



## Board of Trustees

### Finance and Capital Assets Committee

11:00 AM

December 11, 2019

President's Boardroom, The Horace Mann Center

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|---|--------------------------------------|
| <b>1. Called to Order</b>                 | Trustee Sullivan                     |
| <b>2. Minutes</b>                         |                                      |
| a. October 10, 2019                       | Trustee Sullivan                     |
| <b>3. Items for Information</b>           |                                      |
| a. FY20 First Quarter Financials          | Maria Feuerstein                     |
| b. FY20 Budget Update                     | Stephen Taksar                       |
| c. Annual Debt Report and Ratios          | Lisa Freeman                         |
| d. Parenzo Hall Renovation                | Stephen Taksar                       |
| <b>4. Items for Discussion</b>            |                                      |
| a. Voluntary Separation Incentive Program | President Torrecilha/Jalisa Williams |
| b. FY21 Budget Planning Scenarios         | President Torrecilha/Stephen Taksar  |
| c. Annual Work Plan Development           | Trustee Sullivan/Stephen Taksar      |
| <b>5. Items for Action</b>                |                                      |
| a. Motion - FY21 Major Capital Project    | Stephen Taksar/Susan Leggett         |

**Attachment(s):**

- a. Minutes 10-10-19 (Draft)
- b. First Quarter Financials (Summary)
- c. First Quarter Financials (FY20)
- d. First Quarter Financials (FY19)
- e. Annual Debt Report (Summary)
- f. Annual Debt Report (10 Year Ratio Table)
- g. FY21 Budget Planning Scenarios (Summary)
- h. FY21 Budget Planning Scenarios (Model)
- i. Motion – FY21 Major Capital Project



## BOARD OF TRUSTEES

Finance and Capital Assets Committee

### Minutes

President's Boardroom, The Horace Mann Center

October 10, 2019

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**MEMBERS PRESENT:** Committee Chair Sullivan, Vice Chair Hagan, Secretary Magovern, Trustees Neves and Queenin

**TRUSTEE GUESTS PRESENT:** Trustees Boudreau and Martin

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

The meeting was called to order at 10:44 AM by Committee Chair Sullivan.

**MOTION** made by Trustee Sullivan, seconded by Trustee Neves, to approve the minutes of the June 20, 2019 meeting. **Motion passed unanimously.**

The following informational items were brought forward:

- Travel Expenses of the President and the President's Direct Reports for the period July 1, 2018 – June 30, 2019 were shared. Chair Kevin Queenin stated that he pre-approves all of the President's Travel.
- The Bank of America debt agreement is renewed annually. There is no outstanding balance on this line of credit. Because of the addition of the pension and OPEB figures to the University financials, we could not meet Covenant #1 of the agreement, which is having a debt service coverage ratio of 1.25 times. This will likely be an ongoing issue and will need to be addressed when the next agreement is signed. Bank of America agreed to waive the requirement of that Covenant.
- Trustee Hagan entered the meeting at 10:49 AM.
- The Fixed Assets Inventory Progress Report was shared. We are in year three of the 5-year plan to transition to a \$50,000 asset capitalization threshold which is the state capitalization level. As of July 1, we were at a \$25,000 threshold. All computers and those assets with a value of at least \$1,000 are scanned but not capitalized.
- The Investment Subcommittee has met and made revisions to the Investment Policy, with recommendations from Eaton Vance, the investment advisor. A custodial account was created at Charles Schwab that Eaton Vance will utilize. While modest gains are anticipated, this strategy may have significant opportunity for revenue for the University to help keep fees lower by leveraging liquid assets.
- New budget planning software, Questica, has been procured as a tool to help manage resources more thoroughly. Most campuses use an Enterprise Resource Planning (ERP) system (ours is Banner). The budget and planning module in Banner is extremely poor, leaving three choices: 1) do budgeting in Excel; 2) replace the ERP system (extremely expensive and time consuming); or 3) buy software to integrate with the ERP as a budget and forecasting tool. This has been planned for two years and is being launched this year as a campus-wide tool.

- Transparency: “out of the box” allows reporting with queries and agility within the report. The open book module will transform raw data into standard budget reports for campus. Updates on projects are in real time.
- Integration: our systems are disconnected so we use Excel for most programming. Questica is an Ellucian-supported partner so integration will be seamless. Four-year planning has been started, with the ability to measure key performance. Budget maintenance and development is now very paper driven. This program will alleviate time deficiencies and streamline planning and budgeting process.
- Integrating with the state systems (compensation planning) will be challenging, but they are looking to replace some of their systems so we will wait and see what they implement. A program kickoff was recently launched with the project team and 51 project managers will be fully trained. There will be a 15-week implementation timeline with training being offered.
- Ms. Maureen Socha, the new Executive Director of Facilities and Capital Planning, was introduced.
- The Parenzo Hall renovation is still in the conceptual design stage with two primary options to consider. Input is being sought from the campus on a final design. The architects presented at a town hall meeting on September 26, with 50-70 people attending.

There are many structural and systems needs to address in the building. We may be over budget by an estimated \$4 million. The architects are revising plans to meet budget.

The renovation will be a one-phase project. The building will need to be emptied, so a swing space design is also being developed. The first floor of Scanlon Hall will be a permanent relocation for Academic Affairs and Facilities, needing major renovation. The second and third floors will be temporary relocation space for two years requiring light renovation. This renovation would need to be funded separately or require a reduction in the amount of funds allocated to Parenzo. Other ways to fund the gap are being sought and there is some flexibility in the Parenzo funding. The capital budget will be looked at and there may be a need to borrow from Massachusetts State College Building Authority (MSCBA). Approval will be sought at the December meeting for any bond needed for swing space.

One option is taking Scanlon offline as a residential hall, requiring a determination to figure the portion of the pooled debt that is still being paid. Students from Scanlon and Lansdowne would be housed in other dorms, putting occupancy at almost 100% capacity. Occupancy rates have gone from 103% to 80% so the issues of the past of having to place students in hotels should not occur.

The following items for discussion were brought forward:

- FY21 Budget Planning Assumptions and Timeline. The enrollment census due date is October 15. Enrollment is doing slightly better than expected for first-year, first-time students, but transfer students were less than expected. Retention from first to second year dropped - last year at 74.6%; this year at 72.3%, but fall to spring was on an upswing. After October 15 an analysis will be created and strategies to manage the shortfall revenue will be presented to the Board. Most universities in the area have not met enrollment goals and the nine state universities are down to 38,000 students from 50,000 over the last several years. It is important to find out where the students are going. Provost Dr. Diane Prusank confirmed that there is an early warning system and policy in place to speak to those students at risk of leaving. There has been no increase in the number of students failing and being asked to leave. Many students not returning are first-year and out-of-state students. Partnerships will be the way to survive, such as the *Westfield Promise*. The goal needs to be to plan how to retain the

- students.
- The Budget Planning Assumptions set the stage for the future planning of the budget by creating scenarios, variations of assumptions (to be presented at the December meeting), and then the budget. The goal is to try to keep the cost of attendance down. A 5-year projection will be presented in the spring, which will be done annually. It was explained how the budget information was presented to the campus community through monthly Planning Advisory Committee meetings, open budget sessions, SGA meetings, materials placed at the library, and all documents from Trustees meetings posted online a week after the meetings. The Trustees agreed with the proposed Assumptions and Timeline.
  - Sponsorship Process Review and Recommendations. As a follow-up to the conversation at the June Board meeting, information was provided to clarify what materials are useful for the Board's review in June each year. The distinction between sponsorships and advertising was clarified and supported. This discussion was led by Chief of Staff, Dr. Susan Leggett.

Committee Chair Sullivan brought forward the following Action Items:

**MOTION** made by Trustee Sullivan, seconded by Trustee Magovern, to authorize the voluntary separation incentive program presently before the Board to be offered to the University's eligible members of the American Federation of State, County and Municipal Employees (AFSCME), Association of Professional Administrators (APA), Non-Unit Professionals (NUP), and Non-Unit Classified (NUC) employees.

Discussion: The University communicated to the Department of Higher Education (DHE) that the Board passed a motion to pursue a Voluntary Separation Incentive Program (VSIP), and the state negotiated directly with the unions. A schedule was presented that describes what the program would look like for the AFSCME and APA unions. This potential net savings is \$3.6 million, but it is unknown how many employees will participate. At this time, only Westfield State is offering this program. Based on the timing of the vacancies, it might require the use of reserves to fund the payouts if they occur later in the year. **Motion passed unanimously.**

**MOTION** made by Trustee Sullivan, seconded by Trustee Magovern, to establish a Money Market Account at Berkshire Bank, to approve the transfer of \$20,000,000 into the newly established account from the University's checking account at Berkshire Bank and to authorize the University to transfer funds between the two accounts if necessary.

Discussion: Setting up a new account is beneficial to leverage cash in order to maximize interest income immediately. **Motion passed unanimously.**

**MOTION** made by Trustee Sullivan, seconded by Trustee Magovern, to eliminate the Affirmative Action, Equal Opportunity, Diversity Plan, Complaints Against University President Policy (2150) as it is no longer applicable. The provisions of this policy are covered in the Board of Higher Education's Equal Opportunity, Diversity and Affirmative Action Plan Policy (2170) as well as the University's Reporting Violations of Laws, Rules or Regulations (Whistleblower) Policy (0440).

Discussion: None. **Motion passed unanimously.**

**MOTION** made by Trustee Sullivan, seconded by Trustee Magovern, to eliminate the American Recovery and Reinvestment Act (ARRA) Funds Policy (0520) as it is no longer applicable.

Discussion: In 2010 the University received \$6.10 million from ARRA and it was necessary to have this policy to receive the money. We no longer have the funds so the policy is unnecessary . **Motion passed unanimously.**

**MOTION** made by Trustee Sullivan, seconded by Trustee Magovern, to eliminate the Student Short-Term Loans Policy (0120) as it is no longer applicable.

Discussion: Short term loans have not been given for some time; this is an old process. Owl bucks are now used. **Motion passed unanimously.**

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

Meeting adjourned at 12:05 PM.

Attachments presented at this meeting:

- a. Minutes (Draft) 6-20-19
- b. Travel for the President and Direct Reports to the President July 2018-June2019
- c. Bank of America Compliance Certificate
- d. Fixed Assets Inventory Progress Report
- e. Budget Planning Software
- f. Parenzo Hall Renovation (Narrative)
- g. Parenzo Hall Renovation (Graphs)
- h. FY21 Budget Planning Assumptions and Timeline
- i. Sponsorship Process Review and Recommendations
- j. Motion – Voluntary Separation Incentive Program
- k. Voluntary Separation Incentive Program (Graph)
- l. Voluntary Separation Incentive Program (AFSCME Memorandum of Agreement)
- m. Voluntary Separation Incentive Program (APA Memorandum of Agreement)
- n. Voluntary Separation Incentive Program (NUP and NUC Agreement)
- o. Motion – Money Market Account
- p. Money Market Account (Memo)
- q. Motion – Affirmative Action, Equal Opportunity, Diversity Plan, Complaints Against University President Policy (2150)
- r. Policy – Affirmative Action, Equal Opportunity, Diversity Plan, Complaints Against University President Policy (2150)
- s. Policy – Equal Opportunity, Diversity and Affirmative Action Plan (2170)
- t. Policy – Reporting Violations of Laws, Rules or Regulations, Whistleblower (0440)
- u. Motion – American Recovery and Reinvestment Act (ARRA) Funds Policy (0520)
- v. Policy – American Recovery and Reinvestment Act (ARRA) Funds Policy (0520)
- w. Motion – Student Short-Term Loans Policy (0120)
- x. Policy – Student Short-Term Loans (0120)

**Secretary's Certificate**

I hereby certify that the foregoing is a true and correct copy of the approved minutes of the Westfield State University Board of Trustees Finance and Capital Assets Committee meeting held on October 10, 2019.

\_\_\_\_\_  
Robert Magovern, Secretary

\_\_\_\_\_  
Date

**Westfield State University**  
Finance and Capital Assets Committee

**FY20 First Quarter Financials**

December 3, 2019

**Overview**

The campus develops an annual budget, but provides a calculated quarterly projection in order to provide a first quarter comparative financial analysis. Tuition and fee revenue is reported at 50% of the actual fall semester revenue for the day division and for summer II and 50% of actual fall semester revenue for CGCE. Expenses are actual expenses incurred through the end of the first quarter. The University's net surplus is \$2.9M at the end of the quarter with 25.5% of the University's revenues realized and 21.5% of the budget expended. The current surplus is the result of approximately \$2.1M of vacancy, salary, and contract worker savings as well as a lag in expenses and capital projects due to timing issues. **It is not expected that this surplus will be realized by the end of the fiscal year as annual revenue targets will not be met and expenses are not evenly spent during the year.**

Undergraduate enrollment was lower than budget by 200 students or 4.6% as reported for the first quarter (full annual impact is expected to be 247 fewer students); and Residential Life experienced a lower than planned occupancy of 138 students or 5.6%. The number of participants in Dining Services is unfavorable to the budget by 70, however, revenue remained flat in the first quarter due to an increase in Internal Catering and Other Revenue. CGCE total enrollment, reported in number of credit hours increased by 2.8%, which is the net result of an increase to Graduate and Undergraduate enrollment partially offset by attrition in the PA program.

**Enrollment**

- Full-time Day Division enrollment was 4.6% below budgeted enrollment for the quarter. This decline affected total fall semester budgeted revenue by approximately \$0.45M. It is important to note that the projected annual enrollment decline is estimated to be 247 for the full year or 5.8% below budget. Most of the decline, 75% is attributable to decreasing retention rates this year compared to last year; 25% of the decline, is attributable to not meeting entering class enrollment targets.

**Revenue**

- Total revenue is trending below budget by \$0.6M or 1.8% mainly due to lower than budgeted day school enrollment combined with lower occupancy rates. Based on a projected decline of 247 students on a full year basis, tuition and fees are expected to be down by \$2.6M. The campus is expecting state appropriation to exceed the FY20 Budget by approximately \$1M. However, current state appropriation is meeting Q1 projection mainly due to the timing of receipt from the state. CGCE is trending on target with Q1 projected revenue with no major variances to report. The Residential Life deficit

was projected to be \$0.8M in FY20, however due to the impact of enrollment declines on occupancy, the revised projection is a deficit of \$1.6M. Furthermore, Lansdowne is projecting a FY20 deficit of \$0.6M, which is \$0.3M greater than anticipated in the FY20 budget.

### **Expenses**

- Overall expenses are trending favorably versus the Q1 projection by \$3.5M or 11.3% mainly from the University operations. Significant variances are noted below.
- University – Compensation expense is below budget by \$1.4M or 9.4% due to savings from vacant positions and hiring lower than plan. Other expenses, the largest being construction expense (pool NN) in the amount of \$0.7M, are trending below budget due to timing delays and complexity in starting DCAMM capital projects.
- CGCE – Compensation expense is below budget by \$0.4M or 19.2% due to vacant positions as well as lower utilization of contract workers and special employees. Other variances are minor and are due to timing issues. Total expenses are trending below budget by \$0.56M or 18.4%.
- Residential Life – Total expenses are below budget by \$0.5M or 10.7% mainly due to vacancy savings of \$0.2M; Energy and Space Rental savings of \$0.2M and \$0.1M due to timing related to the assessment payment (pool SS) to the Massachusetts State College Building Authority (“MSCBA”). The payment is lower due to the decreased occupancy rates which drives the prorated MSCBA assessment to the campus.
- Dining Services – Total expenses are tracking favorable to budget by 9.1% or \$0.25M mainly due to vacancy savings.

### **Summary**

- Lower than budgeted enrollment, as projected for the year, will have a significant effect on the campus budget. The campus will be working to identify cost reductions to close the projected \$1.6M revenue shortfall in the general operating budget. Auxiliary budgets will also be challenged with declines in occupancy of on campus housing. Residential life is projecting losses of \$1.6M this year vs. budgeted losses of \$0.8M.
- The campus distributed a fall semester census report in October to the entire campus outlining enrollment projections and the related budget impact.
- Division of Administration and Finance conducted two open campus meetings on the FY20 budget and enrollment projections. One meeting was a Budget Informational Session and the second meeting was a Budget Dialog session to seek feedback and input on cost reductions, revenue enhancements and process improvement ideas. Both sessions were well attended with over 70 faculty, staff and students.

Fiscal Year : July 1st - June 30th

**Financial Report (Consolidated)**  
**Quarter Ending September 30, 2019**

				Fav/(Unfav)		
	<u>Annual FY20</u>	<u>FY20</u>	<u>FY20</u>	<u>Budget</u>	<u>Percent</u>	<u>Percent</u>
	<u>Budget</u>	<u>1st Qtr. Budget</u>	<u>1st Qtr. Actual</u>	<u>Variance</u>	<u>Variance</u>	<u>Realized/</u>
						<u>Expended</u>
<b>Enrollment</b>						
University (Headcount)	4,223	4,310	4,110	(200)	-4.6%	
<b>Enrollment</b>						
CGCE (Credit Hours)	32,917	14,937	15,353	416	2.8%	
<b>Staffing</b>						
Administrative	499	499	464	35	7.0%	
Full-time Faculty	251	251	241	10	4.0%	
Adjuncts (University Only) FTE	203	101	102	(1)	-0.6%	
Total	953	851	807	44	5.2%	
<b>Revenue</b>						
University/SGA	\$ 81,524,351	\$ 21,094,499	\$ 20,846,590	\$ (247,910)	-1.2%	25.6%
CGCE	12,142,126	3,069,593	3,077,151	7,558	0.2%	25.3%
Residential Life	19,848,659	5,306,281	4,960,087	(346,194)	-6.5%	25.0%
Dining Services	10,636,124	2,779,553	2,780,038	484	0.0%	26.1%
<b>Total Revenue</b>	<b>\$ 124,151,260</b>	<b>\$ 32,249,926</b>	<b>\$ 31,663,865</b>	<b>\$ (586,061)</b>	<b>-1.8%</b>	<b>25.5%</b>
<b>Expenses/Transfers</b>						
University/SGA	\$ 83,511,976	\$ 20,476,751	\$ 18,303,763	\$ 2,172,988	10.6%	21.9%
CGCE	12,142,126	3,035,532	2,476,062	559,470	18.4%	20.4%
Residential Life	20,645,612	4,653,969	4,154,314	499,655	10.7%	20.1%
Dining Services	10,636,124	2,659,031	2,417,074	241,957	9.1%	22.7%
<b>Total Expenses/Transfers</b>	<b>\$ 126,935,838</b>	<b>\$ 30,825,282</b>	<b>\$ 27,351,213</b>	<b>\$ 3,474,069</b>	<b>11.3%</b>	<b>21.5%</b>
<b>Net</b>						
University/SGA	\$ (1,987,625)	\$ 617,748	\$ 2,542,826	\$ 1,925,078	311.6%	
CGCE	-	34,061	601,089	567,027	1664.7%	
Residential Life	(796,953)	652,312	805,774	153,461	23.5%	
Dining Services	-	120,522	362,963	242,441	201.2%	
<b>Total</b>	<b>\$ (2,784,578)</b>	<b>\$ 1,424,644</b>	<b>\$ 4,312,652</b>	<b>\$ 2,888,008</b>	<b>202.7%</b>	

**Notes:**

- (1) This report provides a internally compiled summary of the revenues and expenses of Westfield State University for the subject period. This information is unaudited and is for internal management purposes only.
- (2) The "FY20 1st Qtr. Budget" represents an estimate of the expected results based on allocating revenue and expenditures by quarter using a variety of metrics.
- (3) The budget anticipated an average enrollment of 4,223 including a limited number of exchange students and cross-registrants with CGCE.
- (4) CGCE enrollment represents credit hours.
- (5) Fall tuition, fee, room and board revenue has been recognized at 50% of actual. Expenses such as scholarships and MSCBA assessment have also been adjusted to 50% of actual.



Fiscal Year : July 1st - June 30th

Fav/(Unfav)

**University/SGA Financial Report  
Quarter Ending September 30, 2019**

	<b>Annual FY20 Budget</b>	<b>FY20 1st Qtr. Budget</b>	<b>FY20 1st Qtr. Actual</b>	<b>Budget Variance</b>	<b>Percent Variance</b>	<b>Percent Realized/ Expended</b>
<b>Enrollment</b>						
Total Undergraduate Enrollment (Billable)	4,223	4,310	4,110	(200)	-4.6%	
<b>Staffing</b>						
Administrative	349	349	334	15	4.3%	
Full-time Faculty	236	236	227	9	3.8%	
Adjuncts (FTE)	203	101	102	(1)	-0.6%	
<b>Total</b>	<b>788</b>	<b>686</b>	<b>663</b>	<b>23</b>	<b>3.4%</b>	
<b>Revenue</b>						
State Appropriation	\$ 29,463,260	\$ 7,365,815	\$ 7,378,890	\$ 13,075	0.2%	25.0%
Tuition Retention	3,203,000	848,795	865,957	17,162	2.0%	27.0%
General Fee	37,694,498	9,617,765	9,173,250	(444,515)	-4.6%	24.3%
Technology Fee	3,082,790	786,575	750,002	(36,573)	-4.6%	24.3%
DGCE Fees (technology/capital planning)	250,000	111,111	101,432	(9,679)	-8.7%	40.6%
Capital Improvement Fee	422,300	107,750	102,740	(5,010)	-4.6%	24.3%
Bookstore Commissions	285,000	128,250	91,427	(36,824)	-28.7%	32.1%
Interest Earnings	677,400	169,350	116,623	(52,727)	-31.1%	17.2%
Nursing Fee	179,100	44,775	39,422	(5,353)	-12.0%	22.0%
Parking Decals	280,000	119,000	120,146	1,146	1.0%	42.9%
Wellness Center	530,000	138,966	123,811	(15,155)	-10.9%	23.4%
Cable TV	396,270	102,510	100,470	(2,040)	-2.0%	25.4%
Res Life Dorm Fee	233,100	60,300	59,100	(1,200)	-2.0%	25.4%
Phone Service	233,100	60,300	59,100	(1,200)	-2.0%	25.4%
Dunkin' Donuts & Vending Commissions	153,000	98,250	89,317	(8,933)	-9.1%	58.4%
Miscellaneous Fees/Revenue	672,760	168,190	144,077	(24,113)	-14.3%	21.4%
Student Government Association	436,523	108,828	103,767	(5,060)	-4.6%	23.8%
Federal, State and Private Grants	12,056,568	3,014,142	2,621,921	(392,221)	-13.0%	21.7%
Scholarship Allowance	(10,610,448)	(2,732,190)	(2,243,059)	489,132	-17.9%	21.1%
Other Auxiliary revenues	1,456,130	728,065	1,000,244	272,179	37.4%	68.7%
Foundation Support	430,000	47,953	47,953	-	0.0%	11.2%
<b>Total Revenue</b>	<b>\$ 81,524,351</b>	<b>\$ 21,094,499</b>	<b>\$ 20,846,590</b>	<b>\$ (247,910)</b>	<b>-1.2%</b>	<b>25.6%</b>
<b>Expenses</b>						
AA - Regular Employee Compensation	46,626,843	\$ 11,656,711	10,817,228	\$ 839,483	7.2%	23.2%
CC - Special Employees	5,700,041	1,080,010	1,171,054	(91,044)	-8.4%	20.5%
DD - Pension and Fringe Benefits	7,639,559	1,909,890	1,277,325	632,565	33.1%	16.7%
<b>Compensation expense subtotal</b>	<b>59,966,443</b>	<b>14,646,611</b>	<b>13,265,607</b>	<b>1,381,004</b>	<b>9.4%</b>	<b>22.1%</b>
BB - Employee Related expenses	603,302	67,034	78,129	(11,096)	-16.6%	13.0%
EE - Administrative Expenses	1,693,644	423,411	364,886	58,525	13.8%	21.5%
FF - Facility Operations	1,108,490	277,123	284,628	(7,505)	-2.7%	25.7%
GG - Energy Costs and Space Rental	2,802,902	593,890	423,087	170,803	28.8%	15.1%
HH - Consultant Services	1,012,443	253,111	237,321	15,790	6.2%	23.4%
JJ - Operational Services	1,110,088	277,522	151,489	126,033	45.4%	13.6%
KK - Equipment Purchases	442,523	49,169	23,077	26,092	53.1%	5.2%
LL - Equipment Leases and Rental	915,230	228,807	199,043	29,765	13.0%	21.7%
MM - Purchased Client Services	288,762	32,085	39,091	(7,007)	-21.8%	13.5%
NN - Construction and Improvements	2,878,970	719,743	43,334	676,408	94.0%	1.5%
RR - Entitlement Programs (Scholarships)	3,304,017	859,044	757,442	101,602	11.8%	22.9%
SS - Debt Payments and Contingency	1,923,298	390,043	390,043	-	-	20.3%
UU - Information Technology	4,354,039	1,745,523	1,841,577	(96,053)	-5.5%	42.3%
Student Government	416,114	61,492	87,997	(26,505)	-43.1%	21.1%
Athletics - Sport Accounts	527,956	87,993	92,328	(4,335)	-4.9%	17.5%
Academic Educational Services (ESTF)	387,150	53,771	58,186	(4,415)	-8.2%	15.0%
Grants	1,579,693	394,923	378,862	16,061	4.1%	24.0%
Other Trust Funds	1,876,184	382,270	654,449	(272,179)	-71.2%	34.9%
University Hall support payment	150,000	150,000	150,000	-	-	100.0%
Unallocated	401,034	-	-	-	-	-
University Contingency	636,943	-	-	-	-	-
Transfer from Dining	(2,400,808)	(600,202)	(600,202)	-	-	25.0%
Transfer from CGCE	(2,466,441)	(616,610)	(616,610)	-	-	25.0%
<b>Other Expense/Transfers Total</b>	<b>23,545,533</b>	<b>5,830,141</b>	<b>5,038,157</b>	<b>791,984</b>	<b>13.6%</b>	<b>21.4%</b>
<b>Total Expenses/Transfers</b>	<b>\$ 83,511,976</b>	<b>\$ 20,476,751</b>	<b>\$ 18,303,763</b>	<b>\$ 2,172,988</b>	<b>10.6%</b>	<b>21.9%</b>
<b>Net</b>	<b>\$ (1,987,625)</b>	<b>\$ 617,748</b>	<b>\$ 2,542,826</b>	<b>\$ 1,925,078</b>	<b>311.6%</b>	

Fiscal Year : July 1st - June 30th

Fav/(Unfav)

**CGCE Financial Report**  
**Quarter Ending September 30, 2019**

	<b>Annual FY20 Budget</b>	<b>FY20 1st Qtr. Budget</b>	<b>FY20 1st Qtr. Actual</b>	<b>Budget Variance</b>	<b>Percent Variance</b>	<b>Percent Realized/ Expended</b>
<b>Enrollment (Number of Credits)</b>						
Graduate	11,622	5,167	5,476	309	6.0%	
PA	3,408	1,817	1,684	(133)	-7.3%	
Undergraduate	17,887	7,953	8,193	240	3.0%	
<b>Total</b>	<b>32,917</b>	<b>14,937</b>	<b>15,353</b>	<b>416</b>	<b>2.8%</b>	
<b>Staffing</b>						
Administrative	34	34	30	4	11.8%	
Full-time Faculty	15	15	14	1	6.7%	
<b>Total</b>	<b>49</b>	<b>49</b>	<b>44</b>	<b>5</b>	<b>10.2%</b>	
<b>Revenue</b>						
Tuition (Including Educational Services Fee)	\$ 3,124,744	\$ 785,864	\$ 720,558	\$ (65,306)	-8.3%	23.1%
Instructional Fee	8,381,757	2,107,987	2,068,746	(39,241)	-1.9%	24.7%
Registration Fee	441,525	111,042	177,807	66,765	60.1%	40.3%
Miscellaneous	187,000	62,333	107,540	45,207	72.5%	57.5%
Transcripts	7,100	2,367	2,500	133	5.6%	35.2%
<b>Total Revenue</b>	<b>\$ 12,142,126</b>	<b>\$ 3,069,593</b>	<b>\$ 3,077,151</b>	<b>\$ 7,558</b>	<b>0.2%</b>	<b>25.3%</b>
<b>Expenses</b>						
AA - Regular Employee Compensation	\$ 3,425,727	\$ 856,432	\$ 725,855	\$ 130,577	15.2%	21.2%
CC - Special Employees	\$ 3,081,986	770,497	\$ 627,875	142,622	18.5%	20.4%
DD - Pension and Fringe Benefits	\$ 1,373,379	343,345	\$ 237,720	105,624	30.8%	17.3%
<b>Compensation expense subtotal</b>	<b>7,881,092</b>	<b>1,970,273</b>	<b>1,591,450</b>	<b>378,823</b>	<b>19.2%</b>	<b>20.2%</b>
BB - Employee Related expenses	\$ 105,429	26,357	\$ 6,525	19,833	75.2%	6.2%
EE - Administrative Expenses	\$ 443,902	110,976	\$ 124,543	(13,567)	-12.2%	28.1%
FF - Facility Operations	\$ 25,360	6,340	\$ 18,412	(12,072)	-190.4%	72.6%
HH - Consultant Services	\$ 471,200	117,800	\$ 76,230	41,570	35.3%	16.2%
JJ - Operational Services	\$ 63,860	15,965	\$ 9,362	6,603	41.4%	14.7%
KK - Equipment Purchases	\$ 26,000	6,500	\$ 1,836	4,664	71.8%	7.1%
LL - Equipment Leases and Rental	\$ 8,000	2,000	\$ -	2,000	100.0%	-
RR - Entitlement Programs (Scholarships)	\$ 65,000	16,250	\$ 16,256	(6)		25.0%
UU - Information Technology	\$ 56,219	14,055	\$ 18,949	(4,895)	-34.8%	33.7%
Unallocated	529,623	132,406	\$ -	132,406	-	-
Transfer to the University	2,466,441	616,610	\$ 612,500	4,110	0.7%	24.8%
<b>Other Expense/Transfers Total</b>	<b>4,261,034</b>	<b>1,065,258</b>	<b>884,612</b>	<b>180,646</b>	<b>17.0%</b>	<b>20.8%</b>
<b>Total Expenses/Transfers</b>	<b>\$ 12,142,126</b>	<b>\$ 3,035,532</b>	<b>\$ 2,476,062</b>	<b>\$ 559,470</b>	<b>18.4%</b>	<b>20.4%</b>
<b>Net</b>	<b>\$ -</b>	<b>\$ 34,061</b>	<b>\$ 601,089</b>	<b>\$ 567,027</b>	<b>1664.7%</b>	

Fiscal Year : July 1st - June 30th

Fav/(Unfav)

**Residential Life Financial Report**  
**Quarter Ending September 30, 2019**

	<u>Annual FY20 Budget</u>	<u>FY20 1st Qtr. Budget</u>	<u>FY20 1st Qtr. Actual</u>	<u>Budget Variance</u>	<u>Percent Variance</u>	<u>Percent Realized/ Expended</u>
<b>Metrics</b>						
Fall Semester Occupancy (Excludes Lansdowne)	2,478	2,478	2,340	(138)	-5.6%	
Spring Semester Occupancy (Excludes Lansdowne)	2,355	-	-	-	0.0%	
Percentage of Capacity	87.8%	90.0%	85.0%	-5.0%	-5.6%	
<b>Staffing</b>						
Administrative	51	51	44	7	13.7%	
<b>Revenue</b>						
Room Rent Fall	\$ 10,094,062	\$ 5,047,031	\$ 4,684,458	\$ (362,573)	-7.2%	46.4%
Room Rent Spring	9,317,597	-	-	-	-	-
Room Rent Summer	200,000	200,000	206,502	6,502	3.3%	103.3%
Commissions	112,000	28,000	6,429	(21,571)	-77.0%	5.7%
Guest Fees/other	52,500	13,125	(376)	(13,501)	-102.9%	-0.7%
Deposits Forfeited	22,500	5,625	64,225	58,600	1041.8%	285.4%
Room Damages	50,000	12,500	(1,151)	(13,651)	-109.2%	-2.3%
<b>Total Revenue</b>	<b>\$ 19,848,659</b>	<b>\$ 5,306,281</b>	<b>\$ 4,960,087</b>	<b>\$ (346,194)</b>	<b>-6.5%</b>	<b>25.0%</b>
<b>Expenses</b>						
AA Employee Compensation	\$ 2,324,842	\$ 581,211	\$ 515,562	\$ 65,649	11.3%	22.2%
CC Special Employees/Students	676,500	169,125	118,929	50,196	29.7%	17.6%
DD Fringe Benefits, Insurance	808,928	202,232	149,603	52,629	26.0%	18.5%
<b>Compensation expense subtotal</b>	<b>3,810,270</b>	<b>952,568</b>	<b>784,093</b>	<b>168,474</b>	<b>67%</b>	<b>21%</b>
BB Employee Related Expenses	17,000	4,250	1,641	2,609	61.4%	9.7%
EE - Administrative Expenses	42,145	10,536	3,399	7,137	67.7%	8.1%
FF - Facility Operations	302,500	75,625	80,214	(4,589)	-6.1%	26.5%
GG - Energy Costs and Space Rental	2,999,358	690,406	515,333	175,073	25.4%	17.2%
HH - Consultant Services	112,120	28,030	7,585	20,445	72.9%	6.8%
JJ - Operational Services	364,255	91,064	94,938	(3,874)	-4.3%	26.1%
KK - Equipment Purchases	60,600	15,150	9,096	6,054	40.0%	15.0%
LL - Equipment Leases and Rental	36,500	9,125	2,539	6,586	72.2%	7.0%
MM - Purchased Client Services	2,600	650	970	(320)	-49.2%	37.3%
NN - Construction and Improvements	25,000	6,250	-	6,250	100.0%	-
RR - Entitlement Programs (Scholarships)	350,169	87,542	84,664	2,879	3.3%	24.2%
SS - Debt Payments and Contingency	12,897,864	3,095,487	2,982,556	112,931	3.6%	23.1%
UU - Information Technology	19,550	8,634	8,634	-	-	44.2%
Unallocated	27,030	-	-	-	-	-
Transfer from the University	(421,349)	(421,349)	(421,349)	-	-	100%
<b>Total Expenses/Transfers</b>	<b>20,645,612</b>	<b>4,653,969</b>	<b>4,154,314</b>	<b>499,655</b>	<b>10.7%</b>	<b>100%</b>
<b>Net</b>	<b>(796,953)</b>	<b>652,312</b>	<b>805,774</b>	<b>153,461</b>	<b>10.7%</b>	

Fiscal Year : July 1st - June 30th

**Dining Services Financial Report  
Quarter Ending September 30, 2019**

				Fav/(Unfav)		
	<u>Annual FY20 Budget</u>	<u>FY20 1st Qtr. Budget</u>	<u>FY20 1st Qtr. Actual</u>	<u>Budget Variance</u>	<u>Percent Variance</u>	<u>Percent Realized/ Expended</u>
<b>Metrics</b>						
Meal Plan Participants - Fall	2,771	2,771	2,701	(70)	-2.5%	
% Participation			64%			
Meal Plan Participants - Spring	2,520	-		-	-	
% Participation			0%			
<b>Staffing</b>						
Full-time	65	65	56	9	13.8%	
<b>Revenue</b>						
Board Revenue	\$ 9,452,860	\$ 2,483,737	\$ 2,399,319	\$ (84,418)	-3.4%	25.4%
Catering Sales - Internal	493,925	123,481	167,095	43,614	35.3%	33.8%
Catering Sales - External	79,884	19,971	17,627	(2,344)	-11.7%	22.1%
Retail Sales	609,455	152,364	173,785	21,421	14.1%	28.5%
Miscellaneous Revenue	-	-	22,211	22,211	-	
<b>Total Revenue</b>	<b>\$ 10,636,124</b>	<b>\$ 2,779,553</b>	<b>\$ 2,780,038</b>	<b>\$ 484</b>	<b>0.02%</b>	<b>26.1%</b>
<b>Expenses</b>						
AA - Regular Employee Compensation	2,230,751	\$ 557,688	\$ 529,611	\$ 28,077	5.0%	23.7%
CC - Special Employees	1,160,898	290,225	186,901	103,323	35.6%	16.1%
DD - Pension and Fringe Benefits	835,089	208,772	152,637	56,136	26.9%	18.3%
<b>Compensation expense subtotal</b>	<b>4,226,738</b>	<b>1,056,685</b>	<b>869,149</b>	<b>187,536</b>	<b>17.7%</b>	<b>20.6%</b>
BB - Employee Related expenses	164,860	41,215	11,736	29,479	71.5%	7.1%
EE - Administrative Expenses	39,354	9,839	5,458	4,380	44.5%	13.9%
FF - Facility Operations	3,183,924	795,981	814,786	(18,805)	-2.4%	25.6%
GG - Energy Costs and Space Rental	479	120	-	120	100.0%	-
HH - Consultant Services	27,654	6,914	-	6,914	100.0%	-
JJ - Operational Services	33,357	8,339	3,806	4,533	54.4%	11.4%
KK - Equipment Purchases	24,463	6,116	14,289	(8,173)	-133.6%	58.4%
LL - Equipment Leases and Rental	67,259	16,815	13,051	3,764	22.4%	19.4%
RR - Entitlement Programs (Scholarships)	26,590	6,648	10,928	(4,280)	-64.4%	41.1%
SS - Debt Payments and Contingency	313,004	78,251	51,957	26,294	33.6%	16.6%
UU - Information Technology	47,863	11,966	21,713	(9,747)	-81.5%	45.4%
Unallocated	79,771	19,943	-	19,943	100.0%	-
Transfer to the University	2,400,808	600,202	600,202	-	-	25.0%
<b>Other Expense/Transfers Total</b>	<b>6,409,386</b>	<b>1,602,347</b>	<b>1,547,926</b>	<b>54,421</b>	<b>3.4%</b>	<b>24.2%</b>
<b>Total Expenses/Transfers</b>	<b>10,636,124</b>	<b>\$ 2,659,031</b>	<b>\$ 2,417,074</b>	<b>\$ 241,957</b>	<b>9.1%</b>	<b>22.7%</b>
<b>Net</b>	<b>0</b>	<b>\$ 120,522</b>	<b>\$ 362,963</b>	<b>264,168</b>		

Fiscal Year : July 1st - June 30th

**Financial Report (Consolidated)  
Quarter Ending September 30, 2018**

	<u>Annual FY19 Budget</u>	<u>FY19 1st Qtr. Budget</u>	<u>FY 19 1st Qtr. Actual</u>	<u>Budget Variance</u>	<u>Percent Variance</u>	<u>Percent Realized/ Expended</u>
<b>Enrollment</b>						
University (Headcount)	4,350	4,450	4,414	(36)	-0.8%	
<b>Enrollment</b>						
CGCE (Credit Hours)	32,237	13,153	13,843	690	5.2%	
<b>Staffing</b>						
Administrative	495	495	474	(21)	-4.2%	
Full-time Faculty	242	242	233	(9)	-3.7%	
Adjuncts (University Only) FTE	195	101	111	10	9.5%	
<b>Total</b>	<b>932</b>	<b>838</b>	<b>818</b>	<b>(20)</b>	<b>-2.4%</b>	
<b>Revenue</b>						
University/SGA	\$ 78,371,441	\$ 20,141,495	\$ 19,938,697	\$ (202,798)	-1.0%	25.4%
CGCE	10,952,646	2,770,441	2,919,225	148,784	5.4%	26.7%
Residential Life	20,060,095	5,231,215	4,839,486	(391,729)	-7.5%	24.1%
Dining Services	11,082,010	2,801,452	2,674,973	(126,479)	-4.5%	24.1%
<b>Total Revenue</b>	<b>\$ 120,466,192</b>	<b>\$ 30,944,602</b>	<b>\$ 30,372,381</b>	<b>\$ (572,221)</b>	<b>-1.8%</b>	<b>25.2%</b>
<b>Expenses/Transfers</b>						
University/SGA	\$ 79,633,185	\$ 19,422,122	\$ 17,205,997	\$ (2,216,126)	-11.4%	21.6%
CGCE	10,952,646	2,344,115	2,234,741	(109,375)	-4.7%	20.4%
Residential Life	20,060,095	4,769,136	4,556,101	(213,035)	-4.5%	22.7%
Dining Services	11,082,010	2,384,508	2,389,385	4,877	0.2%	21.6%
<b>Total Expenses/Transfers</b>	<b>\$ 121,727,936</b>	<b>\$ 28,919,881</b>	<b>\$ 26,386,222</b>	<b>\$ (2,533,659)</b>	<b>-8.8%</b>	<b>21.7%</b>
<b>Net</b>						
University/SGA	\$ (1,261,744)	\$ 719,372	\$ 2,732,701	\$ 2,013,328	279.9%	
CGCE	-	426,326	684,485	258,159	60.6%	
Residential Life	-	462,079	283,385	(178,694)	-38.7%	
Dining Services	-	416,944	285,589	(131,355)	-31.5%	
<b>Total</b>	<b>\$ (1,261,744)</b>	<b>\$ 2,024,721</b>	<b>\$ 3,986,159</b>	<b>\$ 1,961,438</b>	<b>96.9%</b>	

**Notes:**

- (1) This report provides a internally compiled summary of the revenues and expenses of Westfield State University for the subject period. This information is unaudited and is for internal management purposes only.
- (2) The "FY19 1st Qtr. Budget" represents an estimate of the expected results based on allocating revenue and expenditures by quarter using a variety of metrics.
- (3) The budget anticipated an average enrollment of 4,350 (4,450 in Fall and 4,250 in Spring) including a limited number of exchange students and cross-registrants with CGCE.
- (4) CGCE enrollment represents credit hours.
- (5) Fall tuition, fee, room and board revenue has been recognized at 50% of actual. Expenses such as scholarships and MSCBA assessment have also been adjusted to 50% of actual.
- (6) Summer conference revenue has not been recorded in Residential Life operations revenue since it was billed but not received by the end of the 1st quarter.

**University/SGA Financial Report  
Quarter Ending September 30, 2018**

	Annual FY19 Budget	FY19 1st Qtr. Budget	FY 19 1st Qtr. Actual	Budget Variance	Percent Variance	Percent Realized/ Expended
<b>Enrollment</b>						
Total Undergraduate Enrollment	4,350	4,450	4,414	(36)	-0.8%	
<b>Staffing</b>						
Administrative	350	350	336	(14)	-4.0%	
Full-time Faculty	227	227	219	(8)	-3.5%	
Adjuncts (FTE)	195	101	111	10	9.5%	
Total	772	678	666	(12)	-1.8%	
<b>Revenue</b>						
State Appropriation	\$ 27,364,967	\$ 6,841,242	\$ 6,936,493	\$ 95,251	1.4%	25.3%
Tuition Retention	3,203,000	848,795	865,957	17,162	2.0%	27.0%
General Fee	37,001,100	9,462,925	9,388,639	(74,286)	-0.8%	25.4%
Technology Fee	3,175,500	812,125	805,919	(6,207)	-0.8%	25.4%
DGCE Fees (technology/capital planning)	250,000	111,111	96,357	(14,754)	-13.3%	38.5%
Capital Improvement Fee	435,000	111,250	110,370	(880)	-0.8%	25.4%
Bookstore Commissions	285,000	128,250	103,647	(24,603)	-19.2%	36.4%
Interest Earnings	370,000	92,500	93,874	1,374	1.5%	25.4%
Nursing Fee	173,700	43,425	40,820	(2,606)	-6.0%	23.5%
Parking Decals	260,000	110,500	128,283	17,783	16.1%	49.3%
Wellness Center	565,000	148,143	128,483	(19,660)	-13.3%	22.7%
Cable TV	452,540	116,323	105,018	(11,305)	-9.7%	23.2%
Res Life Dorm Fee	266,200	68,425	61,775	(6,650)	-9.7%	23.2%
Phone Service	266,200	68,425	61,775	(6,650)	-9.7%	23.2%
Dunkin' Donuts & Vending Commissions	153,000	98,250	88,360	(9,890)	-10.1%	57.8%
Miscellaneous Fees/Revenue	584,100	164,661	168,789	4,128	2.5%	28.9%
Student Government Association	449,350	112,363	111,651	(712)	-0.6%	24.8%
Federal, State and Private Grants	11,573,252	2,893,313	2,866,506	(26,808)	-0.9%	24.8%
Scholarship Allowance	(10,310,448)	(2,654,940)	(2,708,006)	(53,065)	2.0%	26.3%
Other Auxiliary revenues	1,428,980	443,298	362,877	(80,421)	-18.1%	25.4%
Foundation Support	425,000	121,112	121,112	-	0.0%	28.5%
<b>Total Revenue</b>	<b>\$ 78,371,441</b>	<b>\$ 20,141,495</b>	<b>\$ 19,938,697</b>	<b>\$ (202,798)</b>	<b>-1.0%</b>	<b>25.4%</b>
<b>Expenses</b>						
AA - Regular Employee Compensation	\$ 45,410,691	\$ 11,352,673	\$ 10,307,388	\$ (1,045,285)	-9.2%	22.7%
CC - Special Employees	4,585,869	1,095,639	1,051,047	(44,592)	-4.1%	22.9%
DD - Pension and Fringe Benefits	7,469,080	1,817,270	1,352,905	(464,365)	-25.6%	18.1%
<b>Compensation expense subtotal</b>	<b>57,465,640</b>	<b>14,265,582</b>	<b>12,711,340</b>	<b>(1,554,242)</b>	<b>-10.9%</b>	<b>22.1%</b>
BB - Employee Related expenses	639,206	71,023	76,434	5,411	7.6%	12.0%
EE - Administrative Expenses	1,870,877	467,719	458,071	(9,648)	-2.1%	24.5%
FF - Facility Operations	1,297,754	324,439	318,257	(6,182)	-1.9%	24.5%
GG - Energy Costs and Space Rental	2,804,806	605,289	535,417	(69,872)	-11.5%	19.1%
HH - Consultant Services	1,092,374	273,094	279,579	6,486	2.4%	25.6%
JJ - Operational Services	1,265,364	316,341	239,208	(77,133)	-24.4%	18.9%
KK - Equipment Purchases	360,459	40,051	25,112	(14,939)	-37.3%	7.0%
LL - Equipment Leases and Rental	899,880	224,970	261,961	36,991	16.4%	29.1%
MM - Purchased Client Services	445,165	49,463	7,718	(41,745)	-84.4%	1.7%
NN - Construction and Improvements	2,974,910	743,728	299,401	(444,327)	-59.7%	10.1%
RR - Entitlement Programs (Scholarships)	3,479,874	904,767	921,419	16,652	1.8%	26.5%
SS - Debt Payments and Contingency	1,877,425	396,599	396,599	-	0.0%	21.1%
UU - Information Technology	3,804,305	1,585,184	1,537,722	(47,462)	-3.0%	40.4%
Student Government	449,350	66,404	69,265	2,861	4.3%	15.4%
Athletics - Sport Accounts	521,351	86,892	70,843	(16,049)	-18.5%	13.6%
Academic Educational Services (ESTF)	374,559	52,022	49,094	(2,928)	-5.6%	13.1%
University Hall support payment	150,000	150,000	150,000	-	0.0%	100.0%
Unallocated	2,293,222	-	-	-	-	0.0%
University Contingency	372,438	-	-	-	-	0.0%
Transfer from Dining	(2,405,774)	(601,444)	(601,444)	-	0.0%	25.0%
Transfer from CGCE	(2,400,000)	(600,000)	(600,000)	-	0.0%	25.0%
<b>Other Expense/Transfers Total</b>	<b>22,167,545</b>	<b>5,156,540</b>	<b>4,494,657</b>	<b>(661,884)</b>	<b>-12.8%</b>	<b>20.3%</b>
<b>Total Expenses/Transfers</b>	<b>\$ 79,633,185</b>	<b>\$ 19,422,122</b>	<b>\$ 17,205,997</b>	<b>\$ (2,216,126)</b>	<b>-11.4%</b>	<b>21.6%</b>
<b>Net</b>	<b>\$ (1,261,744)</b>	<b>\$ 719,372</b>	<b>\$ 2,732,701</b>	<b>\$ 2,013,328</b>	<b>279.9%</b>	

Fiscal Year : July 1st - June 30th

**CGCE Financial Report**  
**Quarter Ending September 30, 2018**

	<b>Annual FY19 Budget</b>	<b>FY19 1st Qtr. Budget</b>	<b>FY 19 1st Qtr. Actual</b>	<b>Budget Variance</b>	<b>Percent Variance</b>	<b>Percent Realized/ Expended</b>
<b><u>Enrollment (Number of Credits)</u></b>						
Graduate	11,114	4,668	5,663	995	21.3%	
PA	2,520	672	672	-	0.0%	
Undergraduate	18,603	7,813	7,508	(305)	-3.9%	
<b>Total</b>	<b>32,237</b>	<b>13,153</b>	<b>13,843</b>	<b>690</b>	<b>5.2%</b>	
<b><u>Staffing</u></b>						
Administrative	30	30	30	-	0.0%	
Full-time Faculty	15	15	14	(1)	-6.7%	
<b>Total</b>	<b>45</b>	<b>45</b>	<b>44</b>	<b>(1)</b>	<b>-2.2%</b>	
<b><u>Revenue</u></b>						
Tuition (Including Educational Services Fee)	\$ 2,664,139	\$ 670,023	\$ 758,245	\$ 88,222	13.2%	28.5%
Instructional Fee	7,786,800	1,958,357	1,989,424	31,067	1.6%	25.5%
Registration Fee	307,620	77,366	102,100	24,734	32.0%	33.2%
Miscellaneous	187,000	62,333	66,750	4,417	7.1%	35.7%
Transcripts	7,087	2,362	2,707	345	14.6%	38.2%
<b>Total Revenue</b>	<b>\$ 10,952,646</b>	<b>\$ 2,770,441</b>	<b>\$ 2,919,225</b>	<b>\$ 148,784</b>	<b>5.4%</b>	<b>26.7%</b>
<b><u>Expenses</u></b>						
AA - Regular Employee Compensation	\$ 3,137,667	\$ 784,417	\$ 685,063	\$ (99,354)	-12.7%	21.8%
CC - Special Employees	2,882,380	458,084	519,469	61,385	13.4%	18.0%
DD - Pension and Fringe Benefits	1,250,859	305,248	255,309	(49,939)	-16.4%	20.4%
<b>Compensation expense subtotal</b>	<b>7,270,906</b>	<b>1,547,749</b>	<b>1,459,841</b>	<b>(87,908)</b>	<b>-5.7%</b>	<b>20.1%</b>
BB - Employee Related expenses	92,931	10,326	2,653	(7,673)	-74.3%	2.9%
EE - Administrative Expenses	409,259	102,315	83,642	(18,673)	-18.3%	20.4%
FF - Facility Operations	21,260	10,630	18,312	7,682	72.3%	86.1%
HH - Consultant Services	401,750	18,738	1,200	(17,538)	-93.6%	0.3%
JJ - Operational Services	39,330	4,370	513	(3,857)	-88.3%	1.3%
KK - Equipment Purchases	10,000	2,500	4,672	2,172	86.9%	46.7%
LL - Equipment Leases and Rental	1,500	375	-	(375)	-100.0%	0.0%
RR - Entitlement Programs (Scholarships)	65,000	19,118	18,445	(673)	-3.5%	28.4%
UU - Information Technology	111,982	27,996	45,463	17,468	62.4%	40.6%
Unallocated	128,728	-	-	-	-	0.0%
Transfer to the University	2,400,000	600,000	600,000	-	0.0%	25.0%
<b>Other Expense/Transfers Total</b>	<b>3,681,740</b>	<b>796,366</b>	<b>774,900</b>	<b>(21,466)</b>	<b>-2.7%</b>	<b>21.0%</b>
<b>Total Expenses/Transfers</b>	<b>\$ 10,952,646</b>	<b>\$ 2,344,115</b>	<b>\$ 2,234,741</b>	<b>\$ (109,375)</b>	<b>-4.7%</b>	<b>20.4%</b>
<b>Net</b>	<b>\$ -</b>	<b>\$ 426,326</b>	<b>\$ 684,485</b>	<b>\$ 258,159</b>	<b>60.6%</b>	

Fiscal Year : July 1st - June 30th

**Residential Life Financial Report  
Quarter Ending September 30, 2018**

	<b>Annual FY19 Budget</b>	<b>FY19 1st Qtr. Budget</b>	<b>FY 19 1st Qtr. Actual</b>	<b>Budget Variance</b>	<b>Percent Variance</b>	<b>Percent Realized/ Expended</b>
<b>Metrics</b>						
Fall Semester Occupancy (Excludes Lansdowne)	2,572	2,572	2,471	(101)	-3.9%	
Spring Semester Occupancy (Excludes Lansdowne)	2,447	-	-	-	-	
Percentage of Capacity	91.2%	93.5%	89.8%			
<b>Staffing</b>						
Administrative	52	52	49	(3)	-5.8%	
<b>Revenue</b>						
Room Rent Fall	\$ 10,075,074	\$ 5,037,537	\$ 4,783,840	\$ (253,698)	-5.0%	47.5%
Room Rent Spring	9,559,121	-	-	-	-	0.0%
Room Rent Summer	118,400	118,400	8,985	(109,415)	-92.4%	7.6%
Commissions	107,500	11,944	11,209	(735)	-6.2%	10.4%
Guest Fees/other	70,000	23,333	1,630	(21,703)	-93.0%	2.3%
Deposits Forfeited	80,000	40,000	34,144	(5,856)	-14.6%	42.7%
Room Damages	50,000	-	(322)	(322)	-	-0.6%
<b>Total Revenue</b>	<b>\$ 20,060,095</b>	<b>\$ 5,231,215</b>	<b>\$ 4,839,486</b>	<b>\$ (391,729)</b>	<b>-7.5%</b>	<b>24.1%</b>
<b>Expenses</b>						
AA - Regular Employee Compensation	\$ 2,366,517	\$ 591,629	\$ 562,608	\$ (29,021)	-4.9%	23.8%
CC - Special Employees	726,434	152,551	142,766	(9,785)	-6.4%	19.7%
DD - Pension and Fringe Benefits	834,356	194,861	188,356	(6,505)	-3.3%	22.6%
<b>Compensation expense subtotal</b>	<b>3,927,307</b>	<b>939,041</b>	<b>893,730</b>	<b>(45,311)</b>	<b>-4.8%</b>	<b>22.8%</b>
BB - Employee Related expenses	17,000	4,250	3,884	(366)	-8.6%	22.8%
EE - Administrative Expenses	54,000	13,500	6,535	(6,965)	-51.6%	12.1%
FF - Facility Operations	299,169	74,792	78,826	4,034	5.4%	26.3%
GG - Energy Costs and Space Rental	2,960,764	778,475	759,166	(19,309)	-2.5%	25.6%
HH - Consultant Services	17,590	4,398	8,700	4,303	97.8%	49.5%
JJ - Operational Services	380,700	95,175	94,022	(1,153)	-1.2%	24.7%
KK - Equipment Purchases	15,600	3,900	-	(3,900)	-100.0%	0.0%
LL - Equipment Leases and Rental	65,649	16,412	3,381	(13,031)	-79.4%	5.2%
MM - Purchased Client Services	3,900	433	34	(399)	-92.2%	0.9%
NN - Construction and Improvements	15,532	3,883	148	(3,735)	-96.2%	1.0%
RR - Entitlement Programs (Scholarships)	344,331	86,083	82,733	(3,350)	-3.9%	24.0%
SS - Debt Payments and Contingency	11,996,343	2,879,122	2,753,598	(125,524)	-4.4%	23.0%
UU - Information Technology	30,325	15,081	20,615	5,534	36.7%	68.0%
Hall Councils	41,310	4,590	729	(3,861)	-84.1%	1.8%
Unallocated	40,575	-	-	-	-	-
Transfer from the University	(150,000)	(150,000)	(150,000)	-	0.0%	100.0%
<b>Other Expense/Transfers Total</b>	<b>16,132,788</b>	<b>3,830,095</b>	<b>3,662,371</b>	<b>(167,724)</b>	<b>-4.4%</b>	<b>22.7%</b>
<b>Total Expenses/Transfers</b>	<b>\$ 20,060,095</b>	<b>\$ 4,769,136</b>	<b>\$ 4,556,101</b>	<b>\$ (213,035)</b>	<b>-4.5%</b>	<b>22.7%</b>
<b>Net</b>	<b>\$ -</b>	<b>\$ 462,079</b>	<b>\$ 283,385</b>	<b>\$ (178,694)</b>	<b>-38.7%</b>	



Fiscal Year : July 1st - June 30th

**Dining Services Financial Report  
Quarter Ending September 30, 2018**

	<b>Annual FY19 Budget</b>	<b>FY19 1st Qtr. Budget</b>	<b>FY 19 1st Qtr. Actual</b>	<b>Budget Variance</b>	<b>Percent Variance</b>	<b>Percent Realized/ Expended</b>
<b>Metrics</b>						
Meal Plan Participants - Fall	2,819	2,819	2,823	4	0.1%	
% Participation		63%	64%			
Meal Plan Participants - Spring	2,596	-	-	-	-	
% Participation						
<b>Staffing</b>						
Full-time	63	63	59	(4)	-6.3%	
<b>Revenue</b>						
Board Revenue	\$ 9,997,760	\$ 2,604,692	\$ 2,463,677	\$ (141,015)	-5.4%	24.6%
Catering Sales - Internal	352,000	88,000	85,831	(2,169)	-2.5%	24.4%
Catering Sales - External	140,000	14,000	10,790	(3,210)	-22.9%	7.7%
Retail Sales	592,250	94,760	114,675	19,915	21.0%	19.4%
<b>Total Revenue</b>	<b>\$ 11,082,010</b>	<b>\$ 2,801,452</b>	<b>\$ 2,674,973</b>	<b>\$ (126,479)</b>	<b>-4.5%</b>	<b>24.1%</b>
<b>Expenses</b>						
AA - Regular Employee Compensation	\$ 2,088,682	\$ 522,171	\$ 518,554	\$ (3,617)	-0.7%	24.8%
CC - Special Employees	1,167,408	175,111	185,029	9,918	5.7%	15.8%
DD - Pension and Fringe Benefits	807,972	196,493	180,458	(16,035)	-8.2%	22.3%
<b>Compensation expense subtotal</b>	<b>4,064,062</b>	<b>893,775</b>	<b>884,041</b>	<b>(9,734)</b>	<b>-1.1%</b>	<b>21.8%</b>
BB - Employee Related expenses	22,141	5,535	6,754	1,219	22.0%	30.5%
EE - Administrative Expenses	40,500	10,125	7,265	(2,860)	-28.2%	17.9%
FF - Facility Operations	3,447,453	758,440	784,009	25,569	3.4%	22.7%
GG - Energy Costs and Space Rental	500	125	54	(71)	-56.8%	10.8%
HH - Consultant Services	273,250	300	300	-	0.0%	0.1%
JJ - Operational Services	50,400	12,600	4,097	(8,503)	-67.5%	8.1%
KK - Equipment Purchases	25,000	6,250	9,716	3,466	55.5%	38.9%
LL - Equipment Leases and Rental	83,324	20,831	24,982	4,151	19.9%	30.0%
RR - Entitlement Programs (Scholarships)	41,216	10,304	5,304	(5,001)	-48.5%	12.9%
SS - Debt Payments and Contingency	312,777	53,154	53,154	-	0.0%	17.0%
UU - Information Technology	46,500	11,625	8,265	(3,360)	-28.9%	17.8%
Unallocated	269,113	-	-	-	-	-
Transfer to the University	2,405,774	601,444	601,444	-	0.0%	25.0%
<b>Other Expense/Transfers Total</b>	<b>7,017,948</b>	<b>1,490,733</b>	<b>1,505,344</b>	<b>14,611</b>	<b>1.0%</b>	<b>21.4%</b>
<b>Total Expenses/Transfers</b>	<b>\$ 11,082,010</b>	<b>\$ 2,384,508</b>	<b>\$ 2,389,385</b>	<b>\$ 4,877</b>	<b>0.2%</b>	<b>21.6%</b>
<b>Net</b>	<b>\$ -</b>	<b>\$ 416,944</b>	<b>\$ 285,589</b>	<b>\$ (131,355)</b>	<b>-31.5%</b>	

# **Westfield State University**

## **Division of Administration and Finance**

### **FY20 Update**

Board of Trustees - Finance and Capital Assets Committee

December 11, 2019

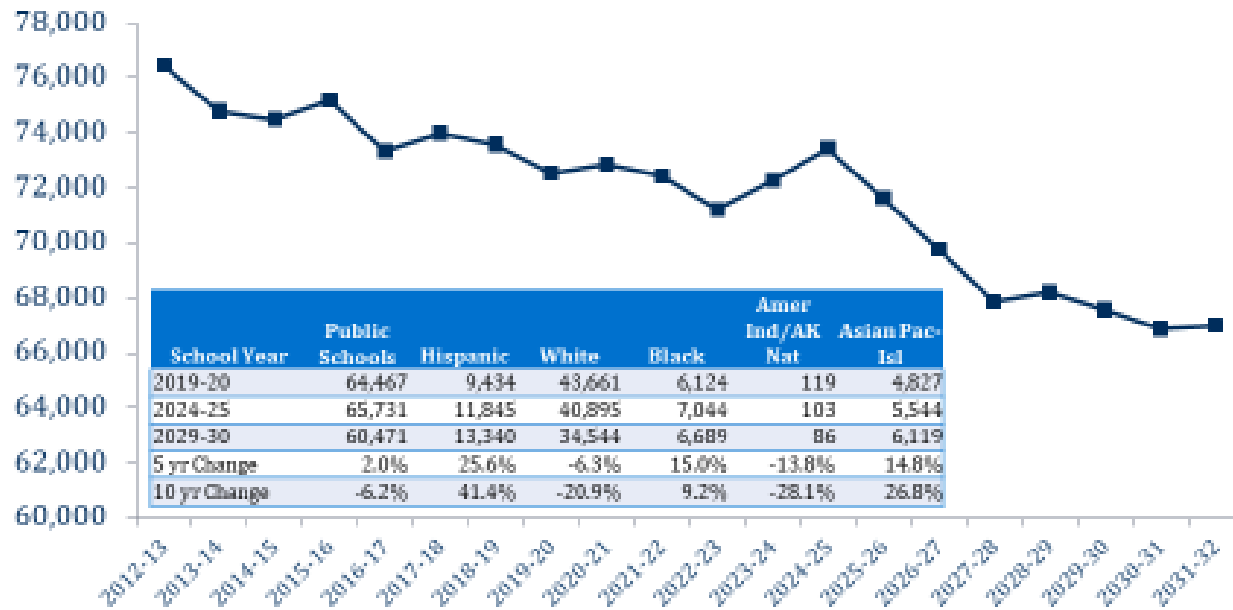
Vice President Administration and Finance - S. Taksar

# Agenda

- ▶ Enrollment Trends
- ▶ FY20 Budget and Enrollment Impact
- ▶ Strategies to Balance Budget
- ▶ Importance of Strategic Investments

# Projected number of high school graduates

## Massachusetts 2013-32

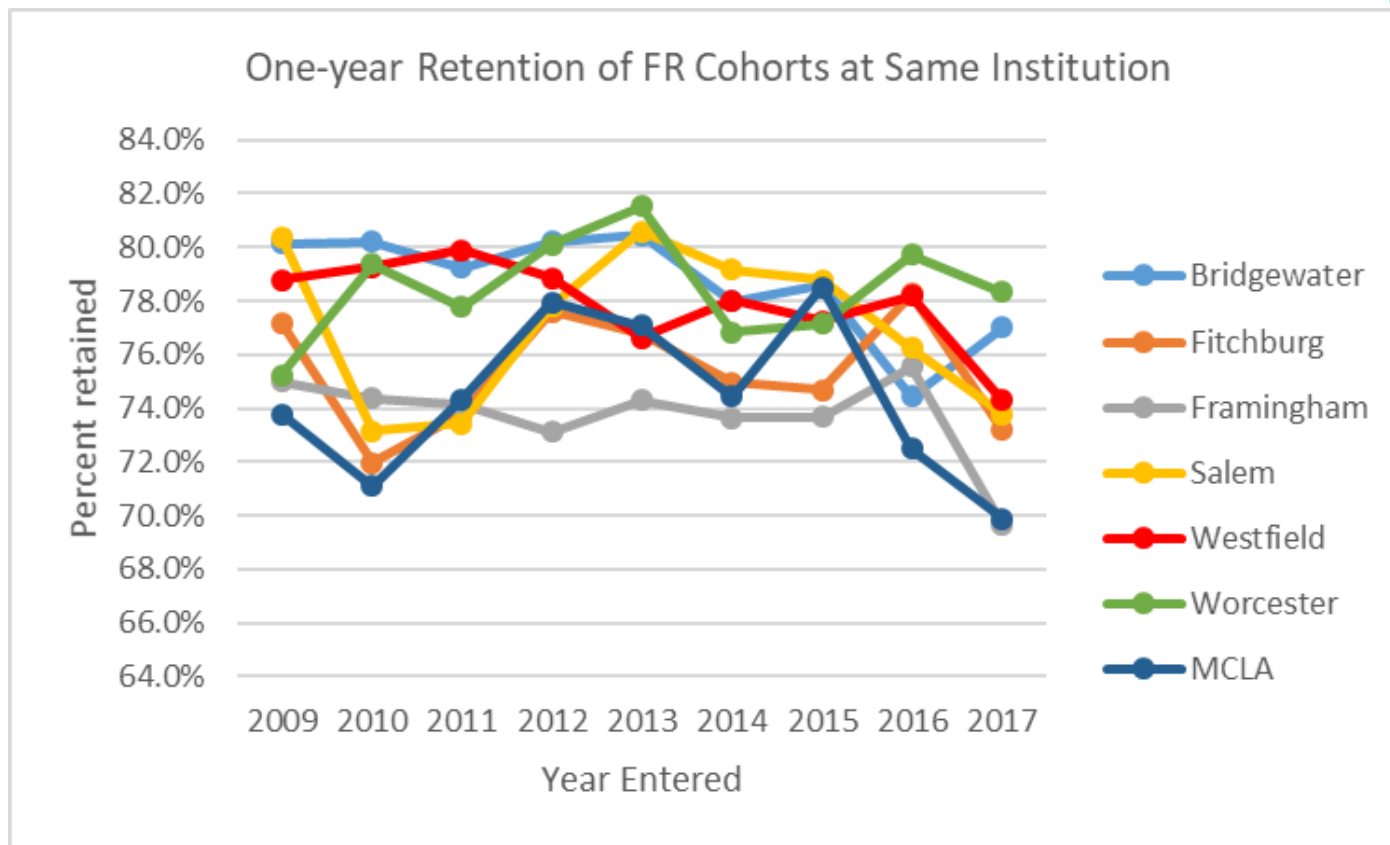


# Trends in One-year Retention & Persistence Across the MA State University System

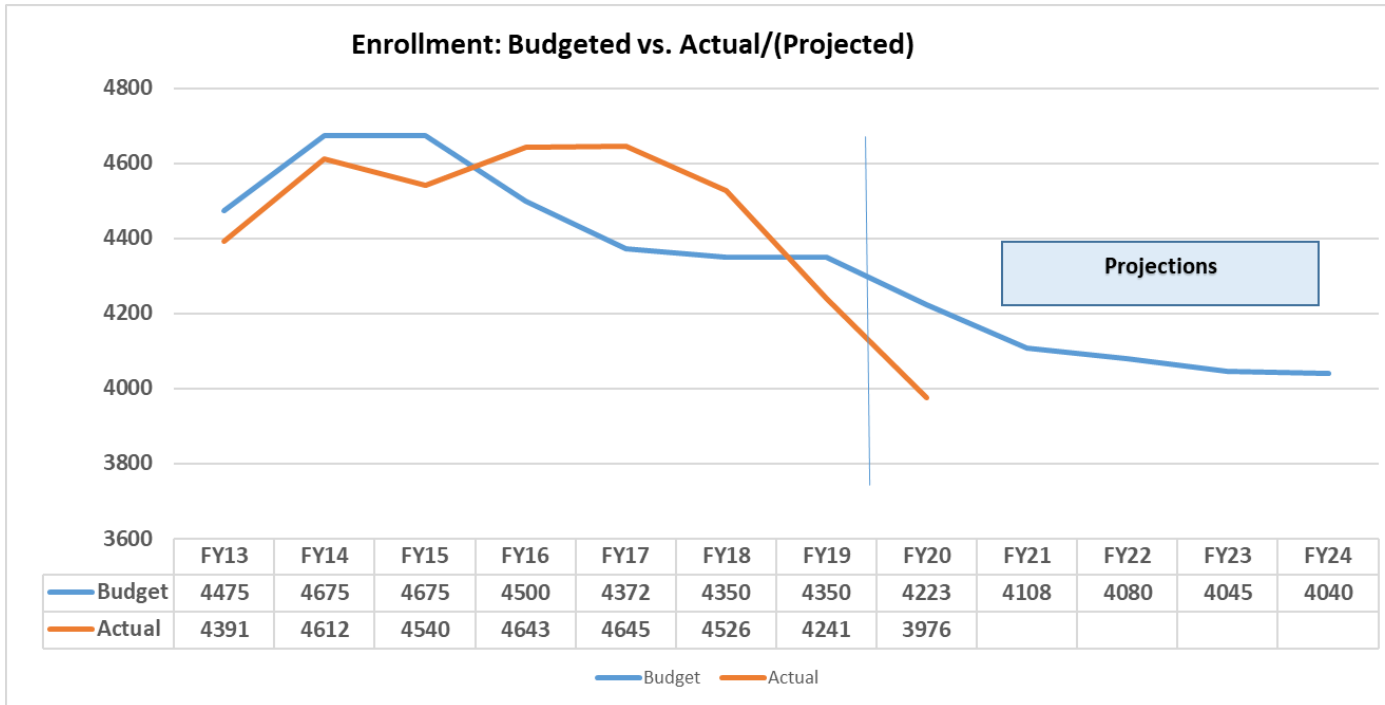
Prepared by L. Plantefaber 4 October 2019

- Westfield State's one-year retention rate for first-time, full-time students (retention rate) is generally above the median rate for the seven comprehensive state universities (universities). See Figure 1.
- Retention of the 2017 cohort decreased at six of the seven universities. The average one year change in the retention rate was -2.7 percentage points, including Bridgewater's increase.

Figure 1.



# Enrollment Trend - Budget to Actual



Variance B/(W)	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
	(84)	(63)	(135)	143	273	176	(109)	(247)

# Census Data

<b><u>Entering Class Fall 2019</u></b>			
<b>Category</b>	<b>Goal</b>	<b>Actual</b>	<b>Variance</b>
FTFY	1,070	1,040	-30
Transfers	320	288	-32
<b>Total</b>	<b>1,390</b>	<b>1,328</b>	<b>-62</b>
<b><u>Retention Rates</u></b>			
<b>Year Entered</b>	<b>%</b>	<b>Variance</b>	
2017	74.60%		
2018	72.30%	-2.30%	

# Elements of Enrollment Shortfall

<b>Entering Class vs Retention</b>		
<b>Gap</b>	<b>Students</b>	<b>%</b>
Entering Class	62	25%
Retention	185	75%
Total	247	100%



# FY20 Annual Projection Full Time Day Students (billed)

## A. ENROLLMENT PROJECTION

<b>Enrollment</b>	<b>Census 10/15/2019</b>
Fall Enrollment	4,197
Spring Projection	3,971
<b>Full Year Average</b>	<b>4,084</b>
Less: Non-Billed day students (CGCG-XRG and other)	108
<b>Projected Billed Students</b>	<b>3,976</b>

# FY20 Tuition and Fee Revenue Projection Compared to Budget

## B. BUDGET AND REVENUE ANALYSIS

Enrollment & Fee Revenue	FY20		Variance	% Var
	FY20 Budget	Projection		
Enrollment	4,223	3,976	(247)	-5.9%
U/G Tuition and Fees	\$ 10,849	\$ 10,849		
<b>Total Tuition and Fee Revenue</b>	<b>\$ 45,815,327</b>	<b>\$ 43,132,196</b>	<b>\$ (2,683,131)</b>	<b>-5.9%</b>
Projected Additional Appropriation			\$ 1,025,557	
<b>Net Projected Revenue Shortfall</b>			<b>\$ (1,657,574)</b>	

Note: Impact of lower enrollment is a multi-year compound effect for at least 4 years, but at diminishing levels.

# Potential Strategies to Balance the Budget

- ▶ Voluntary Separation Incentive Plan (VSIP)
- ▶ Non-personnel cost reductions (travel, memberships, events, etc.)
- ▶ Delay or do not fill vacancies
- ▶ Salary/Benefit Savings
- ▶ Defer Capital Projects
- ▶ Reduce campus contingency
- ▶ Eliminate approved capital projects
- ▶ Optimize revenue opportunities (e.g., short term investments, summer conferences)

# Importance of Strategic Investments

- ▶ Investment in the future success of the university
- ▶ Supports the Long Term Vision and Planning
- ▶ Focuses on four overarching goals:
  - ▶ Student Experience, Enrollment, Culture, and Institutional Resources.
- ▶ Continued Investment in Innovation/Technology
  - ▶ Creates Operational Efficiencies
  - ▶ Improves Ability to Remain Competitive

# Q and A

**Westfield State University**  
**Finance and Capital Assets Committee**

**Annual Debt Report and Ratios**  
 December 3, 2019

This information is being provided to comply with the reporting requirement of the University's Debt policy (#0480). The performance ratios and debt information presented below demonstrates that the University is in compliance with the policy. The University is also required to meet financial covenants associated with the Bank of America debt guidelines however, as of June 30, 2019, the FY19 covenant calculations were waived by Bank of America.

The University's future annual debt service payments on bonds payable is as follows:

2020	\$	2,197,146	2029	\$	1,771,985	2038	\$	709,764
2021	\$	2,217,288	2030	\$	1,769,599	2039	\$	706,594
2022	\$	2,242,013	2031	\$	1,452,321	2040	\$	701,956
2023	\$	1,803,161	2032	\$	732,963	2041	\$	695,851
2024	\$	1,802,680	2033	\$	726,835	2042	\$	693,280
2025	\$	1,796,220	2034	\$	724,827	2043	\$	688,947
2026	\$	1,797,199	2035	\$	721,645	2044	\$	682,854
2027	\$	1,792,141	2036	\$	717,290			
2028	\$	1,775,852	2037	\$	716,760			
						Total	\$	<u>31,637,171</u>

The University's bonds payable balance was \$21,610,979 at June 30, 2019 and consisted of the following:

<u>Financing Source</u>	<u>Project</u>	<u>Balance</u>	<u>Maturity</u>
MSCBA	Stevens Science and Innovation Center	\$ 10,817,061	FY 2044
MSCBA	Ely Hall Renovation Project	\$ 6,583,046	FY 2031
Mass Development	Solar Array	\$ 106,384	FY 2027
MSCBA	Dining Hall Renovation Project	\$ 2,873,078	FY 2030
Mass HEFA	Woodward Center	\$ 1,231,410	FY 2022
	Total Bonds Payable at 6/30/19	<u>\$ 21,610,979</u>	

**MSCBA Debt for Westfield State Residence Halls**

The University is also responsible for bond debt issued to the MSCBA for the debt associated with the residence halls and residence hall improvements. This debt is included in the MSCBA's financial statements since the buildings are owned by them. The outstanding balance on Westfield State-specific debt and the University's portion of the MSCBA's system debt at June 30, 2018 was \$116.3 million with the final debt obligation maturing during fiscal year 2043. Total debt service payments on this debt through fiscal year 2043 amounts to \$184.0 million. The University pays the debt service along with other state-wide assessments semi-annually from student rents collected. The fiscal year 2019 payments totaled \$11.8 million.

<u>Campus Debt &amp; Obligations</u>	<u>Amount</u>	<u>%</u>
*University Debt	\$ 21,610,979	15.7%
*Residence Halls Obligations	116,300,000	84.3%
Total	<u>\$ 137,910,979</u>	<u>100.0%</u>

\*Excludes refinancing that will occur in FY20

**Financial Ratio Calculations (as of 6/30):**

<u>Ratio *</u>	<u>Fiscal Year 2019 per Financial Statements</u>	<u>Fiscal Year 2019 without GASB 68 &amp; 75 adjustments</u>	<u>Target</u>
Debt Burden Ratio	1.6%	1.7%	< 5%
Viability Ratio	-1.4	2.9	>1
Primary Reserve Ratio	-20.5%	45.0%	25%
Return on Net Assets Ratio	-8.0%	1.0%	>2%
Net Operating Revenues Ratio	-4.0%	0.8%	>2%
Composite Financial Index	-2.8	3.8	3.0

\* Excludes MSCBA debt

Ratios include Westfield State Foundation, Inc.

**Debt Burden Ratio** - This ratio expresses annual debt service payments as a percent of total annual expenses. It measures the University's ability to repay debt service on all outstanding debt and its impact on the University's overall budget. The standard is <5% debt burden of total expenses.

**Viability Ratio** - This ratio measures the availability of expendable net assets to pay off long-term debt. A ratio of 1.0 or higher indicates the University has sufficient net assets to satisfy debt requirements.

**Primary Reserve Ratio** – This ratio provides a snapshot of the University's financial strength and flexibility. It indicates how long the University could operate using expendable reserves without relying on additional new assets generated by operations. Trend analysis indicates whether the University has increased its net worth in proportion to its rate of growth. The University has seen a positive trend over the years (excluding GASB adjustments) indicating that the University has increased its net worth in proportion to its rate of growth.

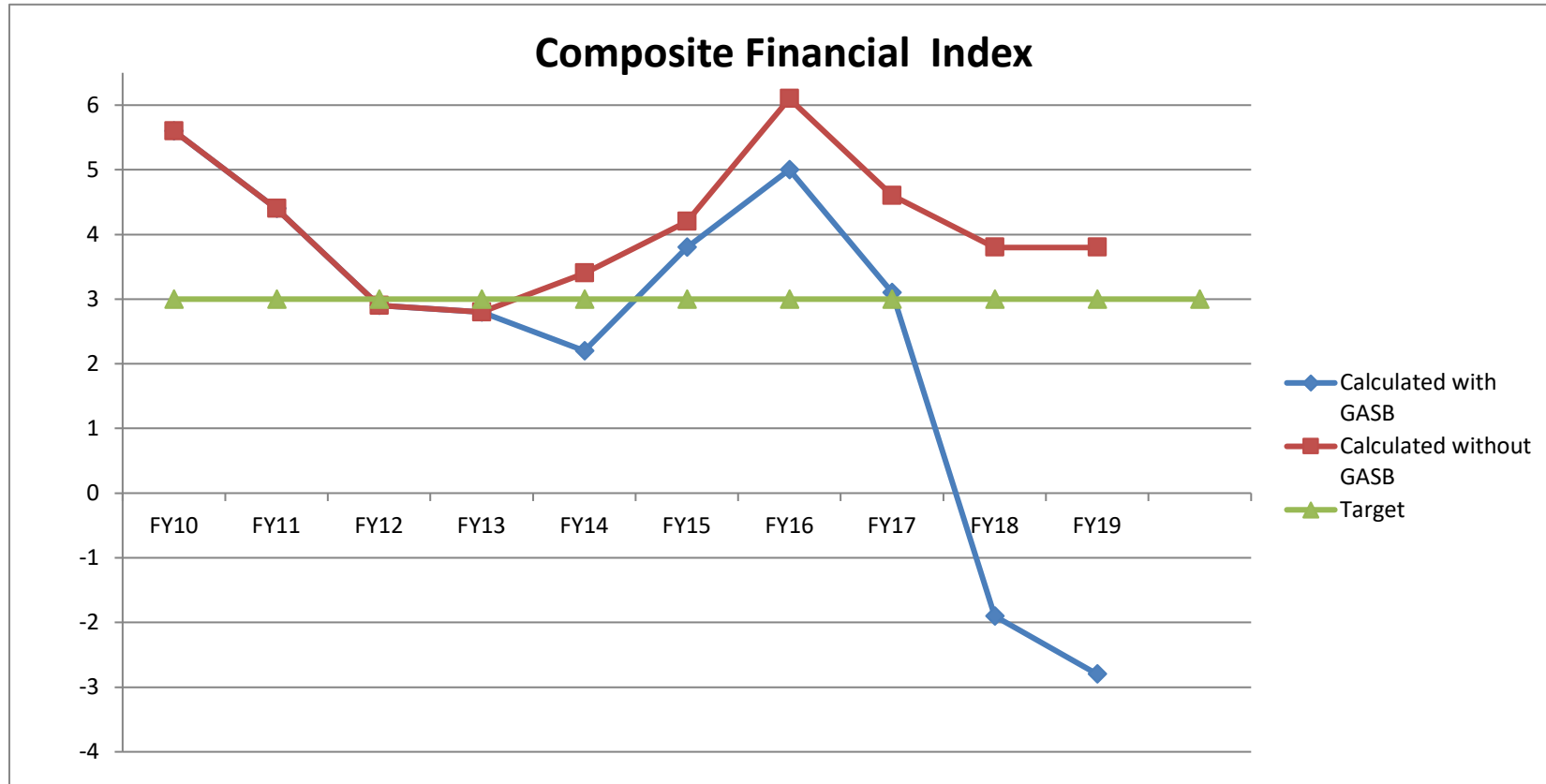
**Return on Net Assets Ratio** – This ratio reports whether university resources are growing and if it is financially better off than in previous years. A positive trend analysis would indicate an increase in net assets and an increased likelihood that the institution is able to set aside finance resources to strengthen future flexibility. Single year events, like a significant state capital appropriation for example, can cause significant year-to-year volatility. The University has historically seen positive trends over the years (exclusive of GASB adjustments), although in FY19 this ratio dropped to 1.0% indicating that the University fell below the 2% target and has steadily declined. This was due to the revenue loss from lower enrollment not being able to offset the operating expense increase.

**Net Operating Revenues Ratio** – This ratio indicates whether operating activities resulted in a surplus or deficit. A positive ratio indicates the University experienced an operating surplus while a continuing decline or pattern of deficits indicates financial problems. The standard is a positive five-year trend which the University has met (exclusive of GASB adjustments) with a three-year average of 3.0%. It should be noted that in FY19, this ratio was 0.8% which shows that the University broke even without the GASB adjustments.

**Composite Financial Index** – This index provides a more complete picture of the University’s financial health by combining into a single measure the strength of four of the ratios mentioned above. This score offers a stable long-term view of financial performance and it is less susceptible to year-to-year volatility. Generally a CFI score of 3 is the threshold of institutional financial strength. The University’s CFI in FY19 (exclusive of GASB adjustments) was 3.8.



Ratio Analysis Comparing GASB Impact - FY19



**A. Ratios Calculated Without GASB Adjustments**

Ratio	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17*	FY18*	FY19*	Target
Debt Burden Ratio	0.3%	0.4%	0.7%	1.3%	1.2%	1.3%	1.1%	1.9%	1.7%	1.7%	<5.0%
Viability Ratio	3.5	2.5	1.3	1.6	2.0	1.4	1.9	2.2	2.5	2.9	>1.0
Primary Reserve Ratio	14.8%	22.3%	21.9%	24.9%	27.9%	33.6%	41.6%	42.3%	43.7%	45.0%	25.0%
Return on Net Assets Ratio	21.7%	11.7%	10.8%	6.3%	7.1%	17.3%	28.3%	11.5%	3.5%	1.0%	>2.0%
Net Operating Revenues Ratio	1.3%	6.4%	2.1%	2.4%	3.4%	4.4%	7.2%	5.5%	2.8%	0.8%	>2.0%
Composite Financial Index	5.6	4.4	2.9	2.8	3.4	4.2	6.1	4.6	3.8	3.8	3.0

**B. Ratios Calculated With GASB Adjustments**

Ratio	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17*	FY18*	FY19*	Target
Debt Burden Ratio	0.3%	0.4%	0.7%	1.3%	1.2%	1.3%	1.1%	1.8%	1.6%	1.6%	<5.0%
Viability Ratio	3.5	2.5	1.3	1.6	0.8	0.7	1.1	1.3	-1.2	-1.4	>1.0
Primary Reserve Ratio	14.8%	22.3%	21.9%	24.9%	11.5%	17.6%	23.2%	23.7%	-19.6%	-20.5%	25.0%
Return on Net Assets Ratio	21.7%	11.7%	10.8%	6.3%	9.4%	23.0%	31.3%	11.5%	-2.4%	-8.0%	>2.0%
Net Operating Revenues Ratio	1.3%	6.4%	2.1%	2.4%	3.4%	4.7%	5.0%	3.7%	-2.1%	-4.0%	>2.0%
Composite Financial Index	5.6	4.4	2.9	2.8	2.2	3.8	5.0	3.1	-1.9	-2.8	3.0

Notes: Ratios Exclude MSCBA debt

\*\* FY17-FY19 ratios include Westfield State Foundation, Inc.

Department of Higher Education Metrics will now include Foundations in Ratios

**Westfield State University**  
Finance and Capital Assets Committee

**FY21 Budget Planning Scenarios**

December 3, 2019

**Overview**

The campus has prepared two high-level budget planning scenarios based on the preliminary assumptions shared with the Finance and Capital Assets Committee at the October meeting (see attached). Planning Scenarios A and B were constructed similarly using the same assumptions and calculations with the only difference being use of reserves. An updated model is expected to be presented in February when the spring enrollment melt rate and projected retention rates are known.

Decreasing enrollment and retention rates are creating financial challenges for the university. This trend is expected to continue until enrollment has leveled out from year to year. While the use of reserves may provide a temporary strategy to balance the budget it is not considered a sustainable or fiscally prudent long-term strategy. Cost reductions will likely be required in FY21 in addition to the reductions in FY20. The Voluntary Separation Incentive Plan is a critical component of this expense reduction process. Strategic investments are a critical investment in the future for Westfield State and should be maintained in the operating budget.

Auxiliary Operations are experiencing significant revenue issues given lower occupancy rates and significant fixed costs. Multiple strategies are being developed to mitigate potential further declines in on campus housing and the campus residential dining program.

The campus remains committed to affordability and expects to increase cost of attendance to less than 3% based on the planning parameters discussed at the October board meeting.

**Key Planning Assumptions:**

- Entering class enrollment is expected to increase slightly from FY20 due to recruitment initiatives; however, due to retention issues, overall enrollment is expected to decrease by 346 students from FY20 Budget of 4,223 to FY21 Projection of 3,877. The multi-year plan will be updated in the spring with updated enrollment projections for the next four years.
- It is anticipated that cost reductions will be necessary for balancing the FY21 Budget.
- Residential Cost of Attendance fee increase will be 2.8%, which is below the FY20 level of 3.5%.
- State appropriation is expected to increase by \$2.9M as follows: \$1.0m of additional appropriation that includes collective bargaining for MSCA for FY18 and FY19; \$0.3M due to a 1% increase for formula funding; \$1.6M for FY20 collective bargaining which has been adjusted to reflect a cumulative basis.

- Salaries and benefits increases are calculated at 2% salary adjustment, and a fringe/tax benefit rate of 39.18% (this is the projected fringe/tax rate provided by the Comptroller for planning purposes, an increase of 1.19% over FY20 Budget).
- The strategic plan is funded at \$0.75M in order to advance critical initiatives at the university; \$0.25M more than last year.
- Residential Life is expecting a deficit of \$2.09M mainly due to the impact of declining enrollment on occupancy rates. Operating Budget losses related to Lansdowne are projected to be \$0.7M for the last year of this lease.
- Dining Services is projecting losses of \$0.5M due to the impact of enrollment on occupancy rates. Contribution structure from Dining Services should be revisited this year.
- CGCE is expected to maintain their subsidy to the university at FY20 levels of \$2.45M as well as invest in additional faculty to support future programming and growth.
- Capital budget is expected to remain flat at \$2.9M.

**Conclusions:**

- Declining enrollment and retention will continue to put pressure on the university to reduce cost structure for the foreseeable future despite marginal fee increases.
- Strategic investments should be leveraged to increase enrollment and retention and provide an optimal return on investment.
- Residential Life and Campus dining must develop short and long term strategies which are financially sound.
- Expand revenue opportunities and continue to seek financial support from state.

**Westfield State University  
FY21 Scenario Model**

	FY21 Budget Planning Scenarios		
	FY20 Budget	Scenario A	Scenario B
<b>Revenue:</b>			
State Appropriation	\$ 29,463,260	\$ 32,383,996	\$ 32,383,996
Total Tuition/Fee Revenue	46,660,681	44,362,999	44,362,999
Other Revenue	3,524,290	3,410,391	3,410,391
CGCE	12,142,126	12,459,046	12,459,046
Residential Life	19,848,659	18,285,367	18,285,367
Dining Services	10,636,124	10,716,007	10,716,007
Foundation	430,000	460,000	460,000
Grant Revenue	1,446,120	1,446,120	1,446,120
<b>Total Revenue</b>	<b>\$ 124,151,260</b>	<b>\$ 123,523,925</b>	<b>\$ 123,523,925</b>
<b>Expense:</b>			
Compensation	\$ 46,458,639	\$ 47,349,063	\$ 47,349,063
Fringe	7,380,588	6,937,946	6,937,946
Department Operations	21,139,607	20,968,600	20,968,600
Strategic Investments	500,000	750,000	750,000
Financial Aid	3,048,875	3,165,425	3,165,425
Debt Service	2,152,431	2,173,763	2,173,763
Contingency	650,000	450,000	450,000
Capital Investments	2,900,000	2,800,000	2,800,000
CGCE	9,675,685	10,009,046	10,009,046
Residential Life	21,066,961	21,180,426	21,180,426
Dining Services	8,395,317	8,787,812	8,787,812
All Other	2,312,643	2,331,079	2,331,079
<b>Total Expense</b>	<b>\$ 125,680,746</b>	<b>\$ 126,903,160</b>	<b>\$ 126,903,160</b>
<b>Reserve Funding</b>	<b>\$ 1,529,486</b>	<b>\$ 3,115,463</b>	<b>\$ 553,627</b>
<b>Net Profit/(Loss)</b>	<b>-</b>	<b>(263,772)</b>	<b>(2,825,608)</b>

	FY20 Budget	Scenario A	Scenario B
<b>Revenue Assumptions</b>			
Billable Students	4223	3,877	3,877
% Change YoY	-3%	-8%	-8%
Housing Students	2331	2,217	2,217
% Change YoY	-3%	-5%	-5%
Residential Student COA Incr.	3.5%	2.8%	2.8%
In-State Tuition and Fees Incr.	4.0%	2.7%	2.7%
General Fee Increase	\$ 420	\$ 290	\$ 290
State Appropriation as % of Revenue	24%	26%	26%
Investment Earnings	\$677k	\$677k	\$677k
Operating Reserve / Contingency	\$650k	\$450k	\$450k
<b>Expense Assumptions</b>			
All Collective Bargaining Units	2% COLA Adj	2% COLA Adj	2% COLA Adj
Strategic Plan Funding	\$500k	\$750k	\$750k
<b>Operating Budget Contributions</b>			
Dining Contribution	\$2.4M	\$2.4M	\$1.9M
CGCE Contribution	\$2.45M	\$2.45M	\$2.45M
<b>CGCE &amp; Auxiliary Surplus / Deficit</b>			
CGCE Surplus	\$518k	\$88k	\$88k
Residential Housing Deficit	\$800k	\$2.09M	\$2.09M
Lansdowne Deficit	\$271k	\$655k	\$655k
Dining Deficit	-	\$472k	\$472k



## Board of Trustees

December 11, 2019

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### MOTION

To approve the submission of a proposal to the Division of Capital Asset Management for the FY21 Major Capital Project Process, to request \$4,843,125 to renovate a portion of the Scanlon building to create a Center for Equity, Diversity and Inclusion and to renovate and upgrade up to 3 - 4 classrooms/labs.

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Kevin R. Queenin, Chair

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Date