

FY21 Interim Budget Guidance

To: Cabinet, Department Chairs and Budget Custodians
From: Robert Perry, Vice President for Administration and Finance
Date: June 30, 2020
RE: FY21 Interim Budget and Guidance

Due to COVID-19, enrollment, and revenue uncertainty, the College will be presenting a budget in late July to the BOT for the FY21 budget. Unlike most years, we will enter a new fiscal year without a full year budget and will be operating on an interim budget. The last budget update was sent on June 23, 2020. In that email we briefed the community on the college's FY20 performance and the significant challenges ahead for all higher education. We estimate as of today that we will be down in revenue between \$5-\$7M. This will have a significant impact on all college operations.

The first priority will be to deliver a strong instructional program to ensure student success and progress toward their degree. Funding from almost every source will be down particularly with tuition and fees and state support. To that end, we will present a responsible budget that will reflect cuts across the campus and we will request that we utilize a limited amount of reserves to ensure that we can deliver programs and allow the college to function while ensuring state mandated compliance.

The following will be the interim measures until FY21 budget is approved:

- All department budgets will be loaded the week of July 1 at interim modified levels based on actual FY 20 spending until the BOT passes the FY21 budget later this summer. You should anticipate reductions in every category. We will not be using budget pak for the interim budget.

Please note the following interim controls:

- **All Contract and Student Employment** will need to be approved in advance by the Area VP and A&F. Once approved, the Personnel Action Form (PAF) will be provided to supervisors to be completed in NeoGov eForms before taking any action to hire employees. No one will be permitted to start working without these approvals. To ensure we can employ as many students as possible, **we are paying all students the minimum wage at \$12.75. We are committed to employing as many students as we can.**
- Federal work study for returning students can proceed with approval of Student Financial Services and the Area VP. All student workers must have clear assignments with deliverables that can be monitored by supervisors.
- Departments submitting a request for student workers or contractors should notify the VP for access to a google sheets

[form](#) to make their requests if they do not already have access. VP's can add staff to the sheet through the sharing feature. These requests will be reviewed by the President and VP's for funding availability, health and safety, and efficient use of college resources.

- All other service contracts or obligations must be approved by Area Vice Presidents, and A&F prior to commencement of services.

- Consistent with Area Vice President approval is required for all financial obligations as described above, Purchase Requisitions must be forwarded to purchasing@massart.edu from the Area Vice President email address; signifying Vice President review and approval. Fillable PDF forms are available on the WIKI under [Administration & Finance/Administrative Services/Purchasing/Forms](#).

- Department budgets CAN NOT be used to purchase personal protective equipment (PPE). College PPE needs will be managed centrally with additional information to follow.

- Procurement card guidance, with reduced cardholder limits, will be provided under separate cover by Administrative Services prior to July 1.

- We will work with each of the Area VP's to address any short term issues created by the interim reductions in funding.

Budget updates will be provided by A&F, and on the WIKI at Administration & Finance/Budget Office. While MassArt faces much uncertainty, we will continue to make each decision with our educational mission and the safety of our community at the forefront. Thank you for your commitment to facing the challenges ahead with a sense of urgency and purpose.

Any questions or concerns please feel free to reach out to me at rperry@massart.edu or Gina Spaziani, Associate Vice President for Finance at gspaziani@massart.edu.

Regards,

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