Boar of Trustees committee members in attendance: Committee Chair Queenin, Vice Chair Sullivan, Secretary Hagan, Trustees Martin (entered at 9:30 AM) and Swan.

Excused absence: Trustee Marcus.

Trustee guests present: Trustees Hill (entered at 9:31 AM), Magovern and Slakey.

Dr. Ramon S. Torrecilha, President of Westfield State University, was also present.

The meeting was called to order at 9:25 AM by Committee Chair Queenin, who then asked for a Motion to approve the minutes of the April 26 meeting.

MOTION was made by Trustee Swan and seconded by Trustee Sullivan to approve the minutes of the April 26, 2018 meeting. The Motion passed unanimously.

Committee Chair Queenin welcomed Stephen Taksar, Vice President of Administration and Finance, who recommended we move agenda item 3.c. Multi-Year Planning Model to agenda 4.c. for better flow. Lisa Freeman, Associate Vice President of Administration and Finance, shared the sponsorship comparison for the last two years. The city of Westfield is celebrating 350 years in 2019 and the University has been asked to assist with the costs, so the contribution figure may go over the $20,000 typically spent but seeking approval for $30,000.

Vice President Taksar stated the Annual Debt Report was given in June last year but the figures are a year old by then. He recommended providing the Debt Report for two years this October and then stay on that schedule in future years.

Trustee Martin entered the meeting at 9:30 AM and Trustee Hill entered the meeting at 9:31 AM.

Committee Chair Queenin stated two individuals who have assisted the Foundation with their investments have been asked to help the Investment Subcommittee, which will meet and then send out a request for proposals.

Alan Blair, Chief Information Officer, and Tom Raffensperger, Dean of Academic Information Services, gave an update on the information technology consultant. Technology will be an integral part of strategic planning going forward and the technology fee has been reorganized to be more in-line with technology expenses. Investments in technology initiatives on campus, academic buildings, and infrastructure have been made. The planning process was described, together with
the need for a working focus group of faculty and students and a three-to-five year plan that’s updated annually to provide guidance on funding. The four recommendations from the consultant’s report were shared: 1) better use of technology, 2) reducing risk, 3) strengthening core technology, and 4) engaging the University as a whole opposed to IT being a pocket of the University. The working group will help move those areas forward by focusing on and incorporating IT, the University, and the Strategic Plan.

Vice President Taksar shared the Multi-Year Financial Planning model and Daniel Forster, Vice President of Enrollment Management, distributed enrollment projections, explaining the numbers came from institutional research and are a three-year average of the class returning for the fall. These figures show how the enrollment projection is calculated in the multi-year model. It is hoped to hold steady at a cautious figure of 1,050 for new freshman going forward, knowing student enrollments are declining, but new processes are being put in place with new financial aid, strong transfers, and advertising. It was requested that Vice President Forster give goals for enrollment management in the committee meeting and going forward provide a yellow/red/green projection. Vice President Taksar stated that enrollment is critical for multi-year planning and the model was created this year which can be updated going forward as assumptions shift. The model will be used as the basis for strategic planning that will connect with the financial plan. It is not a budget, but a projection based on a series of assumptions laid out in the packet provided. If the assumptions change, the bottom line changes; it’s a trend analysis. Some projected losses in the model relate to lower residency rates and higher debt service for the residence halls. There are approximately 25 more years left on the debt, but in 2028, the debt service decreases. Every year, strategic investment funds are added to the budget, which align with the strategic plan.

Trustee Hill left the meeting at 10:04 AM and returned at 10:14 AM.

A question was asked in terms of the effect of diverting strategic investment funds to financial aid and could this position the University to be more competitive with private institutions. Cabinet will need to manage the direction of the model based on the Strategic Plan and academic profile. The role of the Board in this process is fundraising and advocating for state appropriations.

It was stated that in the future, it would be good to include the demographics of faculty and staff and the likely rate of retirements being replaced with faculty and staff hired at lower rates of salary.

**MOTION** was made by Trustee Hagan, seconded by Trustee Martin, to approve the FY19 Operating Budget as presented and to authorize the President to make budget adjustments to these funds.

Vice President Taksar stated that the budget was mostly the same as presented in April with two exceptions. Because of the hard work of Residence Life, their $400,000 loss turned into a balanced budget with no use of reserves. With updated figures, cash coming from the Foundation was increased from $325,000 to $425,000. Of the $980,952 contingency listed, $650,000 is the campus contingency and the remaining funds are other items in that line item. Contingency backfills an enrollment shortfall. If we meet enrollment, the excess revenue or contingency is used for other initiatives. **There being no further discussion, the Motion passed unanimously.**

Committee Chair Queenin moved to the next agenda item, Capital Projects.

**MOTION** was made by Trustee Swan, seconded by Trustee Martin, to approve FY19 capital projects exceeding $500,000, as presented here:
Steam Line project will be a phased project spanning multiple years to properly maintain system infrastructure. In FY19, the campus intends to begin to systematically repair and replace portions of the steam distribution system. Preliminary funding is projected to be $1,000,000 ($743,000 in FY19 capital funding and $257,000 in rollover funding from FY18). The final engineering study will be completed shortly and the scope of work will be determined based on available funding and risk of potential failures in system.

Vice President Taksar showed a piece of steam pipe that had been removed so that the Trustees could get a vision of the condition. Emergency repair of steam pipes is currently underway funded by Division of Capital Asset Management and Maintenance (DCAMM), but it will be close to $600,000 to secure the repair and replacement project. A longer-term plan will be presented in the future. **There being no further discussion, the Motion passed unanimously.**

Committee Chair Queenin moved to the next agenda item, FY19 Sponsorships.

**MOTION** was made by Trustee Sullivan, seconded by Trustee Hagan, to authorize the University to spend up to $30,000 in FY19 on sponsorship and/or attendance at community events, consistent with University guidelines for the expenditure of such funds. The University will report all expenditures made under this umbrella approval no later than the June 2019 meeting of the Board of Trustees. **There being no discussion, the Motion passed unanimously.**

Committee Chair Queenin moved to the next agenda item, Vehicle/Lease Purchase Program.

**MOTION** was made by Trustee Sullivan, seconded by Trustee Hagan, to approve the FY19 expenditures for the vehicle lease/purchase program, as presented.

Vice President Taksar stated that the only thing changed was the need to purchase a new police cruiser, which the Board must approve. **There being no further discussion, the Motion passed unanimously.**

Committee Chair Queenin moved to the next agenda item, Fixed Assets, Capitalization, and Inventory Control Policy.

**MOTION** was made by Trustee Sullivan, seconded by Trustee Hagan, to approve and adopt the updated Westfield State University policy on Fixed Assets, Capitalization, and Inventory Control (0601), as presented, to be effective July 1, 2018.

Vice President Taksar stated that last year an analysis was presented to bring the capitalization threshold into alignment with the state over a period of time. The recommendation is to follow the plan and go to year 2 by increasing the capitalization threshold to $17,500 in the policy. The more you capitalize what you spend on equipment and projects, the less it impacts depreciation but increases overall expenditures. Fewer items will get expensed over time but instead will hit the bottom line as they are being purchased. The goal is to be in line with what the state and other institutions are using for thresholds, which is $50,000. **There being no further discussion, the Motion passed unanimously.**

It was questioned whether there was an update on the Parenzo Hall renovation request for funding. Vice President Taksar stated we haven’t heard anything yet.
There being no further business, Committee Chair Queenin asked for a Motion to adjourn.

**MOTION** was made by Trustee Sullivan, seconded by Trustee Hagan, to adjourn. **Motion passed unanimously.**

The meeting was adjourned at 10:30 AM.

Attachments presented at this meeting:
- a. Minutes 4-26-18 (Draft)
- b. FY18 Sponsorships
- c. Multi-Year Planning Model (Narrative)
- d. Multi-Year Planning Model (Projection)
- e. IT Consultant Update (Narrative)
- f. IT Consultant Update (BerryDunn Summary)
- g. IT Consultant Update (Planning Model)
- h. IT Consultant Update (Working Group Charge)
- i. Motion – FY19 Operating Budget
- j. FY19 Budget – Narrative
- k. FY19 Budget – FY19 to FY18 Comparison
- l. FY19 Budget – Detailed Budget by Trust Fund
- m. FY19 Budget – Capital Funding Plan
- n. FY19 Budget – Approved Schedule of Annual Tuition and Fees (Undergraduate)
- o. FY19 Budget – CGCE Budget Narrative
- p. Motion – Capital Projects (Exceeding $500,000)
- q. Motion – FY19 Sponsorships
- r. Motion – Vehicle Lease/Purchase Program
- s. Vehicle Lease/Purchase Program
- t. Motion – Fixed Assets, Capitalization, Inventory Control Policy (0601)
- u. Policy – Fixed Assets, Capitalization, Inventory Control (0601) Narrative (Approved June 2017)
- v. Policy – Fixed Assets, Capitalization, Inventory Control (0601)
- w. Handout: Enrollment Projections