

**Onondaga Community College Board of Trustees
Finance, Audit & Compliance Committee Meeting
Tuesday, June 18, 2019
7:30 a.m. – 8:30 a.m.
W210
Presiding: Trustee John Sindoni, Chair**

Trustees: Jaime Alicea; John Sindoni; Neil Strodel; Mark Tryniski

Staff: Dr. Agatha Awuah; Anne Marie Bernardoni; Kimberly Blanchet; Dr. Casey Crabill; Kathleen D'Aprix; Anne DeLand; Sarah Gaffney; Julie Hart; Linda Kelley; Dr. Patrick Kenny; Amy Kremenek; Mark Manning; Roger Mirabito; Sheilla Roth; Timothy Stedman; Anastasia Urtz; Dr. Julie White; Patricia Zabel

Call to Order

At 7:35 a.m., Trustee Sindoni called the Finance, Audit & Compliance Committee meeting to order.

Approval of the May 7, 2019 Finance, Audit & Compliance Meeting Minutes

On motion from Trustee Tryniski and seconded by Trustee Strodel, the May 7, 2019 Finance, Audit & Compliance Committee Meeting minutes were unanimously recommended.

Old Business

Compliance Update

Trustee Sindoni introduced Mark Manning, Chief Financial Officer, who reviewed the agenda for the meeting. Mr. Manning then introduced Anastasia Urtz, Vice President, Administration & Compliance, who provided an update on compliance. Recent and upcoming compliance activities include National Clearinghouse Enrollment reporting; NYS TAP close-out and reporting; Gainful Employment and Enrollment Reporting to US Department of Education; 990 Filings to the Internal Revenue Service; and the Commission on Accreditation of Allied Health Education Programs – Surgical Technology Annual Report. Ms. Urtz introduced Anne Deland, Director of the Testing Center, who will be taking over compliance and work with the auxiliary corporations while Ms. Urtz is Interim Provost.

***Resolution to Approve Updates to the College Policy Manual**

Ms. Urtz reviewed the changes to policies F1 – Community Use of Facilities; G7 – Travel Authorization; I5 – Non-discrimination/Non-harassment and Obligation to Report; I9 – Consensual Relationships; I11 – Background Checks; N5 - Student Code of Conduct; and new policy J12 – Text Messaging Platform. **On motion from Trustee Tryniski and seconded by Trustee Strodel, the resolution to approve updates to the college policy manual was unanimously recommended.**

2019-20 Budget Update

Mr. Manning explained that the last piece of the budget timeline was completed with the passing of the budget through the Onondaga County Legislature - it was unanimous – 16-0. He explained that operating budget highlights include lower projected enrollment with a slight increase in

tuition; holding fees flat while minimizing overall impact on student affordability; base state aid with the new funding formula of 98% of floor results in additional funding of \$631,013 compared to old method; sponsor contributions held flat at current level; and holding the line on controllable expenses. Mr. Manning reviewed the final approved revenue and expenses for the upcoming year.

New Business

YTD May 2019 Financials

Mr. Manning continued his report with an update on the May 2019 financials beginning with revenue. He explained that overall credit hours for fall are down 9.7%; winter is relatively flat; spring is down 7%; and summer is up 498 credit hours due to Weekend College. Fees are down as a result of the lower enrollment; county chargebacks are up \$52K as the chargeback rate per FTE went from \$1,890 to \$2,170; grants and other sources are down \$500K; state aid is down \$691K due to the drop in FTE's; and sponsor contributions are flat. In total, revenue is down \$2.2 million overall compared to last year. Mr. Manning continued his report with an update on expenses. He explained that salaries and wages are down \$1.8 million; benefits are down \$215K with equipment and maintenance of plant and site flat; supplies are lower due to less spending within departments; travel and training are down slightly; utilities and insurance are flat; rent is down \$70k due to not having 500 North Salina Street; fees for services is down from not using the call center or having the prior CIO as a consultant anymore. Total expenses are down about \$2.7 million.

SUNY Community College Operating Expenses by Function

Mr. Manning continued his report with a review of community colleges operating expenses by function. The unreserved fund balance for 2017-18 shows OCC at 15% and it places us in the upper third of the other SUNY community colleges. Budget expense categories include instruction, academic support, student services, institutional support, and operation of plant and maintenance. Instruction costs for 2017-18 places OCC in the middle of the other colleges at 46% of total expenses. Academic Support places OCC at 4.8% of total expenses, toward the lower end of support. Mr. Manning explained that it's difficult to gage what the colleges include in these categories for what is included by one college in a category may be reported in another category by a different college, so it is not always an apple to apples comparison. Student Services places OCC at 10% of total expenses, about average compared to the other colleges. Instructional Support is at 24.6% of total expenses slightly higher compared to many of the other colleges with Operation of Plant and Maintenance at 14.6% of total expenses, about average when compared to the other SUNY community colleges.

SUNY Community College Financial Ratios

Mr. Manning continued with a review of SUNY Community College Financial Ratios that was provided by SUNY System Administration. This is how OCC compares to the other 29 community colleges in terms of financial strength and using standard industry financial ratios under GASB financial reporting classifications. First is the primary reserve ration which shows OCC at .15 - financially responsible. Second is equity ratio which shows OCC at .57 - financially responsible. Net income ratio shows OCC at .01 - financially responsible. The final ratio, Composite Score, is the composite of three ratios derived from an institution's audited financial statements. OCC shows at 1.9 - financially responsible.

Events Update

Mr. Manning continued with an update on events at the SRC Arena. He explained that 64% of the events held in the SRC Arena from September – June 2019, were college-related events; community events were at 23%; Government & SUNY events at 12%; and Trade Shows at 1%.

Negotiations Update

Mr. Manning reviewed the financial implications of the newly approved Faculty and Professional Administrators contracts. He explained that salary increases have been agreed on for the next five years starting at 1.5% and increasing to 2.25 in the fifth year. Health and dental employee contributions will go down slightly from 23%/22% currently for Professional Administrators / Faculty to 20% as of January 1, 2022 and will remain at that level for the balance of the contract.

*Resolution to Accept and Approve a Collective Bargaining Agreement between Onondaga Community College and the Onondaga Community College Federation of Teachers and Administrators (Faculty) AFT, Local 1845

On motion by Trustee Strodel and seconded by Trustee Alicea, the resolution to accept and approve a Collective Bargaining Agreement between Onondaga Community College and the Onondaga Community College Federation of Teachers and Administrators (Faculty) AFT, Local 1845, was unanimously recommended.

*Resolution to Accept and Approve a Collective Bargaining Agreement between Onondaga Community College and the Onondaga Community College Federation of Teachers and Administrators (Professional Administrators) AFT, Local 1845

On motion by Trustee Strodel and seconded by Trustee Alicea, the resolution to accept and approve a Collective Bargaining Agreement between Onondaga Community College and the Onondaga Community College Federation of Teachers and Administrators (Professional Administrators) AFT, Local 1845, was unanimously recommended.

There being no further business, Trustee Sindoni adjourned the Finance, Audit & Compliance Committee meeting at 8:05 a.m.

Prepared by:

Julie Hart
Secretary, Board of Trustees

Submitted by:

John Sindoni
Chair, Finance, Audit & Compliance Committee