

**Springfield Technical Community College
Committee on Ways and Means Report
February 11, 2019**

Present: MacArthur Starks, Jr., Christopher Johnson and Vicki Crouse. Also present President Cook, Joseph DaSilva, Jonathan Tudryn, LaRue Pierce, Maureen Socha, Inder Singh, Dr. deBerly, Dorothy Ungerer, Denise Hurst, Nanette Flores, Michelle Nash, Nicholas Camerota and Michael Cosgrove, O'Connor & Drew PC.

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

Motion FY 2018 Reissued Financial Statements GASB 75 OPEB Restated

Michael Cosgrove, Partner of O'Connor & Drew PC, explained why the financial statements were being reissued. He also presented a Reissuance Proforma identifying the differences between the original and reissued financial statements as a result of OPEB being restated. The net OPEB liability was reduced by \$425,689.

Trustee Crouse moved that the Springfield Technical Community College Committee on Ways and Means, pursuant to the provision of Section 22, Chapter 15A, recommends to the Board of Trustees the approval of the FY2018 Reissued Financial Statements as a result of the GASB 75 OPEB Restatement. The motion was seconded by Trustee Johnson and approved unanimously.

Motion FY 2018 Single Audit

Michael Cosgrove provided an overview of the Single Audit. There were no current year findings and corrective action was taken on the prior year finding.

Trustee Crouse moved that the Springfield Technical Community College Committee on Ways and Means, pursuant to the provision of Section 22, Chapter 15A, recommends to the Board of Trustees the approval of the FY2018 Single Audit as presented. The motion was seconded by Trustee Johnson and approved unanimously.

Budget Perspective

Cash Flow Projection

Mr. Tudryn reported on the College's cash flow projection. The College currently has approximately \$700,000 available at TD Bank. As previously noted, the College divested \$1,000,000 from Fiduciary Investment Advisors in November and is planning to reinvest the funds in March.

FY 2019 Revenue & Spending Report through January 2019

VP/CFO DaSilva presented the revenue and expenditure figures through January 2019. Trust fund revenues are down due to a decrease in enrollment. Investment earnings were down significantly in December, but the market rebounded in January. Overall, investment earnings remain low to budget. The Fringe Benefits/Payroll Tax/Retirements Payouts line is over budget due to the unexpected number of retirements to date this fiscal year.

FY 2019 2nd Quarter Trust Fund and Vendor Expenditure Reports

VP/CFO DaSilva presented the second quarter Trust Fund Reports and Vendor Expenditures over \$20,000 as required by the Board of Higher Education Trust Fund Guidelines. The General Education, Health, and Capital Improvement trust fund revenues and expenditures are all generally in line with expectations considering the previous discussion surrounding a decrease in enrollment and investment earnings being down.

FY 2020 Budget Process

VP/CFO DaSilva presented the committee with a detailed outline of the FY 2020 Budget Process. The first draft of the budget will be presented to the Committee on March 11, 2019 with a proposed final FY 2020 budget presented to the full board for approval on May 20, 2019.

Investment Subcommittee Report

Trustee Starks presented the investment report from the Investment Subcommittee meeting held on February 7, 2019. Trustee Starks acknowledged the efforts by Mike Chase from FIA, despite the market being down, Mike and his team at FIA reviews the College's portfolio at least biweekly. Please see **attachment 1** for the minutes to the meeting.

President's Perspective

President Cook informed the Committee that he recently shared at a Town Hall meeting the budget difficulties that the College is facing in FY 2020. Also, he distributed a Budget/Savings & Process Improvement worksheet to the Committee which highlighted cost saving initiatives that have already been implemented or will be in the near future. Dr. Cook has begun identifying consultants to assist the College in value stream mapping & budget efficiencies.

Date of the next meeting

March 11 @ 5:00 p.m. in the President's Conference Room

Adjournment: Trustee Crouse moved to adjourn the meeting at 5:40 p.m. seconded by Trustee Johnson and approved unanimously.

Respectfully submitted by: Carolyn deliefde