Minutes of the May 17, 2016 Full Board Meeting – Wellesley Hills Campus

Board members present: Sylvia Beville; Ken Der; Dan Juliani; Pam Lassiter; Tom Peisch; Katherine Tonelli; Diane Schmalensee

Staff members present: Lisa Bacon, Associate Vice President of Human Resources; Elizabeth Blumberg, Dean of Students; Karen Britton, Assistant to the President; Lynne Davis, Dean of Health Sciences; Eileen Gerenz, Controller; Lynn Hunter, Interim President; Courtney Jackson, Chief Strategic Planning and Institutional Effectiveness Officer; Chitra Javdekar, Dean of STEM; Kathleen Kirleis, Vice President of Administration and Finance; Liz Kinsman, Staff Associate to the Vice President of Academic Affairs; Chris LaBarbera, Interim VP of Academic Affairs; Michael Lyons, CIO; Susan Maggioni, Dean of Business and Professional Studies; Robin Nelson-Bailey, Vice President of Human Resources; Mary Shia, VP of Institutional Advancement and Alumni Relations; Lisa Slavin, Assistant Vice President of Enrollment Management; Richard Williams, Director of Retention

Guest present: Ken Tashjy

CALL TO ORDER AND INTRODUCTIONS: After establishing quorum, Chair Peisch called the meeting to order at 8:03AM.

Review and Approval of Minutes – Chair Peisch asked for a review of the minutes of the April 26, 2016 Full Board of Trustees meeting.

MOTION: Trustee Lassiter made the motion to approve the minutes of the April 26 Full Board meeting and Trustee Schmalensee seconded. The motion passed unanimously.

ENROLLMENT REPORT

Courtney Jackson reported on the enrollment numbers as of May 16:

Summer 2016
Headcount: 1873, Down -10.9%
FTE: 664, Down -10.7%

Fall 2016
Headcount: 1075, Up 4.0%
FTE: 647, Up 4.7%.

She noted that FTE = Full Time Equivalency (total credits/15 credits for a full time load) and Head Count = number of students serving. She explained that last summer’s numbers were historically up and fall was low, but we are doing better across multiple years, and the number of students that should be returning in the fall is relatively high thanks to retention efforts at the college. Lisa Slavin stated that enrollments will increase as the summer progresses and that applications for the fall are up. Many recruiting events have or will be taking place, including College Fairs at High Schools to promote Dual Enrollment offerings. Chair Peisch was impressed with the May Open House. Trustee Tonelli stated that the Automotive Show was excellent. Trustee Der stressed we need to educate people on the value of MassBay Community College.
DASHBOARD

There was no new enrollment data added, but the budget and expense information that had been updated since the last time the report was presented. New data will be shared at a future meeting when available.

IPEDS

Courtney Jackson presented on Integrated PostSecondary Education Data System (IPEDS), which shows a comparison of MassBay to other schools. IPEDS has regulations for reporting. It also recommends the peer institutions for the comparison data, but many of the schools do not match our profile. Dr. Jackson will provide numbers compared to programs at Community Colleges that are more similar to MassBay in terms of curriculum and location. It was also pointed out that adjunct/part-time salaries are not included as they are not required for IPEDS reports.

Trustee Beville inquired if the data was the same as that which has been provided to the Student Success Committee. Should the report be run again, given the Committee is looking at the programs in terms of numbers, interest and career placement? Dr. Jackson stated that the IPEDS data is tailored specifically to IPEDS requirements and not to specific analyses of interest to the college.

A discussion took place regarding financial aid and a potential fee increase of $7. A concern was raised that only 57% of our full/first-time students received aid versus 65% of other schools and that raising our fee will negatively affect enrollment. Factors to consider are the high cost of living in Massachusetts and if other Community Colleges are raising their fees. All other community colleges were planning to raise fees in some way. Kathleen Kirleis indicated that the proposed fee increase amounts to $260/year, which would be covered by Pell for those students who are fully Pell-eligible. Bunker Hill Community College and Springfield Community College’s planned increases are the same as what is recommended at MassBay. Others are of a lesser dollar amount, but we need to avoid setting the rate too low. We need to capitalize on how MassBay differentiates itself and what attracts students the most.

FOUNDATION REPORT

Vice President Shia gave the following updates:

*Income for April 2016 - $14,178.00

*Food Insecurity - Mobile Market

All of the fresh food is gone in 30 minutes. 179 households were served that included 179 children, 413 adults and 47 seniors or 639 total clients. This is great work for a first time mobile market with a very short lead time. We will do again in summer and/or and maybe Fall?

*Donor Appreciation Scholarship Award

This event followed the MassBay 50th Reunion luncheon. We awarded over $70,000 in scholarships this spring. Thank were given to Trustees Der, Peisch and Schmalensee for attending

All Vehicle Show

There were 50% more cars than last year and the total raised was just over $15,000 ($10,000 more than last year). Trustees Der and Tonelli were acknowledged for attending the event.
End of year appeal – Dropped (mailed) May 16th

5K Race – October 2nd

$20,000.00 endowed scholarship in Yves Salomon-Fernandez’ name $2,000/year, $1000/semester – The MassBay Foundation Board created a scholarship to thank Dr. Salomon-Fernandez for all the work she has done over the years for the Foundation Board, including helping to write their 2012-2013 strategic plan.

Trustee Der commended Vice President Shia and her team for their work.

FINANCE, COMPLIANCE, PERSONNEL AND AUDIT ITEMS

Vice President Kirleis reported on the 2016 Budget vs. Actual Comparison Report with Projection report, which includes the revised budget adopted in November 2015, with actual results through March 31, 2016. MassBay is presently projected to end the year in the black. The FY16 projected amounts includes the following:

Revenue

- Tuition and Fees – actual revenue was slightly better than budget for the spring semester, but current results for the summer session currently result in a forecast of ending the year on budget for tuition and fees revenue.
- State maintenance appropriation – all planned state appropriations for the year have now been received.
- Financial Aid Pell/Financial Aid – All Other Programs – disbursements for spring financial aid took place in March and the deficit in this account was reduced to $3.2M, which is believed at this time to be primarily attributable to this year’s drop in enrollment.
- Contracts, Commissions and Other Revenue – this line is down $254K through March, as contracts and commissions are less than prior years. This trend is expected to continue for the remainder of the fiscal year, although by year end the budget gap in this line is anticipated to be less than $100,000.
- Grant Revenue – the results for this line item presently are equal to the budget.

Expenses

- Permanent staff – this account has a surplus of $1.6M as of March 31st, due to staff turnover and planned budgeted vacancies, as well as delays in the hiring process. This surplus is expected to remain through the end of the fiscal year.
- Adjunct faculty – this account is $136K over budget as of March 31st and is now expected to show a deficit of close to $725,000 by year end. In future years, the cost of the master course schedule needs to be more closely aligned with the budget.
- Part-time/Stipends – this account is projected to end the year with a surplus of just over $160K and overtime is expected to be under budget by close to $50,000.
- Local Fringe Benefits – this account is expected to be in deficit by year end when the state appropriation runs out in late May and the college has to pay all employee benefits.

Administrative Expenses – this account is expected to be $700,000 under budget by year end
primarily due to planned reductions in conference and travel costs, printing and postage costs and catering expenses.

- **Facility Operational Supplies and Related, Energy Costs/Facilities Rental** – these accounts currently show surpluses and are anticipated to end the year within budget.
- **Consultants** – this account is anticipated to be approximately $200,000 over budget due to operational consultants required to be hired in the fourth quarter to cover staff vacancies and required costs to address deficiencies within the college’s financial aid software.
- **Operational Services** – this account is $121K over budget as of March 31st, in part due increased temporary services costs that have become necessary due to vacancies of various key positions.
- **Furniture, Equipment, Lease/Rent** – the account is under budget by $91K as of the end of March and is expected to end the year with a $75K surplus, after 3Q and 4Q activity is taken into account.
- **Student Transportation Services** – no surplus is expected in this account due to planned transportation needs that exist for students.
- **Maintenance/Construction** – while this account has a surplus of $114K at the end of March, the account is expected to end the year on budget. Work is progressing on many projects that have come to light in the Facilities area that need to be addressed, including several roofing issues.
- **Debt interest** – this account is expected to end the year in surplus after remaining interest payments for the year have been paid.
- **Information Technology** – budget adjustments in the current year to deal with compliance-related projects are expected to cost approximately $275,000 more than originally planned.
- **Grant expenses** – the grant expenditures are projected to end the year at slightly above budgeted levels, as grant work has progressed according to each grant’s scope of work.

**Capital Planning (local funds only)**

- Several projects that remain in the capital budget for FY16 will be completed during the final part of FY16, so it is projected that the expenditures will equal budget by the end of the fiscal year.

**Principal Payment on Debt**

- This account is expected to end the year on budget.
Ms. Kirleis reviewed the 2016 updated revenue projection. Institutional Research forecasts have been historically accurate. The actual revenue reported presently exceeds budget, and additional revenue from grants. She expects a balanced budget for next year. Trustee Juliani recalled the goal was for the budget to include some extra funds that Dr. Podell could use at his discretion.

Revenue Budget #2

**MOTION:** Trustee Der made the motion to approve the March 2016 FY16 Budget vs. Actual Comparison Reports with Projection and 2017 revenue budget, and Trustee Beville seconded. The motion passed unanimously.

2017 Fee Increases

**All College Fee and Technology Fee**

Trustee Der asked if MassBay can do an All College Fee increase not knowing our bottom line (i.e., expenses/revenues)? Kathleen Kirleis indicated that the decision can be delayed until June at the latest. Once we get the data, would it show that a bigger fee is necessary? Based on the discussion at the Retreat, a $7 per credit increase is not enough now. If the $10 tuition and the $2 technology increases are approved today, and it is determined that these need to be changed (increased), can we change them? It was determined yes, as the Board of Trustees approves all fee increases.

**ACTION ITEM:** Trustee Tonelli moved to approve fee increases of $10 per credit for $150 All College Fee, and of $2 per credit for a $22 Technology Fee, and Trustee Beville seconded. The motion related to the All College Fee was subsequently withdrawn for further discussion.

Trustee Der questioned the impact of delaying more of an increase and instead raising the All College Fee even higher. It could be done once, and then does not have to be changed. This fee increase will last for at least three years. Trustee Lassiter stated that the IPEDS presentation showed that we are lagging our peers and yet, according to Trustee Der, we are ranked #1 by the Brookings Institute and should capitalize on it! MassBay is actually projecting increased enrollment (i.e., upgraded admissions) versus other schools that are not, which is positive.

**ACTION ITEM:** After further discussion, Trustee Der moved to approve an increase to the All College Fee from $10 to $11 per credit, and Trustee Schmalensee seconded. The motion passed unanimously.

**Transitional Scholars Program Fee**

Background information was provided that the Transitional Scholars Program originally started as a grant and then became a college program when the grant ended in 2012. Since that time, there has been no fee increase. Ms. Kirleis stated that this grant has ended, but the proposed increases are enough to continue funding the program as it has been funded in the recent past. At some point the fees will need to be reviewed again. Trustee Beville questioned the cost of Coordinator ($60,000 salary, Masters required) for only 15 students. Dr. Hunter indicated that legislation may be introduced which
would require all of the community colleges to offer such programs. Given the small numbers, Trustee Juliani suggested that it would be wise to discuss this program more in the future.

**ACTION ITEM:** Trustee Lassiter motioned to approve the following increase to the Transitional Scholars program: $400 per semester for those students with a MassBay-provided educational coach and $200 per semester for those students without a MassBay provided educational coach. Dan Juliani seconded. The motion passed unanimously.

**Contracts Report, Ten Year Cash Balances Report and Cash Projection Report**

The Contracts Report had one new contract with Applie Pi consulting in the amount of $80,800 for re-implementation of the Powerfaids Financial Aid software product.

The Ten Year Cash Balances Report shows the second highest amount of cash on hand at the end of March in the past ten years.

The Cash Projection Report was reviewed and it was noted that in late May, MassBay has to pay for full-time employee salaries once the state appropriation has been fully expended, including the benefits of such employees. This causes a significant impact to the college’s cash flow.

**PERSONNEL ITEMS**

**Personnel Actions Report**

Lynn Hunter reviewed the report, indicating that titles need to reflect responsibilities. Ken Der inquired if increases do as well. Dr. Hunter noted that increased responsibilities do not necessarily come with pay increases, but are a function of the level of additional work responsibilities. Chair Peisch expressed congratulations and appreciation for everyone’s hard work.

**Recruitment Report**

Trustee Lassiter asked about Yves Salomon-Fernandez’ old position, which is part of Courtney Jackson’s current position under a different title. Dr. Podell will need to make this decision about this role when he arrives. The Director of the Academic Achievement Center, Vice President of HR, Assistant Director of IT and Director of Facilities are significant positions that need to be filled. Kathleen Kirleis stated that some (lower level) positions are in the budget and still need to be filled. Dr. Hunter noted that any decisions about the Achievement Center Director position will be made with Dr. Podell after July 1.

**COMMENCEMENT**

**ACTION ITEMS:** Trustee Juliani motioned to approve the list of students scheduled for Graduation on May 19, contingent on approval by the College’s faculty, and Trustee Lassiter seconded. The motion passed unanimously.
BOARD REPORTS

The By-Laws Committee report was postponed to the June meeting.

CAMPUS REPORT

Michael Lyons presented a PowerPoint on the PeopleSoft Project Close. Upon his arrival, an examination of all services was completed, including PeopleSoft. The Office of Information Technology is trying to turn roadblocks into opportunities. One key is reporting. One concern is the very high turnover rate. MassBay did hire an excellent Director of Financial Aid.

Chair Peisch inquired if new students can apply online? They can register, but it is not automated but rather in a PDF because of pre-requisites. Once the staff gets the PDF, the process is manual. Michael Lyons stated that there have been and are challenges because of restructuring, and systems changes are definitely needed.

BOARD CHAIR REPORT

Dr. Podell was on campus last week. He is looking forward to assuming the Presidency on July 1.

INTERIM PRESIDENT REPORT

Lynn Hunter stated that the College Presidents’ Council Retreat is in June. The Executive Office and Bill Hart have been helpful. Dr. Salomon-Fernandez will be at Commencement as President, Dr. Hunter as VP of Academic Affairs, and Dean Chris LaBarbera as Dean of Humanities and Social Sciences.

ADJOURNMENT

MOTION: Chair Peisch announced the Board will be going into Executive Session to discuss strategy with respect to litigation since an Open Meeting may have a detrimental effect on the litigating position of the College. Following the Executive Session, Trustee Ken Der moved to adjourn, and Trustee Schmalensee seconded. The motion passed unanimously.

The meeting adjourned at 9:55AM.

Thomas E. Peisch Date
Chair, Board of Trustees
MassBay Community College

Lynn Hunter Date
Interim President
MassBay Community College