



## Board of Trustees

Finance and Capital Assets Committee

Minutes

May 31, 2016

President's Boardroom, The Horace Mann Center

---

**MEMBERS IN ATTENDANCE:** Trustees Queenin, Johnson, and Landrau.

**MEMBERS EXCUSED:** Trustees Marcus and Connolly.

**TRUSTEE GUESTS:** Trustees Hill and Sullivan. Trustee Guest Linda Slakey participated remotely due to geographic distance as stated by Chair Queenin.

Meeting called to order by Chair Queenin at 1:05 PM.

**MOTION** made by Trustee Johnson, seconded by Trustee Landrau to accept the minutes from the April 6, 2016 Finance and Capital Assets Committee meeting. Motion passed unanimously.

*Be it noted that minutes of April 28, 2016 were on the Agenda; however, this agenda item was overlooked at this meeting. The April 28, 2016 minutes will be an agenda item at the Finance and Capital Assets Committee on September 27, 2016.*

Dr. Kimberly Tobin, Interim Vice President of Administration and Finance introduced Mr. Ken K. Toong, Executive Director, Auxiliary Enterprises, UMASS Amherst and Mr. Garret J. Distefano, Director of Residential Dining Services, UMASS Amherst.

Mr. Toong and Mr. Distefano presented to the Committee the food services program utilized at UMass Amherst and explained how the program can be adapted to the needs of Westfield State University. Mr. Toong stated that the approach to food services at UMass Amherst is one focused on healthy and delicious food as well as sustainability. He cited the "guiding principles" of the program and explained that when providing healthy food to students, it must not only be of quality, but it must also be served quickly (speed of service).

Mr. Distefano continued the presentation explaining the food culture at UMass as one that is "global," serving food from various parts of the world. He stated that food service must be socially, financially, and culturally responsible. Of particular importance is a waste management program which reduces production waste and post-consumer waste. Mr. Distefano pointed out that when students are asked what was important in their decision to

attend UMass, 70 percent of students stated that UMass dining was important. Another question, what motivates students to consume? “Local” is the number one driving factor in motivating students to consume. This brings them back to the community and encourages a “town to gown” relationship. Students buy into this program. It is important to determine what students like and teach them about sustainable practices.

Mr. Toong and Mr. Distefano also referred to statistical information that reveals a link between healthy eating and higher GPAs. They stated that how and what a student eats impacts academic performance. Also of importance is that students need to be able to use the meal plan. This means increased hours of meal service; students use the food service because the hours serve the needs of the students.

Mr. Toong and Mr. Distefano stated that the result is that the more engagement you build, the more revenue you get.

The presentation closed and Chair Queenin opened the floor to questions.

Trustee Johnson inquired as to student involvement in the program as it pertains to their employment in food service.

Mr. Distefano responded that students represent the largest portion of employees in this food service program. Hours are customized around student schedules. He explained that UMass finds students are great to have as employees since schedules align with the core hours when food services is the most busy. He further explained that students become apostles for the program. Students are not only charged with wiping tables but eventually, are given the opportunity to work with food services professionals such as guest chefs.

Mr. Toong stated that students also act as mystery shoppers, being the eyes and ears for the program. In this way, UMass better listens and better responds to customer needs and suggestions.

The rate of pay for student workers is \$10 per hour and that a student doesn't need to be a hospitality major. The pay rate doesn't stop at \$10; students become key staff and can earn up to \$12 to 14 per hour.

President Torrecilha thanked Mr. Toong and Mr. Distefano for their presentation, and Dr. Tobin for making this project a reality. He stated that the food services transition will begin July 1 at the Café downstairs at the Horace Mann Center.

Chair Queenin asked if Mr. Toong and Mr. Distefano would be working with WSU as consultants. Mr. Toong and Mr. Distefano responded yes. Mr. Distefano stated that one of the factors that makes the UMass dining program different is the utilization of student labor which allows for a more efficient labor force. At the same time, students are being paid a good wage. Mr. Distefano stated that by menu engineering, the food systems at UMass and Westfield State University will “talk” to each other. Research and development will take place during the

summer. Every Thursday, a menu test will be conducted; concepts will be customized to fit the dining common and enhance experience.

Chair Queenin referred to measurements which focus on performance such as the use of mystery shoppers and asked if WSU will be able to take advantage of this. Who will be responsible for the metrics?

Mr. Distefano responded that the General Manager is accountable for the metrics of the program. This General Manager will be on site (here at Westfield State University). He explained that some of the metrics used are social metrics, student ambassadors, and surveys. A survey will be adapted for Westfield State University.

Chair Queenin asked President Torrecilha who the General Manager will report to. President Torrecilha responded that the position will report to the Vice President of Administration and Finance. Dr. Tobin stated that Westfield State University is searching for this position now.

From July 1 to September 1, a team from UMass will be at Westfield State University to assess and establish a transition timeline.

There will be a transition team in place, not only from UMass Amherst but in house as well.

Mr. Toong stated that UMass wants to understand the WSU culture and that the transition team at UMass is one of the best and that the transition at WSU will be successful.

Chair Queenin asked that Mr. Toong and Mr. Distefano return to the Committee in the fall and give a report on how the transition went, where Westfield State University is in the process, and where the Westfield State University should be.

Trustee Sullivan inquired about a proposed increase in the cost of the meal plan. Dr. Tobin stated that the increase would be three percent. She said that the Sodexo increase was six percent, but this has been scaled back to three percent.

Mr. Distefano added that other costs relating to the transition are updating facilities as well as signage and some equipment.

Dr. Tobin said that the financials would come later in the meeting but that a Kendall Foundation grant has been applied for; the proposal looks good and can offset the cost of the transition.

When asked by Trustee Queenin, Dr. Tobin confirmed that 62 percent of students use the meal plan and WSU will see an up purchasing of the meal plan.

Mr. Distefano stated that at UMass Amherst, there is 90 percent participation in the meal plan. Mr. Toong added if an institution serves good food, students will come.

Dr. Tobin stated that meal plans will also be sold to faculty and staff.

Chair Queenin asked if there were any other questions. There were none.

Mr. Toong and Mr. Distefano departed the meeting at 1:44 pm.

Interim Vice President of Administration and Finance Dr. Tobin continued with her portion of the presentation.

Chair Queenin asked if Trustee Slakey was “online.” It is determined that at 1:45 PM, Trustee Slakey is not online and that the connection has been lost.

Dr. Tobin indicated that there are two items for action that apply to Food Services. Dr. Tobin spoke with regard to the Payment of Debt and stated that in the past, Sodexo fronted the University funds for construction projects within the dining commons. This borrowing was paid off each year throughout the life of the contract. Several million dollars have been borrowed between years 2007 – 2012. Currently, there is \$772,434 remaining through the full contract term of 2021. Upon closure of the contract this debt is due to Sodexo. The institution has most of this in unrestricted FY16 “Sodexo” funds in the amount of \$715,000.

These funds come from the student meal plan revenue and reserved for FFE and facility enhancements and when unused in a given year, it rolls to reserves. This account currently has over \$3 million. Therefore, the remaining \$60,000 requires approval to be released from dining common reserves.

President Torrecilha pointed out that the reserve can be used for maintenance and dining commons. It is restricted.

Chair Queenin asked if any of these funds can be used by UMass in the Westfield State University food services transition.

Dr. Tobin responded that the funds won’t be used for the UMass transition but some may go into Wilson dining since this would be considered a construction project.

Chair Queenin asked if there was any further discussion or questions.

Trustee Johnson asked if the \$715,000 is or is not part of the \$3 million. Dr. Tobin responded that the funds are all part of the same pot of money.

**MOTION** made by Trustee Johnson, seconded by Trustee Landrau to approve the payment of the Sodexo Debt of \$772,434 which will come from previously allocated funds. Motion passed unanimously.

Dr. Tobin stated that because of the change in food service operations, the university must establish a trust fund for food services. This account will be loaded in accordance with the budget approved later in the meeting.

Dr. Tobin explained that this is different that the Sodexo account. The Sodexo account is a capital account. This will be an operating trust fund.

Chair Queenin asked if this is like a revolving account. Dr. Tobin confirmed that this is the case. The account is for collecting meal plan revenue and is used for purposes such as paying employees.

**MOTION** made by Trustee Johnson, seconded by Trustee Landrau to approve the establishment of a Trust Fund for Dining Services, as presented. Motion passed unanimously.

It is determined that Trustee Slakey has rejoined the meeting online at 1:56 PM.

Chair Queenin requested that there be a report back to the Finance and Capital Assets Committee relative to the performance, quarterly or “whatever rhythm we have,” for the numbers on the University and food service. Also, to be presented to the full Board.

Dr. Tobin stated that this will happen.

President Torrecilha inquired as to whether Westfield State University has access to Sodexo’s books.

Dr. Tobin responded yes.

Dr. Tobin proceeded with the presentation on the FY17 budget.

She explained that the zero based budgeting process was challenging yet well-intentioned. The process resulted in line by line requests for almost every area of the institution. There are areas with budget decreases but for the most part, more funding was requested particularly for strategic initiatives such as student support.

Dr. Tobin commented that at this committee level, we get caught up on how we are spending but need to remember that our business is education. She pointed out that this is a highly competitive market which is important to our consumers (our students). Therefore, we are all looking for different things. She stated that Westfield State University has 5,000 students on campus that are all looking for something different.

Remote participation for Trustee Slakey is lost again at 2:02 PM.

Dr. Tobin continued that it is important to ensure that we are trying to help all of our students succeed and this is how it is in the world of education. Sometimes there is a need to defend how we are spending money. It is important to understand that when more requests are made, those request are well intentioned. The “con” of the process is when we cannot always fulfill those requests.

Trustee Johnson stressed that there is a different something for everyone and everything for everyone, yet it must be affordable; college can’t be priced out of the market.

Trustee Sullivan pointed out that the Board has to ask questions as to where the dollars are going but this is not a bad thing. He commented that we are not saying “no” but are simply asking for more information.

Chair Queenin stated that his major point is to ensure that monies go to the strategic initiatives as outlined by senior management. It can come in “X” percent over last year and it can be

justified, that is fine. This is not about cutting or taking resources to apply to the most appropriate areas.

Dr. Tobin stated that we are in an environment where we know that there are increases we must absorb into the budget; \$2.3 million in expenses must be absorbed. At the same time, knowing of the increases, we are searching for avenues for cost savings such as P-card program rebates or ITS leveraging better contracts. She stressed that if we don't invest, we will fall behind and students will suffer. This is what makes this process challenging.

At the start of the budget process, it was assumed that in order to absorb the increases, at least a \$500 per student increase would be needed, assuming 4,575 paying students (which is higher than anticipated). At the "freeze date" for budget purposes, this was reduced to 4,372 paying students, accounting for lower than anticipated incoming student numbers (1,200). Currently there are 1,414 new students, but to absorb a 10% melt rate, this is more likely to be about 1,275 students. Last year there were 1,727 on the same date.

She continued that this did not undermine the budget process but made it more complicated. What it comes down to is going back to the zero based budget and FY16 funding levels in order to balance the FY17 budget. All of this is based on enrollment, meaning a reduction in funding for some. For example, fixed costs have inflationary increases such as technology contract costs, attorney fees, auditing fees, library subscriptions.

Trustee Hill departed the meeting at 2:13 PM.

Trustee Queenin asked if other state universities are experiencing the same issue as to incoming and transfer students. Dr. Tobin responded that some are; some are not.

President Torrecilha stated that population is down by about two percent and that growth and enrollment apply to very specific institutions such as MCLA. Increases are experienced and then level off.

Vice President of Student Affairs Dr. Carlton Pickron joined the discussion stating that Worcester State and Framingham State are down in enrollment numbers; however, MA Maritime and Massachusetts Art and Design are up. Salem State is up but not by much.

President Torrecilha commented that nationally the decline in population is six percent; therefore Massachusetts is doing better than some states. He stressed that we must invest in programs not affected by population changes. He referred to the WSU graduate programs and continuing education programs stating that we have increased the expectation of DGCE and that this will help us not just next year but up to five years.

Dr. Tobin referred to the pie chart in the FY17 Budget Presentation PowerPoint. She pointed out that 27 percent of our operating expenses is under Instruction and further explains other categories depicted in the chart.

Trustee Johnson asked where is management administration reflected in the chart? Dr. Tobin answered that it is reflected under Operational Cost.

Dr. Tobin referred to the Faculty Analysis, including sabbaticals and other “blips.” She pointed out that we are seeing more science-based courses with lower class sizes and that in certain disciplines, only 15 percent of classes can be taught by adjuncts.

Chair Queenin asked if this is mandated by the state. Dr. Tobin responded, yes.

Dr. Tobin stated that our core capacity is higher than national average at 78 percent and that we have been working with Academic Affairs to increase classes. In some classes, we have 95.5 percent capacity which is significant. We have become efficient in the process.

Trustee Johnson referred to sabbaticals, noting 35 sabbaticals. How are sabbaticals decided? How are people eligible?

Vice President of Academic Affairs Dr. Marsha Marotta responded that under state law people can apply for sabbatical every six years with one semester full pay, two semesters at half pay. At this time, WSU doesn't reject sabbaticals that are substantive, and essentially, we approve all sabbaticals.

Dr. Tobin continued that one of the things the Trustees approve each year is where to invest in infrastructure. She cited the recent flooding at the Ely Library and stated that because WSU is self-insured, WSU must cover the cost of repairs. She continued that there is never enough money going into this category and, therefore, this needs to be a better part of the planning in the budget process.

Trustee Slakey rejoined meeting by remote participation at 2:26 PM.

Trustee Johnson commented that the hard part, in his mind, is that we don't own the buildings. The state made the decision that we self-insure. He asked what the dollar amount was on the library damage.

Dr. Tobin responded it could have been worse. Estimates are \$50,000 to \$75,000 to do work at one level; carpeting, walls to be cut open—those items can be big expenses. Estimate could go as high as \$200,000.

Dr. Tobin continued the presentation. There are some needs that are not met in this budget such as contract increases and deferred maintenance and capital. The Budget Committee has been working on a list of strategic initiatives that had to be pulled due to enrollment figures.

Dr. Tobin presented a list of priority projects that could be addressed if there are any additional FY17 funds. An example of one, sidewalk repair for handicap accessibility.

President Torrecilha commented that if you think about these initiatives, you can identify those that strategically make sense as well. These are investments that will allow us to deal with some of the challenges we are facing now.

Trustee Johnson asked about reserve funds to draw on, are there any available?

Dr. Tobin responded yes. We are accessing how far we can go into reserves to cover more of these costs; or, go into more debt to cover these costs.

President Torrecilha added give or take \$30 million dollars with \$17 million of which we shouldn't touch because the monies are for retirement.

Dr. Tobin continued that this year at \$26 million of debt, we can't go under this; we need \$26 million in the bank; we don't want to touch this reserve right now.

Any remaining funds are to be rolled over for capital projects. This includes funding for:

- Dower Center
- Bates and Parenzo Backfill Projects
- Undergraduate Research Center
- New Science Building FFE

President Torrecilha pointed out that this is a short list, give or take about \$10 million. Tobin added we don't have that much remaining especially after the flooding; we'll have \$150,000 less.

Vice President of Student Affairs Dr. Carlton Pickron stated that a draft estimate for CRM (Constituent Relationship Management software) has been received at \$313,660 (Year 1); paperless at \$713,500.

Dr. Pickron continued that the number of new students was determined and 1,500 was the number that would allow the University to continue financial resources in a steady and strong way. However, came up short due to demographics—less high school seniors, some high schools closing and consolidating. Numbers are significantly lower. Dr. Pickron explained that private schools are becoming aggressive in recruiting. Last year's number was 1,579, somewhat higher. Dr. Pickron stated we are identifying sister institutions that are experiencing lower numbers; specialty schools such Massachusetts School of Art and Design and MA Maritime are seeing an increase (due to international students).

Dr. Tobin drew attention to the Expense Trend Analysis which speaks to personnel and operational costs. The Fringe total carries a lot of this weight at 5.39 percent. She pointed to capital and debt service as well as pulling our expenses to a higher rate. Total expense increase 5 year average is 3.81 percent.

Dr. Tobin concluded her presentation.

Chair Queenin asked if there was any further discussion; questions.

It was commented that the presentation contained great detail. Dr. Tobin responded that she wanted to include what people are asking questions about. She said that the guiding document for today was the tuition and fee schedule. A \$450 increase in the general fee is proposed. This will allow us to help cover some of our budget and present a balanced budget.



President Torrecilha stated that this increase allows us to cover the CBA, increases in Fringe, put more money in financial aid, and allows us to cover operating costs to science center that wasn't budgeted previously.

Dr. Tobin added that the \$450 increase doesn't cover the \$2.3 million needed.

Trustee Johnson questioned that this is based on 4,575 students, but we are at 4,372. Dr. Tobin responded \$1.97 million at 4,372 students.

Trustee Johnson stated that there are other increases we don't have control over such as the cost of room and board. He commented that when you take the \$450 and add to other costs, it appears that the increase is really \$982 per student.

Referencing the Tuition and Fee Schedule, Dr. Tobin stated that we are looking at the average (Dormitories and 14 Meal Plan check marked on Schedule); the increase actually comes out to a 4.2 percent increase or \$781. President Torrecilha added that a 5-year average was being used.

Dr. Tobin stated that if not for the \$450 increase, she wasn't sure there was any other place the money could come from.

Trustee Landrau commented that it is black and white; it is what it is. If we look at line items, where do we get extra money to support the students? What are students getting for what they pay for to come here?

President Torrecilha stated that we must educate parents and legislators regarding unfunded mandates.

Dr. Tobin commented that many things are a part of an education; we do not want to strip down.

President Torrecilha commented that this is not what Westfield State University is about.

Trustee Landrau referenced donations coming into WSU. The circle is getting smaller; people are being asked over and over again to fund "XYZ."

Trustee Johnson commented that in development, it is not a well; it is a river.

Trustee Hagan joined the meeting at 2:50 PM as trustee guest.

Trustee Sullivan said that we need to control what we can control. This goes back to opportunities for revenue streams such as a graduate program that will bring more revenue in. He stated that we don't want to look at it like a business, but you look at the dollar and cents upfront, not after the fact. President Torrecilha referenced the PA (Physician's Assistant) program offered at Westfield State University. He commented that he feels that this will be a great program. Looking at other programs, some are smaller but cost more money. He suggests looking more closely; are we missing something? Are there opportunities out there? He asked, how do we enhance the university perception to get more students? How can we generate more student enrollment? What are the programs that will help us?

President Torrecilha commented there is the question of what does it really take to have a university? What does this mean? He answered, that this means we may not have a Department of Philosophy, but we need philosophy in the books. Same with sociology. Recruiting more students is what many universities are trying to do. We need to be smart about this, and perhaps we will continue with recruitment effort and more emphasis on recruitment and graduation. This sounds like a better investment rather than fighting with other institutions on a market that is declining.

Trustee Sullivan asked about the rate of placement after college; what is our rate compared to others. This should be a focus.

President Torrecilha stated that this is a part of academic planning. He referred to students graduating with two majors and that this adds flexibility to the education provided by Westfield State University. This is why data as to placement rates and what happens to students when they graduate is so important.

Trustee Queenin stated that from his perspective, he will reluctantly support the \$450 increase. He thanked Dr. Tobin and her team and all those involved in the process. He referenced unfunded mandates and that officials don't want high student debt but unfunded mandates are contrary to this. Trustee Johnson expressed agreement with Chair Queenin, but stated that he struggled with raising prices when demand was down.

President Torrecilha stated that he understands Trustee Johnson's point but at the same time, there is a consumer mentality that even with enrollment declining, taking the approach to raise tuition—the perception is that fundamentally there is something better about the product being sold.

Trustee Sullivan thanked everyone who put the budget together in order to get the bang for the buck and applauded their hard work.

Trustee Sullivan departed the meeting at 3:00 PM.

Trustee Queenin stated that the challenge isn't the \$450 increase this year but how it relates to the strategic objectives for the next fiscal year pointing to enrollment and retention. He stated that we really have to look at the underpinnings of the budget differently with a different set of premises that what is being offered. The challenge isn't FY17-18 but FY18-19.

Dr. Kelly Hart, Director of Admission, spoke as to student prospects. This year we had over 10,060 prospects (inquired about WSU, called, tour). Last year, 10,030. So actually right on par with prospects. What we will do and have done is to bolster this number. We didn't get the yield we anticipated in applications and deposits.

President Torrecilha stated that we are at 5,868 applications. Last year 6,341 applications. We had 500 fewer applications. In order to make this up, we need much more prospects. Another thing that is affecting this process is how we are touching those prospects. That is where CRM is important.

Dr. Hart stated that WSU technology is behind the times when it comes to touching students. She explained that if a student inquires about WSU, the name gets typed into system, and we manually send out letters about a week later. This is due to staff size. Bridgewater College has the CRM in place; the student prospect gets an automated response, email, and more; they have a totally customized webpage offering links—come take a tour, here is a link. Start application here is a link. Hart feels we are behind. Fitchburg State is purchasing CRM. So isn't Framingham State. What is admissions doing here? We are going to try to put together our own CRM.

President Torrecilha expressed the need to make the investment for CRM. It takes a year to implement if you want to do it well. We'll do what we can next year but we have to make investment of CRM. Cost estimated at \$300,000.

Trustee Johnson asked, do we have any way to find out why students don't come to WSU?

Dr. Hart, Director of Enrollment Management responded, yes. We can generate a report on this. Last year Bridgewater state was the competitor. We send an e card to non-enrollers, and we are getting responses back. CRM important we can do predictive modeling. CRM will be extremely efficient.

Chair Queenin asked, do we have statistics on our placement?

Dr. Pickron responded that WSU does not place but in last survey in 2014, 85-87 percent are employed and/or continue to graduate school six months after graduation.

Trustee Johnson asked, are students obtaining jobs in the fields they are trained in?

Dr. Pickron responded, yes, those numbers are the field trained in.

Trustee Hagan asked about giving discounts to out of state students. He directed question to Dr. Hart, Director of Enrollment Management, are you looking at out of state students more than in the past?

Dr. Hart responded 573 out of state this year; 582 last year, and that numbers stable. Part of the challenge is the ability to provide them with some sort of financial aid.

President Torrecilha commented that every flagship institution in about every state is doing the same thing, looking for a way to pay the bills.

Trustee Hagan asked, in terms of merit scholarships how do we compare to Bridgewater?

President Torrecilha responded that there is \$2.4 million in institutional funds in financial aid. Bridgewater State is close to \$6 million.

Trustee Hagan asked about enrollment figures at this time. Dr. Pickron stated 1,418 paid students; a year ago 1,700. Key number is end of add/drop September which tells us how many students are actually here at WSU.

Dr. Hart stated that WSU is still accepting deposits and students in admissions.

Chair Queenin asked if there was any further discussion or questions. There was none.

**MOTION** made by Trustee Landrau, seconded by Trustee Johnson to grant the President authority to increase the general fee for Fiscal Year 2017 by not more than \$450 and to approve rate adjustments as indicated on the schedule of tuition and fees. Motion passed unanimously.

**MOTION** made by Trustee Johnson, seconded by Trustee Landrau to approve the following tuition and fees for the Division of Graduate and Continuing Education, effective fall 2016:

- Undergraduate Courses at a rate of \$297 per credit.
- Graduate Courses at a rate of \$318 per credit.
- Graduate Social Work Courses at a rate of \$424 per credit.

Motion passed unanimously.

Trustee Queenin stated that regarding the \$450 increase there will be ongoing discussions with legislators in Boston to ensure that they clearly understand the issue of unfunded mandates

Trustee Johnson asked what is the “PR” line around the \$450 increase? Are we going to say that the \$450 increase is due to the necessary funding of unfunded mandates?

Chair Queenin responded that he thinks the best approach is to defer to the President to come up with a strategy effective for the University.

President Torrecilha added, the reason for the increase has to do with unfunded mandates. It’s the truth; that’s what happened.

Continuing with the meeting, Dr. Tobin explained the motion on the vehicles for a long term lease program. There is the concern that most of the vehicles need to be replaced. WSU is spending a significant amount of money and time on the upkeep on the vehicles particularly the Hybrids. Reviewing Enterprises’ long-term lease program which is currently being utilized by UMass and presents the opportunity to replace our vehicles in the most cost efficient manner. Includes all vehicles except public safety cruisers. By 2021 WSU will be leasing all vehicles and this will create an environment we won’t be putting as much money and time in repairing old vehicles. Scale back from 12 vehicles to 10 vehicles; reduce the number of fleet/passenger vehicles for general use from 6 to 4. Also studying reimbursement for the use of personal vehicles.

Chair Queenin asked if leases must be approved every year.

Dr. Tobin responded, yes.

**MOTION** made by Trustee Johnson, seconded by Trustee Landrau to accept the Fiscal Year 2017 expenditures for vehicles as submitted. Motion passed unanimously.

Dr. Tobin continued with presenting infrastructure expenditures, explaining that these are part of the operating budget and will be approved within it. Dr. Tobin referenced the operating revenue and expense budgets as part of the packet, citing Revenue comparisons between fiscal years FY16 and FY17 as well as Expenses comparisons between FY16 and FY17.

Chair Queenin, asked if there was any further discussion; questions. There was none.

**MOTION** made by Trustee Johnson, seconded by Trustee Landrau to approve the FY17 Operating Budget as submitted, and to authorize the President to make budget adjustments to these funds. Motion passed unanimously.

Trustee Johnson credited Dr. Tobin with the good job she did in educating the Committee.

Dr. Tobin continued with update on Sponsorships explaining that she is before the Committee as part of the informational process. \$30,000 can be expended on this line and we have only expended \$16,000 which is significantly less than in prior years.

Chair Queenin stated that the more we know about workings the more we understand it the more productive we can be.

Secretary of the Finance and Capital Assets Committee must be appointed. Chair Queenin nominated Trustee Johnson as Secretary. Trustee Landrau seconded. Trustee Johnson is unanimously voted as Secretary.

The meeting of the Finance and Capital Assets Committee is adjourned by Chair Queenin at 3:33 PM.

Attachments presented at this meeting:

1. Presentation Support Data
2. FY17 Operating Revenue Expense Budget
3. Tuition Fee Schedule
4. FY17 Leased Motor Vehicles
5. FY16 Sponsorships