MINUTES OF THE APRIL 26, 2016 BOARD OF TRUSTEES’ MEETING – WELLESLEY HILLS CAMPUS

BOARD MEMBERS PRESENT: Lyris Bauduy-Liautaud; Sylvia Beville; Ken Der; Jamie Hoag; Dan Juliani; Pam Lassiter; Xavier Mursalin; Tom Peisch, Diane Schmalensee, Katherine Tonelli

STAFF MEMBERS PRESENT: Karen Britton, Assistant to the President; Deborah Georgopoulos, Interim Purchasing Associate; Eileen Gerenz, Controller; Lynn Hunter, Vice President Academic Affairs; Courtney Jackson, Chief Strategic Planning & Institutional Effectiveness Officer; Chitra Javdekar, Dean of STEM; Kathleen Kirleis, Vice President for Finance & Administrative Services; Terry Kramer, Director of Administrative Computing; Chris Labarbera, Dean of Humanities and Social Sciences; Michael Lyons, CIO; Susan Maggioni, Dean of Business and Professional Studies; Robin Nelson-Bailey, Vice President of Human Resources, Employee Relations and Compliance & Affirmative Action Officer; Robert O’Connell, Associate Professor; Stacy Okada, Student; Mary Shia, Vice President for Institutional Advancement and Alumni; Lisa Slavin, Associate Vice President for Enrollment and Yves Salomon-Fernandez, Interim President

GUESTS PRESENT: Jay Kaufman, Eric Montague, James Naber of Cohn Reznick LLP

CALL TO ORDER AND INTRODUCTIONS: After establishing quorum, Chair Peisch called the meeting to order at 8:05AM. He opened the meeting by introducing new Trustee Pam Lassiter.

REVIEW AND APPROVAL OF MINUTES – Chair Peisch asked for a review of the minutes of the March 22 Full Board of Trustees meeting (Item 1). Various addendums were discussed.

MOTION: Trustee Der made the motion to approve the minutes of the March 22 Full Board meeting as amended, and Trustee Schmalensee seconded. The motion passed unanimously.

ENROLLMENT REPORT

Registration for fall and summer is in process. Head count is down but Fall FTE is strong and on an upward trajectory.

Chief Strategic Planning and Institutional Effectiveness Officer Courtney Jackson reported on enrollment as of April 25. Summer 2016 enrollment is currently at 1281, down 3% from last year. FTE is 458, down 4% from last year. Fall 2016 enrollment is currently at 658, up 1.5% from last year. Fall 2016 FTE is 396, up 5% from last year. Assistant Vice President of Enrollment Management indicated that new student applications for fall 2016 are up 30% compared to this time last year. There are many upcoming on-campus recruitment events including the May 7 Open House.

FOUNDATION REPORT

After indicating that the MassBay Foundation is very busy planning and updating their strategic plan and has changed the investment manager to Vanguard whose fees are much lower, Vice President Shia gave the following update:
*Income for the month of March is: $10,788.40.
*The end of year appeal is going to the printer this week and expected mailing day will be May 15th.
*Sponsorship for the All Vehicle Show is at $12,300.00.
*The All Vehicle Show is on Sunday May 15th from 8:00AM-12:00NOON. This year promises to be a much larger event. Admissions and Alumni will both attend and there will be a large presence for the dealership as many are bringing in show cars.
*The 50th Reunion Luncheon here Sunday May 1st followed by the Donor Appreciation Scholarship Award Reception and a performance by the Wellesley Symphony.

FINANCE, COMPLIANCE, PERSONNEL AND AUDIT ITEMS

Finance Items (Item 2)

- FY16 Budget vs Actual Comparison Reports with Projection – February 2016 (Item 2a)

The enrollment projections for FY17 are conservative. They range from -2% to 2%. The current planned enrollment for FY17 is the same level as FY16. The College has had to increase fees and dip into reserves in FY16. It was asked whether the College was presently evaluating programs. The faculty were under Work to Rule much of this academic year, so not much could be done this year. The budget will be an agenda item for the May 7th retreat.

SB asked how successful the college had been in collecting accounts receivable. VP Kirleis responded that the A/R balance was down significantly from a year ago and that there is over $1.1M in accounts placed with the state intercept system. It was asked whether we have reserves for prior balances and the answer was yes, the college has an allowance for doubtful accounts, which is reviewed annually. There was an intense review as part of the FY15 audit. At this time, the reserve was felt to be sufficient to cover an exposure for uncollectible accounts. The college has also instituted a series of payment drops prior to the start of the semester to drop students who have not paid in a timely manner from their classes and this practice has also decreased the amount of accounts receivable.

The $3.5M drop in financial aid was questioned and it was noted that planned financial aid amounts had not been reduced in November when the budget for tuition and fees was reduced, but had decreased because there were less students enrolled this year.

It was asked whether the collective bargaining increases due to the union contracts settled this year were impacting the budget and interim President Salomon-Fernandez responded that these increases had a big impact on the budget. The state plans to appropriate funds for the MCCF FY16 collective bargaining increases, although the college likely will not see the funds until FY17. Declining enrollment and increased employee costs are not positive and the college has begun to address this by not filling positions that were intended to be hired.

**MOTION**: Trustee Schmalensee moved to accept the February 2016 FY16 Budget vs. Actual Comparison Reports with Projection, and Trustee Tonelli seconded. The motion passed unanimously.

- Contracts Report (Item 2b) - Two contracts were issued during the past month that were in excess of $35,000. The first one was to Johnson Controls for the preventive maintenance and support of the college’s HVAC system, and the second one was to Edgerock Technology for Financial Aid operational
support services to perform work that is regularly done by the four positions in the department that are presently vacant.

- **Proposal by/selection of Cohn Reznick LLP to perform the following services: audit of the College’s financial statements; A-133 Audit, MOFSA audit (FY17); and the preparation of the management letter for the three-year period July, 2016-June 30, 2019, with two one year options.**

Vice President Kirleis introduced Jay Kaufman, Eric Montague, James Naber of Cohn Reznick LLP, a national firm with experience in auditing public colleges that has been chosen to perform the FY17 audit. In addition to putting together reports, their firm will be a business partner and resource to the College and the Board.

**MOTION**: Trustee Juliani moved to select Cohn Reznick LLP to perform the following services: audit of the College’s financial statements; A-133 Audit, MOFSA audit (FY17); and the preparation of the management letter for the three-year period July, 2016-June 30, 2019, with two one year options, and Trustee Der seconded. The motion passed unanimously.

- **Student Accounts Receivable Report (Item 2c)** - The Accounts Receivable Report as of 3/31/16 reports a $2.8M accounts receivable balance. This is down $1.4M from March 2015, due to $1.1M decrease in the prior balance column and a $300K decrease in the most recent fall semester column, which in this case is Fall 2015. Additional details are provided in the memo included in the Trustee binder.

**Personnel Items**

- **Personnel Actions Report (Item 3)** – Vice President Nelson-Bailey reviewed the document in the binder, indicating that Individuals who have left the College remain on the payroll so are not on the list.

Vice President Nelson-Bailey announced her resignation, and Interim President Salomon-Fernandez thanked her for her service.

- **Recruitment Report (Item 4)** - The Director of Admissions and Recruitment has been filled. Enrollment projections do not bode well for the College’s being able to afford filling new positions. Courtney Jackson will be leading the 2017 NEASC Focused Evaluation and visit. Her position (Chief Strategic Planning and Institutional Effectiveness Officer) is made up of much of Interim President Salomon-Fernandez’ old position.

- **Sabbatical Leave Request (Item 5)** - The request for Professor Nina Kerry for the Fall 2016 semester is her first in 23 years, and relates to all of her experience and interests. A report will be given to Board upon her return. The expense to the college will be covering her course load (5 courses).

**MOTION**: Trustee Tonelli moved to accept the proposal for Professor Nina Kerry to be on sabbatical leave for the Fall 2016 semester, and Trustee Mursalin seconded. The motion passed unanimously.

**BOARD COMMITTEE REPORTS**

**2016/2017 Committee Assignments** – Chair Peisch’s spot on the ByLaws committee needs to be filled. Trustee Schmalensee will join the Student Success committee and Trustee Lassiter needs to be assigned.
Student Success Committee (Item 6)- Trustee Beville reported that this committee is being revitalized and is focusing on enrollment, capacity, program cost, completion and eventually labor market demand. The factors to be focused on for adding and eliminating programs is being reviewed by the committee. Program changes go through a formal governance approval process at the College and then with the Department of Higher Education. Liz Kinsman and Lynn Hunter have done a great job with collecting and formatting 2015 data and creating the report shared with the Trustees. There will be one more meeting this year to look at capacity and to plan the committee’s work for the next academic year. The committee will also be looking at the College strategic plan to evaluate cost factors relative to college priorities.

Interim President Salomon-Fernandez indicated that this process needs to include faculty, and the importance of it not being a top-down process. The budget will be presented at the May meeting in close to final format and in final format at the June meeting. By fall it should be clearer which programs warrant focus for additional questions. Trustee Tonelli reminded the group of the importance of understanding the complexities behind the numbers. How does MassBay get more students and generate revenue? The committee needs to work with partners in the community to determine demand for jobs. There needs to be a rebalance based on interests and industry, which takes time. Work to Rule impacted the progress that was possible during this past year.

Presidential Search Committee

Review and Approval of Minutes of the March 30, 2016 Meeting (Item 7) – Trustee Beville applauded everyone involved with the search and the support the Search Committee was given. Amendments to the minutes were noted.

MOTION: Trustee Schmalensee moved to approve the minutes of the March 30 Full Board meeting as amended, and Trustee Der seconded. The motion passed unanimously.

By-Laws Committee (Item 8)

Trustee Hoag presented changes to the Trustee By-Laws to the Board of Trustees. The following changes were approved by the Board:

- Edit Section B(5): To consult with the President, and to consider and take action on program curricula recommendations for inclusion in the educational program.
- Edit Section F: Appropriate expenses for travel expenses will be reimbursed when the expenses are properly documented and approved by the Chairperson of the Board.
- Edit Section L(1): Approval and signature by the President, his/her designee, of all official correspondence and documents related to the operation of the College, including any and all forms of other legal documents required by a federal, state, or government-agency.
- Edit Section L(3): The President shall prepare an Annual Report for the Board of Trustees which discusses.
- Edit Section G(1): Under limited circumstances, and as governed by Section G(9) of these bylaws, the Board may deliberate in executive session.
- Edit Section H(1) allowing remote participation provided that the Chairperson, or his/her designee, is notified in writing in advance of a Trustee’s need to participate remotely due to one or more of the following factors making physical attendance unreasonably difficult, such as: Add Section A(5): The Board of Trustees shall include, as a non-voting member, a vocational-technical school district trustee, representing all vocational-technical schools in the region. Add Section B(11): Conduct a presidential search, including contracting with a search firm if the search is to be
managed by a contractor.
Add Section N: Indemnification of Board Members: The Commonwealth shall indemnify a Trustee against loss by reason of the liability to pay damages to a party for any claim arising out of any official judgment, decision, or conduct of said Trustee in accordance with M. G. L. c. 15A, Section 22.
Eliminate Section G(8): Time Limit: To the extent reasonably possible, the time of regular meetings of the Board shall be limited to approximately two hours.
Two proposals were tabled until the next Board meeting: (1) editing the description and duties of student success and academic affairs committee such that responsibility for facilities is shifted to finance and compliance committee, or to a stand-alone ad hoc committee; (2) remove from Section (L)(2) requirement that personnel actions taken by the President be reported to the board at its next regular meeting.

CAMPUS REPORT

The report by Michael Lyons, Chief Information Officer, will be postponed until the May Full Board meeting.

EXECUTIVE REPORTS

Board Chair Peisch reported on the status of Dr. David Podell contract, which has been signed. He and Dr. Podell will be meeting with the Board of Higher Education later in the day.

MOTION: Trustee Juliani moved to recommend to the Board of Higher Education that Dr. Lynn Hunter be appointed Interim President of the College effective 5/23/16 until 7/1/16, the new President’s start date, and Trustee Der seconded. The motion passed unanimously.

Roll Call Vote: Sylvia Beville YES; Ken Der YES; Jamie Hoag: YES; Dan Juliani YES; Pam Lassiter- YES; Xavier Mursalin: YES; Tom Peisch YES; Diane Schmalensee – YES; Kathryn Tonelli - YES

Chair Peisch also pointed to the 2016/2017 Draft Meeting Schedule (Item 9) included in the binder.

Interim President Salomon-Fernandez has submitted a draft of her transition plan to Chair Peisch Vice Chair Der, and will be distributing the final version to the Board in the binder for the Retreat.

Student Trustee Trustee Mursalin congratulated student Staci O’Connor on receiving the Goldwater Scholarship. In receiving this honor, Ms. O’Connor joins several Ivy League students.

ADJOURNMENT

MOTION: Trustee Ken Der moved to adjourn, and Trustee Beville seconded. The motion passed unanimously.

The meeting adjourned at 10:00AM.

[Signatures]

Chair
Board of Trustees

Interim President
Massachusetts Bay Community College