Attendees
Heide Miller-Chair
Tracy Quarnstrom-Secretary
Mike Tempel
Mary Derosier (absent)
Tanya Hoskin
Jess Hulitt

Agenda for March 19, 2026

FY27 Budget
Jess Hulitt shows a preliminary budget for FY27 and went over numbers and needs for MNOHS. Jess noted an inflationary increase in ADM of 2.67%

ADM numbers
Review from Last month
We are adding at least 43 new students for Q3. We have a maximum of 9 students graduating and have dropped about 12 students in Q2. The enrollment team is working hard to continue to reach out and keep students. We are working to convert applications to enrollments. The deadline for enrolling for Q3 is right now January 22nd but may be extended. We hope to add 10 ADMs for Q3. We are on track to add 20 students for Q4 to just adjust for drops and graduates.

We are aware that the MARSS reports are not trending in the same way as our headcount is, and we are conducting an internal audit. I found a MARSS coordinator mentor for our enrollment specialist two months ago. We have been holding weekly meetings and have found about 8 students missing from the last MARSS pull. I have reached out to two MARSS consultants that were recommended by CP but both are unable to assist us at this time to due to workload issues.

We will continue our internal processes and continue to seek further audit assistance.

Calculations monthly from board meetings report

Budget revisions
A small group of this committee met this week and reduced ADM enrollment on the budget and made other adjustments. This revised budget was presented to the board at the February school board meeting. And a budget for FY27 to the board in May at the board meeting.

FY27

- Needed for FY27 are staffing numbers and an increase to talk to staff about (3%)
- Staff can expect to see a dependent insurance increase in December that will be covered by the employee.

- Elimination of redundant positions due to lower enrollment
- Many hats audit in the coming year
- Continue to look at all renewals for cost savings

Other budget notations would be that three employees are currently on MN Paid Leave and that will account for some compensation savings.

MNOHS is engaging in a comprehensive analysis of renewal contracts and needs around curriculum and software.

We are adjusting all possible contracts including Adobe Sign at a savings of almost 3K and investigating cancelling Starfish that would be a 20K yearly savings. This has a legal component as we are in a 5-year agreement.

Starting for Q4 we will know only have adjunct employees in licensed areas already held by full time employees if the employees have a full student enrollment and course load each term. This should save about 20K over this year.

Spring Personnel Items
We must continue to look at trends of lower enrollment and employment needs for MNOHS with a analytical perspective, allowing the ED to propose budget cuts where savings can be incurred.

Next Steps

- State of the school to the board on March 24th
- State of the school to staff on March 25th
- Intent to return forms due on March 31st
- Analysis of our needs by April 1st
- Written agreements offered by May 15th

Funding Streams to Investigate
We have $13,284 allocated from the state for MN Cyber Security grant. Mike and Tracy will investigate security software or other places where we can spend these funds in the next month.

Future needs for the next three months:

- We need to continue to be aware of legislation that may affect funding streams for 2627 and beyond.

Other Questions