

College of Eastern Idaho
Board of Trustees
December 12, 2018
College of Eastern Idaho Campus, Healthcare Building 6 – Room 6164
Idaho Falls, Idaho

A Regular Meeting of the Board of Trustees of the College of Eastern Idaho was held December 12, 2018 at the College of Eastern campus in Idaho Falls, Idaho. Chairman Park Price presided.

Present:

Park Price, Chairman
Stephanie Mickelsen, Vice Chairman
Carrie Scheid, Treasurer
Craig Miller
Cal Ozaki

Guests:

Rick Aman, President
Sean Coletti, CEI Attorney
Jed Bigelow, Hopkins Roden Attorney
Scott Simpson, Moss Adams Auditors
Marji Price, Interim Vice President of Instruction
Byron Miles, Vice President of Finance
Don Bourne, Controller

The Regular Meeting was called to order at 6:03pm by Chairman Park Price

APPROVAL OF AGENDA

M/S Mickelson/Ozaki to approve the agenda as amended *Motion passes unanimously*

APPROVAL OF MINUTES

Minutes from the previous meeting held on November 14 were presented to the Board. Trustee Scheid asked for a rewording of a portion of the minutes focused on budgeting and the finance committee

M/S Miller/Mickelsen to approve the minutes as amended *Motion passes unanimously*

TRUSTEE WORK

APPROVAL OF ADDITION TO FINANCE COMMITTEE

Trustee Scheid gave a brief background on the proposed new member of the CEI Finance Committee, Kevin King. She added that Kevin has been a longtime supporter of the College and also serves on the Foundation Board. Scheid is confident that King will be a great addition to the committee.

M/S Scheid/Miller to approve the addition of Kevin King to the CEI Finance Committee *Motion passes unanimously*

APPROVAL OF MONTHLY FINANCIALS

Controller Don Bourne presented the Monthly Financials to the Board. Trustee Scheid noted that it is unique that the majority of the budget is already accounted for, she added that she was pleased to see how closely tuition and fees were meeting benchmarks of the funding model. Bourne reviewed each of the budgets and explained any numbers out of the ordinary. Trustees asked that a future layout have an explanation for the remaining amounts of the Maeck gift and account for any expenditures that have taken place. The Board also asked Bourne to work with the WTCE division to better account for budgeting and income on the workforce and community education budgets.

M/S Mickelson/Ozaki to approve the monthly Financials *Motion passes unanimously*

REVIEW OF FY19 AUDIT

Scott Simpson of Moss Adams Auditors presented and reviewed with the Board the Communication to Governing Bodies Report for the FY19 Audits for CEI and EITC. Simpson noted that there were no recommendations or findings on either side. A small issue within Financial Aid was found but Simpson noted that it was not a reoccurrence and that many higher education institutions have the same issues, he added that the resolution was simple. Simpson explained to the Board that because CEI is new and has no audit history, the institution cannot be classified as “low-risk” for at least two years. Federal statutes maintain that two years of clean audits must be on the books before an institution can be considered low risk. This means that future audits will require more reporting but will not harm the reputation of the College. Counsel Coletti added that the Board should review both CEI and EITC audits once they are completed.

APPROVAL OF CREATION OF INVESTMENT COMMITTEE

Trustee Scheid reported that the Finance Committee would like to establish an Investment Ad Hoc Committee to develop an investment plan. The Finance Committee would review and monitor investments but did not feel comfortable establishing an investment plan for the College. Chairman Price offered to review plans from other institutions with College representatives and counsel and was

confident that a plan could be developed using others as examples. Price added that if a plan could not be developed in the method, a committee could be established.

M Mickelson to table the vote on the creation of an investment committee

REPORTS

Trustee Scheid reported that the Finance Committee has been involved with reviewing the FY19 audit for CEI and is looking forward to the report. Scheid also added that the committee has been hard at work on reviewing the RFP for a new auditing firm for CEI. The committee will also discuss the review of a pension plan and updated reporting methods in future meetings, Scheid will report back to Trustees on all Committee activities.

Trustee Ozaki reported that the CEI Foundation has been busy reviewing Endowment proposals and is hopeful that a few large donations will be completed in the coming months. The Foundation will be hosting the Barnes and Noble Book Fair Fundraiser on Tuesday, December 18th, Ozaki encouraged everyone to go participate as possible. Trustees asked for future reports to include comparisons of scholarships and supported students to previous years to truly represent the growth of the Foundation over the conversion.

Trustee Miller reported that K12 has been busy at work reviewing and planning for the new funding model coming from the State. Miller noted that he has seen other institutions follow in CEI's footsteps by bringing students to campus for recruitment in addition to visiting High Schools. Miller added that schools are looking for ways to use Fast Forward funds to assist in student campus visits.

President Aman introduced Interim VP Marji Price to report to the Board Inservice, Complete College America and Prior Learning Assessments, and continued partnerships with BYU-I. Price noted that over 40 general education courses are approved by the BYU-I Registrar for articulation. BYU-I also hopes to begin sending interns to CEI to complete upper level courses.

Aman touched on the proposed Outcomes Based Funding model that will go before legislature in January. He added that with a new administration there are many parts of the funding and governance models that are in question. Aman detailed the Line Item requests that were sent to the governor elect and will report back as progress is made at the State level.

Sean Coletti reviewed public information and open meeting law for the Trustees. Coletti remarked that the best rule of thumb is to not create a public record of anything that the Board would not want to be on front page news. Sensitive information should always be discussed in person or within an Executive Session.

EXECUTIVE SESSION

M/S Mickelson/Ozaki to enter into Executive Session pursuant to Idaho Code Sec. 74-206(c), to consider the acquisition of an interest in real property and Idaho Code Sec. 74-206(b) to consider the evaluation of an employee. Motion passes unanimously with vote by roll-call

Entered into Executive Session at 7:40pm and exited at 8:51pm

REMARKS

Trustees had a short discussion regarding ways to shorten meeting lengths and the desire for trainings in the future.

Seeing no other business, the meeting was adjourned at 8:58pm by Chairman Price.

Park Price, Chairman

Date