



My College. Right from the Start.

**Minutes of the Meeting of the Massachusetts College of Liberal Arts
BOARD OF TRUSTEES FISCAL AFFAIRS COMMITTEE**

**Wednesday, April 24, 2013
President's Office Conference Room**

Members in attendance

James Clemmer, Chair
Buffy Lord
Denise Marshall

Member absent

Stephen Crowe

Others in attendance

Mary K. Grant, President
James Stakenas, V.P. Administration & Finance
Gerald Desmarais, Treasurer
Jack Giarusso, Interim Human Resources Director
Thomas Bernard, Clerk

The meeting was called to order at 9:05 a.m. by Trustee Clemmer.

President Grant introduced Jack Giarusso, who is serving as MCLA's interim human resources director. Mr. Giarusso came to MCLA following his recent retirement from the HR director position with the University of Massachusetts Lowell.

Fiscal Year 2014 Budget

President Grant and Vice President Stakenas presented an update on the state budget process for FY 2014. President Grant noted that the University of Massachusetts system proposed to the legislature a plan to move the system toward a state appropriation level that would fund 50% of campus operations, with the university committing to not raise student fees for the coming academic year.

The state university system proposed a similar agreement to reach the 50% funding level over the course of several years – with additional funding appropriated to support negotiated collective bargaining increased – with a commitment not to raise fees for the upcoming academic

year should the legislature appropriate additional operating funds for FY 2014. The CFOs of the system determined that the funding gap to reach 50% of campus operations across the system was \$45 million. The House Ways and Means Committee budget included an additional \$15 million for the state university system for FY 2014.

The state university system presidents and CFOs identified a formula for allocating the additional funds that provided each campus with a base amount, and divided the balance of the funding on a proportional enrollment basis. The presidents also agreed not to increase student fees for the coming academic year as a condition of this proposal.

Having passed the House, the FY 2014 budget proposal is under consideration by the Senate Ways and Means Committee, and it remains to be seen whether the Senate committee will support the increased proposal. If the additional funding for the state university system is not available, fee increases would be necessary at each campus.

FY 2014 Student Fees

In light of the House Ways and Means Committee budget proposal, and the uncertain state of this proposal in the Senate, the committee discussed fee options for FY 2014. Should the FY 14 budget include the proposed increase for the state university system, MCLA would not raise the campus support fee for the 2013-2014 academic year. However, if the proposed funding is not included in the final budget bill, we anticipate some level of fee increase will be necessary.

After discussion of these scenarios, the committee agreed to propose a fee range for the coming year, based on the outcome of the state budget process.

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 2013-2014 academic year in a range from \$0-\$500, contingent on the outcome of the state budget process for FY 2014.

Campus Project Update

Ashland Street Warehouse – Bids for the demolition of the current warehouse property were pending, and bids for the construction for the new building expected by early May.

The Massachusetts State College Building Authority (MSCBA) made approximately \$1 million in bond funding available to MCLA to support to installation of the final set of new bleachers in the Campus Center Gym, the replacement of seats in Venable Theatre, and other projects.

With occupancy of the Center for Science and Innovation scheduled for August, and the Bowman Hall renovation project expected to begin following the completion of the science

center, plans are underway for the staging of several campus moves throughout the summer. Facilities will be providing regular updates about these projects to the campus community.

The committee also discussed financing options for these and other campus projects. The College has maintained a pattern of responsible borrowing over the years and is well positioned to manage additional projects while maintaining a very conservative debt ratio.

3rd Quarter FY 2013 Report

Treasurer Desmarais provided the Committee with the FY 2013 Third Quarter Report. Revenue trended positive for the quarter, and that trend is expected to continue through the fourth quarter. This was despite a 9C state budget cut of \$125,599 and additional financial aid disbursements for the quarter.

President Grant announced to the committee that Treasurer Desmarais will retire in the fall. She thanked him for his many years of service to the College and its students.

Adjournment

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