North Shore Community College
Board of Trustees
Special Meeting
Thursday, March 19, 2015 – Meeting Minutes
Danvers Campus Board Room

Approved April 8, 2015

In Attendance:
Rich Yagjian, Dale Pyatt, Joe Riley, Jim Ridley, Lesley Peters, Maria Carrasco, Lyn Kaplan, Martha Farmer

Others present: Pat Gentile, Jan Forsstrom, Mark Reimer, Madeline Wallis, Linda Brantley, Stephen Creamer, Karen Hynick, Laurie LaChapelle

1. Special Meeting Topic

Chairman Yagjian opened the Special Meeting of the NSCC Board of Trustees and asked President Gentile and Vice President Forsstrom to present on the Special Meeting topic. They delivered a presentation on NSCC’s overall financial condition and the rational and impact of the proposed motions to unbundle the Technology Fee from the General Academic Fee, raise both by $5 effective Summer Session I FY15 and institution a differentiated program fee for health care and culinary arts programs.

VP Forsstrom noted that NSCC is currently at a lower primary reserve ratio than is desired. The Primary Reserve Ratio measures the financial strength of the institution, indicating how long the college can operate on reserves. The Department of Higher Education uses this information in their performance measurement system and ranks the colleges based on their financial "health." NSCC rates low in the three key ratios used by DHE. In a comparison with other Massachusetts’ community colleges, NSCC rates below average in the composite score index.

Even with shrinking revenues from the state appropriation, and tuition and fee revenue, the college has consistently expended approximately 89% of revenue on instruction and student related expenses. Currently, 80% of technology costs are allocated to instruction or academic support. The current technology fee has not kept pace with the cost of technology.

On an annual basis, for the past five years approximately 50% of credit students received financial aid. Even with an increase in fees, the Pell grant will continue to cover the cost of tuition, fees, and books for full-time annual status at 24 credits. Thus, the lowest income students will not be significantly negatively affected by a change in the proposed changes. Additional foundation scholarships and retention funds will be used to mitigate the effects of the increase on lower income students. NSCC ranks 7th in terms of General Fees compared to the fourteen other community colleges. Several colleges raised fees in the spring, and that data is not currently reflected in NSCC’s ranking.

On the Federal Level, the Department of Education’s Report Card for NSCC provides an analysis of college affordability. NSCC’s costs are medium-low on the national scale, loan default rates are lower than the national average, and median borrowing is very low. NSCC’s costs have been kept affordable by both national and local standards.

Trustee Pyatt asked if the $71,000 surplus currently projected in next year’s budget is earmarked for
increasing reserves. VP Forsstrom observed that next year’s budget is extremely conservative on the enrollment side and that any additional revenues left over should be used to increase reserves. President Gentile noted that the college has trimmed many expenses through attrition. Payroll numbers are down by 10 full time positions, and replaced positions were at a lower rate of pay, where possible. Fees for fall must be determined in order to begin the financial aid award process.

Trustee Lesley asked for clarification on how costs are assessed for the Culinary and Cosmetology programs. VP Forsstrom explained that Cosmetology is a lump sum package payment, but Culinary students pay by the credit. Under the new proposal, Culinary students will pay a course fee that will help to defray the costs of food used during the semester.

Trustee Carrasco asked what additional service students will receive for the additional technology fee. President Gentile answered that the cost of technology has increased and the college is asking students to bear some of the increase. VP Forsstrom pointed out that as the college adopts OER textbooks, and materials, students will benefit from decreased costs of books.

First Motion: 15: 12 FY2015
To approve separating the Technology Fee from General Fee, resulting in current Technology fee of $12./credit and General Fee of $142./credit.
The motion was made by Trustee Riley and seconded by Trustee Ridley. The motion passed unanimously.

Second Motion: 15: 12a FY2015
To increase the Technology Fee by $5./credit (from $12./credit to $17./credit); also to increase the resultant General Fee by $5./credit (from $142./credit to $147./credit). Both increases to be effective for Summer 1, 2015 semester.
The motion was made by Trustee Pyatt and seconded by Trustee Riley. The motion passed unanimously.

Third Motion: 15: 13 FY2015
To approve establishing Program fees for FY16 per Doc: 46a; effective date will be Fall 2015 semester.
The motion was made by Trustee Riley and seconded by Trustee Ridley. The motion passed unanimously.

Fourth Motion: 15: 14 FY2015
To approve the proposed preliminary FY16 operational budget per Doc 46a and 46b. This motion will allow the College to start spending July 1, 2015; the College will revise preliminary budget based on final appropriation and bring a final FY16 budget to the Board of Trustees in September, 2015.
The motion was made by Trustee Ridley and Seconded by Trustee Pyatt. The motion passed unanimously.

The meeting adjourned at 4:45pm.