



- The College has a total net deficit of approximately \$324.8 million at August 31, 2020, and a change in net position of approximately \$27.2 million. This is not cash/operating basis.
- They encountered no disagreements with management.
- Concluded that management's significant accounting estimates are reasonable.
- The Alumni Association has approximately \$230,000 in assets, and had very little activity during the twelve month period. Management of the Alumni Association was unable to provide timely financial records and was frequently unable to run requested reports from the system of record, requiring assistance from college management. Additionally, there were errors identified in the testing that showed management is recording activity on a cash basis. The College will discuss with the Alumni Association board of directors on how to strengthen existing internal controls to better safeguard assets and use of those assets.

Trustee Siberón asked who the Alumni Association Board of Directors reports to in the College structure. VP Izquierdo explained that there is no direct relationship with the College other than that they are for the benefit of the College and they use the College's name to collect donations and dues. VP Kerrigan does attend their meetings and if the Alumni Association were to be dissolved, all their assets would go to the NCC Foundation. VP Kerrigan explained that during the pandemic they had very low activity because there were no events being held on campus. The dues they have collected have been growing interest. They do have plans to reactivate when the opportunity exists to have events on campus. They appreciate the recommendations and will work closely with the Alumni Association's Board of Directors. Trustee Durso indicated that his concern is with their failure to respond, and that this is not acceptable. It was explained that their President, VP, and Treasurer were former employees of the College (now retired and/or have other jobs). The computer they use to maintain the books are on campus and with the pandemic they had to come on campus to do the reports. Trustee Siberón requested a full report on the Alumni Association, its Board of Directors and its relationship with the College. Trustee wanted to know why it was a part of our audit. It was explained that generally you would see them included.

- Presented Statement of Net Position
  - Total assets \$250,017,892 – very consistent with prior year assets, very slight decrease
  - Total current liabilities \$28,850,436 – decrease from prior years
  - Total noncurrent liabilities \$596,527,923- increased due to changes in discount rate to Pension and OPEB liability
- Presented Statement of Revenues, Expenses and Changes in Net Position
  - Total operating revenues \$53,012,519 – slightly up from last year
  - Total operating expenses \$245,250,773 – \$22M increase from last year
  - Operating loss (\$192,238,254) – impacted by pension and other postretirement benefits liabilities based on actuarial estimates
  - Total nonoperating revenues (expenses) \$151,762,526
  - Changes in net position before capital contributions (\$40,475,728)
  - Changes in net position (\$27,235,352)
  - Net position (deficit) beginning (\$297,549,713)
  - Net position (deficit) ending (\$324,785,065)

### **3. Pending College Procurement Agreements**

None

**4. Office of the Comptroller's Report** – presented by VP Izquierdo

- a. The Office of the Comptroller performed an examination of OTPS (Other than Personal Services) expenditures based on the reports generated by the Banner system for April 2021. All OTPS expenditures were subjected to selection, and 12 expenditures were selected. The expenditures were audited for appropriateness in accordance with the Code of Rules and Regulations for Community Colleges as promulgated by the State University of New York, proper departmental authorization, accurate departmental coding, evidence of receipt of goods or services and utilization of appropriate purchasing practices based on the amount of purchase and state and local requirements. The 12 expenditures ranged from approximately \$15,833 to \$255,401 and averaged \$67,236. The cumulative value of the 12 expenditures was \$806,833 and represented 65.25% of this month's total OTPS expenditures which included paper and UniMarket invoices.
- b. There were three personal service expenditures totaling \$1,850.

Academic Program Review - SUNY mandated external program review site visit of the Hotel Technology Administration Associate of Applied Science. (2) \$ 900

Creative Writing - Virtual reading as part of Nassau Community College's Creative Writing Project "Lit! Live!" (1) \$ 950

- c. The Accounts Receivable (A/R) Aging Report shows we are at approximately 93.1% collection rate for fiscal 2021. We are in line with previous years.

**5. Updates** – Presented by VP Izquierdo

- a. Economic Impact Grants CARES, CRRSAA, ARP  
We are waiting for SUNY to give us the go ahead to use the ARP for students. We have used the CRRSAA and CARES for students. CRRSAA has a 5% balance left and there is a committee meeting to work on the remaining funds. We are still using the institutional funds to offset revenue losses.
- b. We are selecting new auditors. We have gone through an RFP and had five respondents. We have selected the top two RSM and Clifton Larson Allen (CLA) to make presentations to the RFP Committee.

Trustee acknowledged that Phil Cappello, Sandra Friedman, Lisa Hahn and staff from the offices of the Comptroller and Finance attended the meeting to be available to help answer questions and wanted to thank them.

The meeting adjourned at approximately 5:35 p.m.

Respectfully submitted,



Julio Izquierdo  
Vice President of Finance