



**MASSACHUSETTS COLLEGE OF LIBERAL ARTS
BOARD OF TRUSTEES**

FISCAL AFFAIRS COMMITTEE MEETING

May 20, 2025

MINUTES

Members in attendance: Chair Marshall*, B. Lord*, D. Rodowicz*

Staff in Attendance: J. Birge, C. Cellana, K. Coodie*, J. Dix*, K. Kozak, J. Mendel

*denotes virtual participation

As allowed by executive order of the Governor of Massachusetts, in compliance with the provisions of Massachusetts General Laws, Chapter 30 and 15A, Section 9, and with a quorum present via audio/video-conference and in person at the President's Office, the Fiscal Affairs Committee of the Board of Trustees with Chair Marshall presiding was called to order at 8:32a.m.

VP DaSilva gave the following update:

1. FY25 3rd Quarter Report VP DaSilva
 - a. Revenues – similar to last review
 - b. No change to tuition and fees
 - c. Grants down attributed to TRiO
 - d. Scholarships – state funds
 - e. Foundation billing went in earlier than usual
 - f. Interest – investment strategies and increase in rate from Berkshire Bank
 - g. Loss of ½ million ytd through March 31
2. Expenses
 - a. Salaries, Adjunct faculty and students and pt staff
 - b. Departmental spending down through 3/31. Discussion that this line will likely stay down through end of fiscal year, all VPs will work with staff to control costs.
 - c. Operational services – meal plans down in correlation with lower admissions
 - d. Institutional spending is lower
 - e. \$363k positive variance overall and will trend in right direction for fiscal yr.
 - f. Discussion of unexpected increase in debt service based on it coming back to par from covid levels. All state universities had this increase. Discussion of campus

debt vs. state system debt. It should be more consistent going forward however we also receive an assessment from MSCBA that is estimated at budget time.

3. FY25 Forecast

- a. Forecasting revenue down \$1million.
- b. Scholarships
- c. Interest income is trending higher, but still resulting in lower revenue overall.
- d. Expenses are down due to timing of hiring impacts and positive variance for operating budget
- e. Overall, forecast is a small positive variance.

4. FY26 Draft Budget

VP DaSilva/President Birge

- a. VP DaSilva gave an overview of the budgeting process. There was extensive work to get closer to balance. We have asked for extensive expense management and further revenue generation from VPs. Some open and unfilled positions were eliminated from the budget. Increases in enrollment also positively impacted the budget. Any other cuts would impact operational effectiveness so Administration will request support from reserves.
 - b. Enrollment deposits are up 36% over last year and will likely meet and possibly exceed targets.
 - c. Strategic Plan Funding is included in this reserve request and some expenses are recurring.
 - d. It was noted that state budget is not final and the House, Senate, and Governor's budgets are different so projection is difficult. If House budget comes through there would be no deficit, but we are unsure. Also noted that federal funding from grants will very likely be reduced. Management has erred toward conservative and will continue to manage expenses and look for revenue opportunities. Management thinks the deficit can be eliminated by the end of FY 26.
 - e. Discussion that state budget is very uncertain. Enrollment deposits could continue to increase. Grants may also increase. Management feels they want to be transparent on budget pressure with the Board rather than build in uncertain revenue.
 - f. Enrollment overall is down due to graduation and attrition even though we have positive new students.
 - g. Foundation funding has decreased due to gifts establishing endowed funds and scholarships as opposed to direct funding as well as less unrestricted funding.
 - h. MSCBA debt service increases as 2026 is the last catch up year.
 - i. APA and AFSCME contracts have been ratified. House did not include APA increases so we have petitioned senate. MSCA faculty contract is still not complete and won't be by June. We also have Student Success grant funding in this budget.
- Discussion of student fees in total.
 - The Committee requested to see further details on FTE students for Spring 2026, further details on enrollment, Foundation funding detail, student fees and overall cost of attendance.

Management requests the Committee to recommend the FY 26 budget proposal as presented to the full board. This budget will be updated when the state budget is finalized. The Board will review this budget at the fall meeting.

- The Administration then presented on strategic planning costs. The total costs for Strategic Plan activities will be \$5.7 million over five years. Funds to support these activities will come from the College operating budget, SUCCESSS grant funds, and Board support.
- FY26 strategic plan activity costs total \$947,000. The Administration is requesting the Board to fund \$421,000 of these expenses from reserve funds. Plan activities in year 1 include increased marketing, internal communications, student and campus programs to assist with retention, dual enrollment program support, and creating more high impact learning practices.
- There was discussion about increases in enrollment revenue that should come from this strategic plan and discussion of impact of using these funds from our reserves. VP DaSilva was asked to provide that projection.
- Administration is requesting that this committee review the request and recommend funding to the Board for year one.

Upon motion made and duly seconded, via a roll call, it was

VOTED: To recommend to the Board for action the operating budget as presented noting the 3% fee increase, 3.5% meal plan fee increase and \$421,224 to begin work of strategic plan in year one

Ms. Rodowicz left the meeting. A quorum remained in place.

There was discussion of undergraduate enrollment reporting. Education major enrollment has significantly reduced. Although the drop may look more dramatic because education enrollment has been broken out by different majors. The Education building and programming should be reviewed. The request for building support has been denied by the state twice even though the building is detrimental to our programming and is not accessible. The proposed Bright Bill for Public higher education construction costs could support the renovation of Mark Hopkins Hall.

Investment Update

VP DaSilva provided an overview that our investments are going well. Francis investments money market and LPL performing well at this time.

With no further business the meeting adjourned at 9:49a.m.

Respectfully Submitted,
Kelli Kozak
Clerk