



**MASSACHUSETTS COLLEGE OF LIBERAL ARTS
BOARD OF TRUSTEES
FISCAL AFFAIRS COMMITTEE MEETING**

April 16, 2025

President's Office, 87 Blackinton St., North Adams and Microsoft Teams (Virtual)

MINUTES

Members in Attendance: B. Burdick*, B. Lord*, D. Rodowicz* * denotes virtual attendance

Staff in Attendance: J. Birge – President, C. Cellana – Finance, J. Dix – Budget Manager, K. Kozak – Clerk, J. DaSilva – VP, Admin & Finance, J. Mendel – Chief of Staff

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, the Fiscal Affairs Committee of the Board of Trustees with Chair Marshall presiding was called to order at 8:32 a.m.

Chair Marshall and Mr. DaSilva led a discussion of the FY25 YTD budget results through February. There is currently a loss of approximately \$800,000, the majority of which is attributable to tuition and fees. There was an extensive discussion of how the Board-approved outside section funding for consultants, strategic plan, and vehicle purchases was being calculated in this reconciliation. The Committee requested that Mr. DaSilva update the report to remove this funding from revenue but to reflect the expenditures in the expenses. so that the Board can see what the total actual need is as we come into year end. Mr. DaSilva does expect some expense management that will allow the budget to balance as we finalize the fiscal year.

Mr. DaSilva noted that we have some unfilled positions and spending on adjunct faculty is also down. VP's continue to monitor their expenses closely.

There have been expense savings and we are closing the gap and by June 30, with expense management, Mr. DaSilva anticipates a balanced budget.

Mr. DaSilva then presented the FY26 Draft Budget noting that this is a first draft preliminary budget. The House budget will come out later today and we will compare to the Governors budget. There are collective bargaining increases, budgeting down about 30 ftes, grants include student success funds, misc category is down 275k based on foundation unrestricted funds

The budget projects \$50.1 million in revenue. There was discussion of concerns for Pell funds. It is out of balance as a first draft, federal funding is also a concern and will likely impact all funding. The Trio program may not be funded, other grants are also in renewal and uncertain. Market volatility also

impacts the budget. PELL SEOG and TEACH funding look like they will continue. We are being conservative in our planning so the budget is currently in a deficit.

Enrollment is also impactful to budget, May 1 is the deadline essentially although we accept students after that date. So far there has been good activity but we are still using conservative numbers.

There was discussion of staffing levels relative to budget. We prefer not to reduce positions but we will look at this if needed. Our union contracts do have payouts – sometimes very significant. We have also reduced budgets overall. The President may ask for backstop reserves, but only as a backstop, we haven't had to use it in the past. We are not prepared to do that now because we feel that we can reduce the budget more.

There was discussion of a snapshot of year over year staffing reductions due to attrition. We do monitor that although we do have externally funded programming and related staffing that is paid for as part of budgets. This is a part of the process as we develop the final budget.

Discussion that the Committee would like to review enrollment by program and also FTEs by program in the future. Some programs are growing but not enough to support the reduced enrollment. The Committee expressed concerns about enrollment. Leadership is always looking for opportunities to reduce expenses and increase enrollment.

Mr. DaSilva also detailed a 3% fee increase, in line with other state u's. This also supports aid that we award.

Strategic Plan Funding – BHE will likely review in summer as they review changing requirements around EIB. This plan does have expenses outside operating funds. Management will ask the Trustees to fund the strategic plan initiatives. The steering committee has supported the process well.

Mr. DaSilva presented the Investment Update noting that Wells Fargo/Francis Investments is at approximately \$11.8 million. LPL financials is at \$6.6M from an initial investment of \$6 million. The market is extremely volatile.

Mr. DaSilva presented a Capital Projects Update – The electrical project is completed; emergency generators have also been completed. The HVAC project in the campus center has slowed due to the unexpected presence of asbestos. Project hopefully should be done by mid-July. Then we will have expended all DCAMM funding prior to the FY 28 deadline.

There was discussion from the Committee that funding for the asbestos removal is part of the available DCAMM funds since we had some funding available. Discussion that we do not have a planned abatement fund and the state has no abatement fund.

With no further business, it was

VOTED: To adjourn the meeting at 9:35a.m.

Respectfully Submitted,

Kelli Kozak

Clerk