



My College. Right from the Start.

**Minutes of the Meeting of the Massachusetts College of Liberal Arts
BOARD OF TRUSTEES FISCAL AFFAIRS COMMITTEE
Wednesday, March 5, 2014
President's Office Conference Room**

Members in attendance

James Clemmer, Chair, (via conference call)
Buffy Lord
Denise Marshall

Others in attendance

Mary K. Grant, President
James Stakenas, Vice President Administration & Finance
Thomas Bernard, Director of Business Affairs
Laura Brown, Director of Finance
Charles Kimberling, Director of Facilities
Jennifer Macksey, Director of Student Accounts
Roberta McCulloch-Dews, Clerk

The meeting was called to order at 9:03 a.m. by Trustee Clemmer.

FY15 Budget Process - MCLA

Jennifer Macksey updated the committee on the campus budget planning process for Fiscal Year 2015 (FY 15). To support departmental budget planning, Administration & Finance staff will meet with departments to provide guidance and support in budget development. With the retirement of the College's longtime Treasurer Gerard Desmarais, the Administration & Finance department has reorganized and staff have taken on new roles to support this important work. The result is a team approach to support the business, financial, and operational management of MCLA's budget and finances. President Grant thanked the Administration & Finance team for their work in advancing the College.

FY15 Budget Process – State

Vice President Stakenas reported that in January Governor Patrick released his budget recommendation for Fiscal Year 2015. The recommendation proposed level funding from FY 2014 in direct appropriations to the state university system. The budget also includes a reserve for collective bargaining. The budget process will continue to move through the Legislature throughout the spring, and MCLA will continue to work with the other state university campuses

to advocate to the legislature for an increased appropriation for FY 2015, to build on the appropriation increase seen in the FY 2014 budget.

Internal Controls

Tom Bernard provided an overview of MCLA's internal control environment and work to review the College's internal controls. As the College prepares for the FY14 audit visit, staff from Administration & Finance, Financial Aid, and the MCLA Foundation will meet with the College auditors in March to review the audit process and internal controls.

Trustee Marshall thanked the Vice President Stakenas and the team for taking these steps and putting resources toward efficient internal controls, actions that will ensure the financial health of the College.

Facilities Building Update

Director Kimberling reported that work on the Facilities building on Ashland Street is near completion. As a result of additional required site preparation work, technology installation, and challenges posed by winter conditions, the final project cost is running slightly ahead of the amount authorized by the Board. The committee discussed a recommendation to authorize the funding required to complete the project.

Director Kimberling noted project has included cost-saving measures including repurposing cabinet work from Bowman Hall to use in the new building, a savings of \$44,000.

A ribbon-cutting ceremony is scheduled for April 18th. President Grant noted that the Facilities building will be a highly functioning and efficient work space for the College. She thanked Director Kimberling for his management of the project.

Upon a motion duly made and seconded, it was

VOTED: To recommend that the Board of Trustees approve borrowing an additional \$95,000 to complete the Ashland Street Warehouse project.

Bowman Hall

Director Kimberling informed the Committee that the bidding process is underway for Bowman Hall. The renovation is expected to be complete by summer 2015.

Master Plan

Vice President Stakenas provided an update on the campus master planning process. He reported that he expects to finalize the details to begin the planning process with the Division of Capital Asset Management and Maintenance within the next several weeks. The revised plan will enable the College to align programming, space planning, and deferred maintenance needs. President Grant noted that deferred maintenance affects not only MCLA, but higher education campuses and public buildings across the Commonwealth. The updated master plan will position MCLA for any future bond funding advances to support deferred maintenance and renovation projects.

Co- Generation Project

Vice President Stakenas presented an overview a proposed electrical co-generation project, which will use steam from the College's heating system to generate electricity. The project supports the College's strategic planning goal of Responsive and Intentional Stewardship, and will generate approximately 25% percent of campus electricity annually when the power plant is operational. This is expected to reduce the MCLA carbon footprint by approximately 10%.

Vice President Stakenas outlined the cost of the system, funding commitments received to support this work, scenarios for project scope, and the budget implications of the project for the College. The budget projection for the project indicates that utility cost savings realized through the co-generation system will offset the College's investment.

Upon a motion duly made and seconded, it was

VOTED: To recommend that the Board of Trustees authorize the College to continue working with the Division of Capital Asset Management and Maintenance (DCAMM) to advance a bid for an electrical co-generation system. Following a review of bids and project costs, the Committee and Board will review the project and make a determination about project approval and funding.

2nd Quarter FY 2014 Report

Laura Brown provided the committee the FY 2014 2nd Quarter Report. Year to date expenses are running slightly ahead of revenue through the Quarter as a result of student financial aid disbursements and Center for Science & Innovation (CSI) equipment purchases. The Administration & Finance team continues to carefully monitor revenues and expenses.

Other Business

President Grant thanked Vice President Stakenas and staff for their work.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 10:04 a.m.