

FINANCE COMMITTEE
BOARD OF TRUSTEES
MINUTES

Meeting of March 9, 2021

Finance & Capital Committee members 2020-2021:

John DeGrace, Chair
John Durso
Linda Green
Wanda Jackson
Edward Powers

The meeting of the Finance Section of the Finance and Capital Committee of the Board of Trustees was called to order by Trustee DeGrace via Zoom meeting at 5:02 p.m.

Committee members present: John DeGrace,
 John Durso
 Linda Green
 Wanda Jackson
 Edward Powers

Committee members absent: N/A

Other Trustees in attendance: George Siberón
 Donna Tuman
 Kathy Weiss
 Sophia Costanzo (Student Trustee)

Also in attendance: President Williams,
 VP's Izquierdo, Muscarella, Kerrigan, Conzatti. Lausch
 AVP's Zamore, Friedman
 General Counsel Haugen
 Associate General Counsel Brodsky
 Director Cappello

AGENDA ITEMS

1. Minutes - Minutes of the February 9, 2021 meeting were approved. Motion was made by Trustee Green and seconded by Trustee Durso. Motion carried.

2. Pending College Procurement Agreements

None

3. Office of the Comptroller's Report – presented by AVP Zamore

a. The Office of the Comptroller performed an examination of OTPS (Other than Personal Services) expenditures based on the reports generated by the Banner system for January 2021. All OTPS expenditures were subjected to selection, and 11 expenditures were selected. The expenditures were

audited for appropriateness in accordance with the Code of Rules and Regulations for Community Colleges as promulgated by the State University of New York, proper departmental authorization, accurate departmental coding, evidence of receipt of goods or services and utilization of appropriate purchasing practices based on the amount of purchase and state and local requirements. The 11 expenditures ranged from approximately \$233 to \$644,811 and averaged \$132,444. The cumulative value of the 11 expenditures was \$1,456,888 and represented 70.92% of this month's total OTPS expenditures which included paper and UniMarket invoices.

- b. There were no purchases between 10 percent and \$100,000 above original BOT approval. There were two personal service expenditures: one for \$15,000 in Admissions and the other for \$2,500 for Student Personnel Services.
- c. The Accounts Receivable (A/R) Aging Report shows we are at approximately 72.5% for fiscal 2021.
- d. We have added a trend analysis to show the status at this time for each fiscal year 2021 as well as 2018 through 2020. For each interval the percent collected at February shows: 73.7% for 2018, 67.9% for 2019, 66.8% for 2020, 72.5% for 2021.
- e. We are at approximately 44.62% collected of the Nassau County Audit which is \$6.3M of the total \$14.2M.

Trustee Siberón asked if the \$15,000 for personnel services in Admissions was an outside contractor, and if it there was a competitive bid. Yes, it was an outside contractor, and this person was a specialist, so we contracted him as a specialist in his field. Procurement did not find anybody else qualified, so it went to VP Izquierdo and then President Williams for approval. Trustee Durso asked if this was for Dr. Dolan and the answer was yes.

4. Updates – Presented by VP Izquierdo

- a. Nassau County Audit – The county is conducting two simultaneous audits; the first is basically a nepotism review. They will be reviewing policy and process, compliance with laws and regulations and efficiency. The scope is for 2017 – 2020, they gave us a list of items that they require. The HR department has submitted those items to the County Comptroller's Office. The second audit is of NCC's fund balance and its overall condition. They will review our fund balance and compliance with policy. The scope is for 2018 to present (future years as well). They gave us an initial list of items that they require.
- b. CARES and CRRSAA Grants, we have received \$37,840,508 in grants and we have drawn down \$17.6M. So far, we have used \$18.129M with a balance remaining of \$19.711M.

Question raised asking why the amounts in the packet received differ from those in the slide shown during the meeting. The \$1.9M MSI money is not reflected in the packet, as it was not yet received when the packet was produced. Trustee Weiss requested that the updated information be sent to them.

- c. Budget Projections provided with forecasting based on the following assumptions:
 - Enrollments:
 - No Tuition Increases FY 22& 23
 - No FTE change for FY22 & 23

- 3% FTE increase FY 24 & 25
 - FY 24 \$200 Tuition Increase
- Continuing Education: 10% Increase FY 22–25
- Commissions: No change for FY22 & 23
 - 3% increase FY 24 & 25
- State Funding: FY 22-25 Per FTE \$2,947
- Nassau County Funding FY 22-25: No change
- Salaries FY 22-25: Increasing based on Avg 2-4%
- OTPS expenses FY 22-25 increase annually by 3%

Question raised regarding FTE increase, is it based on census data or something else? It is based on high school projected graduation rates (SUNY compiles this data). Projected increases for enrollment are for new and continuing students.

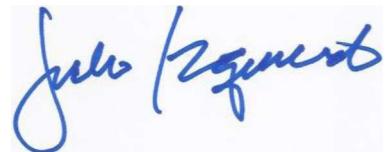
- d. Fund Balance Projections – Presented fund balances rolled forward from 2019 through 2023 using CARES, CRRSAA and ARP grants to reimburse us for losses of revenue in 2021 and 2022. We attended a meeting where the American Rescue Plan Act indicates it will be 70% greater than CRSSAA funds with half of the funds going to students. The increase will put us at a total of \$35M, half of which is institutional and buys us another year in fund balance. This is a preliminary indication from the American Association of Community Colleges and has not yet been signed but should help us in fiscal year 2022.
- e. Planning - Towards the future we need to continue with cost containment and reduction opportunities, so we remain fiscally solvent into the future. We can leverage CARES, CRRSAA and the ARP grants to keep us okay for the next couple of years. It doesn't deal with the basic framework of NCC. We're no longer at 20,000+ students and we need to plan for 14,000 to 16,000 students. Identify the buildings we need online. Review programs, services and prioritization to reduce redundancies. Centralize resources to align the workforce with the strategic goals of the institution. Salary and fringe are 89% of our budget, and we must move repurpose how we are currently structured. We are in our second year of Guided Pathways with opportunities such as enhanced advising and easing transfer. We have hired a new marketing firm to address part of our recruitment issues as well as to look at advancing partnerships with businesses and industry. Look into enhancing and diversifying our scholarships and see how many of our scholarship funds are dedicated to getting students here, getting them to complete, and post completion success once they transfer. This is not just about expenses, its also revenue. Every budget that has been presented this year is with no increase to tuition. The tuition and fee schedule will be presented in April.

Question raised, externally has the Foundation had any discussion with the alumni and/or nearby corporations to assist the College? VP Kerrigan indicated that the NCC Foundation was created in 1983 and since has been supporting the College by providing an avenue to receive philanthropic aid. The Foundation is strongly committed to seeing the College advance in addressing equity issues and continuing to provide a solid foundation for future successes. Through continuous fundraising efforts, the Foundation provides academic resources, support services and scholarships. On average the Foundation raises \$985,000 per year from 2,300 gifts with 95% of received funds restricted to specific uses of the College such as the student scholarship program, special programs like the NEST, the Children's Greenhouse, the radio station, athletics, student emergency funds, activities for veterans, and faculty development. Student scholarships make up half of restricted support and Faculty development is approximately \$30,000 per year. As we move forward, we want to work

closely with our Boards, the College, Foundation, and Alumni to engage more corporations and foundations in the life of the College and get them to invest.

The meeting adjourned at approximately 5:37 p.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Julio Izquierdo".

Julio Izquierdo
Vice President of Finance