

**Springfield Technical Community College
Committee of Ways and Means Report
September 14, 2015**

Present: Chair Debra Kaylor, Trustees Maria Goncalves, Dan Moen and Chris Johnson. Also present, Ira Rubenzahl, Michael Suzor, Joseph DaSilva, Kamari Collins, Arlene Rodriguez, Jonathan Tudryn and Cathy Olson.

The meeting of the Committee on Ways and Means was called to order by Chair Debra Kaylor at 5:00 p.m.

FY 2016 Spending Report through August 2015

VP/CFO DaSilva informed the committee that the revenues will be reported at the October meeting after the fall enrollment numbers are finalized. It was noted that the additional funding of \$357,814 in the Senate Budget has been rescinded. The expenditure figures through August 2015 were presented. Many line items reflect no actual expenditures and are essentially due to timing at this early point in the new fiscal year.

Cash Flow Projection

Mr. Tudryn reported on the College's cash flow projections for FY 2016. The numbers are based on prior year activity and adjusted for known factors such as enrollment, budget, grants, etc. The College currently has approximately \$1,000,000 at TD Bank. The College divested \$500,000 from investments in July and is scheduled to divest another \$1,000,000 this week. The College is expecting a large financial aid disbursement during the first week in October and will return the \$1,500,000 to the investment portfolio at that time. In addition, the College plans to transfer approximately \$3,000,000 to the short term MMDT account. The current projections also indicate that the College may need to divest \$1,500,000 at the end of the fiscal year, however, the cash flow projections will be updated once the fall enrollment figures are finalized.

Investment Subcommittee Report

Trustee Johnson provided an overview of the August 6th Investment Subcommittee meeting. Please see *attachment 1* for the minutes to the meeting.

Fiscal Year 2015 Audit

VP/CFO DaSilva provided the committee with an update and timeline of the FY 2015 audit. The College's audit is being performed by O'Connor and Drew, P.C. and consists of the annual financial statement audit and A-133 Single Audit. The financial statements and required communications will be presented to the Audit Committee on October 14th at 4:00pm. The financial statements and audit will then be presented to the Ways and Means Committee immediately following the Audit Committee meeting. The STCC Foundation audit is being performed by Downey, Sweeney & Fitzgerald Co, P.C. and the final report is expected next week. The STCC Foundation's audit will also be presented at the October 14th meeting. The STCC Assistance Corporation's final version of the financial statements is expected to be completed next week. The Assistance Corporation is waiting on confirmation of supplemental financing from Mass Development, which may lead to a going concern if it is not received in a timely manner.

Enrollment Report

Assistant to the President Michael Suzor presented an enrollment report to the committee. At present, the total confirmed headcount is down 6.7% and the total confirmed credits are down

8.5% as compared to last year at the same point in time. The Admissions Department is working on various recruitment plans including online winter intersession courses and non-traditional start dates for certain programs.

Trustee Liability Insurance

VP/CFO DaSilva provided the committee with information on the liability insurance policy that the College purchases to cover the Board of Trustees. At present, only two community colleges provide this insurance to their members as the other colleges operate under the impression that MGL 15A, Section 22 shall indemnify a trustee against loss provided they have acted in good faith and without malice. Trustee Johnson explained that there are limitations to the MGL, however he was not opposed to cancelling the insurance policy. Additional information will be obtained and presented at a later date.

Building 19 Update

Trustee Johnson reported on Governor Baker's visit and announcement that \$3 million will be made available for the design phase of the Building 19 project.

Other Business

President Rubenzahl noted that Senator Rosenberg visited campus on September 4. In addition, he reminded the committee that the College will be required to contribute \$3,000,000 to the Building 19 project. A capital campaign will defer some of these costs.

Date of the next meeting

October 14 @ 5:00 p.m. in the President's Conference Room

Adjournment:

Chair Kaylor moved to adjourn the meeting at 5:55 p.m., seconded by Trustee Goncalves and approved unanimously.

Respectfully submitted by: Carolyn deliefde