

**Minutes of the Meeting of the Massachusetts College of Liberal Arts  
BOARD OF TRUSTEES FISCAL AFFAIRS COMMITTEE  
Monday, September 17, 2018  
87 Blackinton St., North Adams, MA 01247**

**Members in attendance**

Susan Gold, Chair  
JD Chesloff, via phone  
John Barrett

**Others in attendance**

Denise Marshall, Board Chair  
Dr. James Birge, President  
Larry Behan, Vice President, Administration & Finance

Trustee Gold called the meeting to order at 9:31 a.m.

**4th Quarter FY18 Report**

Vice President Behan reviewed the 4th quarter FY18 report. The report provides a summary of income and expense by object code reflecting the 12-month period ending June 30, 2018. Notes are included in the report to address variances.

Vice President Behan explained that there were positive revenue variances attributed to additional state revenues related to funding received from DCAMM for the repair of a major water line break during the winter, as well as funding for Gallery 51 which was not yet appropriated when the final budget was approved. The negative revenue variances are attributed to timing on grant revenues not drawn yet, as well as capital project money not drawn down yet due to delays in construction projects.

The surpluses in the expense lines are primarily due to the effective management of open positions and delays in backfilling headcounts. There were some over expensed lines, primarily in the consulting object class.

President Birge responded to questions regarding staffing noting that, while there are positions remaining open throughout the college, no area is stretched thin. As well, with reduced needs in housing, facilities staffing continues to be evaluated. The Facilities Director position remains open and is being actively recruited.

In response to questions regarding the variance in Consultant Services – HH, Vice President Behan explained that HH includes higher legal fees for the fiscal year due to union contract negotiations for all three bargaining units; redesign fees for the Centennial Room and Campus Center projects; and chemical safety needs for FCSI.

Trustees discussed the legal advisors used by all MA colleges and universities and the bidding process for it. All billing with Rubin and Rudman is on an hourly basis and there is no retainer. The Counsel of Presidents is reviewing the current contract and will consider rebidding.

Vice President Behan reviewed the summary page of the Quarterly Funds Report. There is a surplus in fund balance of \$154,977 at the year-end, and the authorized draw from fund balance of \$300,000 was not required during the year.

### **Budget FY19 Update**

Vice President Behan next reviewed the FY19 operating budget report, which was approved at the May Board of Trustees meeting. The favorable State appropriation is reflected in the documents provided. Further discussion followed to clarify the report provided as compared to the budget report submitted to the Board in May

Trustee Barrett recommended that the budget approved in May should be the operating document for management reporting and the additional \$494,073 received in the final state appropriation in July not be included in the State Revenue line in the budget, but reported as a variance in the quarterly reports, as would be any other line variance. Vice President Behan will submit to Chair Gold the budget approved by the Board in May 2018.

Based on recommendations from President Birge regarding the additional appropriations, this Committee recommends no further action be taken on the part of the Board of Trustees.

### **MCLA Pittsfield Update**

Vice President Behan provided an update on the renovations and opening of classroom space at 66 Allen St in Pittsfield, MA. The lease for first floor space was executed in July and temporary work was done to allow classes to begin on September 4, 2018. Space redesign will be completed over winter break with a grand opening planned for January 2019. Course offerings remain the same with new programming announcements anticipated in January 2019.

Vice President Behan next discussed the MSCBA bond funding of \$1MM, which MCLA is in line for availability in mid-January 2019.

He provided an update on the Campus Center renovations noting that with the enactment of the bond bill in June, DCAMM's processes have changed, resulting in some delays to begin construction on these projects. However, the changes have also reduced the cost share on DACAMM deferred maintenance funding for MCLA to 21% from 50%. In addition, DCAMM raised to \$5M from \$2M the limit to delegate authority for campuses to manage construction projects in-house. This will save over 30% in estimated total projects costs for MCLA. Work

will resume in the fall beginning with the Campus Center, followed by the Centennial Room just after Commencement in May 2019.

### **Adjournment**

There being no further business to come before the Committee, the meeting was adjourned at 10:47 a.m.