

OWENS COMMUNITY COLLEGE
BOARD OF TRUSTEES
FINANCE COMMITTEE AND AUDIT CONFERENCE
August 20, 2015

An audit conference and a meeting of the Finance Committee was held in the President's Office conference room, Administration Hall, on the Owens Community College Toledo Campus.

Call to Order – Trustee Ed Nagle called the meeting to order at 3:06 p.m., and directed the record to show the meeting of the Finance Committee was held in accordance with Section 121.22 and Chapter 3358 of the Ohio Revised Code and the policies of the Board of Trustees.

Roll Call – Roll Call was taken, and the following committee members were present: Mary Beth Hammond, Ed Nagle, Rich Rowe and Tom Uhler (4).

Attendees – Trustee Ron McMaster also attended. The following administrators, staff and guests were in attendance for all or part of the meeting: President Mike Bower, Patricia Jezak, David Cannon, Steve Robinson, Betsy Johnson, Jack Witt, Laurie Sabin, Pam Beck, Jennifer Fehnrich and Mike McDonald. Office of the State Auditor: Dave Thompson.

AUDIT CONFERENCE

Mr. Nagle announced an audit conference with the Office of the State Auditor in accordance with Section 121.22(D)(2) of the Ohio Revised Code, and Mr. Rowe made a motion to enter into the audit conference, which was seconded by Mr. Uhler. Roll Call: Mary Beth Hammond, yea; Ed Nagle, yea; Rich Rowe, yea; and, Tom Uhler, yea (4).

Upon return from the audit conference, roll call was taken and the following members were present: Trustees Hammond, Nagle, Rowe, and Uhler (4). Also Trustee McMaster.

Approval of Minutes – The minutes of the June 16, 2015 meeting were previously distributed, and hearing no corrections, Mr. Nagle declared the minutes approved as submitted.

Report of the Treasurer – Dave Cannon, Vice President/CFO/Treasurer, commented on the submission of the Quarterly Report of Financial Actions (4th Quarter) to the Ohio Department of Higher Education. He also commented on the submission to the Ohio Department of Higher Education of a Request for Subsidy Advance on August 13, 2015 due to timing of revenue, which a response is pending. Trustee Hammond commented on pro-active communication with community partners and vendors with respect to the system of payment processing. Trustee Nagle commented on his prior conversation with Mr. Cannon with respect to board communication and forecast planning.

Mr. Cannon presented the financial report for the period ending July 31, 2015. He reviewed the development of trends for enrollment (head count and FTE) to assist with monitoring the budget and developing conservative revenue projections for the State Share of Instruction (SSI) and tuition. In response to a question from Trustee Nagle, Mr. Cannon and Jennifer Fehnrich, Executive Director of Government Relations, commented on reviewing all options for tuition and fees. Trustee Uhler suggested reviewing the schedule for tuition refunds. Trustee Nagle commented on revenue fluctuations and on the President exploring a “third-leg” revenue source. Mr. Cannon commented on the capital planning area to provide a schedule for capital appropriations and encumbrances for construction projects in progress. Also, once the audited financials are completed, better comparisons to projections may be made.

Mr. Cannon provided line item highlights of the financial statements for all funds, unrestricted fund and auxiliary services funds. For future financial reports, Mr. Cannon will provide a glossary. He commented that the reformatted financial statements address what is budgeted, what is spent year-to-date, and what is projected. He requested the Finance Trustees to provide feedback of the new format of the financial statements.

In response to Trustee Nagle, Mr. Cannon commented on developing a financial dashboard, which may include FTE, tuition, fees, salaries, net income/loss, cash reserves and SB 6 composite scores.

Mr. Cannon commented on implementing the Financial Standards Policy and implementing quarterly updates of the Financial Recovery Plan matrix. He commented on the impact of Governmental Accounting Standards Board (GASB) 68 on the statement of net position, which requires all entities to record a liability for its share of unfunded pension liability of the retirement system. It will be an additional liability with no offset asset.

Michael McDonald, Executive Director of Operations, provided an update on capital projects and property including:

- Heritage Hall, completed on time and in budget
- College Hall Admissions Center, phase I is anticipated to be completed in October
- Kingsley Hall, is in the design phase and anticipated to be bid in September

Adjournment – As there was no further business to discuss, Trustee Nagle declared the meeting adjourned at 5:20 p.m.

ATTEST

Patricia Jezak

Secretary to the Board of Trustees

Approved 9-17-15