

NORTHWEST TECHNICAL INSTITUTE

Enabling Laws

Act 796 of 2007
A.C.A. § 6-51-901 et seq.

History and Organization

History - Northwest Vocational Technical School (NTI) was established in 1975 and became Northwest Technical Institute through legislation enacted in 1991. During the 1999 legislative session, NTI was authorized its own individual budget status providing more local control and flexibility in the budget process. NTI offers training in 15 programs: Adult Education (ABE/GED), Ammonia Refrigeration Maintenance Technology, Architectural Drafting Technology, Automotive Service Technology, Business, Computer Information Systems, Diesel & Truck Technology, Electronics Technology, Industrial Maintenance Technology, Machine Tool Technology, Math & Communications, Practical Nursing, Surgical Technology, Truck Driving and Workforce Development.

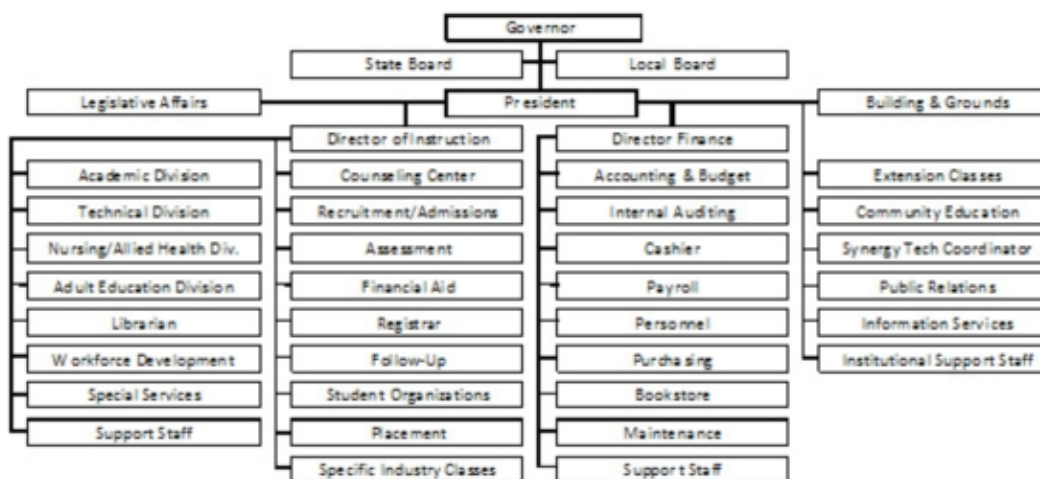
Plant and Location - Northwest Technical Institute is located in Springdale in Washington County, on Highway 265 in the Industrial Park area. The site consists of 38.5 acres of choice land dedicated by the Springdale Industrial Commission and gifted to the State of Arkansas to be used for a vocational-technical school. The original building of 25,000 square feet was completed in 1975. Two additional expansions to the main building of 3,000 square feet and 8,147 square feet followed. Separate expansions followed including the GED building of 3,100 square feet, the Diesel building of 5,600 square feet, the Automotive/Diesel/Library building of 6,200 square feet and the Collegiate Center of 18,585 square feet. A Business & Industry Training facility and Ammonia Refrigeration Training building located on a ten-acre site dedicated to industry training are now completed and adds 9,332 sq. ft. to our instructional facilities. The buildings and contents have a total insured value of \$12,525,387 and consist of a total of 86,176 sq. ft. of floor space, including the maintenance shop, storage facilities, and mobile classrooms.

Mission Statement - "Changing lives through education, training, and skill development."

Role - Northwest Technical Institute has developed courses intended to strengthen basic, occupational, and technical skills necessary for adults to become economically self-sufficient and provide agriculture, business, health services, industry, and government with skilled employees to support their respective ventures. Most importantly, NTI exists so individuals may attain advancement or create a better life for themselves. In addition to diploma programs, training is available in Business & Industry Training (BIT) and Community Education and extension classes. NTI is united in its commitment with business and industry, secondary and postsecondary educators, and regional employers to providing educational programs to serve the training/re-training needs of its students. NTI is a member of SynergyTech, an organization of approximately 25 business/industry entities dedicated to developing the existing workforce by coordinating and maximizing the training assets available in Northwest Arkansas. SynergyTech is housed in the Business & Industry Training Center on a 10 acre tract of land of the NTI campus dedicated specifically by the NTI Board of Directors for the development of business & industry training opportunities.

Administration - Dr. George Burch currently serves as President for Northwest Technical Institute. He holds a B.S. degree in Agriculture, a M.S. in General Agriculture and an Ed.D. in Agriculture Education. Mike Hamley serves as the Director of Finance and holds a B.S. in Accounting. Eddie Guinn serves as the Director of Instruction and holds a B.S.B.A., M.Ed. in Vocational Education.

Governance - Northwest Technical Institute is a post-secondary educational institution operating under the governance of the Arkansas Department of Workforce Education. A five-member Board of Directors, appointed by the Governor, provide local control for the institute. In addition, an Advisory Council consisting of approximately 200 business and industry leaders from various occupational fields and levels of specialization and expertise provide curriculum oversight, needs analysis, and recommendations for modification and improvement for the fifteen different programs offered at NTI. In addition, an "All School Advisory Council" required by the school's accrediting agency brings the various program recommendations to the administration and Board of Directors for official implementation. Northwest Technical Institute is nationally accredited by the Council on Occupation Education (COE).



Agency Commentary

For the State Operations appropriation, the administration of Northwest Technical Institute (NTI) requests general revenue funding and appropriation for technology in the amount of \$50,000 each year. This request consists of Software Licenses (\$35,000) and Data Processing (\$15,000).

Software Licenses are needed to provide faculty and students with the latest operating system from Microsoft (Microsoft Windows 7). Additional software needed will be the latest versions of Excel, Word, Publisher and Power Point. Also needed is the latest version of Auto Cad for the Business & Industry classes. This software will enable students to enter the workforce with working knowledge and skills of the latest technologies. This will give students a competitive edge for entry level positions.

Data Processing Supplies are needed to replace two networks on the NTI campus. The types of supplies that will be needed are new fiber-optic cables, new Cisco switches and two new firewalls. The replacement of these two networks will allow our students a more secure and faster educational environment.

Additionally, NTI requests restoration of state appropriation to FY09 Authorized Levels. This restoration consists of \$126,100 for Operating Expenses each year and \$50,293 in Extra Help and associated Personal Services Matching support each year to permit NTI to have the flexibility to instruct citizens in

our community that may need English as a Second Language (ESL) and/or citizenship classes or instruction for a GED.

For Cash Operations, restoration of the FY09 Authorized Level for Capital Outlay is requested each year and will be used to purchase instructional equipment.

Employment Summary

	Male	Female	Total	%
White Employees	24	30	54	93 %
Black Employees	0	0	0	0 %
Other Racial Minorities	1	3	4	7 %
Total Minorities			4	7 %
Total Employees			58	100 %

Cash Fund Balance Description as of June 30, 2008

Fund Account	Balance	Type	Location
1730100	\$586,078	Checking and certificates of deposit	1st Security Bank in Springdale and Arvest Bank in Springdale

Statutory/Other Restrictions on use:

Arkansas Code 6-51-904 gives the local board power to acquire, hold and transfer real and personal property as may be necessary for the management and administration of the technical institutes.

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. 6-51-904 authorizes the agency to collect student tuition and fees.

Revenue Receipts Cycle:

Student tuition, fees and bookstore receipts are collected throughout the year. Reimbursements and apprenticeship funds are also deposited into the cash fund.

Fund Balance Utilization:

Cash funds are utilized to purchase resale items for our bookstore, make apprenticeship payments, pay for conference fees and travel, pay for operations, and to purchase capital outlay.

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
N/A	N/A	N	N	0	N/A

Department Appropriation Summary

Historical Data								Agency Request and Executive Recommendation											
Appropriation		2007-2008		2008-2009		2008-2009		2009-2010						2010-2011					
		Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
721	Northwest TI-State	4,070,369	58	4,037,496	55	4,241,918	55	4,180,544	55	4,406,937	55	4,230,544	55	4,249,707	55	4,476,100	55	4,299,707	55
722	Northwest TI-Federal	109,100	2	130,000	2	182,390	2	146,504	2	146,504	2	146,504	2	149,271	2	149,271	2	149,271	2
B60	Northwest TI-Cash	1,017,016	6	2,166,913	9	2,245,283	12	1,997,684	9	2,197,684	9	2,197,684	9	2,003,261	9	2,203,261	9	2,203,261	9
Total		5,196,485	66	6,334,409	66	6,669,591	69	6,324,732	66	6,751,125	66	6,574,732	66	6,402,239	66	6,828,632	66	6,652,239	66

Funding Sources			%		%			%		%		%		%		%		%
Fund Balance	4000005	489,619	8.5	586,078	9.1		76,683	1.3	76,683	1.3	76,683	1.3	0	0.0	0	0.0	0	0.0
General Revenue	4000010	2,836,777	49.1	2,902,386	45.3		3,067,453	52.3	3,117,453	51.0	3,067,453	50.6	3,136,616	53.5	3,186,616	52.1	3,136,616	51.7
Federal Revenue	4000020	109,100	1.9	130,000	2.0		146,504	2.5	146,504	2.4	146,504	2.4	149,271	2.5	149,271	2.4	149,271	2.5
Cash Fund	4000045	1,113,475	19.3	1,657,518	25.9		1,457,518	24.9	1,657,518	27.1	1,657,518	27.3	1,463,095	25.0	1,663,095	27.2	1,663,095	27.4
Merit Adjustment Fund	4000055	81,066	1.4	22,019	0.3		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Adult Basic/General	4000065	305,914	5.3	356,100	5.6		356,100	6.1	356,100	5.8	356,100	5.9	356,100	6.1	356,100	5.8	356,100	5.9
DFA Motor Vehicle Acquisition	4000184	52,014	0.9	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Workforce 2000	4000740	794,598	13.7	756,991	11.8		756,991	12.9	756,991	12.4	756,991	12.5	756,991	12.9	756,991	12.4	756,991	12.5
Total Funds		5,782,563	100.0	6,411,092	100.0		5,861,249	100.0	6,111,249	100.0	6,061,249	100.0	5,862,073	100.0	6,112,073	100.0	6,062,073	100.0
Excess Appropriation/(Funding)		(586,078)		(76,683)			463,483		639,876		513,483		540,166		716,559		590,166	
Grand Total		5,196,485		6,334,409		6,324,732		6,751,125		6,574,732		6,402,239		6,828,632		6,652,239		

Actual number of positions exceeds Authorized Level due to flexibility inherent in the authorization of all positions through one salary section in appropriation acts.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
67	65	2	67	0	2.99 %	69	60	7	67	2	13.04 %	69	58	8	66	3	15.94 %

Analysis of Budget Request

Appropriation: 721 - Northwest TI-State

Funding Sources: ETN - General Revenue - Northwest Technical Institute

Northwest Technical Institute (NTI), in partnership with the community, provides educational programs to serve the training/re-training needs of students who wish to enter a recognized occupation or improve their occupational skills and knowledge so that they may achieve stability or advancement in a technological society. NTI also responds to business and industry needs and initiatives. This appropriation is funded by general revenue, Adult Education grants received from the Department of Workforce Education and transfers from the Work Force 2000 Development Fund.

Thirty-four (34) positions were changed from unclassified to classified to reflect the recommendations of the Pay Plan Study and salaries were adjusted accordingly. Salaries for other Base Level classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Base Level request for NTI totals \$4,180,544 for FY2010 and \$4,249,707 for FY2011.

Northwest Technical Institute has the following Change Level requests totaling \$226,393 each year of the 2009-2011 biennium:

- General revenue appropriation and funds totaling \$50,000 is requested each year of the biennium for Operating Expenses to permit purchase of the latest computer software technology and data processing supplies. Specifically, the latest version of Auto Cad for the Business & Industry classes is requested as well as the latest versions of spreadsheet and word processing software for the benefit of faculty and students enrolled in basic adult education classes. Data processing supplies include fiber optic cables, Cisco switches, and new firewalls to replace two networks on the NTI campus.
- NTI requests \$126,100 each year in appropriation only for Operating Expenses and \$50,293 each year in appropriation only for Extra Help and associated matching support to permit NTI to focus greater resources on an increasing need to provide "English as a Second Language" instruction, citizenship classes, and GED initiatives.

According to NTI, all requests are made with the focus of providing the Agency with flexibility in meeting the diverse training needs of the citizens of Northwest Arkansas.

The Executive Recommendation provides for Base Level each year and an additional \$50,000 in appropriation only each year for Operating Expenses to support the Agency's technology request. No new general revenue above Base Level is recommended.

Appropriation Summary

Appropriation: 721 - Northwest TI-State

Funding Sources: ETN - General Revenue - Northwest Technical Institute

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	2,300,296	2,371,635	2,382,986	2,447,173	2,447,173	2,447,173	2,504,000	2,504,000	2,504,000
#Positions		58	55	55	55	55	55	55	55	55
Extra Help	5010001	354,775	314,400	361,093	314,400	361,093	314,400	314,400	361,093	314,400
#Extra Help		51	69	69	69	69	69	69	69	69
Personal Services Matching	5010003	760,543	768,513	788,791	836,023	839,623	836,023	848,359	851,959	848,359
Operating Expenses	5020002	590,161	571,448	697,548	571,448	747,548	621,448	571,448	747,548	621,448
Conference & Travel Expenses	5050009	3,194	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Promotional Items	5090028	9,406	0	0	0	0	0	0	0	0
Capital Outlay	5120011	51,994	0	0	0	0	0	0	0	0
Total		4,070,369	4,037,496	4,241,918	4,180,544	4,406,937	4,230,544	4,249,707	4,476,100	4,299,707

Funding Sources										
General Revenue	4000010	2,836,777	2,902,386		3,067,453	3,117,453	3,067,453	3,136,616	3,186,616	3,136,616
Merit Adjustment Fund	4000055	81,066	22,019		0	0	0	0	0	0
Adult Basic/General	4000065	305,914	356,100		356,100	356,100	356,100	356,100	356,100	356,100
DFA Motor Vehicle Acquisition	4000184	52,014	0		0	0	0	0	0	0
Workforce 2000	4000740	794,598	756,991		756,991	756,991	756,991	756,991	756,991	756,991
Total Funding		4,070,369	4,037,496		4,180,544	4,230,544	4,180,544	4,249,707	4,299,707	4,249,707
Excess Appropriation/(Funding)		0	0		0	176,393	50,000	0	176,393	50,000
Grand Total		4,070,369	4,037,496		4,180,544	4,406,937	4,230,544	4,249,707	4,476,100	4,299,707

FY08 Actual Expenditures for Capital Outlay exceed Authorized Level due to transfers from the Motor Vehicle Acquisition Fund.

FY08 Actual Expenditures for Promotional Items may exceed Authorized Level due to appropriation transferred from Operating Expenses for purchase of promotional items as authorized by A.C.A. 6-63-304.

Actual number of positions exceeds Authorized Level due to flexibility inherent in the authorization of all positions through one salary section in appropriation acts.

Change Level by Appropriation

Appropriation: 721 - Northwest TI-State
Funding Sources: ETN - General Revenue - Northwest Technical Institute

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	4,180,544	55	4,180,544	100.0	4,249,707	55	4,249,707	100.0
C01	Existing Program	176,393	0	4,356,937	104.2	176,393	0	4,426,100	104.2
C08	Technology	50,000	0	4,406,937	105.4	50,000	0	4,476,100	105.3

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	4,180,544	55	4,180,544	100.0	4,249,707	55	4,249,707	100.0
C01	Existing Program	0	0	4,180,544	100.0	0	0	4,249,707	100.0
C08	Technology	50,000	0	4,230,544	101.2	50,000	0	4,299,707	101.2

Justification

C01	Agency requests \$176,393 of appropriation only for each year. A portion of this request (\$46,693 each year) would restore Extra Help to the current Authorized Level. Associated Personal Services Matching support for Extra Help is \$3,600. Also, a request of \$126,100 each year in appropriation only is requested for Operating Expenses for costs associated with maintenance of buildings and grounds.
C08	Agency requests \$50,000 each year of appropriation and general revenue funding in Operating Expenses to support technology related initiatives. Of this amount, \$35,000 is targeted for acquisition of Software Licenses. The new licenses will allow faculty the resources to provide technical training to our students at a level designed to give students a competitive edge as they enter the workplace. The software upgrades will include Auto Cad, Microsoft Windows 7 and the latest Microsoft Office Suite. Also, \$15,000 is requested for Data Processing Supplies. These supplies are needed to replace our two (2) networks that are on the NTI Campus. The two (2) networks will need new fiber-optic cables, new Cisco switches and two (2) new firewalls. The replacement of our networks will allow our students to experience a faster and more secure network. NTI is exempt from submission of an Information Technology (IT) Plan.

Analysis of Budget Request

Appropriation: 722 - Northwest TI-Federal

Funding Sources: FTN - Federal Operations - NTI

This federal appropriation is administered by Northwest Technical Institute (NTI) and federal funds for its support are received from the Carl D. Perkins Vocational & Applied Technology Education Act (P.L. 101-392), and reimbursement programs such as the Jobs Training Partnership Act.

One Base Level position was changed from unclassified to classified to reflect the recommendations of the Pay Plan Study and salaries were adjusted accordingly. The remaining Base Level classified position reflects the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency requests continuation of Base Level for each year of the new biennium. Base Level requests for NTI for this appropriation includes personal services costs and supporting operating and travel expenses of \$146,504 for FY2010 and \$149,271 for FY2011.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 722 - Northwest TI-Federal

Funding Sources: FTN - Federal Operations - NTI

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	79,308	57,123	93,907	69,162	69,162	69,162	71,435	71,435	71,435
#Positions		2	2	2	2	2	2	2	2	2
Extra Help	5010001	0	27,680	30,598	27,680	27,680	27,680	27,680	27,680	27,680
#Extra Help		0	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	29,792	22,884	35,346	27,349	27,349	27,349	27,843	27,843	27,843
Operating Expenses	5020002	0	20,313	20,539	20,313	20,313	20,313	20,313	20,313	20,313
Conference & Travel Expenses	5050009	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		109,100	130,000	182,390	146,504	146,504	146,504	149,271	149,271	149,271
Funding Sources										
Federal Revenue	4000020	109,100	130,000		146,504	146,504	146,504	149,271	149,271	149,271
Total Funding		109,100	130,000		146,504	146,504	146,504	149,271	149,271	149,271
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		109,100	130,000		146,504	146,504	146,504	149,271	149,271	149,271

Analysis of Budget Request

Appropriation: B60 - Northwest TI-Cash

Funding Sources: 173 - Cash Operations - NTI

Funding for this cash appropriation is received from tuition (\$36 to \$100 per hour), resale from the bookstore, and reimbursement programs such as Apprenticeship. These funds supplement and enhance general revenue funding.

Four Base Level positions were changed from unclassified to classified to reflect the recommendations of the Pay Plan Study and salaries were adjusted accordingly. Salaries for other Base Level classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Base Level request for Northwest Technical Institute (NTI) includes personal services costs, Extra Help, and supporting operations totaling \$1,997,684 for FY2010 and \$2,003,261 for FY2011.

Change Level requests total \$200,000 each year of the 2009-2011 biennium for Capital Outlay to restore the authorized level and permit purchases of instructional equipment as necessary.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: B60 - Northwest TI-Cash

Funding Sources: 173 - Cash Operations - NTI

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	162,234	276,691	291,595	294,908	294,908	294,908	299,489	299,489	299,489
#Positions		6	9	12	9	9	9	9	9	9
Extra Help	5010001	133,409	556,450	562,500	556,450	556,450	556,450	556,450	556,450	556,450
#Extra Help		20	37	37	37	37	37	37	37	37
Personal Services Matching	5010003	75,101	140,272	140,273	152,826	152,826	152,826	153,822	153,822	153,822
Operating Expenses	5020002	182,669	353,500	353,500	353,500	353,500	353,500	353,500	353,500	353,500
Conference & Travel Expenses	5050009	13,625	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Professional Fees	5060010	228,883	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Resale (COGS)	5090017	156,459	275,000	275,000	275,000	275,000	275,000	275,000	275,000	275,000
Capital Outlay	5120011	64,636	200,000	200,000	0	200,000	200,000	0	200,000	200,000
Debt Service	5120019	0	0	57,415	0	0	0	0	0	0
Total		1,017,016	2,166,913	2,245,283	1,997,684	2,197,684	2,197,684	2,003,261	2,203,261	2,203,261
Funding Sources										
Fund Balance	4000005	489,619	586,078		76,683	76,683	76,683	0	0	0
Cash Fund	4000045	1,113,475	1,657,518		1,457,518	1,657,518	1,657,518	1,463,095	1,663,095	1,663,095
Total Funding		1,603,094	2,243,596		1,534,201	1,734,201	1,734,201	1,463,095	1,663,095	1,663,095
Excess Appropriation/(Funding)		(586,078)	(76,683)		463,483	463,483	463,483	540,166	540,166	540,166
Grand Total		1,017,016	2,166,913		1,997,684	2,197,684	2,197,684	2,003,261	2,203,261	2,203,261

Change Level by Appropriation

Appropriation: B60 - Northwest TI-Cash
Funding Sources: 173 - Cash Operations - NTI

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,997,684	9	1,997,684	100.0	2,003,261	9	2,003,261	100.0
C01	Existing Program	200,000	0	2,197,684	110.0	200,000	0	2,203,261	110.0

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,997,684	9	1,997,684	100.0	2,003,261	9	2,003,261	100.0
C01	Existing Program	200,000	0	2,197,684	110.0	200,000	0	2,203,261	110.0

Justification

C01	Agency requests \$200,000 each year of cash appropriation to restore the FY09 Authorized Level for Capital Outlay. This appropriation will permit the purchase of instructional equipment for various academic and technical programs.								
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