



## **Audit and Finance Subcommittee Meeting 2/8/2022**

4:30 PM start time

*This meeting was held remotely.*

**Attendees:** Jonathan Fost, Yesenia Sanchez Oates, Nathanael Stice, Tim Arbogast, Lorelle Davies, Tiffany Prince.

The meeting opened at 4:30 PM

### **Welcome and Introduction**

#### **Item #1: Review Audited Financial Statements**

Lorelle shares that the business office is still working with the auditing firm to get it wrapped up for that fiscal year.

#### **Item #2: Staff Update - June 30, 2021 Audit Findings**

Lorelle reminds that the audit isn't finalized and reminds the subcommittee that this update was presented to the Board of Education at their previous meeting. She continues with sharing a staffing update in the business office which includes recently hired employees and a job posting that is now being advertised. All of this will allow for the business office to do a deep dive into processes and Lorelle remains optimistic that the college will come out of this fiscal year in a really good place.

Chair Arbogast seeks confirmation that with the audited financial statements the board will also receive the current letter at the time the subcommittee will next meet. Lorelle agrees that barring any additional changes that her drafted letter can be complete.

#### **Item #3: FY 2022 Supplemental Budget**

Lorelle explains that something that is unique about this supplemental budget is that it is not as detailed as one would normally expect because this one is just identifying and outlining the areas that have changed, especially ones that are reflecting to have a change of 10% or more, and have kept the original revenue expectation.

The subcommittee reviews the notice of supplemental budget in depth with Lorelle. Chair Arbogast requests that Lorelle include some of the additional information from the supplemental budget spreadsheet to help signify to the board that the changes being discussed are really about the bottom line.

*Director Stice moved to make a recommendation that the Board of Education approve the Supplemental Budget. Director Oates seconded the motion, and the motion passed unanimously.*

#### **Item #4: Preliminary Discussion - Course Fees**

Lorelle takes the subcommittee through a draft of the proposed tuition and fees for fiscal year 2022-2023. Some areas she highlights:

- an increase in tuition by \$5 to account for the increase in inflation and cost of living increases.
- an increase in the service fee by \$10.
- a decrease in the moodle (online class) fee from \$50 down to \$20.
- establishing a \$5 student activities fee
- establishing a running start fee, for high school concurrent enrollment programs.
- accurately representing specific program fees.

She adds that the college intends to balance out infrastructure costs for those things equitably, based on what the students are actually doing and what they are getting in return for fees. Director Stice seeks for what the impact is going to be on the individual student budget from moving around fees, and what the total percentage would be. Lorelle responds that by adjusting the service fee and moodle fee, amongst some others, it will be more balanced out student by student on average. Discussion continues regarding what the bottom line might be for a student to pay for their education. Director Fost asks if there is a breakdown for a student by certification or program that they're planning to study - specifically, how much this program might cost.

Switching gears to textbooks, Lorelle shares that the college is looking into a newer method to help bring the costs down for books through wholesaling out books. This would drive down book costs to students significantly by giving them increased access to competitively priced books, as well as, the economies of scale of larger wholesaler buying versus buying in a smaller market.

In wrapping up the course fees conversation Lorelle and the subcommittee reviewed proposed tuition and fees at other Oregon community colleges for the next academic year.

It was general consensus of the subcommittee to request Lorelle bring additional supplemental information pertaining to questions on specific program costs and the rate of increase of tuition/fees overtime for the institution to the February Board of Education meeting, if time permits.

#### **Item #5: Discussion - Financial Reporting**

Chair Arbogast and Lorelle share how the financial updates and reporting at board meetings will now include forecasting figures.

The subcommittee briefly reviewed the General Fund Revenue and Expense Summary that will be presented at the February Board of Education meeting.

**Adjourn:** 5:42 PM

Minutes taken by Tiffany Prince