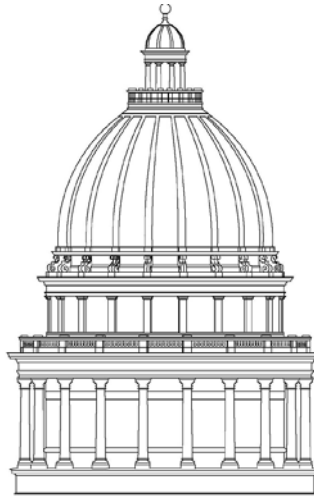


REPORT TO THE  
**UTAH LEGISLATURE**  
Number 2013-02



**A Performance Audit of  
Utah College of Applied Technology  
Programs and Funding**

February 2013

Office of the  
LEGISLATIVE AUDITOR GENERAL  
State of Utah





STATE OF UTAH

# Office of the Legislative Auditor General

315 HOUSE BUILDING • PO BOX 145315 • SALT LAKE CITY, UT 84114-5315  
(801) 538-1033 • FAX (801) 538-1063

**Audit Subcommittee of the Legislative Management Committee**  
President Wayne L. Niederhauser, Co-Chair • Speaker Rebecca D. Lockhart, Co-Chair  
Senator Gene Davis • Representative Jennifer M. Seelig

JOHN M. SCHAFF, CIA  
AUDITOR GENERAL

February 11, 2013

TO: THE UTAH STATE LEGISLATURE

Transmitted herewith is our report, **A Performance Audit of Utah College of Applied Technology Programs and Funding** (Report #2013-02). A digest is found on the blue pages located at the front of the report. The objectives and scope of the audit are explained in the Introduction.

We will be happy to meet with appropriate legislative committees, individual legislators, and other state officials to discuss any item contained in the report in order to facilitate the implementation of the recommendations.

Sincerely,

John M. Schaff, CIA  
Auditor General

JMS/lm



# Digest of A Performance Audit of Utah College of Applied Technology Programs and Funding

The Utah College of Applied Technology (UCAT) has the responsibility to provide technical skills education that will prepare students for highly skilled jobs. UCAT's eight campuses are granted the independence to tailor programs to the specific needs of local employers, which allows students to learn specific skills to be successful in their careers.

**National Accreditation Changes Force Individual Programs to Be More Effective.** Most programs at UCAT campuses meet accreditation requirements regarding completion, placement, and licensure. Corrective action plans are developed and implemented for poor performing programs, which have generated positive impacts throughout UCAT.

**Utilizing Program Outcomes Would Make Growth Decisions More Effective.** Growing UCAT programs requires balancing demand from industry and students for a specific program. Future funding for program expansion should be based on accreditation metrics that reflect successfully placing students in training-related employment. In addition, the reliability of waiting lists needs to be strengthened so decision makers can better balance industry and student demand in growing programs.

**Low Tuition Rates Shift Student Costs to Fees and Other Expenses.** UCAT tuition rate setting has been driven by statute and UCAT desires to keep student costs down. Low tuition rates shift student costs toward fees, books, and supplies. These costs are more than the tuition and should be reviewed by the UCAT Board of Trustees.

**Effectively Managing Student Costs Requires Stronger Fee Policies.** As campuses develop additional student costs to augment tuition, they have adopted a variety of fee strategies. UCAT campuses are assessing campuswide fees that, like tuition, generate additional revenue for campuses. In addition, campus expenses rather than program costs are being covered by some fee revenues. The Utah State Board of Regents has a policy that could serve as a model for greater oversight of student fees.

**Fee Exemptions for Secondary Students Need Clarification.** While statute originally prohibited any costs for secondary students, statute and UCAT policy have been amended to prohibit tuition but allow students to pay some costs. Some UCAT campuses exempt secondary students from paying student fees while others do not. Yet, campuses that assess

**Chapter I:  
Introduction**

**Chapter II:  
Management of  
UCAT Programs  
Is Becoming More  
Effective**

**Chapter III:  
Student Costs Need  
Additional  
Policy Guidance  
And Oversight**

**Chapter IV:  
The Custom Fit  
Program  
Needs Clearer  
Direction**

secondary student fees still achieve high participation. The UCAT Board of Trustees should consider establishing minimum fee requirements for secondary students, which should ensure that campuses are not implementing unnecessary fiscal constraints.

**Custom Fit’s Objectives Do Not Support Its Economic Development Mission.** Clear objectives that demonstrate how campus Custom Fit programs will support economic development through workforce training partnerships have not been developed. The programs appear to be driven by the objective of treating all training requests equally, resulting in a first-come, first-served model. Consequently, some Custom Fit training appears less focused on promoting economic development. Programs in other states provide examples from which Custom Fit could define specific objectives for promoting economic development.

**Metrics Are Difficult to Develop Without Economic Development Objectives.** Despite existing for 27 years, Custom Fit is only starting to develop mechanisms that identify the impact of this cooperative training program. Metrics that demonstrate the program’s impact on economic development are lacking, which reduces the available information to decide which trainings are most beneficial.

**Additional Economic Development Could Occur with Revised Company Contribution Objectives.** UCAT has stated its objectives regarding company contribution rates in policy, which leverages state appropriations with company resources to provide more training. Some campus Custom Fit programs are now requiring higher contribution rates from frequent users to further stretch state appropriations. Consequently, Custom Fit policy should be updated to reflect these more efficient contribution rate practices.

**Chapter V:  
UCAT’s Role in  
Secondary  
Education Should  
Be Clarified**

**Should UCAT Teach Core Graduation Requirements for High School Students?** UCAT campuses have been enrolling secondary students in computer literacy. Despite being a career and technical education core course, a Utah State Office of Education (USOE) rule change no longer allows these core courses to qualify for public education funding. Therefore, the Legislature should clarify UCAT’s role in secondary student education regarding core courses for graduation.

**Should Math Assessments and Remediation for Secondary Students Be Adopted Systemwide?** Two of the eight UCAT campuses are testing secondary student math skills rather than accepting the recommendation of high school counselors. Based on participation levels, the UCAT Board of Trustees should evaluate the need to assess secondary students’ math skills based on positive impacts from campus math assessments and instruction.

# REPORT TO THE UTAH LEGISLATURE

Report No. 2013-02

## **A Performance Audit of Utah College of Applied Technology Programs and Funding**

February 2013

Audit Performed By:

Audit Manager	Tim Osterstock
Audit Supervisor	Tim Bereece
Audit Staff	Chris McClelland





# Table of Contents

	Page
<b>Digest</b> .....	i
<b>Chapter I</b>	
Introduction.....	- 1 -
UCAT Is Structured to Meet Local Needs .....	- 1 -
UCAT Technical Education Adapts to Students’ Needs .....	- 3 -
Audit Scope and Objectives.....	- 6 -
<b>Chapter II</b>	
Management of UCAT Programs Is Becoming More Effective.....	- 9 -
National Accreditation Changes Force Individual Programs to Be More Effective....	- 9 -
Utilizing Program Outcomes Would Make Growth Decisions More Effective .....	- 14 -
Recommendations .....	- 17 -
<b>Chapter III</b>	
Student Costs Need Additional Policy Guidance and Oversight.....	- 19 -
Low Tuition Rates Shift Student Costs To Fees and Other Expenses.....	- 19 -
Effectively Managing Student Costs Requires Stronger Fee Policies.....	- 22 -
Fee Exemptions for Secondary Students Need Clarification .....	- 26 -
Recommendations .....	- 30 -

**Chapter IV**

The Custom Fit Program Needs Clearer Direction .....- 31 -

    Custom Fit’s Objectives Do Not Support Its Economic Development Mission .....- 31 -

    Metrics Are Difficult to Develop Without Economic Development Objectives.....- 37 -

    Additional Economic Development Could Occur with  
    Revised Company Contribution Objectives.....- 38 -

    Recommendations .....- 42 -

**Chapter V**

UCAT’s Role in Secondary Education Should Be Clarified.....- 43 -

    Should UCAT Teach Core Graduation Requirements for High School Students?...- 43 -

    Should Math Assessments and Remediation for  
    Secondary Students Be Adopted Systemwide?.....- 47 -

    Recommendations .....- 48 -

**Appendices** .....- 49 -

Appendix A:  
Council on Occupational Education’s 2012  
Completion, Placement, and Licensure Form.....- 51 -

Appendix B:  
Council on Occupational Education’s 2012  
Annual Completion, Placement, and Licensure Form Instructions .....- 53 -

Appendix C:  
2012-2013 Program Fees at Mountainland Applied Technology College.....- 55 -

**Agency Response**.....- 57 -

# Chapter I

## Introduction

The Utah College of Applied Technology (UCAT) has the responsibility to provide technical skills education that will prepare students for highly skilled jobs. UCAT consists of eight campuses throughout the state. The independence granted to each campus allows programs to be tailored to the specific needs of local employers. UCAT caters to a diverse student base of adults, secondary students, and company employees who participate in the various programs to satisfy specific needs in their careers. This audit of UCAT focused on whether programs offered by the campuses are addressing market needs and to what extent students are participating in the costs of their education.

### UCAT Is Structured to Meet Local Needs

UCAT is governed by its board of trustees. However, significant duties are delegated to the eight campus boards. The eight UCAT campuses are responsible for providing technical education to various regions in the state. Each campus sets policies and develops programs that are tailored for the local job market and educational environment.

According to *Utah Code* 53B-2a-104(1),” The Utah College of Applied Technology Board of Trustees is vested with the control, management, and supervision of the Utah College of Applied Technology college campuses. . . .” The Board of Trustees consists of 18 members representing public education, higher education, and business and industry.

While the UCAT Board of Trustees sets policies to which all campuses must adhere, each campus is given the responsibility to develop technical education that will help students achieve licensing and certification while qualifying them for high-skill jobs in business and industry. Campus boards and their presidents make managerial decisions as to how their campus operates. Local administration determines program offerings, program content, and program length—factors essential to tailoring education to local industry needs.

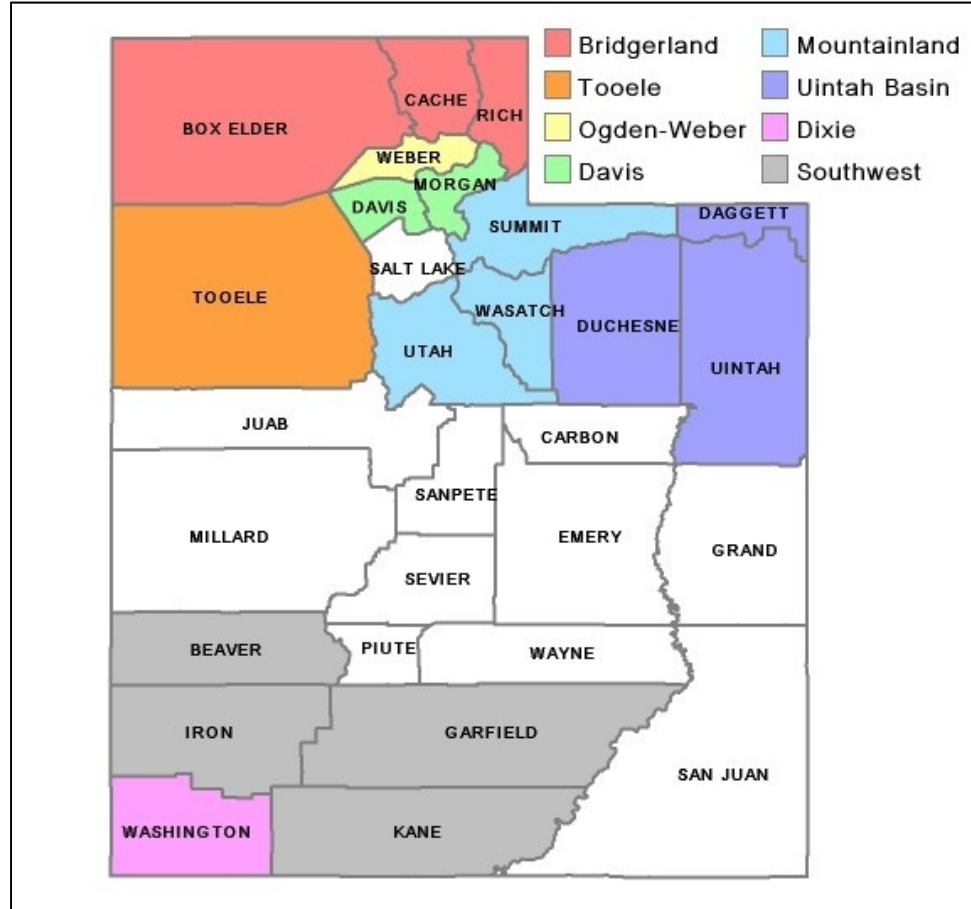
---

**The eight UCAT campuses develop programs that are tailored to the local job market.**

---

UCAT provides technical skills training to 18 of the 29 counties in Utah. Technical education in the other eleven counties is provided by higher education institutions under the Utah State Board of Regents. Figure 1.1 is a geographic representation of UCAT’s service regions.

**Figure 1.1 UCAT Provides Technical Education for the Majority of Counties in Utah.** This figure shows the geographic distribution of UCAT campuses. Counties without shading are serviced by other institutions.



UCAT provides technical education to 18 of Utah’s 29 counties.

Source: Utah Code

UCAT’s mission specifically outlines that each UCAT campus is responsible to provide technical training to adult and secondary students to “. . . meet the needs of Utah’s employers for technically skilled workers . . . .” To fulfill this mission, campuses work closely with local businesses to provide timely and relevant training, which is required for program accreditation.

UCAT campuses are accredited by the Council on Occupational Education (COE), a national accrediting body for occupational

education institutions. COE accreditation requires that local employers sit on employer advisory committees (EAC). These committees provide input on job outlook and necessary changes to program curriculum. Programs are created and eliminated based on support from local industry, a process that plays an important role in the overall quality of the education offered at UCAT campuses.

## **UCAT Technical Education Adapts to Students' Needs**

UCAT's technical education offerings appeal to a wide variety of students. Students attending a UCAT program typically seek a certificate, but other students may attend a program for a skill upgrade to enhance their careers. Secondary students are another considerable group of students, despite their decreasing numbers in recent years. Campuses also reach out to the business community by partnering on training agreements via UCAT's Custom Fit program. These trainings offer companies an opportunity to provide employees with necessary skill upgrades to keep them competitive in their industry.

### **Training Is Scaled Depending on Adult Students' Objectives**

Adult students who attend UCAT campuses are seeking training with various objectives. The most common reason students attend a campus is to obtain a program certificate that demonstrates competency in various skill areas, which will enable them to obtain a job in a related industry. The duration of these programs varies. Using nursing programs as an example, programs range from about 100 hours for the Certified Nursing Assistant program to over 900 hours for Practical Nursing.

Some adult students also attend UCAT for reasons other than obtaining a program certificate. The following are the four large non-certificate seeker objectives that adults may have as they enroll at a UCAT campus:

---

**Campuses work closely with local businesses to ensure training is timely and relevant to industry needs.**

---

---

**While program certification is the most common reason students attend UCAT, students cite a variety of other reasons.**

---

- Occupational Upgrade: An individual employed at the time of enrollment who is not a certificate seeker, but enrolls in a course for the purpose of upgrading job skills.
- Apprenticeship: An individual enrolled in a formal system of occupational training that combines paid employment, on-the-job training, and job-related classroom instruction.
- Life-Long Learning: An individual enrolled in a short-term training program to enhance skills for personal reasons.
- Basic Skills: An individual enrolled in non-technical course work that enhances his or her ability to succeed in a technical training program and/or to obtain employment.

These objectives entail varying amounts of student time. For example, a life-long learner may take a single course, whereas a student participating in an electrician apprenticeship program at the Ogden-Weber campus will take 845 membership hours (hours of class time) over four years.

Figure 1.2 shows enrollment in the various adult objectives across all UCAT campuses. The headcount specifies the number of students who were enrolled with a particular objective and program. Students may be counted in multiple categories by changing objective mid-year. The figure also shows the number of membership hours that were completed by students with a particular objective.

**Certificate seekers generate the most membership hours, but more students attend programs to upgrade their skills.**

**Figure 1.2 Certificate Seekers Complete the Most Hours, While Occupational Upgrades Account for the Most Students.** This figure shows the number of students and the membership hours they completed while working towards a particular objective during fiscal year 2011.

Objective	Headcount	Membership Hours
Certificate Seeker	13,234	3,860,447
Occupational Upgrade	15,506	474,523
Apprenticeship	1,104	161,309
Life-Long Learning	2,088	118,868
Basic Skills	3,358	105,915
Other	152	7,756

Source: UCAT Student Information System

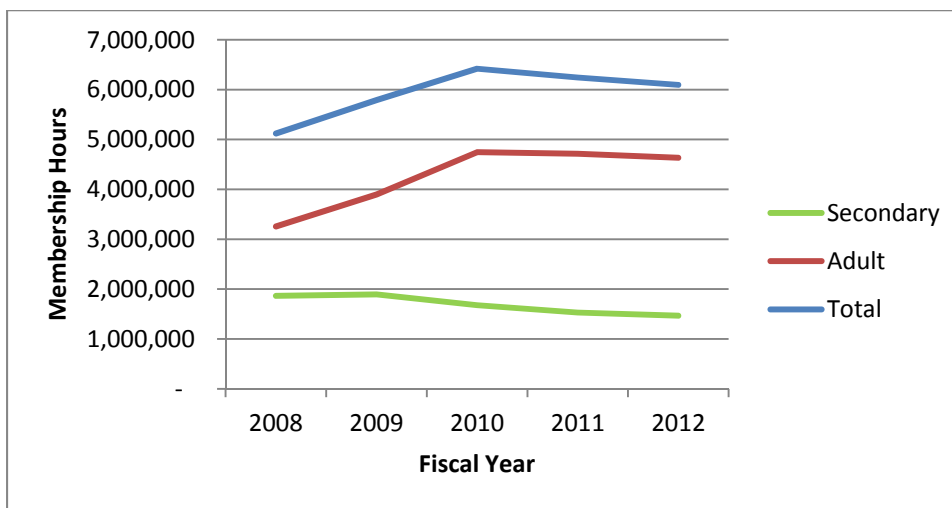
While certificate seekers account for the vast majority of membership hours, most adult students attend a UCAT campus with a different objective. In particular, skills upgrading attracts more students with short-term training plans.

### Secondary Student Participation Is Diminishing

According to *Utah Code* 53B-2a-106(1)(a), UCAT campuses are required to provide career and technical education curricula for secondary students. UCAT programs for secondary students enable students to receive high school credit while receiving training that will help them learn specialized skills for a future career.

In the past, secondary students generated more membership hours than they do now. Figure 1.3 shows the number of membership hours per fiscal year generated by secondary and adult students during the past five fiscal years.

**Figure 1.3 Adult Membership Hours Have Offset Reductions in Secondary Student Hours.** This figure shows the number of membership hours generated by adults and secondary students for the past five fiscal years.



Source: UCAT 2012 Annual Report

In fiscal year 2008, secondary students accounted for 36 percent of UCAT’s membership hours. In fiscal year 2012, secondary student participation was reduced to 24 percent of UCAT’s membership hours. As Figure 1.3 shows, reductions in secondary student hours in fiscal years 2009 and 2010 were offset by increases in adult

---

**UCAT campuses are required to provide career and technical education for secondary students.**

---



---

**While secondary student participation at UCAT campuses has decreased, overall participation has increased.**

---

instruction. However, reductions in secondary hours for fiscal years 2011 and 2012 have been accompanied with a slight reduction in adult hours. Therefore, reductions in secondary student membership hours are contributing to the five percent reduced output from the peak in fiscal year 2010.

### **UCAT Serves Utah Businesses**

Although UCAT is an institution of higher education, its mission differs substantially from other universities and colleges. First and foremost, UCAT trains workers so that Utah businesses can hire a skilled workforce. Operating parallel to traditional technical programs, UCAT also offers discounted training to existing workers at Utah companies.

UCAT's Custom Fit program offers subsidized training to for-profit companies located in Utah. Each UCAT campus serves its respective region and connects local businesses with customized training to meet the company's specific needs. Custom Fit training is either provided by UCAT faculty or private companies specializing in particular fields. Campuses offer many different types of training, ranging from leadership improvement to manufacturing. Custom Fit has the flexibility and experience to develop new training in emerging fields. Combining the state appropriation with mandatory company contributions, Custom Fit helped 1,204 companies train 14,995 incumbent employees in fiscal year 2012.

---

**UCAT's Custom Fit program provides subsidized training for employees of Utah companies.**

---

### **Audit Scope and Objectives**

This audit was requested to review UCAT's programs and how they are funded. Our office has conducted prior audits that reviewed program management and funding equity. The 1994 audit of applied technology colleges raised concerns about the funding equity among the various service regions. In 1995, a review identified concerns related to placement rates, program cost reporting, and system governance. A recent audit (in 2009) compared the costs of education between UCAT campuses and higher education institutions.

This audit request asked that we review some areas that were addressed in prior audits. Specifically, we examined the following:



- The effect of accreditation on program accountability and how campuses are responding to market needs (Chapter II)
- The extent that students participate in the costs of their program (Chapter III)
- The adequacy of the Custom Fit program's objectives and metrics in achieving its mission (Chapter IV)
- The role campuses play in providing remediation for secondary students with inadequate basic education skills (Chapter V)

To evaluate these objectives, we visited each of the eight UCAT campuses. During these visits, we obtained campus-specific documentation related to the objectives. The UCAT administration also assisted us by providing UCAT policies and guidance, aggregate statistics, and student information system data for all campuses. Based on this information, we provide the analysis and findings in the remaining chapters.

**This Page Left Blank Intentionally**

## **Chapter II Management of UCAT Programs Is Becoming More Effective**

Utah College of Applied Technology (UCAT) campuses have renewed their focus on program outcomes, such as completion, placement, and licensure rates. First, UCAT's accrediting body began requiring that individual programs, rather than the campus as a whole, meet performance requirements beginning in fiscal year 2011. Consequently, campuses are becoming more effective at ensuring students complete programs and obtain industry-related employment. Second, the importance of these program outcomes means they should receive primary consideration when deciding which programs to expand. They provide insight regarding industry demands, whereas traditional waiting lists are unreliable and need to be improved.

The Council for Occupational Education (COE), which accredits UCAT programs, requires that each program meet specified benchmarks for completion, job placement, and industry licensure. Specifically, COE requires that individual programs meet the following performance metrics for students seeking a certificate:

- 60 percent of students complete the program,
- 70 percent of completers obtain employment in industry, and
- 70 percent of completers acquire industry licensure.

These requirements ensure that campus instruction is effectively preparing students for future occupational success. If a program does not meet these requirements, then it is placed on corrective action for up to two years. These programs are required to submit and adhere to corrective action plans to stay accredited. Programs that are unable to meet these standards eventually lose accreditation and their campuses lose the ability to offer federal student financial aid.

### **National Accreditation Changes Force Individual Programs to Be More Effective**

Most programs at UCAT campuses are meeting COE's accreditation requirements regarding completion, placement, and

---

**UCAT's accreditation requires campus programs to attain specified completion, placement, and licensure rates.**

---

**In fiscal year 2011, accreditation focused on individual programs rather than campuses meeting completion, placement, and licensure rates.**

licensure rates. Poorly performing programs are required to agree to corrective action plans with the intent to raise performance outcomes to acceptable levels. System-wide statistics demonstrate the positive impact these changes are having on the entire system.

Without COE’s change from campus-level to program-level outcome requirements, the level of observed improvement was unlikely. Prior to fiscal year 2011, COE evaluated completion, placement, and licensure rates on a campus-wide basis. For fiscal year 2011, COE changed its evaluation process to review program-level metrics. This change no longer allowed strongly performing programs to compensate for poorly performing programs. Therefore, each program was considered on its own merits. This single change has promoted positive changes in poor performing programs that may not have occurred under the prior system.

**Most Programs Exceed Current Accreditation Requirements**

Individual program compliance with COE requirements is assessed using the scorecard presented in Appendix A. The scorecard directs campuses how to calculate completion, placement, and licensure rates. Figure 2.1 shows the number of programs at each ATC that met COE’s performance metrics for fiscal year 2011. Licensure, which is one of COE’s metrics, is not included because all programs met or exceeded the minimum requirements.

**Figure 2.1 Most Programs Meet Completion and Placement Requirements.** This figure shows the number of programs that met COE’s completion and placement requirements for fiscal year 2011.

Campus	Total Programs	Met Completion Requirement		Met Placement Requirement	
		Count	Percent	Count	Percent
Bridgerland	32	32	100%	32	100%
Davis	39	22	56	36	92
Dixie	5	4	80	4	80
Mountainland	17	17	100	17	100
Ogden-Weber	43	38	88	40	93
Southwest	10	5	50	9	90
Tooele	7	6	86	6	86
Uintah Basin	24	14	58	20	83
<b>UCAT Total</b>	<b>177</b>	<b>138</b>	<b>78%</b>	<b>164</b>	<b>93%</b>

Source: UCAT President’s Office

As Figure 2.1 shows, completion rates were more difficult for campuses to achieve than placement rates—78 percent of all UCAT programs met the completion requirement while 93 percent met the placement requirement. Therefore, 39 programs had less than 60 percent of their students leave the program because they either finished the coursework or obtained a job related to their training. In contrast, only 13 programs had less than 70 percent of their students obtain training-related employment.

Low completion rates result from students who withdraw from their program before obtaining a certificate or employment. For example, Appendix B (row 2b) contains specifics regarding which students should be included or excluded from specific score card lines. The process established by COE appears to take a balanced approach by holding campuses responsible for student success while not penalizing them for events beyond their control. For example, row 2b of Appendix B specifies that individuals who fail to complete a program due to a major life event, such as pregnancy, are not counted when generating accreditation statistics.

### **Poor Performing Programs Require Corrective Action Plans**

For the 39 programs that did not meet completion requirements, and the 13 that did not meet placement requirements, campus administrators were required to submit corrective action plans to COE. These plans outline strategies to address poor performance. The specific actions outlined by campuses were a combination of campus-wide improvements as well as program-specific changes. The following sections contain examples of each type of improvement.

**System-Wide Changes Have Far-Reaching Impact.** Campus-wide improvements focused on student orientations, assessments, and placement services. The following are specific examples how the various campuses made their improvements:

- *Orientations:* Davis Applied Technology College (ATC) lacked adequate information about students' objectives and employment status, and conversely students needed clearer information about campus guidelines, rules, and expectations. This improved communication may increase completion rates for Davis ATC programs.

---

**For fiscal year 2011, completion rates were satisfactory for 78 percent of all programs and 93 percent met placement standards.**

---

---

**Corrective action plans include campus and program level changes.**

---

---

**Campus level changes improved orientations, basic skills assessments, and placement services.**

---

- *Basic Skills Assessments:* Southwest, Dixie, and Ogden-Weber ATCs identified inadequacies in determining whether students had the necessary skills to be successful in their programs. Remediating or holding back unprepared students may increase completion rates for programs at these ATCs.
- *Placement Services:* Davis ATC hired a placement coordinator to address specific employment needs of their students, an action that may increase placement rates.

The benefit of these campus-wide changes is the potential to positively impact all campus programs, including outstanding programs which contributed to the improvements to be discussed in detail later.

**Program-Specific Changes Modify Programs Substantially.**

Unlike campus-wide changes, these changes are directed at core characteristics of a program, such as curriculum or duration. In some cases, campuses made the tough decision to shut down ineffective programs.

- *Discontinuing Programs:* Uintah Basin discontinued three programs because industry did not require their specific skills.
- *Aligning Curriculum with Licensure Requirements:* Tooele halted enrollment in its Medical Billing and Coding program since the curriculum was not aligned with national licensing.
- *Shortening Program Length:* Davis found that the length of two programs, Web and Graphic Design and Paralegal, were barriers to completion so the length of both programs was reduced.

As these examples demonstrate, program-specific changes vary by program. Based on these corrective action plans we reviewed, it appears that UCAT campuses are making positive and insightful decisions. The UCAT President brought to our attention that UCAT's aggregate performance metrics have improved as a result of these positive changes.

---

**Accreditation drives program-level changes in underperforming programs.**

---

## Corrective Actions Yield Improved Performance

To evaluate the impact of campuses' corrective action plans, aggregate completion, placement, and licensure rates were compared between fiscal year 2011 and fiscal year 2012. Figure 2.2 shows the percent of all UCAT students that did not meet the three metrics. In addition, a column showing the percent reduction was also included.

**Figure 2.2 System-Wide Metrics Show Reductions in Negative Outcomes.** The percent of students who did not complete their UCAT program or obtain training-related employment fell from fiscal year 2011 to fiscal year 2012.

Metric	Percent of Students Not Meeting Outcomes		
	2011	2012	Reduction from '11 to '12
Completion	25%	19%	24%
Placement	14	13	7
Licensure	3	3	0

Source: UCAT President's Office

As Figure 2.2 shows, improvements were made over the course of one year. In 2011 specifically, one of every four students seeking a certificate did not complete their programs. Through a combination of student awareness of program requirements and better-designed programs, 24 percent fewer students are withdrawing from programs. While the analysis is limited since it only looks at one year's data, the initial data appears promising.

It is important to note that the extent of these positive changes would not have been achieved without changes to how COE looks at completion, placement, and licensure rates. As discussed earlier, these rates were calculated on a campus-wide basis prior to fiscal year 2011. The more rigorous requirement that programs stand on their own merits has resulted in positive changes outlined in campuses' corrective action plans. COE's change demonstrates its intent to raise the effectiveness of its institutions, and consequently UCAT is reaping the benefits.

From 2011 to 2012, aggregate completion and placement rates improved for UCAT.

Effects of accreditation changes appear promising.

## Utilizing Program Outcomes Would Make Growth Decisions More Effective

Growing UCAT programs is ultimately about balancing demand from industry and students for a specific program. Future funding for program expansion should be based on program outcomes being tied to accreditation, as UCAT campuses are ultimately held responsible for placing their students in training-related employment. For fiscal year 2013, the Legislature’s growth funding focused on student demand via waiting lists. However, during the audit we found that the size of waiting lists is not very reliable. As decision makers need to balance industry and student demand in growing UCAT programs, the reliability of waiting lists needs to be strengthened.

---

**Growing UCAT programs involves balancing industry and student demand.**

---

### Expansion Decisions Should Focus on Program Outcomes

UCAT exists to provide skilled workers for Utah businesses; program outcomes (completion, placement, and licensure rates) are the metrics used to measure UCAT’s success, so these outcomes should be considered when expanding programs. Program outcomes, especially placement rates, provide a great deal of information on future demands for skilled workers. Therefore, the Legislature should request program-level detail regarding completion, placement, and licensure rates rather than the aggregate data currently being provided by UCAT.

---

**Program expansion should be tied to both accreditation statistics and industry demand.**

---

To illustrate the value of evaluating program outcomes and student demand, two health profession programs at Davis ATC were compared using student demand and placement rates.

---

**Figure 2.3 Programs with Excess Student Demand Can Show Different Industry Needs.** This figure shows the number of applicants and the number accepted as well as the placement rate for the two programs for fiscal year 2011.

---

Program	Applicants	Accepted	Acceptance Rate	Placement Rate
Medical Assisting	18	15	83%	81%
Practical Nursing	549	80	15%	100%

*Source: Davis Applied Technology College Administration*



As Figure 2.3 shows, both programs have student demand that exceeds existing capacity, which qualifies both programs for expansion from the perspective of waiting lists. However, there are two key differences that must be considered. First, the practical nursing program has significant student demand that would justify expansion, whereas the small additional demand for medical assisting may not. Second, every student graduating from practical nursing was placed, demonstrating robust industry demand for practical nursing graduates and making the program an excellent option to train more students and ensure they obtain industry-related jobs.

Another interesting component to this example is the fact that the practical nursing program at Davis ATC was not expanded with the campus's allocation of fiscal year 2013 waiting list funds. At face value, the program's high industry demand would seem to justify expansion. However, other factors influenced campus administration to expand other programs' capacity instead. If the Legislature had information documenting individual program outcomes, then discussions could focus on what factors are preventing expansion of high demand programs like Davis ATC's practical nursing program.

Each year, *Utah Code* 53B-2a-104(2)(d) requires that the UCAT Board of Trustees should "receive budget requests from each college campus, compile and prioritize the requests, and submit the request to the Legislature and the Governor's Office of Planning and Budget." To better inform these decision makers, we recommend the UCAT Board of Trustees submits program-level completion, placement, and licensure rate data. So far, the Legislature has only received aggregate data provided in UCAT's annual report.

### **Recent Growth Funding Focused on Waiting Lists**

UCAT's budget request for fiscal year 2013 asked for additional funding to expand current program capacity and add new programs. Specifically, UCAT cited that "campuses have many programs that are operating at capacity with students being turned away or made to wait for availability." Consequently, the Legislature appropriated \$2,381,000 to the eight UCAT campuses so they could address programs with waiting lists that demonstrate significant student demand.

---

**Program outcomes provide additional insight to waiting lists.**

---

---

**Program outcomes should be included with budget requests.**

---

---

**Allocating funding solely on student demand does not fully align with the UCAT mission.**

---

---

**Waiting lists currently measure student interest in programs rather commitment to enroll.**

---

---

**Waiting lists are primarily used to notify interested students about program openings.**

---

Allocating funding that addresses student demand seems like a reasonable approach to allocate growth funds. However, this approach does not fully align with the mission of UCAT, which is “to meet the needs of Utah’s employers for technically skilled workers by providing market-driven technical education to both secondary and adult students.” UCAT’s focus is training workers for industries in need of skilled workers. Therefore, future decisions to grow programs should expand decision-making criteria beyond waiting lists and applications and also use program outcomes related to industry demand.

### **More Reliable Waiting Lists Could Improve Admissions**

UCAT campuses use waiting lists to measure student interest. Waiting lists require minimal information and commitment from individuals, which makes them an unreliable assessment of student demand. In contrast, some programs require that students submit applications, which require significantly more information and indicate a higher commitment level. Since applications may not be appropriate for all programs, some of their characteristics should be applied to waiting lists to improve their reliability.

Two administrators at UCAT campuses were forthright about the limitations of waiting lists, specifically criticizing the low likelihood that a student on a waiting list will actually enroll in the program. The core problem with waiting lists is the ease with which potential students can join the list. Consequently, students find and pursue other options while waiting, which make waiting lists an unreliable indicator of potential students.

To illustrate the ease of joining a waiting list, the Dixie campus’s waiting list for Medical Assisting consists of 244 individuals who joined from July 2011 through October 2012. Interested individuals are required to provide limited information such as:

- their name,
- phone number, and
- e-mail address

Due to the unreliability of waiting lists, campuses use them as a notification system for program openings. For example, the Ogden-Weber campus stores its waiting lists as an e-mail group for each

program, whereas Mountainland campus uses a LISTSERV that tracks students who have interest in various programs and considers them to be on a waiting list.

Applications are another way to measure student demand and demonstrate greater student commitment through increased requirements. For example, Davis ATC requires that individuals applying for their practical nursing program provide the following information:

- Personal (name, address, date of birth, phone number and e-mail)
- Educational (schools attended and courses completed)
- Work Experience (prior employers and CNA experience)
- Official Transcripts
- References
- Personal Letter Stating Goals and Accomplishments

In addition to this information, students are required to pay an application fee of \$35. Consequently, students who apply for the practical nursing program at Davis are more likely to attend upon acceptance.

We recommend the UCAT Board of Trustees decides what application characteristics could be incorporated with waiting lists to improve their reliability. Some combination of background information or application fees should be sufficient to signal student commitment to a program and make waiting lists more useful for campus operational decisions.

## Recommendations

1. We recommend that the UCAT Board of Trustees submits program-level completion, placement, and licensure data to support budget requests to expand existing programs.
2. We recommend that the UCAT Board of Trustees sets policies that integrate elements of program applications into campus waiting lists to help improve their reliability.

---

**Applications document stronger student commitment and more accurately measure student demand than waiting lists.**

---

**This Page Left Blank Intentionally**

# Chapter III

## Student Costs Need Additional Policy Guidance and Oversight

The request for this audit specified that cost participation by adult and secondary students should be reviewed. The audit identified three concerns needing additional policy guidance. First, low tuition rates established by the Utah College of Applied Technology's (UCAT) Board of Trustees has caused campuses to shift costs toward fees and other student costs. Second, UCAT campuses are authorized to set their own fees, but the process lacks policies to provide adequate oversight. Third, campuses are inconsistently exempting secondary students from fees, which suggests that minimum fee requirements could be established by the UCAT Board of Trustees.

### Low Tuition Rates Shift Student Costs To Fees and Other Expenses

For fiscal year 2012, the UCAT Board of Trustees set a systemwide tuition rate of \$1.55 per membership hour. Over the past decade, UCAT tuitions have increased incrementally at a rate of about 5.6 percent per year, less than the educational cost inflation rate of 6.3 percent, and less than the 8.6 percent rate for the Utah System of Higher Education (USHE). UCAT rate setting has been driven by state and UCAT desires to keep student costs down. However, UCAT's focus on tuition does not keep total student costs down. Holding tuition costs down has resulted in increased campuswide and program-level fees as well as increased book and supply costs.

### Board Oversight Has Focused on Keeping Tuition Rates Low

The Legislature has provided the UCAT Board of Trustees some statutory guidance regarding student costs. For adult students, *Utah Code* 53B-2a-106(1)(b)(i) states that UCAT's career and technical education curriculum be offered at a "low cost to students, as approved by the board of trustees." A key component of this statute is that only those costs approved by the board are subject to the low cost requirement.

---

Desire to maintain low tuition has caused campuses to shift costs toward fees.

---

---

Statute requires UCAT Board of Trustees-approved costs be low.

---

---

**Campuses may approve fees for secondary and postsecondary students.**

---

---

**All campuses apply the same tuition rate for adult students.**

---

According to UCAT policy, the board has direct oversight of tuition rates but delegates fee-setting duties to individual campuses. Specifically, policy 204.6.1 states that postsecondary tuition “as approved by the UCAT Board of Trustees shall be assessed to postsecondary students formally scheduled in a course or program.” In contrast, policy 204.8.1 states that “fees, as approved by the campus board of directors, may be assessed to secondary and postsecondary students and to senior citizens formally enrolled in an approved course or program.” As these two policies demonstrate, the board’s approval is required for tuition but not for fees.

A large factor in the UCAT Board of Trustees’ decision on tuition rates is its policy 204.6.1, which requires that all campuses apply the same tuition rate for adult students. The challenge with establishing a single tuition rate for eight campuses is that the rate should account for the lowest cost courses on UCAT campuses. For fiscal year 2013, nine programs at one UCAT campus were identified with no fees, which suggests that tuition for these programs adequately covers costs and meets the board’s definition of low cost. However, the consequence of keeping tuition at this low rate for programs at all campuses is increased student fees.

### **Students Incur Considerable Costs in Addition to Tuition**

Students pay various expenses when attending programs at UCAT campuses. The most common cost is tuition, which the UCAT Board of Trustees raised from \$1.55 per membership hour in fiscal year 2012 to \$1.70 in fiscal year 2013. Other expenses include fees, books, and supplies. The following observations were made about the costs students incur:

- Tuition is not the primary cost incurred by students at some campuses
- Fees are typically utilized to offset high program costs
- Students are required to furnish some program materials

Along with a few, small mandatory administrative fees, tuition, fees, books, and supplies represent the level of financial participation students provide in their education.

To provide a snapshot of the costs students incur at UCAT campuses, Figure 3.1 shows the average tuition, fees, books and supplies, and total costs for all campus programs.

**Figure 3.1 Tuition Does Not Account for the Majority of Student Costs at Most Campuses.** This figure shows the fiscal year 2013 average tuition, fees, books, and supplies for all programs at each of the eight UCAT campuses.

Campus	Tuition	Fees	Books & Supplies	Total Cost	Tuition / Total Cost
Bridgerland	\$ 1.70	\$ .94	\$ .98	\$ 3.62	47%
Davis	1.70	1.26	.93	3.89	44
Dixie	1.70	.94	.64	3.28	52
Mountainland	1.70	1.51	.72	3.94	43
Ogden-Weber	1.70	.66	1.09	3.45	49
Southwest	1.70	1.36	1.08	4.14	41
Tooele	1.70	.34	1.01	3.05	56
Uintah Basin	1.70	1.22	1.21	4.13	41

Source: UCAT Campus Documentation

The averages in Figure 3.1 weighted all programs at each campus equally. The following sections describe some specific observations that were made regarding these cost components during the audit.

**Tuition Is Not the Primary Cost that Students Incur.** For six of the eight campuses in Figure 3.1, the majority of costs come from any combination of fees, books, and supplies. The remainder of student cost comes from tuition. Whether presented as a fee or books and supplies costs, students are paying considerable amounts of non-tuition costs.

**Campuses Assess Program Fees to Cover High Program Costs.** With the exception of the nine programs identified earlier in the chapter, UCAT tuition revenues do not cover program costs. As a result, each campus board assesses program-specific fees to cover the remaining costs (see example in Appendix C.) Program fees are established to offset the costs for each specific program. In the case of some cost-intensive programs, higher fees are necessary and can significantly raise a campus' average program fee level. For example, at the Davis ATC, higher fees of \$4.38 per hour for the firefighter program and \$1.74 per hour for the esthetician program raise the fee average of all campus programs to \$1.26 while the median fee of all campus programs is only \$0.82. In addition to program fees, three of

**Tuition is less than half of student costs at six of the eight campuses.**

the eight campuses are assessing campus-wide fees to boost revenues, a practice that is discussed later in this chapter.

**Campuses Require Students to Furnish Program Materials.**

While tuition and fees cover most costs, students are still responsible for some supplies and textbooks. The material a student must provide varies by campus as shown in Figure 3.1. As a comparison, Mountainland students typically pay more in fees than in books and supplies. However, at Ogden-Weber the opposite is true. Given the shifts that may exist between the two cost categories, it is important to consider books and supplies when evaluating students' level of cost participation. The board's decision to not consider non-tuition costs assessed by UCAT campuses does not give an accurate assessment of the low-cost status of UCAT programs.

**Effectively Managing Student Costs  
Requires Stronger Fee Policies**

As campuses develop additional student costs to augment tuition, they adopt a variety of fee strategies. First, UCAT campuses are assessing campuswide fees that generate additional revenue for campuses. Second, campus expenses rather than program costs are being covered by fee revenues from campuswide fees at two campuses.

In relation to tuition rates, the campuswide fees assessed by some campuses exceed the rates assessed by USHE institutions. The UCAT Board of Trustees should consider adopting fee guidance and oversight similar to that provided to Utah System of Higher Education institutions. Ensuring adequate fee oversight is essential as campuses shift more student costs away from tuition.

UCAT campuses primarily use fees to offset expenses associated with their programs, and the amount of these fees is based on program costs. As discussed earlier in this chapter, tuition rates for UCAT are relatively low, and campuses are evaluating alternatives, such as campuswide fees to generate additional revenues.

---

**Fee oversight is essential as campuses shift more student costs away from tuition.**

---



## Campuses Are Adopting Campuswide Fees

Some campuses assess fees that are not based on the costs of a specific program. Instead, these fees function more like tuition and produce a fixed amount of revenues for all programs. Students at these campuses are also charged additional fees associated with their specific program. Figure 3.2 shows the fees that are uniformly assessed at UCAT campuses.

**Figure 3.2 Three of the Eight Campuses Assess Uniform Fees to Students in Every Program.** These campuses assess a uniform fee to all adult students regardless of their program. The amounts in this figure were assessed for fiscal year 2013.

Campus	Monthly Campuswide Fee Amount
Bridgerland	\$ 8.33*
Davis	44.25**
Ogden-Weber	37.00

Source: Campus Documentation

\* Monthly rate was calculated from a quarterly assessment.

\*\* Monthly rate was calculated from a membership hour basis using average student participation.

The fees in Figure 3.2 have the potential to generate significant funding for a campus. For example, adult students at Davis ATC generated 1,314,258 membership hours in fiscal year 2012. Since Davis ATC assessed the same campuswide fee in both years, the campus should have generated about \$985,000. This amount does not account for the fees assessed to its secondary students.

As with other fees, Bridgerland ATC uses its fee in Figure 3.2 for use by the student's program. The campus has a separate account for each program that includes the revenue from tuition, the \$25 quarterly fee, and any program fees. These proceeds are used to cover the program's instruction costs. However, the other campuses are utilizing these fees to cover campus operations rather than costs tied directly to a student's program.

### Two UCAT Campuses Assess Fees for Campus Operations

The campuswide fees assessed by Davis and Ogden-Weber ATCs in Figure 3.2 primarily cover campus costs rather than program costs. Davis ATC allocates \$0.65 of its \$0.75 per-membership-hour fee to cover campus expenses such as marketing services, credit card

---

**Three campuses assess campuswide fees in addition to more common program fees.**

---

---

**Campuswide fees can generate significant revenue.**

---

---

**Campuswide fees at two campuses cover campus expenses rather than those for student programs.**

---

processing, and maintenance for facilities and grounds. Ogden-Weber's monthly fee is used for maintenance, cleaning, and improvement projects of its campus facilities.

While these uses are not prohibited in UCAT policy, their deviation from using proceeds for program purposes raises policy questions about the purpose of student fees. In their current form, these fees appear similar to tuition and can be used for any campus expense. In contrast, higher education has developed policies that categorize student fees and their corresponding levels of approval. For those general in nature like tuition, they have adopted similar approval requirements.

### **Some UCAT Campuswide Fees Exceed Those at Higher Education Institutions**

Our office conducted a prior audit of general fees at the University of Utah in 2011. As part of that audit, general fees and tuition were identified for full-time undergraduate students at each USHE institution. As a percent of tuition, general fees fell within a range of 12 and 21 percent. Relative to the range at USHE institutions, campuswide fees are high at some UCAT campuses and low at others.

The most straightforward example is Davis ATC, which assesses campuswide fees on a per-hour basis. The campus's \$0.75 per-membership-hour fee is 44 percent of the \$1.70 tuition rate. Using these USHE institutions as a benchmark, the campuswide fees at Davis ATC are relatively high.

---

**Variations in campuswide fees at UCAT campuses result in fees that can be both higher and lower than those of USHE institutions.**

---

However, earlier discussions about low tuition rates provide important context to the situation. Administrators at Davis ATC stated that their fees are necessary to offset low tuition rates established by the UCAT Board of Trustees. Consequently, UCAT's campuses have elected to charge fees to cover both campus and individual program costs. Without changes to tuition rate policies, the board should be overseeing these fees in a similar manner as tuition.

It is also important to note that not all campuswide fees are this high. For example, Bridgerland ATC charges \$25 per quarter, which was prorated to \$8.33 per month in Figure 3.2. Since students can attend various hours per month, the rate of campuswide fees to tuition is variable. If a student signs up for 30 hours per week, the

campuswide fee rate for a four-week month would be \$0.07 per hour, which is four percent of tuition. In contrast, 10 hours per week would produce a rate of \$0.21 per hour, which would be 12 percent of tuition. While rates at Bridgerland ATC are relatively low, the UCAT Board of Trustees still needs to provide appropriate oversight of these fees.

### **UCAT Fee Policies Should Provide Better Guidance and Oversight**

As stated earlier in the chapter, UCAT policy 204.8.1 gives the campuses the authority to establish and approve fees. While UCAT delegates full authority to its campuses, the State Board of Regents has categorized its fees and provides oversight of certain fees established by its institutions.

The State Board of Regents separates general fees from program-specific fees. General student fees have been defined as follows:

Board-approved amounts which are assessed to students directly, required to be paid with tuition, and are generally dedicated to specific purposes, such as building revenue bonds, extracurricular student activities, additional student services such as health clinics or computer labs, or athletics. Fees for specific courses are not included.

Along with its definition, the State Board of Regents has set different approval requirements for general and program-specific fees. Policy 510-5.1 regarding general fees other than tuition states:

**Approval by the Board:** All general student fees are subject to Board of Regents approval, normally in conjunction with annual determination of tuition rates. Course fees do not require Board approval but the Board will monitor such fees. Course fees will also be included in determining financial aid cost of attendance and the level of student contribution toward their total education costs.

The primary difference between the two policies is that the State Board of Regents' policy requires the board to approve campus-

---

**State Board of Regents policy clarifies what campuswide fees may cover for USHE institutions.**

---

---

**All USHE, general student fees are subject to Board of Regents' approval.**

---

created general fees. The board does this with the annual determination of tuition rates, which helps it become informed and assists with setting tuition rates.

It is also important to note one similarity between the State Board of Regents policy and the UCAT policy. Both leave approval of fees that directly support a specific course or program to the institution/campus. However, the State Board of Regents is still required to monitor such fees. This is an important element for the UCAT Board to consider as it monitors the cost participation levels of its students.

The fee policy adopted by the State Board of Regents is a template for the policies needed by the UCAT Board of Trustees. We recommend that the UCAT Board of Trustees should establish a fee policy that specifies acceptable fee uses and outlines the approval process and oversight for the campuswide fees campuses are adopting.

---

**The UCAT Board of Trustees should consider more oversight of campuswide fees.**

---

## **Fee Exemptions for Secondary Students Need Clarification**

While statute originally prohibited any costs for secondary students attending UCAT campuses, statute and UCAT policy have been amended to allow secondary students to pay some costs. With their independence to set fees, some campuses exempt secondary students from paying student fees while others do not. Since campuses that assess secondary student fees still achieve high participation, the UCAT Board of Trustees should consider clarifying how much participation secondary students should have in the non-tuition costs of their programs. Clarifying expectations ensures campuses are doing their part in addressing the financial needs of their programs with secondary students.

According to *Utah Code* 53B-2a-106 (1)(b)(ii), statute is clear that no tuition to secondary students shall be charged by UCAT campuses. As shown in Figure 3.1, tuition is a large portion of the costs students pay. When campuses further exempt secondary students from paying fees, the funding available for programs is further reduced. For this reason, the extent that a secondary student pays fees is an important funding issue for UCAT campuses and the Legislature to address.

## **Statute Could Clarify the Extent to Which Campuses Should Charge Fees**

While statute is clear regarding tuition, UCAT has been given flexibility regarding secondary student fees. In 2001<sup>1</sup>, the Legislature required that instruction for secondary students at a UCAT campus was to be provided at “no cost.” Subsequent legislation in 2003<sup>2</sup>, replaced “no cost” with “no tuition” for secondary students, allowing UCAT campuses to charge fees to secondary students.

Rather than specifying what fees secondary students should pay, UCAT policy 204.8.1 states that fees may be assessed to secondary and post-secondary students. This policy gives campuses the independence to set their own fee policies. Therefore, campuses have adopted a wide variety of practices that charge secondary students different amounts of fees.

### **Campuses Differ on Requiring Fees**

Since campuses have been delegated the responsibility to establish student fees, each can set its own policies. Campuses have taken three approaches regarding secondary student fees:

- Exempting secondary students from specific fees
- Requiring the same fees as adult students
- Developing separate fee structures

Each of these approaches places a different level of responsibility on the student for covering program costs.

Two of the eight campuses do not require students to pay the fees assessed to adult students. These campuses want to remove any unreasonable barrier that could prohibit a secondary student from attending. For example, the Uintah Basin campus exempts secondary students from direct fees and textbook costs associated with their programs. In addition, Bridgerland campus exempts secondary students from its \$25 quarterly lab fee.

---

<sup>1</sup> 2001 First Special Session, House Bill 1003

<sup>2</sup> 2003 General Session, House Bill 232

---

**Statute exempts secondary students from tuition, but does not address other student costs.**

---

---

**Two campuses exempt secondary students from all or some fees.**

---

---

**Three campuses require secondary students pay the same costs as adults.**

---

---

**Three campuses adapted their fees to the semester-based schedule of secondary students.**

---

In contrast, Dixie, Mountainland, and Tooele campuses have adopted the opposite practice and require that secondary students pay the same costs as adult students. These campuses still uphold the statute that prohibits tuition for secondary students. However, secondary students at these campuses are assessed fees to the greatest extent under statute.

To accommodate public education's semester-based system, three campuses have developed separate fee structures for secondary students.

- *Davis*: Secondary students pay a \$10 semester fee plus an additional program fee each semester that is based on the cost of the student's program.
- *Ogden-Weber*: Secondary students pay an annual \$70 fee rather than the monthly \$37 monthly fee for adult students.
- *Southwest*: Secondary students are assessed a \$15 annual fee for all programs, as well as a \$10 per semester program fee.

These campuses have recognized that secondary students should pay a portion of their education costs. Relative to adult student fees, these secondary student fee schedules are designed to offer a discount once the number of months or membership hours exceeds a certain point.

The fee structures adopted by UCAT campuses fill the spectrum of possible secondary student fees. Campuses that do not charge secondary students allowable fees are self-imposing additional financial constraints. As UCAT annually requests additional funding, it seems realistic that campuses should address their financial challenges by adopting fee policies similar to other campuses before approaching the Legislature for financial relief.

### **Secondary Student Participation Is Not Limited by Fees**

One of the concerns expressed by campuses that did not charge fees to secondary students was the barrier to attendance that students may experience. Secondary students account for a considerable number of membership hours at UCAT campuses whether fees are charged or not. Figure 3.3 shows the number of secondary

membership hours as a percent of total membership hours (adult and secondary) generated by each UCAT campus.

**Figure 3.3 Secondary Student Participation Does Not Appear to Be Affected by Fees.** This figure shows the percent of membership hours logged by secondary students as a percent of total hours for fiscal year 2012.

Campus	Secondary Hours	Total Hours	Participation Rate
<i>Campuses that Exempt Fees:</i>			
Uintah Basin	273,605	661,788	41%
Bridgerland	241,527	1,097,559	22
<i>Campuses that Charge Fees:</i>			
Mountainland	377,467	869,620	43%
Southwest	80,286	297,586	27
Ogden-Weber	223,573	1,279,617	17
Dixie	42,283	267,923	16
Davis	219,937	1,534,195	14
Tooele	4,995	86,802	6

Source: UCAT Administration

As Figure 3.3 shows, campuses that charge student fees to secondary students were still able to generate considerable participation. The most interesting campus in Figure 3.3 is Mountainland ATC, which requires that secondary students pay the same fees as adult students. Despite the added cost, Mountainland’s secondary students still participate to an extent greater than at the other campuses.

Mountainland ATC’s achievement demonstrates that a campus can obtain high levels of secondary student participation even though it charges fees. The UCAT Board of Trustees has already adopted a policy that grants fee waivers as determined by the student’s school district or charter school. Therefore, the adverse effect of requiring secondary student fees should be minimized. We recommend the UCAT Board of Trustees should consider establishing minimum fee requirements that campuses should assess for secondary students. Adopting a policy that sets minimum secondary fee requirements should ensure campuses are doing their part to address their financial needs.

**MATC charges adult fees to secondary students, yet has the highest secondary student participation.**

## **Recommendations**

1. We recommend that the UCAT Board of Trustees establishes a fee policy that specifies acceptable fee uses and outlines the approval process and oversight for campuswide fees.
2. We recommend that the UCAT Board of Trustees considers establishing a policy that specifies minimum secondary student fee requirements.



## **Chapter IV**

# **The Custom Fit Program Needs Clearer Direction**

The Utah College of Applied Technology's (UCAT) Custom Fit program is an economic development program that assists companies with employee training. However, the program needs clearer direction, along with the adoption of appropriate objectives and metrics. First, the program lacks clear objectives that specify how its trainings support economic development. Second, the absence of clear objectives makes establishing metrics that measure the effectiveness of the program difficult and results in inconsistent measurement. Lastly, the statewide program could more efficiently target economic development by revising the objectives for its company contribution rates, which would generate more funds for training.

Custom Fit is administered at the campus level and follows broad policies established by the UCAT Board of Trustees. A board of directors at each campus develops additional policies that help their campus's Custom Fit program better adapt to the local business and economic environment. Each UCAT campus has a small, dedicated Custom Fit staff that help companies meet their training needs. The Custom Fit Council, comprised of one Custom Fit representative from each campus, facilitates communication between campuses and the UCAT board. We believe these entities should work together to improve the Custom Fit program by adopting principles found in *Best Practices for Good Management*, a document that emphasizes the importance of program objectives. Without meaningful objectives, metrics provide minimal value as to how well an organization is achieving its mission. Therefore, establishing clear objectives and corresponding metrics is critical as Custom Fit achieves its mission.

### **Custom Fit's Objectives Do Not Support Its Economic Development Mission**

While the mission of Custom Fit is clear, the objectives that demonstrate how campus Custom Fit programs support economic development through workforce training partnerships are unclear. Instead of adopting objectives that focus on economic development,

---

**Custom Fit subsidizes employee training for Utah companies.**

---

---

**Each UCAT campus provides Custom Fit training to its region.**

---

the program appears to be driven by the objective of treating all training requests equally, which focuses on awarding funds on a first-come, first-served basis. Consequently, campus Custom Fit programs provide some Custom Fit training that is less focused on promoting economic development and better suited for other corporate needs. Other states' programs similar to Custom Fit provide examples of objectives that could assist the program in defining specific objectives for its goal of promoting economic development.

UCAT policy 202.4 clearly states, "The mission of Custom Fit is to support economic and workforce development through training partnerships between Utah companies and the Utah College of Applied Technology (UCAT)." While it can be implied that all training provides some economic benefit by further developing companies' workforces, Custom Fit staff should be able to document specific outcomes that demonstrate economic benefit. The state of Utah has multiple programs that promote economic development; UCAT's Custom Fit program needs to determine the niche it will fill in Utah's efforts.

### **Custom Fit Is Not Directed at Economic Development Objectives**

While some economic benefit may come from most employee training, campus Custom Fit programs are not directed at identifying the most effective economic development training. Instead, their main objectives appear to be ensuring that all state appropriations are allocated by the end of each fiscal year and fulfilling Custom Fit training requests in the order they are made.

A result of this first-come, first-served approach is the disproportionate amount of funds awarded to companies that have become aware of the program's resources. Custom Fit awards were reviewed for fiscal years 2010 to 2012. Figure 4.1 stratifies companies based on how many years they received training funds.

---

**Custom Fit focuses on allocating all its funds and treating all training requests equally.**

---

**Figure 4.1 Custom Fit Funds Disproportionately Benefit Companies That Receive Training in Multiple Years.** These numbers show the distribution of companies and the money spent on their training for each level of participation and money spent per company at each level of participation for fiscal year 2012.

Prior Years	Percent of Companies	Percent of Funds Spent	Funds Spent Per Company
0	54%	17%	\$ 815
1	20	15	2,010
2	26	68	6,970

Source: Custom Fit Database

Figure 4.1 shows that, for fiscal year 2012, a company with no prior years of funding received significantly fewer training funds (\$815) than companies that had participated in previous years (\$6,970). While the majority of companies receiving Custom Fit training were single-year recipients (54 percent), the majority of Custom Fit training funds (68 percent) were spent on the 26 percent of companies that continued their relationship with the program. Companies that received prior year funding received over eight times more funding than did single-year recipients. Financially, the Custom Fit program appears to be focused on annually assisting a core group of returning companies. Other data supports this observation: Mountainland Applied Technology College (ATC) provided Custom Fit training to the same 14 companies each of the last ten years (Custom Fit training was provided to other companies as well.).

Campus Custom Fit programs have adopted the first-come, first-served approach in an effort to make the process fair and unbiased. However, providing training as the requests are received has led to a system where four of the eight campus programs have received training requests that went unfunded. Operating on a fiscal year starting July 1<sup>st</sup>, three campus programs had fully allocated their funds by February or March, and one campus program allocated its funds by September. Allocating funds on a first-come, first-served basis seems counter-intuitive to Custom Fit’s mission of promoting economic development. With the current process, Custom Fit staff prioritize training requests based on when they were received rather than on their anticipated impact on economic development.

Since Custom Fit’s mission is to promote economic development, funding training in the order it is requested implies that all training has the same level of economic impact. We believe the UCAT Board

---

**Companies with a history of participation receive more funding each year.**

---



---

**Allocating funds on a first-come, first-served basis has led to unfunded training requests.**

---

---

**Custom Fit needs quantifiable economic development objectives.**

---

of Trustees, working with the Custom Fit Council, needs to provide economic development objectives that will guide campuses on how to prioritize training requests. According to *Best Practices for Good Management*, these objectives need to be “specific, quantified, time-based statements of desired outcomes or accomplishments”, which need to be partnered with metrics that measure performance.

### **Some Training Does Not Promote Economic Development**

Campus Custom Fit programs provide a wide variety of training to companies. While some training has economic development as its primary goal, others appear to satisfy other corporate needs. For example, Mountainland ATC provides a category of training called “Leadership Improvement” that includes classes such as:

- Crucial Conversations
- Stress Management
- Diversity Awareness
- Holding Effective Meetings

While these courses may provide companies some benefit, documenting their economic impact is difficult.

---

**Some Custom Fit training more closely aligns with traditional UCAT programs.**

---

In contrast, other Custom Fit training is more closely aligned with UCAT’s traditional programs. This training focuses on acquiring a specialized skill necessary for a business to grow or maintain its existence. These courses include:

- Microsoft Office
- C++ and Javascript
- Certified Quality Engineer
- Inventory Controls

This type of training is often cited in Custom Fit success stories. For example, Bridgerland ATC’s Custom Fit staff shared an experience regarding a sole proprietor who used Custom Fit to learn QuickBooks to do her own accounting. Providing QuickBooks training allows sole proprietors to keep their costs low and make their business viable. In addition, QuickBooks is closely related to accounting programs offered by the various UCAT campuses.

This section has highlighted how diverse the training needs for Utah companies can be. Because the Custom Fit program is not the sole source of training funds in Utah, it should not need to partner with companies for all of their training needs. Since UCAT’s mission, according to *Utah Code* 53B-2a-106(4), “is limited to non-credit career and technical education”, it seems appropriate that Custom Fit training assistance should serve similar technical education objectives. Finally, Custom Fit program objectives should identify what outcomes generate the greatest economic impact, similar to those adopted by other states.

---

**Custom Fit should focus on technical education objectives.**

---

### **Other States Target Specific Objectives That Promote Economic Development**

Programs in other states target economic development through meaningful eligibility requirements and measurable employment outcomes. Each surveyed state shares similarities with Utah, but has programs that use different methods to encourage economic development, relying upon specific program objectives. The other states’ examples presented in this section are intended to demonstrate the feasibility of developing economic development objectives.

**Idaho’s Workforce Development Training Fund (WDTF) Focuses on Business Expansion and Retention.** Idaho has numerous eligibility requirements related to economic development objectives that companies must fulfill in order to receive subsidized training. To receive training money from Idaho’s WDTF, companies must do one of the following:

- Document the hiring of new employees
- Explain why training is necessary for job retention

---

**Companies in Idaho must document hiring new employees or retaining jobs.**

---

Companies must explain the market circumstances leading to business expansion or the market challenges necessitating the retraining of existing employees. The WDTF also stipulates that multiple employees must be hired based on a company’s geographic location, and those jobs must meet specified wage and benefit requirements.

**New Mexico’s Job Training Incentive Program (JTIP) Promotes Job Creation and Relocation.** JTIP focuses on economic development through training subsidies for newly created full-time,

**New Mexico subsidizes training related to newly created jobs.**

year-round jobs paying a minimum wage that varies by region. Two categories of companies are eligible for JTIP funds:

- Companies that manufacture a product in New Mexico
- Companies that provide a non-retail service to customers outside the state of New Mexico

Companies are eligible for JTIP funds if the new jobs are a result of expansion, startup, or relocation. Other eligibility requirements stipulate that employees must be newly hired residents of New Mexico who have lived in the state for at least a year. New Mexico requires that companies submit a formal proposal to JTIP that outlines the company's eligibility and connects the newly created jobs to business expansion.

**Georgia's Quick Start and Retraining Tax Credit Programs Encourage Business Relocation and Employee Retention.** Georgia uses two programs to promote employee training and the resulting economic development.

- Quick Start promotes creating or saving jobs through customized training.
- Retraining Tax Credit focuses on training incumbent employees who are associated with investment in new technologies, with the objective of helping companies adapt to changing markets and technologies.

Georgia uses these two programs to target economic development by expanding and developing its workforce. Administrators maintain detailed statistics on the programs' effect on economic development.

These economic development programs illustrate how other states are targeting specific economic development parameters and holding their programs accountable. While similar goals and associated metrics may not be the UCAT Board of Trustees' desired direction for Custom Fit, such goals and measures do show that a systematic approach to working towards and quantifying economic impact is possible.

**Georgia promotes job creation and job retention through subsidized training.**

**The UCAT Board of Trustees should specify objectives that demonstrate how Custom Fit will promote economic development.**

## **Metrics Are Difficult to Develop Without Economic Development Objectives**

While the stated Custom Fit mission is well understood, metrics that demonstrate the program's impact on economic development are lacking. Despite existing for 27 years, Custom Fit is only starting to develop mechanisms that identify the impact of this cooperative training program. Since campus staff do not have the information to decide which trainings are most beneficial, success is measured by anecdotal success stories rather than by data.

Beginning in fiscal year 2013, campus Custom Fit programs were provided the opportunity to create descriptors in the Custom Fit database that would document the types of trainings they provide. Since no economic objectives exist, campus Custom Fit programs independently created their descriptors. Therefore, they lack the characteristics necessary for aggregate reporting, including:

- Consistency across campuses
- Adequate breadth to summarize classes of trainings
- Utilization among all campuses

While a start, these descriptors are not standardized and do not identify outcomes that reflect economic and workforce development. Custom Fit staff mentioned that they are working on identifying ways to capture Custom Fit return on investment information; however, no specifics have yet been presented.

Gathering and using metrics are sound management practices. Evaluation and program improvement hinge on the ability to gather relevant data and measure how well the organization is achieving a specific goal or objective. We recommend that the UCAT Board of Trustees works with the Custom Fit Council to develop metrics consistent across campuses that track how well the programs are achieving the economic development objectives, as those objectives are identified by the UCAT Board of Trustees.

---

**Existing Custom Fit metrics do not measure economic development objectives or impact.**

---

## **Additional Economic Development Could Occur with Revised Company Contribution Objectives**

To be efficient at providing training that promotes economic development, UCAT has stated its objectives regarding company contribution rates in policy. The contribution rate policy leverages state appropriations with company resources to provide more training. Some campus Custom Fit programs report that high demand for their employee training assistance exceeds their annual training budget. As a result, some practices employed by campus Custom Fit programs increase frequent user contributions to further stretch state appropriations for Custom Fit.

UCAT is appropriated Custom Fit funds (\$2,659,200 for fiscal year 2013) to partner with company contributions. These funds are divided and distributed quarterly to the ten Custom Fit regions (eight UCAT campuses, Snow College, and the College of Eastern Utah.) The Custom Fit staff at each of these campuses then negotiates training agreements with their participating companies that specify training cost, number of trainees, time of training, and company contribution. Contribution rates average about 61 percent and vary based on local needs and program circumstances.

### **Contribution Rate Policies Stretch Appropriations Farther**

In the past, UCAT's entire Custom Fit program was funded entirely with an appropriation from the state. The program covered training and administration expenses with those funds. Therefore, only a portion of the funds from the Legislature resulted in training.

Since then, campus Custom Fit programs began requesting company contributions to help appropriations stretch farther. This policy allows campus Custom Fit programs to spend more funds on training. The UCAT president has established an informal goal that campuses spend their entire appropriation on training and limit administration costs to an amount equal to company contributions.

The current policy adopted by the UCAT Board of Trustees sets minimum company contribution rates at 40 percent of the direct training cost, but allows for exceptions as approved by campus

---

**Custom Fit combines company contributions with state monies to offer more training.**

---

---

**Company contribution rates average 61 percent and vary based on local needs.**

---

---

**Current UCAT policy requires a minimum company contribution of 40 percent.**

---



presidents. Campus Custom Fit programs have adopted practices that exceed this rate, requesting companies contribute between 50 and 65 percent of the cost of their training. Campus Custom Fit programs are taking the initiative to stretch appropriations and provide more training.

**Some Campuses Cannot Fund All Training Requests**

Despite stretching Custom Fit funds further, demand for Custom Fit training is greater than the funding supply at four of the eight UCAT campuses. For fiscal year 2012, the Custom Fit programs at Bridgerland, Davis, Ogden-Weber, and Uintah Basin were unable to fund all of the training requests they received. In contrast, Dixie, Mountainland, Southwest, and Tooele ATCs were able to fulfill all training requests. These Custom Fit programs were able to adjust their company contribution rates enough to fund all requests or had training cancellations late in the fiscal year that freed up funds.

Figure 4.2 shows the number of unfunded company requests for the four campus Custom Fit programs that had insufficient funding. Unfunded companies are shown as a percent of those that received funding.

**Figure 4.2 Some Training Requests at Four Campuses Were Not Funded.** For fiscal year 2012, Custom Fit programs at the following campuses reported the number of training requests that were unfunded because the campus had insufficient funds.

Campus	Funded Companies*	Unfunded Companies**	Unfunded as Percent of Funded
Ogden-Weber	100	48	48%
Uintah Basin	48	11	23
Bridgerland	122	15	12
Davis	115	7	6

\* Source: UCAT President's Office  
 \*\*Source: UCAT Campuses

As Figure 4.2 shows, the percent of companies that were unfunded varied greatly among the campus Custom Fit programs. All eight campus Custom Fit programs award Custom Fit training funds on a first-come first-served basis. In addition, training funds at the four campus Custom Fit programs with excess demand were obligated or expended well before the end of the fiscal year. Uintah Basin ATC's

---

**Half of UCAT campuses have excess demand for Custom Fit training.**

---



---

**The Ogden-Weber ATC funded training for 100 companies but had insufficient funds for training requests from 48 companies.**

---



---

**The Uintah Basin ATC obligated all Custom Fit funds three months into the fiscal year.**

---

funds were obligated by the end of September, which was three months into the fiscal year. Other ATCs, such as Bridgerland, Davis and Ogden-Weber, obligated their funds by February or March.

**Innovative Contribution Rate Practices  
Allow Campuses to Stretch Appropriations**

With more demand than supply, campus Custom Fit programs need to find ways to stretch their appropriations. Each UCAT campus has been given latitude to develop its own contribution rate guidelines so long as they fit within UCAT’s broad policy directive. The following are two intriguing approaches identified during the audit:

- Graduating contribution rates based on company use
- Increasing contribution rates by spreading instruction costs

As shown below, some campuses have developed these two innovative approaches to extend their state appropriations.

**Mountainland ATC Uses a Graduated Contribution Model to Stretch State Appropriations.** Unlike other campus Custom Fit programs, MATC’s program uses contribution rate guidelines that purposefully charge companies different rates. A company’s contribution rate depends on the amount of training received and is delineated in Figure 4.3.

Two campuses adopted policies to stretch state appropriations and provide additional trainings.

Company contributions at Mountainland depend on the size of training and year-to-date training.

**Figure 4.3 MATC Company Contribution Rates Increase with Training Size and Year-to-Date Training.** Companies are required to pay a higher percentage as they use more state funding.

Cost of Class	Contribution Per Single Class	Cumulative Annual Contribution
\$5,000 or less	60%	60%
5,000+	65	60
10,000+	70	60
20,000+	75	65
30,000+	80	70
40,000+	85	75
50,000+	90	80
60,000+	90	85
70,000+	90	90

Source: MATC Custom Fit

According to the matrix, a company receiving more than \$20,000 in training will pay more than the statewide average of 60 percent. This

approach seems to outline a possible solution for the disproportionate amount of funding awarded to repeat companies and the excess demand for trainings. This model could be amended to reflect graduated rates based on the funding received over a multiple-year period. Mountainland had one of the four campus Custom Fit programs that funded all of its requests.

**Ogden-Weber ATC Uses Cost-Sharing Strategies to Increase Contribution Rates.** Some Custom Fit training can accommodate multiple companies or parties. In these cases, Custom Fit staff actively solicits additional training participants. While reducing the per trainee cost, Ogden-Weber ATC's Custom Fit program incurs a fixed cost for the instruction (instructor, classroom), charges the companies 65 percent of the original estimated cost, and gains additional revenue from the increased number of trainees. Consequently, the campus Custom Fit program is able to increase the revenues generated by its courses, creating funding for additional trainings. This approach allows the campus Custom Fit program to stretch its resources farther, as company contributions account for 72 percent of their training costs for fiscal year 2012.

UCAT provides limited guidance to campus Custom Fit programs concerning company contribution rates. While UCAT policy requires a minimum company contribution of 40 percent and allows for exceptions, all of the campus Custom Fit programs exceed that minimum standard. In *Best Practices for Good Management*, one of the questions an organization should ask is whether new goals are needed. Contribution rates that consistently exceed policy and innovative practices suggest that revisions to the contribution rate policy are needed.

The Custom Fit Council, a body comprised of representatives from each Custom Fit region, recommends policy changes or clarifications to the Board of Trustees. We recommend that the council evaluate contribution rate practices among all eight UCAT campuses for best practices. Based on their findings and campus input, the UCAT Board of Trustees should update its contribution rate policy to reflect new goals supporting its objective to provide as much Custom Fit training as possible.

---

**Ogden-Weber campus stretches its Custom Fit appropriations by decreasing per trainee costs.**

---

---

**The Custom Fit Council recommends policy changes to the UCAT Board of Trustees for consideration.**

---

## **Recommendations**

1. We recommend that the UCAT Board of Trustees works with the Custom Fit Council to establish economic development objectives for the Custom Fit program.
2. We recommend that the UCAT Board of Trustees works with the Custom Fit Council to adopt metrics that measure how well the program meets economic development objectives.
3. We recommend that the UCAT Board of Trustees revises its contribution rate policy based on the advice of the Custom Fit Council.

## **Chapter V**

# **UCAT's Role in Secondary Education Should Be Clarified**

Some curricula taught by Utah College of Applied Technology (UCAT) campuses raised questions about UCAT's role in secondary student education. First, the Utah State Office of Education (USOE) has adopted a rule change that does not fund courses at UCAT campuses that are core courses taught in high schools. Contrary to that rule, computer literacy, which is a course designated by public education as core graduation requirement, is taught at some UCAT campuses. Consequently, the Legislature may wish to clarify whether UCAT campuses should be requiring secondary students receive instruction provided in high school core courses.

The second issue involves the math assessments and remediation for secondary students being provided at two campuses. The other six campuses rely on assessments by high school counselors regarding student readiness for UCAT programs. Therefore, the UCAT Board of Trustees should evaluate and decide whether the benefits of assessing and remediating secondary student math skills warrant adoption by all UCAT campuses.

### **Should UCAT Teach Core Graduation Requirements for High School Students?**

According to a USOE rule change, time spent by secondary students enrolled in UCAT courses that meet core high school graduation requirements is no longer eligible for public education funding. However, UCAT campuses are enrolling secondary students in computer literacy, which is a core graduation requirement that traditionally has been taught by high schools. In one scenario, a high school outsourced computer literacy instruction to a nearby UCAT campus. In another scenario, a different campus required that students retake computer literacy (even though they already took the course from their high schools) because their courses did not meet specific criteria. These scenarios and USOE's rule change present the Legislature with an opportunity to clarify UCAT's role regarding

---

**UCAT teaching of high school core graduation required courses is questioned.**

---

secondary student instruction involving core high school graduation requirements.

### **USOE Rule Restricts When Students at UCAT Campuses Generate Funding**

During the 2013 fiscal year, USOE amended its pupil accounting rule to restrict when students instructed at UCAT campuses are eligible to be counted in their school districts' or charter schools' average daily membership for funding purposes. USOE summarized the provisions of the rule, which outline the following four requirements that a UCAT course must meet for a secondary student to be included in average daily membership counts. The course must be:

- An approved CTE course in a CTE pathway in one of the eight areas of study
- Not offered at the student's school of membership
- Used to meet Board-approved CTE graduation requirements under R277-700-6C(7), not other graduation requirements such as financial literacy, computer technology, study skills, etc.
- Consistent with the student's educational occupational plan

The third bullet directly impacts some courses taught on UCAT campuses. Computer literacy courses at some campuses is considered the same as the computer technology course, which is a core high school graduation requirement specified in *Administrative Rule 277-700-6(8)*. Since UCAT campuses are required by statute to focus on providing CTE courses and programs, campuses believe they are authorized to teach the course. However, the course's dual status as a core high school graduation requirement has provided USOE the grounds to reserve this instruction for high schools.

### **Computer Literacy Curriculum Is Traditionally Covered in High School**

Five UCAT campuses teach a common computer literacy course that is similar to computer technology courses required for high school graduation. In one case, the similarity with the equivalent high school course resulted in an articulation agreement that accepts the high school course for UCAT credit. Since both UCAT campuses and public education can provide this instruction, it raises the issue of

---

**Students completing core requirements at UCAT campuses are no longer counted in their school's ADM.**

---

---

**One campus uses an articulation agreement to grant UCAT credit to students who took computer literacy in high school.**

---

whether UCAT campuses should provide this instruction for secondary students.

Since every student who graduates from a Utah high school will receive the computer literacy curriculum at some point, the number of students and the amount of time they spend taking computer literacy courses from UCAT campuses raises some questions. Figure 5.1 shows the number of secondary students and the hours they completed in computer literacy courses at their UCAT campuses for fiscal year 2011.

**Figure 5.1 Computer Literacy Courses at UCAT Campuses Are Taught to Secondary Students.** Secondary students at five of the eight UCAT campuses took computer literacy from their local UCAT campus.

Campus	Hours	Students	Hours per Student
Uintah Basin	14,151	249	56.8
Ogden-Weber	4,781	95	50.3
Dixie	366	7	52.3
Davis	274	14	19.5
Southwest	79	1	79.0

Source: UCAT's Student Information System

Secondary student participation in computer literacy courses was not identified at Bridgerland, Mountainland, or Tooele campuses. For the five campuses in Figure 5.1, the level of participation can be separated into two categories. For Davis, Dixie, and Southwest campuses, secondary student computer course participation appears to be infrequent computer skill remediation. However, at both Uintah Basin and Ogden-Weber, the participation of secondary student is more complex.

**Union High School Outsourced Instruction to the Uintah Basin Campus.** High schools typically teach their students the curriculum necessary for the computer technology graduation requirement. However, the proximity between Union High School and the Uintah Basin campus caused the high school to partner with the campus to provide this instruction. Students attend the campus's computer literacy course and receive the credit required for high school graduation.

**Two campuses accounted for almost all secondary students taking computer literacy at UCAT campuses.**

**Union High School students fulfilled their computer technology requirement at the Uintah Basin campus.**

Students from Union High School accounted for 234 of the 249 secondary students (94 percent) who took computer literacy at the Uintah Basin campus. According to USOE's school directory for the 2010-2011 school year, Union High School enrolled 849 students in grades nine through twelve. The 234 students who attended computer literacy at the Uintah Basin campus represent 28 percent of Union High School's enrollment, which is a level adequate to ensure that every student could take the campus-provided course during their four years at the high school.

**The Ogden-Weber Campus Requires That Some Secondary Students Retake Computer Literacy.** The situation involving computer literacy courses at Ogden-Weber campus focuses on its articulation agreement. The agreement between the Ogden-Weber campus and its two local school districts acknowledges similarities in high school and campus curricula. Students who meet two criteria (obtained a B or better and took the course within two years of attending the Ogden-Weber campus) are exempted from the campus computer literacy course and can proceed to higher level courses. Therefore, the agreement either exempts a student from taking computer literacy or requires a student to repeat the course.

**Articulation agreement between Ogden-Weber ATC and its school districts requires some students to retake computer literacy.**

Of the 95 secondary students who took computer literacy from the campus, we reviewed the 13 student records from Weber School District for students who received more than 30 hours of computer literacy instruction. All 13 students took computer technology from their high school before attending the Ogden-Weber campus. One of these students completed two terms of computer technology in ninth grade and received an A for both terms. Since the student did not take the course within two years of attending the UCAT campus, repeating the curriculum was required. This situation raises concerns about the appropriateness of the current articulation agreement. In addition, it raises a larger question for the Legislature, which is whether UCAT campuses should require secondary students to take core courses, such as computer literacy, since they are already required to take the course in high school.



## Should Math Assessments and Remediation for Secondary Students Be Adopted Systemwide?

While most campuses admit secondary students based on the recommendation of high school counselors, two of the eight UCAT campuses test students to verify they have adequate math skills. We recommend that the UCAT Board of Trustees evaluates the need to assess secondary students' math skills based on the impact campuses requiring these assessments are experiencing.

Davis and Ogden-Weber campuses are testing secondary students' ability to perform basic math calculations without a calculator. These calculations involve performing basic functions such as addition, subtraction, multiplication, and division of whole numbers, fractions, percentages, and decimals. Math instructors at Ogden-Weber have observed that the primary reason students do not pass their math assessment and need remediation is their lack of ability to do computations by hand and overcome their calculator dependency.

These campuses have designed a Math I course to help students found lacking necessary math skills. This course is separate from other math courses required by specific programs, such as Culinary Arts Math that teaches students basic measurements and unit conversions. Figure 5.2 shows that a significant number of students were sent to Math I in fiscal year 2011. Since students typically take this course upon admission to a campus, the number of secondary students in Math I was compared to the total number of new admission secondary students.

**Figure 5.2 More Secondary Students at Ogden-Weber ATC Took Math I than at Davis ATC.** In fiscal year 2011, the number of secondary students in Math I was compared to all first-year secondary students.

Campus	New Students	Math I Students	Percent
Ogden-Weber	1,082	107	9.9%
Davis	1,243	12	1.0

Source: UCAT Student Information System Data

The Ogden-Weber campus teaches Math I to nearly ten times more secondary students than the number taking the class at the Davis campus. The campuses have different testing policies. Ogden-Weber requires assessments for secondary students with a grade point average

---

**Two of the eight ATCs test students to verify adequate math skills.**

---



---

**Math remediation is taught separately from program-specific math classes.**

---

---

**The Utah Legislature has authorized UCAT to offer non-credit basic instruction.**

---

less than 3.0. Davis limits assessments to students who cannot show they scored at least 400 on the SAT or 18 on the ACT in math. On average, students at the Ogden-Weber campus received 38 hours of instruction, and students at the Davis campus received 29 hours of instruction.

The issue raised by Math I instruction is whether secondary students are adequately prepared for the rigors of a UCAT program. The Legislature has authorized this instruction in *Utah Code* 53B-2a-106(2)(b), which states:

A college campus may offer non-credit, basic instruction in areas such as reading, language arts, and mathematics that are necessary for student success in a chosen career and technical education or job related program.

The statute expands the scope of UCAT instruction to include those concepts that will ensure a student is successful in their particular program. Since Davis and Ogden-Weber are identifying students that need this instruction, we recommend the UCAT Board of Trustees evaluates the outcomes and benefits from secondary student math remediation and consider requiring the other six campuses to implement similar instruction.

## **Recommendations**

1. We recommend that the Legislature clarifies whether UCAT's role in career and technical education for secondary students should include courses identified as a core high school graduation requirement.
2. We recommend that the UCAT Board of Trustees evaluates the outcomes and benefits from secondary student math remediation and consider requiring that all campuses provide this instruction.

## **Appendix**

**This Page Left Blank Intentionally**

# Appendix A

## Council on Occupational Education's 2012 Completion, Placement, and Licensure Form

2012 Completion, Placement, and Licensure Form POSTSECONDARY PROGRAMS -- Public and Non-Public Institutions -- -----Names of Programs-----		Campus/Institution Totals
Campus:	<b>USE THE FORM SUBMITTED WITH THE MOST RECENT COE ANNUAL REPORT OR CONTACT COE OFFICE FOR THE LATEST VERSION OF THIS FORM.</b>	
Reporting Period:		
Enrollment	1a. Beginning Enrollment	
	1b. New Enrollees	
	2a. All Enrollees (Sum of Rows 1a and 1b)	
	2b. Students no longer in program or secondary students	
	3. Cumulative Enrollment (Rows 2a minus 2b)	
Completion	4. Students Still Enrolled	
	5. Non-Graduate Completers Employed in Positions Related to Field of Instruction	
	6. Graduate Completers	
Placement	7. Total Completers (Sum of Rows 5 and 6)	
	8. Non-Graduate Completers Employed in Positions Related to Field of Instruction (same as Row 5)	
	9. Graduate Completers Employed in Positions Related to Field of Instruction	
	10. Total Completers Employed in Positions Related to Field of Instruction (Sum of Rows 8 and 9)	
Licensure	11. Graduate Completers Employed in Positions Unrelated to Field of Instruction	
	12. Graduate Completers Waiting to Take Licensure Exam or Awaiting Results	
	13. Graduate Completers Who Took Licensure Exam and have Received Results	
	14. Graduate Completers Who Passed Licensure Exam	
	15. Graduate Completers Unavailable for Employment	
	16. Graduate Completers Who Refused Employment	
	17. Graduate Completers Seeking Employment/Status Unknown	
	18. Withdrawals	
	19. Sum of Rows 12, 15, and 16	
	20. Difference - Row 6 minus Row 19	
21. Difference - Row 7 minus Row 19		
22. Graduation Rate (%)		
23. Total Completion Rate (%)		
24. Graduate Placement Rate (%)		
25. Total Placement Rate (%)		
26. Licensure Exam Pass Rate (%)		

**This Page Left Blank Intentionally**

## Appendix B

# Council on Occupational Education's 2012 Annual Completion, Placement, and Licensure Form Instructions

### 2012 Annual Completion, Placement, and Licensure Form For POSTSECONDARY Programs

-- Public and Non-Public Institutions --

<p>At the top of the form, list the reporting year (end date - month &amp; year) for which you are providing information. The reporting year listed <u>must</u> cover 12 months. Institutions may choose the most recent 12-month period that provides accurate and complete data for all of the rows on this form. The reporting period selected can be any consecutive 12-month period starting not earlier than April 1, 2010 and ending no later than June 30, 2012. Data must be reported for all programs shown on the latest COE Approved Programs List.</p>	
<b>Row 1a</b>	<p><b>Beginning Enrollment:</b> the total number of students enrolled in the program on the first day of the reporting period (12 consecutive months).</p> <p><i>Students continuing enrollment in their programs from the prior Annual Report reporting period. (This number should be the same number from the prior reporting period shown in Row 4 – Students Still Enrolled.)</i></p> <p><i>(The number of students enrolled in a program on the first day of the reporting year means the number of students enrolled in each program on the last day of the previous reporting year AND remained in school on the first day of the current reporting year.)</i></p>
<b>Row 1b</b>	<p><b>New Enrollees:</b> the number of new, unduplicated enrollments for the program <u>during</u> the reporting period.</p>
<b>Row 2a</b>	<p><b>Sum of Rows 1a and 1b.</b></p>
<b>Row 2b</b>	<p><b>Select students from Row 2a in any of the following categories:</b></p> <ul style="list-style-type: none"> <li>A. Students who transferred to another program within the institution;</li> <li>B. Students who received a 100% refund of tuition after withdrawal from the program or those who stopped attending class after the first day;</li> <li>C. Students documented to be unavailable to earn a credential in their programs OR to gain employment in the field/related field due to situations such as pregnancy, other serious health-related issues (physical/mental/behavioral), caring for ill family members, incarceration, death, etc.</li> <li>D. Students enrolled in a program and began the program in the Traditional Delivery format AND transferred to a Distance Education format or vice versa during the reporting period.</li> <li>E. Secondary students (Some institutions may be required to report completion rate data for secondary students on a separate form.)</li> </ul> <p><b>Sum of Students in A, B, C, D, &amp; E above</b> _____</p>
<b>Row 3</b>	<p><b>Cumulative Enrollment:</b> Row 2a minus Row 2b.</p>
<b>Row 4</b>	<p><b>Students Still Enrolled:</b> the number of students enrolled in each program at the <u>end</u> of this reporting year, and continuing in their program in the following reporting year.</p> <p><b>TIP:</b> This will be the number for 'Beginning Enrollment' for the next Annual Report reporting period.</p>
<b>Row 5</b>	<p><b>Non-Graduate Completers:</b> the total number of students who left a program before graduation but have acquired sufficient competencies for employment in the field of instruction or related field <b>as evidenced by such employment</b>. (Do not include non-graduate completers placed in field from a period other than the reporting period.)</p>
<b>Row 6</b>	<p><b>Graduate Completers:</b> the number of students who have demonstrated the competencies required for a program and have been awarded the appropriate certificates, diplomas, and/or degrees upon completion.</p> <p><b>TIP:</b> The sum of rows 9, 11, 12, 15, 16, and 17 must equal the number in this row.</p>
<b>Row 7</b>	<p><b>Total Completers:</b> Total of rows 5 and 6.</p> <p><b>TIP:</b> The sum of rows 10, 11, 12, 15, 16, and 17 must equal the number in this row.</p>
<b>Row 8</b>	<p><b>Non-Graduate Completers Employed in Positions Related to Field of Instruction:</b> As defined, a non-graduate completer <b>must</b> be employed in the field of instruction; therefore, the number in this row <b>must be the same as the number reported in row 5</b>. (Do not include non-graduate completers placed in field from a period other than the reporting period.)</p>
<b>Row 9</b>	<p><b>Graduate Completers Employed in Positions Related to Field of Instruction:</b> graduates who (1) are employed in the field of instruction pursued, (2) have entered the military, or (3) are continuing their education.</p>

<b>Row 10</b>	<b>Total Completers Employed in Positions Related to Field of Instruction:</b> Total of rows 8 and 9.
<b>Row 11</b>	<b>Graduate Completers Employed in Positions Unrelated to Field of Instruction:</b> graduates who are now employed in fields unrelated to the field of instruction for which they enrolled.
<b>Row 12</b>	<p><b>Graduate Completers Waiting To Take Licensure Exam PLUS Graduate Completers who are Awaiting Results:</b> the number of graduates who have completed their programs of instruction and are waiting to take a state- or federally-administered licensure exam PLUS those graduates who took an exam and are still waiting for pass/fail results at the end of reporting period*.</p> <p><i>(A licensure examination program is a program of instruction where the graduate <b>must</b> pass a licensure examination in order to become employed in the field of instruction pursued. The term 'certification' is used by the Council to describe an optional credential a student may obtain to demonstrate competency in a specialized field of work.)</i></p> <p><b>TIP:</b> *If any completer waiting to take a licensure exam or awaiting results is already employed in a position related to the field of instruction, <b>DO NOT</b> include them in this row.</p>
<b>Row 13</b>	<b>Graduate Completers Who Took Licensure Exam</b> are those graduates who have completed taking state- or federally-required licensure exams and have received pass/fail results.
<b>Row 14</b>	<b>Graduate Completers Who Passed Licensure Exam</b> (self explanatory) <b>TIP:</b> The number reported in this row cannot exceed the number in row 13. Do not report data from graduates of prior reporting periods.
<b>Row 15</b>	<b>Graduate Completers Unavailable for Employment:</b> the number of graduate completers documented to be unavailable for employment because of situations such as pregnancy, other serious health-related issues, caring for ill family members, death, etc.
<b>Row 16</b>	<b>Graduate Completers Who Refused Employment:</b> the number of graduate completers for whom the institution has documented evidence that the completers failed to keep interview appointments, enrolled in the program of instruction strictly for personal use, or simply refused an employment offer in the field of instruction.
<b>Row 17</b>	<b>Graduate Completers Seeking Employment/Status Unknown:</b> the number of graduate completers who are currently seeking employment in the field for which they were instructed, <b>AND</b> those graduate completers who cannot be traced for follow-up purposes.
<b>Row 18</b>	<b>Withdrawals:</b> the number of students who withdrew from their respective programs of instruction <b>without</b> earning a credential or securing employment in their field of training. <b>TIP:</b> <i>These students are not included in Row 2b.</i>
<b>Row 19</b>	<b>Sum of Rows 12, 15, and 16:</b> total the numbers in rows 12, 15, and 16 and enter here. <b>TIP:</b> The number reported in this row cannot exceed the number reported in row 6.
<b>Row 20</b>	<b>Difference - Row 6 minus Row 19:</b> subtract the number in row 19 from the number in row 6 and enter the result here.
<b>Row 21</b>	<b>Difference - Row 7 minus Row 19:</b> subtract the number in row 19 from the number in row 7 and enter the result in this row.
<b>Row 22</b>	<p><b>Graduation Rate:</b></p> <p>A. For each program, take the cumulative enrollment number listed in row 3, subtract the number of students still enrolled listed in row 4.</p> <p>B. Divide the number of graduate completers listed in row 6 by the total obtained in 'A' above and multiply by 100. This is the graduate completion rate for the program.</p>
<b>Row 23</b>	<p><b>Total Completion Rate:</b></p> <p>A. For each program, take the cumulative enrollment number listed in row 3, subtract the number of students still enrolled listed in row 4.</p> <p>B. Divide the number of completers listed in row 7 by the total obtained in 'A' above and multiply by 100. This is the overall completion rate for the program.</p>
<b>Row 24</b>	<b>Graduate Placement Rate:</b> divide the number in row 9 by the number in row 20 for each program and multiply by 100.
<b>Row 25</b>	<b>Total Placement Rate:</b> divide the number in row 10 by the number in row 21 for each program and multiply by 100.
<b>Row 26</b>	<b>Licensure Exam Pass Rate:</b> divide the number who passed licensure exams (row 14) by the number who took the exams (row 13) and multiply by 100.
<b>Finishing the Form</b>	
<b>TIP:</b> To balance the figures on the form, add the figures in rows 4, 7, and 18. The result should equal the number in row 3.	



## Appendix C 2012-2013 Program Fees at Mountainland Applied Technology College

### 2012-13 Fee Schedule



Fees are effective for classes starting 6/1/12 or later

Program	Application Fee	Hrs	Tuition	Program Fee	Technology Fee	Total Fees	Total
Apprenticeship	\$ 40.00	90	\$ 153.00	\$ 155.00	\$ 20.00	\$ 175.00	\$ 328.00
Automotive Engines (includes Fundamentals of \$75)	\$ 40.00	630	\$ 1,071.00	\$ 310.00	\$ 20.00	\$ 330.00	\$ 1,401.00
Automotive Vehicle Performance (includes Fundamentals of \$75)	\$ 40.00	630	\$ 1,071.00	\$ 310.00	\$ 20.00	\$ 330.00	\$ 1,401.00
Barbering	\$ 40.00	1,080	\$ 1,836.00	\$ 1,100.00	\$ 20.00	\$ 1,120.00	\$ 2,956.00
Business Tech	\$ 40.00	1,020	\$ 1,734.00	\$ 150.00	\$ 20.00	\$ 170.00	\$ 1,904.00
Commercial Truck Driving	\$ 40.00	160	\$ 272.00	\$ 3,000.00	-	\$ 3,000.00	\$ 3,272.00
Cosmetology	\$ 40.00	2,160	\$ 3,672.00	\$ 2,285.00	\$ 20.00	\$ 2,305.00	\$ 5,977.00
Culinary Arts	\$ 40.00	1,200	\$ 2,040.00	\$ 400.00	-	\$ 400.00	\$ 2,440.00
Culinary Arts I	\$ 40.00	600	\$ 1,020.00	\$ 200.00	-	\$ 200.00	\$ 1,220.00
Culinary Arts II	\$ 40.00	600	\$ 1,020.00	\$ 200.00	-	\$ 200.00	\$ 1,220.00
Dental Assistant	\$ 40.00	750	\$ 1,275.00	\$ 280.00	\$ 20.00	\$ 300.00	\$ 1,575.00
Diesel Mechanics	\$ 40.00	540	\$ 918.00	\$ 235.00	\$ 20.00	\$ 255.00	\$ 1,173.00
Emergency Medical Tech (EMT)	\$ 40.00	225	\$ 382.50	\$ 331.00	-	\$ 331.00	\$ 713.50
Accelerated EMT (EMT)	\$ 40.00	180	\$ 306.00	\$ 331.00	-	\$ 331.00	\$ 637.00
Advanced EMT (AEMT)	\$ 40.00	105	\$ 178.50	\$ 420.00	-	\$ 420.00	\$ 598.50
Information Technology	\$ 40.00	1,170	\$ 1,989.00	\$ 255.00	\$ 20.00	\$ 275.00	\$ 2,264.00
Information Technology -COP	\$ 40.00	675	\$ 1,147.50	\$ 255.00	\$ 20.00	\$ 275.00	\$ 1,422.50
Information Technology -COP	\$ 40.00	540	\$ 918.00	\$ 255.00	\$ 20.00	\$ 275.00	\$ 1,193.00
Medical Assistant	\$ 40.00	810	\$ 1,377.00	\$ 315.00	\$ 20.00	\$ 335.00	\$ 1,712.00
Medical Billing & Coding	\$ 40.00	1,100	\$ 1,870.00	\$ 285.00	\$ 20.00	\$ 305.00	\$ 2,175.00
Accelerated Medical Billing and Coding	\$ 40.00	645	\$ 1,096.50	\$ 285.00	\$ 20.00	\$ 305.00	\$ 1,401.50
Medical Office Admin	\$ 40.00	630	\$ 1,071.00	\$ 285.00	\$ 20.00	\$ 305.00	\$ 1,376.00
Nail Technician	\$ 40.00	350	\$ 595.00	\$ 700.00	\$ 20.00	\$ 720.00	\$ 1,315.00
Nurse Assistant	\$ 40.00	135	\$ 229.50	\$ 161.00	\$ 20.00	\$ 181.00	\$ 410.50
Pharmacy Technician	\$ 40.00	450	\$ 765.00	\$ 220.00	\$ 20.00	\$ 240.00	\$ 1,005.00
Pharmacy Technician - Evenings	\$ 40.00	390	\$ 663.00	\$ 220.00	\$ 20.00	\$ 240.00	\$ 903.00
Pharmacy Technician - Summer Accelerated	\$ 40.00	315	\$ 535.50	\$ 220.00	\$ 20.00	\$ 240.00	\$ 775.50
Practical Nursing	\$ 40.00	900	\$ 1,530.00	\$ 1,000.00	\$ 20.00	\$ 1,020.00	\$ 2,550.00
Pipe Welding	\$ 40.00	1,140	\$ 1,938.00	\$ 1,580.00	-	\$ 1,580.00	\$ 3,518.00
Welding	\$ 40.00	900	\$ 1,530.00	\$ 1,000.00	-	\$ 1,000.00	\$ 2,530.00

**This Page Left Blank Intentionally**

## **Agency Response**

**This Page Left Blank Intentionally**



**Utah College of  
Applied Technology**

2801 Ashton Boulevard  
Lehi, UT 84043

**Office of the President**

Direct • 801.341.6000  
Fax • 801.341.6019  
www.ucat.edu

February 6, 2013

Mr. John Schaff  
Legislative Auditor General  
W315 Utah State Capitol Complex  
Salt Lake City, UT 84114

On behalf of the Utah College of Applied Technology (UCAT), we wish to thank you for this opportunity to respond to Report Number 2013-02, A Performance Audit of Utah College of Applied Technology Programs and Funding.

We appreciate the professionalism of Mr. Tim Osterstock, Audit Manager, Mr. Tim Bereece, Audit Supervisor and Mr. Chris McClelland, Audit Staff as they reviewed UCAT and the eight campuses. In our opinion they did an extraordinary job of comprehensively reviewing our system, campuses, programs and funding. The nine reasoned recommendations provided by the audit team are accepted and already proving useful in further enhancing the performance and operation of the UCAT system.

Following is a list of the team's nine recommendations and UCAT's response to each.

**1. We recommend that the UCAT Board of Trustees submits program-level completion, placement, and licensure data to support budget requests to expand existing programs.**

UCAT supports this recommendation as one of the criteria to be considered when campuses identify the need to expand existing programs. With the strict accreditation guidelines requiring campuses to maintain high completion, placement and licensure rates, this data, reported each year in early December, is crucial to the decision-making process at all levels, and required by the UCAT Board of Trustees.

**2. We recommend that the UCAT Board of Trustees sets policies that integrate elements of program applications into campus waiting lists to help improve their reliability.**

UCAT supports this recommendation and will work with campus administrators, campus boards of directors and the UCAT Board of Trustees to better define and integrate elements of program applications into campus waiting lists.

**3. We recommend that the UCAT Board of Trustees establishes a fee policy that specifies acceptable fee uses and outlines the approval process and oversight for campus-wide fees.**

UCAT agrees that with the maturing of the UCAT system and the eight campuses, enhanced guidance to campus boards regarding acceptable fee uses, fee approval processes and campus-wide fees should occur. The UCAT Board of Trustees will begin working with the eight campuses to consider policy adjustments that provide this enhanced guidance.

**4. We recommend that the UCAT Board of Trustees considers establishing a policy that specifies minimum secondary student fee requirements.**

UCAT agrees that enhanced guidance to campus boards of directors specifying minimum secondary student fee requirements would be helpful. Each campus has specific needs based on their local economy and circumstances. A “one-size-fits-all” approach for campuses on all secondary fees is not likely, but system-wide discussion and minimum secondary student fee requirements will be discussed and considered in conjunction with the campuses.

**5. We recommend that the UCAT Board of Trustees works with the Custom Fit Council to establish economic development objectives for the Custom Fit program.**

UCAT agrees with this recommendation and will work with the Custom Fit Council and campus boards of directors to establish economic development objectives for the Custom Fit program.

**6. We recommend that the UCAT Board of Trustees works with the Custom Fit Council to adopt metrics that measure how well the program meets economic development objectives.**

UCAT agrees with this recommendation and will work with the Custom Fit Council and campus boards of directors to develop metrics that measure how well the program meets economic development objectives.

**7. We recommend that the UCAT Board of Trustees revises its contribution rate policy based on the advice of the Custom Fit Council.**

UCAT agrees with this recommendation and will seek the advice of the Custom Fit Council and campus boards of directors on revising the contribution rate policy to reflect current best practices and results.

**8. We recommend that the Legislature clarifies whether UCAT’s role in career and technical education for secondary students should include courses identified as a core high school graduation requirement.**

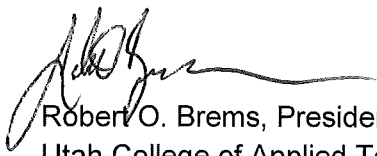
UCAT agrees that clarification on this issue is needed. This clarification may also require input from the Utah State Board of Education which governs core high school graduation requirements.

**9. We recommend that the UCAT Board of Trustees evaluates the outcomes and benefits from secondary student math remediation and consider requiring that all campuses provide this instruction.**

UCAT agrees with this recommendation and will work with campus administrators and boards of directors to consider additional guidance to campuses on secondary student remediation.

Again, we express appreciation for the hard work, thoroughness and professionalism of the audit team. We look forward to questions and suggestions as this report is presented.

Sincerely,



Robert O. Brems, President  
Utah College of Applied Technology



Thomas E. Bingham, Chair  
Utah College of Applied Technology  
Board of Trustees