Northern Essex Community College
Board of Trustees Audit and Finance Sub-Committee Minutes
Wednesday, December 7, 2022

Attendees: Trustees Jennifer Borislow, Jouel Gomez, Sally O’Rorke, and Evan Silverio,
President Lane Glenn, Michael McCarthy, Anthony DeGregorio, and Linda Buckley,
Note-taker

Not Present: Lloyd Hamm

Guests: Steve Cohen and Benjamin DeForest of O’Connor and Drew P.C.

Chairwoman Jennifer Borislow called the meeting to order at 4:02 pm. It was noted that the minutes of
the October 5, 2022 meeting will be approved at the next meeting.

Updates:
FY2022 Audited Financial Statements (AFC-23-02): The Audit & Finance Sub-Committee accepted the
FY2021 audited financial statements and related material and recommended presenting it to the Board
of Trustees of Northern Essex Community College for acceptance.

Steve Cohen and Benjamin DeForest of O’Connor and Drew P.C. have conducted the annual audit in
accordance with the auditing standards applicable to financial audits contained in Government Auditing
Standards and have provided the financial statements and management’s Discussion and Analysis. The
auditors commended the work and contributions of Michael McCarthy, CFO/COO, Anthony DeGregorio,
Director of Fiscal Services/Comptroller, Jeff DiPrima, Assistant Comptroller, and Despina Lambropoulos,
Financial Aid Director.

On a Motion presented by Trustee O’Rorke and seconded by Trustee Gomez, the
Board accepted the NECC FY2022 Audited Financial Statements (AFC-23-02) as
presented with three (3) trustee’s approval and one (1) abstention.

In the Approved FY2023 Supplemental Budget, QT 1, the Key Assumptions noted by Vice President
Michael McCarthy were as follows:

• Tuition revenue increase of $154k for QT. 1; projection increase based on the current projected
increase for net college credits of 561 for the FY and after the consideration of a projected credit
melt factor for the year
SFA using a discount rate of 42%--consistent with non-CARES/HEERF funding prior years

Grants & Other Revenues QT. 1 projection remains the same as the Approved Supplemental Budget total

Salaries & Benefits projections were updated; resulting in a slight net decrease in expenses of $497k

Other Operating Expenses decreased by $450k, driven by the projected decrease in recognized CARES/HEERF funds for FY23; results in Recognized Lost Revenue decreasing by the same amount

FY23 State Appropriations Funding remains the same for a total of $31.4m

FY23 Capital Appropriations Funding Schedule remains at $2.2m

Results in a revised projected FY2023 yearend gain in Net Position of $842k

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

Respectfully Submitted by Linda Buckley.  

December 15, 2022