee William Cox, and seconded by Chairwoman Marianne Paley Nadel. All were in favor, none opposed.

The following items were discussed regarding the Third Quarter Financial Package – March 31, 2016.

**Operating Budget**

It was noted that the bottom line of the revenue is 84% as compared to last year's 89%, due to the enrollment being down 12% at this point of time; however, the forecast is to be down 7% for this fiscal year, as we still have the spring semester to post, as well as the first part of the summer. The biggest line item is the State Support of \$14,936,426, compared to \$15.9 million last year. The state is now releasing the money in smaller amounts; however, by year end the total will be \$19,656,221. Forecast for year-end will be on budget. We will be down \$700K in revenue, but personnel expense is forecasted to be favorable at \$640K and administrative expense at \$160K. The approximate total of \$800K will offset this, resulting in us being on budget for the year.

**Other Expenses**

We are on tract, however, the most recent situation of this past week involves the repair of a broken sewer main near the pump station, with a cost estimate of approximately \$65K. We obtained an emergency waiver from DCAMM, so that we do not have to go out to bid. We have two quotes and will obtain two more.

Listed on the Expense summary in line item Transfer to Capital Budget is the amount of \$583,650, which is part of our match to DCAMM funding. Our contribution to the Spurk project is \$400K.

**Student Activities Fund**

At this time of year, the student activities fund, comprised of \$6 per credit, assessed to students is at 62% of the total club generated revenue for the year. The notation, which states that a commitment of \$54K in the Reserve was not included in the figures, was namely for a shuttle that was recently acquired,

**Enterprise Funds**

As of the end of March, the balance of these funds, aimed for entrepreneurial pursuits, amounts to \$1,080,999. Lane noted that a healthy portion of these funds migrate back to the college budget as they become a normal part of operations.

**Cash and Investments**

We are down in relation to last year, due to us spending the college's money instead of state money.

**Other Business:**

- The student fee for FY17 is initially proposed to increase \$9 per credit hour. Among the fifteen community colleges, we are at the top of the middle third or the bottom of the upper third in terms of overall course fees at this time.
- The reality of the FY17 budget, with the balance fringe rate increase (\$500K anticipated) and contractual increases, we will need \$2 million. The collective bargaining funding may include only the first year of the contract. Combined with declining enrollment, overall expenses, and the state's contribution of 37%, it will be difficult.
- Marketing is important with our partnerships of four year colleges.
- IT related safety and security issues are critical, as a grant of \$48 million for 24 colleges was not submitted because it was not supported by the Secretary of Education. IT equipment replacement is necessary, since the 2009 smart classrooms need to be maintained.
- Signing the Commonwealth Commitment was very beneficial and was well-covered.

With no further issues, the meeting was adjourned at 4:45 pm.

Respectfully submitted by Linda Buckley

May 10, 2016