

College of Eastern Idaho
Board of Trustees Finance Committee
Meeting Minutes
October 21st, 2021 – 3:30PM

Present:

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

Guests:

Don Bourne, Controller
Malcolm Guess, Assistant Controller
Dustin Nielson, Budget Director
Park Price
Theresa Flannery, Wipfli LLP
Stephanie Killian, Wipfli LLP

Absent:

Aaron Johnson

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 October meeting agenda with changes. *Motion passes unanimously.*

APPROVAL OF MINUTES

Minutes were tabled for approval until next month.

ANNUAL AUDIT

Byron Miles, Vice President of Finance and Administration, introduced the presentation of the audit, and introduced Theresa Flannery from Wipfli LLP. Flannery noted to the Committee that this is the financial part of the audit, and there is still a single audit for the federal funding that needs to be completed due to complications from COVID funding and the requirements with that; when the single audit is complete a report will be delivered. Flannery provided a brief explanation of what the single audit will have, and why there are delays in being able to complete it.

Moving on to the completed draft of the Annual Financial Report, Flannery reviewed the Independent Auditors Report, which is a report stating that the auditors believe the report is materially correct. She went on to explain the report on the internal controls, as well. This report reviews the internal controls of the organization, and whether the auditors feel there are any weaknesses or discrepancies. None were found, and the College passed. There was a brief discussion about how they monitor and test internal controls. The discussion led to some questions about function of the Finance Committee functioning as the Audit Committee.

Flannery did a high-level overview of the Financial Report, noting some of the bigger changes and the notes in the statement that tie to them. Explanation of what the Component Unit is in the report; it is

the College's Foundation. While they are a separate organization from the College, they are very interconnected. Due to this they must be presented in the College's audit report, as well. Flannery moved through the different sections of the Financial Report, summarizing what they mean, changes from year to year, and the purpose of it in the report. Flannery explained why things are presented the way they are, which is to align with Generally Accepted Accounting Principles (GAAP). Brief overview of the note disclosures about GASB and OPEB.

Flannery opened the floor to the Committee for questions and discussion. There was a discussion about some of the recommendations from the auditors to improve policy, procedure, and controls in the College.

REVIEW OF FINANCIALS

As of September, we have completed 25% of the year. In our *General Funds Budget*, we have received 78% of our budgeted revenue, and expended 22%. A question was asked regarding the note under Capital Outlay; items were purchased for the nursing program.

Moving on to the *Other Funds Budget*: the first fund of *Fund 15 – Course Fees*, Miles provided a brief explanation of what it was, and that it is in good shape. Then, *Fund 35 – Grants*, Miles explained these are State and Federal Grants, but do not include COVID funds; we must spend the money first, and then claim back the money. *Fund 36- Unrestricted*, this is where the COVID funds are located; again, this is a case of having to spend it first and claim later. *Fund 92- Allocated Student Fees*; these are the 'fees' part of 'Tuition and Fees' for our students. These fees are allocated to different activities on campus such as IT, student government, and parking.

Miles reviewed the *WTCE Budget*; they have brought in 34% of their budgeted revenue, and only expended 23% of their budget. When reviewing this report, we viewed the YTD Actual column, and we can see that WTCE is in very good shape.

Miles then reviewed the traditional Bank Balance Report of where the College currently has its funds. This report shows our current operating funds to keep the College going, the funds in the LGIP, and other accounts. Don Bourne noted that last month we didn't have our allocation yet from CTE, and it is now there, as can be seen in the visual bar graph. Then Miles reviewed the Cash Availability Report, which shows the available funds that are unrestricted for the College to use after the different accounts and the funds have been deducted.

REVIEW OF BONNEVILLE COUNTY PROPERTY TAX

Miles has gathered information and summarized to the Committee regarding Bonneville County's property tax. He reviewed the basic steps for what goes into figuring out our property tax. Discussion about property taxes, property values, and percentage increase restrictions in budgets per year.

ADJOURNMENT

The meeting concluded at 4:53 PM – The next Committee meeting will be held on November 18th at 3:30 PM via Zoom Conference Call / in Building 3 room 310A.