

MINUTES OF THE  
HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE  
FRIDAY, FEBRUARY 5, 1999, 2:00 P.M.  
Room 223, State Capitol Building

Members Present: Sen. Robert Montgomery, Committee Co-Chair  
Rep. Afton Bradshaw, Committee Co-Chair  
Sen. Paula Julander  
Sen. Millie Peterson  
Sen. Terry Spencer  
Rep. Patrice M. Arent  
Rep. Melvin R. Brown  
Rep. Mary Carlson  
Rep. Margaret Dayton  
Rep. Carl. R. Saunders  
Rep. Jack E. Seitz  
Rep. Richard M. Siddoway  
Rep. LaWanna "Lou" Shurtliff  
Rep. Gordon E. Snow

Members Excused: Sen. Leonard Blackham

Staff Present: Boyd A. Garriott, Senior Legislative Fiscal Analyst  
Debra Headden, Legislative Fiscal Analyst  
Rolayne Day, Secretary

Others Present: Commissioner Cecelia Foxley  
Emily Decker, UU Student and Bennion Center Volunteer  
Baron A. Rohbock, President, Students Serving Utah Network  
Sim Aguirre, SLCC Student Body President, UCSP Vice President  
Doug Dubitsky, UU Student Body President  
Steve Nelson, Westminster Student Body President  
Rob Reynard, Student Regent  
Charlie Johnson, Chair, Board of Regents  
Rebecca Wood, U Student  
Jim Moore, SLCC Student  
President Kerry Romesberg, UVSC  
Norm Tarbox, USHE  
Dr. Andy Gilano, President of Educator's Mutual Insurance Association  
President Frank Budd, SLCC  
Bonnie Jean Beasley, Chair, SLCC Board of Trustees  
Brad Mortensen, GOPB  
Julie Rayl, Coalition for People with Disabilities  
John Adams, Coalition for People with Disabilities  
Jolene Merideth, Coalition for People with Disabilities  
Rusty Wells, Coalition for People with Disabilities

List of Others Present on File:

Committee Co-Chair Montgomery called the meeting to order at 2:10 p.m.

1. Student Representatives—Without dissent, Co-Chair Montgomery changed the order of business and started with the student representatives. Emily Decker, UU student and volunteer at the Bennion Center, discussed the \$100,000 request to hire a director for the Utah Campus Compact that promotes service on campuses around the state. Baron Rohbock, UVSC, discussed statewide student volunteer efforts, a way students can give back to the community.

Sim Aguirre, SLCC Student Body President and President of the Utah Council of Student Body Presidents, said students have many issues. Doug Dubitsky, UU Student Body President, said students are concerned about how information is collected, what is collected, how the information is disseminated, and who has access to it. They are very concerned that only necessary information is collected from students and they would like to move away from using social security numbers for identification.

Steve Nelson, Westminster Student Body President discussed the need for student financial aid. The student debt is very high and he encouraged financial aid funding especially for UCOPE.

Rep. Arent asked how moving away from social security numbers is working. Mr. Dubitsky said it is working well at the U although it is still in the change process. Most institutions are talking about changing, but some think the cost is prohibitive.

Mr. Aguirre discussed technology funding; the need for current software and the funding to pay for it. Computer hardware has an average life expectancy of three years; software averages 18 months. Utah colleges only have three-fourths of the staff required to provide computer support. Core technology is not a one-time expense.

Student Regent Rob Reynard said it is important to receive Library Initiative funding to have adequate libraries across the system.

**MOTION:** Sen. Peterson moved to approve minutes of the January 29, 1999, and February 3, 1999, meetings.

The motion passed unanimously with Sen. Julander and Rep. Brown absent at the time of voting.

2. Enrollment—Analyst Boyd Garriott said growth funding has been a constant problem over the years. The analysts calculated a weighted average that was used to determine a basic funding value by institution. In the past three years, a number of institutions have had a hard time reaching their funded target levels. There has also been a concern that the semester conversion would cause a drop in enrollment and a potential \$1.4 million funding loss. Enrollments are down over 5,000 students for Fall Semester. Intent language from FY 99 said higher education would be held harmless for FY 2000 if funded targets were not met. The analysts did not reduce funding in their recommendations for FY 2000. Growth did occur at UVSC who went through a semester conversion a few years ago. Higher education anticipates enrollments will rise this semester.

The analysts feel funding should follow enrollments; if enrollments fall below or go above the target level, funding should increase or decrease proportionately. They are also trying to adjust the enrollment formula to account for differences in the actual cost of instruction at varying instructional levels. The current \$300 for non-instructional costs in the formula is too low, however, because of the funding available for higher education, the analysts were not able to fund that request.

The Regents propose to use \$600 in non-instruction costs per student in the formula. The analysts are comfortable with that but take issue with using a system wide average. Mr. Garriott said if the institutions use the system wide average of \$600, the UU, for example, would lose \$200 per student and USU would lose \$168 per student. The community colleges would get \$333 more than the actual cost per student. One of the guiding principals is to keep costs to what is actually occurring. The analysts used an average for the two research institutions, an average for the two metropolitan universities, and an average for the community colleges in their funding recommendations. Mr. Garriott questioned CEU's costs that are above the UU's expenditures per student.

Regent Chair Charlie Johnson said there is no over or under funding because increasing funding from \$300 to \$600 per student still doesn't fund the entire cost. The Council of Presidents agreed that it should be a flat rate across the system because all schools are underfunded. Mr. Johnson said even with the "hold harmless" intent language, institutions are way behind on tuition because of lower enrollments. They are asking for a \$30 per student increase this year as part of a ten-year phase in.

President Kerry Romesberg, said UVSC represents 84% of the enrollment growth; they grew 13.6% from last spring's third week enrollment. The USHE funds on a short lag—actual enrollment for last summer and fall plus this spring's enrollment, so it is more accurate than before. If they are funded for growth this year, they would still be short. The problem with the

analysts' approach to variable funding for enrollment by institution is that the institutions have not been able to keep up with costs. UVSC has one academic counselor per 4,000 students. What the analysts recommend perpetuates that problem.

3. Employee Medical and Dental Benefits—Sen. Montgomery said the escalation of medical and dental costs is causing havoc at the institutions. Mr. Garriott said the UU and USU have self-funded health coverage, others use EMIA, and SUU uses Blue Cross/Blue Shield. A number of the institutions are in three year contracts with EMIA that have built-in escalating clauses. However, many institutions are now being asked to renegotiate their contract or find another provider. If all contracts were renegotiated, it would cost \$5.2 million and the money to fund the higher costs is not in the budget. Rep. Snow asked if all contracts provide the same benefits. Mr. Garriott said that since each school negotiates their own package, contracts vary.

Norm Tarbox, USHE, said they are still in the discovery mode on this issue. He noted that the analysts' handout is preliminary information and in two weeks they will know more. It is a substantial enough issue that they felt the Committee needed to know the information.

Dr. Andy Gilano, President EMIA, said they will try to work with the Fiscal Analyst's Office and the Board of Regents to get things resolved. Rep. Carlson asked what mandates added to the costs. Dr. Gilano said a number of them, including past federal and state mandates, waiving pre-existing conditions, adoption of maternity benefits, insurance portability, out-of-date co-payment costs, and availability of providers in the area. Dr. Gilano also noted that doctors have banded together and are demanding higher reimbursements. Rep. Carlson asked for a report of the increases broken down by institution; Mr. Tarbox will put that information together for the Committee.

**MOTION:** Rep. Carlson moved to add \$5.2 million to cover insurance increases to the unfunded items list.

The motion passed unanimously with Rep. Bradshaw absent at the time of voting.

4. SLCC Presentation—President Frank Budd said last Fall SLCC had more students than they have ever had at the institution and this Spring they have 19,000 students. What that represents, however, is more students taking a lower load and he isn't sure it is a temporary trend. President Budd demonstrated that one student taking 15 credits is one FTE and five students taking three credits are also one FTE. All five of the students need to be counseled, park, etc. You get five times the counseling, entrance applications, testing, etc. Typically, SLCC's students take about eight credits per semester.

SLCC contracted with EMIA last year for three years for a maximum 5% increase per year. They have been notified that EMIA cannot meet that contract and their increase is 35% for the coming year. SLCC has been able to get faculty at low salaries (25-26% lower than peers) because they have had great benefits. They will not be able to do that in the future if they have to pay a 35% insurance increase.

There are 30 employees at SLCC who fall below the salary poverty line. They ask for salary adjustments to help offset these problems.

Institutional priorities are critical. They request funding for technology support, instructional support, an LRC studio operations technician, the student self program audit—on course, five full-time faculty, tutors, and distance education support. They are also asking for ATE funding for technology support at the College and at the Skills Center, funding for the apprenticeship shortfall and three full-time faculty.

President Budd said SLCC provides a tremendous amount of non-credit, non-State funded instruction (18,000 people). It is a significant factor to the economy of this area and the State.

The analysts recommend \$249,000 be transferred from SLCC to the WFSATCSR for ATE instruction. As President Budd has met with the WFSATCSR, their highest priority was to provide ATE instruction to secondary students. He agreed to take the \$249,000 in SLCC's budget for that purpose. SLCC has tremendous pressure to do more for the non-credit student. The only place they have to get funding other than Custom Fit is the \$249,000. The Governor has recommended that the money stay with SLCC and that public education put more money into that area from their own budget.

Mr. Garriott said the Analyst recommended moving the money to public education because it has been used for secondary students for the last few years. They felt it would be important to adjust the funding structure so that the students being taught in public education are funded there. Any adult students should be funded through the higher education system. This is the first phase of an adjustment of the funding process.

Rep. Arent asked what percent of SLCC's faculty is adjunct. President Budd said it is about 60%.

Brad Mortensen, GOPB, said there were representatives of all interested parties who agreed that the \$249,000 should remain with higher education and that a building block should be placed in public education. President Budd said he viewed it as a loan to the consortium.

Bonnie Jean Beasley, Chair, SLCC Board of Trustees, said higher education is 150 years old. Back when it was started, the people were determined to educate their children because they knew that any hope for the future lies in education. It isn't so different today. There are a lot of people who are committed to education in this State.

5. Utah Valley State College Presentation—President Kerry Romesberg said SLCC and UVSC have many of the same problems and priorities. President Romesberg discussed a handout showing UVSC's growth over the last several years and projections to 2010. They are already larger than they are projected to be two years from now. Their constraint is space and they are turning away students. They remodeled a lot of their campus last year so they could grow. Enrollments are increasing at all levels of instruction. They are very heavily involved in concurrent enrollment with 1,522 FTE, not all budget related. 85.52% of their budget is dedicated to personal services. Recommendations say they should be using 3% of their budget for libraries, but they don't come anywhere near that.

President Romesberg said faculty salaries that are way below market. He discussed a list of people they tried to hire, where the people actually went and how much more they got—one received \$70,000 more as an English & Literature instructor.

UVSC takes classes on field trips as much as they can because Utah is an incredible natural laboratory. Parks are closing down because there are just too many people. UVSC has entered into a partnership with private money for a ranch facility at Capitol Reef. The Sleeping Rainbow Ranch can be used for their students and others around the State and the Nation.

UVSC has less assignable square feet per FTE per student than anyone in the system. President Romesberg said they shouldn't be punished for being efficient and creative in trying to find space for their students.

6. ADA Presentation—Julie Rayl, Coalition of People with Disabilities and UU student, thanked the Committee for all they have done for ADA. She said that the views of those speaking represent ADA students across the State.

Jolene Merideth, Coalition of People with Disabilities, spoke about disabilities that affect her and her family. She endorsed funding for the Genetics Research Lab at the U. Many illnesses appear to be family inherited and much research is necessary. She asked for funding so that research and studies for illnesses can continue.

Rusty Wells, UU student, discussed the sign language emphasis program. He is a sign language consultant and has been working on a five-year project for the Coalition. He is also a teacher of sign language courses in the evenings. ASL is the third most used language in America. Many colleges and universities offer ASL courses and enrollment has grown faster than inflation or the tuition rate.

There is no established curriculum in the ASL courses taught throughout the state, nor are there any full-time ASL instructors in any of the colleges. This has caused an adverse affect on many deaf students because there is a variance of sign language styles. Some have even had to be retrained which explains some of the reasons there is a shortage of interpreters in Utah. Mr. Wells asked for support for the sign-language emphasis program. They want a good program so they can train and keep students in Utah.

Rebecca Wood went to SLCC and is now going to the U to get a degree in education. Without ADA-provided services, she wouldn't be able to function as a student. It is important to Rebecca to be educated, get a job and to contribute to society. Without the services, she wouldn't be able to do that.

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Jim Moore, SLCC student, said he wouldn't be able to go to school at all if he didn't have Disability Resource Center services available to him. He said it would be a good investment to give SLCC more funding for the DRC program. Students will go on to get jobs and contribute to the economy.

Julie Rayl said the ADA issues are very important.

Mr. Garriott said the analysts suggest funding ADA out of any tuition increase.

**MOTION:** Rep. Arent moved to place ADA funding at \$400,000 and the sign language request at \$60,000 on the unfunded list.

The motion passed unanimously with Sen. Spencer absent at the time of voting.

Sen. Montgomery introduced newly appointed Regent George Mantes.

Commissioner Foxley discussed the Date Book distributed to the Committee. Anyone having question can contact the Commissioner's staff.

Rep. Seitz asked the analysts to include the Regents budget request on the handouts they prepare. Commissioner Foxley said the Regents provide that information on their handouts as well.

Sen. Montgomery said the co-chairs have been asked to give the unfunded items list to the Executive Committee on Monday, February 8, 1999.

Brad Mortenson said the Governor's recommendation is for flexibility. The information on the analysts handout is his own recommendations for comparison.

**MOTION:** Sen. Peterson moved to adjourn.

Co-Chair Montgomery adjourned the meeting at 4:15 p.m.

Minutes were reported by Rolayne Day, Secretary.

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Sen. Robert Montgomery, Committee Co-Chair

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Rep. Afton Bradshaw, Committee Co-Chair