

**Springfield Technical Community College  
Committee on Ways and Means Report  
May 9, 2022**

**Present:** Trustees MacArthur Starks, Jr., Jeffrey Sattler, Marikate Murren, Samalid Hogan, Maurice Lindsay, and Norman Roldan. Also present: President Cook.

Trustee Starks called the meeting of the Committee on Ways and Means to order at 5:00 p.m.

**Investment Subcommittee Report**

Trustee Murren presented the investment report from the Investment Subcommittee meeting held on May 5, 2022. Please see attachment 1 for the minutes to the meeting.

**FY 2022 3<sup>rd</sup> Quarter Trust Fund Report**

Jonathan Tudryn, Controller, presented the third quarter FY 2022 Trust Fund Report and Vendor Expenditures over \$20,000 as required by the Board of Higher Education Trust Fund Guidelines. The General Education, Health, and Capital Improvement Trust Funds are generally in line with expectations for the third quarter. Trustees suggested that it would be helpful for future reports of vendor expenditures exceeding \$20,000 to highlight material changes from the previous quarter.

**Financial Update & Outlook**

**Cash Flow Projection**

Mr. Tudryn presented the cash flow projection for FY 2022. The College had approximately \$7.4M available at TD Bank at the end of April. The projected year end cash balance is \$7.1M, which is approximately two million higher than reported last month due primarily to an increase in the State Appropriation and the timing and source of outflows related to facilities projects.

**FY 2022 Revenue & Spending and Projection**

Jason Cohen, Senior Director of Finance and Budgets presented the FY 2022 Revenue and Spending Report through April 2022. The projected net surplus at year end is \$2,081,349. This surplus comes primarily from a combination of an increase in the State Appropriation due to formula funding along with projected underspending in Full- and Part-time Salaries, Workers Comp, and Overtime.

**FY 2023 Budget – Final/ Draft #3**

President Cook provided an outlook regarding development of the final/draft of the FY 2023 budget. The final budget for Committee consideration embraced the recommendation from Trustees to be more conservative with enrollment projections, and now includes a -6% enrollment assumption. Also, a freeze on student fees remains, and represents the second consecutive year, thus maximizing the College's value for its students and the community.

VP/CFO Andrea Nathanson shared that the final draft/budget for FY 2023 is balanced, and key revenue assumptions include use of reserves of \$4 million, and recognition of Massachusetts ARPA funding of \$500,000, in addition to the enrollment and fee assumptions discussed. Key expense assumptions include a reduction of 15 full time positions and associated salary expense

through attrition and retirements, operational expense reduction of \$500,000, yet with sustained investment in facilities and IT capital projects.

VP Nathanson presented information illustrating both the relative size of the various components of the budget and the types and amounts of adjustments used to improve the bottom line by \$2.4 million over the course of the budgeting process, resulting in a balanced budget. She also outlined various risk factors in the budget and strategies to mitigate that risk.

There was a discussion regarding uses of excess funds if FY 23 enrollment ends up higher than projected. President Cook noted that personnel costs are multi-year, and need to be aligned to enrollment and long-term sustainability; STCC will still have programs that are small, with low-enrolled courses.

**[Motion 2022-12] FY 2023 Student Fees**

Trustee Hogan moved that the Springfield Technical Community College Committee on Ways and Means recommends that the Board of Trustees freeze College fees for FY 2023 and remain at the same level as FY 2022 in recognition of the economic hardship faced by our student due to the pandemic. A roll call vote was taken and the vote in support was unanimous.

**[Motion 2022-13] FY 2023 Budget**

Trustee Lindsay moved that the Springfield Technical Community College Board of Trustees Committee on Ways and Means, pursuant to the provision of Section 22, Chapter 15A, recommends the approval of the FY 2023 College Spending Plan and the FY 2023 Trust Fund Budgets, and further authorizes the President of the College and/or his designee(s) to take any and all prudent steps necessary to award contracts for capital projects. A roll call vote was taken and the vote in support was unanimous.

**Date of the next meeting**

June 13, 2022 at 5:00 p.m.

**Adjournment:**

A roll call vote was taken to adjourn at 5:45 p.m. Approved by Trustees Starks, Murren, Lindsay, Hogan, Sattler, and Roldan.

Respectfully submitted by: Dorothy Ungerer