

**Springfield Technical Community College
Committee on Ways and Means Report
October 13, 2022**

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

Absent: Trustee Maurice Lindsay

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

FY 2022 Audit Update

Michael Cosgrove, Partner and Lisa DiGiusto, Audit Manager from O'Connor & Drew PC, presented the FY 2022 Required Communications and Financial Statements to the Audit Committee. O'Connor and Drew performed the audits for both STCC and the STCC Foundation.

O'Connor and Drew PC issued an unmodified opinion on both the STCC and the STCC Foundation financial statements and noted there were no material weaknesses/significant deficiencies within the Report on Internal Control over Financial Reporting and on compliance and other matters. There were no uncorrected misstatements, no disagreements with management, and no difficulties encountered in performing the audit. Mr. Cosgrove thanked the management team for their cooperation during the audit process. Of note, GASB 87, related to leases, was adopted in FY 2022.

[Motion] FY 2022 Financial Statements and Audit

Trustee Hogan moved that the Springfield Technical Community College Board of Trustees Committee on Ways and Means, pursuant to the provision of Section 22, Chapter 15A, approve the FY2022 financial statements and audit as presented. The motion was seconded by trustee Roldan and approved unanimously via roll call.

Financial Update and Outlook

Cash Flow Projection

Jonathan Tudryn, Assistant VP of Administration and Controller, presented the cash flow projection for FY 2023. The College had approximately \$11.2M available at TD Bank on October 7, 2022. The projected year end cash balance is approximately \$11 million.

FY 2023 Enrollment Update

Andrea Nathanson, VP of Administration and CFO, updated the Committee on Fall 2022 enrollment based on credits. Preliminary Fall 2022 credits are approximately even with Fall 2021, favorable to the budget assumption of a -7% decline from FY 2022. Assuming Spring 2023 credits at budget, credits for the full academic year are projected to be approximately 3.5% ahead of budget.

FY 2023 Revenue & Spending Update

Jason Cohen, Senior Director of Finance and Budgets, presented the FY 2023 Revenue and Spending update, noting that there is a projected \$800,000 favorable variance for the fiscal year. The variance is due to an increase to the State appropriation revenue of \$454,134 resulting from the addition of FY 2022 formula funding revenue carried forward into FY 2023; an increase in tuition and fee revenue associated with enrollment exceeding budget (running flat year-over-year, as opposed to -7%); with some offsetting from an increase in part-time/adjunct expenses, also due to enrollment running better than forecast.

President's Perspective

Dr. Cook noted that included in the packet was an “Environmental Scan” from EMSI/Burning Glass, which helps provide that external and “outside-in” view the Committee and Trustees have asked about in the past. He described how the report is one tool used by the College to assess regional labor/workforce needs, understand how our programs are looking in relation to demand, and also gaining clarity regarding which programs are in high demand/high supply of potential employees, but also low demand. Examples from the report referenced included Nursing, CDL (Commercial Driver’s License), Medical Assisting, and manufacturing. Dr. Cook also thanked the Finance team for their efforts specific to the Audit, and also emphasized that the audit is a window into the active management the STCC leadership team brings to our work, including moving the college toward a financially sustainable footing.

Date of the next meeting

November 14, 2022 at 5:00 p.m.

Adjournment:

A roll call vote was taken to adjourn at 5:28 p.m.

Respectfully submitted by: Dominick Uguccione