OWENS COMMUNITY COLLEGE
BOARD OF TRUSTEES
FINANCE COMMITTEE MEETING
January 25, 2022

A meeting of the Finance Committee was held in accordance with the policies of the Board of Trustees, Ohio Revised Code, Section 121.22 and Chapter 3358, in Administration Hall 224 and by videoconference. 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 9:07 a.m.

Roll Call – Roll Call was taken, and the following committee members were present: Jason Johnson, Rich Rowe (remote), and Rita Russell (remote). (3). Sherina Ohanian arrived after the roll call. (4).

Approval of Minutes – The minutes of the November 30, 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 all items were budgeted for; however, the concern was when the invoices were issued. He noted that the process is getting better but more improvement is needed.

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

Tuition Review – President Somerville commented on making a recommendation to the full Board of Trustees at the next regular meeting on the opportunity to increase tuition, capped at a $5.00 per credit hour increase. She noted that it is allowable per the State of Ohio legislation and it is reasonable for fiscal sustainability. She noted that the fees have not been increased for several years except for the police academy. Mr. Ganues commented on the maintenance of the facilities for instruction; program costs are still below the threshold of peer colleges in northwest Ohio. President Somerville commented on House Bill 110 that allowed a $5 per credit hour tuition increase for academic year 2021-2022 *(Board action was taken 6-1-2021)* and for a $5 per credit hour tuition increase for academic year 2022-2023 *(to be recommended for 2-15-2022)* In response to Ms. Russell's question on potential impact to enrollment, Amy Giordano, Vice President, Enrollment Management/Student Services, commented that no negative impact to enrollment would be expected. Mr. Ganues commented on the 2020 Great Lakes marketing research on the affordability of Owens as a driving indicator for enrollment. Mr. Johnson asked for comparisons with other Ohio colleges and target ratios to those colleges, which Mr. Ganues will provide in advance of the February meeting. Mr. Johnson commented on his support of the tuition increase with respect to the rate of inflation (12%). Mr. Ganues commented on Ohio Department of Higher Education's annual tuition report for colleges and universities, and he noted that Owens routinely places at about 9th among the 23 two-year colleges; typically, Owens tuition is lower than the other northwest Ohio colleges. The discussion was concluded and President Somerville commented on moving forward with a tuition recommendation for the next regular meeting of the Board of Trustees.

TREASURER'S REPORT

December Financial Report – Mr. Ganues reviewed the December FY 2022 financial report and dashboards. Mr. Ganues noted:

- Dashboard.
    - Spring enrollment FTE/Budget were not included. Classes begin, January 31 and then, the 14th day census dates and non-payment drops will occur.
    - Wages and fringes were down by 7 percent due to turnover and vacancies.
    - Enrollment down for summer and fall that impacted savings in areas of adjuncts, tutors and student workers.
    - The non-bargaining salary increase was included in the projection.
    - Higher health insurance claims than the prior fiscal year. Continued monitoring and guidance from a new consultant. The projection for claims may be revised in the future. Mr. Johnson commented that prompt action to offset the budget may be needed, depending if the claims increase. Ms. Russell asked about driving factors, which Ms. Nagel commented on College's trend; as well as delayed treatment during the pandemic period.
    - YTD operations were down by 14 percent; significant decreases in outsourcing, repair work, as the College implemented the deferred maintenance and preventative maintenance.
    - At year-end will review for potential funds transfers, if needed due to the claims.
    - Departments have better control of lab/course fees. Budget staff will communicate regarding timely purchases through year-end.
- Balance Sheet.
    - $1.1 million HEERF student funds; and students paid their tuition balances with their portions. This meant there were fewer students dropped due to nonpayment of tuition. HEERF student funding ends with spring semester; will review other strategies for student retention moving forward.

General Updates – Mr. Ganues provided an update on the HEERF institutional portion. About $1.3 million in HEERF 3 funds has been spent on allowable items such as bipolar ionization, wireless technology, instructional laboratory equipment, synchronous delivery, and losses of revenue. Mr. Ganues expects that the remaining balance of $1 million will be identified for spending that supports student enrollment, retention and instruction, no later than May 2022. Ms. Ohanian inquired about the timing, which Mr. Ganues replied on gathering data for employment and enrollment, and lead times for equipment deliveries. Mr. Ganues confirmed for Mr. Rowe that lead time language is embedded in contract language.

Mr. Ganues provided an update on the Request for Proposal process for an enterprise resource platform (ERP). The committee is reviewing the two proposals received for pricing and benefits; the current vendor did not submit a proposal. The next step is demonstrations from both bidders.

Statements and Comments – Mr. Rowe inquired about a past discussion regarding a P/L exercise by program. Mr. Ganues commented on developing a tool, which is being reviewed by the academic deans. He noted that the assumptions are not finalized; however, the FY 2021 data is being added. Denise Smith, Provost/Vice President, Academic Affairs commented on the tool, although not complete, it provides a snapshot of viability in the program review and evaluation process. Mr. Ganues also talked about a template used in the budget development process that provides the deans/chairs to review enrollment trends/lab and course fees/future equipment needs and program expenses. This data is also used for state grant applications and investment into workforce programs. President Somerville also commented on the new College Forum advisory body and having a budget update to help with an overall understanding of the College's opportunities and challenges.

Adjournment – As there was no further business, Mr. Johnson declared the meeting adjourned at 9:56 a.m.

Accepted 4-26-22