

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

MEETING MINUTES of April 13, 2016
Frost Building, FR 209 Conference Room

Trustees PRESENT: John Ferriter, Chair; Robert Gilbert; John Vaccaro (via phone at 12:20 pm); and Evan Plotkin

Trustees not present: Suzanne Parker

Also Present: William Messner, President; William Fogarty, Vice President for Administration & Finance; Marcia Mitchell, Interim Comptroller; Curt Foster, Interim Assistant Comptroller; and Karen Desjeans, Staff Assistant.

The meeting was called to order by Chair Ferriter at 12:10 pm.

- Approval of Finance Committee Minutes of February 23, 2016

A motion was made by Chair Gilbert and seconded by Trustee Plotkin to approve the meeting minutes of February 23, 2016. It was approved unanimously.

- Proposed Reserve Draw for Nonrecurring Projects

Vice President Fogarty discussed the proposed draw from reserves for three items: 1) Up to \$75,000 for a project management consulting firm recommended by DCAM to help coordinate the staging during the construction phase of the Campus Center and Center for Hospitality and Culinary Arts; 2) Up to \$75,000 for fees associated with the search process for a new President, including hiring a search firm and ancillary costs associated with travel for the potential candidates, etc.; and 3) Up to \$100,000 for storage of equipment and furnishings for the Center for Hospitality and Culinary Arts.

There was a discussion concerning the each item listed above. Chair Ferriter encouraged the College to secure a certificate of insurance for the STV DPM, project managers for their work on campus. An update was provided to the Committee concerning the Request for Qualifications for Executive Search Services. Three proposals were received on April 12, 2016 and are awaiting the Search Committee's final selection of a firm. Further discussion will happen at the full Board meeting on April 26, 2016. Vice President Fogarty provided the Committee an update on the Center for Hospitality and Culinary Arts funding for the equipment and furnishings and the extremely tight deadline of June 30, 2016; therefore funding is being requested to store this equipment and furnishings in a warehouse for approximately eight months. Chair Gilbert reminded the College to secure a certificate of insurance for these items as well. There was a general discussion about storage, and potential strategies to reduce costs.

MOTION: Move that the Finance Committee recommend that the full Board of Trustees authorize use of up to \$250,000 in college reserves to defray costs associated with (1) project manager services related to the relocation of programs and services resulting from the Campus Center renovation and Center for Life Sciences projects; (2) the presidential search process; and (3) storage costs related to the Center for Hospitality and Culinary Arts.

The motion was made by Chair Gilbert and seconded by Trustee Plotkin to approve the above motion. It was approved unanimously.

- Recommended FY 2017 Fee Revisions

Vice President Fogarty defined the Educational Service Fees (ESF) as the biggest source of revenue and is on a per credit basis for all courses. There was a discussion about the Memorandum entitled Student Fee Proposal for FY 2017 written by Vice President Fogarty and the expectation of other colleges increasing fees this year. Chair Gilbert asked based on our service area, would this increase have a detrimental effect on enrollment? Vice President Fogarty responded that if a student is enrolled for 15 credits, the increase would be \$420 per year. He noted that he is not aware of any studies that would relate a fee increase of this size to an enrollment impact. At the proposed fee level,

HCC would retain a competitive advantage to other community college sin our service area. For the FY 2017 budget, the College assumed a 5 percent decline in enrollment. The proposed student fee increase would generate \$2.1 million.

Trustee Ferriter asked about the College's thoughts on a three-year trend for increasing fees. Will the Committee be asked to increase fees annually? President Messner discussed the House Ways and Means Committee releasing the budget and not including the funding for wage increases for union employees in future years. He state his concern that the College cannot operate at a reasonable level and still be the second lowest community college in the state in terms of fees. Vice President Fogarty discussed ways in which we have a balanced budget for FY 2017 – one of which is cutting funds from the Adjunct Faculty budget; and looking at every line items; looking at different programs and their respective enrollments for growth potential. He further discussed the auxiliary services, such as the Bookstore and Dining Services and what changes may happen in the future. Trustee Plotkin asked about facilities maintenance and if the College was looking at outsourcing these kinds of services. Vice President Fogarty stated that this has been explored in the past and can be revisited.

The FY 2017 Budget was included in today's packet as part of the Fee Proposal discussion and will be discussed in length at the May Finance Committee Meeting. Chair Ferriter requested the College send the FY 2017 budget as soon as it updated to prepare for the May discussion.

MOTION: Move that the Finance Committee recommend that the Board of Trustees increase the Educational Services Fee by \$14 per credit to \$150 per credit; and eliminate the selective program application fee. Both revisions would be effective July 1, 2016.

The motion was made by Chair Gilbert and seconded by Trustee Plotkin to approve the above motion. It was approved unanimously.

- Third Quarterly Statement of Revenue and Expenses for FY 2016

After reviewing the third quarterly statement of revenue and expenses for FY 2016, the following motion was made.

MOTION: *Move that the Finance Committee recommend to the full Board of Trustees approval of the First Quarterly Statement of Revenue and Expenses for FY 2016 as presented.*

The motion was made by Trustee Plotkin and seconded by Chair Gilbert to approve the above motion. It was approved unanimously.

- Old / New Business

None

The meeting adjourned at 1:14 pm.

Respectfully submitted,



Bill Fogarty
Vice President for Administration and Finance