

College of Eastern Idaho
Board of Trustees Finance Committee
Meeting Minutes
November 5th, 2020 – 3:30PM

Present:

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

Absent:

Lyndsay Goody

Guests:

Park Price, Board of Trustees Chair
Don Bourne, Controller
Malcom Guess, Assistant Controller
Dustin Nielson, Budget Director

Chairman Scheid called the meeting to order at 3:38PM.

PUBLIC COMMENT

There was no public comment

APPROVAL OF AGENDA

M/S Taylor/Holzemer to approve the October meeting agenda as amended. Motion passes unanimously.

APPROVAL OF MINUTES

Minutes from the previous meeting held on October 8, 2020 were presented to the Committee.

M/S Taylor/Holzemer, to approve the October minutes as amended. Motion passes unanimously.

REVIEW OF MONTHLY FINANCIALS

Byron Miles, Vice President of Finance and Administration of CEI, provided a brief overview of the changes that his team made to the Monthly Financials based on the feedback from the Committee from the previous meeting. As of September 2020, we have received 77% of our budgeted revenue and are at 24% of our budgeted expenses; we are on target since we are 25% through the year as of September. The State Appropriation for CTE has come in 95% since they holdback 5% until the end of the year. We should see the first disbursement of the State Liquor Funds at our next meeting and property taxes in our January meeting. Miles continued the discussion to the LGIP investment account has suffered a bit this year but is still in relative good shape considering everything that has happened during this year. Overall the 'General Fund' revenue and expenses are routine in comparison to previous year's spending patterns.

Moving onto the 'Other Funds' budget, Miles let the Committee know we are ahead in 'Other Fund Revenues – Restricted Student Fee Revenue'; these are specifically allocated fees that fund things such as IT, ERP, parking, and scholarships. Chairman Carrie Scheid posed a question on whether or not we might see double the budgeted amount since the number presented seems under budgeted. Dustin

Nielson, CEI Budget Director, explained that the 'Other Fund Revenues – 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.

Moving onto 'Other Fund Expenditures', 'Capital Outlay' is high due to encouraging spending at the beginning of the year, this is to be expected. 'Operating Expenses' are a bit higher too due to expenses that have come from COVID-19 and plans are made to post money from the CARES Act to that account. We are still in the process of having a number of the Federal and State grants billed since the approval for them this year didn't come until later due to COVID-19 delays.

Miles reviewed the WTCE budget prepared by Michelle Holt, the Executive Director of Workforce and Continuing Education. They are ahead in their revenues due to their CTE allocation and they also received funds from the CARES Act as well. Miles noted that WTCE has suffered this year due to COVID-19 as they have not been able to hold all of the classes they would normally, however, the INL is still holding a number classes with WTCE online. Expenditures have fallen just under predicted budget at 23% while we are 25% through the year; once again 'Capital Outlay' is ahead but that is to be expected at the start of the year. There are still pending Accounts Receivable Revenue for WTCE for different grants, contract training, events, etc.

Miles provided a review of the Quarterly Balance sheet which compares this current fiscal year FY 21 to last year FY 20; September compared to year end of FY 20 as of June 30. We are currently ahead on assets due to having more cash on hand at the start of the year, this will be spent as the year progresses. The retirement numbers that are presented aren't entered until the end of the year when we make an annual adjustment. A brief explanation of funds that have been ear-marked for different projects and funds (buildings/facilities) and informed the Committee we are working on a report on how unrestricted funds are spent. A question was asked about why investments in capital assets are down compared to last year. Don Bourne, Controller of CEI, let them know he didn't know the answer off hand but he would research it for them and report back of why there is a difference.

Miles quickly reviewed the Bank Balance Report with the Committee, which reflects the account numbers through the end of October. This report demonstrates typical pattern of our finances; we start the year a little low before the money starts coming in from the State and other sources and then we start spending it throughout the fiscal year. Chairman Scheid pointed out an error in some spelling which will be corrected.

M/S Holzemer /Taylor, to approve the September financial report. Motion passes unanimously.

RESOLUTION 2020 – AMENDED PURCHASING AND PROCUREMENT POLICY

There has been a number of reviews and edits from the Board of Trustees and CEI's lawyer, Sean Colletti, based on the different comments and suggestions that came out the last Finance Committee and the Board of Trustees meeting in October. Miles pointed out on page 3 the specific portion of the policy that has to do specifically with the Finance Committee. A question was asked regarding whether or not the Board needs to meet regarding the approval of larger purchases over a certain amount (Point E); this was changed to a 'safety net' where the Board only needs to approve purchase that do not fall within the approved budget and the purchase of real property. Chairman Scheid posed the question on

whether or not the discussion of purchasing real property should also be brought to the Finance Committee. The Committee agreed and it will be revised and sent back to Colletii. Pending approval from him, the Finance Committee approves this policy.

M/S Taylor /Johnson, to approve the policy, as amended. Motion passes unanimously.

AUDIT UPDATE

The Business Office is still making some minor edits to the audit, however due to delays caused by COVID-19, the audit presentation has been pushed back until the December meeting. Having met with representatives from WipFli, LLP, they are very pleased with how everything is progressing, the new formatting, and overall presentation of the audit; there were no findings or concerns from WipFli concerning our audit. A copy of the final draft of the audit will be sent out the Committee before the next meeting to allow review in preparation of that discussion.

NEW BUSINESS

Chairwoman Scheid announced that she and Trustee Cal Ozaki are planning to switch roles. This means that Trustee Ozaki will chair the Finance Committee and Chairwoman Scheid will move to serve as the Liaison to the Foundation as of January 1, 2021.

ADJOURNMENT

The meeting concluded at 4:18 PM – The next Committee meeting will be held on December 3rd, 2020 at 3:30 PM via Zoom Conference Call / in Building 3 room 310A.