

FINANCE COMMITTEE  
BOARD OF TRUSTEES  
MINUTES

Meeting of April 17, 2018

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

**John DeGrace, Chair**

**Linda Green**

**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 Chair Gardyn on the eleventh floor of the Administrative Tower at approximately 5 p.m.

Committee members present: John DeGrace  
Linda Green  
Edward Powers, appointed Chair  
Therese Russell, Student Trustee, appointed ad hoc  
Donna Tuman, appointed ad hoc  
Vice Chair Weiss, appointed ad hoc  
Chair Gardyn (Ex-officio)

Committee members absent: Wanda Jackson

Also in attendance: President Keen, VPs Murray, Muscarella, and Reznik  
Procurement Director Cappello, AVP Friedman  
Treasurer Hahn, Comptroller Izquierdo

**AGENDA ITEMS**

1. Minutes of the Finance section of the Finance & Capital Committee meeting of January 9, 2018 were presented for approval. Trustee DeGrace made a motion, seconded by Chair Gardyn. The minutes were approved.

Minutes of the Finance section of the Finance & Capital Committee meeting of February 13, 2018 were presented for approval. Vice Chair Weiss made a motion, seconded by Trustee Russell. The minutes were approved.

Minutes of the Finance section of the Finance & Capital Committee meeting of March 27, 2018 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 April 17, 2018 meeting.

3. Comptroller's Report—February 2018. Comptroller Izquierdo advised that the February audit of OTPS and Personal Services Contracts was reviewed with no findings. At the March meeting, Trustees noted that collections on the Accounts Receivable Report were lower than expected; however, the collections are now at 77%, and will increase by the May 8, 2018 meeting. Short discussion followed.

Vice Chair Weiss asked why financial aid monies are still being issued at this time in the semester. AVP Friedman advised that financial aid is disbursed in multiple payouts. The second disbursement of financial aid is April 17<sup>th</sup>, and the third payment for students on the “payment plan” was due last week. This information is not reflected in the March numbers. Short discussion followed.

VP Reznik pointed out that the amounts collected in this fiscal year from prior years are at \$1.8 million. In the past NCC was critiqued by Former County Comptroller Maragos for high level of outstanding debt; however, in that audit, receivables were combined from five consecutive years (2007-2011) and the total was a dramatic number (\$14 million). As a result of that audit and to keep the Board of Trustees updated regarding collection status, the A/R report was created. NCC has been diligent in sending out the outstanding bills to collection agencies. The policy of this institution is to wait four semesters before sending these bills to collection, as it is costly to students to pay interest on top of receivables owed to NCC. Some students return to NCC if we do not further burden them with the collection fee. Short discussion followed.

4. Donation: Vice Chair Weiss made a motion, seconded by Trustee Russell. The donation of the mobile x-ray system model GE AMX-4+ unit from Northwell Health, Syosset Hospital will be recommended to the full Board of Trustees for approval.

5. Discussion: Preliminary 2019 Budget (9/1/2018 to 8/31/2019). VP Reznik provided a PowerPoint presentation of the preliminary budget development for 2019. VP Reznik distributed a page from the budget process report that is described in the September 12, 2018 report to Middle States.

For example, in academic areas, the process begins with the strategic managers. It then advances to the Area Deans for further review. Then the budget request is forwarded to the Academic Vice President. On an institutional level, each Vice President ranks the total requests based on institutional planning, strategic allocation, and assessment. The VP Finance analyzes the most effective and efficient use of the institutional resources as they are linked to NCC’s mission, strategies and goals. The President’s Cabinet completes a further assessment and analysis of the most effective and efficient use of institutional resources. The proposed budget is then developed and presented to the Board of Trustees. The Board of Trustees will vote on the 2019 Budget at the May 8, 2018 meeting.

Cabinet members have met for the last two months to discuss the budget and the strategic initiatives of the college and saving measures that NCC needs to implement since NCC faces another 6% decrease in enrollment.

The changes to the preliminary 2019 budget in numbers and assumptions as compared to the March meeting are as follows:

- Chargeback revenue rate will be increased by approximately 10%.
- Fringe benefits projections have decreased by approximately \$300,000 since the March meeting.
- Summer session preliminary numbers indicate approximately 20% decrease in enrollment. Short discussion followed.

Last month, Dr. Gardyn asked for comparative tuition numbers of other community colleges across New York State. Ten (10) colleges responded and all are anticipating to raise tuition as much as 7.4% to lowest 2.8%. Of the ten (10) colleges, NCC has the highest percentage of enrollment drop/decrease. Suffolk County Community College (SCCC) will receive a slight increase in state aid since their

enrollment drop/decrease is not as high as Nassau, and they will benefit from the per FTE rate increase from New York State. Also, it is anticipated that Suffolk County will provide a minimum of 1.5% increase on their contribution to Suffolk County Community College. Their tuition rate is also expected to be increased at Suffolk County Community College. Short discussion followed.

The meeting adjourned at 5:30 p.m.

Respectfully submitted,

Inna Reznik  
Vice President Finance