



## MASSACHUSETTS COLLEGE OF LIBERAL ARTS

Fiscal Affairs Committee of the Board of Trustees

Meeting Minutes

April 8, 2026

### **Committee Members Present via TEAMS:**

Darlene Rodowicz, Chair  
David Halbert  
Yina Moore  
Buffy Lord, Board Chair

### **MCLA Administration Present:**

Viktoria Bates  
James Birge  
Joseph DaSilva  
Curt Cellana  
Jen Dix  
Kellie Coody

As allowed by executive order of the Governor of Massachusetts, in compliance with the provisions of Massachusetts General Laws, Chapter 30 and Chapter 15A, Section 9, and with a quorum present, the Fiscal Affairs Committee of the Board of Trustees of Massachusetts College of Liberal Arts met on April 8, 2026.

Chair Rodowicz called the meeting to order at 8:33 a.m.

### **FY26 Actual Budget (Through February 2026)**

Mr. DaSilva presented a review of the FY26 actual budget reflecting eight months of activity on a cash basis.

Actual revenues are approximately \$2.2 million below budget, primarily attributable to reduced state revenue resulting from the funding formula. Grant revenue is trending below projections due largely to timing issues related to TRIO funding and vacant positions. Scholarship revenue includes Mass Grant Plus funds; however, the full \$255,000 originally anticipated is not expected

to be realized. Investment income is also lower than budget due to recent market volatility. Overall, total revenue is approximately \$2.2 million below budget year-to-date.

On the expense side, variances are largely timing-related. Full-time staffing levels remain below projections in certain areas. Health and Higher Education (HH) expenses are approximately \$457,000 over budget, driven by the following unbudgeted or higher-than-anticipated costs:

- \$117,000 paid to Goody Clancy,
- \$115,000 in unbudgeted presidential search expenses, and
- \$70,000 for consulting support from HEAG following staffing transitions in Student Financial Services.

Auxiliary housing expenses are approximately \$700,000 under budget, attributable to lower-than-projected enrollment. Banner (Ellucian) expenses are expected to normalize once pending invoices are processed.

The net financial impact through February represents an approximate \$2.0 million revenue loss, which administration indicated will be covered through the use of reserves. No state offsets or retroactive funding are anticipated.

### **FY26 Forecast**

Mr. DaSilva reviewed the FY26 forecast, which reflects eight months of actual revenues and expenditures and four months of projected activity. Total revenues are projected to be approximately \$1.5 million below budget, driven primarily by lower-than-anticipated state appropriations and tuition and fee revenue.

The Committee was informed that the Atlantic Hockey Association remains delinquent on approximately \$330,000 related to the use of Hoosac facilities. Legal counsel is reviewing the contract and payment history. A payment of approximately \$50,000 remains pending. Due to ongoing payment risk and related concerns, the College has decided not to continue this contractual relationship.

Administration reported that reserves remain sufficient to absorb the projected loss, with approximately \$4.0 million maintained in operating cash accounts. Enrollment growth was emphasized as the single most significant factor in improving long-term financial stability, with an enrollment level of approximately 1,200 students required to eliminate the operating deficit.

Administration also highlighted ongoing efforts to constrain discretionary spending and manage unbudgeted emergency costs, which totaled approximately \$500,000 during the current fiscal year.

### **FY27 Preliminary Budget**

Mr. DaSilva presented the first draft of the FY27 preliminary budget, noting a projected structural gap of approximately \$4.0 million.

The preliminary budget assumptions include:

- State revenue at the Governor's proposed funding level,
- No reliance on the state funding formula,
- Inclusion of collective bargaining increases,
- Flat tuition and fee revenue year-over-year, and
- A proposed 3% increase in the campus service fee.

Administration emphasized its conservative approach to revenue projections and noted that gap-closing measures will need to occur primarily on the expense side. Program eliminations were discussed as a longer-term consideration but were noted to be challenging due to contractual obligations and potential enrollment impacts. Strategic vacancy management and delayed hiring were identified as key short-term tools for cost containment.

### **NECHE Financial Indicators**

The Committee reviewed the College's NECHE financial ratios. Administration reported that MCLA has met all required indicators, though the primary reserve ratio remains at the warning threshold.

It was noted that the NECHE metrics do not fully reflect constraints faced by public institutions, including the exclusion of residence halls as institutional assets. Administration advised that NECHE financial reporting will now occur on an annual basis.

### **Investments**

Mr. DaSilva reported that the College's long-term investments total approximately \$22.0 million, an increase from the original \$16.0 million, despite recent market losses. Operational investment income reflected in the profit and loss statement primarily represents realized earnings from money market accounts.

### **Capital Projects and Funding Updates**

Administration provided updates on several capital initiatives and funding opportunities:

- Lab Modernization: \$500,000 awarded for design; the Church Street Center has been selected for renovation.
- Early Education Center: \$1.2 million awarded through Congressman Neal.
- BRIGHT Act: If enacted, the College intends to pursue funding for the Pathways Project; passage is considered likely.
- Environmental Bond Bill: HVAC improvement projects are under consideration.
- Fair Share Funding: \$1.65 million allocated, targeted toward campus security enhancements.

## **Audit Findings**

Administration reviewed the results of the annual Single Audit, which identified four minor findings related to student aid reporting and disbursements. The findings were attributed to staffing transitions within Student Financial Services.

All findings were acknowledged and corrected, and remediation plans were submitted by the March 31 deadline. Administration emphasized that while compliance remains critical, the findings do not indicate systemic risk.

There being no further business, the meeting was adjourned at 9:41 a.m.