

SCHOOL BOARD MEETING

Tuesday, May 26, 2020

The School Board of the Sioux Falls School District 49-5 of Minnehaha County, South Dakota, was called into regular session, pursuant to due notice, on Tuesday, May 26, 2020 at 4:00 p.m. in the Instructional Planning Center, 201 East 38th Street, Sioux Falls, South Dakota, with the following members present: Nan Baker (04:35 pm), Todd Thoelke, Vice President Carly R. Reiter, President Cynthia H. Mickelson. Absent: Kate Parker.

Action ST00464

A motion was made by Carly R. Reiter and seconded by Todd Thoelke, three (3) votes “yes” on roll call **approving the minutes of a meeting** held on April 8, 2020 and which were furnished to the Sioux Falls Argus leader for publication, in unapproved form, all in accordance with SDCL §13-8-35.

Action ST00465

A motion was made by Carly R. Reiter and seconded by Todd Thoelke, three (3) votes “yes” on roll call, **approving the agenda** as presented.

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President Mickelson asked about any conflicts of interest. None were brought forward.

Action ST00466

A motion was made by Carly R. Reiter and seconded by Todd Thoelke, three (3) votes “yes” on roll call, **approving Item A through D on the consent agenda** as follows:

A. **Approving the Authorizations and Ratifications, as follows:**

A1. **Approval of Contracts**

Authorizing the President and Vice President, Finance/Operations to enter into and execute contracts for and on behalf of Southeast Technical Institute as follows:

Item No.	Contract Number	Contractor	Project	Cost
a.	20-009Southeast, TJN	N. McMillin	Student Assistance	\$38,474

A2. Grant Approval

Authorizing the Administrator of Southeast Technical Institute to enter into and execute all documents related to the Higher Education Emergency Relief Fund Formula Grants Authorized by Section: 18004(a)(1) of the Coronavirus Act, Relief, and Economic Security (CARES) Act. The CARES Act allows recipient to provide direct relief to students for expenses related to the disruption of campus operations due to coronavirus. The CARES Act also allows recipient to use up to 50 percent of the funds received to cover any costs associated with significant changes to the delivery of instruction due to the coronavirus. The total amount of the award is \$1,770,458. The contact person for this grant is Rich Kluin.

B. Approving the **Consolidated Report of Trust and Agency Funds** of May 26, 2020 and stating for the record that as of March 31, 2020, receipts total \$38,228,968.39 and disbursements total \$37,435,944.50. (see MRF #ST350)

C. Approving the **Vice President of Finance and Operation's Report** of May 26, 2020 in accordance with the SDCL §13-8-35 (see MRF #ST351) and directing that detailed statement of receipts and balances on hand, as of March 31, 2020, be published as part of these minutes, in accordance with SDCL §13-8-3.

D. **Accepting the Southeast Tech Personnel Report**, as follows:

D1. **Resignations.** Accepting the resignation of School District Personnel as of the effective date indicated, the personnel having been previously employed by Board Action, as follows:

<u>Name</u>	<u>Location/Position</u>	<u>Effective Date</u>
Federal Work Study, part-time		
Lingen, Timothy	IT	05-08-20
Smith, Adrian	Horticulture Tech	05-08-20
Wieman, Austin	Bookstore	05-08-20
Instructor, Adjunct, part-time		
Jones, Kristoffer	DMP	05-02-19
Jurrens, Ryan	Plumbing Apprentice	05-24-19
Kelzer, James	Plumbing Apprentice	05-24-19
Schroeder, Jay	Gen Ed, English	05-31-19
Tunge, Bradley	Plumbing Apprentice	05-24-19
Employment Contract, 12 month, full-time		
Mewing-Molstad, Kelly	IT	05-01-20

D2. **Change of Status**

<u>Name</u>	<u>Location/ Position</u>	<u>From</u>	<u>To</u>
Employment Contract, 12 Month, full-time, exempt, per annual			
Borman, Amanda	IT	Programmer/ Analyst, 1.0 FTE, Prof 2, Level Y, Step 7, \$70,080.00	Dir Enterprise Applications, 1.0 FTE, EmpC, Level M, Step 4, \$70,930.02, Effec. 06-01-20
Strouth, Gerard	IT	Servers & Systems Administrator, 1.0 FTE, Prof 2, Level Y, Stp 11, \$75,157.00	Dir IT Infrastructure, 1.0 FTE, EmpC, Level M, Stp10, \$76,007.95, Effec. 06-01-20

D3. **Employment Recommendations**

<u>Name</u>	<u>Location/Position</u>	<u>Effective Date</u>	<u>Amount</u>
Instructor, FY2019-20, Overload Pay, lump sum			
Amor, Patrick	Automotive Tech	07-01-19	\$3,573.19
Berry, Vincent	Plumbing Tech	07-01-19	1,395.00
Bezdichek, Michael	Electrician	07-01-19	1,742.53
Castardo, Ruby	Surgical Tech	07-01-19	5,808.53
Cox, Bryan	Mechatronics	07-01-19	704.06
Davis, Dana	Collision, Repair, Refinish	07-01-19	2,059.36
Entringer, Stephanie	Nursing	07-01-19	3,872.35
Hoier, Patrick	Cardiovascular Invasive	07-01-19	4,032.00
Howard, Dennis	Welding Tech	07-01-19	3,285.60
Hunter, Marcus	Electrician	07-01-19	2,217.77
Kassing, Elizabeth	Civil Engineering Tech	07-01-19	168.00
Lease, Sara	Nursing	07-01-19	10,384.94
Merritt, Jason	Automotive Tech	07-01-19	2,369.69
Mower, Britney	Nursing	07-01-19	1,408.13
Post, Sherri	Health Core	07-01-19	4,130.54
Pothast, Lee	Diesel Tech	07-01-19	10,208.70
Pottratz, Jennifer	Nursing	07-01-19	850.04
Tebay, Kristina	Nursing	07-01-19	4,224.38
Shotkoski, Kevin	Diesel Tech	07-01-19	12,591.25
Tunge, Paul	HVAC/R	07-01-19	2,112.19
Wendell, John	Collision, Repair, Refinish	07-01-19	2,552.28
Wohlwend, Bruce	CIS	07-01-19	1,455.04
Instructor, FY2019-20, South Dakota HB 1182 annual stipend, lump sum			
Adamson, Heather	Gen Ed, English	07-01-19	\$7,809.00
Bartels, Brent	Diesel Tech	07-01-19	8,809.00
Berry, Vincent	Plumbing Tech	07-01-19	1,501.00

D3. **Employment Recommendations** (continued)

<u>Name</u>	<u>Location/Position</u>	<u>Effective Date</u>	<u>Amount</u>
Instructor, FY2019-20, South Dakota HB1182 annual stipend, lump sum (continued)			
Bezdichek, Michael	Electrician	07-01-19	\$2,760.00
Cox, Bryan	Mechatronics	07-01-19	6,767.00
Davis, Dana	Collision, Repair, Refinish	07-01-19	936.00
Hoier, Patrick	Cardiovascular Invasive	07-01-19	2,864.00
Howard, Dennis	Welding Tech	07-01-19	1,361.00
Hunter, Marcus	Electrician	07-01-19	2,760.00
Jensen, Marcia	Dental Assisting	04-06-20	1,292.00
Jurrens, Misty	ENDT	07-01-19	2,864.00
Kassing, Elizabeth	Civil Engineering Tech	07-01-19	5,664.00
Morris, Roger	CIS	07-01-19	4,104.00
Roller, Cynthia	CIS	07-01-19	12.00
Russell, Dennis	Gen Ed, Psychology	07-01-19	240.00
Schaffer, Kenneth	CIS	07-01-19	3,436.00
Schlepp, Jeffrey	Architecture Tech	07-01-19	13,268.00
Schroeder, Johnnie	Mechanical Eng Tech	07-01-19	3,430.00
Stahl, Emily	Veterinary Tech	04-14-20	4,634.00
Wellnitz, Kristin	Gen Ed, Psychology	07-01-19	1,178.00
Wohlwend, Bruce	CIS	07-01-19	121.00

Instructor, full-time, per annual

Grinkmeyer, Brett	Architecture Tech, 206 Day, 1.0 FTE, Lane 6, Step 10	07-01-20	\$67,986.00 (19-20)
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Instructor, Non-Clinical Instructor/Other Instructor Activity, part-time, per hour

Pierce, Steven	DMP	04-06-20	\$32.00/\$24.00
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Instructor, Other Instructor Activity, part-time, per hour

Cahill, Thomas	Respiratory Therapy	05-01-20	\$24.00
Farley, Sandra	Veterinary Tech	05-01-20	24.00
Hodgson, David	Respiratory Therapy	05-01-20	24.00
Paul, Katti	Dental Assisting	05-01-20	24.00

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Vice President of Finance and Operations Rich Kluin provided the FY21 Budget Presentation MRF (ST#00352). Not unlike most entities developing budgets in uncertain times, Southeast Tech is equally faced with many of those same challenges. The eventual impact on state support and fall enrollment is largely unknown. State funding and enrollments represent a significant portion of our overall revenue stream, with even marginal downward adjustments resulting in a potential significant impact on our ability to operate. The situation will remain dynamic into September with clarity coming from legislative action later this summer, and actual enrollment this Fall.

The FY21 budget is being presented to the School Board on our current knowledge base and the assumptions that come with it. The 2020 legislature provided for a two-percent increase in the per-student-allocation (PSA). Additionally, the legislature provided \$1.5 million for equipment purchases, with the funds to be disbursed across the four technical institutes. For the purposes of this presentation, Southeast has removed those additional legislative funding mechanisms pending the upcoming legislative special session.

The State Board of Technical Education (BOTE) approved the FY21 tuition rate at the March 2020 meeting. The approved tuition rate will remain unchanged for FY21 and is set as \$121 per credit. The BOTE approved an increase of \$1 per credit for the state facility fee and shifted the \$1 per credit fee for Program Outreach to Maintenance and Repair.

On a local level, Southeast is not requesting an increase in local fees and is not currently planning for any additional program charges.

Year-to-year student enrollment projections are currently ahead of where they were at this time last year. The latest enrollment figures for 1st year students show an increase of 1,208 credits over the same time last year.

**POSTSECONDARY FUND
OVERVIEW**

	Budgeted	Projected		Budgeted	
	FY20	FY20	Change	FY21	Change
Revenue	\$24.61M	\$TBD	\$TBD	\$23.63M	(\$0.98M)
Expense	\$25.51M	\$TBD		\$23.63M	(\$1.88M)
Fund Balance Change	<u>(\$0.90M)</u>	<u>\$TBD</u>	<u>\$TBD</u>	<u>\$0.00</u>	<u>\$0.90M</u>
Fund Balance	\$4.10M	\$TBD	\$TBD	\$TBD	\$TBD

Final projections for FY20 will be calculated over the next several weeks and presented with the tentative budget in July 2020.

At the close of the current fiscal year (FY20), total credits are expected to fall slightly short of the original budget estimates. The impact of summer enrollments will be projected at the end of May 2020.

Enrollments (credits) from February 2019 through January 2020 serve as the foundation (baseline) for measuring enrollment trends for the subsequent budget year. FY21 credit projections are reflective of the recent (one-year) upward trend in enrollments. The largest increases in enrollment are coming from the dual enrollment and new programs in Dental Assisting and Veterinarian Technician.

continued

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Program enrollments (FTE based) by division for FY20 and FY21 are provided in the following table.

Program Enrollments Division	FTE			
	FY20	FY21	Change	% Change
Agriculture	47.67	66.83	+19.16	+40.19%
Architecture & Construction	176.98	202.03	+25.05	+14.15%
Arts. A/V Technology	53.55	50.46	-3.09	-5.77%
Business, Management	348.53	313.37	-35.16	-10.09%
Health Science	565.51	580.83	+15.32	+2.71%
Human Services	33.52	34.83	+1.31	+3.91%
Information Technology	235.46	248.20	+12.74	+5.41%
Law, Public Safety	55.29	64.28	+8.99	+16.26%
Manufacturing	59.96	52.40	-7.56	-12.61%
Marketing, Sales & Service	52.68	54.50	+1.82	+3.45%
STEM	77.92	53.64	-24.28	-31.16%
Transportation, Distribution	139.36	148.84	+9.48	+6.80%
Program Prep	24.49	18.39	-6.51	-26.14%
Dual Credit/Concurrent	65.67	93.27	+27.60	+42.03%
Totals	1,936.59	1,981.87	+45.28	+2.34%

IMPACT TO STUDENTS:

The FY21 budget presentation reflects no increase in the per credit tuition rate, which was established by the State Board of Technical Education (BOTE) in March of 2020. The BOTE did increase the State Facility Fee by \$1 per credit. The State Facility Fee is used to pay the debt service on bonds issued to construct facilities on the four technical institute campuses.

The BOTE also redirected \$1 per credit from Program Outreach to Maintenance and Repair. Southeast is not proposing an increase to local fees at this time. The current impact of the FY21 budget to Southeast Tech students is an overall increase of \$1 per credit, which represents a 0.4 percent increase over the FY20 per credit charges incurred by students.

Charges to Students	FY20	FY21	
Tuition/Fees (all credits)	Per Credit	Per Credit	Change
Tuition	\$121.00	\$121.00	+\$0.00
Local/State Fees	127.00	128.00	+\$1.00
Total (all credits)	\$248.00	\$249.00	+\$1.00
Program Specific	Per Credit	Per Credit	Change
LPN Courses	\$50.00	\$50.00	+\$0.00
RN Courses	\$50.00	\$50.00	+\$0.00
HVAC	\$10.00	\$10.00	**
Law Enforcement	\$10.00	\$10.00	**
Plumbing/Mechanical	\$10.00	\$10.00	**
Welding	\$10.00	\$10.00	**
Enrollment Specific	Per Credit	Per Credit	Change
Online Fees	\$50.00	\$50.00	**

** Dependent individual student course enrollments.

IMPACT TO STAFFING LEVELS:

Southeast is looking to increase staff levels in the FY21 budget by a total of 6.0 FTE. Proposed additions of the FY21 budget are reflected in the following table.

Staffing Changes		FY20	FY21	
Academics	Class	FTE	FTE	Change
Instructor - DMS	1171	-	1.00	+1.00
Instructor - Vascular	1171	-	1.00	+1.00
Instructor - ENDT	1171	1.00	-	-1.00
Instructor – Gen. Ed.	1171	1.00	-	-1.00
Instructor – Gen. Ed.	1171	0.50	1.00	+0.50
Instructor – Health Core/Phleb.	1171	1.00	-	-1.00
Instructor – Construction Mgmt.	1171	-	1.00	+1.00
Instructor – Law Enforcement	1171	-	1.00	+1.00
Instructor - Dental	1171	0.50	1.00	+0.50
Instructor – Vet Tech	1171	0.50	1.00	+0.50
Academic Dean	1110	-	1.00	+1.00
Associate Dean – LPN/RN	1191	-	1.00	+1.00
Associate Dean – HLC/IR/Gen. Ed.	1191	-	1.00	+1.00
Perkins Consortium Director	1191	-	1.00	+1.00
Academics - Subtotal		4.50	11.00	+6.50
Enrollment Management	Class	FTE	FTE	Change
Associate Registrar	1191	-	1.00	+1.00
Enrollment Management - Subtotal		0.00	1.00	+1.00
Student Affairs	Class	FTE	FTE	Change
Executive Director	1110	0.50	-	-0.50
Instructor – HLC TOSA	1172	0.50	-	-0.50
Student Affairs - Subtotal		1.00	-	-1.00
Administration	Class	FTE	FTE	
Executive Director	1110	0.50	-	-0.50
Administration - Subtotal		0.50	-	-0.50

Salary Considerations:

The FY21 budget does not include an annual adjustment to the various salary schedules. The FY21 salary schedules that will be presented for approval in June will be the same as the FY20 schedules. Additionally, funding is not currently provided for lane advancements and/or step increases for all full time instructional and support staff.

IMPACT TO SOUTHEAST:

Preliminary results for FY20 will not be known until August 2020. Projections for how FY20 will end will be presented in July 2020 as part of the FY21 preliminary adoption request. In general terms, revenues are projected to exceed expenditures at the close of FY20. The positive variance will largely be due to timing differences between when construction projects are budgeted and actual expenditures are incurred. The funds necessary to complete the projects will be reserved and a supplemental appropriation presented in September 2020.

The FY20 budget called for the use of existing reserves to cover one-time expenditures for the early retirement incentives and the extension of Terry Avenue. The approved use of existing cash in FY20 was \$885,633.

Revenue (Post-secondary Fund)

Sources	FY20	FY21	+/-	Notes
Tuition	\$7,287,248	\$7,382,346	+\$95,098	Enrollment (+), Corporate Ed (-)
Fees	6,115,660	6,208,843	+93,183	Enrollment (+)
State Aid	7,378,067	7,088,315	-289,752	One Time (-), FY20 Enrollments (+)
Other State	1,530,848	423,955	-1,106,893	GOED (-), BOR (-)
Federal Sources	970,044	992,663	+22,619	Perkins (+)
Local Sources	1,339,768	\$1,532,320	+192,552	Laptop Sales (+), Foundation (-)
Existing Cash	885,633	0	-885,663	Early Retirement (-), Street Extension (-)
Total	\$25,507,268	\$23,628,442	-\$1,878,826	

Decreases in expenditures are primarily associated with the one-time events related to site improvements, early retirement payouts, and changes in the Board of Regents general education agreement.

Expenditures (Post-secondary Fund)

Uses	FY20	FY21	+/-	Notes
Full time Wages	\$10,695,030	\$10,461,332	-\$233,698	ERI (-500k), FTE Additions (+)
Part time Wages	1,374,237	1,453,066	+78,829	Instruction (+)
Benefits	3,589,054	3,770,821	+181,767	FTE Additions & Enrollments (+)
Services	3,379,271	3,043,524	-335,747	Contract Instruction (-), Architect Fees (-)
Supplies	1,664,482	2,106,130	+461,648	Laptops (+), Noncapitalized Equip (-)
Capital Equipment	436,976	483,500	+46,524	Perkins (Dental, Vet Tech), IT
Capital Improvements	2,830,414	1,491,019	-1,339,395	Terry Avenue (-), Addition (-)
Other	1,557,804	819,050	-738,754	BOR (-), Bad Debt (+)
Total	\$25,507,268	\$23,628,422	-\$1,878,826	

Fund Balance (Post-secondary Fund)

The five-year projection will be presented at the July 2020 meeting. The FY20 budget presentation included a projected FY19 deficit of \$778,883. The actual deficit for FY19 following the annual audit was \$686,658, resulting in a little better financial position heading into FY20 than what was originally projected.

ENTERPRISE FUNDS:

Bookstore Fund:	FY20	FY21	Change
Revenue	\$2.44M	\$1.70M	(\$0.74M)
Expense	\$2.46M	\$1.69M	(\$0.77M)
	<u>(\$0.02M)</u>	<u>\$0.01M</u>	<u>\$0.03M</u>

Food Service Fund:	FY20	FY21	Change
Revenue	\$411k	\$415k	\$4k
Expense	\$423k	\$428k	\$5k
	<u>(\$12k)</u>	<u>(\$13k)</u>	<u>(\$1k)</u>

Childcare Fund:	FY20	FY20	Change
Revenue	\$325k	\$328k	\$3k
Expense	\$325K	\$328K	\$3k
	<u>\$0k</u>	<u>\$0k</u>	<u>\$0k</u>

Budget Highlights (Enterprise Funds):

- o Operating subsidies from the Post-Secondary fund are included for the Food Service Fund (\$85k) and the Childcare Fund (\$39k). The FY21 operating expenditures in these funds are expected to exceed operating revenues.

PROGRAM AREAS (Highlights and Initiatives)

The following provides a snapshot, on a functional level, of the major initiatives that are being funded and supported with the proposed FY21 budget.

Academics:

- Medical Assistant Diploma ✓
- Dental Assisting Diploma ✓
- Construction Certificates ✓
- Dual Credit Expansion ✓
- LPN Expansion – Huron ✓
- FY21 – Leadership Assignments
- FY21 – New Program Development

Information Technology:

- FY20 - Document Imaging Software ~
- Campus Scheduling Software Update ✓
- Phone System Software Update ✓
- Two-Factor Authentication ✓
- Server Replacements ✓
- FY21 – Data Storage Replacement
- FY21 – Distance Delivery Classrooms

Enrollment Management:

- Website, SEO/Website Analytics ~
- Expand Recruitment Communications ~
- Lawrence & Schiller Marketing Campaign ~
- ACT/NRCCUA Predictive Recruitment Modeling ~
- Pilot Revised Student Success Offerings ~
- FY21 – Leadership Transition
- FY21 – Production Logo/Brand Materials

Administration:

- FY20 - Expand Campus Safety Measures ~
- Implement NEOGOV Applicant Software ✓
- Restructure Community/Industry Relations ✓
- FY20 - Expand NOW Capital Campaign ~
- FY20 - Explore Partnership Opportunities ~

Student Affairs:

- Develop and Expand Campus Life ~
- Promote Civic Engagement ~
- Support for Institutional Accreditation ~
- Conduct Satisfaction Surveys ~
- Support Diversity Outreach ~
- FY21 – Leadership Transition

Finance/Operations:

- Transition to Obligation Recovery Center ✓
- FY20 - Explore New Bookstore Model ~
- Implement Financial Edge Software ✓
- Support New SFSD Financial Software ✓
- Oversee Design/Construction Projects ✓
- FY21 – Leadership Transition

Following general discussion, Cynthia H. Mickelson **acknowledged the presentation of the FY21 budget based upon current assumptions and authorize the recruitment for proposed new positions, with offers tendered after the adoption of the preliminary budget in July 2020** and/or final budget adoption in September 2020.

Action ST00467

Vice President of Academics, Dr. Benjamin Valdez, provided the South Dakota Department of Education Perkins Consortium report (MRF #ST00353). Southeast Tech is wanting to enter into a Memorandum of Understanding for a consortium agreement with the South Dakota Department of Education to provide Perkins administration and services to seventeen high schools in eastern South Dakota. The SDDOE will provide Southeast Tech with full funding to hire a full-time Consortium Director. The Consortium Director will work with the seventeen high schools and administer \$100,000 in Perkins funds on behalf of the SDDOR.

Following general discussion, a motion was made by Nan Baker and seconded by Todd Thoeke, four (4) votes “yes” on roll call **approving Southeast Tech to enter the consortium agreement with the South Dakota Board of Education.**

Action ST00468

Vice President of Academics, Dr. Benjamin Valdez, provided the AAS in Paramedic Science report (MRF #ST00354). Southeast Tech, in conjunction with Sanford Health, is proposing to start a new associate level degree program in paramedic science. The new academic program would provide technical training and development to meet the growing need for paramedics in South Dakota. The program is designed as a two-year Associate of Applied Science, and Southeast Tech will be seeking programmatic accreditation through the Committee on Accreditation of

Educational Program for the Emergency medical Services professions, an accreditation committee of the Commission on Accreditation of Allied Health Education Program (CAAHEP). The paramedic science program will be a joint venture between Southeast Tech and Sanford Health. Through a Memorandum of Understanding, Southeast Tech will be utilizing Sanford Health's existing medical training facility and staff to deliver a high-quality academic program. After the program, a student will test for and apply for certification as a Registered Paramedic through the South Dakota Department of Health.

Following general discussion, a motion was made by Carly R. Reiter and seconded by Todd Thoelke, four (4) votes "yes" on roll call **approving Southeast Tech to establish a new degree program of an Associate of Applied Science in Paramedic Science.**

Action ST00469

On motion by Nan Baker and seconded by Carly R. Reiter, four (4) votes "yes" on roll call, the School board **adjourned** at 4:55 p.m.

CYNTHIA H. MICKELSON

Presiding Officer

TODD VIK

Business Manager