

SUNY BROOME COMMUNITY COLLEGE
Board of Trustees
Finance and Facilities Committee Minutes
March 28, 2017 ~ W107 Conference Room

COMMITTEE MEMBERS PRESENT:

Orion Barber, George Akel, Anthony Paniccia (served as Chairperson)

SUNY BROOME ADMINISTRATION PRESENT:

Dr. Drumm, Dr. Battisti, Debra Morello, Michael J. Sullivan, Lynn Fedorchak, Jeanette Tillotson, Jesse Wells

Chairperson Paniccia called the meeting to order at 8:02 a.m.

1. ACTION ITEMS

1.1 RECOMMEND APPROVAL OF PAYROLL CERTIFICATION

Trustee Akel moved that the Finance and Facilities Committee approves the filing of the College payroll for February 2017. Trustee Barber seconded the motion, and it was unanimously approved.

1.2 RECOMMEND APPROVAL OF PETTY CASH

Trustee Barber moved that the Finance and Facilities Committee approves expenditures from petty cash accounts for February 2017 and reimburse the funds in the amounts designated. Trustee Akel seconded the motion, and it was unanimously approved.

1.3 RECOMMEND APPROVAL OF LETTER OF AGREEMENT FOR RENEWAL OF THE EDUCATION ADVISORY BOARD WITH COMMUNITY COLLEGE EXECUTIVE FORUM

Trustee Akel moved that the Finance and Facilities Committee recommends that the Board of Trustees approves the Letter Of Agreement for Renewal of The Education Advisory Board with Community College Executive Forum for the term of June 5, 2017 to June 4, 2020 at a cost of \$52,813. Trustee Barber seconded the motion, and it was unanimously approved.

2. INFORMATION ITEMS

2.1 President's Report

Dr. Drumm gave his report to the committee.

He discussed the Excelsior Scholarship with the committee.

The Senate budget came out with a \$50 increase to FTEs base aid and the Assembly budget came out with a \$100 increase to FTEs base aid. We are on a very short list where in either case we would then see an increase in state aid for next year. We are waiting to see what happens. There was further discussion on the budget. He has had lengthy exchanges with Fred (Akshar) and Donna (Lupardo) and they understand our situation very well. He thought we should be in good shape.

The Senate passed a requirement that the Regional Community College Councils will now have to approve the programs before they are sent to SUNY; one more step in the process. We have to demonstrate that it is supporting the local economy and there are jobs. We will have to see if it passes the Assembly and Donna will keep him posted.

We had two (2) candidates visit the campus for Debbie's position, and he intends to make an offer on Wednesday hoping to have it taken care of by Friday.

2.2 SUNY Broome Budget and Financial Developments

Michael reviewed the 2016-17 budget forecast with the committee which has not changed materially over the last four months. Trustee Akel commented that it was a good job!

He also went over the 2017-18 preliminary draft budget with the committee explaining that they used 2013-14 actual as a benchmark by which we are doing the analytics and recommendations for next year's budget primarily because the enrollment is almost dead on target for 2013-13.

We are anticipating a 3.5% student tuition increase; the last three years' it has averaged about 3.9%. This year's budget there was a 4.4% increase in tuition. As Dr. Drumm stated, we are using a conservative \$50 per FTE. Every \$50 per FTE is worth about \$250 million.

We are close in terms of the framework and there is a lot of work we have to do over the next three or four weeks, but this should be a pretty representative of what we will present at next month's meeting.

Trustee Akel asked if we are proposing a 4% tuition increase? Michael said 3.5%.

This report was submitted to the committee for information.

2.3 Reports for Board Information

2.3.1 SUNY Broome Facilities Update

Michael told the committee that they are finalizing the bid for the Mechanical Building.

He updated the committee on the Carnegie Project. SHPO (State Historic Preservation Office) made a recommendation at the end of January to the National Park Service (NPS). NPS just last week provided us a written request for revisions which were included in the report. Two of the three seem not significant and one item, depending on getting a better interpretation from NPS might be substantial. Trustee Barber asked which item and Michael responded number 2 the proposed HVAC plans. NPS has subsequently said no drop ceilings and what is not clear is whether they want any HVAC running through the first floor which would be a substantial issue for us since there is kitchen equipment on the first floor and you have all the ducts to ventilate.

There will be more discussion with SHPO on the issue. Trustee Akel asked what our architects had to say about this; do they have an alternatives. Michael replied that they want to get clarity first before they go back to the drawing board.

There is a lot of other dynamics going on with Carnegie. The bids were opened middle of last week. Given the comprehensiveness and the number of bidders, all of that is getting vetted right now. Meanwhile we are pursuing historical tax credits which are all dependent on getting approval by NPS. That number is about \$3.5 million now. Parallel to historical tax credit is New Market Tax Credits (NMTC). NMTCs has been recommended by staff and it is going to the NMTC Advisory Committee on Friday. It is gets approved by the advisory committee, then it goes to the Empire State New Market Tax Board and that will be within the next couple of weeks. If that gets approved by the NMTC Board, then it goes to the parent company – Empire State Development in May. If it is approved there, it has to go to public hearing. The soonest we would be presenting a project to the Board would be at the June 15th meeting and only if the historic tax credits are approved.

Trustee Paniccia asked how were the bids were within the budget. Michael responded that they were pretty close in terms of the actual construction bid. There were a lot of add alternates especially based on NMTC. NMTC only finances operating assets no capital assets. To be able to get to their allotment that they were willing to provide, we added some add alternates above and

beyond what the initial very conservative budget had in it. We had culinary equipment obviously; the add alternate had some upgrades to that. A lot of technology, infrastructure connected to Carnegie but would also significantly enhance the campus. There was further discussion on the bid.

We cannot award the bid until we have sufficient resources to support the project. Today we are at \$10.2 million; \$5 million from SUNY, \$3 million from the County and \$2.2 from REDC. We will have more non-SUNY money than the SUNY \$5 million; why wouldn't we go back to SUNY to get match able money against new market, county and historical. We have appealed to SUNY as of yesterday requesting a temporary appropriation out of their budget; a little under \$1.9 million of additional from the Dorm Authority (DASNY) which increase their number from \$5 million to almost \$7 million. We should be at \$16.5 to \$17.5 million project.

Trustee Paniccia asked if this would impact the construction schedule. Michael said yes it will. Trustee Paniccia said then we will be delayed by a semester. Michael responded at least a semester and there was further discussion.

The committee was asked to approve submitting the Three-Year Capital Improvement Plan to the Board of Trustees. Trustee Akel moved that the Finance and Facilities Committee recommends that the Board of Trustees approves the Three-Year Capital Improvement Program for fiscal years 2018-2020. Trustee Barber seconded the motion, and it was unanimously approved.

- 2.3.2 Personnel Report
- 2.3.3 Budget Transfers
- 2.3.4 Grant Approvals
- 2.3.5 Investment Report

These reports were submitted to the committee for information.

Trustee Barber made a motion to adjourn the meeting, and Trustee Akel seconded the motion which was unanimously approved. The meeting adjourned at 8:42 a.m.

The next Finance and Facilities Committee Meeting is scheduled for Tuesday, April 27, 2017 in the Wales 107 Conference Room