



**BRIDGERLAND
TECHNICAL
COLLEGE**
btech.edu

**BRIDGERLAND TECHNICAL COLLEGE
BOARD OF TRUSTEES
INSTITUTIONAL ADVISORY COMMITTEE**

**MARCH 6, 2023, 4 P.M.
1301 NORTH 600 WEST, LOGAN, UTAH**

MINUTES

Board Members Attendance

Karina Brown – Cache County Executive Office, Nibley
Matt Chowning – Paragon Medical, Smithfield
Lisa Clawson – Great Harvest Bread, Paradise
Jack Draxler – Draxler Appraisal Services, Inc., North Logan
John Ferry – Utah State University Board of Trustees, Corinne
Monica Holdaway – Box Elder Chamber of Commerce, Brigham City
Nancy Kennedy – Box Elder School District, Brigham City
Neil Perkes – Logan Regional Hospital, Logan
Roger Pulsipher – Cache School District, Avon
Mark Smoot – Entrepreneur/Owner, Garden City
Eric Wamsley – Rich School District, Laketown
Larry Williams – Logan School District, Logan

Board Members Excused

Paul Nelson – Northrop Grumman, Providence

Bridgerland Technical College Attendance

K. Chad Campbell, President
Wendy Carter, Executive Vice President & Provost
Brandi Gittins, AVP for Finance & Facilities (virtual)
Troy Christensen, Vice President for Economic Development (virtual)
Emily Hobbs, Administrative Chief of Staff
Renee Milne, AVP for Student Services
Lisa Moon, VP for Instruction
Jennifer Tenhoeve, Director of Continuing Education
Frank Stewart, Chief Development Officer

Guest(s)

Wes Marler, Controller (virtual)
Eric Petersen, Utah System of Technical Colleges (virtual)
Dr. Scott Theurer, Utah Board of Higher Education

Item 1

Pledge of Allegiance & Welcome

Eric Wamsley conducted the meeting and welcomed those in attendance. The meeting was called to order at 4 p.m. The Pledge of Allegiance was recited.

Item 2

Board Meeting Minutes

ACTION: Motion was made by Jack Draxler for the approval of minutes from the December 5, 2022, Board meeting. Roger Pulsipher seconded. Motion carried.

Item 3

Audit Committee Report –

Audited Annual Financial Report for the Year Ended June 30, 2022

The Bridgerland Technical College Audited Annual Financial Report for the year ended June 30, 2022, along with the Government Auditing Standards (GAS) Report on internal control were in draft form and were available 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 before board meeting. There were no findings, no misstatements/corrections, and no recommendations. Roger congratulated the Accounting department and thanked them for their hard work.

Wes Marler said he works with a great team and reminded the board about the “why” and how each transaction goes back to the students, the most important part of the college.

ACTION: Motion was made by Nancy Kennedy to accept the Audited Draft Annual Financial Report for the year ended June 30, 2022. Lisa Clawson seconded. Motion carried.

Item 4

Program Changes

The Utah Board of Higher Education Strategic Plan includes a tactic to facilitate coordination among technical education programs. The purpose is to align program structure and course content to support articulation and transfer to degree granting institutions.

Faculty committees have worked tirelessly over the last year to create unified program names, lengths, and descriptions. As a result the following program changes were brought forward for Board of Trustees review and approval. Approved changes will be forwarded to the Council on Occupational Education before final adoption in July of 2023.

Lisa Moon reviewed the program alignment changes, which are highlighted below:

COE Approved Program Name	NEW PROGRAM NAME	OLD CIP	NEW CIP	Old Hours	New Hours	Location
Auto Collision	Collision Repair Technology	47.0603	47.0603	1110	1020	Main #240800
Automated Manufacturing	Automation Technology	47.0303	47.0303	900	900	Main #240800 Extension #240801
Building Technology	Construction Technology	46.0201	46.0201	960	900	Main #240800
Business Technology	Business	52.0401	52.0401	960	900	Main #240800

COE Approved Program Name	NEW PROGRAM NAME	OLD CIP	NEW CIP	Old Hours	New Hours	Location
Commercial Driver's License (CDL)	Commercial Driver's License Class A	49.0205	49.0205	300	180	Main #240800
Cosmetology/Barbering	Cosmetology	12.0401	12.0401	1600	1600	Extension #240801
Dental Assisting	N/A	51.0601	51.0601	990	900	Main #240800
Diesel	Diesel Technology	47.0605	47.0605	1260	1050	Main #240800
Drafting	Drafting and Design	15.1302	15.1302	1200	900	Main #240800
Electronic Engineering Technology	Electronics Technology	47.0105	47.0105	900	750	Main #240800
Emergency Medical Technician	N/A	51.0810	51.0904	140	186	Main #240800
Heavy Equipment Operator/CDL	DELETE PROGRAM	49.0202	49.0202	600	0 DELETE	Main #240800
IT & Cybersecurity	Information Technology	11.0101	11.0901	900	600	Main #240800 Extension #240801
Machining Technology	N/A	48.0501	48.0501	1050	900	Main #240800
Master Esthetics	Master Esthetician	12.0409	12.0409	1200	1200	Extension #240801
Media Design	Digital Design	11.0801	11.0801	1200	900	Main #240800
Medical Assisting	Medical Assistant	51.0801	51.0801	1200	900	Main #240800
Nursing Assistant	N/A	51.3902	51.3902	100	114	Main #240800
Pharmacy Technician	Pharmacy Technician Advanced	51.0805	51.0805	660	600	Main #240800
Practical Nursing	N/A	51.3901	51.3901	1500	1200	Main #240800
Therapeutic Massage	N/A	51.3501	51.3501	810	825	Extension #240801
Welding Technology	N/A	48.0508	48.0508	960	900	Main #240800

Lisa mentioned a small portion of the faculty committees have not yet met consensus and will continue working on alignment efforts for implementation next fiscal year (in July 2024). The Board engaged in discussion regarding the benefits of program alignment and are hopeful the degree-granting universities will continue to create meaningful pathways for BTECH students. Roger Pulsipher thanked the faculty and staff for the extreme amount of hard work on program alignment.

Lisa also discussed the other Utah Board of Higher Education) initiative of transitioning the Utah System of Higher Education's (USHE) eight technical colleges and Salt Lake Technical College from clock-hours to semester credits. Once complete, all 16 higher education institutions will use common currency facilitating the creation of statewide articulation agreements. Bridgerland has prepared and is ready to submit 100 percent of the credit conversion applications to the USHE Commissioner's office. Because this is a statewide initiative, the applications will be submitted to COE on behalf of Bridgerland by the Commissioner's office staff.

ACTION: Motion was made by Monica Holdaway to approve the program changes as outlined. John Ferry seconded. Motion carried.

Item 5

College Fees for Secondary Students

Renee Milne reviewed the proposed secondary student fees. No new fees were added, and some were eliminated. Clarification was made that the list contains fees only and does not include supplies purchased through the Bookstore. Class offerings with the fees associated will be available online after July 1. School district representatives on the college board of trustees are encouraged to provide notification of the approved fee schedule to the board of education president of their respective districts. In addition, Student Services will provide the approved fee schedule to each of the public high schools and the charter/private schools in the geographic area served by the college.

ACTION: Motion was made by Roger Pulsipher to approve the college fees for secondary students for FY 2023-2024. Monica Holdaway seconded. Motion carried.

Item 6

College Fees for Postsecondary Students

In accordance with the Utah System of Higher Education Tuition and Fees Policy R517, The BTECH Board of Trustees shall at least annually review the recommendations of the institution's course and program fee committee for requests to establish, revise, or repeal course and program fees.

The Utah Board of Higher Education has established affordability as a strategic priority. To support that priority, institutions and boards of trustees should consider the impact course fees and program fees have on the cost of attendance.

In addition to board-approved tuition, institutions may assess course-based and program-based fees. Course fees and program fees may be instituted to cover direct costs essential to the educational outcomes for specific course or program offerings. These fees often include materials that cannot be purchased by individual students or for which bulk purchases reduce the cost to students (i.e., course materials, tooling, uniforms, laundry, testing, off-site instructional activities, supplies used in instruction; instructional equipment; student licensure and certifications; maintenance of laboratory equipment, computer software, subscriptions, etc.)

USHE Policy R517-6 Delegation of Authority to Establish Course Fees states, "The board delegates to the boards of trustees the responsibility to review, approve, adjust, and repeal course fees and program fees. Brandi Gittins reviewed the college fees for postsecondary students.

ACTION: Motion was made by Nancy Kennedy to approve the college fees for postsecondary students for FY 2023-2024. Larry Williams seconded. Motion carried.

Item 7

Bank Account Closure

A Zion's Bank account has historically been in place for secondary student fees in Rich County. Due to fees being eliminated for secondary students in Rich County, this account is dormant and is no longer needed. To mitigate risk, this account needs to be closed and the remaining balance transferred.

ACTION: Motion was made by Roger Pulsipher to approve the closure of the Rich County Zion's Bank account. Jack Draxler seconded. Motion carried.

Item 8

Performance Funding Metric Goals

The Board of Trustees approved the College performance funding metrics at the August 22, 2022, meeting, again at the October 27, 2022, Executive Board Leadership meeting, and again at the December 5, 2022, meeting. Pursuant to data provided to the college on January 25, 2023, along with new authoritative guidance, approving performance funding metrics is necessary once again. Included with this agenda item was the new goal setting form provided by the Commissioner's Office along with the new goals being proposed for Bridgerland Technical College.

President Campbell explained how the goals were calculated and how the college will be successful in meeting them. He anticipates the Commissioner's Office will provide updated data again this Friday, so he asked for latitude to use the same strategy (percentage) for goal setting as the numbers are updated. BTECH goals will be forwarded to the Utah Board of Higher Education (UBHE) and the legislature will set the goals in June.

ACTION: Motion was made by John Ferry to approve the new performance goals along with permission for college administration to use the same strategy for goal setting if another opportunity occurs. Matt Chowning seconded. Motion carried.

Item 9

Legislative Update

President Campbell provided the following brief update regarding the 2023 General Session of the Legislature:

- The college was well taken care of by the legislature this year with an 8.75% compensation increase named "labor market adjustment." The new language includes permission to use some for Cost of Living Adjustment (COLA) and merit/discretionary. The Administrative team is discussing different scenarios for implementation and will do its best to improve compensation for all employees. Emphasis will be placed on single point of failure positions, compensation compression, gender equity, and lowest paid employees.
- Funding was provided for increased health insurance premiums, which is at bid now. The college does not anticipate increases in dental insurance.
- The college will receive all of the money in the budget request for faculty and staff for the new Health Sciences building upon completion.
- Additional equipment was funded (one-time).
- Custom Fit funds were increased by \$100,000.

Item 10

Policy Updates

Changes in laws and accreditation requirements prompt the majority of updates to policies and plans. Policies with updates have been identified below. Proposed changes are indicated with red (new) and strikethrough (omission).

The Utah System of Higher Education's clock-hour to credit conversion initiative requires a review of policies to change "clock-hour" to "credit" as necessary. President Campbell requested latitude to update policies in this manner.

Jean Dunn reviewed the following policies:

- NEW 700.701 – Administrative Capability - Adequate Staff, System Automation, and Checks and Balances
 - This new policy is required for participation with Federal student aid programs. It ensures the college employs adequate staff and uses an efficient and functioning system of checks and balances.
- NEW 700.740 – Professional Judgment
 - Due to the recent FAFSA Simplification Act, students can request an individualized review of their application based on unusual circumstances. This policy allows administrators to use professional judgment for these rare cases.
- 700.735 Verification and Updating of Student Aid Application Information
 - Updated language due to the new Professional Judgment policy.

Brandi Gittins reviewed the following policy:

- NEW 500.506 Communication Allowance
 - This new policy creates a communication allowance and shifts cell phones from a college-owned plan to a personally owned plan over time.

ACTION: Motion was made by Jack Draxler to approve the policy updates, new policies, and latitude to change “clock-hour” to “credit” as necessary. Roger Pulsipher seconded. Motion carried.

Item 11

Continuing Education Report

Wendy Carter introduced Jennifer Tenhoeve as the new Director of Continuing Education. Her 28 years of experience at the college will lend itself well to this new role. Jennifer explained the Bridgerland Technical College Continuing Education Foundation 501(c)(3) allows the college to expand business/industry and community offerings. Jennifer has been working with the Bridgerland Entrepreneurship Center and is now opening the building back up to the community for rental space as available now that Covid restrictions have lifted. She continues to attend occupational advisory committee meetings to develop relationships with industry members and learn how the college can best support their educational needs. It was noted the cost of the course will cover the entirety of the expenses.

Item 12

Utah Board of Higher Education (UBHE) Report

Dr. Scott Theurer, UBHE Representative

Scott Theurer provided the following initiatives from the UBHE:

- The focus of the committee has been on affordability.
- Clock-hour to credit-hour conversion is ongoing.
- Tuition and fees – tech ed scholarships and improving credit for prior learning.
- Market the return on investment (ROI) – tech ed students have tuition to pay and they need to see the ROI. The Launch my Career website is mostly focused on degree-granting for now, but does have some tech ed. The website provides wage and job responsibilities.
- FAFSA.
- Reducing fees such as late fees or other penalties such as parking fees.
- Legislature has taken care of the system this year.
- Opportunities for every student – EDI study.

- Highlights from Senator Millner's Bill SB 146, which included data driven priorities, shared services, education reform initiatives, presidential evaluations and hiring, UBHE board composition, and space utilization.

Item 13

Information Items

A. Custom Fit Training Department – Year to Date

Fiscal Year	Trainees	Training Hours	Total Companies	New Companies
21-22 Qtr 2	1,986	22,827	170	9
22-23 Qtr 2	2,868	45,224	183	7

B. Management of College Investments

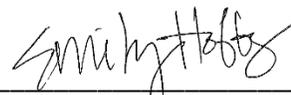
Bridgerland Technical College's Associate VP for Finance & Facilities, under the direction of the college president and the college Board of Trustees, invests the college funds in the Utah Public Treasurers' Investment Funds (UPTIF) and follows the rules of the Utah System of Higher Education, the State Money Management Act, and the rules of the State Money Management Council. Quarterly investment reports are provided to the college president and the board. This file was available as a link.

C. Calendar/Happenings

- Calendar available at btech.edu/event-calendars
- May 3 & 4 – Career Days
- May 18, 6 p.m. – Utah Board of Higher Education Dinner @ BTECH
- June 8 – Graduation
- Board Meeting Dates
 - June 26, 2023
 - August 28, 2023
 - December 4, 2023

Item 14

Motion was made by Roger Pulsipher to adjourn at 5:50 p.m.



Emily Hobbs, Administrative Chief of Staff



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**BRIDGERLAND TECHNICAL COLLEGE
BOARD OF TRUSTEES
INSTITUTIONAL ADVISORY COMMITTEE**

**MARCH 6, 2023, 4 P.M.
1301 NORTH 600 WEST, LOGAN, UTAH**

AGENDA

WIFI PASSWORD: redtwizzlers

[BTECH.EDU/ABOUT-US/GOVERNING-BOARD/BOARD-MEETINGS/](https://btech.edu/about-us/governing-board/board-meetings/)

Item 1

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

Item 2

Board Meeting Minutes

Eric Wamsley, Board Chair

Minutes from the December 5, 2022, Board meeting are available online for review and subsequent approval.

ACTION: Recommend approval of the minutes.

Item 3

Audit Committee Report –

Audited Annual Financial Report for the Year Ended June 30, 2022

Roger Pulsipher, Audit Committee Chair

Wes Marler, Controller

Brandi Gittins, Associate VP for Finance & Facilities

The Bridgerland Technical College Audited Annual Financial Report for the year ended June 30, 2022, along with the Government Auditing Standards (GAS) report on internal control are in draft form and will be available upon completion. Auditors from the Office of the Utah State Auditor are scheduled to participate in a video conference call with the Audit Committee meeting prior to the board meeting to present Bridgerland's draft audit report. Roger Pulsipher, chair of the Audit Committee, will provide the board with a summary of the Audit Committee meeting.

Controller Wes Marler, the person responsible for external financial reporting at the college, will be present to discuss the audit results, the college's financial position, and address any questions or comments the board may have. Bridgerland administration will also be available to address any questions or comments.

ACTION: Recommend acceptance of the Audited Draft Annual Financial Report for the year ended June 30, 2022.

Item 4

Program Changes

Wendy Carter, Executive Vice President & Provost

Lisa Moon, Vice President of Instruction

The Utah Board of Higher Education Strategic Plan includes a tactic to facilitate coordination among technical education programs. The purpose is to align program structure and course content to support articulation and transfer to degree granting institutions.

Faculty committees have worked tirelessly over the last year to create unified program names, lengths, and descriptions. The USHE Board has approved the alignment, and as a result the following program changes are being brought forward for Board of Trustee review and approval. Approved changes will be forwarded to the Council on Occupational Education before final adoption in July of 2023.

A program list link is provided highlighting program alignment changes that include any of the following:

- CIP Code
- Program Name
- Program Length
- Number of Credits

Faculty committees that have not yet met consensus will continue working on alignment efforts for implementation in July 2024.

ACTION: Recommend approval of program changes as outlined.

Item 5

College Fees for Secondary Students

Renee Milne, Associate VP for Student Services

Provided for your information and review are the proposed secondary student fees. Class offerings with the fees associated will be available online after July 1. School district representatives on the college board of trustees are encouraged to provide notification of the approved fee schedule to the board of education president of their respective districts. In addition, Student Services will provide the approved fee schedule to each of the public high schools and the charter/private schools in the geographic area served by the college.

ACTION: Recommend approval of the college fees for secondary students for FY 2023-2024.

Item 6

College Fees for Postsecondary Students

Brandi Gittins, Associate VP for Finance & Facilities

In accordance with the Utah System of Higher Education Tuition and Fees Policy R517, The BTECH Board of Trustees shall at least annually review the recommendations of the institution's course and program fee committee for requests to establish, revise, or repeal course and program fees.

The Utah Board of Higher Education has established affordability as a strategic priority. To support that priority, institutions and boards of trustees should consider the impact course fees and program fees have on the cost of attendance.

In addition to board-approved tuition, institutions may assess course-based and program-based fees. Course fees and program fees may be instituted to cover direct costs essential to the educational outcomes for specific course or program offerings. These fees often include materials that cannot be purchased by individual students or for which bulk purchases reduce the cost to students (i.e., course materials, tooling, uniforms, laundry, testing, off-site instructional activities, supplies used in instruction; instructional equipment; student licensure and certifications; maintenance of laboratory equipment, computer software, subscriptions, etc.)

USHE Policy R517-6 Delegation of Authority to Establish Course Fees states, "The board delegates to the boards of trustees the responsibility to review, approve, adjust, and repeal course fees and program fees.

ACTION: Recommend approval of the college fees for postsecondary students for FY 2023-2024.

Item 7

Bank Account Closure

Brandi Gittins, Associate VP for Finance & Facilities

A Zion's Bank account has historically been in place for secondary student fees in Rich County. Due to fees being eliminated for secondary students in Rich County, this account is dormant and is no longer needed. To mitigate risk, this account needs to be closed and the remaining balance transferred.

ACTION: Recommend approval to close the Rich County Zion's Bank account.

Item 8

Performance Funding Metric Goals

Chad Campbell, President

The Board of Trustees approved the College performance funding metrics at the August 22, 2022, meeting, again at the October 27, 2022, Executive Board Leadership meeting, and again at the December 5, 2022, meeting. Pursuant to data provided to the college on January 25, 2023, along with new authoritative guidance, approving performance funding metrics is necessary once again. Included with this agenda item is the new goal setting form provided by the Commissioner's Office along with the new goals being proposed for Bridgerland Technical College.

Administration will be present to discuss how the goals were calculated and how the college will be successful in meeting them.

ACTION: Recommend approval of the new performance goals along with permission for college administration to use the same strategy for goal setting if another opportunity occurs.

Item 9

Legislative Update

Chad Campbell, President

A brief update regarding the 2023 General Session of the Legislature will be provided at the meeting.

More information will be available upon the close of the session.

ACTION: Information item/pleasure of the board.

Item 10

Policy Updates

Chad Campbell, President

Changes in laws and accreditation requirements prompt the majority of updates to policies and plans. Policies with updates have been identified below. Proposed changes are indicated with red (new) and strikethrough (omission). Administration will be present at the meeting to address any questions or comments from the board.

The Utah System of Higher Education's clock-hour to credit conversion initiative requires a review of policies to change "clock-hour" to "credit" as necessary. The college requests latitude to update policies in this manner.

Jean Dunn, Chief Compliance Officer

- NEW 700.701 – Administrative Capability - Adequate Staff, System Automation, and Checks and Balances
- NEW 700.740 – Professional Judgment
- 700.735 Verification and Updating of Student Aid Application Information

Brandi Gittins, Associate VP for Finance & Facilities

- NEW 500.506 Communication Allowance

ACTION: Recommend approval of the policy updates, new policies, and latitude to change "clock-hour" to "credit" as necessary.

Item 11

Continuing Education Report

Wendy Carter, Executive VP & Provost

Jennifer Tenhoeve, Director of Continuing Education

Jennifer Tenhoeve's new role as Director of Continuing Education will be introduced and she will provide an update.

ACTION: Information item/pleasure of the board.

Item 12

Utah Board of Higher Education (UBHE) Report

Dr. Scott Theurer, UBHE Representative

A brief update from the UBHE will be provided.

ACTION: Information item/pleasure of the board.

Item 13

Information Items

A. Custom Fit Training Department – Year to Date

Fiscal Year	Trainees	Training Hours	Total Companies	New Companies
21-22 Qtr 2	1,986	22,827	170	9
22-23 Qtr 2	2,868	45,224	183	7

B. Management of College Investments

Bridgerland Technical College's Associate VP for Finance & Facilities, under the direction of the college president and the college Board of Trustees, invests the college funds in the Utah Public Treasurers' Investment Funds (UPTIF) and follows the rules of the Utah System of Higher Education, the State Money Management Act, and the rules of the State Money Management Council. Quarterly investment reports are provided to the college president and the board. This file is available as a link.

C. Calendar/Happenings

- Calendar available at btech.edu/event-calendars
- May 3 & 4 – Career Days
- May 18, 6 p.m. – Utah Board of Higher Education Dinner @ BTECH
- Board Meeting Dates
 - June 26, 2023
 - August 28, 2023
 - December 4, 2023

Item 14

Adjournment

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, 2022

Report No. 22-32



Office of the
State Auditor

AUDIT LEADERSHIP:

John Dougall, State Auditor
Bertha Lui, CPA, Audit Director
Caleb Crump, Audit Senior

Bridgerland Technical College

For The Year Ended June 30, 2022

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OFFICE OF THE
STATE AUDITOR

Independent Auditor's Report

To the Governing Board, Audit Committee
and

K. Chad Campbell, President
Bridgerland Technical College

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Bridgerland Technical College (the College), which comprise the respective financial position of the business-type activities and fiduciary activities, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the College's business-type activities and the College's fiduciary activities, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 College's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis, the Schedule of College's Proportionate Share of the Net Pension Liability, and Schedule of College's Pension Contributions, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 March 2, 2023 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 solely 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
Salt Lake City, Utah
March 2, 2023

Bridgerland Technical College

Management's Discussion and Analysis

For the Year Ended June 30, 2022

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, 2022, to the readers of the College's financial statements.

The College is one of 16 public colleges and universities within the Utah System of Higher Education. The College maintains a local Board of Trustees and is an independent technical college and component unit of the State of Utah.

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 five components: 1) the Statement of Net Position, 2) the Statement of Revenues, Expenses, and Changes in Net Position, 3) the Statement of Cash Flows, 4) the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position, and 5) the Notes to the Financial Statements.

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.

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.

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.

The Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position provide information on the financial position of trust funds held by the College.

Bridgerland Technical College

Management's Discussion and Analysis

For the Year Ended June 30, 2022

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

Financial Analysis

Statement of Net Position. The following schedule presents a summary of the College's net position as of June 30, 2022 and 2021:

<u>Net Position</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Current Assets	\$ 10,343,450	\$ 8,285,164	\$ 2,058,286	24.84%
Noncurrent Assets:				
Other Noncurrent Assets	6,093,368	2,995,169	3,098,199	103.44%
Capital Assets, Net	19,821,729	19,115,824	705,905	3.69%
Total Assets	<u>36,258,547</u>	<u>30,396,157</u>	<u>5,862,390</u>	19.29%
Deferred Outflows of Resources	<u>809,663</u>	<u>2,047,397</u>	<u>(1,237,734)</u>	(60.45%)
Current Liabilities	1,984,429	1,516,804	467,625	30.83%
Noncurrent Liabilities	741,882	753,102	(11,220)	(1.49%)
Total Liabilities	<u>2,726,311</u>	<u>2,269,906</u>	<u>456,405</u>	20.11%
Deferred Inflows of Resources	<u>7,998,032</u>	<u>5,850,747</u>	<u>2,147,285</u>	36.70%
Net Position:				
Net Investment in Capital Assets	19,821,729	19,115,824	705,905	3.69%
Restricted for				
Nonexpendable – Scholarships	81,928	64,537	17,391	26.95%
Expendable – Scholarships and Other	449,521	302,156	147,365	48.77%
Expendable – Capital Gifts	1,171,010	993,660	177,350	17.85%
Unrestricted	<u>4,819,679</u>	<u>3,846,724</u>	<u>972,955</u>	25.29%
Total Net Position	<u>\$ 26,343,867</u>	<u>\$ 24,322,901</u>	<u>\$ 2,020,966</u>	8.31%

Total assets of the College increased by \$5,862,390 or 19.29 percent during the fiscal year. Current assets increased by \$2,058,286, which consisted of an increase in cash of \$1,336,353 due to various revenue sources in excess of expenses, an increase in accounts receivable of \$90,170 due to an increase in grant receivables, an increase in due from State agencies in the amount of \$416,659 related to scholarships and capital improvement projects, a decrease in inventory of \$18,077 due to various factors including Building Technology program projects in progress, and an increase in prepaid expenses in the amount of \$233,181 due to equipment and other expenses paid for in advance.

Other noncurrent assets increased by \$3,098,199, due primarily to an increase in the net pension asset, which is provided by the Utah Retirement Systems (URS) and is based on estimates derived from actuarial calculations. See Note 8 for additional information.

Bridgerland Technical College

Management's Discussion and Analysis

For the Year Ended June 30, 2022

The College's capital assets as of June 30, 2022, increased from \$19,115,824 to \$19,821,729 (net of accumulated depreciation) for a total change of \$705,905. This investment in capital assets includes construction/implementation in progress, land, buildings and improvements, and equipment and software. Construction/implementation in progress increased by \$23,480 as a result of progress toward the new Frederick Quinney Lawson Health Sciences Building. Buildings and improvements increased by \$1,073,452 as a result of a new roof at West Building as well as improvements to HVAC systems. Equipment and software acquisitions (including donated assets) totaled \$1,474,687. Depreciation expense for the College reduced the College's capital assets by \$1,814,071. Additional information on the changes in the College's capital assets is shown in Note 4 of the Notes to the Financial Statements.

Deferred outflows of resources are derived from information provided by the URS as outlined by GASB 68. The decrease of \$1,237,734 represents the net difference between expected and actual experience, changes in assumptions, and changes in proportion and differences between contributions and proportionate share of contributions. See Note 8 for additional information.

Total liabilities of the College increased by \$456,405 or 20.11 percent during the fiscal year. Current liabilities increased by \$467,625. Accounts payable increased by \$282,547 due to the timing of when obligations were incurred and payments were paid. Due to State agencies increased by \$101,722 primarily as a result of an operating and maintenance agreement payment for the Brigham City Campus Building. Unearned revenue increased by \$177,362 as a result of student tuition paid in advance and scholarships held for future use. Termination benefits decreased by \$65,703 as a result of fewer employees being approved for such benefits. Compensated absences and accrued payroll collectively decreased by \$28,303.

Noncurrent liabilities decreased \$11,220, due to a decrease in termination benefits, an increase in compensated absences, and a decrease 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 the URS as outlined by GASB 68. The increase of \$2,147,285 represents the net difference between projected and actual earnings on pension plan investments and changes in proportion and differences between contributions and proportionate share of contributions. See Note 8 for additional information.

Bridgerland Technical College

Management's Discussion and Analysis

For the Year Ended June 30, 2022

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, 2022 and 2021:

<u>Net Position</u>	<u>Year Ended June 30, 2022 Amount</u>	<u>Year Ended June 30, 2021 Amount</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Operating Revenues	\$ 4,685,190	\$ 4,715,291	\$ (30,101)	(.64%)
Operating Expenses	<u>(25,208,938)</u>	<u>(21,113,189)</u>	<u>(4,095,749)</u>	19.40%
Operating Income (Loss)	<u>(20,523,748)</u>	<u>(16,397,898)</u>	<u>(4,125,850)</u>	25.16%
Nonoperating Revenues	21,273,912	19,712,218	1,561,694	7.92%
Other Revenues	<u>1,270,802</u>	<u>2,761,693</u>	<u>(1,490,891)</u>	(53.98%)
Increase (Decrease) in Net Position	2,020,966	6,076,013	(4,055,047)	(66.74%)
Net Position – Beginning of Year	<u>24,322,901</u>	<u>18,246,888</u>	<u>6,076,013</u>	33.30%
Net Position – End of Year	<u>\$ 26,343,867</u>	<u>\$ 24,322,901</u>	<u>\$ 2,020,966</u>	8.31%

The College experienced a net operating loss of \$20,523,748 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 2022, 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.

Bridgerland Technical College
Management's Discussion and Analysis
For the Year Ended June 30, 2022

Revenues. The following schedule presents a summary of College revenues for the fiscal years ended June 30, 2022 and 2021:

<u>Revenues</u>	<u>Year Ended June 30, 2022 Amount</u>	<u>Percent of Total Revenue</u>	<u>Year Ended June 30, 2021 Amount</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent of Increase (Decrease)</u>
Operating Revenues:					
Student Tuition and Fees	\$ 1,899,916	6.98%	\$ 1,834,795	\$ 65,121	3.55%
Federal Grants and Contracts	280,596	1.03%	638,141	(357,545)	(56.03%)
State Grants and Contracts	18,394	.07%	16,152	2,242	13.88%
Local Grants and Contracts	883,494	3.24%	935,567	(52,073)	(5.57%)
Sales and Services of Educational Activities	1,072,081	3.94%	857,947	214,134	24.96%
Auxiliary Enterprises	530,709	1.95%	432,689	98,020	22.65%
Total Operating Revenues	<u>4,685,190</u>	<u>17.21%</u>	<u>4,715,291</u>	<u>(30,101)</u>	<u>(.64%)</u>
Nonoperating Revenues:					
State Appropriations	17,940,501	65.89%	15,871,176	2,069,325	13.04%
Federal Grants and Contracts	2,756,182	10.12%	2,542,252	213,930	8.41%
State Grants and Contracts	166,698	.61%	642,750	(476,052)	(74.06%)
Gifts	304,164	1.12%	338,386	(34,222)	(10.11%)
Investment Income	67,381	.25%	64,674	2,707	4.19%
Disposal of Capital Assets	38,986	.14%	252,980	(213,994)	(84.59%)
Total Nonoperating Revenues	<u>21,273,912</u>	<u>78.13%</u>	<u>19,712,218</u>	<u>1,561,694</u>	<u>7.92%</u>
Other Revenues:					
Capital Appropriations	1,073,452	3.94%	2,557,068	(1,483,616)	(58.02%)
Capital Gifts	177,350	.65%	184,625	(7,275)	(3.94%)
Additions to Quasi Endowments	20,000	.07%	20,000	-	.00%
Total Other Revenues	<u>1,270,802</u>	<u>4.67%</u>	<u>2,761,693</u>	<u>(1,490,891)</u>	<u>(53.98%)</u>
Total Revenues	<u>\$ 27,229,904</u>	<u>100.00%</u>	<u>\$ 27,189,202</u>	<u>\$ 40,702</u>	<u>.15%</u>

The revenue comparison between fiscal year 2022 and fiscal year 2021 shows a total revenue increase in the amount of \$40,702. Operating revenues decreased by \$30,101. Student tuition and fees, State grants and contracts, sales and services of educational activities, and auxiliary enterprises all increased while federal grants and contracts and local grants and contracts both decreased.

Nonoperating revenues increased by a total of \$1,561,694. State appropriations increased by \$2,069,325 as a result of funding changes by the Utah State Legislature. Federal grants and contracts increased by \$213,930, which was the result of federal funding received related to the COVID-19 global pandemic. State grants and contracts decreased by \$476,052 as the result of receiving Custom Fit funding directly rather than through another State entity. Nonoperating revenues also included a \$34,222 decrease in gifts, a \$2,707 increase in investment income, and a \$213,994 decrease in the disposal of capital assets due to land being used for the expansion of the corner of 1400 North and 600 West in fiscal year 2021.

Other revenues decreased by a total of \$1,490,891, which is largely due to a decrease in Capital Appropriations from funding provided by the Utah Division of Facilities Construction and Management (DFCM) 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. Several major projects were completed in fiscal year 2021, whereas fewer projects were completed in fiscal year 2022.

Bridgerland Technical College
Management's Discussion and Analysis
For the Year Ended June 30, 2022

Expenses. The following schedule presents a summary of College expenses for the fiscal years ended June 30, 2022 and 2021:

Expenses	Year Ended June 30, 2022 Amount	Percent of Total Expense	Year Ended June 30, 2021 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Operating Expenses:					
Salaries and Wages	\$ 10,238,313	40.61%	\$ 9,731,382	\$ 506,931	5.21%
Benefits	3,876,504	15.38%	3,591,185	285,319	7.94%
Actuarial Calculated Pension Expense	1,521,987	6.04%	(1,232,703)	2,754,690	223.47%
Professional and Technical Educational Services	1,025,859	4.07%	822,401	203,458	24.74%
Utilities	678,085	2.69%	661,517	16,568	2.50%
Scholarships and Grants in Aid	1,095,654	4.35%	1,251,414	(155,760)	(12.45%)
Depreciation	1,814,071	7.20%	1,622,248	191,823	11.82%
Other Operating Expenses	4,958,465	19.67%	4,665,745	292,720	6.27%
Total Operating Expenses	<u>\$ 25,208,938</u>	<u>100.00%</u>	<u>\$ 21,113,189</u>	<u>\$ 4,095,749</u>	<u>19.40%</u>

Expenses for the year ended June 30, 2022, increased by \$4,095,749 compared to fiscal year ended June 30, 2021, which represents a 19.40 percent increase. As derived from information provided by the URS, the actuarial calculated pension expense caused \$2,754,690 of the increase. Salaries and wages increased by \$506,931 and benefits increased by \$285,319 due to a 1.50 percent cost of living adjustment as well as changes to enhance several programs with full-time benefits eligible employees. Scholarships and grants in aid decreased by \$155,760. Professional and technical educational services increased by \$203,458. Utilities and depreciation collectively increased by \$208,391. Other operating expenses increased by \$292,720 largely because of projects funded by federal funds received due to the COVID-19 global pandemic.

Debt Administration

The College's debt consists of liabilities for compensated absences and termination benefits, which collectively decreased by \$67,544 during fiscal year 2022. For additional information on these liabilities see Note 6.

Economic Outlook

Besides the continued effects of the COVID-19 global pandemic and the effect of unfunded depreciation, the College is not aware of any current facts, decisions, or conditions 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 is moving vigorously toward the completion of the new Frederick Quinney Lawson Health Sciences Building with expected completion by August 2023. The unfunded depreciation expenses are likely to have a significant negative impact on the Changes in Net Position. Overall, the College's financial position is strong. The

Bridgerland Technical College

Management's Discussion and Analysis

For the Year Ended June 30, 2022

College will maintain a close watch over resources to maintain the College's ability to respond to the pandemic as well as 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.

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Bridgerland Technical College

Statement of Net Position

June 30, 2022

ASSETS

Current Assets:

Cash and Cash Equivalents (Notes 1 and 2)	\$ 8,541,840
Accounts Receivable (Note 3)	286,874
Due From State Agencies (Note 3)	425,745
Inventories (Note 1)	847,932
Prepaid Expenses	241,059
Total Current Assets	<u>10,343,450</u>

Noncurrent Assets:

Restricted Cash and Cash Equivalents (Notes 1 and 2)	1,252,938
Construction/Implementation in Progress (Note 4)	318,874
Land (Notes 1 and 4)	1,559,252
Buildings and Improvements (Notes 1 and 4)	37,045,109
Equipment and Software (Notes 1 and 4)	9,420,115
Less Accumulated Depreciation (Notes 1 and 4)	(28,521,621)
Net Pension Asset (Notes 1 and 8)	4,840,430
Total Noncurrent Assets	<u>25,915,097</u>
Total Assets	<u>36,258,547</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred Outflows Relating to Pensions (Notes 1 and 8)	809,663
Total Deferred Outflows of Resources	<u>809,663</u>

LIABILITIES

Current Liabilities

Accounts Payable (Note 3)	619,233
Due to State Agencies (Note 3)	131,497
Unearned Revenue	720,766
Accrued Payroll	141,978
Termination Benefits (Current Portion) (Notes 6 and 7)	146,593
Compensated Absences (Current Portion) (Notes 6 and 9)	224,362
Total Current Liabilities	<u>1,984,429</u>

Noncurrent Liabilities

Termination Benefits (Notes 6 and 7)	194,801
Compensated Absences (Notes 6 and 9)	547,081
Total Noncurrent Liabilities	<u>741,882</u>
Total Liabilities	<u>2,726,311</u>

DEFERRED INFLOWS OF RESOURCES

Deferred Inflows Relating to Pensions (Notes 1 and 8)	7,998,032
Total Deferred Inflows of Resources	<u>7,998,032</u>

NET POSITION

Net Investment in Capital Assets	19,821,729
Restricted for	
Nonexpendable – Scholarships	81,928
Expendable – Scholarships and Other	449,521
Expendable – Capital Gifts	1,171,010
Unrestricted	4,819,679
Total Net Position	<u>\$ 26,343,867</u>

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, 2022

REVENUES

Operating Revenues (Note 1)

Student Tuition and Fees (Net of Scholarship Allowances of \$882,662)	\$ 1,899,916
Federal Grants and Contracts	280,596
State Grants and Contracts	18,394
Local Grants and Contracts	883,494
Sales and Services of Educational Activities	1,072,081
Auxiliary Enterprises (Net of Scholarship Allowances of \$8,317)	<u>530,709</u>
Total Operating Revenues	<u>4,685,190</u>

EXPENSES

Operating Expenses (Note 1)

Salaries and Wages	10,238,313
Benefits	3,876,504
Actuarial Calculated Pension Expense (Note 8)	1,521,987
Professional and Technical Educational Services	1,025,859
Utilities	678,085
Scholarships and Grants in Aid	1,095,654
Depreciation	1,814,071
Other Operating Expenses	<u>4,958,465</u>
Total Operating Expenses	<u>25,208,938</u>
Operating Loss	<u>(20,523,748)</u>

NONOPERATING REVENUES

State Appropriations	17,940,501
Federal Grants and Contracts	2,756,182
State Grants and Contracts	166,698
Gifts	304,164
Investment Income	67,381
Disposal of Capital Assets	<u>38,986</u>
Net Nonoperating Revenues	<u>21,273,912</u>

OTHER REVENUES

Capital Appropriations	1,073,452
Capital Gifts	177,350
Additions to Quasi Endowments	<u>20,000</u>
Total Other Revenues	<u>1,270,802</u>
Increase (Decrease) in Net Position	2,020,966

NET POSITION

Net Position – Beginning of Year	<u>24,322,901</u>
Net Position – End of Year	<u>\$26,343,867</u>

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

Bridgerland Technical College

Statement of Cash Flows

For the Year Ended June 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Tuition and Fees	\$ 1,950,485
Receipts from Grants and Contracts	1,107,955
Receipts from Auxiliary Enterprise Charges	531,690
Receipts from Sales and Services of Educational Activities	1,030,917
Payments to Employees for Salaries and Benefits	(15,260,469)
Payments to Suppliers	(6,476,393)
Payments for Scholarships	<u>(1,095,654)</u>
Net Cash Used by Operating Activities	<u>(18,211,469)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Receipts from State Appropriations	17,940,501
Receipts from Noncapital Contracts and Grants	2,538,291
Gifts Received	406,578
Additions to Quasi Endowments	<u>20,000</u>
Net Cash Provided by Noncapital Financing Activities	<u>20,905,370</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Cash Paid for Capital Assets	(1,474,687)
Cash Paid for Construction/Implementation in Progress	(23,480)
Proceeds from Sale of Capital Assets	90,629
Gifts Received	<u>177,350</u>
Net Cash Used by Capital and Related Financing Activities	<u>(1,230,188)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Receipt of Interest on Investments	<u>67,381</u>
Net Cash Provided by Investing Activities	<u>67,381</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,531,094
CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR	<u>8,263,684</u>
CASH AND CASH EQUIVALENTS – END OF YEAR	<u><u>\$ 9,794,778</u></u>

(continued next page)

Bridgerland Technical College

Statement of Cash Flows

For the Year Ended June 30, 2022

RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES

Operating Loss	\$(20,523,748)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation Expense	1,814,071
In-kind Gifts Received and Expensed	24,189
Difference between Actuarial Calculated Pension Expense and Actual Contributions	476,670
Changes in Assets and Liabilities:	
Accounts Receivable/Due From State Agencies	(121,095)
Inventories	18,077
Prepaid Expenses	(233,181)
Accounts Payable/Due to State Agencies	384,269
Unearned Revenue	49,614
Accrued Payroll	(32,791)
Termination Benefits/Compensated Absences	(67,544)
Net Cash Used by Operating Activities	<u>\$ (18,211,469)</u>

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

Capital Asset Additions through the State of Utah (DFCM)	\$ 1,073,452
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The accompanying notes are an integral part of these financial statements.

Bridgerland Technical College

Statement of Fiduciary Net Position

June 30, 2022

	Bridgerland Technical College 401(k) Plan December 31, 2021
ASSETS	
Investments at Fair Value	
Mutual Funds	\$ 147,114
Participant Loans	8,023
Total Assets	<u>155,137</u>
LIABILITIES	
Liabilities	-
Total Liabilities	<u>-</u>
NET POSITION	
Restricted for	
Defined Contribution	155,137
Total Net Position	<u>\$ 155,137</u>

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

Bridgerland Technical College
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2022

	Bridgerland Technical College 401(k) Plan For the Year Ended December 31, 2021
ADDITIONS	
Contributions	
Participant	\$ 48,718
Employer	105,665
Total Contributions	154,383
Investment Earnings	
Increase (Decrease) in Fair Value of Instruments	754
Less Investment Costs	-
Net Investment Earnings	754
Total Additions	155,137
DEDUCTIONS	
Distributions	-
Total Deductions	-
Increase (Decrease) in Fiduciary Net Position	155,137
NET POSITION	
Net Position – Beginning of Year	-
Net Position – End of Year	\$ 155,137

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, 2022

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 Higher Education and maintains a local Board of Trustees. It is included as a component unit of the State of Utah and is included in the State's *Annual Comprehensive 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.

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.

Blended Component Unit

Bridgerland Technical College Continuing Education Foundation (Foundation) is a legally separate and tax-exempt organization that was formed to exclusively benefit the College and its students. The nature of the relationship between the Foundation and the College meets the requirements for the Foundation to be presented in the College's financial statements as a blended component unit. Further information and condensed financials for the Foundation can be found in Note 13.

Fiduciary Activities

Bridgerland Technical College 401(k) Plan (the Plan) is a legally separate entity with a year-end of December 31 that was created to exclusively benefit the College and its employees by providing an alternate 401(k) defined contribution plan. The nature of the relationship between the Plan and the College meets the requirements for the Plan to be considered a fiduciary component unit and accounted for as a fiduciary activity as outlined by GASB 84. Further information is provided in the Statement of Fiduciary Net Position, the Statement of Changes in Fiduciary Net Position, and Note 8.

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

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.

When both restricted and unrestricted resources are available for use, the College uses restricted resources first and 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 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 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.

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

Capital Assets

Capital assets include property, 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 acquisition 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

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 have been determined on the same basis as they are reported by the Systems. For this purpose, benefit payments (including refunds of employee contributions) are 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.

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

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, 2022, \$122,304 of the College's bank balance of \$412,839 was uninsured and uncollateralized.

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

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

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, 2022, the College had \$9,641,191 held in the PTIF. The College's investment in the PTIF was valued using Level 2 measurements by applying the June 30, 2022, 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' 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, 2022, the average maturity of the College's investments was:

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

<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>	\$9,641,191	\$9,641,191

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, 2022, the College's investments were all unrated.

Note 3. Accounts Receivable and Payable

The following schedule presents accounts receivable at June 30, 2022:

Student Tuition and Fees	\$ 76,447
Federal Grants and Contracts	56,067
State and Local Grants and Contracts	157,837
Sales and Services of Educational Activities, Auxiliary Enterprises, Miscellaneous	11,523
Less Allowance for Doubtful Accounts	<u>(15,000)</u>
Total Accounts Receivable, net	<u>\$ 286,874</u>
Amounts Due From State Agencies	<u>\$ 425,745</u>
Total Due From State Agencies	<u>\$ 425,745</u>

Accounts payable at June 30, 2022, consisted of vendor payments totaling \$619,233 and due to State agencies in the amount of \$131,497.

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

Note 4. Capital Assets

Additions to capital assets include amounts paid by the College as well as additions paid for by the Utah Division of Facilities Construction and Management (DFCM). Capital asset activity for the fiscal year ended June 30, 2022, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Construction/Implementation in Progress	\$ 295,394	\$ 23,480	\$ -	\$ 318,874
Land	1,559,252	-	-	1,559,252
Buildings and Improvements	35,971,657	1,073,452	-	37,045,109
Equipment and Software	8,213,380	1,474,687	267,952	9,420,115
Total	46,039,683	2,571,619	267,952	48,343,350
Less Accumulated Depreciation: Buildings, Improvements, Equipment, and Software	(26,923,859)	(1,814,071)	(216,309)	(28,521,621)
Net Capital Assets	<u>\$ 19,115,824</u>	<u>\$ 757,548</u>	<u>\$ 51,643</u>	<u>\$ 19,821,729</u>

Note 5. Leases

The College provides space to various entities affiliated with the College's Entrepreneurship & Innovation Center and has determined that these agreements are classified as short-term leases and do not meet the criteria for additional reporting required under the GASB 87 lease standard. In addition, the College has an annual operating and maintenance agreement for use of space at the Brigham City Campus. Further information regarding this agreement can be found in Note 12.

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, 2022:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Termination Benefits	\$ 481,711	\$ 26,223	\$ 166,540	\$ 341,394	\$ 146,593
Compensated Absences	698,670	416,538	343,765	771,443	224,362
Net Pension Liability	4,891	-	4,891	-	-
Total Noncurrent Liabilities	<u>\$ 1,185,272</u>	<u>\$ 442,761</u>	<u>\$ 515,196</u>	<u>\$ 1,112,837</u>	<u>\$ 370,955</u>

Note 7. Termination Benefits

In accordance with the College's Early Retirement Incentive Policy, benefits-eligible employees (1) whose accumulated age and years of service in the Utah Retirement Systems (URS) or Alternate Retirement Plan equal or exceed 75, (2) who have at least

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

five years of service at the College, (3) who meet the eligibility requirements for retirement under rules established by the URS or are eligible to retire and withdraw funds from the Alternate Retirement Plan without an early withdrawal penalty as determined by IRS (typically age 59 ½), and (4) who actually retire prior to reaching the age of eligibility for unreduced social security benefits (typically age 65), may apply for participation in the College's Voluntary Early Retirement Incentive Program.

Entrance or participation in the Voluntary 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 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 first as an employer-paid purchase of service credits to the URS if the employee is eligible and next as an employer-paid contribution 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, 2022, there were seven retirees approved for benefits under the Voluntary Early 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 10.00 percent. The cumulative accrued retirement incentive plan liability as of June 30, 2022, totaled \$341,394.

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

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.

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/general/publications.

Benefits Provided

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

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

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% 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 as of June 30, 2022, are as follows:

	Paid by College for Employee	College Contribution Rate
Noncontributory System	N/A	22.19
Tier 2 Public Employees System	N/A	19.40

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, 2022, the employer and employee contributions to the Systems were as follows:

	College Contributions	Employee Contributions
Noncontributory System	\$ 890,181	N/A
Tier 2 Public Employees System	116,020	-
Total Contributions	\$ 1,006,201	\$ -

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

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, 2022, the College reported a net pension asset of \$4,840,430 and a net pension liability of \$0.

	Net Pension Asset	Net Pension Liability	Proportionate Share December 31, 2021	Proportionate Share December 31, 2020	Change (Decrease)
Noncontributory System	\$ 4,827,082	\$ -	1.9639043%	1.9639043%	.00%
Tier 2 Public Employees System	13,348	-	0.0315379%	0.0340092%	(0.0024713)%
Total Net Pension Asset / Liability	<u>\$ 4,840,430</u>	<u>\$ -</u>			

The net pension asset and liability were measured as of December 31, 2021. The total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2021, 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, 2022, the College recognized pension expense of \$1,521,987.

At June 30, 2022, 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	\$ 6,485	\$ 1,186,088
Changes in assumptions	249,045	126
Net difference between projected and actual earnings on pension plan investments	-	5,034,718
Changes in proportion and differences between contributions and proportionate share of contributions	28,342	1,777,100
Contributions subsequent to the measurement date	525,791	-
Total	<u>\$ 809,663</u>	<u>\$ 7,998,032</u>

Of the amount reported as deferred outflows of resources related to pensions, \$525,791 resulted from contributions made by the College prior to its fiscal year end, but subsequent to the measurement date of December 31, 2021. 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, 2022

<u>Year Ending December 31,</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2022	\$ (3,541,349)
2023	\$ (2,158,084)
2024	\$ (1,225,459)
2025	\$ (802,787)
2026	\$ 2,535
Thereafter	\$ 10,985

Actuarial Assumptions

The total pension liability in the December 31, 2021, 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 – 9.25 percent, average, including inflation
Investment Rate of Return	6.85 percent, net of pension plan investment expense, including inflation

Mortality rates were adopted from an actuarial experience dated January 1, 2020. The retired mortality tables are developed using Systems' retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using 80 percent of the ultimate rates from the MP-2019 improvement assumption using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employee Mortality Table for public employees, teachers, and public safety members, respectively.

The actuarial assumptions used in the January 1, 2021, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2019.

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 and is applied consistently to each defined benefit pension plan. 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, 2022

Expected Return Arithmetic Basis

Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
37%	6.58%	2.43%
20%	(.28%)	(.06%)
15%	5.77%	0.87%
12%	9.85%	1.18%
16%	2.91%	0.47%
0%	(1.01%)	0.00%
100%		4.89%
Inflation		2.50%
Expected Arithmetic Nominal Return		7.39%

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50%, and a real return of 4.35% that is net of investment expense.

Changes in Assumptions

The investment return assumption was decreased by 0.10% to 6.85% for use in the January 1, 2021 actuarial valuation. This assumption change was based on analysis performed by the actuary and adopted by the Utah State Retirement Board. In aggregate, this assumption change resulted in a \$509 million increase in the Total Pension Liability, which is about 1.3% of the Total Pension Liability as of December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

Discount Rate

The discount rate used to measure the total pension liability was 6.85 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

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

Rate. The discount rate was reduced from 6.95% to 6.85% 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 6.85 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 (5.85 percent) or 1 percentage point higher (7.85 percent) than the current rate:

<u>System</u>	<u>1% Decrease (5.85%)</u>	<u>Discount Rate (6.85%)</u>	<u>1% Increase (7.85%)</u>
Noncontributory System	\$ 299,228	\$ (4,827,082)	\$ (9,114,298)
Tier 2 Public Employees System	79,530	(13,348)	(84,659)
Total	<u>\$ 378,758</u>	<u>\$ (4,840,430)</u>	<u>\$ (9,198,957)</u>

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 an alternate 401(k) defined contribution plan. For fiscal year 2022, the College used the Utah Interlocal Educational Benefits Trust (UIEBT) for July 1, 2021 through September 30, 2021, as the alternate plan and then transitioned to the Bridgerland Technical College 401(k) Plan (the Plan) through Transamerica Retirement Solutions effective October 1, 2021.

In September of 2011, eligible employees 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 6.20 percent of these eligible employees' salaries into their respective 401(k) accounts.

Utah Retirement Systems (Systems)

The College also contributes 1.50 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 19.40 percent is a retirement contribution and the balance of 0.62 percent is contributed to the employee's contribution plan. If the retirement contribution rises above 20.02 percent

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

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, 2022, totaled \$426,251. Under certain IRS and plan restrictions, employees can make additional contributions. Contributions by College employees for the year ended June 30, 2022, totaled \$313,078.

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, 2022, totaled \$37,921.

Utah Interlocal Educational Benefits Trust (UIEBT)

For employees covered by the alternate defined contribution plan, the College contributes 14.20 percent of eligible employees' gross earnings. Employer contributions toward this plan for the year ended June 30, 2022, totaled \$96,983. Employee contributions toward this plan for the year ended June 30, 2022, totaled \$26,773.

Bridgerland Technical College 401(k) Plan (the Plan)

The Plan is a defined contribution plan created for the sole purpose of providing an alternate 401(k) defined contribution plan to eligible staff and faculty at the College. The College is the only participating employer. The Plan is administered through a trust with the College President and Chief Financial Officer as trustees. The College has an obligation to make contributions, which vest at the time contributions are made. For employees covered by the alternate defined contribution plan, the College contributes 14.20 percent of eligible employees' gross earnings. As of June 30, 2022, there were 65 plan members. Employer contributions toward this plan for the year ended June 30, 2022, totaled \$360,190. Employee contributions toward this plan for the year ended June 30, 2022, totaled \$115,936.

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

Note 9. Compensated Absences

The College accrues and reports annual leave in the year earned. Benefits-eligible employees are eligible for one day (1.00) of paid annual leave 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 leave carryover without limit was suspended temporarily. Employees retained accumulated annual leave earned prior to this date. For fiscal year 2022, employees were allowed to accrue unused annual leave at a rate of 20.00 percent of the total amount of annual leave earned during the fiscal year.

Upon termination, the cash value of accumulated unused annual leave calculated by multiplying the employee's current hourly rate by 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

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

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 Utah Division of Facilities Construction and Management (DFCM) for the Brigham City Campus Building. This agreement is renewable on a yearly basis on June 30. As of June 30, 2022, the contract had been renewed effective until June 30, 2023. During fiscal year 2022, the College paid a total of \$296,884 to DFCM under this agreement.

Note 13. Bridgerland Technical College Continuing Education Foundation

Bridgerland Technical College Continuing Education Foundation (Foundation) was granted a Certificate of Incorporation on October 12, 2021, under the laws of the State of Utah and is recognized as a "Section 501(c)3" Corporation by the Internal Revenue Service. The Foundation exists to offer continuing education courses of interest and basic instruction necessary for student success in a chosen technical education or job-related program. The Foundation is a legally separate organization with the same governing Board of Trustees as the College. The College provides administrative resources for the daily operations of the Foundation. The Foundation is considered a component unit of the College and is presented in the College's financial statements as a blended component unit.

The following is a condensed version of the Foundation's financial statements for the fiscal year ended June 30, 2022:

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

CONDENSED STATEMENT OF NET POSITION

	Continuing Education Foundation	Primary Government Eliminations	Total Net of Eliminations
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 160,006	\$ (93,179)	\$ 66,827
Accounts Receivable	360	-	360
Total Current Assets	160,366	(93,179)	67,187
LIABILITIES			
Current Liabilities			
Accounts Payable	16,356	-	16,356
Accrued Payroll	3,758	-	3,758
Total Current Liabilities	20,114	-	20,114
NET POSITION			
Unrestricted	140,252	(93,179)	47,073
Total Net Position	\$ 140,252	\$ (93,179)	\$ 47,073

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	Continuing Education Foundation	Primary Government Eliminations	Total Net of Eliminations
REVENUES			
Operating Revenues			
Student Fees	\$ 352,511	\$ (93,252)	\$ 259,259
Total Operating Revenues	352,511	(93,252)	259,259
EXPENSES			
Operating Expenses			
Salaries and Wages	126,786	-	126,786
Benefits	20,371	-	20,371
Other Operating Expenses	65,102	(73)	65,029
Total Operating Expenses	212,259	(73)	212,186
Operating Income (Loss)	140,252	(93,179)	47,073
Increase (Decrease) in Net Position	140,252	(93,179)	47,073
NET POSITION			
Net Position – Beginning of Year	-	-	-
Net Position – End of Year	\$ 140,252	\$ (93,179)	\$ 47,073

Bridgerland Technical College

Notes to the Financial Statements

For the Year Ended June 30, 2022

CONDENSED STATEMENT OF CASH FLOWS

	<u>Continuing Education Foundation</u>	<u>Primary Government Eliminations</u>	<u>Total Net of Eliminations</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Cash Provided/(Used) by Operating Activities	\$ 160,006	\$ (93,179)	\$ 66,827
Net Increase (Decrease) in Cash and Cash Equivalents	160,006	(93,179)	66,827
CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR	-	-	-
CASH AND CASH EQUIVALENTS – END OF YEAR	<u>\$ 160,006</u>	<u>\$ (93,179)</u>	<u>\$ 66,827</u>

Bridgerland Technical College

Required Supplementary Information

For the Year Ended June 30, 2022

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,							
	2021	2020	2019	2018	2017	2016	2015	2014
<i>Noncontributory System</i>								
Proportion of Net Pension Liability (Asset)	1.9639043%	1.9639043%	0.1597078%	0.1559590%	0.1602861%	0.1660955%	0.1662583%	0.1541022%
Proportionate Share of Net Pension Liability (Asset)	\$ (4,827,082)	\$ (1,936,972)	\$ 3,548,231	\$ 5,802,481	\$ 3,919,576	\$ 5,383,017	\$ 5,222,649	\$ 3,871,862
Covered Payroll	\$ 4,154,719	\$ 4,220,827	\$ 4,419,658	\$ 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	(116.18%)	(45.89%)	80.28%	128.19%	86.72%	112.73%	103.73%	81.4%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	214.5%	199.0%	90.1%	84.1%	89.2%	84.9%	84.5%	87.2%
<i>Tier 2 Public Employees System</i>								
Proportion of Net Pension Liability (Asset)	0.0315379%	0.0340092%	0.0355827%	0.0389818%	0.0506540%	0.0541636%	0.0481371%	0.013412%
Proportionate Share of Net Pension Liability (Asset)	\$ (13,348)	\$ 4,891	\$ 8,003	\$ 16,695	\$ 4,466	\$ 6,042	\$ (105)	\$ (398)
Covered Payroll	\$ 585,881	\$ 543,807	\$ 494,391	\$ 455,813	\$ 495,559	\$ 444,186	\$ 311,024	\$ 65,086
Proportionate Share of Net Pension Liability (Asset) as a Percentage of Covered Payroll	(2.28%)	0.90%	1.62%	3.66%	0.90%	1.36%	(.03%)	(.60%)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	103.8%	98.3%	96.5%	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, 2022

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	\$ 890,181	\$ 910,592	\$ 930,930	\$ 974,725	\$ 975,074	\$ 1,003,413	\$ 1,062,448	\$ 1,002,013	\$ 877,560	\$ 819,522
Contributions in Relation to the Contractually Required Contribution	(890,181)	(910,592)	(930,930)	(974,725)	(975,074)	(1,003,413)	(1,062,448)	(1,002,013)	(877,560)	(819,522)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 4,115,645	\$ 4,218,304	\$ 4,314,911	\$ 4,498,114	\$ 4,481,646	\$ 4,599,870	\$ 5,016,079	\$ 4,869,256	\$ 4,680,415	\$ 4,754,290
Contributions as a Percentage of Covered Payroll	21.63%	21.59%	21.57%	21.67%	21.76%	21.81%	21.18%	20.58%	18.75%	17.24%

Tier 2 Public Employees System*

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	\$ 116,020	\$ 109,016	\$ 101,900	\$ 85,397	\$ 92,955	\$ 91,121	\$ 70,625	\$ 16,886	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	(116,020)	(109,016)	(101,900)	(85,397)	(92,955)	(91,121)	(70,625)	(16,886)		
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 598,042	\$ 572,645	\$ 536,597	\$ 452,557	\$ 505,951	\$ 499,567	\$ 387,198	\$ 202,716		
Contributions as a Percentage of Covered Pavroll	19.40%	19.04%	18.99%	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 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 Governing Board, 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 the business-type activities and fiduciary activities of the Bridgerland Technical College (the College), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated March 2, 2023.

Report on 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 opinions 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 or significant deficiencies may exist that were not identified.

Report on 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
Salt Lake City, Utah
March 2, 2023



March 2, 2023

Bertha Lui, CPA
Utah Office of the 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 of the Bridgerland Technical College's financial statements, which comprise the respective financial position of the business-type activities and fiduciary activities as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows for the period then ended, and the disclosures (collectively, 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 March 2, 2023, 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 January 12, 2023, 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 and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 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.
- 6) 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.
- 7) 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.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the College is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

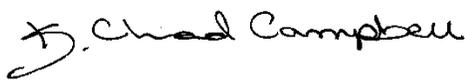
- 10) We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to [the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other 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 the Board of Trustees or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 12) 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.
- 13) 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.
- 14) 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.

- 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 16) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 17) We have disclosed to you the names of the College's related parties and all the related party relationships and transactions, including any side agreements.

Government—specific

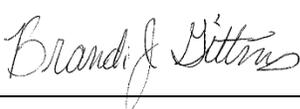
- 18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- 20) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- 21) 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 net position.
- 22) 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.
- 23) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
- 24) 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.
- 25) 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.
- 26) 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.
- 27) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 28) The financial statements include all fiduciary activities required by GASBS No. 84, as amended.

- 29) The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34, as amended, and GASBS No. 84.
- 30) Components of net position (net investment in capital assets, restricted, and unrestricted) are properly classified and, if applicable, approved.
- 31) Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.
- 32) Provisions for uncollectible receivables have been properly identified and recorded.
- 33) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 34) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 35) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 36) 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.
- 37) 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.

Signature: 

K. Chad Campbell

Title: President

Signature: 

Brandi Gittins

Title: AVP for Finance & Facilities

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	USHE Code	Length of Program in Hours		Credential (certificate, diploma, degree)	Aligned with USHE
					Clock	Credit		
Advanced Emergency Medical Technician	51.0904	7230	AEMT	TEEM	186	6	Certificate	Y
Animal Sciences	01.8301	3110	ANSC	TEAS	600	18	Certificate	Y
Apprentice Electrician (now Electrical Apprenticeship)	46.0302	7330	APPE	-	720	-	Certificate	-
Apprentice Plumber (now Plumbing Apprenticeship)	46.0503	7330	APPP	-	720	-	Certificate	-
Auto Collision (now Collision Repair Technology)	47.0603	7570	AUCL	-	1110	-	Certificate	-
Automation Technology ed Manufacturing	47.0303	6070	ATTE	TEAM	900	30	Certificate	Y*
Automotive Service	47.0604	7580	AUTO	TEAT	600	20	Certificate	
Automotive Service II	47.0604	7580	AUTA	TEAT	600	20	Certificate	
Building Technology (now Construction Technology)	46.0201	7420	BLDT	-	960	-	Certificate	-
Business Technology	52.0401	5250	BUSI	TEBP	900	30	Certificate	Y*
Collision Repair Technology (was Auto Collision)	47.0603	7570	CLRT	TECR	1020	34	Certificate	Y
Commercial Driver's License Class A	49.0205	7550	CDLA	TECD	180	6	Certificate	Y*
Controls Engineering Technology	47.0303	6070	CTRL	TECE	600	20	Certificate	Y
Construction Technology (was Building Technology)	46.0201	7420	COTE	TECO	900	30	Certificate	Y*
Culinary Arts	12.0503	4170	CULR	TECA	900	30	Certificate	
Data Analytics	30.7101	6200	DATA	TEDA	450	15	Certificate	Y
Dental Assisting	51.0601	3010	DNAS	TEDE	900	29	Certificate	Y
Diesel Technology	47.0605	7540	DIES	TEDT	1050	35	Certificate	Y
Digital Design (was Media Design)	11.0801	7710	DIDS	TEDG	900	30	Certificate	Y*
Drafting and Design	15.1302	7710	DRDS	TEDR	900	30	Certificate	Y*
Electrical Apprenticeship	46.0302	7330	APPE	TEEL	720	24	Certificate	Y
Electronics-Engineering Technology	47.0105	7510	ELTE	TEET	750	25	Certificate	Y*
Emergency Medical Technician	51.0904	7230	EMTE	TEEM	186	6	Certificate	Y
Fashion Merchandising and Development	52.1902	2050	FADV	TEFM	900	30	Certificate	Y
Fire and Rescue Services	43.0203	7250	FIRS	TEFF	600	20	Certificate	
Heavy Equipment Operator	49.0202	7550	HEOP	TEHE	300	10	Certificate	Y*
Heavy Equipment Operator/CDL	49.0202	7550	HEOC	-	600	-	Certificate	-
Information Technology (was IT & Cybersecurity)	11.0901	7520	IFTE	TEIT	600	20	Certificate	Y*
Interior Design	50.0408	4080	IDEA	TEID	1200	39	Certificate	Y
IT & Cybersecurity (now Information Technology)	11.0101	7520	INCS	-	900	-	Certificate	-
Machining Technology	48.0501	7780	MACT	TEMT	900	30	Certificate	Y*
Meat Services	12.0506	7770	MEAT	TEMS	900	29	Certificate	Y
Media Design (now Digital Design)	11.0801	7710	MDSN	-	1200	-	Certificate	-
Medical Assisting -Assistant	51.0801	3130	MAST	TEMA	900	28	Certificate	Y
Nursing Assistant	51.3902	3180	NSAS	TENA	114	3	Certificate	Y
Paramedic	51.0904	7240	EMPA	TEPA	1170	33	Certificate	Y

PROGRAM NAME	CIP Code	Cost Center Code	Major Code	USHE Code	Length of Program in Hours		Credential (certificate, diploma, degree)	Aligned with USHE
					Clock	Credit		
Pharmacy Technician Advanced	51.0805	3160	PHRA	TEPT	600	17	Certificate	Y
Phlebotomy	51.1009	3180	PHLB	TEPH	60	2	Certificate	
Plumbing Apprenticeship (was Apprentice Electrician)	46.0503	7330	APPP	TEPL	720	24	Certificate	Y
Police Academy	43.0107	7210	POLA	TELE	735	24	Certificate	
Practical Nursing	51.3901	3150	PNRS	TEPN	1200	35	Certificate	
Real Estate	52.1501	2030	REAL	TERE	120	4	Certificate	Y
Web & Mobile Development	11.0201	2130	WBMO	TEWD	900	30	Certificate	Y*
Welding Technology	48.0508	7800	WELT	TEWT	900	30	Certificate	Y*

BRIDGERLAND TECHNICAL COLLEGE
POSTSECONDARY
EDUCATIONAL PROGRAMS
~ BRIGHAM CITY 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	USHE Code	Length of Program in Hours		Credential (certificate, diploma, degree)	Aligned with USHE
					Clock	Credit		
Automation Technology ed Manufacturing	47.0303	6070	ATTE	TEAM	900	30	Certificate	Y*
Cosmetology/Barbering	12.0401	7035	COSU	TECS	1600	44	Certificate	Y
Information Technology (was IT & Cybersecurity)	11.0901	7520	IFTE	TEIT	600	20	Certificate	Y*
IT & Cybersecurity (now Information Technology)	11.0101	7525	INCS	-	900	-	Certificate	-
Master Esthetics -Esthetician	12.0409	7045	MESN	TEES	1200	32	Certificate	Y
Therapeutic Massage	51.3501	7065	TMAS	TETM	825	26	Certificate	Y

High School Course	22-23 Consumables Fee (pd at SS)	23-24 Consumables Fee (pd at SS)
Animal Sciences	\$25.00	\$25.00
Auto Collision	-	-
Automated Manufacturing	-	-
Automotive Services	-	-
Building Technology	-	-
Business Technology	-	-
Cosmetology/Barbering	-	-
Culinary Arts	-	-
Data Analytics	-	-
Dental Assisting	\$7-\$34	\$7-\$34
Diesel	-	-
Drafting	-	-
Drug Dosages & Calculations	-	-
Electronic Engineering Technology	-	-
Fashion Merchandising and Development	-	-
Financial Literacy	-	-
Heavy Equipment Operator	\$25.00	-
IT & Cybersecurity	-	-
Interior Design	-	-
Machining Technology	\$75-\$128	\$0-\$128
Meat Services	-	-
Media Design	-	-
Medical Assisting	-	-
Medical Terminology	-	-
Nursing Assistant (CNA)	\$25.00	-
Pharmacy Technician	\$60.00	\$60.00
Pre-Apprentice Electrician		-
Pre-Apprentice Plumber		-
Real Estate	-	-
Web & Mobile Development	-	-
Welding Technology	-	-
Wildland Firefighter	-	-

Program	22-23 Clock Hour Fees	23-24 Proposed Credit Fees	Fee Difference	Fee Summary
Advanced Emergency Medical Technician	710	527	(183)	Consumable handbook; NREMT voucher; IV packet; Utah License fee; uniform
Animal Sciences	290	287	(3)	Consumable supplies (e.g., gloves, vet wrap, catheters, syringes, gauze, vasoline, pet waste bags, etc.)
Automation Technology	1,160	217	(944)	Consumable supplies (e.g., aluminum, hardware, conduit, wire, steel, etc.)
Automotive Service	100	-	(100)	None
Automotive Service II	80	-	(80)	None
Building Technology	195	105	(90)	Forklift certification; CPR/First Aid certification; OSHA fee
Business	336	1,078	742	TOSA Certification fees (varies by electives); Cengage and online software subscription codes
Collision Repair Technology	210	130	(80)	S/P2 and ICAR software subscriptions
Commercial Drivers License Class A	2,180	1,093	(1,087)	DOT physical; temporary CDL permit; fuel
Controls Engineering Technology	990	609	(381)	Fanuc industry certifications
Cosmetology	1,210	1,200	(10)	Consumable supplies and personal equipment (e.g., chemicals, PPE, styling tools, styling products, etc.)
Culinary Arts	339	166	(173)	Consumable goods; food safety manager certification
Data Analytics	519	-	(519)	None
Dental Assisting	1,120	281	(839)	Consumable supplies (e.g., amalgam, x-ray materials, etc.)
Diesel Technology	455	242	(213)	Aera (CDX) membership fee; S/P2 software; Jones and Bartlett software
Digital Design	170	-	(170)	None
Drafting and Design	220	-	(220)	None
Electronics Technology	1,650	1,562	(88)	Consumable supplies; software memberships; industry certifications
Electrical Apprenticeship	270	290	20	Consumable supplies (e.g., conduit); CPR certification
Emergency Medical Technician	710	441	(269)	Consumable handbook, Utah License fee, equipment (e.g., blood pressure cuff, stethoscope, uniform, etc.)
Fashion Merchandising and Development	140	-	(140)	None
Fire and Rescue Services	2,275	1,029	(1,246)	Consumable supplies; PPE; uniform; fire certification fees

Program	22-23 Clock Hour Fees	23-24 Proposed Credit Fees	Fee Difference	Fee Summary
Heavy Equipment Operator	680	1,098	418	Consumable supplies; fuel; CPR; OSHA certification
Information Technology	1,220	1,234	14	Industry certification fees (varies by elective)
Interior Design	340	-	(340)	None
Machining Technology	480	435	(45)	Tooling U subscription; MasterCam access; NCATC software
Master Esthetician	2,100	1,500	(600)	Consumable supplies (e.g., facial chemicals, creams, eyelash kits); personal tools
Meat Services	90	-	(90)	None
Medical Assistant	485	572	87	Consumable supplies (e.g., gauze, bandages, needles)
Nursing Assistant	200	87	(113)	Consumable supplies; PPE; Stethoscope; uniform
Paramedic	3,482	1,557	(1,925)	Consumable supplies; uniforms; NREMT voucher; FISDAP subscription; ACLS/PALS certification; PHTLS certifications
Pharmacy Technician Advanced	573	778	205	Online subscription; PPE; uniform
Phlebotomy	330	135	(195)	Consumable supplies (e.g., needles, vials, etc.); PPE
Plumbing Apprenticeship	270	725	455	Consumable supplies (e.g., PVC and copper); CPR certification
Police Academy	1,340	805	(535)	Ammunition; consumable workbook; LCPD range fee
Practical Nursing	540	788	248	Consumable supplies; SimChart software; HSA software; uniforms
Real Estate	222	-	(222)	None
Software Development	120	198	78	TestOut certification fee; student Web hosting service
Therapeutic Massage	2,455	1,588	(867)	Consumable supplies (e.g., lotions, oils, stones, etc.); linens; sanitizing supplies; equipment
Welding Technology	210	-	(210)	None

	2017		2018		2019		2020		2021		2022		Goal 2027	
	Enrollments	Share	Enrollments	Share	Enrollments	Share	Enrollments	Share	Enrollments	Share	Enrollments	Share	Enrollments	Share
Bridgerland Tech	183	0.51%	216	0.58%	227	0.59%	225	0.56%	240	0.58%	263	0.63%	USHE 5-Year Goal	56.65%
Davis Tech	297	0.83%	372	1.01%	333	0.87%	400	1.00%	435	1.05%	453	1.08%		
Dixie Tech	65	0.18%	96	0.26%	88	0.23%	105	0.26%	138	0.33%	126	0.30%	USHE Year 1 Goal	54.25%
Mountainland Tech	396	1.11%	368	1.00%	453	1.18%	469	1.17%	607	1.47%	558	1.33%		
Ogden-Weber Tech	240	0.67%	284	0.77%	330	0.86%	316	0.79%	370	0.90%	370	0.88%		
SLCC	3,697	10.37%	3,770	10.21%	3,929	10.25%	3,855	9.61%	3,853	9.32%	3,968	9.43%		
SNOW	1,485	4.16%	1,447	3.92%	1,367	3.57%	1,348	3.36%	1,332	3.22%	1,262	3.00%		
Southwest Tech	40	0.11%	51	0.14%	45	0.12%	67	0.17%	55	0.13%	64	0.15%		
SUU	960	2.69%	1,141	3.09%	1,274	3.32%	1,399	3.49%	1,633	3.95%	1,415	3.36%		
Tooele Tech	61	0.17%	67	0.18%	69	0.18%	57	0.14%	64	0.15%	90	0.21%		
Uintah Basin Tech	41	0.11%	41	0.11%	52	0.14%	41	0.10%	43	0.10%	50	0.12%		
USU	3,257	9.13%	3,319	8.99%	3,078	8.03%	2,999	7.48%	3,167	7.66%	3,218	7.65%		
UT	1,348	3.78%	1,303	3.53%	1,586	4.14%	1,644	4.10%	1,598	3.87%	1,671	3.97%		
UU	2,480	6.95%	2,533	6.86%	2,625	6.85%	2,742	6.84%	2,708	6.55%	2,447	5.82%		
UVU	3,465	9.72%	3,806	10.31%	3,894	10.16%	4,173	10.41%	3,856	9.33%	4,007	9.53%		
WSU	2,300	6.45%	2,268	6.14%	2,376	6.20%	2,538	6.33%	2,690	6.51%	2,605	6.19%		
USHE TOTAL	20,315	56.97%	21,082	57.08%	21,726	56.69%	22,378	55.81%	22,789	55.12%	22,567	53.65%		
In State Private	2,002	5.61%	1,956	5.30%	938	2.45%	1,859	4.64%	2,345	5.67%	2,344	5.57%		
Out of State	1,538	4.31%	1,465	3.97%	688	1.80%	1,375	3.43%	1,759	4.26%	1,959	4.66%		
Total Enrolled	23,855	66.89%	24,503	66.34%	23,352	60.93%	25,612	63.87%	26,893	65.08%	26,870	63.88%		
Not Enrolled	11,806	33.11%	12,430	33.66%	14,974	39.07%	14,487	36.13%	14,430	34.92%	15,191	36.12%		
Total High School Graduates	35,661	100%	36,933	100%	38,326	100%	40,099	100.00%	41,323	100.00%	42,061	100.00%		

	2019			2020			2021			2022			5-Year Goal (2022-2027)		1-Year Goal (2022-2023)	
	Cohort	Timely Completion	Percent	5-year Increment	Percent	1-year Increment (Please enter your goal in the cell corresponding to your instiution)	Percent									
Bridgerland Tech	1,029	649	63.07%	1,145	735	64.19%	1,040	584	56.15%	1,133	628	55.43%	3.0%	58.43%	0.60%	56.03%
Davis Tech	1,601	766	47.85%	1,664	855	51.38%	1,806	868	48.06%	1,739	894	51.41%	3.0%	54.41%		51.41%
Dixie Tech	351	189	53.85%	299	186	62.21%	416	235	56.49%	516	323	62.60%	3.0%	65.60%		62.60%
Mountainland Tech	1,250	984	78.72%	1,223	947	77.43%	1,284	1,055	82.17%	1,993	1,125	56.45%	3.0%	59.45%		56.45%
Ogden-Weber Tech	1,432	510	35.61%	1,207	511	42.34%	1,399	590	42.17%	1,328	548	41.27%	3.0%	44.27%		41.27%
SLCC	7,798	2,974	38.14%	10,008	3,894	38.91%	9,879	3,698	37.43%	9,541	3,796	39.79%	3.0%	42.79%		39.79%
SNOW	1,923	1,162	60.43%	1,895	1,147	60.53%	1,870	1,168	62.46%	1,817	1,118	61.53%	12.8%	74.30%		61.53%
Southwest Tech	216	158	73.15%	327	260	79.51%	336	249	74.11%	354	275	77.68%	3.0%	80.68%		77.68%
SUU	1,822	927	50.88%	1,799	884	49.14%	1,840	825	44.84%	2,102	1,117	53.14%	3.0%	56.14%		53.14%
Tooele Tech	238	104	43.70%	230	111	48.26%	240	119	49.58%	237	139	58.65%	4.0%	62.65%		58.65%
Uintah Basin Tech	477	237	49.69%	343	199	58.02%	316	224	70.89%	284	175	61.62%	4.0%	65.62%		61.62%
USU	6,922	3,516	50.79%	7,035	3,689	52.44%	7,144	3,689	51.64%	7,563	4,122	54.50%	4.0%	58.50%		54.50%
UT	2,762	995	36.02%	2,614	924	35.35%	2,817	956	33.94%	2,718	993	36.53%	3.0%	39.53%		36.53%
UU	6,068	4,168	68.69%	5,512	3,782	68.61%	5,496	3,703	67.38%	5,888	3,994	67.83%	3.0%	70.83%		67.83%
UVU	6,788	2,305	33.96%	6,793	2,314	34.06%	7,397	2,481	33.54%	7,757	2,841	36.62%	3.0%	39.62%		36.62%
WSU	4,843	1,630	33.66%	5,185	1,778	34.29%	6,025	2,051	34.04%	5,939	2,156	36.30%	3.0%	39.30%		36.30%
Grand Total	45,520	21,274	46.74%	47,279	22,216	46.99%	49,305	22,495	45.62%	50,909	24,244	47.62%	3.0%	50.62%		

	2018			2019			2020			2021			2022			5-Year Goal (2022-2027)		1-Year Goal (2022-2023)	
	Cohort	4/5 Star	Percent	5-year Increment	Percent	1-year Increment (Please enter your goal in the cell corresponding to your institution)	Percent												
Bridgerland Tech	785	380	48.41%	890	410	46.07%	903	422	46.73%	949	429	45.21%	987	486	49.24%	7.0%	56.24%	1.40%	50.64%
Davis Tech	1,290	438	33.95%	1,434	514	35.84%	1,417	503	35.50%	1,419	503	35.45%	1,487	622	41.83%	8.0%	49.83%		41.83%
Dixie Tech	300	110	36.67%	369	160	43.36%	339	168	49.56%	540	304	56.30%	676	446	65.98%	7.0%	72.98%		65.98%
Mountainland Tech	1,676	461	27.51%	1,997	620	31.05%	1,589	545	34.30%	1,991	626	31.44%	2,077	683	32.88%	8.0%	40.88%		32.88%
Ogden-Weber Tech	851	424	49.82%	947	452	47.73%	874	451	51.60%	937	500	53.36%	1,012	491	48.52%	7.0%	55.52%		48.52%
SLCC	2,145	1,701	79.30%	2,319	1,826	78.74%	2,467	1,970	79.85%	2,714	2,060	75.90%	2,580	1,960	75.97%	1.0%	76.97%		75.97%
SNOW	385	248	64.42%	441	285	64.63%	802	339	42.27%	934	466	49.89%	908	572	63.00%	7.0%	70.00%		63.00%
Southwest Tech	360	133	36.94%	436	148	33.94%	294	153	52.04%	407	190	46.68%	387	190	49.10%	7.0%	56.10%		49.10%
SUU	1,548	1,126	72.74%	1,605	1,245	77.57%	1,689	1,258	74.48%	1,834	1,358	74.05%	2,161	1,537	71.12%	3.0%	74.12%		71.12%
Tooele Tech	175	111	63.43%	208	110	52.88%	181	102	56.35%	242	141	58.26%	279	164	58.78%	6.0%	64.78%		58.78%
Uintah Basin Tech	513	256	49.90%	519	277	53.37%	525	295	56.19%	688	402	58.43%	642	356	55.45%	6.0%	61.45%		55.45%
USU	4,931	4,068	82.50%	5,515	4,536	82.25%	5,423	4,395	81.04%	5,638	4,458	79.07%	5,460	4,300	78.75%	3.0%	81.75%		78.75%
UT	1,260	736	58.41%	1,263	784	62.07%	1,340	855	63.81%	1,504	960	63.83%	1,686	1,077	63.88%	6.0%	69.88%		63.88%
UU	7,766	6,760	87.05%	7,942	6,810	85.75%	8,053	6,744	83.75%	8,070	6,549	81.15%	8,247	6,733	81.64%	0.0%	81.64%		81.64%
UVU	4,447	3,273	73.60%	4,757	3,526	74.12%	5,010	3,648	72.81%	6,294	4,946	78.58%	8,183	6,204	75.82%	3.0%	78.82%		75.82%
WSU	3,852	3,035	78.79%	3,899	3,104	79.61%	4,148	3,224	77.72%	4,382	3,460	78.96%	4,497	3,591	79.85%	3.0%	82.85%		79.85%
Grand Total	32,284	23,260	72.05%	34,541	24,807	71.82%	35,054	25,072	71.52%	38,543	27,352	70.96%	41,269	29,412	71.27%	3.0%	74.27%		

NUMBER: 701

SUBJECT: ADMINISTRATIVE CAPABILITY – ADEQUATE STAFF, SYSTEM AUTOMATION, AND CHECKS AND BALANCES

APPROVAL DATE OF LAST REVISION:

REGULATORY CITATIONS: FEDERAL STUDENT AID HANDBOOK, VOLUME 2, CHAPTER 3: FSA ADMINISTRATIVE AND RELATED

REQUIREMENTS: CODE OF FEDERAL REGULATIONS (CFR), TITLE 34: EDUCATION, PART 668.16-STANDARDS OF ADMINISTRATIVE CAPABILITY, ([HTTPS://WWW.ECFR.GOV](https://www.ecfr.gov))PAGE 1 OF 3

701.1 – ADMINISTRATIVE CAPABILITY

To be certified to participate in any Federal Student Aid (FSA) programs, a school must demonstrate that it is administratively capable of providing the education it promises and of properly managing the FSA programs. A school must administer FSA programs in accordance with all statutory and regulatory provisions. A participating school must designate a capable individual to administer the FSA programs and coordinate aid from these programs with all other aid received by students attending the school, ensure adequate staff is available to manage a school's aid programs effectively, uses required electronic processes, and maintains an adequate system of internal checks and balances.

The policy and procedures contained here address adequate staff, system automation, and checks and balances. Financial aid policies and procedures addressing other required components defined in regulation are found in section 700 of the college's Plans, Policies, & Procedures.

701.2 – CAPABLE AND ADEQUATE STAFF

(1) A school must designate a capable individual to be the coordinating official or aid administrator. An individual's successful completion of FSA program training provided or approved by the Department of Education (Department) and previous experience and documented success in FSA program administration may be used to demonstrate capability. This person plays a key role in meeting a school's administrative qualification. This person administers the FSA programs and coordinates the aid from those programs with that from all other sources (federal, state, school, and private). All the information the school receives, and any changes processed by an office of the school that might affect a student's FSA eligibility are communicated to the coordinating official and through them to the Financial Aid Office.

(2) To manage financial aid programs effectively, the aid administrator must be supported by an adequate number of qualified professional and clerical personnel. The number of staff considered adequate depends on the number of students aided, the number and types of programs in which the school participates, the number of applicants evaluated and processed, the amount of funds administered, and the type of financial aid delivery system the school uses.

The Department will determine on a case-by-case basis whether a school has an adequate number of qualified persons based on program reviews, audits, and information provided on the school's application for approval to participate in the FSA programs.

701.3 – ADEQUATE SYSTEM AUTOMATION

Financial aid administration is complex. Automated systems allow staff to operate more efficiently. The goal of any system used is to automate the most cumbersome and time intensive processes and be customizable to meet the specific needs of the college. The Financial Aid Office relies on data from several systems and offices to perform its work. The Financial Aid Office continuously builds relationships with these offices so that each understands what data is needed and how new regulation may impact the type of data needed.

Schools must be able to use the FSA electronic processes to be considered administratively capable of participating in the FSA programs. The college complies by participating in electronic processes and using formatting and system requirements identified by the Secretary of Education. The Department's software or websites, or other comparable software capable of generating required reports, will be used.

Important information is communicated through the Department's FSA Knowledge Center as electronic announcements, Dear Colleague letters, and Federal Registers. The college is responsible for knowing about all new statutory, regulatory, and procedural requirements and may use this tool as a reliable resource.

NUMBER: 701

SUBJECT: ADMINISTRATIVE CAPABILITY – ADEQUATE STAFF, SYSTEM AUTOMATION, AND CHECKS AND BALANCES

APPROVAL DATE OF LAST REVISION:

REGULATORY CITATIONS: FEDERAL STUDENT AID HANDBOOK, VOLUME 2, CHAPTER 3: FSA ADMINISTRATIVE AND RELATED

REQUIREMENTS: CODE OF FEDERAL REGULATIONS (CFR), TITLE 34: EDUCATION, PART 668.16-STANDARDS OF ADMINISTRATIVE CAPABILITY, ([HTTPS://WWW.ECFR.GOV](https://www.ecfr.gov))

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701.4 – ADEQUATE SYSTEM OF CHECKS AND BALANCES

A school must ensure that its administrative procedures for the FSA programs include an adequate system of internal checks and balances. This system, at a minimum, must separate the functions of authorizing payment and disbursing or delivering funds so that no single person or office exercises both functions for any student receiving FSA funds.

Clear and separate division of responsibility exists for the administration of financial aid programs at the college. Responsibilities are divided between the Financial Aid Office, Accounting, and Registration offices. Controls are set up to prevent an individual or office from having the authority or the ability to perform authorization and disbursement functions. These controls prevent cross-functional tampering.

Additionally, the college's system of checks and balances only allows individuals with special security classifications to make changes to the programs that determine student need and awards and identifies the individuals who make such changes.

701.4.1 – The **Financial Aid Office** is responsible for administering FSA programs. Duties of the Financial Aid Office include:

- 1) Ensuring that general information regarding financial aid is available to all students
- 2) Making available application and additional written information
- 3) Keeping all posted information updated and current
- 4) Recommending and implementing policies and procedures for the Financial Aid Office that are consistent with the policies of the institution and state and federal regulations
- 5) Keeping abreast to changes within federal regulations and updating policy and procedure as directed to ensure compliance of student financial aid programs
- 6) Assisting students in accessing the Free Application for Federal Student Aid (FAFSA)
- 7) Reviewing and verifying Student Aid Reports (SAR) and Institutional Student Information Records (ISIR). Setting up files, making awards, determining and authorizing payments to be disbursed, and explaining the financial aid program to participating students and families
- 8) Attending and participating in financial aid meetings, conferences, and trainings available on local, state, regional, and national levels
- 9) Correlating responsibilities of the various college offices for accurate, timely, and responsible reporting
- 10) Establishing and maintaining records and submitting reports as required

701.4.2 – The **Accounting office** is responsible for fiscal matters as they pertain to financial aid. Duties of the Accounting office include:

- 1) Request federal funds from the Department
- 2) Maintain accurate accounting records for financial aid funds
- 3) Prepare payments in a timely manner as authorized by the Financial Aid Office
- 4) Prepare, submit, and maintain fiscal reports as required
- 5) Other duties as required

701.4.3 – The **Registration office** is responsible for supportive functions and duties pertaining to financial aid as follows:

- 1) Maintain student enrollment records
- 2) Input information for accurate and timely financial aid reports
- 3) Calculate student tuition and fees
- 4) Disburse financial aid payments to students
- 5) Apply payment toward outstanding charges

NUMBER: 701

SUBJECT: ADMINISTRATIVE CAPABILITY – ADEQUATE STAFF, SYSTEM AUTOMATION, AND CHECKS AND BALANCES

APPROVAL DATE OF LAST REVISION:

REGULATORY CITATIONS: FEDERAL STUDENT AID HANDBOOK, VOLUME 2, CHAPTER 3: FSA ADMINISTRATIVE AND RELATED

REQUIREMENTS: CODE OF FEDERAL REGULATIONS (CFR), TITLE 34: EDUCATION, PART 668.16-STANDARDS OF ADMINISTRATIVE

CAPABILITY, ([HTTPS://WWW.ECFR.GOV](https://www.ecfr.gov))

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- 6) Refer students to the Financial Aid Office
- 7) Other duties as required

701.5 – PROCEDURES

Procedures for implementing and using automated systems and processing checks and balances are maintained under separate cover by the Financial Aid Office and other school offices as appropriate.

NUMBER: 740

SUBJECT: PROFESSIONAL JUDGMENT

APPROVAL DATE OF LAST REVISION:

SOURCE(S): FAFSA SIMPLIFICATION ACT; 20 USC 1087TT, TITLE 20, CHAPTER 28, PART F; FSA HANDBOOK, APPLICATION AND VERIFICATION GUIDE, CHAPTER 5, SPECIAL CASES

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740.1 – INTRODUCTION TO EXERCISING PROFESSIONAL JUDGMENT

Analysis of a student's need for federal student aid is based on a standardized assessment of family financial strength relative to all other aid applicants. On rare occasions, however, a student or family may experience special circumstances and/or unusual circumstances that make the standardized approach unsuitable. In such individual cases, with adequate documentation, students may request an adjustment based on their special or unusual circumstances. A financial aid administrator may then use their professional judgment to assess that student's need more accurately by overriding the student's dependency status, adjusting the data used to calculate the expected family contribution (EFC)/student aid index (SAI) or the Federal Pell Grant offer, or revising the student's cost of attendance (COA).

All conditions to be considered for professional judgment must differentiate an individual student from a group of students and be based on special circumstances or unusual circumstances. A professional judgment request may result in additional eligibility for the Federal Pell Grant; however, submission of a request does not guarantee approval. It is possible that a request demonstrating a significant adjustment may not affect overall eligibility.

740.2 – CATEGORIES OF PROFESSIONAL JUDGMENT

Terminology matters. Effective with the 2023-2024 award year, changes to the Higher Education Act, as amended, make a distinction between special circumstances and unusual circumstances.

740.2.1 – SPECIAL CIRCUMSTANCES

Special circumstances refer to financial situations that justify an aid administrator adjusting data elements in the COA or in the EFC/SAI calculation. Examples of special circumstances that may be considered include change in employment status, income, or assets; change in housing status; tuition expenses at an elementary or secondary school; medical, dental, or nursing home expenses, not covered by insurance; child or dependent care expenses; severe disability of the student or other member of the student's household; other changes or adjustments that impact the student's costs or ability to pay for college.

The financial aid administrator must be able to distinguish between changes in a family's circumstances that are a function of choice, and those that are a function of necessity. Using this distinction in expenses helps the financial aid administrator make better decisions about a given family's circumstances. Discretionary debts are expenses that will not be considered.

740.2.2– UNUSUAL CIRCUMSTANCES

Unusual circumstances refer to conditions that justify an aid administrator making an adjustment to a student's dependency status based on a unique situation (e.g., human trafficking, refugee or asylee status, parental abuse or abandonment, incarceration). This adjustment is more commonly referred to as a dependency override and allows the aid administrator to override a student's status from dependent to independent.

Unusual circumstances do not include a parent's refusal to contribute to the student's education, a parent's refusal to provide information for the FAFSA or verification, a parent that does not claim the student as a dependent for income tax purposes, or a student who demonstrates total self-sufficiency.

Beginning with the 2023-24 award year, financial aid administrators may use a dependency override made at the college in a prior award year in subsequent years at the college, unless the college is informed by the student that the student's situation has changed, or the college has conflicting information about the student's independence. Dependency overrides made by another school may or may not be accepted at the college.

NUMBER: 740

SUBJECT: PROFESSIONAL JUDGMENT

APPROVAL DATE OF LAST REVISION:

SOURCE(S): FAFSA SIMPLIFICATION ACT; 20 USC 1087TT, TITLE 20, CHAPTER 28, PART F; FSA HANDBOOK, APPLICATION AND VERIFICATION GUIDE, CHAPTER 5, SPECIAL CASES

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A student may have both special and unusual circumstances. Financial aid administrators may exercise their professional judgment and make adjustments that are appropriate to each student's situation with adequate documentation.

740.3 – PROVISIONAL INDEPENDENT STATUS

Students can indicate in the online FAFSA that they believe they have unusual circumstances that prevent them from providing parental data. Those who indicate this are thoroughly informed about what warrants a dependency override and what the results will be for their application. If the student persists through the application screens and does not include parental data, they will get a rejected output document, which the school must review. The financial aid administrator will determine if the student must provide parental data, merits a dependency override, or is unaccompanied and homeless.

740.3.1 – UNACCOMPANIED HOMELESS YOUTH

A student who is determined to be an unaccompanied or at-risk homeless youth may be considered independent for purposes of the FAFSA. A dependency override for unusual circumstances is considered unique from a determination for homeless youth. Homeless youth determinations are made on a case-by-case basis but are not subject to professional judgment adjustments and processes as outlined in this policy. Homeless youth determinations are addressed separately. Financial aid administrators will evaluate documentation to determine unaccompanied homeless youth eligibility by following specific direction outlined by the Department of Education.

740.4 – PROCESSES AND PARAMETERS FOR SUBMITTING AND REVIEWING REQUESTS

The Financial Aid Office provides parties interested in submitting a request for professional judgment an informational document which includes a Professional Judgment Request Form the student must complete. The college maintains a reasonable approach and timeline for reviewing all professional judgment requests on a case-by-case basis.

Institutions may put parameters and limits on special circumstance and unusual circumstance considerations, so long as those limits do not result in denial of all special circumstance and/or unusual circumstance adjustments, or those in one category or area.

740.4.1 – Students submitting a request for professional judgment must have been admitted to the college and submitted a Free Application for Federal Student Aid (FAFSA) relative to the award year of the professional judgment request.

740.4.2 – Students who have already accepted a financial aid (Pell Grant) offer at the college may not submit a request for professional judgment for the award year of the accepted offer.

740.4.3 – A student is limited to submitting only one professional judgment request throughout their enrollment at the college.

740.4.4 – A professional judgment request for a student with a zero or negative EFC/SAI, will not be considered.

740.4.5 – All requests are time-sensitive and subject to federal deadlines. Incomplete or missing documentation may delay the process and result in deadlines being missed and requests being denied.

740.4.6 – Students waiting for a determination to approve or deny a professional judgment request should be fully prepared to assume responsibility for any payments due to the college.

740.5 – VERIFICATION AND A REQUEST FOR PROFESSIONAL JUDGMENT

A student who is selected by the school or the Department of Education for verification must complete verification before a professional judgment request may be considered. This is to ensure that any adjustment is made on correct information. There is an exception; financial aid administrators are not required to verify information that will be removed as the result of a professional

NUMBER: 740

SUBJECT: PROFESSIONAL JUDGMENT

APPROVAL DATE OF LAST REVISION:

SOURCE(S): FAFSA SIMPLIFICATION ACT; 20 USC 1087TT, TITLE 20, CHAPTER 28, PART F; FSA HANDBOOK, APPLICATION AND VERIFICATION GUIDE, CHAPTER 5, SPECIAL CASES

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judgment decision. Selection for verification may occur at any time during the professional judgment consideration process. See policy 735 Verification and Updating of Student Aid Application Information for more information about what may be required to complete the verification process.

740.6 – ADEQUATE DOCUMENTATION TO SUPPORT REQUEST

Adequate documentation for adjustments substantiates the special circumstances or unusual circumstances of an individual student – not conditions that exist for a whole class of students. Adequate documentation may include, but is not limited to, a documented interview or phone call between the student and the financial aid administrator, written statements, supplementary information, and/or other documented information as described in 20 USC 1087TT.

The student is responsible for providing documentation to fully support the circumstances of their request. Students may be required to provide additional documentation as requested by the financial aid administrator. The college will ensure that any supporting documentation provided by the student is adequate to substantiate the students' circumstances; however, excessive documentation will not be accepted or considered.

All request forms and documentation collected must be maintained in the student file. Sufficient notes should be made so that another aid administrator reviewing the student's case could easily ascertain the reason any changes were made as well as their effect. Information describing the student's unique circumstances, sources of information substantiating the circumstances, clear record of the decision made and how it was reached, name of the financial aid administrator making the adjustment, and date should be recorded.

740.7 – INCOME PROTECTION ALLOWANCE

Analysis of a student's need recognizes that part of a family's resources must be devoted to modest living expenses such as taxes, basic living costs, and other unavoidable expenses. Other expenditures that are a matter of choice are usually not included as allowances against available income.

An income protection allowance (IPA) is included in the EFC/SAI calculation to account for modest living expenses. This portion of the family income is subtracted from the AGI to acknowledge that not all family income can be used toward education expenses. An expense already covered by the IPA cannot be considered for an adjustment. It is reasonable to assume that approximately 30% of the IPA is for food, 22% for housing, 9% for transportation expenses, 16% for clothing and personal care, 11% for medical care, and 12% for other family consumption.

The IPA for a particular student is provided as one of the intermediate values in the FAA Information section of the FAFSA output document (labeled as "IPA").

740.8 – FINAL DETERMINATION TO APPROVE OR DENY A REQUEST – DOCUMENTATION AND NOTICE

Reasons for a financial aid administrator's decision to approve or deny a request for professional judgment and any subsequent adjustments must be documented and maintained in the student file. All decisions must be reasonable and fully documented.

The college must provide the student with a final determination in writing as soon as practicable after reviewing all requested documentation. This final determination must also be maintained in the student file.

Institutions must act on a request for a determination of independence within 60 days of a student making such a request and providing adequate documentation.

NUMBER: 740

SUBJECT: PROFESSIONAL JUDGMENT

APPROVAL DATE OF LAST REVISION:

SOURCE(S): FAFSA SIMPLIFICATION ACT; 20 USC 1087TT, TITLE 20, CHAPTER 28, PART F; FSA HANDBOOK, APPLICATION AND VERIFICATION GUIDE, CHAPTER 5, SPECIAL CASES

PAGE 4 OF 4

740.9 – MAKING THE PROFESSIONAL JUDGMENT ADJUSTMENT

Professional judgment adjustments must be made by the financial aid administrator electronically with the Department of Education using their online or approved software.

A special circumstances adjustment is made on the student's ISIR record to be adjusted by selecting "EFC/SAI adjustment requested" in the professional judgment field and by adjusting other fields as appropriate to the professional judgment decision. The next ISIR the college receives will indicate "Professional judgment processed."

An unusual circumstance, or dependency override, may be made on the student's initial application through the Department of Education's online access using the Dependency Override code of "1." If the student has already applied, the Department's online access may be used to authorize or cancel an override. Only the school can perform an override and only the school performing the override will receive that transaction.

A school is not permitted to make a professional judgment adjustment for a student after that student has ceased to be eligible, including when a student is no longer enrolled.

740.10 – LIMITATIONS ON AUTHORITY, APPEALS, AND TRANSFERABILITY

Effective with the 2023-2024 award year, although a financial aid administrator may use their discretion to deny a student's request for adjustment, the Higher Education Act prohibits institutions from having a policy that denies all professional judgment requests for adjustments. Schools must make their professional judgment policy publicly available to inform students of their ability to request such adjustments. The college meets this requirement by posting this policy on the college's website. The Financial Aid Office reserves the right to review circumstances and follow authoritative guidance that may or may not be outlined in this policy to make or not make adjustments.

The Higher Education Act prohibits the Department of Education from regulating professional judgment. A financial aid administrator's decision regarding adjustments is final and cannot be appealed to the college or the Department of Education.

Professional judgment adjustments made at BTECH may or may not be valid at another school should the student choose to transfer from the college. The Financial Aid Office at BTECH does not accept professional judgment adjustments for special circumstances approved at other colleges.

NUMBER: 735

SUBJECT: VERIFICATION AND UPDATING OF STUDENT AID APPLICATION INFORMATION

APPROVAL DATE OF LAST REVISION: JUNE 20, 2022

REGULATORY CITATIONS: CODE OF FEDERAL REGULATIONS, TITLE 34, PART 668.51-668.61 (SUBPART E) AND 668.16(F);
DEPARTMENT OF EDUCATION FSA ASSESSMENTS, VERIFICATION; FSA HANDBOOK APPLICATION AND VERIFICATION GUIDE CHAPTERS
4 AND 5; FSA HANDBOOK VOLUME 2, CHAPTER 3 (VERIFICATION AND CONFLICTING INFORMATION)PAGE 1 OF 4

735.1 – INTRODUCTION AND PURPOSE

~~The college offers~~ The federal Pell Grant ~~which is awarded~~ ~~offered to students by the college~~ to assist ~~students~~ in covering the costs associated with their education. Students apply for Title IV aid (Pell Grant) by submitting a Free Application for Federal Student Aid (FAFSA/application) to the Department of Education (the Department). The Central Processing System (CPS) is the facility the Department uses to manage the application and eligibility determination process and to conduct a series of quality control and eligibility checks on the application data. Because errors are sometimes made, there is a process for verifying applications and making corrections. CPS selects which applications are to be verified and schools also have the authority to select additional students. The college is responsible for verifying selected applications.

735.2 – POLICY

The college will verify all federal student aid applicants whose applications have been selected for verification by CPS. An applicant is defined as a recipient of, or an applicant for Title IV aid (Pell Grant), who is enrolled at the college during the award year for which the student applied. If a student is selected for verification, the student must complete the verification process as directed by the college or forfeit federal student aid and accept responsibility for any charges incurred.

The college will select other applicants for verification if the school has received conflicting information concerning a student's eligibility or has valid reason to believe an application is incorrect or contains false information. ~~The college may also select for verification students who have submitted a request for or are otherwise involved in the professional judgment consideration process.~~ The ~~school~~ college may require an applicant to verify any FAFSA information that it specifies. These applicants are considered selected for verification, and all other verification requirements, such as deadlines and allowable tolerances apply. The ~~school~~ college will verify any information it has reason to believe ~~needs verified.~~ ~~is incorrect.~~

The verification process will be completed on the selected applicant before any Title IV aid funds are ~~offered~~ ~~awarded~~ to that student, or before the applicant receives additional funds if selected for verification after ~~the financial aid offer has been accepted~~ ~~being awarded.~~

735.3 – APPLICATION REPORT AND VERIFICATION SELECTION

Following a student's submission of the initial FAFSA, and following any submission of corrections or updates, CPS creates a resulting report or an electronic federal output document that is sent to the schools designated by the applicant on the FAFSA. This document is called the Institutional Student Information Record (ISIR) and contains processed student information and financial aid history information. It also provides key processing results:

735.3.1 – EXPECTED FAMILY CONTRIBUTION (EFC) – The EFC is basically an amount of money the federal government indicates that a family can reasonably contribute to the student's cost of education. It does not represent the amount of money the student will have to pay. Sometimes the actual cost may be more, and sometimes it may be less.

735.3.2 – STUDENT AID INDEX (SAI) – The SAI replaces the EFC and provides a new measure of a student's ability to pay for college while clarifying to families what exactly the number means. A student's financial need is determined by subtracting the SAI from the student's cost of attendance. The SAI offers a greater range of financial need than the EFC. The renamed SAI is expected to be fully implemented for the 2024-25 award year.

Just like the EFC, the lower the SAI, the more need-based aid a student may be qualified to receive. A lower SAI may translate to a lower overall out-of-pocket college price tag.

For each award year the secretary publishes in a Federal Register notice the FAFSA information that an institution and an

NUMBER: 735

SUBJECT: VERIFICATION AND UPDATING OF STUDENT AID APPLICATION INFORMATION

APPROVAL DATE OF LAST REVISION: JUNE 20, 2022

REGULATORY CITATIONS: CODE OF FEDERAL REGULATIONS, TITLE 34, PART 668.51-668.61 (SUBPART E) AND 668.16(F);
DEPARTMENT OF EDUCATION FSA ASSESSMENTS, VERIFICATION; FSA HANDBOOK APPLICATION AND VERIFICATION GUIDE CHAPTERS
4 AND 5; FSA HANDBOOK VOLUME 2, CHAPTER 3 (VERIFICATION AND CONFLICTING INFORMATION)PAGE 2 OF 4

applicant may be required to verify. If CPS selects an applicant for verification this will be noted on the ISIR by comment, code, verification flag, and an asterisk located next to the EFC/SAI on the ISIR. Applicants selected for verification are placed in a verification tracking group which determines what FAFSA values must be verified. Verification selection may occur on any transaction processed with CPS. Once selected, the student will remain selected for the duration of the current processing year.

The college will use the Department of Education's ISIR Guide for the corresponding application year to interpret the appearing codes and flags, and the corresponding Application and Verification Guide to determine procedures for completing the verification process. Should the Department issue any verification waivers or flexibilities throughout the year, those may be applied as directed.

735.4 – VERIFICATION PROCESS

735.4.1 – NOTIFYING APPLICANT: The college works with students in obtaining, completing, and submitting all the required verification documents. The Financial Aid Office contacts all applicants for whom they have received an ISIR by sending an electronic notification with instructions, deadlines to meet, and consequences of failing to meet them. Notification should be sent within two weeks of the college receiving an ISIR. The Financial Aid Office will provide direction to the student regarding the needed documents and information, and step-by-step instruction on how to complete the verification process.

735.4.2 – APPLICANT RESPONSIBILITY: If the Department or the college requests documents or information, the applicant must provide the specified documents or information. This may include, but is not limited to tax information, worksheets, identification, and other supporting documentation. The student must complete and submit all required documents and associated supporting documentation as directed and should submit such within two weeks of the date it is requested. Although students have means available to them to make corrections, once selected for verification students must complete the verification process as instructed and should allow the school to submit appropriate corrections for more timely processing.

Failure to submit documentation as directed may result in delayed payments and possible ineligibility for student financial aid. Documentation submitted after the students last date of enrollment during the current processing year, or after July 15, following the award year if the student is still enrolled, cannot be accepted and the student forfeits any aid eligibility for that year. ~~s award.~~

735.4.3 – CORRECTING ERRORS: The Financial Aid Office will evaluate all the documents submitted by the selected applicant against the ISIR and compare the verification information to what was reported. The school will submit corrections electronically to CPS. Correction will be based on reliable documentation in the ~~school's college's~~ possession that supports the change. CPS will process the change(s) and send a new ISIR to the school and an acknowledgement to the student. If no errors are found, corrections will not be submitted, and the student will be contacted.

735.5 – RESULTING REPORT AND SUBSEQUENT NOTIFICATION

The Financial Aid Office will electronically notify the applicant once the verification results are accessed from CPS. If the result indicates eligibility for student financial aid funds, the applicant will be invited to ~~an award~~ a financial aid offer meeting wherein the results will be discussed, and the calculated ~~award offer~~ presented. If the result indicates that a student is not eligible for student financial aid funds, the applicant will be notified of their ineligibility.

If a student is selected for verification on a transaction received after having been ~~offered awarded~~ student financial aid funds, and the resulting report (following verification completion) indicates a change to the EFC/SAI and results in a change in the

NUMBER: 735

SUBJECT: VERIFICATION AND UPDATING OF STUDENT AID APPLICATION INFORMATION

APPROVAL DATE OF LAST REVISION: JUNE 20, 2022

REGULATORY CITATIONS: CODE OF FEDERAL REGULATIONS, TITLE 34, PART 668.51-668.61 (SUBPART E) AND 668.16(F);
DEPARTMENT OF EDUCATION FSA ASSESSMENTS, VERIFICATION; FSA HANDBOOK APPLICATION AND VERIFICATION GUIDE CHAPTERS
4 AND 5; FSA HANDBOOK VOLUME 2, CHAPTER 3 (VERIFICATION AND CONFLICTING INFORMATION)PAGE 3 OF 4

amount of the applicant's aid eligibility, the institution will notify the applicant of the adjustment made to the applicant's aid **offer**. **award**. If an increase of eligibility is determined, additional funds will be paid. If a decrease of eligibility is determined, the student will be notified of adjustments to be made to future payments, or repayment options if necessary.

Applicants may move from one tracking group to another, or additional verification documentation may be needed based on corrections made. The applicant is only required to verify information that was not already appropriately verified and does not need to resubmit like documentation for items previously appropriately verified. If additional verification items are required, the Financial Aid Office will contact the applicant.

735.6 – RESOLUTION REQUIRED

Any inconsistent or conflicting information shown on an output document must be resolved before aid is **offered** **awarded** or payments **continue** to **students with accepted offers**. ~~already awarded students continue~~. The college will follow the verification processes above to request appropriate documentation and verify information.

735.6.1 – APPLICANT STATUS: An applicant may be selected to verify reported values that are not used to calculate the EFC/SAI and for which resolution is still required. This may include bachelor's degree status, citizenship status, defaulted loan status, social security information, unusual enrollment history, or other items.

735.6.2 – CONFLICTS OF INFORMATION: All conflicts of information a school receives must be resolved for any enrolled applicant. Even if a conflict occurred in a previous award year, the school must investigate it. Matters are resolved once it is determined that the data are correct. Findings will be documented in the student's financial aid file and include an explanation that justifies any decision.

735.6.3 – SUBSEQUENT ISIRS: The college will review all subsequent transactions it receives for a student for the entire processing year and act accordingly even if the ~~school~~ college verified an earlier transaction. An exception to this requirement is if a later transaction comes in after the student is no longer enrolled at the college.

735.7 – CORRECTING NON-VERIFIED INFORMATION

Whether or not the applicant has been selected for verification, the Financial Aid Office will not submit any updates or corrections to CPS without first verifying documentation received supporting the change is correct. This means that a non-selected applicant will be selected by the ~~school~~ college for verification and the processes outlined in this policy will be followed. Additional information may also be selected to be verified. A non-selected applicant who chooses not to complete verification as verbally described by the ~~school~~ college may make allowable updates or corrections on their own by using the Department's correction processing tools available to students. Once the ~~school~~ college selects the student for verification in writing, the student is considered selected for verification and the processes outlined in this policy will be followed.

735.8 – SPECIAL CASES

~~When there are unusual situations or circumstances that impact a student's federal student aid eligibility, federal regulations give a financial aid administrator authority to use professional judgement (PJ) on a case by case basis with adequate documentation to adjust the student's cost of attendance or any values on the FAFSA used to calculate the EFC/SAI, or to override a student's dependency status. The Department does not have the authority to refuse a school's PJ or dependency override decision and does not require schools to use PJ or dependency overrides.~~

~~Verification for a student requesting PJ adjustments must be completed before a school can exercise PJ to change any values used to calculate the EFC/SAI. Before any PJ adjustment is made the income protection allowance included in the calculation of~~

NUMBER: 735

SUBJECT: VERIFICATION AND UPDATING OF STUDENT AID APPLICATION INFORMATION

APPROVAL DATE OF LAST REVISION: JUNE 20, 2022

REGULATORY CITATIONS: CODE OF FEDERAL REGULATIONS, TITLE 34, PART 668.51-668.61 (SUBPART E) AND 668.16(F);
DEPARTMENT OF EDUCATION FSA ASSESSMENTS, VERIFICATION; FSA HANDBOOK APPLICATION AND VERIFICATION GUIDE CHAPTERS
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~~the EFC/SAI must be considered. Any PJ or override decisions follow guidance and rules of the Department.~~

735.9 – CONFLICTING DATA

Conflicting data can result from multiple sources aside from those previously described. If the college has reason to believe that at any time an applicant's FAFSA data, enrollment or other eligibility data are inaccurate, it must verify the accuracy of that information. This may be required whether or not the applicant is selected for verification as defined above. The Financial Aid Office may request the student provide additional documentation to resolve the discrepant or misreported data, or at the ~~school's~~ college's discretion and if easily available, the college ~~school~~ may obtain documentation from the other sources.

The college maintains an internal system to identify and resolve discrepancies the college may have received. The Financial Aid Office will perform a reasonable assessment of data received by performing a series of checks against the college's student information systems as part of the process of calculating a student's financial aid ~~offer.~~ ~~award.~~

Additional checks are performed throughout a student's enrollment to monitor the accuracy of a student's academic progress, enrollment status, and other eligibility factors as needed to ensure that the information maintained in the Financial Aid Office continues to agree with information maintained at registration and other offices on campus.

735.10 – REFERRAL TO THE OFFICE OF INSPECTOR GENERAL

The college has entered into a Program Participation Agreement with the Department and has agreed to refer to the Office of Inspector General (OIG) any credible information indicating possible fraud related to federal student financial aid that an applicant, employee, third-party servicer, or other agent of the institution may have engaged in. (34 CFR 668.16(g))

PROCEDURES REGARDING SUSPECTED APPLICANT MISCONDUCT: Suspicions that an applicant has engaged in fraud or other criminal misconduct in connection with their application should first be brought to the attention of the college's Financial Aid Office. This should be done in writing and should identify the misconduct specifically. Any evidence supporting the claim should also be submitted. The Financial Aid Office should evaluate all documents and information in association with the student's application/file against the claim of misconduct to determine credibility.

PROCEDURES REGARDING SUSPECTED MISCONDUCT OF AN EMPLOYEE, THIRD PARTY SERVICER, OR OTHER AGENT: Suspicions that a college employee, third party servicer, or other agent of the school has engaged in fraud, misrepresentation, conversion or breach of fiduciary responsibility, or other illegal conduct involving federal student financial aid should be brought to the attention of the college's Administration. College Administration should fully review all reports and evidence to determine credibility.

If the college suspects that an applicant, employee, or other individual has misreported information or altered documentation to fraudulently obtain federal funds, suspicions must be reported, and evidence submitted to the OIG. Referral may be made using the OIG fraud hotline, calling OIG toll-free, or writing to the OIG directly. See OIG's Fraud Reporting Requirements *A Guide for Federal Program Participants and Auditors* for more information.

NUMBER: 506
SUBJECT: COMMUNICATION ALLOWANCE / CELL PHONES
APPROVAL DATE OF LAST REVISION:
PAGE 1 OF 2

506.1 – PURPOSE

Bridgerland Technical College recognizes some job functions require using a cell phone to conduct official business. This policy provides specific guidelines and procedures regarding cell phones for business purposes with the authorization of a communication allowance for approved employees. Allowances are intended to aid in the cost of cell phone plans, data/Internet, devices, and accessories appropriate for business purposes.

506.2 – HISTORY & TRANSITION PERIOD

Approved employees have cell phones through the Verizon Wireless service maintained and paid for by the college. Cell phone plans will be systematically transitioned from a college plan to a personally managed account as appropriate. The speed of transition will depend on various factors.

506.3 – POLICY

When an employee's job duties require frequent use of a cell phone to conduct official college business, the employee and/or supervisor may request a communication allowance through the Human Resources (HR) department. Employees who desire a communication allowance shall complete the agreement (below) and get appropriate signatures. Employees will follow the outlined procedures and notify HR of substantial changes in job duties that may affect the agreement.

506.3.1 – INFREQUENT USE OF CELL PHONES FOR BUSINESS PURPOSES

Employees may choose to use their personal cell phones in order to assist in performing their job duties. All employees are expected to be accessible during regular work hours, which may include availability through a mobile device without reimbursement. If infrequent business communication expenses are incurred by an employee who does not receive a communication allowance or college-provided phone, approval can be given to reimburse the employee. Appropriate documentation, such as a copy of the cell phone plan billing statement and the stated business purpose, should be submitted to support the reimbursement request, which can be made through the regular accounts payable procedures.

506.3.2 – COLLEGE-PROVIDED CELL PHONES

For specific job duties on a limited basis, departments or employees may obtain or retain college-owned cell phone devices for college business. Determination will be made by the president or any two vice presidents.

506.4 – PROCEDURES

- A. Determine if an employee requires a cell phone to perform their duties.
- B. Determine the level of business-related service required. In general, an allowance is appropriate for employees whose job duties frequently:
 - a. Keep them away from a college-provided landline and need to be contacted during and/or after work hours to perform official college business.
 - b. Require on-the-go emails, texts/chats, calls, business applications, etc., to maintain timely communication with employees, students, and stakeholders.
 - c. Require device(s) and data/Internet services off campus where college-provided Wi-Fi is unavailable.
- C. Complete the cell phone communication allowance agreement (below), including appropriate signatures.
- D. Submit the signed agreement to HR to be processed through payroll. If received by the 16th of the month, it will be included in the current payroll month. If received after, it will be included in the next month.

NUMBER: 506
SUBJECT: COMMUNICATION ALLOWANCE / CELL PHONES
APPROVAL DATE OF LAST REVISION:
PAGE 2 OF 2

Usage Level	Eligible Employment Categories	Monthly Payroll Allowance	Approval Level
Moderate	Level I, II, III	\$60	Supervisor & AVP
Heavy	Level II, III	\$80	Supervisor & AVP
Extensive	Level II, III	\$100	AVP & VP or President
Extensive - Administrators	Level III	\$120	Executive VP or President

506.4.1 – COMMUNICATION ALLOWANCE AGREEMENT

- A. Payment will be made on the monthly payroll and is subject to related taxes but not benefits. Taxable allowance permits an employee unlimited personal use of their plan and equipment and complies with IRS regulations regarding taxable fringe benefits. The allowance does not constitute an increase to base pay and will not be included when calculating retirement contributions.
- B. The employee enters their own personal service agreement/plan, and related equipment is wholly owned, purchased, negotiated, and maintained by the employee. Other than providing the allowance, the college claims no ownership or direct responsibility for the phone service or equipment.
- C. The college cannot be held accountable for illegal or improper use of the employee's cell phone. Employees shall not use their mobile devices while operating a motor vehicle as defined in Utah law.
- D. The employee must acquire and maintain a cell phone plan and device for the duration of their communication allowance at their own expense.
- E. Employees are expected to have their numbers listed on the internal phone directory and other locations as required to perform their job duties.
- F. Supervisors should approve communication allowances only for those employees who are required to use cell phone service and/or equipment to facilitate their job.
- G. Allowances will continue year-to-year or until canceled, suspended, or the employee leaves the position associated with this request. A new agreement will be required if the employee substantially changes job duties or positions. Supervisors shall re-evaluate allowances within their department by revising (upward or downward), authorizing, or eliminating as appropriate when evaluating budgets.
- H. The college will not be responsible for an employee's personal cell phone contract and will not reimburse for devices, accessories, penalties, fees, or early cancellation.
- I. Employees are required to maintain strong password protection and automatic locking after periods of inactivity for data protection and security.

Employee Name:	
Employee Title:	
Description of Business Purpose for Cell Phone Allowance:	
Employee Signature:	
Usage Level (see above):	
Supervisor Signature:	
Administrative Signature for Approval Level:	

INSTITUTION: Bridgerland Technical College

DATE: 2/22/2023

SUBMITTED BY: Wendy Finley

USHE - REPORT OF CASH, CASH EQUIVALENTS, AND INVESTMENTS

ALL FUNDS - AS OF December 31, 2022

CATEGORY OF ASSET	DESCRIPTION OF ASSET	NAME OF BANK OR ISSUER	ACQUISITION DATE	MATURITY DATE	TOTAL FAIR VALUE	ENDOWMENT FUNDS AMT	FOUNDATION FUNDS AMT	ALL OTHER FUNDS AMT
Cash Per Books	Cash Per Books	N/A	N/A	N/A	5,300	-	-	-
					5,300	-	-	-
Savings Accounts	Savings Checking Checking FA	Zions	00/00/00	00/00/00	40,570	-	-	-
		Wells Fargo	00/00/00	00/00/00	114,868	-	-	-
		Wells Fargo	00/00/00	00/00/00	2,286	-	-	-
					157,724	-	-	-
Utah PTIF Accounts	Savings	UPTIF	00/00/00	00/00/00	11,711,607	108,823	-	-
					11,711,607	108,823	-	-
TOTAL FAIR VALUE					11,874,631	108,823	-	-

To the best of my knowledge, Bridgerland Technical College investments are in compliance with the State Money Management Act, the rules of the State Money Management Council, and the Regents Policy R541 Management and Reporting of Institutions Investments

Wendy Finley 2/22/2023
 Wendy Finley, Budget Director Date