

## Standard 7: Financial Resources

### Introduction

Southwest Technical College (Southwest Tech) is one of eight technical colleges within the Utah System of Higher Education (USHE). The College is a separate legal entity and is considered a component unit of the State of Utah. Southwest Tech serves the Southwest region of Utah, including Beaver, Garfield, Iron, and Kane Counties. The majority of Southwest Tech's ongoing funding comes from the Utah State Legislature. The College supplements legislative funding with federal, state, and service region grants and contracts, as well as tuition and fees collected from students. The Vice President of Finance and Operations oversees the financial and business operations of the college.

### Analysis

- 1. A qualified financial officer or department oversees the financial and business operations of the institution.**

The VP of Finance and Operations, Clarissa Crosby, who oversees the financial and business operations of Southwest Technical College, is a qualified financial officer. She has a master's degree in accounting and is a Certified Public Accountant (CPA) with 20 years of experience, primarily in higher education accounting. Ms. Crosby completes 40 hours of continuing education annually to stay current on accounting issues and maintain her CPA license.

- 2. Financial records are maintained so that the institution's fiscal position can be analyzed in a timely manner.**

Financial records are maintained to allow for timely analysis of the institution's fiscal position. Official accounting records are maintained utilizing a system that tracks all encumbrances, income, and expenditures as they occur and provides a total financial picture. Southwest Tech's year-to-date budget to actual reports are updated monthly, at which time departmental budgets are compared to actual expenditures by the appropriate Director. Detailed lists of transactions by program are available with the budget to actual reports. The College's overall fiscal position is monitored by the College President and the Board of Trustees' Audit Committee to ensure that the College is adhering to the approved budget and upcoming needs can be adequately satisfied. A financial report is prepared annually in accordance with Generally Accepted Accounting Principles (GAAP) and is audited by the Utah State Auditor's office.

- 3. The institution demonstrates responsible financial management with funds sufficient to maintain quality educational programs and to complete the education of students enrolled.**

Southwest Tech demonstrates responsible financial management with funds sufficient to provide and maintain quality educational programs for all students. Since its inception, Southwest Tech has consistently maintained sufficient funding to provide a quality education to enrolled

students. Following a detailed budgeting process, directors submit requests for ongoing and one-time personnel and program expenses each fiscal year. Southwest Tech continues to exercise sound financial and business practices as demonstrated by the audit report issued by the Utah State Auditor's office on the financial statements for the year ending June 30, 2024.

**4. The institution uses adequate auditing and budgetary controls and procedures consistent with local, state, and federal requirements.**

Southwest Tech uses adequate auditing and budgetary controls and procedures consistent with local, state, and federal requirements. An audit of the financial records is conducted annually by the Utah State Auditor's office. The audit report and management letter are reviewed and any recommendations are followed. Internal checks and balances are followed to ensure the integrity of Southwest Tech's financial processes and financial statements. Southwest Tech's operating budget is reviewed and approved by the Board of Trustees. Additionally, the overall budget is monitored throughout the year by the College's executive team.

**5. The institution exercises proper management, financial controls, and business practices.**

Southwest Technical College exercises proper management, financial controls, and business practices as evidenced by an annual independent auditor's report. Southwest Tech has developed and follows procedures for receiving and depositing funds, and reconciling deposits and disbursements against the monthly bank statements. The Board of Trustees' Audit Committee reviews bank reconciliations at each Audit Committee meeting. Southwest Tech's business practices comply with all applicable local, state, and federal guidelines. These practices include procedures for procurement, asset management, and payroll.

**6. Persons handling institutional funds or revenues from any source are bonded or covered under an employee-dishonesty insurance policy.**

Southwest Technical College is insured through the State of Utah's Risk Management which includes fidelity bond coverage that protects the College against possible dishonest actions by employees. The State of Utah is self-insured with an annual premium assessed to each state agency.

**7. Qualified personnel are responsible for proper financial record-keeping, reporting, and auditing.**

The finance office consists of three full-time employees and one part-time employee. The VP of Finance and Operations oversees the other three finance office personnel as well as creating the annual financial report. The full-time Accountant oversees other reporting, financial aid payments, reconciliations, and fixed assets. The Accounts Payable Specialist oversees Purchasing and accounts payable. The part-time Accounting Assistant helps with scanning, data entry, and inventory.