

FY 2009 Budget Brief – HED – Utah System of Higher Education

SUMMARY

The Utah System of Higher Education (USHE) is comprised of nine traditional institutions of higher learning, the Utah College of Applied Technology, and the State Board of Regents. The USHE is governed by the Utah State Board of Regents, with the assistance of the local Boards of Trustees.

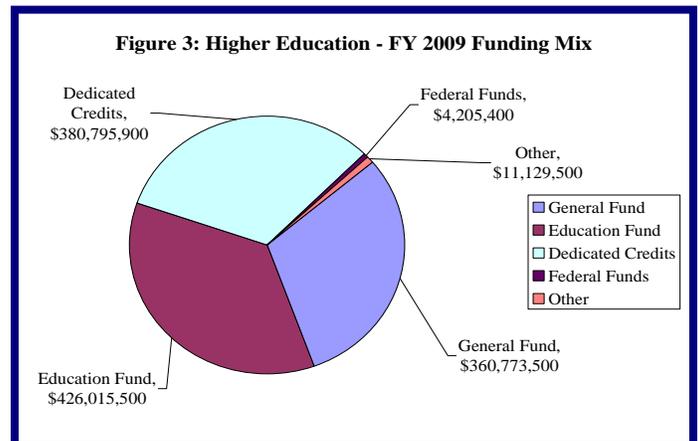
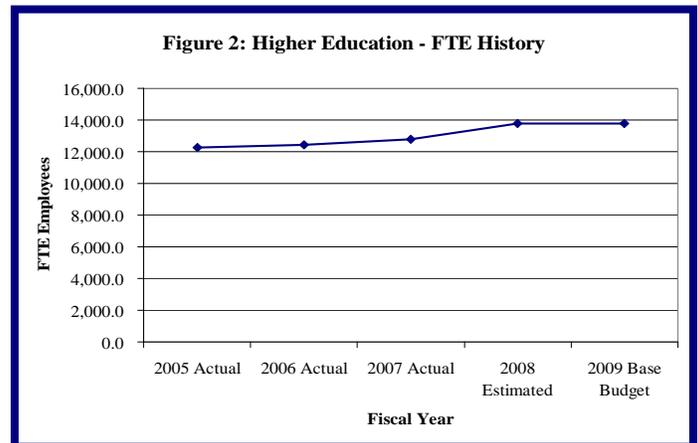
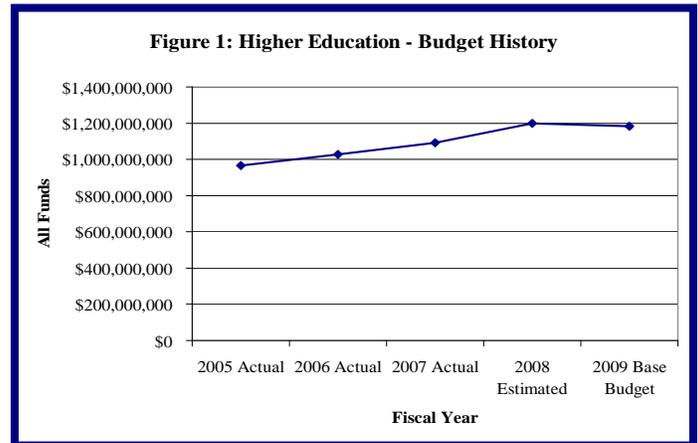
The mission of the Utah System of Higher Education is to provide educational opportunities to the citizens of the State through traditional classroom settings, distance learning, and applied technological education. The FY 2007 enrollment at the nine USHE institutions was 98,825 full-time equivalent (FTE) students.

ISSUES AND RECOMMENDATIONS

Base Budget: The total FY 2008 appropriated budget for the Utah System of Higher Education was \$1,184,205,100, with \$360,773,500 from the General Fund (offset by a one-time reduction of \$301,894,100), \$18,137,400 from the Uniform School Fund (offset by a one-time reduction in the amount of \$147,800), and \$721,388,000 from the Education Fund (\$313,509,900 one-time). Using the FY 2008 ongoing appropriation as the beginning for the FY 2009 base budget, with changes in the level of dedicated credits for unallocated 1st tier and 2nd tier tuition collected in the amount of \$10,682,700, and a \$500,000 reduction in Land Grant funding, the total FY 2009 base budget is \$1,182,919,800.

Included in the base budget is a recommended shift of \$174,500 from ongoing General Fund to one-time General Fund for FY 2008. This funding was approved by the 2007 Legislature in S.B. 26, “Utah Commission on Aging”, which authorized the Commission through July 1, 2009. The funding move to one-time will end the funding at the sunset date.

Specific recommendations are found in each Budget Brief, with additional detail in the Issue Briefs.



ACCOUNTABILITY DETAIL

Performance indicators are shown in each institution's budget brief, with additional ones in the Compendium of Budget Information.

BUDGET DETAIL

Base Budget: The Legislative Fiscal Analyst recommends approval of the FY 2009 base budget for the Utah System of Higher Education in the amount of \$1,182,919,800, with \$360,773,500 from the General Fund (\$174,500 one-time), \$18,137,400 from the Uniform School Fund, \$407,878,100 from the Education Fund, \$4,205,400 from Federal Funds, \$379,687,400 from Dedicated Credits, \$1,108,500 from Land Grant Management Funds, \$1,745,800 from the Mineral Lease Account, \$4,284,500 from the Restricted Cigarette Tax Account, \$4,000,000 from the Restricted Tobacco Settlement Account, \$64,700 from the Restricted Land Exchange Distribution Account, \$1,000,000 from the Restricted Prison Telephone Surcharge Account and \$34,500 from Transfers from the Commission on Criminal and Juvenile Justice. The budget detail for each individual institution is found in their respective Budget Briefs.

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 only one item of intent language that affected higher education included in the appropriations acts for FY 2008. That intent language required the State Board of Regents to show how the Utah System of Higher Education will deliver five different two- and four-year degrees at a per-student cost of no more than \$500 per year, accommodating at least 10,000 students. The Commissioner presented the findings of the Board of Regents on September 12, 2007 at the Higher Education Appropriations Subcommittee meeting and again on September 18, 2007 at the Executive Appropriations Committee meeting. The Commissioner discussed methods that could be used to provide low-cost degrees, such as focusing on low cost disciplines (Business, Education, Humanities, and Social Science); using on-line instruction; limiting student services; not providing lab, experimental, or hands-on learning; and focusing on a student population of highly motivated students who would maximize Advanced Placement and concurrent enrollment. The Commissioner stated that a target of \$500 per year would not be possible, but a more realistic target would be \$2,500 to \$3,000.

LEGISLATIVE ACTION

The Analyst recommends that the Subcommittee adopt a base budget for the Utah System of Higher Education. The total base budget is recommended at \$1,182,919,800; with the approved allocation of \$360,773,500 from the General Fund, \$18,137,400 from the Uniform School Fund, and \$407,878,100 from the Education Fund.

The Analyst recommends that the Subcommittee develop a prioritization list of items for additional funding for FY 2009 and FY 2008 (Supplemental).

BUDGET DETAIL TABLE

Higher Education						
Sources of Finance	FY 2007 Actual	FY 2008 Appropriated	Changes	FY 2008 Revised	Changes	FY 2009* Base Budget
General Fund	231,642,100	360,773,500	0	360,773,500	(174,500)	360,599,000
General Fund, One-time	(16,186,800)	(301,894,100)	0	(301,894,100)	302,068,600	174,500
Uniform School Fund	0	18,137,400	0	18,137,400	0	18,137,400
Uniform School Fund, One-time	17,000,000	(147,800)	0	(147,800)	147,800	0
Education Fund	467,248,200	407,878,100	0	407,878,100	0	407,878,100
Education Fund, One-time	5,369,400	313,509,900	0	313,509,900	(313,509,900)	0
Federal Funds	5,369,452	4,205,400	0	4,205,400	0	4,205,400
Dedicated Credits Revenue	350,710,440	369,004,700	12,798,900	381,803,600	(2,116,200)	379,687,400
Dedicated Credits - Land Grant	1,943,425	1,608,500	(500,000)	1,108,500	0	1,108,500
Federal Mineral Lease	2,742,853	1,745,800	0	1,745,800	0	1,745,800
GFR - Cigarette Tax Rest	4,284,500	4,284,500	0	4,284,500	0	4,284,500
GFR - Land Exchange Distribution Account	0	64,700	0	64,700	0	64,700
GFR - Prison Telephone Surcharge Account	819,436	1,000,000	0	1,000,000	0	1,000,000
GFR - Tobacco Settlement	4,000,000	4,000,000	0	4,000,000	0	4,000,000
Transfers	12,890,259	0	3,535,600	3,535,600	(3,535,600)	0
Transfers - Commission on Criminal and Juvenile J	34,500	34,500	0	34,500	0	34,500
Other Financing Sources	852,796	0	0	0	0	0
Beginning Nonlapsing	88,275,949	0	0	0	0	0
Closing Nonlapsing	(86,061,143)	0	0	0	0	0
Total	\$1,090,935,367	\$1,184,205,100	\$15,834,500	\$1,200,039,600	(\$17,119,800)	\$1,182,919,800
Agencies						
University of Utah	370,458,878	395,227,800	2,005,700	397,233,500	(1,725,900)	395,507,600
Utah State University	210,946,996	228,463,200	2,950,300	231,413,500	(1,712,500)	229,701,000
Weber State University	107,221,141	110,792,400	10,900	110,803,300	170,600	110,973,900
Southern Utah University	47,968,334	50,408,200	1,759,400	52,167,600	10,600	52,178,200
Snow College	24,772,759	27,110,000	75,000	27,185,000	(39,000)	27,146,000
Dixie State College	27,079,251	31,039,800	350,000	31,389,800	363,100	31,752,900
College of Eastern Utah	16,540,250	21,495,100	(85,400)	21,409,700	(1,485,800)	19,923,900
Utah Valley State College	98,794,210	114,400,300	2,656,500	117,056,800	553,400	117,610,200
Salt Lake Community College	100,332,500	105,377,600	2,002,000	107,379,600	(1,000,000)	106,379,600
Utah College of Applied Technology	61,021,613	61,179,400	4,110,100	65,289,500	(4,304,300)	60,985,200
State Board of Regents	25,799,435	38,711,300	0	38,711,300	(7,950,000)	30,761,300
Total	\$1,090,935,367	\$1,184,205,100	\$15,834,500	\$1,200,039,600	(\$17,119,800)	\$1,182,919,800
Categories of Expenditure						
Personal Services	850,633,574	952,845,100	3,730,000	956,575,100	(3,345,900)	953,229,200
In-State Travel	8,909,206	5,177,200	351,500	5,528,700	(27,000)	5,501,700
Out of State Travel	0	2,000	(2,000)	0	0	0
Current Expense	172,628,841	165,312,800	12,471,800	177,784,600	769,500	178,554,100
Capital Outlay	11,657,760	10,441,900	1,422,900	11,864,800	(5,305,900)	6,558,900
Other Charges/Pass Thru	47,105,986	50,426,100	(2,139,700)	48,286,400	(9,210,500)	39,075,900
Total	\$1,090,935,367	\$1,184,205,100	\$15,834,500	\$1,200,039,600	(\$17,119,800)	\$1,182,919,800
Other Data						
Budgeted FTE	12,773.0	13,343.6	450.5	13,794.1	0.0	13,794.1
Vehicles	1,938.0	1,887.0	51.0	1,938.0	0.0	1,938.0

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