



BOARD OF TRUSTEES

Financial Affairs and Advancement Committee

December 20, 2022

Minutes

Catherine Dower Center for the Performing and Fine Arts, Room 127

And via Zoom, in accordance with Massachusetts Gov. Charlie Baker's Executive Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, § 20 dated March 12, 2020.

A live stream of the meeting for public viewing also took place on YouTube.

MEMBERS PRESENT: Committee Chair Ali Salehi, Secretary Chris Montemayor, and Trustees Theresa Jasmin and Madeline Landrau

MEMBERS PARTICIPATING REMOTELY: Trustee Chloe Sanfacon

MEMBERS EXCUSED: Vice Chair Paul Boudreau

TRUSTEE GUESTS PRESENT: Trustees Melissa Alvarado and William Reichelt

TRUSTEE GUESTS PARTICIPATING REMOTELY: Trustee Dr. Robert Martin

Also present and participating were Westfield State University President Dr. Linda Thompson; Administration and Finance Vice President Stephen Taksar and Assistant Vice President for Strategic Finance and Institutional Planning Maria Feuerstein; representatives from the Division of Capital Asset Management & Maintenance (DCAMM), Miller Dyer Spears (MDS) and Walsh Brothers; Institutional Advancement Vice President Lisa McMahon; Interim Director of Advancement and Major Gifts William Hynes; and Associate Director of Alumni Relations Ryan Meersman.

Committee Chair Salehi called the meeting to order at 9:05 AM. A roll call was taken of the committee members participating as listed above and it was announced that the meeting was being livestreamed and recorded.

MOTION made by Trustee Jasmin, seconded by Trustee Landrau, to approve the minutes of the October 12, 2022, meeting. There being no discussion, **ROLL CALL VOTE** passed motion unanimously with Trustees voting in the affirmative: Jasmin, Landrau, Montemayor, Sanfacon, and Salehi.

Committee Chair Salehi stated that the campus community needs to make sacrifices together with the students and solid data is needed to make decisions. Planned savings have not materialized and reserves cannot continue to be used to cover deficits.

FY23 First Quarter Financials. Ms. Feuerstein highlighted the data points in the first quarter financial reports.

- This year will have vacancy savings but increased inflationary costs.
- Strategies for growth are needed.
- New initiatives and innovation for additional revenue and external funding are being sought.
- There has been success in securing grants.
- Committee Chair Salehi said to budget for the worst scenario.

Annual Debt Report and Ratios. Mr. Taksar reviewed key points in the annual debt report and ratios.

- A major impact is the GASB regulation in how leases are reported. The MSCBA lease arrangement was converted from an operating lease to a capital lease, adding \$110 million of debt to the books, making it harder to understand the financial position in the financial statements.
- A better representation was calculated in the ratio analysis to give a true financial condition of University and the composite financial index shows a complete picture of the University's financial health. After another year, it can be determined if the downward numbers are a trend.
- Ongoing analyses are being made to restructure the housing debt. It is unlikely to change in the short term.

Parenzo Hall Renovation. Representatives from DCAMM, MDS, and Walsh Brothers gave an update on the progress.

- Building will be fully accessible with open collaboration space.
- Updated floor plans for the basement and first floor were presented.
- Demolition and abatement have been completed.
- Phase 1 is on schedule to complete by July 27 but there are some supply chain issues.
- Academic Affairs is very involved, so work is not disrupted when offices transition back to Parenzo.
- The project is tracking on budget. Two smaller projects (steam lines and tunnels) were added into the total figure, but they were paid by DCAMM. The campus contribution has not increased.
- Some project savings were taken off the entire budget and only 30% of the contingency has been used.

FY24 Budget Planning Scenarios. Mr. Taksar and Ms. Feuerstein presented the following.

- Campus is increasing base funding on a growth plan for financial aid, which does not include Foundation or state aid. Enrollment changes affect financial aid figures.
- Enrollment is presently flat, but we need to forecast, plan, measure and adjust as necessary.
- Scenarios A, B, and C were discussed. Scenario C is the current situation and Scenario B is hopeful. Scenario A was presented to the SGA who will be kept updated. There will be an increase to student fees with any of the scenarios, but increased enrollment will reduce fees.
- The glide path is not embedded in scenario planning until there are more stable figures. A deficit of approximately \$6 million is planned mostly due to inflation and increases to Residential Life. The \$2.65 million use of reserves is not part of the glide path.
- Scenario A was recommended and agreed to by the committee.

Multi-Year Forecast/Projection Update. Mr. Taksar stated a baseline analysis was created based on the information available, but strategies and plans need to be translated into a multiyear structure. A preview was given of the figures used to show students where their dollars are spent. An analysis has been received for gas and electric costs for the next 12-18 months.

Board of Higher Education (BHE) Strategic Review of Higher Education Financing. Mr. Taksar stated there are discussions at the BHE about reducing university appropriations by 50% and putting the remaining 50% at risk based on performance or enrollment-based calculations. The BHE is focused on shifting the metrics

on how they allocate appropriation dollars. Details have not been determined, but there is support to increase financial aid at a significant level partially driven by the fair share amendment funding. [Trustee Jasmin left the meeting at 10:32 AM]

Ms. McMahon shared the following updates from Institutional Advancement (IA).

Motion - Staff Emerita Status. Details and highlights of Terri Haven's contributions to Westfield State University over her ten-year tenure were shared.

MOTION made by Trustee Landrau, seconded by Trustee Montemayor, to approve the granting of staff emerita status, effective December 20, 2022, to the following individual:

Terri Haven

There being no discussion, **ROLL CALL VOTE** passed motion unanimously with Trustees voting in the affirmative: Landrau, Montemayor, Sanfacon, and Salehi (Trustee Jasmin was out of the room).

Institutional Advancement Update. George Flevotomos, the new chair of the Foundation Board, has established a fundraising committee to increase the number of donors and dollars.

First Quarter Dashboard. All figures have increased from last year, there has been expanded engagement, and a wonderful homecoming. The division of Institutional Advancement now includes event management and the marketing, communication, and branding department. [Trustee Jasmin returned at 10:41 AM]. In collaboration with Academic Affairs, IA entered a five-year contract with Foundation Search to identify and seek grants.

Advancement Fundraising and Engagement Opportunities. Mr. Hynes shared the following fundraising events: November 1 direct mailing to 5,000 individuals, Cyber Monday, Giving Tuesday, Annual Thank You, and 12 Days of Giving campaigns. Stelter, a planned giving website, has been launched and two mailings have been sent. Planned giving brochures were handed out. The Hogan Classic in Naples, Florida will take place on March 13 to raise funds for the president's initiatives on access to the University. Give a Hoot, the annual days of giving, will take place on March 22-23, and academic departments are getting involved by raising funds for their programs.

Alumni Fundraising and Engagement Opportunities. Mr. Meersman stated that homecoming and the tenting were successful and engaged more students. The Washington, DC trip provided opportunities for President Thompson to meet with the president of the Washington Center and for alumni and students to connect at a reception on Capitol Hill. There are four new members to the Alumni Association executive council from a range of graduate years. Through the Oral History Project, over 3,000 alumni called to confirm their information and 2,000 new email addresses and cell phone numbers were obtained. On April 8, the Circle K Club will celebrate 50 years of being on campus with a reunion to raise funds for that scholarship.

Ms. McMahon shared that in January she is attending a CASE conference on fundraising with the associate deans. The committee encouraged Institutional Advancement to collaborate with Student Affairs to engage current students in competitions for Give A Hoot.

There being no further business, **MOTION** made by Trustee Jasmin, seconded by Trustee Montemayor, to adjourn. **ROLL CALL VOTE** passed motion unanimously with Trustees voting in the

affirmative: Jasmin, Landrau, Montemayor, Sanfacon, and Salehi.

Meeting adjourned at 11:00 AM.

Attachments presented at this meeting:

- a. Minutes 10-12-22 (Draft)
- b. FY23 First Quarter Financials (Summary)
- c. FY23 First Quarter Financials
- d. FY22 First Quarter Financials
- e. Annual Debt Report and Ratios (Summary)
- f. Annual Debt Report and Ratios (Ratio Tables)
- g. Parenzo Hall Renovation (Presentation)
- h. FY24 Budget Planning Scenarios Presentation (added day of)
- i. FY24 Budget Planning Scenarios (Summary)
- j. FY24 Budget Planning Scenarios (Model)
- k. FY24 Budget Planning Scenarios (Variance)
- l. FY24 Budget Planning Scenarios (Assumptions & Timeline)
- m. BHE Strategic Review of Higher Education Financing (Motion)
- n. Motion – Staff Emerita Status
- o. Staff Emerita Status (Notification Letter)
- p. First Quarter Dashboard
- q. Alumni Fundraising and Engagement Opportunities
- r. Handout: Planned Giving brochures