MEMBERS PRESENT: Committee Chair Sullivan, Vice Chair Hagan, Secretary Martin, Trustees Marcus, Queenin and Swan.

TRUSTEE GUESTS PRESENT: Trustees Hill, Landrau, Magovern, Martinez-Alvarez, and Slakey.

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

The meeting was called to order at 9:33 AM by Committee Chair Sullivan.

MOTION made by Trustee Marcus, seconded by Trustee Hagan, to approve the minutes of the April 24, 2019 meeting. Motion passed unanimously.

Committee Chair Sullivan welcomed Mr. Stephen Taksar, Vice President for Administration and Finance, who presented the following items for information:

FY19 Sponsorship Report: The standard report is sorted into a) ticketed events and b) advertising and sponsorship. The process for categorizing these expenditures needs to be reviewed to determine appropriate classification to meet the Board’s request for information. A recommendation on categorizing events, consistent with the Department of Higher Education’s policy and Board of Trustees intent, will be presented to the committee at the fall meeting.

Trustee Landrau left the meeting at 9:40 AM.

Parenzo Hall Renovation Update: An update on the architect and space study was given. A decision about a phased or not-phased renovation is pending, depending upon swing space costs. DCAMM will hire a construction manager in late summer to work with the architects. Schematic plans will be finished by January, 2020. Regular communication is being provided to constituents.

Mr. Taksar presented the following items for discussion:

FY20 Operating Budget:
  • There are 70 to 80 fewer students projected than originally planned for in the earlier versions of the FY20 budget, resulting in approximately $800,000 in projected deficit. Strategies to balance the budget are in the FY20 Budget Narrative.
  • Revenue is anticipated to increase by 3%.
  • State appropriations as listed in the proposed budget are aligned with assumptions obtained from the current version of the Governor’s budget.
• Grant requests need to increase.
• Expenses are increasing at 5%.
• Revenue changes in the College of Graduate and Continuing Education (CGCE) and Residential Life and Dining Service were shared.
• Reporting on the contingency lines should be clarified and labelled.
• Operation or vacancy savings at year end roll into reserves.
• Budget presumes every position is filled on July 1. Because of the timing of filling vacancies, one-time savings are generated.
• The strategic investment base is $500,000 next year. Strategic Plan investments are being tracked. A financial plan for the Strategic Plan has been developed. Some of the Strategic Plan expenditures are for one-time items like software implementation.

Multi-Year Planning Model:
• The multi-year planning model was shared. The model is based on the following assumptions of 1) enrollment 2) compensation and 3) state appropriations. The model will be presented at a campus forum in the fall to demonstrate the strategy to develop the FY21 budget.
• Similar to other institutions, Westfield State does not track programs’ return on investment, although it has started some of that work.
• Trend data for 12 years of enrollment was shared, showing budget projections and actuals.
• Base compensation is 43% of the budget. Appropriation is currently funding 66-68% and going forward it will be closer to 62-63%
• A gap analysis for Residential Life compared to the design capacity and projection was shown.
• The Fresh Eyes consultant recommendations were shared. Housing needs to be marketed more competitively, incorporating the benefits of staying on campus.
• Residence Hall Trust Fund (RHTF) Budget for FY18-24 was shared.
• Summer conferencing has been operating at a deficit and can generate more income.

Voluntary Separation Incentive Plan (VSIP):
• President Torrecilha shared the background of Salem State’s voluntary separation incentive plan. He shared a PowerPoint that applied the parameters of the Salem State plan to eligible Westfield State employees. The presentation demonstrated the impact of the Salem model to Westfield State.
• Staffing trends from FY13-FY19 were shared. Staffing has increased in Dining Services, CGCE, and other positions across campus over that time period.
• Trustee Magovern left the meeting at 10:59 AM and returned at 11:07 AM.
• Trustees would like to understand more about the impact of the VSIP.

**MOTION** made by Trustee Sullivan, seconded by Trustee Marcus, to support the development of a voluntary separation incentive plan for Westfield State University, based on the recently approved Salem State University plan. **Motion passed unanimously.**

**MOTION** made by Trustee Sullivan, seconded by Trustee Swan, to approve the FY20 Operating Budget as presented and to authorize the President to make budget adjustments to these funds. **Motion passed unanimously.**

**MOTION** made by Trustee Sullivan, seconded by Trustee Swan, to approve FY20 capital projects, as presented in the FY20 Capital Projects Summary Plan. **Motion passed unanimously.**
**MOTION** made by Trustee Sullivan, seconded by Trustee Martin, to authorize the University to spend up to $30,000 in FY20 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 2020 meeting of the Board of Trustees. **Motion passed unanimously.**

**MOTION** made by Trustee Sullivan, seconded by Trustee Swan, to approve the FY20 expenditures for the vehicle lease/purchase program, as presented. **Motion passed unanimously.**

**MOTION** made by Trustee Sullivan, seconded by Trustee Martin, 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, 2019. **Motion passed unanimously.**

Mr. Taksar stated that the University attempted to execute a contract with Vanguard as an Investment Advisor in accordance with the authorization provided at the April 24, 2019 meeting, which did not result in an agreement with Vanguard. Eaton Vance was then awarded the contract and has already agreed to the terms of our contract.

**MOTION** made by Trustee Sullivan, seconded by Trustee Martin, to engage the services of Eaton Vance in accordance with the Investment Management Services RFP (2019-004), rescinding the April 24, 2019 motion approved by the Board of Trustees engaging the services of Vanguard. **Motion passed unanimously.**

There being no further business, **MOTION** made by Trustee Swan, seconded by Trustee Martin, to adjourn. **Motion passed unanimously.**

Meeting adjourned at 11:17 AM.

Attachments presented at this meeting:

a. Minutes 4-24-19 (Draft)

b. FY19 Sponsorships

c. Multi-Year Planning Model (Narrative)

d. Multi-Year Planning Model_Tab 2 (Projections)

e. Multi-Year Planning Model_Tab 1 (Key Assumptions)

f. Motion – FY20 Operating Budget
g. FY20 Operating Budget (Narrative)
h. FY20 Operating Budget_Tab 2 (Campus)
i. FY20 Operating Budget_Tab 1 (Trust Fund)
j. FY20 Operating Budget_Tab 1 (Fee Schedule)
k. FY20 Operating Budget_Tab 1 (FY19 & FY20 Strategic Plan)
l. Motion – Capital Projects

m. Capital Projects_Tab 1 (Funding Plan)

n. Motion – FY20 Sponsorships

o. Motion – Vehicle Lease/Purchase Program

p. Vehicle Lease/Purchase Program_Tab 1 (Budget)

q. Motion – Fixed Assets, Capitalization and Inventory Control Policy (0601)

r. Fixed Assets, Capitalization and Inventory Control Policy (Narrative)

s. Policy – Fixed Assets Capitalization and Inventory Control (0601)

t. Motion – Investment Advisor
u. Investment Advisor (Narrative)
v. Motion – Voluntary Separation Incentive Plan