APPROVED

Fitchburg State University

Minutes

Finance Committee Meeting

Finance Committee Meeting

Date and Time
Wednesday March 25, 2026 at 10:00 AM

Location
This is a virtual only meeting and it will be live streamed:

Public Live Stream:
https://www.fitchburgstate.edu/live

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

Committee Members Absent
D. Tiernan, M. Morris

Ex Officio Members Present
D. Hodge

Guests Present
K. Lundgren, Pam McCafferty, Stacey Luster, Stefan Dodd, Travis Chambers

I. Opening Items

A. **Record Attendance**

B. **Call the Meeting to Order**

K. Spinelli called a meeting of the Finance Committee Committee of Fitchburg State University to order on Wednesday Mar 25, 2026 at 10:06 AM.

C. Approve Minutes

M. Fiorentino, Jr. made a motion to approve the minutes from Finance Committee Meeting on 01-20-26.
E. Gregoire seconded the motion.
The committee **VOTED** to approve the motion.

Roll Call

K. Spinelli	Aye
E. Gregoire	Aye
M. Fiorentino, Jr.	Aye
M. Morris	Absent
D. Tiernan	Absent

II. Budget Update

A. Budget Update

Financial Services Staffing Update
The Financial Services department is currently recruiting for five vacant positions, including the Comptroller, Director of Procurement, a procurement buyer, and two accountants. The roles of director of procurement and comptroller are critical for risk mitigation and university compliance. The university is not planning to replace a budget director, as that responsibility falls to the CFO.

FY26 Budget Update (as of March 6th)

Revenues (Overall, at approximately 85% of projected revenue)

- State Appropriations: The university is on track to spend the current allocation of $45.6 million, which was the final appropriation approved in August, despite the original budget incorrectly estimating $47.2 million. Personnel expenditures are tracking below budget, providing an opportunity to utilize the state appropriations variance to increase the university's overall position. Note that the amount available is dependent on the timing of the CBA MSCA retro pay.
- Tuition and Fees: A net loss of about $787,000 of the projected budget is currently showing. It is to be determined if additional tuition and fees will be collected for the summer session.
- GCE and Accelerated Programs: These areas are expected to generate significant revenues, potentially $3 million more in actual revenue to meet the projected revenue.
- Sales, Service, and Other Income ($4.3 million generated): This figure includes grant funding. The primary reason for the increase over budget is the inclusion of

the $1.6 million State University Success grant money, which was not initially in the FY26 budget. The committee requested a more detailed breakout of this category for future updates.

- Investment Income and Reserves: $38,000 in short-term investment income has been generated, with $3.3 million in long-term unrealized income available in reserves. The university does not anticipate needing to pull from the $2 million in reserves this year.

Expenditures (Overall, at 67% of the assigned budget)

- Personnel Costs: Utilization is at 61% of the personnel budget. Strategic position management is a priority to ensure state appropriations are maximized to cover payroll and mitigate the need to use trust funds or reserves for compensation. The strategy involves being intentional about filling critical positions (e.g., three nursing faculty and a prerequisite AMP faculty position) and holding on positions that no longer serve the institution, rather than operating from an austerity mindset.
- Operational Expenditures: Utilization is around 74% of the assigned budget.
    - Utilities: Utility costs have exceeded the projected budget, driven by an abnormal winter and utilization rates, although current rates are fixed until 2027.
    - Administrative Expenses: Up by about $500,000 from projection. This over-expenditure is likely a mis-categorization of software subscriptions, including databases and individual services like Chat GPT, but mostly data subscriptions. Finance will work to recategorize these and implement controls for individual subscriptions in FY27.
    - Capital Projects: An $8 million spring expense of the MSCBA was incurred, bringing the total debt payment in excess on $11 million. There is also an uptick in internally funded capital projects utilizing DCAMM funding. Strategic investments were made in purchasing key snow removal equipment, which is a priority for campus safety and long-term cost savings.

FY27 Budget Preparation and Revenue Strategies

- Process: 98% of budget requests have been received and categorized. Cabinet members are reviewing requests against historical actuals. The process aims to require cabinet-level members to thoroughly understand both the operational and salary-driven budgets of their reporting units to improve strategic decision-making.
- Funding Outlook: The plan is to aim for flat funding of operations next fiscal year, based on stabilized enrollment.
- Eliminating Chargebacks: The university will eliminate chargebacks to SGOCE (School of Graduate and Continuing Education), which previously saw debited/credited expenditures from other units (e.g., library, IT). This change is intended to show the true expenditures of graduate education, allowing the unit to grow and eliminating a deterrent to increasing fees.

- Scholarship Funding: The budget for scholarships has been increased to $1.2 million, up from $870,000. The goal is to aggressively award all available scholarship funding to attract and retain students, particularly by packaging it with programs like Fitchburg Promise and Direct Admissions, as only $560,000 was awarded last year.
- Unrestricted Fundraising: Continued focus on fundraising for unrestricted funds is critical to building a research and development pool of money. This strategy requires clearly articulating the university's priorities, such as military and veteran student success, and building community trust in the university’s financial stewardship.

III. 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 10:59 AM.

Respectfully Submitted,
K. Spinelli