

## **Board of Governors Finance and Facilities Committee**

### **Meeting Minutes**

The meeting of the Finance and Facilities committee was held on **Tuesday, June 2, 2022, at 12:00 p.m.** in the 7<sup>th</sup> Floor Conference Center at Quincy College, and by Zoom as allowed by the State of MA Emergency Open Meeting law due to the COVID 19 crisis. The member roll was called. The following members of the Finance and Facilities Committee were present at the call of the member roll: Mr. Gregory Hanley, Committee Chair; Mr. Paul Barbadoro, Chairman of the Board; Ms. Barbara Clarke, Ms. Dolly Di Pesa and Mr. Frank Santoro. With five members being present, there was a quorum.

Also present: President Richard DeCristofaro  
Chief of Staff Jessica Cherry  
Provost and CAO Servet Yatin  
VP Martin Ahern  
VP Thomas Pham  
Executive Director of Marketing Matt McGowan  
Project Manager Beth Anthony  
Clerk of the Board of Governors Meaghan Sheehan  
Governor Christopher Carroll.

Mr. Hanley presented the minutes from the previous Finance Committee meeting from December 13, 2021. He asked if there was any discussion on the minutes. Mr. Barbadoro made a motion to accept the minutes as presented, seconded by Ms. Di Pesa. All voted in favor of motion and minutes were accepted.

President DeCristofaro introduced a video that reviewed enrollment trends in community colleges, efforts and plans to increase enrollment at Quincy College, as well as an overview of commencement. The President also acknowledged that Commencement was amazing and thanked Matt McGowan and Beth Anthony for their help in making the celebration a success.

President DeCristofaro reported on FY23 Draft Budget. He stated that as Quincy Colleges approaches a budget process where there is declined enrollment, there are also many opportunities. Community college enrollment is down everywhere, and QC in no exception. He stated that he would specify what QC opportunities, after addressing some challenges.

President DeCristofaro discussed the budget process, which included a review of all considerations and key questions in every area. Students are the priority for all decisions that are made. Other priorities include enrollment, academic faculty, academic support, non-academic support (contracts/retirements), academic expenses, and lastly non-academic expenses. Faculty review includes program review (what is kept and what are new programs) and faculty schedules (the appropriate number of faculty). Areas of consideration were identified, questions addressed and priorities to increase/shift/reduce were identified. At that point, a draft budget is prepared to present to the Finance and Facilities Committee and then the full QC Board. It is a long and detailed process.

The draft budget, is a balanced budget, built on a 6% decline on enrollment, 2.5% tuition increase with no increase in fees. It also includes a decrease in the use of CARES funding, a contingency reserve and maintains a balance in reserves. Downsizing decisions were based on budget and enrollment, the key factor in budget revenue.

President thanked Provost Yatin, Ms. Cherry for all their work on the budget and introduced Mr. Ahern, Vice-president of Finance.

Mr. Ahern shared academic credits and enrollment totals from the last five years, including the year before QC lost the nursing program in 2019, which had a big impact on numbers. There are many reasons for the enrollment decrease and the FY23 proposed budget assumes a 6% decline.

Mr. Barbadoro asked what the process was to settle on 6%.

- Mr. Ahern answered decision was made after IR department did some analysis and came up with 5-8%. They settled on something in the middle. Predicting enrollment is very difficult and a challenge for every college. It is based on current and projected enrollment. After a careful review of all areas, decisions are made on items to cut and a balanced budget in proposed.

Ms. Cherry was introduced to review personnel changes. She explained that academic faculty reductions were made in response to the lower number of credits. Also, some resources were shifted. For instance, the area of academic support, which directly assists student learning, includes less tracking and adjunct expenses are lower. She also noted the focus on new opportunities, for instance the QC and JVS partnership, the growth of the of Biotech industry, and the next QC baccalaureate program. Other areas for additional revenue may include the radiology program, year-round services in the library and non-academic support. Additionally, QC has an aggressive approach to seeking grants that cover salaries.

Mr. Ahern addressed academic expenses, and opportunities and initiatives to increase funding. JVS is a significant area of growth, and the QC athletics programs will include a new hockey program that would add 25 student athletes. The budget includes some minimal, additional expenses, with no overall change in non-academic expenses which includes items that are difficult to adjust (i.e., rent). QC has a sublease on the Plymouth campus and both campuses have a built-in increase each year, which is approximately \$50k for current budget year. At the end of this cycle, a part of the Plymouth lease will expire on June 23, which will create a savings of about \$140K through reductions in pension, unemployment, bank, and cc fees.

Mr. Ahern also discussed CARES funding and how QC is using it in the budget to supplement expenses. CARES II will fund various positions and initiatives for five years that will help QC to generate enrollment and revenue. We were awarded 5.9m, 1.3 and 4. \

Year expenditures were reviewed.

- ECHS pathway to be funded this year.
- Enrollment centered, critical positions.
- Implementing enrollment/revenue generating program

Year 2 planned expenditures by Initiative were reviewed.

Noted that half-million will be rolled over from last year and put it primarily in to rent in FY23.

Ms. Clarke asked about #3, the revenue generating program.

- Mr. Ahern referred to page 27 and the plan to allocate \$630k this year for radiology lab and \$145k for related positions.

Ms. Clarke asked for confirmation that the radiology lab is going to cost \$630k.

- Mr. Ahern confirmed that estimate.

Mr. Ahern emphasized that the goal with expenses is to drive enrollment and revenue. He reviewed CARES Act 3 and how QC used this last year to close the 2.6m gap and balance the budget. The plan to

use this money moving forward is to reduce QC reliance with a goal of reducing by 50% each year. Starting with this year, \$1.321m will be used to close the gap and the hope is to have a similar reduction next year.

President DeCristofaro asked if there were any questions.

Mr. Santoro asked regarding tuition, how does QC compare with this budget to competitors?

- President DeCristofaro responded that community colleges are somewhat fixed on their tuitions and QC is on target.
- Dr. Yatin answered that recently QC looked at other community colleges. State school tuition is about \$25 tuition per credit, with \$180 fee per credit – about \$250 per credit. That model works because they are financed by the state. QC is also looking at private institutions to compare.

Mr. Santoro asked if there is an opportunity to sublease space in JVS if available.

- President DeCristofaro answered he doesn't think there is any space to lease.

Mr. Santoro asked if QC needs to report any changes to NECHE.

- Dr. Yatin answered that QC will inform NECHE and she is confident they will agree the changes make sense. Internal approvals including board approval is complete, and any substantive change addresses all standards.
- Baccalaureate requires DHE and NECHE approval. QC Business degree is approved. Computer Science degree is still in the process. QC has submitted documents and external reviewers were hired and have completed their reports. The QC response to external reviewers will be submitted soon and final document will go to NECHE for their September meeting.

Mr. Barbadoro congratulated Dr. Yatin on her fantastic job getting approval that previously took much longer.

Mr. Hanley added that this success is due to strong leadership and the accountability sends the right message to NECHE.

Ms. Clarke asked about CARES money. He noted that QC has a five-year plan for CARES II asked about the plan for CARES III.

- Mr. Ahern answered the QC has been using CARES III to supplement the budget to close the revenue gap. The plan is to use \$1.321 million this year, and to reduce reliance on that over the next few years.

Mr. Hanley emphasized that CARES funding has very specific guidelines. QC must be very judicial and conservative on how those resources are allocated, as once they are gone, they are gone. It is kind of a "Rainy day" account.

Mr. Hanley asked if there were any other questions. There were no other questions.

President DeCristofaro reviewed the many opportunities the college has in different areas.

- Academic Opportunities: Baccalaureates, Articulation Agreements, Radiology Program, New Associate degree in health science.
- Continuing education Opportunities: JVS Partnership, Grant Awards, Community Connections/Partnerships, on-line (K-12) Professional Development and Child Care.

- Student Success Opportunities under the leadership of Meghan Cassidy: ECHS (QC is ahead of the game with this program) and potential State Street funding
- Other areas of opportunity include Dual Enrollment (new partners Marshfield, Duxbury, etc.), scholarships for incoming students for QHS/NQHS (QHS offering over 20 scholarships for ECHS students and half year scholarships), NPHS/PSHS, Pathway Programs, First Year Seminar, Athletics and Emergency Student Support.

Ms. Di Pesa asked if it is required to have the same number of men and women athletes under Title XI.

- Mr. McGowan answered that aside from Basketball, all QC programs are club. He added that if QC is complying by actively trying to recruit a team.
- Mr. Barbadoro stated that technically it is a violation, but if QC opens an enrollment for a women's spot and it doesn't fill that meets requirement.
- Ms. Di Pesa suggested a women's tennis program and Mr. DeCristofaro suggested rowing.

Mr. Barbadoro asked about other schools accepting QC student (for example, Curry College).

- Dr. Yatin answered that the QC Baccalaureate has not changed our relationship with Curry College. QC has shared faculty members with Curry and there was conversation about the good work President Quigley is doing.

Mr. Barbadoro noted that enrollment by town shows an increase in Quincy. He feels that it is a direct result of efforts by the President and Leadership Team.

President DeCristofaro continued to discuss opportunities, including the Quincy College Language Institute. QC is now allowed to issue F-1 visas. President gave credit to Ms. Lopci and her team for the EL Program and five-year contract. The goal is to keep these students in QC programs once they complete the EL Program.

Summer programs offer more opportunities and include Aquaculture, Biotechnology, LEAP Program, Early College High School Summer Seminar, Bridges to college 3-credit course, Professional Development ELL, CNA Program (2 cohorts) and ESL.

Marketing and Communication opportunities include the news that the Eastern Nazarene dormitory will be used for nursing students. President DeCristofaro asked Mr. McGowan to give an update.

Mr. McGowan explained that the Marketing and Communications department is focusing on social media to map consumer behavior. In particular, he is confident that programmatic advertising will give QC a significant boost in the fall. Additionally, they are working with Google analytics to measure these campaigns to establish a baseline and foundation as to how money gets spent and where most effective. Specifically, they are looking to get a cost of acquisition per student. Mr. McGowan looks forward to sharing a more in-depth presentation at the next meeting.

Mr. Barbadoro asked about using Google and if a prospective student types in "nursing schools" how to ensure that QC ads be prominent on the list of results.

- Mr. McGowan shared that much can be learned from every search query and that QC will invest. He emphasized it is all about content.

President DeCristofaro turned the meeting back to Mr. Hanley.

Mr. Hanley noted that the budget process this year has been a little different than years past. President DeCristofaro spoke to the methodology of what analysis was used and what QC has experienced with the flow of information. As the chair, Mr. Hanley appreciates the living breathing document that the administration reviews daily and weekly updates have been very beneficial. Something that Ms. Clarke

brought back from a conference, was “nose in, fingers out”, and he shared that he has adopted that phrase, and it is important today. The Committee and Board has empowered President DeCristofaro and his team. A predictability index was presented in the fall. The first half of this presentation focused on prediction vs. reality and the Committee has had up to the minute data to make the best decisions. The second half of the presentation was the current picture and how QC is going to react and look at non-traditional ways to increase revenue, all in relation to real time data which will be incorporated to help the best decisions. Mr. Hanley emphasized that the President and his administration will make themselves available for any questions that come up after everyone has had time to digest the information. Anything unanswered will be addressed on the 6<sup>th</sup>. If all agree, the approved committee report will be published on the QC website. There will be members meeting on the 13<sup>th</sup>.

Mr. Barbadoro stated that this proposal will be discussed at meeting on the 6<sup>th</sup>.

Ms. Clarke noted that in past budgets there was a contingency fund that could be spent later in the year if needed. She asked if and where that can be found.

- Mr. Ahern answered that it can be found on page 20 and \$550k is allocated for that purpose.

Ms. Clarke asked if any of that money has been used this FY.

- Mr. Ahern answered not yet. President DeCristofaro answered that it is there for a lot of different reasons.

Ms. Clarke asked how this compares to prior years. Numbers were reviewed.

Mr. Santoro asked if the students that come from LEAP come with IEP's and if so, does QC get reimbursed from the Government to adhere to them.

- President DeCristofaro answered that these students are still in QPS, so they will get the reimbursement.

Mr. Santoro noted that important to offer many ELL options for students. President DeCristofaro stated that QC is offering in Quincy and Plymouth, and they are looking at designing two new courses are in discussion with the state for Special Education/EL.

Mr. Hanley asked if this is in person or online.

- Ms. Lopci and Dr. Yatin answered it is all online.

Ms. Di Pesa had no questions. She is feeling comfortable with the proposed budget.

Mr. Barbadoro asked for clarification of the \$830k difference allocated to Workforce Development. He wondered if that is a guestimate, or optimistic wish. President DeCristofaro answered it is additional contracts and grants that are in place.

Ms. Lopci reviewed current grants and submitted proposals. \$297k – felt that the number of students we serve is high, they increased the grant to \$380k.

Mr. Barbadoro commented on a job well done to Ms. Lopci. Ms. Lopci gave kudos to her team.

Mr. Barbadoro noted that there is another meeting on June 6<sup>th</sup> and asked members to please be prepared to discuss any questions regarding the budget department. He also reminded the committee that the next meeting will be the public hearing. Right after that, there will be a full Board meeting where the Committee will recommend a vote to the Board. Please be prepared on the 13<sup>th</sup>. If you have questions before that, please reach out.

Mr. Hanley added that the goal is to have every governor satisfied and to be unified.

Mr. Barbadoro emphasized the importance of doing the work within the board, and that he wants to make sure everyone has a fair opportunity to comment and ask questions.

Ms. Clarke asked if after the hearing will the Board vote on the budget, with the recommendation of the finance committee.

- Mr. Hanley explained that typically the role of Committee members is to listen to the public concerns. The Committed has done due diligence.

There was discussion and procedure were reviewed by all governors.

Mr. Carroll commented that this was the best presentation he has seen on the budget since he has been on the Board.

Meeting adjourned at 1:45pm.