

College of Eastern Idaho Board of Trustees
Finance Committee
Meeting Minutes

January 8th, 2018 – 4:00pm

The first meeting of the CEI Board of Trustees Finance Committee began with brief introductions of those present. Including chair, Carrie Scheid, Ken Taylor, Kristina Buchan, Aaron Johnson, Bob Johnson, Mike Mason, Dustin Nielson, Don Bourne, Shane Webster, Rick Aman, and Mary Lynn Hartwell via phone conference.

1. Purpose and Charter

The role the Finance Committee will play was discussed, it was noted that the committee ought to remain separate from Board activities but will report to the Board on all financial needs. The specific duties and responsibilities for the committee are outlined in the charter.

Members discussed term lengths. The committee will decide on details at the next meeting. Members will have the opportunity to indicate any conflicts of interest at a future meeting

2. Meeting Schedule

The committee decided to meet monthly initially and reassess the schedule in the future.

The next two meetings will be held on February 12th and March 12th.

Agendas and meeting material will be sent to the committee as dates approach.

3. Discussion of Financials

Scheid explained that the current process for financial analysis and budgeting at CEI is made significantly more complicated than a typical institution because it is run through the state and must meet state standards instead of internal needs, however this process will be made easier with update to ERP system

CEI must be off the state system June 30th of 2018 – this includes financials and human resources and payroll. This will also allow CEI to establish its own standards and expectations for the financial and budgeting systems.

4. Explanation of relationship between CEI and EITC

Given the short turnaround between implementation of CEI and the start of classes, the current financial process includes EITC invoicing CEI for services rendered on a monthly basis. This process will continue until EITC is formally dissolved by legislative action in June 2018.

Don Bourne, CEI Controller, broke down the current December invoice to explain details.

Conversation took place on how post dated items were added to the invoice, Don explained the books are kept open for 30 days after the end of the month to allow cross over but anything after that date is added to the next month.

Bourne also noted that Moss Adams, the EITC auditing firm, will be auditing EITC, CEI, and the monthly invoices for the upcoming fiscal year.

M/S Taylor/Webster to approve the November financial statement *motion passes unanimously*

M/S Webster/Taylor to approve the December CEI/EITC Invoice *motion passes unanimously*

Bourne and Aman added that much of the current budgeting system is tied directly to enrollment numbers, as those number move up funds can be allocated to different areas of need.

5. Discussion of Cash Flow

Bourne presented the projected cash flow and burn rate to the group, taking into account salary and benefits, overhead costs, and gift spending to name a few.

The details of the Maeck Gift funding were discussed in detail, the College has confirmation of funds and will begin purchasing in the coming months. The funding is earmarked for specific, preapproved, items and projects and will be provided in three installations.

6. 2018 Legislative Ask

Aman gave detail on the 2018 Legislative Funding ask he will be presenting to JFAC in the coming weeks. The ask totals just under \$4 million with an additional \$1 million transfer of CTE funding. Aman clarified that while this may appear to be a decrease in CTE funding it is simply a transfer to cover shifting salary locations.

Timelines for tuition rates were discussed. It was noted that tuition and fees for the coming academic year are usually decided in spring, CEI Trustees will now have authority to make changes to tuition rates as needed. These rates are published annually in the CEI Catalog.

M/S Taylor/A Johnson to support the presented JFAC Funding Ask *motion passes unanimously*

7. Reserves

The committee will discuss the need for and use of reserve funds in coming meetings. Reserve funds are usually required as part of the State Board approved budget and will need to be discussed in detail.

The meeting concluded at 5:27pm – the next committee meeting will be held on Monday, February 12th at 4:00pm in CEI Room 331