

**Springfield Technical Community College  
Committee on Ways and Means Report  
November 13, 2023**

**Present:** Trustees MacArthur Starks, Jr., Samalid Hogan, Jeffrey Sattler, and Norman Roldan. Also present: President John B. Cook.

**Absent:** Trustee Laurie Martin

Trustee Starks called the meeting of the Committee on Ways and Means to order at 5:00 p.m.

**Investment Subcommittee Report**

Trustee Starks reviewed the Investment Subcommittee report from their meeting on August 3, 2023 and November 2, 2023. Meeting minutes are included in the packet.

**FY 2023 Audit Update**

Michael Cosgrove, Partner and Lisa Rotondi, Senior Manager from WithumSmith & Brown, presented the FY 2023 Required Communications and Financial Statements to the Audit Committee. WithumSmith & Brown performed the audits for both STCC and the STCC Foundation.

WithumSmith & Brown issued an unmodified opinion on the STCC financial statements and noted there were no material weaknesses/significant deficiencies within the Report on Internal Control over Financial Reporting and on compliance and other matters. There were no uncorrected misstatements, no disagreements with management, and no difficulties encountered in performing the audit. Mr. Cosgrove thanked the management team for their cooperation during the audit process. Of note, GASB 96, related to Subscription Based Information & Technology Arrangements (SBITA), was adopted in FY 2023.

WithumSmith & Brown noted that the STCC Foundation was determined to have a significant deficiency related to internal controls, but noted the finding did not impact the College's financial statements. Due to a change to the accounting system, all contribution revenue was recorded as unrestricted, including contributions that should have been recorded as restricted. This issue was identified and remedied by management, and an internal controls document was created.

**[Motion] FY 2023 Financial Statements and Audit**

Trustee Hogan moved that the Springfield Technical Community College Board of Trustees Committee on Ways and Means, pursuant to the provision of Section 22, Chapter 15A, approve the FY2023 financial statements and audit as presented. The motion was seconded by trustee Roldan and approved unanimously via roll call.

**Financial Update and Outlook**

**Cash Flow Projection**

Jonathan Tudryn, Assistant VP of Administration and Controller, presented the cash flow projection for FY 2024. The College has approximately \$14.2M available at TD Bank as of November 4, 2023. The projected year end cash balance is approximately \$10 M.

**FY 2024 Enrollment Update**

Andrea Nathanson, VP of Administration and CFO, updated the Committee on Fall 2023 enrollment. Preliminary Fall 2023 credits are approximately 13.5% higher when compared with Fall 2022, favorable to the budgeted -4.5% decline from Fall 2022. Assuming Spring 2024 credits at budget, the net financial impact for FY 24 is projected to be approximately + \$1 M.

**FY 2024 Revenue & Spending Update**

Jason Cohen, Senior Director of Finance and Budgets, presented the FY 2024 Revenue and Spending update, noting that there is a projected \$1.56 M favorable variance for the fiscal year. The variance is due to an increase to the State appropriation revenue of \$504 K; in addition to the approximately \$1 M impact of enrollment favorable to budget.

**President’s Perspective**

Dr. Cook remarked that the College will continue to focus on retention efforts given the positive momentum of increased enrollment. He reminded the Trustees that, despite the positive Fall enrollment, there is a need for continued diligence required to eliminate the structural budget deficit by 2028.

**Date of the next meeting**

January 8, 2024 at 5:00 p.m.

**Adjournment:**

A roll call vote was taken to adjourn at 5:38 p.m.

Respectfully submitted by: Dominick Uguccioni

**Springfield Technical Community College**  
**Investment Subcommittee Report**  
**August 3, 2023**

**Attendees:** Laurie Martin, Matthew Fratini, President Cook, Andrea Nathanson, Christopher Thuot, Lillian Ortiz, Jonathan Tudryn, Dorothy Ungerer, and Nanette Flores.

The committee met with Fiducient Advisors on August 3, 2023 for the quarterly investment subcommittee meeting.

Mr. Fratini presented the Quarterly Investment Review Report for the second quarter of 2023. The Fiduciary Governance Calendar for the second quarter contains an investment focus. Mr. Fratini presented a review of:

- International Equity
- Cash vs. Bonds

Mr. Fratini provided updates on market themes, economic review, and asset class returns. Mr. Fratini noted the following changes in the Short-Term Portfolio:

- Reduced target allocation to Payden & Rygel Limited Maturity Fund from 40% to 30%
- Increased target allocation to Federated MMDT Cash Portfolio from 30% to 40%

Investments managed by Fiducient totaled \$34,708,731 at June 30, 2023. This value includes a fiscal year to date gain of \$2,484,410.

The long-term investment account totaled \$26,666,807 at June 30, 2023. A summary of the STCC Long Term Investment Account performance (%) as compared to the L/T STCC Hybrid benchmark is listed below by quarter, fiscal year to date, and since inception (11/1/2014).

	<b>QTR</b>	<b>FYTD</b>	<b>Inception</b>
STCC Long Term	3.3	9.4	5.0
L/T STCC Hybrid benchmark	3.3	9.5	5.1

The L/T STCC Hybrid benchmark consists of:

	<b>Weight (%)</b>
Bloomberg U.S. Aggregate Index	25.0
Russell 3000 Index	34.5
MSCI AC World ex USA (Net)	24.5
HFRI Fund of Funds Composite Index	7.5
FTSE EPRA/NAREIT Developed Index (Net)	4.0
Diversified Real Asset Blended Index	4.5

The short-term liquid account totaled \$8,041,924 at June 30, 2023. A summary of the STCC Short Term Investment Account performance (%) as compared to the S/T STCC Hybrid benchmark is listed below by quarter, fiscal year to date, and since inception (11/1/14).

	<b>QTR</b>	<b>FYTD</b>	<b>Inception</b>
STCC Short Term	1.2	3.4	1.1
S/T STCC Hybrid benchmark	0.9	2.7	1.2

The S/T STCC Hybrid benchmark consists of:

	<b>Weight (%)</b>
90 Day U.S. Treasury Bill	30.0
Bloomberg Short-Term Government/Corporate	60.0
Bloomberg U.S. Aggregate	10.0

An estimated fee analysis was also provided:

Investment Portfolio:

Long-Term Investment Account Fee	44 basis points
Short-Term Liquid Account Fee	15 basis points

The meeting adjourned at 5:06 PM.

Respectfully submitted by: Dorothy Ungerer

**Springfield Technical Community College  
Investment Subcommittee Report  
November 2, 2023**

**Attendees:** Laurie Martin, Anthony Montemagni, Michael Chase, Matthew Fratini, President Cook, Andrea Nathanson, Christopher Thuot, Jonathan Tudryn, Dorothy Ungerer and Nanette Flores.

The committee met with Fiducient Advisors on November 2, 2023 for the quarterly investment subcommittee meeting.

Mr. Fratini presented the Quarterly Investment Review Report for the third quarter of 2023. The Fiduciary Governance Calendar for the third quarter contains a governance focus:

- Investment Policy Statement Review
- Stewardship Best Practices

Mr. Fratini proceeded to provide a review of the important elements of an Investment Policy Statement and presented Springfield Technical Community College's ("the college") Investment Policy Statement. There are no recommendations for changes to the Investment Policy Statement at this time. Mr. Fratini also provided updates on committee best practices, endowment and foundation resources, market themes, economic review, and asset class returns.

Investments managed by Fiducient totaled \$33,896,183 at September 30, 2023. This value includes a fiscal year to date loss of \$812,548.

The long-term investment account totaled \$25,759,434 at September 30, 2023. A summary of the STCC Long Term Investment Account as compared to the L/T STCC Hybrid benchmark is listed below by quarter, fiscal year to date, and since inception (11/1/2014).

	<b>QTR</b>	<b>FYTD</b>	<b>Inception</b>
STCC Long Term	-3.4	-3.4	4.4
L/T STCC Hybrid benchmark	-3.2	-3.2	4.6

The L/T STCC Hybrid benchmark consists of:

	<b>Weight (%)</b>
Bloomberg U.S. Aggregate Index	25.0
Russell 3000 Index	34.5
MSCI AC World ex USA (Net)	24.5
HFRI Fund of Funds Composite Index	7.5
FTSE EPRA/NAREIT Developed Index (Net)	4.0
Diversified Real Asset Blended Index	4.5

The short-term liquid account totaled \$8,136,749 at September 30, 2023. A summary of the STCC Short Term Investment Account as compared to the S/T STCC Hybrid benchmark is listed below by quarter, fiscal year to date, and since inception (11/1/14).

	<b>QTR</b>	<b>FYTD</b>	<b>Inception</b>
STCC Short Term	1.1	1.1	1.2
S/T STCC Hybrid benchmark	0.9	0.9	1.2

The S/T STCC Hybrid benchmark consists of:

	Weight (%)
90 Day U.S. Treasury Bill	40.0
Bloomberg Short-term Govt./Corp.	50.0
Bloomberg U.S. Aggregate Index	10.0

An estimated fee analysis was also provided:

Long-Term Investment Account Fee	44 basis points
Short-Term Liquid Account Fee	15 basis points

Mr. Chase inquired if there were any updates on a need to divest for the major capital project of the relocation of the School of Health and Patient Simulation out of Building 20. Dr. Cook remarked that the project is still in the design phase and there are no updates at this time.

The meeting adjourned at 5:04 PM.

Respectfully submitted by: Dorothy Ungerer