

FINANCE COMMITTEE  
BOARD OF TRUSTEES  
MINUTES

Meeting of October 10, 2017

**Finance & Capital Committee members 2017-2018:**

**Linda Green, Chair**

**John DeGrace**

**Wanda Jackson**

**Edward Powers**

The meeting of the Finance Section of the Finance and Capital Committee of the Board of Trustees was called to order by Vice Chair Weiss on the eleventh floor of the Administrative Tower at approximately 5:10 p.m.

Finance & Capital  
Committee members

Present: Linda Green, Chair  
Edward Powers

Trustees also  
in attendance:

Kathy Weiss, Vice Chair, appointed ad hoc to the Finance & Capital Committee  
Therese Russell, Student Trustee, appointed ad hoc to the Finance & Capital Committee

Also in attendance:

President Keen  
VPs Conzatti, Murray, Muscarella, Reznik  
AVP Friedman-S.  
Comptroller Izquierdo  
Procurement Director Cappello  
CIO Lawless

\* Vice Chair Weiss appointed Trustee Russell ad hoc to the Finance & Capital Committee for the October 10, 2017 meeting.

AGENDA ITEMS

1. Minutes of the Finance Section of the Finance & Capital Committee meeting of September 12, 2017 were presented for approval. Vice Chair Weiss made a motion, seconded by Trustee Russell. The minutes were approved.

2. Pending College Procurement Agreement—There were no Pending College Procurement Agreements to be presented at the October 10, 2017 Finance & Capital Committee meeting.

3. Comptroller's Report—August, 2017. Comptroller Izquierdo advised that the audit of OTPS disbursements and Personal Service Contracts for August, 2017 were reviewed with no findings. Regarding the Accounts Receivable Report collections for old receivables is ongoing. The fall 2016 and spring 2017 collections are above 95% and fall 2017 collections are ongoing. Vice Chair Weiss suggested a change to the Accounts Receivable report to show the total amount collected for each semester as the current chart is confusing. Comptroller Izquierdo will review the format.

ADDENDUM ITEMS

1. Resolution: Residents of Puerto Rico & the U.S. Virgin Islands.

President Keen advised that everyone is aware of the damage from the two hurricanes. NCC had a collection of supplies that were sent to a set area in Suffolk County which was then sent to the islands. This was a coordinated effort on Long Island through the governor's office. A press release was also sent out by the governor's office urging the State University of New York Board of Trustees to adopt policies for resident tuition rate for these students. SUNY passed a resolution to have state operated campuses allow resident tuition for any students from those islands and urged the Boards of Trustees of community colleges to follow that lead and adopt a resolution. NCC has formulated this resolution.

VP Reznik advised the resolution encompasses academic year 2017-2018. NCC will follow both Governor Cuomo's and SUNY's guidance. There was a similar resolution after the earthquake in Haiti several years ago.

Trustee Powers made the motion, seconded by Vice Chair Weiss. The resolution will be sent to the full Board of Trustees for approval.

2. Discussion: New York State Operating Aid Funding Formula.

President Keen advised that state aid at NCC is directly tied to enrollment. NCC has suffered by the loss of state aid over the last years when enrollment has gone down. Last year, the work group consisting of the Community College Business Officers, Community College Presidents and a team of SUNY Business Officers and the Vice Chancellor (who oversees community colleges) deliberated over a new funding model. Produced by these deliberations, the three-part proposal is different from the current state model. It is unknown if this will be acceptable to the legislature and governor but it's an effort to try to disconnect enrollment with funding.

VP Reznik advised that this discussion is to inform the Board of Trustees that there might be a change in the funding formula.

VP Reznik advised that the proposal has three parts – the first part entitled “Hold Harmless/State Maintenance of Effort” is similar to the current State-operated campus funding approach. The 30 SUNY community colleges would be provided a set “base” of support from the State that would not vary on a year-to-year basis with enrollment changes.

The second part entitled “Coverage of a Portion of Operational Costs” provides for an adjustment to the “base level” of support on an annual basis to reflect the changes in basic operational costs experienced by the colleges. This would be applied only to the State's base support levels, the adjustments would still allow for at least this portion of the college's operational support to be more representative of annual cost adjustments.

The third part entitled “Investment” states that additional investment funding would be provided to the colleges in the form of an annual “block grant” of support that would then be distributed to individual institutions according to rules and regulations approved by the SUNY Board of Trustees.

President Keen advised that one of the things that was considered as being attractive to the governor and legislators would be a budget supported unanimously by all community colleges. The idea is to have some kind of “base level support.” Dr. Keen, along with a number of community college presidents, feels that performance funding is the most attractive to legislators. Much discussion was involved about what measures are used for performance

funding. Currently, the model includes performance based on how well you can respond to providing graduates in areas of high demand. Performance is not just correlated with graduation rates but is tied to graduation in high demand industries. There was a survey of funding models in community college systems in other states, and almost all have a component of performance built into their respective budgets—some with 100% performance based funding models. The belief is that this would be the most attractive in changing the funding model in community colleges, otherwise the formula drops back to budget based on enrollment.

Short discussion followed regarding transfer students.

President Keen also advised that this working group looked at the number of high school graduates by year into the future; they do not think this number will turn around for 10 years.

VP Reznik advised that the number of high school graduates (Nassau County) will drop to 15,000 through 2029 with a small spike in 2018/2019 over 16,000; however, in 2019-2020 the number will fall below 15,000.

The meeting adjourned at 5:35 p.m.

Respectfully submitted,

Inna Reznik  
Vice President Finance