



## **EHAC Board Meeting Minutes – January 15, 2019:**

**Board members present:** Tania Busch Isaksen, Sharron LaFollette, Chyla Hunter, Don Williams, Mike Fletcher

**Board Members Absent:** Jason Finley

**EHAC Staff:** Leslie Mitchell

**1.0 Meeting Called to order at:** Chair Busch Isaksen called the meeting to order at 12:04pm

**2.0 Standing Items**

**2.1 Approval of Agenda:** agenda approved

**2.2 Approval of December 13, 2018 Meeting Minutes:** LaFollette motioned to approve the December 13, 2018 minutes. Hunter seconded and the motion was unanimously approved.

**3.0 Reports**

**3.1 Chairperson’s Report (Busch Isaksen):**

- No report

**3.2 Treasurer’s Report (Mike Fletcher)**

- **Current Financials/Budget Discrepancy (Busch Isaksen/Mitchell)**
  - Mitchell explained and outlined a discrepancy in the 2018-2019 approved EHAC budget: income related to annual programs dues was overestimated by about \$18,400 due to an error in accounting for the number of programs paying dues. However, an update of the approved budget using actual expense numbers was able to reduce projected expense by about \$11,000.
  - Busch Isaksen explained the Council’s goal in 2018 was to approve a budget to support operational expenses – to effectively “stop the bleeding” from “savings” and develop a revenue sufficient to cover EHAC’s expenses. Even with the misestimation, EHAC is projected to have a balanced budget and even possibly be in the black.
- **Future budgeting:**
  - Fletcher asked for clarification around the term “savings account”, explaining that this is not a true savings account where the money is saved and not used. It is an

account to store money where EHAC can make more interest. EHAC is operating fairly close to the margin with the staggering of a once a year income but with year long expenditures and monetary pass throughs (site visit reimbursements).

- LaFollette asked if there were plans for recuperating the dip into savings of 2017-2018 (\$32,000). Busch Isaksen explained that that money is spent and that the focus is now on adequately covering actual expenses and also on identifying specific needs for additional funding (UG requirements/G guidelines reviews, increase in taxes, cost of living and Employee related expense, etc.). Any cost additional to basic expenses need to have a value attached to it.
- Busch Isaksen wants to firmly examine whether EHAC fees (in particular) and dues are adequate to cover initial accreditation and reaccreditation costs. Busch Isaksen called for analysis of fee structure that determines the true cost of these processes – including administration, cost of annual meetings (as they are held specifically to review initial accreditation and reaccreditation applications) and considers the possibility of funding annual meeting attendance of Council members whose employer will not cover the cost of attending the meeting. Once these costs are determined, focus can be on how to fund the costs – through a raise in fess, grant applications, etc. Busch Isaksen feels that the cost of initial accreditation and reaccreditation are more in the \$1,000 ranger or higher (as compared to current fees of \$500 and \$750 respectively).
  - Busch Isaksen envision an analysis of 6 year rolling average of initial accreditation and reaccreditation cost again a 6 year rolling average of fees for these services.
- Fletcher commented that it is good that the discrepancy was discovered now rather than later.
- Busch Isaksen also proposed a 2 hour budgeting meeting in which all of the Board will participate. An April meeting will focus in on budgeting details in order to identify exactly the cost that need to be covered. Board and ED will develop budget and identify needs rather than having a bookkeeper make proposals. Her goal is to get the Board intimately involved in the process.
  - Mitchell will be in charge of articulating expense for the Board to review;
  - Board will review expenses in detail identifying the impact and need for each expense;
  - Board will collectively with thorough knowledge, recommend a budget to the 2019 Council.
- Fletcher stressed the importance of taking a complete and thorough look at the budget as EHAC is working pretty close to the margin.
- Payroll – Calendar vs. fiscal year: Busch Isaksen explained that there is a bit of question in the payroll area of the budget as EHAC’s fiscal year is from September to October and payroll is managed on a calendar year. Mitchell will enquire of bookkeeper as to how this situation can be handled – would it be difficult to change payroll at the end of the fiscal year? Regardless, Board needs to understand the timing of this cost.
- Errors and Omissions and General Liability policies issue: Council voted to approve the acquisition of E and Of and General Liability coverage based upon the approved 2018-

2019 budget with incorrect income information. In order to be completely transparent, the Board discussed sending a letter of explanation to the Council regarding the situation and to issues a revote. Letter will emphasize that the corrected budget is break-even or better and still can handle the addition of these coverages without dipping into the \$33,000 financial cushion that EHAC has amassed. Busch Isaksen suggested that the letter could offer Mitchell's or her contact information for any questions that Council may have before placing a vote.

- Williams asked if there actually need to be a revote – is that required. Board members suggested that this would be the best way to go in order to be as transparent, fair and upfront as possible.
- Suggested wording: Board is returning to the insurance issue in an abundance of transparency. The 2018-2019 approved budget used to base your decision on contained an error involving an over estimation of income. We have corrected the budget and with the over estimation in income, we are projecting enough income now and in the future to cover the cost.
- Fletcher asked when the insurance would be activated. Once Council gives approval and the quotes can be updated with a new date and signed.
- Fletcher agreed with writing the letter and a new vote – have to be transparent.
- Motion: LaFollette motioned to approve sending a letter to Council explaining the calculation error in the 2018-2019 approved EHAC budget and the need for a revote concerning acquisition of Errors and Omissions and General Liability insurance. The letter will include an explanation of the calculation error as well as the updated budget projections.
  - Second from Fletcher
  - Decision – Unanimous approval of Motion.
- ED Raise - board went into closed session to discuss this topic.
  - Conclusion: Board voted to make Mitchell's cost of living increase effective this month [January 2019].
  - Conclusion: the Board will recommend to Council a bonus for Mitchell at the end of this fiscal year that represents any "savings" over the break-even operational budget for 2018-2019.

### **3.3 Undergraduate Program:**

- **UG requirements review update (Finley)**
  - Finley absent – no report

### **3.4 Graduate Program Report (Sharron LaFollette):**

- no report

### **3.5 Office Report (Leslie Mitchell)**

- **Staff Report – postponed**

#### **4.0 Old Business:**

- Potential NEHA certification/credential for EHAC graduates (Fletcher) – no updates
- ARMY Civil Support Teams – EHAC relationship (Finley) – no updates

#### **5.0 New Business (Chair Busch Isaksen):**

#### **6.0 Schedule Next Meeting – Thursday February 7 at 10am PST**

#### **7.0 Meeting adjourned by Bush Isaksen at ???**