

**Finance/Audit Committee**  
**May 4, 2016**  
**Burns Hall 3<sup>rd</sup> Floor Board Room**  
**Meeting Minutes**

**Members Present:** Laura Favorite, Grant Fowler, Scott Grigsby

**Guests:** Dr. Evelyn E. Jorgenson, Debi Buckley, Steven Hinds, Gulizar Baggson, Rai Starr, Lindsay Robinson

**Budget to Actual**

- Ms. Baggson explained that revenues for the period ending March 31, 2016, were down 0.3% and expenditures were down 5.1%.

**Cash Flow Status**

- Ms. Starr told the committee the cash position was better than it had been historically.
  - Cash flows have improved since 2013
  - Savings have been realized from the self-insurance plan

**Summary of Accounts Receivable**

- Ms. Robinson reviewed the accounts receivable report with the group.
  - Ms. Robinson told the committee that noncurrent receivables have increased due to 2014 fee increases.

**EL 201 Financial Condition & EL 208 Budget Reports**

- Ms. Buckley reviewed the Executive Limitation Reports
  - Budget reports have followed the required processes
  - Enrollment revenues were calculated at 3% lower than current levels
  - Operating budget was reduced by 3.28%

**Action Items**

**1. Presentation of FY2017 Operating Budget**

- Ms. Buckley presented the FY2017 budget to the committee
  - Reviewed FY 2017 projected SSCH
  - Reviewed Budget Development
    - Reduced division operating budget by 3.28%
    - Tuition and fees increased in some areas
    - Faculty step increases
    - Career service bonus to continue
    - BOT reserve remains at 7.6%
    - Projected millage revenue increase of \$217,541
  - Reviewed FY 2016 Operating Budget - Revenues
  - Reviewed FY 2016 Operating Budget - Expenditures
  - Reviewed comparison of FY 2016 and FY 2017 Operating Budgets
  - Reviewed FY 2017 Bond Payments

### **Recommendation for Approval of FY 2017 Budget**

*Scott Grigsby asked for a motion to approve. Grant Fowler moved to approve, Laura Favorite, seconded. Vote: approved unanimously. All approved the motion to recommend that the NWACC Board of Trustees approve the FY2017 Operating Budget based on the recommendations of NorthWest Arkansas Community College Administration.*

### **2. Approval of Reallocation of Capital Funds**

- Ms. Buckley reviewed a proposal to utilize the funds remaining from construction of the 3<sup>rd</sup> floor, Center for Health Professions as follows:
  - SCWT Gravel Parking Lot \$ 58,000
  - Parking Garage Steps (East) \$ 16,892
  - Additional Lighting SCWT/GBDC \$ 4,667
  - SCWT Metal Roof \$257,015  
\$336,574
- This reallocation would consume the funds remaining from the third-floor expansion.

### **Recommendation for Approval of Reallocation of Funds**

*Scott Grigsby asked for a motion to approve. Laura Favorite moved to approve, Grant Fowler, seconded. Vote: approved unanimously. All approved the motion to recommend that the Board of Trustees approve the reallocation of funds remaining from the third-floor expansion of the CHP as stated above.*

### **Additional Information**

- Ms. Buckley discussed a merit lump sum payment for staff.
  - Merit lump sum payments will occur at the end of 2016 at an approximate cost of \$300,000.
  - Merit lump sum payments are possible as a result of savings in the partially self-insured health insurance plan during FY 2016.