**Northern Essex Community College**

**Board of Trustees Audit and Finance Sub-Committee Minutes**

**Wednesday, April 12, 2023**

**Attendees:** Trustees Jennifer Borislow, Jouel Gomez, Sally O’Rorke, Evan Silverio,
 President Lane Glenn, Michael McCarthy, Anthony DeGregorio, and
 Linda Buckley, Note-taker

Trustee Jennifer Borislow called the meeting to order at 4:00 pm and the minutes of the February 1, 2023 meeting were approved with a motion presented by Trustee Jouel Gomez and seconded by Trustee Sally O’Rorke. All were in favor, none opposed.

**FY24 College General Fee:**

The Audit & Finance Sub-Committee recommends that the FY24 College General Fee described below be moved to the full Board of Trustees of Northern Essex Community College for approval.

Should the final General Appropriations Act for Fiscal Year 2024 contain appropriations for Northern Essex Community College at or above the levels recommended in the Governor’s House 1 budget filed on March 1, 2023, and these appropriations are not otherwise reduced mid-year, the Board shall not implement the increases for per-credit mandatory (general support or college) fees through FY24 previously approved by the Board on March 1, 2023. This Board action does not apply to increases in other fees that are specific to courses, programs, labs, technology or facilities.

**Ellucian Software Renewal**

The Audit & Finance Sub-Committee recommends that the Ellucian Software Renewal, described below, be moved to the full Board of Trustees of Northern Essex Community College for approval.

The Ellucian Company’s software licenses and maintenance services contract for the College’s ERP system is for a term of 5 years: May 1, 2023 to April 30, 2028. The contract amount for five years is $1,085,208.

The Ellucian software product is the College’s long-term enterprise-wide ERP system. Software applications include: Degree Works, Intelligent Learning Platform Enterprise, Oracle, Finance Self-Service, Financial Aid, Human Resources, Student, College Board, and other modules. The maintenance services provide support to the IT Services department and the college’s users of the system. The contract provides the capability to acquire other products and services.

The following key assumptions were noted **by Vice President Michael McCarthy:**

* Tuition revenue decrease of ($651k) for QT. 3; projection decrease based on the current projected YE decrease for net college credits of (1,950); after consideration of a projected completed credit melt factor for the year
* SFA using a discount rate of 36% versus 42%--consistent with non-CARES/HEERF funding prior years--due to utilizing HEERF III Institutional funds for SFA
* Grants & Other Revenues QT. 3 projections reflect a net decrease of ($585k) or (2.96%); primarily driven by the projected decrease of ($400k) for federal grants and contracts--due to the timing of when the funds will be received
* Salaries & Benefits projections were updated; resulting in a net decrease of (2.59%) or ($1.2m) in expenses for QT. 3 projections; primarily driven by the current 30 open FT positions
* Other Operating Expenses QT. 3 projection decreased ($1.1m) or (5.6%) from QT. 2, driven by various other operating expense categories
* Federal CARES/HEERF Funds, senior management continues to plan to spend appropriately the remaining available funds by 6/30/23
* FY23 State Appropriations Funding now includes the SOAR initiative funding--80%--increasing appropriations by $793k or 2.53% for a revised projected total of $32.2m.
* FY23 Capital Appropriations Funding Schedule remains at $2.2m

**Results in a revised QT. 3 projected FY2023 yearend gain in Net Position of $2.6m**

With no further business, the meeting was adjourned at 4:26 pm with a motion presented by Trustee Jouel Gomez and seconded by Trustee Sally O’Rorke.

Respectfully submitted by Linda Buckley. April 19, 2023