

Budget Brief – University of Utah

SUMMARY

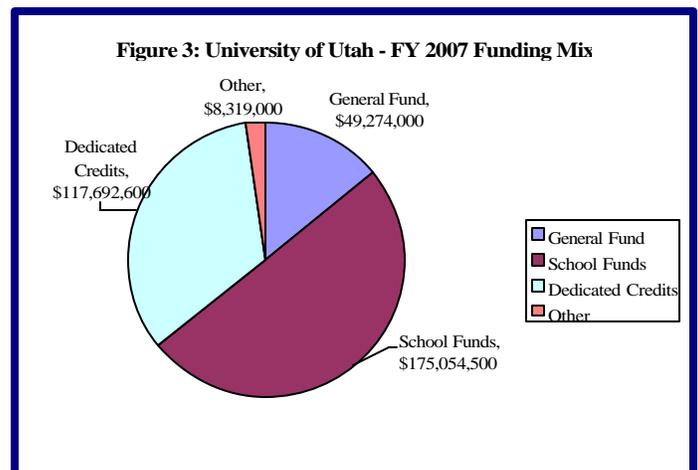
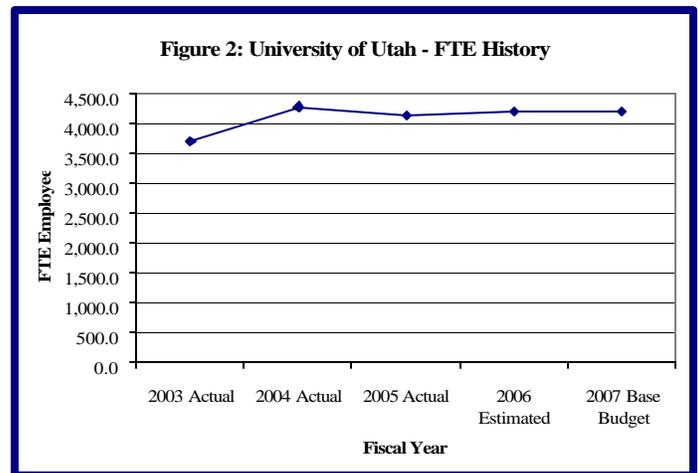
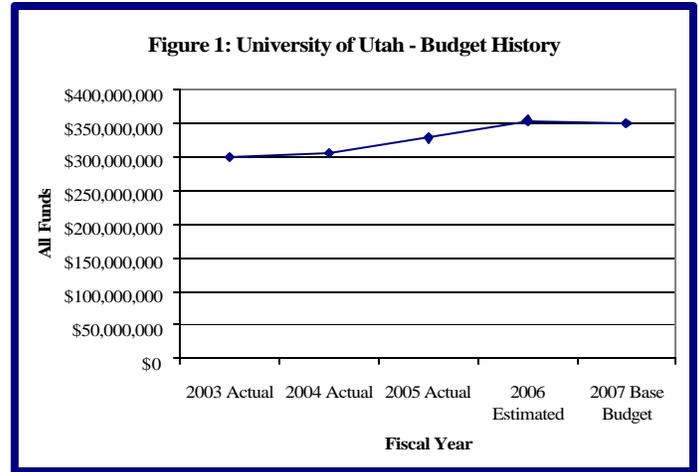
The University of Utah (U of U) is the State’s flagship university. It is a major urban teaching and research university that provides educational programs in 15 colleges and professional schools, including law and medicine. The FY 2005 enrollment at the University was 26,531 full-time equivalent (FTE) students.

ISSUES AND RECOMMENDATIONS

Base Budget: The total FY 2006 appropriated budget for the University of Utah was \$342,583,100, with \$49,208,800 from the General Fund and \$173,536,600 from Income Tax funds (offset by a one-time Income Tax fund reduction of \$357,800). Using the FY 2006 ongoing appropriation as the beginning point for the FY 2007 base budget, with changes in the level of dedicated credits for unallocated 1st tier tuition and 2nd tier tuition collected in the amount of \$5,816,100, the total adjusted amount becomes \$348,757,000.

Included in the FY 2006 appropriation to the State Board of Regents, to be distributed to the institutions, was funding for the Engineering Initiative, salary retention funds, alternative fuels, and University Centers. The Analyst has distributed those appropriations to be reflected in the adjusted base budget. For the University of Utah, transfers from the State Board of Regents’ line item included \$680,000 for the Engineering Initiative, \$837,900 for salary retention, \$19,900 for alternative fuels, and \$45,300 for University Centers. The funding for the Engineering Initiative and salary retention is from Income Tax funds; the funding for alternative fuels and University Centers is from the General Fund. The FY 2007 base budget is \$350,340,100, with a total of \$49,274,000 from the General Fund and \$175,054,500 from Income Tax funds.

Operation and Maintenance of New Facilities: The University of Utah has five new facilities that will come on line during FY 2007 that will need O & M funding. These include the Emma Jones Medical Research Building, the Chemistry Glauss House, the Warnock Engineering Building, the Moran Eye Center II, and the Marriott Library Facility Adaptation. The total FY 2007 amount recommended is \$2,276,800, but because three of the buildings will not be in use for the full year, the Analyst recommends a one-time reduction in the amount of \$337,500, making the net appropriation \$1,939,300.

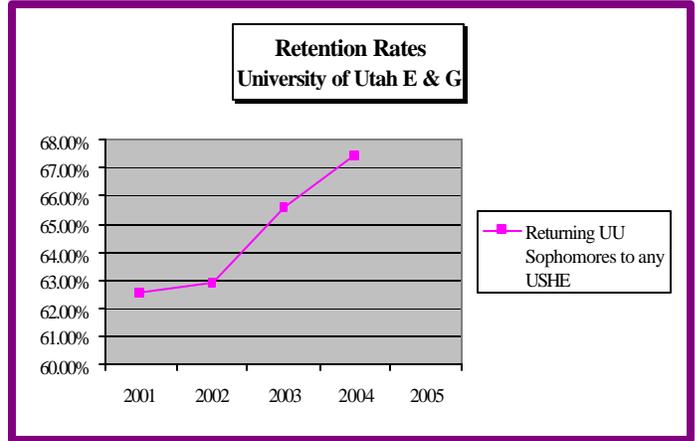


Student Success: The Analyst recommends funding in the amount of \$542,100 to increase the probability of students' success in their higher education experience. This funding would be used for additional advisers, additional faculty to alleviate bottleneck courses, a writing program, and an on-line college-readiness program.

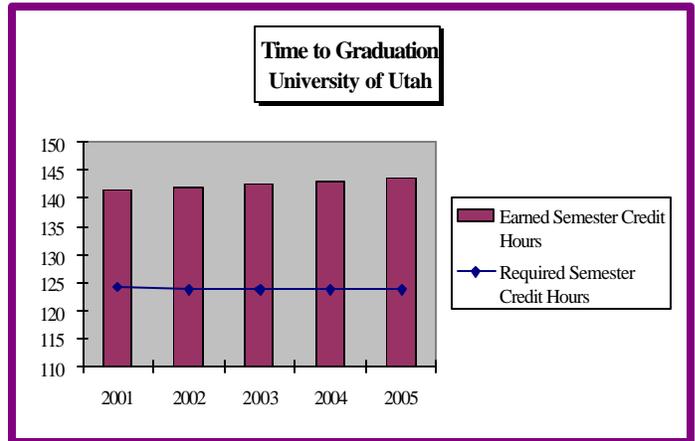
ACCOUNTABILITY DETAIL

The University of Utah's performance indicators include the retention rate of students, the average time it takes for a student to graduate, and the number and amount of research grants.

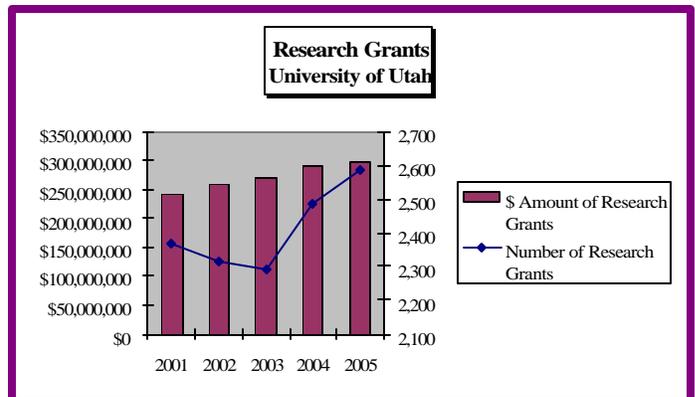
The Retention Rate figure shows the percentage of freshmen students returning to continue their education. This figure is impacted by the high number of young people who leave school for service or military reasons.



The average number of earned semester hours for graduates at the University of Utah is 143. The minimum required number of hours is 124.



The University of Utah is one of the two research institutions in the State. The number of grants is approaching 2,600 and the amount of research grants almost \$300 million. As of December 2004, there were 62 companies, employing almost 4,600 individuals, conducting operations in Utah that started their business by licensing intellectual property from the University of Utah.



BUDGET DETAIL

Base Budget: The Legislative Fiscal Analyst recommends approval of the University of Utah's FY 2007 adjusted base budget in the amount of \$350,340,100, with \$49,274,000 from the General Fund, \$175,054,500 from Income Tax funds, \$116,734,700 from Dedicated Credits, \$957,900 from Land Grant Management Funds, \$4,284,500 from the Cigarette Tax Restricted Account, \$4,000,000 from the Tobacco Settlement Restricted Account, and \$34,500 from Transfers from the Commission on Criminal and Juvenile Justice.

Intent Language: In the past, there have been several items of legislative intent language included in the various appropriations acts regarding higher education issues. During the 2005 General Session, there was an effort to reduce the amount of intent language, especially those items that were repeated year after year. As a result, there was no intent language that affected higher education included in the appropriations acts for FY 2006.

LEGISLATIVE ACTION

The Analyst recommends that the Subcommittee adopt a base budget for the University of Utah in the amount of \$350,340,100. The approved allocation is \$49,274,000 (General Fund) and \$175,054,500 (Income Tax funds).

The Analyst recommends that the Subcommittee develop a prioritization list of items for additional funding for FY 2007 and FY 2006 (Supplemental).

BUDGET DETAIL TABLE

University of Utah						
Sources of Finance	FY 2005 Actual	FY 2006 Appropriated	Changes	FY 2006 Revised	Changes	FY 2007* Base Budget
General Fund	37,089,600	49,208,800	0	49,208,800	65,200	49,274,000
General Fund, One-time	0	0	0	0	0	0
Income Tax	179,383,600	173,536,600	0	173,536,600	1,517,900	175,054,500
Income Tax, One-time	0	(357,800)	0	(357,800)	357,800	0
Dedicated Credits Revenue	110,762,405	110,918,600	11,632,200	122,550,800	(5,816,100)	116,734,700
Dedicated Credits - Land Grant	802,100	957,900	0	957,900	0	957,900
GFR - Cigarette Tax Rest	4,284,500	4,284,500	0	4,284,500	0	4,284,500
GFR - Tobacco Settlement	4,000,000	4,000,000	0	4,000,000	0	4,000,000
Transfers	2,564,168	0	0	0	0	0
Transfers - Commission on Criminal and Juvenile J	34,500	34,500	0	34,500	0	34,500
Beginning Nonlapsing	8,633,632	0	0	0	0	0
Closing Nonlapsing	(19,329,683)	0	0	0	0	0
Total	\$328,224,822	\$342,583,100	\$11,632,200	\$354,215,300	(\$3,875,200)	\$350,340,100
Line Items						
Education and General	289,580,342	300,180,300	10,108,800	310,289,100	(3,113,500)	307,175,600
Educationally Disadvantaged	712,634	754,100	0	754,100	0	754,100
School of Medicine	26,777,344	30,672,800	1,523,400	32,196,200	(761,700)	31,434,500
University Hospital	4,724,099	5,012,900	0	5,012,900	0	5,012,900
Regional Dental Education Program	650,985	717,600	0	717,600	0	717,600
Public Service	1,211,340	1,362,800	0	1,362,800	0	1,362,800
Statewide TV Administration	2,902,977	2,468,700	0	2,468,700	0	2,468,700
Poison Control Center	1,665,101	1,413,900	0	1,413,900	0	1,413,900
Total	\$328,224,822	\$342,583,100	\$11,632,200	\$354,215,300	(\$3,875,200)	\$350,340,100
Categories of Expenditure						
Personal Services	262,476,241	261,764,300	34,192,620	295,956,920	837,880	296,794,800
In-State Travel	2,218,015	1,967,700	16,440	1,984,140	60	1,984,200
Current Expense	52,955,702	51,588,000	(6,109,265)	45,478,735	(4,713,135)	40,765,600
Capital Outlay	1,692,062	2,102,700	408,305	2,511,005	(5)	2,511,000
Other Charges/Pass Thru	8,882,802	25,160,400	(16,875,900)	8,284,500	0	8,284,500
Total	\$328,224,822	\$342,583,100	\$11,632,200	\$354,215,300	(\$3,875,200)	\$350,340,100
Other Data						
Budgeted FTE	4,144.0	4,278.0	(72.1)	4,206.0	0.0	4,206.0
Vehicles	458	472	(14)	458	0	458

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.