



**FINANCIAL AFFAIRS COMMITTEE**  
**October 19, 2023**

The Financial Affairs Committee met at Plymouth State University on October 19, 2023.

Financial Affairs Committee members participating at the meeting location: Mike Pilot (FAC Chair), Kass Ardinger, Jamie Burnett, Morgan Rutman, George Hansel, Kevin Knarr, Peter Paul, Greg Tewksbury, Joel Nkounkou and Wayne Semprini; Other trustees participating at the meeting location: Jacqueline Eastwood, Alex Walker, Representative Rick Ladd, Frank Edelblut, Shawn Jasper, Senator James Gray; Christiana Thornton, Mackenzie Murphy, David Westover; Emily Coutermarsh, Patrick Moore; President Donald Birx, President James Dean, and President Melinda Treadwell; Other Trustees participating by video conference: Cathy Green; USSB members: Avery Ellis, Tim Hoheneder, Zachery Christie, Jeremiah Barry, Jose Cintron-Ortiz, Jonah Rosenberg

Staff present at meeting location, (UNH) Bob Brown, Wayne Jones:(KSC) Nathalie Houder, James Beeby and MB Lufkin; (PSU) Tracy Claybaugh, Nate Bowditch and Nicole Connolly; (USNH) Catherine Provencher, Chad Pimentel, Karen Benincasa, Tia Miller, and Lorna Jacobsen (scribe).

Additional Faculty, Staff, and students participated by video conference.

**I. Call to Order:**

At 2:35 pm Chairman Pilot called the meeting to order and reviewed the items on the agenda. He noted a need for a non-public session.

**II. Approve Consent Agenda (Moved and duly seconded)**

**MOVED**, that the consent agenda of the October 19, 2023, meeting of the Financial Affairs Committee be approved.

{The Committees voted unanimously, by roll call vote, in favor of this motions }

Items on the Consent Agenda:

- 1) Approve minutes of the Financial Affairs Committee meeting of June 22, 2023.
- 2) Suspend Enrollment Limitation of Out-of-State Undergraduates at UNH

End of Consent Agenda

### **III. Presentation of FY23 Financial Results**

Vice Chancellor Provencher reported that the Audit Committee had received a detailed presentation on the FY23 financial results earlier in the day. She noted that USNH received an unqualified opinion and shared highlights including a positive operating margin of \$30 million, largely due to one-time FEMA/COVID relief grants of \$50M in current year (recovery of prior year's expenses.)

### **IV. Update on Fall 2023 Enrollment and Impact on Primary Student Revenue for FY24**

Assistant Vice Chancellor Benincasa said that based on Fall 2023 R+30 enrollment, the systemwide FY24 primary student revenue budgets are projected to be slightly lower than what was approved by the BOT in June by approximately \$4 million. She said UNH is under budget by \$9 million, PSU is over budget by \$3 million and KSC is over budget by \$2 million. Campus CFOs shared details about their respective results. UNH Interim CFO Bob Brown attributed UNH's lower revenues primarily to fewer non-resident students, higher than budgeted financial aid and other budget variances.

### **V. Keene State College Presentation on Past and Future Strategy to Sustainability**

Chairman Pilot said that he and Vice Chancellor Provencher had recently spent a day at KSC gaining an understanding of KSC's recent history and financial challenges and the strategy they have set for the future. He asked President Treadwell and her team to provide the same information to the Committee and noted that a non-public session would be necessary.

President Treadwell introduced members of her leadership team and provided some historical context for Keene's current challenges. She said her executive team is focused on meeting KSC's mission and serving its students and the State of NH.

#### **Nonpublic Session**

At 3:04 p.m. the following motion to enter nonpublic session was made by Trustee Pilot and seconded by Trustee Rutman. The motion was approved by roll call vote. In addition to trustees, system and campus administrators attended the non-public session.

**VOTED**, that the Financial Affairs Committee go into non-public session for the purpose of discussing the dismissal, promotion, or compensation of any public employee, and/or confidential, commercial, and/or financial information; as authorized by RSA 91-A:3, II(a) and (j).

#### **Return to Public Session**

A motion was made to exit nonpublic session duly seconded, and approved, Chairman Pilot reconvened the public meeting at 3:20 p.m. No action was taken in non-public session.

KSC Vice President Luftkin reviewed historical enrollment noting that enrollment in FY24 is





Assistant Vice Chancellor Benincasa reviewed the proposed assumptions and parameters to be used in developing the FY25 budget. She reported that the Investment and Capital Planning Committee recommended a long-term investment return assumption of 7% and a short-term investment return assumption of 4%. She said the proposed assumption for state appropriation is \$95 million, down by \$3 million over the current year because of the one-time \$3 million investment and reviewed campus level and system wide operating margin targets. She said the target for Operating Margin is consistent with the campus financial stability plans as currently outlined for FY25.

#### **VIII. Informational Items**

- A. FY24 Follow-up Full-Time Employee Employment Costs vs Expectations after CERP

Report accepted without discussion.

#### **IX. Other Business**

- A. Chair or Committee Comments
- B. The next meeting date is March 7, 2024.
- C. The Committee adjourned at 5:25 p.m.