MOTION made by Trustee Swan, seconded by Trustee Martin, to approve the minutes of the February 7, 2019 meeting. Motion passed unanimously.

Committee Chair Sullivan welcomed Mr. Thomas Kettle, Director of Emergency Preparedness and Response, who brought forth proposed changes to the Emergency Notification System Policy (3030) and the Emergency Response and Preparedness Authorization Policy (3040). It was noted in Section D of Emergency Notification System Policy (3030), the phrase “generally once per semester” be removed.

MOTION made by Trustee Martin, seconded by Trustee Swan, to amend the Emergency Notification System Policy (3030) as presented and amended. Motion passed unanimously.

MOTION made by Trustee Swan, seconded by Trustee Martin, to amend the Emergency Response and Preparedness Authorization Policy (3040) as presented. Motion passed unanimously.

Ms. Lisa Freeman, Associate Vice President of Administration and Finance, brought forward the FY19 Third Quarter Financials, highlighting:

- With 135 fewer students, revenue is positive due to state appropriation and collective bargaining.
- Expenses were less than projected and net surplus is favorable to the budget due to the timing of lagging expenses.
- Construction expenses were below budget due to the timing of completed projects.
- It is believed the budget will break even at end of the fiscal year with the exception of Residence Life, which has its own reserves and trust funds. That does not take into account the pension liability.
• It would be beneficial at the June Board meeting to have an understanding of what affects the Residence Life budget, together with suggestions to be implemented so there won’t be a large deficit.
• It is planned to use FY19 budget savings to fund some of the strategic planning initiatives through vacancy savings.
• Trustees Hill and Landrau joined the meeting at 10:51 AM.
• The College of Graduate and Continuing Education (CGCE) figures are due to the growth of graduate and undergraduate programs such as RN-to-BSN.

Mr. Stephen Taksar, Vice President of Administration and Finance, and Mr. David Riggles, Associate Director of Facilities and Operations, gave an update on capital projects:
• Work is ongoing with the Division of Capital Asset Management and Maintenance (DCAMM) on a five-year deferred maintenance program.
• FY19 capital projects were reviewed and FY20 capital projects are being finalized.
• The University now needs to comply with OSHA requirements.
• Part of the campus tech key lock system is being replaced with an ID key system.
• The Parenzo Hall Renovation project has formed four working groups with faculty and staff and will be in the design stage for approximately 10 months.
• The Space Utilization Study is ongoing. Swing space and space needs beyond Parenzo are being researched.

Vice President Taksar presented the preliminary FY20 budget and stated President’s Cabinet is working to identify a number of strategies to lessen the impact on the FY20 and FY21 budgets due to a student enrollment shortfall.
• Each division starts with a flat-based budget which remains the same unless their needs change. Increased budget requests require estimates and a rationale before being approved. Capital planning, strategic planning and contractual increases are zero-based budgets. Everything in the budget maps to the Strategic Plan’s initiatives and priorities.
• Trustees Magovern and Hill left the meeting at 11:17 AM.
• Next year there will be greater visibility to the process and more communication, reinstating budget meetings for divisions, and giving people the opportunity for discussion. It is important for the campus community to understand the five-year plan and assumptions.
• The colleges have an important impact on the budget, and it would be helpful to break down the costs, including labor, in each program.
• Trustee Magovern returned to the meeting at 11:23 AM.
• Some examples of funding which assist students directly are increased financial aid (in the budget model and the Strategic Plan: merit and need based), investments in the Westfield State Experience, invigorating Residence Life programs, building community, classroom upgrades, moving from analog to digital technology, and revisions to the common core.
• Enrollment is projected to be down by 109 to 130 students this year and an additional 77 students in FY20, creating a shortfall of approximately $800,000 in FY20. Strategies are being developed to look at cost structure more carefully. An additional fee increase will not be requested.
• Residence Life is projecting a $1 million loss for on campus housing and Lansdowne Place.
• Funding the Strategic Plan with $288,000 this year and reduce the Strategic Plan base funding next year from $1 million to $500,000 which results in an investment of $788,000 in strategic initiatives.
• Recommending use of reserves for Residence Life shortfall (from their own reserves) and funding incomplete capital projects budgeted for this year.
• The Dining Commons shortfall should tie out next year, based on budget adjustments.
  o Discuss at the June meeting the steps to be taken in the next one-to-three years to reduce shortfalls.
• Residence Life occupancy is a matter of cost, value and quality of life. A focus group of students is being put together to improve Residence Life.
  o Discuss at the June meeting residential rates compared to in-town rates.
  o Ms. Susan LaMontagne, Interim Vice President of Student Affairs, and Mr. Daniel Forster, Vice President of Enrollment Management, will work on Residence Life needs and costs for the June meeting.

Vice President Taksar stated three financial investment firms were shortlisted and interviewed out of nine responding to the Request for Proposal (RFP). The investment subcommittee met to review and discuss the three shortlisted firms. A recommendation was made to hire Vanguard as the University’s investment advisor. Vanguard will provide a high-quality team to the University, has a strong presence in the nonprofit area, and is the investment advisor to the Foundation, which provides a financial benefit. Mr. Sheridan Carey and Mr. John Davies provided financial expertise to the subcommittee. Being successful in generating additional income will help reduce student fees.

**MOTION** made by Trustee Queenin, seconded by Trustee Swan, to engage the services of Vanguard in accordance with the Investment Management Services RFP (2019-004).

**Motion passed unanimously.**

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

**MOTION** made by Trustee Swan, seconded by Trustee Martin, to adjourn. **Motion passed unanimously.**

Meeting adjourned at 11:46 AM.

Attachments presented at this meeting:
- a. Minutes of February 7, 2019 Meeting
- b. Emergency Notification System Policy (3030) Draft
- c. Emergency Notification System Policy (3030) Clean
- e. Emergency Response and Preparedness Authorization Policy (3040) Clean
- f. Third Quarter Financials (Summary)
- g. Third Quarter Financials (FY19)
- h. Third Quarter Financials (FY18)
- i. Capital Projects Update (Summary)
- j. Capital Projects Update (Parenzo Hall)
- k. Preliminary FY20 Budget – Narrative
- l. Preliminary FY20 Budget – FY20 to FY19 Comparison
- m. Preliminary FY20 Budget – Detailed Budget by Trust Fund
- n. Preliminary FY20 Budget – Capital Funding
- o. Preliminary FY20 Budget – Schedule of Annual Tuition and Fees (Undergraduate)
- p. Preliminary FY20 Budget – CGCE Narrative (For-Credit)
- q. Preliminary FY20 Budget – CGCE Narrative (Non-Credit)
- r. Preliminary FY20 Budget – Schedule of Annual Tuition and Fees (Graduate)
s. Motion – Investment Advisor

I. Investment Advisor (Summary)