



## Board of Regents Regular Meeting

June 19<sup>th</sup>, 2020

LCOOCC Main Campus in Auditorium

### Minutes

1. Opening Prayer – Daryl Coons Jr.
2. Call to order at 9:11 a.m.
3. Roll Call - Jason Bisonette, Kyle Van Acker, Monica Chase, Marie Basty, Melissa Lewis, Daryl Coons Jr. Absent – Gary Gerber
4. Approval of today's agenda

**Motion – Melissa Lewis motioned to approve today's agenda with addition to executive session for president's evaluation. Daryl Coons Jr. seconded motion. Motion carried.**

5. Approval of previous meeting minutes

**Motion – Marie Basty motioned to approve previous meeting minutes. Kyle Van Acker seconded motion. Motion carried.**

6. Public Comment - NA
7. Student Senate Report - NA
8. Tribal Governing Board Liaison Report - NA
9. Financial Overview

Budget verse Actual Report – Our percentages are right on at this time of the year. We are looking at 92% expenses and 98% projected revenue. Our bad debt expense got hit hard. Almost all of our aging went to uncollectable and that was due to COVID. Was not preparing for that when we were budgeting for bad debt. We will be showing extra revenue in June. We received \$648,000 for SBA or PPP Payroll protection program. We will be using that for payroll and will free up some money which will be used all in this fiscal year. We are going to anticipate that we are booking funds towards that bad debt expense. Should have a surplus of \$600,000 in our budget. In the near future, would like to plan to have a more in-depth discussion about bad debt expense with financial aid.



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Grant Activities – Perkins and WBL are ending in June and will be renewed in July. We found out that we were awarded the Title III for part A and Part F and it's going to be at least 1 million per year.

Endowments – We are gradually getting back to where we were at the end of last year. We did have the potential to do draws next year but we do not have plans to do that as of right now.

Statement of Activities – Our change in net \$261,000 deficit, which will go up because of the Title III Ed \$1,030,880 this month.

Statements of Financial Position – Our cash equivalent is higher because of the COVID funding we have received. Most of our student AR is in bad debt expense. We have had more accumulated depreciation monthly.

Cash on Hand – The PPP loan and BIE short term funding for COVID are in the money market bank account. With our reserve, we plan to have 6 months' worth of funds just in case something happened. The COVID funding made it so we do not have to take the line of credit. We are at 3 months' worth of reserve right now and can do an analysis on how long it will take to get it to 6-month time frame.

We are in the middle of our audit right now for student financial aid. Potential concern in enrollment reporting. We have engaged with a consultant from CLA to come in and look at our processes next week. We have a lack of communication in the areas that are involved in this issue. The consultant that we are bringing in has experience over both financial aid and registrar's office. We want to create policy and procedure so that this doesn't happen again. We are ahead of where we were last year. They are talking about coming on site in July and finish up then.

We did hire someone in the business office for the accounting assistant and so we can get our internal controls in a better area. We will be working on a lot of policies and procedures to have in place during the next month. We will identify the main policies and get those done first and then continue to work on the rest of them. The internal control issues have been due to lack of staffing and we will be adding an administrative position so Jill can do the higher-level projects. Even though the consultant is coming in, Brandon from CLA doesn't plan on showing that as a finding in the audit and that the college is addressing this and making great progress. We have a higher burden because we are an attendance taking institution. The college started taking attendance since 2010 because the department of higher Ed had an issue with the way the college was calculating the R2T4s.



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**Motion – Melissa Lewis motioned to accept the financial overview. Daryl Coons Jr. seconded motion. Motion carried.**

Break 10:20 – 10:37 a.m.

Mark Montano has been hired as Chief of Business Development a few weeks ago for the college and he has been working on grants and COVID funding so far. Mark was co-chair for the National Tribal Advisory Budget Council.

a. Approval of Fiscal Year 2020-2021 budget

We are asking for a request of \$750,000 increase. The subsequent years will be provided by student enrollment increase. Next year will be the year we see the money for the increase in student enrollment since Dr. Swagger has been on board with the college.

This is the same budget that we looked at last month with a few changes. We aren't sure what we are getting for the BIE yet but projected \$6,000 for BIE endowment. The tuition income, typically we use the previous year. What would've been uncollectable debt will be paid by the MSI funding and paid back to the college. The part of the tuition that is hard to predict is the bad debt expense which we are projecting at \$100,000 and in previous years it was \$330,000. In the future we plan to have financial aid, tribal higher education departments, and bursar meet with students at registration events so that they can help the student right away on what the plan will be for them to pay towards their account.

Student fees and contracted instruction are the actuals for this year. Donations received is very conservative. Jessica has a few major donors so the contributions will probably be higher. Act 55, not sure what will happen due to COVID. State funding for non-native students, we share that with Menomonee nation. COVID funding is going to help with the bad debt if those occur. Title III Part A & F will end in October. We are going to be getting the new Title III starting October 1<sup>st</sup>. Tech will have some carry over from this year. Bakade Café is at \$45,000 for this year. Income is at an estimated \$4.7 million. Did have an increase in instruction and giving them to use professional development for faculty. Nursing will have equipment upgrades. Student activity increase for outreach sites. Continuing education is mainly for travel expenses for instructors. Did add consultant costs to the president budget. We will also be getting someone to help with our fundraising. Increase in business office for insurance increase. Increased professional development in human resources budget. Student services increased AIHEC student travel for next year. Athletics will be included in student services budget and can pull that data to show in the budget. Student activity is based off of last year, depends on how many students we have. Marketing has doubled from previous year.



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Library would be based on participation and might be lower due to COVID. With the Bakade Café we hope to break even this year. We now have a deficit of \$26,795 for the proposed budget. With increase in enrollment, we should have an increase in BIE about \$400,000. Title III grants should also increase due to ISC.

Information Technology budget line, \$165,000 to be used of COVID funding and also the plant maintenance will decrease due to the COVID funding that will be able to decrease expense costs. Mark has been going through expenses and trying to figure out what can fall under the CARES Act funding. The increase in the budget this year for about \$400,000 for 471 funding, Title III part A, & Part F. In order to pay for a \$750,000 increase at about a \$1.2m so we still have about \$450,000 as a cushion. The only concern is from 3 years from now because possible enrollment from this year being lower due to COVID. Right now our enrollment is higher this year than last year and we will have to see what happens at the end of July for our Fall enrollment. Will have to internally figure out how we are going to generate more CEU's. We lost out on CEU's of \$135,000 because we didn't generate enough CEU's.

For the COVID funding, our college received \$1.5m from the governor's emergency education relief funding from the state. The guidance that we are getting said we don't have to ask how the funds are being spent but we are going to forecast that that will eventually happen and going to track how the money is being spent. To balance the budget for FY19-20 of \$200,000 for unpaid tuition for prior fiscal year. \$150,000 in this current year. \$200,000 is previous year and \$700,000 is this year of the cost of attendance and lost revenue. Building expansion/renovations will be for changes for classrooms due to social distances if needed. All of the PPP loan was spent for this FY19-20 year. The rest of the facility will need to be looked at for the air system. Quarantine/isolation center in case of a bad break out possible in the future. Security upgrades and camera systems for access to the college and seemly way to do that. Looking at getting controlled access for the college. Also a call button and anyone that has access would be able to answer that and buzz and let the person in. The Higher Ed funding for student emergency aid and institutional aid has a wrong calculation right now because of the number of students who were online learning. The total difference would be about 300,000 difference. Both the funds are going to be distribute out to students. The \$1.5m from the governor didn't use the calculation that he used for the other universities. Also we didn't allocate anything to the \$1.5m in the budget as of yet since we just found out this week about what we were getting.

**Motion – Daryl Coons Jr. motioned to approve the Fiscal Year 2020-2021 budget. Melissa Lewis seconded motion. Motion carried.**



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Break 12:15 – 12:28 p.m.

Marie Basty left meeting at 12:18 – 12:37 p.m.

Kyle Van Acker left meeting at 12:26-12:29 p.m.

### 10. President's Report

- a. Presidents annual performance review will be conducted during todays executive session.
- b. Fall Reopening report  
Opening as normal in the fall and will bring to the board a recommendation. It will be in the college's best interest to open face to face.

August 1<sup>st</sup> commencement and plan to hold it outdoors either at the casino or HTE Powwow grounds. Will decide on Tuesday where commencement will be happening. LCO School could be a possibility but would need to order a stage. Nursing will be on a different day then regular commencement.

The college had a data retreat with Achieving the Dream a few weeks ago to go over data of class completions and grades. There seemed to be some resistance from the faculty from the data that was being presented. There are lots of variables that come into play with data analysis. The college is partnering with the tribe to get data collection research.

Requesting the board completes the board training course on July 6-9 evening 5pm-6pm.

**Motion – Kyle Van Acker motioned to approve the President's report. Daryl Coons Jr. seconded motion. Motion carried.**

### 11. Other

**Motion – Melissa Lewis motioned to go into executive session. Daryl Coons Jr. seconded motion. Motion carried.**

### 12. Executive Session

- a) President's Evaluation

Melissa left meeting at 2:20 p.m.



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**Motion – Daryl Coons Jr. motioned to come out of executive session at 2:40. Marie Basty seconded motion. Motion carried.**

**Motion – Daryl Coons Jr. motioned to accept Presidents annual review. Kyle Van Acker seconded motion. Motion carried.**

13. Next Meeting – July 17th, 2020.

14. Adjournment

**Motion – Marie Basty motioned to adjourn at 2:44. Daryl Coons Jr. seconded motion. Motion carried.**

Roll Call – Daryl Coons Jr. Monica Chase, Jason Bisonette, Kyle Van Acker

**Motion – Daryl Coons Jr. motioned to go back into executive session at 3:46. Monica Chase seconded motion. Motion carried.**

**Motion – Daryl Coons Jr. motioned to come out of executive session at 3:51. Kyle Van Acker seconded motion. Motion carried.**

**Motion – Daryl Coons Jr. motioned to authorize the president to present a 5% bonus to himself and leadership team. Monica Chase seconded motion. Motion carried.**

**Motion – Daryl Coons Jr. motioned to adjourn at 3:52. Kyle Van Acker seconded motion. Motion carried.**