

**HOLYOKE COMMUNITY COLLEGE  
BOARD OF TRUSTEES  
AUDIT AND FINANCE COMMITTEE**

**MINUTES of January 11, 2022**

**Via Zoom Meeting w/Roll Call Voting**

**MEMBERS PRESENT:** Robert Gilbert, Charles Epstein, Eleanor Williams, and Ted Hebert

**MEMBERS NOT PRESENT:** Evan Plotkin

**OTHERS PRESENT:** Narayan Sampath, Vice President for Administration and Finance; Christina Royal, President; Curt Foster, Interim Comptroller; Amanda Sbriscia, Vice President Institutional Advancement; Maria Brunelle, Assistant Comptroller; Judy Gregoire, Budget Analyst; Arvard Lingham, Coordinator Non-Credit; Jeannette Smith, Staff Assistant

The meeting was called to order by VP Sampath at 10:10am.

Trustee Epstein made a motion to approve the minutes of the previous meeting. Chair Gilbert seconded the motion which was approved unanimously by roll call vote.

VP Sampath and Interim Comptroller Foster presented a review and update of Higher Education Emergency Funds received by HCC.

Trustee Epstein provided an update regarding Commonfund and Eaton Vance investments and it was agreed to schedule another meeting to discuss the request for proposals for potential new money managers.

With no other business to discuss, at 11:01am, Trustee Epstein made a motion to end the meeting which was seconded by Chair Gilbert and passed unanimously by way of a roll call vote.

Respectfully submitted,

Narayan Sampath  
Vice President of Administration and Finance

**HOLYOKE COMMUNITY COLLEGE  
OFFICE OF THE COMPTROLLER  
MEMORANDUM**

**TO:** Trustee Finance Committee  
**FROM:** Curt Foster, Comptroller  
**DATE:** February 2, 2022, 2022  
**SUBJECT:** Second Quarter Statement of Revenues and Expenses (FY 2022)

Attached is the second quarter statement of revenues and expenses for both our state maintenance appropriation and college trust funds covering the period October 1, 2021 through December 31, 2021. I hereby certify that to the best of knowledge and belief all funds expended were in compliance with the rules and regulations for trust funds and state finance law.

**Financial Highlights - Overall, total revenues are 9.36% unfavorable (down \$2,865,389) and total expenses are 1.44% unfavorable (up \$325,315) compared to the same period in the prior year. Of the \$2.8 million revenue decline, \$755K is in state appropriations. The \$2.3 million is attributable to tuition and fees. The tuition and fee decline at this rate would result in a \$1.3 million shortfall to budget. Spring enrollment is down approximately 11% as of the current date. The projected shortfall will be offset by federal loss revenue grant recoupment.**

**Tuition and Fee (T&F) revenue** is 15.6% or \$2,309,048 unfavorable compared to the prior year. This is due to a 13% and 11% decline in FTE from prior year for the fall and spring terms respectively. The FY22 T&F budget is \$16,000,000; \$1,200,299 or 7% lower than prior year. This unfavorable outcome and the uncertainty surrounding the COVID 19 pandemic continues our concerns regarding future enrollment. In the short term, the College is able to offset these unfavorable results with federal funds that will allow us to recoup loss revenue attributable to the COVID pandemic.

**State Unrestricted Appropriation** reflects a decrease of 4.97% or \$755,154 and is due to the timing of state funded payroll and open positions. Our state appropriation is budgeted at \$32,450,366. Due to recent additional aid provided by the state we should come in \$150,000 to \$250,000 over budget.

**Gifts, Grants and Contract revenue** is unbudgeted and not reflected in the Statement of Revenues and Expenses. Revenue for the second quarter is \$11,515,899 or \$3,016,524 higher than prior year. This is principally due to federal grant aid received in the first half from the Higher Education Emergency Relief Fund for direct aid to students, for loss revenue due to lower enrollment, and costs incurred due to the COVID pandemic.

**Investment gains and losses** are not reported in the Statement of Revenues and Expenses. Investment results for the first half were a gain of \$962,178.

**Business and Community Services revenue** is favorable to the prior year by \$103,474 or 21.77% principally due to an increase in non-credit fee income. Revenue is currently at 41.34% of budget.

**Administrative Allowance revenue** which is derived from indirect cost recovery from grant activity is favorable to prior year by \$70,978 or 65.17%. The full year is projected to meet or exceed budget at \$500,000.

**Auxiliary enterprises revenue (bookstore)** is favorable to the prior year, increasing \$24,361 or 59.93%. The current revenue reflects the FY22 portion of the Barnes & Noble signing bonus and guaranteed commissions.

**Compensation and Benefit expense** is 5.84% or \$1,109,909 favorable to the prior year. This is primarily due to retirements and open positions that remain to be filled in the current year. Additionally, an increase in expense

related to consulting contracts is reflected in the supplies and service category partially offsetting lower full time salary expense.

**Supplies and Services** is 45.64% or \$1,520,812 unfavorable to prior year and is tracking at 43.29% of budget. This increase is primarily due to additional faculty and staff working on campus compared to the second quarter of the prior year. Additional consulting contracts due to unfilled full-time positions contribute to the increase in this category as well as information technology cost increases due to timing of software licensing fees and hardware upgrades and replacements.

**Scholarship and Fellowship expenditure** is favorable by 34.34% or \$85,588. We are projecting this expense to exceed budget by \$100,000. We are reallocating savings from other line items to fund the overage and maintain a balance budget.

**Recommended Motion:** *Move that the Finance Committee recommend to the Board of Trustees to approve the Second Quarter Statement of Revenue and Expenses as presented.*

cc: President Christina Royal, Narayan Sampath

**QUARTERLY STATEMENT OF GRANT FUND REVENUE AND EXPENSES**  
**Second Quarter FY 2022 (October 1, 2021- December 31, 2021)**

|                                                   | <b>Current Year - 2022<br/>Grants</b> | <b>Prior Year - 2021<br/>Grants</b> | <b>Percentage<br/>Inc./ (Dec.)</b> |
|---------------------------------------------------|---------------------------------------|-------------------------------------|------------------------------------|
| <b>Revenues:</b>                                  |                                       |                                     |                                    |
| State Restricted Appropriations                   | 562,143                               | 1,571,829                           | (64.24%)                           |
| Federal Grants & Contracts                        | 8,148,906                             | 4,734,080                           | 72.13%                             |
| Local Grants & Contracts                          | 0                                     | (4,523)                             | (100.00%)                          |
| Private Gifts, Grants & Contracts                 | 33,649                                | 13,497                              | 149.31%                            |
| State Grants & Contracts                          | 2,771,200                             | 2,184,492                           | 26.86%                             |
| <b>Total revenues</b>                             | <b>11,515,899</b>                     | <b>8,499,375</b>                    | <b>35.49%</b>                      |
| <b>Total Revenues</b>                             | <b>11,515,899</b>                     | <b>8,499,375</b>                    | <b>35.49%</b>                      |
| <b>Expenditures:</b>                              |                                       |                                     |                                    |
| Compensation and Benefits                         | 1,734,791                             | 1,225,447                           | 41.56%                             |
| Supplies and Services                             | 2,117,084                             | 2,864,277                           | (26.09%)                           |
| Scholarship and Fellowship                        | 8,115,407                             | 4,545,540                           | 78.54%                             |
| <b>Total educational and general expenditures</b> | <b>11,967,282</b>                     | <b>8,635,265</b>                    | <b>38.59%</b>                      |
| <b>Total Expenditures</b>                         | <b>11,967,282</b>                     | <b>8,635,265</b>                    | <b>38.59%</b>                      |
| <b>Net Revenue/(Expense)</b>                      | <b>(451,383)</b>                      | <b>(135,890)</b>                    |                                    |

**QUARTERLY STATEMENT OF TRUST FUND AND STATE MAINTENANCE APPROPRIATION REVENUE AND EXPENSES**  
**Second Quarter FY 2022 (October 1, 2022- December 31, 2022)**

|                                                   | Annual Budget     | Current Year - 2022 |                   |                   | Percent of Budget | Prior Year - 2021 |                   |                   | Percentage Inc./ (Dec.) |
|---------------------------------------------------|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------------|
|                                                   |                   | Trust Funds         | State Approp.     | Total             |                   | Trust Funds       | State Approp.     | Total             |                         |
| <b>Revenues:</b>                                  |                   |                     |                   |                   |                   |                   |                   |                   |                         |
| State Appropriation                               | 32,450,366        |                     | 14,447,877        | 14,447,877        | 44.52%            |                   | 15,203,031        | 15,203,031        | (4.97%)                 |
| Tuition and Fees                                  | 16,000,000        | 12,489,234          |                   | 12,489,234        | 78.06%            | 14,798,282        |                   | 14,798,282        | (15.60%)                |
| Business and Community Service                    | 1,400,000         | 578,824             |                   | 578,824           | 41.34%            | 475,350           |                   | 475,350           | 21.77%                  |
| Administrative Allowance                          | 500,000           | 179,882             |                   | 179,882           | 35.98%            | 108,904           |                   | 108,904           | 65.17%                  |
| <b>Total educational and general revenues</b>     | <b>50,350,366</b> | <b>13,247,940</b>   | <b>14,447,877</b> | <b>27,695,817</b> | <b>55.01%</b>     | <b>15,382,536</b> | <b>15,203,031</b> | <b>30,585,567</b> | <b>(9.45%)</b>          |
| Auxiliary enterprises (Bookstore)                 | 100,000           | 65,007              |                   | 65,007            | 65.01%            | 40,646            |                   | 40,646            | 59.93%                  |
|                                                   |                   | 7                   |                   |                   |                   |                   |                   |                   |                         |
| <b>Total Revenues</b>                             | <b>50,450,366</b> | <b>13,312,947</b>   | <b>14,447,877</b> | <b>27,760,824</b> | <b>55.03%</b>     | <b>15,423,182</b> | <b>15,203,031</b> | <b>30,626,213</b> | <b>(9.36%)</b>          |
| <b>Expenditures:</b>                              |                   |                     |                   |                   |                   |                   |                   |                   |                         |
| Compensation and Benefits                         | 39,120,629        | 3,450,851           | 14,447,877        | 17,898,728        | 45.75%            | 3,805,606         | 15,203,031        | 19,008,637        | (5.84%)                 |
| Supplies and Services                             | 11,209,737        | 4,852,836           | 0                 | 4,852,836         | 43.29%            | 3,332,024         |                   | 3,332,024         | 45.64%                  |
| Scholarship and Fellowship                        | 120,000           | 163,780             |                   | 163,780           | 136.48%           | 249,368           |                   | 249,368           | (34.32%)                |
| <b>Total educational and general expenditures</b> | <b>50,450,366</b> | <b>8,467,467</b>    | <b>14,447,877</b> | <b>22,915,344</b> | <b>45.42%</b>     | <b>7,386,998</b>  | <b>15,203,031</b> | <b>22,590,029</b> | <b>1.44%</b>            |
| Compensation and Benefits                         | 0                 | 0                   |                   | 0                 | N/A               | 0                 |                   | 0                 | N/A                     |
| Supplies and Services                             | 0                 | 0                   |                   | 0                 | N/A               | 0                 |                   | 0                 | N/A                     |
| Scholarship and Fellowship                        | 0                 | 0                   |                   | 0                 | N/A               | 0                 |                   | 0                 | N/A                     |
| Total Auxiliary enterprises (Bookstore)           | 0                 | 0                   |                   | 0                 | N/A               | 0                 |                   | 0                 | N/A                     |
| <b>Total Expenditures</b>                         | <b>50,450,366</b> | <b>8,467,467</b>    | <b>14,447,877</b> | <b>22,915,344</b> | <b>45.42%</b>     | <b>7,386,998</b>  | <b>15,203,031</b> | <b>22,590,029</b> | <b>1.44%</b>            |
| Cash from (to) Investments                        |                   | 0                   |                   | 0                 |                   | 0                 |                   | 0                 |                         |
| <b>Net Revenue/(Expense)</b>                      | <b>0</b>          | <b>4,845,480</b>    | <b>0</b>          | <b>4,845,480</b>  | <b>N/A</b>        | <b>8,036,184</b>  | <b>0</b>          | <b>8,036,184</b>  | <b>(39.70%)</b>         |

**QUARTERLY STATEMENT OF TRUST FUND AND GRANT MATCH ACCOUNT REVENUE AND EXPENSES**  
**Second Quarter FY 2022 (October 1, 2021- December 31, 2021)**

|                                                   | Annual Budget     | Current Year - 2022 |                      |                   | Percent of Budget | Prior Year - 2021 |                      |                   | Percentage Inc./(Dec.) |
|---------------------------------------------------|-------------------|---------------------|----------------------|-------------------|-------------------|-------------------|----------------------|-------------------|------------------------|
|                                                   |                   | Trust Funds         | Grant Match Accounts | Total             |                   | Trust Funds       | Grant Match Accounts | Total             |                        |
| <b>Revenues:</b>                                  |                   |                     |                      |                   |                   |                   |                      |                   |                        |
| Tuition and Fees                                  | 16,000,000        | 12,489,234          |                      | 12,489,234        | 78.06%            | 14,798,282        |                      | 14,798,282        | (15.60%)               |
| Business and Community Service                    | 1,400,000         | 578,824             |                      | 578,824           | 41.34%            | 475,350           |                      | 475,350           | 21.77%                 |
| Administrative Allowance                          | 500,000           | 179,882             |                      | 179,882           | 35.98%            | 108,904           |                      | 108,904           | 65.17%                 |
| <b>Total educational and general revenues</b>     | <b>17,900,000</b> | <b>13,247,940</b>   | <b>0</b>             | <b>13,247,940</b> | <b>74.01%</b>     | <b>15,382,536</b> | <b>0</b>             | <b>15,382,536</b> | <b>(13.88%)</b>        |
| Auxiliary enterprises (Bookstore)                 | 100,000           | 65,007              |                      | 65,007            | 65.01%            | 40,646            |                      | 40,646            | 59.93%                 |
| <b>Total Revenues</b>                             | <b>18,000,000</b> | <b>13,312,947</b>   | <b>0</b>             | <b>13,312,947</b> | <b>73.96%</b>     | <b>15,423,182</b> | <b>0</b>             | <b>15,423,182</b> | <b>(13.68%)</b>        |
| <b>Expenditures:</b>                              |                   |                     |                      |                   |                   |                   |                      |                   |                        |
| Compensation and Benefits                         | 6,555,445         | 3,353,026           |                      | 3,353,026         | 51.15%            | 3,712,579         |                      | 3,712,579         | (9.68%)                |
| Supplies and Services                             | 11,209,737        | 4,838,212           | 0                    | 4,838,212         | 43.16%            | 3,328,392         |                      | 3,328,392         | 45.36%                 |
| Scholarship and Fellowship                        | 120,000           | 163,780             |                      | 163,780           | 136.48%           | 249,368           |                      | 249,368           | (34.32%)               |
| <b>Total educational and general expenditures</b> | <b>17,885,182</b> | <b>8,355,018</b>    | <b>0</b>             | <b>8,355,018</b>  | <b>46.71%</b>     | <b>7,290,339</b>  | <b>0</b>             | <b>7,290,339</b>  | <b>14.60%</b>          |
| Compensation and Benefits                         | 114,818           |                     | 97,825               | 97,825            | 85.20%            |                   | 93,027               | 93,027            | 5.16%                  |
| Supplies and Services                             | 0                 |                     | 14,624               | 14,624            | N/A               |                   | 3,632                | 3,632             | 302.64%                |
| Scholarship and Fellowship                        | 0                 |                     | 0                    | 0                 | N/A               |                   | 0                    | 0                 | N/A                    |
| <b>Total Grant Match Accounts</b>                 | <b>114,818</b>    |                     | <b>112,449</b>       | <b>112,449</b>    | <b>97.94%</b>     |                   | <b>96,659</b>        | <b>96,659</b>     | <b>16.34%</b>          |
| Compensation and Benefits                         | 0                 | 0                   |                      | 0                 | N/A               | 0                 |                      | 0                 | N/A                    |
| Supplies and Services                             | 0                 | 0                   |                      | 0                 | N/A               | 0                 |                      | 0                 | N/A                    |
| Scholarship and Fellowship                        | 0                 | 0                   |                      | 0                 | N/A               | 0                 |                      | 0                 | N/A                    |
| <b>Total Auxiliary enterprises (Bookstore)</b>    | <b>0</b>          | <b>0</b>            | <b>0</b>             | <b>0</b>          | <b>N/A</b>        | <b>0</b>          | <b>0</b>             | <b>0</b>          | <b>N/A</b>             |
| <b>Total Expenditures</b>                         | <b>18,000,000</b> | <b>8,355,018</b>    | <b>112,449</b>       | <b>8,467,467</b>  | <b>47.04%</b>     | <b>7,290,339</b>  | <b>96,659</b>        | <b>7,386,998</b>  | <b>14.63%</b>          |
| CARES Act Grant                                   | 0                 | 0                   |                      | 0                 |                   |                   |                      |                   |                        |
| <b>Net Revenue/(Expense)</b>                      | <b>0</b>          | <b>4,957,929</b>    | <b>(112,449)</b>     | <b>4,845,480</b>  |                   | <b>8,132,843</b>  | <b>(96,659)</b>      | <b>8,036,184</b>  | <b>(39.70%)</b>        |