



A meeting of the
Snow College
Board of Trustees

To be held
Thursday, September 30, 2004
Executive Session Lunch at 12:00 p.m.
Public Meeting at 1:00 p.m.

In the
Lorenzo and Erastus Snow Conference Room
Noyes Building
Ephraim, Utah

This packet includes the agenda for the next meeting and minutes from the last meeting.
If you desire special accommodations in order to participate in this meeting,
please contact the Office of the President at (435) 283-7010.

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Agenda for the
Snow College Board of Trustees
September 30, 2004 * Noyes Building
Executive Session Lunch at 12:00 p.m.
Public Meeting at 1:00 p.m.

Welcome	Scott Wyatt
Action Item: Approval of Minutes from Last Meeting (Tab Mc)	Scott Wyatt
Report from the Chair	Scott Wyatt
Report from the Student Body President	Justin Chandler
Report from the President	Michael Benson
Follow Up Report: Tuition Collection and Admit/Drop Practice	Larry Christensen
Follow Up Action Item: Adoption of Lease Resolution	Scott Wyatt
Executive Committee	Tim Blackham
Kimble Blackburn Restitution	Scott Wyatt
Political Endorsements	Carl Albrecht
Disclosure of Potential Conflict of Interest	Scott Wyatt

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Official Minutes of the
Snow College Board of Trustees
July 19, 2004 Meeting
GBEEC – Ephraim, Utah

Members Present: Carl Albrecht, Tim Barney, Doug Barton, Tim Blackham, Kay Greene, Jerold Johnson, Gwen McGarry, John Willmore, and Scott Wyatt

Members Excused: Justin Chandler

College Personnel Present: Michael Benson, Larry Christensen, Marci Larsen, Rick Wheeler, Rick White, and Brad Winn

Call to Order/Welcome

Chair Scott Wyatt called the meeting to order and welcomed everyone. The group enjoyed lunch on the patio of the GBEEC, and appreciation was expressed to Dave Lanier, Director of the GBEEC, for his hospitality.

Approval of Minutes from the Last Meeting

Chair Wyatt entertained a motion to approve the minutes from the April 14 meeting. Carl Albrecht so moved. Gwen McGarry seconded the motion, and it passed unanimously.

Report from the Chair

Chair Wyatt had nothing to report. He indicated that Carl Albrecht would report on the Audit Committee's meeting during a latter part of the agenda.

Summary of Executive Committee Meeting

Vice Chair McGarry reported that the administration met (via conference call) with the Executive Committee to inform them of the Bank of Ephraim closure. She also reported that a conference call for all interested Trustees was later held. The purpose of both calls, Vice Chair McGarry noted, was to inform Trustees how Snow College was impacted with the closure. She explained that the College did have several hundred thousand dollars in an uninsured account because of the next-day payroll run.

Vice Chair McGarry concluded her summary by reminding the group that the college had distributed an RFP for Banking Services and that Zions Bank had won the bid, effective July 1, 2004. She also noted that the Executive Committee had agreed to give President Benson, Larry Christensen, Gary Arnoldson, and John Ruell signing authority on the new Zions' accounts.

As a follow up to the phone meetings, Larry Christensen reported that the College had received \$495,750 of its \$766,940 uninsured deposits. He also stated that he believed – because of the FDIC's commitment to first cover public entities – the College would receive \$123,937 within the next few weeks and eventually recover all financial losses.

Report from the Student Body President

Justin Chandler was not in attendance.

Report from the President

President Benson had many recent happenings to report, and he shared the following updates with the Board:

- He first complimented Chair Wyatt on his recent successful campaign. He also commented on Senator Blackham's win and expressed appreciation for the help he continues to offer Snow. President Benson also noted that Senator Blackham's opponent, Darin Peterson, was interested in getting involved with the College.
- Wishing Gwen a happy birthday and welcoming her back to school (yes, as a student!) was the second item on President Benson's list.
- As an update, President Benson reported that Mark Stoddard had backed away from the on-campus health center proposal. He noted that Mark didn't want to put the College in a compromising position with other health service providers and, therefore, wouldn't push at this time. It was reported that other parties have vaguely expressed interest but had not formalized a proposal. Tim Blackham asked what the next step should be, and President Benson responded that the students would simply continue to use the local services as they have in the past. Jerold Johnson asked that Mark Stoddard be recognized and appreciated for his efforts to do something good for Snow students.
- President Benson next thanked Board members for participating in the June Board of Regents meeting. He commended his staff for their preparations in organizing the event.
- President Benson reported that after the interim focus visit for accreditation, all warnings – except for one – were removed. The College's accreditation status was reaffirmed, but it was noted that the Commission wants to ensure that the College implements its strategic plan. Brad Winn noted that Rick White was working to compile data, and he also informed the group that Troy Young had been appointed as an assistant to the provost to work primarily on accreditation issues.
- President Benson shared good news with the group: on-campus housing is full for the first time in many years! He noted that there is a waiting list, and he commended Bob Oliver and crew for their work. He also reminded the Trustees that the maintenance department remodeled two halls and converted them to co-ed dorms.
- Personnel issues were the next matter of discussion. President Benson reported that Libor Ondras did file a petition to re-enter the country and reminded the Board that his replacement had been hired. If Libor is granted a visa, President Benson said, he will be allowed to teach a few private lessons per the division's needs. Other employee-related news included the hiring of several new faculty members on both campuses. President Benson communicated his excitement for the upcoming academic year. He noted that the fact that enrollment numbers are up (approximately 129 FTE) makes the 2004-05 academic year even better.
- Speaking of Libor, President Benson noted that his wife, Magdalena, had recently worked with Diana Spencer, Dean of the Humanities Division, to host a Viola d' amore conference in Ephraim. He reported that musicians from across the world were in attendance.
- An update on physical facilities was the next item in President Benson's report. He informed the Trustees that Phase One of the Activity Center project (locker rooms, showers, and internal remodeling) should be completed by Fall Semester and that the crews would then begin the work on the classrooms. President Benson also reported that the library project is still underway. He reminded the group that the county had agreed to a partnership and reported that Ephraim City had committed \$100,000 to the project. The last project discussed was the stadium. President Benson reported that a donor from Georgia, who has a son playing football at Snow, had expressed serious interest in funding an artificial turf field for the football team. The excavation

work is underway. President Benson noted that the donor planned to pay for the entire project and perhaps help secure funding to remodel the stadium house.

- President Benson concluded his report by inviting the Trustees to attend Fall Assembly on August 16. He reported that employees from Richfield traveled to Ephraim last year and that employees from Ephraim would travel to Richfield this year. He commended Rick White for his efforts to unite the two campuses and commented that more and more positive interactions are occurring.

Banking Services Update

President Benson reiterated what Vice Chair McGarry reported regarding banking services and indicated that the decision to move all of the College's accounts to Zions Bank happened about ten days before the closure of the Bank of Ephraim. President Benson reminded the group that an RFP for Investment Services was also recently distributed and had been awarded to Wells Fargo.

President Benson reported that he has had several conversations with Scott Anderson, President of Zions Bankcorp, and had been reassured that the College would not experience any financial loss. Gwen McGarry commented that she had watched several patrons leave the bank in tears. She and Larry Christensen both commented on the emotional toll the bank's closure has had on many local residents.

Audit Report

Carl Albrecht asked if this item could be moved to the end of the agenda. All were in agreement to amend the agenda. The meeting continued, and the audit report was discussed later.

Early Retirement Proposals

President Benson reported that the College had recently petitioned requests from employees for early retirement. He recommended that the proposals received from Dave Lanier, Russ Dean, and Bart Nelson be accepted by the board. Carl Albrecht asked about the cost savings to the College, and Larry reported that each agreement saved the College approximately \$30,000/year per person. Tim Blackham made a motion to approve the proposals. Doug Barton seconded the motion, and it passed unanimously.

2004-05 Budget

Larry Christensen referred the Trustees to Tab K and reviewed the 2004-05 budget. He explained that most of the major changes in Ephraim's budget (evidenced by a large percentage increase or decrease from last year's budget) were a result in personnel changes (i.e. internal transfers and early retirement agreements). Rick White noted that the major changes in Richfield's budget were a result of his administrative team shifting money back and forth. He commented that last year his team guessed how they would spend the money and that – after a year of experience – they wanted to modify the allocations. He commented that employees in Richfield had expressed gratitude for the new, open budgeting process.

Specific questions regarding the budget are below:

- Tim Barney noted that the institutional fund had increased quite dramatically and asked why. Larry explained that the legislature appropriated money for an employee Christmas bonus and that he budgeted the money into the institutional fund until it is dispersed in December.
- Tim Blackham asked about the decrease in the men's basketball account. Larry noted that a former coach, Curtis Condie, also directed summer programs and was paid out of the basketball account. He has since left, and Larry reported that he transferred the summer programs money to the correct account.
- Jerold Johnson asked who reviews travel expenses made by employees. Carl Albrecht asked about credit card reimbursements. President Benson reported that supervisors must approve all purchases (travel and credit card) and that the Business Office also watches for errors/questions.

- Tim Blackham asked how much the budget increased from 2003-04, and Larry reported that when salary and benefit increases were removed from the budget, the net increase was nearly 0%. He did note that the College received \$50,000 for nursing and approximately \$9,000 for growth.

Chair Wyatt asked if there were additional questions concerning the budget. Hearing none, he entertained a motion to approve the 2004-05 budget as presented. Gwen McGarry made the motion. John Willmore seconded the motion, and it passed unanimously.

Account Write-Offs

Larry Christensen referred the Trustees to Tab M and began to explain the challenges associated with collecting tuition from nonpaying students. He reported that this has been a point of discussion during the last two audits and commented that the College hopes to write off the listed accounts (all of which are more than 180 days past due) and do better to collect tuition in the future.

Jerold Johnson asked how students are able to attend class without paying tuition, and Larry informed him and the rest of the group that the College has allowed the students to continue to attend because of their promise to pay. Rick Wheeler explained the challenge of being funded for FTEs vs. collecting tuition, and a long, philosophical discussion ensued. Larry explained that the transcript is the only hold the College has on these students, and Carl Albrecht expressed his frustration with the practice of allowing students to attend college without paying. He requested that the administration review current practices. Tim Barney asked how long a student can remain enrolled without paying tuition, and after much discussion, Tim Blackham commented that this seems to be a state-wide issue which needs to be addressed. All in attendance agreed with Tim's concern and comment.

Tim Barney made a motion asking the administration to check on practices and policies at other institutions and come prepared to the next meeting with a recommended admission/drop policy for nonpaying students. Gwen McGarry seconded the motion, and it passed unanimously.

Kay Greene made a motion to approve the write-off list and asked that the administration periodically prepare a report showing how much of the money has been collected. Tim Barney seconded this motion, and it too passed unanimously.

Investment Report

Larry Christensen briefly reviewed the March, April, and May investment reports. Chair Wyatt asked if there were questions. Hearing none, he entertained a motion to accept and approve the reports. Jerold Johnson so moved. Tim Blackham seconded the motion, and it passed unanimously.

Audit Report

Audit Committee Chair Carl Albrecht reported that the audit committee and a few other Trustees (Jerold Johnson and John Willmore) had a good meeting with President Benson, Larry Christensen, John Ruell, and the state auditors prior to this meeting. He stated that the group met and then excused the College personnel.

Chair Albrecht reported that the auditors did discuss the account write-off list and also the possibility of recouping money from Kimble Blackburn's embezzlement scheme. He then referred to the management letter (provided to all Trustees) and asked Larry Christensen to respond. Larry commented that he was in agreement with the findings outlined in the letter. He explained that auditing standards, some of which had not been implemented by College employees, have changed. He also commented that he hopes personnel changes, which he plans to make in the near future, will ensure the auditing standards are implemented and the auditors' concerns are minimized.

Chair Albrecht mentioned that there was a little concern with internal controls, and Larry explained that his staff is doing all they can to cover the bases and protect the integrity of the College's finances. Having a

small staff does pose some problems, Larry stated, and he reported that he intends to talk to Dixie State College to see how they are meeting the auditors' requests with limited resources. He also commented that a new software program should help alleviate some of the concerns.

Chair Wyatt indicated that the auditors were very complimentary of Larry and John Ruell, senior accountant, and encouraged Larry to use John's talents as much as possible.

Adjournment to Executive Session

Carl Albrecht requested an executive session meeting to discuss the audit and other financial matters. Tim Barney seconded the motion, and it passed unanimously.

Audit Report, Continued

Carl Albrecht made a motion to accept the audit report as compiled by the State Auditors. Gwen McGarry seconded the motion, and it passed unanimously.

Adjournment

Tim Blackham made a motion to adjourn the meeting. John Willmore seconded the motion, and it passed unanimously.

