

**BOARD OF TRUSTEES
JUNE MEETING**

Minutes of June 25, 2019

The 378th meeting of the Holyoke Community College Board of Trustees was held on Tuesday, June 25, 2019, in the John T. Hickey Conference Room, Chair Robert Gilbert presiding.

MEMBERS PRESENT	Robert Gilbert, Chair Suzanne Parker, Vice Chair Jose Delgado Charles Epstein Ted Hebert Yolanda Johnson Lucy Perez Evan Plotkin Julie Pokela Ivonne Vidal
MEMBERS ABSENT	Haley Woods
ALSO PRESENT	Mary Dixey, Amy Dopp, Kermit Dunkelberg, Clara Elliott, Rosemary Fielder, Bill Fogarty, Curt Foster, Marley Frederick, Jeff Hayden, Kim Hicks, Olivia Kynard, Moira Maguire, Marcia Mitchell, Ed Murch, Lea Occhialini, Monica Perez, Kristine Ricker Choleva, JoAnne Rome, Christina Royal, Tony Sbalbi, Amanda Sbriscia, K.C. Senie, Linda Szalankiewicz, Madeline Torres, Chris Yurko
CALL TO ORDER OF THE ANNUAL MEETING	Chair Gilbert called the meeting to order at 8:06 a.m.
APPROVAL OF THE MINUTES	On a motion by Trustee Plotkin and seconded by Trustee Pokela, it was VOTED to approve the meeting minutes of May 28, 2019.
APPROVAL OF PERSONNEL ACTIONS	On a motion by Trustee Epstein and seconded by Trustee Parker it was VOTED to approve the June 25, 2019 personnel actions reports for Appointments and Reappointments, for Non-Unit Professional Staff, Unit Professional Staff and Faculty. On a motion by Trustee Parker and seconded by Trustee Perez, it was VOTED to empower the President of the College to approve all personnel actions prior to the next meeting.
JULY BOARD MEETING	On a motion by Trustee Plotkin and seconded by Trustee Pokela, it was VOTED to cancel the July 23, 2019 Board of Trustees meeting.
PRESIDENTIAL EVALUATION COMMITTEE REPORT	<u>The Presidential Evaluation Report was presented by Julie Pokela, Chair, Presidential Evaluation Committee.</u> Trustee Pokela thanked the Committee and President Royal’s direct reports for their work on completing the survey regarding the President’s evaluation. The President’s evaluation was based on performance metrics provided by the Board of Higher Education, the Strategic Plan metrics, and President Royal’s self-evaluation. The results of the evaluation were extremely positive. Trustee Pokela indicated that the Commissioner informs the Board on how much the Board can approve for President Royal’s merit raise. This information was not yet available at the time of this meeting, which is why the motion does not include a specific percentage.

	<p>On a motion by Trustee Johnson and seconded by Trustee Vidal it was VOTED to approve the report of the evaluation committee, including its recommendation to award Dr. Royal a merit-based salary increase at the maximum percentage authorized by the Board of Higher Education. This recommendation shall be forwarded to the Commissioner of Higher Education for approval and immediate implementation.</p>
<p>REPORT OF THE FINANCE COMMITTEE</p>	<p><u>Third Quarter Statement of Revenues and Expenses (FY 2019) Report presented by Marcia Mitchell, Comptroller</u></p> <p>The third quarter statement of revenues and expenses for both our state maintenance appropriation and college trust funds covering the period July 1, 2018 through March 31, 2019.</p> <p>Financial Highlights - Overall, total revenues are 4.2% favorable (up \$1,535,391) and total expenses are 4.0% favorable (down \$1,371,405) compared to the same period in the prior year. Currently, year to date trust fund revenue is \$600,330 lower than prior year.</p> <p>Tuition and Fee (T&F) revenue is 2.7% or \$564,049 unfavorable compared to the prior year. This is due to a decline in FTE from prior year of 8.5% in the fall and 7.0% in the spring for a total decline of 7.8%. The FY19 T&F budget is \$21,966,986; \$459,109 or 2% lower than prior year. Based on the year-to-date T&F decline of \$564,049 compared to last year, we are currently projecting T&F revenue to shortfall budget by almost \$1.0 million.</p> <p>State Appropriation reflects an increase of 14.5% or \$2.2 million is due principally to timing with supplemental funding for salary increases accounting for approximately \$300K, and fully utilizing available state funds accounting for approximately \$800K to maximize available cash. Our unrestricted state appropriation is projected to increase \$228,421 to \$21,575,710; that also reflects a \$70,000 reduction in Out of State retained tuition.</p> <p>Private gifts and grants revenue and expense are not reflected in this report.</p> <p>Investment revenue is not reflected in this report.</p> <p>Business and Community Services revenue is favorable to the prior year by 18% or \$65,137 principally due to testing fees being higher by \$43,821 compared to prior year. Revenue is currently at 49% of budget.</p> <p>Administrative Allowance revenue which is derived from indirect cost recovery from grant activity is unfavorable to prior year by 55.4% or \$81,517. This variance is due to timing and the change in state accounting procedures. The full year is projected to be on budget.</p> <p>Auxiliary enterprises revenue (bookstore) is 19.8% unfavorable to prior year principally due to declining enrollment and availability of other less expensive alternatives including open source materials (OER).</p> <p>Compensation and Benefit expense is 2.0% or \$517,031 favorable to the prior year and is tracking at 75.6% of budget. We are estimating that delaying or not backfilling open positions and reducing part-time staffing will fully offset and even exceed our revenue shortfalls.</p>

Supplies and Services is 10.5% or \$797,301 favorable to prior year and is tracking at 60.9% as a percent of budget. At this rate, we would generate another \$1.0 million in savings compared to budget.

Scholarship and Fellowship expenditure is favorable by 6.0% or \$24,329 compared to prior year. We are projecting this expense to be on budget.

Auxiliary enterprises expenditure (bookstore) is favorable by 6.7% or \$32,744 compared to last year largely due to timing of inventory purchases. We are projecting unfavorable net results to budget of \$50,000.

On a motion by Trustee Plotkin and seconded by Trustee Epstein it was **VOTED** to approve the Third Quarterly Statement of Revenue and Expenses for FY 2019 as presented at today's meeting.

FY 2020 Budget Report presented by Bill Fogarty, Vice President of Administration & Finance

BUDGETING PHILOSOPHY: In 2017 the HCC community embarked on a Strategic Planning process. With participation from hundreds of faculty, staff, students, trustees and partners in the College's service region, a detailed plan was submitted to the Massachusetts Department of Higher Education and approved in December 2018. The plan is driven by the mission, vision, values and student experience statements provided above, along with a detailed approach to implementation.

The Strategic Plan was crafted at a time of fiscal stress for the College. Enrollment had declined significantly since peaking in FY 2010. Regional demographic trends suggested further enrollment erosion for the foreseeable future. If viewed on a per-student basis and adjusted for inflation, it fell well below FY 2001 levels.

The Strategic Plan, with its emphasis on student success, meeting students where they are, and adapting to the changing employment demands in the service region, provides a blueprint for future stability and growth. But it requires investment just as the College is attempting to "right size" its staffing structure in light of economic realities. To meet these challenges HCC restructured the staffing organization in FY 2019 and undertook an approach to developing the FY 2020 budget that bore little resemblance to past practices.

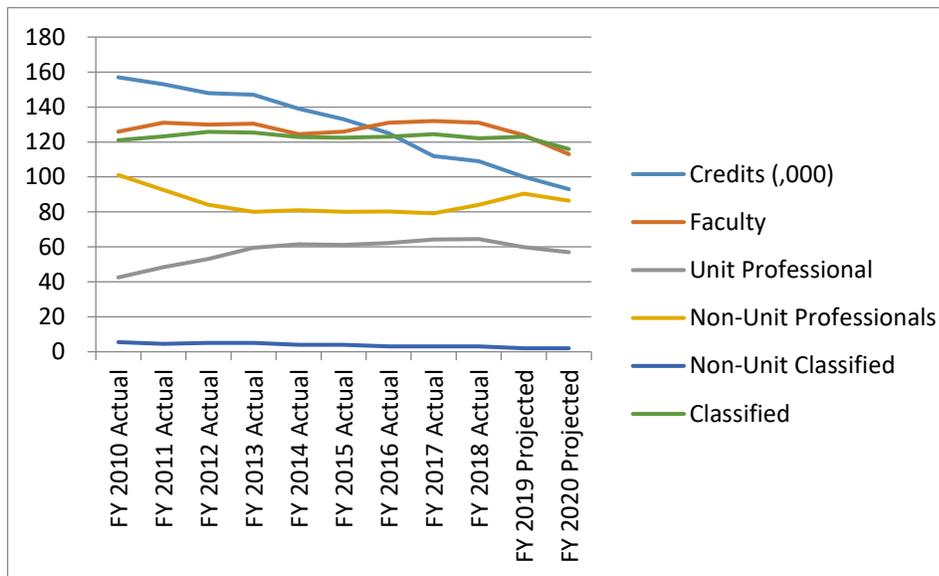
Like every year preceding it, the FY 2020 budget is a fiscal plan that keeps planned expenditures in line with projected revenues. But within a balanced budget, the FY 2020 plan gives special emphasis to identifying resources to support the Strategic Plan and place HCC on a path for future success.

FY 2020 Overview

In FY 2020 the College seeks to align available resources in support of the Strategic Plan. The plan provides a detailed roadmap supporting success by individual students, meeting the needs of the College's service region, and ultimately placing the institution on a path toward enrollment stability and growth. At the same time, the plan challenges the College to implement cost-saving process improvements and diversify the revenue base to relieve the pressures on student fee income.

These initiatives require investment at a time when HCC is finding its resources stretched thin. The College has suffered significant loss of enrollment since FY 2010, and needs to adjust staffing as a result. Annual enrollment on a credit

basis is shown below, and is compared with staffing broken out by employee category:



During FY 2019 the College restructured its staff organization to both “right size” the organization in light of reduced enrollment, deploy staff to most effectively support the Strategic Plan and make resources available to support key strategic initiatives. As a result of these efforts, the FY 2020 budget balances expenditures with available revenues while funding:

- A new Center for Excellence to professional development and innovative approaches to implementing the Strategic Plan, with special emphasis on culturally responsive pedagogy and universal design approaches to program and service delivery and facilities.
- An in-depth review of academic programs, providing a framework for determining which programs to start, stop, sustain or grow.
- Moving course scheduling to an annual basis rather than by semester.
- Implementing an intentional approach to providing students with credit for prior learning.
- Developing a team-based case management approach for academic advising and student support services.
- Aligning and promoting credit and non-credit programs to promote general enrollment growth and pathways degree and certificate attainment.
- Expanding tutoring programs in Holyoke Public Schools and in partnership with Homework House to develop stronger pathways to college.
- Developing the “100 Males to College” program in collaboration with community partners.

Revenues

Total revenues are projected at \$54,614,943 a \$487,031 or 1% increase over FY 2019. Increases of \$834,604 in the state appropriation, \$296,702 in fringe benefit funding on the state appropriation, \$267,000 in the reserve draw and \$26,824 in Business & Community Services (non-credit) receipts are partially offset by decreases of \$672,599 in tuition and fees and \$265,500 in College Store receipts.

State Appropriation: Funding under the state appropriation is projected to be \$22,181,893, an \$834,604 or 4% increase over FY 2019 based on the proposal pending before the Massachusetts Senate and assumptions regarding supplement appropriations to partly cover collective bargaining costs.

State Appropriations Fringe Benefits: The State Appropriation is devoted entirely to funding faculty and staff salaries, and fringe benefits for college employees paid from the State Appropriation are paid by the Commonwealth. In FY 2020 those fringe benefits are valued at \$7,885,663, a \$296,702 or 4% increase over FY 2019 based on the projected State Appropriation and fringe benefits rate for FY 2020.

Tuition & Fees: Total tuition and fee revenue is projected at \$21,294,387, a \$672,599 or 3% decrease under the amount budgeted in FY 2019. The FY 2020 projection assumes enrollment falls 6%, an \$8 per credit increase in the Education Services Fee, of which \$3 per credit is dedicated to physical plan deferred maintenance and a \$10 per semester increase in the Student Services Fee. In addition, fees are consolidated in FY 2020 to reduce the number of fee categories.

College Store: College Store revenues are projected to be \$194,500, a \$265,500 or 58% decrease under FY 2019 due to changes in store operations.

Administrative Allowance: The administrative allowance from federal and state grants is projected at \$295,000, the same as FY 2019.

Business & Community Service: Revenue from the Business and Community Service Division is estimated at \$1,546,500, a \$26,824 or 2% increase over the original FY 2019 revenue projection, based on actual experience in FY 2019.

Reserve Draw: The Board of Trustees voted on November 22, 2016 to authorize up to \$1,900,000 in college reserves to support supplemental rent for the Center for Hospitality & Culinary Arts. Of that amount, approximately \$217,000 is expected to be expended in FY 2020. In addition, the FY 2020 budget includes a request for an additional \$1,000,000 one-time allocation from reserves to support strategic initiatives. In requesting this reserve, the following factors were considered:

- Significant operating cost reductions were implemented as part of a staff restructuring during FY 2019. Further reductions will undermine the College's ability to implement the Strategic Plan, and a one-time infusion from College reserves is needed for investment in initiatives to promote future enrollment growth, process improvements and expansion of the revenue base.
- Due to the staff restructuring and other efforts, we anticipate a year-end operating surplus for the FY 2019 budget roughly equal to the reserve allocation requested for FY 2020. In essence, we will be rolling over the FY 2019 surplus to support strategic initiatives in FY 2020.
- The FY 2020 strategic initiatives include process improvement to reduce administrative and overhead costs as well as an exploration of Foundation fundraising efforts to support the operating budget. Both initiatives are intended to eliminate the need for future reserve draws.
- The College is undertaking a comprehensive review of academic offerings, intended to reduce expenditures on low-demand programs and provide a roadmap to program expansion to increase enrollment. Again, this effort is intended to eliminate the need for future reserve draws.

	<p>Expenditures Total expenditures are projected at \$54,614,943, a \$487,031 or 1% increase over FY 2019. Increases of \$1,975,185 in Central Accounts, \$414,290 in the departments reporting directly to the President, \$165,305 in Administration & Finance and \$89,518 in Student Affairs are partially offset by decreases of \$1,236,032 in Academic Affairs, \$689,975 in Business & Community Services and \$231,260 in Institutional Advancement. The FY 2020 budget is the first in which salaries are shown in cost centers, while in the past most salaries were centrally budgeted.</p> <p>On a motion by Trustee Epstein and seconded by Trustee Vidal it was VOTED that the Board of Trustees approve the FY 2020 budgets for the General Operating Trust Fund, the Restricted and Sponsored Activity Trust Funds, the Auxiliary Enterprises Trust Fund and the Reserve Draw as presented with the express approval of all purchases in any amount, to authorize the President or her designee to transfer among subsidiaries as needed during the fiscal year.</p>
<p>REPORT OF THE CHAIR</p>	<ul style="list-style-type: none"> • June 12th – Met with the Golf Committee to discuss increasing our goal to benefit the HCC Scholarship Fund • June 13th - Met with President Royal to set the agenda for today’s meeting • Phone calls with the Presidential Evaluation Committee to review and discuss the President’s Evaluation.
<p>PRESIDENT’S REPORT</p>	<p>General Updates President Royal thanked the Board for their leadership, the leadership team of HCC for working together and executing a Strategic Plan, and for the faculty and staff for creating a positive environment for our students to achieve academic excellence. A video highlighting success for this academic year was shown.</p> <p><u>Strategic Plan In-Depth Topic: Celebrating Academic & Student Success was provided by Monica Perez, Interim Vice President of Student & Academic Affairs, Kim Hicks, Dean, Arts & Humanities, Moira Maguire, Dean, Social Sciences, Kris Ricker-Choleva, Interim Dean, Business & Digital Learning</u></p> <p>Ms. Perez provided a brief overview of the Academic & Student Affairs Division:</p> <ul style="list-style-type: none"> • Strategic Plan Implementation • Preparing for the NECHE Onsite Visit in October 2020 • Restructuring Progress – Setting program review prioritization • The Science, Engineering, and Math Division (SEM) is now the Science, Technology, and Engineering & Mathematics (STEM) Division as of July 1, 2019. Adrienne Smith, Interim Dean of Science, Technology, and Engineering & Mathematics (STEM) has been hired and will be in this role on July 8, 2019 • Online Programs will now be the Business & Digital Learning Division under the oversight of Kris Ricker-Choleva, Interim Dean, Business & Digital Learning • The technical component of the online learning platform will now report to the IT Department under the oversight of Linda Szalankiewicz, Chief Information Officer • The RN program received renewed accreditation and approval with no limitations. • Teresa Beaudry, has been appointed as Interim Director of Nursing • The Veterinary Technician Program received renewed accreditation

Celebrating Achievements

Science, Technology, and Engineering & Mathematics (STEM) Division
Health Sciences Division
Arts & Humanities Division
Social Sciences Division
Business & Digital Learning Division

Educate. Inspire. Connect.

Science, Technology, and Engineering & Mathematics (STEM) Division



Educate. Inspire. Connect.

Health Sciences Division

My name is Hope Moynahan, I am 28, and I can finally say that I am a nurse, thanks to HCC.

When I started working as a direct care worker in a group home, I ran into an old schoolmate who had attended HCC's LPN program. I would tell her often how I wanted to be a nurse, but felt it was just too out of reach for me. She encouraged me to go to the advising center at HCC where there were files for tutoring, financial aid, transfer options, and even help for those with learning or physical disabilities. For the first time, I felt like I was not going to be doing this alone. I was able to start my prerequisite nursing classes at HCC within a month of applying. I took 2 classes, easing myself into college life again while still working full time on third shift and raising two small children with my fiancé. A year into my career at HCC, I was accepted into the nursing program.

Through the guidance and support of HCC, their professors, financial aid staff, advisors, and countless others, I was pinned as an LPN this June. Not only am I now a nurse, but I am also a college graduate, I earned my Associates in Science in Foundations of Health with high honors as well. During my short time at HCC, I did more than become a nurse, I have earned a scholarship through HCC's Scholarship Foundation, a place on the Dean's List each semester, an award in academic and clinical excellence, and I am part of the Phi Theta Kappa Honors Society all while still working a full-time job and raising my children.

HCC is more than just a college, it is an entire system built for its students' success.



Educate. Inspire. Connect.

Kim Hicks, Dean, Arts & Humanities provided a brief overview of the Arts & Humanities Division.

Arts & Humanities Division

The Music and Theater departments collaborated to stage Lin-Manuel Miranda's *In the Heights* in Fall '18, a production that attracted 2,500 attendees for seven performances. The cast included HCC students and staff, community members, and several Holyoke High students. *In the Heights* showcased the excellence of our performing arts students and departments, and demonstrated the kind of community outreach and engagement that the performing arts inspire.

Miranda's show engages classic elements of musical theater, but expands to include consideration of the role of family, and to reflect upon the emotional and economic challenges faced by first-generation college students. By using Latinx characters to explore themes that touch the majority of HCC's students, no matter what their background, the production exemplifies the rich pedagogic potential of our HSI identity.

HOLYOKE COMMUNITY COLLEGE
MUSIC & THEATER DEPARTMENTS PRESENT
IN THE HEIGHTS
A New Musical



Educate. Inspire. Connect.

Moira Maguire, Dean, Social Sciences provided a brief overview of the Social Sciences Division

Social Sciences Division



In the Spring semester Professor Gould's Curriculum in Early Childhood class did a service learning project in conjunction with the Eric Carle Museum in Springfield. Their project revolved around the 50th anniversary of Carle's world famous and iconic book *The Very Hungry Caterpillar*. Students created a "community caterpillar" and organized an event at the museum that allowed members of the community to create their own artwork that became part of the community caterpillar. One student said of the experience: "This was a once in a lifetime experience, to be able to work with the museum of the author we grew up reading."

Educate. Inspire. Connect.

Kris Ricker-Choleva, Interim Dean, Business & Technology Division

Business & Digital Learning Division

My name is Julivette Gibbs and I am young, strong, and ambitious.



2019 Peoples Bank
Scholarship Winner
Business Administration
Major

- I was pregnant and married at twenty-one with aspirations of having the American Dream. They say in order to appreciate the good you must experience the bad, so I prepared myself for anything that may happen.
- After establishing myself, I enrolled at Holyoke Community College at twenty-three. I am managing a 3.89 GPA and working towards my Certificate in Human Resources Management and my Associates in Business Administration.
- Upon completion I hope to manage the office I am currently working in, while giving myself opportunities for the life I know I deserve. I depend on financial aid, and whatever it doesn't cover I pay out of pocket.
- Any scholarship given to me will not go to waste, rather it will be fueling my passion to prove that I am more. I am more than a poor upbringing, a domestic violence victim, a single Hispanic mother to a special needs child.

Educate. Inspire. Connect.

President Royal thanked Ms. Perez and the Academic Deans for their presentations and for providing an overview of the work and achievements within their divisions.

	<p>The Strategic Plan Update will be tabled and brought back to the Board at the August meeting.</p> <p>President Royal provided the Board with an update regarding the CFO Search. The deadline to apply is Friday, June 28, 2019, however, the position will remain open until filled.</p>
ADJOURNMENT	The meeting was adjourned at 9:50 am.

Respectfully submitted,

Madeline Torres
Board Clerk
HCC Board of Trustees

Approved: Robert Gilbert, Chair, August 27, 2019