

College of Eastern Idaho  
Board of Trustees Finance Committee  
Meeting Minutes  
May 20<sup>th</sup>, 2021 – 3:30PM

**Present:**

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

**Guests:**

Park Price, Board of Trustees Chair  
Rick Aman, President  
Malcolm Guess, Assistant Controller  
Dustin Nielson, Budget Director  
Christy Haack, Director of Operations

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

**PUBLIC COMMENT**

There was no public comment

**APPROVAL OF AGENDA**

**M/S Holzemer/Taylor to approve the May meeting agenda. *Motion passes unanimously.***

**APPROVAL OF MINUTES**

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

**CAMPUS UPDATE**

President Aman joined the Finance Committee to provide an update on the different business happenings for CEI. Starting with the Future Tech Building project, Aman passed out books prepared by the Architects with a scope of the whole project. Current we are looking at a \$36 million building; this includes a combination of the \$2 million allocated by the Trustees, State funding up to \$10 million, and we're hoping to secure at least an additional \$5 million in donations from the local area. The rest of the funds possibly coming from the State once we have some donations secured. We are continuing to narrow that gap in funding and would like to see the building operational by Fall 2023.

Moving on, Aman provided an update to the Colleges COVID guidelines. The Trustees removed the mask mandate and made masks optional on campus in the April meeting. Due to this, we expect to see an increased enrollment for the Fall 2021 semester. Students were able to receive grants from the rounds of HEERF funding through the school, on average a part time student received \$300-450 and more for a full time student. We are looking at purchasing Dell laptop computers with HEERF funding for students to help with online learning; this laptop would help them achieve their degree/certificate with us and if they graduate through CEI, the laptop will be gifted to them.

Regarding Futuring, at this point we are looking three to five years into the future to try to see what the region may look like. We are trying to foresee what programs may be needed to help fill open positions down the line. We will be holding a retreat for the Board of Trustees in June to tap into their perspectives and get guidance on where they think we will be in that time. We want to provide students

with three things when they leave CEI, a degree, a relationship with the community (internship/apprenticeship), and an industry recognized certification.

### **REVIEW OF MONTHLY FINANCIALS**

Miles briefly reviewed the April Monthly Financials. Viewing them from a broad view, we have received 97% of our revenue and we have expended 81% of the budget. As of April, we are 83% through the year so we are on track.

Quick overview of the Other Funds Budget; it will continue to look a bit odd due to receiving funds due to COVID since that money came as grants. This is not all the funding we have been granted, just shows what we have received so far.

Miles wrapped up with noting that WTCE has done great this year despite all they have had to face through COVID. Overall, CEI is in good shape and we should see a good end to the fiscal year.

**M/S Hozelmer/Taylor, to approve the April financial report. Motion passes unanimously.**

### **REVIEW AND APPROVE FY22 BUDGET**

Miles introduced the FY22 Budget to the Finance Committee by explaining the process of how it is put together. It starts a year out by going to the State to ask for our allocation of funds. In January, Dustin Nielson, CEI's Budget Director, meets with the different departments around CEI to figure out what they are projecting for their needs for growth.

Nielson took over reviewing the Draft of the FY22 Budget from there. He opened the floor to questions and discussion about the document. A number of questions were asked regarding line items and explanations were provided to the satisfaction of the Committee.

Nielson noted that CTE was going to be different due Fire Service Training (FST) going back to the State for management of the program. He also explained that regarding 'Interest on Investments' he took the average investment interest rate for the FY21 year and applied it to FY22 to be cautious due to any potential economic impacts.

The discussion continued on to review the 'County Property Taxes' line. Nielson explained the process of submitting for an increase annually, which includes up to 3% and new construction, on a worksheet provided by the county. Discussion went on to discuss the funding options for the College; State Allocation, Tuition and Fees, and Property Tax. There is a consideration of adding a fourth option for funding through private funding and/or endowments for the College. Larger Colleges and Universities have endowments that help fund the facilities of the College. Another consideration would be the WTCE program since it isn't limited by the State. Christy Haack, the Director of Operations of WTCE, noted it is the goal of WTCE within the next three to five years to be able give the College a return on the growth of WTCE programs. However, currently the only part of our funding that we have control over is Tuition and Fees.

Nielson went onto discuss 'Fund Balance Carryover'; this is the number that is used to help balance the budget. In FY21 we did not end up having to use this line. The third round of funding of HEERF allows us to possibly claim up to 5% lost revenue from the last year, this would provide about \$600,000. That would help cover the \$459,545 needed to help balance the budget for this coming fiscal year. However, this only buys us a year to help build our tuition revenue and hopefully increase our State allocation to

fix the budget balancing issue. Using the 'Fund Balance Carryover' is only a one-time solution and it is not sustainable; we need to figure out a long term solution. Miles and Nielson are working on a report to show how much we have currently in our present Fund Balance. Conversation continued along the lines of possibilities of different sources of funding.

Regarding 'Expenses', this includes an additional 12 Full Time Employee (FTE) for personnel, 5 of which are instructional, the rest are student support positions. Nielson then provided an overview of the line items from the 'Other Funds Budget'.

Haack presented the 'WTCE Budget' to the Committee. She provided an explanation of the differences in grants, what 'Capital Outlay' included, and answered any other questions that were asked. Due to FST being moved to the State, those grants and fees will be gone, but since it was a flat budget, it shouldn't have an effect on the WTCE budget. They are being conservative with the 'Community Education' line due to having heard that the local Parks and Recreations Department and YMCA will be starting to add some community education classes as well. Overall, they are projecting to have a surplus of funds by the end of next year!

**M/S Hartwell/Goody to approve the presented FY22 Budget and recommend to the Board to accept the presented document. *Motion passes unanimously.***

#### **NEW BUSINESS**

Chairman Ozaki let the Committee know that the CEI Foundations 'Swing for the Green' is next month on June 24<sup>th</sup> and June 25<sup>th</sup>.

#### **ADJOURNMENT**

The meeting concluded at 5:08 PM – The next Committee meeting will be held on June 17<sup>th</sup>, 2021 at 3:30 PM via Zoom Conference Call / in Building 3 room 310A.