



Approved
Salem State University Assistance Corporation
Board of Directors Meeting Minutes
September 20, 2021

Present via Zoom: Gordon Hall, Helen Corbett, Tom Daniel, Beth Debski, Beth Haran, John Keenan, Anthony Nickas, Rinus Oosthoek and Mike Wheeler. **Guests:** Laura Swanson, Noreen Hazelton, Terry Brancato, Kim Crowley, David Dilulis and Rob Zirkel.

The Annual Meeting was called to order via Zoom by Vice Chair John Keenan at 8:05 am.

A motion was made by Rinus Oosthoek and seconded by Mike Wheeler to approve the Board meeting minutes of May 17, 2021. All in favor, none opposed.

Dave Dilulis and Rob Zirkel from O'Connor and Drew presented the FY21 audited financial statements to the Board. Dilulis stated there were no findings to report, no changes in policies, no disagreements with management and no difficulties encountered while conducting the audit. Dilulis provided the Board with an overview of the new GASB regulation (Governmental Accounting Standards Board) that will be implemented in the next fiscal year. Dilulis reviewed the financial highlights of Salem State University Assistance Corporation for the fiscal year ending on June 30, 2021, the changes in Statements of Activities and Changes in Net Position and presented information showing how the Assistance Corporation's net position changed during the fiscal year. Vice Chair Keenan thanked Dilulis and Zirkel for their presentation and congratulated Swanson and her team on the audit. A motion was made by Mike Wheeler and seconded by Rinus Oosthoek to approve the FY21 audit. All in favor, none opposed.

Vice Chair Keenan reminded the Board that the September meeting is the Annual Meeting of the SSUAC and asked all Board members to review, sign and return the Conflict of Interest forms. Vice Chair Keenan announced that Chairman Gordon Hall had retired from the Board and thanked him for his twenty-five years of service. Swanson thanked Hall for his dedicated service to SSUAC, his unwavering commitment of the mission of the Enterprise Center and the support of her and the entire team. Hall thanked the President Keenan, the Board, Executive Director Swanson and her team for their recognition. Hall stated that the Enterprise Center was an important organization and the work it does is invaluable and benefits Salem State University, the City of Salem and the North Shore.

Vice Chair Keenan reported that Board Member Mike Wheeler was nominated as the new Board Chair for SSUAC and his appointment is pending approval by the SSU Board of Trustees. Vice Chair Keenan asked Swanson to present the proposed revisions to the SSUAC Employee Handbook. Swanson stated the existing policy pertaining to the Extended Illness Bank Policy needed to be revised due to the implementation of the MA Paid Family & Medical Leave (PFML) Act. Swanson reported that SSUAC provided an Extended Illness Bank to allow employees to roll over unused sick time each year, up to 520 hours maximum and that SSUAC did not offer a short-term disability benefit so the Illness Bank allowed some pay protection if an employee needed to be out for one of allowed reasons. Swanson reported that now that Paid Family Medical Leave is mandatory, the state will pay a benefit up to \$850 per week,

based on average weekly wages, and the Illness Bank will “top off” wages, capped at 100% of earnings, until the bank of dates for each employee is exhausted. Swanson reported no additional hours will be added or granted into the Illness Bank and the hours are not paid out upon termination. Swanson stated the revised policy language was prepared by their HR company. A motion was made by Helen Corbett and seconded Anthony Nickas to approve the amendment of the SSUAC Employee Handbook - Extended Illness Bank Policy. All in favor, none opposed.

Swanson presented the Board with the revised Final FY22 budget. She reported they reviewed the FY21 year-end income and expenses, tenant leases and updated the rental income to include vacancy replacement rental income based on feedback from our commercial realtor. Swanson stated that changes to specific income and expense accounts had notations explain the changes. Swanson stated they will continue to monitor the budget throughout the year and continue to meet with the Finance Committee on a regular basis. A motion was made by Beth Haran and seconded by Anthony Nickas to approve the Final FY22 Budget. All in favor, none opposed.

Swanson informed the Board that the HVAC unit for the SSU’s Glassblowing Studio was actually not an HVAC system but rather a system that extracted heat from the space and that a new HVAC unit would need to be purchased for that space. Swanson reported the cost for the new unit would be approximately \$55,000. Swanson stated they would use the funds from the Capital Expense Reserve Savings Account for this purchase. Swanson stated that she will work with the Finance Committee on creating a deferred maintenance plan for the building.

President Keenan provided an SSU update and that approximately 1,000+ students had moved back to campus and overall the start of the new academic is going well. President Keenan stated that the vaccination mandate for student has been positively received. President Keenan reported that SSU will resubmit its Project Bold proposal to the State and that the Salem Diner RFP went back out to bid.

Finance Chair Anthony Nickas stated the Finance Committee continues to meet regularly with Swanson and her team. He stated they have done a job in manage the COVID impacts to the budget and vacant spaces. Board Member Helen Corbett reported that several members of the Board met with BSB Dean Luther to discuss the development of a survey to be sent to the BSB faculty to help us identify their awareness of the Enterprise Center, possible ideas for collaboration and identification of subject matters that would complement their course offerings. She stated a copy of the draft survey was included in the Board packet.

President Keenan asked for a motion to go out of order and go into Executive Session for the purposes of real estate discussion. A motion was made by Rinus Oosthoek and seconded by Helen Corbett to go into Executive Session. All in favor, none opposed. SSUAC board adjourned into Executive Session at 8:59 am. The SSUAC Board completed its discussion and voted to come out of Executive Session at 9:05 am. The Board returned its regular meeting at 9:05 am.

Swanson presented to the Board an FY22 Priorities and Action Plan and discussed the COVID impact on the Enterprise Center’s rental income and delivery of programs. Swanson reported that some tenants were now being impacted by the prolonged pandemic resulting in the non-renewal of leases due to decrease income or employees not wanting to return to an office environment. Swanson also reported that this was occurring throughout the commercial real estate market resulting in saturate and competitive real estate market with a surplus of inventory and lower rental prices. Swanson reported that they are down two staff members since the pandemic and will not be filing those positions in FY22.

Swanson reported her FY22 priorities will focus on financial stabilization and relevance. She stated the main goal was to decrease the vacancy rate of the building, offer relevant programs to support business through COVID and beyond, retain the existing staff and develop strategic partnership to support the mission of the Enterprise Center. Swanson stated that while uncertainty remains they have a dedicated and talented staff to do what needs to be done and a committed and resource Board to help navigate the many challenges financial challenges ahead.

A motion to adjourn the meeting was made by Mike Wheeler and seconded by Rinus Oosthoek. All in favor, none opposed. The meeting adjourned at 9:24 am.