APPROVED

Fitchburg State University

Minutes

Board of Trustees Budget, Finance and Facilities

Date and Time
Tuesday March 26, 2024 at 8:00 AM

Location
Presidents' Hall, Mazzaferro Center, 291 Highland Ave., Fitchburg, MA 01420

The Fitchburg State University Board of Trustees Budget, Finance & Facilities Committee will meet on Tuesday, March 26, 2024 at 8:00 a.m. in Presidents' Hall, Mazzaferro Center, 291 Highland Ave., Fitchburg, MA 01420

Committee Members Present
D. Phillips (remote), D. Tiernan (remote), E. Gregoire (remote), K. Spinelli, M. Fiorentino, Jr. (remote)

Committee Members Absent
None

Ex Officio Members Present
R. Lapidus

Guests Present
C. Bullis, F. Barricelli, G. Doiron, G. Doiron, J. Bry, J. Hanselman, J. Murdoch, J. Wolfman, L. Barrieau (remote), L. Bayless, M. Bruun, P. Marshall, R. Toomey, S. Dodd, S. Levine

I. Opening Items

A. Record Attendance and Guests

B. Call the Meeting to Order

K. Spinelli called a meeting of the Finance Committee Committee of Fitchburg State University to order on Tuesday Mar 26, 2024 at 8:04 AM.

C. Approve Minutes from the November 8, 2023 Budget, Finance, and Facilities meeting- VOTE (26-23/24)

E. Gregoire made a motion to approve the minutes from Board of Trustees Budget, Finance, and Facilities on 11-08-23.
D. Tiernan seconded the motion.
The committee **VOTED** to approve the motion.

Roll Call	
E. Gregoire	Aye
K. Spinelli	Aye
M. Fiorentino, Jr.	Aye
D. Tiernan	Aye
D. Phillips	Absent

II. Draft FY25 Budget Review and Discussion

A. Assumptions

B. Supporting Materials

J. Bry presented a number of documents to the Board with the intention of receiving guidance on a variety of financial issues that need to be addressed for the upcoming full BOT meeting. Information on current revenue and state appropriations was presented. He noted the assumptions being taken relative the next round of collective bargaining. He discussed the summary sheet in detail that included tuition and fees, undergraduate day school enrollment projections, out of state tuition, non-state supported maintenance funds, grants, investments, sales and service, and reserves from the fund balances. He discussed housing and noted a small occupancy rebound, but also emphasized that housing continues to operate at a deficit. University accounts will support the housing shortfall and continued planning will be needed to address excess capacity.

D. Phillips joined the meeting at 8:07 a.m.

M. Fiorentino asked if there will be a more detailed discussion regarding housing? J. Bry responded that it would be discussed later in the meeting.

D. Phillips commented that it is the responsibility of the institution to underwrite the deficit. J. Bry reported that if the institution fails to pay the bond to the MSCBA, the state could intercept state appropriations. The institution was last in this position in 1999 and 2000.

M. Fiorentino said a comprehensive plan for housing is needed and that the university cannot continue to support housing. J. Bry agreed.

There was a discussion.

J. Bry informed the Board of the discussion with Mount Wachusett Community College regarding housing their students. A large number of students is not anticipated. He next talked about the School of Online, Graduate and Continuing Education programs in which enrollment is leveling off. It was noted that revenue for the division has a significant impact on the university budget.

There was a discussion on departmental budgets, salaries, fringe benefits, innovation funds, utilities, leases and properties, financial aid, Mass Grant Program, and enrollment data.

D. Phillips stated that if there were additional questions or concerns on any of these matters to contact J. Bry directly.

M. Fiorentino requested that a financial aid presentation be on the agenda at a future meeting given the complexities of this program.

J. Bry next reported on fund balances and investments.

C. Board Discussion and Guidance

D. Additional Information Desired for Final Presentation

III. Discussion about Fees

A. Review Fee History

B. State University Fee Comparision

J. Bry discussed the fee structure within the state college system stating that differences among institutions was not great. It was noted that Fitchburg State currently had the lowest overall fee rate. He talked about possible fee scenarios, but did not suggest a particular fee rate level to be considered. The BOT was provided information so as to understand the implication on a percent-by-percent basis.

There was a discussion regarding a fee increase for international students that would support a position to assist with the processing and tracking of information required for international students.

M. Fiorentino asked what are the other fee increases being considered? J. Bry responded that an undergraduate fee increase, and an international education fee increase are being considered. We can go a year without a graduate school increase.

C. Board Discussion and Guidance

D. Additional Information Desired for Final Presentation

IV. Personnel Savings

A. Review work done to date

J. Bry discussed the HEIR's report which is a documentation of our headcount to the state.

E. Gregoire left the meeting at 9:30 a.m.

B. Supporting Materials

J. Bry reported on position reduction. He discussed the salary sheet and the areas that had seen reductions. One area was the grounds crew as the university has moved to outsourcing that work.

M. Fiorentino commented that the Trustees should have been informed. D. Phillips agreed, she stated it's important that the Board be aware of these major shifts so if asked in the community, Trustees would know how to respond.

There was a discussion on faculty to student ratios and adjunct faculty. P. Marshall noted that the data being discussed is HEIRS data and not by FTE. There has been an overall reduction in faculty from 209 to 198.

C. Board Discussion and Guidance

D. Additional Information Desired for Final Presentation

V. Future Direction

A. Review Fund Balances

These were discussed earlier in the meeting. J. Bry talked about GASB requirements.

B. Review Ratios

C. Personnel

J. Bry asked what direction do the Trustees want to go regarding positions? He noted that we need to find $1 million in staff reductions.

D. Board Discussion and Guidance

E. Additional Information Desired for Final Presentation

VI. Contract Discussion

A. Jay Bry will provide an update on various contracts

J. Bry discussed contracts. M. Fiorentino asked what is the status of construction projects? J. Bry reported that Conlon Hall is undergoing a study, and the university had submitted paperwork for approval of new windows as a first phase of the work. The heating and cooling work at McKay is underway, some work in the science building, and the enabling phase of the theater project is commencing with a roof and waterproofing of the building. There are no new construction projects on the docket.

M. Fiorentino stated we need to look at what we can afford to do and what we should do. There are significant costs and we need to be cautious of where we go.

VII. Property Updates

A. Jay Bry will provide an update on properties

J. Bry reported that the institution is actively looking at Herlihy Hall with the possibility of bringing in a day care center for faculty, staff and students to generate revenue. A preliminary agreement has been made with MOC. Also, space is being assessed in the building for the nursing sim lab. It was noted that Mara 6 & 7 will be reopened as premium deluxe singles. He discussed using the excess space for apartments for faculty and staff. This could reduce our debt. The Fitchburg Housing Authority is currently considering the purchase of 66 Day Street for affordable housing.

VIII. Commuter Meal Plan and Chartwells Proposal Discussion

A. President Lapidus will provide an update on the Chartwells Proposal

President Lapidus reported that a consultant was hired to put together focus groups and a survey regarding what students thought of the dining hall proposal. A survey was presented to the students and there were 600 responses which was considered a good response rate on this campus. The responses were generally positive and both residential and commuter students expressed enthusiasm for the proposal. Questions regarding the design idea, interest in use, mandatory fee increase for covered by financial

aid received positive response. There were no calculated statistical differences between residential and commuter students in terms of response. He stated that would like to provide a more formal presentation at the next Finance Committee meeting. He noted that there is a one-year delay if the proposal is approved and when the project would be completed and the facility available for use as described. He mentioned that this project would significantly improve with recruiting efforts.

There was a brief discussion regarding the contract with Chartwells which expires in June 2024.

IX. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 10:09 AM.

Respectfully Submitted,
K. Spinelli

Documents used during the meeting

- VOTE Finance Minutes Nov. 8, 2023.pdf
- FY25 BOT Budget Summary - FY25 Budget.pdf
- FY25 BOT Budget Summary - FY25 Board Summary.pdf
- Copy of FFTE Projected and Actual Enrollment Data - FTE from IR (1).pdf
- Investments 063023.xlsx - University (1).pdf
- Tuition & Fee History Since 1997.xlsx - Undergrad.pdf
- Copy of SU- Tuition and Fees History.xlsx - Tuition & Fees.pdf
- Fee Disscusion FY25.pdf
- Copy of FY24 Position Control - FY25 Abol Pos (5).pdf
- HEIRs Payroll and FTE and Enrollment since 2007.xlsx - HC_FTE by Unit - BOT (2).pdf
- FY22 Salaries_Actual_02082023_w notes as 3-15-24.pdf
- NEW N93 Operating Claim on Cash - Summary.pdf
- FY23_FSU_Ratio Calc 2023 with Graphs - Comparison.pdf
- FY23_FSU_Ratio Calc 2023 with Graphs wo GASB as of Mar 21, 2024.pdf
- FY23_FSU_Ratio Calc 2023 BOT 3-26-24 (1) March 21, 2024.xlsx