

**Springfield Technical Community College
Committee of Ways & Means Report
June 15, 2020**

Present: MacArthur Starks, Jr., Vicki Crouse, Marikate Murren, Eric Hagopian, Jynai McDonald and Jeffrey Sattler. Also present were Dr. John Cook, Joseph DaSilva, Dr. Geraldine de Berly, Jonathan Tudryn, Darcey Kemp, Keith Paul, Cliff Porter, David Buonora, Denise Hurst, Katherine Senie and Nanette Flores

The meeting of the Committee on Ways and Means was called to order by Chair MacArthur Starks, Jr. at 5:02 p.m.

FY 2020 Budget Detail

Cash Flow Projection

Mr. Tudryn provided an overview of the College's Cash Flow Projection spreadsheet. The College currently has approximately \$2,900,000 available at TD Bank. This month, the cash balance projection for year end is significantly different than last month. This is due to the fact that summer one enrollment is coming in on budget and not down 50% as previously forecasted. In addition, the college is spending less in the facilities projects line as architects and engineers are not coming on campus as a result of COVID-19. The projection extends into FY 2021 and includes the first disbursement of fall financial aid.

FY 2020 Revenue & Spending Report through May 2020

VP/CFO DaSilva presented the revenue and expenditure figures through May 2020. This report does not include summer one enrollment revenues. The sources of funds are generally where they are expected to be at this time of the year at 91% of the budget and are projected to come in on target. The uses of funds are slightly lower at 84%, this is due in part to the slowdown in Facilities projects. It is very difficult to get vendors on site and DCAMM is currently running four to six weeks behind in their approval process. Trustee Murren suggested that all Facilities projects be reevaluated by the Committee. VP DaSilva noted that recommendations to suspend certain projects has already been brought forth to Dr. Cook for his review. Overall, the FY 2020 budget is forecasted to end with a \$629,382 surplus. Per the request of Trustee Starks, a new view of the FY 2020 Revenue and Spending Report was also presented. Trustee Starks prefers the original version and would like to see this going forward.

FY 2020 Facilities Projects Report

VP/CFO DaSilva presented the FY 2020 Facilities Project Report. As of May, 2020 all of the prior year funding which was carried forward (\$859,289) as well as \$993,284 of FY 2020 budget has been spent on Facilities projects. Facilities projects funding that remains available is currently \$3,456,716. Conversation ensued considering if the full amount should be carried forward to FY 2021. The remaining funding is on track to exceed the typical amount rolled forward to the next fiscal year.

Status: Value Stream Mapping Initiative

Mr. Tudryn presented an update on the Value Stream Mapping initiative. Savings were identified in three areas: part-time employees for \$122,157; postage costs associated with eForms for \$21,895; and orientation transitioning to an on-line delivery for \$20,000. Total savings amounted to \$164,052, beating the target of 3 times the cost of the consultant of \$114,000. The contract is coming to an end and final reports from both Mr. Tudryn and the consultant will be provided in

the near future. Trustee Starks inquired as to whether we should continue this practice in other areas of the College. Dr. Cook suggested that an equity consultant might be the way to go now. Trustee Crouse suggested doing both.

Perspective for FY 2021

VP DaSilva presented the Committee with a projected 9C reduction for FY 2021 based upon prior year budget deficits/reductions. The projection for FY 2021 is 5% or \$1,398,840. Both the HEROS Act and CARES Act funding may help offset these reductions. The Department of Higher Education has hired Ernest & Young to look at all state and community colleges to review their current financial situation.

FY 2021 Budget Review/Approval

VP DaSilva presented a draft FY 2021 budget for review. The proposed budget includes a 10% decline in fall enrollment; a 6% decline in spring 2021; a 50% decline in summer two and an \$8 fee increase that was previously approved. The FY 2021 draft budget forecasts 92,206 credits and is balanced.

Trustees questioned if the FY 2021 budget needed to be approved at this meeting or if it could be postponed until next month when potentially additional information would be made available. VP DaSilva noted that if a budget is not passed this month, the college will not legally be able to spend on July 1.

Motion – FY 2021 Budget

Trustee Murren moved that the STCC Board of Trustees Committee on Ways and Means, pursuant to the provision of Section 22, Chapter 15A, recommends the approval of the FY 2021 College Spending Plan and the FY 2021 Trust Fund Budgets, and further authorizes the President of the College and/or his designee(s) to take any and all prudent steps necessary to award contracts for capital projects. Trustee Sattler seconded the motion and was approved unanimously.

President's Perspective

Dr. Cook noted that although the College continues to work remotely, a pilot program has begun to bring students back on campus. The pilot program began on June 7 and has been working well. Dr. Cook thanked the Committee for approving the budget.

Date of the next meeting

TBD

Adjournment: A roll call vote was taken to adjourn at 6:05 p.m. Approved by Trustees Starks, Murren, Crouse, Sattler and McDonald.

Respectfully submitted by: Carolyn deliefde