

**Minutes of the Meeting of the Massachusetts College of Liberal Arts
BOARD OF TRUSTEES FISCAL AFFAIRS COMMITTEE
Monday, September 9, 2019
87 Blackinton St., North Adams, MA 01247**

Members in attendance

Susan Gold, Chair
Karen Kowalczyk (via telephone)
John Barrett

Others in attendance

Dr. James Birge, President
Larry Behan, Vice President, Administration and Finance
Curt Cellana, Accounting Manager, Administration and Finance
Lisa Lescarbeau, Board Clerk

Trustee Gold called the meeting to order at 9:30 a.m.

4th Quarter FY19 Report

Mr. Cellana began with a review of the 4th quarter FY19 report included with the meeting materials. The report provides a summary of income and expense by object code reflecting the 12-month period ending June 30, 2019. Quarterly fund and ending cash balance reports were also provided. MCLA recorded a net operating loss of \$654,335 due to the over-awarding of financial aid. In addition, the \$265,000 draw from fund balance authorized in the approved budget was expensed during FY19 for items in the strategic plan. Added to the operating loss the projected decline in total fund balance is \$919,335.

The \$265k fund balance transfer for strategic initiatives and the impact of over-awarding of financial aid were discussed. Corrective actions that were taken with regard to financial aid awarding were reviewed. The financial aid leveraging tool, which resulted from work with Ruffalo Noel Levitz, was also discussed.

Budget FY20 Update

Vice President Behan next presented the FY20 operating budget, which was approved at the May Board of Trustees meeting. All state appropriations were received as budgeted. VP Behan commented on the possibility of additional state funds resulting from a surplus that may be available to augment higher education. Detailed FY20 budget reports will be available once the enrollment freeze date has occurred.

Vice President Behan stated that accounts receivable at this time are approximately \$200k and will reduce as the add/drop period comes to a close.

Campus Renovations

Vice President Behan provided an update on renovations underway in the Amsler Campus Center. The Centennial Room is near completion with a punch-list of items to address during the Thanksgiving break. Student feedback on the changes to the physical space and food options have been positive.

The fitness center pool has been back-filled and the concrete capping will be complete by the end of September. HVAC and electrical work have begun. This project is expected to be complete at the end of May 2020.

As a result of a grant from the Fitzpatrick Foundation, renovations to Venable Theatre are underway. Renovation plans include improved accessibility, and seating and lighting upgrades. As funds allow, the box office and lobby areas may see improvements.

Audit Update

MCLA's audit begins today and auditors will be on site for the week. The audit is anticipated to conclude in mid-October with reporting to the Board of Trustees at the October 24 meeting.

DCAMM Update

Vice President Behan provided an overview of the bi-annual process to apply for DCAMM funds for major capital projects. Efforts are underway to complete a request for renovations on what is being referred to as the Connector Project. Funds will be requested to renovate Mark Hopkins and Eldridge Hall, and to add a connector building between the two. Early estimates are for \$30mm.

President Birge discussed the need for MCLA to match a portion of the funds for this project. The goal is to raise \$5mm and request \$25mm from the state. Following discussion of matching funds from MCLA's surplus, upon motion duly made and seconded it was unanimously:

VOTED: to recommend to the Board of Trustees the commitment of up to \$1.5mm from MCLA's surplus funds to be designated for matching a portion of DCAMM funding for the proposed Connector Project.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 10:12 a.m.