

**Springfield Technical Community College  
Committee on Ways and Means Report  
March 15, 2021**

**Present:** Trustees MacArthur Starks, Jr., Marikate Murren, Jynai McDonald, Jeffrey Sattler, Vicki Crouse and Maurice Lindsay. Also present: President Cook.

The meeting of the Committee on Ways & Means was called to order by Trustee Starks at 5:00 p.m.

**FY 2021 Budget Review and Update**

**Cash Flow Projection**

Controller Dorothy Ungerer reported on the College's cash flow status and projection for FY 2021. The College currently has approximately \$9,900,000 available at TD Bank. The College recently received the first spring financial aid disbursement which brought in \$4,800,000. Based upon an overall reduction in enrollment of 22% our end of year cash balance is projected to be approximately \$1,600,000.

**FY 2021 Revenue & Spending Report through February 2021**

Jason Cohen, Senior Director of Finance and Budgets reported on the FY 2021 Revenue & Spending Report through February 2021. The current forecast shows revenue exceeding expenses by a little under \$2,000,000 for year end. This projection will continue to be revised as more information becomes available.

Trustee Crouse asked if the large surplus is due to the federal funds the College received. Mr. Cohen noted that although this funding is part of the surplus, the College also had savings in a number of areas such as utilities and adjunct faculty salaries.

Trustee Starks requested more information on the Contingency Line. Why is it tracking \$800,000 over budget this year? Mr. Cohen stated that a portion of the COVID relief funding expenses are being charged to this line.

Trustee Sattler requested more information on the Retirement Payout line. Mr. Cohen stated that the retirement payout line includes payroll taxes, chargebacks, overtime and employee payouts. Dr. Cook noted that on average 12-15 people retire yearly and this year looks to remain the same. Trustee Sattler expressed an interest in seeing additional information regarding early retirements.

**FY 2021 Facilities Project Report**

Mr. Cohen presented the Facilities Project Report detailing year-to-date spending through February 28, 2021. To date, \$838,187 has been spent. Mr. Cohen stated that Facilities expects to spend an additional \$2,000,000 this fiscal year. Financial leadership will meet with Trustee Starks offline to discuss future presentation of this report. Mr. Cohen also presented the DCAMM Funding Spending Report.

## **Prepping FY 2022 Budget**

### **Draft #1/FY 22 Budget and Key Assumptions**

President Cook began the discussion by thanking Andrea Nathanson, Dorothy Ungerer and Jason Cohen from Administration/Finance for all their hard work facilitating the first draft. He noted that at this point, there is no model to project enrollment for next year, and uncertainty remains. Also, at this time, STCC does not have specific dollar amounts we will receive from the American Rescue Plan (federal stimulus).

Andrea Nathanson, VP of Administration/CFO presented the first draft of the FY2022 Budget. Included was a view of the budget if federal funds were not included/available. The version with COVID funding carries in this first draft a deficit of \$800,000 (whereas the version without COVID funding showed a \$4,900,000 deficit). Trustee Starks requested more information on what went into the assumption of a 5% decrease in enrollment. Ms. Nathanson noted that although it is premature at this point, Institutional Research actually believes enrollment declines next year could exceed 5%. More information on the enrollment projections will be available at the next meeting. Trustee Sattler asked if it is recruitment or retention of students having the effect on enrollment; President Cook noted that the College has challenges with both.

Trustee Sattler requested more information on the full time salaries budget. CFO Nathanson presented that next steps include further refinement of Draft #2, which will be presented in April. These include enrollment/fee revenue refinement, adjust salaries based upon adjunct needs, on-campus activities, optimizing CRRSAA funding and continued discussion of Automotive and Cosmetology program funding.

### **FY22 Facilities/Capital Projects**

Senior Director of Facilities Deb Avery presented an overview of Facilities Capital Projects. The total yearly budget for capital projects is \$3.1M which is broken down into four categories – master plan projects, building and land improvements, deferred maintenance/emergencies and life safety and energy savings/upgrades. Ms. Avery reviewed four capital projects currently in process including the Robotics move, Lead on the Green, Campus Police move, and SHPS (School of Health and Patient Simulation) move from B20.

Trustee Crouse suggested that the lead on the green remediation could be the responsibility of the original owner of the property. Dr. Cook shared the college is talking with National Park Service and others about possible federal support for the mitigation/remediation.

Specific to Building 20, and potential funding by Trustees of a Certified Study, the consensus view by the Committee was that DCAMM/Massachusetts investment is critical and clarity is needed (President Cook noted it is May/June when announcements are expected by DCAMM for major capital project funding). Unless and until there is clarity at the state level about investment in this capital projection, Trustees will defer a decision about next steps, including how and who funds a required Certified Study.

Ms. Avery discussed the DCAMM-funded portion of the 5-Year Facilities Plan. More information on process and cost of certified studies was requested, including the aspect of “house doctors” and the way funding is allocated and encumbered, by year.

A discussion about the discontinued Automotive and Cosmetology programs occurred, including the current status, which is that no certified studies for Cosmetology and Automotive have been put into motion (administration shared that money in the current FY budget is available for studies, consultants, etc). Trustee Crouse reiterated that the Ad Hoc Committee did not recommend funding a certified study for either of these programs. The Committee discussed next steps for both programs, including a desire to have an independent review of each, methods of achieving that goal, and possible follow-up with legal counsel on process.

**Date of the next meeting**

April 12, 2021 @ 5:00 p.m.

**Adjournment:**

A roll call vote was taken to adjourn at 6:30 p.m. Approved by Trustees Murren, Starks, Crouse, Lindsay, Sattler and McDonald

Respectfully submitted by: Carolyn deliefde