

**Springfield Technical Community College  
Committee on Ways and Means Report  
November 18, 2019**

**Present:** MacArthur Starks, Jr., Vicki Crouse, Marikate Murren, Frank Quigley and Jynai McDonald. Also present President Cook, Joseph DaSilva, Jonathan Tudryn, Inder Singh, Dr. deBerly, Jessica Hill, Denise Hurst, Dorothy Ungerer, Chris Scott, Jeremy Greenhouse, Amy Belina, Mary Wiseman, Kyle Krause, Cliff Porter, Nanette Flores and Nicholas Camerota

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

**FY 2020 Budget & Key Updates**

**FY 2020 Budget/Detail**

Vice President DaSilva presented the Committee with slides comparing a 10-year trend for degrees/certificates awarded as well as the total enrollment for Holyoke Community College (HCC), Springfield Technical Community College (STCC) and Northern Essex Community College (NECC). The information shows that as of FY 2018 STCC awarded more associates degrees than the other two institutions. NECC awarded more certificates to students, while STCC and HCC awarded a similar amount of certificates. Once the latest FY 2019 information is available from HCC and NECC, the Committee will receive an update.

**Cash Flow Projection**

Mr. Tudryn reported on the College's cash flow projection for FY 2020. The College currently has approximately \$2,300,000 available at TD Bank. The \$2,200,000 previously divested from Fiduciary Investment Advisors (FIA) was returned in October as scheduled. Due to the increase in enrollment, the College is not planning on temporarily divesting \$1,000,000 in early December as was previously projected. The permanent divestment of \$100,000 for the value stream mapping and e-Signature projects also does not need to take place at this time.

**FY 2019 Revenue & Spending Report through June 2019**

Vice President DaSilva presented the revenue and expenditure figures through June 2019. Although it was a difficult year due to the decrease in enrollment and the unexpected costs associated with the lighting strike, the College finished the year on a positive note. Trustee Starks requested for the final June report next year that the college include the mid-year projection to compare how close the actuals are to the projection. The variance explanation sheet and final FY 2019 Facilities Projects report was also presented.

**FY 2019 4<sup>th</sup> Quarter Trust Fund and Vendor Expenditure Reports**

Vice President DaSilva presented the fourth quarter FY 2019 Trust Fund Reports and Vendor Expenditures over \$20,000 as required by the Board of Higher Education Trust Fund Guidelines. Overall, the reports fell in line with expectations.

**FY 2020 Revenue & Spending Report through October 2019**

Vice President DaSilva presented the revenue and expenditure figures through October 2019. In the interest of time, Trustee Starks stated that upon reviewing the reports earlier he did not have any questions and asked if there were any major items to discuss. Being none, the Committee moved on to the next item on the agenda.

### **Cost/Benefit Analysis: Student Parking Automation**

Vice President DaSilva presented the committee with information on the new automated student parking system the College recently purchased. The benefits of the system include operational efficiencies and long-term cost savings. Trustee Crouse inquired as to why this information is being presented to the Committee after the contract has been signed.

### **Preview: FY 2021 Budget**

Vice President DaSilva presented an update on the FY 2021 budget planning process. He is working closely with Institutional Research to refine our enrollment prediction process. The preliminary projection indicates a 3% decline in enrollment. Various needs that could impact the FY 2020 & FY 2021 budget were discussed including: a core switch, scheduling software, enabling moves including the cosmetology & robotics programs, and staff merit increases. Trustee Starks requested that the five-year capital plan be shared with the Committee.

### **Investment Subcommittee Report**

Trustee Starks presented the minutes from the Investment Subcommittee meeting held on November 7, 2019. Please see **attachment 1** for the minutes to the meeting.

### **Campus Master Plan Next Steps: Building 20/Major Project**

Vice President DaSilva presented the Committee with an update on the Building 20 proposal to be submitted to DCAMM on December 20, 2019. The proposal is for the relocation of the School of Health and Patient Simulation programs (Building 20). The proposal awards will be announced by DCAMM in June, 2020. The purpose of the submission is to vacate Building 20. Continued infrastructure failures are imminent and jeopardize enrollment and the ability to keep these health programs. DCAMM recently conducted a space assessment and cost estimates for the following relocation options: on-campus relocation options; leasing options; and off-campus renovation and new construction. A number of options were presented to STCC with the renovation of Tech Park being determined the best option. This option would include moving Cosmetology and Robotics/Electronics out of Building 20 as soon as possible. The cost for these moves, which would be funded by STCC, would be approximately \$2,000,000.

If awarded, in addition to the DCAMM funding of \$25,000,000, STCC would also be requesting the following funding - Historic Tax Credits (\$3,400,000); Economic Development Bill (\$15,000,000); Mass Infrastructure Grant (\$3,000,000) a Mass Development Loan (\$1,318,640) and Equity (\$5,000,000). The total sources of long-term funding is \$52,718,640 which will cover the cost of the construction.

Trustee Crouse noted that although the Tech Park relocation option makes the most sense, too much of the funding is out of our control. Additional funding sources such as Baystate Hospital should be approached. In addition, a Plan B should be considered in the event this does not occur. There is no guarantee that STCC will receive all of the funding they require.

Trustee Murren stated that we need more than just State Representative Wagner's support. It is important that STCC look for support for this initiative from other individuals as well.

The Committee members agreed to sign a letter of support for the DCAMM submission but will need more information before they will commit any funding to the project.

**Value Stream Initiative**

Karl Ohaus from Lean Transformation Group was present to give the Committee an update on the Value Stream Initiative process. The scope of the work he is conducting is to provide students with a seamless process from inquiry to registration and payment. Trustee Crouse asked what the goal of this first round is and Mr. Ohaus indicated that the hope is that a more streamline process will increase enrollment. Trustee Starks noted that this objective that Mr. Ohaus is currently working on will improve a process, not save the College any money. The Value Stream Initiative was born out of budget concerns and the purpose was to find ways to save the College money.

**Date of the next meeting**

January 13, 2020 @ 5:00 p.m. in the President's Conference Room

**Adjournment:** Trustee Starks moved to adjourn the meeting at 6:50 p.m. seconded by Trustee Murren and approved unanimously.

Respectfully submitted by: Carolyn deliefde