

Ozarka College
Board of Trustees
Finance Committee Meeting
Tuesday, April 25, 2019
President's Conference Room – Administration Building
10:00 a.m.

Item No.

1. Call to Order
2. Approval of Minutes from May 15, 2018
3. Discussion Items
 - Fee Structure/Aviation
 - New students beginning Fall 2019
 - AVIA 1104 - Private Pilot Practicum I
 - AVIA 2204 - Instrument Commercial Practicum II
 - AVIA 2213 - Commercial Pilot Practicum III
 - AVIA 2302 - Multi-Engine Commercial Practicum IV
 - Returning students Fall 2019
 - AVIA 1102 - Professional Pilot Practicum I
 - AVIA 1202 - Professional Pilot Practicum II
 - AVIA 2104 - Professional Pilot Practicum III
 - AVIA 2205 - Professional Pilot Practicum IV
 - New Fees
 - Agriculture Lab Fee
 - Welding Lab Fee
 - Surgical Technology
 - Surgical Technology Program Fee
 - Surgical Technology Insurance Fee
 - Surgical Technology Clinical Fee
 - Surgical Technology Assessment Fee
4. Higher Education Uniform Classification and Compensation Act and Cost of Living Adjustment
5. Operating Reserve Requirement
6. 2019 – 2020 Operating Budget
7. Adjournment

Ozarka College
Board of Trustees
Finance Committee Meeting
Discussion Item A – Fee Structure

Rationale:

Ozarka College has experienced flat or decreased funding from the state for the past several years and due to performance based funding the same will be true in FY2020. Ozarka College will receive \$31,265 less in state funding that it did in FY2019. In order to balance previous budgets mandatory fees have been adjusted causing the overall cost of tuition and fees to increase for all students. In an effort to reduce the financial burden for the majority of our students, the Administrative Council unanimously agreed to attempt to reach a balanced budget without increasing tuition and mandatory fees. As a result, the fiscal year 2020 budget is presented with no increase in mandatory tuition and fees.

To correctly charge for the new and/or revised courses and hours associated with the aviation practicums and cover the increasing costs of fuel and aircraft maintenance associated with aviation program, effective July 1, 2019, the following changes to the fee structure will be implemented:

1. The flight/lab fee for AVIA 1104 (Private Pilot Practicum I) will be \$7,291
2. The flight/lab fee for AVIA 2204 (Instrument Commercial Practicum II) will be \$13,920
3. The flight/lab fee for AVIA 2213 (Commercial Pilot Practicum III) will be \$8,033
4. The flight/lab fee for AVIA 2302 (Multi-Engine Commercial Practicum IV) will be \$13,398
5. The flight/lab fee for AVIA 1102 (Professional Pilot Practicum I) will be \$2,345
6. The flight/lab fee for AVIA 1202 (Professional Pilot Practicum II) will be \$4,947
7. The flight/lab fee for AVIA 2104 (Professional Pilot Practicum III) will be \$13,920
8. The flight/lab fee for AVIA 2205 (Professional Pilot Practicum IV) will be \$21,970

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Discussion Item B – New Fees

Rationale:

Ozarka College is committed to student success in each of our programs.

In order to provide quality instruction for technical programs students are required to engage in hands-on laboratory and/or clinical instruction. The consumable supplies used in the laboratory setting can be expensive, and our students must be accompanied by an instructor while in clinical situations.

The agriculture program is expanding to offer three new lab courses. Classroom equipment and consumable supplies will be needed for these courses.

Each student in the welding program uses a variety of consumable supplies to master new skills. A new welding laboratory on the Melbourne campus is being constructed and will need to be equipped and stocked with consumable supplies.

The new surgical technology program that will begin in fiscal year 2020, will operate similar to the LPN program. To cover the costs associated with the start-up and to provide clinical support needed for the surgical technology program, a fee structure similar to that of the LPN program will be established.

To offset the costs associated with consumable supplies needed for laboratory and clinical instruction the following fees will be effective on July 1, 2019:

1. An Agriculture Lab Fee of \$50 per semester
2. A Welding Lab Fee of \$50 per semester
3. A Surgical Technology Program Fee of \$180 per semester
4. A Surgical Technology Insurance Fee of \$15 per semester
5. A Surgical Technology Clinical Fee of \$75 per semester
6. A Surgical Technology Assessment Fee of \$50 per semester

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Discussion Item C – Higher Education Uniform Classification and Compensation Act and Cost
of Living Adjustment

Rationale:

During the 2019 General Session, a new classification and compensation plan for classified staff was approved. The minimum pay levels, or the entry level pay rate for each classification, were adjusted to reflect competitive market rates and to adjust for the new minimum wage laws. For classified employees, effective July 1, 2019, the rate of compensation that an employee will receive is an increase of one percent (1%) above the employee's current salary. If after the one percent (1%) adjustment, the employee's annual salary falls below the entry pay level for the grade assigned to his or her classification, the employee's annual pay shall be further adjusted to the entry level pay.

Ozarka College is fortunate to have a dedicated and conscientious workforce. In recognition of this, the Administration recommends that all classified staff be adjusted to comply with the thresholds established by the Higher Education Uniform Classification and Compensation Act and that all remaining all eligible faculty, staff, and administrative personnel be given a one percent (1%) cost of living adjustment be effective July 1, 2019.

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Discussion Item D – 2018 Operating Reserve Requirement

Rationale:

Ozarka College maintains an operating reserve balance funded at 5% of the annual operating budget. Board approval is required to increase or decrease the minimal funding level and/or access the funds for operating purposes.

At the current rate, the minimum funding level for the 2020 fiscal year is \$421,280.

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Discussion Item E – 2019 Operating Budget

Rationale:

The 2020 Operating Budget has been completed and is being presented for your review.