

**QUINCY COLLEGE
BOARD OF GOVERNORS**

FINANCE AND FACILITIES COMMITTEE

MEETING OF JANUARY 23, 2014

Minutes

**(as amended by vote of the Finance and Facilities Committee at its meeting of
February 12, 2014)**

The meeting of the Finance and Facilities Committee, held in the Hart Board Room, Room 706, 7th floor, Presidents Place, 1250 Hancock Street, Quincy, Massachusetts, was called to order at 5:30 PM. The member roll was called. The following members of the Finance and Facilities Committee were present at the call of the member roll: Paul Barbadoro, Esq.; Christopher Bell, Committee Chair; Barbara Clarke, Committee Vice Chair; Dr. Thomas Fitzgerald; William Grindlay, Chairman of the Board of Governors; Absent at the call of the member roll was Thomas Feenan. A quorum was present.

Also present were: Mary Jo Brogna, Vice Chair of the Board of Governors; Gregory Hanley, member of the Board of Governors; Joseph Shea, member of the Board of Governors; Peter H. Tsaffaras, J.D., President and Secretary of the Board of Governors; Joseph Mercurio, Vice President for Administration and Finance; Robert E. Baker, Jr., J.D., Dean of the Academic Division of Liberal Arts and Assistant Secretary of the Board of Governors; Martin Ahern, Director of Finance.

Motion by Dr. Fitzgerald that the Finance and Facilities Committee approve the minutes of its meeting of December 2, 2013. The motion was seconded by Mr. Barbadoro.

On the motion, Ms. Brogna offered language on the motion that she indicated was a more complete reflection of what occurred at the meeting, specifically by inserting on page 3 of the minutes, between the existing first and second full paragraphs the following language: Ms. Brogna asked President Tsaffaras are any other positions filled that are above budgeted salary. President Tsaffaras responded probably. Ms. Brogna asked Mr. Ahern if he could run a payroll report and cross reference it to budgeted salary. Mr. Ahern stated this could be done. Ms. Brogna requested this be done immediately to properly fund payroll.

Dr. Fitzgerald withdrew his motion and Mr. Barbadoro withdrew his second of that motion.

Motion by Mr. Barbadoro that the Finance and Facilities Committee approve the minutes of its meeting of December 2, 2013, as amended by including the language presented by Ms. Brogna. The motion was seconded by Dr. Fitzgerald. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Mr. Ahern then reviewed for the members of the Committee the November 2013 Draft Financial Report. He began with the Balance Sheet. Ms. Brogna asked why there is a five per cent (5 %) decrease in "Total Cash" comparisons between November 30, 2012, and November 30, 2013. Mr. Ahern explained that this is caused by a difference in expenses as well as delay in student payments, particularly third party payments such as by the Veterans Administration. Ms. Brogna recommended keeping an eye on this area and perhaps at a later date determining whether to conduct a five (5) year comparison. Vice President Mercurio suggested that December 31 is a more revealing comparison date.

Ms. Clarke asked why there is a difference in the "Student Health Insurance" balance between the Finance and Facilities Committee's last meeting and this meeting. Mr. Ahern reported that the balance is being worked down as students waive health insurance based on already having health insurance.

Mr. Feenan arrived at 5:40 PM.

Mr. Ahern then reviewed the Statement of Revenue and Expenses, informing the members of the Committee that combined fall and summer revenue will essentially be at the break-even point.

Mr. Grindlay asked why there is a bad debt allowance. President Tsaffaras replied that this inclusion is in accordance with the direction of the College's auditors, who also determined the amount of the figure. Mr. Grindlay stated that he disagrees with this practice and, as Quincy College has no bad debt, he wants to meet with Vice President Mercurio and the auditors on this issue.

Mr. Ahern next reviewed Capital Projects. He reported that through the end of November 2013, twenty five to twenty six per cent of such projects had been completed, at or under budget, and the balance will be completed under budget. Mr. Ahern concluded his report by stating that reconciliations with the City of Quincy are in complete agreement.

Mr. Ahern next addressed eight (8) proposed budget transfers. Regarding proposed transfer # 1, Mr. Ahern stated that legal expenses for the Home Rule Petition were not

included in the FY 2014 budget as it was not an anticipated expense. The amount proposed for transfer today will carry these expenses through the next six (6) months, as well as addressing an already incurred expense of approximately \$10,000.00. President Tsaffaras explained that Attorney Rizoli's ongoing work includes monitoring the status of the Home Rule Petition in the Massachusetts Legislature and keeping in contact with key legislators.

Regarding proposed budget transfer # 2, President Tsaffaras explained that Attorney Karen Kepler will have worked pro-bono prior to September 15, 2013, and the contract with Dalton, Feingold will be voided. The proposed \$60,000.00 transfer is to fund the work done and to be done by Attorney Kepler from September 15, 2013. Attorney Kepler will indemnify Quincy College against any claims by Dalton, Feingold.

Mr. Grindlay asked if there are limits on Attorney Kepler's services going forward. President Tsaffaras replied that the current bill of \$23,900.00 is for the period of September 16, 2013 – December 9, 2013, and when the next \$25,000.00 is spent, the administration will return to the Board of Governors for instructions on the remaining \$10,000.00. Mr. Grindlay stated that he wants a limit on the expenses and costs generated by Attorney Kepler. Mr. Barbadoro offered his interpretation that the College's limit of liability to Attorney Kepler is \$50,000.00, based on two (2) increments of \$25,000.00. President Tsaffaras continued that \$25,000.00 already has been appropriated and this proposed transfer seeks an additional \$35,000.00. Mr. Barbadoro asked that at each meeting of the Finance and Facilities Committee, Attorney Kepler's then most recent bill be addressed. Ms. Clarke stated that the Board of Governors should have been informed in December 2013 that more money was needed, given the previous cap of \$25,000.00. President Tsaffaras stated that the proposed amount will suffice until at least the March 2014 meeting of the Board of Governors. President Tsaffaras stated that he will, each month, let the Board of Governors know of any bills from Attorney Kepler and will not exceed the amount requested this evening without approval from the Board of Governors. Ms. Clarke asked if transfers to pay bills can be made after the expense has been incurred, or must such transfers be made prospectively. Mr. Barbadoro replied that the Board of Governors has been very aware of the work that Attorney Kepler has been doing, having been work done upon the instructions of the Board of Governors.

Motion by Mr. Grindlay that the Finance and Facilities Committee recommend that the amount proposed in Transfer # 2 be reduced from \$60,000.00 to \$50,000.00. The motion was seconded by Mr. Feenan. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Regarding proposed Transfer # 3, President Tsaffaras explained that its purpose is to pay the bill of Attorney Gerard McAuliffe, which was received by Quincy College on December 3, 2013. Mr. Grindlay added that this was a bill incurred by the City of Quincy's Law Department on behalf of Quincy College and for which the College had agreed to assume responsibility.

Regarding proposed Transfer # 4, President Tsaffaras explained the painting and lighting improvements to Saville Hall, and the balance remaining from the repair of the Saville Hall roof is to go to this expense.

Elaborating on proposed Transfer # 5, President Tsaffaras reported that he has received information from the City of Quincy Retirement Board that travel stipends are not included in one's pension calculation. Mr. Grindlay added that he has received information from PERAC that travel stipends are not included in pension calculations.

Regarding proposed Transfer # 6, President Tsaffaras reported that this transfer covers the Facilities budget for the balance of FY 2014, given that the budget as originally approved was hit by some unanticipated costs.

President Tsaffaras explained that proposed Transfer # 7 is the result of increased space occupancy at the Plymouth Campus.

President Tsaffaras concluded his presentation on the proposed transfers with Transfer # 8, which he stated is the result of the new and unanticipated practice of providing a live video feed of commencements to make the ceremonies available for those whom the venue cannot accommodate due to space limitations.

Motion by Mr. Feenan that the Finance and Facilities Committee recommend that the Board of Governors approve Transfers 1 through 8, including Transfer # 2 as amended. The motion was seconded by Dr. Fitzgerald. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

No matters were addressed under "Old Business".

Under "New Business", Ms. Clarke asked if Quincy College could sell recordings of the January 2014 Commencement to graduates. President Tsaffaras replied that the recording is being offered to graduates on YouTube.

At 6:25 PM, motion by Ms. Clarke that the meeting of the Finance and Facilities Committee be adjourned. The motion was seconded by Mr. Feenan. There was no

discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted and the meeting was adjourned.

**QUINCY COLLEGE
BOARD OF GOVERNORS**

FINANCE AND FACILITIES COMMITTEE

**MEETING OF FEBRUARY 12, 2014
Minutes**

The meeting of the Finance and Facilities Committee, held in the Hart Board Room, Room 706, Presidents Place, 1250 Hancock Street, Quincy, Massachusetts, was called to order at 6:03 PM. The member roll was called. The following members of the Finance and Facilities Committee were present at the call of the member roll: Paul Barbadoro, Esq.; Christopher Bell, Committee Chair; Barbara Clarke, Committee Vice Chair; Dr. Thomas Fitzgerald. Absent at the call of the member roll were: Thomas Feenan; William Grindlay, Chairman of the Board of Governors. A quorum was present.

Also present were: Mary Jo Brogna, Vice Chair of the Board of Governors; Peter H. Tsaffaras, J.D., President and Secretary of the Board of Governors; Aundrea Kelley, Vice President for Academic Affairs; Joseph Mercurio, Vice President for Administration and Finance; Mary Scott, J.D., Vice President for Human Resources; Stephen Kearney, J.D., Assistant to the President; Robert E. Baker, Jr., J.D., Dean of the Academic Division of Liberal Arts and Assistant Secretary of the Board of Governors; Martin Ahern, Director of Finance.

Mr. Bell announced that he is seeking to schedule a meeting of the Finance and Facilities Committee during the week prior to the March 2014 meeting of the Board of Governors, specifically for March 19, 2014. Mr. Bell asked that Donna Brugman, Executive Assistant to the President, poll the members of the Committee on February 13, 2014, regarding their availability on March 19th. Mr. Bell asked that a financial report for December 2013 be provided to the members prior to March 19th so that the report may be reviewed on that date and comparisons between December 2012 and December 2013 may be examined.

The Committee was presented with a payroll savings analysis and a list of all positions filled in FY 2013-2014 comparing original position budget to actual salary rates. Ms. Brogna requested a full report on budgeted versus actual compensation for all positions at Quincy College, not just those positions filled during the current fiscal year. Ms. Brogna described the information provided to the Committee this evening as a good start. She reminded President Tsaffaras that at the meeting of the Finance and Facilities Committee of January 23, 2014, all payroll for unfilled positions was, as stated by Mr. Grindlay, to be transferred to the budget's breakage line. Ms. Brogna stated that her main concern is that, in her opinion, there are no checks and balances and whenever the Board of Governors has approved budgets, positions have been

represented by specific dollar amounts, not by salary ranges. Vice President Mercurio stated that his understanding of the information request addressed at this meeting was for positions filled during Fiscal Year 2014, hence the information which was provided to the Committee. Pursuant to Ms. Brogna's request, a report addressing budget to actual for all positions will be prepared for the next meeting of the Finance and Facilities Committee.

Ms. Clarke then referred to the draft minutes of the Finance and Facilities Committee's meeting of January 23, 2014, specifically referencing the fourth line from the bottom of the second full paragraph of page 2, stating "...in other words, can the Board of Governors wait until March 2014 to address this matter." This was included in the record of a discussion surrounding bills submitted by Attorney Karen Kepler for representing the Board of Governors in negotiations for the lease of additional space for Quincy College. Ms. Clarke continued that the referenced line was not a clear representation of her concerns and asked that the draft minutes be amended to delete the referenced line. Ms. Clarke then stated that her question posed in that meeting of whether transfers to pay bills can be made after the expense has been incurred had not been answered. President Tsaffaras replied that he thought that Mr. Barbadoro had answered Ms. Clarke's question to her satisfaction at that time, therefore he had not addressed the matter. President Tsaffaras continued that funds had been appropriated but the purpose of the transfer in question was to ensure the sufficiency of the funds in that budget line.

Motion by Ms. Clarke that the Finance and Facilities Committee approve the minutes of its meeting of January 23, 2014, as amended. The motion was seconded by Mr. Barbadoro. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Dr. Fitzgerald. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next addressed was the budget process for Fiscal Year 2015. President Tsaffaras reviewed for the members of the Finance and Facilities Committee a document titled "Quincy College Budget Process FY 2014-2015", including processes and timelines. In referring to the document, Ms. Brogna stated that while she saw details and they appear good, she did not see general assumptions as have been used in the past. President Tsaffaras replied that the purpose of this meeting was to establish those assumptions, as Chairman Grindlay had requested that in accordance with past practice the assumptions be established by the Finance and Facilities Committee. Otherwise, the Board of Governors would, as a whole, have to establish the assumptions at a special meeting.

Mr. Bell stated that while the Finance and Facilities Committee cannot speak for the Board of Governors, he recommended that the Finance and Facilities Committee hear

from President Tsaffaras and his administration regarding their recommendations. Concerning FY 2015, President Tsaffaras stated that he anticipates that fixed costs will increase by 3.6 %, these costs including payroll, legal expenses, rent, office supplies, information technology, utilities, accreditation costs, events, payments for Medicare and health insurance, and other insurance. He continued that Unit D costs are fixed for six (6) years and Unit E costs are fixed for three (3) years, with a minor increase in adjunct faculty compensation, and a pool of funds for increases for non-unit staff. Ms. Brogna replied that except for Unit D and Unit E costs, which are governed by collective bargaining agreements, other personnel costs are discretionary in terms of increases.

President Tsaffaras continued that the budget for FY 2015 will be approximately \$21 million. He expressed his desire to invest in some personnel and non-personnel needs, including infrastructure and innovation, bringing the total anticipated increase in spending to 5.25 %. President Tsaffaras informed the members of the Committee that 58 % of Quincy College students receive financial aid, and the average credit load for Quincy College students is just over nine (9) credits. If tuition were to be increased by 5.25 %, then the average student taking twelve (12) credits would pay an additional \$120.00. As a further example, the tuition for an average Liberal Arts course would increase just slightly less than \$10.00 per credit. Ms. Brogna stated that the administration's analysis of the proposed increase should include comparisons with local, like institutions. President Tsaffaras agreed that total cost of attendance for students, including tuition and fees, needs to be considered. President Tsaffaras concluded that his recommendation is an increase not to exceed 5.25 %

Mr. Barbadoro agreed that the administration does need to utilize total cost of attendance in its analysis and that the College base its marketing and advertising on the total cost of attendance of Quincy College versus its competitors.

Ms. Brogna continued that while a 5.25 % increase appears reasonable, if enrollment is flat in FY 2015, the level of increase that will cause students to go elsewhere is unknown.

Dr. Fitzgerald added that because fees are a hidden cost and Quincy College's fees are low, that fact must be stressed in advertising, including total cost comparisons as well as the opportunity to take additional courses at Quincy College because of fewer and lower cost fees.

Mr. Bell recommended to Vice President Mercurio and Mr. Ahern that a very comprehensive analysis be prepared and presented to justify and explain the proposed increases.

Regarding enrollment, Vice President Mercurio reported that, making some assumptions about late start sections, enrollment numbers will be on budget for the current semester. Further, the College, with the appointment of a new Director of

Admissions, must become more recruiting and outreach oriented because his observation was that recruiting has been relatively passive. Vice President Mercurio continued that in hiring for the long-vacant position of Director of Admissions, a different skill set will be needed than in the past.

Ms. Brogna stated that in last year's budget presentations, several different scenarios were presented. President Tsaffaras replied that when the draft FY 2015 budget goes to the Finance and Facilities Committee, several scenarios will be presented. He continued that the 5.25 % increase may be based on tuition or on tuition and fees, and not based on an anticipated enrollment increase.

Ms. Clarke asked if a new Director of Admissions will be hired at the amount budgeted for FY 2014. President Tsaffaras replied that he anticipated that the salary would be above \$64,000.00, but not substantially so. Ms. Brogna asked that salary comparisons for the position at similar institutions be provided. Mr. Barbadoro asked for clarification from Ms. Brogna of whether it was her position that if the Board of Governors approved a position's salary of \$60,000.00 then additional Board approval would be required if the position were filled at a salary of \$60,001.00? Ms. Brogna replied that she is not asking for that, only that there be checks and balances. Ms. Brogna continued that in a situation as described by Mr. Barbadoro, a post-hire budget transfer would be appropriate and not that the hiring be held up until the Board of Governors approved a transfer to fund the actual salary.

Mr. Bell directed the discussion back to the proposed tuition increase of 5.25 % and the budget process as each was described by President Tsaffaras. It was the consensus of the members of the Finance and Facilities Committee present to recommend both the increase and the budget process.

Ms. Clarke departed at 7:01 PM.

President Tsaffaras stated that the budget versus actual report on all College positions will be completed and provided to the members of the Finance and Facilities Committee a week prior to its next meeting, as will the draft December 2013 financial report.

No matters were addressed under "Old Business".

No matters were addressed under "New Business".

At 7:07 PM, motion by Mr. Barbadoro that the meeting of the Finance and Facilities Committee be adjourned. The motion was seconded by Mr. Bell. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Dr. Fitzgerald. There were no votes in opposition to the motion, and no abstentions. The motion was adopted and the meeting was adjourned.

**QUINCY COLLEGE
BOARD OF GOVERNORS**

FINANCE AND FACILITIES COMMITTEE

**MEETING OF MARCH 19, 2014
Minutes**

The meeting of the Finance and Facilities Committee, held in the Hart Board Room, Room 706, 7th Floor, Presidents Place, 1250 Hancock Street, Quincy, Massachusetts, was called to order at 6:00 PM. The member roll was called. The following members of the Finance and Facilities Committee were present at the call of the member roll: Paul Barbadoro, Esq.; Christopher Bell, Committee Chair; Barbara Clarke, Committee Vice Chair; Thomas Feenan. Absent at the call of the member roll were: Dr. Thomas Fitzgerald; William Grindlay, Chairman of the Board of Governors. A quorum was present.

Also present were: Mary Jo Brogna, Vice Chair of the Board of Governors; Peter H. Tsaffaras, J.D., President and Secretary of the Board of Governors; Aundrea Kelley, Vice President for Academic Affairs; Joseph Mercurio, Vice President for Administration and Finance; Mary Scott, J.D., Vice President for Human Resources; Stephen Kearney, J.D., Assistant to the President; Robert E. Baker, Jr., J.D., Dean of the Academic Division of Liberal Arts and Assistant Secretary of the Board of Governors; Dr. Kimberly Puhala, Associate Vice President for Institutional Research and Assessment; Susan Bossa, Associate Vice President for Student Development; Tom Pham, Associate Vice President for Communications and Information Technology; Martin Ahern, Director of Finance; Dr. Laurel Kornhiser, Instructor in English.

Motion by Mr. Feenan that the Finance and Facilities Committee approve the minutes of its meeting of February 12, 2014, as submitted. The motion was seconded by Mr. Barbadoro. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next addressed were two (2) requests for out of state travel. President Tsaffaras introduced each request for the members of the Committee and reviewed for them the process by which such requests are made and approved. Associate Vice President

Bossa presented the out of state travel request of Mary Moore, Disability Services Officer, to attend the Association on Higher Education and Disability (AHEAD) Conference in Sacramento, California, in July 2014. Ms. Clarke asked if Ms. Moore had ever attended the AHEAD Conference in the past. Associate Vice President Bossa replied that she did not believe that Ms. Moore ever had.

Motion by Mr. Feenan that the Finance and Facilities Committee recommend that the Board of Governors approve the out of state travel request of Mary Moore, Disability Service Officer, to attend the National Association on Higher Education and Disability (AHEAD) Conference from July 14 through July 18, 2014. The motion was seconded by Ms. Clarke. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Dr. Kornhiser then presented information on her request to attend and present a paper at the British Society for Literature and Science Conference at the University of Surrey, Guildford, Surrey, England, in April 2014.

Motion by Mr. Barbadoro that the Finance and Facilities Committee recommend that the Board of Governors approve the out of state travel request of Laurel Kornhiser, Ph.D., Instructor of English, to attend the British Society for Literature and Science Conference at the University of Surrey, England, to present a paper titled "Bishop, Neruda, Darwin, and Daselin", which extends the work of her dissertation, from April 10 through April 12, 2014. The motion was seconded by Ms. Clarke. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next addressed was the audit of Quincy College, titled "Report on Examinations of Basic Financial Statements/Fiscal Years Ended June 30, 2013 and 2012". President Tsaffaras presented information on the audit process and the presentation of the Report by James Powers of Powers and Sullivan, auditors, to him, Vice President Mercurio, and Director Ahern. President Tsaffaras continued that Mr. Powers will attend the meeting of the Board of Governors of March 27, 2014, to conduct for the members of the Board a page by page review of the audit and, in anticipation of that review, the Report was presented this evening for informational purposes.

Director Ahern then presented the Draft Financial Report for January 2014. He began with the Balance Sheet, stating that the cash position is at \$15.8 million, up three per cent (3 %) year to year. Receivables are in line with last year's position. Student financial aid was received by the College in March 2014 but is not reflected in this report, resulting in in high receivables. Ms. Clarke asked why payables are so high

compared to last year. Director Ahern replied that there is a charge of approximately \$500,000.00 to the bookstore that was not yet on the books as paid. He continued that a higher number of students have yet to waive their health insurance. Ms. Brogna asked if these students are billed by Quincy College for health insurance. Vice President Mercurio replied that they are tracked and followed up by the Business Office. Ms. Clarke asked if there are penalties for students' failure to waive health insurance in a timely manner. Vice President Mercurio replied that there are not, and continued that the annual health insurance premium has increased significantly. He reminded the Committee's members that student possession of health insurance is required by Massachusetts law. Vice President Mercurio then reported that after March 31, 2014, students who have not paid will be dunned. This has not been done in the past. President Tsaffaras explained that students who owe money to the College are prevented from graduating and from receiving other services, such as the provision of transcripts. Ms. Clarke asked whether a report is generated regarding students who have health insurance. President Tsaffaras suggested that for the next meeting of the Finance and Facilities Committee, a two (2) page report be provided describing the health insurance requirements, how payments are collected, how health insurance coverage through the College is waived, and how payments, waivers, and non-payment are reported. Ms. Brogna asked that the report reflect data for the last three (3) years (2011, 2012, and 2013). President Tsaffaras agreed that this information will be provided. Mr. Feenan expressed a concern that a three (3) year report will be confusing. Ms. Brogna replied by asking Mr. Feenan how he could sit there and listen to the same answers to questions about financial reports that "It's timing". Mr. Feenan responded that in many instances the answer is based on timing of bills, receipts, and payments. Mr. Barbadoro added that not all bills are paid on the same day or month and only at the end of a year can a true picture be had.

Director Ahern continued that revenues as of January 31, 2014, are down approximately one per cent (1 %) from budget. Adjunct instructor expenses for the current spring semester are not reflected in the Draft Financial Report for January 2014.

Under the "Statement of Revenues and Expenses", Page 4, "Non-traditional (NC/EXN) & New Program", Ms. Clarke asked why there is a negative variation. Vice President Mercurio replied that there are fewer non-credit offerings. Ms. Brogna replied that "You misbudgeted." Under "Capital Expenditures", Director Ahern continued that approximately thirty per cent (30 %) of projects have been completed, while all other projects are on schedule and on budget.

Referencing Page 9 of the Draft Financial Report, January 2014, Ms. Clarke asked why "Assets" have increased by 10.7 per cent but "Liabilities" for the same period have increased by seventy eight per cent (78 %). President Tsaffaras explained that the most significant cause is that of an accounting requirement for "Other Post-Employment Benefits" (OPEB). As mandated, potential post-employment liability has to be

encumbered against the Fund Balance, even if not expended. Vice President Mercurio added that Quincy College may seek an actuarial analysis to determine if the College's allocation can be reduced.

Regarding Page 5 of the Draft Financial Report, January 2014, Ms. Clarke asked what was meant by the column heading of "Expected". Director Ahern replied that it refers to what was budgeted. Vice President Mercurio suggested a different reporting format as revenues are not received evenly over twelve (12) months. Also on Page 5 of the Draft Financial Report, Ms. Clarke inquired about the amount of \$32,599.00 under "Bad Debt Allowance". President Tsaffaras explained that this was a figure required by the auditors but that it does not reflect the College's actual bad debt, which is very low.

In reference to "Net Assets – Unrestricted" on Page 9 of the Draft Financial Report, January 2014, Ms. Brogna asked why the amount has decreased from 2010 and stated that the Finance and Facilities Committee should keep an eye on that amount. Vice President Mercurio responded that the amount is another figure affected by OPEB. Mr. Feenan added that capital expenditures also caused the balance to decrease.

Next addressed were proposed budget transfers 1 through 4.

President Tsaffaras addressed proposed Transfer # 1, transferring to the "Breakage Account" the sum of \$80,128.00. He explained that this transfer was done at the request of Chairman Grindlay, based on the identification of unfilled positions and the transfer of resulting savings into "Breakage".

Mr. Bell explained the rationale for proposed Transfer # 2, transferring \$25,000.00 from the "ATI Testing fees" line to the "Consulting" line in order to fund the consultant to the Presidential evaluation process. Ms. Brogna asked why the funds were available from the "ATI Testing fees" line. Vice President Mercurio explained that students taking the exam now pay directly to ATI rather than it being a pass through.

President Tsaffaras explained the rationale for proposed Transfer # 3, transferring \$26,000.00 into the "Events" line, largely necessitated by the substantial cost of Commencement.

President Tsaffaras explained the rational for proposed Transfer # 4, transferring \$3,203.54 into the "Retirement Contribution" line and \$3,000.00 into the "City Services" line. President Tsaffaras added that the Retirement Contribution, at the time of the establishment of the FY 2014 budget, was estimated at \$1.2 million, some \$3,203.54 off of actual and the City Services line was increased by the City for FY 14, which was not known in April of 2013 when the budget was approved.

Motion by Mr. Feenan that that the Finance and Facilities Committee recommend that the Board of Governors approve budget transfers 1 through 4 as presented. The motion was seconded by Mr. Barbadoro. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Vice President Scott then presented to the members of the Committee proposed revisions to Quincy College's Policy on Recruitment Expenses (Policy 9-04A). Mr. Bell pointed out that the existing policy, including reimbursement amounts, has been in place since approximately 1985. Mr. Bell recommended that a general policy review be undertaken to update those policies of an older vintage. Ms. Clarke asked if there is a limitation on a candidate's duration of travel. Vice President Scott replied that the expenses must be reasonable and are capped at \$1,500.00.

Motion by Mr. Barbadoro that the Finance and Facilities Committee recommend that the Board of Governors approve the revisions to Policy 9-04A, Recruitment Expenses, as presented. The motion was seconded by Ms. Clarke. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Vice President Mercurio then presented a report titled "Massachusetts Community College Salary Survey – 2014". Vice President Mercurio explained the process by which the report was compiled but indicated that the report did need some editing. He continued that while some positions are similar across institutions, the duties of other positions can vary across institutions. The goal is to provide the members of the Board of Governors with annual reference points for comparison. Ms. Brogna described the report as a great start. Ms. Clarke stated that the person who prepared the report did a really great job. Ms. Brogna added, in referencing presidential salaries, that presidential experience and the financial stability of the institution also are factors in setting compensation.

Vice President Mercurio then presented a report titled "FY 14 Salaries (Non-Grant)/Budget v. Actual". In presenting the report, Vice President Mercurio explained that it had been produced at the request of the Board of Governors and was to include all budgeted positions. President Tsaffaras added that when the FY 2014 budget was being prepared, raises called for by the collective bargaining agreement with the Quincy Education Association, Unit E (professional staff) were available and were built into the budget. Non-unit employees who received salary increases in FY 2014 did so after the budget was approved by the Board of Governors. The FY budget did, however, contain a reserve to accommodate those raises so as the raises were granted, the reserve was drawn down. President Tsaffaras continued that when the FY 2014 budget was

approved by the Board of Governors, negotiations with the Quincy Education Association, Unit D (faculty) were ongoing and in fact appeared headed for mediation. No reserve was set aside for these raises. Ultimately, two (2) contracts, each of a three (3) year duration, were arrived at with Unit D.

Ms. Brogna replied that there remain inaccuracies in the report and that she would contact Vice President Mercurio during the week to discuss them. Ms. Brogna added that there are six (6) positions unfilled and she wants all positions funded. She continued that for the funded positions, the amount expended balances with the amount budgeted. Ms. Brogna stated her position as being that all desired positions be funded in order that they can be filled and if any positions go unfilled, the unexpended amount(s) can be transferred to the "Breakage" line. Ms. Clarke stated that the "Massachusetts Community College Salary Survey – 2014" and the report titled "FY 14 Salaries (Non-Grant)/Budget v. Actual" can be used to determine whether some positions should get raises. Ms. Brogna replied that the reports also may be used to determine which positions should not receive raises.

No matters were addressed under "Old Business".

No matters were addressed under "New Business".

At 7:20 PM, motion by Mr. Barbadoro that, pursuant to the provisions of Massachusetts General Laws, Chapter 30A, Section 21 (a) (6), the Finance and Facilities Committee enter into Executive Session to consider the lease of real property, as discussion of same in open session may have a detrimental effect on the negotiating positions of the College, and to reconvene in open session. The motion was seconded by Mr. Feenan. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Open and public session resumed at 7:52 PM. The member roll was called. The following members of the Finance and Facilities Committee were present at the call of the member roll: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan. The following members of the Finance and Facilities Committee were absent at the call of the member roll: Dr. Fitzgerald; Mr. Grindlay. A quorum was present.

At 7:52 PM, motion by Mr. Barbadoro that the meeting of the Finance and Facilities Committee be adjourned. The motion was seconded by Ms. Clarke. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan. There were no votes in opposition to the motion, and no abstentions. The motion was adopted and the meeting was adjourned.

**QUINCY COLLEGE
BOARD OF GOVERNORS**

FINANCE AND FACILITIES COMMITTEE

**MEETING OF APRIL 16, 2014
Minutes**

The meeting of the Finance and Facilities Committee, held in the Hart Board Room, Room 706, Presidents Place, 1250 Hancock Street, Quincy, Massachusetts, was called to order at 5:03 PM. The member roll was called. The following members of the Finance and Facilities Committee were present at the call of the member roll: Christopher Bell, Committee Chair; Thomas Feenan; Dr. Thomas Fitzgerald; William Grindlay, Chairman of the Board of Governors. Absent at the call of the member roll were: Paul Barbadoro, Esq.; Barbara Clarke. A quorum was present.

Also present were: Mary Jo Brogna, Vice Chair of the Board of Governors; Peter H. Tsaffaras, J.D., President and Secretary of the Board of Governors; Aundrea Kelley, Vice President for Academic Affairs; Joseph Mercurio, Vice President for Administration and Finance; Stephen Kearney, J.D., Assistant to the President; Mary Burke, Dean of the Plymouth Campus; Robert E. Baker, Jr., J.D., Dean of the Academic Division of Liberal Arts and Assistant Secretary of the Board of Governors; Martin Ahern, Director of Finance; William Hall, Director of Administrative Services and Facilities.

Motion by Mr. Feenan that the Finance and Facilities Committee approve the minutes of its meeting of March 19, 2014, as presented. The motion was seconded by Mr. Grindlay. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Bell; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Mr. Bell then presented to the Committee two (2) questions regarding budgeting for FY 2015 e-mailed to the members of the Committee by Ms. Brogna. The two (2) questions were: 1) What is the FY 15 goal for funding the reserve fund?; 2) Is it accurate that the New England Association of Schools and Colleges (NEASC) requires a community college to have 2 years' operating expenses in reserves? If so what is Quincy College's status and plan for this moving forward? Mr. Bell first addressed question 1. He responded that there is nothing in the draft FY 2015 specifically funding the reserve but in keeping with regular practice, any revenue realized over expenses would be placed in the Fund Balance. Mr. Bell expressed his agreement with the need to develop a

funding mechanism. Mr. Grindlay added that in his almost twelve (12) years as a member of the Board of Governors, the Fund Balance has always been funded by surplus, with no specific provisions for funding the Fund Balance otherwise having been made. Ms. Brogna stated that because the numbers are flat and projections for revenue in FY 2015 are flat, a plan should be developed to replenish the Fund Balance.

President Tsaffaras stated that while capital expenditures have increased over the years, those capital expenditures have increased the value of Quincy College's assets. "Other post-employment benefits" (OPEBs) are encumbered against the Fund Balance but are not spent. President Tsaffaras reported that the auditors recommended that the College retain an actuary to present numbers that may reduce the OPEB encumbrance.

Mr. Barbadoro and Ms. Clarke arrived at 5:13 PM.

Next addressed was the question of whether NEASC requires a community college to have on hand two (2) years of operating expenses. Vice President Kelley stated that Standard for Accreditation 9 does not set forth such a requirement, with neither the terms "reserve" nor "operating expenses" appearing in that Standard. Vice President Kelley further reported that she contacted NEASC regarding the substance of the question submitted by Ms. Brogna and Vice President Kelley stated that she was informed that there was no such requirement.

Next addressed was the proposed FY 2015 Quincy College budget. Mr. Bell introduced President Tsaffaras and Vice President Mercurio for the presentation of the proposed budget. President Tsaffaras then explained the budget book format to be used in the presentation. Ms. Brogna asked why the proposed line by line details are not in the budget book, to which Vice President Mercurio replied that such supporting details would be displayed on the screen and can be made available electronically to the members of the Board of Governors if they would like. Mr. Grindlay then asked why there is no budget book as has always been provided. Ms. Clarke asked if worksheets had been available prior to this meeting. President Tsaffaras replied that they had not. Ms. Clarke then asked if this was the result of the budget still having been prepared, and President Tsaffaras replied that such was the case.

President Tsaffaras then began a page by page review of the proposed FY 2015 budget, starting with the Board of Governors proposed budget. President Tsaffaras explained that the only change is under "Legal", to cover legal costs incurred by members of the Board of Governors who consult independently with the College's legal counsel. Mr. Grindlay objected and stated that such costs should either be included elsewhere or that a conservative amount be deducted from other expenses elsewhere. Ms. Clarke stated that legal expenses should come under a single line, not with a separate amount for the Board of Governors. Ms. Brogna stated that the manner in which legal counsel are used is not a budgetary matter. Mr. Barbadoro stated that the

separation of the legal expenses is a positive and gives the Board of Governors more freedom to seek legal advice without making such requests through the Office of the President. Dr. Fitzgerald agreed with the separate allocation. Mr. Grindlay remained opposed.

Motion by Mr. Feenan that the Finance and Facilities Committee recommend the approval of the FY 2015 budget for the Board of Governors as presented at \$132,000.00. The motion was seconded by Mr. Barbadoro. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Mr. Feenan; Dr. Fitzgerald. The following members of the Finance and Facilities Committee voted in opposition to the motion: Ms. Clarke; Mr. Grindlay. There were no abstentions. The motion was adopted.

Next addressed was the proposed budget for the President. President Tsaffaras described the two (2) new positions proposed, Director of Development and Assistant to the President for Campus Readiness. Mr. Bell asked about the timetable for hiring were the Board of Governors to approve the positions. Vice President Mercurio explained that some of the new positions proposed in this budget, as well as some non-personnel expenses, would not go forward if the budget's revenue projections are not met. President Tsaffaras added that if Summer I and Fall 2014 enrollments are on target, there is a reasonable assumption that the remaining terms will be good and allow for hiring. Ms. Brogna expressed concern that the proposed new positions are administrative. Vice President Mercurio replied that there are also proposed new faculty positions. Mr. Grindlay asked what guaranties are there in the budget that the discussed proposed positions will not be filled on July 1, 2014. Ms. Brogna replied that there must be a good faith approach that the administration will do as it has said it would.

Motion by Mr. Feenan that the Finance and Facilities Committee recommend the approval of the President's FY 2015 budget as presented at \$674,585.00. The motion was seconded by Dr. Fitzgerald. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Office of Institutional Research and Assessment.

Motion by Mr. Barbadoro that the Finance and Facilities Committee recommend the approval of the Office of Institutional Research and Assessment's budget as presented at \$118,944.00. The motion was seconded by Ms. Clarke. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Mr. Grindlay.

There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

President Tsaffaras, in response to a question from Ms. Clarke, stated that the positions that had been zero-funded during FY 2014, have, with two (2) exceptions, been funded in the proposed FY 2015 budget.

Next presented was the proposed budget for the Human Resources Department

Motion by Mr. Feenan that the Finance and Facilities Committee recommend the approval of the budget for the Human Resources Department as presented at \$347,469.00. The motion was seconded by Dr. Fitzgerald. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Office of Student Development.

President Tsaffaras stated that regarding events, the number of events has increased slightly, the number of students attending events has increased, and budgeting for all events has been centralized.

Motion by Mr. Barbadoro that the Finance and Facilities Committee recommend the approval of the budget for the Office of Student Development as presented at \$513,478.00. The motion was seconded by Mr. Feenan. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Plymouth Campus.

Mr. Grindlay asked for the amount of Plymouth Campus receipts for FY 2014. Vice President Mercurio replied that those receipts are \$3,629,865.00. Vice President Mercurio and Dean Burke added that they are confident that revenue for FY 2015 will cover the increased expenses proposed for the Plymouth Campus.

Motion by Ms. Clarke that the Finance and Facilities Committee recommend the approval of the budget for the Plymouth Campus as presented at \$1,911,872.00. The motion was seconded by Mr. Feenan. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion:

Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for Office of the Vice President for Administration and Finance.

Motion by Mr. Barbadoro that the Finance and Facilities Committee recommend the approval of the budget for the Office of the Vice President for Administration and Finance as presented at \$296,359.00. The motion was seconded by Mr. Feenan. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Office of the Vice President for Academic Affairs.

Mr. Bell asked that if the revenue projections are not met and those positions the filling of which are contingent upon the meeting of revenue projections are not to be filled, that the position of "Project Analyst and Support" be brought back before the Board of Governors for further consideration, given the importance of that position to the NEASC accreditation process. Ms. Clarke recommended that the position be removed from the contingency list. President Tsaffaras agreed to Ms. Clarke's recommendation, with the appropriate adjustments to be made to pages 3 and 33 of tab 9 of the proposed FY 2015 budget.

Motion by Mr. Barbadoro that the Finance and Facilities Committee recommend the approval of the budget for the Office of the Vice President for Academic Affairs, with amendments referenced above. The motion was seconded by Mr. Feenan. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Office of Non-Credit Education.

Motion by Mr. Feenan that the Finance and Facilities Committee recommend the approval of the budget for the Office of Non-Credit Education as presented at \$55,050.00. The motion was seconded by Mr. Barbadoro. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald;

Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Office of Online Learning and Inter-Institutional Affairs.

Motion by Mr. Feenan that the Finance and Facilities Committee recommend the approval of the budget for the Office of Online Learning and Inter-Institutional Affairs as presented at \$82,000.00. The motion was seconded by Ms. Clarke. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

At 6:48 PM, Mr. Bell called a recess of the meeting.

At 6:57 PM, the meeting was called back to order, with all members of the Finance and Facilities Committee still present.

President Tsaffaras announced that those variances appearing on pages 14, 15, 16, and 17 have been corrected.

Next presented was the proposed budget for the Office of Information Technology.

Motion by Dr. Fitzgerald that the Finance and Facilities Committee recommend the approval of the budget for the Office of Information Technology as presented at \$1,018,921.00. The motion was seconded by Mr. Barbadoro. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Registrar's Office.

Motion by Mr. Feenan that the Finance and Facilities Committee recommend the approval of the budget for the Registrar's Office as presented at \$336,911.00. The motion was seconded by Dr. Fitzgerald. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There

were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Office of Admissions.

Motion by Mr. Barbadoro that the Finance and Facilities Committee recommend the approval of the budget for the Office of Admissions as presented at \$304,948.00. The motion was seconded by Mr. Feenan. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Office of Academic Advising.

Motion by Mr. Feenan that the Finance and Facilities Committee recommend the approval of the budget for the Office of Academic Advising as presented at \$292,300.00. The motion was seconded by Dr. Fitzgerald. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Office of International Student Services.

Motion by Ms. Clarke that the Finance and Facilities Committee recommend the approval of the budget for the Office of International Student Services as presented at \$134,078.00. The motion was seconded by Dr. Fitzgerald. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Office of Strategic Marketing and Brand Management.

Motion by Mr. Barbadoro that the Finance and Facilities Committee recommend the approval of the budget for the Office of Strategic Marketing and Brand Management as presented at \$971,078.00. The motion was seconded by Dr. Fitzgerald. There was no

discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Office of Administrative Services and Facilities.

In response to a question from Ms. Clarke, Vice President Mercurio and Mr. Hall explained the reasons for an increase in the number of service calls.

Motion by Mr. Feenan that the Finance and Facilities Committee recommend the approval of the budget for the Office of Administrative Services and Facilities as presented at \$1,391,949.00. The motion was seconded by Mr. Barbadoro. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Office of Finance.

Motion by Ms. Clarke that the Finance and Facilities Committee recommend the approval of the budget for the Office of Finance as presented at \$436,035.00. The motion was seconded by Dr. Fitzgerald. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Office of Financial Aid.

Motion by Mr. Feenan that the Finance and Facilities Committee recommend the approval of the budget for the Office of Financial Aid as presented at \$338,670.00. The motion was seconded by Mr. Barbadoro. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Office of Career Services and Workforce Development.

Motion by Mr. Barbadoro that the Finance and Facilities Committee recommend the approval of the budget for the Office of Career Services and Workforce Development as presented at \$92,844.00. The motion was seconded by Ms. Clarke. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget of Library Services.

Motion by Mr. Feenan that the Finance and Facilities Committee recommend the approval of the budget for Library Services as presented at \$456,119.00. The motion was seconded by Dr. Fitzgerald. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Academic Division of Nursing.

In response to a question from the Committee, President Tsaffaras stated that the amount budgeted for supplies for the Academic Division of Nursing will be reviewed and if that amount needs to be amended, the matter will be presented at the meeting of the Board of Governors in which the FY 2015 budget is addressed.

Motion by Mr. Barbadoro that the Finance and Facilities Committee recommend the approval of the budget for the Academic Division of Nursing as presented at \$2,698,385.00. The motion was seconded by Dr. Fitzgerald. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Academic Division of Professional Programs.

Motion by Mr. Grindlay that the Finance and Facilities Committee recommend the approval of the budget for the academic Division of Professional Programs as presented

at \$1,543,704.00. The motion was seconded by Mr. Feenan. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Academic Division of Liberal Arts.

Motion by Mr. Barbadoro that the Finance and Facilities Committee recommend the approval of the budget for the Academic Division of Liberal Arts as presented at \$2,170,834.00. The motion was seconded by Dr. Fitzgerald. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Academic Division of Natural and Health Sciences.

Motion by Mr. Feenan that the Finance and Facilities Committee recommend the approval of the budget for the Academic Division of Natural and Health Sciences as presented at \$2,122,874.00. The motion was seconded by Dr. Fitzgerald. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Surgical Technology and Phlebotomy Programs.

Motion by Dr. Fitzgerald that the Finance and Facilities Committee recommend the approval of the budget for the Surgical Technology and Phlebotomy Programs as presented at \$293,274.00. The motion was seconded by Ms. Clarke. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for the Exercise Science Program.

Motion by Mr. Feenan that the Finance and Facilities Committee recommend the approval of the budget for the Exercise Science Program as presented at \$153,349.00. The motion was seconded by Mr. Barbadoro. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed budget for College Wide expenses.

Motion by Mr. Feenan that the Finance and Facilities Committee recommend the approval of the budget for College Wide expenses as presented at \$7,223,604.00. The motion was seconded by Mr. Barbadoro. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed Fee Budget.

Motion by Mr. Feenan that the Finance and Facilities Committee recommend the approval of the Fee Budget as presented at \$2,596,739.00. The motion was seconded by Dr. Fitzgerald. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next presented was the proposed Capital Budget.

Motion by Mr. Grindlay that the Finance and Facilities Committee recommend the approval of the Capital Budget as presented at \$970,900.00. The motion was seconded by Mr. Feenan. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Motion by Mr. Grindlay that the Finance and Facilities Committee recommend the approval of the Quincy College budget for FY 2015 in the amount of \$27,082,921.00. The motion was seconded by Mr. Feenan. There was no discussion on the motion.

The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

At 8:30 PM, motion by Mr. Feenan that the meeting of the Finance and Facilities Committee be adjourned. The motion was seconded by Ms. Clarke. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Clarke; Mr. Feenan; Dr. Fitzgerald; Mr. Grindlay. There were no votes in opposition to the motion, and no abstentions. The motion was adopted and the meeting was adjourned.

**QUINCY COLLEGE
BOARD OF GOVERNORS**

FINANCE AND FACILITIES COMMITTEE

**MEETING OF OCTOBER 30, 2014
Minutes**

The meeting of the Finance and Facilities Committee, held in the Hart Board Room, Room 706, 7th floor, Presidents Place, 1250 Hancock Street, Quincy, Massachusetts, was called to order at 6:01 PM. The member roll was called. The following members of the Finance and Facilities Committee were present at the call of the member roll: Paul Barbadoro, Esq.; Christopher Bell, Committee Chair; Eileen Bevivino-Lawton; Mary Jo Brogna, Vice Chair of the Board of Governors; Thomas Feenan, Chair of the Board of Governors; Dr. Thomas Fitzgerald; Carolyn O'Toole. No members were absent. A quorum was present.

Also present were: Peter H. Tsaffaras, J.D., President and Secretary of the Board of Governors; Joseph Mercurio, Vice President for Administration and Finance; Mary Scott, J.D., Vice President for Human Resources; Robert E. Baker, Jr., J.D., Dean of the Academic Division of Liberal Arts and Assistant Secretary of the Board of Governors; Martin Ahern, Director of Finance; William Hall, Director of Administrative Services and Facilities.

Motion by Mr. Feenan that the Finance and Facilities Committee approve the minutes of its meeting of April 16, 2014. The motion was seconded by Dr. Fitzgerald. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Brogna; Mr. Feenan; Dr. Fitzgerald; Ms. O'Toole. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next addressed were three (3) proposed budget transfers.

President Tsaffaras presented the purpose of and rationale for each of the proposed transfers.

The first transfer called for the transfer of \$30,000.00 from the Fund Balance (7000-35900) to the Legal Line (70580811-530004) to fund the cost of the Kevin Clapp settlement.

The second transfer called for the transfer of \$28,000.00 from the Fund Balance (7000-35900) to the Consulting Line (70580826-530109) to fund the recruiting for the vacant position of Medical Laboratory Technician Program Chair. Ms. Brogna asked about the economics of hiring a recruiter for the cited position, given that the MLT Program is small. President Tsaffaras replied that the field is in high demand and is a program that should grow, given high placement rates. Vice President Scott added that the recruiter's fee is one third of the employee's first year's salary, which has a range of \$70,000.00 to \$90,000.00. The fee is paid only upon selection and placement.

The third transfer called for the transfer of \$9,000.00 from the Fund Balance (7000-35900) to the QPS Assessment Line (70580831-560906) to fund the vacation and sick pay of a Quincy Public School employee previously assigned to Quincy College. Mr. Bell asked about the terms by which QPS employees worked at Quincy College. President Tsaffaras described the relationship.

Motion by Mr. Barbadoro that the Finance and Facilities Committee recommend the approval of the three (3) transfers presented. The motion was seconded by Mr. Feenan.

On the motion, Ms. Brogna asked where from within the Fund Balance are the proposed funds coming. President Tsaffaras replied that the funds would be coming from the Reserve. He continued that if these expenses had arisen later in the academic year, savings may have been identified from which these expenses could have been paid.

The following members of the Finance and Facilities Committee voted in favor of Mr. Barbadoro's motion to recommend approval of the three (3) transfers: Mr. Barbadoro; Mr. Bell; Ms. Bevivino-Lawton; Ms. Brogna; Mr. Feenan; Dr. Fitzgerald; Ms. O'Toole. There were no votes in opposition to the motion, and no abstentions. The motion was adopted.

Next addressed was the FY 2014 Draft Financial Report. President Tsaffaras reported that FY 2014 was not as profitable as had been hoped, with the preponderance of the shortfall coming from a \$576,000. deficit in the Nursing Program. FY 2014 did, however, finish in the black.

Vice President Mercurio explained that the revenue target was not met and savings did not make up for the shortfall. He then illustrated this by referring to documents titled "Revenue Comparison FY 13 and FY 14" and "Credit Comparison FY 13 and FY 14". Ms. Brogna asked, regarding Nursing, why credits appear higher but revenue did not meet target. Vice President Mercurio explained that the credits were down from FY 13 and from FY 14 projections. He then continued with a review and explanation of the "Balance Sheet" and "Statement of Revenue and Expenses". Vice President Mercurio added that based on an actuarial analysis, "Other Post-Employment Benefits" (OPEBs)

may be reduced but more information is needed from the City of Quincy, which information should be received next week. Vice President Mercurio then reviewed the annual encumbrance for OPEBs for FY 2008 through FY 2014. Ms. Brogna stated that given the progression of the encumbrances year to year, a similar number should have been set aside and paid each year. Vice President Mercurio agreed that money needs to be put into a trust to fund this liability, as failure to do so causes the obligation to compound.

Ms. Brogna then asked about the status of the positions on the "contingent" list. Vice President Mercurio replied that the positions are still contingent and remain unfilled.

President Tsaffaras then presented the Chart of the Month, illustrating fall 2014 enrollments through October 24, 2014.

Next addressed was the Draft Financial Report for the First Quarter of FY 2015.

Vice President Mercurio reviewed this Draft Financial Report, starting with the "Balance Sheet", showing a cash position of \$150,000. higher than the same time last year. "Accounts Receivable" are high because financial aid was only received today, after the date of the report. Vice President Mercurio described the "Profit and Loss" for the first quarter of FY 2015 as almost on budget.

Ms. Brogna, after a presentation by President Tsaffaras on the contingent positions, recommended that a conservative approach be used regarding these positions until the finances shake out.

Ms. Brogna praised the work that has gone into the preparation of the various statistical reports presented this evening. Mr. Feenan stated that the reports will be great tools for use in budget planning.

In response to a question from Ms. Brogna, Vice President Mercurio replied that he would be more comfortable making a projection for the fiscal year after the conclusion of the add/drop period for the spring 2015 semester. Mr. Barbadoro added that if expenses are reined back, such reductions should not come from Marketing.

Next addressed was a meeting schedule for the Finance and Facilities Committee for the current academic year. Mr. Bell recommended that the Committee meet during the weeks prior to scheduled meetings of the Board of Governors, that a schedule be developed for the year, and if any of the scheduled meetings turn out to be not needed that they be cancelled. In any event, the administration is to provide the members with monthly financial reports even for those months during which no Finance and Facilities Committee meetings are to be held.

After discussion, the Finance and Facilities Committee determined the following meeting schedule, with all such meetings to commence at 6:00 PM:

January 8, 2015;

March 19, 2015;

April 2, 2015 (to address the FY 2016 budget);

April 9, 2015 (to address the FY 2016 budget).

Mr. Feenan, Mr. Barbadoro, and Mr. Bell asked that the Home Rule Petition, as enacted, be examined to determine whether Quincy College's budget must, as a matter of law, be presented to the City of Quincy, although the members agreed that even if there no longer exists such a legal obligation that the College budget still should be presented to the City of Quincy as a courtesy.

Mr. Feenan reminded the members of the Finance and Facilities Committee that a date needs to be identified on which to honor former Chairman Grindlay. It was Mr. Feenan's sense that many employees of the City of Quincy would wish to attend such an event.

At 7:16 PM, motion by Mr. Barbadoro that the meeting of the Finance and Facilities Committee be adjourned. The motion was seconded by Dr. Fitzgerald. There was no discussion on the motion. The following members of the Finance and Facilities Committee voted in favor of the motion: Mr. Barbadoro; Mr. Bell; Ms. Bevivino-Lawton; Ms. Brogna; Mr. Feenan; Dr. Fitzgerald; Ms. O'Toole. There were no votes in opposition to the motion, and no abstentions. The motion was adopted and the meeting was adjourned.