

MassArt Board of Trustees

Administration and Finance committee

September 17, 2021 9:00-10:00am

Meeting Minutes

Committee members present: Peter Nessen (Co-Chair), Linda Snyder (Co-Chair), Elisa Hamilton, Karen Keane, Mary Grant (ex-officio).

Committee members absent: none.

Other Trustees present: Ella von Huene, Denise Korn, Greg Stone.

MassArt staff present: Bob Perry, Gina Spaziani, Jack McDonald, Peggy Maki, Ellen Carr, Lauren Wilshusen, Robert Chambers Howard Larosee, Patrick O'Connor, Justine Caron, K. John Ashworth-King, Katie Westerlind (Secretary to the Board.)

Call to Order - Co-Chair Linda Snyder

Co-Chair Snyder opened the meeting and welcomed student trustee Ella von Huene '23.

Approval of the Minutes: June 1, 2021 - Co-Chair Snyder

- In order to consolidate procedural matters, roll call vote on minutes will also be considered attendance of the trustees.
- Attendance of other trustees will also be taken to inform the public who is on the call.

On a motion duly made and seconded, by a vote of four in favor, none against, none abstaining:

VOTED: to 1) acknowledge attendance, and 2) approve the minutes of the June 1, 2021 Administration and Finance committee meeting.

Roll call: Hamilton, yes; Keane, yes; Nessen, yes; Snyder, yes.

III. Reports/Presentations

a. Final FY2021 Fiscal Operations Report

- Co-Chair Snyder thanked VP Bob Perry and the budget team and turned the review of the operations report over to him. President Grant and Bob introduced A&F Budget Team, AVP Howie LaRosee from Facilities, and AVP Patrick O'Connor from Technology and acknowledged the work done across campus to keep MassArt in a sound position during difficult times.
- Key Searches – Provost, Academic Affairs 20 FTEs to fill.
- Director of Business Operations Jack McDonald reviewed the FY 20 budget of approx. \$82M revenue and expense. FY21 came in at \$1.1 Expenses and \$6.4M Revenue due to one-time savings in U.G. Payroll (high attrition) for \$2M, Utilities \$450,000, CARES savings impact. Small savings in CE and Grad experienced over budget expenses. Housing Expense was lower and lower than revenue, and Chartwells savings. Removing the one-time aspect of the \$6.1M it lands closer to \$2M.
 - I. Undergraduate savings \$6,221,317. Savings from UG going remote, cost avoidance, less discounting, federal grants (cares, etc.), no travel or catering expenses.
 - II. Graduate (\$151,919.)
 - III. PCE \$97,906.
 - IV. Housing Programs \$640,028. Savings from DCAMM dollars.
 - V. (\$702,048.)

- Co-Chair Snyder acknowledged the budget as “extraordinary results” and along with Co-chair Nessen requested a multi-year budget at the next A&F Committee meeting. Dr. Grant emphasized the importance of strategic savings and there was a discussion of maximizing the singular opportunity of this one time savings, and planning for FY22 and beyond when these savings will not be realized and expenses will return to same or higher levels post Covid, as well as the \$25M fund balance that the state can debit against, long-term liabilities potential. The fund balance also impacts our “Financial Report Card” ratios. The revenue could be leveraged as a buffer to the shadow effect from smaller sized classes, which remains for those subsequent years.

b. FY2022 Update

- Revenues are on Target overall and will include a higher number of In-State students so the mix ratio is a bit off in revenues. Will have an accurate picture after add/drop is complete and the final numbers for Housing & Enrollment.
- Collective bargaining is near completion after a very long process. This will result in higher payroll dollars and how much will be covered by the state is not yet known. The college will have some portion of the increase and Covid bonuses to cover. Expect those checks to employees in early fall. President Grant and other experienced MassArt personnel working with the COP and BHE on the process. President Grant thanked Executive Director of HR, Justine Caron for coming on board during a difficult time. Total bargaining impact \$1.1M. Discussion of the length of this contract, tracking the costs, and snapshot of financial position.

c. Federal Covid Funds

- FY21 \$2.8M with \$714, 000 left. Provided \$1.1M through 2700 individual grants to students. \$900,000 supported Covid testing, Student Kits, Technology needs, and upgrades to shift to remote learning. Will do a housing reimbursement to our trust to replace refunds made to students and this will show as revenues in FY22. FY22 \$2.25M will be distributed in early October followed by targeted grants. \$8.3M overall of which \$4M to students and \$4M to institutional costs due to Covid. No application process to slow down the grants getting into the hands of students. Previously not everyone was eligible (rounds 1 & 2) in round 3 grant amounts to students will be much higher (\$1000 – 1500). The process has changed constantly and is somewhat difficult to manage. MassArt has passed the first round of State Audits. Several Trustees mentioned the positive impact on students and families.

d. Facilities and Information Technology Update

- Facilities:

Six prequalified House Doctors both Architecture and Engineers have been assigned, and will save MassArt the time and strain of a search process. Kennedy Roof, accessible ramp between Collins and North are among upcoming projects. Favorite project is AFSCME break room, which will be greatly appreciated by those workers. Have 3 pending offers on positions. Ongoing Covid safety protocols in facilities including air handlers and ventilators serviced and sterilized, continuous sanitization, and a stockpile of PPE such masks, sanitizer, and air purifiers. A newsletter is in the works but due to heavy back-to-campus load will be delayed slightly. The trustees acknowledged the incredible job by AVP LaRosee and his team throughout Covid, being on campus daily and keeping the campus clean and functioning.

- Technology:

Modernizing Colleague and stabilizing system (cloud), Self-Service interfaces for students for registration, financial aid, and Bursars, Proxy/parent portal for Financial Aid. Projects include; Ellucian Analytics, workflows, and CRM advise, Instant Enrollment for CE, and Integrations, with multiple projects in Que.

Upgrades and refreshes; residence hall Wi-Fi and campus infrastructure, 87 Admin desktops/laptops, new printer/copier lease. Self-Service Wi-Fi registration and access control. Implemented a number of products for online learning. Improving Information Security including penetration testing, multilayer authentication. The trustees acknowledged the work of the IT department in getting classes on-line swiftly and keeping up with the many requests and changes through Covid, as well as getting on to cybersecurity aggressively now and moving forward.

e. Administration & Finance FY22 Initiatives

- o Risk Assessment – campus wide (all departments)
- o Investment Policy – revisit old draft policy to create a working policy
- o DCAMM – continue to work on Tower long term plan
- o Review Fund Balances
- o Implement self-service functionality for Administrative Services
- o New Food Vendor for student dining – work to integrate into the community and to get away from disposable dining ware.

f. Development

VP Marjorie O’Malley provided highlights from the Development presentation due to time constraints. Trustees will receive a copy of the presentations.

- Exceeded Fund by \$1.2M, goal was \$3.8 and raised \$5M. Transferred \$2.6M to the college.
- Started a Finish Line Fund to assist students with smaller sized debt to graduate on time.
- 1/3 of all gifts come from the BOT members and friends.
- Alumni Leadership with JET Office created BIPOC fund and distributed to students.
- Director of Institutional Grants Kristen Heintz-Perkins working closely with AVP for Finance Gina Spaziani on grants.
- Successful Auction during Pandemic - \$1.4M and hoping next year will be in person.
- Received a “clean” audit from O’Connor and Drew”.

The trustees acknowledged the hard work and successful outcomes of the Development team during difficult circumstances.

IV. Adjournment

The meeting was adjourned.

These minutes are submitted as a collective effort between Katie Westerlind, Secretary to the Board, and Margaret Maki, Executive Assistant to the VP of A&F.