MASSASOIT COMMUNITY COLLEGE

Fiscal Year 2018

Proposed Spending Plan

July 1, 2017 – June 30, 2018

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October 2017

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We are pleased to present to the Board of Trustees Massasoit Community College's proposed spending plan for fiscal year 2018.

FISCAL YEAR 2017 RECAP

The College's FY17 Total Revenue was $50,281,452, representing 97.52% of the projected revenue. Expenses were $50,628,652. The fiscal year ended with a shortfall of $347,200 (actual revenue compared to actual expenses), with the overage representing 0.69% of the Total Revenue collected for FY17. The shortfall is traced back to the late year execution of an Early Retirement Incentive Program (ERIP) offered in Q4. This program, and the impact specific to the FY17 Spending Plan will be discussed in further detail later in this report.

During FY17, three Divisions ended the year within budget. The two Divisions that exceeded their budget allocation, Academic Affairs and Student Services and Enrollment Management (SSEM), were the hardest hit by the ERIP. In the case of Academic Affairs, their expenses exceeded their budget allocation by $396,541. They accrued $441,982.31 in ERIP expenses for FY17. SSEM ended FY17 with a $115,231 shortfall of which $88,256.53 is directly attributed to the ERIP. The remainder of their shortfall can be found in unforecasted part-time payroll expenses. Of the three Divisions ending the FY with a surplus, two of them (President's Division and Administration & Finance) carry sizeable balances available in accounts holding centralized contingency funds. The President's Division maintains a contingency fund for College needs while Administration & Finance maintains a central repository for collective bargaining and fringe funds. At the end of each FY, these funds maintain surplus amounts that tend to drive up the final available balance in each division. These funds are aligned with specific intents and are specifically stewarded throughout the year to maintain maximum flexibility. The Canton Division budget ended the FY with a surplus of 2.88%. The fiscal managers in Canton are to be specifically congratulated for their efforts to ensure the Division ended the year on budget. Their flexible management of available resources and judicious use of funds to meet their needs was laudable throughout the year.

- **President's Division**
    - The Office of Diversity and Inclusion sponsored several trainings and events aimed at increasing cultural competency and inclusion across the College. These events included presentations and trainings on white privilege, black history, and Title IX. The Office also presented a panel discussion on the Syrian refugee crisis in collaboration with the Massachusetts Council for International Education and hosted, with the International Touch Club, a performance by LADAMA - an ensemble of women from across the Americas who produce and perform original work.
    - Created and launched a new branded marketing campaign, *Be Ready for What's Next*, that focuses on the success of our students and how Massasoit has prepared them to continue their educations. The

campaign featured still images and video of a diverse range of students expressing the ways in which their Massasoit experiences have prepared them for success as they transfer on to Tufts University, Boston University, Bridgewater State University, and other institutions.
    - Began work with Enrollment Management and IT to launch an online student inquiry form that will enable us to follow students from inquiry through enrollment. The launch of this form will allow us to both better serve potential students and track yield.

- **Academic Affairs Division**
    - The Veterinary Technology Program purchased additional equipment required for the state-of-the-art Veterinary Technology Facility. The program acquired synthetic outdoor turf, specialized ceiling lighting, a tonometer, vital signs monitor, chemistry analyzer, CBC analyzer, and microscopes.
    - The Allied Health Division purchased a Sim Man 3 G Manikin and accessories including software licenses for all faculty, All-in-One Instructor-Patient monitor, Smart Room Technology for two classrooms and paid for a two-day educational training for the faculty at Massasoit Community College.
    - The TV Radio Studio purchased new sound and lighting equipment to upgrade the portability of the TV/Radio Studio. The program acquired a portable teleprompter and accessories, clip-on lavalier microphones and accessories, HyperDesk portable mini studio and broadcast cardioid dynamic microphones.
    - The Buckley Performing Arts Center acquired a Genie Lift to assist with the stage lighting system. The purchase of this lift has negated the need to rent a lift for each show.
    - The Academic Affairs Division utilized the Perkins Grant to purchase supplies for Vet Tech program; equipment for the Environmental Technology program including hazmat training tools, wireless portable multi-gas monitors and four Vernier LabQuest 2 data collection devices; Culinary Arts equipment including an induction range, a table and counter and an immersion blender.
    - The Title III Grant (Project STARS) funds were used to purchase new tables and chairs in the Canton Library as well as faculty stipends for course enhancements.
    - The Massachusetts Skills Capital Grant (Round 1) – Veterinary Technology Grant was used to purchase smart classroom technology, microscopes, canine and feline manikins, a portable climate control system, kennel supplies, surgical supplies and microbiology lab supplies.
    - The Massachusetts Skills Capital Grant (Round 2) – Engineering Program acquired several different mechanical testing systems and related materials, laboratory fume hood, modular imaging systems, environment filter system, halogen inverted microscope, grinder and polisher.

- **Student Services & Enrollment Management Division (SSEM)**
    - Invested in two key student service positions to support student persistence and completion. The division established the position of Director of Student Rights and Responsibilities, which serves students by overseeing the Student Grievance process, Code of Conduct issues and the College Concerns Team. The director also acts as a resource for Clery, VAWA, and ADA issues while working closely with faculty and staff towards the goal of furthering student understanding of their rights and responsibilities as members of the community. Additionally, the division built up the resources in Minority Mentoring and First Year experience by filling the Academic Counselor position for the program. The counselor will enhance student support within the male mentoring program and establish more robust first-year student retention initiatives. This focus aligns with 2016 Think Tank data, which identified Males of Color as an at-risk population requiring additional resources for increased retention and completion rates.

- **Administration & Finance Division**
    - Facilities began a extensive Preventive Maintenance Program on the High Voltage Underground Cables, Manholes and Air Switches that supply electricity to the Campus buildings.
    - Facilities completed energy conservation projects in classrooms that included replacing existing light fixture with new LED light fixtures and Programmable Lighting Control.
    - Began the Program Development and Design Development for the new Engineering Lab in Canton.
    - Facilities continued with our Sustainable Commitment by installing several new Bottle Filing Stations around the Campus.
    - Facilities provided and installed a new Uninterruptable Power System for the Campus Data Center.
    - Facilities began the system structure for a 4 level Master Key System for the LA, Business, Science, Humanities, Technology and Canton Classrooms that included the installation of new ADA Compliant hardware at all door locations.
    - IT worked with the Enrollment division to implement the College Scheduler platform. This software makes it easier for students to visualize and coordinate their academic and personal schedules. In addition to improving the registration experience, early data suggests that it is helping increase revenue by increasing the average credit load per student.
    - IT completed various development projects to increase administrative efficiency and improve student communication, including but not limited to Financial Aid Course Protection, automated test score uploads, automating several Financial Aid processes, and improving the Advisor assignment process. These initiatives will save hundreds of hours of labor annually.
    - In the classroom, IT completed major upgrades to instructional media in B547, T542, LA560, C211, FA214, and C417. IT also upgraded 45 computer labs from Windows 7 to Windows 10 and replaced 198

workstations. Several computer labs were converted from Windows-based PCs to Chromebooks, yielding a savings of over $60,000.
    - IT completed major upgrades to the College's ERP system, document imaging platform, voicemail system, and networking architecture.

- **Canton**
    - Upgraded College Police's Nasal Naloxone to the most recent version to ensure the Department is able to respond to and treat an overdosing student efficiently and effectively. The purchase of CPR/AED training equipment allowed our Red Cross certified police personnel to train Department Officers and members of our general community without relying upon outside agencies. The College Police also utilized funding to enhance the training and readiness of its officers. Some of this training included Defensive Tactic Instructor Training through the Municipal Police Training Committee, RADAR/LIDAR certification training, breathalyzer training and State Police certified evidence control and management training. Supervisor training included field training and supervisory liability.
    - A hand held traffic radar speed gun was purchased to further prevent excessive speeding on campus roadways. This device has increased the safety of crosswalk areas and has allowed officers to conduct radar assignments in areas that stationary cruisers cannot cover. Additional Electronic Control Weapons (TASERS) were purchased in order to supply the Canton Campus and the Middleborough Center with this device and augment the supply of devices already in service on the Brockton Campus.

<u>FISCAL YEAR 2018 – Developing the Proposed Spending Plan</u>

The initial planning for the FY18 Proposed Spending Plan formally began in late Fall of 2016. As with every year, our first attempts at developing detailed institutional snapshots for FY18 suffered from a lack of confirmed information. Each piece of confirmed information or final decision related to our FY18 plan led to a ripple of changes throughout our planning tools. Our initial projection in September of 2016 detailed a suspected $3.7 million budget gap for FY18. By the end of calendar year 2016, our projections were consistently calling for a $5.5 - 6.0 million budget gap for FY18.

As big as they were, these numbers were not surprising. Financial planning throughout the Division of Administration and Finance is infused with the question of "What then?" In much of the planning we do, we look to prior year trends and mine that history for ideas about the challenges that may lay before us. Our planning looks beyond the immediate period in question. This exercise in reading tea leaves suggested, for the last couple of years, that FY18 would be a very difficult budget year for the College. We made no secret of that when presenting financial plans for both FY16 and FY17. Armed with demographic information from the UMass Donahue Institute and the enrollment projection model developed by the Think Tank at Massasoit, we could see the enrollment piece of our funding was lagging each year. An additional consideration was what we often refer to as the "shift in public policy" regarding the state appropriation. Public higher education across the country has seen, over the last few decades, a shift in funding sources where public funding is becoming a smaller component of the available funding portfolio. In FY2004, Massasoit received 60% of its funding from the State and 40% from locally generated tuition and fees. By FY2016, that ratio had reversed almost entirely with 59% of our funding coming from student enrollment generated revenue and 41% coming from the state. The persistence of this public policy shift, coupled with the enrollment and demographic information made it easy to see that FY18 was when the truly difficult decisions would need to be made by the institution.

As has become our practice, we developed an initial institutional picture by rolling forward the expenses from the prior year. We amended that figure by adding expenses categorized as Mandated Expenses, Prior Year Commitments and Strategic Investments. Mandated expenses include contractual obligations like collective bargaining increases, additional fringe costs due to rate and volume changes, institutionalizing costs previously funded by grants, the change to the minimum wage law and GASB 68. Prior year commitments are essentially a subset of Mandated but we considered them separate for planning purposes. These expenses captured the annualization of payroll expenses we pro-rated to balance the FY17 budget. Strategic Investments considered in this exercise included Middleboro security measures, renovation and equipment expenses related to the Engineering program, filling the newly created Director of Students' Rights and Responsibilities position as well as all those positions we held vacant in FY17 in our efforts to balance the FY17 budget. All told, we tabulated nearly $3M in additional expenses. 77% of those additional expenses were labeled either Mandated or Prior Year.

This initial step provided us a place from which to launch our planning. As additional considerations came to light for FY18, they were added to the projected expense tally. The State's own budget development process progressed, as well, giving us key pieces of information regarding our potential appropriation and overall revenue for FY18. Throughout the development process, we have updated our primary planning tool with material changes to projected revenue and expenses no less than 18 times through the end of June 2017.

The tools used to track and project both our revenue and expenses were living documents that changed with each new piece of concrete information. With this information we developed our institutional level picture for the fiscal conditions in FY18. Concurrently, the senior leadership at the College held a series of budget development meetings to discuss institutional priorities and strategies attempting to align our projected expenses with our projected revenues.

- **Enrollment:** Previously, the College approached enrollment projection in a sequential manner by collecting input from various in-house enrollment stakeholders, peer institutions and external data sources to come to an agreed-upon planning figure for the upcoming year. In FY2016, recognizing the inherent vulnerability of such an approach, the College developed a data-based projection tool to inform our enrollment predictions for use in fiscal and enrollment planning.

  This predictive enrollment model is based in historical trend data but is used as a living tool. To that end, the final step in each run of the model is a collaborative consultation with the various stakeholders to ensure contemporary real-time events and emerging external factors are accounted for in the current results. An example of such an event would be a enrollment management policy change that would impact the semester we are trying to project. The impact of the theoretical change would not be reflected in the trend data used by the model. This final step ensures we are tailoring the data considered by our predictive model, as close as we can, to the very real enrollment/admissions terrain we find ourselves navigating. In addition, it informs decisions on future program direction. Each semester adds another piece to the puzzle and allows us the opportunity to tinker with both the model and the thought process behind the model.

The Enrollment Projection Model predicted a -5.2% projection for the fall semester. As of the freeze date for the fall semester, our enrollment actual was better than our projection coming in at -4.2% for 66,140 total credit hours.

The latest spring semester projections moved slightly off the earliest planning figures. The leadership decided a -2.2% enrollment drop, while ambitious, was attainable.

- **State Appropriation:** To recap the State's Appropriation process, it begins in October when the Board of Higher Education (BHE) issues its guidance. In January, the Governor files his initial bill (H1) with the House Ways and Means Committee (HWM). The HWM evaluates the H1 bill and forwards it to the full House of Representatives with a list of recommendations. The House considers the recommendations of the HWM and any other amendments. After deliberation, the House approves an amended version of the bill. The Senate Ways and Means Committee (SWM) follows the same process as the HWM before forwarding its recommendations to the full Senate. The Senate considers amendments to the bill before approving the final amended version. At this point, the bill goes into Conference Committee where selected members of the Administration, House, and Senate reconcile the three budget proposals. An agreed-upon version is sent back to the House and Senate for a final vote by both branches. The final agreed-upon proposal returns to the Governor for a period of consideration. The Governor has the authority to veto specific lines within the proposed budget, up to and including a veto of the entire proposed budget. With a 2/3 majority vote, the Legislative branches can override the Governor's vetoes. Following any such overrides, the bill is finalized and is referred to as the General Appropriations Act.

  Governor Baker released his $40.9B budget proposal on January 25, 2017. It represented, in terms of gross dollars, a slight increase over the prior year's funding. The Massasoit line item in the H1 called for an appropriation of $21,174,138 (+432,061 over FY17). This amount was matched by the House Ways and Means proposal. The Senate Ways and Means proposal was slightly higher at $21,652,338.

  These proposals compared favorably to FY17 but the Commonwealth continues the practice of expecting the College to take on more expenses with the appropriated amount. Collective bargaining costs were, again, not covered and had to be budgeted for by the College. The cost of fringe benefits rose from 35.17% in FY17 to 36.34% in FY18. This modest increase of 1.17 percentage points represents a 3.3% increase in our fringe expenses. Taken in context along with the 4.34 percentage point / 14% increase from FY16 to FY17 and you can clearly see the compounding impact of the fringe rate on our budget planning at the College. The increase appears as a function of rate (the increase of the rate from year-to-year) and volume (the increase in payroll from year-to-year against which the rate is applied). The collective bargaining increases implemented in FY17 drove up the payroll against which the higher fringe rate was applied for determining our FY18 fringe expense.

- **Other Revenue:** In addition to enrollment and the State appropriation, our revenue streams include fees (General College Fee, Tech Fee, program fees, misc.) and revenue-generating activities on-campus such as the cafeteria, the bookstore, transcript requests, etc. Many of these separate revenue streams are based on enrollment. Planning for these revenue streams corresponds directly to that projected enrollment increase or decrease. Revenue for these activities is projected based on a combination of the prior year's actual revenue and any new additional factors that may impact the given activity in the coming FY.

  Enrollment-based revenue streams are obviously impacted by the ebb and flow of billable credit hours. However, there is also a corresponding impact to expenses related to these areas. Any drop in enrollment translates into fewer students on campus which, for example, means fewer students visiting the cafeteria. While we plan to take in slightly less revenue, our expenses in support of these activities should be slightly less as well. We have accounted for impacts to both revenue and expenses in these areas due to the projected enrollment decline in FY18.

  Per the College Investment Policy, we will allocate an amount not to exceed the policy spending rate of 5% of the average of the previous three fiscal years' beginning-period endowment values in our operating budget to help fund operating commitments and strategic priorities.

- **Strategic Resource Allocation Forums:** On February 21, Vice President Mitchell delivered a budget presentation at Convocation to the college community. The focus was on developing FY18 and provided a sobering look at the numbers. The assumptions and decisions going into that presentation put the gap between our projected revenue and projected expenses at $4.8M.

  Shortly thereafter, the College leadership announced a series of Strategic Resource Allocation forums to be held over the course of one week in March. The intent was to tap into the vast body of experience present in the form of the staff and faculty to get their insight as to how the institution could address the fiscal challenges before us. Each forum, hosted by the Vice President in charge of the Division attending that day's forum, consisted of a very brief contextual presentation reiterating the key points of the presentation from convocation and establishing certain ground rules for the exercise to follow. The ground rules were:

  - All ideas are welcome.
  - Everyone "does" budget.
  - There are no sacred cows in this meeting.
  - All ideas are anonymous.

- There are no divisional boundaries when it comes to ideas.
- Every proposal will be evaluated.
- Not every proposal can be implemented.
- Proposed solutions should not impact students.
- Solutions can be near-term or long-term.
- We are not evaluating ideas today. We are collecting ideas.

After the brief presentation, the attendees were asked to split up into small groups. Expense reduction and revenue generating ideas were written out on post-it notes and collected by roving facilitators. While each vice president hosted their own division, when possible, they also attended the forums hosted by their colleagues. Along with representatives of the finance team, they made themselves available to the attendees in the small group discussion phase of the forums.

In all, seven sessions were cataloged with nearly 300 participants contributing 1,051 unique ideas. The Division and Administration & Finance shared their session with the President's Division. They were followed on subsequent days by Student Services and Enrollment Management, Canton and Academic Affairs. The session on Friday was advertised as an All-Comers version open for those who did not get to attend their Division's specific forum or for those who had additional input to provide. Two additional sessions were added when the Finance team met with the Student Senate and, finally, with an open virtual session in which individuals could email their input or drop it off anonymously in interoffice mail.

In the interest of transparency, the full list was assembled and posted on the Massasoit portal preceded by an All College email from Dr. Wall recapping the process. Of the 1,051 ideas, seven were redacted in this posting as they specifically referred to specific individuals or circumstances in such a way as to be deemed unconstructive. These suggestions remained on the list to be evaluated but they were redacted for publication.

Each suggestion was classified in a number of ways. An early review found that a number of suggestions carried components of both revenue generation and expense reduction. Some suggestions were actually neither. These were all labeled "Operating Suggestion." Another classification had to do with timeline for implementation. The forum attendees were encouraged to look both long-term and short-term for their ideas. "Operational" ideas could be implemented in a modest timeframe while "Strategic" ideas could not likely be implemented until FY19 and beyond.

An effort to capture the essence of each suggestion by selecting a keyword from the submitted post-it note resulted in a list of 363 unique keywords. To further distill the list, each suggestion was labeled with a theme. The list of potential themes was developed after the forums and was reflective of the input received from each session.

Those themes were:

- Advancement
- Enrollment
- External Relations
- Facility Use
- Fees
- Marketing
- Organizational
- Pay & Benefits
- Programs
- Revenue
- Scheduling
- Students
- Sustainability

Evaluation proved to have its challenges for such a broad and disparate list. In the end, each suggestion was evaluated for three conditions: Fiscal Impact, Time to Impact and Degree of Difficulty.

Fiscal Impact was a rating based on dollars and cents impact of the suggestion. A “1” represented a million dollar+ idea. A “10” represented a suggestion with no fiscal impact. There were dollar figure impact gradations between 1-10 to reflect, as much as possible, the projected impact consistently.

Time to Impact was a rating based on the projected timeline before the institution would see a financial benefit from implementing it. A “1” was an immediate impact while a “10” represented an unforeseeable time to impact.

Degree of Difficulty was a rating attempting to capture the number of stakeholders in the decision. A “1” represented an internal decision that required no external input. These decisions could be made within a single division or department at the College by the first-line supervisors. A “10” represented a suggestion falling outside the bounds of current regulatory or contractual requirements and obligations. There were gradations from 1-10 representing the type and number of internal and/or external stakeholders needed to weigh in on each suggestion.

The conditions were also weighted in terms of importance for the task at hand. As these forums solicited input to address our projected financial shortfall for FY18, the Fiscal Impact carried the greatest weight at 65%. Time to Impact carried a 20% weight and Degree of Difficulty came in at 15%. Each conditional raw score of 1-10 was weighted accordingly and an aggregate score calculated to determine how potentially impactful each idea was at addressing our fiscal situation.

None of these efforts to categorize or preliminarily evaluate the 1,000+ suggestions was meant to eliminate ideas or cut the list down. It was meant to provide some perspective for the senior leadership of the institution to use this list as a tool.

A number of the suggestions with immediate time to impact have been implemented. A combination of revenue generation and expense remediation ideas have contributed over $100,000 towards the fiscal issue before us in FY18. Additionally, a number of the suggestions with much greater time to impact remain under some degree of consideration by the leadership of the College.

One of the more surprising themes noted in the suggestions put forth by the College community was the lack of silos. There is a very keen institutional sense amongst the staff and faculty about where the College stands and where it needs to go to succeed in the future. Each session closed with a slide presenting a sampling of the ideas submitted in the forum, both revenue generating and expense reducing, so the attendees could have a sense of where the other small groups had gone in their deliberations. It became customary, as the week progressed, to show the current group the final slide from the previous days' sessions. It was surprising to see so many common themes appearing day to day. No doubt, the recently completely NEASC self-assessment aided in that holistic awareness.

- **Early Retirement Incentive Program (ERIP):** In March, the senior leadership of the College brought a plan to the Board for closing the deficit in our FY18 planning. At that point, the gap stood at $4.9M and the presentation delivered identified $4.73M in proposed solutions. Those proposed solutions included eliminating functions, keeping vacant positions from FY17 vacant through FY18, increased revenue goals for Advancement and CCE as well as a series of operating expense reductions leaving us with an amended projected deficit. To that we added some additional strategic investments in software and personnel. In the end, our final projected deficit heading into FY18 sat at $315,768.

  Listed under the Additional Strategic Investment slide was an entry for Early Retirement Incentive with an associated dollar amount of "TBD". An Early Retirement Incentive Program (ERIP) entered the deliberations at the senior leader level during the development of the March 31st briefing. Middlesex Community College offered such a program to their staff and faculty in early March. Consulting with colleagues at Middlesex, we learned there were 144 eligible employees for their program. 32 of them (22%) opted to take the offer. Middlesex advertised that this program was saving their institution $2.5M but they had a one-time payout of $1.4M leaving a net "savings" of $1.1M. That payout broke out into $480,000 in incentive payments ($15,000 per ERIP) and another $920,000 in normal payout costs (vacation balance, end of contract, state incentives, etc). The average normal payout came to nearly $30,000 per retiree.

  Using this as a template, we attempted to see what a similar offering could potentially bring to Massasoit. We defined our eligible pool using the same criteria as Middlesex and applied the same ratios of those opting to take their ERIP. We ended up with 26 potential ERIPs. Using the same $15,000 incentive and the average individual payout from Middlesex, we determined our total one-time payout for these individuals could be $1.15M.

  In removing these folks from the payroll under the ERIP, we would net some short-term savings in the FY18 budget especially. Taking the average annual salary for the eligible pool at Massasoit for each of the unit affiliations (MCCC, AFSCME, NUP) and multiplying that by the number of potential retiring staff in the unit, we determined that the FY18 gross savings could be

$1.99M. To evaluate the program itself, we backed out the $1.15M total one-time payout leaving us with a projected net "savings" of $841K.

Throughout the deliberations leading up the March 31st presentation to the Board and even during the presentation itself, members of the senior leadership team were very cautious in discussing the potential benefit to offering an ERIP. There were far too many unknowns and potential pitfalls. Once you offer such a program, there is no controlling who takes you up on it. A repeated concern, expressed by the senior leadership team during the March presentation, was that the danger in determining whether such an offering worked or not was in the "back end". If you need to replace people who take the ERIP, that follow-on expense eats into your potential savings. If people who were already planning on retiring pull their original paperwork and refile their retirement request under the ERIP, then you are paying them extra to do what they'd already decided to do. The danger with such a program is, you cannot accurately forecast whether or not it saved you any money until you fill the last opening you intend to replace after the ERIP.

That said, we attempted to project exactly that. The first assumption we made is that we would fill half of the vacated positions in each unit. To acknowledge that new hires earn less than long-time employees, we undertook a comparison of new hires in each bargaining unit as compared to recently retired staff/faculty. We determined that MCCC new replacement hires would be brought on at 85% of the average annual salary for those MCCC unit members taking the ERIP. For AFSCME, that figure came to 67% of their departing employee average. NUPs came in at 80%. These assumptions were both reasonable and somewhat conservative. Using the template and assumptions described above as our guide, we would need to replace 4 MCCC members, 5 AFSCME members and 4 NUPs for an annualize total salary expense of $760,508. Applying this expense against the projected net "savings" figure of $841K, Massasoit Community College, under this series of conditions and assumptions, would save just over $81,000 by offering the ERIP. A modest projection, for sure.

In the end, Massasoit did offer its own ERIP. 14 individuals (8 MCCC, 2 AFSCME and 4 NUP) requested permission to retire under the program. Two individuals opted for the sabbatical option under the ERIP. They received half the incentive but will receive half their pay for the full FY18 and their payout amount will be charged to FY18. The FY17-specific cost associated with this program is $565,972.

The cumulative annual salaries for the 14 individuals is $1,092,349 which we would see as a short-term savings in FY18. It is the intent of the senior leadership to backfill two faculty positions and one MCCC Unit Professional position at a lower rate. There will be no AFSCME backfills and we will promote from within to cover two of the NUP positions. Additionally, the course load for 5 faculty positions will be backfilled with new adjunct faculty hires for the year. These expenses, in addition to the retirement payouts for those who took the sabbatical option, put the FY18-specific expenses for ERIP at $718,740 thereby generating a projected savings of $373,609 for FY18.

The back end continues as we look to FY19 and beyond. Current assumptions are that all faculty vacancies created under the ERIP will be filled by FY19. Projecting faculty salaries can be difficult due to the classification process called for under the current contract for each new faculty hire. We made conservative assumptions with regard to what those new hire costs could be in FY19 and beyond but there is a very real chance they could end up coming in higher based on the skillsets and qualifications these new faculty bring to Massasoit. There are additional savings and expenses in FY19 and beyond associated with the current backfill plan. Keeping in mind the assumptions and conditions we established, FY19 and beyond presents with $366,565 in savings and $460,000 in expenses for a loss of $93,435. It is important to note, these numbers are determined by the current slate of decisions and assumptions. Were we to alter the backfill plan as it currently exists, we could still alter the final savings and expense figures for the plan.

Ultimately, the College will not know the full impact of the ERIP offered in FY17 until the very last replacement hire has been fully executed. Evaluating the program with its very real impact to FY17 along with the projected impact to FY18 and beyond, we believe the program could ultimately cost the College $285,799. The idea to offer ERIP originated as an idea another community college employed to address the fiscal constraints presented in their financial forecasts. Massasoit tried to offer a similar program which did provide some fiscal relief for FY18 in the form of savings associated with vacant positions. These savings were ostensible in the sense that some of the functions left vacant might need to be filled again for the good of the institution. These were one-time savings that impacted the College's financial health in a superficial manner but did so at a time when the impact was most needed. The program was offered in FY17 with an eye towards helping the institution navigate the financial challenges presented by FY18. We did net $373,609 in savings specific to FY18.

Not accounted for in this discussion is the latent overhead cost in time, resources and man-hours associated with administering the ERIP from cradle to grave. The program itself presents as costing the College without factoring in any of those additional institutional expenses, marking its ultimate value as supremely questionable. We continue, however, to retain the ability to alter assumptions and decisions in the backfill plan that may improve or mitigate the final outcome. We will not likely generate savings similar to those in FY18 as we move out to FY19 and beyond but we may be able to direct the endstate to more of a break-even point.

- **Expenses:** Without the benefit of timely decisions emanating from the plan developed and presented to the Board in March, determining our projected expenses for the coming FY proved futile. The March presentation took a $4.9M issue and reduced its impact in FY18 to less than $400,000. On a $50M budget, the latter figure is relatively easy to manage. Each component to the March plan was perishable in that each proposal had an associated time value of money. As the institution failed to make decisions and take steps, the individual proposals within the overall plan became less valuable to solving the $5M issue. It was not long after the plan was presented that the march of time began to impugn its ability to address our $5M problem.

There were certain pieces of the expense figure we could accurately forecast. Full-time payroll, associated fringe and projected collective bargaining costs are all linked and, to a great extent, known. We were able to concretely forecast our debt service expense and used trend data to determine projected utilities expenditures. Prior planning accounted for solid figures in both special projects and the Tech Fee allocation. The remainder of our operating expense allocations remained difficult to pin down. By not having a firm target allocation, it was up to cost center managers and leadership throughout the college to attempt to prioritized their funding requests without knowing where their ceiling was hung.

Divisional budget coordinators undertook their own independent efforts to conduct discussions within their units about priorities. This was a pro-active step with the intent to establish agreed upon priorities within each division. Having these conversations as early as possible would hopefully make the allocation phase of the budget development easier. Once the College allocated funds and each coordinator had a dollar amount, the work of determining the hierarchy for spending within their division had already been done.

The College entered FY18 operating under a Provisional Spending Plan approved by the Board in the May 2017 meeting. This represented 20% of the prior year allocation and was intended to allow the College to operate through the first quarter of FY18. Traditionally the provisional funding plan has been funded at 25% of the prior year's allocation. Given the context of where we found ourselves as an institution, we decided to amend our request for the start of FY18 in the interests of being as conservative as we can while still being able to operate and deliver necessary services to our students, staff and faculty.

Normally, when the College finds itself into the provisional spending plan period, development of the Proposed Spending Plan is well underway. FY18 saw the College in uncharted waters in that we still had a significant gap between our projected revenue and projected expenses. At this point, the message to the fiscal managers across the College changed. We had not solved FY18's issues and there were questions as to how impactful we could be given the time we had surrendered.

It was at this stage we began talking about FY18 as a bridge to FY19. The intent remained to submit a balanced budget for the Board's consideration. The steps to get there though, were becoming more Draconian with each passing week. Division budget coordinators returned to their planned requests and identified contractually obligated expenses that the College was legally required to cover. Specifically, we were looking for expenses related to approved contracts we were in the middle of, licensing fees we needed to pay for, services that absolutely had to be funded. Normally when a cost-center manager submits a budget request as part of the development process for the next fiscal year, we ask that they identify the projected expense in one of three tiers. A Tier 1 expense is something required for them to open their doors and operate. A Tier 2 expense is an expense that, while necessary, it is not required. A Tier 3 expense is new spending that may be tied to a new program, process or desired improvement in the delivery of that cost-center's operations. We were asking them to take this review one additional step and identify those expenses the institution was required to cover through either contracts or mandates.

Once tallied, this mandated expense total would be allocated across the College and the remainder would be distributed across the institution with input from the senior leadership informed by those discussions developing priorities. Guidance issued to the Divisional Budget Coordinators stressed that this was not the optimal manner with which to develop and plan the next year's operating budget. Given the terrain we found ourselves on, our options were limited. We made no secret of our sense that FY18's budget execution was going to be a trying affair. The bridge strategy is a short-term effort to get us through this difficult period and on to firmer ground. With that in mind, the planning for FY19 has already begun with the resurrection of a process the College was using just a couple of years ago with an accelerated timeline.

Reviewing the budget development process going back to the creation of the FY15 budget, we see that the release of the H1 Governor's budget each January presents us with a stable number upon which to base our initial planning and advance our goals for development of the budget at that stage. Previously, the H1 budget kicked off the budget season as the first piece of real information coming to us. Unfortunately the progress at that stage has traditionally been limited. We would run our numbers based off the H1 input but would then shelve the effort and wait for the House Ways and Means proposal. Release of the House proposal would initiate some revisions but then we would stand down in anticipation of the Senate Ways and Means numbers. We would repeat the cycle pending release of the Conference Committee budget proposal which put us into June before the difficult decisions had to be made. In good economic times, an institution can make that timeline and strategy. Higher funding levels tend to forgive flaws in planning. We consistently talk about the shift in public policy with regard to state funding of public higher education. That is not going away. Couple that with a protracted period of declining enrollment such as we find ourselves in now and the terrain we find ourselves on is much less forgiving.

The Divisions will build their FY19 budget requests in the Fall of 2017 and submit them in early December. Once we have the H1 proposal, we will also have the FY19 "ask" and can determine, within a reasonable variance, what our FY19 spending plan will look like. It is our intent to deliver this proposed spending plan to the Board for its consideration in the spring; provided it aligns with the state and progress of the ongoing presidential search. We intend to have our proposed spending plan for FY19 vetted, approved by the start of the new fiscal year.

FISCAL YEAR 2018 – The Proposed Spending Plan

- **REVENUE**

When the College considers revenue, we look at distinct stages, or phases, of revenue collection. The core of our revenue picture is the Operating Fund. The Operating Fund represents locally generated revenue from tuition, fees and auxiliaries. To that, we add our State Appropriation, collective bargaining and Formula Funding to develop our Operating Revenue. Lastly, we plan for a series of transfers, both in and out from our Operating Revenue. These transfers include the All College Purpose Trust Fund to cover Board operations and expenses, the MCC Fee Assistance financial aid fund and any other transfer that completes our fiscal projections for the year. This final number represents what we refer to as our Total Revenue.

The total FY18 State Appropriation is $21,393,132. That represents an increase of $205,674, or 0.97%, from FY17. Within that appropriation figure is $218,994 in AFSCME Collective Bargaining funds we expect to receive. There are no Formula Funding dollars in this year's appropriation. A line for Formula Funding for the community colleges appeared in the Governor's H1 bill and passed through both the House and Senate. It was removed during Conference Committee. We projected it to come in at around $200,000. Formula Funding has steadily decreased over the years and was becoming less and less a major contributor to our overall fiscal picture.

The Operating Fund is projected to generate $28,407,106 in FY18. Its chief components are local tuition and fees, projected to total $26,170,258. Expected service fees, cafeteria sales, bookstore commissions and vending commissions account for the remaining $2,236,848.

The proposed budget uses a 5.2% decline in total headcount in the fall semester and a 2.2% decrease in total headcount for the spring 2018 semester to calculate revenue as determined by the Enrollment Projection Model. These figures translate to a projected annual enrollment of 139,720 credit hours. This projection is further adjusted to account for tuition waivers and uncollectibles as determined by an analysis of prior years' waived and uncollected revenue.

An additional revenue consideration we track during the execution phase of the spending plan has to do with the type of course generating the revenue. Not all credit hours are created equal. "State" courses are taught by full-time faculty during the day. The College remits the $24 per credit hour tuition charge associated with those courses back to the State. Courses taught by adjuncts, evening courses or weekend courses are considered "Institutional". The College retains the $24 per credit hour revenue generated by Institutional courses. An increase or decrease in credit hours may have a disproportionate impact on the bottom line depending on which side of the State-Institutional line carries that change. Recent history suggests that 65% of our credit hours are Institutional and 35% are State. In our financial planning, we further discount the tuition revenue stream accordingly to account for revenue re-directed to the State. We continue to monitor this split within our enrollment to determine if we should change that projected split for planning purposes.

- **EXPENDITURES**

Total proposed spending for FY18 is $49,852,474. The Proposed Spending Plan provides for the following.

- **Collective Bargaining:** As explained in previous reports, the Commonwealth based its calculation of Collective Bargaining adjustments on the College's full payroll. In recent years, the Commonwealth shifted to only consider the amount of our payroll covered by State Appropriation (our allocation of funds from the State for the FY). In rounded numbers for this FY, our allocation from the State is $21M. Our total full-time payroll is nearly $27.5M. We spend $6.5M over what the State allocates to us in full-time payroll. The State continues to calculate the Collective Bargaining adjustment on that $21M figure; the result being that the institution is required to fund the Collective Bargaining piece on the $6.5M from locally generated tuition and fees. Further compounding the issue, the institution must also fund the corresponding fringe benefit on that $6.5M. Using a 2.5% Collective Bargaining increase and a 35% fringe rate as an example, the aforementioned $6.5M figure equates to an additional $163,000 in salary expenses and another $57,050 in fringe benefits associated with that additional salary. This shift is essentially a latent budget reduction built into each fiscal year spending plan as long as the Commonwealth continues to calculate its Collective Bargaining adjustment in this manner.

- **Information Technology:** A major source of IT funding is from the Technology Fee of $8/credit assessed to students. Based on current credit hour projections, this budget will be approximately $1.05M. Per a standing Board directive, a minimum of one-eighth of this amount (approximately $131,000) will be spent on instructional media in classrooms and conference rooms on items such as student computers, projectors, document cameras, and monitors.

  The majority of the overall budget, approximately $660,000, is earmarked for hardware and software support contracts. These contracts allow us to provide resources like the College portal, external website, computer classroom software, Microsoft license, security, email, data storage, and network. The largest component is for our enterprise applications (e.g. Banner, BDM, DegreeWorks, Argos, Oracle, and eVisions), which amounts to about $306,000.

  The next largest expense is for our annual workstation refresh program. This item is discretionary but is usually between $180,000 and $200,000 annually. Staff, faculty, and classroom machines are refreshed every four to six years based on need, condition, and funding. Older machines may be re-allocated for other uses for an additional two to three years, also based on need, condition, and funding.

Project work that is planned for FY18 includes:

- Continuing emphasis on infrastructure renewal, including network switches, classroom media equipment, and computing resources for students and employees.
- Upgrade the College's production database server and migrate to an open-source Operating System. In the short term this will improve system performance and reliability, and reduce operating system costs over the long-term.
- Improve wireless network reliability with additional indoor and outdoor access points.
- Enhance College information security with migration to a new network access control solution (ClearPass) and implementation of data loss prevention software (Spirion).
- Begin major ERP migration from Banner 8 to Banner 9, including implementation of new architecture and functional user training. The migration will improve usability for college constituents and reduce College dependency on legacy technologies.

- **Capital Expenditures:** The Board of Higher Education requires the College dedicate 5% of the total operating revenues to Capital Adaptation and Renewal projects to ensure our facilities and infrastructure are capable of supporting our mission. Committing funds to these projects is imperative as it enables us to put our best institutional-self forward thereby helping us to recruit and retain the best students, faculty and staff to the Massasoit community, a practice very much in keeping with Massasoit's tradition of excellence. While the College continues to invest significant funds in each year's operating budget dedicated to asset preservation of our existing facilities as well as improvements in conservation, energy efficiency, public safety, cost containment and public interface, the major investment in FY18 operating funds is for the Engineering Program at the Canton Campus. The primary goal of the project for FY18 is to renovate the existing space in room 220 into two distinct spaces; a 20 person classroom and an electronics lab.

- **MCC Fee Assistance:** This proposed plan allocates $192,637 in institutional aid for the Massasoit Community College Fee Assistance Scholarship Fund.

  As presented in prior spending plans and Financial Aid presentations, MCC Fee Assistance is the primary source of institutional financial aid and is primarily used to equitably supplement federal and state grant aid so that financially needy students with an estimated family contribution (EFC) between 1 – 5,328 may be awarded enough grant assistance to cover 100% of an average student's direct educational costs (specifically tuition, fees and books). This approach is consistent with Massasoit's institutional commitment to student success, access and affordability. It also allows students from low and moderate income families access to a Massasoit education while minimizing student indebtedness.

Beginning in the FY15 Budget Development planning cycle, the College allocated a standing annual contribution to the MCC Fee Assistance Fund of $77,007. In anticipation of potential increased need based on the new fee increase, an amount equal to 5% of the gross fee increase revenue (an additional $58,380) was added to that annual contribution in FY16. With the fee increase authorized for FY17, an additional $57,250 was added to the MCC Fee Assistance Fund bringing the total current year allocation to $192,637. As of the publication of this report, there is no fee increase associated with the FY18 Proposed Spending Plan. As such, the allocation will remain static for FY18. Should conditions merit a change during FY18 or for the deliberations on FY19 suggest a fee increase is in the best interests of the institution, 5% of that increase will be added to MCC Fee Assistance Fund on top of the current allocation.

CONCLUSION

The fact that developing the FY18 Spending Plan was difficult was, in and of itself, not surprising. The finance team began expressing concerns about FY18 over two years ago, identifying FY18 as the point at which the loose strings of declining enrollment and waning-to-flat state support would entwine so that we would feel the full brunt of the changing fiscal landscape. Despite these warnings, the institution continued with business as usual. Our resources were changing but our operations and obligations were not.

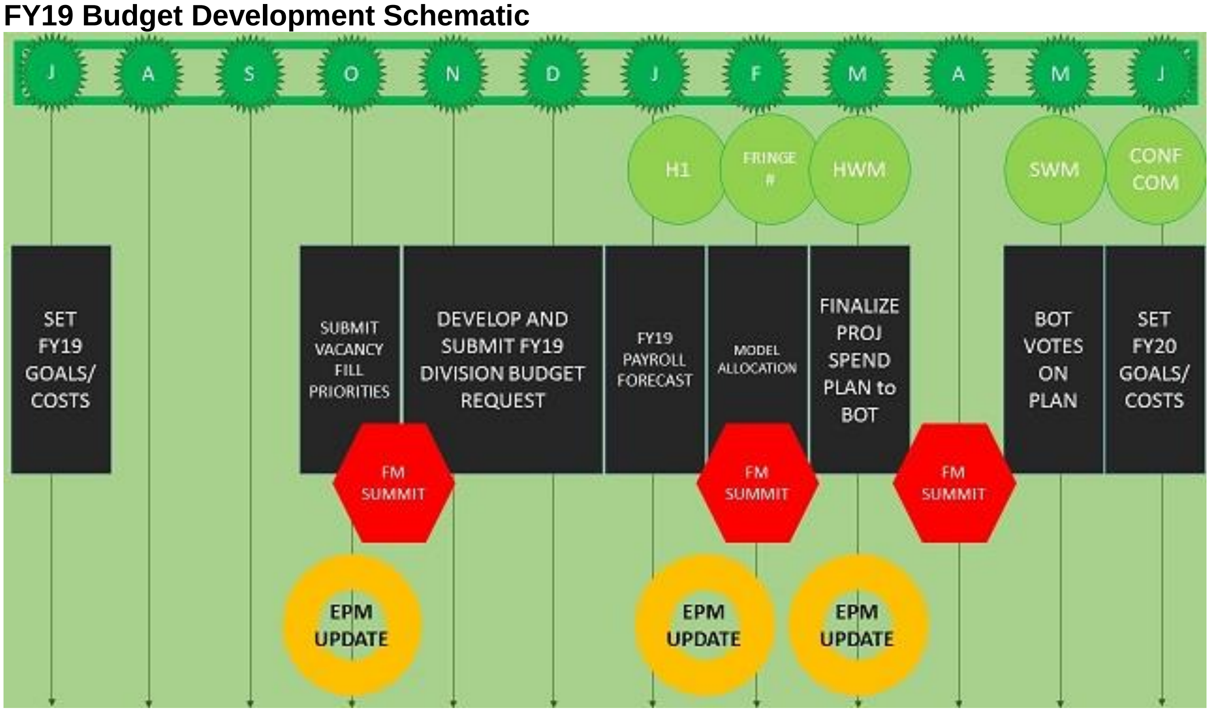
Faced with a projected multi-million dollar deficit, the senior leader team developed a plan responding to the challenge. This plan was briefed to the Board of Trustees in March but was not fully executed. An undefined yet persistent reluctance to make the hard decisions resulted in a piece-meal revelation of that comprehensive plan and created a false narrative around the path drawn up by the senior leader team for extricating the institution from the budget deficit projected for FY18. This reluctance persisted through the initial provisional spending plan period approved by the Board and necessitated an extension request thereby pushing our presentation of the FY18 Proposed Spending Plan back from September to October.

We are presenting a balanced budget in that the projected expenses match the projected revenue for FY18. Make no mistake, this plan represents a bridge to get us from the mire that was the FY18 budget development process to firmer footing as we turn our eyes towards FY19. The FY18 numbers contain some permanent reductions but the one-time reductions that will need to be revisited in the FY19 planning far outnumber the former. Labeling this plan as a “bridge” might sound ominous. In truth, we are optimistic. The institution is poised to embark on a much more transparent and holistic budget development process than has ever been attempted here. We are well-positioned to execute this course correction.

The senior leader team is dedicated to making the hard decisions now to set the table for the incoming permanent president. A large piece of that comes in the form of our revised budget development cycle. As mentioned previously in this report, FY19 planning will begin in earnest in the fall of 2017. The College has implemented new position control practices with regard to open positions, new vacancies, new positions and increases. The formal deliverable from the Divisions on their FY19 budget requests will take place much earlier in the year and the leadership of the College, at multiple levels, will spend the majority of the FY deliberating on priorities and ensuring the funding in those requests is following those agreed-upon priorities.

Sprinkled throughout the new process are specific target dates for internal evaluation and data updates. The Enrollment Projection Model will contribute its initial input helping inform the revenue projections in early fall. Those projections will be evaluated and updated as necessary in January with a final "budget" enrollment projection given in March. Immediately after each of these updates, the senior leadership and budget managers will be invited to attend what we are calling "FM Summits". These institutional level meetings will aid in transparency and help to deconflict competing priorities as the fiscal managers across the institution will receive the latest information available. As the state winds through its own process and reveals new data, we will update the impacts to our own landscape and provide those changes at these summits. The ultimate goal is to have a final proposed spending plan to submit to the Board of Trustees in early spring, thereby eliminating the need for provisional spending plans and maximizing the ability of leaders at all levels of the organization to plan their operations with some certainty as to the level of funding their activity will receive for the coming fiscal year.

FY19 Budget Development Schematic



The bridge year of FY18 will see us through. As it does, we will execute the type of budget development process the fiscal team has long desired to implement. This will ensure transparency on a level, the likes of which this institution has not seen before in this type of planning.

Massasoit Community College
Budget Expenditure Classifications

Category 1

AA EMPLOYEE COMPENSATION – This subsidiary includes regular compensation for full-time employees. It also includes overtime pay, shift differential, sick leave buy back, bonuses and awards.

CC SPECIAL EMPLOYEES – This subsidiary includes payments to individuals who are employed on a temporary basis through contracts. This includes Adjunct Faculty and seasonal employees. In addition, this category includes payments to students who are eligible for work-study.

DD PENSION/INSURANCE – This subsidiary includes pension and insurance related expenditures associated with departmental operations, such as fringe benefits, unemployment compensation, Medicare, worker's compensation, surety of employees and health and welfare trust fund.

Category 2

KK EQUIPMENT – This subsidiary includes the purchase and installation of a variety of equipment. For example, ADP equipment, educational equipment, motor vehicles, office equipment, telecommunications equipment, heavy equipment (e.g., front-end loaders, back hoes), photocopiers and duplicators are purchased from this category.

LL EQUIPMENT LEASE/REPAIR – This subsidiary includes the purchase, lease, rental, maintenance and repair of equipment.

NN INFRASTRUCTURE – This subsidiary includes expenditures for projects that construct and/or maintain real property assets of the Commonwealth. For example, building and land maintenance and improvement projects, hazardous waste removal, maintenance of roadways (salt, sand, patch), and maintenance supplies that are project-specific are purchased or paid in this category.

Category 3

BB EMPLOYEE EXPENSES – This subsidiary includes reimbursement to employees and payments on behalf of employees such as hotels, meals, fares and tolls, private auto mileage, conference and registration fees, in-state and out-of-state travel, reimbursement or payment to police officers for the purchase or cleaning of work-related clothing, and overtime meals.

EE ADMINISTRATIVE EXPENSES – This subsidiary includes administrative expenses associated with departmental operations. For example, office and administrative supplies, postage, printing expenses and supplies, subscriptions and departmental memberships, advertising expenses, bottled water (including incidental rental costs of the equipment), fees, fines, licenses and permits, conference incidentals and state single audit charges are purchased or paid in this category.

FF FACILITY OPERATIONS – This subsidiary includes the cost of operating state facilities. For example, food and beverages, kitchen and dining supplies, drugs, laboratory supplies, medical supplies, clothing and footwear, facility furnishings, laundry supplies, cleaning supplies, gardening supplies, grounds keeping tools, library supplies and materials, teaching supplies and materials, recreational and social supplies, maintenance and repair supplies (stock only, hardware, plumbing, electrical supplies and motor vehicle parts), hand tools for maintenance and repair, and floor coverings are purchased or paid in this category.

GG ENERGY COSTS – This subsidiary includes expenditures for plant operations, space rentals, electricity and natural gas, vehicle fuel, fuel for buildings, water, sewage disposal and payments to energy management services.

HH PROFESSIONAL SERVICES – This subsidiary includes expenditures for outside professional services for specific projects and for defined time periods. For example, accountants, ADP professionals, arbitrators, attorneys, honoraria for visiting speakers and lecturers, medical consultants, and program coordinators are paid in this category.

JJ OPERATIONAL SERVICES – This subsidiary includes compensation expenditures for the routine functioning of departments. Services are provided by non-employees, generally by contractual arrangement. For example, accreditation review costs, art models, performers, athletic services (coaches, officials, lifeguards), financial and data processing services, examiners/monitors/graders, exterminators, non-hazardous waste removal, laundry, messenger and security services, interpreters for the deaf, external snow removal and grounds keeping services, tutorial services, and licensed professional trade persons are paid in this category.

RR SCHOLARSHIPS – This subsidiary is used only for the disbursement of educational assistance (Financial Aid to students at the College).

MM TUITION/EDUCATIONAL FEES – This subsidiary is used only for payments of tuition or fees such as malpractice insurance on behalf of students.

TT STUDENT INSURANCE PAYMENTS – This subsidiary is used only for payment of insurance policies on behalf of students at the College.

UU INFORMATION TECHNOLOGY EXPENSES – This subsidiary is used for telecommunications expenditures.

Massasoit Community College
Fiscal Year 2018 Proposed Spending Plan

	TOTAL COLLEGE REVENUES				
	Prior Fiscal Year Actuals				FY 2018
Revenue Type	**2014**	**2015**	**2016**	**2017**	**Proposed**
State Appropriation	$18,884,986	$19,760,055	$20,236,391	$20,742,077	$21,174,138
Collective Bargaining Funds	$0	$134,267	$0	$295,566	$218,994
Reversions	$0	($296,400)	$0	$0	$0
Formula Funding Adjustment	$608,165	$629,451	$505,684	$149,815	$0
Operating Fund	$28,504,221	$28,680,078	$28,976,198	$30,322,837	$28,407,106
SUBTOTAL	**$47,997,372**	**$48,907,451**	**$49,718,273**	**$51,510,295**	**$49,800,238**
Carry Over from Prior FY	$0	$0	$214,011	$0	$0
ACPTF Transfer Out	($204,000)	($204,000)	($204,000)	($120,189)	($120,000)
ACPTF Transfer In (Remaining Balance)	$0	$0	$48,629	$0	$0
Fee Assistance Scholarship Transfer Out	($88,641)	($77,007)	($135,387)	($192,637)	($192,637)
Payout Reserve Transfer In	$0	$0	$275,253	$0	$0
Realize Gain on Investments	$0	$347,975	($45,724)	$364,873	$364,873
TOTAL	**$47,704,731**	**$48,974,419**	**$49,871,055**	**$51,562,342**	**$49,852,474**

Massasoit Community College
Fiscal Year 2018 Proposed Spending Plan

Account	Account Description	TOTAL COLLEGE PROPOSED EXPENDITURES				
		Prior Fiscal Year Actuals				FY 2018
Account	Account Description	2014	2015	2016	2017	Proposed
AA	Overtime/FT Salaries	$24,270,949	$25,813,549	$26,352,571	$27,868,952	$27,115,521
CC	PT Salaries	$9,145,913	$9,379,740	$9,652,120	$8,520,000	$8,941,680
DD	Insurance/Benefits	$2,138,826	$2,259,006	$2,440,977	$2,905,498	$2,955,714
Payroll/Benefits:		**$35,555,688**	**$37,452,295**	**$38,445,668**	**$39,294,449**	**$39,012,915**
KK	Equipment	$717,610	$661,768	$645,553	$623,823	$281,036
LL	Repairs/Leases	$631,365	$749,667	$501,068	$615,055	$684,335
NN	Construction	$2,046,175	$2,310,714	$2,248,608	$2,406,734	$1,410,807
Capital Improvements/Equipment		**$3,395,150**	**$3,722,150**	**$3,395,229**	**$3,645,611**	**$2,376,178**
BB	Employee Expenses	$97,006	$105,067	$119,835	$176,789	$151,159
EE	Administrative/Office Supplies	$1,358,978	$1,362,560	$1,840,527	$1,844,644	$1,703,891
FF	Facility/Educational Supplies	$1,214,387	$1,295,915	$1,343,113	$1,522,770	$1,716,301
GG	Utility Expense/Space Rental	$1,130,773	$1,439,561	$1,486,922	$1,539,900	$1,287,132
HH	Professional Consultant Services	$320,167	$307,996	$275,538	$348,750	$433,325
JJ	Operational Consultant Services	$336,522	$298,623	$279,824	$467,042	$353,584
MM	Tuition/Educational Fees	$6,357	$6,100	$0	$1,500	$0
RR	Entitlements	$0	$6,500	$6,750	$10,000	$10,000
SS	Debt Service	$825,824	$826,265	$825,134	$827,375	$825,000
TT	Student Insurance/Special Payments	$18,663	$10,962	$9,247	$10,000	$10,000
UU	Information Technology Expense	$1,977,093	$1,666,509	$1,627,766	$1,873,512	$1,972,989
Operations/Other		**$7,285,770**	**$7,326,056**	**$7,814,655**	**$8,622,281**	**$8,463,381**
TOTAL COLLEGE		**$46,236,608**	**$48,500,500**	**$49,655,552**	**$51,562,342**	**$49,852,474**

Massasoit Community College
Fiscal Year 2018 Proposed Spending Plan

Office of the President

Account	Account Description	Prior Fiscal Year Actuals 2014	2015	2016	2017	FY 2018 Proposed
AA	Overtime/FT Salaries	$1,004,680	$1,372,591	$1,406,335	$1,472,571	$1,365,742
CC	PT Salaries	$56,428	$61,842	$49,030	$67,469	$25,920
DD	Insurance/Benefits	$0	$0	$104,868	$0	$0
Sub-total	**Payroll/Benefits**	**$1,061,108**	**$1,434,433**	**$1,560,233**	**$1,540,039**	**$1,391,662**
KK	Equipment	$4,711	$8,216	$3,942	$5,000	$8,578
LL	Repairs/Leases	$1,438	$0	$1,728	$600	$7,328
NN	Construction	$0	$0	$0	$0	$0
Sub-total	**Capital Improvements/Equipment**	**$6,149**	**$8,216**	**$5,670**	**$5,600**	**$15,906**
BB	Employee Expenses	$26,659	$26,605	$28,177	$37,600	$36,270
EE	Administrative/Office Supplies	$186,168	$664,010	$670,407	$898,478	$919,236
FF	Facility/Educational Supplies	$35,175	$45,390	$42,225	$39,425	$33,931
GG	Utility Expense/Space Rental	$30,000	$30,000	$30,000	$30,000	$31,127
HH	Professional Consultant Services	$121,780	$129,005	$141,277	$161,500	$222,000
JJ	Operational Consultant Services	$3,241	$4,550	$2,660	$3,400	$2,000
TT	Student Insurance/Special Payments	$0	$0	$0	$0	$0
UU	Information Technology Expenses	$0	$11,265	$2,680	$19,130	$3,091
Operations/Other		**$403,023**	**$910,825**	**$917,426**	**$1,189,533**	**$1,247,655**
TOTAL		**$1,470,280**	**$2,353,475**	**$2,483,329**	**$2,735,172**	**$2,655,223**

Massasoit Community College
Fiscal Year 2018 Proposed Spending Plan

Account	Account Description	Vice President of Administration & Finance				
		Prior Fiscal Year Actuals				FY 2018
		2014	2015	2016	2017	Proposed
AA	Overtime/FT Salaries	$4,313,244	$6,558,227	$6,624,660	$7,543,192	$7,219,842
CC	PT Salaries	$365,538	$427,215	$391,811	$393,156	$482,740
DD	Insurance/Benefits	$2,138,826	$2,259,006	$813,447	$2,905,498	$2,955,714
Sub-total	**Payroll/Benefits**	**$6,817,608**	**$9,244,448**	**$7,829,918**	**$10,841,846**	**$10,658,296**
KK	Equipment	$297,732	$312,999	$361,035	$158,300	$25,400
LL	Repairs/Leases	$404,135	$434,609	$165,689	$304,762	$371,202
NN	Construction	$2,029,776	$2,216,227	$2,167,606	$2,320,500	$1,325,398
Sub-total	**Capital Improvements/Equipment**	**$2,731,643**	**$2,963,835**	**$2,694,330**	**$2,783,562**	**$1,722,000**
BB	Employee Expenses	$6,392	$16,793	$12,493	$35,300	$29,800
EE	Administrative/Office Supplies	$543,989	$531,725	$1,002,763	$725,905	$576,989
FF	Facility/Educational Supplies	$542,746	$602,236	$599,997	$697,832	$1,092,100
GG	Utility Expense/Space Rental	$1,099,122	$1,408,719	$1,456,035	$1,508,000	$1,255,000
HH	Professional Consultant Services	$126,224	$109,634	$85,345	$108,000	$153,450
JJ	Operational Consultant Services	$44,216	$58,784	$49,144	$41,000	$30,000
SS	Debt Service	$825,824	$826,265	$825,134	$827,375	$825,000
TT	Student Insurance/Special Payments	$18,663	$10,962	$9,247	$10,000	$10,000
UU	Information Technology Expense	$380,162	$1,274,977	$1,327,335	$1,539,372	$1,558,729
Sub-total	**Operations/Other**	**$3,587,338**	**$4,840,094**	**$5,367,493**	**$5,492,784**	**$5,531,068**
TOTAL		**$13,136,589**	**$17,048,377**	**$15,891,740**	**$19,118,192**	**$17,911,364**

Massasoit Community College
Fiscal Year 2018 Proposed Spending Plan

		Vice President of Academic Affairs				
		Prior Fiscal Year Actuals				FY 2018
Account	Account Description	2014	2015	2016	2017	Proposed
AA	Overtime/FT Salaries	$12,986,857	$12,131,446	$12,364,120	$12,651,511	$12,690,198
CC	PT Salaries	$7,964,058	$8,030,254	$8,378,687	$7,454,625	$7,692,740
DD	Insurance/Benefits	$0	$0	$1,058,212	$0	$0
Sub-total	**Payroll/Benefits**	**$20,950,915**	**$20,161,700**	**$21,801,018**	**$20,106,136**	**$20,382,938**
KK	Equipment	$280,264	$235,223	$262,683	$410,293	$244,255
LL	Repairs/Leases	$34,901	$49,223	$51,918	$63,933	$83,893
NN	Construction	$9,283	$17,174	$71,764	$76,634	$79,109
Sub-total	**Capital Improvements/Equipment**	**$324,448**	**$301,620**	**$386,366**	**$550,859**	**$407,257**
BB	Employee Expenses	$40,397	$40,331	$46,308	$81,335	$58,560
EE	Administrative/Office Supplies	$96,243	$90,633	$86,913	$125,053	$121,177
FF	Facility/Educational Supplies	$471,032	$443,903	$492,089	$480,906	$428,426
GG	Utility Expense/Space Rental	$0	$0	$0	$0	$0
HH	Professional Consultant Services	$23,459	$42,287	$20,276	$56,650	$35,900
JJ	Operational Consultant Services	$220,652	$168,845	$167,528	$363,822	$266,545
MM	Tuition/Educational Fees	$6,357	$6,100	$0	$1,500	$0
RR	Entitlements	$0	$6,500	$6,750	$10,000	$10,000
TT	Student Insurance/Special Payments	$0	$0	$0	$0	$0
UU	Information Technology Expense	$1,545,695	$339,452	$265,589	$275,804	$361,545
Sub-total	**Operations/Other**	**$2,403,835**	**$1,138,051**	**$1,085,453**	**$1,395,069**	**$1,282,153**
TOTAL		**$23,679,198**	**$21,601,371**	**$23,272,837**	**$22,052,065**	**$22,072,348**

Massasoit Community College
Fiscal Year 2018 Proposed Spending Plan

Vice President of the Canton Campus

Account	Account Description	Prior Fiscal Year Actuals 2014	2015	2016	2017	FY 2018 Proposed
AA	Overtime/FT Salaries	$1,645,150	$1,851,901	$1,912,119	$2,034,617	$1,950,505
CC	PT Salaries	$181,393	$176,394	$183,326	$128,258	$93,277
DD	Insurance/Benefits	$0	$0	$149,711	$0	$0
Sub-total	**Payroll/Benefits**	**$1,826,543**	**$2,028,295**	**$2,245,156**	**$2,162,875**	**$2,043,782**
KK	Equipment	$84,433	$94,900	$5,360	$45,000	$2,050
LL	Repairs/Leases	$91,430	$161,853	$166,057	$141,905	$114,307
NN	Construction	$2,675	$2,607	$2,160	$0	$2,000
Sub-total	**Capital Improvements/Equipment**	**$178,538**	**$259,360**	**$173,577**	**$186,905**	**$118,357**
BB	Employee Expenses	$1,718	$2,537	$2,340	$2,701	$4,878
EE	Administrative/Office Supplies	$13,036	$17,327	$14,620	$15,890	$17,229
FF	Facility/Educational Supplies	$31,997	$37,238	$56,165	$181,997	$36,206
GG	Utility Expense/Space Rental	$44	$0	$0	$0	$0
HH	Professional Consultant Services	$0	$400	$800	$800	$800
JJ	Operational Consultant Services	$5,918	$2,450	$21,720	$4,980	$6,850
TT	Student Insurance/Special Payments	$0	$0	$0	$0	$0
UU	Information Technology Expense	$17,603	$15,978	$16,345	$25,551	$39,546
Sub-total	**Operations/Other**	**$70,316**	**$75,930**	**$111,989**	**$231,918**	**$105,509**
TOTAL		**$2,075,397**	**$2,363,585**	**$2,530,722**	**$2,581,698**	**$2,267,648**

Massasoit Community College
Fiscal Year 2018 Proposed Spending Plan

		Vice President of Student Services & Enrollment Management				
		Prior Fiscal Year Actuals				FY 2018
Account	Account Description	2014	2015	2016	2017	Proposed
AA	Overtime/FT Salaries	$4,321,018	$3,899,384	$4,045,338	$4,167,061	$3,889,234
CC	PT Salaries	$578,496	$684,035	$649,266	$476,492	$647,003
DD	Insurance/Benefits	$0	$0	$314,739	$0	$0
Sub-total	**Payroll/Benefits**	**$4,899,514**	**$4,583,419**	**$5,009,344**	**$4,643,553**	**$4,536,237**
KK	Equipment	$50,470	$10,430	$12,532	$5,230	$753
LL	Repairs/Leases	$99,461	$103,982	$115,676	$103,855	$107,605
NN	Construction	$4,441	$74,706	$7,078	$9,600	$4,300
Sub-total	**Capital Improvements/Equipment**	**$154,372**	**$189,118**	**$135,287**	**$118,685**	**$112,658**
BB	Employee Expenses	$21,840	$18,801	$30,517	$19,853	$21,651
EE	Administrative/Office Supplies	$519,542	$58,865	$65,824	$79,318	$69,260
FF	Facility/Educational Supplies	$133,437	$167,148	$152,636	$122,611	$125,638
GG	Utility Expense/Space Rental	$1,607	$842	$887	$1,900	$1,005
HH	Professional Consultant Services	$48,704	$26,670	$27,840	$21,800	$21,175
JJ	Operational Consultant Services	$62,495	$63,994	$38,773	$53,840	$48,189
MM	Tuition/Educational Fees	$0	$6,100	$0	$0	$0
TT	Student Insurance/Special Payments	$0	$0	$0	$0	$0
UU	Information Technology Expense	$33,633	$24,837	$15,817	$13,655	$10,078
Sub-total	**Operations/Other**	**$821,258**	**$367,257**	**$332,294**	**$312,977**	**$296,996**
TOTAL		**$5,875,144**	**$5,139,793**	**$5,476,924**	**$5,075,215**	**$4,945,891**

MASSASOIT COMMUNITY COLLEGE

FISCAL YEAR 2018 BUDGET

SCHEDULE OF PRIOR APPROVAL ITEMS

Trust Fund guidelines as adopted by the Massasoit Community College Board of Trustees require prior approval of the following items**:**

1. Expenditures which personally benefit the President

   There are no planned expenditures in this category for Fiscal Year 2018.

2. Expenditures for renovations or repairs of the President's office or home

   There are no planned expenditures in this category for Fiscal Year 2018.

3. Expenditures for membership dues

   Expenditures for approved institutional memberships are provided for in Operations/Other of the President's Office budget.

4. Expenditures for attendance at charitable dinners or events

   Participation in community charitable dinners or events is planned not to exceed a total of $7,500 in Fiscal Year 2018.

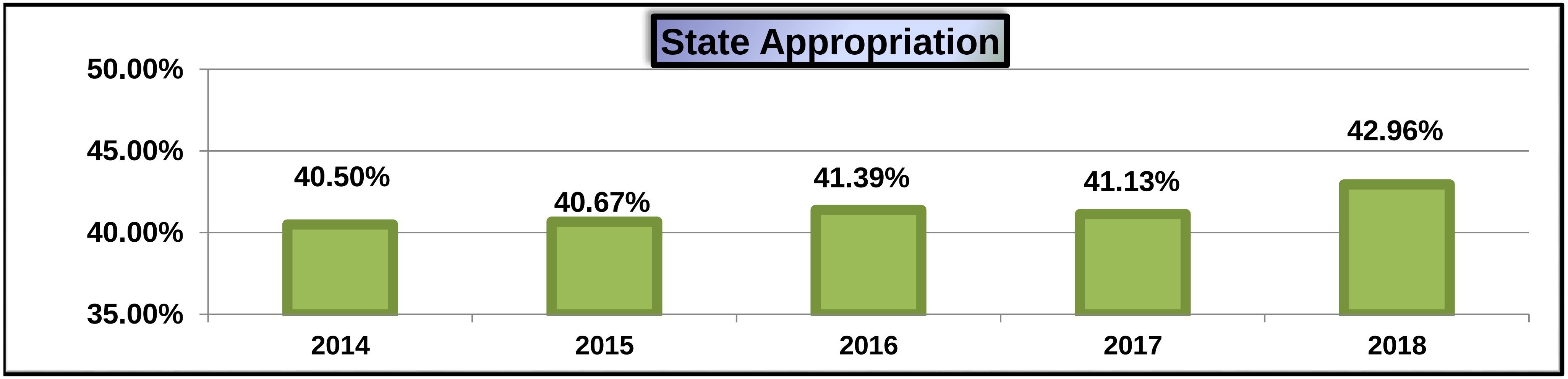
5. Expenditures for Trustees' Travel

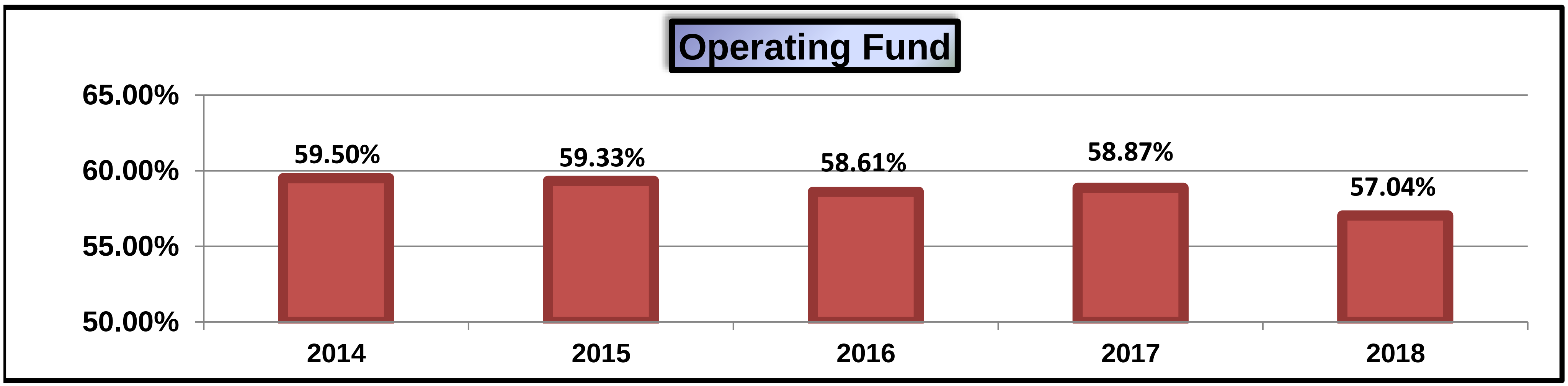
   The College normally provides for Trustees' attendance at conferences for professional development as well as reimbursement for private auto mileage. The cost of Trustees' travel shall not exceed $35,000.

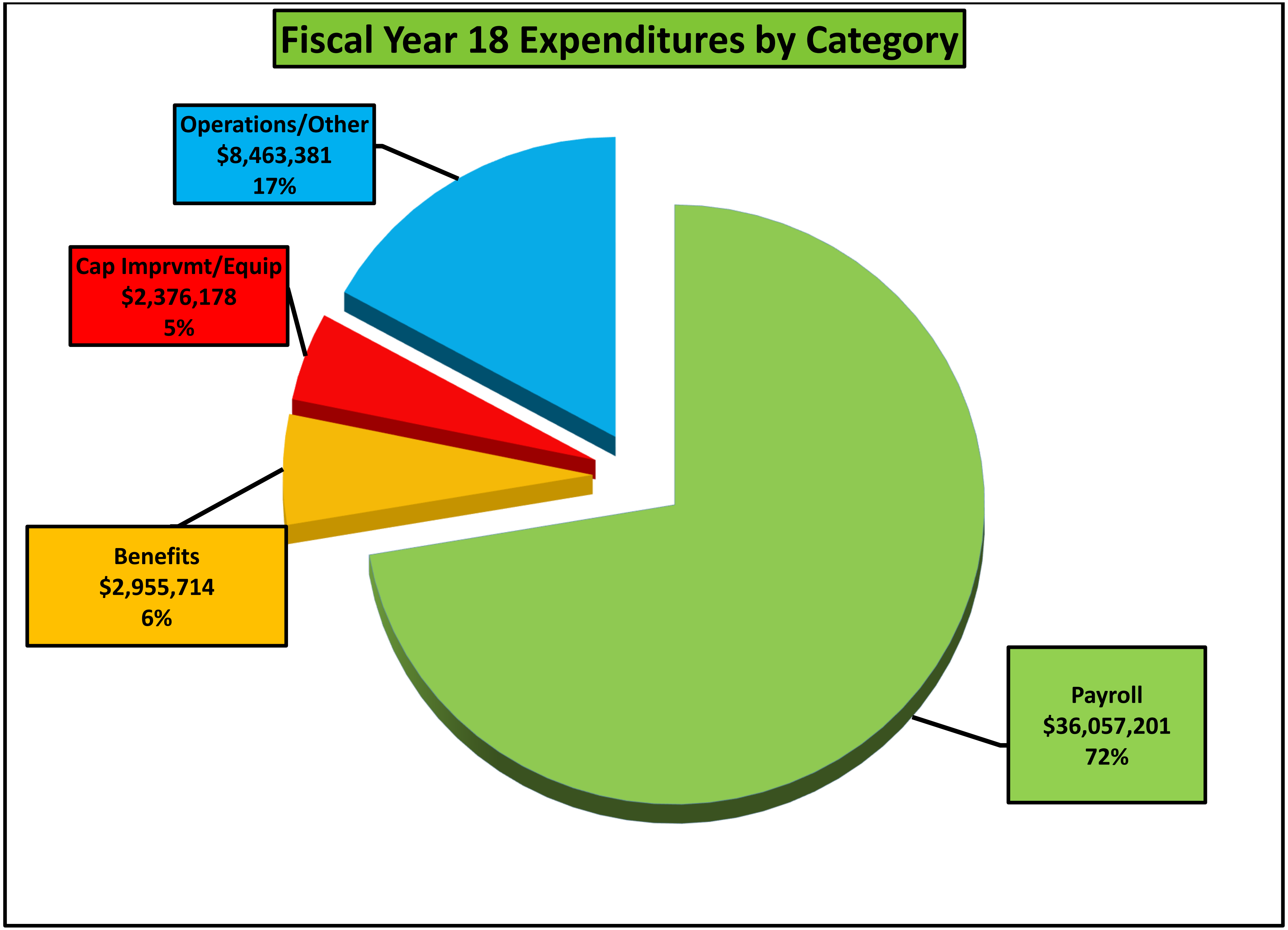
6. Expenditures for entertainment of guests in the President's home

   There are no planned expenditures in this category for Fiscal Year 2018.

Revenue by Category - Percentage of Total Budget
FY2014 - FY2018






Fiscal Year 18 Expenditures by Category
Operations/Other
$8,463,381
17%
Cap Imprvmt/Equip
$2,376,178
5%
Benefits
$2,955,714
6%
Payroll
$36,057,201
72%

Expenditures by Category - Percentage of Total Budget
FY2014 - FY2018