

# **Southwest Technical College**

## **2025 COE Self-Study Report**

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### **Standard 7: Financial Resources**

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### 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.

The VP of Finance and Operations, Clarissa Crosby, oversees all of the financial and business operations of Southwest Technical College. She holds a master's degree in accounting and is a Certified Public Accountant (CPA), with 20 years of experience in higher education accounting. She completes 40 hours of continuing education annually to stay current on accounting issues and qualify for annual renewal of her CPA license.

Wendy Dowland, Accountant, has over 20 years of experience in a finance office and government role. Additionally, she has three years of education toward an Accounting degree. Her responsibilities include overseeing financial aid receipts and disbursements, accounts receivable, donations to the Southwest Tech Foundation and reconciliation of GL accounts and bank statements. She is also responsible for budget reports and tracks department spending. She assists in preparing financial statements, reports, and documentation for USHE and the State Auditor's Office.

The Accounts Payable Specialist, Kristi Holyoak, has over 20 years of experience in a finance office. Kristi has developed expertise in utilizing QuickBooks to manage financial operations effectively. Her responsibilities have included reconciling accounts, creating and verifying purchase orders, and overseeing procurement processes of varying scales. Her attention to detail as well as her practical knowledge ensures accuracy and compliance across all aspects of AP management.

Southwest Tech also utilizes the expertise of the Board of Trustees' Audit Committee which is composed of three members with business oversight experience. An annual audit is performed by the Utah State Auditor's Office.

**8. The institution has reported all contingent liabilities in a timely manner.**

Not applicable. There have been no events at the College which qualify as contingent liabilities as defined by the Council on Occupational Education.

**9. The institution has submitted notices and copies of all lawsuits filed against the institution within five (5) days of being served.**

Not applicable. The College has no active or pending litigation.

**10. Financial aid programs utilizing public and/or private funds are capably administered and accurately documented.**

The federal financial aid program at Southwest Technical College is overseen by the College's Vice President of Student and College Services and is maintained on a daily basis by a Financial Aid Counselor. The VP of Student and College Services has eleven years of experience and the Financial Aid Counselor has four years of experience in federal financial aid. Both have attended numerous national and regional conferences, are members of the National Association of Student Financial Aid Administrators (NASFAA), and have earned numerous credentials through NASFAA.

The College has developed internal tools to manage and reconcile federal aid, scholarships, and other private funding allocations. Student Services personnel initiate the disbursement of the public and private financial aid resources, meet with the prospective recipients of those funds, and identify the remaining needs of respective students.

**11. The institution maintains compliance with the Higher Education Reauthorization Act Title IV eligibility and certification requirements, including compliance with default management and audit benchmarks.**

Southwest Technical College maintains compliance with the Higher Education Reauthorization Act and periodic audit benchmarks. When program changes occur, Southwest Technical College submits an application for continued eligibility and certification with the Department of Education. Southwest Technical College only participates in the Federal Pell Grant program, so default management is not applicable.

**12. If the institution has processed Title IV loans or is currently processing Title IV loans, it has a default management plan that meets the requirements of the Commission for as long as required by the U.S. Department of Education.**

Not applicable. Southwest Tech does not offer student loans.

**13. The institution utilizes a written, comprehensive student loan repayment program addressing student loan information, counseling, monitoring, and cooperation with available lenders.**

Not applicable. Southwest Tech does not offer student loans.

**14. The institution informs students of their ethical responsibilities regarding financial assistance.**

Students receiving financial assistance are oriented individually in face-to-face meetings with the Financial Aid Counselor. In these meetings students are informed of their rights and responsibilities with regard to financial aid packages. Students are informed of their ethical responsibilities when students are awarded and sign for an aid package.

**15. The institution identifies sources of funds and revenues and shows evidence of fiscal stability.**

Southwest Tech clearly identifies the sources of funds and revenues and shows evidence of fiscal stability. The largest portion of the College's budget comes directly from State funds appropriated from the Utah State Legislature and transferred to the College on a quarterly basis. All revenues, along with all other federal, state, and service region revenues, are recorded using class codes to track separate funds that are required to be tracked individually. The financial position of Southwest Tech is very strong as evidenced by the Annual Financial Report for the

year ended June 30, 2024, which was prepared by the VP of Finance and Operations and audited by the Utah State Auditor's office.

- 16. To document financial stability, the institution submits financial information required by the Council as described in the Handbook of Accreditation. [See Section VII. Definitions – Audited Financial Statement.] For initial accreditation, non-public institutions must submit audited financial statements for the two most recent fiscal years that include composite score worksheets prepared by an independent CPA. The first of those two years may be the audited financial statement submitted with the institution's candidacy application and the second audited financial statement must represent activity while the institution is in candidate status. Restated/revised audited financial statements will not be accepted without third-party certification.**

Not Applicable. Southwest Technical College is a public institution.

- 17. The institution demonstrates financial stability through submission of the most recent audited financial statement that reflects a minimum, unrounded composite score of 1.5 for the two most recent fiscal years as disclosed on a composite score worksheet included in the audit report.**

Not Applicable. Southwest Technical College is a public institution.

- 18. The institution demonstrates financial stability through submission of the most recent audited financial statement that reflects no condition or event which could potentially affect the institution's ability to continue operation, including but not limited to, contingent liabilities, on-going litigation, or the financial stability of a parent corporation.**

Not Applicable. Southwest Technical College is a public institution.

- 19. The institution has a fair and equitable refund policy for the refund of tuition, fees, and other institutional charges in the event the institution cancels a class or if a student does not enter or does not complete the period of enrollment for which they have been charged.**

The Southwest Tech Refund Policy is published on the College website and is administered uniformly for all students. Refunds are initiated without requiring a request from students. A refund process begins automatically when students drop from a course or are withdrawn following 10 consecutive days without attending class. Student Services staff prepare a student refund request form and submit it to the VP of Finance and Operations, who in turn creates a refund check and remits it to the student within 30 days. Southwest Tech's Refund Policy gives a 100 percent refund for students who do not commence class.

**The following elements are present and indicative of a fair and equitable refund policy:**

**20. The institution's refund policy is included in official publications and uniformly administered.**

The Southwest Tech Refund Policy is published on the College website and is administered uniformly for all students.

**21. Refunds, when due, are made without requiring a request from the student.**

Refunds are initiated without requiring a request from students. A refund process begins automatically when students drop from a course or are withdrawn following 10 consecutive days without attending class. Student Services staff prepare a student refund request form and submit it to the VP of Finance and Operations, who in turn creates a refund check and remits it to the student within 30 days. Southwest Tech's Refund Policy gives a 100 percent refund for students who do not commence class.

**22. Refunds, when due, are made within 45 days (1) of the last day of attendance if written notification has been provided to the institution by the student, or (2) from the date the institution terminates the student or determines withdrawal by the student.**

Refunds are initiated without requiring a request from students. A refund process begins automatically when students drop from a course or are withdrawn following 10 consecutive days without attending class. Student Services staff prepare a student refund request form and submit it to the VP of Finance and Operations, who in turn creates a refund check and remits it to the student within 30 days. Southwest Tech's Refund Policy gives a 100 percent refund for students who do not commence class.

**23. Retention of tuition and fees collected in advance for a student who does not commence class does not exceed \$100.**

Southwest Tech's Refund Policy gives a 100 percent refund for students who do not commence class.

**24. The institution complies with the refund policies adopted by the Commission unless a non-public institution's licensing agency or a public institution's governing board mandates the use of a different policy.**

The Southwest Tech Refund Policy has been approved by the College's Board of Trustees and complies with the requirements of the Council on Occupational Education.

## **Challenges and Solutions**

Southwest Technical College is experiencing rapid growth in student enrollment, driving the need for additional funding to sustain its operations and uphold the quality of education it provides. This growth

presents a challenge to efficiently allocate limited resources while ensuring programs remain accessible and valuable to students.

To meet these demands, the College takes a thoughtful approach to budgeting, carefully balancing tuition and fees to maintain affordability and maximize program value. The support of the state legislature in funding our growth in fiscal year 2023 was invaluable. Additionally, the institution actively pursues diverse funding opportunities, including local, state, and federal grants, as well as ongoing fundraising initiatives. These efforts are vital to supporting its mission and meeting the growing needs of its student community.

To effectively manage resources and further its charitable and educational mission, Southwest Technical College established the SWATC Foundation, a 501(c)(3) nonprofit organization. Over time, the Foundation has cultivated a healthy fund balance dedicated to helping students offset the costs of their programs as well as other strategic initiatives within the college. With a focus on fundraising for scholarships and other strategic priorities, the Foundation ensures students have access to critical resources and opportunities that enhance their educational journey. As a vital partner to the College, the SWATC Foundation continues to play an integral role in advancing the institution's mission and meeting the evolving needs of its students and the broader community.

## **Summary**

Southwest Technical College complies with all federal and state financial regulations and has sufficient financial resources to support its mission. Strategic investments in people, programs, and infrastructure will position the college for long-term success while maintaining its commitment to accessibility and affordability. With the support of the administrative team, the VP of Finance and Operations maintains financial controls to ensure the accuracy of financial reporting and financial aid administration.