Board of Trustees committee members in attendance: Committee Chair Sullivan (remotely), Vice Chair Hagan, Secretary Martin, Trustees Marcus (remotely), Queenin and Swan.

Trustee guests present: Trustees Hill and Magovern.

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

The meeting was called to order at 9:38 AM by Committee Vice Chair Hagan, who stated that Trustees Sullivan and Marcus were participating remotely and that all votes would be by roll call.

**MOTION** was made by Trustee Swan, seconded by Trustee Martin, to approve the minutes of the December 5, 2018 meeting.

**Roll call vote:**
Trustee Hagan - Yes
Trustee Martin - Abstain
Trustee Queenin - Yes
Trustee Swan - Yes
Trustee Marcus - Abstain
Trustee Sullivan - Yes

Trustees Martin and Marcus abstained from voting and the Motion passed unanimously.

Committee Vice Chair Hagan welcomed Lisa Freeman, Associate Vice President for Administration and Finance, who highlighted the second quarter financials and travel reports:

- Revenue was trending below budget by $241,000 and total expenses were trending below budget by $5.9 million.
- The net operating surplus is $5.7 million favorable to the budget as a result of lagging expenses due to timing issues.
- Occupancy this year is 8% lower than last year with a prediction of a continuing decline next year.
- Travel expenses of direct reports to the President show P-Card charges through a post date of the end of November with travel payments through December.

Stephen Taksar, Vice President of Administration and Finance, came to the table and shared the following:
• A space utilization architect is collecting information to assess options to accommodate the occupants of Mod Hall into Parenzo Hall. Meetings are being held with each department affected. The study should be done within a month.

• The Design Selection Board (DSB) in Boston reviewed 22 proposals for the Parenzo architect services and agreed with three of our top five, who will come to campus for a site visit. Finalists will present their information to the DSB on February 20 and a contract will be awarded that day. Working groups have created white papers to provide to the consultant, architect and space planner to transform Parenzo into reality. A campus-wide meeting will be held to give an update on the progress. The Parenzo working group is the guiding group meeting with the Division of Capital Asset Management and Maintenance (DCAMM) and the space planner. The group consists of a variety of individuals including Vice President Taksar, the chief of staff, provost, internal architect, and chairs of the three other working groups.

• Proposals for an investment advisor are being reviewed. The Investment Subcommittee will flush out the proposals and invite three advisors to campus for detailed presentations this spring. The goal is to finish before the end of the spring semester to move funds to areas providing greater investment returns. This is critical as we have assumed an increase in our FY20 budget.

• An update on the residence hall debt refinance was given. The refinance rate was one percent less than anticipated so the interest cost avoidance was a savings of $7 million, for a total cost of $3 million. This will provide relief to the debt structure for Residential Life and stabilize the debt repayment. Trustee Hill left the meeting at 9:57 AM.

• The FY20 Budget Update showed the current model being used for budget purposes. In January, notice was received that the state’s payroll tax rate was increasing (as part of an overall benefit rate), which would represent an almost one-half percent increase in payroll (another $350,000 which hadn’t been budgeted for), equating to a student fee increase of another one-half percent. The assumptions are still in line with anticipated state appropriations. There isn’t a balanced scenario for FY21 yet. The largest class graduates in 2021 so there will be a new enrollment baseline. This needs to be kept on the radar as work on the budget and Strategic Plan goes forward. It is important to have a rolling 5-year plan and to bring forward as an agenda item for long-term budget planning once a year.

Vice President Taksar brought forward the next agenda item, the schedule of annual tuition and fees.

**MOTION** was made by Trustee Queenin, seconded by Trustee Martin, to approve the FY20 annual tuition and fees schedule for undergraduate and graduate students, as presented.

**Roll call vote:**
Trustee Hagan - Yes
Trustee Martin - Yes
Trustee Queenin - Yes
Trustee Swan - Yes
Trustee Marcus - Yes
Trustee Sullivan - Yes

**Motion passed unanimously.**

Trustee Swan said an increase in fees of $700 for two years is concerning and should not become a normal practice. Vice President Taksar stated that even with the increases, we are still in the lower range of overall cost of attendance in Massachusetts state universities. The investment in the Strategic Plan will be a critical part of the assumptions. Dr. Shelley Tinkham, Dean of the College of Graduate and Continuing Education, gave an explanation of the materials provided for the increases in graduate programming and mentioned...
we are slated to get full accreditation next November for the Physician’s Assistant (PA) program. There were 700 applicants for the 30 slots open for the second cohort. Trustee Martin would be interested in knowing more about the diversity of the PA applicants.

The following MOTION was made by Trustee Hagan, and seconded by Trustee Swan: The Board of Trustees is required to approve the use of any reserves according to the University’s Reserve Funds Use Policy. The purpose of this motion is to approve the use of reserves to fund the purchase of replacement equipment for the TV Studio in Ely Hall. This reserve has been set aside specifically for this purpose and currently has a cash balance of $148,310. The anticipated cost of the replacement equipment is approximately $145,086. The campus is seeking board approval for the use of these reserves as documented in the attached request from Academic Affairs.

The camera equipment to be replaced is 12 years old. It provides training for students in marketing, communications, and video. The City of Westfield has been contributing annually to help keep the equipment going. There is a need to create life cycles for new equipment going forward, but it is hard to do with technology constantly changing.

Roll call vote:
Trustee Hagan - Yes
Trustee Martin - Yes
Trustee Queenin - Yes
Trustee Swan - Yes
Trustee Marcus - Yes
Trustee Sullivan- Yes

Motion passed unanimously.

Chair Queenin commented on the fee increase and stated that for the past two years, the financial budgets have shown the need for the increase, but the Board will continue to work with the budget to try to keep the University affordable for students. The issue also has to do with state appropriations as the cost to provide education continues to go up but the percentage contributed by the state keeps going down. The Board needs to help get the message to Boston to increase the state appropriation to Westfield State. It was suggested that for every increase in tuition and fees, a percentage should be going into financial aid. Vice President Taksar stated that as part of the Strategic Plan, increases in financial aid were planned. It was requested to follow through on these items as an action plan.

There being no further business, Committee Vice Chair Hagan asked for a motion to adjourn.

MOTION was made by Trustee Hagan, seconded by Trustee Swan, to adjourn.

Roll call vote:
Trustee Hagan - Yes
Trustee Martin - Yes
Trustee Queenin - Yes
Trustee Swan - Yes
Trustee Marcus - Yes
Trustee Sullivan- Yes

Motion passed unanimously.

The meeting was adjourned at 10:36 AM.
Attachments presented at this meeting:

a. Minutes of December 5, 2018
b. Second Quarter Financials (Summary)
c. Second Quarter Financials (FY19)
d. Second Quarter Financials (FY18)
e. Travel Expenses for the President and the President's Direct Reports: July 1 – December 31, 2018
f. Parenzo Hall Renovation (Schedule)
g. Residence Hall Debt Refinance (Memo)
h. Residence Hall Debt Refinance (Table)
i. FY20 Budget (Summary)
j. FY20 Budget (Scenarios)
k. Motion - Schedule of Annual Tuition and Fees
l. Schedule of Annual Tuition and Fees (Summary) Undergraduate
m. Schedule of Annual Tuition and Fees (Undergraduate)
n. Schedule of Annual Tuition and Fees (Summary) CGCE
o. Schedule of Annual Tuition and Fees (Graduate)
p. Schedule of Annual Tuition and Fees (MA Public Universities)
q. Schedule of Annual Tuition and Fees (Comparison)
r. Motion - Reserve Funding Request
s. Reserve Funding Request (Summary)