

**Springfield Technical Community College  
Committee on Ways and Means Report  
April 13, 2020**

**Present:** Marikate Murren, MacArthur Starks, Jr., Eric Hagopian, Jeffrey Sattler, Jynai McDonald and Maria Crouse. Also present President John B. Cook, Elizabeth Sposito, Frank Quigley, Joseph DaSilva, Denise Hurst, Janice Mazzallo, Jonathan Tudryn, Dorothy Ungerer, Wilma Tynes, Keith Paul, Cliff Porter, David Buonora, Renae Gorman, Mary Wiseman and Nanette Flores.

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

**Budget Perspective**

**Cash Flow Projection**

Mr. Tudryn reported on the College's cash flow projection. The College currently has approximately \$4.6 million available at TD Bank. Per the request of Trustee Sattler, a worst case scenario projection was presented. This projection shows a need of \$2 million in reserves to be transferred from FIA to TD Bank at the end of May, 2020. The assumptions were elaborated on during the revenue & spending report discussion.

**FY 2020 Revenue & Spending Reports through March 2020**

Vice President DaSilva presented the revenue and expenditure figures through March 2020. The Student Fee and Capital Improvement Fee forecasted revenues are both showing a deficit because 723 credits have not transitioned to online learning. A number of cost containment measures have been taken including the suspension of part time employees and the stoppage of all college related travel. To date, \$226,759 has been spent on COVID-19 related expenses. In addition to the regular monthly Revenue & Spending Report, a Worst Case Scenario forecast for the revenue and expenditure figures through March 2020 was also presented. This forecasts a possible deficit to the revised budget in the amount of \$2,007,300. The College will receive \$3,845,054 from the Coronavirus Aid, Relief and Economic Security (CARES) Act. Trustee Crouse inquired why these funds cannot be used to cover the worst case scenario possible deficit. Dr. Cook informed the Committee that the terms of the act are very specific and the funds cannot be used to reimburse the College. He is working closely with legal to interpret the language of the act. VP DaSilva also noted that all community colleges are working closely with the Department of Higher Education to ensure that all 15 community colleges are handling the CARES Act funding in the same manner.

**FY 2020 Facilities Projects Report**

VP DaSilva presented the 5 Year Facilities/Capital Plan Update. This update shows the status of the FY 2020 Facilities projects on campus. Any funding not used before June 30, 2020 will be rolled over into the next fiscal year.

**FY 2021 Preliminary Draft Budget #2**

Version #2 of the FY 2021 preliminary budget was presented by VP DaSilva. This version of the FY 2021 budget assumes a 6% decline in enrollment and an \$8 per credit General Education Fee increase. It also includes a \$240 increase in the Nursing and Allied Health Program Fee. Part time salaries have been decreased due to the projected decline in enrollment. A balanced budget, including a fee increase request, will be presented to the committee at the May Ways & Means meeting.

**5 Year Facilities/Capital Plan Update**

Mr. Tudryn provided an updated report as requested during the previous Ways and Means Committee meeting providing the funding for the Building 20 project. An additional request was made asking for an overview of what the \$54M project would provide.

**President's Perspective**

Dr. Cook noted that if the stay-at-home order continues past May 4, it will have implications on both the FY 2020 and FY 2021 budgets. The FY 2021 budget that is presented in May will be based upon either the stay-at-home continuation or returning to work. There is a possibility the College will have to come to the committee in September with a revised budget due to COVID-19 expenses and how this situation continues to develop. The CARES Act may be able to provide assistance with the budget. The college will seek legal counsel's interpretation regarding the language of the Act.

**Date of the next meeting**

May 11 @ 5:00 p.m.

**Adjournment**

Trustee Starks moved to adjourn the meeting at 5:45 p.m. seconded by Trustee Murren and approved unanimously.

Respectfully submitted by: Carolyn deLiefde