



**Board of Trustees**  
Finance and Capital Assets Committee

12:15 PM  
April 30, 2020  
Zoom Meeting

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| <b>1. Called to Order</b>   | Trustee Sullivan   |
| <b>2. Minutes</b><br>a. February 6, 2020  | Trustee Sullivan   |
| <b>3. Items for Information</b><br>a. IT Remote Learning Update<br>b. FY20 Third Quarter Financials<br>c. Investment Update<br>d. Student Refund Update | Thomas Raffensperger<br>Maria Feuerstein<br>Trustee Queenin / Stephen Taksar<br>Stephen Taksar |
| <b>4. Items for Discussion</b><br>a. Residence Life Operating Plan<br>b. FY21 Budget Scenarios  | Daniel Forster<br>Maria Feuerstein/Stephen Taksar  |

**5. Items for Action**

**Attachment(s):**

- a. Minutes 2-6-2020 Finance and Capital Assets Committee Draft
- b. Third Quarter Financials FY20 (Update and Year-End Projection)
- c. Third Quarter Financials (FY20)
- d. Third Quarter Financials (FY19)
- e. FY20 Year End Projection
- f. FY20 COVID-19 Financial Impact Analysis
- g. FY20 Residential Life Reserve Funding Balance
- h. Investment Summary
- i. Residential Life Operating Plan Presentation
- j. FY21 Budget Planning Scenarios
- k. FY21 Scenario Planning



## BOARD OF TRUSTEES

Finance and Capital Assets Committee

### Minutes

President's Boardroom, The Horace Mann Center

February 6, 2020

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**MEMBERS PRESENT:** Committee Chair Sullivan, Vice Chair Hagan, Trustees Boudreau, Neves, Queenin and Williams.

**MEMBERS EXCUSED:** Trustee Magovern

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

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

The meeting was called to order at 11:39 AM by Committee Chair Sullivan.

**MOTION** made by Trustee Sullivan, seconded by Trustee Boudreau, to approve the minutes of the December 11, 2019 meeting. **Trustee Sullivan abstained from voting and Motion passed unanimously.**

Trustee Williams joined the meeting at 11:40 AM. Committee Chair Sullivan invited Mr. Stephen Taksar, Vice President for Administration and Finance, and other members of the finance team, to give updates on the following informational items.

- The FY20 second quarter financial reports were provided. Trustee Hagan joined the meeting at 11:41 AM. There is a \$1.6 million deficit caused by enrollment and state appropriation, but we have been able to close about half of the gap at this point in time. Decreased revenue shows the early implications of the impact from retention. Vacancy savings were realized since the beginning of the fiscal year. Some capital projects are in a holding pattern. The Voluntary Separation Incentive Program (VSIP) expenses will be reflected in the third quarter report and payouts would likely come from reserves.
- The projected budget gap for FY20 and the current budget reduction were shared. It is anticipated to finish closing the gap in FY21 to help balance the budget for the general fund. The projected FY20 VSIP payout less current vacancy savings showed a total estimated use of reserves, without applying any savings.
- Travel expenses for the President and the President's direct reports for July 1 through December 31, 2019 were brought forward, showing the total spent.
- An overview of the Parenzo Hall renovation project was given. The conceptual design is close to being completed. The last cost estimate was significantly higher and the engineers have re-scoped the project to bring it into alignment with available funds. The Parenzo working group is involved working through

the details of the process. Most of the goals will be met but there is not enough funding to eliminate Mod Hall as less space in Parenzo will be renovated than planned, primarily in the lower level. A detailed facility study of Mod Hall will be done to assess its useful life. A move coordinator has been hired to start planning the move out of Parenzo Hall in January 2021. Last week the architects gave a preview of the new design and answered questions from the Parenzo Hall stakeholders. Prime instructional space, on the first and second floors, will be renovated, but not the basement, which houses mostly service departments. The first floor will contain support services for student success with classrooms on the second floor.

- A presentation was given on the December water emergency, showing a timeline of the discovery and repair of the water main break behind the Ely Campus Center. Discussion took place on the final repair of the slope behind University Hall and who is responsible for the groundwater damage. Funding for the emergency work came out of the Division of Capital and Asset Management and Maintenance (DCAMM) 5-year capital project funding plan, which required adjusting the timing and elimination of other projects. The five-year deferred maintenance plan will be reviewed to determine which projects on that list may have to be postponed or eliminated. The as built plans showing all steam and water pipes on campus have been updated since this emergency and the age of piping ranges from twelve to forty years. The Ely water main has been repaired but the infiltration system is broken which requires a longer-term solution. It was suggested to obtain the city's rule of retention of water on our property.
- A schedule of the Voluntary Separation Incentive Program (VSIP) for 33 participants was shared, showing the savings to be realized exceeded expectations. Once implemented, there will be \$1.7 million in total savings, lowering the budget gap by that amount. The process for restructuring and filling critical positions is underway. The refill rate is expected to be approximately 60% of the total positions in the VSIP plan. The cost for the VSIP will be incurred in FY20 and the savings from the plan will occur in FY21.
- An update on the Investment Subcommittee was shared and the Eaton Vance second quarter investment report summary was reviewed, showing the implementation of the investment strategy provided to them. It is assumed that the invested funds will not be needed so that they can continue to grow and provide investment income to the University utilizing a conservative investment approach. The benchmarks were created in response to the staggered investment strategy. At the next subcommittee meeting, a further discussion will take place of benchmarks needed both in the next six months and ongoing in line with industry standards. It was requested to have Eaton Vance come to the October meeting showing the benchmarks proposed and agreed upon. In response to a question of what reserves were available for emergencies, it was stated that there are cash reserves of about \$60 million currently, including the \$20 million for Parenzo. We have been a cash generator for a number of years but that is likely to change given increasing financial pressures, leaving us cash neutral (or declining), requiring the use of more cash resources.

An update on the FY21 Budget was discussed as follows. Trustee Queenin left the meeting at 12:34 and returned at 12:36 PM.

- Retention is affecting Residence Life and the number of students in the residence halls through the reduction of retaining first and second-year students combined with declining enrollment, expanding debt issues on campus buildings, and the Lansdowne lease. The goal of Enrollment Management is to highlight the positives of living on campus to the students. The following strategies were discussed to keep students on campus:
  - Moving housing selections to the fall and winter instead of spring and offering housing selections to new students when making their deposit.
  - Creating areas for academic support in the residential halls.

- Creating support for students taking CGCE classes to remain living on campus.
  - Revising the fee structure for residence halls.
  - Reserving Lansdowne for seniors only in single rooms.
  - Trustee Sullivan stated that the athletics department has a template that is working with a 73% retention rate instead of 61% and their template should be followed. It was mentioned that the Honors, Urban Ed, and Banacos programs do have high retention rates and the goal is to create those types of community cohorts for all students on campus.
  - Financial aid is also being targeting and increased for students living on campus.
  - Piloting a program this semester in providing housing to students attending Holyoke Community College. Trustee Boudreau left the meeting at 12:55 and returned at 12:59 PM.
- The current FY21 budget model was presented, with no significant changes from previous models. Total revenue and expenses were highlighted, showing state appropriation lower than earlier planned. There is no information which confirms any collective bargaining cost implications, so the funding and expenses related to CBA increases is excluded from the model. Expense based budget reductions of \$835,000 plus the VSIP reductions have been included in the model. Built into the FY21 model are \$3.1 to \$3.2 million reductions anticipated to be realized. The model shows continued investment in the Strategic Plan and Financial Aid. The general budget funds the Lansdowne deficit. This scenario shows an expected \$2.8 million loss. Savings from operational trust funds are not rolled over to the next year. The net loss (assuming use of reserves of \$2.6 million primarily for residential life) is approximately \$254,000 after counting for all factors, including offsets of appropriation, VSIP savings, reductions in campus contingencies and capital budgets, strategic plan and service contract funding, and elimination of FY20 vice president salary increases. Two budget presentations were given in the fall, the second being a dialogue session to obtain feedback, providing over 100 ideas for cost savings and generating revenue, which will be given to the budget advisory group to work on ways to close the gap. Divisional dialogue sessions are also being held to discuss the budget. Cabinet will be meeting regularly over the next couple of months to work on feedback and develop a budget.

Committee Chair Sullivan brought forth the following items for action:

**MOTION** made by Trustee Sullivan, seconded by Trustee Boudreau, to approve the FY21 annual tuition and fees schedule for undergraduate students and College for Graduate and Continuing Education (CGCE) students, as presented.

Discussion: Mr. Taksar stated that they have tried to stay within the parameters of a 2% to 3% increase assumed in the fall planning parameters. He met with the Student Government Association (SGA) to discuss the recommended fees. Tuition and fee comparisons for Massachusetts state universities were presented, showing Westfield in line with the other universities. This year's 2.7% increase is the second lowest in the last five years. Dr. Prusank, Provost and Vice President for Academic Affairs, stated that CGCE has put together fee increases by programs, ranging from 1.3% to 5.9%. Competitor's fees were taken into consideration when setting increases. Trustee Alvarado left the meeting at 1:15 and returned at 1:18 PM. Nursing fee increases are being requested for two categories: 1) clinical fees being imposed by clinical sites, which is new for the fall 2020 semester. This will be a new cost to the institution which will be passed on to the student; and 2) technology fees for required ATI programs which will be rolled into the student's overall package and can be paid for with financial aid. **Motion passed with five yes votes and one no vote.**

Mr. Taksar stated that in order to receive better short term investment rates for University cash funds at our local institutions, it is proposed to close some accounts and move funds to money market accounts getting higher short

term investment rates.

**MOTION** made by Trustee Sullivan, seconded by Trustee Neves, to close the University's bank accounts at Peoples Bank and Massachusetts Municipal Depository Trust (MMDT), investment account at Commonfund, and Berkshire Bank certificate of deposit at maturity date 3/7/2020 and to approve the transfer of those funds to the University's money market account at Berkshire Bank. **There being no discussion, Motion passed unanimously.**

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

Meeting adjourned at 1:23 PM.

Attachments presented at this meeting:

- a. Minutes, December 11, 2019
- b. Second Quarter Financials FY20 (Summary)
- c. Second Quarter Financials (FY20)
- d. Second Quarter Financials (FY19)
- e. Budget Balancing Update (FY20)
- f. Travel Expenses for the President and the President's Direct Reports: July 1- December 31, 2019
- g. Parenzo Hall Project
- h. Voluntary Separation Incentive Plan Summary
- i. FY20 Second Quarter Investment Summary
- j. FY21 Current Budget Model Scenario (Summary)
- k. FY 21 Current Budget Model Scenario
- l. Motion – FY21 Schedule of Annual Tuition and Fees
- m. FY 21 Schedule of Annual Tuition and Fees (Tuition and Fee Recommendations)
- n. FY21 Schedule of Annual Tuition and Fees (Undergraduate)
- o. FY21 Schedule of Annual Tuition and Fees (CGCE)
- p. FY21 Schedule of Annual Tuition and Fees (Comparison State Universities FY20)
- q. FY21 Schedule of Annual Tuition and Fees (CGCE Request)
- r. FY21 Schedule of Annual Tuition and Fees (Nursing Fee Memo)
- s. FY21 Schedule of Annual Tuition and Fees (Baystate Notification)
- t. FY21 Schedule of Annual Tuition and Fees (Nursing Fee Increase Calculations)
- u. FY21 Schedule of Annual Tuition and Fees (Student and Faculty Resources)
- v. Motion – Consolidation of Bank Accounts
- w. Memo – Consolidation of Bank Accounts

#### **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 February 6, 2020.

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

\_\_\_\_\_  
Date

# Westfield State University

Board of Trustees Meeting  
Finance and Capital Assets Committee

April 30, 2020

Dr. Ramon Torrecilha, President

Steve Taksar, Vice President for Administration and Finance

Maria Feuerstein, Director of Budget and Financial Planning

# Westfield State University Agenda

- FY20 Year-End Projection
- FY20 COVID-19 Projected Financial Impact
- FY20 Residence Life Reserve Analysis
- FY21 New Planning Scenario B
- FY21 Budget Challenges/Preliminary Strategies

# FY20 Year-End Projection



# Westfield State University

## FY20 Year-End Projection

### Key Points

- Covid-19 resulted in a significant revenue loss mainly due to room and board refunds.
- Enrollment/retention decline resulted in a significant loss of revenue.
- Expense Savings contributed to offsetting revenue losses:
  - Vacancy Savings
  - Spending Freeze
  - Cost Avoidance
- VSIP Payouts partially offset expense savings.

# Westfield State University

## FY20 Year-End Projection

	Incr / (Decr)	
<b>FY20 Revenue Budget</b>	<b>124,151,260</b>	
Refunds due to Covid-19	(6,634,854)	
Net Deficit due to Enrollment Decline	(3,181,599)	
<b>Total Projected Revenue Losses</b>	<b>(9,816,453)</b>	
<hr/>		
<b>FY20 Adjusted Revenue Projection</b>	<b>114,334,807</b>	a
<hr/>		
<b>FY20 Expense Budget</b>	<b>125,680,746</b>	
Vacancy Savings Incl. Fringe	(5,611,271)	
Spending Freeze	(3,749,382)	
CGCE Cost Avoidance	(1,153,117)	
VSIP Payout	2,891,689	
Operating Expenses Exceeding Budget	298,827	
Covid-19 Expenses	202,458	
<b>Total Projected Cost Avoidance</b>	<b>(7,120,796)</b>	
<b>FY20 Adjusted Expense Projection</b>	<b>118,559,950</b>	b
<hr/>		
FY20 Projected Gross Deficit	(4,225,143)	=a-b
Less: FY20 Budgeted Use of Reserves	(1,529,486)	
<b>FY20 Projected Net Deficit</b>	<b>(2,695,657)</b>	
<b>Note:</b>		
<b>FY0 VSIP Payout</b>	<b>2,891,689</b>	

# Westfield State University

## FY20 COVID- 19 Projected Financial Impact

### Key Points

#### Surplus Expectations:

- University Operations – vacancy savings, spending freeze, offset by VSIP
- CGCE – Cost avoidance and vacancy savings

#### Deficit Expectations

- Dining deficit – COVID-19 meal plan refunds and enrollment impact on meal plan participants
- Residential Life – COVID-19 housing student refunds and enrollment impact on occupancy

# Westfield State University

## FY20 COVID 19 Projected Financial Impact

Revenue	Operating	Dining	Res Life	CGCE	Total All Funds
COVID 19 Revenue Impact Subtotal	(341,062)	(1,808,665)	(4,229,383)	(255,744)	(6,634,854)
Standard Operations Subtotal	(1,492,518)	(445,000)	(1,244,081)	-	(3,181,599)
<b>Total Revenue Projection</b>	<b>(1,833,580)</b>	<b>(2,253,665)</b>	<b>(5,473,464)</b>	<b>(255,744)</b>	<b>(9,816,453)</b>
Expense Fav/(Unfav)	Operating	Dining	Res Life	CGCE	Total All Funds
Est. COVID 19 Impact Subtotal	1,441,407	1,154,365	951,151	1,153,117	4,700,041
Standard Operations Subtotal	1,591,561	295,693	292,058	241,443	2,420,755
<b>Total Expense Projection</b>	<b>3,032,969</b>	<b>1,450,058</b>	<b>1,243,209</b>	<b>1,394,560</b>	<b>7,120,796</b>
<b>Net FY20 Year-End Projection</b>	<b>1,199,389</b>	<b>(803,607)</b>	<b>(4,230,255)</b>	<b>1,138,816</b>	<b>(2,695,657)</b>
COVID 19 Net	1,100,345	(654,300)	(3,278,232)	897,373	(1,934,813)
Standard Operations Net	99,044	(149,307)	(952,023)	241,443	(760,844)
<b>Total</b>	<b>1,199,389</b>	<b>(803,607)</b>	<b>(4,230,255)</b>	<b>1,138,816</b>	<b>(2,695,657)</b>

# FY20 Residence Life Reserve Analysis

# Westfield State University

## FY20 Residence Life Projection / Reserves

### Key Points

- Projected deficit in FY20 is expected to be significant mainly due to COVID-19 refunds and enrollment impact on occupancy.
- Provide financial support to Residential Life using projected surplus from University Operations and CGCE.
- The FY20 Budget included an approved use of reserves to cover the previously assumed deficit in residence life.
- MSCBA requires a minimum reserve balance of 5% of prior year expenses or university backfills the reserve.

# Westfield State University

## FY 20 Residence Life Projection/Reserves

<b>FY20 Reserve Balance</b>	<b>\$</b>	<b>5,693,473</b>
<b>FY20 Projected Deficit</b>		
Covid-19 RHTF Refunds		(4,165,099)
Additional Refunds for Housing Students		(64,284)
Enrollment Related RHTF Deficit		(2,041,034)
Covid-19 Cost Avoidance		951,151
Full Year Vacancy Savings Projection		301,671
Fringe on Vacancy Savings		114,363
VSIP Payout Incl. Accruals		(123,976)
<hr/>		
<b>FY20 Projected Deficit</b>		<b>(5,027,208)</b>
<b>Total Campus Funding From Savings</b>		<b>1,534,598</b>
<b>Adjusted Deficit</b>		<b>(3,492,610)</b>
<b>FY20 Approved Use of Reserves</b>	<b>\$</b>	<b>796,953</b>
<hr/>		
<b>FY20 Remaining Net Deficit</b>		<b>(2,695,657)</b>
<hr/>		
<b>FY20 Mandatory Reserve Balance</b>	<b>\$</b>	<b>909,372</b>
<b>Remaining Reserve Balance</b>	<b>\$</b>	<b>2,997,816</b>
<hr/>		
<b>Difference B/W</b>	<b>\$</b>	<b>2,088,444</b>

**Notes:**

- 1) FY20 Lansdowne Deficit excluded from this analysis

# FY21 New Planning Scenario B



# Westfield State University

## Scenario B Planning Model - Revenue

### Key Points

#### Assumptions:

- 15% Reduction in entering class; 7% reduction in retention; results in 943 decrease or 22% from FY20
- State Appropriation decrease of 5% over prior year (\$1.4M).
- Enrollment declines represent a structural deficit; significant revenue impact on the university budget, Residential Life and Dining Services.

# Westfield State University

## FY21 Scenario B Planning Model - Revenue

	FY21 Planning Scenarios			Variance FY20 Budget vs. Scenario B	
	FY20 Budget	Working Version Scenario A FY21 Budget Scenario	Scenario B 15% Reduction in Entering Class; 7% Reduction to Retention; 5% Decrease in Appropriation, No Salary Increases	\$ Variance B/(W)	% Change B/(W)
<b>Revenue:</b>					
State Appropriation	\$ 29,463,260	\$ 30,938,125	\$ 27,990,097	(1,473,163)	-5.0%
Total Tuition/Fee Revenue	46,660,681	44,923,837	38,269,935	(8,390,746)	-18.0%
Other Revenue	3,524,290	3,428,975	3,213,732	(310,558)	-8.8%
CGCE	12,142,126	12,670,567	12,670,567	528,441	4.4%
Residential Life	19,848,659	18,258,743	16,210,985	(3,637,674)	-18.3%
Dining Services	10,636,124	10,839,424	8,861,989	(1,774,136)	-16.7%
Foundation	430,000	480,000	480,000	50,000	11.6%
Grant Revenue	1,446,120	1,446,120	1,446,120	-	-
<b>Total Revenue</b>	<b>\$ 124,151,260</b>	<b>\$ 122,985,791</b>	<b>\$ 109,143,424</b>	<b>\$ (15,007,835)</b>	<b>-12%</b>

# Westfield State University

## Scenario B Planning Model – Expenses

### Key Points

#### Assumptions:

- Cost reductions are already assumed in the model totaling \$4.4M.
- Salary increases are not assumed.
- CGCE is investing in program development.
- Residential Life and Dining have partially reduced costs in order to offset revenue losses; dining contribution is reduced.

# Westfield State University

## FY21 Scenario B Planning Model - Expenses

	FY21 Planning Scenarios		Variance FY20 Budget vs. Scenario B		
	FY20 Budget	Scenario A	Scenario B	\$ Variance B/(W)	% Change B/(W)
<b>Total Revenue</b>	<b>\$ 124,151,260</b>	<b>\$ 122,985,791</b>	<b>\$ 109,143,424</b>	<b>\$(15,007,835)</b>	<b>-12%</b>
<b>Expense:</b>					
Compensation & Fringe	53,839,228	53,148,578	53,656,164	183,064	0.3%
Department Operations	21,139,607	21,291,719	21,291,719	(152,112)	-0.7%
All Other Expenses	11,563,949	11,659,485	11,647,593	(83,644)	-0.7%
CGCE	9,675,685	10,182,048	10,182,048	(506,363)	-5.0%
Residential Life	21,066,961	21,002,705	20,705,305	361,656	1.7%
Dining Services	8,395,317	8,421,003	7,661,988	733,328	8.7%
<b>Total Expense</b>	<b>\$ 125,680,746</b>	<b>\$ 125,705,538</b>	<b>\$ 125,144,818</b>	<b>\$ 535,928</b>	<b>0.43%</b>
<b>Profit/(Loss)</b>	<b>\$ (1,529,486)</b>	<b>\$ (2,719,747)</b>	<b>\$ (16,001,393)</b>	<b>\$(14,471,907)</b>	
<b>Reserve Funding</b>	<b>\$ 1,529,486</b>	<b>\$ 2,474,139</b>	<b>\$ 4,092,740</b>	<b>\$ 2,563,254</b>	
<b>Net Profit/(Loss)</b>	<b>(1)</b>	<b>(245,608)</b>	<b>(11,908,654)</b>	<b>(11,908,653)</b>	

# Westfield State University

## FY21 Budget Challenges/Strategies

- **Challenges**

- Significant uncertainty regarding enrollment
- Retention is critical issue
- State funding unknown
- Fixed costs vs variable costs

- **Preliminary Strategies**

- Develop tiered reduction plan
- Personnel Cost reductions – Multiple strategies
- Reduce operating expenses
- Maintain partial remote working structure

# Westfield State University

## FY21 Preliminary Budget Strategies

#	Strategy	<u>Tier 1</u>	<u>Tier 2</u>	<u>Total</u>
		July	October	Estimate
1	Projected Vacancy Savings Hiring Freeze-current positions	3,400,000	-	3,400,000
2	Anticipated Savings from Annual Attrition/Retirements	100,000	300,000	400,000
3	Reduce personnel budgets	1,500,000	1,500,000	3,000,000
4	Implement remote working model/reduce utilities	-	100,000	100,000
5	Reduce Divisonal Budgets	400,000	200,000	600,000
6	CARES Act Institutional Funding- One Time	-	2,256,030	2,256,030
7	Reduce strategic plan funding to 350k	<u>400,000</u>	<u>-</u>	<u>400,000</u>
				-
	Total	5,800,000	4,356,030	10,156,030

**Q and A**

**Westfield State University**  
**FY20 Quarterly Financial Update & Year End Projection**  
**3<sup>rd</sup> Qtr. Ending March 31, 2020**

### Overview

The campus develops an annual budget, but provides a calculated quarterly snapshot for the purpose of comparative financial analysis and reporting. Tuition and fee revenue is reported for the fall & spring semesters for the day division and for summer II, fall semesters, and PA Program cohorts for CGCE. **At this point in the year, revenues are reported for the fiscal year.** No additional tuition and fee revenue is expected other than what is reflected in this financial report which includes student refunds processed in April. Expenses are actual expenses incurred through the end of the third quarter. The University's net deficit was \$4.1 million at the end of the 3rd quarter with 89.2% of the University's revenues realized (compared to budget) and 69.8% of the budget expended.

This unprecedented deficit is the result of pro-rated spring room and board refunds related to moving to a remote learning environment while restricting access to the campus during the Covid-19 Pandemic as well as an additional unexpected enrollment decline in FY20. Total spring refunds issued as of the date of this report was \$6.4 million. Campus Voluntary Separation Incentive Plan (VSIP) payouts also contributed to the deficit which totaled \$2.9 million. The total university deficit was partially offset by additional state appropriation, vacancy savings, salary, and contract worker savings as well as a timing lag for non-compensation expenses and capital projects.

Undergraduate enrollment was lower than budget by 283 students or 6.7% (3,940 vs 4,223). Residential Life experienced a significantly lower than planned average occupancy of 1,212 students (with a budget of 2,355) or 51.5% mainly due to the impact of the Covid-19 Pandemic. Furthermore, the number of meal plan participants in Dining Services was unfavorable to the budget by an average of 1,318, resulting in lower than planned Board Revenue of \$2.2 million. CGCE total enrollment, reported in number of credit hours, exceeded budget by 3.1%, which is the net result of an increase to graduate and undergraduate enrollment offset by minor attrition in the Physician Assistant (PA) program. The credit amount includes non-matriculated dual enrollment/Westfield Promise students.

### Enrollment

Full-time day division enrollment was 6.7% below budgeted enrollment for the 3rd quarter. This resulted in a decline in budgeted fee revenue of approximately \$3.0 million. The full year enrollment decline was previously expected to be 247 or 5.8% below budget, however, the full year projected enrollment decline is 283, approximately 36 students less than predicted, mainly due to a significant decline in retention rates. A smaller portion of the decline, 25%, is attributed to not meeting entering class enrollment targets. Residential Life occupancy, excluding Lansdowne, was only 1,143 versus a budgeted enrollment of 2,355, which is a significant decline. Dining Operations which as noted above, experienced 1,318 less meal plan participants than expected.

### Revenue

The main contributing factor to total revenue trending below budget by \$10.3 million or 8.5% is the result of moving toward a remote learning environment and restricted campus access in response to the Covid-19 pandemic and its effect on housing students and meal plan participation. Lower than budgeted day school enrollment resulted in lower occupancy rates and lower than expected dining revenue further contributing to the revenue shortfall. CGCE is trending above budget by less than 1% mainly due to a smaller pipeline of



undergraduate day students due to enrollment declines. An additional \$900k in State Appropriation was received, partially offsetting revenue losses.

### **Expenses**

Overall expenses are trending less than budget at the end of 3rd quarter by \$6.2 million or 6.6% mainly from savings in the University operations budget. Significant variances are noted below:

- University – Overall compensation expense is below budget by \$1.3 million or 4.4% due to one time savings from vacant positions and hiring salaries below plan offset by VSIP payouts. FY20 vacancy savings is projected to be \$4.06 million and fringe savings on vacant positions is expected to be \$1.5 million which is offset due to processing VSIP payouts. It is assumed that VSIP payouts of \$2.9 million will be funded from campus reserves, if necessary, as discussed at the October board meeting prior to approving the separation plan. Construction expense (pool NN) was lower than budget by \$1.3 million due to timing delays and the complexity of capital projects.
- CGCE – Compensation expense is below budget by \$700k or 11.8% due to vacancy savings related to hiring delays. Other minor variances are due to timing issues. Total expenses are trending below budget by 12.1% or \$1.0 million.
- Residential Life – Total expenses are below budget by \$760k or 4.1% mainly due to vacancy and student worker savings of \$230k. In addition, the assessment payment (pool SS) to the Massachusetts State College Building Authority (“MSCBA”) is lower than budget in the amount of \$200k due to decreased occupancy rates, which drives the prorated MSCBA assessment to the campus.
- Dining Services – Total expenses are tracking lower than budget by \$329k or 4.1% mainly due to \$100k of lower employee related expenses, \$161k of lower disposable goods and materials and other cost savings due to lower meal plan participants.

### **Summary for Q3**

- The impact of Covid-19 on the Q3 Financial Report is reflected in significant revenue losses for the campus, specifically related to room and board and student travel refunds of \$6.4 million plus the one time VSIP payout; overall a revenue loss of \$9.8M. Unexpected enrollment declines occurred in FY20 that resulted in an additional revenue loss of roughly \$3.0 million on tuition and fees alone.
- Vacancy savings, capital project delays, and the timing of operating expenses contributed significantly toward offsetting revenue losses, projected to be \$7.1M in total savings. However, it is still expected that the campus will not generate enough savings to fully offset the revenue losses and may need to consider limited use of reserves in June.
- In response to the annual revenue target not being met, the campus has instituted spending restrictions as well as a hiring freeze on specified vacant positions in order to offset expected financial losses.
- Despite significant revenue losses, the campus was able to remain committed to the strategic plan.

### **FY20 Year End Projection**

The impact of the Covid-19 pandemic coupled with an enrollment decline of 283 students is expected to result in a deficit of \$4.2 million or \$2.7 million after applying the approved use of reserves of \$1.5 million.. The campus has implemented a cost containment strategy for department spending in addition to placing a hold on hiring for certain vacant positions. The goal of this strategy is to maximize savings and limit campus spending in an effort to offset as much of the losses as possible and prevent the need for additional use of

reserves. It's important to note that while the projected net deficit is \$2.7 million, the campus had previously indicated the potential use of reserves to fund FY20 VSIP Payouts of \$2.9 million. Key highlights of the year end projection are listed below (refer to detailed FY20 Year End Projection and COVID -19 Financial Impact Analysis):

- Revenue: \$9.8m deficit due to spring refunds issued totaling \$6.6m and an enrollment decline of 283 students resulting in a \$3.3m loss to tuition and general fee revenue.
- Expense: \$7.1m of savings versus FY20 Budget due to vacancy savings including fringe of \$5.6m, cost avoidance and containment strategy of \$4.9m, offset by the VSIP Payout of \$2.9m, Covid-19 related costs for IT and PPE of \$200k year-to-date, and approximately \$300k of institutional accounts and overtime exceeding budget.

### **Residential Life Reserve Fund Analysis**

Major unforeseen events including the issuance of spring housing refunds and day student enrollment declines have created a concern for occupancy rates and revenue for Residential Life Housing Operations. The FY20 beginning reserve balance of \$5.7 million is expected to significantly decrease this year by about 50% (refer to FY20 Residential Life Reserve Funding Balance Summary). The FY20 approved budget already assumed a use of reserves for residence life of \$796,953. The University is planning to transfer \$1.5 million in budget savings to residence life to lower the funds needed from reserves.

FY20 Reserve Balance	5,693,473
Projected Deficit in Res Life	5,027,208
Campus funding from savings	1,534,598
Adjusted Deficit in Res Life	3,492,610
Approved Use of Reserves	796,953
Remaining Deficit	2,695,657

### **Additional information:**

- Dining is also projecting a FY20 net loss of \$800k mainly due to refunds totaling \$1.8 million and enrollment declines impacting meal plan participation of \$445k offset by cost avoidance of \$1.45 million. Campus savings will offset the losses in dining services program.
- CGCE is expected to end the year favorable by approximately \$1.1 million mainly due to cost avoidance offset by Covid-19 impact on summer session revenues of \$225k. This favorable impact will provide financial support to residence life and dining services to partially offset their losses.
- Reserves - It is important to note that the FY20 Budget included an approved use of reserves of \$1,529,486. Current projections indicate that even with savings of \$7.1million, it is unlikely to be

enough to offset lost revenue which may result in an additional impact on reserves projected to be \$2.7 million.

### **Summary**

FY20 presents a series of financial challenges based on impact of the COVID-19 pandemic compounded by retention and enrollment declines. The university will restrict spending and hiring in an effort to generate savings to offset reductions in revenue and the impact on cash reserves. At this juncture, it is challenging to predict a year-end savings with a high degree of accuracy as some spending is necessary to support campus operations and a remote learning modality. Nonetheless, the campus has put forward a projected year-end scenario based on the most current information and trends available.

Fiscal Year : July 1st - June 30th

**Financial Report (Consolidated)**  
**Quarter Ending March 31, 2020**

				Fav/(Unfav)		
	<u>Annual FY20 Budget</u>	<u>FY20 3rd Qtr. Budget</u>	<u>FY20 3rd Qtr. Actual</u>	<u>Budget Variance</u>	<u>Percent Variance</u>	<u>Percent Realized/ Expended</u>
<b><u>Enrollment</u></b>						
University (Headcount)	4,223	4,223	3,940	(283)	-6.7%	
<b><u>Enrollment</u></b>						
CGCE (Credit Hours)	32,917	28,638	29,518	880	3.1%	
<b><u>Staffing</u></b>						
Administrative	499	499	442	57	11.4%	
Full-time Faculty	251	251	240	11	4.4%	
Adjuncts (University Only) FTE	203	203	204	(1)	-0.6%	
<b>Total</b>	<b>953</b>	<b>953</b>	<b>886</b>	<b>67</b>	<b>7.0%</b>	
<b><u>Revenue</u></b>						
University/SGA	\$ 81,524,351	\$ 80,422,464	\$ 78,052,620	\$ (2,369,844)	-2.9%	95.7%
CGCE	12,142,126	10,563,650	10,642,451	78,802	0.7%	87.6%
Residential Life	19,848,659	19,799,603	13,898,724	(5,900,879)	-29.8%	70.0%
Dining Services	10,636,124	10,340,308	8,188,183	(2,152,125)	-20.8%	77.0%
<b>Total Revenue</b>	<b>\$ 124,151,260</b>	<b>\$ 121,126,025</b>	<b>\$ 110,781,978</b>	<b>\$ (10,344,047)</b>	<b>-8.5%</b>	<b>89.2%</b>
<b><u>Expenses/Transfers</u></b>						
University/SGA	\$ 82,731,663	\$ 59,244,710	\$ 55,172,260	\$ 4,072,450	6.9%	66.7%
CGCE	12,142,126	8,584,188	7,543,431	1,040,758	12.1%	62.1%
Residential Life	20,645,612	18,536,825	17,769,422	767,403	4.1%	86.1%
Dining Services	10,636,124	7,956,386	7,626,501	329,886	4.1%	71.7%
<b>Total Expenses/Transfers</b>	<b>\$ 126,155,526</b>	<b>\$ 94,322,110</b>	<b>\$ 88,111,613</b>	<b>\$ 6,210,497</b>	<b>6.6%</b>	<b>69.8%</b>
<b><u>Net</u></b>						
University/SGA	\$ (1,207,312)	\$ 21,177,754	\$ 22,880,360	\$ 1,702,606	8.0%	
CGCE	-	1,979,461	3,099,020	1,119,559	56.6%	
Residential Life	(796,953)	1,262,778	(3,870,698)	(5,133,476)	-406.5%	
Dining Services	-	2,383,922	561,682	(1,822,239)	-76.4%	
<b>Total</b>	<b>\$ (2,004,265)</b>	<b>\$ 26,803,915</b>	<b>\$ 22,670,364</b>	<b>\$ (4,133,550)</b>	<b>-15.4%</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 3rd 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.

**University/SGA Financial Report**  
**Quarter Ending March 31, 2020**

	<u>Annual FY20</u> <u>Budget</u>	<u>FY20</u> <u>3rd Qtr. Budget</u>	<u>FY20</u> <u>3rd Qtr. Actual</u>	<u>Budget</u> <u>Variance</u>	<u>Percent</u> <u>Variance</u>
<b>Enrollment</b>					
Total Undergraduate Enrollment (Billable)	4,223	4,223	3,940	(283)	-6.7%
<b>Staffing</b>					
Administrative	349	349	309	40	11.5%
Full-time Faculty	236	236	225	11	4.7%
Adjuncts (FTE)	203	203	204	(1)	-0.6%
<b>Total</b>	<b>788</b>	<b>788</b>	<b>697</b>	<b>50</b>	<b>6.3%</b>
<b>Revenue</b>					
State Appropriation	\$ 29,463,260	\$ 29,463,260	\$ 30,359,047	\$ 895,787	3.0%
Tuition Retention	3,203,000	3,203,000	3,087,716	(115,284)	-3.6%
General Fee	37,694,498	37,694,498	35,185,050	(2,509,448)	-6.7%
Technology Fee	3,082,790	3,082,790	2,876,200	(206,590)	-6.7%
DGCE Fees (technology/capital planning)	250,000	217,500	183,611	(33,889)	-15.6%
Capital Improvement Fee	422,300	422,300	394,000	(28,300)	-6.7%
Bookstore Commissions	285,000	205,200	156,477	(48,723)	-23.7%
Interest Earnings	677,400	524,985	454,233	(70,752)	-13.5%
Nursing Fee	179,100	179,100	149,250	(29,850)	-16.7%
Parking Decals	280,000	280,000	263,505	(16,495)	-5.9%
Wellness Center	530,000	530,000	473,230	(56,770)	-10.7%
Cable TV	396,270	396,270	292,655	(103,615)	-26.1%
Res Life Dorm Fee	233,100	233,100	172,150	(60,950)	-26.1%
Phone Service	233,100	233,100	172,150	(60,950)	-26.1%
Dunkin' Donuts & Vending Commissions	153,000	134,750	121,845	(12,905)	-9.6%
Miscellaneous Fees/Revenue	672,760	504,570	313,694	(190,876)	-37.8%
Student Government Association	436,523	436,523	397,940	(38,583)	-8.8%
Federal, State and Private Grants	12,056,568	11,695,038	11,235,112	(459,926)	-3.9%
Scholarship Allowance	(10,610,448)	(10,610,448)	(10,108,336)	502,112	-4.7%
Other Auxiliary revenues	1,456,130	1,208,588	1,484,751	276,163	22.9%
Foundation Support	430,000	388,340	388,340	-	0.0%
<b>Total Revenue</b>	<b>\$ 81,524,351</b>	<b>\$ 80,422,464</b>	<b>\$ 78,052,620</b>	<b>\$ (2,369,844)</b>	<b>-2.9%</b>
<b>Expenses</b>					
AA - Regular Employee Compensation	\$ 46,261,057	\$ 32,916,521	\$ 32,255,292	\$ 661,229	2.0%
CC - Special Employees	5,899,322	4,424,491	4,963,121	(538,629)	-12.2%
DD - Pension and Fringe Benefits	7,546,505	5,381,167	4,346,570	1,034,597	19.2%
<b>Compensation expense subtotal</b>	<b>59,706,884</b>	<b>42,722,180</b>	<b>41,564,983</b>	<b>1,157,197</b>	<b>2.7%</b>
BB - Employee Related expenses	615,398	461,548	272,251	189,298	41.0%
EE - Administrative Expenses	1,281,551	961,163	792,976	168,188	17.5%
FF - Facility Operations	1,114,506	835,880	776,350	59,529	7.1%
GG - Energy Costs and Space Rental	2,416,802	1,812,601	1,752,389	60,212	3.3%
HH - Consultant Services	1,273,925	955,443	761,067	194,376	20.3%
JJ - Operational Services	1,191,328	893,496	630,000	263,495	29.5%
KK - Equipment Purchases	437,586	291,724	159,327	132,397	45.4%
LL - Equipment Leases and Rental	915,304	686,478	640,799	45,679	6.7%
MM - Purchased Client Services	319,525	248,519	178,793	69,726	28.1%
NN - Construction and Improvements	2,891,140	1,821,418	495,908	1,325,511	72.8%
RR - Entitlement Programs (Scholarships)	3,297,017	3,297,017	3,090,014	207,004	6.3%
SS - Debt Payments and Contingency	2,152,430	1,510,022	1,510,022	-	-
UU - Information Technology	4,279,534	3,209,650	2,972,986	236,665	7.4%
Student Government	425,966	331,307	264,654	66,652	20.1%
Athletics - Sport Accounts	503,909	391,929	370,781	21,149	5.4%
Academic Educational Services (ESTF)	389,814	303,189	209,646	93,543	30.9%
Grants	1,579,693	1,184,770	1,126,776	57,994	4.9%
Other Trust Funds	1,876,184	826,812	1,102,975	(276,163)	-33.4%
University Hall support payment	150,000	150,000	150,000	-	0.0%
Unallocated	248,677	-	-	-	-
University Contingency	531,741	-	-	-	-
Transfer from Dining	(2,400,808)	(1,800,606)	(1,800,606)	-	0.0%
Transfer from CGCE	(2,466,441)	(1,849,831)	(1,849,831)	-	0.0%
<b>Other Expense/Transfers Total</b>	<b>23,024,779</b>	<b>16,522,530</b>	<b>13,607,277</b>	<b>2,915,253</b>	<b>17.6%</b>
<b>Total Expenses/Transfers</b>	<b>\$ 82,731,663</b>	<b>\$ 59,244,710</b>	<b>\$ 55,172,260</b>	<b>\$ 4,072,450</b>	<b>6.9%</b>
<b>Net</b>	<b>\$ (1,207,312)</b>	<b>\$ 21,177,754</b>	<b>\$ 22,880,360</b>	<b>\$ 1,702,606</b>	<b>8.0%</b>

**Notes:**

1) Adjunct FTE Calculation represents term FTE Calc

Fiscal Year : July 1st - June 30th

Fav/(Unfav)

**CGCE Financial Report**  
**Quarter Ending March 31, 2020**

**Enrollment (Number of Credits)**

	<b>Annual FY20 Budget</b>	<b>FY20 3rd Qtr. Budget</b>	<b>FY20 3rd Qtr. Actual</b>	<b>Budget Variance</b>	<b>Percent Variance</b>	<b>Percent Realized/ Expended</b>
Graduate	11,622	10,111	10,411	300	3.0%	
PA	3,408	2,964.96	2,863	(102)	-3.4%	
Undergraduate	17,887	15,562	16,244	682	4.4%	
<b>Total</b>	<b>32,917</b>	<b>28,638</b>	<b>29,518</b>	<b>880</b>	<b>3.1%</b>	

**Staffing**

Administrative	34	34	31	3	8.8%	
Full-time Faculty	15	15	15	-	0.0%	
<b>Total</b>	<b>49</b>	<b>49</b>	<b>46</b>	<b>3</b>	<b>6.1%</b>	

**Revenue**

Tuition (Including Educational Services Fee)	\$ 3,124,744	\$ 2,718,527	\$ 2,528,530	\$ (189,997)	-7.0%	80.9%
Instructional Fee	8,381,757	7,292,129	7,614,026	321,897	4.4%	90.8%
Registration Fee	441,525	384,127	324,002	(60,125)	-15.7%	73.4%
Miscellaneous	187,000	162,690	170,273	7,583	4.7%	91.1%
Transcripts	7,100	6,177	5,621	(556)	-9.0%	79.2%
<b>Total Revenue</b>	<b>\$ 12,142,126</b>	<b>\$ 10,563,650</b>	<b>\$ 10,642,451</b>	<b>\$ 78,802</b>	<b>0.7%</b>	<b>87.6%</b>

**Expenses**

AA - Regular Employee Compensation	\$ 3,425,727	\$ 2,437,537	\$ 2,148,917	\$ 288,619	11.8%	62.7%
CC - Special Employees	3,085,367	2,314,025	2,061,119	252,906	10.9%	66.8%
DD - Pension and Fringe Benefits	1,373,379	977,212	840,954	136,258	13.9%	61.2%
<b>Compensation expense subtotal</b>	<b>7,884,473</b>	<b>5,728,774</b>	<b>5,050,990</b>	<b>677,784</b>	<b>11.8%</b>	<b>64.1%</b>
BB - Employee Related expenses	102,248	79,526	36,706	42,821	53.8%	35.9%
EE - Administrative Expenses	456,702	342,527	246,239	96,288	28.1%	53.9%
FF - Facility Operations	25,635	19,226	20,801	(1,575)	-8.2%	81.1%
HH - Consultant Services	474,400	355,800	231,289	124,511	35.0%	48.8%
JJ - Operational Services	100,860	78,447	21,482	56,965	72.6%	21.3%
KK - Equipment Purchases	22,800	17,100	1,941	15,159	88.6%	8.5%
LL - Equipment Leases and Rental	8,000	6,000	-	6,000	100.0%	-
RR - Entitlement Programs (Scholarships)	65,000	65,000	64,097	903	1.4%	98.6%
UU - Information Technology	55,944	41,958	20,055	21,903	52.2%	35.8%
Unallocated	479,623	-	-	-	-	-
Transfer to the University	2,466,441	1,849,831	1,849,831	-	0.0%	75.0%
<b>Other Expense/Transfers Total</b>	<b>4,257,653</b>	<b>2,855,414</b>	<b>2,492,441</b>	<b>362,974</b>	<b>12.7%</b>	<b>58.5%</b>
<b>Total Expenses/Transfers</b>	<b>\$ 12,142,126</b>	<b>\$ 8,584,188</b>	<b>\$ 7,543,431</b>	<b>\$ 1,040,758</b>	<b>12.1%</b>	<b>62.1%</b>

**Net**

	\$ -	\$ 1,979,461	\$ 3,099,020	\$ 1,119,559	56.6%	
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Fiscal Year : July 1st - June 30th

Fav/(Unfav)

**Residential Life Financial Report  
Quarter Ending March 31, 2020**

	<u>Annual FY20 Budget</u>	<u>FY20 3rd Qtr. Budget</u>	<u>FY20 3rd 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	2,355	1,143	(1,212)	-51.5%	
Percentage of Capacity	87.8%	87.8%	63.3%	-24.5%	-27.9%	
<b>Staffing</b>						
Administrative	51	51	45	6	11.8%	
<b>Revenue</b>						
Room Rent Fall	\$ 10,094,062	\$ 10,094,062	\$ 9,467,395	\$ (626,667)	-6.2%	93.8%
Room Rent Spring	9,317,597	9,317,597	4,055,105	(5,262,492)	-56.5%	43.5%
Room Rent Summer	200,000	200,000	203,515	3,515	1.8%	101.8%
Commissions	112,000	87,111	61,601	(25,511)	-29.3%	55.0%
Guest Fees/other	52,500	40,833	7,918	(32,915)	-80.6%	15.1%
Deposits Forfeited	22,500	22,500	103,191	80,691	358.6%	458.6%
Room Damages	50,000	37,500	-	(37,500)	-100.0%	0.0%
<b>Total Revenue</b>	<b>\$ 19,848,659</b>	<b>\$ 19,799,603</b>	<b>\$ 13,898,724</b>	<b>\$ (5,900,879)</b>	<b>-29.8%</b>	<b>70.0%</b>
<b>Expenses</b>						
AA Employee Compensation	\$ 2,324,842	\$ 1,654,215	\$ 1,549,825	\$ 104,390	6.3%	66.7%
CC Special Employees/Students	672,500	470,750	389,604	81,146	17.2%	57.9%
DD Fringe Benefits, Insurance	808,928	575,583	528,117	47,466	8.2%	65.3%
<b>Compensation expense subtotal</b>	<b>3,806,270</b>	<b>2,700,548</b>	<b>2,467,546</b>	<b>233,002</b>	<b>31.8%</b>	<b>64.8%</b>
BB Employee Related Expenses	17,000	12,750	3,289	9,461	74.2%	19.3%
EE - Administrative Expenses	43,945	32,959	7,455	25,504	77.4%	17.0%
FF - Facility Operations	317,000	237,750	186,316	51,434	21.6%	58.8%
GG - Energy Costs and Space Rental	2,999,358	2,249,519	2,192,738	56,780	2.5%	73.1%
HH - Consultant Services	85,820	64,365	21,504	42,861	66.6%	25.1%
JJ - Operational Services	389,255	291,941	242,242	49,699	17.0%	62.2%
KK - Equipment Purchases	52,900	39,675	9,221	30,454	76.8%	17.4%
LL - Equipment Leases and Rental	28,900	21,675	2,734	18,941	87.4%	9.5%
MM - Purchased Client Services	3,600	2,800	1,270	1,530	54.6%	35.3%
NN - Construction and Improvements	24,982	18,737	1,852	16,884	90.1%	7.4%
RR - Entitlement Programs (Scholarships)	350,169	350,169	337,899	12,270	3.5%	96.5%
SS - Debt Payments and Contingency	12,897,864	12,897,864	12,701,775	196,089	1.5%	98.5%
UU - Information Technology	22,868	17,151	14,931	2,220	12.9%	65.3%
Unallocated	27,030	20,273	-	20,273	100.0%	0.0%
Transfer from the University	(421,349)	(421,349)	(421,349)	-	0.0%	100%
<b>Total Expenses/Transfers</b>	<b>\$ 20,645,612</b>	<b>\$ 18,536,825</b>	<b>\$ 17,769,422</b>	<b>\$ 767,403</b>	<b>4.1%</b>	<b>100.0%</b>
<b>Net</b>	<b>\$ (796,953)</b>	<b>\$ 1,262,778</b>	<b>\$ (3,870,698)</b>	<b>\$ (5,133,476)</b>	<b>-406.5%</b>	



Fiscal Year : July 1st - June 30th

**Dining Services Financial Report  
Quarter Ending March 31, 2020**

				Fav/(Unfav)		
	<u>Annual FY20 Budget</u>	<u>FY20 3rd Qtr. Budget</u>	<u>FY20 3rd Qtr. Actual</u>	<u>Budget Variance</u>	<u>Percent Variance</u>	<u>Percent Realized/ Expended</u>
<b>Metrics</b>						
Meal Plan Participants - Fall % Participation	2,771	2,771	2,701 64%	(70)	-2.5%	
Meal Plan Participants - Spring % Participation	2,520	2,520	1,203 28.5%	(1,318)	-52.3%	
<b>Staffing</b>						
Full-time	65	65	57	8	12.3%	
<b>Revenue</b>						
Board Revenue	\$ 9,452,860	\$ 9,452,860	\$ 7,199,641	\$ (2,253,219)	-23.8%	76.2%
Catering Sales - Internal	493,925	370,444	450,568	80,124	21.6%	91.2%
Catering Sales - External	79,884	59,913	28,466	(31,447)	-52.5%	35.6%
Retail Sales	609,455	457,091	461,210	4,119	0.9%	75.7%
Miscellaneous Revenue	-	-	48,298	48,298	-	-
<b>Total Revenue</b>	<b>\$ 10,636,124</b>	<b>\$ 10,340,308</b>	<b>\$ 8,188,183</b>	<b>\$ (2,152,125)</b>	<b>-20.81%</b>	<b>77.0%</b>
<b>Expenses</b>						
AA - Regular Employee Compensation	\$ 2,230,751	\$ 1,587,265	\$ 1,593,958	\$ (6,692)	-0.4%	71.5%
CC - Special Employees	1,160,898	847,456	871,476	(24,021)	-2.8%	75.1%
DD - Pension and Fringe Benefits	835,089	594,198	577,169	17,029	2.9%	69.1%
<b>Compensation expense subtotal</b>	<b>4,226,738</b>	<b>3,028,919</b>	<b>3,042,603</b>	<b>(13,684)</b>	<b>-0.5%</b>	<b>72.0%</b>
BB - Employee Related expenses	164,860	123,645	17,500	106,145	85.8%	10.6%
EE - Administrative Expenses	34,354	25,766	20,944	4,822	18.7%	61.0%
FF - Facility Operations	3,170,274	2,472,814	2,311,252	161,562	6.5%	72.9%
GG - Energy Costs and Space Rental	479	359.25	257	102	28.4%	53.7%
HH - Consultant Services	27,654	20,741	2,750	17,991	86.7%	9.9%
JJ - Operational Services	54,143	40,607	(7,287)	47,895	117.9%	-13.5%
KK - Equipment Purchases	24,463	18,347.25	24,119	(5,772)	-31.5%	98.6%
LL - Equipment Leases and Rental	65,123	48,842	37,989	10,853	22.2%	58.3%
RR - Entitlement Programs (Scholarships)	26,590	19,943	19,670	273	1.4%	74.0%
SS - Debt Payments and Contingency	313,004	319,901	319,901	-	0.0%	102.2%
UU - Information Technology	47,863	35,897	36,197	(299)	-0.8%	75.6%
Unallocated	79,771	-	-	-	0.0%	-
Transfer to the University	2,400,808	1,800,606	1,800,606	-	-	75.0%
<b>Other Expense/Transfers Total</b>	<b>6,409,386</b>	<b>4,927,468</b>	<b>4,583,898</b>	<b>343,570</b>	<b>7.0%</b>	<b>71.5%</b>
<b>Total Expenses/Transfers</b>	<b>\$ 10,636,124</b>	<b>\$ 7,956,386</b>	<b>\$ 7,626,501</b>	<b>\$ 329,886</b>	<b>4.1%</b>	<b>71.7%</b>
<b>Net</b>	<b>\$ -</b>	<b>\$ 2,383,922</b>	<b>\$ 561,682</b>	<b>\$ (1,822,239)</b>	<b>-76.4%</b>	



Fiscal Year : July 1st - June 30th

**Financial Report (Consolidated)  
Quarter Ending March 31, 2019**

	<b>Annual FY19 Budget</b>	<b>FY19 3rd Qtr. Budget</b>	<b>FY 19 3rd Qtr. Actual</b>	<b>Budget Variance</b>	<b>Percent Variance</b>	<b>Percent Realized/ Expended</b>
<b><u>Enrollment</u></b>						
University (Headcount)	4,350	4,350	4,215	(135)	-3.1%	
<b><u>Enrollment</u></b>						
CGCE (Credit Hours)	32,237	25,790	26,779	989	3.8%	
<b><u>Staffing</u></b>						
Administrative	495	495	472	(23)	-4.6%	
Full-time Faculty	242	242	231	(11)	-4.5%	
Adjuncts (University Only) FTE	195	195	212	17	8.7%	
<b>Total</b>	<b>932</b>	<b>932</b>	<b>915</b>	<b>(17)</b>	<b>-1.8%</b>	
<b><u>Revenue</u></b>						
University/SGA	\$ 78,371,441	\$ 70,693,417	\$ 70,839,554	\$ 146,137	0.2%	90.4%
CGCE	10,952,646	9,490,913	9,843,376	352,463	3.7%	89.9%
Residential Life	20,060,095	19,995,651	18,515,441	(1,480,210)	-7.4%	92.3%
Dining Services	11,082,010	10,810,948	10,147,948	(663,000)	-6.1%	91.6%
<b>Total Revenue</b>	<b>\$ 120,466,192</b>	<b>\$ 110,990,928</b>	<b>\$ 109,346,319</b>	<b>\$ (1,644,609)</b>	<b>-1.5%</b>	<b>90.8%</b>
<b><u>Expenses/Transfers</u></b>						
University/SGA	\$ 79,633,185	\$ 57,415,445	\$ 53,135,504	\$ (4,279,941)	-7.5%	66.7%
CGCE	10,952,646	7,451,383	7,126,887	(324,496)	-4.4%	65.1%
Residential Life	20,060,095	17,894,962	17,632,069	(262,893)	-1.5%	87.9%
Dining Services	11,082,010	8,293,557	8,353,710	60,153	0.7%	75.4%
<b>Total Expenses/Transfers</b>	<b>\$ 121,727,936</b>	<b>\$ 91,055,347</b>	<b>\$ 86,248,170</b>	<b>\$ (4,807,177)</b>	<b>-5.3%</b>	<b>70.9%</b>
<b><u>Net</u></b>						
University/SGA	\$ (1,261,744)	\$ 13,277,972	\$ 17,704,050	\$ 4,426,078	33.3%	
CGCE	-	2,039,530	2,716,489	676,959	33.2%	
Residential Life	-	2,100,689	883,372	(1,217,317)	-57.9%	
Dining Services	-	2,517,390	1,794,238	(723,152)	-28.7%	
<b>Total</b>	<b>\$ (1,261,744)</b>	<b>\$ 19,935,581</b>	<b>\$ 23,098,149</b>	<b>\$ 3,162,568</b>	<b>15.9%</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 3rd 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.

Fiscal Year : July 1st - June 30th

**University/SGA Financial Report**  
**Quarter Ending March 31, 2019**

	Annual FY19 Budget	FY19 3rd Qtr. Budget	FY 19 3rd Qtr. Actual	Budget Variance	Percent Variance	Percent Realized/ Expended
<b>Enrollment</b>						
Total Undergraduate Enrollment	4,350	4,350	4,215	(135)	-3.1%	
<b>Staffing</b>						
Administrative	350	350	333	(17)	-4.9%	
Full-time Faculty	227	227	217	(10)	-4.4%	
Adjuncts (FTE)	195	195	212	17	8.7%	
Total	772	772	762	(10)	-1.3%	
<b>Revenue</b>						
State Appropriation	\$ 27,364,967	\$ 20,523,725	\$ 22,089,703	\$ 1,565,978	7.6%	80.7%
Tuition Retention	3,203,000	3,203,000	3,295,474	92,474	2.9%	102.9%
General Fee	37,001,100	37,001,100	35,859,555	(1,141,545)	-3.1%	96.9%
Technology Fee	3,175,500	3,175,500	3,076,874	(98,626)	-3.1%	96.9%
DGCE Fees (technology/capital planning)	250,000	217,500	203,412	(14,088)	-6.5%	81.4%
Capital Improvement Fee	435,000	435,000	421,480	(13,520)	-3.1%	96.9%
Bookstore Commissions	285,000	205,200	197,389	(7,811)	-3.8%	69.3%
Interest Earnings	370,000	286,750	366,072	79,322	27.7%	98.9%
Nursing Fee	173,700	173,700	160,499	(13,201)	-7.6%	92.4%
Parking Decals	260,000	260,000	285,184	25,184	9.7%	109.7%
Wellness Center	565,000	565,000	485,826	(79,174)	-14.0%	86.0%
Cable TV	452,540	452,540	402,475	(50,065)	-11.1%	88.9%
Res Life Dorm Fee	266,200	266,200	236,750	(29,450)	-11.1%	88.9%
Phone Service	266,200	266,200	236,750	(29,450)	-11.1%	88.9%
Dunkin' Donuts & Vending Commissions	153,000	134,750	127,355	(7,395)	-5.5%	83.2%
Miscellaneous Fees/Revenue	584,100	549,090	462,450	(86,640)	-15.8%	79.2%
Student Government Association	449,350	449,350	434,191	(15,159)	-3.4%	96.6%
Federal, State and Private Grants	11,573,252	11,257,551	10,949,355	(308,196)	-2.7%	94.6%
Scholarship Allowance	(10,310,448)	(10,310,448)	(10,077,454)	232,994	-2.3%	97.7%
Other Auxiliary revenues	1,428,980	1,188,311	1,232,816	44,505	3.7%	86.3%
Foundation Support	425,000	393,398	393,398	-	0.0%	92.6%
<b>Total Revenue</b>	<b>\$ 78,371,441</b>	<b>\$ 70,693,417</b>	<b>\$ 70,839,554</b>	<b>\$ 146,137</b>	<b>0.2%</b>	<b>90.4%</b>
<b>Expenses</b>						
AA - Regular Employee Compensation	\$ 45,422,592	\$ 32,319,921	\$ 30,735,462	\$ (1,584,459)	-4.9%	67.7%
CC - Special Employees	6,225,012	4,567,200	4,783,086	215,886	4.7%	76.8%
DD - Pension and Fringe Benefits	7,488,070	5,339,588	4,235,269	(1,104,319)	-20.7%	56.6%
<b>Compensation expense subtotal</b>	<b>59,135,674</b>	<b>42,226,710</b>	<b>39,753,817</b>	<b>(2,472,893)</b>	<b>-5.9%</b>	<b>67.2%</b>
BB - Employee Related expenses	651,918	488,939	341,944	(146,995)	-30.1%	52.5%
EE - Administrative Expenses	1,837,276	1,377,957	1,036,836	(341,121)	-24.8%	56.4%
FF - Facility Operations	1,310,899	983,174	911,365	(71,809)	-7.3%	69.5%
GG - Energy Costs and Space Rental	2,816,906	2,139,529	2,058,560	(80,969)	-3.8%	73.1%
HH - Consultant Services	1,158,516	868,887	879,242	10,355	1.2%	75.9%
JJ - Operational Services	1,223,158	917,369	797,138	(120,231)	-13.1%	65.2%
KK - Equipment Purchases	443,901	295,934	197,559	(98,375)	-33.2%	44.5%
LL - Equipment Leases and Rental	978,673	734,005	709,703	(24,302)	-3.3%	72.5%
MM - Purchased Client Services	457,236	355,628	268,487	(87,141)	-24.5%	58.7%
NN - Construction and Improvements	2,982,887	1,879,219	1,247,556	(631,663)	-33.6%	41.8%
RR - Entitlement Programs (Scholarships)	3,479,874	3,335,301	3,335,301	-	0.0%	95.8%
SS - Debt Payments and Contingency	1,877,425	1,462,161	1,462,161	-	0.0%	77.9%
UU - Information Technology	3,825,627	2,755,220	2,695,294	(59,926)	-2.2%	70.5%
Student Government	449,350	349,494	283,781	(65,713)	-18.8%	63.2%
Athletics - Sport Accounts	525,761	408,925	400,188	(8,737)	-2.1%	76.1%
Academic Educational Services (ESTF)	374,559	291,324	210,902	(80,422)	-27.6%	56.3%
University Hall support payment	150,000	150,000	150,000	-	0.0%	100.0%
Unallocated	574,817	-	-	-	-	0.0%
University Contingency	184,502	-	-	-	-	0.0%
Transfer from Dining	(2,405,774)	(1,804,330)	(1,804,330)	-	0.0%	75.0%
Transfer from CGCE	(2,400,000)	(1,800,000)	(1,800,000)	-	0.0%	75.0%
<b>Other Expense/Transfers Total</b>	<b>20,497,511</b>	<b>15,188,735</b>	<b>13,381,687</b>	<b>(1,807,048)</b>	<b>-11.9%</b>	<b>65.3%</b>
<b>Total Expenses/Transfers</b>	<b>\$ 79,633,185</b>	<b>\$ 57,415,445</b>	<b>\$ 53,135,504</b>	<b>\$ (4,279,941)</b>	<b>-7.5%</b>	<b>66.7%</b>
<b>Net</b>	<b>\$ (1,261,744)</b>	<b>\$ 13,277,972</b>	<b>\$ 17,704,050</b>	<b>\$ 4,426,078</b>	<b>33.3%</b>	

Fiscal Year : July 1st - June 30th

**CGCE Financial Report**  
**Quarter Ending March 31, 2019**

	<b>Annual FY19 Budget</b>	<b>FY19 3rd Qtr. Budget</b>	<b>FY 19 3rd Qtr. Actual</b>	<b>Budget Variance</b>	<b>Percent Variance</b>	<b>Percent Realized/ Expended</b>
<b>Enrollment (Number of Credits)</b>						
Graduate	11,114	8,891	10,431	1,540	17.3%	
PA	2,520	2,016	1,808	(208)	-10.3%	
Undergraduate	18,603	14,882	14,540	(342)	-2.3%	
<b>Total</b>	<b>32,237</b>	<b>25,790</b>	<b>26,779</b>	<b>989</b>	<b>3.8%</b>	
<b>Staffing</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>Revenue</b>						
Tuition (Including Educational Services Fee)	\$ 2,664,139	\$ 2,317,801	\$ 2,514,781	\$ 196,980	8.5%	94.4%
Instructional Fee	7,786,800	6,774,516	6,833,667	59,151	0.9%	87.8%
Registration Fee	307,620	267,629	331,990	64,361	24.0%	107.9%
Miscellaneous	187,000	124,667	156,907	32,240	25.9%	83.9%
Transcripts	7,087	6,300	6,031	(269)	-4.3%	85.1%
<b>Total Revenue</b>	<b>\$ 10,952,646</b>	<b>\$ 9,490,913</b>	<b>\$ 9,843,376</b>	<b>\$ 352,463</b>	<b>3.7%</b>	<b>89.9%</b>
<b>Expenses</b>						
AA - Regular Employee Compensation	\$ 3,124,551	\$ 2,187,661	\$ 2,059,946	\$ (127,715)	-5.8%	65.9%
CC - Special Employees	2,882,380	1,945,281	2,023,792	78,511	4.0%	70.2%
DD - Pension and Fringe Benefits	1,250,859	868,783	773,386	(95,397)	-11.0%	61.8%
<b>Compensation expense subtotal</b>	<b>7,257,790</b>	<b>5,001,726</b>	<b>4,857,124</b>	<b>(144,602)</b>	<b>-2.9%</b>	<b>66.9%</b>
BB - Employee Related expenses	92,931	72,280	41,796	(30,484)	-42.2%	45.0%
EE - Administrative Expenses	410,259	307,694	197,609	(110,085)	-35.8%	48.2%
FF - Facility Operations	24,069	18,052	20,234	2,182	12.1%	84.1%
HH - Consultant Services	395,620	51,615	62,312	10,697	20.7%	15.8%
JJ - Operational Services	52,362	40,726	17,018	(23,708)	-58.2%	32.5%
KK - Equipment Purchases	10,630	7,973	6,176	(1,797)	-22.5%	58.1%
LL - Equipment Leases and Rental	1,500	1,125	-	(1,125)	-100.0%	0.0%
MM - Purchased Client Services	2,000	1,375	1,375	-	-	68.8%
RR - Entitlement Programs (Scholarships)	65,000	65,000	65,000	-	0.0%	100.0%
UU - Information Technology	111,757	83,818	58,243	(25,575)	-30.5%	52.1%
Unallocated	128,728	-	-	-	-	0.0%
Transfer to the University	2,400,000	1,800,000	1,800,000	-	0.0%	75.0%
<b>Other Expense/Transfers Total</b>	<b>3,694,856</b>	<b>2,449,657</b>	<b>2,269,763</b>	<b>(179,894)</b>	<b>-7.3%</b>	<b>61.4%</b>
<b>Total Expenses/Transfers</b>	<b>\$ 10,952,646</b>	<b>\$ 7,451,383</b>	<b>\$ 7,126,887</b>	<b>\$ (324,496)</b>	<b>-4.4%</b>	<b>65.1%</b>
<b>Net</b>	<b>\$ -</b>	<b>\$ 2,039,530</b>	<b>\$ 2,716,489</b>	<b>\$ 676,959</b>	<b>33.2%</b>	

Fiscal Year : July 1st - June 30th

**Residential Life Financial Report  
Quarter Ending March 31, 2019**

	<b>Annual FY19 Budget</b>	<b>FY19 3rd Qtr. Budget</b>	<b>FY 19 3rd 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	2,447	2,264	(183)	-7.5%	
Percentage of Capacity	91.2%	91.2%	86.0%			
<b>Staffing</b>						
Administrative	52	52	48	(4)	-7.7%	
<b>Revenue</b>						
Room Rent Fall	\$ 10,075,074	\$ 10,075,074	\$ 9,552,707	\$ (522,367)	-5.2%	94.8%
Room Rent Spring	9,559,121	9,559,121	8,687,953	(871,168)	-9.1%	90.9%
Room Rent Summer	118,400	118,400	78,985	(39,415)	-33.3%	66.7%
Commissions	107,500	83,611	79,358	(4,253)	-5.1%	73.8%
Guest Fees/other	70,000	54,444	6,392	(48,052)	-88.3%	9.1%
Deposits Forfeited	80,000	80,000	109,794	29,794	37.2%	137.2%
Room Damages	50,000	25,000	252	(24,748)	-99.0%	0.5%
<b>Total Revenue</b>	<b>\$ 20,060,095</b>	<b>\$ 19,995,651</b>	<b>\$ 18,515,441</b>	<b>\$ (1,480,210)</b>	<b>-7.4%</b>	<b>92.3%</b>
<b>Expenses</b>						
AA - Regular Employee Compensation	\$ 2,366,517	\$ 1,683,868	\$ 1,694,865	\$ 10,997	0.7%	71.6%
CC - Special Employees	726,434	508,504	444,465	(64,039)	-12.6%	61.2%
DD - Pension and Fringe Benefits	834,356	554,604	581,635	27,031	4.9%	69.7%
<b>Compensation expense subtotal</b>	<b>3,927,307</b>	<b>2,746,976</b>	<b>2,720,965</b>	<b>(26,011)</b>	<b>-0.9%</b>	<b>69.3%</b>
BB - Employee Related expenses	15,000	11,250	8,819	(2,431)	-21.6%	58.8%
EE - Administrative Expenses	54,000	40,500	20,607	(19,893)	-49.1%	38.2%
FF - Facility Operations	294,880	221,160	196,930	(24,230)	-11.0%	66.8%
GG - Energy Costs and Space Rental	2,960,764	2,247,950	2,335,613	87,663	3.9%	78.9%
HH - Consultant Services	31,940	23,955	25,550	1,595	6.7%	80.0%
JJ - Operational Services	379,689	284,767	272,707	(12,060)	-4.2%	71.8%
KK - Equipment Purchases	14,660	10,995	-	(10,995)	-100.0%	0.0%
LL - Equipment Leases and Rental	58,639	43,979	25,986	(17,993)	-40.9%	44.3%
MM - Purchased Client Services	4,800	3,733	3,004	(729)	-19.5%	62.6%
NN - Construction and Improvements	15,532	11,649	2,201	(9,448)	-81.1%	14.2%
RR - Entitlement Programs (Scholarships)	344,331	344,331	344,331	-	0.0%	100.0%
SS - Debt Payments and Contingency	11,996,343	11,996,343	11,784,601	(211,742)	-1.8%	98.2%
UU - Information Technology	30,325	25,244	26,908	1,664	6.6%	88.7%
Hall Councils	41,310	32,130	13,847	(18,283)	-56.9%	33.5%
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>15,147,986</b>	<b>14,911,104</b>	<b>(236,882)</b>	<b>-1.6%</b>	<b>92.4%</b>
<b>Total Expenses/Transfers</b>	<b>\$ 20,060,095</b>	<b>\$ 17,894,962</b>	<b>\$ 17,632,069</b>	<b>\$ (262,893)</b>	<b>-1.5%</b>	<b>87.9%</b>
<b>Net</b>	<b>\$ -</b>	<b>\$ 2,100,689</b>	<b>\$ 883,372</b>	<b>\$ (1,217,317)</b>	<b>-57.9%</b>	

Fiscal Year : July 1st - June 30th

**Dining Services Financial Report  
Quarter Ending March 31, 2019**

	<b>Annual FY19 Budget</b>	<b>FY19 3rd Qtr. Budget</b>	<b>FY 19 3rd 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			64%			
Meal Plan Participants - Spring	2,596	2,596	2,505	(91)	-3.5%	
% Participation			62%			
<b>Staffing</b>						
Full-time	63	63	61	(2)	-3.2%	
<b>Revenue</b>						
Board Revenue	\$ 9,997,760	\$ 9,997,760	\$ 9,261,853	\$ (735,907)	-7.4%	92.6%
Catering Sales - Internal	352,000	264,000	373,139	109,139	41.3%	106.0%
Catering Sales - External	140,000	105,000	28,109	(76,891)	-73.2%	20.1%
Retail Sales	592,250	444,188	481,470	37,283	8.4%	81.3%
Miscellaneous Revenue	-	-	3,377	3,377	-	-
<b>Total Revenue</b>	<b>\$ 11,082,010</b>	<b>\$ 10,810,948</b>	<b>\$ 10,147,948</b>	<b>\$ (663,000)</b>	<b>-6.1%</b>	<b>91.6%</b>
<b>Expenses</b>						
AA - Regular Employee Compensation	\$ 2,133,237	\$ 1,599,928	\$ 1,732,513	\$ 132,585	8.3%	81.2%
CC - Special Employees	1,167,408	852,208	880,534	28,326	3.3%	75.4%
DD - Pension and Fringe Benefits	824,288	570,859	617,216	46,357	8.1%	74.9%
<b>Compensation expense subtotal</b>	<b>4,124,933</b>	<b>3,022,994</b>	<b>3,230,263</b>	<b>207,269</b>	<b>6.9%</b>	<b>78.3%</b>
BB - Employee Related expenses	22,141	16,606	9,415	(7,191)	-43.3%	42.5%
EE - Administrative Expenses	40,500	30,375	20,933	(9,442)	-31.1%	51.7%
FF - Facility Operations	3,462,453	2,700,713	2,609,939	(90,774)	-3.4%	75.4%
GG - Energy Costs and Space Rental	500	375	372	(3)	-0.8%	74.4%
HH - Consultant Services	273,250	136,220	136,220	-	0.0%	49.9%
JJ - Operational Services	50,400	37,800	25,645	(12,155)	-32.2%	50.9%
KK - Equipment Purchases	25,000	18,750	9,758	(8,992)	-48.0%	39.0%
LL - Equipment Leases and Rental	68,324	51,243	47,056	(4,187)	-8.2%	68.9%
MM - Purchased Client Services	-	-	32	32	-	-
RR - Entitlement Programs (Scholarships)	41,216	41,216	21,215	(20,001)	-48.5%	51.5%
SS - Debt Payments and Contingency	312,777	312,777	318,393	5,616	1.8%	101.8%
UU - Information Technology	46,500	34,875	34,856	(19)	-0.1%	75.0%
Unallocated	208,242	85,283	85,283	-	0.0%	41.0%
Transfer to the University	2,405,774	1,804,330	1,804,330	-	0.0%	75.0%
<b>Other Expense/Transfers Total</b>	<b>6,957,077</b>	<b>5,270,563</b>	<b>5,123,447</b>	<b>(147,116)</b>	<b>-2.8%</b>	<b>73.6%</b>
<b>Total Expenses/Transfers</b>	<b>\$ 11,082,010</b>	<b>\$ 8,293,557</b>	<b>\$ 8,353,710</b>	<b>\$ 60,153</b>	<b>0.7%</b>	<b>75.4%</b>
<b>Net</b>	<b>\$ -</b>	<b>\$ 2,517,390</b>	<b>\$ 1,794,238</b>	<b>\$ (723,152)</b>	<b>-28.7%</b>	

**Westfield State University**  
**FY20 Year End Projection**

	Incr / (Decr)	
<b>FY20 Revenue Budget</b>	<b>124,151,260</b>	
Refunds due to Covid-19	(6,634,854)	
Net Deficit due to Enrollment Decline	(3,181,599)	
<b>Total Projected Revenue Losses</b>	<b>(9,816,453)</b>	
<b>FY20 Adjusted Revenue Projection</b>	<b>114,334,807</b>	a
<b>FY20 Expense Budget</b>	<b>125,680,746</b>	
Vacancy Savings Incl. Fringe	(5,611,271)	
Spending Freeze	(3,749,382)	
CGCE Cost Avoidance	(1,153,117)	
VSIP Payout	2,891,689	
Operating Expenses Exceeding Budget	298,827	
Covid-19 Expenses	202,458	
<b>Total Projected Cost Avoidance</b>	<b>(7,120,796)</b>	
<b>FY20 Adjusted Expense Projection</b>	<b>118,559,950</b>	b
FY20 Projected Gross Deficit	(4,225,143)	=a-b
Less: FY20 Budgeted Use of Reserves	(1,529,486)	
<b>FY20 Projected Net Deficit</b>	<b>(2,695,657)</b>	
<b>Note:</b>		
<b>FY0 VSIP Payout</b>	<b>2,891,689</b>	

Westfield State University  
 COVID-19 Financial Impact Analysis

4/20/2020

Revenue	Operating	Dining	Res Life	CGCE	Total All Funds
RHTF Refund			(4,165,099)		(4,165,099)
Additional RHTF Refunds on Hold			(64,284)		(64,284)
Lansdowne Refund	(192,462)				(192,462)
Dining Refund		(1,808,665)			(1,808,665)
International Student Trips	(148,600)				(148,600)
CGCE Loss on Summer Revenue				(255,744)	(255,744)
<b>COVID 19 Revenue Impact Subtotal</b>	<b>(341,062)</b>	<b>(1,808,665)</b>	<b>(4,229,383)</b>	<b>(255,744)</b>	<b>(6,634,854)</b>
Additional RHTF Deficit			(1,244,081)		(1,244,081)
Additional Lansdowne Deficit	(283,035)				(283,035)
Dining Revenue Shortfall		(445,000)			(445,000)
Unsolved FY20 Deficit: Net of add'l state appropriation	(822,347)				(822,347)
Additional FY20 Deficit adj for enrollment actuals	(387,136)				(387,136)
<b>Standard Operations Subtotal</b>	<b>(1,492,518)</b>	<b>(445,000)</b>	<b>(1,244,081)</b>	<b>-</b>	<b>(3,181,599)</b>
<b>Total Revenue Projection</b>	<b>(1,833,580)</b>	<b>(2,253,665)</b>	<b>(5,473,464)</b>	<b>(255,744)</b>	<b>(9,816,453)</b>
Expense Fav/(Unfav)	Operating	Dining	Res Life	CGCE	Total All Funds
Dining Operational Savings		1,154,365			1,154,365
Residential Life Operational Savings			951,151		951,151
Non-Comp Spending Freeze	1,643,865				1,643,865
CGCE Cost Avoidance due to C-19				1,153,117	1,153,117
Additional Costs related to Covid-19	(202,458)				(202,458)
<b>Est. COVID 19 Impact Subtotal</b>	<b>1,441,407</b>	<b>1,154,365</b>	<b>951,151</b>	<b>1,153,117</b>	<b>4,700,041</b>
Full Year Vacancy Savings Projection	3,359,906	214,410	301,671	192,805	4,068,792
Fringe on Vacancy Savings	1,273,740	81,283	114,363	73,093	1,542,479
VSIP Payout Incl. Accruals	(2,743,259)	-	(123,976)	(24,455)	(2,891,689)
Unspent Strategic Plan Funds	63,000				63,000
Institutional Account: Legal	(160,000)				(160,000)
Institutional Account: Work Comp	(75,000)				(75,000)
Overtime/Buyouts	(126,827)				(126,827)
<b>Standard Operations Subtotal</b>	<b>1,591,561</b>	<b>295,693</b>	<b>292,058</b>	<b>241,443</b>	<b>2,420,755</b>
<b>Total Expense Projection</b>	<b>3,032,969</b>	<b>1,450,058</b>	<b>1,243,209</b>	<b>1,394,560</b>	<b>7,120,796</b>
<b>Net FY20 Year-End Projection</b>	<b>1,199,389</b>	<b>(803,607)</b>	<b>(4,230,255)</b>	<b>1,138,816</b>	<b>(2,695,657)</b>
COVID 19 Net	1,100,345	(654,300)	(3,278,232)	897,373	(1,934,813)
Standard Operations Net	99,044	(149,307)	(952,023)	241,443	(760,844)
<b>Total</b>	<b>1,199,389</b>	<b>(803,607)</b>	<b>(4,230,255)</b>	<b>1,138,816</b>	<b>(2,695,657)</b>

**Westfield State University**  
**FY20 Residential Life Reserve Funding Balance**

<b>FY20 Reserve Balance</b>	<b>\$ 5,693,473</b>
<b>FY20 Projected Deficit</b>	
Covid-19 RHTF Refunds	(4,165,099)
Additional Refunds for Housing Students	(64,284)
Enrollment Related RHTF Deficit	(2,041,034)
Covid-19 Cost Avoidance	951,151
Full Year Vacancy Savings Projection	301,671
Fringe on Vacancy Savings	114,363
VSIP Payout Incl. Accruals	(123,976)
<b>FY20 Projected Deficit</b>	<b>(5,027,208)</b>
<b>Total Campus Funding From Savings</b>	<b>1,534,598</b>
<b>Adjusted Deficit</b>	<b>(3,492,610)</b>
<b>FY20 Approved Use of Reserves</b>	<b>\$ 796,953</b>
<b>FY20 Remaining Net Deficit</b>	<b>(2,695,657)</b>
<b>FY20 Mandatory Reserve Balance</b>	<b>\$ 909,372</b>
<b>Remaining Reserve Balance</b>	<b>\$ 2,997,816</b>
<b>Difference B/W</b>	<b>\$ 2,088,444</b>

**Notes:**

- 1) FY20 Lansdowne Deficit excluded from this analysis





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**Westfield State University**  
**April 9, 2020**

The following summarizes the investment mandate and strategy Eaton Vance Investment Counsel is implementing for Westfield State University. We are grateful for the opportunity to manage the University's portfolio.

**Goal of the University Endowment:** The overriding objective is to satisfy the University's cash flow needs and to preserve and enhance the portfolio's inflation adjusted purchasing power over the University's long-term investment time horizon.

**Investment Objective:** To establish and maintain an investment portfolio which is designed to provide for the University's cash flow requirements and principal growth. *To emphasize long-term growth of principal while avoiding excessive risk. Short-term volatility will be tolerated in as much as it is consistent with the volatility of the comparable market indices.*

**Westfield State University Portfolio:**

The asset allocation as of April 9, 2020:

Equity	\$ 7,750,761	(41%)
Bonds	\$ 6,182,530	(32%)
<u>Money Market</u>	<u>\$ 5,190,905</u>	<u>(27%)</u>
Total Market Value	\$ 19,124,196	(100%)

We have targeted a moderately conservative asset mix for the portfolio due to the possibility of near-term market declines. **The long-term target Asset Allocation is 60% Equities, 38% Bonds and 2% in Cash.**

The equity portfolio (41% of assets) is apportioned between a core active global equity strategy and various mutual funds and Exchange Traded Funds (ETFs) invested in Small-Mid Cap US, Developed International and Emerging Markets. The core equity strategy focuses on owning high quality, global companies with underappreciated free cash flow and dividend growth potential. This strategy is comprised of our best ideas within the context of a concentrated, globally diversified portfolio to generate income and protect WSU's capital over time. The largest individual holding represents 1.7% of the portfolio. Our goal is to provide a portfolio targeting strong risk-adjusted returns through a full market cycle (5-10 years). We have stressed quality, as evidenced by the portfolio's estimated free cash flow growth of 15.9% versus the comparable S&P 500 cash flow growth of 9.6%. The portfolio's



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Exchange Traded Funds (ETFs) and mutual fund holdings provide diversification into smaller companies and other geographies.

The fixed income portfolio (32% of assets) is comprised primarily of individual Treasuries and individual investment grade bonds. Due to our concerns about current market conditions and the potential for higher interest rates in the future, the current Fixed Income portfolio is a relatively short duration of 2.4 years. The average portfolio yield is 2.3% and average fixed income S & P rating is AA-. We have been cautious with the recent decline in interest rates and are currently in the process of investing the cash balance into laddered bonds.

**Portfolio Performance:**

The total value of the Westfield State University portfolio on **April 9, 2020 was \$19,124,196** as compared to the September 30, 2019 **portfolio inception date when the market value was \$20,000,000. This represents a decline of 4.4%.**

Today's global pandemic is the most serious health threat that the world has confronted in more than a century.

Work on potential coronavirus vaccines is taking place around the world. Technology has enabled testing at a faster pace than ever before possible. If vaccine trials are successful, an effective vaccine could be available as early as the first quarter of 2021.

Governments have enacted unprecedented amounts of fiscal and monetary stimulus programs. These will doubtlessly soften the dramatic economic negative impact of dealing with the coronavirus. Still, double-digit unemployment rates and widespread business bankruptcies will be a daily news staple for months to come.

Yet the fact remains that once the virus is effectively contained through government policies, vaccines, and/or other medical innovations, businesses will reopen and life will go back to at least a new normal. As such, we continue to focus on owning high quality, strong balance sheet and strong cash flow companies in your portfolios. These are companies we expect to weather the storm and come out on the other side ready to innovate and grow.

Thank you,

**Higher Education Collaborative Investment Team**

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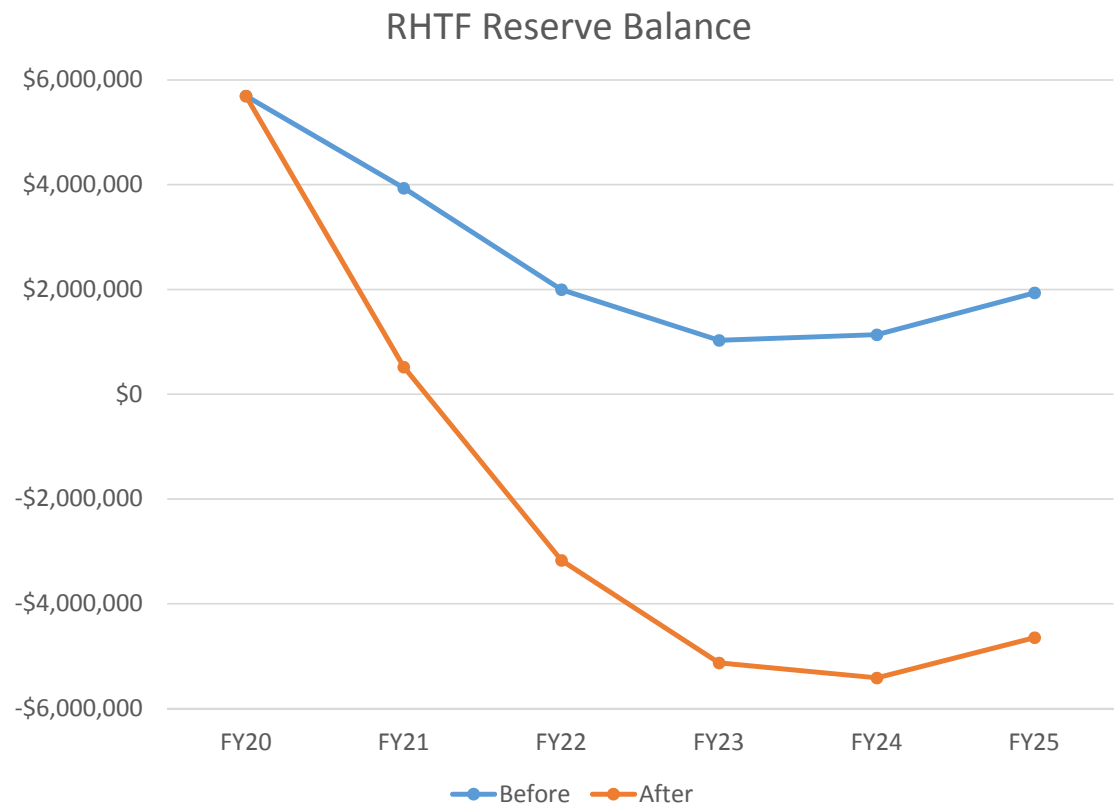
Duke E. LaFlamme, CFA

A handwritten signature in black ink, appearing to read "Robert Quinn", written over a light blue horizontal line.

Robert C. Quinn, CFP, CFA

# FY21 Budget Projection: Before & After Covid

- Projected Occupancy
  - Before: 2,215
  - After: 1,978
- Projected Revenue FY21
  - Before: \$17,041,060
  - After: \$15,208,385
- Projected Deficit FY21
  - Before: (\$1,938,933)
  - After: (\$3,689,113)



# FY21 Expenses

## Residence Hall Expenses

• Debt Service	\$12,835,582
• Utilities	\$ 1,685,860
• Maintainers	\$ 1,524,670
• RA Staff	\$ 515,725
• Res Engagement	\$ 495,167
• MSCBA Grants	\$ 386,704
• Housing Ops	\$ 281,405
• Res Hall Supplies	\$ 155,000
• Res Education	\$ 90,000
• Admin & Tech	\$ 65,000
• <u>Microfridges</u>	<u>\$ 62,000</u>
• <b>Total</b>	<b>\$18,097,108</b>

## Campus Expenses

• Facilities Operations	\$ 500,000
• Trades	\$ 411,455
• Public Safety	\$ 238,495
• <u>Facilities Summer Students</u>	<u>\$ 70,000</u>
• <b>Total</b>	<b>\$1,219,950</b>

# Costs Being Covered in RHTF

## Costs Being Covered

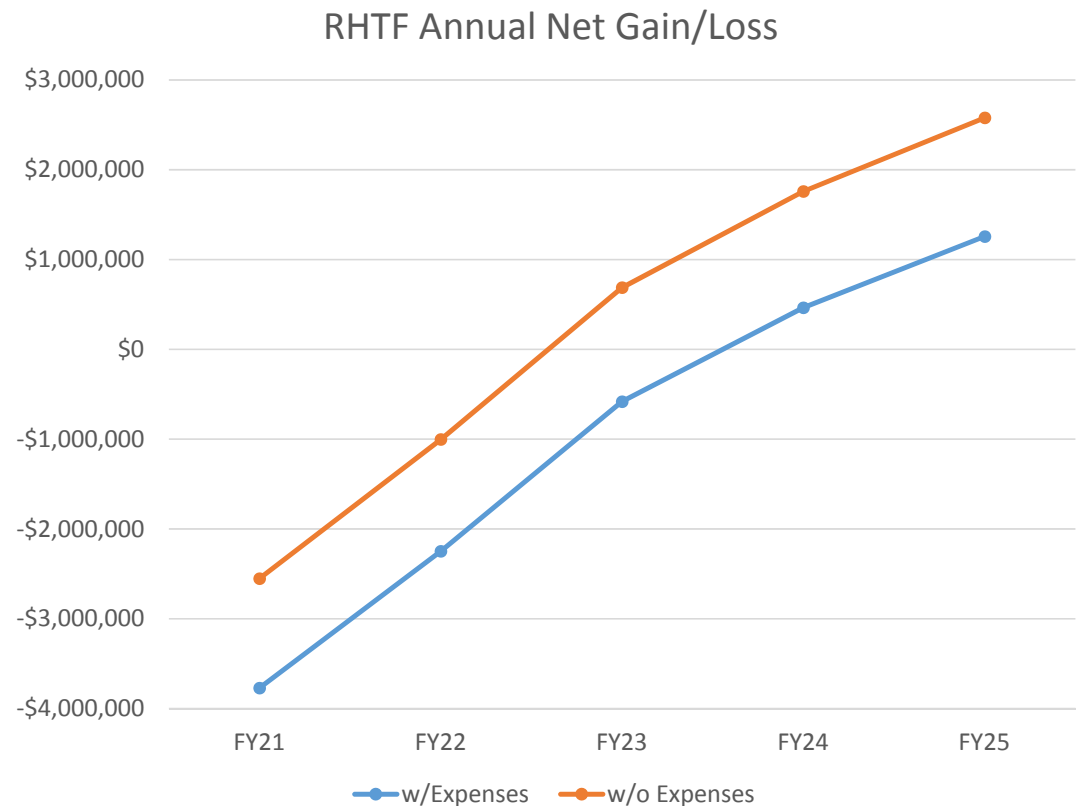
- Debt service on SCA FY21-23
- Utilities for SCA FY21-23
- Summer Bridge Housing
- Fall Athlete Early Arrival
- Presidential suite in NHL
- Use of UNI MPR/Meeting Rooms
- Offices in LAM and SCA

## Estimated Amount

- Minimum \$400,000 per year
- Minimum \$115,000 per year
- Minimum \$50,000 per year
- Minimum \$50,000 per year
- \$38,320 in FY21
- Unknown
- Unknown

# FY21-25 RHTF Projected Net Gain/Loss

- RHTF Projected Deficit with & without Campus Expenses
  - FY21: (\$3,771,608) vs (\$2,551,658)
  - FY22: (\$2,247,218) vs (\$1,002,869)
  - FY23: (\$581,188) vs \$688,048
  - FY24: \$464,773 vs \$1,759,394
  - FY25: \$1,258,096 vs \$2,578,609
- RHTF reserve balance remains negative with campus expenses; positive in FY24 without



# Strategies

## Action

- Staff reductions
- Close a residence hall
- Eliminate Microfridge Program
- Eliminate School Dude
  
- Create 200 premium singles
- Reinststitute Programming Fee
- Summer Conference Revenue

## Projected Savings/Revenue

- \$326,044 (Residential Life)
- \$100,000 (includes utilities and supplies)
- \$64,000 (per year for six years)
- \$10,000 (RHTF portion of cost)
  
- \$400,000 (if all remain full for the year)
- \$37,500 (\$25 per student)
- \$25,000 (increased recruitment)

# Conclusion

- Westfield State University is known as a residential campus and that trait is integral to its identity and marketing.
- The Residential Life program has been a positive factor in our retention and graduation rates.
- Newer housing construction and long-term lease, combined with lower retention rates and lower enrollment has created an overstock of rooms.
- Because most of the revenue is needed to pay the debt service, even gutting the program fails to balance the budget.
- The Residential Life program can no longer sustain itself independently.
- The University needs to support the Residential Life program to maintain the quality of the student experience.



# Commitment Needed

- Due to the Covid-19 refund Residential Life is already below its required reserve.
- To meet minimal operating needs the University will need to contribute \$3.1 million at the end of FY21 to the Residential Life budget.
- To replenish the reserve to the required level (\$900,000) will require an additional \$400,000 at the end of FY20 and \$1 million at the end of FY21.
- We will return to a break even budget in FY24 with a minimum occupancy rate of 91.36%.

**Westfield State University**  
**FY21 Budget Planning Scenarios**  
**Board of Trustees**  
**Finance and Capital Assets Committee**  
**April 30, 2020**

**Overview**

The impact of COVID-19 has required the campus to significantly shift the FY21 budget planning strategy. For several months, the campus was working to balance next year's budget based on early assumptions and projected enrollment impact. Normally, we would be presenting a draft budget for next year at this time. This is not possible at this juncture given the significant shifts occurring in the economy, higher education and the region. What we can provide, is a planning model with new assumptions based on revised enrollment projections. FY21 planning assumptions have dramatically shifted given the current environment. While it is difficult to predict next year's enrollment, the general consensus is that the campus expects significantly lower enrollment and less state appropriation. It is expected that the campus will present a FY21 budget at the June board of trustees meeting.

**Enrollment Projection**

Westfield State University along with many campuses in our region are experiencing enrollment volatility due to several factors, including Covid-19, regional demographics of less graduating high school students, and a retention issue. In order to prepare the campus for an additional significant enrollment/retention decline, the campus has developed an alternate model, Scenario B. The campus had previously recommended Model A which included an enrollment decline of 289 billable students from FY20 to FY21. However, given the unforeseen enrollment decline in FY20 of 283 billable students, the potential impact of Covid-19 on fall enrollment, and the ongoing retention issue, the campus is now preparing for the possibility of a 15% reduction to the entering class and a 7% reduction to the retention rate resulting in a new projection of 3,280 billable students. This translates to an enrollment decline of approximately 20% compared to the FY20 Budget, or 943 billable students.

**Revenue Impact**

- Tuition and Fee and Other Revenue combined would experience a loss of \$8.7 million
- Residential Life occupancy would decline by 15% or 353 residential students, resulting in a revenue loss of \$3.6 million.
- Dining Services would experience a decrease in meal plan participants resulting in a loss of \$1.8 million. Their campus contribution of \$2.4 million would be unachievable, resulting in an adjustment to \$1.2 million, or 50% of their normal contribution.

**Expense Impact**

- Salary increases are not assumed in FY21.
- Fringe rate is increasing by over \$500,000 using Comptrollers recent guidance.
- Residential Life is expected to experience approximately \$360k of cost avoidance mainly due to utility savings and staffing, a majority of expenses are fixed.

- Dining Services projects cost avoidance of \$1.1 million due to reductions in staffing, food costs, and employee related expenses.
- Expense increases compared to FY20 are the result of placeholders for Contractual Increases of \$150k, additional Strategic Plan Investment of \$250k, and programmatic investments in CGCE of \$500k.
- Expense reductions of \$225k for campus contingency and \$100k are included as part of the FY20 action plan to offset the enrollment deficit.

### **State Appropriation**

State Revenue is likely to be challenged by the circumstances surrounding Covid-19 and the resulting impact on state tax revenue. As such, the campus is assuming a 5% reduction to State Appropriation compared to the FY20 Budget of \$29.5 million. Scenario B assumes State Appropriation of \$27.9 million, a decline of \$1.5 million compared to prior year.

### **Summary for FY21**

The outlook for FY21 remains unpredictable and the university will most likely experience significant financial constraints in FY21 due an unprecedented decrease in undergraduate enrollment. This will impact tuition and fee revenue and have a direct impact on Residence Life and Dining Services, which rely heavily on undergraduate residential enrollment.

In order to balance the FY21 Revised Budget Planning Scenario, the campus leveraged the Voluntary Separation Incentive Plan, which resulted in \$1.69m of compensation savings in addition to cost reduction strategies totaling \$1.63 million. However, it is expected that further strategy including cost reductions will need to be developed in order to bring the FY21 budget into balance. It is expected that Residential Life will likely need to continue to use reserves in order to offset a revenue deficit caused by lower occupancy, which is unsustainable in the long run, given the MSCBA required reserve balance threshold of 5% of prior year expenses.

The campus is currently developing strategies to bring the FY21 budget in balance (refer to the Strategies to Balance the FY21 Budget document). Many of the strategies are assumed to be base budget reductions and defined as Tier 1 adjustments. Tier 2 adjustments are assumed to be a combination of temporary and permanent strategies until the fiscal situation is clearer heading into the fall semester.

Westfield State University  
FY21 Scenario Planning

	FY21 Planning Scenarios			Variance FY20 Budget vs. Scenario B	
	FY20 Budget	Working Version Scenario A FY21 Budget Scenario	Scenario B 15% Reduction in Entering Class 7% Reduction to Retention 5% Decrease in Appropriation No Salary Increases	\$ Variance B/(W)	% Change B/(W)
<b>Revenue:</b>					
State Appropriation	\$ 29,463,260	\$ 30,938,125	\$ 27,990,097	(1,473,163)	-5.0%
Total Tuition/Fee Revenue	46,660,681	44,923,837	38,269,935	(8,390,746)	-18.0%
Other Revenue	3,524,290	3,428,975	3,213,732	(310,558)	-8.8%
CGCE	12,142,126	12,670,567	12,670,567	528,441	4.4%
Residential Life	19,848,659	18,258,743	16,210,985	(3,637,674)	-18.3%
Dining Services	10,636,124	10,839,424	8,861,989	(1,774,136)	-16.7%
Foundation	430,000	480,000	480,000	50,000	11.6%
Grant Revenue	1,446,120	1,446,120	1,446,120	-	-
<b>Total Revenue</b>	<b>\$ 124,151,260</b>	<b>\$ 122,985,791</b>	<b>\$ 109,143,424</b>	<b>\$ (15,007,835)</b>	<b>-12%</b>
<b>Expense:</b>					
Compensation	\$ 46,458,639	\$ 46,159,237	\$ 45,765,688	692,951	1.5%
Fringe	7,380,588	6,989,341	7,890,475	(509,887)	-7.3%
Department Operations	21,139,607	21,291,719	21,291,719	(152,112)	-0.7%
Strategic Investments	500,000	750,000	750,000	(250,000)	-33.3%
Financial Aid	3,048,875	3,159,643	3,147,751	(98,876)	-3.1%
Debt Service	2,152,431	2,173,763	2,173,763	(21,332)	-1.0%
Contingency	650,000	425,000	425,000	225,000	52.9%
Capital Investments	2,900,000	2,800,000	2,800,000	100,000	3.6%
CGCE	9,675,685	10,182,048	10,182,048	(506,363)	-5.0%
Residential Life	21,066,961	21,002,705	20,705,305	361,656	1.7%
Dining Services	8,395,317	8,421,003	7,661,988	733,328	8.7%
All Other	2,312,643	2,351,079	2,351,079	(38,436)	-1.6%
<b>Total Expense</b>	<b>\$ 125,680,746</b>	<b>\$ 125,705,538</b>	<b>\$ 125,144,818</b>	<b>\$ 535,928</b>	<b>0.43%</b>
<b>Profit/(Loss)</b>	<b>\$ (1,529,486)</b>	<b>\$ (2,719,747)</b>	<b>\$ (16,001,393)</b>	<b>\$ (14,471,907)</b>	
<b>Reserve Funding</b>	<b>\$ 1,529,486</b>	<b>\$ 2,474,139</b>	<b>\$ 4,092,740</b>	<b>\$ 2,563,254</b>	
<b>Net Profit/(Loss)</b>	<b>(1)</b>	<b>(245,608)</b>	<b>(11,908,654)</b>	<b>(11,908,653)</b>	
<b>Revenue Assumptions:</b>					
Billable Students	4223	3,934	3,280	(943)	-22%
% Change YoY	-3%	-7%	-22%	-22%	765%
Housing Students	2331	2,215	1,978	(353)	-15%
% Change YoY	-3%	-5%	-15%	-15%	527%
Residential Student COA Incr.	3.5%	2.8%	2.8%	-0.7%	-20%
In-State Tuition and Fees Incr.	4.0%	2.7%	2.7%	-1.4%	-34%
General Fee Increase	\$ 420	\$ 290	\$ 290	\$ (130)	-31%
State Appropriation as % of Revenue	24%	25%	26%	2%	8%
Investment Earnings	\$ 677,400	\$ 677,400	\$ 677,400	\$ -	0%
Operating Reserve / Contingency	\$ 650,000	\$ 425,000	\$ 425,000	\$ (225,000)	-35%
<b>Expense Assumptions</b>					
Salary Increases	2% COLA Adj	2% COLA for NUP & NUC	None Planned		
Operations	Level Funded	\$3.1m Reduction	\$3.1m Reduction	(3,100,000)	
Strategic Plan Funding	\$500k	\$750k	\$750k	250,000	50%
<b>Contributions to Operating Budget</b>					
Dining Contribution	\$2.4m	\$2.4m	\$1.2m	\$ -	
CGCE Contribution	\$2.45m	\$2.49m	\$2.49m	\$ 40,000	1.6%
<b>CGCE &amp; Auxiliary Surplus / Deficit</b>					
CGCE Surplus	\$518k	\$317k	\$317k	\$ (201,000)	-39%
Residential Housing Deficit	\$800k	\$1.94M	\$3.54M	\$ (2,740,000)	-343%
Lansdowne Deficit	\$271k	\$655k	\$805k	\$ (534,000)	-142%
Dining Deficit	-	-	-		

**Note:**

- 1) FY21 Scenarios includes budget reductions already assumed into the model.
- 2) FY20 State Appropriation is expected to be \$30.5m