



**Minutes of the Meeting of the Massachusetts College of Liberal Arts
BOARD OF TRUSTEES FISCAL AFFAIRS COMMITTEE
Wednesday, May 16, 2017
87 Blackinton**

Members in attendance

Denise Marshall, Chair
Kathy Therrien

Others in attendance

Susan Gold, Board Chair
Dr. James Birge, President
Denise Richardello, Executive Vice President
Larry Behan, Vice President, Administration & Finance
Laura Brown, Director of Fiscal Affairs
Bonnie Howland, Director of Student Accounts
Ginger Menard, Clerk

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

3rd quarter report and Budget FY17 update

Vice President Behan reviewed the 3rd quarter report. The report provides a summary of all funds by object class. Notes are included to address positive or negative variances which tend to stem from timing issues. The projected year end deficit is down to \$15,346.00. This number will possibly change following the 4th quarter actuals.

VP Behan explained that the decrease in the deficit can be attributed to vacant positions as well a slightly higher enrollment number and savings in operational expenses.

VP Behan also explained that departments are no longer utilizing budget adjustments which had allowed funds to be transferred between expense lines. This will provide a more accurate picture of actual spending by account line at the end of the fiscal year. Spending history for all departments will then be reviewed to assess whether any surplus spending was due to a one-time expense or if that account line is not sufficiently funded. It is critical that funds are available to deliver all core academic content.

Accounts Receivable report

Bonnie Howland reported that as of May 15 outstanding receivables are down to 22K from 46K on May 1. It is anticipated that we will collect the majority of the balance and any remaining outstanding accounts will go to collection.

Each year the College reviews any outstanding debt to submit to the committee to be written-off. These accounts were billed extensively while the student was enrolled, have been referred to a collection agency and have been deemed uncollectable, and have been referred to the state intercept program. This program allows for collection of outstanding debt from any state tax refunds or lottery winnings over \$600. Bonnie also noted that this outstanding debt remains connected to the respective student's record so they can be identified if requesting a transcript or grades. The amount recommended for write-off for FY 2017 is \$7,291.83.

Upon a motion duly made and seconded, it was

VOTED To accept the recommendation to write off the amount of \$7,291.83 related to these specific accounts.

Budget FY18 update

Vice President Behan presented a draft budget for FY 2018 noting that neither the state budget or enrollment numbers for fall 2017 are final.

Expense assumptions in the draft budget include static enrollment, increases for collective bargaining, faculty/staff searches, professional development funds, a half year salary for a Chief Diversity Officer, step increases for AFSCME members (they receive an automatic increase on their anniversary), and non-unit professional increases.

Trustee Marshall requested detail on the consultant line (HH) which includes fees for consultants, attorneys, and searches. She also asked for additional information on energy costs due to the recent co-generator project and other energy-saving projects. VP Behan noted that the

recently installed turbine will be operable this season after which we will be able to estimate actual savings. Equipment maintenance is also included in this expense line.

Revenue assumptions in the draft budget include state support remaining flat. The College is working with Senator Hinds to include the 75K earmark for BCRC/Gallery 51. Also not yet accounted for are Performance Incentive Fund (PIF) grants as they were not included in the house budget.

The draft budget also includes a proposed 3% increase in fees which is approximately \$130 per semester. Following a discussion among committee members that number will be removed from the budget pending a vote from the full Board on fee increases. Trustee Marshall put forward a recommendation that the committee advance to the Board a vote to increase fees in a range of \$0-500 until the final state budget and enrollment numbers are in place.

Upon a motion duly made and seconded, it was

VOTED To recommend to the Board of Trustees that the College increase the campus support fee for the 2017-2018 academic year in a range from \$0-\$500, contingent on the outcome of the state budget process for FY 2018.

Trustee Marshall requested a history from the past five years on fee increases – the approved range and actual fees charged.

VP Behan will adjust the budget as requested and redistribute to the committee.

Upon a motion duly made and seconded, it was

VOTED To recommend to the Board of Trustees that the preliminary budget, minus the fee increase and other minor adjustments as discussed at the May 16 meeting, be approved contingent on the outcome of the state budget process,

Approval of Change to Procurement Card Policy

VP Behan presented a change to the Procurement Card Policy that is based on feedback from the state auditing process regarding travel expenses that had not been preapproved. The travel policy and procurement card policy will now both reflect that all travel related expenses be estimated and approved in advance of any travel and reconciled monthly with actual expenses and receipts.

Based on the policy Trustee Marshall suggested that Chair Gold should review and sign-off on the President's quarterly credit card statements rather than the Chair of the Fiscal Affairs Committee.

Upon a motion duly made and seconded, it was

VOTED To recommend to the Board of Trustees a change in the Procurement Card Policy to have all travel related expenses estimated and approved by the cardholder's supervisor in advance of the trip.

Trustee Marshall thanked the Administration and Finance staff for their dedication to the new processes. She noted that she is pleased with how the numbers are looking for this year.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 9:49 a.m.