



BOARD OF DIRECTORS MEETING

April 28, 2020
Manhattan Area Technical College
at 5:30 p.m.

Zoom Meeting

2020

Randall Anderes – Chair (Riley)

Board of Directors

Therese Adams (Riley)
Wendy King-Luttman (Clay)
Tim Flanary (Pottawatomie)
LJ Baker (Geary)
David Fritchen (Riley)

Administration/Staff

Jim Genandt (President/CEO)
Tracy Geisler (Exec. Assistant, board Clerk, RDC)
Sarah Phillips (VPSS/CAO/CSAO)
Carmela Jacobs (VP Operations/CFO/HR)
Josh Gfeller (Chief Info Security Officer)
Nathan Roberts (Dean Career/Tech Ed)
Neil Ross (Dean of Student Services)
Chris Boxberger (Director Title III/Adult Ed)



**Board of Directors Meeting Agenda
Manhattan Area Technical College
Tuesday, April 28, 2020
Zoom Board meeting at 5:30 p.m.**

Board of Directors:

<input type="checkbox"/> Anderes, Randall Chair (Riley)	<input type="checkbox"/> Fritchen, David (Riley)	<input type="checkbox"/> Vacant
<input type="checkbox"/> Adams, Therese Vice Chair (Riley)	<input type="checkbox"/> Baker, LJ (Geary)	<input type="checkbox"/> Vacant
<input type="checkbox"/> Flanary, Timothy (Pottawatomie)	<input type="checkbox"/> King-Luttman, Wendy (Clay)	

Administration/Staff:

<input type="checkbox"/> Genandt, Jim (President/CEO)	<input type="checkbox"/> Geisler, Tracy (Board Clerk)	<input type="checkbox"/> Phillips, Sarah
<input type="checkbox"/> Jacobs, Carmela	<input type="checkbox"/> Gfeller, Josh	<input type="checkbox"/> Ross, Neil
<input type="checkbox"/> Roberts, Nathan	<input type="checkbox"/> Boxberger, Chris	<input type="checkbox"/> Dietrick, John
<input type="checkbox"/> Faculty Senate		

Call to Order

Zoom Meeting reminders (Tracy)

Introduction: Dean of Career and Technical Education (Sarah and Nathan)

Employee recognition: Jeff Pishny

<https://www.tomorrowstechnician.com/manhattan-project-student-becomes-the-teacher-at-kansas-alma-mater/>

Incidental Information

- BOD Member Community Report

Consent Agenda (Routine items requiring BOD action) *

- February 2020 Meeting Minutes (Previously approved) (Attachment 1)
- Approval of February Check Register w/Threshold Expenditures (Attachment 2) *
- Approval of March Check Register w/Threshold Expenditures (Attachment 3) *
- Organizational Update (Attachment 4) *
- President's Report (Attachment 5) *

Roll call vote (Attachments 2-5) (Tracy)

___ **General Agenda** (Items possibly requiring BOD Action)

- Tuition and Fees (Attachment 6)*

___ **Roll call vote** (Attachment 6) (Tracy)

- Monitoring Report: Asset Protection (Attachment 7)*

___ **Roll call vote** (Attachment 7) (Tracy)

- Monitoring Report: Financial (Attachment 8 a & b)*

___ **Roll call vote** (Attachment 8a & b) (Tracy)

___ **Discussion of Ends** (Demonstration, Testimonial, or Report of Results related to Board Mission)

- E Campus Update Agreement (Attachment 9) - Sarah
- Title III and Adult Ed Update (Attachment 10) – Chris
- Update on Instruction - Sarah
- Facility Update – Carmela
- HR Update – Carmela
- Security/Remote Update – Josh
- Student Services Update - Neil

___ **Evaluation of Board Process**

- Board Members – Jim and Tracy

___ **Ownership Linkage** (Related to Owner Expectations, “Gaps”, Meeting Expectations, Identifying New Needs of Employers, etc.)

- Foundation/Resource Development Update - Jim and Tracy
 - March Foundation Meeting
 - Scholarships
 - Grow Green

EXECUTIVE SESSION: NEGOTIATIONS: Relating to employer-employee negotiations

Meetings and Upcoming Events

- Next Board Meeting: Tuesday, May 26, 2020 @ 5:30 p.m. room 104a

* Requires BOD Action

Note: As allowed under the Kansas Open Meetings Act, there will be no public comment periods held during Manhattan Area Technical College Board Meetings.

Manhattan Area Technical
College Board of Directors
Meeting
February 25, 2020 Room 104a

1. The Board of Directors of the Manhattan Area Technical College met February 25, 2020 at 5:30 p.m. in room 104a.

Members present: Randall Anderes, Therese Adams, Wendy King-Luttman, David Fritchen, L.J. Baker and Timothy Flanary

Members absent: None

Also present Jim Genandt, President/CEO; Tracy Geisler, Executive Assistant/Board Clerk/Resource Development Coordinator; Sarah Phillips, VP Student Success/CAO/CSAO; Carmela Jacobs, VP Operations/CFO/HR; Josh Gfeller, Chief Information Security Officer; Neil Ross, Dean of Student Services; Chris Boxberger, Director of Title III; John Dietrich, College Attorney

- a. Faculty/Staff/SGO/Visitors: Brian Koch, Jeff Pishny, Shannon Baker, Kelly Wright

2. CALL TO ORDER

- Randall Anderes called the meeting to order at 5:30 p.m.
- Board Clerk Tracy Geisler stated that an executive session relating to negotiations would be added to the agenda.

3. INTRODUCTIONS:

- Shannon Baker/Financial Operations Specialist was introduced to the board.

4. INCIDENTAL INFORMATION:

- L.J. Baker discussed the board meeting he attended for the Geary County Community Hospital and the opportunities for the MATC nursing students.
- Randall Anderes attended the annual KBOR dinner with Jim as a thank you to the board chairs of the Community/Tech Colleges.

5. CONSENT AGENDA (Routine items requiring BOD action) *

- L.J. Baker moved to approve the Consent Agenda (attachments 1-4), Wendy King-Luttman seconded. Motion carried 6 yeas, 0 nays.

6. GENERAL AGENDA (items possibly requiring BOD action)

- Sarah Phillips presented Automotive Technology Certificate A (attachment 5) for recommendation. Jeff Pishny explained and responded to questions. Therese Adams moved to approve the Automotive Technology Certificate A as presented. Tim Flanary seconded. Motion carried 6 yeas, 0 nays.
- Sarah Phillis presented Critical Environment Technologies Associated in Applied Science and Certificate B (attachment 6). After discussion, Therese Adams moved to approve the Critical Environment Technologies

Associated in Applied Science and Certificate B as presented. Wendy King-Luttman seconded. Motion carried 6 yeas, 0 nays.

Attachment 1

7. EVALUATION OF BOARD PROCESS

- Jim Genandt and Tracy Geisler discussed the current board member openings.

8. DISCUSSION OF ENDS (Demonstration, Testimonial, or Report of Results related to Board Mission).

- Jim Genandt and Sarah Phillips updated the board on the HLC Assessment.
- Jim Genandt and Chris Boxberger presented the board with a Title III update.
- Jim Genandt shared an update on USD #383.
- Jim Genandt presented the board with a legislative update.

9. OWNERSHIP LINKAGE (related to Owner Expectations, “Gaps”, Meeting Expectations, Identifying New Needs of Employers, etc.).

- Jim Genandt and Tracy Geisler discussed the updates with resource development and the foundation.
- Jim Genandt discussed the Wamego City meeting that he attended. The City has agreed to waive the fees that will be associated with permits that will be needed for the purchased property in Wamego.

EXECUTIVE SESSION: CONSULTATION WITH COLLEGE ATTORNEY – Real property

Therese Adams moved to go into executive session for consultation with college attorney for the body or agency which would be deemed privileged in the attorney-client relationship at 6:14 p.m. and return to open session at 6:24 p.m. L.J. Baker seconded. Motion carried 6 yeas, 0 nays. At 6:24 p.m. Therese Adams moved to return to open session. L.J. Baker seconded. Motion carried 6 yeas, 0 nays. At 6:24 p.m. L.J. Baker moved to go back into executive session for further discussion and return to open session at 6:34 p.m. Therese Adams seconded. Motion carried 6 yeas, 0 nays.

IN OPEN SESSION:

In Open Session, Wendy King-Luttman moved to approve the proposed amendment for Wamego Center project and to direct the President and Board Clerk to sign the appropriate documents. L.J. Baker seconded. Motion carried 6 yeas, 0 nays.

EXECUTIVE SESSION: CONSULTATION WITH COLLEGE ATTORNEY – Personnel. Therese Adams moved to go into executive session for consultation with college attorney for the body or agency which would be deemed privileged in the attorney-client relationship at 6:39 p.m. and return to open session at 6:55 p.m. Tim Flanary seconded. Motion carried 6 yeas, 0 nays. At 6:55 p.m. Therese Adams moved to return to open session. L.J. Baker seconded. Motion carried 6 yeas, 0 nays. At 6:55 p.m. Therese Adams moved to go back into executive session for further discussion and return to open at 7:05 p.m. L.J. Baker seconded. Motion carried 6 yeas, 0 nays. At 7:05 p.m. Therese Adams moved to go back into open session. Wendy King- Luttman seconded.

IN OPEN SESSION:

In Open Session, Therese Adams moved to authorize the President or his designee to notify Callie Poland in writing of MATC’s intent to non-renew her contract as a faculty member for the 2020-2021 academic year, and that she be notified no later than May 1, 2020. Tim Flanary seconded. Motion carried 6 yeas, no nays.

EXECUTIVE SESSION: CONFIDENTIAL MATTERS – Board member business. Therese Adams moved to go into executive session relating to financial affairs or trade secrets of corporations, partnerships, trusts, and individual proprietorships at 7:06 p.m. and return to open session at 7:17 p.m. Tim Flanary seconded. Motion carried 6 yeas, 0 nays. At 7:17 p.m., Therese Adams moved to return to open session. Wendy King-Luttman seconded. Motion carried 6 yeas, 0 nays.

EXECUTIVE SESSION: CONFIDENTIAL MATTERS – Foundation business. Therese Adams moved to go into executive session relating to financial affairs or trade secrets of corporations, partnerships, trusts, and individual proprietorships at 7:18 p.m. and return to open session at 7:23 p.m. Wendy King-Luttman seconded. Motion carried 6 yeas, 0 nays. At 7:23 p.m., Therese Adams moved to return to open session. L.J. Baker seconded. Motion carried 6 yeas, 0 nays.

ADJOURNMENT: Randall Anderes, Board Chair adjourned the meeting at 7:25.



April 28, 2020

Attachment 2

To: The Board of Directors
From: Carmela Jacobs, Vice President of Operations/CFO
Re: February 2020 Expenditures

Category	Costs	%
Payroll, Withholdings and Benefits	\$ 427,790.47	28.06%
Facilities	\$ 241,822.13	15.86%
Student Payments	\$ 440,226.12	28.87%
Program Expenditures	\$ 32,614.73	2.14%
ALC Operating Costs (excluding salary/benefits)	\$ 734.36	0.05%
Other Operating costs	\$ 381,442.77	25.02%
Total February Expenditures	\$ 1,524,630.58	100%

Threshold Expenditures > \$5,000				
Vendor Name	Item(s) Purchased	Cost	Department	Funding
Marta & Sons (CR Services)	Janitorial Services	\$ 5,025.00	All School	general fund
Evergy	February Electric	\$ 9,986.33	All School	general fund
Ebsco Subscription Service	Database Subscription	\$ 14,023.00	Various	student fees
A Book Company	Student Textbooks	\$ 12,781.60	Students	financial aid
CDW Government	Tech Rotation	\$ 7,743.54	All School	capital outlay
HLC	Focus Visit Team Expenses	\$ 7,530.36	All School	general fund
Matheson Tri Gas	Student Tools	\$ 11,469.89	Welding	financial aid
USD 320-Wamego High School	Excel in CTE (Fall 2019)	\$ 19,305.00	All School	state aid (CTE)
USD 383 Manhattan High School	Excel in CTE (Fall 2019)	\$ 163,725.75	All School	state aid (CTE)
USD 383 Manhattan High School	Gen. Ed. Reimbursement (Fall 2019)	\$ 23,409.38	All School	general fund
USD 384 - Blue Valley Randolph	Excel in CTE (Fall 2019)	\$ 5,148.00	All School	state aid (CTE)
Tallgrass Title Company	Percentage Match on Capital Lease - Wamego	\$ 155,000.00	All School	capital outlay/foundation
Nationwide	Remit PR Deductions 2.14.2020	\$ 5,615.66	All School	payroll deductions
Nationwide	Remit PR Deductions 2.28.2020	\$ 6,002.15	All School	payroll deductions
BCBS	Health Insurance Premiums	\$ 44,909.29	All School	pr ded/general fund
KS Dept of Revenue	Remit KS State Taxes - PR 1.31.20	\$ 5,695.37	All School	payroll deductions
KS Dept of Revenue	Remit KS State Taxes - PR 02.14.20	\$ 7,151.31	All School	payroll deductions
KPERS	KPERS payments - PR 1.31.2020	\$ 8,267.36	All School	payroll deductions
KPERS	KPERS payments - PR 2.14.2020	\$ 10,916.14	All School	payroll deductions
IRS	Federal Tax Payment/Remit PR 1.31.20 Deductions	\$ 38,581.08	All School	pr ded/general fund
IRS	Federal Tax Payment/Remit PR 2.14.20 Deductions	\$ 42,295.37	All School	pr ded/general fund
Total February Expenditures Exceeding Threshold		\$ 604,581.58		



April 28, 2020

Attachment 3

To: The Board of Directors
 From: Carmela Jacobs, Vice President of Operations/CFO
 Re: March 2020 Expenditures

Category	Costs	%
Payroll, Withholdings and Benefits	\$ 536,735.00	66.22%
Facilities	\$ 55,768.86	6.88%
Student Payments	\$ 19,625.52	2.42%
Program Expenditures	\$ 89,470.86	11.04%
ALC Operating Costs (excluding salary/benefits)	\$ -	0.00%
Other Operating costs	\$ 108,886.07	13.43%
Total March Expenditures	\$ 810,486.31	100%

Threshold Expenditures > \$5,000				
Vendor Name	Item(s) Purchased	Cost	Department	Funding
Evergry	March Electric	\$ 9,843.43	All School	general fund
John Dietrick, P.A.	Legal Services	\$ 6,508.50	All School	general fund
N Zone Sportswear	MATC T-Shirts, Polo's, Hats (DH, EPD, EMT, etc)	\$ 5,866.56	Various	general fund
Tooling University	ULINC Access for Welding Students	\$ 7,650.00	Welding	student fees
A-Lert Building Systems	Capital Outlay Portion of Roof Repair	\$ 30,006.50	All School	capital outlay
Dane Hansen Foundation	Return of Scholarships for 3 students	\$ 6,000.00	All School	grant funds
Spaces Inc	Business Administration Student Desks	\$ 27,067.50	Business Admin	capital outlay
Zoom Video Communications, Inc	Educational Subscription	\$ 12,998.00	All School	title III
Nationwide	Remit Payroll Deductions	\$ 5,821.80	All School	payroll deductions
Nationwide	Remit Payroll Deductions	\$ 7,371.87	All School	payroll deductions
KS Dept of Revenue	Remit KS State Taxes - PR 02.28.20	\$ 6,272.71	All School	payroll deductions
KS Dept of Revenue	Remit KS State Taxes - PR 03.15.20	\$ 6,239.25	All School	payroll deductions
BCBS	Health Insurance Premiums - March	\$ 45,794.45	All School	pr ded/general fund
BCBS	Health Insurance Premiums - April	\$ 47,193.77	All School	pr ded/general fund
KPERS	KPERS payments - PR 2.28.2020	\$ 8,912.90	All School	payroll deductions
KPERS	KPERS payments - PR 3.15.2020	\$ 8,395.39	All School	payroll deductions
KPERS	KPERS payments - PR 3.31.2020	\$ 8,525.29	All School	payroll deductions
IRS	Federal Tax Payment/Remit PR 2.28.20 Deductions	\$ 43,456.65	All School	pr ded/general fund
IRS	Federal Tax Payment/Remit PR 3.15.20 Deductions	\$ 42,513.91	All School	pr ded/general fund
IRS	Federal Tax Payment/Remit PR 3.31.20 Deductions	\$ 41,726.44	All School	pr ded/general fund
Total March Expenditures Exceeding Threshold		\$ 378,164.92		



MEMORADUM TO: The Board of Directors
FROM: Jim Genandt, President
 Human Resources
DATE: April 28, 2020
SUBJECT: Consent Agenda: Organizational Update

New Hire/Rehires/New Positions					
Employee Name	Position Title	DOH	Department	Funding Source	Status
Elizabeth Dugan	Welcome Desk Attendant	2/27/2020	Student Services	Operating	Hired
Nathan Roberts	Dean of Career & Technical Education	3/30/2020	Academics	Operating	Hired
Mary Altenhofen	ADN Instructor	3/5/2020	Nursing	Operating	Hired
Casey Field	Admin Asst. to VPSS	3/16/2020	Academics	Operating	Hired
Promotions/Title Changes					
Employee Name	Position Title	DOC	Department	Funding Source	Status
Separations/Retirements					
Employee Name	Position Title	DOS	Department	Funding Source	Status
Erica McMillion	Student Services Specialist	2/28/2020	Title III	Title III	Separation
Melissa Weber	Human Resources Coordinator	3/6/2020	Human Resources	Operating	Separation
Advertised Positions					
Position Title			Department	Funding Source	Status
Adjunct Opportunities for Consideration			All Departments	Operating	Open
Allied Health Part-Time Instructor			Allied Health	Operating	Open
Director of Academic Resources and Testing			Academics	Operating	Pending
Human Resources Generalist			Human Resources	Operating	Pending

President's Report: March & April 2020

Within a few days of our last board meeting in February, our world turned upside-down and inside-out. The response by the MATC faculty and staff was simply amazing when the COVID-19 issue hit, and we had significant restrictions placed on us in terms of operations and instruction. As a historian, the efforts by our employees reminded me of stories I heard back in Oklahoma during the last 1990s/early 2000s when I worked with a group of veterans of the Royal Air Force (United Kingdom) who had been trained to fly for their nation at a small flying school in Miami, OK. They traveled thousands of miles by ship and train to Oklahoma to learn to fly and then make the long return journey back to Great Britain and fly fighter planes, bombers and transports. They took action to do what had to be done to carry on. So did the employees of MATC. Within a few days we were online with classes and services. The interruption was minimized. We have kept everyone employed and have enhanced services every day. There are advantages to being agile, flexible, and empowering folks to accept the challenge of change.

A summary of key meetings are as follows (although I have not listed the numerous meetings with administrators and staff that occur weekly and sometimes daily):

Feb. 27	KBOR Technical Education Authority
March 1-4	League of Innovation Conference, Seattle (including a presentation on MATC)
March 5	Interview with Beth for Wamego area media
March 5	Meeting with Dr. Wade, USD 383, on work-based learning/career academy, & ALC
March 6	MATC Foundation meeting
March 6 & April 3	Meeting with officers of the Faculty Senate
March 6 & April 24	Updates with Nancy Burton (BBN) and Jack Allston (Pott Co. Econ Dev)
March 9 & April 13	Meeting with HLC Campus Leadership Team
March 9	Testimony to State Senate Education Committee—Topeka
March 10	Meeting with Mark Hutton, State Regent, & Dave Fritchen
March 16	Meeting with Matt Crocker
March 17	Meeting with Don Ebert, Wamego
March 17 & April 22	Manhattan Chamber of Commerce Board Meeting
March 18 & April 15	KBOR meetings
March 26, April 2, 9, 16, 23	Kansas Technical College Presidents' Meetings
April 1, 18, 21	Participating in KSDE Work-Based Learning Conferences with USD 383
April 8	KMAN (by phone)
April 22	Greater Manhattan Economic Partnership Meeting



April 28, 2020

MEMORANDUM TO: Manhattan Area Technical College Board of Directors
FROM: Carmela Jacobs, Vice President of Operations/CFO
SUBJECT: Fiscal Year 2020-2021 Tuition and Fees Proposal

Background Information

In 2002, the Kansas Legislature authorized each technical school or college governing board to set tuition and fee rates (K.S.A. 72-4430 et seq.) and also requires that those institutions submit tuition and fee rates to the Kansas Board of Regents annually.

Tuition and fees constantly need adjusting to offset the change in state allocations, the fluctuations of enrollment, and the increased cost of instruction and operations. Therefore, each year Manhattan Area Technical College, ("The College") conducts an extensive tuition and fee analysis. The College considers trends in enrollment, state allocations, and wage data for graduates from each program from the Kansas Department of Labor. This year's analysis included an additional criterion -- the potential effects of COVID-19 in the upcoming academic year.

Current Rates and Proposed New Tuition Rates

The College utilizes a multi-tier tuition rate schedule. As previously mentioned, many factors are considered when determining proposed tuition rates. This includes both cost of program operations and potential earnings of the graduates.

Program	2019-2020 Tuition Rates	Proposed 2020-2021 Tuition Rates	Tuition \$\$ Increase/ (Decrease)	Tuition % Increase/ (Decrease)
Air Conditioning & Refrigeration	\$ 180	\$ 180	\$ -	0.00%
Auto Technology	\$ 180	\$ 180	\$ -	0.00%
Construction Technology	\$ 180	\$ 180	\$ -	0.00%
Business Administration	\$ 125	\$ 125	\$ -	0.00%
Electric Power & Distribution	\$ 190	\$ 190	\$ -	0.00%
Dental Hygiene	\$ 425	\$ 425	\$ -	0.00%
General Education	\$ 125	\$ 125	\$ -	0.00%
Allied Health Stand Alone Programs	\$ 150	\$ 150	\$ -	0.00%
Information & Network Technology	\$ 190	\$ 190	\$ -	0.00%

Clinical Medical Laboratory Technology	\$ 180	\$ 180	\$ -	0.00%
Nursing – Associates	\$ 190	\$ 190	\$ -	0.00%
Nursing – Practical	\$ 180	\$ 180	\$ -	0.00%
Welding Technology	\$ 180	\$ 180	\$ -	0.00%

Administration is proposing that tuition remain flat for the 2020-2021 Academic Year. The COVID-19 crisis has brought a lot of uncertainty with the upcoming school year, specifically in the areas of enrollment and state allocation. Maintaining a flat tuition rate would assist with retaining and attracting students in an effort to maintain credit hours greater than 11,300.

Recent years have shown that the amount of support provided to the College through the Kansas Board of Regents has been unpredictable. For instance, in FY16, the amount of support increased by two (2) percent; FY 17 decreased by four (4) percent; FY18 remained flat; FY19 increased by three (3) percent; FY20 increased by two (2) percent; and the initial indication is that FY21 will remain flat.

Additionally, administration is recommending a \$20 (33.33%) increase in the institutional fees from \$60 per credit hour to the new rate of \$80 per credit hour. This fee is utilized to fund several specific and critical institutional costs.

- Technology including hardware, software maintenance, and upgrades.
- Student Assessment
- Graduation
- Student Life Activities
- Student Improvements
- Security
- Facilities
- Teaching & Learning Center
- Reserves

Financial Implications

The adjustment to institutional fees will produce approximately \$226,024.52 in additional general revenue if enrollment is at least 11,300 credit hours. Administration anticipates the revenue generated by this adjustment will help offset the possible changes in enrollment and/or state aid for FY21.

Recommendation

Administration respectfully requests that the Board adopt that tuition and fee rates for the 2020-2021 fiscal year, as proposed.



INTERNAL MONITORING REPORT
ASSET PROTECTION
APRIL 2020

I hereby present my monitoring report on your Executive Limitations policy “Asset Protection” according to the annual schedule of reports. I certify that the information contained in this report, as reviewed by Carmela Jacobs, Vice President of Operations/CFO and Josh Gfeller, CISO, is true.

BROADEST POLICY PROVISION:

Assets shall not be unprotected, inadequately maintained, or unnecessarily risked. Accordingly, the President shall not:

Policy Provision #1:

Fail to insure against property and casualty losses or against liability losses to Board members, staff, or the College itself in an amount prudent and advisable under Kansas law.

CEO’s INTERPRETATION:

Property assets at Manhattan Area Technical College (“The College”) are insured when their value is in excess of the \$10,000 deductible. The high premium cost at lesser amounts does not justify any change to this policy. The College also carries insurance in the amounts of \$1 million for general liability per occurrence (\$3 million general aggregate), and \$500,000 for bodily injury for both the Manhattan and Wamego properties. In addition, the College carries Educator’s Professional Liability insurance to protect against errors and omissions that includes Directors and Officers Liability coverage and Cyber Security insurance to protect against malicious cyber-attacks. Lastly, all vehicle assets are covered under the Commercial Auto policy.

I report compliance.

Policy Provision #2

Allow unbonded personnel access to significant amounts of funds.

CEO’s INTERPRETATION:

“Unbonded personnel” is interpreted to mean employees who are refused inclusion in the organization’s insurance against employee wrongdoing. Our insurance company periodically requests a

list of personnel, and to date, has never excluded any of our personnel. Furthermore, since the amount of cash on hand varies according to semester activities, the cash assets are protected through the following means:

(1) The cash register is secured in the (locked) front office under camera surveillance at all times, is locked at all times with only select personnel possessing keys, and has \$40 maintained inside each evening. Daily receipts are locked in the College safe until those funds are taken to the bank for deposit; deposits are made on a weekly basis.

(2) When increased activity also increases the amount of cash handled on a day-to-day basis, such as during registration, deposits are made no less than twice a week or at the discretion of the Vice President of Operations/CFO. All transactions are accounted for by receipt, and appropriate internal controls are in place to ensure protection of assets. Tests of controls were performed as part of the unqualified audit report issued by independent external auditors dated October 22, 2019.

I report compliance.

Policy Provision #3

Allow improper wear and tear or inadequate maintenance of the plant and equipment.

CEO's INTERPRETATION:

The IT Department, Head of Maintenance, and various contracted service providers, maintains campus equipment and facilities. Equipment within the program areas are maintained, as much as possible, by the faculty within their department. Students do not use the College's program equipment until sufficient training has been conducted in the areas of operation, safety, and preventive maintenance. Campus-wide maintenance items of substantial cost, such as roofing and parking/sidewalk, are consistently being assessed for potential repair or replacement.

I report compliance.

Policy Provision #4:

Unnecessarily expose the College, its Board, or staff to claims of liability.

CEO's INTERPRETATION:

The College has regular inspections, both announced and unannounced, by different compliance agencies, such as the Fire Marshall, Environmental Protection Agency, and OSHA. Upon discovery of any deficiencies, the College moves to gain compliance as quickly as possible. The Manhattan Fire Department performed a random fire inspection of the entire campus in March 2020. The inspector reported a few minor violations that the MATC maintenance department is currently resolving. None of the violations warranted a return visit, so there will not be a follow-up inspection in 2020.

I report compliance.

Policy Provision #5:

Make any single asset purchase over \$2,500 without having obtained comparative prices and without due consideration of cost, quality and service;

CEO's INTERPRETATION:

The College seeks comparison prices on all purchases in excess of \$2,500, unless sole source purchasing is justified per policy 6.2.5. The College initiates these comparisons within the six main service area counties first when seeking goods and services within the stated limits.

I report compliance.

Policy Provision #6

Make any purchase, or initiate construction, remodeling, or alterations of real property over \$25,000 without Board approval. Such purchases shall require a sealed competitive bidding process;

CEO's INTERPRETATION:

The College requires at least three bids on all items purchased over \$25,000, unless the item is acquired as a "sole source item" due to its unique nature.

I report compliance.

Policy Provision #7

Receive, process, or disburse funds under controls that are insufficient to meet the financial auditor's standards.

CEO's INTERPRETATION:

All funds are handled according to accepted practices as supported by the College's unqualified audit report dated October 22, 2019.

I report compliance.

Policy Provision #8

Dispose of real property without Board approval.

CEO's INTERPRETATION:

No real property has been acquired, encumbered, or disposed of without Board approval.

I report compliance.

Policy Provision #9:

Enter into any lease agreement for real property in excess of \$20,000 annually without Board approval;

CEO's INTERPRETATION:

The College entered into a lease-financed reroof project which was approved by the Board during the April 2019 Board meeting and most recently, the Board approved the College to enter into a lease-financed agreement with Government Capital for the purchase and renovation of a property in Wamego. The College has not initiated any other lease-financed construction, remodeling, or alterations in excess of \$20,000 without Board Approval.

I report compliance.

Policy Provision #10:

Fail to protect intellectual property, information, and files from loss, damage, or improper access.

CEO's INTERPRETATION:

Financial and student records are backed up twice daily at noon and 10:00PM, respectively. The records are then replicated off-site, via the College's remote backup grid, located at Kansas State University. A nightly offline backup is also taken and kept on rotated offline disks to keep a backup inaccessible to hackers off the wire. Additionally, monthly and yearly backups are maintained at Kansas State University for three calendar years. Firewalls and IT measures and policies are in place to protect against unauthorized or malicious access to the College's computer systems. The IT department also monitors the systems for unusual network usage and acts on any possible threats to the internal security. Hard copy or paper files are kept in locked cabinets behind locked doors with limited access to sensitive materials, such as student and personnel records. The College fully complies with Federal Educational Rights and Privacy Act (FERPA) when dealing with student records, Health Insurance Portability and Accountability Act (HIPAA) when dealing with patient records in Nursing and Dental Hygiene, and Freedom of Information Act (FOIA) regulations when dealing with other requests for information, both externally and internally, when appropriate.

I report compliance.

Signed _____ President Date April 28, 2020
Jim Genandt, President/CEO



INTERNAL MONITORING REPORT
FINANCIAL CONDITION
April 30, 2020
(Period of July 1 – March 31, 2020)

I hereby present my monitoring report on your Executive Limitations policy “Financial Condition” according to the annual schedule of reports. I certify that the information contained in this report, as prepared by Carmela Jacobs, Vice President of Operations/CFO, is true.

BROADEST POLICY PROVISION:

With respect to the actual, ongoing condition of the college's financial health, the President shall not cause or allow the development of fiscal jeopardy or a significant deviation of actual expenditures from Board priorities established in the ENDS policies:

Policy Provision #1: *Exceed the budget for the fiscal year (July 1 - June 30).*

President's INTERPRETATION:

The attached Statements of Net Position and Statements of Revenues, Expenses and Changes in Net Position provide the College financial condition as of March 31, 2020. The full fiscal year budget and financial condition at March 31, 2020 is presented on this report with comparison to actual results in an effort to show trends. The Statement of Revenues, Expenses, and Changes in Net Assets reflects a net position of \$789,223 for the nine months ended March 31, 2020.

I report compliance.

Policy Provision #2: *Fail to maintain an appropriate cash reserve.*

President's INTERPRETATION:

The current cash position of \$2,351,050 is reported on the attached Statements of Net Position. This total includes \$1,350,000 from the recent property acquisition. The actual cash balance at March 30, 2020 was \$1,001,050 of which \$434,000 is reserves. The amount in reserves would support operations of the College for approximately 30 days without any additional income. Constantly monitored are the sources and uses of funds and will be adjusted as needed.

I report compliance.

Signed _____, President
Jim Genandt

Date April 28, 2020

April 28, 2020

TO: MATC Board of Directors
RE: 3Q Financial Monitoring - Statement of Net Position
Prepared By: Carmela Jacobs, VP of Operations/CFO

	<u>Actual</u>	<u>Actual</u>
	<u>3/31/2020</u>	<u>6/30/2019</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	2,351,050	1,457,339
Short-term investments	-	-
Accounts receivable, net	521,406	92,858
Other receivables	-	111,599
Prepaid Expenses/Other Assets	106,824	23,817
Due to/from - Activity Accounts	105,660	(2,701)
Total Current Assets	<u>3,084,939</u>	<u>1,682,912</u>
Noncurrent Assets:		
Property, Plant and Equipment	8,353,992	7,409,413
Less: Accumulated depreciation	(3,550,988)	(3,483,098)
Total Noncurrent Assets	<u>4,803,004</u>	<u>3,926,315</u>
TOTAL ASSETS	<u>7,887,943</u>	<u>5,609,227</u>
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts payable and accrued liabilities	962,806	507,278
Deposits	850	27,500
Funds held for others - activity funds	105,766	29,682
Deferred revenue	34,055	-
Notes Payable-current portion	142,067	198,201
Total Current Liabilities	<u>1,245,544</u>	<u>762,661</u>
Non-Current Liabilities		
Notes Payable - non current portion	<u>1,933,267</u>	<u>926,656</u>
Total Non-Current Liabilities	<u>1,933,267</u>	<u>926,656</u>
Total Liabilities	<u>3,178,811</u>	<u>1,689,317</u>
Net Position		
Invested in capital assets, net of related debt	2,727,671	2,801,458
Unrestricted	1,981,462	118,452
Total Net Position	<u>4,709,133</u>	<u>3,919,910</u>
TOTAL LIABILITIES AND NET POSITION	<u>7,887,943</u>	<u>5,609,227</u>



April 30, 2020

TO: MATC Board of Directors

RE: 3Q Financial Monitoring - Statement of Revenues, Expenses, and Changes in Net Assets

Prepared By: Carmela Jacobs, VP of Operations/CFO

	Actual	Budget	% of budget
	3/31/2020	6/30/2020	
OPERATING REVENUES			
Student tuition and fees	\$ 3,230,896	\$ 3,931,085	82%
Federal grants and contracts	\$ 403,948	\$ 632,303	64%
State and local grants and contracts	\$ 501,284	\$ 340,710	147%
Sales and services of educational departments	\$ 48,110	\$ 465,228	10%
Other	\$ 12,008	\$ 879,450	1%
Total operating revenues	<u>\$ 4,196,246</u>	<u>\$ 6,248,776</u>	67%
OPERATING EXPENSES			
Salaries:	3,060,889	\$ 3,721,963	82%
Benefits	559,425	\$ 801,000	70%
Contractual Services	259,947	\$ 915,000	28%
Supplies and other operating expenses	1,544,543	\$ 2,621,863	59%
Utilities	70,032	\$ 140,000	50%
Repairs and Maintenance	96,853	\$ 77,169	126%
Depreciation and amortization	217,500	\$ 290,000	75%
Total operating expenses	<u>5,809,188</u>	<u>\$ 8,566,995</u>	
OPERATING INCOME (LOSS)	<u>\$ (1,612,942)</u>	<u>(2,318,219)</u>	
NON-OPERATING REVENUES (EXPENSES)			
State appropriations	2,389,912	\$ 2,305,998	104%
Interest Income	14,250	\$ 19,000	75%
Federal Grants	-	\$ -	
Gain on disposal of property, plant and equip	-	\$ -	
Transfer (to)/from Foundation	-	\$ -	
Interest expense	(1,997)	\$ (6,000)	33%
Total Non-Operating Revenues (Expense)	<u>2,402,165</u>	<u>2,318,998</u>	
CHANGE IN NET POSITION	789,223	\$ 779	
Net position - beginning of year	<u>\$ 3,919,910</u>	<u>\$ 3,919,910</u>	
Net position - end of year	<u>\$ 4,709,133</u>	<u>\$ 3,920,689</u>	

AGREEMENT

This Agreement is made as of 5/1/2020 (the “Effective Date”), by and between **Manhattan Area Technical College**, with its principal office located at 3136 Dickens Avenue Manhattan, KS 66503 (“Manhattan Area Technical College”), and **A Book Company, LLC d/b/a eCampus.com**, with its principal office located at 2373 Palumbo Drive, Lexington, KY 40509 (“eCampus.com”).

WITNESSETH

Whereas, eCampus.com owns and maintains a website offering products for sale online; and

Whereas, Manhattan Area Technical College wishes to retain the services of an experienced online merchant to handle and process online orders of course materials to Manhattan Area Technical College students and staff;

Now, therefore, in consideration of the promises and agreements set forth herein, the parties do promise and agree as follows:

I. eCampus.com Services.

- A. During the Term of this Agreement, eCampus.com shall be the exclusive provider of course materials, including, but not limited to, textbooks, digital content, access cards, and required non-textbook educational materials to Manhattan Area Technical College.
- B. eCampus.com shall build a storefront on the eCampus.com website that will allow Manhattan Area Technical College students to purchase course materials (the “Manhattan Area Technical College Online Bookstore”). The Manhattan Area Technical College Online Bookstore shall include webpages with Secure Socket Layer (“SSL”) protection allowing online consumers to purchase Manhattan Area Technical College’s course materials. Manhattan Area Technical College shall provide eCampus.com with the relevant information and content for the Manhattan Area Technical College Online Bookstore.
- C. eCampus.com shall provide online access to shipping information and other data regarding the ecommerce transactions executed through the Manhattan Area Technical College Online Bookstore.
- D. eCampus.com shall provide customer support services and technical support services.
- E. eCampus.com shall provide an account management team to work as the primary contact between Manhattan Area Technical College and eCampus.com.
- F. eCampus.com shall release a partnership announcement within thirty (30) days of executing this Agreement.

- G. eCampus.com shall accept orders from customers online as well as by telephone or email. eCampus.com will accept payment made by check, money order, credit, debit card, PayPal, PayPal credit or financial aid, including all scholarships, grants, and VA loans.
- H. eCampus.com will provide Manhattan Area Technical College students with the option to ship orders to their home or ship orders to the campus store. To assist Manhattan Area Technical College in the handling and management of packages shipped to the campus store, eCampus.com will provide the campus store with training and access to the eCampus.com Ship-to-Store Software at no charge.
- I. eCampus.com will pay Manhattan Area Technical College the remuneration as provided in Remuneration section below.

II. Manhattan Area Technical College's Obligations

- A. Manhattan Area Technical College shall not retain the services of any third party, including but not limited to any publishers or manufacturers of course material, to provide Manhattan Area Technical College students with course materials unless explicit, written approval is provided by eCampus.com.
- B. Manhattan Area Technical College agrees to provide online links to the Manhattan Area Technical College Online Bookstore on the website home page and within Manhattan Area Technical College's student information system.
- C. Manhattan Area Technical College shall assist eCampus.com in the design and construction by supplying product information as well as text and graphic content to be displayed on the Manhattan Area Technical College's Online Bookstore. Manhattan Area Technical College shall provide any required approvals for the text and graphic content thereof. eCampus.com shall be responsible for the creation and maintenance of the webpages constituting Manhattan Area Technical College's Online Bookstore.
- D. Manhattan Area Technical College agrees to designate a contact person(s) within Manhattan Area Technical College to communicate with eCampus.com. A clear and well-defined line of communication is essential in obtaining all materials required.
- E. Manhattan Area Technical College shall be responsible for providing eCampus.com with complete and current course material adoption data. Adoption data due dates will be based on Manhattan Area Technical College's course registration dates, and eCampus.com will work with Manhattan Area Technical College to be in compliance with the Higher Education Opportunity Act. Adoption data due dates may vary and will be defined in advance by the Online Bookstore management team. eCampus.com cannot be held responsible for any item not listed on the Manhattan Area Technical College Online Bookstore that was not submitted to eCampus.com during the course material adoption process. Faculty shall not add hyperlinks or information to publishers or alternative course

material providers on their course page within the Online Bookstore. Manhattan Area Technical College agrees to allow eCampus.com to be the sole source of course material adoption information.

- F. Manhattan Area Technical College shall market the Manhattan Area Technical College Online Bookstore to students at orientation and campus events in conjunction with eCampus.com via emails, flyers and other digital.
- G. Manhattan Area Technical College will provide campus photos and faculty, staff, administrator quotes to eCampus.com to prepare a press release regarding the new partnership and the Manhattan Area Technical College Online Bookstore. All press materials to be shared publicly with joint quotations must be approved by both parties prior to distribution. Manhattan Area Technical College and eCampus.com agree to work in good faith to have press releases published within 30 days of the execution of this Agreement.
- H. Manhattan Area Technical College shall use student vouchers to accommodate payment for course materials from students receiving financial aid. Once full credit approval is obtained, eCampus.com will provide specified students purchasing credit up to the specified amount and until the specified expiration date. eCampus.com will invoice Manhattan Area Technical College for the actual financial aid used. All financial aid invoices shall be payable within 30 days. Any amounts not paid when due, and after a 15 day grace period, shall accrue interest one and one-half percent (1.5%) per month, or the maximum rate allowed by law, whichever is less. eCampus.com may, at its sole discretion, suspend the fulfillment of any student orders paid for with student credit in the event that past due amounts owed to eCampus.com by Manhattan Area Technical College become significant.
- I. As part of the course materials adoption process, Manhattan Area Technical College's faculty and staff may adopt course materials that are custom-printed, custom-created or otherwise not returnable (collectively referred to as "Non-Returnable Course Materials"). In the event that Non-Returnable Course Materials are not readopted for a 12-month period, or if Manhattan Area Technical College cancels the use of such course materials, Manhattan Area Technical College agrees to purchase any such materials that eCampus.com holds in its inventory at eCampus.com's cost. Non-Returnable Course Materials purchases may be settled by deducting from commissions owed to Manhattan Area Technical College to the extent that such commissions owed to Manhattan Area Technical College are sufficient to cover the purchase price.

III. eCampus.com's Obligations

- A. eCampus.com shall build and design the Manhattan Area Technical College Online Bookstore.

- B. eCampus.com shall provide domestic and international packaging and shipping services for all physical course materials sold or rented through the Manhattan Area Technical College Online Bookstore. Online customers may choose from USPS, UPS next day air, UPS 2nd day air, UPS ground, and UPS select or an equivalent service.
- C. Returns of course materials sold or rented through the Manhattan Area Technical College Online Bookstore will be accepted by eCampus.com up to thirty (30) days after the course start date for a semester course and up to fifteen (15) days after the course start date for a short term course. Digital course materials are not eligible for return.
- D. eCampus.com will publish course material adoption information prior to course registration (i.e. ISBN, Book Edition, etc.) on the Manhattan Area Technical College Online Bookstore to ensure compliance with the Higher Education Opportunity Act for Manhattan Area Technical College.
- E. eCampus.com will buy back course materials and accept rental returns from Manhattan Area Technical College students and staff. Buybacks and rental returns will be conducted in the below method:
 - 1. Online book buybacks and rental returns. Manhattan Area Technical College students and staff may sell books back and return rentals to eCampus.com on the Manhattan Area Technical College Online Bookstore, with eCampus.com paying the cost of postage thereof.
- F. eCampus.com will provide a course material adoption submittal process for Manhattan Area Technical College administration. As part of this process, eCampus.com will:
 - 1. Make sure the materials selected are accurately listed on the Manhattan Area Technical College Online Bookstore.
 - 2. Alert the administration to any changes in the status of the books they selected; i.e. out of print, out of stock, substituted to a new edition, etc.
 - 3. Work with the faculty and the publishers to ensure timely and accurate delivery of the correct materials.
- G. eCampus.com can supply Manhattan Area Technical College with custom, emblematic apparel and merchandise. Apparel designs and styles will follow brand and style guidelines as set forth by Manhattan Area Technical College.
- H. eCampus.com will provide Manhattan Area Technical College a URL address to place on the Manhattan Area Technical College website and within the student information system to the Manhattan Area Technical College Online Bookstore. eCampus.com will host course material adoption information in compliance with the Higher Education Opportunity Act.

- I. eCampus.com will create and design marketing emails and flyers to be dispersed by Manhattan Area Technical College to students, faculty and alumni to promote the Manhattan Area Technical College Online Bookstore. eCampus.com shall obtain any required approvals for the text and graphic content of all marketing materials.
- J. eCampus.com will provide two-thousand dollars (\$2,000) in course material scholarships as in-store credit per year. One-thousand dollars (\$1,000) per fall and spring semester to be awarded at Manhattan Area Technical College's discretion. eCampus.com will work with Manhattan Area Technical College to distribute the credit in a way that is deemed best by Manhattan Area Technical College. Credit can be loaded by individual students or can be managed by an individual department and/or employee at Manhattan Area Technical College. Unused credit will expire at conclusion of semester when loaded and has no cash value.
- K. eCampus.com will provide the following shipping promotion on the Manhattan Area Technical College Online Bookstore (all shipping promotions exclude Marketplace orders):
 - 1. Free economy shipping on all orders over \$35.00 shipped from eCampus.com.
- L. Manhattan Area Technical College Online Bookstore will reflect internet pricing on textbooks. Internet pricing is based on the daily supply and demand of textbooks. eCampus.com's internal tools gather and aggregate pricing data from various sources to determine competitive new, used and textbook rental pricing for Manhattan Area Technical College students.

IV. Remuneration

eCampus.com will pay Manhattan Area Technical College commission on net sales. Net sales are defined as gross sales minus returns from customers, purchases made with coupons and further reduced by any bad debt associated with student purchases including, but not limited to, uncollected checks, credit card chargebacks and non-returned rental books. Shipping charges, sales taxes (if any) and sales of any materials on which eCampus.com realizes a margin of less than 10% (i.e. select publisher rentals, inclusive access), and all course material adoptions added or changed within two weeks of the course start date are excluded from the calculation of net sales and not eligible for commission. Commissions will be paid semi-annually based on two six (6) month periods. Period 1: January thru June will be paid on or before September 1. Period 2: July thru December will be paid on or before March 1. eCampus.com may withhold the paying of commissions if the school is more than 30 days delinquent in the paying of approved financial aid invoices to eCampus.com. The commissions to be paid to Manhattan Area Technical College are as follows:

- 1. Six percent (6%) of new, used and rental print book sales and other physical course materials,
- 2. Ten percent (10%) of branded apparel and branded merchandise,

3. Ten percent (10%) of book buybacks (both onsite and online),
4. Five percent (5%) of marketplace purchases,
5. Two and a half percent (2.5%) of digital book sales,

V. Confidential Information

- A. Each party agrees that it will not disclose any information labeled as “Confidential Information” to any third party during the term of this Agreement, and for three (3) years after the termination or cancellation of this Agreement. Each party will use labeled Confidential Information only in pursuit of its duties under this Agreement for the term of this Agreement. Each party shall take all reasonable precautions to prevent any unauthorized disclosure of Confidential Information by its employees.
- B. Each party shall return all Confidential Information, including any and all copies of such Confidential Information, upon the termination or cancellation of this Agreement, or upon any written request from the other party.
- C. “Confidential Information” includes any and all technical data, trade secrets, student, staff or customer information, or other information disclosed under this Agreement and labeled as “Confidential.” Confidential Information shall not include information which is known to the receiving party at the time of disclosure, publicly known information, information independently developed by the nondisclosing party, or information approved for release upon a prior written consent of the disclosing party.

VI. Copyrights, Trademarks and other Intellectual Property

- A. Each party hereby grants to the other party, for the term of this Agreement, a non-exclusive and non-transferable license to use that party’s trademarks, copyrighted material and other intellectual property for purposes of building, operating, or maintaining the Manhattan Area Technical College Online Bookstore or the Manhattan Area Technical College website. Each party agrees not to engage in any conduct that would diminish the value of any such trademarks, copyrighted material or other intellectual property of the other party. Each party agrees not to use any trademarks, copyrighted material or other intellectual property in an unauthorized manner without prior written consent of the other party.
- B. The parties acknowledge that the use of the other party’s trademarks, copyrighted material or other intellectual property does not convey ownership of, nor does it assign such property. The trademarks, copyrighted material and other intellectual property shall remain the sole and exclusive property of the party to which it rightfully belongs.

VII. Inspection of data and sales records. Manhattan Area Technical College may, after giving notice to eCampus.com, inspect the sales records of the Manhattan Area Technical

College Online Bookstore. eCampus.com agrees to provide Manhattan Area Technical College with usage reports of the Manhattan Area Technical College Online Bookstore on a quarterly basis.

- VIII. **Term.** This Agreement shall become effective on the Effective Date and shall extend for a term of three (3) years (the “Initial Term”), renewing annually for an additional one-year term (“Renewal Term”) at the end of the Initial Term and each Renewal Term unless specified by either party through written notice no less than ninety (90) days prior to the end date of the Initial Term or Renewal Term, as applicable.
- IX. **Indemnifications.** Each party agrees to indemnify, defend and hold harmless the other party and its officers, directors, agents and employees, against all costs, losses and litigation expenses incurred through claims of third parties against such party based on the operation of the Manhattan Area Technical College website or the Manhattan Area Technical College Online Bookstore, or of any breach of any representation and warranty made in this Agreement.
- X. **Disclaimer of Warranty.** THE PARTIES MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY, ACCURACY OF INFORMATIONAL CONTENT, FITNESS FOR A PARTICULAR PURPOSE OR SYSTEM INTEGRATION. THE PARTIES MAKE NO WARRANTY AGAINST INFRINGEMENT, AND NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR THE INFRINGEMENT OF ANY PROPRIETARY RIGHTS OF ANOTHER.
- XI. **Limitation of Liability.** IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOST PROFITS ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE PERFORMANCE OR BREACH THEREOF, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY THEREOF. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY DAMAGES RESULTING FROM OR RELATED TO ANY FAILURE, LOSS OF DATA, OR DELAY IN THE PERFORMANCE OF SERVICES UNDER THIS AGREEMENT, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY THEREOF.
- XII. **Termination/cancellation.**
- A. This Agreement may be terminated or cancelled by either party after a period of sixty (60) days if the other party:
1. Is in default of or has breached any provision of this Agreement and such default or breach has not been cured within thirty (30) days of written notice thereof given to the other party; or
 2. Engages in any illegal or deceptive business practices.
- B. In the event of termination/cancellation of this Agreement, eCampus.com may:

1. Declare all amounts owed eCampus.com to be immediately due and payable;
 2. Remove all online links to the Manhattan Area Technical College Online Bookstore from its site, deleting all such links; and
 3. Cease performance of all other obligations without liability to eCampus.com.
- C. In the event of early termination, cancellation, or non-renewal of this Agreement by Manhattan Area Technical College, Manhattan Area Technical College will purchase all custom-created class materials or any other non-returnable inventory at eCampus.com's cost.
- D. The foregoing rights and remedies of the parties shall be cumulative and in addition to all other rights and remedies available in law and in equity.

XIII. **General.**

- A. This Agreement shall be governed by and construed in accordance with the laws of the state of Kentucky, excluding its conflict of laws provision. The parties consent to the exclusive jurisdiction of the courts of the state of Kentucky and the federal courts situated therein in connection with any action arising from or in connection with this Agreement. If any provision of this Agreement is held to be void or contrary to law, such provision shall be construed as nearly as possible to reflect the intention of the parties, with the other provisions remaining in full force and effect.
- B. **No Assignment.** Neither party may assign this Agreement, or the rights and obligations hereunder, to any third party without the prior express written approval of the other party.
- C. **Waiver.** No waiver by either party of any default shall be deemed as a waiver of prior or subsequent default of the same of other provisions of this Agreement.
- D. **Attorneys Fees and Expenses.** In any action at law or equity to enforce any of the provisions or rights under this Agreement, the unsuccessful party to such litigation shall pay the successful party all costs, expenses and reasonable attorneys' fees incurred therein by such party. In addition to other remedies provided by law or this Agreement, the parties shall have the right during the term, as the same may be extended, of this Agreement (referenced in Section VI. A. above), for the three (3) years thereafter) to obtain from a court of competent jurisdiction injunctive relief against the breach of this Agreement by the other party.
- E. **Carveouts for Affiliate or Purchaser of Assets.** Except as provided in this Section, this Agreement may not be assigned or otherwise transferred, nor may any right or obligation hereunder be assigned or transferred, by either party

without the express written consent of the other party; provided, however, that either party may, without such consent, assign the agreement and its rights and obligations hereunder to its Affiliate or to a purchaser of all or substantially all of the assets of such party. Any purported assignment in violation of this section shall be void and of no effect. Any permitted assignee shall assume all assigned obligations of its assignor under the Agreement.

F. **Severability.** If any term, clause or provision hereof is held invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or operation of any other term, clause or provision and such invalid term, clause or provision shall be deemed to be severed from the Agreement.

G. **Force Majeure.** Neither party will be liable to the other, or will be considered to be in breach of this Agreement, on account of any delay or failure to perform as a result of any acts of God, acts of any political entity, or natural disasters, or any other causes or conditions that are beyond such party's reasonable control. Should any such event occur, the affected party will give prompt written notice to the other party and will use commercially reasonable efforts to minimize the impact of the event.

H. **Not joint venture or partnership.** This Agreement shall not be construed to be a joint venture or a partnership between the parties. Each party shall be solely responsible for and shall hold the other harmless for any and all claims for taxes, fees, costs, and workmen's compensation.

I. **Notice.** Any notice required to be given under this Agreement shall be in writing and shall be deemed given if sent by registered or certified mail addressed to the parties as follows:

eCampus.com
2373 Palumbo Drive
Lexington, KY 40509

Manhattan Area Technical College
3136 Dickens Avenue
Manhattan, KS 66503

J. **Complete Agreement.** This Agreement constitutes the complete and exclusive Agreement between the parties regarding the subject matter hereof, and any and all previous representations, discussions and writings are merged and superseded by this Agreement. This Agreement may be modified only by a written consent signed by all the parties hereto.

In witness whereof, the Parties hereto, intending to be legally bound hereby, have each caused their duly authorized representatives to execute this Agreement the day indicated, but effective as of the above date.

Manhattan Area Technical College

a Book Company, LLC

Name: _____

Name: _____

Title: _____

Title: _____

Signature: _____

Signature: _____

Date: _____

Date: _____

Date: April 15, 2020
To: Board of Education
From: Superintendent Marvin Wade
RE: Adult Learning Center

Prepared by: Marvin Wade, Superintendent, USD 383
 Chris Boxberger, Director of Title III & Adult Education, Manhattan Area Technical College Adult Learning Center

Background Information:

On March 28, 2018, the USD 383 Board of Education gave approval for the Adult Learning Center (ALC) to transition from USD 383 to Manhattan Area Technical College (MATC), effective July 1, 2018. Two significant reasons for this transition are summarized below:

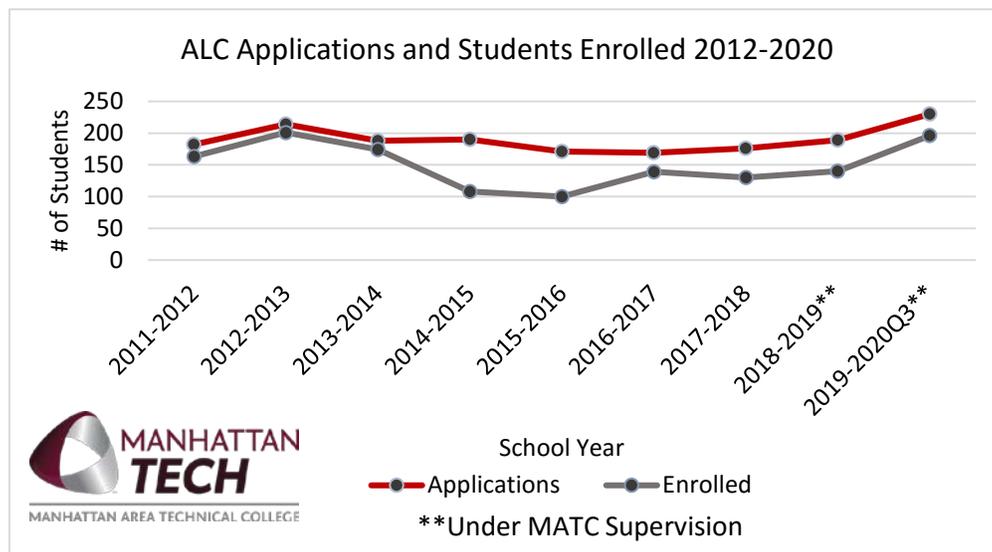
1. USD 383 operates under the direction of the Kansas State Board of Education, while MATC's governing body is the Kansas State Board of Regents (KBOR). Like MATC, ALC is under the KBOR umbrella. Given its relationship with KBOR, MATC is in a better position than USD 383 to leverage opportunities on behalf of adult learners.
2. With ALC located at MATC, adults have increased access to programs and services leading to technical skills, credentials and/or an associate's degree. Not to be overlooked is the physical proximity of ALC students with other students attending MATC - inspiring confidence in ALC students that they too can complete *that* program or earn *that* certification. These students come to realize there is more to education than earning the GED/Kansas High School Diploma and, as a result, more ALC students enter the workforce with a better understanding of skills needed to perform technical jobs efficiently and effectively.

Current Considerations:

Since relocating to MATC's campus in July 2018, ALC has maintained focus on increasing enrollment, GED/Kansas High School Diploma Completion, English as a Second Language (ESL) Education, Adult Basic Education (ABE) and Adult Secondary Education (ASE). Evidence of success is provided below:

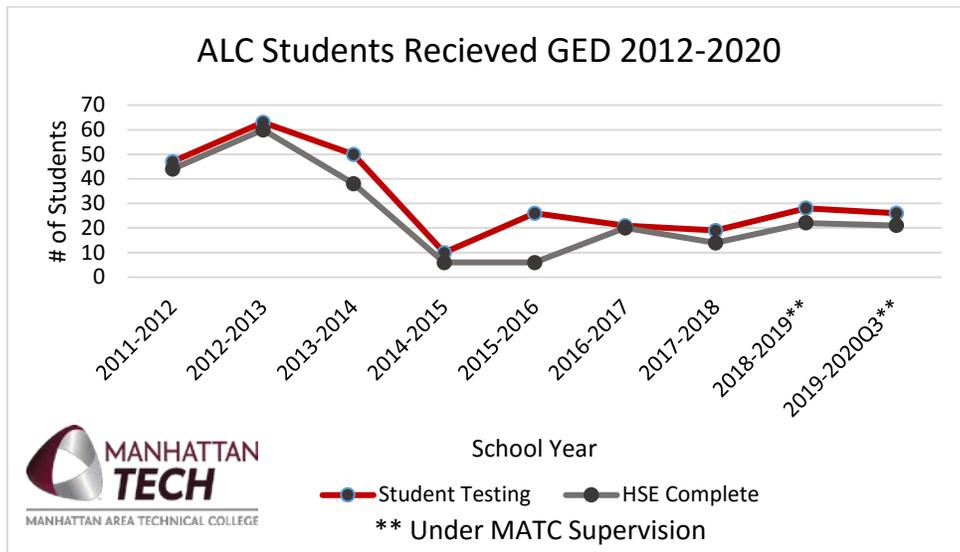
Applications and Enrollment:

The graph below demonstrates the application and enrollment trends for 2012 to 2020 (Quarter 3). At the height of the program's applications and enrollment in USD 383 (during the 2012-2013 school year), the ALC had 214 applications and 201 students enrolled. The ALC, under MATC's supervision, has exceeded the 2012-2013 school year. As of April 4, 2020, the ALC has 230 applications and 196 students enrolled for the 2019-2020 School Year. The total enrollment for the last two years under USD 383 was 269. The enrollment during the past 21 months at MATC was 336 - an increase of 24.9% in just 21 months.



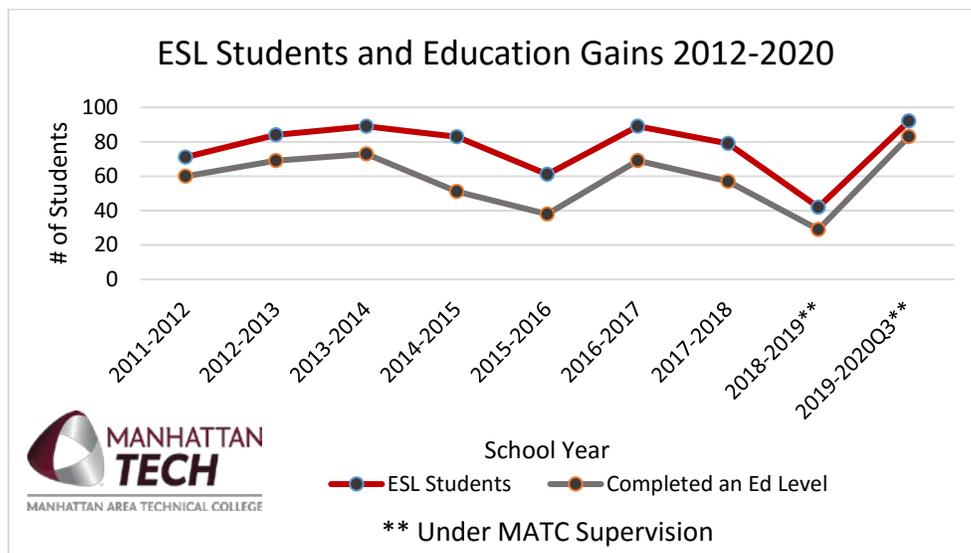
GED/Kansas High School Diploma Completion Rate:

GED exams have been converted to an online platform that makes them available through computer delivery at a Pearson Vue Testing Center. Due to the increased popularity of online resources -and the ability to take the exams without attending a GED/High School Equivalent (HSE) adult education program- the number of GED completers has increased since the move to MATC. The number of completers enrolled during the final two years of ALC being in USD 383 was 34. The number of GED completers at MATC since July 1, 2018 is currently 43. This is an increase of 26.5% over 21 months. Of those 43 High School Diploma recipients, 27 students were eligible to attend Manhattan High School (being 19 years-of-age or younger).



English as a Second Language (ESL) Education Gain:

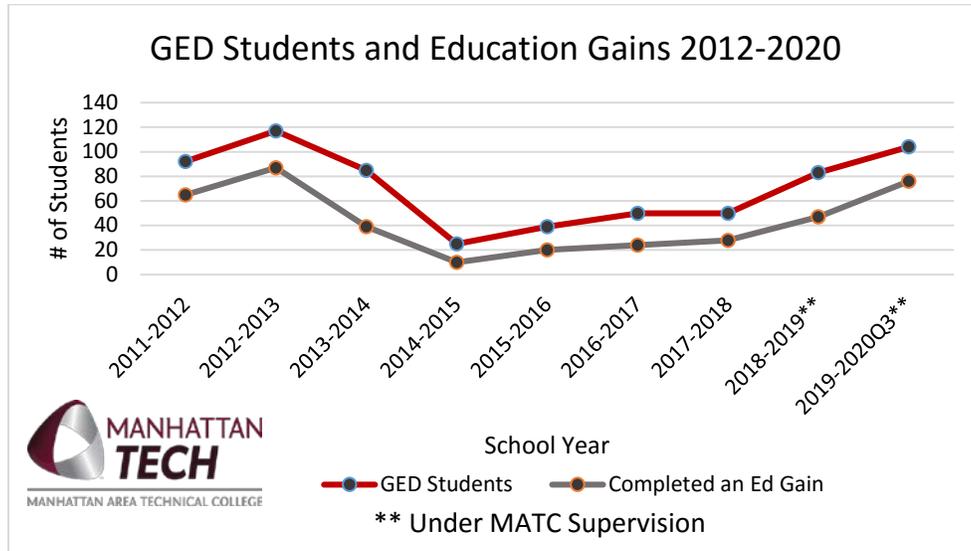
ESL is an integral part of the Adult Learning Center. Many ESL students are learning to master the English language for their families and employment. These students are pre- and post-tested. After several marketing initiatives and partnerships with USD 383's ESOL Program and the Flint Hills Job Corps, ESL enrollment and education gains are back up to pre-2015 numbers.



Adult Basic and Secondary Education (ABE/ASE) Educational Gains:

The ALC also serves students who are skill deficient in Reading and/or Math. Many of these adult students seek assistance with learning or relearning skills. Much like ESL, these students are also pre- and post-tested to monitor progress. For students seeking a high school diploma this assessment helps instructors know when a student has the necessary skills needed to pass the GED exams. For students that already have a high school diploma, this assessment helps them visualize that they have indeed made progress in their academy journey.

Looking at the data below, the number of students making education gains has increased by 137% in 21 months (from 52 in 2018 to 123 in 2020).



District Goal:

Students are well equipped for lifelong success at increasingly higher levels of academic growth, social-emotional development, and postsecondary preparation.

Strategies:

- 3. Develop, implement and maintain structures and practices to increase academic engagement and to personalize learning around individual learner readiness, strengths, needs, and interests.
- 4. Balance system fiscal responsibility with forward momentum in culture and environment, workforce talent, partner relations, and operational performance.
- 5. Demonstrate commitment to diversity and inclusion, environmental sustainability, and service to the community that benefits society.

Board of Education Policies:

- ABE District Goals and Objectives
- IA Philosophy
- IDAB Support Programs

Financial Implications:

Moving ALC from USD 383 to MATC did not alter the USD 383 budget. Adult Education is funded from federal, state and local sources. With the transition from USD 383 to MATC, federal and state funds flowed directly to MATC instead of to USD 383. The local cash match for Adult Education continued to come from a one-half mill levy approved by the USD 383 Board of Education. The Adult Basic Education Tax Levy Resolution approved by the Board during its February 21, 2018 meeting provided USD 383 with Adult Education funds for ALC during fiscal years 2016-2018 and Adult Education funds to MATC during fiscal years 2018-2020.

Future Considerations:

The transition of the ALC from USD 383 to MATC has been a successful partnership, in part because of resources provided by USD 383's Board of Education and MATC's Board of Directors. As a federally funded grant program, the ALC can only function with a local match of 50% in funds. Due to USD 383's continued financial support in conjunction with MATC's technological resources, the ALC has been able to expand and assist more students than ever before. Conversations continue about how best to expand the partnership between MATC and USD 383 so resources are maximized, USD 383 and Adult Education students are well educated, and current and future workforces are developed.

Recommendation: This is an informational report only.