



**Minutes of the Meeting of the Massachusetts College of Liberal Arts
BOARD OF TRUSTEES FISCAL AFFAIRS COMMITTEE
Thursday, September 3, 2015
Bowman Hall Conference Room 312**

Trustees in attendance:

Denise Marshall, Chair
JD Chesloff (via teleconference)
Will Dudley
Buffy Lord

Others present:

Jim Clemmer, Interim President
Denise Richardello, Executive Vice President
James Stakenas, Vice President, Administration & Finance
Laura Brown, Director of Fiscal Affairs
Cathy Holbrook, Vice President of Student Affairs
Chuck Kimberling, Director of Facilities
Curt King, Chief Information Officer
Jennifer Macksey, Director of Student Accounts
Ginger Menard, Clerk

Trustee Marshall called the meeting to order at 8:33 a.m.

FY2016 Budget

Vice President Stakenas presented a budget for FY2016 reflective of the current lack of funding for Collective Bargaining. Because of this gap, division budgets have been reduced by 5%, with the exception of Financial Aid, and a transfer from reserves is included in order to present a balanced budget.

Vice President Stakenas reviewed the budget lines in detail and discussed various scenarios if any or all of Collective Bargaining becomes available via a supplemental budget from the state. If the full amount is received the student fee may be reduced for the spring semester. The committee will meet again if additional funds are made available to determine any additional actions pertaining to student fees.

Equipment Borrowing

Vice President Stakenas reviewed some equipment needs on campus that will require the borrowing of additional funds. The College has recently retired some debt so a loan to cover these needs would not increase the debt load. The proposed borrowing will fund the following:

- TV studio equipment
- IT network equipment
- Bowman Hall furniture
- Physics Optics
- Fire Safety equipment for the Feigenbaum Center for Science & Innovation

The College has been approved by Berkshire Bank for a loan of up to \$1 million at an interest rate of 2.5%.

The College's total debt ratio including the proposed borrowing is below 2% which is well within the recommended state guidelines of a debt ration of less than 5%.

Project Borrowing

Vice President Stakenas shared a list of campus-wide projects, including needed repairs to the Campus Safety Building, enhanced campus lighting, and expansion of the Fitness Center. These projects are critical to both Campus aesthetics and safety and require new capital. The total for these recommended projects is \$1,220,000. Funds will be available to borrow from the MSCBA in January 2016.

Action Items

Upon a motion duly made and seconded, it was

VOTED: To approve and advance the projected FY2016 budget to the full board for approval at the September 10 Board of Trustees meeting.

Upon a motion duly made and seconded, it was

VOTED: To approve the borrowing of up to \$1 million from Berkshire Bank for recommended equipment needs. This vote will be presented to the full board for approval at the September 10 Board of Trustees meeting.

Upon a motion duly made and seconded, it was

VOTED: To approve the borrowing of \$1.2 million from the MSCBA to support campus projects. This vote will be presented to the full board for approval at the September 10 Board of Trustees meeting.

4th Quarter Report

Director of Fiscal Affairs, Laura Brown, provided the Committee with the FY 2015 Fourth Quarter Report. Both revenue and expenses ran within expected levels for the Fourth Quarter. The fiscal year ended with expenses slightly higher than revenue mostly as a result of the Governor's 9C cuts.

State Audit Visit

Director of Fiscal Affairs Brown shared that external auditors, O'Connor & Drew, are scheduled to be on campus beginning September 14. A separate team of auditors from the state were on campus a few weeks ago and will be returning again in the fall. Administration & Finance completed a campus-wide inventory in August.

Interim President Clemmer shared that in his first few weeks in his role he has seen firsthand the diligence of all departments in managing their budgets and how seriously this responsibility is taken. The information provided to the Trustees is extremely thorough and transparent.

Bookstore Contract

In conjunction with PACE (Partnership to Advance Collaboration and Efficiency), Follett has been contracted as the bookstore vendor for all of the state universities. The contract includes metrics, goals, and price matching as well flexibility on open hours as determined by the College for special events.

Chief Information Officer, Curt King, provided an update on the campus network upgrade. The project is in its final phase with a goal of the entire campus being upgraded by the end of the fall semester.

Grant Funding

The College is exploring possible grant opportunities for a separate CoGen project for the Feigenbaum Center for Science and Innovation. Due to the needs of the building, a device exclusively for that location would run year round and lead to considerable energy savings.

Other Business

Vice President Stakenas announced that Jen Macksey, Director of Student Accounts, is leaving to become CFO at Southern Vermont College. She will be missed and the Board extended their thanks for exceptional work.

The College is in the final stages of search for the next Vice President of Administration & Finance. Interim President Clemmer extended his thanks to Vice President Stakenas and his willingness to be available to guide the College throughout the transition as necessary.

Adjournment

There being no further business to come before the committee, the meeting was adjourned at 9:40 a.m