

Board of Trustees  
**Administration and Finance Committee**  
September 13, 2019 --- 11:15am-1:15pm  
Alumni Room

**MINUTES**

**Trustees present:** Linda Snyder, Peter Nessen (Co-Chairs), Elisa Hamilton, Karen Keane. David Nelson (Ex-Officio).

**Trustees absent:** Jan Saragoni (Ex-Officio).

**Also participating:** Don Arpino, Maureen Keefe, Howie LaRosee, Danielle Licitra, Peggy Maki, Marjorie O'Malley, Kym Pinder, Gina Yarbrough, and Susana Segat (Secretary to the Board).

**Call to Order**

Co-Chairs Snyder and Nessen called the meeting to order at 11:30am and noted that the work of the BOT Special Committee on Campus Development would be discussed under new business.

**Consideration of the Minutes: May 31, 2019**

On a motion duly made and seconded, it was unanimously

**VOTED: To approve the minutes of the May 31, 2019 committee meeting.**

**Items Requiring a Vote: Acceptance of final FY19 fiscal operations report – 7/1/2018 thru 6/30/2019**

Co-Chair Snyder introduced the FY19 fiscal operations report, noting that it is a great tribute to the administrators of this budget that the college ended the year with a \$1m surplus. She yielded the floor to VP Perry for a review of the FY19 Program Budget and Actual Summary page. He said that the undergraduate budget controlled expenses through several one-time savings actions, holding the line on hiring and absorbed some of the moving expenses in South as well as unexpected charge-backs from the state.

VP Perry said that graduate programs did not achieve their predicted enrollment numbers but did manage to keep expenses below revenue. As for Professional and Continuing Education, expenses did exceed their revenues but the organizational and leadership changes should correct that problem in the future. Housing cut their expenses and profited from a mild winter and some energy savings, reducing their expected(\$300k) deficit to (\$156k). He defined the large "Other Programs" category as including scholarships, bonds, and capital funding, including MSCBA money.

Co-Chair Snyder requested that future one-page summaries show the breakdown of "Other Programs" to have more detail in these main categories.

AVP Arpino then discussed the budget format, the \$12m capital budget (\$5m for the galleries and \$7m for the accelerated energy program), and the \$7m-\$8m in financial aid. He then read through the fund balance numbers on page 3. Co-Chair Nessen congratulated the administration for their handling of the money and put the question to a vote.

On a motion duly made and seconded, it was unanimously

**VOTED: To accept the final FY19 fiscal operations report – 7/1/18 thru 6/30/19.**

**Items for Discussion: update on South Building/Galleries Project**

VP Perry reported that the construction project continued to be on budget, with a contingency balance of a little more than \$231k. AVP LaRosee said that the building is now open, the faculty has new furniture, and the sound and audio-visual systems are being completed. AVP LaRosee added that the original 400+ item punch list has been reduced to under 400 items and the permanent certificate of occupancy is in the works. One outstanding issue is the simple repair and testing of a chiller. Trustees discussed the lighting, the plumbing code issues in the restrooms, and the landscaping plan. President Nelson said that the exterior landscape, subway and bus stop design issues are under consideration. Co-Chair Snyder thanked the administration and noted that the group had gotten valuable lessons through this construction project.

**Items for Discussion: update on Housing Work Group**

Director Licitra reported that for FY20, a lot of thought went into the issues of modifying and building up (adding beds, such as creating a double from a single or a triple from a double) rooms, and on how housing decision affect programmatic issues and the human element. She explained that the year started and ended on a positive note: 101% capacity (budgeted at 98%), with 10 students in modified spaces and room for melt. She added that among the state universities, MassArt is the leader on occupancy. Housing is now working with Admissions to debunk the idea that off-

campus housing is cheaper than living on campus. Trustees discussed marketing strategies, noting that MassArt holds no liability for off-campus rentals, and the research on room-size modifications planning. Director Licitra said that 45% of enrolled students are in on-campus housing and that 81%-85% of first time students are housed. Trustees requested more information on the MCPHS lease commitment, the demographics of the 15% of students not seeking on-campus housing, the strategy for commuters, and what was learned from the housing survey results.

New Business: Discussion of the work of the Special Committee on Campus Development (formerly "Tower")

Co-Chair Snyder said that the committee has three planned touch points in October, which will lead them to the regularly-scheduled BOT committee meetings in November. She recommended that the other BOT committees meeting on November 8<sup>th</sup> add to their agendas a discussion of the impact of proposed campus development plans on their particular sectors. She noted that trustees would have opportunity to participate in the Special Committee's deliberations, leading to informed votes at the regular November 19<sup>th</sup> BOT meeting.

President Nelson reviewed the five current cost estimates and options under consideration, from doing nothing (status quo), to disposing of Kennedy to fix Tower, to disposing of Tower to redevelop the Kennedy site, to creating a campus master plan for the entire campus while redeveloping certain parts, to selling everything and moving. He explained that the December deadline is set by DCAMM but helpful for providing a timeline for solving our concerns. He said that answers are still being developed for total project costs, enrollment projections and debt capacity, space use, the potential for deal structures, total project costs, and DCAMM project delivery details.

In response to the Co-Chair's question on what else trustees might want to know, trustees responded: how will our final plan affect the mission and quality of the school; how do we show our community the benefits of the choices and reassure them that all of the options were considered; what is the messaging and its timing; how does our final plan affect overall long-range growth; how does sustainability apply; what role does our external community play; and what is the impact of a newly negotiated Partnership Plan?

Adjournment

On a motion duly made and seconded at 1:05pm, it was unanimously

**VOTED: To adjourn.**