

SUNY BROOME COMMUNITY COLLEGE
Board of Trustees
Finance and Facilities Committee Minutes
September 13, 2016

COMMITTEE MEMBERS PRESENT:

Chairperson Newman, George Akel, Anthony Paniccia, Nicholas Serafini

SUNY BROOME ADMINISTRATION PRESENT:

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

Chairperson Newman called the meeting to order at 8:00 a.m.

1. ACTION ITEMS

1.1 RECOMMEND APPROVAL OF PAYROLL CERTIFICATION

Trustee Paniccia moved that the Finance and Facilities Committee approves the filing of the College payroll for August 2016. Trustee Akel seconded the motion, and it was unanimously approved.

1.2 RECOMMEND APPROVAL OF PETTY CASH

Trustee Akel moved that the Finance and Facilities Committee approves expenditures from petty cash accounts for August 2016 and reimburse the funds in the amounts designated. Trustee Serafini seconded the motion, and it was unanimously approved.

1.3 RECOMMEND APPROVAL OF DEPARTMENT OF SOCIAL SERVICES TRAINING GRANT 2016-2017

Trustee Akel moved that the Finance and Facilities Committee approves on behalf of the Board of Trustees the Department of Social Services Training Grant 2016-2017 in the amount of \$75,000 for the period of August 1, 2016 to July 31, 2017 with a required match of \$22,500 (30%) of total grant amount to be contributed as cost share. Trustee Serafini seconded the motion, and it was unanimously approved.

1.4 RECOMMEND APPROVAL OF FEDERAL PERKINS IV GRANT FUNDS – 2016-2017

Trustee Serafini moved that the Finance and Facilities Committee recommends that the Board of Trustees approves on behalf of the Board of Trustees the Federal Perkins IV Grant Funds – 2016-2017 in the amount of \$350,397 for the period of July 1, 2016 to June 30, 2017 with no required match. Trustee Akel seconded the motion, and it was unanimously approved.

1.5 RECOMMEND APPROVAL OF ADVERTISING WITH RIGER ADVERTISING AGENCY, INC. FOR 2016-17 ACADEMIC YEAR

Trustee Serafini moved that the Finance and Facilities Committee recommends that the Board of Trustees approves advertising with Riger Advertising Agency, Inc. for the 2016-2017 Academic Year not to exceed \$70,000. Trustee Paniccia seconded the motion, and it was unanimously approved.

1.6 RECOMMEND APPROVAL CONTRACTING WITH PARK OUTDOOR

Trustee Serafini moved that the Finance and Facilities Committee recommends that the Board of Trustees approves contracting with Park Outdoor Advertising of New York, Inc. for the 2016-2017 Academic Year not to exceed \$70,000. Trustee Akel seconded the motion, and it was unanimously approved.

1.7 RECOMMEND APPROVAL OF BID #2016-17 TO AWARD A CONTRACT TO MIDSTATE PRINTING COMPANY FOR THE ALUMNI MAGAZINE

Trustee Paniccia moved that the Finance and Facilities Committee recommends that the Board of Trustees approves contracting with Midstate Printing Corporation for the Alumni Magazine for a term of three (3) years from September 1, 2016 to August 31, 2019 for six (6) issues in the amount of \$90,217.62. Trustee Serafini seconded the motion, and it was unanimously approved.

1.8 RECOMMEND APPROVAL TO CONTRACT WITH SHI INTERNATIONAL CORPORATION FOR A CAMPUS-WIDE ADOBE CREATIVE CLOUD ENTERPRISE SUBSCRIPTION

Trustee Akel moved that the Finance and Facilities Committee recommends that the Board of Trustees approves contracting with SHI International Corp. for a Campus-Wide Adobe Creative Cloud Enterprise Subscription for the period of October 1, 2016 to June 30, 2019 at a cost of \$60,208. Trustee Paniccia seconded the motion, and it was unanimously approved.

**1.9 RECOMMEND APPROVAL OF RESOLUTION FOR NEW POSITION
DESCRIPTION FOR ASSISTANT DEAN**

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

**1.10 RECOMMEND APPROVAL OF RESOLUTION FOR NEW POSITION
DESCRIPTION FOR ASSOCIATE DEAN**

Trustee Paniccia moved that the Finance and Facilities Committee recommends that the Board of Trustees approves the resolution for the new position description of Associate Dean. Trustee Akel seconded the motion, and it was unanimously approved.

**1.11 RECOMMEND APPROVAL OF THE RESOLUTION FOR THE NEW POSITION
DESCRIPTION OF VICE PRESIDENT FOR STUDENT DEVELOPMENT AND
CHIEF DIVERSITY OFFICER**

Trustee Akel moved that the Finance and Facilities Committee recommends that the Board of Trustees approves the resolution for the new position description of Vice President for Student Development and Chief Diversity Officer. Trustee Paniccia seconded the motion, and it was unanimously approved.

**1.12 RECOMMEND APPROVAL OF RELEASE-OF-RETAINAGE TO POSTLER
AND JAECKLE CORPORATION FOR THE DECKER DIGITAL CONTROLS
AND ENERGY MANAGEMENT PROJECT**

Trustee Paniccia moved that the Finance and Facilities Committee recommends that the Board of Trustees approves the release-of-retainage to Postler and Jaeckle Corporation for their work on the Decker Digital Controls and Energy Management Project in the amount of \$9,590. Trustee Serafini seconded the motion, and it was unanimously approved.

**1.13 RECOMMEND APPROVAL TO CONTRACT WITH LECHASE
CONSTRUCTION SERVICES, LLC FOR CONSTRUCTION MANAGEMENT
FOR THE CARNEGIE RENOVATION LIBRARY PROJECT**

Trustee Paniccia moved that this item be tabled and brought to the full Board meeting on Thursday, September 15th. He also asked that the trustees be provided with a copy of the Request for Proposals, a copy of the proposals that were submitted, and a copy of the budget that was prepared by LeChase for the project. Trustee Akel seconded the motion and it was unanimously passed.

2. INFORMATION ITEMS

2.1 President's Report

Dr. Drumm gave his report to the committee.

Our Achieving the Dream coaches were on campus all day yesterday and are here half the day today. One is the Leadership Coach and one is the Data Coach. Francis has been heading this visit.

The semester started very well; very smooth with the opening of everything. Enrollment continues to run roughly 1% ahead of budget, and we are 3% down from last year. At the president's meeting last week enrollments are down across the state; two institutions are flat, others are down from 2% to 13% this year. The average is close to 5% down this year. One was up 4.5%, but they were almost bankrupt last year. They had to borrow money from SUNY to pay their salaries last year because their enrollment decreased so much over the last few years. Trustee Serafini asked who that was and the president said it was Sullivan.

Trustee Akel said that it was nice PR in the paper today and on television last night for the 9/11 ceremony. The president said it was important because we train so many first responders and to honor the first responders as a community college.

Trustee Serafini asked about the proforma for Carnegie, and the president said that Michael will have it Thursday night.

2.2 SUNY Broome Budget and Financial Developments

Michael gave his report to the committee.

In the packet is another forecast for year-end which is pretty comparable to the forecast provided a month before. This month's forecast reflects an increase in fund balance of about \$350,000; the budget was approximately \$150,000, therefore the total amount of fund balance needed for 2015-16 is approximately \$500,000. Just as a context, for the current 2016-17 adopted budget, appropriated fund balance is \$380,000. Top priorities as it relates to the current year's budget, is to ensure that we have a balanced budget without the need for fund balance. Fund balance is at the lower end of the 5% to 15% range and the college's target over the last couple of years is to try to rebuild fund balance to about 10%.

As you look at the forecast student revenues and fees are down about a million dollars and payroll totaling about \$30 million had a negative variance of about 2% combining a \$600,000 variance in payroll and a million-dollar negative variance on student revenue side, the total is a \$1.6 million deficit.

There were significant cost savings in the contracted services and employee benefits area that totaled about \$1.3 million which offset most of the \$1.6 million deficit, results in the forecast of an additional \$350,000 for fund balance. One benefit we do not have in the 2016-17 budget is that we had about an \$800,000 savings on the employee benefits side primarily because the 2015-16 budget anticipated a 5% increase in health insurance and it was flat. In this year's 2016-17 budget the employee benefits budget is \$600,000 less compared to what it was last year, so that \$800,000 savings in 2015-16 will not reoccur in 2016-17.

Getting out of the gate at the beginning of this year, Executive Council has committed to the allotment of a certain amount of spending for the department's and setting aside funds in the budget knowing that the enrollment dynamics are very volatile. As Dr. Drumm mentioned the most current report we received last night was that fall enrollment FTEs compared to last year are down about 2%. Given a 4% reduction built into the budget and knowing that the spring is normally a percent or two below what the Fall numbers are typically so on average just straight lining it if we had a 2% reduction in fall and a 4% reduction in spring, we have about a 3% reduction initially anticipated for the year, which is about 1% better than what is budgeted that equates to about \$250,000 in terms of tuition revenue.

We just need to be extremely vigilant with resource allocation for personnel as 85% of our costs are payroll and benefits. We are going to implement a number of additional processes to review vacant positions, and staffing patterns going forward.

We are currently in the process of closing the books for 2015-16 and we have 60 days to get the financials completed. We are anticipating Bonadio being onsite for the audit in early November. We have already had some preliminary discussions with them relative to preparing for the audit.

There was some discussion at last month's meeting about the amount of our costs for credit card transactions and initially the estimate was merchant fees were in the 3% to 3.5% range. Jeanette did some further research and will provide you an update.

Jeanette reported upon review of the actual statements for the past year, that on \$8.95 million billed, our merchant fees were \$140,000 which is about 1.6%. We also paid an additional \$23,000 to the company that handles the PCI compliance, which is done at their site.

Trustee Serafini asked on a \$52 million budget our fund balance is \$2.6 million is right around 5%. If we dip below that 5% do we get in trouble. The President said that the auditors might mention it. There was further discussion regarding the fund balance.

This report was submitted to the committee for information.

2.3 Reports for Board Information

2.3.1 SUNY Broome Facilities Update

The president said that there was no word from DASNY on the IDA Building.

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 Paniccia made a motion to adjourn the meeting, and Trustee Akel seconded the motion which was unanimously approved. The meeting adjourned at 8:25 a.m.

The next Finance and Facilities Committee Meeting is scheduled for Tuesday, October 11, 2016 in the Wales 107 Conference Room

9.15.16 – Approved by the Board of Trustees