



My College. Right from the Start.

**Minutes of the Meeting of the Massachusetts College of Liberal Arts
BOARD OF TRUSTEES FISCAL AFFAIRS COMMITTEE
Wednesday, October 5, 2011
Admissions Office Conference Room**

Members in attendance:

James Clemmer, Chair
Jane Allen
Steve Crowe
Dr. Eugene Leibowitz

Others in attendance:

Mary K. Grant, President
James Stakenas, V.P. Administration & Finance
Gerald Desmarais, Treasurer
Thomas Bernard, Clerk
David DiIulis, O'Connor & Drew P.C.

The meeting was called to order at 9:27 a.m. by Trustee Clemmer.

Review of FY 2011 Audit Report

David DiIulis (O'Connor & Drew) provided the Committee with a report on the FY 2011 audit. The audit provides an unqualified opinion of the College's financial position.

Mr. DiIulis reviewed a prepared document with the committee that outlined the Auditors' responsibilities as well as significant accounting policies, and the various steps taken during the audit. He also reviewed future accounting and auditing guidelines.

Mr. DiIulis then reviewed in detail the audited financial statements and footnotes for the year ended June 30, 2011, with the committee. A general discussion with questions on the financial statements followed. Mr. DiIulis underscored the work done by MCLA to return an unqualified audit status, and President Grant noted that the College manages the budget carefully to plan for future challenges, stay on track, and sustain progress.

Upon review and acceptance of the Fiscal Affairs Committee, the audit will be advanced to the full Board for acceptance at the October 27 Board of Trustees meeting. Mr. DiIulis will be in attendance. Once accepted by the board, the audit will be filed with the state Comptroller.

Upon a motion duly made and seconded, it was

VOTED: Unanimously to accept and advance the FY 2011 audited financial statements to the full board for acceptance at the October 27 Board of Trustees meeting.

FY 2012 Budget

Vice President Stakenas presented the FY 2012 budget to the committee for review. He noted that the budget includes projections to cover a variety of contingencies, including staffing, project costs, and costs associated with collective bargaining that get passed on to the institution by the Commonwealth. The College is being very careful about managing expenses and continues to identify opportunities to increase revenue. Budget models for FY 2013 are already in progress.

The committee discussed funding allocated to a trigger mechanism contained in the contracts negotiated by the Commonwealth with the collective bargaining units that serve the state university system. The possible activation of this trigger is currently a point of negotiation. Discussion is also ongoing about an option that would set aside the trigger (a retroactive increase) in favor of a contract with payments to be made in FY 2013 and 2014.

The committee discussed strategies for investing in the institution. President Grant noted that in spite of difficult economic times, MCLA has managed to invest in the campus a variety of ways that serve students through capital projects. The College works carefully to balance current operational needs while making appropriate investments for the future.

The budget presented outlined a balanced operating budget and a list of capital projects in process. Vice President Stakenas noted that additional capital items will be brought back to the committee and the Board as action on funding is required.

Upon a motion duly made and seconded, it was

VOTED: Unanimously to approve and advance the FY 2012 budget to the full board for approval at the October 27 Board of Trustees meeting.

4th Quarter FY 2011 Report

Treasurer Desmarais provided the Committee with the FY 2011 Fourth Quarter Report. Revenue and expenses ran within expected levels for the Fourth Quarter. He noted several projects in the MCLA Amsler Campus Center that were begun during the Fourth Quarter, including funding from the state Division of Capital Asset Management (DCAM) to upgrade the fire alarm system, the replacement of the gym floor, and renovations to the dining area and marketplace. He also noted a budget adjustment due to cuts in the state cash grant program.

Strategic Planning

President Grant presented an update and overview of the College's strategic planning process. She informed the committee that a Strategic Planning Task Force has been working on a new plan since January. She outlined the process of campus input that informed the development of the plan. Finally, she outlined the goals that will guide MCLA over the next cycle of planning:

- Excellence in Teaching and Learning
- Supportive and Inclusive Community
- Responsive and Intentional Stewardship
- Public Purpose and Engagement

An initial series of strategies and tactics have been developed to support these goals. It is understood that the strategies and tactics will evolve over time.

President Grant acknowledged the good work and dedicated participation of the task force. She thanked Trustee Leibowitz for representing the Trustees on the task force.

The strategic plan will be presented to the campus at a meeting on October 26, and will then be shared with the Board for endorsement at the October 27 meeting.

Upon a motion duly made and seconded, it was

VOTED: Unanimously to advance the MCLA Strategic Plan to the full board for approval at the October 27 Board of Trustees meeting.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 11:03 a.m.