



**Minutes of the Meeting of the Massachusetts College of Liberal Arts
BOARD OF TRUSTEES FISCAL AFFAIRS COMMITTEE
Wednesday, November 16, 2016
Bowman Hall 217**

Members in attendance

Denise Marshall, Chair
JD Chesloff, via teleconference
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 9:40 a.m.

First Quarter Report

Laurie Brown reviewed the first quarter report. As of September 30th the College has collected 25.92% of the budgeted revenue and spent 19.98% of budgeted expenses. At the end of the first quarter, actual revenue exceeded expenses by \$2.6M. The budget for the entire year shows anticipated expenses over revenue of approximately \$1.5M. VP Behan noted that the revenue projected in the report was based on enrollment of 1350. As the final number is slightly higher the final draw from reserves may be less.

Trustee Marshall requested that year-to-date budgeted amounts be included on the first and second pages as they are on the Object Code report (page 3.) She also requested that notes be included on the Object Code report to address any variances.

The committee discussed the Residence Hall Trust Special Assessment expense that comes directly from the MSCBA and is linked to their budgeting process. This assessment is a main factor in the anticipated use of approximately \$437K in reserves from the Residence Hall Trust for FY 17.

Trustee Chesloff requested a five year history on the access of reserves in order to determine any trends. VP Behan is currently working on such a report but it is important to note that he must determine net assets, excluding capital, to develop a true picture of the operating budget.

Administration and Finance is working with financial aid to request funds and apply financial aid to student accounts as soon as possible. Financial aid is mainly run between late September and early October. Many of the variances noted on the quarterly report are due to timing differences between when the aid is budgeted and when it is actually run.

Trustee Marshall also requested that the reporting of variances be changed so that both revenue and expense variances will show as positive numbers if the result is good and negative numbers when the results are not good.

Budget 17 update

VP Behan provided an update on the FY 17 budget. As of now there will be no 9C cuts from the Office of the Governor and we anticipate full funding for the Department of Higher Education's formula funding and for the State Internship program. Funds have also been received for Gallery 51.

President Birge noted that he will be meeting with legislators in December and will stress ongoing funding issues especially in terms of Collective Bargaining as it has not been funded for two consecutive years at a cost of over \$1 million to MCLA.

Trustee Marshall asked about the budget process and the inclusion of the MCLA community. The committee discussed the transparency of the process and how to ensure the entire community has access to information and involvement in future planning. Trustee Chesloff also requested additional information on the how the professional development budgets are determined.

Accounts Receivable Report

Bonnie Howland reported that as of September 30 approximately 300 students had unpaid accounts in the amount of \$725,000. Collection has continued since that time and as of today the total is now \$178,000 owed by approximately 100 students. She noted that the Bursar's office works closely with students to assist with balancing their debt load so that they can complete their education.

Trustee Marshall suggested identifying students that might be of potential interest to local businesses to provide sponsorship or scholarship support.

President Birge is working with the Financial Aid and Bursar's Offices to establish a plan for students arriving on campus with a high debt and no means of paying.

VP Behan offered his thanks to the Bursar's Office for their level of commitment to the students and their exemplary customer service.

Facilities Updates

VP Behan reported that the Public Safety building is nearing completion. He also met with EDM Architecture regarding the renovation of the Campus Center pool. They toured the space and the next step is for a proposal to be submitted from them. Once received, various constituent groups will be engaged to further determine the needs for this space. He hopes to have renderings by early 2017 at the latest.

He also shared that the Facilities Director search has closed but the news is not yet public so he will share that info at a future meeting.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 10:40 a.m.