



**BRIDGERLAND TECHNICAL COLLEGE
BOARD OF DIRECTORS
INSTITUTIONAL ADVISORY COMMITTEE
APRIL 27, 2020, 4 P.M.
VIRTUAL MEETING (ZOOM)**

MINUTES

Board Members Present

Neil Perkes, Chair – Logan Regional Hospital, Logan
Taylor Adams – Utah State University, Logan
Dave Brown – Western AgCredit, South Jordan
Jack Draxler – Draxler Appraisal Services, Inc., North Logan
Ann Geary, Past Chair – Logan School District, Logan
Monica Holdaway – Box Elder Chamber of Commerce, Brigham City
Brian Hyde – Autoliv, Smithfield
Nancy Kennedy, Vice Chair – Box Elder School District, Brigham City
Jeffrey Packer – All Pro Real Estate, Brigham City
Michael Madsen – Michael J. Madsen Construction, Garden City
Roger Pulsipher – Cache School District, Avon
Eric Wamsley – Rich School District, Laketown

Bridgerland Technical College Present

K. Chad Campbell, President
Wendy Carter, Vice President for Instruction
Troy Christensen, Vice President for Brigham City
Emily Hobbs, Chief of Staff
Lisa Rock, Controller
Frank Stewart, Chief Development Officer
Jim White, Vice President for Student Services

Guest(s)

Mike Liechty, Cache School District
Dr. Scott Theurer, Trustee Representative – Dentist, Logan
Jared Haines, UTECH Commissioner

This meeting was held virtually for the safety of Board members and in accordance with BTECH Policy 100.107.1.5, which states, “Board members may participate in a meeting of the Governing Board by means of telephone or other communications equipment by which all members participating in the meeting can hear each other. Participation by such means shall constitute presence in person for purposes of determining a quorum and voting on agenda items.” Additionally, on March 18, 2020, Governor Gary Herbert issued an Executive Order suspending the enforcement of provisions of Utah Code 52-4-202 and 52-4-207, and related State agency order, rules, and regulations.

Item 1

Pledge of Allegiance & Welcome

Neil Perkes conducted the meeting and welcomed those in attendance. The meeting was called to order at 4:03 p.m. Neil thanked Board members for participating under unique circumstances due to Infectious Disease COVID-19 Novel Coronavirus. The Pledge of Allegiance was recited.

Item 2

Consent Calendar Approval

A. **Minutes from the January 27, 2020, Board meeting** were available online for review and subsequent approval.

B. **Strategic Planning Tri-Annual Highlights**

The 2019-2020 Strategic Planning Tri-Annual Highlights from November 2019 to March 2020 was provided as an online link.

ACTION: Nancy Kennedy made a motion to approve the Consent Calendar items. Eric Wamsley seconded. Motion carried.

Item 3

Audit Committee Report –

Audited Annual Financial Report for the Year Ended June 30, 2019

The Bridgerland Technical College Audited Annual Financial Report for the year ended June 30, 2019, along with the Government Auditing Standards (GAS) report on internal control and the auditors required communications were provided for review. Roger Pulsipher, Audit Committee Chair, reported that the auditors from the Office of the Utah State Auditor participated in a conference call with the Audit Committee in the committee meeting before Board Meeting. The auditors issued a “clean,” unqualified opinion on the audit report. There were no findings or corrections. Roger congratulated the Accounting Department and thanked them for their hard work.

Wes Marler, Senior Accountant, provided the Explanation of Changes in Net Position to assist the Board in better understanding the financial position of the College.

ACTION: Jeff Packer made a motion to accept the Audit Annual Financial Report for the year ended June 30, 2019. Ann Geary seconded. Motion carried.

Item 4

Program Changes

Included for Board information and review were proposed program changes with an effective implementation date of July 1, 2020. Wendy Carter explained the following program modifications for consideration:

- Cybersecurity – hour change from 450 hours to 600 hours (Substantive Change)
- Cybersecurity – change mode of delivery to “less than 100%” distance education
- Dental Assisting – hour change from 1080 hours to 990 hours
- Drafting (1200 hours) – Brigham City Branch Campus – Discontinue
- Information Technology – change mode of delivery to “less than 100%” distance education
- Interior Design – change mode of delivery to “less than 100%” distance education
- Machining Technology – hour change from 1440 hours to 1050 hours (Substantive Change)

- Media Design (1200 hours) – Brigham City Branch Campus – Discontinue
- Paramedic – hour change from 1260 hours to 1170 hours
- Police Academy – hour change from 725 hours to 735 hours
- Therapeutic Massage – Brigham City Branch Campus – New program (810 hours)
- Web & Mobile Development – hour change from 1050 to 900 hours
- Web & Mobile Development – change mode of delivery to “less than 100%” distance education

Lisa Moon, Associate Vice President for Instruction of Health Sciences and Public Services, provided additional details on Therapeutic Massage. Upon approval, this new program will expand training opportunities not currently offered in the Bear River Region or surrounding areas. There is a high demand for this profession, especially in health care, which accounts for 53 percent of the jobs. Personal care settings make up 37 percent, and the remaining 10 percent in travel and tourism. Lisa talked about the benefits of massage, including improvement in patients suffering from cardiovascular disease, cancer, limited mobility, migraines, hypertension, and carpal tunnel. Therapeutic massage is ranked 6th in “Best Jobs without a Degree,” with an average annual wage of over \$40,000. Board members expressed their support for this program noting this training will be extremely valuable for the communities in northern Utah.

Once approved by the Board of Directors, application for consideration will be forwarded to the Council on Occupational Education (COE).

ACTION: Jack Draxler made a motion to approve the Program Changes as outlined. Roger Pulsipher seconded. Motion carried.

Item 5

Legislative Update

President Campbell provided the following update on the 2020 General Session of the Legislature and the Fiscal Year (FY) 2021 Utah System of Technical Colleges (USTC/UTECH) appropriations were provided. He noted that until the economy turned due to COVID-19, it was one of the best years the College has had financially.

Health Sciences Building

Bridgerland Technical College has worked hard for many years to get a new Health Sciences Building. Excitingly, the building was funded as the number one priority during the 2020 General Session of the Legislature. It has taken a team of people all working together to help this building become a reality. The BTECH Board of Directors, UTECH Board of Trustees, UTECH presidents, legislators, the Division of Facilities, Construction, and Management (DFCM), business leaders, the Cache Valley Chamber of Commerce, the Northern Utah Chamber Coalition, along with BTECH faculty, staff, and administration have all worked together to make this happen. President Campbell thanked the Board members for their support. Neil Perkes and Brandon McBride, CEO for Logan Regional Hospital, were instrumental in moving this building forward.

The programming and planning phase for the Health Sciences Building is nearing completion; therefore, renderings showing what the new facility might look like were presented. President Campbell explained that the next step will be a Design-Build phase spearheaded by DFCM with an owner’s representative hired to manage the project. This phase should be approved around

the middle of July. Board members commended all of the hard work on this building so far and are glad to move forward on this project.

Operating Budget

Administration is in the process of preparing the FY 2020-2021 Operating Budget utilizing the funding in accordance with (1) the budget request provided to UTECH and the Legislature before the session, and (2) any new direction resulting from the Special Session of the Legislature in response to the economic slowdown. Senate Bill (S.B.) 8 – State Agency and Higher Education Compensation Appropriations provides a 2.5 percent labor market increase for State and higher education employees and provides an average 4.35 percent increase in health insurance benefits. While Bridgerland Administration is preparing implementation strategies, President Campbell assured the Board that the College will refrain from committing to actual spending until further direction from the Legislature is given.

On April 16, 2020, House Joint Resolution (H.J.R.) 301 Joint Resolution Urging Fiscal Responsibility was passed by the Legislature. Language from that resolution was provided in the agenda.

SB 111 – Higher Education Amendments

This bill passed the Legislature and was signed by the Governor. Language from that bill was provided in the agenda. President Campbell reviewed some of the amendments, which included changing the Board of Directors to Board of Trustees. Jack Draxler inquired about the ability of the newly named Board of Trustees to work independently. Commissioner Haines said there is an effort to have more authority go to local boards to be responsive to business and industry; however, statewide articulation will require collaboration with degree-granting institutions to accomplish that. The new Commissioner search is underway.

Item 6

Development Office Report

Frank Stewart, Chief Development Officer provided an update on the following development items:

- Health Sciences Building Donor Appreciation
 - Frank thanked everyone for their support and mentioned no gift is too small. He reported 142 total donors in the first part of the new building campaign, with eight family foundations, 29 couples, 56 employees/partners, and 49 physicians and dentists. This kind of community support is significant for this project.
- Gene Haas College Naming Grant
 - After a two-year relationship-building process, Bridgerland Technical College was well positioned to apply for the Gene Haas College Naming Grant as it became available in February. Hosting the Regional HTEC Educators Conference last October was a “check the box” opportunity in this process. In March, the College received affirmative confirmation from the Gene Haas Foundation for \$250,000 to remodel, add equipment, and upgrade the Machining Technology department.
- Corporate Partnerships/Sponsorships/Private Funding
 - Many corporate partnerships were formed, and substantial gifts were made for the events and student competitions slated to be held this year. Many of them have been canceled or postponed due to restrictions, so that money will either be held for next

year, used for scholarships, or extended to support programs increasing online technology. Frank provided an example where nursing simulation software was purchased to provide enhanced education for Practical Nursing students unable to participate in clinical training. A list of donors was provided.

- Due to restrictions from COVID-19, over 100 scholarship interviews were conducted via video conferencing. It was an enjoyable opportunity to see the students and understand their need for assistance. Around \$200,000 was awarded to students who will begin their education shortly.

Item 7

Board of Trustees Report

Dr. Theurer reported that the Utah System of Technical Colleges Board of Trustees will continue until the end of June. They are fully engaged in supporting the eight colleges. Six trustees were appointed, pending Senate confirmation, to serve on the Utah Board of Higher Education. Nominations for the new commissioner are open for another three days. UTECH staff are transitioning to remodeled offices in the Gateway building in Salt Lake City.

Item 8

Information Items

A. COVID-19 Response

As a technical college with predominantly hands-on instruction, the transition through a soft close, and then the state-mandated suspension of on-campus activities presented a host of challenges. However, Bridgerland is filled with champions, and together, a plan was set into motion to minimize the impact on both student and employee lives. Of the 39 programs, one program was not in session, and one other was unable to provide instruction remotely. The result was 95 percent of the programs were able to provide education remotely during this COVID-19 challenge successfully.

Wendy Carter talked about the College's approach to first, do no harm for employees and students, and second, catapult programs forward with remote training. The Governor said to adapt and innovate, and it took a team to focus on what can be done instead of what can't. Students were given a choice to take a leave of absence, and some did. Wendy provided examples of creativity, such as students cooking from home for Culinary Arts, using space at the Sheriff's Office to continue training safely in Police Academy, and securing internships in local grocery stores for Meat Services.

These are not long-term solutions, and about 50 percent of the students (adult and high school) are struggling with technology, personal, mental health, or finances. State and national testing have stalled. There are challenges ahead, but there is encouragement in a shift from red to orange risk as a state, and students will begin doing lab work in small groups.

President Campbell reported that despite our best efforts, we weren't able to maintain workloads for four full-time and 15-30 part-time employees. (These numbers shift regularly.) He thanked UTECH for their leadership in response to the pandemic.

Chair Perkes provided an update as an administrator at Logan Regional Hospital. They meet regularly to discuss the county data and have seen a significant impact on businesses. The non-critical surgeries have dropped workload, which has affected over 200 employees. They sent a group to New York City to assist with their overwhelmed health care system. He talked about the

heartbreaking stories of the inability to care for individuals properly without equipment, supplies, and the workforce. It is projected Utah will hit a peak on July 28.

B. Custom Fit Training Department – Year to Date

Fiscal Year	Trainees	Training Hours	Total Companies	New Companies
19-20 Qtr 1	1,488	11,802	140	18
19-20 Qtr 2	2,257	25,378	176	19
19-20 Qtr 3	3,665	45,730	181	30

C. Stand-Alone Courses

- In accordance with USTC Policy 200, Section 5.1.2, courses not part of an approved certificate shall be approved by the Chief Instructional Officer and reported to the College Board of Directors as an information item. The current schedule is included as a link and is always available online at btech.edu. No new courses need to be approved at this time.

D. Calendar/Happenings

- Calendar available at btech.edu/event-calendars
 - April 30-May 1, 7:30 p.m., Spring Fashion Show, BTECH - POSTPONED
 - May 6-7, Career Days - CANCELED
 - June 3, 6:30 p.m., General Graduation – TO BE DETERMINED
 - June 4, 5:30 p.m., Practical Nursing Pinning & Lamp Lighting Ceremony – TO BE DETERMINED
- Board Meeting Dates
 - June 22, 2020
 - August 24, 2020
 - November 16, 2020

Item 9

President Evaluation – Closed Session

ACTION: Nancy Kennedy made a motion to move into a closed session, as provided in Utah Statute 52-4-205 for the discussion of the character, professional competence, or physical or mental health of an individual. Ann Geary seconded. Motion carried unanimously by roll call vote:

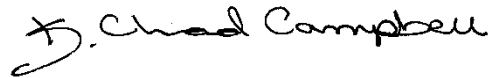
- Neil Perkes - yes
- Taylor Adams - yes
- Dave Brown - unavailable
- Jack Draxler - yes
- Ann Geary - yes
- Monica Holdaway - yes
- Brian Hyde - yes
- Nancy Kennedy - yes
- Jeffrey Packer - yes
- Michael Madsen - yes
- Roger Pulsipher - yes
- Eric Wamsley - yes

The Board reconvened in the open public session at 6:15 p.m.

Item 10

Next Meeting Date & Adjournment

The next Board meeting will be Monday, June 22, at 4 p.m. Brian Hyde made a motion to adjourn the meeting. Roger Pulsipher seconded. Motion carried.



*Minutes submitted by K. Chad Campbell, President
Prepared by Emily Hobbs, Chief of Staff*



Neil Perkes, Chair



**BRIDGERLAND TECHNICAL COLLEGE
BOARD OF DIRECTORS
INSTITUTIONAL ADVISORY COMMITTEE
APRIL 27, 2020, 4 P.M.
VIRTUAL MEETING - ZOOM**

AGENDA

[BTECH.EDU/ABOUT-US/GOVERNING-BOARD/BTECH-CAMPUS-BOARD-OF-DIRECTORS-MEETINGS](https://btech.edu/about-us/governing-board/btech-campus-board-of-directors-meetings)

Item 1

**Start Recording: State Date, Time, Place of Meeting, and Members Present
Pledge of Allegiance & Welcome**

Item 2

Consent Calendar Approval

- A. **Minutes from the January 27, 2020, Board meeting** are available online for review and subsequent approval.
- B. **Strategic Planning Tri-Annual Highlights**
The 2019-2020 Strategic Planning Tri-Annual Highlights from November 2019 to March 2020 is provided as an online link.

ACTION: Recommend approval of Consent Calendar items as provided in the agenda.

Item 3

Audit Committee Report –

Audited Annual Financial Report for the Year Ended June 30, 2019

Roger Pulsipher, Audit Committee Chair

Lisa Rock, Controller

Wes Marler, Senior Accountant

The Bridgerland Technical College Audited Annual Financial Report for the year ended June 30, 2019, along with the Government Auditing Standards (GAS) report on internal control and the auditors required communications are available online. Auditors from the Office of the Utah State Auditor participated in a video conference call with the Audit Committee meeting prior to Board Meeting for presentation of Bridgerland's audit report along with the list of required communications. Roger Pulsipher, Chair of the Audit Committee, will provide the Board with a summary of the Audit Committee Meeting.

Administration will be present to discuss the results of the audit, discuss the financial position of the College, and address any questions or comments the Board may have.

ACTION: Recommend acceptance of the Audit Annual Financial Report for the Year Ended June 30, 2019.

Item 4

Program Changes

Wendy Carter, Vice President for Instruction

Lisa Moon, Associate Vice President for Instruction of Health Sciences and Public Services

Included for Board information and review are proposed program changes with an effective implementation date of July 1, 2020. Outlined are program modifications for consideration:

- Cybersecurity – hour change from 450 hours to 600 hours (Substantive Change)
- Cybersecurity – change mode of delivery to “less than 100%” distance education
- Dental Assisting – hour change from 1080 hours to 990 hours
- Drafting (1200 hours) – Brigham City Branch Campus – Discontinue
- Information Technology – change mode of delivery to “less than 100%” distance education
- Interior Design – change mode of delivery to “less than 100%” distance education
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- Therapeutic Massage – Brigham City Branch Campus – New program (810 hours)
- Web & Mobile Development – hour change from 1050 to 900 hours
- Web & Mobile Development – change mode of delivery to “less than 100%” distance education

College administrative staff will be present at the meeting to explain the proposed changes. Once approved by the Board of Directors, application for consideration will be forwarded to the Council on Occupational Education (COE).

The Program List with Changes is provided as an online link.

ACTION: Recommend approval of Program Changes as outlined.

Item 5

Legislative Update

Chad Campbell, President

A brief update regarding the 2020 General Session of the Legislature will be provided at the meeting, and the Fiscal Year (FY) 2021 Utah System of Technical Colleges (USTC/UTECH) Appropriations file is available online as a link.

Health Sciences Building

Bridgerland Technical College has worked hard for many years to get a new Health Sciences Building. Excitingly, the building was funded as the number one priority during the 2020 General Session of the Legislature. It has taken a team of people all working together to help this building become a reality. The BTECH Board of Directors, UTECH Board of Trustees, UTECH presidents, legislators, the Division of Facilities, Construction, and Management (DFCM), business leaders, the Cache Valley Chamber of Commerce, the Northern Utah Chamber Coalition, along with BTECH faculty, staff, and administration have all worked together to make this happen.

A short presentation about the building design and location will be provided. The programming and planning phase is nearing completion; therefore, renderings showing what the new facility might look like will be presented.

Operating Budget

Administration is requesting support to prepare the FY 2020-2021 Operating Budget utilizing the funding in accordance with (1) the budget request provided to UTECH and the Legislature before the session, and (2) any new direction resulting from the Special Session of the Legislature in response to the economic slowdown. Also, the College seeks support to prepare the budget with a 2.5 percent Cost of Living Adjustment (COLA) increase. Senate Bill (S.B.) 8 – State Agency and Higher Education Compensation Appropriations provides a 2.5 percent labor market increase for State and higher education employees and provides an average 4.35 percent increase in health insurance benefits. A brief report about how this information applies specifically to Bridgerland will be provided. In addition, a copy of the Operating Budget Summary provided by UTECH will be presented. While Bridgerland Administration is preparing implementation strategies, the College will refrain from committing to actual spending until further direction from the Legislature is given.

On April 16, 2020, House Joint Resolution (H.J.R.) 301 Joint Resolution Urging Fiscal Responsibility was passed by the Legislature. Language from that resolution is included below:

This resolution urges state and local government entities to exercise fiscal responsibility with the remainder of their 2020 budgets and to plan to continue to limit spending in the fiscal year beginning on July 1, 2020, and ending on June 30, 2021.

Highlighted Provisions:

This resolution:

- *recognizes that Utah's economy has changed since the Legislature finalized the 2021 state budget;*
- *acknowledges the economic uncertainty created by the COVID-19 emergency;*

and

- *urges state and local government entities... to:*
- *limit spending for the remainder of the fiscal year ending on June 30, 2020;*
- *and*
- *plan for smaller budgets for the fiscal year beginning July 1, 2020*

NOW, THEREFORE, BE IT RESOLVED that the Legislature of the State of Utah urges ... the Board of Regents; institutions of higher education, and technical colleges... to:

- *limit expenditures to essential costs during the remainder of the fiscal year that ends on June 30, 2020;*
- *avoid unnecessary spending during the remainder of the fiscal year that ends on June 30, 2020;*
- *refrain from committing to new or expanded expenditures for the fiscal year beginning on July 1, 2020, and ending on June 30, 2021, notwithstanding current budgets;*
- *begin planning for a budget for the fiscal year that begins on July 1, 2020, and ends on June 30, 2021, 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, which provided funding for public education enrollment growth, when making initial budget and spending allocations for the fiscal year beginning on July 1, 2020, and ending on June 30, 2021.*

BE IT FURTHER RESOLVED that the Legislature will make all possible effort to add to the base budget amounts for the fiscal year beginning on July 1, 2020, and ending on June 30, 2021, in the future, particularly for public education inflation, as revenue allows.

SB 111 – Higher Education Amendments

This bill passed the Legislature and was signed by the Governor. Language from that bill is listed below:

This bill amends and enacts provisions related to higher education governance.

This bill:

- *renames the State Board of Regents to the Utah Board of Higher Education;*
- *creates a nominating committee to nominate individuals to the Governor to appoint to the Utah Board of Higher Education;*
- *repeals the Utah System of Technical Colleges Board of Trustees;*
- *transitions duties of the Utah System of Technical Colleges Board of Trustees to the Utah Board of Higher Education;*
- *provides that the Utah Board of Higher Education is the successor to the Utah System of Technical Colleges Board of Trustees;*
- *provides for the transition in the membership of the Utah Board of Higher Education from the membership of the State Board of Regents and the Utah System of Technical Colleges Board of Trustees;*

- *creates the positions of associate commissioner for academic education and associate commissioner for technical education;*
- *amends requirements related to an institution of higher education's authority to approve a new program of instruction;*
- *changes the name of a governing board for a technical college from a technical college board of directors to a technical college board of trustees*

Bridgerland Administration, along with the Commissioner of Technical Education and two Trustees, will be available to discuss the impact of this legislation.

ACTION: Information item/pleasure of the Board.

Item 6

Development Office Report

Frank Stewart, Chief Development Officer

A brief update on the following items will be provided:

- Health Sciences Building Donor Appreciation
- Gene Haas College Naming Grant
- Corporate Partnerships/Sponsorships
- Private Funding

ACTION: Information item/pleasure of the Board.

Item 7

Board of Trustees Report

Dr. Scott Theurer, Trustee Representative

A brief update from the Utah System of Technical Colleges Board of Trustees will be provided.

ACTION: Information item/pleasure of the Board.

Item 8

Information Items

A. COVID-19 Response

The beginning of March 2020 brought with it an unprecedented time with the spread of COVID-19. As a technical college with predominantly hands-on instruction, the transition through a soft close, and then the state-mandated suspension of on-campus activities presented a host of challenges. However, Bridgerland is filled with champions and together, a plan was set into motion to minimize the impact on both student and employee lives. Of the 39 programs, one program was not in session, and one other was unable to provide instruction remotely. The result was 95 percent of the programs were able to provide education remotely during this COVID-19 challenge successfully.

Instructional teams bonded together to employ a variety of instructional tactics including:

- Frontloading theory learning with plans for intensive lab camps upon return
- Creating and expanding program content in the learning management system Canvas
- Surveying all students and faculty for remote access capabilities (i.e., devices, Internet access, cameras, microphones, etc.)
- Creating a device checkout system for existing Chromebooks, laptops, and even desktop computers
- Providing distance lectures, conferences, and lab demonstrations using tools like Zoom, WebEx, Google Hangouts/Google Meet, Microsoft Teams, Skype, Kaltura Classroom, etc.
- Contacting students using cell phones, Avachato, FaceTime, Skype, Canvas announcements, etc.
- Secure testing with Proctorio and LockDown Browser
- Remote software and lab access with VPN, Parallel Ras, and Remote Desktop

B. Custom Fit Training Department – Year to Date

Fiscal Year	Trainees	Training Hours	Total Companies	New Companies
19-20 Qtr 1	1,488	11,802	140	18
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C. Stand-Alone Courses

- In accordance with USTC Policy 200, Section 5.1.2, courses not part of an approved certificate shall be approved by the Chief Instructional Officer and reported to the College Board of Directors as an information item. The current schedule is included as a link and is always available online at btech.edu. No new courses need to be approved at this time.

D. Calendar/Happenings

- Calendar available at btech.edu/event-calendars
 - April 30-May 1, 7:30 p.m., Spring Fashion Show, BTECH - POSTPONED
 - May 6-7, Career Days - CANCELED
 - June 3, 6:30 p.m., General Graduation – TO BE DETERMINED
 - June 4, 5:30 p.m., Practical Nursing Pinning & Lamp Lighting Ceremony – TO BE DETERMINED
- Board Meeting Dates
 - June 22, 2020
 - August 24, 2020
 - November 16, 2020

ACTION: Information item/pleasure of the Board.



BRIDGERLAND
TECHNICAL
COLLEGE
btech.edu

**BRIDGERLAND TECHNICAL COLLEGE
BOARD OF DIRECTORS' MEETING
JANUARY 27, 2020, 4 P.M.
LOGAN CAMPUS – MAIN BOARDROOM
1301 NORTH 600 WEST, LOGAN, UTAH**

MINUTES

~ DRAFT ~

Board Members Present

Neil Perkes, Chair – Logan Regional Hospital, Logan
Taylor Adams – Utah State University, Logan
Dave Brown – Western AgCredit, South Jordan, via phone call
Jack Draxler – Draxler Appraisal Services, Inc., North Logan
Monica Holdaway – Box Elder Chamber of Commerce, Brigham City
Brian Hyde – Autoliv, Smithfield
Nancy Kennedy, Vice Chair – Box Elder School District, Brigham City
Jeffrey Packer – All Pro Real Estate, Brigham City
Michael Madsen – Michael J. Madsen Construction, Garden City
Roger Pulsipher – Cache School District, Avon
Eric Wamsley – Rich School District, Laketown

Board Members Excused

Ann Geary, Past Chair – Logan School District, Logan

Bridgerland Technical College Present

K. Chad Campbell, President
Wendy Carter, Vice President for Instruction
Troy Christensen, Vice President for Brigham City
Emily Hobbs, Chief of Staff
Lisa Rock, Controller
Frank Stewart, Chief Development Officer
Jim White, Vice President for Student Services

Guest(s)

Dr. Scott Theurer, Trustee Representative – Dentist, Logan
Lisa Moon, BTECH AVP for Instruction
Bryan Davies, Department Head for Fire and Rescue Services

Item 1

Welcome & Pledge of Allegiance

Neil Perkes conducted the meeting and welcomed those in attendance. The meeting was called to order at 4:05 p.m. The Pledge of Allegiance was recited.

Item 2

Program Highlight – Fire and Rescue Services

Lisa Moon, Associate Vice President for Instruction

Bryan Davies, Department Head

Lisa Moon introduced Bryan Davies, Department Head for the Fire and Rescue Services program. The Standards and Training Council unanimously voted in the affirmative to continue to accredit the Fire and Rescue Services program at BTECH. Many of those doing the evaluations for accreditation made particular comments on how well run and professional the program is and said it sets the “Gold Standard for the State.” During the Council’s recent meeting on January 8, Bryan Davies was presented with a Certificate of Accreditation plaque from the council. It was truly an honor for the program.

Bryan Davies provided a presentation highlighting the Fire and Rescue Services program. On October 26, the recruits simulated what they will experience on a 24-hour shift when employed. The Facebook community enjoyed watching the recruits go on a steady stream of calls with scenarios of all kinds, including a structure fire with rescues, 11 medicals, and 21 fire calls. Recruits sat down to a cold dinner just to get called out again as they shoveled food into their mouths on the run. The instructors worked hard to organize, plan, and execute such an amazing event. They were just as tired as the persistent recruits at the end of a demanding two days.

Board members engaged in a question and answer session as they learned more about this program and the employment opportunities that exist. Bryan confirmed the outlook for employment is better now than he has ever seen.

ACTION: Information item/pleasure of the Board.

Item 3

Consent Calendar Approval

- A. **Minutes from the November 25, 2019, Board meeting** were available online for review and subsequent approval.

- B. **Fiscal Year (FY) 2018-2019 Student Enrollment and Outcomes Report Final Certification**
The FY 2018-2019 Student Enrollment and Outcomes Report, as of July 31, 2019, was reviewed by the Board of Directors in the August 26, 2019, Board meeting. As provided in the Utah System of Technical College (USTC) Policy 205.11.2, Bridgerland continued to track outcomes of FY 2018-2019 certificate-seeking students after the end of the fiscal year and provided a follow-up data submission in December. Additional non-graduate/early-hire

completers and re-enrolled students were reported. Completion rates for certificate-seeking students have been recalculated, given these updated student outcomes. The Bridgerland Technical College President along with the Vice President for Instruction and the Vice President for Student Services have certified that the submitted follow-up data comply with all applicable statutes and policies, and have verified that the updated completion rates are accurate, to the best of their knowledge. The final certification was submitted to USTC December 17, 2019, as required by USTC Policy.

ACTION: Roger Pulsipher made a motion to approve the Consent Calendar items. Brian Hyde seconded. Motion carried.

Item 4

FY 2020-2021 Proposed General Tuition Rate

The Bridgerland Technical College Board of Directors traditionally makes a recommendation for a tuition rate increase, if any, to the Utah System of Technical Colleges Board of Trustees on an annual basis. This recommendation is typically based on input from the College Administration as needed. However, for Fiscal Year 2020-2021, the Governor's Office recommended a "Freeze on tuition until affordability is adequately defined" for all Higher Education Institutions. Jim White said this recommendation from the Governor aligns with what the College Administration would also propose. Jack Draxler commended the BTECH Administration and Governor Herbert for taking a hard look at tuition rates and holding this year. Nancy Kennedy added that the Box Elder School District applauded the College for reducing fees.

ACTION: Mike Madsen made a motion to hold the FY 2020-2021 Proposed General Tuition Rate at \$2.00 per membership hour. Jack Draxler seconded. Motion carried.

Item 5

FY 2020-2021 Proposed Differential Tuition Rates

BTECH Administration is requesting the renewal of a differential tuition rate for the Farm and Ranch Management continuing education course(s) and Assessment & Learning pre-admission support course(s). Differential tuition rates for these have been in existence for many years; however, USTC Policy 204.6 (6.4) dictates that the USTC Board of Trustees approve the differential rates on an annual basis. Accordingly, with the consent and recommendation of Bridgerland's Board of Directors, a letter will be sent to the USTC Commissioner with the tuition and differential rates, which have not changed.

1. Farm /Ranch Business Management:

Beginning students: \$210/annually

Advanced students: \$240/annually

Justification: Farm/Ranch Business Management began in the early to mid-1980s in an effort to help small- and medium-sized farms and ranches become successful. For each year of its existence, it has operated with a differential tuition rate. In prior years, the process of renewing the differential rate was virtually automatic and occurred at the

same time the regular tuition rate was approved. With the development and approval of the newest version of USTC Policy Number 204.6-6.4, the College is now required to request approval of this differential rate on an annual basis.

2. Assessment & Learning Center:

All students: \$20/month

Justification: The Assessment & Learning Center exists as a resource to assist students in transitioning from wherever they are academically, to a level that will ensure success in their chosen training program. The Assessment & Learning Center does not result in an occupational credential but rather prepares students for success in both their chosen training program and eventual occupation. This center has also existed since the mid-1980s and has always operated with a differential tuition rate. The rate has been established as a means of removing or at least reducing barriers to enrollment as students move through the remedial math, English, and/or reading curriculum at their own pace. Upon successful completion of the curriculum, students are then prepared to enter one of the College's training programs and will be charged the USTC approved tuition rate for their chosen occupational program.

ACTION: Eric Wamsley made a motion to approve the FY 2020-2021 Differential Tuition Rates. Roger Pulsipher seconded. Motion carried.

Item 6

Board of Directors Orientation

Neil Perkes, Chair of the Board, asked President Campbell to provide the Board with a broad overview of the duties and responsibilities of the Board as currently defined by state law and the Utah System of Technical Colleges' policies. He also asked to have an overview of the current organizational structure of the College. President Campbell provided a presentation highlighting the following:

- Utah Code with Board of Director and President duties and responsibilities
 - <https://le.utah.gov/xcode/Title53B/53B.html>
- Utah System of Technical Colleges (USTC) Policies
 - <http://utech.edu/policies-and-procedures>
- BTECH Web Site & Policies
 - <https://btech.edu/>
- BTECH Organizational Chart
 - <https://btech.edu/wp-content/uploads/BTECH-Organizational-Chart-College-Wide.pdf>

President Campbell encouraged Board members to learn more by visiting the resources provided.

ACTION: Information item/pleasure of the Board.

Item 7

Board of Trustees Report

Dr. Scott Theurer provided a brief update from the Utah System of Technical Colleges Board of Trustees covering the following items:

- The Trustees will start the formal evaluation for President Campbell. A survey will be sent to various faculty, staff, students, legislators, and education/community representatives. The report will be shared during a closed session at the April Board Meeting.
- The BTECH Building is ranked No. 1 going into the Legislative Session. This request is a “Non-Dedicated” capital facility project. The Trustees will be responsible for determining how the ongoing funds of \$7 million will be spent for “Dedicated” capital facility projects. These requests will not be finalized until after the BTECH building gets funded. BTECH does not currently have a “Dedicated” capital facility request due to the high priority of the Health Sciences Building.
- The UTECH Board of Trustees' Vision and Goals have been modified in the last 45 days. Dr. Theurer provided a brief overview.
- Custom Fit will be participating in a routine audit over the next few months.
- UTECH has submitted an ongoing budget increase for \$15 million for compensation, program expansion, equipment, student support, Custom Fit, and college access advisors.
- Legislative drafters are working on a bill considering the recommendations from the Higher Education Strategic Planning Commission and the 3rd party evaluator NCHEMS. Dr. Theurer explained the proposed Board structure to the committee, which will consist of a person for technical education and a person for traditional higher education. Dr. Theurer is encouraged by the possibility of reducing inefficiencies and duplication, and creating seamless transitions for learning. Board members would like to know when the bill is available and would like to know what they can do to be helpful in the process.

ACTION: Information item/pleasure of the Board.

Item 8

Information Items

A. Custom Fit Training Department – Year to Date

Fiscal Year	Trainees	Training Hours	Total Companies	New Companies
19-20 Qtr 1	1,488	11,802	140	18
19-20 Qtr 2	2,257	25,378	176	19

B. Stand-Alone Courses

- In accordance with USTC Policy 200, Section 5.1.2, courses not part of an approved certificate shall be approved by the Chief Instructional Officer and reported to the College Board of Directors as an information item. The current schedule is included as

a link and is always available online at btech.edu. No new courses need to be approved at this time.

C. Calendar/Happenings

- Calendar available at btech.edu/event-calendars
 - February 7 – BTECH Ski Night, 5 p.m., Beaver Mountain
 - March 30 – April 3, Closed for Spring Break
- Board Meeting Dates
 - April 27, 2020
 - June 22, 2020
 - August 24, 2020
 - November 16, 2020

Item 9

Adjournment

The meeting adjourned at 5:53 p.m.

Item 9

President Evaluation – Closed Session

The BTECH Board of Directors will meet in a closed session that will not be open to the public, as provided in Utah Statute 52-4-205 for discussion of the character, professional competence, or physical or mental health of individuals.

ACTION: Recommend to enter a closed session by roll call vote.

Item 10

Adjournment

STRATEGIC PLAN TRI-ANNUAL HIGHLIGHTS NOVEMBER 2019 – MARCH 2020

Strategic Planning at Bridgerland Technical College involves the entire College, from identifying objectives and strategies to celebrating successes. The following report are the results of the evaluation provided for your information.

2020 General Session of the Legislature (Obj. 1) – House Bill (HB) 2 – New Fiscal Year Supplemental Appropriations Act is the culmination of months and years worth of work to obtain the legislative funding needed to further the budget-related strategic planning objectives. The appropriations can be broken down into three categories with the results outlined below:



1. Operating Budget
 - Compensation and Benefits
 - New or Existing Program Expansion
 - Equipment (one-time)
 - SWI Grant – Data Analytics (elective within Web & Mobile Development)
 - Custom Fit
2. Capital Improvement Request
 - Meat Services – HVAC and Facility Update
3. Capital Development Request
 - Health Sciences Building – Programming/Planning and Renderings
 - Health Sciences Building – Funded

Update and Modernize Facilities (Obj. 1) – Four internally funded building makeover projects were completed at the Logan Campus – Main building:

- Business Technology Lab
- Student Success Advisor Office Suite
- Assessment and Learning Center
- Instruction Administration Suite

Budget Review & Training (Obj. 1) – The Controller and the respective Associate Vice President for Instruction held budget meetings in November to review department budgets and conduct individual training as appropriate.

Explore Concepts to Reduce Costs to Students (Obj. 1) – President Campbell challenged the Instruction team to reduce fees to students. After a thorough examination of the secondary students’ fee schedule, College administrators were able to eliminate nearly all fees and reduce barriers to enrollment. This fee schedule was approved in the November 2019 Board of Directors’ meeting.

Wearable Simulators Provide Realistic Experiences to Practical Nursing (PN) Students (Obj. 1) – Helping students enhance communication skills has been a longtime focus of the PN program. This goal led the PN program to utilize legislative funds to purchase a new type of simulation technology – a partial mannikin piece that is referred to as a "wearable." Wearables allow students to communicate with an actual person while doing a simulated skill with anatomically functional mannequin anatomy. This technology enables students to experience a more realistic simulated patient care experience.

The PN faculty are focused on “Compassionate Connected Care” this year, which is all about reducing patient suffering during health care experiences. The addition of Avkin Wearable Simulator Mannikins helps faculty as they strive to teach students to communicate with patients and provide care in a way that allows a healing connection to occur.

Fire and Rescue Services Accreditation Reaffirmation (Obj. 2) – The Standards and Training Council unanimously voted in the affirmative to continue to accredit the Fire and Rescue Services program at BTECH. Many of those doing the evaluations for accreditation made particular comments on how well run and professional the program is. During the Council’s meeting on January 8, Bryan Davies was presented with a Certificate of Accreditation plaque from the council. It was truly an honor for the program.



Pharmacy Technician Accreditation (Obj. 2) – In April of 2019, The Pharmacy Technician program at Bridgerland Technical College hosted a site visit to obtain initial accreditation from the American Society of Hospital Pharmacists (ASHP). Preparations for the visit included an extensive remodel of the pharmacy, curricular enhancement with expansion of simulation and hours, as well as a comprehensive self-study. The self-study was completed using the 2018 ASHP guidelines. Shortly after the completed self-study was received, the ASHP contacted Bridgerland asking the College if it was willing to be one of the first programs in the country reviewed under a new set of standards that were more rigorous. The College and Pharmacy Technician program took on this challenge. We are happy to report that in February of 2020, the program received official notification that ASHP was granting initial accreditation for six years. This is the maximum amount of time that ASHP can grant accreditation for a pharmacy technician program.

National Science Foundation (NSF) Evaluator Visit (Obj. 2) – On March 5 & 6 the outside evaluator (Michael Lesiecki) for the Scaling Up Utah’s Automated Manufacturing Technician Pipeline grant through the NSF conducted a site visit of Bridgerland. As part of the visit, faculty and administrators visited Wendover High School that the grant helped get started in 2018. Lastly, Bridgerland organized and hosted the first statewide AM STEM Leadership meeting at Tooele Technical College, which was attended by representatives from Davis Technical College, Tooele Technical College, and USU Eastern.

ACTE Postsecondary Teacher of the Year (Obj. 2) – Bonnie Campbell, one of BTECH’s Information Technology (IT) instructors, was recently selected as the Postsecondary Teacher of the Year for the IT division of the Association for Career & Technical Education (ACTE)! Division awards were presented at the annual IT business meeting on February 1 at Riverton High School as part of the annual Utah ACTE conference. Bonnie has been instrumental in the continuous growth and success of the IT STEM Academy. The Academy has grown for three years in a row, gaining state and national recognition. Bonnie hosted the state CTE conference this past year at Bridgerland and hosted the first “Hack-a-thon” for the more advanced students. Although she has a busy schedule, she still finds time to provide training for IT STEM and state CTE teachers and participates on state IT and computer science steering committees. Bridgerland is fortunate to have Bonnie on its team!



COVID-19 Response (Obj. 2, 3, 4) – The beginning of March 2020 brought with it an unprecedented time with the spread of COVID-19. As a technical college with predominantly hands-on instruction, the transition through a soft close, and then the state-mandated suspension of on-campus activities, presented a host of challenges. However, Bridgerland is filled with champions and together, a plan was set into motion to minimize the impact on both student and employee lives. Of the 39 programs, one program was not in session, and one other was unable to provide instruction remotely. The result was 95 percent of the programs were able to provide education remotely during this COVID-19 challenge successfully.

Instructional teams bonded together to employ a variety of instructional tactics including:

- Frontloading theory learning with plans for intensive lab camps upon return
- Creating and expanding program content in the learning management system Canvas
- Surveying all students and faculty for remote access capabilities (i.e., devices, Internet access, cameras, microphones, etc.)
- Creating a device checkout system for existing Chromebooks, laptops, and even desktop computers
- Providing distance lectures, conferences, and lab demonstrations using tools like Zoom, WebEx, Google Hangouts/Google Meet, Microsoft Teams, Skype, Kaltura Classroom, etc.
- Contacting students using cell phones, Avachato, FaceTime, Skype, Canvas announcements, etc.
- Secure testing with Proctorio and LockDown Browser
- Remote software and lab access with VPN, Parallel Ras, and Remote Desktop

Student of the Year (Obj. 3) – Throughout the year, instructors nominate ‘Platinum Performers’ who are the top performers in their program. These winners are then forwarded to the Promotions Committee to select the Student of the Year. This person represents Bridgerland and UTECH during the upcoming year including legislative and other public relations events. After careful consideration, Glen Rivera was named the Bridgerland Technical College Student of the Year for 2019! Glen was a student of the Meat Services program where he learned skills that will help him reach his dreams of one day having his own food truck. Glen's



time at the College was spent in learning hands-on skills and creating a sense of community in the Meat Services program. Glen was recognized and awarded a check for \$1,000 at the BTECH Board of Directors' Meeting on November 25, 2019.

Pancakes with the President (Obj. 3) – BTECH held its second annual Pancakes with the President on January 6. The event was held in the Culinary Arts classroom and in the school's cafeteria, where every seat filled quickly. It seemed that very few could resist the smell of fresh pancakes with a variety of syrups and toppings. Along with pancakes, participants were given the option of sausage, bacon, and scrambled eggs. Students often struggle to make ends meet as they embark on their educational journey. This event provides a meal to students who otherwise might go hungry. Many thank yous were echoed throughout the morning from students and faculty.



Automated Manufacturing Students Tour Autoliv (Obj. 3, 5) – Autoliv in Brigham City hosted a tour for 163 of the BTECH Automated Manufacturing students and teachers participating in the Bridgerland Technical College AM STEM Academy. Autoliv is the largest manufacturing employer in the state of Utah. This was an excellent opportunity for students to see first hand, one of the most automated companies in the state.

During the tour, students were able to see robots and automated systems in action. Representatives from Autoliv talked about the incredible need for technicians and engineers as large numbers of current employees will be retiring over the next 5-10 years.



Autoliv AUTOMATED MANUFACTURING HIGH SCHOOL TOUR - 2019



Future Farmers of America (FFA) Test their Knowledge at BTECH (Obj. 3) – On February 27, the College hosted the FFA Invitational. Many bright and ambitious students from Utah, Wyoming, and Nevada were able to learn and test their knowledge in the Meat Services and Animal Sciences career fields. Each school was also able to compete on a team and receive awards (BTECH tuition waivers) for their skills in each career path. The exciting event ended with a delicious lunch.



Latinx Students Receive BTECH Scholarships at LEAP Gala (Obj. 3) – Latinx students throughout Cache Valley were awarded Leadership, Education Achievement, and Prosperity Scholarships and were celebrated during the second annual LEAP Gala in March. Bridgerland collaborated with Rigo Chaparro, local business owner and LEAP president, to award seven scholarships. The College is excited to be a part of this initiative that assists students as they overcome hurdles that impede their ability to get an education.

Using Technology for Graduation Planning (Obj. 4) – The Marketing department created a new process to gather RSVPs and gown orders from students. In the past, students would email their information to a Student Services representative. Students can now text back a simple “yes” or “no” for attendance, and gown orders are now being placed with a form that compiles the information automatically.

Acuity Calendaring Increases Outreach (Obj. 4) – To increase efficiency and ease of scheduling, the Marketing department switched to Acuity calendaring for appointments, tours, and presentations. This software provides the ability for customers to schedule appointments online. In comparing October of last year to October of this year, the department saw a 320 percent increase in events for Outreach. Instead of just waiting for students to come, about 25 percent of appointments are made by Student Success Advisors (SSAs) reaching out to potential leads.

Applicant Pro – A Recruitment & Hiring Tool (Obj. 4) – The Human Resources Manager implemented Applicant Pro as a tool to improve the College’s hiring processes. The following enhancements were just some of the benefits this software adds:

- Increased efficiency for obtaining signatures
- More participation and oversight with Administrators by allowing levels of software rights with the ability to see applicants’ resumes
- Automation in posting to sites like Indeed, Glass Door, and DWS
- The ability to track, rank, and quickly send emails or texts to one or multiple applicants with a history of actions performed
- The ability to transfer a new hire to HireForms where it sends out the information to collect. This reduces the number of times the new hire has to input the same information and transfers it to four different forms
- Documentation that the employee has seen policies and procedures

Database Programmer Creates Reports for Student Success (Obj. 4) – UTECH Policy 201.4.2 requires students who have not attended class for ten consecutive full days to be exited from the program. Identifying these students has historically occurred through a manual process at the end of each month. With the addition of a new database programmer to the BTECH team, an automated report is now generated and emailed after seven consecutive days. This email is sent to (1) the student notifying them they will be exited from the program after ten consecutive absences as per UTECH policy, and (2) the program advisor with instructions to reach out to the student to assess the best course of action.

Additionally, the U.S. Department of Education requires students in a clock-hour school to progress toward graduation at a rate that does not exceed 150 percent of the total program length. Again thanks to the talents of the new database programmer, reports are now generated at the end of each month showing student-by-student progress percentages. This identifies students who are at risk to reach that maximum threshold. A secondary report provides “real-time” data where “what-if” scenarios can be run to help a student determine benchmark timelines for progress compliance.

Learning Analytics in Canvas (Obj. 4) – Joshua Hveem of the Department of Curriculum Design and Development created a Grades Report dashboard that pulls data from multiple sources on Canvas and presents it in a single space to the instructor. The report is accessed on the Gradebook page. It helps instructors monitor progress by displaying information like the percentage of the course completed weighted by points, the percentage of assignments submitted, days since last submissions, and how many assignments haven't been graded yet. This learning analytics data dashboard has put actionable data in the hands of Bridgerland instructors so they can quickly see which students are on track and which students need more help.

Hosts of the Women in Business Luncheon (Obj. 5) – The Women in Business Corporation assists business and professional women by providing networking and professional development opportunities. Most notably, they raise funds to provide scholarships for women who otherwise could not afford to get an education. BTECH is proud to participate in this group. At this December event, the Culinary Arts instructors and students provided a cooking demonstration and delicious food.



Student Success Advisors (SSAs) Lead Efforts for Recruitment (Obj. 5, 7) – The College SSAs have amplified their involvement with the high schools. They made it to almost every college application event to assist students in getting registered at Bridgerland. The SSAs presented in nearly all of the BTECH high school classes, which informs current students of post-high school opportunities, such as finishing their certificate, scholarships, and stackable credentials. This has proven to be very successful in boosting the number of students transitioning from high school to certificate-seeking graduation.

Occupational Advisory Committee Growth (Obj. 5) – The College has historically fostered good community support and has utilized Occupational Advisory Committees as liaison members between industry and education. Council on Occupational Education accreditation criterion require a minimum of three industry

representatives sit on each program advisory committee. With 39 current programs, that results in a minimum of 117 members. Through recent efforts to review and expand advisory committees, the College is proud to announce over 475 industry representatives sit on these committees working collaboratively to make our programs current with today's workforce standards.

Cache Valley (CV) Chamber of Commerce Legislative Affairs Committee (Obj. 5) –

Hosted by BTECH, President Campbell led the CV Chamber of Commerce Legislative Affairs Committee in 2019 as the Chair. He formed the committee by appointing Chamber Board members and community experts to serve in the following focus groups:

1. Business, Economic Development, Labor, & Tourism; Executive Offices & Criminal Justice; Revenue & Taxation
2. Public Education, Higher Education, and Technical Education
3. Infrastructure & General Government Operations, Transportation, Natural Resources, Agriculture, & Environmental Quality
4. Retirement & Independent Entities, Health, Military, UETN, Social Services, Medicaid, and DWS
5. All Other Topics, Federal Priorities



Going into the 2020 Legislative Session, President Campbell invited Karina Brown to Co-Chair this committee that met weekly during the Legislative Session. The committee engaged in legislative presentations on relevant topics by each focus group and discussed proposed legislation by tracking bills. Legislative priorities were compiled and forwarded to the Northern Utah Chamber Coalition (NUCC) for statewide consideration. The Legislative Affairs Committee served as a voice in representing the Cache Valley Chamber business community in one of the most successful years to date.

Platinum Performers & Zions Bank Sponsorship (Obj. 6) – Thank you to Zions Bank for sponsoring and supporting the Platinum Performer graduates! The Platinum Performers are students who showed strong leadership skills throughout their time at Bridgerland Technical College. They are always willing to help and go the extra mile. These students were honored at the December graduation.

Platinum Performers

- Gracie King – Cosmetology/Barbering
- Arley Monterrosa – Auto Collision
- Jodi Williams – Web & Mobile Development
- Brett Kendrick – Apprentice Electrician
- Jordan Skalka – Apprentice Plumber
- Joseph Leifson – Building Technology
- Tahlin Stenberg – Diesel
- Nicole Jensen – Master Esthetics
- Lana Hanover – Medical Assisting
- Benjamin Berezay – Paramedic

Health Sciences Building Donor Appreciation (Obj. 6) – Phase I of fundraising brought cash in hand and documented pledges of \$890,000 with an additional \$76,500 in verbal commitments. This effort continues with projected success of over \$1 million in donor support! Following the successful Phase I fundraising, it was essential to honor and recognize each of them. To do so, a five-panel donor recognition, displayed proudly at the main entrance of Logan Campus – Main was installed. Listed are foundations, corporations, employees, friends, physicians, dentists, and nurses who contributed so far. Legislators voiced their appreciation of this support during the session.



Gene Haas College Naming Grant (Obj. 6) – After a two-year relationship building process, Bridgerland Technical College was well positioned to apply for the Gene Haas College Naming Grant as it became available in February. Hosting the Regional HTEC Educators Conference last October was a “check the box” opportunity in this process. In March, the College received affirmative confirmation from the Gene Haas Foundation for \$250,000 to remodel, add equipment, and upgrade our Machining Technology department! This is a tremendous example of how an industry partnership can elevate the College’s abilities to serve students, faculty, and the workforce.

Corporate Partnerships/Sponsorships (Obj. 6) – In the 2nd year of securing corporate sponsorships, the College has tremendous support from corporate and industry peers. The year 2020 had the highest number of events scheduled to date, leading off with high school competitions, fashion shows, Career Days, summer camps, and ending with a myriad of fall events. With over 40 corporate sponsorships to date, the College has raised just over \$50,000 to support all of these events during the year, with recognition in various forms, including semi-truck wraps and banners. Due to COVID-19 most of these events will be postponed to later dates, and funds raised will still be used for these purposes and/or scholarships.

Private Funding (Obj. 6) – The 2019-2020 fiscal year has been the College’s most successful development year. With the prosperous fundraising toward the new Health Sciences Building, momentum has accelerated. Separating previous building donors, over \$450,000 has been raised year-to-date in new private funding. Clear objectives will continue this momentum into the new fiscal year and also help supplement what may be a

challenging year ahead in recovering from COVID-19. However, history teaches that philanthropy and kind hearts only become more focused during tough times.

New Data Pathways Mentorship

(Obj. 2, 6) – In the Fall of 2019, the BTECH Department of Curriculum Design and Development applied to be a mentee college for the National Science Foundation (NSF) ATE Mentoring New Data Pathways project run by the Education Development Center (EDC) in Massachusetts. In February of 2020, Bridgerland was one of six colleges selected into the program. Bridgerland has been matched with a mentor community college, which will support Web & Mobile Development in its effort to strengthen its data analytics curriculum and begin creating a new data pathway. This two-year mentorship will supply Bridgerland with tools, resources, and personalized guidance from experienced peers to meet the critical need for middle-skilled data workers in northern Utah.

**mentoring
new
data
pathways**



EDC OCEANS of DATA INSTITUTE

Mentee Colleges:

- Bridgerland Technical College, UT
- Mason Lefler
- Del Mar College, TX
- Phillip Davis
- Green River College, WA
- Kendrick Hang
- Harford CC, MD
- Pamela Pape-Lindstrom
- Honolulu CC, HI
- Wayne Lewis
- Nashville State CC, TN
- Robert Tudor

Business Technology Humanitarian Aid Drive (Obj. 7) – During November, the Business Technology program participated in a humanitarian aid drive for refugees in Cache Valley in such a fun way. Students made a deal with the instructors. If the class could raise enough money to reach their goals, the instructors would dress up as the three little pigs and the big, bad wolf. As you can see, the students achieved their goals!



Bruce the Goose Gets a 3-D Printed Bill (Obj. 7) – Bruce the Goose became quite the phenomenon and received national exposure as he received a new bill due to damage caused by a dog attack. The world watched on social media as many BTECH & Cache Makers experts partnered to design, build, and fasten the new 3-D printed bill on Bruce. The Animal Sciences and Dental Assisting programs were champions in this feat and are proud to give Bruce a better quality of life.



North Pole Extravaganza Open House (Obj. 7) – Bridgerland Technical College held its 2nd Annual North Pole Extravaganza in December 2020. This event creates a unique opportunity for the community to visit the College and engage with all the programs offered. It helps communicate advantages of technical education through public engagement. The purpose of the event is to target market young families with parents between the ages of 20-25. As the children are engaged in Christmas activities, parents are able to see all that is available to them as adult students. This unique open house brought 1,500 to 2,000 community members to the College.



OFFICE OF THE
STATE AUDITOR

TO: Roger Pulsipher, Chair, Audit Committee
Bridgerland Technical College

FROM: Bertha Lui, Audit Supervisor, and Jordan Kattelman, Audit Senior
Office of the State Auditor

DATE: 02/13/2020

SUBJECT: **Required Communications - 2019 Audit of Bridgerland Technical College**

AREA	COMMENTS
<p><u>Auditor's Responsibility under Generally Accepted Auditing Standards</u></p> <p>As stated in our engagement letter dated July 16, 2019, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.</p>	<p>We have issued an unmodified opinion on Bridgerland Technical College's financial statements for the year ended June 30, 2019.</p>
<p><u>Other Matters</u></p> <p><i>Required Supplementary Information</i></p> <p>We applied certain limited procedures to required supplementary information ("RSI"), such as Management's Discussion and Analysis and defined benefit pension schedules. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.</p>	<p>We have not audited the RSI and have not expressed an opinion or provided any assurance on the RSI.</p> <p>Management's Discussion and Analysis and required supplementary information regarding pensions were reviewed and are consistent with the audited financial statements.</p>
<p><u>Planned Scope and Timing of the Audit</u></p> <p>We performed the audit according to the planned scope and timing previously communicated to you in the engagement letter.</p>	<p>See engagement letter dated July 16, 2019.</p>

AREA	COMMENTS
<p><u>Qualitative Aspects of Accounting Practices</u> Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we advise management about the appropriateness of accounting policies and their application.</p>	<p>We noted no transactions entered into by the College during the year for which there is a lack of authoritative guidance or consensus.</p>
<p><u>Accounting Estimates</u> Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.</p>	<p>The most sensitive estimates affecting the College’s financial statements was:</p> <ul style="list-style-type: none"> • The estimate of the share of the net pension liability for defined benefit plans sponsored by the Utah Retirement Systems, and <p>We evaluated the procedures, key factors, and assumptions used to develop the estimates and determined that they were reasonable in relation to the financial statements taken as a whole.</p>
<p><u>Disclosures</u> The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are noteworthy because of their significance to financial statement users.</p>	<p>The most sensitive disclosures affecting the financial statements was:</p> <ul style="list-style-type: none"> • The defined benefit pension plan disclosure required by GASB Statement 68 (See Note 8–Pension Plans and Retirement Benefits.)
<p><u>Management Representations</u> We requested certain representations from management.</p>	<p>These representations were included in the management representation letter dated February 13, 2020. A copy of the representation letter from management is attached.</p>
<p><u>Difficulties Encountered in Performing the Audit</u> Professional standards require us to inform you of any significant difficulties encountered in dealing with management related to the performance of the audit.</p>	<p>We encountered no significant difficulties in dealing with management in performing and completing our audit.</p>

AREA	COMMENTS
<p><u>Disagreements with Management</u> Professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor’s report.</p>	<p>We are pleased to report that no such disagreements arose during the course of our audit.</p>
<p><u>Management Consultations with Other Independent Accountants</u> In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the governmental unit’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts.</p>	<p>To our knowledge, there were no such consultations with other accountants.</p>
<p><u>Corrected and Uncorrected Misstatements</u> Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.</p>	<p>There were no audit adjustments proposed during the audit of Bridgerland Technical College</p>
<p><u>Other Audit Findings or Issues</u> We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year. These discussions occurred in the normal course of our professional relationship.</p>	<p><i>Our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards (Yellow Book Report) was dated February 13, 2020.</i></p>

This information is intended solely for the use of the Board/Audit Committee and management of the College and is not suitable for any other purpose.



February 13, 2020

Bertha Lui
Office of the Utah State Auditor
State Capitol Complex
East Building, Suite 310
Salt Lake City, Utah 84114-2310

This representation letter is provided in connection with your audit(s) of the financial statements of Bridgerland Technical College, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows for the period then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of February 13, 2020, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 16, 2019, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable and appropriate. Disclosures related to accounting estimates are complete and appropriate.
- 6) No subsequent events have occurred that would require adjustments to the accounting estimates or disclosures in the financial statements.
- 7) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 8) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the College is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the College from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the College and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the College's financial statements communicated by employees, former employees, regulators, or others.

- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the identity of the College's related parties and all the related party relationships and transactions of which we are aware.
- 19) We have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.

Government—specific

- 20) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 21) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 22) The College has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 23) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
- 24) We have identified and disclosed to you all instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 25) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 26) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 27) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

- 28) The College has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 29) The College has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 30) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 31) The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.
- 32) Components of net position (net investment in capital assets, restricted, and unrestricted), and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 33) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 34) Provisions for uncollectible receivables have been properly identified and recorded.
- 35) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 36) We agree with the findings of specialists in evaluating the College's pension expense, assets, liabilities and deferred outflows/inflows of resources, and have adequately considered the qualifications of the specialists in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists. We believe that the actuarial assumptions and methods used to measure the liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 37) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 38) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 39) We have appropriately disclosed the College's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 40) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 41) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of

measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.



K. Chad Campbell

President



Lisa Rock

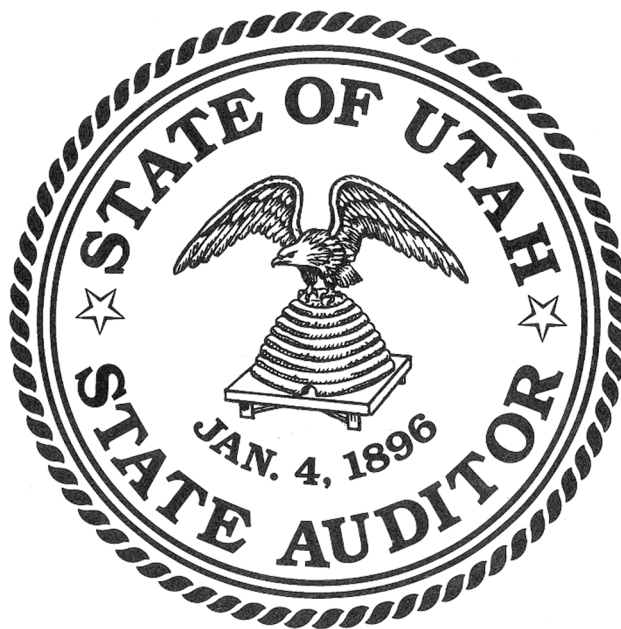
Controller

BRIDGERLAND TECHNICAL COLLEGE

A Component Unit of the State of Utah

Annual Financial Report
and
Government Auditing Standards Report
For the Year Ended June 30, 2019

Report No. 19-38



OFFICE OF THE STATE AUDITOR

AUDIT LEADERSHIP:

John Dougall, State Auditor
Bertha Lui, CPA, Senior Audit Manager
Jordan Kattelman, Staff Auditor

BRIDGERLAND TECHNICAL COLLEGE

ANNUAL FINANCIAL REPORT and GOVERNMENT AUDITING STANDARDS REPORT FOR THE YEAR ENDED JUNE 30, 2019

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OFFICE OF THE
STATE AUDITOR

INDEPENDENT STATE AUDITOR'S REPORT

To the Board of Directors, Audit Committee
and
K. Chad Campbell, President
Bridgerland Technical College

Report on the Financial Statements

We have audited the accompanying financial statements of Bridgerland Technical College (College) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, as listed in the table of contents. The College is a component unit of the State of Utah.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used

and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the College as of June 30, 2019, and the changes in its financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the College's Schedule of Proportionate Share of the Net Pension Liability and Schedule of Pension Contributions, as noted in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2020 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Office of the State Auditor

Office of the State Auditor
February 13, 2020

BRIDGERLAND TECHNICAL COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2019 (Unaudited)

As management of the Bridgerland Technical College (College), we offer this narrative overview and analysis of the financial activities of the College for the fiscal year ended June 30, 2019, to the readers of the College's financial statements.

The College is one of eight independent technical colleges within the Utah System of Technical Colleges (USTC). The College is a legally separate entity and is considered a component unit of the State of Utah. Additional information on the College's relationship to USTC can be found in Note 1 of the Notes to the Financial Statements.

Overview of the Financial Statements

This management's discussion and analysis is intended to serve as an introduction to the College's financial statements. The College's financial statements comprise four components: 1) the Statement of Net Position, 2) the Statement of Revenues, Expenses, and Changes in Net Position, 3) the Statement of Cash Flows, and 4) the Notes to the Financial Statements.

Statement of Net Position. The Statement of Net Position provides information on the College's assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the end of the fiscal year, with the difference reported as net position. The information provided in the Statement of Net Position along with disclosures and other information contained in the Statement of Revenues, Expenses, and Changes in Net Position; the Statement of Cash Flows; and accompanying notes helps users assess, among other things, the College's liquidity, and its ability to meet its obligations.

Statement of Revenues, Expenses, and Changes in Net Position. The Statement of Revenues, Expenses, and Changes in Net Position provides information to users both about the operating performance of the College and the effects of nonoperating transactions and events that change the amount of net position of the College. The information in this statement, together with information in the Statement of Net Position, the Statement of Cash Flows, and accompanying notes, should assist users of the College's financial statements in evaluating the College's performance during the fiscal year and how well management has discharged their stewardship responsibilities and other aspects of their duties.

Statement of Cash Flows. The Statement of Cash Flows provides information about the cash receipts and cash payments of the College during the fiscal year. When used with related disclosures and information in other financial statements, a statement of cash flows should help financial statement report users assess the College's ability to generate future net cash flows; its ability to meet its obligations as they come due; the reasons for differences between operating income and the associated cash receipts and payments; and the effects on the College's financial position on both its cash and noncash investing, capital, and financing transactions during the fiscal year.

Notes to the Financial Statements. The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

BRIDGERLAND TECHNICAL COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2019 (Unaudited)

Financial Analysis

Statement of Net Position. The following schedule presents a summary of the College's net position as of June 30, 2019 and 2018:

<u>Net Position</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Current Assets	\$ 5,605,326	\$ 4,303,552	\$ 1,301,774	30.25%
Noncurrent Assets:				
Other Noncurrent Assets	480,230	36,000	444,230	1233.97%
Capital Assets, Net	<u>16,940,240</u>	<u>15,655,235</u>	<u>1,285,005</u>	8.21%
Total Assets	<u>23,025,796</u>	<u>19,994,787</u>	<u>3,031,009</u>	15.16%
Deferred Outflows of Resources	<u>2,178,080</u>	<u>2,297,616</u>	<u>(119,536)</u>	(5.20%)
Current Liabilities	1,525,972	1,446,665	79,307	5.48%
Noncurrent Liabilities	<u>6,462,180</u>	<u>4,600,221</u>	<u>1,861,959</u>	40.48%
Total Liabilities	<u>7,988,152</u>	<u>6,046,886</u>	<u>1,941,266</u>	32.10%
Deferred Inflows of Resources	<u>263,124</u>	<u>2,035,971</u>	<u>(1,772,847)</u>	(87.08%)
Net Position:				
Net Investment in Capital Assets	16,940,240	15,655,235	1,285,005	8.21%
Restricted for				
Nonexpendable – Scholarships	51,905	36,000	15,905	44.18%
Expendable – Scholarships and Other	129,136	10,875	118,261	1087.46%
Expendable – Capital Gifts	428,325	-	428,325	100.00%
Unrestricted	<u>(597,006)</u>	<u>(1,492,564)</u>	<u>895,558</u>	60.00%
Total Net Position	<u>\$ 16,952,600</u>	<u>\$ 14,209,546</u>	<u>\$ 2,743,054</u>	19.30%

Total assets of the College increased by \$3,301,009 or 15.16 percent during the fiscal year. Current assets increased by \$1,301,774, which consisted of an increase in cash of \$1,297,116 due to various revenue sources in excess of expenses, an increase in trade accounts receivable of \$8,211 due to an increase in student receivables, a decrease in due from state agencies (related parties) in the amount of \$175,553 due to receivables related to grants and capital improvement projects, an increase in inventory of \$178,407 as a result of projects by students in the Building Technology Program, and a decrease in prepaid expenses in the amount of \$6,407.

Other noncurrent assets increased by \$444,230 or 1233.97 percent during the fiscal year. This is the result of continued support for a quasi endowment for scholarships as well as fundraising efforts for a new Health Sciences building.

The College's capital assets as of June 30, 2019, increased from \$15,655,235 to \$16,940,240 (net of accumulated depreciation) for a total change of \$1,285,005. This investment in capital assets includes land, buildings and improvements, and equipment and software. Buildings increased by \$2,275,122 primarily as

BRIDGERLAND TECHNICAL COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2019 (Unaudited)

a result of a major capital improvement project at the Logan Campus – Main that improved a portion of the HVAC systems. Equipment and software acquisitions (including donated assets) totaled \$490,072. Depreciation expense for the College reduced the College's capital assets by \$1,412,369. Additional information on the changes in the College's capital assets can be found in Note 4 of the Notes to the Financial Statements.

Deferred outflows of resources are derived from information provided by the Utah Retirement System (URS) as outlined by GASB 68. The decrease of \$119,536 represents contributions made by the College to URS subsequent to their measurement date on December 31, 2018, and the net difference between projected and actual earnings on pension plan investments. See Note 8 for additional information.

Total liabilities of the College increased by \$1,941,266 or 32.10 percent during the fiscal year. Current liabilities increased by \$79,307. Accounts payable decreased \$143,495 due to the timing of when obligations are incurred and when payments on these obligations are paid. Due to State Agencies increased \$120,763 primarily as the result of remitting back funds to end fiscal agent responsibilities. Deposits decreased \$62,327 as a result of the grants for which the College formally served as fiscal agent. Unearned revenue increased \$86,098 as the result of external scholarship funds held for future use and payments by students and third party sponsors for future charges of tuition and fees. Termination benefits increased \$46,687 as the result of employees being approved for such benefits. Compensated absences and accrued salaries and wages payable collectively increased by \$31,581.

Noncurrent liabilities increased \$1,861,959, primarily due to an increase in the net pension liability, which is provided by the URS and is based on estimates derived from actuarial calculations. See Note 8 for additional information.

Deferred inflows of resources are derived from information provided by URS as outlined by GASB 68. The decrease of \$1,772,847 represents the difference between expected and return on investments by the plans participants and changes in assumptions used by the actuaries. See Note 8 for additional information.

Statement of Revenues, Expenses, and Changes in Net Position. The following schedule presents a summary of changes in net position for the College for the fiscal years ended June 30, 2019 and 2018:

<u>Net Position</u>	<u>Year Ended June 30, 2019 Amount</u>	<u>Year Ended June 30, 2018 Amount</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Operating Revenues	\$ 4,620,425	\$ 4,101,625	\$ 518,800	12.65%
Operating Expenses	<u>(21,589,350)</u>	<u>(20,065,739)</u>	<u>(1,523,611)</u>	7.59%
Operating Income (Loss)	<u>(16,968,925)</u>	<u>(15,964,114)</u>	<u>(1,004,811)</u>	6.29%
Nonoperating Revenues	17,016,826	15,349,399	1,667,427	10.86%
Other Revenues	<u>2,695,153</u>	<u>138,780</u>	<u>2,556,373</u>	1842.03%
Increase (Decrease) in Net Position	2,743,054	(475,935)	3,218,989	676.35%
Net Position – Beginning of Year	<u>14,209,546</u>	<u>14,685,481</u>	<u>(475,935)</u>	(3.24%)
Net Position – End of Year	<u>\$ 16,952,600</u>	<u>\$ 14,209,546</u>	<u>\$ 2,743,054</u>	19.30%

BRIDGERLAND TECHNICAL COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2019 (Unaudited)

The College experienced a net operating loss of \$16,968,925 during the fiscal year. The College is a State institution and receives a large portion of its revenues from State appropriations. These appropriations are classified in the financial statements of the College as nonoperating revenues. State appropriations are anticipated as a means of covering a majority of the operating costs at the College. During fiscal year 2019, State appropriations, other nonoperating revenue, and other revenues were sufficient to offset the operating loss. The College will generally experience an increase in net position only in years where the Legislature appropriates funds for capital equipment purchases, capital improvement projects, or capital development and construction projects in an amount that exceeds the unfunded depreciation expense.

Revenues. The following schedule presents a summary of College revenues for the fiscal years ended June 30, 2019 and 2018:

<u>Revenues</u>	<u>Year Ended June 30, 2019 Amount</u>	<u>Percent of Total Revenue</u>	<u>Year Ended June 30, 2018 Amount</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent of Increase (Decrease)</u>
Operating Revenues:					
Student Tuition and Fees	\$ 2,168,421	8.91%	\$ 1,991,488	\$ 176,933	8.88%
Federal Grants and Contracts	396,527	1.63%	234,981	161,546	68.75%
State Grants and Contracts	265,190	1.09%	61,767	203,423	329.34%
Local Grants and Contracts	654,529	2.69%	462,930	191,599	41.39%
Sales and Services of Educational Activities	657,419	2.70%	806,645	(149,226)	(18.50%)
Auxiliary Enterprises	478,339	1.97%	543,814	(65,475)	(12.04%)
Total Operating Revenues	<u>4,620,425</u>	<u>18.99%</u>	<u>4,101,625</u>	<u>518,800</u>	<u>12.65%</u>
Nonoperating Revenues (Expenses):					
State Appropriations	15,006,244	61.67%	13,550,700	1,455,544	10.74%
Federal Grants and Contracts (Pell Grant)	1,020,598	4.19%	930,389	90,209	9.70%
State Grants and Contracts	634,100	2.61%	508,600	125,500	24.68%
Gifts	185,402	.76%	253,421	(68,019)	(26.84%)
Investment Income	170,871	.70%	90,401	80,470	89.01%
Disposal of Capital Assets	(389)	(.00%)	15,888	(16,277)	(102.45%)
Total Nonoperating Revenues	<u>17,016,826</u>	<u>69.93%</u>	<u>15,349,399</u>	<u>1,667,427</u>	<u>10.86%</u>
Other Revenues:					
Capital Appropriations – State Sources	2,246,828	9.23%	79,345	2,167,483	2731.72%
Capital Gifts	428,325	1.76%	19,435	408,890	2103.88%
Additions to Quasi Endowments	20,000	.08%	40,000	(20,000)	(50.00%)
Total Other Revenues	<u>2,695,153</u>	<u>11.08%</u>	<u>138,780</u>	<u>2,556,373</u>	<u>1842.03%</u>
Total Revenues	<u>\$ 24,332,404</u>	<u>100.00%</u>	<u>\$ 19,589,804</u>	<u>\$ 4,742,600</u>	<u>24.21%</u>

The revenue comparison between fiscal year 2019 and fiscal year 2018 shows a total revenue increase in the amount of \$4,742,600. Operating revenue increased by \$518,800. Student tuition and fees, federal grants and contracts, state grants and contracts, and local grants and contracts all increased while sales and services of educational activities and auxiliary enterprises both decreased.

Nonoperating revenue increased by a total of \$1,667,427, which is comprised of a \$1,455,544 increase in State appropriations, a \$90,209 increase in Pell Grant, a \$125,500 increase in State grants and contracts, an \$80,470 increase in investment income, a \$16,277 decrease in the disposal of capital assets, and a \$68,019 decrease in gifts.

BRIDGERLAND TECHNICAL COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2019 (Unaudited)

Other revenues increased by a total of \$2,556,373, which includes a \$2,167,483 increase in Capital Appropriations—State Sources from funding provided by the State of Utah Division of Facilities Construction and Management (DFCM) and the State Building Board for capital improvement needs at the College. These capital improvement projects are transferred from DFCM to the College at the time of substantial completion of the project. A major HVAC enhancement was completed in fiscal year 2019, whereas very few projects were completed in fiscal year 2018. The College also received donations totaling \$428,325 for use toward a new Health Sciences building. Additional donations of \$20,000 were contributed toward the quasi endowment that was established in fiscal year 2018.

Expenses. The following schedule presents a summary of College expenses for the fiscal years ended June 30, 2019 and 2018:

<u>Expenses</u>	<u>Year Ended June 30, 2019 Amount</u>	<u>Percent of Total Expense</u>	<u>Year Ended June 30, 2018 Amount</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent of Increase (Decrease)</u>
Operating Expenses:					
Salaries and Wages	\$ 9,006,777	41.72%	\$ 8,366,275	\$ 640,502	7.66%
Benefits	3,492,464	16.18%	3,204,696	287,768	8.98%
Actuarial Calculated Pension Expense	1,337,562	6.20%	1,026,090	311,472	30.36%
Professional and Technical Education	578,771	2.68%	545,555	33,216	6.09%
Utilities	663,883	3.08%	685,800	(21,917)	(3.20%)
Scholarships and Grants in Aid	1,028,811	4.77%	935,154	93,657	10.02%
Depreciation	1,412,369	6.54%	1,374,114	38,255	2.78%
Other Operating Expenses	4,068,713	18.85%	3,928,055	140,658	3.58%
Total Operating Expenses	<u>\$ 21,589,350</u>	<u>100.00%</u>	<u>\$ 20,065,739</u>	<u>\$ 1,523,611</u>	<u>7.59%</u>

Expenses for the year ended June 30, 2019, increased by \$1,523,611 compared to fiscal year ended June 30, 2018, which represents a 7.59 percent increase. Salaries and wages increased by \$640,502 and benefits increased by \$287,768 as a result of a cost-of-living adjustment along with the addition of faculty and staff. As derived from information provided by the URS, the actuarial calculated pension expense increased by \$311,472. Scholarships and grants increased by \$93,657. Professional and technical education increased by \$33,216. Utilities and depreciation expense collectively increased by \$16,338. Other operating expenses increased by \$140,658 as a result of funds available from increased appropriations and grants. Highlights included starting the Paramedic program, updating software and equipment in Dental Assisting, and enhancing the Automated Manufacturing program to meet the demands of industry.

Debt Administration

The College's debt consists of liabilities for compensated absences and termination benefits, which collectively increased by \$52,427 during fiscal year 2019. The College also recorded a pension liability as required under GASB 68. For additional information on these liabilities see Notes 1, 6, and 8.

BRIDGERLAND TECHNICAL COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2019 (Unaudited)

Economic Outlook

The College is not aware of any current facts, decisions, or conditions, other than the effect of unfunded depreciation described below, that are expected to have a significant effect on the financial position or results of operations during this fiscal year beyond those unknown variations which have a global effect on virtually all types of business operations. The College continues to update facilities as budgets allow. Pending capital projects include continued infrastructure projects to update and modernize the College. In addition, the College continues to work vigorously to secure funding sources for a new Health Sciences building. The unfunded depreciation expenses are likely to have a significant negative impact on the Changes in Net Position. Other than the issue of unfunded depreciation, the College's overall financial position is strong. The College anticipates the current fiscal year will be similar to the last and will maintain a close watch over resources to maintain the College's ability to react to unknown internal and external issues.

Requests for Information

This financial report is designed to provide a general overview of the College's finances for all those with an interest in the College's finances and to show the College's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Fiscal Services Office, Bridgerland Technical College, 1301 North 600 West, Logan, Utah 84321.

BRIDGERLAND TECHNICAL COLLEGE

STATEMENT OF NET POSITION JUNE 30, 2019

ASSETS

Current Assets:

Cash and Cash Equivalents (Notes 1 and 2)	\$	4,570,659
Accounts Receivable (Note 3)		280,096
Due From State Agencies (Note 3)		97,096
Inventories (Note 1)		651,536
Prepaid Expenses		5,939
Total Current Assets		5,605,326

Noncurrent Assets:

Restricted Cash and Cash Equivalents (Notes 1 and 2)		480,230
Land (Notes 1 and 4)		1,580,000
Buildings and Improvements (Notes 1 and 4)		32,413,273
Equipment and Software (Notes 1 and 4)		7,314,288
Less Accumulated Depreciation (Notes 1 and 4)		(24,367,321)
Total Noncurrent Assets		17,420,470
Total Assets		23,025,796

DEFERRED OUTFLOWS OF RESOURCES

Deferred Outflows Relating to Pensions (Notes 1 and 8)	\$	2,178,080
Total Deferred Outflows of Resources		2,178,080

LIABILITIES

Current Liabilities

Accounts Payable (Note 3)		409,577
Due to State Agencies (Note 3)		126,450
Accrued Salaries and Wages Payable		142,218
Unearned Revenue		481,801
Termination Benefits (Current Portion) (Notes 6 and 7)		112,119
Compensated Absences (Current Portion) (Notes 6 and 9)		253,807
Total Current Liabilities		1,525,972

Noncurrent Liabilities

Net Pension Liability (Notes 1, 6, and 8)		5,819,176
Termination Benefits (Notes 6 and 7)		103,685
Compensated Absences (Notes 6 and 9)		539,319
Total Noncurrent Liabilities		6,462,180
Total Liabilities		7,988,152

DEFERRED INFLOWS OF RESOURCES

Deferred Inflows Relating to Pensions (Notes 1 and 8)	\$	263,124
Total Deferred Inflows of Resources		263,124

NET POSITION

Net Investment in Capital Assets		16,940,240
Restricted for		
Nonexpendable – Scholarships		51,905
Expendable – Scholarships and Other		129,136
Expendable – Capital Gifts		428,325
Unrestricted		(597,006)
Total Net Position	\$	16,952,600

The accompanying notes are an integral part of these financial statements.

BRIDGERLAND TECHNICAL COLLEGE

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2019

REVENUES

Operating Revenues (Note 1)

Student Tuition and Fees (Net of Scholarship Allowance of \$60,331)	\$ 2,168,421
Federal Grants and Contracts	396,527
State Grants and Contracts	265,190
Local Grants and Contracts	654,529
Sales and Services of Educational Activities	657,419
Auxiliary Enterprises	478,339
Total Operating Revenues	4,620,425

EXPENSES

Operating Expenses (Note 1)

Salaries and Wages	9,006,777
Benefits	3,492,464
Actuarial Calculated Pension Expense (Note 8)	1,337,562
Professional and Technical Educational Services	578,771
Utilities	663,883
Scholarships and Grants in Aid	1,028,811
Depreciation	1,412,369
Other Operating Expenses	4,068,713
Total Operating Expenses	21,589,350
Operating Loss	(16,968,925)

NONOPERATING REVENUES (EXPENSES)

State Appropriations	15,006,244
Federal Grants and Contracts (Pell Grant)	1,020,598
State Grants and Contracts	634,100
Gifts	185,402
Investment Income	170,871
Disposal of Capital Assets	(389)
Net Nonoperating Revenues	17,016,826

OTHER REVENUES

Capital Appropriations – State Sources	2,246,828
Capital Gifts	428,325
Additions to Quasi Endowments	20,000
Total Other Revenues	2,695,153
Increase (Decrease) in Net Position	2,743,054

NET POSITION

Net Position – Beginning of Year	14,209,546
Net Position – End of Year	\$ 16,952,600

The accompanying notes are an integral part of these financial statements.

BRIDGERLAND TECHNICAL COLLEGE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from Tuition and Fees	\$ 2,185,061
Receipts from Grants and Contracts	1,253,558
Receipts from Auxiliary Enterprise Charges	474,626
Receipts from Sales and Services of Educational Activities	650,627
Payments to Employees for Salaries and Benefits	(13,549,887)
Payments to Suppliers	(5,285,304)
Payments for Scholarships	(1,028,811)
	<hr/>
Net Cash Used by Operating Activities	(15,300,130)

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Receipts from State Appropriations	15,006,244
Receipts from Noncapital Contracts and Grants	1,705,366
Gifts Received	223,932
Additions to Quasi Endowments	20,000
Fiscal Agent Funds Receipts	540,411
Fiscal Agent Funds Payments	(602,738)
	<hr/>
Net Cash Provided by Noncapital Financing Activities	16,893,215

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Cash Paid for Capital Assets	(518,366)
Proceeds from Sale of Capital Assets	67,431
Gifts Received	428,325
	<hr/>
Net Cash Used by Capital and Related Financing Activities	(22,610)

CASH FLOWS FROM INVESTING ACTIVITIES

Receipt of Interest on Investments	170,871
	<hr/>
Net Cash Provided by Investing Activities	170,871

Net Increase (Decrease) in Cash and Cash Equivalents 1,741,346

CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR

 3,309,543

CASH AND CASH EQUIVALENTS – END OF YEAR

 \$ 5,050,889

(continued next page)

BRIDGERLAND TECHNICAL COLLEGE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2019

(continued)

RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES

Operating Loss	\$ (16,968,925)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation Expense	1,412,369
In-kind Gifts Received and Expensed	31,434
Difference between Actuarial Calculated Pension Expense and Actual Contributions	241,823
Changes in Assets and Liabilities:	
Accounts Receivable/Due From State Agencies	116,780
Inventories	(178,407)
Prepaid Expenses	6,407
Accounts Payable/Due to State Agencies/Accrued Expenses	(30,066)
Unearned Revenue	16,028
Compensated Absences and Termination Benefits	52,427
Net Cash Used by Operating Activities	<u><u>\$ (15,300,130)</u></u>

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

Capital Asset Additions through the State	\$ 2,246,828
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The accompanying notes are an integral part of these financial statements.

BRIDGERLAND TECHNICAL COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Bridgerland Technical College (College) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

Preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Reporting Entity

The College is an independent college within the Utah System of Technical Colleges. It is included as a component unit of the State of Utah and is included in the State's *Comprehensive Annual Financial Report*. The College is considered a component unit because it was established under Utah statute, receives appropriations from the State, and is financially accountable to the State.

The College was established by the Utah State Legislature to offer career and technical education to secondary and adult students. Effective September 1, 2001, the Legislature created the Utah College of Applied Technology (UCAT) which was composed of eight regional applied technology colleges. The College was one of these regional technology colleges and was subject to the authority of the Utah System of Higher Education under the control of the UCAT Board of Trustees. The College's local Board of Directors was charged with direct governance.

Effective July 1, 2017, the Legislature restructured UCAT to become the Utah System of Technical Colleges and granted legal separation of all eight established colleges. The College's name was changed to Bridgerland Technical College with authority and direct governance under the College's Board of Directors. The College is now considered an independent technical college and a component unit of the State of Utah.

Funding for the College is received primarily from direct appropriations from the Utah State Legislature, as well as tuition and fees, and grants and contracts with federal, state, and local agencies.

Measurement Focus and Basis of Accounting

The financial statements of the College are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The College distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the College's principal mission of instruction. Operating expenses include the cost of services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

BRIDGERLAND TECHNICAL COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first, then unrestricted resources as they are needed.

Deposits and Investments

The College's cash and cash equivalents are considered to be cash on hand, demand deposits, short-term investments with original maturities of three months or less from the date of acquisition, and amounts invested with the Utah Public Treasurers' Investment Fund.

Cash and investments at the College are administered in accordance with the State of Utah Money Management Act (*Utah Code*, Title 51, Chapter 7).

Investments for the College are reported at fair value in accordance with GASB No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

The College's quasi endowment, established during fiscal year 2018, is invested solely in the Utah Public Treasurers' Investment Fund.

Inventories

Inventories are carried at the lower of cost or market on either the first-in, first-out ("FIFO") basis or on the average cost basis.

Capital Assets

Capital assets include land, buildings and improvements, equipment, vehicles, and software with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets are recorded at the estimated fair market value at the time of the donation.

The costs of normal maintenance and repairs that do not add to the capacity of the asset or materially extend assets lives are not capitalized. All land is capitalized and not depreciated.

Capital assets are depreciated over an estimated useful life using the straight-line method of depreciation. The estimated useful life of an asset is determined at acquisition based on guidelines provided in the State of Utah Fixed Assets Useful Life Table (FIACCT 09-17.01) and the professional judgment of the applicable department head. Typically assets have estimated useful lives as follows:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20-40
Equipment, Vehicles, and Software	3-15

BRIDGERLAND TECHNICAL COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems (Systems) Pension Plan and additions to/deductions from the Systems' fiduciary net position are now determined on the same basis as they are reported by the Systems. For this purpose, benefit payments (including refunds of employee contributions) are now recognized when due and payable in accordance with the benefits terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources

In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

NOTE 2. DEPOSITS AND INVESTMENTS

The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the State, and review the rules adopted under the authority of the Money Management Act (*Utah Code*, Title 51, Chapter 7) that relate to the deposit and investment of public funds.

The College follows the requirements of the Utah Money Management Act (Act) in handling its depository and investment transactions. The Act requires the depositing of the College's funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

Deposits

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the College's deposits may not be returned to it. The College does not have a formal deposit policy for custodial credit risk. As of June 30, 2019, \$318,264 of the College's bank balance of \$608,746 was uninsured and uncollateralized.

BRIDGERLAND TECHNICAL COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Investments

The Act defines the types of securities authorized as appropriate investments for the College's funds and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities.

Statutes authorize the College to invest in negotiable or nonnegotiable deposits of qualified or permitted depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative products, issued by U.S. Government-sponsored enterprises (U.S. Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Act; reciprocal deposits and negotiable brokered certificates of deposit in accordance with the Act; and the Utah State Public Treasurers' Investment Fund (PTIF).

The Utah State Treasurer's Office operates the PTIF. The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the Securities and Exchange Commission (SEC) as an investment company. The PTIF is authorized and regulated by the Act. The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

The College measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

At June 30, 2019, the College had \$4,811,140 held in the PTIF. The College's investment in the PTIF was valued using Level 2 measurements by applying the June 30, 2019 fair value factor as calculated by the Utah State Treasurer, to its June 30 balance in the fund.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The College's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the Act. Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers'

BRIDGERLAND TECHNICAL COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270 days – 15 months or less. The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by U.S. Government-sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the State to 10 years for institutions of higher education. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding 3 years. As of June 30, 2019, the average maturity of the College's investments was:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>
		<u>Less than 1 year</u>
<i>Debt Securities - PTIF</i>	\$4,811,140	\$4,811,140

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The College's policy for reducing its exposure to credit risk is to comply with the Act, as previously discussed. At June 30, 2019, the College's investments were all unrated.

NOTE 3. ACCOUNTS RECEIVABLE AND PAYABLE

Accounts receivable of \$280,096 at June 30, 2019, consisted of tuition and fee charges to students of \$124,309; grant trade accounts receivable of \$15,621; charges for class project services of \$7,538; Custom Fit trade account receivables of \$103,050; auxiliary enterprise services provided to students, faculty, and staff of \$7,099; Pell Grant of \$29,076; local contracts receivable of \$1,997; and scholarships and gift receivable of \$1,406. Accounts receivable are reported net of estimated uncollectible amounts of \$10,000. Due from State agencies in the amount of \$97,096 includes amounts due from State agencies in connection with the College's grants, contracts, and capital improvement projects. Accounts payable at June 30, 2019, consisted of vendor payments totaling \$409,577 and due to State agencies in the amount of \$126,450.

NOTE 4. CAPITAL ASSETS

Additions to capital assets include amounts paid by the College as well as additions paid for by the Utah State Division of Facilities Construction and Management. Capital asset activity for the fiscal year ended June 30, 2019, was as follows:

BRIDGERLAND TECHNICAL COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Land	\$ 1,580,000	\$ -	\$ -	\$ 1,580,000
Buildings and Improvements	30,205,910	2,275,122	67,759	32,413,273
Equipment and Software	7,076,783	490,072	252,567	7,314,288
Total	38,862,693	2,765,194	320,326	41,307,561
Less Accumulated Depreciation: Buildings, Improvements, Equipment, and Software	<u>(23,207,458)</u>	<u>(1,412,369)</u>	<u>(252,506)</u>	<u>(24,367,321)</u>
Net Capital Assets	<u>\$ 15,655,235</u>	<u>\$ 1,352,825</u>	<u>\$ 67,820</u>	<u>\$ 16,940,240</u>

NOTE 5. LEASE OBLIGATIONS

The College did not have any capital or operating leases as of June 30, 2019.

NOTE 6. LONG-TERM LIABILITIES

The following is a summary of the changes to the College's long-term liabilities during the fiscal year ended June 30, 2019:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Termination Benefits	\$ 133,088	\$ 148,148	\$ 65,432	\$ 215,804	\$ 112,119
Compensated Absences	823,415	379,881	410,170	793,126	253,807
Net Pension Liability	3,924,042	1,895,134	-	5,819,176	-
Total Noncurrent Liabilities	<u>\$ 4,880,545</u>	<u>\$ 2,423,163</u>	<u>\$ 475,602</u>	<u>\$ 6,828,106</u>	<u>\$ 365,926</u>

NOTE 7. TERMINATION BENEFITS

In accordance with the College's Early Retirement Incentive Policy, employees (1) whose accumulated age and years of service equal or exceed 75, (2) who have at least five years of service at the College, and (3) who will retire prior to reaching the age of eligibility for unreduced social security benefits (typically 65), may apply for participation in the College's Voluntary Early Retirement Incentive Program.

Entrance or participation in the early retirement incentive program is strictly voluntary and is not a right or entitlement but is a privilege available to benefits-eligible, salaried employees who apply for and receive approval from the College's administration.

The voluntary early retirement incentive program provides for two types of incentives: (1) a stipend incentive and (2) a health insurance coverage incentive. The College's administration has the option of approving the incentives independent of each other or may approve a mix of both incentives

BRIDGERLAND TECHNICAL COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

depending on the facts and circumstances of the individual situation consistent with the overall theory behind the availability of the incentives.

The incentive stipend, when approved, results in a lump-sum payment directly to the employee's 401(k) and/or 457 up to approved IRS limitations. The incentive health insurance coverage is provided for a maximum of 60 months or when the employee reaches the age of eligibility for full Medicare coverage (presumably 65), whichever occurs first.

These benefits are funded by the College on a pay-as-you-go basis. At June 30, 2019, there were five retirees approved for benefits under the retirement incentive program.

The College accrues and reports retirement incentive amounts equal to the projected total benefit obligation in the year in which the individual retires. These benefits are accrued as qualified employees apply for and are approved for this retirement option. The College has recorded a liability for the cost of these benefits at their current cost plus projected increases expected based on historical data for health care inflationary trends which has been estimated at 10 percent. The cumulative accrued retirement incentive plan liability as of June 30, 2019, totaled \$215,804.

NOTE 8. RETIREMENT PLANS

The College provides retirement benefits to all benefits eligible employees in accordance with the requirements of Title 49 of the *Utah Code*, Annotated, 1953, as amended. Employees participate in the Utah Retirement Systems (Systems) and/or an alternate defined contribution plan depending on hire date and employee classification.

Defined Benefit Plans

The Systems are comprised of the following pension trust funds, which are multiple-employer, cost-sharing public employee retirement systems:

- Public Employees Noncontributory Retirement System (Noncontributory System);
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System).

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Systems, are members of the Tier 2 Public Employees System.

The Systems are established and governed by the respective sections of Title 49 of the *Utah Code*. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board (Board), whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. The Systems are a component unit of the State of Utah. Title 49 of the *Utah Code* grants the authority to establish and amend the benefit terms.

BRIDGERLAND TECHNICAL COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

The Systems issue a publicly available financial report that can be obtained by writing to the Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website: www.urs.org.

Benefits Provided

The Systems provide retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit Percent per Year of Service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

* with actuarial reductions

** All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

Contributions

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Systems' Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates are as follows:

	<u>Paid by College for Employee</u>	<u>College Contribution Rate</u>
Noncontributory System	N/A	22.19
Tier 2 Public Employees System	N/A	18.87

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans.

For fiscal year ended June 30, 2019, the employer and employee contributions to the Systems were as follows:

BRIDGERLAND TECHNICAL COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	College Contributions	Employee Contributions
Noncontributory System	\$ 974,725	N/A
Tier 2 Public Employees System	85,397	-
Total Contributions	\$ 1,060,122	\$ -

Contributions reported are the URS Board approved required contributions by System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities in the Tier 1 Systems.

At June 30, 2019, the College reported a net pension asset of \$0 and a net pension liability of \$5,819,176.

	Net Pension Asset	Net Pension Liability	Proportionate Share December 31, 2018	Proportionate Share December 31, 2017	Change (Decrease)
Noncontributory System	\$ -	\$ 5,802,481	0.1559590%	0.1602861%	(0.0043271)%
Tier 2 Public Employees System	-	16,695	0.0389818%	0.0506540%	(0.0116722)%
Total Net Pension Asset / Liability	\$ -	\$ 5,819,176			

The net pension asset and liability were measured as of December 31, 2018. The total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2018, and rolled forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2019, the College recognized pension expense of \$1,337,562.

At June 30, 2019, the College's portion of the reported deferred outflows of resources and deferred inflows of resources related to pensions were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 31,028	\$ 84,866
Changes in assumptions	594,374	300
Net difference between projected and actual earnings on pension plan investments	970,808	-
Changes in proportion and differences between contributions and proportionate share of contributions	40,464	177,958
Contributions subsequent to the measurement date	541,406	-
Total	\$ 2,178,080	\$ 263,124

Of the amount reported as deferred outflows of resources related to pensions, \$541,406 resulted from contributions made by the College prior to its fiscal year end, but subsequent to the measurement date of December 31, 2018. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

BRIDGERLAND TECHNICAL COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

<u>Year Ending December 31,</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2019	\$ 630,842
2020	\$ 177,493
2021	\$ 102,123
2022	\$ 459,871
2023	\$ 509
Thereafter	\$ 2,712

Actuarial Assumptions

The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	3.25 – 9.75 percent, average, including inflation
Investment Rate of Return	6.95 percent, net of pension plan investment expense, including inflation

Mortality rates were developed from actual experience and mortality tables, based on gender, occupation and age, as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2018, valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2016.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

BRIDGERLAND TECHNICAL COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Expected Return Arithmetic Basis			
Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity Securities	40%	6.15%	2.46%
Debt Securities	20%	0.40%	0.08%
Real Assets	15%	5.75%	0.86%
Private Equity	9%	9.95%	0.89%
Absolute Return	16%	2.85%	0.46%
Cash and Cash Equivalents	0%	0.00%	0.00%
Totals	100%		4.75%
	Inflation		2.50%
	Expected Arithmetic Nominal Return		7.25%

The 6.95% assumed investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.45% that is net of investment expense.

Discount Rate

The discount rate used to measure the total pension liability was 6.95 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the Systems' Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate remained the same at 6.95 percent from the prior measurement period.

Sensitivity of the Proportionate Share of the Net Pension (asset) / liability to Changes in the Discount Rate

The following presents the proportionate share of the net pension (asset)/liability calculated using the discount rate of 6.95 percent, as well as what the proportionate share of the net pension (asset)/liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.95 percent) or 1 percentage point higher (7.95 percent) than the current rate:

System	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Noncontributory System	\$ 10,429,735	\$ 5,802,481	\$ 1,931,206
Tier 2 Public Employees System	66,884	16,695	(22,038)
Total	\$ 10,496,619	\$ 5,819,176	\$ 1,909,168

BRIDGERLAND TECHNICAL COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Detailed information about the pension plan's fiduciary net position is available in the Systems' separately issued financial report.

Defined Contribution Plans

The College offers employees the choice between a 401(k) defined contribution plan through the Utah Retirement Systems (Systems) or the Utah Interlocal Educational Benefits Trust (UIEBT).

In September of 2011, eligible employees of the Utah System of Technical Colleges (USTC) voted to discontinue participation in Social Security Administration as allowed under the guidelines of Section 218 of the Social Security Act. As a result, beginning in October of 2011, the College began contributing an additional 6.2 percent of these eligible employees' salaries into their respective 401(k) accounts.

The College also contributes 1.5 percent of eligible employees' gross earnings to the respective contribution plan for Tier 1 and Tier 2 Systems' participants. Employees who participate in the Tier 2 plan have two options. The first option is the Hybrid Plan, which requires an employer to pay 20.02 percent, of which 18.87 percent is a retirement contribution and the balance of 1.15 percent is contributed to the employee's contribution plan. If the retirement contribution rises above 20.02 percent as published by the Systems each year, then there will not be a defined contribution and the employee is required to pay the difference for the retirement contribution. The second option is the DC Only Plan, which requires the employer to pay 20.02 percent of which 10.02 percent is a retirement contribution and the remainder 10.00 percent is contributed to the employee's contribution plan. Tier 2 retirement rates include a statutory required contribution to finance the unfunded actuarial accrued liability of Tier 1 plans.

Employer contributions by the College to the Systems for the year ended June 30, 2019, totaled \$417,745. Under certain IRS and plan restrictions, employees can make additional contributions. Contributions by College employees for the year ended June 30, 2019, totaled \$354,571.

Employees may also participate in an IRS 457 deferred compensation plan offered through the Systems. Employee contributions toward this plan for the year ended June 30, 2019, totaled \$37,074.

For employees covered by the alternate defined contribution plan administered by UIEBT, the College contributes 14.2 percent of eligible employees' gross earnings. Employer contributions toward this plan for the year ended June 30, 2019, totaled \$212,912.

NOTE 9. COMPENSATED ABSENCES

The College accrues and reports annual vacation leave in the year earned. Benefits-eligible employees are eligible for one day (1.00) of paid vacation per month for the first five years of employment, one and a quarter days (1.25) per month for the next five years of employment, and one and a half days (1.50) per month after that. Effective January 1, 2009, annual vacation leave carryover was suspended. Employees retained accumulated vacation leave earned prior to this date; however, vacation leave earned thereafter does not carry over if unused. Upon termination, the cash value of accumulated unused annual leave calculated by multiplying the employee's current hourly rate by

BRIDGERLAND TECHNICAL COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

the number of accrued hours of annual leave will be paid directly to the employee's 401(k)/457 plan account as an employer paid contribution, subject to the IRS rules and regulations and rules set by the respective defined contribution plan. Any excess or remaining benefit will be distributed to the employee as taxable compensation.

NOTE 10. CONTINGENT LIABILITIES

The College has received notice of various legal actions arising out of the normal course of business. The College is vigorously contesting all of these matters, but as of this date, it is not possible to estimate the outcome or the financial impact an adverse ruling on these actions would have upon the College. In the opinion of management, the ultimate resolution of these matters will not have a material adverse effect upon the College's financial position.

The College participates in certain federal grant programs that are subject to financial and compliance audits by the grantor or its representative. Such audits could lead to the grantor agency requesting reimbursement for any disallowed expenditures under the grant terms. Management believes such program review disallowances, if any, will not be material.

NOTE 11. RISK MANAGEMENT

The College maintains insurance coverage for general, automobile, personal injury, errors and omissions, employee dishonesty and malpractice liability through policies administered by the Utah State Risk Management Fund (the Fund). The College also has replacement cost insurance on its buildings and contents against all insurable risks of direct physical loss or damage with the Fund. This all-risk insurance coverage provides for repair or replacement of damaged or stolen College property on a replacement cost basis subject to a \$1,000 deductible per occurrence. All College employees are covered by workers compensation insurance administered by the Workers Compensation Fund of Utah.

NOTE 12. RELATED PARTIES

The College entered into an operating and maintenance agreement with the State of Utah, acting through the State of Utah Division of Facilities Construction and Management (DFCM) for the Brigham City Branch Campus building. This agreement is renewable on a yearly basis on June 30th. As of June 30, 2019, the contract had been renewed effective until June 30, 2020. During fiscal year 2019, the College paid a total of \$296,884 to DFCM under this agreement.

BRIDGERLAND TECHNICAL COLLEGE

REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2019

Schedule of Bridgerland Technical College's Proportionate Share of the Net Pension Liability Noncontributory and Tier 2 Public Employees Systems of the Utah Retirement Systems

	December 31,				
	2018	2017	2016	2015	2014
<i>Noncontributory System</i>					
Proportion of Net Pension Liability (Asset)	0.1559590%	0.1602861%	0.1660955%	0.1662583%	0.1541022%
Proportionate Share of Net Pension Liability (Asset)	\$ 5,802,481	\$ 3,919,576	\$ 5,383,017	\$ 5,222,649	\$ 3,871,862
Covered Payroll	\$ 4,526,501	\$ 4,519,729	\$ 4,775,084	\$ 5,034,709	\$ 4,757,349
Proportionate Share of Net Pension Liability (Asset) as a Percentage of Covered Payroll	128.19%	86.72%	112.73%	103.73%	81.4%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.1%	89.2%	84.9%	84.5%	87.2%
<i>Tier 2 Public Employees System</i>					
Proportion of Net Pension Liability (Asset)	0.0389818%	0.0506540%	0.0541636%	0.0481371%	0.013412%
Proportionate Share of Net Pension Liability (Asset)	\$ 16,695	\$ 4,466	\$ 6,042	\$ (105)	\$ (398)
Covered Payroll	\$ 455,813	\$ 495,559	\$ 444,186	\$ 311,024	\$ 65,086
Proportionate Share of Net Pension Liability (Asset) as a Percentage of Covered Payroll	3.66%	0.90%	1.36%	-0.03%	-0.6%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	90.8%	97.4%	95.1%	100.2%	103.5%

Note: The College implemented GASB Statement No. 68 and 71 in fiscal year 2015.

Information on the College's portion of the plans' net pension liability (asset) is not available for periods prior to fiscal year 2015.

BRIDGERLAND TECHNICAL COLLEGE

REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2019

Schedule of Bridgerland Technical College's Pension Contributions Noncontributory and Tier 2 Public Employees Systems of the Utah Retirement Systems Last 10 Fiscal Years for the Years Ended June 30

Noncontributory System

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually Required Contribution	\$ 974,725	\$ 975,074	\$ 1,003,413	\$ 1,062,448	\$ 1,002,013	\$ 877,560	\$ 819,522	\$ 743,862	\$ 723,118	\$ 651,930
Contributions in Relation to the Contractually Required Contribution	(974,725)	(975,074)	(1,003,413)	(1,062,448)	(1,002,013)	(877,560)	(819,522)	(743,862)	(723,118)	(651,930)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 4,498,114	\$ 4,481,646	\$ 4,599,870	\$ 5,016,079	\$ 4,869,256	\$ 4,680,415	\$ 4,754,290	\$ 4,773,136	\$ 4,430,868	\$ 4,584,596
Contributions as a Percentage of Covered Payroll	21.67%	21.76%	21.81%	21.18%	20.58%	18.75%	17.24%	15.58%	16.32%	14.22%

*Tier 2 Public Employees System **

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually Required Contribution	\$ 85,397	\$ 92,955	\$ 91,121	\$ 70,625	\$ 16,886	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	(85,397)	(92,955)	(91,121)	(70,625)	(16,886)					
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 452,557	\$ 505,951	\$ 499,567	\$ 387,198	\$ 202,716					
Contributions as a Percentage of Covered Payroll	18.87%	18.37%	18.24%	18.24%	8.33%	-	-	-	-	-

*Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 systems. Tier 2 systems were created effective July 1, 2011.

Paragraph 81.b of GASB 68 requires employers to disclose a 10-year history of contributions in RSI. Contributions as a percentage of covered-payroll may be different than the board certified rate due to rounding and other administrative issues.



OFFICE OF THE
STATE AUDITOR

INDEPENDENT STATE AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors, Audit Committee
and
K. Chad Campbell, President
Bridgerland Technical College

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Bridgerland Technical College (the College) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the College's financial statements, and have issued our report thereon dated February 13, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or to detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the

determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, pursuant to *Utah Code* Title 63G Chapter 2, this report is a matter of public record, and as such, its distribution is not limited.

Office of the State Auditor

Office of the State Auditor
February 13, 2020



Explanation of Changes in Net Position

NET POSITION	June 30, 2019	June 30, 2018	Difference
Net Investment in Capital Assets	\$ 16,940,240	\$ 15,655,235	\$ 1,285,005 A
Restricted for			
Nonexpendable – Scholarships	\$ 51,905 B	\$ 36,000	\$ 15,905
Expendable – Scholarships and Other	\$ 129,136 C	\$ 10,875	\$ 118,261
Expendable – Capital Gifts	\$ 428,325 D	\$ -	\$ 428,325
Unrestricted	\$ (597,006) E	\$ (1,492,564)	\$ 895,558 F
Total Net Position	\$ 16,952,600	\$ 14,209,546	\$ 2,743,054

FY19 Additions – Capital Assets	\$ 2,765,194
FY19 Depreciation/Disposition – Capital Assets	\$ (1,480,189)
Change in Net Position	<u>\$ 1,285,005 A</u>

Nonexpendable – Scholarships	
Quasi Endowment	<u>\$ 51,905 B</u>
Expendable – Scholarships and Other	
Quasi Endowment	\$ 5,767
UTECH Scholarship	\$ 103,607
Corporate Sponsorship	\$ 12,517
Custom Fit	<u>\$ 7,245</u>
Total	<u>\$ 129,136 C</u>
Expendable – Capital Gifts	<u>\$ 428,325 D</u>

Unrestricted Net Position	
Net Operations	\$ 3,307,214
GASB 68	<u>\$ (3,904,220)</u>
Total Unrestricted Net Position	<u>\$ (597,006) E</u>
FY19 Net Operations	\$ 1,137,381
FY19 GASB 68	<u>\$ (241,823)</u>
Change in Net Position	<u>\$ 895,558 F</u>

BRIDGERLAND TECHNICAL COLLEGE
POSTSECONDARY
EDUCATIONAL PROGRAMS
~ MAIN CAMPUS ~

Programs listed below are those of the: Main Campus Other Campus Location: 1301 North 600 West; Logan, UT 84321

Check appropriate box to indicate method of measuring program length: Clock Hours Semester Credit Hours Quarter Credit Hours

PROGRAM NAME	CIP Code	Cost Center Code	Major Code	Length of Program in Hours		% Available through Distance Ed	Instruction Delivery Method (Check one or more)			Credential (certificate, diploma, degree)	State Licensure Required
				Clock	Credit		Traditional	Hybrid	Distance Ed		
Animal Sciences	51.0808	3110	ANSC	600	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Apprentice Electrician	46.0302	7330	APPE	720	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	Y
Apprentice Plumber	46.0503	7330	APPP	720	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	Y
Auto Collision	47.0603	7570	AUCL	1110	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Automated Manufacturing	47.0303	6070	AMAR	900	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Automotive Service	47.0604	7580	AUTO	600	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Automotive Service II	47.0604	7580	AUTA	600	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Building Technology	46.0201	7420	BLDG	960	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Business Technology	52.0401	5250	BTCH	960	-	100	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Certificate	N
Commercial Driver's License (CDL)	49.0205	7550	CDLC	300	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	Y
Controls Engineering Technology	47.0303	6070	AMAC	600	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Culinary Arts	12.0503	4170	CULR	900	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Cybersecurity	11.1003	7520	ITCY	600	-	>50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Dental Assisting	51.0601	3010	DNTA	990	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Diesel	47.0605	7540	HVDD	1260	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Drafting	15.1302	7710	DRFT	1200	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Electronic Engineering Technology	47.0105	7510	ELEC	900	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Emergency Medical Technician	51.0810	7230	EMSR	140	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	Y
Fashion Merchandising and Development	52.1902	2050	FADV	900	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Fire and Rescue Services	43.0203	7250	FIRE	860	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	Y
Heavy Equipment Operator	49.0202	7550	HEOP	300	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Heavy Equipment Operator/CDL	49.0202	7550	HEOC	600	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	Y
Information Technology	11.0101	7520	INFT	900	-	>50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Interior Design	50.0408	4080	IDEA	1200	-	>50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Machining Technology	48.0501	7780	MACH	1050	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Meat Services	12.0506	7770	MEAT	900	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Media Design	11.0801	7710	MDSN	1200	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Medical Assisting	51.0801	3130	MEAS	1200	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Practical Nursing	51.3901	3150	NRSG	1500	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	Y
Nursing Assistant	51.3902	3180	CNAS	100	-	0	<input checked="" type="checkbox"/>	-	-	Certificate	Y
Paramedic	51.0904	7240	EMPA	1170	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	Y
Pharmacy Technician	51.0805	3160	PHRM	660	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	Y
Phlebotomy	51.1009	3180	PHLB	60	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Police Academy	43.0107	7210	POLA	735	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	Y
Real Estate	52.1501	2030	REAL	120	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	Y
Web & Mobile Development	11.0201	2130	WBMO	900	-	>50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Welding Technology	48.0508	7800	WELD	960	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N

**BRIDGERLAND TECHNICAL COLLEGE
POSTSECONDARY
EDUCATIONAL PROGRAMS
~ BRIGHAM CITY BRANCH CAMPUS ~**

Programs listed below are those of the: Main Campus Other Campus Location: 325 West 1100 South; Brigham City, UT 84302

Check appropriate box to indicate method of measuring program length: Clock Hours Semester Credit Hours Quarter Credit Hours

PROGRAM NAME	CIP Code	Cost Center Code	Major Code	Length of Program in Hours		% Available through Distance Ed	Instruction Delivery Method (Check one or more)			Credential (certificate, diploma, degree)	State Licensure Required
				Clock	Credit		Traditional	Hybrid	Distance Ed		
Automated Manufacturing	47.0303	6075	AMAR	900	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Business Technology	52.0401	5255	BTCH	960	-	100	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Certificate	N
Cosmetology/Barbering	12.0401	7035	COSB	1600	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	Y
Drafting	15.1302	7715	DRFT	1200	-	10	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Information Technology	11.0101	7525	INFT	900	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N
Master Esthetics	12.0409	7045	MEST	1200	-	<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	Y
Therapeutic Massage	51.3501		THMS	810		<50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	Y
Media Design	11.0801	7715	MDSN	1200	-	10	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	Certificate	N



FY 2021 UTech Appropriations

		UTech Admin	Tech College Capital Projects	Bridgerland
SB 1 Higher Education Base Budget	GF Ongoing	-	-	-
	EF Ongoing	7,154,800	-	15,804,500
	EF Perf. Funding Restricted	237,400	-	261,400
	EF One-time	-	-	-
	Dedicated Credits	-	-	1,528,800
	Beginning Non-Lapsing	13,200	-	235,600
	Ending Non-Lapsing	(13,200)	-	(235,600)
HB 2 New FY Supplemental Approps	EF One-time	-	4,320,000	(283,100)
	EF Ongoing	4,745,000	-	1,236,900
	EF Perf. Funding Restricted	830,000	-	-
SB 6 Infrastructure and General Government Base Budget	GF Ongoing	-	14,000,000	-
	GF One-time	-	(7,000,000)	-
SB 8 Compensation	EF Ongoing	43,800	-	415,800
HB 8 (1st Sub) State Agency Fees and ISF Rate Authorization	GF Ongoing	5,700	-	-
	EF Ongoing	34,700	-	19,600
	Dedicated Credits	-	-	1,800
FY 2021 Totals	Total Appropriated Tax Funds	13,921,800	11,320,000	17,455,100
	Dedicated Credits	-	-	1,530,600
	Total FY 2021 Appropriations	13,051,400	11,320,000	18,985,700

SB 1 Higher Education Base Budget	Equipment Line Item	17,700	-	877,400
	General Line Item (Base)	2,577,900	-	16,717,300
	Custom Fit	4,559,200	-	-
	Performance Funding	237,400	-	-
HB 2 New FY Supplemental Approps	Program Expansion & Support	-	-	287,900
	One-time O&M holdback	-	-	-
	Equipment, One-time	-	-	305,900
	SWI Ongoing	-	-	325,000
	SWI One-time	-	-	35,000
	Industry Comp. Salary Adj.	500,000	-	-
	Performance Funding	830,000	-	-
	Prog. Exp. Through PF Model	4,000,000	-	-
	Custom Fit	245,000	-	-
SB 6 IGG Base Budget	Capital Projects Fund	-	4,320,000	-
	Capital Projects Fund	-	7,000,000	-
SB 8 Compensation	2.5% Comp Increase	38,000	-	305,000
	Health Insurance Increase	5,800	-	110,800
HB 8 (1st Sub) ISF	Net Change	40,400	-	21,400
FY 2021 Totals	Total FY 2021 Appropriations	13,051,400	11,320,000	18,985,700