

# Budget Brief – Utah College of Applied Technology

## SUMMARY

The mission of the Utah College of Applied Technology (UCAT) is to provide applied technology education (ATE) to both secondary and post-secondary students to meet the social and economic needs of the state efficiently and effectively, through collaborative partnerships between the educational systems, business, and industry. UCAT offers quality educational programs and innovative delivery systems to ensure a skilled and educated workforce.

ATE institutions provide open-entry/open-exit, competency-based training and offer certificates of completion, associate of applied technology degrees, and competency-based high school certificates. UCAT has nine campuses located throughout the State. In FY 2006, UCAT served a total of 58,896 students (headcount), with nearly 5.3 million membership hours.

## ISSUES AND RECOMMENDATIONS

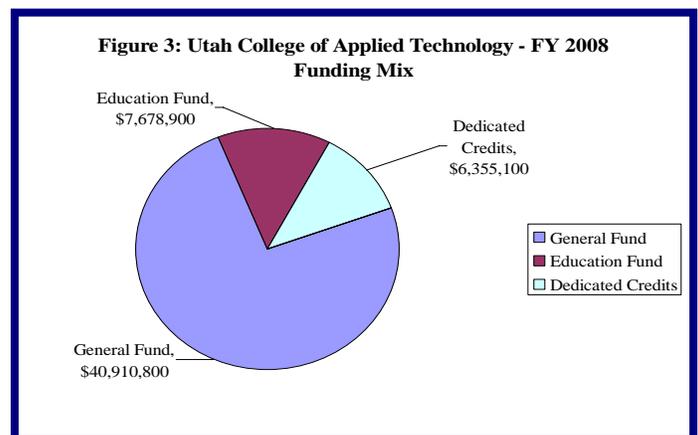
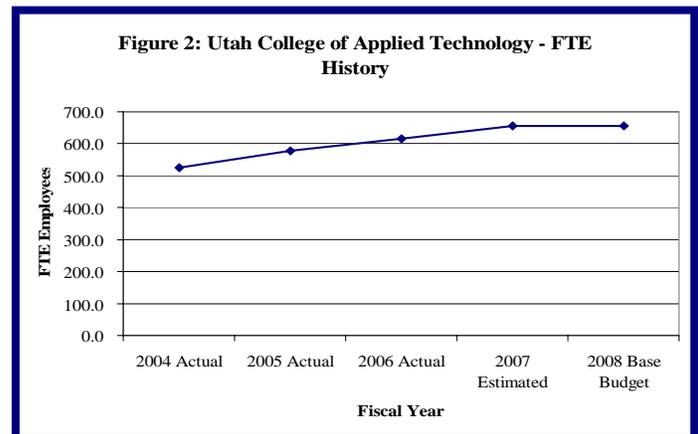
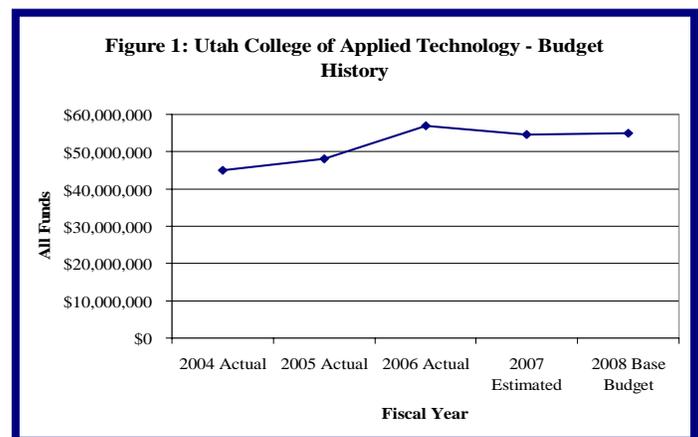
**Base Budget:** The total FY 2007 appropriated budget for the Utah College of Applied Technology was \$54,553,100, with \$40,910,800 from the General Fund and \$7,285,700 from the Education Fund (including a one-time Education Fund reduction of \$393,200). Using the FY 2007 ongoing appropriation as the beginning point for the FY 2008 base budget, with a slight reduction in the level of dedicated credits in the amount of \$1,500, the total FY 2008 Base Budget becomes \$54,944,800.

**UCAT Transfers:** The Analyst recommends transferring \$150,000 within line items at the Utah College of Applied Technology to correctly reflect lease funding approved for FY 2007.

**Enrollment Growth:** The UCAT campuses are experiencing increasing enrollments in most of their programs. The projected growth for FY 2008 is over 207,000 membership hours. The Analyst recommends funding in the amount of \$1,197,800.

**Utility Rate Increases:** Four of the larger UCAT campuses have experienced increasing costs associated with electricity and natural gas during the past year. The Analyst recommends funding to cover the increased costs of the utilities in the amount of \$225,400 in FY 2008 and \$245,500 in FY 2007.

**Operation and Maintenance of New Facilities:** A new building in Blanding (Southeast ATC) will come on line during FY 2007 and will need O & M funding. The total amount recommended in FY 2008 is \$21,000; for FY 2007, the amount is \$19,300. The Uintah Basin ATC Vernal building was approved last year with \$393,200 O & M funding. That building will not be operational in



FY 2008, so the Analyst recommends a one-time FY 2008 reduction in the amount of \$393,200.

**Lease Funding:** Eight of the ATCs and the Central Administration office have requested funding for new leased space. The Analyst recommends FY 2008 funding in the amount of \$932,800 for these lease costs, together with a FY 2007 supplemental amount of \$1,310,300.

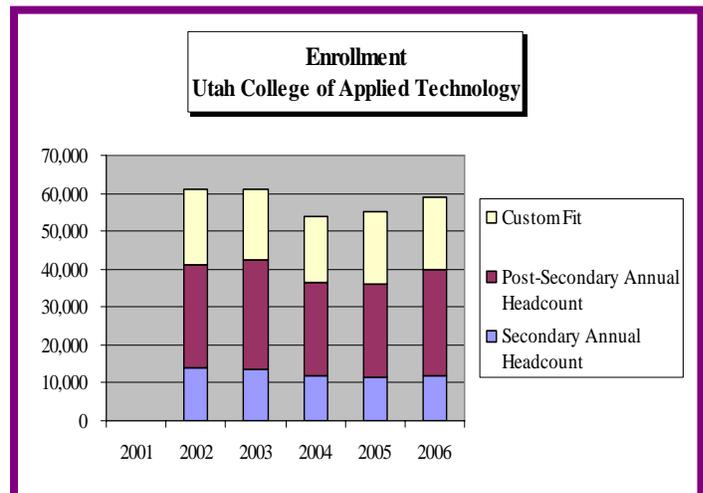
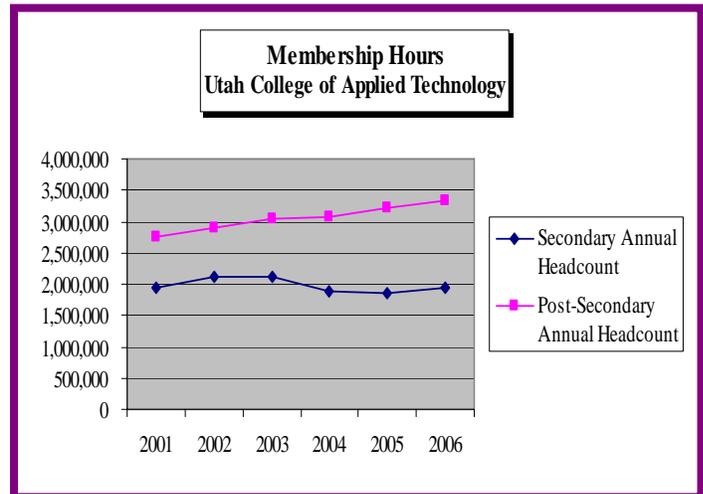
**Translators for Hearing Impaired Students:** The UCAT campuses are encountering more and more requests for interpreters for students who are hearing impaired. Capable, certified translators can be difficult to find and costly to hire. If translators are not provided, an institution may be sued, as is happening at Utah State University. The Analyst recommends an appropriation of \$271,000 for a central funding pool, administered by the UCAT Central Administration office, from which institutions may apply for actual cost reimbursement of translator expenses.

**Lean Manufacturing Program:** The Ogden/Weber ATC is the recipient of approximately \$25 million worth of donated equipment with the goal of beginning a new lean manufacturing program. To start such a program, the OWATC will need to hire new faculty and set up the curriculum and course requirements. This program will train employees in lean manufacturing technologies in an area of the state that is poised for growth in that field. The Analyst recommends funding in the amount of \$326,000 for this new program at the OWATC.

**CTE Equipment:** UCAT trains students in applied technology to meet employer demands. Students trained on outdated equipment may not meet the need of an employer. To provide current training, the UCAT campuses need to be equipped with modern technological equipment. The Analyst recommends one-time funding in the amount of \$2,122,300 for the purpose of replacing obsolete equipment on the campuses.

**ACCOUNTABILITY DETAIL**

UCAT has system wide performance indicators to increase the number of degrees awarded, increase the number of membership hours, and increase the headcount served.



**BUDGET DETAIL**

**Base Budget:** The Legislative Fiscal Analyst recommends approval of the Utah College of Applied Technology's FY 2008 adjusted base budget in the amount of \$54,944,800, with \$40,910,800 from the General Fund, \$7,678,900 from the Education Fund, and \$6,355,100 from Dedicated Credits.

**LEGISLATIVE ACTION**

The Analyst recommends that the Subcommittee adopt a base budget for the Utah College of Applied Technology in the amount of \$54,944,800. The approved allocation is \$40,910,800 (General Fund) and \$7,678,900 (Education Fund).

The Analyst recommends that the Subcommittee develop a prioritization list of items for additional funding for FY 2008 and FY 2007 (Supplemental).

**BUDGET DETAIL TABLE**

Utah College of Applied Technology						
Sources of Finance	FY 2006 Actual	FY 2007 Appropriated	Changes	FY 2007 Revised	Changes	FY 2008* Base Budget
General Fund	40,903,300	40,910,800	0	40,910,800	0	40,910,800
Education Fund	3,289,100	7,678,900	0	7,678,900	0	7,678,900
Education Fund, One-time	108,000	(393,200)	0	(393,200)	393,200	0
Dedicated Credits Revenue	6,033,120	6,356,600	(1,500)	6,355,100	0	6,355,100
Transfers	5,005,943	0	0	0	0	0
Beginning Nonlapsing	2,112,855	0	0	0	0	0
Closing Nonlapsing	(548,301)	0	0	0	0	0
<b>Total</b>	<b>\$56,904,017</b>	<b>\$54,553,100</b>	<b>(\$1,500)</b>	<b>\$54,551,600</b>	<b>\$393,200</b>	<b>\$54,944,800</b>
<b>Line Items</b>						
Administration	5,447,829	4,976,300	0	4,976,300	0	4,976,300
Bridgerland ATC	10,924,353	9,914,600	0	9,914,600	0	9,914,600
Davis ATC	10,891,232	10,837,200	(285,700)	10,551,500	0	10,551,500
Dixie ATC	1,708,732	1,667,400	0	1,667,400	0	1,667,400
Mountainland ATC	4,353,284	4,536,500	0	4,536,500	0	4,536,500
Ogden/Weber ATC	11,290,634	11,597,100	0	11,597,100	0	11,597,100
Salt Lake/Tooele ATC	3,225,436	3,053,500	(35,600)	3,017,900	0	3,017,900
Southeast ATC	1,434,954	1,263,700	0	1,263,700	0	1,263,700
Southwest ATC	2,000,739	1,860,300	19,100	1,879,400	0	1,879,400
Uintah Basin ATC	5,626,824	4,846,500	300,700	5,147,200	393,200	5,540,400
<b>Total</b>	<b>\$56,904,017</b>	<b>\$54,553,100</b>	<b>(\$1,500)</b>	<b>\$54,551,600</b>	<b>\$393,200</b>	<b>\$54,944,800</b>
<b>Categories of Expenditure</b>						
Personal Services	36,723,213	38,299,800	2,033,700	40,333,500	0	40,333,500
In-State Travel	352,367	361,800	45,100	406,900	0	406,900
Current Expense	13,425,262	10,620,900	(1,476,600)	9,144,300	393,200	9,537,500
Capital Outlay	1,503,689	825,100	(253,700)	571,400	0	571,400
Other Charges/Pass Thru	4,899,486	4,445,500	(350,000)	4,095,500	0	4,095,500
<b>Total</b>	<b>\$56,904,017</b>	<b>\$54,553,100</b>	<b>(\$1,500)</b>	<b>\$54,551,600</b>	<b>\$393,200</b>	<b>\$54,944,800</b>
<b>Other Data</b>						
Budgeted FTE	615.1	593.1	63.6	656.7	0.0	656.7
Vehicles	93	78	15	93	0	93

\*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.