



My College. Right from the Start.

**Minutes of the Meeting of the Massachusetts College of Liberal Arts
BOARD OF TRUSTEES
Fiscal Affairs Committee
Wednesday, March 9, 2011
Admissions Office Conference Room**

Members in attendance:

Stephen Crowe, Chair
Jane Allen
James Clemmer (via conference call)
Eugene Leibowitz
Mary K. Grant, President

Others in attendance:

James Stakenas, Vice President of Administration and Finance
Jerry Desmarais, Treasurer
Thomas Bernard, Clerk

The meeting was called to order at 9:07 a.m. by Trustee Crowe.

Budget FY 2012 and FY 2012 Student Fees

Vice President Stakenas provided an update on the Governor's budget recommendation for Fiscal Year 2012. The budget provides level funding relative to last year's state appropriation, and also includes the cost of collective bargaining for FY 2011. However, the budget recommendation does not fund collective bargaining for FY 2012, and federal stimulus dollars that were available in FY 2010 and 2011 will not be available for the coming year.

The House and Senate budget proposals are expected later this spring. It is unclear how the legislative proposals will compare to the governor's recommendation.

The different budget scenarios make projecting budgets for next year a challenge. Vice President Stakenas and Treasurer Desmarais are working with the president to model a variety of budget scenarios. The final state appropriation recommendation will influence how much student fees will need to be raised, as well as the level of our savings the College will need to access. While a fee increase will be necessary, the goal will be to ensure that MCLA remains affordable to the maximum number of students.

The committee engaged in a discussion that compared the fees charged at MCLA with those of the other Massachusetts state colleges. During the current fiscal year, MCLA's fees rank in the middle of the nine state colleges. The goal for FY 2012 will be to keep fees as reasonable as possible.

The committee also reviewed fees in relationship to campus housing costs. MCLA's housing costs are among the most affordable in the state college system.

President Grant noted that a former MCLA Foundation director is working with the college on a project around affordability and student financial need.

Bidding Process for College Auditor

The state university and community colleges recently engaged in a bidding process to prequalify a number of accounting firms as audit service providers for the institutions. MCLA's current auditing firm, O'Connor and Drew, is part of this prequalified group.

The Committee requested that in the interest of good governance, Vice President Stakenas will invite O'Connor and Drew to meet with the Fiscal Affairs Committee for the purposes of reviewing their scope of services, identifying areas where the Board and the College request additional review, and hearing from the auditors about validation of their audit processes and practices.

Campus Center Gym Floor Replacement

Plans are underway to replace the floor in the Amsler Campus Center gymnasium in June 2011. MCLA has worked directly with the Massachusetts State College Building Authority (MSCBA) on the project. The floor replacement total cost is \$785,825, which exceeds the \$500,000 capital bond amount approved by the Board in 2010.

The MCLA financial commitment to complete the gym floor is \$285,825, and Board approval is required to authorize President Grant to transfer this amount to the MSCBA. There are sufficient unencumbered funds in the College budget to meet this expense. This is a necessary project, as the cost of periodic repairs to the existing 40 year old flooring system is significant.

Upon a motion duly made and seconded, it was

VOTED To authorize President Grant to transfer funds from MCLA to the MSCBA not to exceed the amount of \$300,000 to fund the contract balance for the Campus Center Gym Floor replacement.

Campus Projects

Ashland Street Property: Vice President Stakenas reported that there is a phased renovation plan for the building. The first phase of the project will include demolition of portions of the existing structure, and roof replacement and new walls on the north end of the property. The cost of this phase of the project is covered by the MSCBA funding approved by the Board in 2010. The cost of subsequent phases of the project will be determined as part of a program study that will be conducted under the auspices of the Division of Capital Asset Management (DCAM).

Honors House: The Honors House located on Highland Avenue is in need of major exterior renovation. MCLA is responsible for the renovation costs for this state owned building. Work needed includes foundation repair, roof replacement, new windows and siding. Depending on building code changes, the second floor fire escape may also need to be replaced. The College is in talks with McCann Technical High School about using Highland House as a project site; students would work on the window and siding portions of the project. Cost estimates are underway in anticipation of completing the project over the next two fiscal years.

Campus Center Marketplace: Plans are ongoing for renovation of the campus center marketplace and servery. The College is reviewing contract changes with ARAMARK that may delay start of the project, or cause it to be phased over two years. This project is important to students, but it is important to ensure all the costs and implications are understood before work begins.

Campus Fire System Upgrade: Installation of an upgraded fire control system is planned for late summer 2011.

Brewer Perkins: Public Safety is on target to move into this space following commencement.

Center for Science and Innovation: Design work is moving along in partnership with DCAM and design firm EYP. The groups continue to work with faculty to revise design elements of the building. When a model of the building is complete, the College will host an open meeting to invite campus input on the design. In addition, work is underway to identify and select a construction manager for the project. Groundbreaking for the project will take place in September.

2nd Quarter Report FY 2011

Departments continue to manage their budgets carefully. Expenses for the quarter ran below projections and revenue was higher than projected, partially due to additional stimulus and collective bargaining funds that came in during the quarter. Treasurer Desmarais expects the careful management of the budget to continue through the third and fourth quarters, which will position the College to bring forward additional funds into FY 2012, to help offset budget challenges in the coming year.

The president noted that in addition to the budget challenges posed by the proposed state appropriation, the College will need to monitor and manage carefully federal issues, including

proposed reductions to Pell Grant, and reduced support for college access programs. On the state side, cuts to financial aid programs create challenges as MCLA works to ensure access for students.

Updates

President Grant updated the Committee on the status of new position and open searches. The new Facilities Director officially begins on April 4th, but has visited campus in preparation for assuming this role. Candidates for the Assistant Dean for Enrollment are visiting campus as part of the interview process. In addition, several faculty searches are currently underway.

The president informed the Committee that there has been strong participation and good conversation at faculty, staff, and student strategic planning input sessions. Some common themes emerged in discussions with each group. In particular, the process has been beneficial for newer faculty members to see how College progress is connected to Strategic Planning work. President Grant thanked Trustee Leibowitz for representing the Board on the Strategic Planning Task Force.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 10:22 a.m..