

**NORTHEAST COMMUNITY COLLEGE  
BOARD OF GOVERNORS**

**FINANCE COMMITTEE**  
Thursday, November 9, 2017

**FINANCE COMMITTEE**

Steven M. Anderson, Chairperson	ABSENT
Keith E. Harvey	ABSENT
Shirley J. Petsche	PRESENT
Gene L. Willers	PRESENT
Dr. Terry F. Nelson, ex-officio	ABSENT

**OTHER BOARD MEMBERS**

Arlan W. Kuehn	PRESENT
Don Oelsligle	PRESENT
Dirk A. Petersen	PRESENT
Julie Robinson	PRESENT
Jeffrey M. Scherer	PRESENT
Carol A. Sibbel	PRESENT

**STAFF**

Dr. Michael Chipps  
John Blaylock  
Lyle Kathol  
Lynne Koski  
Derek Bierman  
Amanda Nipp  
Eric Johnson  
Dr. Tracy Kruse  
Craig Garrett  
Jim Curry  
Diane Reikofski  
Brenda Sock  
Coleen Bressler  
John Robertson

**MINUTES**

1. The meeting was convened at 10:46 a.m. in Room 1108B of the College Welcome Center by Shirley Petsche, member of the Finance Committee.
2. Recommended approval of the Minutes of the October 12, 2017 meeting.
3. Lynne Koski, Vice President of Administrative Services, reviewed paid bills for October 2017, focusing on bills in excess of \$5,000. A number of the bills are related to hail damage repair on various buildings. Dirk Petersen inquired if the insurance premiums were impacted due to the hail damage. Ms. Koski explained that Northeast Community College is a member of the Nebraska Community College Insurance Trust. The Trust uses a formula that considers the number and amount of claims submitted over the past three to five years and reported that the premiums have not fluctuated much over the years.
4. Lori Olson, Dana F. Cole & Co., reviewed the Financial Statement for June 30, 2017 and 2016, noting that the format is slightly different this year because the Foundation Audit was on a separate schedule this year. Ms. Olson reported an unmodified opinion, or that the financial records and statements are fairly and appropriately presented. The auditor's report found no material weaknesses in internal controls and no significant deficiencies were identified. She commented that the College's current financial position reflects continued positive trends.

Ms. Olson stated that they received excellent cooperation from management and staff, noting there were no difficulties encountered and there were no disagreements with management. Staff are very well organized and there is a very strong team that helps pull the audit

information together. Ms. Olson also stated that staff are excellent to work with and they appreciate their courtesy.

Dr. Michael Chipps publically commended Lynne Koski and her staff for their dedication and passion. Lynne Koski also extended thanks to her staff and all offices across campus as it takes everyone to accomplish a successful audit.

Following discussion, a consensus was reached by the Finance Committee to recommend to the Board of Governors the acceptance of the Northeast Community College Financial Statement as of June 30, 2017 and 2016.

5. Lynne Koski presented the Settlement Agreement between Northeast Community College and the Nebraska Community College Insurance Trust (NCCIT) for hail damage that occurred to College property in 2014.

Mrs. Koski reported that Northeast received notice of a preliminary settlement, however, Brandon McLean, Executive Director of Physical Plant, was concerned that the amount was not adequate to cover the needed repairs. NCCIT was contacted and a great deal of additional work, including submitting individual bids on each building to NCCIT, was completed by Mr. McLean, Mary Meyer, and Nancy Staub. The results of the additional work netted an additional \$2.6M to the final agreement.

Dr. Chipps reported that he has received a question from a Board member about repairs to roofs and why the work was not being completed. He explained that the reason for the delay in starting the repair process was because Northeast had not reached an agreement with NCCIT. Had repairs begun prior to accepting the agreement, we would not have been able to secure the additional \$2.6M on the agreement.

Following discussion, a consensus was reached by the Finance Committee to recommend to the Board of Governors to accept the Settlement Agreement between Northeast Community College and Nebraska Community College Insurance Trust in the amount of \$7,512,589.45 for 2014 hail damage to real and personal property as well as to vehicles owned by the College.

6. Review was given to resident tuition and standards fees among the Nebraska community college areas as well as regional institutions. The comparative analysis of average housing and meal plan rates was also reviewed. Discussion was held regarding the amount of fees charged to students, e.g., facility fee, student activity fee, technology fee, as these fees support all students.

Reduction in the Dual Credit fee was also considered and support was given for a decreased cost as some board members feel that many of the students who take Dual Credit classes come from a lower income background but the student is wanting to gain technical skills. The reduced rate would provide greater access for students. Focus needs to be given to marketing the lower Dual Credit fee.

Discussion included the impact an increased tuition fee would have on students. As tuition is being discussed it is also important to consider the quality of education that a student receives.

At 12:02 p.m., the Finance Committee recessed for lunch.

Finance Committee reconvened at 12:49 p.m.

A consensus was reached by the Finance Committee to recommend to the Board of Governors the following:

- Resident tuition rate be set at \$96.00 per credit hour
  - Tuition for Iowa and South Dakota residents be set at \$97.00 per credit hour
  - Non-resident tuition be set at \$134.50 per credit hour
  - Dual Credit tuition be set at \$49.00 per credit hour
  - Facility fee be set at \$9.00 per credit hour
  - Eliminate all other fees from Dual Credit courses
  - All other tuition and fees remain the same at 2017-18 rates.
  - Housing and meal plan rates be set at an average of \$4,210 per semester
7. In other business, Dr. Michael Chipps reported that Senator John Stinner has invited the Nebraska community college presidents to Lincoln on December 13<sup>th</sup> to discuss the funding formula and find a way to provide some financial relief to the two smallest community colleges. Dr. Chipps is not in favor of giving additional funds and explained his position/rationale to members of the Board. Board members expressed their support for Dr. Chipps' stance on the subject.
8. With no further business to discuss, the meeting was adjourned at 1:14 p.m.