



My College. Right from the Start.

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

Wednesday, October 2, 2013

President's Office Conference Room

Members in attendance:

James Clemmer, Chair
Tyler fairbank
Buffy Lord
Denise Marshall

Others in attendance

Mary K. Grant, President
James Stakenas, V.P. Administration & Finance
Gerald Desmarais, Treasurer
Laura Brown, Accountant
Cynthia Brown, V.P. Academic Affairs
Celia Norcross, Director of Student Activities
Thomas Bernard, Clerk
David DiIulis, O'Connor & Drew P.C.

The meeting was called to order at 10:05 a.m. by Trustee Clemmer.

MCLA NEASC Accreditation Update

Cynthia Brown and Celia Norcross provided an update on the College planning process related to the 10-year accreditation visit by a team representing the New England Association of Schools and Colleges (NEASC) which will take place November 3rd-6th, 2013. The self-study document that forms the foundation of the visit was submitted to NEASC and the visiting team members in late September; a copy of the self-study also was provided to each member of the Board. Cindy and Celia thanked the committee and the Board for their engagement with the NEASC process over the past two years of planning.

President Grant noted that the self-study reflects a thorough process of campus engagement. She informed the committee that the NEASC self-study is closely aligned with the College strategic plan, itself an outgrowth of MCLA's 2003 NEASC review. It highlights both the accomplishments and progress that MCLA has made over the past decade, but also the areas

where there are opportunities to do additional work and provide additional focus. In particular, the self-study identifies opportunities to build on MCLA's progress in the area of learning outcomes assessment.

She thanked Cindy and Celia for their leadership as MCLA's NEASC co-chairs. She also acknowledged the work of the more than 100 members of the campus community who contributed to the development of the self-study by serving on Standard teams.

President Grant informed the committee that there will be opportunities for the Board to connect and engage with the visiting team at a welcome reception and dinner on the evening of Sunday, November 3rd, and also noted that the Board is invited to attend the team chair's report that closes out the visit on Wednesday, November 6th.

Review of FY 2013 Audit Report

David DiIulis (O'Connor & Drew) provided the Committee with a report on the FY 2013 audit. The audit provides an unqualified opinion of the College's financial position.

Mr. DiIulis reviewed a prepared document with the committee that outlined the Auditors' responsibilities as well as significant accounting policies, and the various steps taken during the audit. He noted that in addition to auditing the College's financial statements in accordance with Government Auditing Standards, the auditor also will complete an A133 Federal Financial Aid audit which will be reviewed at an upcoming meeting.

Mr. DiIulis then reviewed in detail the audited financial statements and footnotes for the year ended June 30, 2013, with the committee. As part of this review, he highlighted several significant transactions that increased the College's asset position during the year, including investments in the Ashland Street Warehouse, a bond issued by the Massachusetts State College Building Authority (MSCBA), and the continued progress of the Center for Science and Innovation construction.

A general discussion with questions on the financial statements followed. Mr. DiIulis underscored the work done by MCLA to return an unqualified audit status, and President Grant noted that the College manages the budget carefully to plan for future challenges, stay on track, and sustain progress.

President Grant acknowledged the work of Treasurer Desmarais, and the trust, honesty, and integrity he brought to his work. She discussed the staffing plan to reassign and reallocate Treasurer Desmarais's work following his October 4th retirement.

Chair Clemmer reminded the committee of the process for reviewing the audit. Upon review and acceptance of the Fiscal Affairs Committee, the audit will be advanced to the full Board for acceptance at the October 17 Board of Trustees meeting. Mr. DiIulis will be in attendance. Once accepted by the board, the audit will be filed with the state Comptroller.

Upon a motion duly made and seconded, it was

VOTED: Unanimously to accept and advance the FY 2013 audited financial statements to the full board for acceptance at the October 17th Board of Trustees meeting.

Budget and Project Updates

Vice President Stakenas informed the committee that as part of the funding plan for the Ashland Street warehouse that will provide important office and shop space for the Facilities team, the College received approval to use \$1 million in bond funding from MSCBA on the warehouse project, thereby reducing the amount MCLA will borrow to complete the project. The discretionary campus projects that had been planned to utilize the MSCBA bond will be deferred as a result of this strategic investment.

4th Quarter FY 2013 Report

Treasurer Desmarais provided the Committee with the FY 2013 Fourth Quarter Report. He noted that revenues ran behind expenses for the year due to several factors including lower than projected enrollment, College investments in student financial aid, and project expenses. As a result, the College did not bring FY 13 funds forward to support budget priorities in FY 14.

College Credit Card Policy

President Grant and Vice President Stakenas informed the committee of a recent update to the College policy that clarifies the process for issuing, using, and managing college-issued procurement cards, and reinforces the requirement that college procurement cards not be used for personal expenditures.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 11:18 a.m.