



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 8, 2014

President's Office Conference Room

Members in attendance:

Denise Marshall, Chair
James Clemmer
Tyler Fairbank
Buffy Lord

Others in attendance

Mary K. Grant, President
James Stakenas, V.P. Administration & Finance
Laura Brown, Director of Fiscal Affairs
Joseph Charon, Director of Public Safety
Chuck Kimberling, Director of Facilities
Curt King, Chief Information Officer
Jennifer Macksey, Director of Student Accounts
Ginger Menard, Clerk
David DiIulis, O'Connor & Drew P.C.

The meeting was called to order at 8:53 a.m. by Trustee Marshall.

Campus Safety Report

Public Safety Director Joseph Charon began with a report on the bomb threat earlier in the week and noted that the investigation into this incident is still ongoing. There will be follow up meetings to review emergency procedures.

Charon then updated Trustees on campus safety best practices, and provided an update on MCLA's annual security and fire safety report, also known as the Clery report, a federally mandated annual report. Additional categories this year include domestic violence, dating violence, and stalking. He expressed the belief that the report reflects a commitment to keep the MCLA campus community safe. The committee discussed the report and the data.

The Clery report is available online and Director Charon has notified the campus community that it has been posted.

Director Charon noted that the referrals for alcohol and drug violations have decreased. This positive shift is the result of a concerted effort on education, prevention, and enforcement that has been employed based on data from previous reports.

Review of FY 2014 Audit Report

David DiIulis (O'Connor & Drew) provided the Committee with a report on the FY 2014 audit. The audit provides an unmodified opinion of the College's financial position.

Mr. DiIulis reviewed a prepared document on required communications with the committee that outlined the Auditors' responsibilities as well as accounting policies and the various steps taken during the audit. He also noted that no audit adjustments were needed. He shared 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. Additionally, the college is on a 3 year cycle for the Massachusetts Financial Aid Audit and that will be completed this fiscal year as well.

Mr. DiIulis then reviewed in detail the audited financial statements and footnotes for the year ending June 30, 2014. As part of this review, he highlighted the significant increase in capital assets as result of the completion of the Feigenbaum Center for Science and Innovation and the new Facilities Management building.

A general discussion with questions on the financial statements followed. Mr. DiIulis noted that one change in law which will affect next year's Foundation report is the inclusion of in-kind services. This will include a record of College personnel engaged in work for the Foundation which must not exceed 25% of total work hours. Further discussion on this item is continuing at the state level and the committee will be kept apprised of any updates.

Trustee Marshall reminded the Committee that upon review and acceptance of the Fiscal Affairs Committee, the audit will be advanced to the full Board for acceptance at the October 23 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 2014 audited financial statements to the full board for acceptance at the October 23rd Board of Trustees meeting.

4th Quarter FY 2014 Report

Director of Fiscal Affairs, Laurie Brown, provided the Committee with the FY 2014 Fourth Quarter Report. She noted that the increase of expenses against revenue was planned due to the purchase of new equipment for the Feigenbaum Center for Science & Innovation which was taken from reserves that had been built up in the operating fund specifically for this purpose. An additional planned expense was the new telephone system along with an increase in payouts for accrued sick and vacation time as a number of long-time employees retired due to the early retirement incentive.

Revenue ran within expected levels for the Fourth Quarter. It is normally lower than expenses in the Fourth Quarter because revenue collections are higher in the Second and Third Quarters while expenses are more evenly distributed.

Project Updates

Vice President Stakenas informed the committee that the next meeting will include a detailed analysis of the CoGen project including the potential for energy savings.

There being no further business to come before the Committee, the meeting was adjourned at 9:57 a.m.