

CAPITAL IMPROVEMENTS PLAN									
HOLYOKE COMMUNITY COLLEGE									
Draft 8/18/17									
	Revenue Sources	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Totals	% of Total	
1	Operating Budget	\$432,647	\$433,000	\$433,000	\$433,000	\$433,000	\$2,164,647	5%	
2	Current Year Reserve Draw	\$0	\$0	\$0	\$0	\$0	\$0	0%	
3	Revolving Fund	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000	1%	
4	MA Life Sciences Grant	\$3,000,000	\$0	\$0	\$0	\$0	\$3,000,000	7%	
5	MA Cap. Equip. Ind. Training Grant	\$200,000					\$200,000	0%	
6	MA Deferred Maintenance						\$0	0%	
7	MA Bond Bill	\$25,000,000	\$7,000,000	\$3,500,000			\$35,500,000	83%	
8	US Econ. Dev. Assistance Grant	\$1,549,200	\$0	\$0	\$0	\$0	\$1,549,200	4%	
9	Total Available	\$30,181,847	\$7,533,000	\$4,033,000	\$533,000	\$533,000	\$42,813,847	100%	
10	Committed	\$30,181,847	\$7,533,000	\$4,033,000	\$533,000	\$533,000	\$42,813,847		
11	Balance	\$0	\$0	\$0	\$0	\$0	\$0		
<b>No.</b>	<b>Project</b>								
<b>Building Envelope</b>									
12	Total Building Envelope	\$0	\$0	\$0	\$0	\$0	\$0	0%	
<b>Grounds/Utility Infrastructure</b>									
13	Repair Kittredge Center Steam Leak	\$50,000	\$0	\$0	\$0	\$0	\$50,000		
14	Admissions Parking Lot/Road	\$50,000	\$400,000	\$200,000	\$0	\$0	\$650,000		
15	Replace Ring Road	\$0	\$0	\$0	\$156,000	\$244,000	\$400,000		
16	Replace Water Mains	\$0	\$0	\$0	\$0	\$234,000	\$234,000		
17	Total Infrastructure	\$100,000	\$400,000	\$200,000	\$156,000	\$478,000	\$1,334,000	3%	
<b>Safety/Code</b>									
18	Asbestos Removal	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000		
19	Total Code	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000	0%	
<b>Building Systems</b>									
20	Replace IT Cooling Tower	\$15,000	\$0	\$0	\$0	\$0	\$15,000		
21	Center for Health Education Generator	\$30,000	\$0	\$0	\$0	\$0	\$30,000		
22	Upgrade Cooling System in KC 301/303	\$30,000	\$0	\$0	\$0	\$0	\$30,000		
23	Install Motor Controls in Tunnels	\$10,000	\$0	\$0	\$0	\$0	\$10,000		
24	Update Bartley Center Gymnasium	\$200,000	\$0	\$0	\$0	\$0	\$200,000		
25	Replace Elevators	\$0	\$40,000	\$278,000	\$322,000	\$0	\$640,000		
26	Total Building Systems	\$285,000	\$40,000	\$278,000	\$322,000	\$0	\$925,000	2%	
<b>Space Renewal</b>									
27	Center for Life Sciences	\$3,000,000	\$0	\$0	\$0	\$0	\$3,000,000		
28	Campus Center	\$25,000,000	\$7,000,000	\$3,500,000	\$0	\$0	\$35,500,000		
29	Reconfigure Library Circulation Desk	\$40,000	\$0	\$0	\$0	\$0	\$40,000		
30	Classroom Upgrades	\$152,647	\$38,000	\$0	\$0	\$0	\$190,647		
31	Replace Chalk Boards with White Boards	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$225,000		
32	Total Space	\$28,237,647	\$7,083,000	\$3,545,000	\$45,000	\$45,000	\$38,955,647	91%	
<b>New Space</b>									
33	HCC MGM Culinary Arts Institute	\$1,549,200	\$0	\$0	\$0	\$0	\$1,549,200		
34	Total New Space	\$1,549,200	\$0	\$0	\$0	\$0	\$1,549,200	4%	
35	Total, All Categories	\$30,181,847	\$7,533,000	\$4,033,000	\$533,000	\$533,000	\$42,813,847	100%	

***DRAFT***  
**HOLYOKE COMMUNITY COLLEGE**  
**CAPITAL IMPROVEMENT PLAN**  
**FY 2018 – FY 2022**

Updated: 8/18/17

A draft five-year Capital Improvement Plan (CIP) has been developed to outline investments in the campus physical plant from all funding sources. The College is committing \$30.2 million from all sources in FY 2018 and \$42.8 million over the five-year period.

At this time, the following projects are planned for FY 2018:

- \$50,000 to repair a steam leak in the Kittredge Center.
- \$50,000 for design of a new Admissions Parking Lot and access road to serve the renovated Campus Center.
- \$10,000 for asbestos removal.
- \$15,000 to replace the cooling tower serving the Information Technology system.
- \$30,000 to connect an emergency generator to the Center for Health Education.
- \$30,000 to upgrade the cooling system in the Peoples Bank Conference Room in the Kittredge Center.
- \$10,000 to upgrade motor controls in the underground utility tunnels.
- \$200,000 to upgrade the Bartley Center gymnasium to allow greater usage for events.
- \$3,000,000 for renovations in the Marieb Building to create the Center for Life Sciences.
- \$25,000,000 for renovations to the Campus Center
- \$40,000 to reconfigure the Library Circulation Desk.
- \$152,647 for classroom upgrades.
- \$45,000 to replace classroom chalk board with white boards.
- \$1,549,200 for construction of the new HCC MGM Culinary Arts Institute.

The plan is summarized on the attached spreadsheet. Each category of revenue, expenditure, and each project is numbered with a corresponding explanation below.

**REVENUE SOURCES**

A total of \$42,813,847 is planned for projects over the five year period from the following categories:

1. **Operating Budget:** This category represents the amount allocated from a \$4 per credit Facilities Fee approved by the Board of Trustees beginning in FY 2016. The fee is expected to generate approximately \$433,000 per year. Over the five-

year period it will provide a projected \$2,164,647, making up 5% of receipts supporting the CIP.

2. **Current Year Reserve Draw:** Funding from college reserves is available on a limited basis to support capital investment. The projection shows no funding for this purpose in the five-year period.
3. **Revolving Fund:** In FY 2013 the Board of Trustees allocated \$1,000,000 from college reserves for a Capital Revolving Fund to support repairs, renovation and new construction. The Board provided that the principal be repaid through the college operating budget over a 10-year period and any balance be available to support additional capital projects. The initial \$1,000,000 was expended in FY 2014 with pay back and reallocation beginning in FY 2016. Over the five years the revolving fund is expected to provide \$400,000 or 1% of the total available.
4. **Massachusetts Life Sciences Grant:** The College is pursuing various grant funding opportunities in support of the Center for Health Education and the Center for Life Sciences. The College was awarded a \$3.8 million Massachusetts Life Sciences grant to support the Center for Life Sciences, with \$3,000,000 projected as remaining for use in FY 2018. This accounts for 7% of all revenue available during the five-year period.
5. **Massachusetts Capital Equipment Industry Training Grant:** The College has been awarded \$1,750,000 from the Massachusetts Executive Office of Housing and Economic Development in support of the proposed HCC Center for Hospitality and Culinary Excellence, and expects to carry over \$200,000 of this funding into FY 2018. This constitutes less than 1% of total capital funding available to the College.
6. **Massachusetts Deferred Maintenance Funding:** The College is eligible for awards from the Massachusetts Division of Capital Asset Management & Maintenance (DCAMM) for facility repairs and renovations. No funding has been awarded at this time.
7. **Massachusetts Bond Bill:** Funding of \$43.5 million was allocated under the Massachusetts Higher Education Bond Bill to support renovation of the Campus Center. Planning and design began in FY 2017. Expenditures of \$25,000,000 are projected in FY 2018, \$7,000,000 in FY 2019 and \$3,500,000 in FY 2020, constituting 83% of resources available during the five-year period.
8. **Federal Economic Development Assistance Grant:** The College is a co-applicant, with the HCC Foundation being the primary applicant and recipient of a \$1,549,200 U.S. Economic Development Assistance Grant to establish a Center for Hospitality & Culinary Arts in downtown Holyoke. This funding represents 4% of revenue available during the five-year period.

9. **Total Available:** Over the five-year period a total of \$42,813,847 is projected to be available to support capital projects.
10. **Total Committed:** This category shows the total amount available is committed to specific projects over the five-year period.
11. **Balance:** During each year of the five-year period, all funding is committed to projects.

## PROJECTS

### Building Envelope

This category encompasses work done to building exteriors, including exterior facades, windows, pointing and exterior doors.

12. **Total Building Envelope:** Over the five-year period no funding is allocated to building envelope projects. However, a portion of the Campus Center Renovation project includes building envelope replacement.

### Grounds & Utility Infrastructure

This category includes work done to grounds, sidewalks, signage and other areas outside of building and work done to the power plant and central piping.

13. **Repair Kittredge Center Steam Leak:** There is an underground steam leak north of the Kittredge Center. If it cannot be addressed as part of the Campus Center renovation, it will need to be addressed as a separate project and \$50,000 is allocated in FY 2018 for this purpose.
14. ~~**Admissions Parking Lot:** Funding of \$650,000 is allocated from FY 2018 through FY 2020 from the operating budget to design and construct a parking lot and related access road dedicated to Admissions at the new entrance to the renovated Campus Center.~~
15. **Replace Ring Road:** Funding of \$400,000 is allocated from the operating budget in FY 2021 and FY 2022 to begin replacing the campus ring road.
16. ~~**Replace Water Mains:** Funding of \$254,000 is allocated from the operating budget in FY 2022 to begin replacing campus water mains.~~
17. ~~**Total Grounds & Infrastructure:** Over the five-year period, \$1,334,000 or 3% of total capital funding is allocated to grounds and utility infrastructure. However, some funding under the Center for Life Sciences and Campus Center Renovation projects is dedicated to this purpose.~~

## Safety & Code

This category includes work done in compliance with federal, state and local building, safety, access and sanitary regulations.

- 18. Asbestos Removal:** Each year \$10,000 is allocated from the operating budget to support the removal of asbestos as part of various renovation projects, for a total of \$50,000 over the five-year period.
- 19. Total Safety & Code:** Over the five-year period, \$50,000 or less than 1% of total available resources is allocated for safety and code compliance. However, the Campus Center and Center for Life Sciences projects also address safety and code issues.

## Building Systems

This category includes work done on mechanical, heating, ventilation, air conditioning, electrical systems within buildings.

- 20. Replace IT Cooling Tower:** The cooling tower is the final component of the IT cooling system that needs to be updated, and \$15,000 is allocated from the operating budget in FY 2018 for this purpose.
- 21. Center for Health Education Generator:** Funding of \$30,000 is allocated in FY 2018 from the operating budget to install an emergency generator at the Center for Health Education.
- 22. Upgrade Cooling System in Kittredge Center 301/303:** Funding of \$30,000 is allocated from the operating budget in FY 2018 to make modification to allow better cooling of the Peoples Bank Conference Room.
- 23. Install Motor Controls in Tunnels:** Funding of \$10,000 is allocated from the operating budget in FY 2018 to continue updating motor controls for various aspects of utility infrastructure.
- 24. Update Bartley Center Gymnasium:** Funding of \$200,000 is allocated from the operating budget in FY 2018 to upgrade the Bartley Center gymnasium to accommodate large college events.
- 25. Replace Elevators:** Funding of \$640,000 is allocated from the operating budget in FY 2019 through FY 2021 as part of the ongoing elevator replacement program.

- 26. Total Building Systems:** Over the five-year period, \$925,000 or 2% of total resources are allocated to building systems. It should be noted that the Campus Center Renovation and Center for Life Sciences projects include building system upgrades.

### Space Renewal

Space renewal encompasses renovation of interior spaces, including painting, carpet replacement and fixture replacement. It should be noted that the two largest projects under this category, the Center for Life Sciences and the Campus Center, include significant work that will fall under the building envelope, safety & code and building systems categories.

- 27. Center for Life Sciences:** A total of \$3,000,000 is provided in FY 2018 from a combination of grant funding and a fundraising capital campaign to support renovations of sections of the Marieb Building to support the Center for Life Sciences.
- 28. Campus Center:** A total of \$35,500,000 in state bond funding is allocated in FY 2018, 2019 and 2020 for the total renovation of the Campus Center.
- 29. Reconfigure Library Circulation Desk:** Funding of \$40,000 is allocated from the operating budget in FY 2018 to reconfigure the circulation desk area of the Library.
- 30. Classroom Upgrades:** Funding of \$190,647 is allocated in FY 2018 and FY 2019 for classroom upgrades, including furniture and equipment.
- 31. Replace Chalk Boards with White Boards:** In each year of the five-year period, \$45,000 is allocated from the operating budget to replace classroom chalk boards with white boards.
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- 32. Total Space Renewal:** Over the five-year period, \$38,995,647 or 91% of total funding is allocated to space renewal. Portions of the Center for Life Sciences and Campus Center Renovation project funding will support building envelope, safety & code and building systems.

### New Space

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~~This category accounts for new space constructed or acquired by the college.~~

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- 33. Center for Hospitality & Culinary Excellence:** A total of \$1,549,200 from a ~~U.S. Economic Development Agency grant is provided in FY 2018 to support~~ development of a new Center for Hospitality & Culinary Excellence in downtown Holyoke.

**34. Total New Space:** New space funding total \$1,549,200 is allocated for new space development over the five-year period, for 4.0% of the total spending.

**Total, All Categories**

**35.** Over the five-year period over \$42,813,847 is allocated from various sources for capital projects.

**Projects for Future Consideration**

The following projects could not be accommodated in the FY 2018 – FY 2022 plan, but should be considered when additional funding becomes available:

**36.** Installing heat in the stairwells, \$540,000.

**37.** Update classroom ceilings and lights, \$100,000.

**38.** Complete replacement of the ring road, \$675,000.

**39.** Replace parking lots and drain manholes, \$575,000.

**40.** Complete water main replacement, \$2,030,000.

**41.** Install reheats in problem areas, \$125,000.

**42.** Install door holds, \$30,000.

**43.** Complete installation of motor controls in tunnel, \$40,000.

~~**44.** Replace the emergency generator in the Donahue Building, \$325,000.~~

**45.** Continue lighting and ventilation upgrades, \$1,800,000.

**46.** Replace chilled water pumps and drives, \$160,000

**47.** Install an exterior door access system, \$100,000.

~~**48.** Install vacuum pump systems in science laboratories, \$40,000~~

**49.** Design and construct a storage building, \$540,000.

**50.** Design and construct a road salt shed, \$170,000.

**51.** Design and construct a secure archival paper storage facility, \$275,000.

**52. Improve accessibility for the Public Safety Building, \$225,000.**

**53. Total funding for projects for future consideration equals \$7,550,000.**



# HOLYOKE COMMUNITY COLLEGE

## QUARTERLY STATEMENT OF TRUST FUND AND STATE MAINTENANCE APPROPRIATION REVENUE AND EXPENSES

First Quarter FY 2018 (July 1, 2016 - September 30, 2017)

	Annual Budget		Current Year - 2018		Percent of Budget		Prior Year - 2017		Percentage Inc./Dec.
	Trust Funds	State Approp.	Trust Funds	State Approp.	Trust Funds	State Approp.	Trust Funds	State Approp.	
<b>Revenues:</b>									
State Appropriation	20,795,047		5,045,818		24.26%		4,116,632		22.57%
Tuition and Fees	21,896,793		11,428,283		52.19%		11,413,713		0.13%
Business and Community Service	775,000		185,432		23.93%		81,901		126.41%
Administrative Allowance	295,000		26,837		9.10%		57,112		(53.01%)
Reserve Draw & Revolving Fund	712,500		0		0.00%		0		N/A
<b>Total educational and general revenues</b>	44,474,285		11,640,552		37.52%		11,532,726		6.49%
Auxiliary enterprises (Bookstore)	478,750		35,858		7.49%		1,362,134		(97.37%)
<b>Total Revenues</b>	44,953,035		11,676,410		37.20%		12,914,860		(1.82%)
<b>Expenditures:</b>									
Compensation and Benefits	32,372,605		2,938,677		24.66%		2,344,183		23.58%
Supplies and Services	10,935,761		2,311,245		21.13%		2,250,541		2.70%
Scholarship and Fellowship	957,750		36,848		3.85%		37,266		(1.12%)
<b>Total educational and general expenditures</b>	44,266,115		5,286,770		23.34%		4,631,990		18.11%
Compensation and Benefits	359,929		88,748		24.66%		95,920		(7.48%)
Supplies and Services	326,973		29,862		9.13%		631,920		(95.27%)
Scholarship and Fellowship	0		0		N/A		0		N/A
Total Auxiliary enterprises (Bookstore)	686,902		118,610		17.27%		727,840		(83.70%)
<b>Total Expenditures</b>	44,953,013		5,405,380		23.25%		5,359,830		10.29%
<b>Net Revenue (Expense)</b>	17		6,271,030		38884.118		7,555,030		-17.00%

**HOLYOKE COMMUNITY COLLEGE  
OFFICE OF THE COMPTROLLER  
MEMORANDUM**

**TO:** Trustee Finance Committee  
**FROM:** Curt C. Foster, Interim Assistant Comptroller  
**DATE:** October 19, 2017  
**SUBJECT:** First Quarter Statement of Revenues and Expenses (FY 2018)

Attached is the second quarter statement of revenues and expenses for both our state maintenance appropriation and college trust funds covering the period July 1, 2017 through September 30, 2017. I hereby certify that to the best of knowledge and belief all funds expended were in compliance with the rules and regulations for trust funds and state finance law.

**Financial Highlights - Overall, total revenues are 1.82% unfavorable (down \$309,264) and total expenses are 10.9% favorable (up \$974,736) compared to the same period in the prior year.**

**Tuition and Fee revenue** is 0.13% or \$14,571 favorable compared to the prior year. This is due to fee increases of \$5 per credit hour along with increases in the Transportation and Student services fees of \$5 dollars each per semester and a \$10 dollar increase in the Information Technology Fee of \$10 dollars per semester. These fee increases and an increase of 4.2% in online credit hours at 14,591 or 25% of total credit hours were offset by a decline in on-site credit hour enrollment, resulting in an overall decline of 5.7%. We currently project tuition and fee revenue to be on budget for the year based on a budgeted a 3.3% decline in net tuition and fee revenue compared to prior year actuals.

**State Appropriation** reflects an increase of 22.6% or \$929,186 is almost entirely due to payroll timing. This year a third pay period in September that was reported in October last amounted to \$765K dollars. Our unrestricted state appropriation is budgeted at \$20,795,047 which is a \$370,119 or 1.8% increase over fiscal 2017.

**Private gifts and grants revenue** is favorable to the prior year \$165,287 principally due to the MGM contribution of \$100,000 for the Culinary Arts Institute.

**Investment** revenue is not reported this quarter. We expect favorable return to continue and will report results next quarter.

**Business and Community Services revenue** is favorable to the prior year by \$103,531 or 126.41% due to increased non-credit contracted sales of educational services. Revenue is currently at 23.93% of budget.

**Administrative Allowance revenue** which is derived from indirect cost recovery from grant activity is unfavorable to prior year by \$30,275 or 53%. This variance is due to timing. The full year is projected to be on budget.

**Auxiliary enterprises revenue (bookstore)** is significantly unfavorable to the prior year, decreasing \$1,326,276 or 97.37%. This is due to the conversion of the model from an on campus bookstore to online textbook sales through a third party vendor. Since the college is no longer selling textbooks, the current revenue only reflects summer textbook commissions, supplies and sundry sales. Fall textbook commissions will be reported in the second quarter.

**Compensation and Benefit expense** is 23.58% or \$1,523,680 unfavorable to the prior year due primarily due to timing of an additional pay period in September that amounts to \$1.4 million dollars compared to last year. Current year expense is projected to be on budget for the year.

**Scholarship and Fellowship expenditure** is favorable by 1% or \$418. We are projecting this expense to be on budget.

**Auxiliary enterprises expenditure (bookstore)** is favorable by 83.7% or \$609,230 due to the conversion of the model from an on-campus bookstore to online textbook sales through a third party vendor and the college is no longer purchasing textbooks to sell.

**Recommended Motion:** *Move that the Finance Committee recommend to the Board of Trustees to approve the Second Quarter Statement of Revenue and Expenses as presented.*

c: President Christine Royal, William Fogarty