

SUNY BROOME COMMUNITY COLLEGE
Board of Trustees
Official Finance and Facilities Committee Minutes
April 25, 2017 ~ W107 Conference Room

COMMITTEE MEMBERS PRESENT:

Marc Newman, George Akel, Orion Barber, Anthony Paniccia, Nicholas Serafini

SUNY BROOME ADMINISTRATION PRESENT:

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

Chairperson Newman called the meeting to order at 7:59 a.m.

1. ACTION ITEMS

1.1 RECOMMEND APPROVAL OF PAYROLL CERTIFICATION

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

1.2 RECOMMEND APPROVAL OF PETTY CASH

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

1.3 RECOMMEND APPROVAL OF RESOLUTION FOR REVISED POSITION DESCRIPTION FOR DIRECTOR OF ADMISSIONS

Trustee Serafini moved that the Finance and Facilities Committee recommends that the Board of Trustees approves the resolution for the revised position description of Director of Admissions. Trustee Akel seconded the motion, and it was unanimously approved.

1.4 RECOMMEND APPROVAL OF RESOLUTION FOR SABBATICAL LEAVES

Trustee Serafini moved that the Finance and Facilities Committee recommends that the Board of Trustees approves the resolution for the sabbatical leaves. Trustee Paniccia seconded the motion, and it was unanimously approved.

1.5 RECOMMEND APPROVAL OF RESOLUTION GIVING APPROVAL TO SUBMIT THE PROPOSED 2017-2018 OPERATING BUDGET TO THE COUNTY EXECUTIVE AND BROOME COUNTY LEGISLATURE

Trustee Orion discussed with the committee that the Student Assembly has recently been looking over the Student Activity Fee budget. They feel there are some expenditures in the Student Activity Fee budget that should be in the College's operational budget. After further discussion, it was recommended to approve submitting the operating budget and to provide a report back to the committee on how this does get resolved.

Trustee Orion moved that the Finance and Facilities Committee recommends that the Board of Trustees approves the resolution giving approval to submit the proposed 2017-2018 operating budget to the County Executive and Broome County Legislature. Trustee Akel 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 said that the whole issues of fees in general, not just the Student Activities fees is going to be a major question going forward, particularly around the Excelsior Scholarship. It has been an issue all along since the cuts that we took in the great recession. We are back to where we were with state subsidy in 2009. All the increases and expenses that the college had absorbed since 2009 have essentially gone elsewhere. The county has raised their allocations slightly since 2009, anywhere from zero (0) to one (1) or two (2) percent a year. Going towards \$2 million that the budget has increased since 2009 so the county doesn't have that kind of impact with their subsidy and the state has had virtually no impact since 2009 for whatever increases we have incurred for operating the college or salaries or anything else. Unfortunately those funds have to come from somewhere and across the entire state, across all 30 community colleges, those funds have come from students in the form of tuition and fees. With the advent of the Excelsior Scholarship that is only going to ratchet it up all the more and especially given the cuts in the state subsidies that the community colleges received across the board this year. Conversation around what the fees ought to be and how they ought to be allocated has reached a peak really across the state and is going to be a matter for debate for a while.

He wanted to give Michael the time so they understand the basics that underlie the budget going to the county. The big factor is the wildcard regarding enrollment. We have no idea what impact this is going to have on the community colleges especially with the Excelsior Scholarship.

2.2 SUNY Broome Budget and Financial Developments

Michael reviewed the 2016-17 budget forecast with the committee, as of April 30, 2017 which set the framework for developing next years' budget.

We had three (3) major challenges with this year's (2016-17) budget:

- Revenues were overstated by about \$700K
- Payroll was under budgeted by about \$600K based on the fact that the budget for last year's actual only had two percent (2%) for salary and wage but that was three percent (3%) and that carried over into this year's budget with a two percent (2%) instead of a three percent (3%) so we had a compounded two percent (2%) gap against \$30 million of payroll
- We wanted to eliminate the use of fund balance which was about \$400K

These three areas resulted in a \$1.7 million challenge for this year's budget in order to get it sustainable, which we are forecasting will be a balanced 2016-17 budget. We are still working very hard at implementing a number of initiatives, but based on all the indicators we have, we think we will have a balanced budget for this year.

We are basing next year's budget on the 2016-17 forecast for most of the items. The most critical item that is driving this budget is what we are forecasting student FTEs, net Fast Forward. The FTEs for 2013-14 and the proposed FTEs for 2017-18 are comparable. A column in the 2017-18 budget document was included for 2013-14 payroll costs and we rolled them forward by four (4) years to 2017-18, based on union wage settlements. Michael discussed further each line item and assumptions in the 2017-18 proposed budget with the committee, based on the SUNY Broome 2017-18 operating budget documents provided to the committee.

A draft of the 2017-18 tuition and fees schedule and the proposed 2017-2018 County sponsor services was provided for information. Michael also updated the committee on the \$230,000 of State rental aid for the high schools providing space for the Fast Forward program; fiscal year 2016-17 is the last year that it will be in the budget.

We are asking for a two percent (2%) increase from the county. He and Dr. Drumm had a very constructive meeting with the County Executive's team about a month ago regarding capital projects that are pending that have SUNY support. The County Executive is committed over the next couple of years to propose County funding for the core building capital projects approved by SUNY.

In summary this proposed 2017-18 budget is very viable, very sustainable. Mr. Sullivan thinks it is critical to fund key College investments, especially in technology, capital repairs and preventative maintenance and equipment. The 2017-18 budget includes honoring our 3 labor agreements. The budget provides the college comparable funding as in prior years for equipment, smaller cost capital projects and several other campus initiatives, including software investments we need to make. This budget does not include any appropriation of fund balance.

Trustee Serafini asked how we fair with the other 29 community colleges with 47% in fringe benefits? Very comparable Michael responded.

Trustee Akel congratulated Michael, his staff and the administration for this year's budget particularly with a \$1.7 million budget deficit to address this year (2016-17) and to handle that. He has a lot of confidence in the 17-18 budget; you will handle it one way or the other. Good job!

This report was submitted to the committee for information.

2.3 Reports for Board Information

2.3.1 SUNY Broome Facilities Update

Michael referred to a written summary of the progress we have been making on the Carnegie project.

The College's contract with the external auditors (Bonadio) expires, and we have issued an RFP. He anticipates the College bringing a recommendation to the Board in May, 2017.

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 8:40 a.m.

The next Finance and Facilities Committee Meeting is scheduled for Monday, May 15, 2017 at 8:00 a.m. in the Wales 107 Conference Room