

# Budget Brief – Utah State University

**SUMMARY**

Utah State University (USU) serves as the State’s land grant university. Its mission is to provide undergraduate, graduate, professional and research curriculums in numerous fields of study, including agriculture, applied sciences, education, and natural resources. In addition, USU has a state-wide role to provide education to underserved areas throughout the State through on-site delivery and distance education at three regional campuses, distance education centers, and county extension offices. The FY 2006 enrollment at the University was 16,798 full-time equivalent (FTE) students.

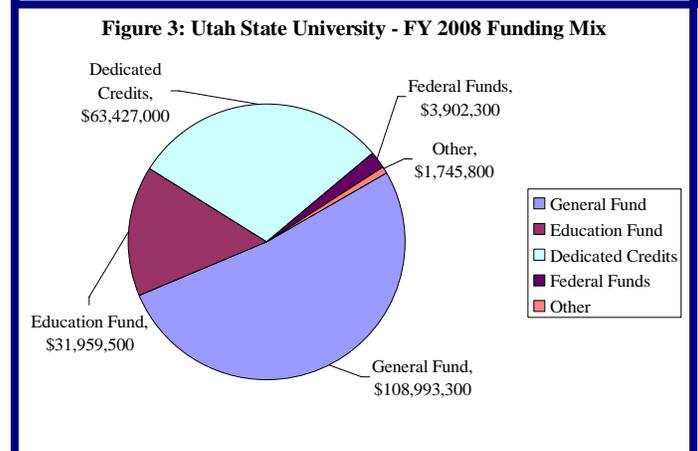
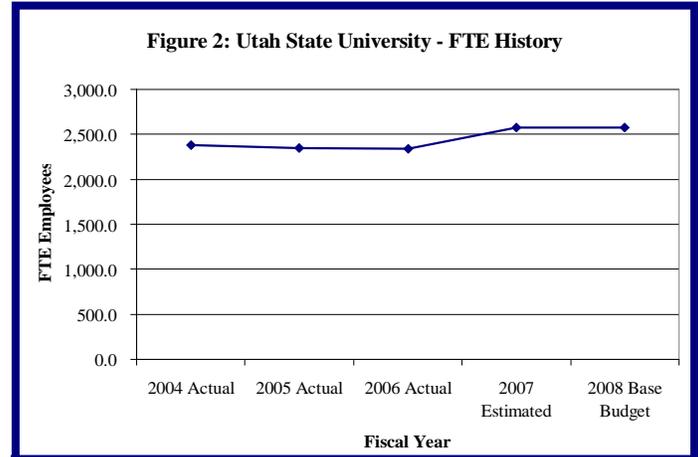
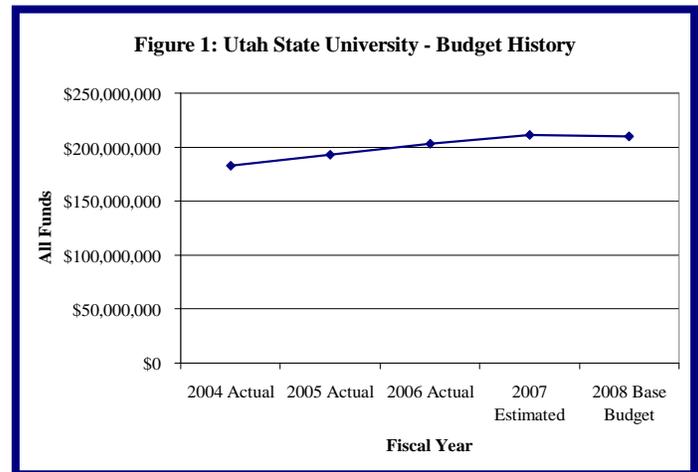
**ISSUES AND RECOMMENDATIONS**

**Base Budget:** The total FY 2007 appropriated budget for Utah State University was \$209,778,700, with \$108,993,300 from the General Fund and \$33,059,500 from the Education Fund (including a one-time Education Fund appropriation of \$1.1 million). Using the FY 2007 ongoing appropriation as the beginning point for the FY 2008 base budget, with changes in the level of dedicated credits for unallocated 1st tier tuition and 2nd tier tuition collected in the amount of \$1,349,200, the total FY 2008 Base Budget amount becomes \$210,027,900.

**Higher Education Transfers:** Included in the FY 2007 appropriation to the State Board of Regents, to be distributed to the institutions, was funding for the Engineering Initiative (\$500,000 ongoing and \$700,000 one-time). For Utah State University, the transfer from the State Board of Regents’ line item included \$185,000 in ongoing funding and \$150,000 in one-time funding for the Engineering Initiative from the Education Fund. The Analyst recommends the transfer of the \$185,000 ongoing appropriation to Utah State University for FY 2008.

**Operation and Maintenance of New Facilities:** Utah State University has two new facilities that will come on line during FY 2008 that will need O & M funding. These include the state-funded South Animal Farm Teaching/Research Building and the non-state funded Sant Engineering Innovation Building. The sum of the O & M recommended for these two building is \$283,000. Because both will not be in use for the full fiscal year, the Analyst recommends a one-time reduction in the amount of \$202,700.

**Utility Rate Increases:** Utah State University has experienced increasing costs associated with electricity and natural gas on the campus during the past year. The Analyst recommends funding to cover the increased costs

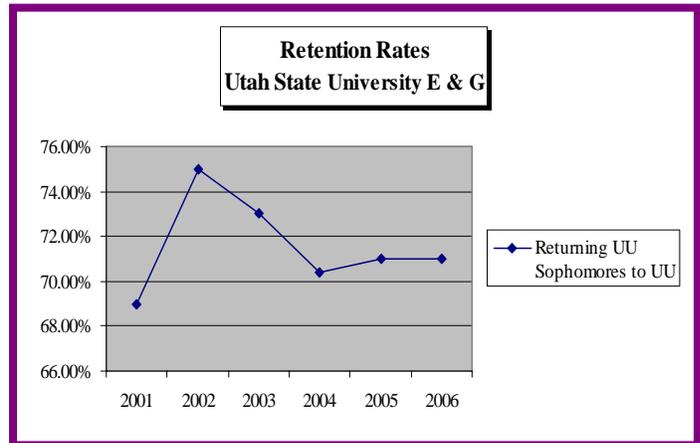


of the utilities in the amount of \$1,583,700 for FY 2008 and \$70,800 fro FY 2007.

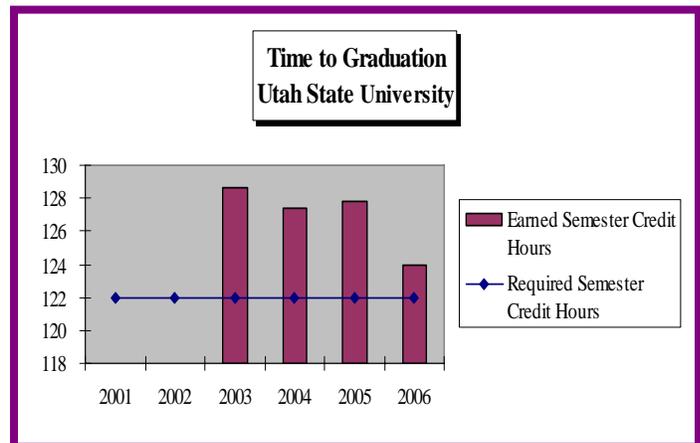
**ACCOUNTABILITY DETAIL**

Utah State University’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.

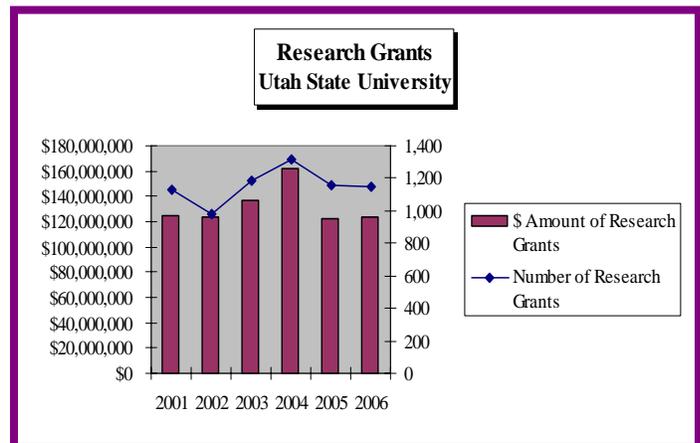
The Retention Rate figure shows the percentage of freshmen students returning to continue their education. This figure is impacted by the high number of young people who leave school for service or military reasons.



The average number of earned semester hours for graduates at Utah State University is 127. The minimum required number of hours is 122.



Utah State University is one of the two research institutions in the State. The average number of grants over the past five years is approximately 1,150 and the amount of research grants averages over \$130 million. As of 2006, there were 8 companies, employing over 2,100 individuals, conducting operations in Utah that started their business by licensing intellectual property from Utah State University.



**BUDGET DETAIL**

**Base Budget:** The Legislative Fiscal Analyst recommends approval of Utah State University's FY 2008 adjusted base budget in the amount of \$210,027,900, with \$108,993,300 from the General Fund, \$31,959,500 from the Education Fund, \$62,776,400 from Dedicated Credits, \$650,600 from Land Grant Management Funds, \$3,902,300 from Federal Funds, and \$1,745,800 from the Mineral Lease Account.

**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 Utah State University included in the appropriations acts for FY 2007.

**LEGISLATIVE ACTION**

The Analyst recommends that the Subcommittee adopt a base budget for Utah State University in the amount of \$210,027,900. The allocation approved by the Executive Appropriations Committee is \$108,993,300 (General Fund) and \$31,959,500 (Education Fund).

The Analyst recommends that the Subcommittee develop a prioritization list of items for additional funding for FY 2008 and FY 2007 (Supplemental).

**BUDGET DETAIL TABLE**

Utah State University						
Sources of Finance	FY 2006 Actual	FY 2007 Appropriated	Changes	FY 2007 Revised	Changes	FY 2008* Base Budget
General Fund	132,511,900	108,993,300	0	108,993,300	0	108,993,300
Education Fund	3,018,100	31,959,500	0	31,959,500	0	31,959,500
Education Fund, One-time	6,200,000	1,100,000	0	1,100,000	(1,100,000)	0
Federal Funds	4,473,615	3,902,300	0	3,902,300	0	3,902,300
Dedicated Credits Revenue	54,991,098	61,977,200	799,200	62,776,400	0	62,776,400
Dedicated Credits - Land Grant	677,632	100,600	550,000	650,600	0	650,600
Federal Mineral Lease	2,846,550	1,745,800	0	1,745,800	0	1,745,800
Transfers	2,159,967	0	0	0	0	0
Other Financing Sources	170,322	0	0	0	0	0
Beginning Nonlapsing	18,686,374	0	0	0	0	0
Closing Nonlapsing	(22,748,371)	0	0	0	0	0
<b>Total</b>	<b>\$202,987,187</b>	<b>\$209,778,700</b>	<b>\$1,349,200</b>	<b>\$211,127,900</b>	<b>(\$1,100,000)</b>	<b>\$210,027,900</b>
<b>Line Items</b>						
Education and General	155,053,521	159,631,000	987,200	160,618,200	(200,000)	160,418,200
Educationally Disadvantaged	226,013	242,500	0	242,500	0	242,500
Uintah Basin Continuing Education Center	5,308,383	5,785,700	122,200	5,907,900	0	5,907,900
Southeastern Continuing Education Center	1,058,292	1,241,900	28,400	1,270,300	0	1,270,300
Brigham City Continuing Education Center	4,806,037	4,444,100	78,000	4,522,100	0	4,522,100
Tooele Continuing Education Center	5,122,946	5,449,800	133,400	5,583,200	(900,000)	4,683,200
Water Research Laboratory	3,025,239	3,403,300	0	3,403,300	0	3,403,300
Agriculture Experiment Station	14,122,164	15,118,900	0	15,118,900	0	15,118,900
Cooperative Extension	14,264,592	14,461,500	0	14,461,500	0	14,461,500
<b>Total</b>	<b>\$202,987,187</b>	<b>\$209,778,700</b>	<b>\$1,349,200</b>	<b>\$211,127,900</b>	<b>(\$1,100,000)</b>	<b>\$210,027,900</b>
<b>Categories of Expenditure</b>						
Personal Services	161,853,663	179,229,700	1,640,700	180,870,400	0	180,870,400
In-State Travel	1,762,555	0	0	0	0	0
Current Expense	42,300,719	30,549,000	(392,100)	30,156,900	(1,100,000)	29,056,900
Capital Outlay	1,298,410	0	0	0	0	0
Other Charges/Pass Thru	(4,228,160)	0	100,600	100,600	0	100,600
<b>Total</b>	<b>\$202,987,187</b>	<b>\$209,778,700</b>	<b>\$1,349,200</b>	<b>\$211,127,900</b>	<b>(\$1,100,000)</b>	<b>\$210,027,900</b>
<b>Other Data</b>						
Budgeted FTE	2,340.6	2,502.1	77.4	2,579.5	0.0	2,579.5
Vehicles	633	664	(31)	633	0	633

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