

Minutes of the Davis Technical College Board of Directors' Meeting
Anchor location: Davis Tech Campus – Haven J. Barlow Board Room
Meeting conducted via in-person/electronically
due to COVID-19 protocol.

June 18, 2020

3:33 pm

Conducting: Stuart Eyring Board Chair

Board Members Present

Stuart Eyring	Business/Industry, Chair
Troy Wood	Business/Industry, Vice Chair
Justin Atkinson	Business/Industry
Lindsay Bayuk (remote)	Business/Industry
Amanda Covington (remote)	Business/Industry
Brigit Gerrard	Davis School District
Mike Henry (remote)	Business/Industry
Scot Merrihew (remote)	Business/Industry
Tucker Morgan (remote)	Business/Industry
Adam Toone	Morgan School District

Administration

Darin Brush	President
Leslie Mock	Vice President of Instruction
Russell Galt	Vice President of Administrative Services
Julie Blake	Vice President of Quality and Development
Wendee Cole	Recording Secretary

Guests

Jim Diamond	Hill Air Force Base (invited guest)
Alison Anderson (remote)	Director of Instructional Systems
Gavin Harper (remote)	Director of Health Professions Programs
Greg Scherer (remote)	Director of Information Technology
Jeff Lund (remote)	Controller
Marcie Valdez (remote)	Foundation Director and Grant Writer/Administrator
Melanie Hall (remote)	Director of Marketing and Community Relations
Owen Horne (remote)	Data Manager
Ric Higbee (remote)	Director of Human Resources
Spencer Kimball (remote)	Director of Student Services
Timothy Despain (remote)	Director of Student Financial Services

Excused

Shawn Bucher	Business/Industry
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Pledge of Allegiance

Marcie Valdez, Foundation Director and
Grant Writer/Administrator

Recognition of Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting

The Certificate of Achievement for Excellence in Financial Reporting has been awarded to Davis Technical College for the second year by the Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

An Award of Financial Reporting Achievement has been awarded to Russell S. Galt, MBA, CPA who was designated by Davis Technical College as primarily responsible for preparing the award-winning CAFR. The preparation of the CAFR would not have been possible without the efforts of Jeff Lund, Davis Tech Controller, and the entire staff of the Fiscal Services Department.

The CAFR has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story.

There are numerous government entities in North America that range from small special service districts to large state governments. For the fiscal year ended 2017, only 4,328 entities nationwide were awarded this certificate of excellence, with 54 of them in State of Utah. Only 86 colleges or universities nationwide have received this award, with Davis Technical College as the only higher education entity in Utah to receive the award.

Consent Calendar

Stuart Eyring, Chair, called for a motion to approve items listed under the Consent Calendar, which consisted of the following:

- a. Minutes of May 14, 2020
- b. Budget and Accounting Report
- c. Personnel Report
- d. Key Performance Indicators (performance to goal)
- e. Employer & Continuing Education Report
- f. Marketing Activity Report
- g. Foundation Activity Report
- h. Campus Development Update
- i. Scholarship Issuance Report
- j. Career Path High Report
- k. Revision of FY 2021 Adult Program Fee Changes by Program
- l. Rescission of Training Guarantee Policy

The items listed under the Consent Calendar were approved on a motion made by Justin Atkinson, seconded by Adam Toone. Motion passed.

FY 2021 Business Plan Approval

Regulatory guidelines stipulate that the College's strategic plan be reviewed and evaluated annually by faculty, administration, and institutional advisory committee members. The FY 2021 Business Plan represents year two of Davis Technical College's three-year strategic plan. It includes the goals, strategies and tactics to achieve College goals in enrollment, retention, academic partnerships, economic development, and culture and morale.

Melanie Hall, Director of Marketing and Sherry Rauch, Creative Services Coordinator were recognized for the work on the FY 2021 Business Plan. The marketing team creates beautiful marketing materials for the College.

Included in the Business Plan are three new goals for FY 2021 that were not anticipated:

- Execute a comprehensive response and recovery plan related to COVID-19
- Integrate and align with the new Utah Board of Higher Education governance structure
- Conduct an analysis of online education that includes an evaluation and comparison of the benefits of clock-hour versus credit-hour curriculum

A motion to approve the FY 2021 Business Plan was made by Brigit Gerrard, seconded by Adam Toone. Motion passed.

FY 2020 Year-End Budget Approval

During the March 26, 2020 Board Meeting, a budget modification was approved which projected revenues and expenses through the end of this fiscal year. Since that time, revenue amounts and expenses have been more clearly estimated.

As a State agency, the primary purpose of institutional budget is not about budgeting to make a profit. Rather, the budget is about proper and prudent use of precious State resources which have been appropriated and entrusted to the College. The budget provides public disclosure of the plan on how to utilize those resources.

On April 16, 2020 the Utah Legislature approved House Joint Resolution 301, Joint Resolution Urging Fiscal Responsibility. Among other things, the resolution "... urges state agencies, ... including ... technical colleges to:

- limit expenditures to essential costs during the remainder of the [current] fiscal year ...

- avoid unnecessary spending during the remainder of [current] fiscal year
- ...

The College carefully followed these legislative directives. The budget modification does not capture all budget savings but does highlight significant changes in college revenues and expenditures.

A summary of significant items included in this budget modification include:

- Recognize a decrease in tuition revenue due to a decline in student enrollments.
- Recognize savings from various new hires and unfilled positions.
- Recognize savings in travel, current expense, and capital expense due to the limiting of expenditures.
- Eliminate from the budget various positions which were planned for Fiscal Year 2021 and were planned for hiring late in Fiscal Year 2020.
- Recognize the receipt of a PEHP health insurance premium refund. The funds from this refund will be carried over to FY 2021 to cover the cost of health insurance premium increases.
- Adjust various program fee revenue estimates and related expenses.
- Adjust for various projects which were not completed in FY 2020 to carry the budget for those projects into FY 2021. These projects include keys and access controls for the main building which will be integrated with the keys and access controls in the new Allied Health Building.
- Recognize decrease in and usage of donated supplies and equipment.
- Adjust for various contract and grant revenues and related expenses.
- Various other adjustments.

A motion to approve the FY 2020 Year-End Budget was made by Adam Toone, seconded by Justin Atkinson. Motion passed.

FY 2021 Budget Approval

House Joint Resolution 301 also recommended that technical colleges:

- begin planning for a budget for the [upcoming] fiscal year ... that may be equal to or less than the previous year's budget; and
- assume fixed state funding levels included in the 2020 General Session base budget bills ... when making initial budget and spending allocations for the [upcoming] fiscal year ...”

With these legislative directives in mind, staff prepared a draft budget for Fiscal Year 2021 which was presented in the May 14, 2020 Board Meeting. Certain refinements have been made to that draft budget since that time.

A summary of significant items in the FY 2021 budget include:

Revenue Adjustments

- Increase of \$355,600 in direct Legislative funding for performance.
- Decrease of \$355,600 in performance flow through funds from UTech.

- Increase of \$571,300 in operations and maintenance funding related to the new Allied Health Building.
- GOED contract for Apprenticeship Coordinator.
- Various adjustments related to contracts and grants.
- Reallocate various Job Corp contract revenues from the General Fund to the Restricted Fund.
- Reduce revenue to be received from the Davis Tech Foundation.
- Reduction for first year revenues from the Utah Works grant.
- Other revenue adjustments.

Budgeted Expense Adjustments

- Full-year impact of staff changes which took place in FY 2020.
- Elimination of one-time expenses included in the FY 2020 budget.
- Reallocation of expenditures among funds based on various funding coming from difference sources.
- Apprenticeship Coordinator position to be funded by GOED contract.
- No planned compensation increases.
- Increase in health insurance premium rates.
- Expenditure of PEHP health insurance premium refund received in FY 2020.
- Eliminate unfilled Heavy Equipment Operator program instructor position.
- Eliminate Financial Aid Technician position.
- Add Financial Aid Advisor position.
- Add operation and maintenance expenditures for new Allied Health Building. This includes current expense, utilities, and facilities staff. Various facilities/ maintenance staff for this new building were approved in the March 26, 2020 budget modification. Additionally, this budget includes an additional grounds and facilities specialist, as well as other part-time custodial and security personnel.
- Eliminate unfilled Risk Management Coordinator position.
- Add on campus Kaysville Police Officer funded primarily from grant applied for by Kaysville City.
- Reallocate various Job Corp contract expenses from the General Fund to the Restricted Fund.
- Increase cost of Weber State University Nursing contract.
- Adjust for various projects which were not completed in FY 2020 to carry the budget for those projects into FY 2021. These projects include keys and access controls for the main building which will be integrated with the keys and access controls in the new Allied Health Building.
- Add the cost of customer relations management (CRM) software for better student tracking.
- Reduction for first year expenses from the Utah Works grant.
- Other expense adjustments.

Additional Budget Reduction

The Utah Legislature is currently considering budget reductions which would further reduce this budget. The College submitted budget reduction plans for 2%, 5%, and 10% budget reduction scenarios. President Brush testified before the Utah Legislature's Higher Education Appropriations Subcommittee on May 27, 2020 regarding the impact of these cuts. The plans submitted to the Legislature include cuts to travel expense, current expense, equipment purchases, part-time adjunct faculty, unfilled-full-time positions, and filled full-time positions.

The Executive Appropriations Committee and the full Utah Legislature meet and provided a budget bill today at 2:45 pm. Further review and clarification on the bill are needed to determine the budget reduction plan and take action on the reductions.

A motion was made to approve the pro-forma Fiscal Year 2021 Budget as presented including authorizing Davis Tech Administration to enact budget reductions and increases as outlined in the PowerPoint presentation as required by the Utah Legislature using the budget reduction principles and strategies as outlined and report back to the Board in the next Board meeting regarding the budget reductions made. The motion was made by Brigit Gerrard, seconded by Troy Wood. Motion passed.

President Report

- President Brush thanked the Davis School District Board for the reappointment of Superintendent Reid Newey. The superintendency are great partners to Davis Tech.
- Lindsay Bayuk from Pluralsight was thanked for making online training resources available to the staff of Davis Tech during this pandemic. Staff has used this for professional development.
- Educational leaders in Northern Utah unite to say 'Black Lives Matter' in a joint letter that was published in the Standard Examiner developed by Presidents Brad Mortensen, Darin Brush, and Jim Taggart, and Superintendents Reid Newey, Jeff Stephens, Rich Nye and Doug Jacobs.
- COVID-19 response update – make aware of the grant.
- Davis County received Federal Community Development Grant funding and invited Davis Tech apply for funding for scholarships for health professions students. CDGB must be used to serve low- to moderate-income individuals. Davis Tech has applied for \$100k to serve at least 70 students.
- Senate Bill 111 takes effect July 1, 2020. This will be a transition to the new Utah System of Higher Education. The Utah State Board of Higher Education will delegate significant authority to the college Boards of Trustees (previously "Board of Directors").

Adam Toone made a motion to adjourn the meeting.

Adjournment - The meeting adjourned at 4:47p.m.