

UTAH COLLEGE OF APPLIED TECHNOLOGY
3 NOVEMBER 2004
BOARD OF TRUSTEES MEETING
MINUTES

Board of Trustees Present

Norman Bangertter - Salt Lake/Tooele
Doug Holmes, Vice Chair - Ogden-Weber
Doyle Mortimer - Mountainland
Daryl Barrett - SBOR
Jed Pitcher – SBOR
John Busch - Uintah Basin
Don Ipson - Dixie
Don Roberts – Southwest
Tom Bingham - Governor's Appt.
Janet Cannon - SBOE
Michael Madsen – Bridgerland

UCAT Campus Presidents Present

Brent Wallis - Ogden-Weber
Mike Bouwhuis - Davis
Linda Fife - Salt Lake/Tooele
Paul Hacking - Uintah Basin
Richard Maughan - Bridgerland
Rich VanAusdal - Dixie
Dana Miller - Southwest
Rob Brems – Mountainland
Miles Nelson – Southeast

Institutional Representation

Gregory G. Fitch, President
Sandra A. Grimm, Assistant to the President
Kimberly Henrie, Budget Officer

Office of the Commissioner

Gary Wixom, Assistant Commissioner for Applied Technology Education and Extended Programs

Media Present

None

Others Present

Debbie Headden - Fiscal Analyst
Boyd Garriott - Fiscal Analyst
Mary Shumway – Office of Education
Jerald Johnson – Snow College Advisory Comm.
Bill Evans – Assistant Attorney General
Collette Mercier – OWATC
Jay Greaves – DATC
Chad Campbell – BATC
Rick White – Snow College

Excused Absent

Carl Albrecht - Snow College Richfield
Bill Prows - Davis
Wayne Woodward - Southeast
Dixie Allen - SBOE

MINUTES OF MEETING
UTAH COLLEGE OF APPLIED TECHNOLOGY
BOARD OF TRUSTEES
REGENTS' BOARD ROOM
3 NOVEMBER 2004

The meeting of the UCAT Board of Trustees was held 3 November 2004 in the Utah State Board of Regents' Board Room.

Swearing In New UCAT Trustee

William Evans, Assistant Attorney General, swore in Jed Pitcher as the newest UCAT Trustee, representing the State Board of Regents on the UCAT Board of Trustees, replacing Charlie Johnson.

Call To Order

Chair Bangerter called the meeting to order at 10:01 a.m. and the Secretary was in attendance. A quorum was present.

Approval of the Agenda

Chair Bangerter asked if there were any additions and/or changes for the agenda of the 3 November 2004 Board meeting. Being none, motion was made by T. Bingham and seconded by D. Holmes to approve the agenda as presented. Motion carried.

Approval of Minutes from 1 September 2004 Board Meeting

Chair Bangerter asked if there were any additions and/or changes to the minutes of the 1 September 2004 Board meeting (Tab L). Being none, motion was made by D. Holmes and seconded by J. Cannon to approve the minutes as presented. Motion carried.

ACTION ITEMS

A. UCAT Budget (Tab M, Attachment A)

K. Henrie: During the 1 September 04 UCAT Board meeting, the preliminary budget was presented to the Board. Tab M presents the budget at this point in time, with the understanding that the Membership Hour Growth section is not final and will require some modification as actual information is received from the campuses. As soon as all the information is received, a final copy of the budget will be forwarded to the Board.

J. Cannon: Asked for an explanation regarding the "UCAT Student Information System" indicated under both Core College Support (\$482,500) and under One-Time Increases (\$108,000).

K. Henrie: Explained that the designation under Core College Support indicates ongoing funds to help with the people who will be implementing this process (MIS support at DATC, which houses the SIS system). The one-time funds are for the hardware that needs to be purchased to support the effort on each campus.

J. Cannon: Asked for an explanation regarding the "UCAT – Library Consortium" item.

President Fitch: "The actual consortium is a statewide entity . . . and ties us into every library in the state that are part of the consortium, which is part of our accreditation requirement. . . Institutions have to show library access." President Fitch indicated that this is a yearly fee.

President Fitch also indicated that some of the campuses currently have materials directly available to them, but that this relationship will not only open up access for our campuses, but also for other members of the consortium to have access to UCAT's materials. "The real benefit is for our students who can go to any library and check out materials."

President Fitch: Commenting on the MIS issue. "Originally about three years ago we were looking at 2.5 million to set all of our campuses in line with the type of technical support that we needed. Over the years we have seen modifications and changes, and in the process DATC has grown their own system, the Galaxy program, for student information services. We've done an analysis and have a grant (DXATC and SLTATC are involved) utilizing the owned property by DATC. We're finding that is working. The Banner program that the majority of the USHE is on, doesn't meet our particular needs for reporting. We've actually reduced the amount of the original request. The ongoing funds would be to support DATC and the campuses with regard to the type of personnel we would need on their campuses for this reporting. Part of the delays deal with reporting because we don't have a reporting system that keeps us up to date."

President Fitch referred to Attachment A, "Significant Factors Driving UCAT Budget Needs." This sheet indicates the key areas of support that are driving the UCAT budget: personnel costs, medical premiums, membership hour growth, core college support, custom fit and infrastructure support. The same sheet is being prepared for the legislative analysts and for the Governor's office. President Fitch will be meeting with the Governor's office this Friday to present the UCAT budget.

Chair Bangerter: Recommended that the UCAT Board not vote on each separate action item, but wait until all are presented and then the Board can vote on all the items at one time. There were no objections voiced.

B. UCAT Third Annual Report (Tab N, Attachment B)

President Fitch: Reviewed some of the pertinent information contained in the report. The report has previously been given to the UCAT Campus Presidents, and also reviewed by the UCAT Executive Committee. The UCAT Executive Committee had previously reviewed and approved this report (on 14 October 04), allowing UCAT to meet the timeline requirements of the legislative Interim Education Committee, which required this report mid October.

Referred to page 26 of the report, UCAT Legislation, Proposed Legislation:

"I've broken down information that looks at each one of the statutes that UCAT is engaged with, but will need some tweaking. We've talked about doing some 'housekeeping' and Representative Bigelow, the author of (HB) 1003 that created UCAT, has agreed to carry this for us."

53A-1-402 (4a and 4b) – “This is in regards to the high school diploma. We have a real issue in trying to create a high school diploma, not only because Title IV requirements require that they be equal, but also the idea of trying to create something new. We have been very dependent and supported by the State Board of Education as they move through not only the competency based concept of their diplomas, but the challenges that they are faced with ongoing. We, as a college, are having difficulty when asked questions about when the high school diploma be available. We really can't act because the way the legislation was changed last year with (HB) 232, we have to wait for the State Board of Education to create the criteria in which we are going to offer a diploma and then grant us that authority. We didn't feel that it was our right to do that. So what we are looking at is remaining consistent with the present system but allow the value added training in the high school diploma that allows us to work directly with the State Board of Education and request authorization from them, rather than create an alternative program. Essentially, UCAT is on hold until the State Board of Education provides the direction so we can support them in their activities.”

53B-2-101 (j) – “They had left out the Utah College of Applied Technology in the USHE listings, and all I'm doing is putting us in as the tenth college.”

53B-2a-102 (2)(c) – “This is a challenge. This is the one that's put the USHE institutions at risk in some areas. What it 'ensures' . . . is the transfer. What happened legally is that the law said you will transfer this particular degree, the Associate of Applied Technology degree. That works well in Utah if the institutions can respond, but unfortunately what happened is it challenges their accreditation base too because they are at risk for allowing a nonaccredited institution to transfer in. So rather than put them in that position with their accreditation at issue, we've asked for a change, 'the applied technology degree will be no less transferable, under the State Board of Regents' rules, than other technical degrees in the Utah System of Higher Education.' What this does is put us exactly even as far as a technology degree being able to transfer like an Associate of Applied Science (AAS) degree.”

53B-2a-102 (2)(h) – “This talks about the new corporate model, many of you have seen it as 'New Directions.' What this does is try to address some of the circumstances and issues that we are dealing with and recognize our institutions as individual (not independent) institutions within the UCAT operation.”

53B-2a-104 (3) – “Is a repeat dealing with the transfer.”

53B-2a-104 – “Outlines the duties of the UCAT Central Administration office. This is in response to the changes under the New Directions document that specifically outlines what my responsibilities will be in the central office. This is to coordinate data, to support our institutions, and more importantly as we look at our smaller institutions, to assist them as either a consortium group within our system or coordinate their efforts so they can work with private or other entities.”

53B-2a-106 – “This is a critical one for the state. This is a new concept as far as UCAT is concerned but we've discussed it within the Presidents' Cabinet. What this does is expand the role of UCAT in support of developmental education training. Presently under H.B. 232 and the creation of UCAT, our institutions can provide developmental education. That's education which allows a student to progress in such a manner so that they can be competitive and have an option for higher education within our program areas.

However the law has been restrictive. We can only do it for those students who are projected to enter our programs. The interesting thing is that right now Utah is challenged. Students do not have the ability to do math, reading or English associated with a lot of the training areas that they are involved in. What we are asking for is the opportunity as a college within the system to do this type of training for these students. For example, Governor Walker challenged the USHE institutions to do this at no cost. Self support within the system. If you think of UCAT and it's tuition rates, that you can do open-entry, open-exit, competency-based, you can see that it would probably be a much more efficient manner in which to approach developmental education. Those students, let's say in construction technology, that only need to learn fractions, don't want to sit through a 16 or 18 week semester just to get to the fraction component and there's no way they can get the passing grade, UCAT, with open-entry, open-exit, competency-based, the student can come right in, be assessed by our institutions and move right in to the fraction component, if that's what they need, qualify in that area by demonstrating the competency and then be right back into the workforce or continue their program. So it's our delivery method and the competency-based that's so distinctively different in it's presentation in dealing with developmental education. So we're going to the legislature not simply to say that we can do it, but that we can do it better as a UCAT, and the opportunity to reach out to these students and qualify a lot more students in those areas. This is a key section. I've talked to Boyd Garriott and some of the other legislative analysts and they like the idea of UCAT stepping up and doing it. So this is definitely a proactive activity as opposed to reactive to the problems in the state."

D. Barrett: "How has it been accepted within the Commissioner's office?"

G. Fitch: "No one has said anything in objection to me at all. Right now I know that Weber State University is self-supporting in a lot of their programs and activities. I believe USU has indicated that they would prefer Richard Maughan (BATC) and his group take over these activities. So I think it's a matter of a funding sequence too, as you look at numbers, and how you meet these services. This is the way to do it in a more expeditious and less expensive manner for the student."

D. Barrett: "Do you see this as an upcoming niche for UCAT, to cover developmental education as opposed to the other institutions trying to incorporate it . . .?"

G. Fitch: "I see it as a 'double-step' niche . . . The first one is to deal with the adult learners out there who have already had some difficulty or challenges within a traditional network or they may have been away from it for so long that oftentimes it's just a refresher that they need. That's the first niche that I can see we address immediately. The second niche is handling those students that are exiting the high schools that will need that kind of support. Eventually our hope is that niche will disappear; that they will exit the schools with the type of preparatory training to get into UCAT and to other institutions."

D. Barrett: "I'm in favor of the concept, I'm just wondering what institutions are negatively impacted by this because of their emphasis on developmental education. . . for instance Salt Lake Community College or Weber. Are they supportive of this initiative?"

G. Fitch: "This has been discussed at several meetings. It has been discussed at Higher Education Appropriations meetings with Boyd Garriott and some of the others. As far as specifics from those two

institutions, I have not had anything either way. However, our alliance between Salt Lake/Tooele ATC and Salt Lake Community College (SLCC) would be a key factor in coordinating that effort. They (SLCC) have the Skill Center which is comparable to what we have, and they are the only ones that maintain that level of training and support. Right now we are looking at grants and support activities, working through the alliance with that Skill Center. Weber State, because they are already in a self-supporting concept right now, they see this as a potential challenge. I think that what happens is that a lot of institutions who are providing this are not necessarily looking at these students as a simple upgrade; I think they are looking at them as an upgrade plus a potential enrollment. We (UCAT) provide a much larger pool and access for these other institutions, if they would take advantage."

D. Barrett: "I'm very supportive of the concept, but I just want to see how we sell it to the other institutions in terms of a 'win-win' situation."

Chair Bangerter: "I think that this is one of the things, Daryl, where the Board of Regents can potentially weigh in to help us to mediate these things. We've got our agreement with Salt Lake Community College but that's a continual negotiation. And my view is . . . we need to be evaluating these things on where is the service best provided and most efficiently provided; and somebody will come out thinking they were shortchanged. That's why I think it's good to have the Regents represented on this because sometimes we won't be able to come to a real equitable solution, because we're talking about students, about enrollments, and nobody wants to lose any of those kinds of things or money. But I believe the economic times that we are in, for the foreseeable future, we just have to buckle down and make the hard decisions."

J. Cannon: "Just so I understand, when you are talking about developmental education you're talking about remedial types of general ed that people need to take to get into these programs, not providing any of the general ed options associated with degrees, this is just for the remedial portion."

President Fitch: "This is the remedial portion because under statute we are not allowed to provide general education."

53B-2a-107 (2)(b) and (c) – "This is a slight variation in the recognition of the Campus Presidents' title because they have essentially two duties. In the legislation, they remain CEOs for their campus and also for their Board of Directors. That's in the legislation and has always been there. What we've added is the individual status and recognition as part of the UCAT system; they are obligated to be the administrative officers for the UCAT system position for their campus. So they are essentially gaining a second title in that area. What that does in those portions of the legislation that deals with human resources and the development of salary schedules and hiring and so forth, and also the day to day operations of their campuses, it makes them the administrative officer and responsible for that campus under the system concept; this does not change their position as chief executive officers. This is an adjustment to address our accreditation issues."

J. Pitcher: Asked who hires the Campus Presidents, and what is the role of the local Board of Directors?

President Fitch: Responded that he hires the Campus Presidents and that he assists the local Board of Directors with their search process and helps set up the guidelines for the search. "The Board either

selects as a whole board to operate as a search committee, or they select a group of people to serve as the search committee for the Board. They screen all of the applications and then narrow it down to a finalist list that they go through, and then under the law they are obligated to send me three names, with no priority listing or ranking; three names as a minimum and then I conduct my own interviews from a system perspective and then make the hire."

J. Pitcher: "This Board has no say in that hiring?"

President Fitch: "Not at this time."

Chair Bangerter: "Jed, from a practical standpoint, as he (President Fitch) goes to the final choice, he stays close with that Board. Regardless of what is said, if we ever move away from what the Board is comfortable with, we've really given them some difficulties."

President Fitch: "The key is I would never put the Board in an awkward position by putting in someone they didn't want, that's why the three as a minimum is so critical to what they submit. And quite frankly, I wouldn't want to take a person and move them into a Board situation if they weren't part of the choice by that Board."

Vice Chair Holmes: "If my memory serves me correctly what the legislation says now is that the Campus President administers these things, and the change is to be 'Chief Administrative Officer,' so it's a title change, not a substantive change."

Chair Bangerter: Inquired as the rationale associated with the change in title.

President Fitch: "We keep the Chief Executive Officer (title) because that is the role on their individual campuses. But within the system, they serve not as the Chief Executive Officer because the question comes on accreditation. We have one college created by law and that's the issue that we have to deal with. By designating them Chief Administrative Officers, they are functioning in the head role under the one college concept. They have their individual college responsibilities, and that's the distinction, the assignment of duties."

53B-3-1-2 and 53B-8-101, 53B-8-104 – "In many areas because UCAT was new, it was ignored in some of the areas where we could create waivers and scholarship opportunities. What this will do is allow us to be part of the number system that the legislature creates. They set the number and qualify us to provide for waivers for nonresident tuition, New Century scholarships and those types of things. For us to jump into the fray at that time would have reduced the numbers that they had committed. So what we are asking for is the legislature to keep those numbers but to make additional slots that would include UCAT without taking away from the other institutions. We had agreed to wait for 18 months before requesting these slots, and that's why we are putting forward the legislation now. It is time for UCAT to be recognized."

President Fitch then invited Dr. Rick White from Snow College to discuss the Snow College applied technology services perspective portion of the UCAT Third Annual Report. Snow College assumed the role

of providing applied technology education in the Central region after the legislature created H.B. 161 in last year's legislative session which removed the Central Applied Technology College (CATC) from the Utah College of Applied Technology and transferred its functions and responsibilities to Snow College.

R. White: "We've worked very hard to continue the programs and services that had been offered by CATC. The Board that supervised CATC became our CTE Advisory Committee. Jerald Johnson (in attendance for Trustee Albrecht) serves on both the CTE Advisory Committee and the Snow College Board of Trustees, as does Carl Albrecht. . . Our report has been submitted and has been included in the UCAT report under Appendix C."

Dr. White referred to Appendix C of the UCAT Third Annual Report which is a letter from Dr. White to President Fitch addressing the following areas: Number and Type of Programs Offered, Open Entry, Enrollments, Tuition Charges, Budget, Enrollment Growth Funding, and Survey. This letter is Snow College's response to survey results received by UCAT from the school district superintendents and ATE directors in the central region regarding Snow's performance in providing that region with applied technology education. Appendix C also reflects the same information provided in Attachment B, which is Snow College Richfield's Non-Credit ATE Enrollment for FY 2003 and FY 2004, broken down by program, location, number of students (adult and high school) and number of hours (adult and high school), with the addition of the following: "SCSR=Snow College Richfield Campus, CUCF=Central Utah Correctional Facility" and "Note: Enrollments in credit ATE programs for post secondary students increased by 78 students and 57 FTEs."

Number and Type of Programs

Snow College offered 30 programs (listed on Attachment B). "We continued those programs essentially 'as-is' and added one program, Pharmacy Tech."

Open Entry

"We worked with the school districts to continue the open-entry, open-exit, competency-based approach that CATC had been using with the high schools and we've made no changes to that. So for all intents and purposes what CATC was using for open-entry, open-exit, continues today. We did not make any changes in that method of delivery."

Enrollments

"The enrollments are reported on the sheet (Attachment B) and also at the end of our report that we submitted originally. Our non-credit enrollments are down about the same percentage as our UCAT enrollments for secondary students. The school districts in the central part of the state, those rural school districts are virtually all experiencing enrollment declines. Credit enrollments however are up and that's the reason for the page at your place (Attachment B). Our credit enrollments did increase and that's primarily because many of our students . . . take the programs for credit, now that credit is available to them because of the merger with Snow College. We did change a couple of programs from non-credit to credit at the request of the school district. That was not our initiation. We also were charged under H.B. 161 to have an aggressive program of concurrent enrollment. . . And we have been working with them (school districts) to do that."

Tuition Charges

"Also in the request that we submitted, we indicate that we continue to provide these non-credit programs for the secondary students at no charge and also concurrent enrollment at no charge. You will read in the report that President Fitch included in his section three, there was some discussion from some of the school districts responding to his survey about tuition charges. Let me reassure you that we are not violating the law. We are not charging tuition for secondary students in the ATE area. There have been some discussions about students who come on the campus of Snow College to take credit courses may have to be charged tuition. We have not been doing that up to this point."

Budget

"We have continued to provide the same amount of funding for outreach ATE programs as was provided under CATC. No change in the budget whatsoever."

Enrollment Growth Funding

"Had we had some enrollment growth funding, that would have gone toward the ATE outreach program. The few dollars we did get this year were added to the ATE funding part of these programs."

Survey

This area of the letter is a response by Snow College to specific comments to President Fitch's survey by the central area school district superintendents and ATE directors. Dr. White also referred to Appendix D of the UCAT Annual Report. Appendix D is a copy of a letter to President Fitch signed by seven of the eight school district superintendents, clarifying their responses and comments on the original survey.

President Fitch: Referred to the UCAT Third Annual Report, page 31, Recommendations for 2004-2005, (1) UCAT is to continue its review of MIS operations, (2) UCAT is to continue efforts in accreditation, (3) UCAT is to continue to expand programming and services in all areas to meet business and industry needs, and (4) UCAT is to continue as an alternative, value added resource for secondary students.

Vice Chair Holmes: Expressed concern that the Board is being asked to approve the UCAT Third Annual Report before having a chance to read it. "As a member of the Executive Committee, I have read it, and we've made a few minor changes in it. We had a confluence of bad things happen, the legislature moved up the date of submission, instead of the 31st of October as provided in legislation, they wanted it on the 20th, and then President Fitch because of some personnel problems had to type it himself. And we can't quite get the data when we need it." Vice Chair Holmes requested that next year the full Board of Trustees get the opportunity to review the report before printing.

Jerald Johnson: "I'm just disappointed in the report that the letter that was submitted to be included with the Richfield (Snow College) report was not included in this report. It is in the package you received, but the letter from the Superintendents which was to clarify the answers to the questions was not included in this report."

It was pointed out that the letter that Mr. Johnson is referring to is the last page of Appendix C in the UCAT Third Annual Report.

Jerald Johnson: "Alright it is there and I accept that. But I wish that it would have been with the report itself, included at the end of the report from the college (rather than as an appendix)."

President Fitch: Explained that the letter was in the appendix simply because of the timing of the receipt of the letter. The letter was forwarded to President Fitch after the UCAT Third Annual Report had been completed, and in an effort to provide all the information associated with the survey to the reader, was included with Appendix C which was Snow College's original response to the comments forwarded by the central region's superintendent's and ATE directors.

C. Transfer of Custom Fit from SUU to SWATC (Tab O)

Campus President Miller: Explained that the Custom Fit (CF) training program in the southwest region of Utah has previously been administered by Southern Utah University (SUU). SUU and the Southwest Campus (SWATC) of UCAT have entered into a Memorandum of Understanding (MOU) to transfer the CF program from SUU to SWATC, effective October 1, 2004 on a transitional basis with the intent of making the transfer final and permanent on July 1, 2005. Also, the Iron County School District is currently SWATC's fiscal agent. As such, SWATC and Iron County School District have also entered into a MOU to support Iron County's providing of fiscal services related to the CF program.

Vice Chair Holmes: Asked about the cost involved for Iron County to provide fiscal services for SWATC's Custom Fit program.

Campus President Miller: Responded that the cost for this service (as with the other fiscal services provided) will be the interest that is generated on the balance in the account.

D. DXATC/DSC Transfer of Programs (Tab P)

Campus President VanAusdal: Explained that Dixie State College (DSC) has provided notice to the Commissioner's office to discontinue programs in drafting, graphic communications and auto body. The discontinuance of these programs in the region will allow the Dixie Campus (DXATC) of UCAT the opportunity to apply to assume these programs through the regional approval process if the programs involve a certificate of proficiency or completion. If a degree is involved, the other requirements of R401 will apply.

E. Facilities Working Ad Hoc Committee (Tab Q, Attachment C)

President Fitch: "As you recall during the last Board meeting, Mr. Prows and several of you indicated that we need to develop a committee or some type of support mechanism to identify services and how we outline priorities for our facilities and operations. The Executive Committee has looked at it and it was suggested at our last meeting that we have a standing committee within our operation right now, the Statewide Campus Development and Master Planning Committee, directly related to all of our master planning efforts at each of the campuses. The Executive Committee determined that this would be the committee to use and Mr. Prows, who is on the Executive Committee, but not on this Standing Committee,

has indicated that he would also serve on that committee. Membership of this committee, who will be looking at alternatives for our facilities priority analysis are: Don Ipson as Chair, Doug Holmes as Vice Chair, Brent Wallis, Rich VanAusdal, Daryl Barrett, Linda Fife and Dixie Allen and William Prows. One thing that I would like to point out to you is that we are moving in a very proactive way and this has somewhat to do with Rob Brems' request for funding."

Attachment C was distributed (Legislative Modification Request).

"At the Building Board, Campus President Brems and I presented some information in regards to a lease-purchase option that was a consideration for MATC. Unfortunately it ran into a stone wall. Questions came from the Governor's Office for Planning and Budget, specifically from Richard Ellis, asking why we were approaching it from this way and how we were going about trying to develop our facilities and priorities. We pointed out to them that the UCAT already has statutory authority to create leases from their local campuses; one year leases can be done through their Board of Directors and multiple year leases can be done through their Board of Directors and then approved by the UCAT Board of Trustees. The option that we didn't have in the lease statutory requirement language was the purchase component of it. What it basically comes down to is a process that can move us into a lease-purchase option. This language was created having met with five members of the Governor's Office for Planning and Budget in a private session, and I have submitted this language . . . this is the fifth draft of the language to submit to them. They still would like some other tweaking, but I pointed out to them that ultimately, the legislature, inherent in the process, has the final say as to whether they can purchase a building. What I am asking is that you approve the language as intended, as it's been through the process, and I think it will address all of our needs with regard to lease-purchase. If you look at number one, it is a change in title of 53B-2a-113, adding lease -purchase agreements to the current statutory information dealing with leases. Number two, under section one, maintains all the authority of the local Board of Directors and the UCAT Board of Trustees for lease options, but then adds (c), which essentially allows a campus to look at a lease-purchase option, and that does not mean that it has to be with the school district. . . It also outlines certain key elements that have to be there. Basically right now if we enter into a lease regardless of the length, if that lease is terminated for any reason, we walk away having used the building for whatever our lease costs are. What expands the cost is if we upgrade the building, keep the facility maintained and oftentimes add permanent applications (wiring and equipment) which remain with the building and we walk away with nothing. The process that we have right now and what we've identified in this language is that we would not simply walk away. It would be a win-win situation. If we, for example, have a school district engaged, we would be applying our lease payments on a regular basis to the purchase of the building over a projected period of time. If that school district was to grow quickly and then need the facility and we were out, rather than walk away with nothing, we would walk away with that portion of our lease payments as our equity built into the building. It would also allow us to negotiate a component dealing with any upgrades and services. It's a unique situation according to the Governor's Office for Planning and Budget, it hasn't been done before. It's a new circumstance, but a proactive stance."

Vice Chair Holmes: "Do you have any feel to how the legislature is going to react to this?"

President Fitch: Reminded the Board that the legislature created UCAT with a lease requirement in the legislation. "It's the only option as we look at the Building Board and it's activities and our ability to gain a facility. This may be the only option available to us in a long-term practice. If we do exit, if approved by the legislature, we don't exit having lost the money; we take money or collateral with us."

F. Electronics AAT Degree Proposal (Tab R)

The Regents' approval of the UCAT Corporate Model, in the New Directions document allows individual UCAT campuses to submit AAT degree proposals, as outlined in R401, for Board approval. The proposals have previously been approved by each respective campuses' Board of Directors.

The Bridgerland (BATC), Davis (DATC) and Ogden-Weber (OWATC) campuses have submitted Electronics AAT Degree proposals for consideration. One driving force for the Electronics AAT degree is Hill Air Force Base.

Campus President Maughan: Presented the Electronics AAT Degree proposal to the UCAT Board for approval. "More and more we are receiving requests from business and industry for the Associate Degree in our Electronics program. We are having more of our students who are assuming lead positions in the industry, who are moving into management and the Associate degree would be a boon to them and would be greatly appreciated by the industry." Campus President Maughan indicated that protocol has been followed as specified in R401, and that there has been no opposition or concern expressed regarding Bridgerland (BATC) offering the AAT Degree in Electronics.

Jay Greaves: Spoke regarding Davis' (DATC) Electronics AAT Degree proposal.

Collette Mercier: Spoke regarding Ogden-Weber's (OWATC) Electronics AAT Degree proposal. Explained that this degree is not just for Hill Air Force Base, although Hill has been an impetus because of it's changing workforce. This degree has more broad based community support, and so would benefit many other employers as well.

G. Apprenticeship AAT Degree Proposal (Tab S)

The Davis (DATC) and Ogden-Weber (OWATC) campuses have submitted Apprenticeship AAT Degree proposals for consideration

Collette Mercier: Spoke regarding OWATC's Apprenticeship AAT Degree proposal. Explained the importance of the Apprenticeship AAT Degree, especially for northern Utah. Currently, SLCC and UVSC offer apprenticeship degrees, but there are no institutions in the northern part of the state who currently offer an apprenticeship degree. "It takes someone four years to get through an apprenticeship program. So by adding these four courses of general education, we now have students who are working that can take those courses close to where they live. That's really what's important to these individuals. We don't think it's realistic to assume they are going to drive down to Salt Lake Community College if they are working in our area."

H. Business Technology AAT Degree Proposal (Tab T)

The Bridgerland (BATC) campus has submitted a Business Technology AAT Degree proposal for consideration.

Campus President Maughan: Presented the Business Technology AAT Degree proposal to the UCAT Board for approval. Explained that the interest for this degree is from a myriad of business entities in the Logan region as well as the BATC student body.

I. MATC Spanish Fork Campus Lease-Option to Purchase (Tab U)

Campus President Brems: Explained that MATC currently operates building construction, certified nurse assistant, emergency medical technician, information technology, law enforcement and medical assistant programs in leased space in Spanish Fork. The space is owned by the Nebo School District and is located in the Nebo Learning Center (former Westside Elementary School) in Springville. The District has determined to sell that property and relocation is necessary before the beginning of coursework next September (2005).

Nebo School District and MATC have located property for a new applied technology college facility in Spanish Fork. A new 25,000 square foot facility will be constructed on that property by the District. MATC and the District propose to develop and enter into an 18-year lease - with option to purchase - agreement which will transfer full ownership to MATC in 2022.

"We think that this is a win-win situation for us. Something we must do with the growing enrollment that we have and the growing programs that we have. The contract virtually mirrors what was developed in conjunction with the Attorney General's office last year on the American Fork project, with a couple of differences."

Campus President Wallis: "As you get into a lease-purchase type of arrangement, obviously the cost of the facility that he (Campus President Brems) is looking at is going to cost considerably more over what it would cost if we went directly to the legislature and had it appropriated. Rob has made the case and there are a number of us that are looking at the same option. If we are opening up a strategy as a UCAT that the approach that we are going to use to acquire facilities to meet the demands of each of our campuses is going to be a lease-purchase, it's extremely costly in terms of mounting the pressure and mounting the effort forward to go to the legislature and acquiring a building or two a year from the legislature for UCAT. It's a significant hidden cost approach that we are using here versus really rallying the forces and going to the legislature and getting a fair share."

J. Busch: "My concern is that all of a sudden he becomes direct competition for the projects that we have prioritized before this time if you're going to present it to the 2005 legislature."

Campus President Brems: "Actually that was the purpose of the meeting and the explanation of the proposed legislation changes, to provide a separate category for a process like this, to take place with both

the Building Board and the legislature. So we hope that we don't enter into that kind of a direct competition situation."

J. Busch: "But if you're asking for O&M funding, any new buildings have to have that funding applied to it."

Chair Bangerter: "There's no question that what you are saying is right. The question for you is as these things come in and pile up for the legislature, they're going to take a look at the ongoing costs and the capital costs . . . but I think it's a great way to go. But I don't think you'll see 100% smooth sailing on an unlimited number of these."

D. Mortimer: "We're down there, as big as we are, leasing everything we have. But we have to provide all of these buildings so that we can provide the services to the students. All that Rob (Brems) is trying to say is that we are putting out all of this money and the school districts are willing to let us change that to a lease option from just a lease. So at least we're getting some equity somewhere and someday it's going to end. The whole idea is that we've finally convinced the Building Board that it is two separate things. We're not trying to get around anything. We're having to spend the money already, but let's at least move it toward some ownership."

D. Ipson: "The reverse of that, if memory serves me right, it wasn't so long ago that we had an opportunity with Bridgerland, to pick up a building that someone was willing to make some real huge concessions on, and we couldn't take advantage because we we're able to do this. So the opposite is true in that case. There are those properties around that maybe we could get that we couldn't budget quick enough to go buy them. I think this makes really good sense."

J. MATC Exception Request-Cosmetology Program (Tab V)

Campus President Brems: Mountainland Applied Technology College (MATC) has negotiated contracts with seven private cosmetology schools in the Mountainland region to provide training for up to 40 MATC students annually. Each school is licensed by the Utah Department of Occupational and Professional Licensing. Programs meet the full skill and clock hour requirements for cosmetologist licensure in the State of Utah, as well as the competency requirements for the UCAT Certificate of Completion in Cosmetology.

MATC has committed up to \$60,000 of its annual budget to support students in these programs. Additionally, MATC has negotiated matching (or better) student scholarships from the private schools for each of the MATC students attending their programs.

"The private schools were not anxious to see us in direct competition with them for cosmetology offerings. So we've put together what we believe is a win-win situation. They asked us if we would invest the money that we were planning to spend on developing our own program, in supporting students to go to their program. So we worked out a sponsorship for a limited number of students. The students could decide which of the private schools to go to and once that was determined, MATC would provide a \$1,500 sponsorship for students to go to that approved private cosmetology program. In addition, we asked the

schools to reduce their tuition while providing the matching scholarship of \$1,500, dropping the total cost to the student by \$3,000."

Campus President Fife: "Are you going to count all of the membership hours for these students?"

Campus President Brems: "Yes we do. We've indicated that with our \$1,500 investment and also the negotiated \$1,500 discount, we expect the students to log a minimum of 1,000 hours. If it's not 1,000 hours, then in our contracts with these private schools we actually get money back from the sponsorship."

D. Holmes: **MOVED** approval of the above action items, with the exception of II.B. (UCAT Third Annual Report) as presented. The motion was seconded by D. Ipson. Motion unanimously approved and carried.

Chair Bangerter: "Does it cause any grief to postpone this (approval of UCAT Third Annual Report)?"

President Fitch: "We use this item as one of our primary documents to give to the legislators. With the election completed, we do mass mailings immediately. We also submit this report to all the legislative analysts and other bodies of support staff throughout the Capitol."

D. Mortimer: Expressed concern regarding the Campus Presidents titles discussed in *53B-2a-107 (2)(b) and (c)*. "I just want to make sure that this is strictly seen as housekeeping, so all of our energies can be put on getting our budget. . ."

President Fitch: Explained that this had previously been discussed with the Campus Presidents and that no dissenting opinions had been expressed. President Fitch invited the Campus Presidents to speak to this issue now if desired. No objections or comments were expressed.

Chair Bangerter: "The critical thing is, do the (Campus) Presidents feel okay about it?"

Campus President Wallis: "When you get into the Northwest Accreditation reporting, this is part of what President Fitch was talking about, it has in there under System Structure, that we are operating with the wording 'Chief Administrative Officer.' So, I have no concerns with it because it still retains us as Chief Executive Officer, but for accreditation purposes, that wording is in there."

D. Mortimer: **MOVED** approval of the UCAT Third Annual Report, with a notation that next year's Annual Report be presented earlier to the full UCAT Board of Trustees for approval (was previously approved by the UCAT Executive Committee) prior to printing and presentation to the legislature. The motion was seconded by D. Ipson. Motion unanimously approved and carried.

INFORMATION/DISCUSSION ITEMS

A. Governor's Economic Development Forum (Tab W)

Vice Chair Holmes: President Fitch and Vice Chair Holmes both attended the Governor's Economic Development Forum on 18 October 2004. The purpose of this meeting was to consider higher education's role in Utah's economic growth.

The keynote address was given by President Lee Todd of the University of Kentucky. President Todd, a successful businessman with an electrical engineering background, has been involved with higher education throughout his career.

"The Kentucky legislature passed a higher education reform bill which allowed him to do some of the things that he wanted to do. He formed a community college and technical college board so he would have a seamless way to transfer credit. His main goal for the University of Kentucky is to be one of the top twenty universities in the country. The institutions were competing for students, like we are in our area, but they deregulated tuition and developed a funding formula so higher ed was no longer funded by headcount. I asked him to send me a copy of his funding formula. I really think it would benefit us all if we could find some other way to fund higher ed besides headcount, because as long as we do it by headcount, everybody is fighting to get those students in to get the money and sometimes those students aren't qualified. I also asked him to send information on how he was measuring progress to move toward being one of the top twenty higher ed institutions in the country. That is one thing that we in the education could all benefit from, if we could figure how we measure progress. There are various ways to do it, which all have flaws. As far as the ATCs are concerned, we could do membership hours, which has some validity, we could do number of programs, number of certificates, but all have drawbacks."

"After his address, we had breakout sessions and there were three sessions, one for the research universities and the University of Utah and Utah State University, one for the four-year colleges and one for the community colleges and the ATCs. Some of the comments that came out were that we need more partnerships, to have business people on our employer teams. Commissioner Kendell came in and addressed our breakout session and mentioned about having two entrepreneurial centers at the ATCs. . . Our primary mission is economic development."

Campus President Bouwhuis: Commented that he had recently met with a company called Health Corporation of America, who were reviewing sites across the country to determine where to locate their headquarters, and chose Kaysville, Utah. He met with their administrative team in an effort to supply their need for trained individuals. This partnership between Health Corporation of American and DATC highlight how UCAT can be a very powerful economic development tool.

B. R401, Approval of New Programs, Program Changes, and Discontinued Programs (Tab X)

President Fitch: "R401, the Regents policy, reflects why today on your agenda, there so many programs coming forward. The moratorium has essentially been lifted because of the crafting of R401 under the

Regents guidelines and the Commissioner's office. The key components for us are, 900 hours or below are Certificates of Proficiency (R401-3.1), which are approved at the Board of Directors level and then sent to the Commissioner through the Fast Track process (R401-6). To follow that policy and to give you an update, we did have two come from Ogden-Weber in Restaurant Hospitality Management and Biomedical Equipment Technician, the first two to go through the Fast Track process. The basic element of the 900 hours and above and the degrees, is that rather than going through the state-wide review process, what has been incorporated is a regional process, so you're only dealing with the region, and the region is defined for UCAT as those school districts that we serve in. . . UCAT was proactive in this and spearheaded the effort to get this done. The items that you approved today will continue to follow this process."

C. Strategic Planning Committees' Update (Tab Y)

President Fitch: Indicated that this agenda item is in place to allow all three UCAT standing committees the opportunity to bring the UCAT Board up to date on committee activities.

Statewide Campus Development and Master Planning Committee

No updates.

Mission Role Accreditation Committee

No updates.

Funding/Services Legislative Support Committee

No updates.

D. Campus Presidents' Cabinet Report (Tab Z)

President Fitch referred to the Campus Presidents' Cabinet Agenda from the most recent meeting on 20 October 2004 to present various agenda items.

Item #1 UCAT Legislative Changes

D. Barrett: Asked if the Campus Presidents all agreed to the proposed legislative changes.

President Fitch: "No one objected."

Item #3 Facilities

"As you are aware, the Building Board's prioritization moved us down and essentially moved us out of any contention for a building."

Item #4 Decision Tree

"The decision tree was created a while back and we will be reviewing it. We are more stringent in our review than most areas, and we will be making some adjustments."

Item #5 Faculty Requirements (R277-713-7)

"This issue has come up because of draft legislation that is being proposed that has to do with concurrent enrollment. That's specific to the colleges and universities that provide training for high school students. They are also looking at licensure; recognition for those who have a majority of their responsibilities as university professors, teachers or adjunct with high school students, to consider their licensure and certification. We discussed that at a Board meeting two years ago, that we allow each of our institutions to make a determination regarding background checks, and with the support of the Presidents Cabinet, we have those faculty who are directly engaged the majority of their assignment with high school students, maintaining their licensure and certification."

Item #12 Other – Campus Compact (Attachment D)

"This is a service requirement. This is an element that gets out more than the message of just vocational education or on-the-job training."

President Fitch then referred to Attachment D, "The Connector," which Campus Compact's newsletter. Inside the newsletter are Utah Campus Compact Member Updates.

ADJOURN

Chair Bangerter adjourned the UCAT Board of Trustees meeting at 12:20 p.m.

Next UCAT Board of Trustees meeting is scheduled for 1 December 2004, 10 a.m.

(NOTE: After this meeting, in concurrence with the Chair and Vice Chair of the UCAT Board of Trustees, the 1 December 04 UCAT Board meeting was cancelled. The next UCAT Board of Trustees meeting is now scheduled for 5 January 2005).