

The Utah College of Applied Technology (UCAT)
Board of Trustees Meeting

DATE: 11 January 2012

TIME: 10:00 AM – 1:00 PM

LOCATION: Utah College of Applied Technology
4501 S. 2700 W. Bldg. 3
Salt Lake City, UT 84114

(Anchor location for electronic access)

MINUTES

Board of Trustees Present

Tom Bingham, Chair – TATC Board of Directors
Michael Madsen, Vice Chair – BATC
Ron Larsen – DXATC Board of Directors*
Steve Moore – OWATC Board of Directors
Jim Evans – MATC, Board of Directors
Don Roberts – SWATC Board of Directors
Mark Dennis- UBATC Board of Directors
Jim Olsen – Business-Industry Governor’s Appointee
David Crandall – State Board of Education Representative
Dale Cox – Union Apprenticeship Representative
Brad Tanner – Non-Union Apprenticeship Representative
Carl Albrecht – Snow Career and Technical Education
Mike McCandless – USU-CEU Career and Technical Education*
Stanley Parrish –SLCC School of Applied Technology

Excused

Katharine Garff – State Board of Regents Representative
Spencer Eccles – Governor’s Office of Economic Development
William Prows – DATC Board of Directors
William Sederburg – Commissioner of Higher Education

UCAT Administration

Robert Brems – President
Jared Haines – VP, Instruction and Student Services
Tyler Brinkerhoff – VP, Administrative Services
Kimberly Roberts – Executive Assistant to the President
Darrell White – Development Director

Others Present

Richard Maughan – BATC, Campus President
Mike Bouwhuis – DATC, Campus President
Rich VanAusdal – DXATC, Campus President
Collette Mercier – OWATC, Campus President
Clay Christensen – MATC, Campus President
Dana Miller – SWATC, Campus President
Scott Snelson – TATC, Campus President
Mark Walker – UBATC, Campus President

*Attended via electronic access

MINUTES OF MEETING

UTAH COLLEGE OF APPLIED TECHNOLOGY
Board of Trustees
11 January 2012

Introduction Items

I.A Call to Order

Meeting was called to order at 10:08 am

I.B Approval of Agenda

Motion to approve the agenda

Motion: Mike Madsen, Second: Jim Evans; Voting: Unanimous

I.C Approval of 22 September 2011 Minutes

Removed Douglas Holmes from present list and replace with Steve More and also move Carl Albrecht from present to excused.

Motion to approve the 22 September 2011 Minutes after recommended revisions: Jim Evans, Second: Michael Madsen; Voting: Unanimous

I.D Executive Committee Report

Chair Bingham informed the board the Executive Committee Meeting approved minutes of previous Committee meetings. In the meeting they also reviewed the Board of Trustees meeting agenda and discussed the weighted pupil unit to be discussed later in the meeting.

Action Items

II.A New Policy Approvals

New policies 103 (Authorization of Charter Schools by UCAT Campuses), 555 (Budgeting and Budget Control), 565 (Travel Authorization and Reimbursement) were presented and reviewed by the Board for possible approval.

Policy 103 (Authorization of Charter Schools by UCAT Campuses) received an initial review in the last Board of Trustees meeting in September, 2011. It is a critical policy which UCAT is exploring consistent with legislation passed in 2010 and 2011. The policy will provide general direction to campus boards of directors to authorize charter schools. Based on the input provided by the Board of Trustees and subsequent discussion in the UCAT President's Cabinet, new language was added to Section 5.1.1 and to Section 5.1.3. After a thorough discussion of this policy and its wording, it was recommended that this policy be approved as displayed.

Motion for approval of Policy 103: Carl Albrecht, Second: Jim Evans; Voting Unanimous

Policy 555(Budgeting and Budget Control) was introduced by Darrell White, who recommended adding the following language:

3.5 Budget Controls

3.5.1 Expenditures from any budget category must be approved by the UCAT President, Budget Officer or any employee designated by the UCAT President as a budget manager for a particular budget category from which the expenditure is requested.

Motion to amend as recommended: Mike Madsen, Second: Steve Moore; Voting: Unanimous

Motion for approval of Policy 555 as amended: Brad Tanner, Second: Mark Dennis; Voting: Unanimous

Policy 565: an editing error was noted a section from another policy was included at the end of this policy. It was recommended that the second 3.5 section titled "Budget Controls" be removed.

Motion for approval of Policy 565 after recommended revisions: Jim Evans, Second: Don Roberts; Voting: Unanimous

II.B Approval of OWATC Roy Campus Lease

Campus President Collette Mercier reported that OWATC Roy Campus has leased this building since 2004 with approximately 15,000 square feet. In 2007 OWATC decided to lease the rest of the building to bring in new programs. A part of the building was being used for instruction to charter school students. After the economy dropped, the charter school moved into Davis County and much of the space is no longer needed.

OWATC's current Roy Campus lease expires on June 20, 2012. The current lease is for 24,100 square feet with a five year lease term and three percent annual escalation. The negotiated lease with the property landlord beyond June 30, 2012, was approved by the OWATC Board of Directors December 19, 2011. This will include leased space being reduced to 14,825 square feet, a new lease term for two years effective July 1, 2012, through June 30, 2014, with an option for a third year. Three percent escalation each year remains unchanged. Modifications and additions to section X. include indemnity of the lease, as per recommendations from State Attorney General's Office – Division of Risk Management. After discussion a recommendation was made to approve the OWATC Roy Campus lease and authorize President Mercier to execute the agreement.

Motion: Don Roberts, Second: Carl Albrecht; Voting: Unanimous

III.C Future Participation of High School Students in UCAT Programs

President Brems reported that in 2011 the Legislature struck statutory language previously allowing school districts and charter schools to count average daily membership during the time students left their home high schools to attend courses at the eight campuses of the Utah College of Applied Technology (UCAT). Numerous meetings have occurred over the past year to identify a solution to continue those partnerships, permitting motivated high school students to continue having the option of attending UCAT programs. No solution has been identified and as of July 1, 2011, high school students attending UCAT programs are not being counted as part of their home school district's or charter school's average daily membership.

UCAT administration, trustees, and campuses have initiated several meetings with executive and legislative branch leadership, as well as with public education administrators to identify an acceptable solution to this issue. State Superintendent of Public Instruction Larry Shumway is to formulate a recommendation for a new solution that would provide an incentive for districts to send appropriate high school students to UCAT campuses for technical education programs and also develop a "bridge scenario" to move from the former funding processes to a new solution that is not viewed as double-funding. While Superintendent Shumway's recommendation is not available at this time, UCAT administration, at the request of several legislators, has developed a UCAT recommendation for consideration.

UCAT is model would provide for Partnership Fund to help pay part of the cost secondary students incur when they come to UCAT campuses. The current adult tuition rate (\$1.55/hour) would be used as a base metric for determining the amount of the Partnership Fund that would be distributed. Essentially, for each hour a high school student attends at UCAT program during the regular high school year, the UCAT campus

would receive \$1.55 and the student's school district or charter school would also receive \$1.55. The total cost of the proposed Partnership Fund, using FY 2011 statistics, would be 1,528,136 X \$1.55 X 2 for a total of \$4,737,222 (or \$262,778 less than the \$5,000,000 amount that was transferred from the former traditional funding process).

After thorough discussion it was recommended the Board approve the recommendation conceptually to present to the Legislature and to Superintendent Shumway. Improvements may be made with the executive committee at a later date.

Motion to approve: Brad Tanner, Second: Steve Moore; Voting: Unanimous

II.D Approval of UBATC Non-State Funded Project Operations and Maintenance

On September 22, 2011, the Board of Trustees authorized UBATC to proceed with its Non-State funded PET building. Initially there was no request for operation and maintenance (O&M) costs, but after discussions with the Division of Construction and Facilities management (DFCM), President Walker was advised to seek possible O&M funding through the Infrastructure and General Government Appropriations Subcommittee. DFCM has asserted that this request will be viewed as separate from our approved budget request which will be presented to the Higher Education Appropriations Subcommittee.

Motion to authorize UBATC to see O&M funding for its PET building through the General Government Appropriations Subcommittee.: Don Roberts, Second: Mike Madsen; Voting: Unanimous

II.E BATC/UDOT Property Improvements

The Utah Department of Transportation (UDOT) is making road improvements immediately adjacent to BATC's West Campus Building. As part of that project, UDOT has approached BATC to purchase a utility easement from BATC. The easement has been valued by two independent appraisals at \$56,000. In lieu of cash compensation, BATC has negotiated with UDOT to install a sidewalk the length of the West Campus on both roads. The project is on the corner of 1400 North and 1000 West in Logan.

The appraisals for the easement and the construction cost for the sidewalk are within \$80.75 of each other. The easement purchase is valued at \$56,000 and the cost for installing the sidewalk as part of the project is \$55,919.25, so BATC will receive \$80.75 in addition to the sidewalk.

Motion to authorize BATC to proceed with the transaction with UDOT: Jim Evans, Second: Dale Cox; Voting Unanimous

Information Items

DXATC President Retirement

Chair Bingham had President Rich VanAusdal stand to inform the Board he submitted a letter of intent to retire June 20, 2011.

Trustee Stanley Parrish recommended staff draft a board resolution for President VanAusdal.

Motion: Stanley Parrish, Second: Mike Madsen; Voting: Unanimous

III.A Update on UCAT Administration & Training Facility at Thanksgiving Point

The UCAT Administration and Training Facility project went out for bid in late September, 2011. A summary of the bids was provided with the agenda:

With a budget of \$1.2M, excluding property and architectural costs, the eight bids received were significantly over budget and the project underwent a value engineering process to bring down costs. At the conclusion of that process it was determined to downsize the project and rebid.

The revised base building will be 5,073 square feet with an alternate design of an additional 413 square feet (total 5,483). Through creative redesign, the architect has been able to maintain all twelve offices/workstations and modify the board room/conference area into a smaller, but ample space. The structure has also been changed from an all metal structure to a combination wood/metal structure and total parking area has been reduced. DFCM is conducting a rebid of the project during the month of January. Provided an affordable bid is received, the new projected start date is March 1, 2012 and projected completion date is October 2012.

III.B 2011 COE Reports (Completion, Placement, and Licensure)

The Council of Occupational Education (COE), which provides institutional accreditation for the eight UCAT campuses, requires each campus to provide an annual report at the beginning of December of each year, indicating compliance with accreditation guidelines and performance on certain indicators during the fiscal year (60% Completion, 70% Placement and 70% Licensure). The COE report places particular emphasis on completion, placement, and licensure rates for post-secondary students in certificate programs. The overall UCAT rates for post-secondary students were 75.33 % Completion, 85.76 Placement and 97.11 Licensure.

III.C Enrollment Trends

Although budget cuts and stretched campus capacity contributed to a leveled-off and slightly decreased enrollment in the most recent year, the amount of training provided by UCAT campuses in the last five years increased 1.3 million membership hours (27.4%) – roughly equivalent to the size of one of the largest campuses, and more than the size of the four smallest campuses combined. Headcount has declined a bit more than membership hours, probably because there have been more long term students than short term students.

III.D UCAT Marketing Report

Utah statute calls for the UCAT president, in conjunction with the Board of Trustees, to “develop and implement a plan to inform the citizens about the availability, cost, and advantages of career and technical education.”

The UCAT Marketing Committee, consisting of a representative from each campus and the Office of the UCAT President, has developed and begun implementation of a plan to inform Utahns about UCAT programs and campuses, consisting of the UCAT website, internet advertisements, television commercials, text messaging, and outdoor advertising. The coordinated effort is funded by a combination of UCAT President’s Office budget (“System Initiatives”), campus contributions to a cooperative marketing budget, and individual campus marketing efforts.

III.E Governor Herbert’s 2013 Budget Recommendations

Governor Gary Herbert announced his FY 2013 Utah Budget proposal on December 12, 2011 at Bountiful High School. The Governor’s budget recommends an amount of \$1,250,000 in new funding to UCAT under the title of Performance Funding. The Governor’s budget also includes intent language for use of the new funds as follows:

“UCAT - Distribution of Performance Based Funding is prioritized to areas that have programs with waiting lists, yearly growth, and demonstrates high level of certificate attainment and demand from industry.”

Should the Governor's recommendations be adopted by the Legislature, a hybrid approach for funding distribution would need to be developed. It is not clear whether that approach and distribution would be accomplished by the Legislature, or if the Board of Trustees would have final approval responsibility.

The Governor's budget also specifies an amount of \$649,000 that is indicated as "Maintenance funding shift". Jim Grover, our fiscal analyst at the Governor's Office of Planning and Budget indicates that this is \$569,000 for O&M funding of the new Tooele campus and \$80,000 for O&M funding for the DATC Freeport Center campus.

The Governor's budget recommends a 1% cost of living increase for state employees and public education. It does not recommend a cost of living increase for higher education or UCAT.

III.F Legislative Session Preparation

As the 2012 General Legislative Session begins, the UCAT Budget request approved last September will be presented to the Higher Education Appropriations Subcommittee.

New Staff

President Brems introduced Kimberly Roberts as our new Executive Assistant to the President.

Adjourn

Stanley Parrish Motion to Adjourn
Meeting adjourned at 12:51 PM