

**PIERPONT COMMUNITY & TECHNICAL COLLEGE
BOARD OF GOVERNORS**

Finance and Administration Committee Meeting

**Thursday, May 18, 2023
11:00 AM**

**Pierpont's Advanced Technology Center (ATC)
500 Galliher Drive
Fairmont, WV 26554
Room 216A**

MINUTES

Notice of Meeting

A meeting of the Pierpont Community & Technical College (Pierpont) Board of Governors Academic and Student Services Committee was held on May 18, 2023, beginning at 11:00 AM. The meeting was conducted in person at the Advanced Technology Center in Fairmont, WV. Advanced announcement of this meeting was posted on the WV Secretary of State's Meeting Notices Webpage.

Committee Members Present: Jeffery Powell – Temporary Chair, Susan Woods Coffindaffer, and Lisa Lang

Committee Members Absent: Brian Bozarth and Anthony Hinton

Other Board Members Present: Thomas Cole, Juanita Nickerson, and Joanne Seasholtz

Others Present: Members of the President's Cabinet, faculty, staff, and others

I. Call to Order

Jeffery Powell, Temporary Chair, called the meeting to order at 11:00 AM.

II. Approval of Minutes – March 21, 2023

Lisa Lang moved to approve the March 21, 2023 meeting minutes. Susan Woods Coffindaffer seconded the motion. All agreed. Motion carried.

III. Enrollment Report

Dale Bradley presented and reviewed the **Enrollment Comparison Summary by Student Type Report for Summer 2023 and Fall 2023** (Attachment A).

IV. Revenue Analysis

Dale Bradley presented and reviewed the FY 2023 Pierpont Fee Revenue Analysis as of May 15, 2023 Report (Attachment B).

V. **BOG Action Items**

A. Approval of FY 2024 Unrestricted Budget

Dale Bradley presented and reviewed the **FY 2024 Unrestricted Budget Resolution** (Attachment C).

Lisa Lang moved to move the resolution to the full Board including a one-time spend of reserves of \$266,757. Susan Woods Coffindaffer seconded the motion. All agreed. Motion carried.

B. Approval of FY 2024 Pay Raise

Dale Bradley presented and reviewed the **FY 2024 Pay Raise Resolution** (Attachment D).

Lisa Lang moved to move the resolution to the full Board. Susan Woods Coffindaffer seconded the motion. All agreed. Motion carried.

C. Approval of FY 2024 Small Projects & HEPC Debt Payment

Dale Bradley presented and reviewed the **FY 2024 Small Projects & HEPC Bond Debt Payment Resolution** (Attachment E).

Lisa Lang moved to move the resolution to the full Board. Susan Woods Coffindaffer seconded the motion. All agreed. Motion carried.

D. Approval of Transfer of Pierpont Center at MTEC Ownership

Dale Bradley presented and reviewed the **Transfer of Pierpont Center at MTEC Ownership Resolution** (Attachment F).

Lisa Lang moved to move the resolution to the full Board. Susan Woods Coffindaffer seconded the motion. All agreed. Motion carried.

VI. **BOG Informational Items**

A. April 30, 2023 Finance Report

Dale Bradley presented and reviewed the **Budget/Finance FY 2023 Report as of April 30, 2023** (Attachment G).

B. Capital Projects Expenditure Report as of April 30, 2023

Dale Bradley presented and reviewed the **FY 2023 Capital Projects Expenditure Report** (Attachment H).

VII. **Adjournment**

There being no further business, Lisa Lang moved to adjourn the meeting. Susan Woods Coffindaffer seconded the motion. All agreed. Motion carried.

Respectfully submitted by Amanda N. Hawkinberry



Mission Statement: To provide accessible, responsive, comprehensive education that works
Vision: Empowering individuals to transform their lives through education
Tagline: Education that works!



Enrollment Comparison Summary by Student Type

<u>Student Type</u>	<u>Previous Term</u>		<u>Current Term</u>		<u>Differences</u>			
	202230 - Summer Semester		202330 - Summer Semester 2023		Count	Percent	FTE	Percent
	As of 5/4/2022		As of 5/4/2023					
	Count	FTE	Count	FTE				
1 - First-time Freshman	10	4.67	18	9.87	8	80.00	5.20	111.43
2 - Returning Student	155	60.13	171	67.13	16	10.32	7.00	11.64
3 - Readmitted Student	4	1.47	7	2.80	3	75.00	1.33	90.91
6 - Transfer Student	7	2.73	17	6.87	10	142.86	4.13	151.22
9 - Other	5	1.27	9	2.80	4	80.00	1.53	121.05
	<u>181</u>	<u>70.27</u>	<u>222</u>	<u>89.47</u>	<u>41</u>	<u>22.65</u>	<u>19.20</u>	<u>27.32</u>
8 - HS Student Taking College Crs	3	1.13	8	2.13	5	166.67	1.00	88.24
	<u>184</u>	<u>71.40</u>	<u>230</u>	<u>91.60</u>	<u>46</u>	<u>25.00</u>	<u>20.20</u>	<u>28.29</u>

Note: Due to rounding of FTE and Percentage calculations, there may be slight differences in total amounts.

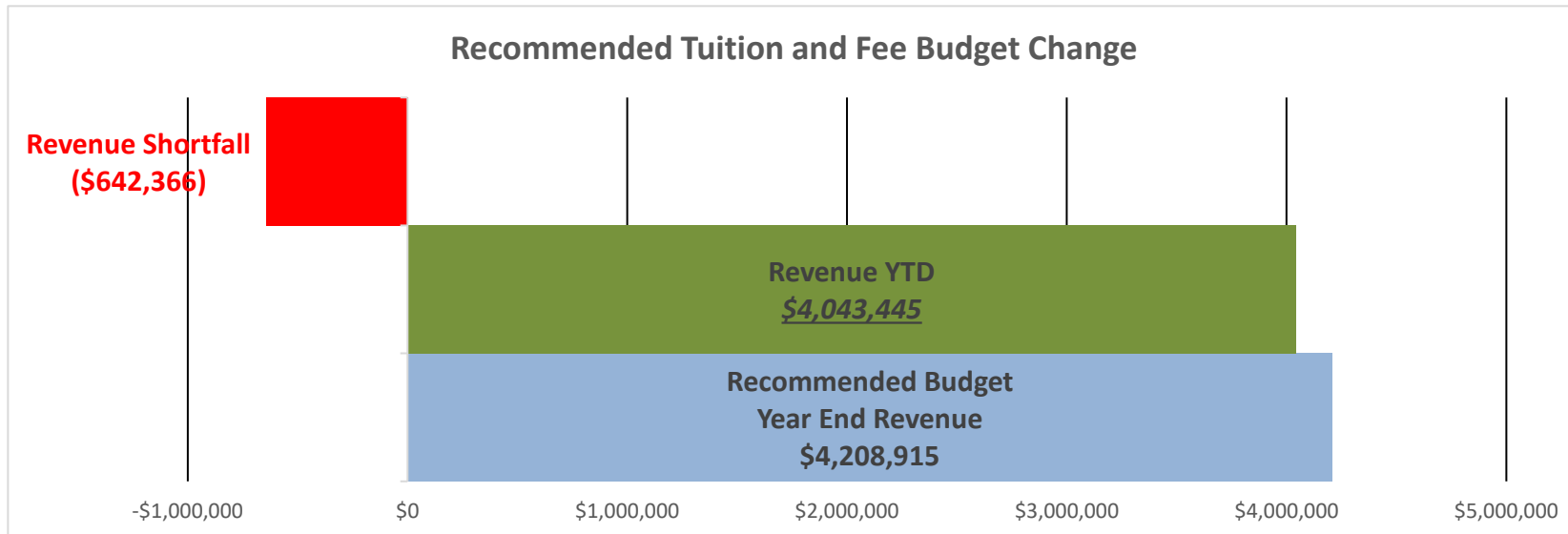
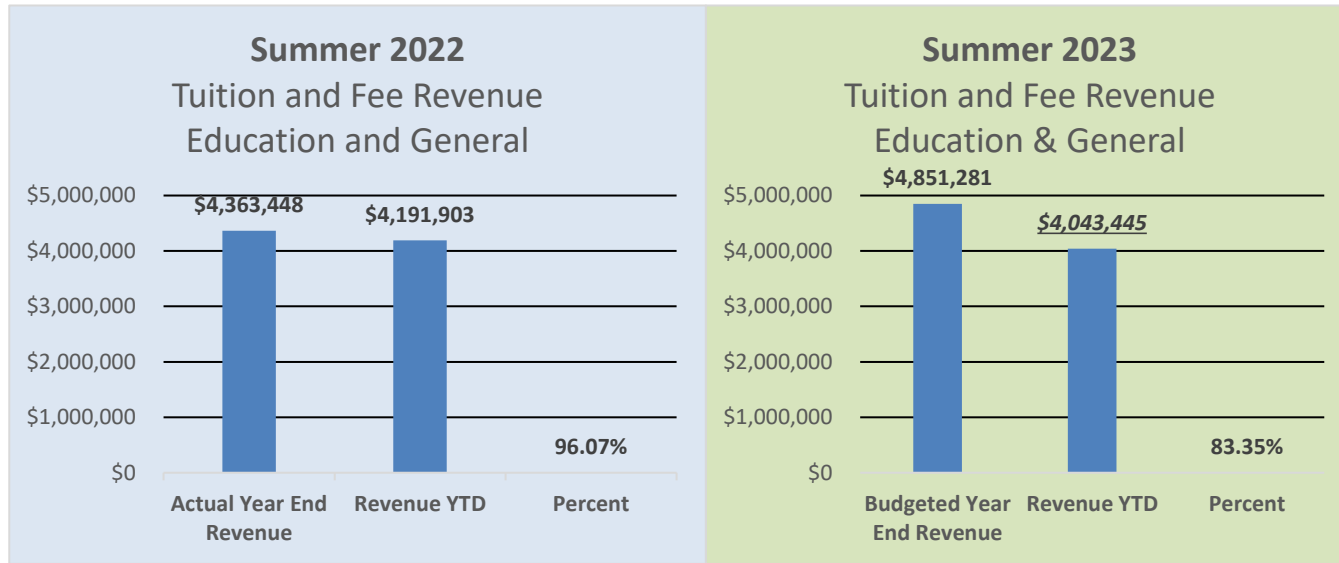
Enrollment Comparison Summary by Student Type

<u>Student Type</u>	<u>Previous Term</u>		<u>Current Term</u>		<u>Differences</u>			
	202310 - Fall Semester 2022		202410 - Fall Semester 2023					
	As of 5/4/2022		As of 5/4/2023					
	<u>Count</u>	<u>FTE</u>	<u>Count</u>	<u>FTE</u>	<u>Count</u>	<u>Percent</u>	<u>FTE</u>	<u>Percent</u>
1 - First-time Freshman	58	55.40	94	88.80	36	62.07	33.40	60.29
2 - Returning Student	216	170.33	219	180.87	3	1.39	10.53	6.18
3 - Readmitted Student	9	6.13	23	15.20	14	155.56	9.07	147.83
6 - Transfer Student	21	15.60	36	28.27	15	71.43	12.67	81.20
9 - Other	4	1.40	2	2.27	-2	-50.00	0.87	61.90
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	308	248.86	374	315.41	66	21.43	66.53	26.74
8 - HS Student Taking College Crs	114	42.33	16	7.53	-98	-85.96	-34.80	-82.20
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	422	291.19	390	322.94	-32	-7.58	31.73	10.90

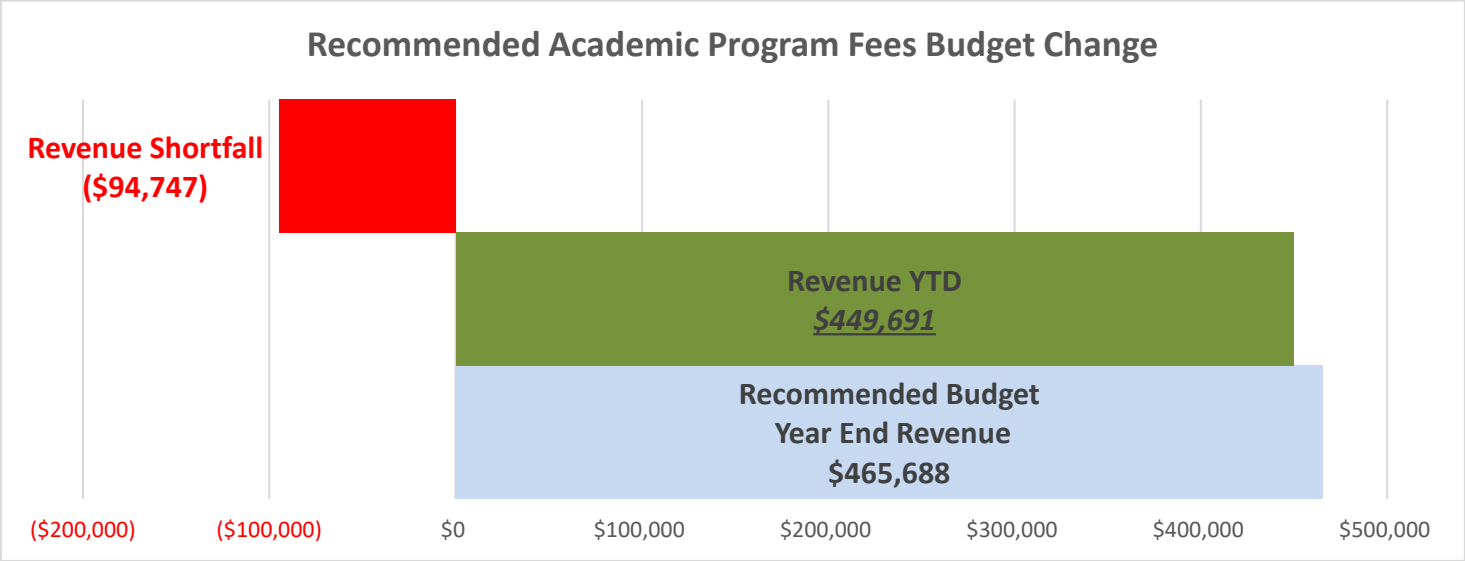
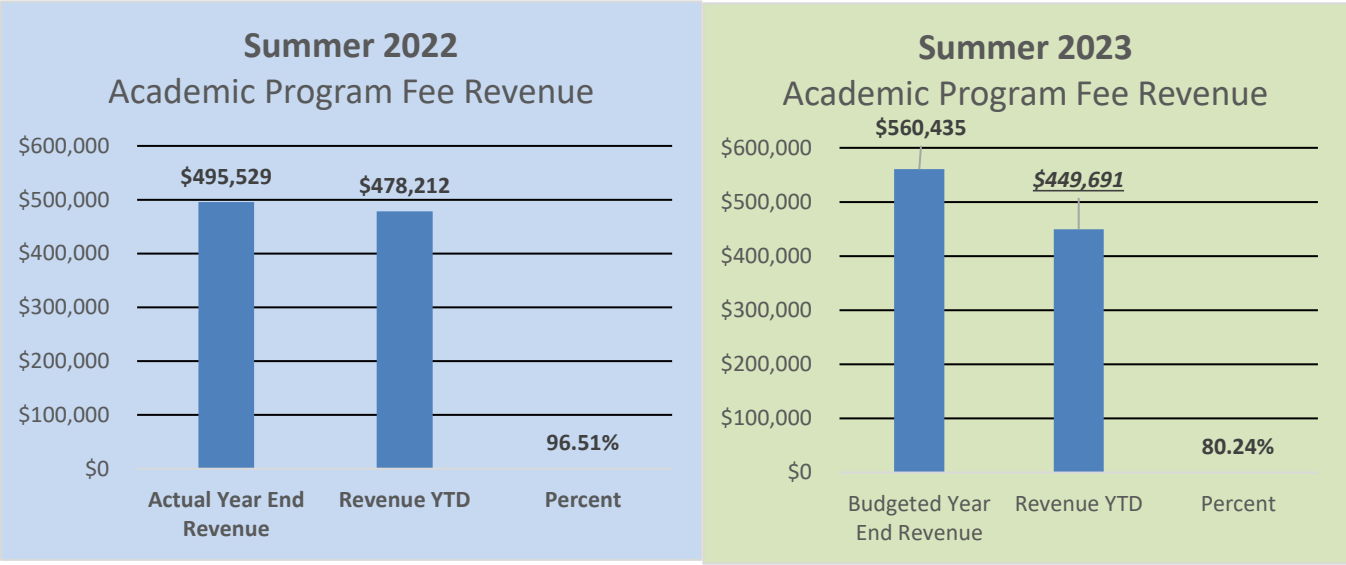
Note: Due to rounding of FTE and Percentage calculations, there may be slight differences in total amounts.

Attachment B

FY 2023 TUITION AND FEE REVENUE ANALYSIS AS OF MAY 2, 2023



FY 2023 ACADEMIC PROGRAM FEE ANALYSIS AS OF MAY 2, 2023



**Pierpont Community and Technical College
Board of Governors
Meeting of May 18, 2023**

ITEM: FY 2024 Unrestricted Budget Approval

COMMITTEE: Finance/Audit and Administration Committee to
Committee of the Whole

RECOMMENDED RESOLUTION: Resolved that the Pierpont Community & Technical
College Board of Governors approve the attached
Proposed FY 2024 Unrestricted Budget.

STAFF MEMBER: Dale Bradley

BACKGROUND: The Proposed FY 2024 Unrestricted Budget along
with a comparison of changes in the FY 2024
Unrestricted Budget from the current April 30, 2023
Unrestricted FY 2023 Budget is included as
“**Attachment A**”.

The details of budget changes for the Proposed FY
2024 Unrestricted Budget are identified in
“**Attachment B**” the “FY 2024 Budget Planning
Document”.

Following is a summary of the assumptions used and
changes made to the Proposed FY 2024 Unrestricted
Budget from the current April 30, 2023 Unrestricted
FY 2023 Budget:

- The budget planning process is continuous
but planning for the FY 2024 Unrestricted
Budget begins in earnest shortly after the start
of the FY 2023 fiscal year. Planned/anticipated changes are added to or
subtracted from the current FY 2023
unrestricted budget balance of \$238,872
resulting in the FY 2024 Unrestricted Budget.
The original approved FY 2023 Unrestricted
Budget had a budget balance of \$125,195.
The current budget balance has improved
\$113,677 over the original budget balance.

The majority (approximately \$80,000) of this improvement was the result of organizational restructuring implemented in December 2022.

- The FY 2024 Unrestricted Budget assumes no changes in estimated enrollment from FY 2023.
- Total Operating Revenues include a net reduction in Tuition and Fees (T&F) Revenues of (\$327,437). This net reduction in tuition and fees results from the following changes to estimated revenues:
 - A decrease of (\$800,000) to account for the FY 23 Tuition & Fees Revenue Shortfall
 - An estimated increase of \$409,563 resulting from an increase in FY 24 Tuition & Fees.
 - An estimated increase of \$18,000 resulting from an increase in FY 24 Technology Fee Increase.
 - An estimated increase of \$45,000 resulting from increases in FY 24 Program Fees.
- Non-Operating Revenues include an increase in State Appropriations of \$251,829.
- The Salaries Budget includes an overall increase of \$33,350. This increase is the result of the following changes:
 - Salary increases for all full and part time employees of \$2,300 for salaried employees and approximately \$1.19 per hour for hourly employees.
 - Promotion of three Faculty.
 - An increase in the annual increment pay based on an employee's annual years of service.
 - Elimination of two vacant faculty positions.
 - Salary savings from program closure.
 - Salary savings from an employee retirement.

- The Benefits Budget includes an overall increase of \$75,847. This is the result of the following changes:
 - An increase of 22.3% in the employer paid share of the Public Employee Insurance Agency (PEIA) costs.
 - Savings from the elimination of the PEIA “PAY-GO” per employee costs as result of PEIA’s increases in the employer paid share of PEIA costs.
 - Benefits costs from the across the institution salary increases.
 - Benefits costs from the promotion of three faculty.
 - Benefits costs from the increase in the annual increment.
 - Benefit savings from the elimination of two vacant faculty positions.
 - Benefits savings from program closure
 - Benefits costs from the replacement of an employee retirement.
- The Utilities budget includes an overall increase of \$104,000 for utility costs across all campus locations.
- The Supplies and Other Services budget includes an overall decrease of (\$164,511). This is the result of the following changes:
 - \$137,511 in budget reductions across the institution.
 - \$45,000 decrease in the costs related to the space at NAEC for the Aviation Maintenance Program
 - \$18,000 budget increase for technology infrastructure.

The FY 24 Unrestricted E&G Budget after the above significant actions and assumptions has a positive budget balance of \$114,578. This balance is prior to any approvals of the below one-time cash reserve spending requests.

Request to Spend Cash Reserves (One Time Expenditures)

Background

The institution typically funds equipment upgrades needed by technical academic programs through one of two methods.

- One of those methods is using Carl D. Perkins Career and Technical Education (Perkins) Grants Funds. The institution receives Perkins Grant annually from the WV Council for Community and Technical College based on a formula that divides these funds among the various WV Community & Technical Colleges. The amount of the Perkins Grant is limited based on this formula. Once the institution knows that amount of Perkins Grant those funds are made available across the qualifying academic programs based on prioritized needs and existing commitments. A portion of these funds are used to address equipment upgrades.
- The second method involves the use of cash reserves intentionally accumulated in School Program Fee Funds and Academic Program Course Fee Funds to be used for new and replacement equipment purchases when necessary. The cash reserves are slowly accumulated over the years such that sufficient cash is saved to pay for needed new and replacement equipment.

The School of Business, Aviation and Technology is requesting to spend cash reserves within their Program and Technology Fee Funds of \$177,738 for equipment upgrades.

- \$6,180 is requested to upgrade equipment for AVIONICS classes in the Aviation Maintenance (A&P) Program.

As April 30, 2023 there is approximately \$290,000 in cash reserves in the Aviation Technology Fee Fund to address this expenditure.

- \$171,588 is requested to replace and install equipment. \$151,588 is requested for the

replacement of LabVolt training equipment purchased between 2009 and 2012 for the Applied Process Technology, Energy Utility Technology, and Powerplant Technology Programs. \$20,000 is requested for the installation of existing Welding Equipment at the ATC.

As of April 30, 2023, there is approximately \$350,000 in cash reserves in the Workforce Development Program Fee Fund to address these expenditures.

The School of Health Sciences is requesting to spend cash reserves within their Program Fee Funds of \$89,019 for equipment upgrades.

- \$6,300 is requested to upgrade equipment for the Physical Therapy Assistant Program.
- \$14,285 is requested to upgrade equipment for the Licensed Practical Nursing Program.
- \$6,340 is requested to upgrade equipment for the Medical Laboratory Technology Program.
- \$48,997 is requested to upgrade equipment for the Veterinary Technology Assistant Program.
- \$1,407 is requested to upgrade equipment for the Medical Laboratory Assistant Program
- \$11,690 is requested to upgrade equipment for the Respiratory Care Program.

As of April 30, 2023, there is approximately \$230,000 in cash reserves in the Health Sciences Program Fee Fund to address these expenditures.

As of April 30, 2023, there is approximately \$7,013,463 in cash reserves in Pierpont's Unrestricted Funds with the WV Treasurer's Office. The cash reserve spending requests are a part of Pierpont's Unrestricted Funds.

Pierpont's total cash reserves, which includes the Unrestricted Funds identified above, State Grant Funds, Auxiliary Funds, Capital Funds, Federal

Grant Funds, and cash in our student refund bank account. is approximately \$11,428,616.

ATTACHMENT A
Pierpont Community & Technical College
Proposed FY 2024 Budget
Current Unrestricted (Including Depreciation)

		FY 2023 4/30/2023	Proposed FY 24 Budget	Difference
OPERATING REVENUE	Tuition and Fees	7,262,102	6,934,665	(327,437)
	Auxiliary enterprise revenue	165,000	165,000	0
	Other Operating Revenues	240,602	240,602	0
	Total:	7,667,704	7,340,267	(327,437)
OPERATING EXPENSE	Salaries	7,030,750	7,064,100	33,350
	Benefits	1,597,168	1,673,015	75,847
	Student financial aid - scholarships	248,252	248,252	0
	Utilities	244,012	348,012	104,000
	Supplies and Other Services	5,773,254	5,608,743	(164,511)
	Equipment Expense	74,812	74,812	0
	Fees retained by the Commission	101,407	101,407	0
	Loan cancellations and write-offs	100,000	100,000	0
	Total:	15,169,656	15,218,342	48,686
OPERATING INCOME / (LOSS)		(7,501,951)	(7,878,074)	(376,123)
NONOPERATING REVENUE (EXPENSE)	State appropriations	8,119,152	8,370,981	251,829
	Gifts	102,700	102,700	0
	Investment Income	69,846	69,846	0
	Total:	8,291,698	8,543,527	251,829
TRANSFERS & OTHER	Transfers for Financial Aid Match	(30,875)	(30,875)	0
	Transfers to Plant Reserves	(120,000)	(120,000)	0
	Total:	(150,875)	(150,875)	0
BUDGET BALANCE UNRESTRICTED		638,872	514,578	(124,294)
Less Depreciation (Net of Capitalized Assets)		(400,000)	(400,000)	0
BUDGET BALANCE LESS DEPRECIATION		238,872	114,578	(124,294)
One Time Spend of Cash Reserves (If Approved)			266,757	
BUDGET BALANCE (Including One Time Spend of Cash Reserves)			(152,179)	

**FY 2024 BUDGET PLANNING DOCUMENT
PIERPONT COMMUNITY & TECHNICAL COLLEGE
EDUCATION & GENERAL FUNDS**

As of April 30, 2023 Budget Condition of:	238,873				
		Yes/No Decision	Time Frame	Budget Effect	Running Total
PERMANENT BUDGET ADJUSTMENTS:					
Revenue Adjustments:					
State Appropriation Increase (Pay Raises)	251,829	Yes	Immediate	251,829	
Tuition and Fee Increase (Tuition Increase 10 %)	409,563	Yes	Immediate	409,563	
Technology Fee Increase	18,000	Yes	Immediate	18,000	
Program Fees Increases	<u>45,000</u>	Yes	Immediate	<u>45,000</u>	
Sub-Total	724,392			724,392	963,265
Fee for Service Expense Savings					
Reduction in Fee for Service Payment to FSU for FY 24	<u>45,000</u>	Yes	Immediate	<u>45,000</u>	
Sub-Total	45,000			45,000	1,008,265
Enrollment Growth/(Decline) Adjustment for FY 2023 Revenue Shortfall					
Sub-Total	(800,000)	Yes	Immediate	(800,000)	208,265
Mandatory Pay Raise Costs					
Pay Raise (Salaries \$230,000 + Fringes \$31,970)	<u>(261,970)</u>	Yes	Immediate	<u>(261,970)</u>	
Faculty Promotions Pos# 521; 569; 873 (Salaries \$19,877 + Fringes \$2,713)	<u>(22,590)</u>	Yes	Immediate	<u>(22,590)</u>	
Sub-Total	(284,560)			(284,560)	(76,295)
PEIA Rate Increase/Changes:					
Rate Increase to Employer Paid Premiums (22.3%)	<u>(115,427)</u>	Yes	Immediate	<u>(115,427)</u>	
PEIA Pay-Go Elimination Savings	<u>40,000</u>	Yes	Immediate	<u>40,000</u>	
Sub-Total	(75,427)			(75,427)	(151,722)
Annual Increment (\$60.00 per pay after 3 yrs of service)					
Annual Years of Service Increase (\$6,300 Salary + \$860 Fringes)	<u>(7,160)</u>	Yes	Immediate	<u>(7,160)</u>	
Sub-Total	(7,160)			(7,160)	(158,882)
Faculty:					
Vacant Positions					
Pos# 123; 231(Salaries \$43,000 + \$64,032 + Fringes \$7,971 + \$9,790)	<u>124,793</u>	Yes	Immediate	<u>124,793</u>	
Sub-Total	124,793			124,793	(34,089)
School of Business, Aviation & Technology					
Program Elimination Pos# 696 (Salaries \$69,920 + Fringes \$15,020)	84,940	Yes	Immediate	84,940	
Adjunct Teach Out Costs - Program Elimination # 696 (Salaries \$18,846 + Fringes \$1,489)	<u>(20,335)</u>	Yes	Immediate	<u>(20,335)</u>	
Program Elimination Pos# 1089 (Salaries \$68,726 + Fringes \$13,421)	82,147	Yes	Immediate	82,147	
Adjunct Teach Out Costs - Program Elimination # 1089 (Salaries \$20,940 + Fringes \$1,654)	<u>(22,594)</u>	Yes	Immediate	<u>(22,594)</u>	
Sub-Total	124,158			124,158	90,069
Staff:					
Academic Affairs					
Pos# 460 Retirement (New Salary \$32,000 + Fringes \$20,465)(Salary Savings \$16,935 + Fringe Increase \$7,937)	<u>8,998</u>	Yes	Immediate	<u>8,998</u>	
Sub-Total:	8,998			8,998	99,067

Budget Cut/(Increases) Initiatives:

Registry Contract Elimination (5971/70155)
 Culinary Custodial Costs (3100/7476)
 Vet Tech Custodial Costs (3100/7621)
 Admission Budget Reduction (3100/7110)
 Orientation Budget Reduction (3100/7112)
 Academic Affairs Budget Reduction (3100/7200)
 Counseling Services Budget Reduction (3100/7204)
 Graduation - Budget Increase (3100/7202)
 Assessment Services (3100/7210)
 Online Learning (3100/7702)
 Student Services Budget Reduction (3100/7203)
 Presidential Search Budget Elimination (3100/7016)
 Program Fee Budget Reductions (3115/3135/3167/3168)

	27,032	Yes	Immediate	27,032	
	(21,500)	Yes	Immediate	(21,500)	
	(20,000)	Yes	Immediate	(20,000)	
	766	Yes	Immediate	766	
	1,194	Yes	Immediate	1,194	
	5,150	Yes	Immediate	5,150	
	8,074	Yes	Immediate	8,074	
	(2,333)	Yes	Immediate	(2,333)	
	9,650	Yes	Immediate	9,650	
	5,000	Yes	Immediate	5,000	
	14,478	Yes	Immediate	14,478	
	30,000	Yes	Immediate	30,000	
	80,000	Yes	Immediate	80,000	
Sub-Total:	137,511			137,511	236,578

Utility Fee Increases:

Culinary Utility Costs (3100/7476)
 Vet Tech Utility Costs (3100/7621)
 ATC Utility Costs (3100/7527)
 Caperton Utility Costs (3100/7528)

	(19,000)	Yes	Immediate	(19,000)	
	(42,000)	Yes	Immediate	(42,000)	
	(26,500)	Yes	Immediate	(26,500)	
	(16,500)	Yes	Immediate	(16,500)	
Sub-Total:	(104,000)			(104,000)	132,578

Establishment/Update of Operation Budget:

Increase Technology Fee Operations Budget (3100/7704)

	(18,000)	Yes	Immediate	(18,000)	
Sub-Total:	(18,000)			(18,000)	114,578

PERMANENT BUDGET ADJUSTMENTS TOTAL:

(124,295) **114,578**

Attachment D

**Pierpont Community & Technical College
Board of Governors
Meeting of May 18, 2023**

ITEM: FY 2024 Pay Raise

COMMITTEE: Finance/Audit and Administration Committee to
Committee of the Whole

RECOMMENDED RESOLUTION: Whereas, the WV State Legislature in their FY 2024 State Appropriations provided additional funding to be used for paying raises for employees employed in FY 2024 and Pierpont’s Administration in the FY 2024 budget planning process reserved additional funds to address an across the board pay raise,

Therefore, be it resolved, that the Pierpont Community & Technical College Board of Governors approves a \$2,300 pay increase for salaried eligible employees and a \$1.18 per hour pay increase for hourly eligible employees to be effective July 1, 2023 (The start of the first pay period in FY 2024) for all employees.

STAFF MEMBER: Dale Bradley

BACKGROUND: Pierpont’s Interim President and Administration has determined based on the additional funding provided through Pierpont’s State Appropriation for pay raises in FY 2024 that a \$2,300 pay increase for salaried employees and a \$1.18 per hour pay increase for hourly employees is appropriate and practical for all eligible employees.

Based on these pay raise amounts employees will receive pay increases ranging from 1.58% to 8.52% with the average increase 4.29%.

The following employee groups will be eligible to receive this pay increase:

- Consistent with past practice full-time faculty, full-time and part-time faculty equivalent academic professional (FEAP), full-time and part-time instructional specialists, full-time and part-time classified staff, and full-time and part-time non-classified staff, except the President, employed on July 1, 2023 will be considered eligible.
- The raise amount will be based on the employee's March 31, 2023 salary. Any promotion or equity salary increases received after April 1, 2023 will not be used in calculating the amount of an employees pay raise.

Attachment E

**Pierpont Community and Technical College
Board of Governors
Meeting of May 18, 2023**

ITEM: FY 2024 Pierpont Small Projects Budget and Higher Education Policy Commission (HEPC) Debt Service.

COMMITTEE: Finance/Audit and Administration Committee to Committee of the Whole

RECOMMENDED RESOLUTION: Be it resolved that the Board of Governors approve \$150,000 for Small Projects and \$267,792 for HEPC Debt Service in FY 2024 Capital Project Budget totaling \$417,792 from Pierpont Education and General Capital Funds.

STAFF MEMBER: Dale Bradley

BACKGROUND: As of April 30, 2023, Pierpont’s Education and General Capital Fund has an uncommitted cash balance of \$916,865. During the current fiscal year Pierpont has assessed \$588,973 in Capital Fees through May 8, 2023. It is estimated that approximately \$130,000 in cash from the FY 23 Capital Fees assessment of \$588,973 will be transferred to the Education and General Capital Fund at fiscal year-end increasing the uncommitted cash balance of Education and General Capital Fund to a minimum of \$1,046,865.

**Pierpont Community & Technical College
Board of Governors
Meeting of May 18, 2023**

ITEM:

Transfer of Pierpont’s Ownership in the Pierpont Center at the Monongalia County Technical Education Center to the Monongalia Board of Education

COMMITTEE:

Finance/Audit and Administration Committee to Committee of the Whole

RECOMMENDED RESOLUTION:

Resolved that the Pierpont Community & Technical College Board of Governors approved the transfer of Pierpont’s ownership in the Pierpont Center at the Monongalia County Technical Education Center to the Monongalia Board of Education for the amount established in the Interagency Agreement between the Pierpont Community & Technical College Board of Governors and the Board of Education of the County of Monongalia.

STAFF MEMBER:

Dale Bradley

BACKGROUND:

Pierpont’s Board of Governors entered into an Interagency Agreement with the Monongalia Board of Education for the construction of the facility Pierpont identifies as the Pierpont Center at the Monongalia County Technical Education Center in May of 2012.

This agreement established the term both parties agreed to regarding the ownership, investment, construction, and overall operation of facility Pierpont identifies as the “Pierpont Center” at the Monongalia County Technical Education Center.

In addition, the Agreement identified the amount Pierpont would be reimbursed by the Monongalia Board of Education for its investment in the facility should Pierpont plan to discontinue the use of the facility and the Monongalia Board of Education want exclusive ownership of the building.

The amount of Pierpont investment reimbursement is identified as the “net book value (capitalized investment less accumulation depreciation of the facility) at the time of Pierpont’s discontinued use of the facility.” Pierpont’s Net Book Value of its investment in the facility at June 30, 2023 will be \$320,664.40.

The Monongalia Board of Education has requested exclusive ownership of the facility and will reimburse Pierpont’s investment in the original construction of the facility based on the terms identified in the Interagency Agreement.

Pierpont currently controls approximately 1,982 sq. ft. of the total square footage of 5,745 square feet or approximately 34% of the space. The space controlled by Pierpont includes one office, a reception area, a work room and two classrooms.

Pierpont Administration has reviewed Pierpont’s use of the facility over the last few years and discussed planned uses for the future. Based on this review and discussion’s, Pierpont Administration is recommending honoring the Monongalia Board of Education’s request for exclusive ownership of the facility.

Attachments:

- Interagency Agreement
- Net Book Value Calculation at June 30, 2023

**INTERAGENCY
AGREEMENT**

BETWEEN

**PIERPONT COMMUNITY AND TECHNICAL
COLLEGE BOARD OF GOVERNORS
AND
THE BOARD OF EDUCATION OF THE COUNTY OF
MONONGALIA**

WHEREAS: Pursuant to West Virginia Code 18B-3C-11, Community and Technical Colleges and the County Boards of Education in West Virginia are authorized to create and implement shared vocational education facilities for the benefit of the citizens of the state.

WHEREAS: In response to the foregoing legislation, a project between Pierpont Community and Technical College (hereinafter "Pierpont") and the Monongalia County Schools (hereinafter "Mon County Schools") has been approved by their respective governing boards, the Pierpont Community & Technical College Board of Governors (hereinafter "the Pierpont BOG") and the Board of Education of the County of Monongalia (hereinafter the "Board of Education") for the construction of a shared educational facility on the site of Monongalia County Technical Education Center.

WHEREAS: Pursuant to West Virginia Code 18B-3C-11, an Affiliation Agreement defining the roles of the parties has been created and signed, and a joint administrative board (hereinafter the "Joint Board") was appointed to guide the formation and operation of the facility and its curriculum.

WHEREAS: With the consent of the Pierpont BOG and the Board of Education, the Joint Board has undertaken preliminary design studies for the proposed facility.

WHEREFORE: In consideration of the foregoing and the provisions set forth below, the Pierpont Board of Governors, the Board of Education hereby enter into this *Interagency Agreement* which sets forth the procedures to be used to transfer Pierpont's share of construction funds to the Board of Education for payment of approved expenses related to the construction of a

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shared educational facility on the campus of Monongalia Technical Education Center, subject to the following:

1. Fiscal Arrangement

The parties to this construction project have committed themselves to share the costs of constructing this new facility. The base funding commitments to this project and the sources of this funding are as follows:

From Pierpont	\$450,000
From the Board of Education	\$300,000
Total	\$750,000

Expenditure of these funds for the construction expense shall be distributed between the two institutions based on the following general breakdown:

Pierpont will assume the costs related to the following construction related activities: Building; Electric; HVAC; Plumbing; Stone Work; Finish Concrete; Drywall Finish; Building Supply; Other Miscellaneous Building Specific Costs.

The Board of Education will function as the General Contractor for this construction project and will assume the costs related to the following construction related activities: Site Preparation; Engineering Services related to Site Preparation and Foundation Design; Architectural Services; General Construction Activities.

Approved expenditures are herein defined as those expenses:

(1) directly related to the architectural and engineering design of the facility, and to the construction and equipping of the facility; (2) the invoices for such expenses after having been reviewed by the Board of Education of the County of Monongalia Clerk-Of-the-Works as having been performed; (3) which are then submitted to the project architect for review as legitimate expenses according to the construction contract and plan; (4) which are then formalized into a monthly Request For Payment by the architect utilizing a standard American Institute of Architects (hereinafter "AIA") document for that purpose and signed by the architect; (5) the Requests for Payment for which are then submitted to the Board of Education acting as the fiscal agent for the project for signature and processing for payment; and (6) Request For Payment for which funds have been expensed by the Board of Education that are directly related to this project and agreed upon by all parties. Total

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expenditures under this section shall not exceed \$750,000 unless additional funds become available as set forth below.

2. Control.

The Board of Education will act as fiscal agent for the construction project and will administer the construction contract(s), architectural and engineering contract(s) and other construction-related contractual services as may arise. As such, the Board of Education will act as the contract "owner", and will execute all contractual functions on behalf of the parties hereto. For this construction project, Pierpont will review all construction-related contracts and will provide recommendations in relation to all construction-related fiscal matters.

3. Procedure

Based on approved Requests For Payment submitted by the architect, the Purchasing Director of the Board of Education will invoice Pierpont for each approved request related to the Pierpont agreed to construction related costs. Pierpont will process the invoice under a Purchase order number, following the State's standard procedure for such invoices. Pierpont will honor all approved invoices up to the college's base funding contribution limit of \$450,000 unless this value is amended in accordance with the provisions listed below. At substantial completion, as defined by AIA standards, each signatory funding party will maintain proportional retainage funds until retainage is cleared for payment.

4. Limits

Expenditures authorized under this agreement may not exceed \$750,000 unless the funding limit is altered in accordance with the provisions listed below. Additional costs beyond \$750,000 shall not be incurred except by the mutual written consent of the signatory funding parties in advance of the proposed additional cost.

5. Additional Funds

Any additional funding available to, or required of, the signatory funding parties approved by their respective governing authorities will be distributed according to a numbered addendum to this agreement.

6. Exclusions

Any signatory funding party may elect to assume full fiscal responsibility (or in-kind assignment) for individual, identifiable expenses beyond the scope of the previously identified construction costs, e.g., furnishings for a single classroom. The assignment of this cost to the project will be

considered to be exclusive of that funding party's base funding contribution and will not reduce their base funding contribution obligation. Furthermore, such contribution by a single funding party will not obligate the remaining signatory funding parties to any proportional cost sharing for the identified expenditure.

7. Term and Scope

The term of this Agreement shall begin on the date identified below and end on the date of construction project's completion and fiscal close-out. Nothing in this Agreement shall be construed to constitute an agreement for funding the operation of the facility following the completion of the construction work. This Agreement governs only construction-related funding.

8. Excess Funds

At the completion of the construction, and following fiscal close out, any excess funds remaining in the base funding obligation of each signatory funding party shall remain under the control of the respective signatory funding party without further obligation to this construction project. However should any excess funds remaining from either signatory funding party, by action of that party's governing authority, become available for reassignment to the project, may be reassigned for additional construction, operation or similar costs directly related to the project by the mutual written consent of the funding party and the Joint Board.

9. Suspension or Termination

The terms of this Agreement will remain in effect until the construction project is complete unless superseded by a subsequent agreement. The project may be suspended or terminated by the mutual written consent of the signatory funding parties, each party having been given 30 days written notice of the intent to do so.

10. Ownership

The Pierpont BOG will be considered a shared owner of this facility and shall have access to this specific facility at all times. The value/cost of Pierpont's investment in this asset will be capitalized in Pierpont's financial system. In the event that Pierpont BOG finds that the use for this facility no longer exists, the Pierpont BOG will notify the Board of Education at least one year prior to the date Pierpont plans to discontinue use of the facility. Upon Pierpont's discontinued used of the facility the Board of Education reserves the right to retain exclusive ownership of the facility and if choosing to retain exclusive

ownership will reimburse Pierpont for the net book value (capitalized investment less accumulation depreciation of the facility) at the time of Pierpont's discontinued use of the facility.

11. Agreement Signatures

In witness whereof, the parties hereto have entered into this agreement the 17 day of May, 2012

FOR: The Board of Education of the County of Monongalia, West Virginia

By: Barbara Parsons 5/18/12
Barbara Parsons

Its: President

By: Frank Devono 5/18/12
Frank Devono

Its: Superintendent

FOR: The Board of Governors for Pierpont Community and Technical College

By: James Griffin
James Griffin

Its: Chairman

By: Doreen Larson
Doreen Larson

Its: College President

ASSET DESC	REM LIFE QTY	EST LIFE	DEPR START DATE	ASSET COST	DEPR ACCUM AMT	NET BOOK AMT - 06/30/2022	DEPRECIATION - FY 2023	NET BOOK VALUE- 06/30/2023
MTECH Building	493	600	8/1/2013	399,997.07	71,332.73	328,664.34	7,999.94	320,664.40

Attachment G

**Board of Governors
Budget/Finance Report FY 2023
Pierpont Community & Technical College
as of April 30, 2023**

Pierpont's overall financial structure consists of four primary fund types; unrestricted, auxiliary, restricted, and plant/capital funds.

Unrestricted Funds – Includes those economic resources of the institution which are expendable for any purpose in performing the primary objectives of the institution, i.e, instruction, research, extension, and public service, and which have not been designated by the governing board for other purposes. These funds consist of State Appropriations, not designated for a specific purpose, and general tuition and fees revenues. For fiscal management purposes Pierpont segregates Unrestricted funds into two subgroups; President Controlled Funds and Fund Manager Controlled Funds.

- President Controlled Funds consist of State Appropriations, and general tuition and fees revenues.
- Fund Manager Controlled Funds consist primarily of program fees and lab/course fee funds that are used to cover program specific operational costs.

Auxiliary Funds – Auxiliary funds are a subsection of unrestricted funds. Auxiliary enterprises are activities conducted primarily to provide facilities or services to students, faculty, and staff. Such activities could include residence halls, food services, bookstore, parking, etc. At Pierpont these activities are reported as a separate fund type for fiscal management. Currently parking is the only Auxiliary fund activity and is used to support maintaining parking resources and campus security.

Restricted Funds - The restricted fund group consists of those funds expendable for operating purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be expended. Restricted funds primarily consist of contracts and grants received from federal or state governments for financial aid, research, public service or other restricted purposes.

Plant/Capital Funds – Plant/Capital Funds are a subsection of unrestricted funds used for debt service, capital projects, facilities maintenance and renewal.

SUMMARY UNRESTRICTED FUNDS:

As of the April 30, 2023 Budget/Finance Report, the Unrestricted Budget Balance is \$238,872. There has been no change from the previous Unrestricted Budget Balance reported in the February 28, 2023 Budget/Finance Report.

As of this report date, the YTD Actuals for Unrestricted Funds reflect the following:

- The institution has realized approximately 74% of projected operating revenue.
- The institution has incurred approximately 71% of operating expenses.
- The institution has realized approximately 99% of nonoperating revenues.
- The Year-To-Date Actual Budget Balance is \$3,843,157 (Includes \$837,379 captured in lost revenues from HEERF (CARES ACT) Funds).

SUMMARY RESTRICTED FUNDS:

As of this report date, the YTD Actuals for Restricted Funds reflect the following:

- The institution has realized approximately 70% of projected operating revenue.
- The institution has incurred approximately 61% of operating expenses.
- The institution has realized approximately 69% of nonoperating revenues.
- The Year-To-Date Actual Budget Balance is \$633.

Pierpont Community & Technical College
Actual vs Budget Statement of Revenues and Expenses
Current Unrestricted (Including Depreciation)

April 30, 2023

	Current Budget	Actual YTD	YTD Actual to Current Budget
OPERATING REVENUE			
Total:	7,667,704	5,708,279	74.45%
OPERATING EXPENSE			
Total:	15,169,656	10,853,316	71.55%
OPERATING INCOME / (LOSS)	(7,501,951)	(5,145,037)	
NONOPERATING REVENUE (EXPENSE)			
Total:	8,291,698	8,187,995	98.75%
TRANSFERS & OTHER			
Total:	(150,875)	800,199	-530.37%
BUDGET BALANCE UNRESTRICTED	638,872	3,843,157	
Less Depreciation (Net of Capitalized Assets)	(400,000)		
BUDGET BALANCE LESS DEPRECIATION	238,872	3,843,157	

Pierpont Community & Technical College
Actual vs Budget Statement of Revenues and Expenses
Current Restricted
April 30, 2023

		Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE				
	Total:	8,021,200	5,618,545	70.05%
OPERATING EXPENSE				
	Total:	12,480,063	7,656,655	61.35%
OPERATING INOCME / (LOSS)		(4,458,863)	(2,038,111)	
NONOPERATING REVENUE (EXPENSE)				
	Total:	4,711,311	3,259,497	69.18%
TRANSFERS & OTHERS				
	Total:	(274,927)	(1,220,753)	444.03%
BUDGET BALANCE		(22,479)	633	