

**MINUTES OF THE MEETING OF THE  
MASSACHUSETTS COLLEGE OF LIBERAL ARTS  
BOARD OF TRUSTEES FISCAL AFFAIRS COMMITTEE  
Tuesday, May 15, 2018  
87 Blackinton**

**Members in attendance**

Denise Marshall, Chair  
JD Chesloff, via phone

**Others in attendance**

Susan Gold, Board Chair  
Dr. James Birge, President  
Denise Richardello, Executive Vice President  
Larry Behan, Vice President, Administration & Finance  
Bonnie Howland, Director of Student Accounts  
Christopher MacDonald-Dennis, Chief Diversity Officer

Trustee Marshall called the meeting to order at 9:47 a.m.

**3<sup>rd</sup> Quarter Report and Budget FY18 update**

Vice President Behan reviewed the 3<sup>rd</sup> quarter report. The report provides a summary of income and expense by object code. Report should reflect the nine month period ending March 31, 2018. Notes are included to address positive or negative variances. The variances are due to timing issues, as well as student attrition.

Vice President Behan explained that there is a positive variance resulting from payroll and fringe savings due to vacant employee positions. He is projecting at this time that there will not be a need to transfer funds from the reserve to realize a FY18 balanced budget. It was suggested that a 4<sup>th</sup> Quarter Forecast column be added to the report.

**Accounts Receivable Report and Write-offs**

Bonnie Howland reported that current receivables at the close of the spring 2018 semester were approximately \$16,000 compared to a \$44,000 balance this time last year. Receivables for the spring resulted from defaults on payment plan arrangements.

Each year the college reviews any outstanding debt to submit to the committee to be written-off. These accounts were billed extensively while the student was enrolled, have been referred to a collection agency, have been referred to the State Intercept Program and have been deemed uncollectable. This program allows for collection of outstanding debt from any state refunds or lottery winnings over \$600. Bonnie also noted that this outstanding debt remains connected to the student's record so they can be identified if requesting a transcript or grades. The amount recommended for write-off for FY2018 is \$7,440.67.

Upon a motion duly made and seconded, it was

**VOTED** To accept the recommendation to write off the amount of \$7,440.67 related to these specific accounts.

## **Budget FY19 update**

Vice President Behan presented a draft budget for FY 2019. The budget is based on a forecast of 25 fewer undergraduate students, 18 fewer in housing, and 12 fewer graduate students. The revenue budgeted includes an increase to mandatory student fees of 4.3% (\$424 per year increase to the Campus Support Fee). The budget also includes the collective bargaining increase of 2% for the second year of funding. President Birge added that this is a comparative fee increase to other state universities. The average increase amongst the state universities is \$506 per year (5.1%).

VP Behan noted that we have been lean with our budgeting. The budget is based on a conservative estimate of student enrollment and a continued savings in unfilled positions. When the budget is presented to the Board it will be explained that the budget includes the fee increase of \$424 per year, but would be revisited if the state appropriation was increased.

Upon a motion duly made and seconded, it was

**VOTED** To recommend to the Board of Trustees that the College proceed with the FY19 preliminary budget.

President Birge presented that in support of the college's strategic planning process, he would like to request \$260,500 from reserve funds to be used for strategic planning priorities, i.e. marketing and website design, TRIO consultant, diversity and inclusion dialog training for faculty, and enhancement to the math and writing centers. These funds will be used for FY19 strategic planning priorities.

Upon a motion duly made and seconded, it was

**VOTED** To recommend to the Board of Trustees that the college use \$260,500 from reserve funds for strategic planning priorities.

## **MSCBA Bond Funding Discussion**

President Birge presented that there is need for \$3M bonds for athletic facilities and improvements to the student center. The President stated that rather than requesting the \$3M for all of the improvements, he would request \$1M bond to complete the Campus Center/pool project. There is already \$3.6M in hand or pledged to date and the project overall is a \$4.6M expense. The \$1M bond would result in \$80,000/yr in debt service beginning in FY20 when the first payment is due.

Due to no quorum, a recommendation will be made to the Board of Trustees to support a conversation to support the \$1M bond to fund the Campus Center project.

## **Adjournment**

There being no further business to come before the Committee, the meeting was adjourned at 11:06 a.m.