

OWENS COMMUNITY COLLEGE
BOARD OF TRUSTEES
FINANCE COMMITTEE MEETING
April 27, 2021

A meeting of the Finance Committee was held by videoconference, in accordance with the policies of the Board of Trustees, Ohio Revised Code, Section 121.22 and Chapter 3358, and, Section 1 of the Am. Sub. House Bill 404. A public link to the videoconference was provided on the public meeting notice on the College's website.

Call to Order – Jason Johnson called the meeting to order at 9:01 a.m.

Roll Call – Roll Call was taken, and the following committee members were present: Jason Johnson and Rich Rowe. Rita Russell arrived just after roll call: (3).

AUDIT CONFERENCE

Mr. Johnson announced a closed-session audit conference with auditors, Clark Schaefer Hackett, in accordance with Ohio Revised Code Section 121.22(D)(2), and Mr. Rowe made a motion to enter into the audit conference as specified, which was seconded by Ms. Russell.

Upon return from the audit conference, roll call was taken and the following members were present: Trustees Jason Johnson, Rich Rowe and Rita Russell (3).

Approval of Minutes – The minutes of the January 26, 2021 meeting were sent in advance and hearing no corrections, Mr. Johnson declared the minutes accepted as submitted.

Then And Now Certification Appropriation Detail For Board Review –Jeff Ganues, Vice President of Business Affairs, Chief Financial Officer and Treasurer, commented that the listed items were due to a timing issue of the contract review process. He and the Controller are working with the auditors on how to adjust the process. He expected that the process will be adjusted in May. Mr. Johnson suggested that the vendors could also be requested to re-issue invoices to align with the contract execution date and comply with the process. Mr. Johnson recommended adding a comment section to the detail document.

The review was concluded and the Then and Now Certification Listing will move forward to the next regular meeting agenda of the Board of Trustees.

TREASURER'S REPORT

March Financial Report – Mr. Ganues reviewed the March FY 2021 financial report:

- Page 2, projected year-end Net Gain, \$2.7 million.
- Page 3, YTD operating expenses versus budget, will be adjusted for the next report due to in flow of federal HEERF funds. Apple to apple comparison to a year without one-time COVID federal funding is about 89% (not 113.31%).
- Page 3, Mr. Johnson commented that expenses were down but not as much as tuition revenue was down; and, he suggested that it be addressed. Mr. Ganues agreed and commented that as the College gets closer to year-end, any available balances will be put toward the bottom line.
- Page 5, State Share of Instruction projections were adjusted due to the State's restoration of SSI and no other adjustments were expected. Depreciation increase was due to capital projects of VOIP, Bipolar Ionization and sonography equipment.
- Page 7, Investments were reviewed.

- Page 8, SB 6 Ratios were reviewed. Mr. Ganues commented on adjustments to the ratios to be made due to Ohio Department of Higher Education's update of the calculation/language in Ohio Revised Code, as related to the "no debt" and the primary reserve ratio. Going forward the primary reserve and viability ratios will be 5.
- CRRSAA/HEERF federal funding. Mr. Ganues commented on planning for the allowance of the one-time federal funds to replace loss of revenue during the pandemic. He and the Controller will follow up with the auditor on the process; and will report back at the May Finance Committee meeting. He also commented that the use of HEERF funds may be allowable for instructional wages for synchronous course delivery and for the proposal for the Wireless Upgrade and Expansion project. Mr. Ganues commented on the scope for using one-time revenue for one-time projects.

Draft FY 2022 Budget Report for Preliminary Review – Mr. Ganues commented on the draft document to reflect the budget development to-date. He requested feedback and guidance; and the Draft FY 2022 Budget will be reviewed at the May Finance Committee meeting. He also noted that as the HEERF plan is finalized that it will be added into the Budget Report.

Mr. Ganues reviewed the Draft Budget Report, including:

- Page 3, Summer tuition revenue at a slight decrease; will adjust further closer to semester start.
- Page 3, Fall and Spring enrollment at a slight increase; it included a \$5.00 per credit hour tuition increase – pending State legislation approval/Board approval. The tuition increase was also included on Page 4 in the Financial Walkthrough. Finance Trustees Johnson, Rowe and Russell supported including a tuition increase in the budget.
- Page 3, Expenses per FTE projection will continue to adjust in the budget review.
- Page 4, Financial Walkthrough projections will continue to be reviewed, as FY 2021 fiscal year end draws closer. State Share of Instruction (SSI) projection is pending Ohio Department of Higher Education's estimates coming in May.

Wireless Upgrade and Expansion Proposal – Mr. Ganues invited Jared Baber, Chief Information Office, Information Technology Services, to present on a proposal to upgrade/expand the College's wireless infrastructure for both campuses. Mr. Baber commented on the background of the College's wireless system that grew organically, as needs arose, and that in the present time, there were coverage gaps and a lack of a consistent experience for users. He noted that the Ethernet cable infrastructure has aged – most cables were from 1999 and 2002 (old technology and different bandwidth). The proposal was to bring up to current wireless standards based on new technology, devices and better bandwidth. He noted that users bring multiple devices to campus and the "Internet of Things" of more campus operations being wireless. A predictive survey was done for all buildings by an outside consultant.

Mr. Johnson agreed an upgrade was necessary, and he asked about the degree of cabling and the services, such as increased speed, as an outcome. Mr. Baber commented on multiple pathways at 10G and as technology improves, it should go up to 40-100G; about a 20-year investment; cabling will be copper. Mr. Ganues commented that HEERF funds may be allowable for the project.

Mr. Johnson and Mr. Rowe expressed their support of using one-time revenue for one-time projects, such as the wireless upgrade/expansion proposal.

Adjournment – As there was no further business, Mr. Johnson declared the meeting adjourned at 10:06 a.m.

Approved 5-25-21; posted 7-19-21