

College of Eastern Idaho
Board of Trustees Finance Committee
Meeting Minutes
June 17th, 2021 – 3:30PM

Present:

Cal Ozaki, Board of Trustees Treasurer, Chair
Mary Lynn Hartwell
Becky Holzemer
Ken Taylor
Aaron Johnson
Byron Miles, ex-officio

Absent:

Lyndsay Goody

Guests:

Rick Aman, President
Don Bourne, Controller
Malcolm Guess, Assistant Controller
Dustin Nielson, Budget Director

Chairman Ozaki called the meeting to order at 3:30 PM.

PUBLIC COMMENT

There was no public comment

APPROVAL OF AGENDA

M/S Taylor/Holzemer to approve the June meeting agenda with amendment. *Motion passes unanimously.*

APPROVAL OF MINUTES

M/S Hartwell/Holzemer, to approve the May minutes. *Motion passes unanimously.*

Campus Update

President Aman joined the Finance Committee to provide an update on campus and specifically the Trustee Retreat that occurred at the beginning of June. At the Retreat they were able to do some Futuring for the campus to see what direction programming may need to go in the next three to five years. When we know what type of programs and degrees that may be needed in the region, we are able to look at space; hence working on building the Future Tech building and opening the Regional Trades Center. There was a discussion with the Committee members about the different types of programs, degrees, transfer rates, needs of industry partners, and overall what they see for the future of the campus.

REVIEW OF MONTHLY FINANCIALS

Miles reviewed the May Monthly Financials with the Committee starting with the *General Fund Budget*. As of May, we are 92% through the year. We have received 98% of our budgeted revenue; property taxes are still trickling in. We have expended 89% of the budget, everything is on track.

He moved on to *Other Fund Budgets*; we do have more revenue than what was budgeted due to the CARES Act money, but the expenses have also been effected by the pandemic and the availability of the CARES Act money. The money provided through CARES Act funding will not affect the *General Fund Budget* and any potential excess. All the CARES Act money are restricted funds and need to be spent for the purpose within the regulated guidelines. The question was posed regarding why 'Restricted Student

Fee Revenue' is higher than budgeted; Dustin Nielson, CEI Budget Director, explained that the 'Restricted Student Fee Revenue' are about \$24 of the \$129 per credit. When creating the budget this year we tried to put more money towards tuition and less towards fees; after the budget was created this year there was discussion between CEI staff and the realization that we couldn't make those changes they hoped for. We will get more money in that section than budgeted this year but next year it will be adjusted based on the new information they learned during after the budget making process this year. Another question was asked about 'Restricted Student Fee Revenue'; these are specifically allocated fees that fund things such as IT, ERP, parking, and scholarships.

Miles reviewed the *WTCE Budget*; both their revenue and expenses are very close to what was budgeted which is great considering all they went through with COVID. A discussion followed about how WTCE operates more as a business and is not bound strictly to their budget. Year to date they are over in expenditures but there are still funds that need to be received. Overall, with everything considered, they have done considerably well.

M/S Taylor/Holezmer, to approve the May financial report. Motion passes unanimously.

FUND BALANCE ANALYSIS – SPECIAL REPORT

Miles reviewed with the Committee a special report created by him and Nielson to show the actual usable fund balance. Chairman Price of the Board of Trustees requested this report be created to show the actual funds left in the fund balance after removing the money that has been allotted to different areas. The usual Bank Balance Report that has been presented to the Committee does not show the true picture of funds available and this special report will hopefully help clarify what is the actual useable fund balance..

Miles proceeded to walk through the report with the Committee explaining the different areas and how the calculations were made. There was a lengthy discussion regarding the report and there was further explanation of where the numbers came from for the analysis. Overall, there was confusion about what was presented and further discussion was had about what kind of report they would like to see to help provide clarification on what the actual useable fund balance would be.

REVIEW AND APPROVE FY22 BUDGET

Miles reintroduced the updated FY22 Budget to the Finance Committee that was originally presented at the last meeting. The updates to the Budget were made from the comments from the Committee and the Board of Trustees; these are mainly formatting changes to help clarify the information.

Reviewing the front page of the *General Fund Budget*, we have a balance budget which wasn't initially. We were able to claim lost revenue of 610k from HEERF funds, these will go through to the FY22 budget under *Other Revenue*. This is a one-time solution to balance the budget.

Miles went onto review the *Other Funds Budget* which was mainly updated to have a new format. This new format helps clearly show what funds belong to what areas, such as course fees, grants, CARES Act, and allocated fees. Clarification was asked for regarding the CARES money allocated for Capital Outlay; we have put together a committee to establish a plan to spend the funds according to the rules and guidelines that have been set. We are working on building a virtual campus so a large portion of those funds will be going to upgrade the website, acquiring software, and overall things to help students to have more hybrid options for their education.

Moving on to *WTCE*, the Board indicated that they wanted to see all the details regarding this budget; particularly what is *WTCE* funds and what are funds that the College has put into *WTCE*. A portion of their revenue comes from the courses they run; a portion comes from State Appropriations that include CTE funding and Workforce Development Center (WDC) grants. An additional portion comes from INL contracts for courses they will run for their employees. There were questions regarding the labeling of some categories, adjustments will be made to provide further clarification. Eventually *WTCE* will be able to completely be able to cover all their expenses without assistance from the College and it is possible that they may be able to assist the College at that point.

Overall, the Committee was happy with the changes made and with the additional recommendations they made, it should be good to move to the Board.

M/S Johnson/Taylor to approve the presented FY22 Budget with recommended changes and recommend to the Board to accept the document. *Motion passes unanimously.*

ADJOURNMENT

The meeting concluded at 5:07 PM – The next Committee meeting will be held on August 19th at 3:30 PM via Zoom Conference Call / in Building 3 room 310A.