

SCHOOL BOARD MEETING

Wednesday, May 26, 2021

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 Wednesday, May 5, 2021 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, Vice President Carly R. Reiter, Kate Parker, Todd Thaelke. Absent: President Cynthia Mickelson.

Action ST00548

A motion was made by Todd Thaelke and seconded by Kate Parker four (4) votes "yes" on roll call **approving the minutes of a meeting** held on May 5, 2021 and which were furnished to the Sioux Falls Argus leader for publication, in unapproved form, all in accordance with SDCL §13-8-35.

Action ST00549

A motion was made by Kate Parker and seconded by Todd Thaelke, four (4) votes "yes" on roll call, **approving the agenda** as presented.

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

Action ST00550

A motion was made by Kate Parker and seconded by Todd Thaelke, four (4) 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. **Acknowledgement of Addition to Southeast Technical College Council Membership**

Acknowledging the appointment of Mike Jamison, Tolcha Mesele and Scott Schaefer to the Southeast Tech Council replacing Scott Oyen, Scott Reed and Cindy Monnin.

A2. Approval of Contracts

Authorizing the President to enter into and execute contracts, for and on behalf of the Southeast Technical College, as follows:

Item No.	Contract Number	Contractor	Project	Cost
a.	21-012Southeast, MF	EAB Global Inc.	Navigate Student Success Management Software	\$507,000

B. Approving the **Consolidated Report of Trust and Agency Funds** of May 26, 2021 and stating for the record that as of April 30, 2021 receipts total \$39,149,500.20 and disbursements total \$38,817,779.14 (MRF #ST409)

C. Approving the **Vice President of Finance and Operation's Report** of May 26, 2021 in accordance with the SDCL §13-8-35 (MRF #ST410) and directing that detailed statement of receipts and balances on hand, as of April 30, 2021, 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>
Adjunct Instructor, part-time Rogness, Courtney	Neurodiagnostics Tech	05-21-21
Custodial/Maintenance, full-time Blaine, Silas	12 Mo, Custodian	05-18-21
Federal Work Study, part-time Cassidy, Mikaela	Admissions	05-07-21
Waltner, Sydney	Admissions	05-07-21

D2. **Involuntary Termination**

<u>Name</u>	<u>Location/Position</u>	<u>Effective Date</u>
Other Help, part-time Schwartz, Nikylee	Food Service	05-07-21

D3. **Lane Change**

<u>Name</u>	<u>Location/ Position</u>	<u>From</u>	<u>To</u>
Instructor, full-time, per annual			
Mower, Britney	Nursing Pgm	206 Day, 1.0 FTE, Lane 6, Step 7, \$63,168.00	206 Day, 1.0 FTE, Lane 8, Step 10, \$67,843.50, Effec. 01-01-21

D4. **Employment Recommendations**

<u>Name</u>	<u>Location/ Position</u>	<u>Effective Date</u>	<u>Current Pay</u>	<u>Proposed Pay</u>
Adjunct Instructor, 2021 Spring Session, Addendum to Lump Sum Budget				
Entringer, Stephanie	Nursing	04-05-21	\$0.00	\$250.00
Heinemann, Leslie	Dental Assisting	03-30-21	0.00	2,750.00
Hunking, Debra	General Ed	04-05-21	2,520.00	2,770.00
Jing, Weizhong	CIS	03-30-21	10,080.00	10,867.50
Kreckel, Darrell	CIS	03-30-21	5,040.00	7,402.50
Osborn, Michelle	Nursing	04-05-21	0.00	250.00
Peters, Dennis	Business Adm	01-11-21	2,670.00	3,920.00
Schneider, Nicholas	CIS	03-30-21	6,200.00	6,685.00
Weber, Jessica	Pharmacy Tech	04-05-21	3,080.00	3,330.00
Wellnitz, Kristin	General Ed	04-05-21	5,040.00	5,290.00
Wohlwend, Todd	CIS	01-11-21	3,360.00	4,360.00

Federal Work Study, part-time, per hour

Douglass, Jenae	Scarborough Center	05-10-21	\$11.00
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Instructor, FY2020-21, Overload Pay, lump sum

Castardo, Ruby	Surgical Tech	07-01-20	\$19,889.60
Dvanajscak, Amanda	Nursing	07-01-20	844.75
Ellerbusch, Jenna	Invasive Cardiovascular	07-01-20	9,692.15
Entringer, Stephanie	Nursing	07-01-20	528.55
Lang, Sarah	Nursing	07-01-20	171.66
Lease, Sara	Nursing	07-01-20	9,327.13
Merritt, Jason	Automotive Tech	07-01-20	3,100.00
Mower, Britney	Nursing	07-01-20	7,040.10
Osborn, Michelle	Nursing	07-01-20	3,942.43
Penning, Jolene	Medical Assistant	07-01-20	7,145.50
Pepper, Dustin	Nursing	07-01-20	506.85
Pottratz, Jennifer	Nursing	07-01-20	340.15
Rykhous, Brooke	Nursing	07-01-20	490.58
Solberg, Megan	Nursing	07-01-20	478.95
Tebay, Kristina	Nursing	07-01-20	968.75
Werkmeister, Myra	Nursing	07-01-20	670.76

D4. **Employment Recommendations** (continued)

<u>Name</u>	<u>Location/ Position</u>	<u>Effective Date</u>	<u>Current Pay</u>	<u>Proposed Pay</u>
Instructor, Clinical Instructor/Other Activity, part-time, per hour				
Goens, Jordan	Nursing	05-10-21		\$35.00/\$24.00
Kayser, Seth	Nursing	05-17-21		\$35.00/\$24.00
Instructor, Other Activity, part-time, per hour				
Vettrus, Jill	General Ed	06-01-21		\$24.00
Lab Assistant, part-time, per hour				
Dirks, Amy	Corp Ed, Dental Asstg	05-20-21		\$20.00
Moore, Mackenzie	Corp Ed, Dental Asstg	05-20-21		20.00
Student Help, part-time, per hour				
King, Casey	IT, Student Tech	05-04-21		\$11.00

Action ST00551

Vice President of Finance and Operations Rich Kluin presented the Public Hearing: FY22 Proposed Budget and Tentative Adoption of FY22 Budget Report. (see MRF #ST411) 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 FY22 tuition rate at their April 2021 meeting. The approved tuition rate will increase \$3 per credit to \$124 per credit. The remaining fees (facility fee, maintenance and repair fee) set by the BOTE will not increase.

On a local level, Southeast requesting an increase in local fees of \$3 per credit. Additionally, Southeast is planning to implement and/or increase program related fees that are based on course prefix codes.

Year-to-year student enrollment projections comparable to where they were at this time last year. Credits are projected to increase slightly in FY22, with enrollment growth planned with program expansions in Surg Tech, Vet Tech, Paramedic Sciences, and Construction Management.

POSTSECONDARY FUND OVERVIEW

	Budgeted	Projected	Change	Budgeted	Change
	FY21	FY21		FY22	
Revenue	\$24.09M	\$TBD	\$TBD	\$25.06M	\$0.97M
Expense	\$26.16M	\$TBD	\$TBD	\$26.59M	(\$1.88M)
Fund Balance Change	(\$2.07M)	\$TBD	\$TBD	(\$1.5M)	\$0.90M
Fund Balance	\$4.64M	\$TBD	\$TBD	\$TBD	\$TBD

At this time final credit projections for are not anticipated to vary significantly from the tentative adoption. Enrollment projection will continue to be evaluated through the start of the Fall term.

Enrollments (credits) from March 2020 through February 2021 serve as the foundation (baseline) for measuring enrollment trends for the subsequent budget year. FY22 credit projections are reflective of the recent (one-year) trend in enrollments and planned program expansions. The largest increases in enrollment are coming from Health Science (new programs and enrollment growth) and Agriculture (enrollment growth). A significant decline is being projected for the Information Technology programs of Networking and Programming. Business programs continue to trend downward and dual credit enrollments dipped slightly.

Program enrollments (FTE based) by cluster for FY22 are provided in the following table.

Program Enrollments	FTE			
	Division	FY21	FY22	Change
Agriculture	65.11	82.19	+17.08	+26.23%
Architecture & Construction	217.62	218.62	+1.00	+0.46%
Arts, A/V Technology	48.44	55.08	+6.64	+13.71%
Business, Management	300.83	272.80	-28.03	-9.32%
Health Science	558.56	647.51	+88.95	+15.92%
Human Services	33.44	35.02	+1.58	+4.72%
Information Technology	238.47	184.20	-54.27	-22.76%
Law, Public Safety	61.71	63.86	+2.15	+3.48%
Manufacturing	50.30	46.46	-3.84	-7.63%
Marketing, Sales & Service	52.68	50.37	-1.95	-3.73%
STEM	28.00	33.93	+5.93	+21.18%
Transportation, Distribution	142.89	133.52	-9.37	-6.56%
Program Prep	18.45	15.09	-3.36	-18.21%
Dual Credit/Concurrent	89.54	73.55	-15.99	-17.86%
Totals	1,905.69	1,912.20	+6.52	+0.34%

IMPACT TO STUDENTS:

The FY22 budget request includes a \$3 per credit increase in tuition and a \$3 per credit increase in local fees. Program fee increases are being requested in a number of programs that will be applied to specific program credits. The program specific course fees range from \$10 per credit to \$70 per credit and are presented in the following table. The increase in program specific course

fees is expected to generate approximately \$450,000 and will provide for increases program delivery costs.

The majority of students will incur the additional \$6 per credit in tuition and fees, increasing from \$249 per credit to \$255 per credit. Dual and Concurrent enrollments will pay \$48.33 per credit as established by a Joint Powers Agreement with the State of South Dakota. Southeast Tech will receive \$240 per credit for students enrolled in the South Dakota Department of Labor UpSkill programs.

STUDENT CHARGES:

<i>Category</i>	<i>FY21</i>	<i>FY22</i>	
Tuition/Fees (all credits)	<i>Per Credit</i>	<i>Per Credit</i>	<i>Change</i>
Tuition	\$121.00	\$124.00	+\$3.00
Local/State Fees	128.00	131.00	+\$3.00
Total (all credits)	\$249.00	\$255.00	+\$6.00
Program Specific (Course Prefix)	<i>Per Credit</i>	<i>Per Credit</i>	<i>Change**</i>
LPN Courses (LPN)	\$50.00	\$70.00	+\$20.00
RN Courses (NURS)	\$50.00	\$70.00	+\$20.00
Dental Assistant (DEN)	--	\$30.00	+\$30.00
Invasive Cardiovascular (CVI)	--	\$30.00	+\$30.00
Medical Assistant (MA)	--	\$30.00	+\$30.00
NDT (ENDT)	--	\$30.00	+\$30.00
Paramedic Sciences (PARAM)	--	\$30.00	+\$30.00
Pharmacy Tech (PHRM)	--	\$30.00	+\$30.00
Phlebotomy (PH)	--	\$30.00	+\$30.00
Sonography – Cardiac (CVN)	--	\$30.00	+\$30.00
Sonography – Vascular (CVP)	--	\$30.00	+\$30.00
Sonography – Diagnostic (DMS)	--	\$30.00	+\$30.00
Surgical Tech (ST)	--	\$30.00	+\$30.00
Vet Tech (VET)	--	\$30.00	+\$30.00
HVAC (RA)	\$10.00	\$25.00	+\$15.00
Plumbing (PLMB)	\$10.00	\$20.00	+\$10.00
Welding (WLD)	\$10.00	\$20.00	+\$10.00
Law Enforcement (LE)	\$10.00	\$10.00	--
Auto (AT)	--	\$25.00	+\$25.00
Collision (AB)	--	\$25.00	+\$25.00
Construction Management (CMT)	--	\$25.00	+\$25.00
Diesel – Ag/Construction (ADM)	--	\$25.00	+\$25.00
Diesel (DM)	--	\$25.00	+\$25.00
Electrician (ELCN)	--	\$25.00	+\$25.00
Horticulture (HT)	--	\$25.00	+\$25.00
Mechatronics (MECH)	--	\$20.00	+\$20.00
Enrollment Specific			
Online Fees	\$50.00	\$50.00	**

Other

Dual / Concurrent	\$48.33	\$48.33	^^
UpSkill Certificate Programs			##

** Dependent individual student course enrollments.

^^ SD Department of Education will provide \$75.67 / credit for Dual Enrollment.

UpSkill students are not charged. SD Department of Labor provides \$240 / credit.

IMPACT TO STAFFING LEVELS:

Southeast is proposing to increase staff levels in the FY22 budget by a total of 7.0 FTE. Proposed additions to the FY22 budget are reflected in the following table.

Staffing Changes		FY21	FY22	
	Class	FTE	FTE	Change
Academics				
Instructor - NDT	1172	--	1.00	+1.00
Instructor – Construction Mgmt.	1171	--	1.00	+1.00
Instructor – Surg. Tech	1171	--	1.00	+1.00
Instructor – Vet Tech	1171	--	1.00	+1.00
Specialist – Mechatronics/Networking.	1171	--	1.00	+1.00
Academics - Subtotal		--	5.00	+5.00
Staffing Changes - Continued		FY20	FY21	
	Class	FTE	FTE	Change
Enrollment Management				
Retention Coordinator	1191	--	1.00	+1.00
Disability Services	1191	1.00	--	-1.00
Enrollment Management - Subtotal		1.00	1.00	--
Finance / Operations				
Business Office – Clerical	1131	--	1.00	+1.00
Housing – Custodian/Maintenance	1141	--	1.00	+1.00
Housing – Retention Coordinator	1191	1.00	-	-1.00
Student Affairs - Subtotal		1.00	2.00	+1.00
Administration				
Director – Community Outreach	1191	--	1.00	+1.00
Administration - Subtotal		--	1.00	+1.00

The proposed budget also includes an increase in the number of days for Specialists at the Help Desk and additional days to support the Disability Services areas, which is not replacing a retiring employee.

SALARY CONSIDERATIONS:

The FY22 budget is reflective of a 3% adjustment to the Southeast Tech salary schedules. The FY22 budget also includes funding for lane advancements and step increases for eligible employees. Hourly rates for clinical instruction are planned to be increased by twenty percent to approach currently industry rates.

IMPACT TO SOUTHEAST:

Preliminary results for FY21 will not be known until August 2021. Projections for how FY21 will end will be presented in July 2021 as part of the FY22 final adoption. In general terms, revenues and expenditures are tracking slightly below the approved FY21 budget; however, the use of existing cash should be at or below the amount requested at the time of the FY21 adoption. The FY21 budget called for the use of existing reserves to complete various construction projects that were incomplete as of June 30, 2020. The approved use of existing cash in FY21 was \$2,072,109.

Revenue (Post-secondary Fund)

Sources	FY21	FY22	+/-	Notes
Tuition	\$7,103,309	\$7,316,110	+\$212,801	Enrollment (+), Corporate Ed (-), Tuition Increase (+)
Fees	6,006,647	6,716,360	+709,713	Enrollment (+), Fee Increases (+)
State Aid	7,317,821	7,374,389	+56,568	FY21 Enrollments (+)
Other State	714,304	1,008,762	+294,458	Equipment (+), Maintenance/Repair (+)
Federal Sources	1,413,319	1,073,337	-339,982	HEERF Funds (-)
Local Sources	1,532,320	1,574,577	+42,257	Interest (-), Foundation (+)
Existing Cash	2,072,109	1,530,293	-541,816	One Time Capital Improvement Projects (-)
Total	\$26,159,829	\$26,593,828	+433,999	

Expenditures in all categories have increased, exclusive of Capital Improvements. Contributing to the increases are proposed salary increases, new employee requests and related benefit costs, increased services for professional services, postage, advertising, maintenance and repair, and dues and fees. Classroom supplies are increased in the proposed budget and Capital Equipment reflects a significant funding increase in FY22.

Expenditures (Post-secondary Fund)

Uses	FY21	FY22	+/-	Notes
Full time Wages	\$10,367,582	\$11,227,366	+\$859,784	Salary Proposal (+), FTE Additions (+)
Part time Wages	1,424,644	1,678,890	+254,246	Instruction (+)
Benefits	3,646,175	4,072,478	+426,303	FTE Additions & Enrollments (+)
Services	3,095,624	3,420,947	+325,323	Contracted Services (+), Postage (+), Advertising (+), M&R Equipment (+)
Supplies	2,159,445	2,386,705	+227,260	Classroom Supplies (+), Other Supplies (+)
Capital Equipment	886,297	1,809,550	+923,253	Academic Programs (+)
Capital Improvements	3,761,012	1,102,742	-2,658,270	Terry Avenue (-), Ed Wood (-), Health (-), Mickelson (-)
Other	819,050	895,150	+76,100	Dues & Fees (-)
Total	\$26,159,829	\$26,593,828	+\$433,999	

Fund Balance (Post-secondary Fund)

The five-year projection will be presented at the July 2021 meeting. The FY20 budget presentation included a projected FY20 deficit of \$885,633. The actual results for FY20 following the annual audit was a surplus of \$1,507,095, resulting in a favorable variance of \$2,392,728. The planned use of the FY20 operating surplus to complete projects in progress was \$2,072,109, meaning Southeast was in a more favorable financial position than planned by \$320,619.

ENTERPRISE FUNDS:

Bookstore Fund:	FY21	FY22	Change
Revenue	\$1.70M	\$1.61M	(\$0.09M)
Expense	\$1.69M	\$1.60M	(\$0.09M)
	<u>\$0.01M</u>	<u>\$0.01M</u>	<u>\$0.00M</u>

Food Service Fund:	FY21	FY22	Change
Revenue	\$415k	\$395k	(\$20k)
Expense	\$428k	\$424k	(\$4k)
	<u>(\$13k)</u>	<u>(\$29k)</u>	<u>(\$16k)</u>

Childcare Fund:	FY21	FY22	Change
Revenue	\$328k	\$328k	\$0k
Expense	\$322K	\$326K	\$4k
	<u>\$6k</u>	<u>\$2k</u>	<u>(\$4k)</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 FY22 operating expenditures in these funds are expected to exceed operating revenues.

Following general discussion, a motion was made by Todd Thaelke and seconded by Kate Parker four (4) votes “yes” on roll call **acknowledging the public hearing and tentatively approving the FY22 Proposed Budget and Tentative Adoption of FY22 Budget Report with the understanding the budget will be brought forward for final adoption in July 2021.**

Action ST00552

Vice President of Finance and Operations Rich Kluin provided the FY22 Southeast Tech Salary Schedule Report. (MRF ST#412) Southeast Tech last applied an across the board increase to salary schedules in FY19. The percentage increase applied in FY19 to the various schedules was 2.01%. Since that time, Southeast Tech has provided for instructor lane changes each year, step advancements for eligible employees in FY20 and a lump sum payment of \$1,000 per employee in FY21.

The FY22 salary package reflects a 3% increase applied to all lanes and steps of the Southeast Tech salary schedules. The FY22 salary package and FY22 budget also provides for lane and step advancement for those qualifying and eligible employees.

Southeast Tech employees are not represented by collective bargaining and the funding mechanism for the technical colleges differs from the K-12 system. Primary funding for Southeast Tech is provided by state funds through a distribution formula established by the South Dakota Board of Technical Education (SDBOTE) and tuition and fees charges to students. The SDBOTE approves the tuition rate annually. The Sioux Falls School Board approves the local fees charged to students at its annual meeting in July 2021.

The implementation of a 3% salary schedule adjustment will provide a comparable level of compensation for similar positions within the Sioux Falls School District. An indexed analysis of the Southeast Tech and Sioux Falls School District FY22 salary schedules is provided in the following table:

Schedule	Ranges Compared	Southeast Index	SFSD Index
Administrative	C, E, G	100.00	105.84
Employment Contract	I, K, L, N, O, P	100.00	105.80
Classified Staff	B, C, E, F, G, H, I, J, K	100.00	103.25

Following general discussion, a motion was made by Kate Parker and seconded by Todd Thaelke, four (4) votes “yes” on roll call, **approving the FY22 Southeast Tech Salary Schedules.**

continued

Wednesday, May 26, 2021

Action ST00553

On motion by Kate Parker and seconded by Nan Baker, four (4) votes “yes” on roll call, the School board **adjourned** at 4:46 p.m.

CARLY R. REITER

Presiding Officer

TODD VIK

Business Manager