

**OGDEN-WEBER APPLIED TECHNOLOGY COLLEGE  
BOARD OF DIRECTORS MEETING**

June 22, 2017

Harold W Ritchey Board Room

3:00 p.m.

**MINUTES**

**MEMBERS PRESENT**

Troy Bullard	Business/Industry
Steve Moore, Chair	Business/Industry
Frank Ruiz	Business/Industry
William Shafer	Business/Industry
Richard Taylor	Business/Industry
Matt Wardle	Business/Industry
Paul Widdison	Weber School Board
Joyce Wilson, Vice Chair	Ogden School Board

**MEMBERS EXCUSED**

Jerry Ropelato	Business/Industry
Kevin Sullivan	WSU Institutional Council

**EX-OFFICIO MEMBERS**

Collette Mercier	Ogden-Weber Applied Technology College
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**GUESTS**

Chad Burchell	Ogden-Weber Applied Technology College
Tyler Call	Ogden-Weber Applied Technology College
Monica Schwenk	Ogden-Weber Applied Technology College
Jim Taggart	Ogden-Weber Applied Technology College
Jason Werner	Ogden-Weber Applied Technology College
 Tina Smith	 Recording Secretary

The Board of Directors of the Ogden-Weber Applied Technology College met on Thursday, June 22, 2017, at 4:00 p.m. in the C. Brent Wallis Student Services Building, Harold W Ritchey Board Room. The meeting was conducted by Steve Moore, chair. The agenda proceeded as follows:

Ms. Wilson reviewed the food items prepared by the students in the Culinary Arts program.

Mr. Moore noted that Kevin Sullivan and Jerry Ropelato had asked to be excused from the meeting.

Mr. Moore introduced the guests in the audience: Monica Schwenk, development director, and Jason Werner, construction tech instructor and faculty leadership representative.

### **1. APPROVAL OF THE MINUTES OF THE MEETING HELD MAY 25, 2017**

A motion to approve the minutes of the meeting held May 25, 2017, was made by William Shafer, seconded by Troy Bullard, and carried unanimously.

### **2. RECOGNITION OF PRESIDENT COLLETTE MERCIER**

Mr. Moore reported that the Utah College of Applied Technology (UCAT) Board and Ogden-Weber Tech Board were involved in president interviews all day today and selected Jim Taggart as the college's new president.

Mr. Moore thanked President Mercier for all she has done for the college and presented her with a few gifts on behalf of the board.

### **3. BOARD LEADERSHIP ELECTIONS**

Mr. Moore indicated that the chair and vice chair serve two-year terms (currently filled by Mr. Moore and Ms. Wilson respectively) which expire this month. Board action is needed to fill the positions.

Mr. Moore also noted that, due to changes in state statute, the representative who serves on the UCAT Board representing the region cannot serve concurrently on the local board. Mr. Moore's and Mr. Wardle's names were forwarded to the Governor as possible UCAT Board representatives. Mr. Moore was approved by the Governor; as a result, he will be leaving the board this month.

Mr. Moore opened the floor for nominations.

A motion to elect Matt Wardle to the chair position was made by Steve Moore and seconded by Paul Widdison. No other nominations were received. Motion carried unanimously.

A motion to elect Joyce Wilson to the vice chair position was made by Richard Taylor and seconded by Matt Wardle. No other nominations were received. Motion carried.

Mr. Bullard (term ends this month) expressed his appreciation to the board, noting that he was especially impressed with the college's working relationship with Weber State University. Though he is leaving the board, he plans to remain actively involved with the college's Automotive program.

#### **4. APPROVAL OF NEW BOARD MEMBERS**

Troy Bullard's, Kevin Sullivan's, and Frank Ruiz's terms expire this month, and they are leaving the board. Mr. Moore presented them with a gift on behalf of the college and board and thanked them for their service.

Mr. Ruiz thanked the college for the opportunity to serve, noting that the administrative group serves as a positive example of how to run a team. President Mercier noted that Mr. Ruiz supported the college even before he was a board member, and she appreciated his willingness to support education in all its forms whether it be secondary, college, or university level. She also thanked Mr. Bullard for his service on the board as well as his support of the Automotive program.

President Mercier related that Mr. Moore was the first individual she approached about serving on the board, and she has appreciated his leadership, advice, and support. She expressed appreciation for his willingness to serve on the UCAT Board, indicating that his leadership and input is needed at the state level. She presented Mr. Moore with a gift on behalf of the college. She invited him to continue to attend the local board meetings as his schedule permits and will send him the board meeting information. Mr. Moore stated that it has been his honor to be associated with the college, president, vice presidents, and board.

College administration has worked with Board Leadership to identify individuals to fill the vacancies on the board:

**Kearston Cutrubus, Cutrubus Automotive, representing Weber State University Board of Trustees:** Ms. Cutrubus currently serves on the college's Foundation Board of Trustees and will shift to the Board of Directors. She was one of the first people to donate scholarship funding to the Automotive program and is committed to technical education.

**Mark Jenkins, Petersen Incorporated, representing business/industry:** Mr. Jenkins also currently serves on the college's foundation. He was formerly employed with Autoliv and Volvo White before joining Petersen in 2006 and becoming the CEO in 2013.

**Slade Opheikens, R&O Construction, representing business/industry:** Mr. Opheikens has worked for the family-owned business since 1977 and directs a team of 8 vice presidents and approximately 180 employees who are building projects in 18 states.

**Toni Ure, Senior Manager of HR, Chromalox, representing business/industry:** Ms. Ure is responsible for managing the human resource function for Chromalox and serves on a number of local and state boards. She is very active in the community and helps veterans transition out of the military.

A motion to approve the nominations of Kearston Cutrubus, Mark Jenkins, Slade Opheikens, and Toni Ure was made by Joyce Wilson, seconded by Frank Ruiz, and carried unanimously.

## **5. APPROVAL OF FUND BALANCE PROJECTS**

Several years ago, the board adopted the practice of maintaining a fund balance equal to 15 percent of the college's annual state appropriation (\$2,282,510 for FY18). The funds are to be used as a contingency or for emergencies.

The college is requesting monies for projects that need to be addressed on the main and Business Depot Ogden (BDO) campuses. The college has a fund balance in excess of the required contingency balance to cover the projects listed in the board booklet (pages 15-16).

Projects include:

1. **BDO:** Some of the projects are carryovers from last year. The corridor between Bay 1 and 2 was unfinished, and some of the work was completed this year (electrical, paint, fire suppression system). The college put a hold on the final layer of paint and carpeting until the remodeling project was near completion. The college would now like to paint and carpet the area (\$20,000), purchase furniture for students/staff (\$20,000), and update the front entrance (including signage) to make the building more easily identifiable (\$75,000).
2. **IT Projects – Data Center:** The college doesn't have enough funding in its ongoing budget to address all IT needs. The college is on a five-year plan to refresh the data center, and next year is the sixth year. The college will need to purchase a new server and networking equipment (\$120,000).
3. **Facilities**
  - **North Street entrance:** Ogden City has closed North Street for upgrades. UTA buses use North Street as an exit from the campus, and the weight of the vehicles wears down the corners of the college's perimeter road. The college would like to redo the section of the perimeter road leading to North Street (\$18,000).
  - **Truck bed salt spreader:** Facilities has requested a spreader (\$8,500).
  - **Board room north wall:** There is a temporary wall between the Board Room and Vice President Taggart's office. The college would like to replace it with a permanent wall, including installation of electrical (\$8,500).

- College Services restrooms: Currently working on Phase II of the restroom upgrades using capital improvement funding. However, the college didn't have enough monies to take care of the College Services restrooms (HR and Fiscal offices). The college would like to use fund balance to complete this project (\$80,000).
  - Multipurpose Facility restrooms/lockers: The college is requesting funding to update the restrooms and lockers (\$150,000) for wellness activities.
  - Outdoor pavilion: The college sets up a temporary tent outside of the Union Building every year for summer events. The tent needs to be replaced, and the college would like to build a permanent pavilion. The project has an estimated cost of \$150,000 (college has not bid it out yet); not sure if it will be enough. Board Leadership agreed that if the cost is higher, the college will notify the board.
  - Concrete paver repairs: The college would like to repair pavers that have critical safety issues (\$25,000). Repairing all other pavers on campus is a much bigger project and will be addressed through the capital improvements process.
- Total fund balance request: \$700,000.

Mr. Taylor asked if the college has an established practice for administering fund balance monies, e.g., saving as much as possible? Spending as necessary? Mr. Call explained that when he was hired, the board charged him with adding \$250,000 to fund balance each year for the next 4 years. The college was successful, adding more than \$250,000 per year to the balance. He noted that fund balance was less than \$500,000 when he was hired, and the college had been in the hole the previous year.

Since that time, the board hasn't provided additional directions for fund balance. When the college established the practice of setting aside 15 percent of its state appropriation, it had conducted research and spoke with other institutions; however, no one was able to indicate what an appropriate amount would be.

Mr. Call noted that UCAT will be looking at the fund balances of each college. Problems can arise if institutions save/spend too much. It is hoped that UCAT will provide some direction. Ogden-Weber has stayed at the \$3.8 million level for the past 3 years. The college has asked for fund balance in the past but hasn't used it. Added to fund balance last year.

Mr. Taylor suggested acting on projects as they present themselves before they fall further into disrepair or costs escalate. He felt the college would still retain a good fund balance even with costs of \$700,000.

Ms. Wilson asked if UCAT plans to establish fund balance guidelines. President Mercier explained that a few UCAT Board members had questions about fund balance, so UCAT agreed to look into it. Colleges need to have a reasonable fund balance, and it depends upon the individual schools, age of their facilities, etc. The concern is that if the funds aren't being spent, the legislature may ask for them to be returned.

Administration had discussed the fund balance project list, noting the amount was higher than had been requested in the past. Some of the projects have been on the list for several years but were never ranked high enough for capital development funds. As a result, administration agreed they needed to be addressed, and fund balance monies are available.

Mr. Wardle asked if fund balance is earmarked only for facilities, campus upgrades, etc. President Mercier explained the funds can be used for anything, e.g., equipment, facilities projects. In the past, when the recession hit, several institutions used fund balance to support personnel costs. It would be beneficial to have guidelines as long as they are flexible.

Mr. Widdison asked if there is a second part to the project list if funds are left over after taking care of the initial list. Mr. Call explained the college develops a fund balance request for board approval every year but has yet to use the funds. This year's project list has a higher total cost and may end up decreasing overall fund balance.

Mr. Bullard stated that the cost of the blade server seemed low. Mr. Call explained the total cost of the refresh is higher than the \$120,000 noted on the project list. Money from the college's existing budget was used to cover a portion of the refresh, and the college is requesting fund balance to complete the project.

A motion to approve the \$700,000 for the fund balance projects as listed with a caveat that the college may request additional funding as the costs of the pavilion are finalized was made by Frank Ruiz, seconded by Richard Taylor, and carried unanimously.

## **6. APPROVAL OF FY18 OPERATING BUDGET**

The college is experiencing a large shift in its FY18 budget compared to FY17 as a result of an increase in its state appropriation. The college will add over \$2 million to the budget, the majority of which will be used for salaries and benefits. General and Capital are also increasing as a result of the addition of the large fund balance request.

Mr. Call reviewed the highlights of the FY18 operating budget:

- Tuition and Student Fees decreased by \$26,000 as a result of flat enrollments.
- Federal Grants and Contracts decreased by \$38,000 due in large part to a decrease in Perkins funding and in the work-study program.
- State and Local Grant and Contracts revenue decreased by \$183,000 due in large part to the Utah Cluster Acceleration Partnership (UCAP) Grant funding received in FY17 and not renewed for FY18.
- Sales and Services of Educational Departments is increasing by \$26,000 due to higher revenue projections in the Culinary Arts and Cosmetology programs.

- Revenue in Auxiliary Enterprises decreased by \$54,000 due to decreases in projected sales at the College Store and reduced revenue projections in the Driver Education program.
- Cost of Goods Sold decreased to reflect reduced sales projections in the College Store budget.
- Salary and benefits budgets increased as a result of a two percent discretionary increase funded by the legislature. The college received a 10 percent increase in its health insurance premium. The institution also received funds to expand market-driven programs, so new positions will be added to meet training needs.
- General Expense increased primarily due to additional Pell and new Strategic Workforce Initiative (SWI) funding.
- State appropriations increased by \$2,090,000--\$288,400 for compensation and health insurance increases; \$531,900 for market-driven program expansion; \$361,600 (\$180,800 ongoing; \$180,800 one-time) for equipment; and \$591,000 (\$250,400 ongoing; \$340,600 one-time) of SWI funding in support of the college's Utah Aerospace Program. Of the \$2 million, approximately \$560,000 is one-time funding. In addition, the college received \$322,200 for operation and maintenance of the new Bay 2 program space at BDO.
- Federal Grants increased by \$150,000 for Pell.
- Investment Income was increased to reflect interest earned on investments with the Public Treasurers Investment Fund (PTIF).
- Capital Expense and Expenditures increased by \$345,000 due to an increase in fund balance projects and new SWI funding.

A motion to approve the FY18 operating budget as presented was made by Matt Wardle, seconded by Paul Widdison, and carried unanimously.

## **7. INFORMATION/DISCUSSION**

**Financials:** Overall, budget percentages are on track; will probably add to fund balance. The college is under-budget in salaries, benefits, and travel but will see some expenditures for travel to National SkillsUSA Competition in Louisville, Kentucky. Tracking behind in tuition and fees. The college has a cash balance of \$5,600,000 million in PTIF (1.29 percent interest rate).

**Outcome Report:** Adult head count is down. Secondary enrollments are flat; however, enrolled hours continues to grow. Seeing increases in students from both the Ogden and Weber School Districts.

**Campus Development Update:** Solar City is responsible for making some repairs to the campus; the college is working to resolve the issues. The system is generating power; however, the reporting function isn't working.

**Joint Fund Raising Event:** Ms. Schwenk related that the college is sponsoring a joint fund raising event that involves the Foundation Board of Trustees and Board of Directors. The event is scheduled for October 19. The foundation opted not to participate in Love Utah Give Utah in March, choosing to focus on this new event instead.

Ms. Schwenk asked board members to make a minimum contribution of \$100 for this purpose. She noted it's helpful to show she has 100 percent board commitment when writing grants.

Ms. Schwenk also asked the board to provide her with the names of three individuals who should be invited to the event so she can customize the invitation; will use board members' names as references.

Ms. Schwenk attended a recent Utah Non-Profits Association meeting where the main topic of discussion focused on how to create new and engaging events. Many non-profits recognize that donors have event fatigue, and the golf tournaments and galas don't engage millennials. The college's foundation realized a year ago that they needed to come up with something different. This will be a new event; similar to what students experience during program showcases where they participate in hands-on activities.

**Employer Team Update:** The Electrical Employer Advisory Team met in May since it didn't have quorum at a previous meeting. The members provided good feedback on streamlining some of the processes taking place between the Electrical Trades Prep and Electrical Apprenticeship programs to ensure they are more seamless. The idea behind the prep program is to provide individuals with enough training so they can become employed and start the apprenticeship program.

## **8. UCAT BOARD REPORT**

- The UCAT Board of Trustees held a special meeting today, June 22, on the college's campus; also conducted interviews for the president's position.
- The board announced its selection of Jim Taggart as the college's new president.
- The board approved moving the Commissioner's Office to Salt Lake. Mountainland will take over the old facility. The move will allow UCAT to be in closer proximity to higher ed and public ed offices.
- The board approved a search committee to find a replacement for President Scott Snelson, Tooele Tech, who is retiring in December.
- The board discussed moving the Northstar development team to the Utah Education and Telehealth Network.



## 9. PRESIDENT'S REPORT

Mr. Burchell presented highlights/photos of the following activities:

- Ogden City recently hosted a TEDx event, and the County Commissioners approached the Composites program about manufacturing components for a freestanding "X" figure. The commissioners wanted the figure to represent the past (railroad ties) and the future (composites material). The college agreed to participate as long as 90 percent of the project provided students with additional skills. Students created red carbon fiber wraparounds, and Welding students manufactured brackets for the figure that was eventually placed on a stage.
- The college implemented a new marketing campaign on Facebook; is more interactive and scrolls through a number of programs.
- The theme for June's "Welcome Week" is "Pathways to Success." Students were invited to create an affirmation stone.
- The college hosted the UCAT Professional Development Conference on Friday, June 9. The Governor was the keynote speaker. Commissioner Woolstenhulme recognized President Mercier. Over 560 individuals from each of the tech colleges participated. The college set up different activities, e.g., nail driving competition, disc golf with 3D printed discs, for the participants at the end of the day to give them a hands-on experience.
- The college sponsored several different one-week summer camps to familiarize young students with the programs it offers.
- The college provided Ogden School District teachers—none of who are involved in career and technical education--with professional development training in Composites. The training was funded through a Talent Ready Utah grant. The teachers designed and created their own composites clipboards and toured Orbital ATK. The college has found high school teachers to be some of college's best advocates, especially if they've had this type of experience.
- College students are competing in the National SkillsUSA Competition in Louisville, Kentucky this week. The medalists will be announced tomorrow; will send the results to the board via email.

## 10. NEXT MEETING

The Board of Directors is scheduled to meet on Thursday, August 24, 2017, 2017, at 4:00 p.m. in the C. Brent Wallis Student Services Building, Harold W Ritchey Board Room.

Meeting adjourned at 4:43 p.m.