

MINUTES OF THE
HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE
MONDAY, JANUARY 22, 2001, 2:00 P.M.
Room 223, State Capitol Building

Members Present: Sen. Lyle Hillyard, Committee Co-Chair
Rep. Afton Bradshaw, Committee Co-Chair
Sen. Peter Knudson
Sen. Paula Julander
Sen. Steve Poulton
Rep. Patrice M. Arent
Rep. Katherine M. Bryson
Rep. Margaret Dayton
Rep. Patricia W. Jones
Rep. LaWanna "Lou" Shurtliff
Rep. Richard M. Siddoway
Rep. Gordon E. Snow
Rep. Stephen H. Urquhart

Members Excused: Rep. Martin R. Stephens

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

Public Speakers Present: Commissioner Cecelia Foxley
Dr. Bernie Machen, President, UU
Dr. David Pershing, Sr. Vice President for Academic Affairs, UU
Dr. Loris Betz, School of Medicine Dean, UU
Dr. Wayne Peay, Director, Eccles Health Science Library, UU
Benjamin Riley, USU Studentbody President
Professor Joyce Foster, UU College of Nursing
Dr. Michael Peterson, Associate Commissioner, USHE

Visitor List on File

Committee Co-Chair Bradshaw called the meeting to order at 2:09 p.m.

1. University of Utah—President Bernie Machen said their institutional mission encompasses outstanding value in undergraduate education seen in nationally ranked programs at accessible cost to students, superb on-campus housing, a 21,000 headcount (90% Utah residents), small class sizes and hands-on experiences. They also balance new high school admissions with transfer students. Excellent graduate education is seen in over 5,000 graduate students across 96 fields of study including many nationally-ranked programs. Fifty-nine percent of all masters' credit hours and eighty-eight percent of all doctoral credit hours in the system are taken at the University of Utah.

Research awards last year totaled \$230 million with nationally recognized excellence in medicine, pharmacy, engineering, science, and social science/humanities. The 320 acre Research Park has 44 companies employing over 6,000 people creating a \$600 million economic impact.

The University's public service mission comes in the teaching hospital and an extensive network of clinics that provide health care for all Utahns. They are home to public television and radio, and their libraries serve other colleges and universities, other public libraries, governmental agencies, businesses, and citizens across the State. The U also houses the Museums of Natural History and Fine Arts and the Red Butte Arboretum.

President Machen fully supports the new funding formula and feel it provides a balance between enrollment growth and access to for a quality education; it also gives institutional leaders the flexibility to allocate new

resources. They feel the formula addresses critical needs for the University in enrollment growth, salary equity, library acquisitions, and on-going costs to keep up with changes in information technology network infrastructure in an increasingly computer-run institution.

Remaining critical needs come in extraordinary fuel and power increases where they expect to be \$2.4 million over budget this year and \$3.2 million next year; these increases cannot be met within the formula. President Machen discussed more money for library acquisitions and unmet needs in information technology.

Dr. David Pershing, Sr. Vice President for Academic Affairs, discussed the U's portion of the Engineering Initiative. One local company has 117 openings for engineers; the U only graduates 200 engineers each year, so there is clearly a need in this area. The initiative provides a 300% increase in biomedical engineering, a 250% increase in the School of Computing, a 75% increase in civil and environmental engineering, a 50% increase in mechanical, electrical, chemical, and materials engineering, and doubles the number of students in MIS (business) and other IT areas at the University of Utah alone. To accomplish this, they need a 50% increase in their instructional budget plus the new Engineering Building. They are asking for a \$1.2 million increase in base funding for faculty, one-time equipment funding of \$1.9 million, and partial funding for the new CS/Engineering Building at \$20 million. The University is committed to the Initiative and has already allocated \$310,000 in base funding for this purpose. Their commitment this year is \$1.2 million, a direct match to the budget request.

President Machen supports the funding formula and said that it places decision making at the point closest to where it impacts, the institutions. As the formula develops, the analyst's role could be that of evaluating how money was spent by the institutions, an important role for accountability.

Rep. Bryson asked how many students have been denied admission to the College of Engineering because they do not meet admission standards. Dr. Pershing has not kept count, but knows that it is a significant number. He also noted that the number of students desiring an engineering degree could be much higher since those that don't meet the requirements often don't even apply. It was also reported that 90% of the engineering students are Utahns and that 70% of the graduates stay and work in Utah.

2. School of Medicine—Dean Loris Betz said the School of Medicine benefits the entire state and the intermountain region (a of their patients come from out-of-state). They educate 400 medical students, 450 residents, and 370 MS and PhD seeking students in biomedical research, public health, and the physician assistant programs. The combination of State support and tuition revenue funds only 58% of the cost of education ranking them 64th out of 74 public medical schools in the nation. Federal cutbacks have disproportionately affected teaching hospitals and the Balanced Budget Act resulted in a \$39 million decrease while they still have to provide the same services. They request a \$5 million increase in on-going funding for the School of Medicine that will allow them to increase faculty salaries and concentrate on their educational mission.

Rep. Jones asked what would happen if adequate funding is not received. Dr. Betz said key faculty are already leaving. The Burn Unit, for example, is unique in the region and requires competitive salaries for the specialized physicians. They would have to close the unit if they cannot find the right doctors at the available salaries and people would have to go to Colorado or Washington for that type of care.

Fiscal Analyst Boyd Garriott, said this is a real need and that the Legislature should continue to monitor the funding needs of the School of Medicine. If additional funds become available, the Legislature may want to increase financial support of the school. They also recommend that an in-depth study into the financial needs of the School of Medicine be conducted during the interim.

Sen. Hillyard asked President Machen to pinpoint areas that the University is strong in and how the Legislature could help to make them better. President Machen declined to identify any areas and said that their requests highlight and the formula defines what is necessary at this time. Rep. Bradshaw said they are concerned about spreading programs too thinly across the system.

Mr. Garriott said the analysts are not prepared to respond to the University's Engineering Initiative plans because they have not been given the information they have asked for. He also asked why the Engineering Building at the

University of Utah has been moved to the top of the building request list when it hasn't been part of the Regents' Q and P process. President Machen said that the Engineering Building has been in the developmental process for the last six years. It comes to the top of the list now because of the Governor's Engineering Initiative and they cannot meet the needs of the Engineering Initiative without it.

MOTION: Sen. Poulton moved to approve minutes of the January 17, 2001, meeting.

The motion passed unanimously with Sen. Knudson and Rep. Dayton absent at the time of voting.

3. Utah Academic Library Consortium—Fiscal Analyst Debra Haedden discussed the history of the UALC and said they have done a great job pooling, refining, and sharing resources. The analysts recommend funding the requests if more funds become available.

Dr. Wayne Peay, Director, Eccles Health Science Library, noted that the UALC also includes two private institutions, BYU and Westminster College. He discussed the successes of the Utah Article Delivery System, creation and expanded access to Internet services, and the digitization of historical documents. They are facing a serious decline in the budget and their requests would help keep existing materials on the shelves. He also noted that the UALC supports the new funding formula that includes a library component.

USU Studentbody President Benjamin Riley (also representing the Association of Studentbody Presidents) expressed support of the UALC requests. He showed a list of over 200 journals that were cut last year from the library because of increased costs. He feels that libraries are an investment in the future.

Professor Joyce Foster, UU College of Nursing, said the UALC provides critical support for graduate education in the School of Nursing. Nurse Midwifery graduates, for example, take distance education courses throughout the State and need the UALC resources to meet course requirements. Access to online information at all hours of the day or night is also beneficial to nursing students who have a variety of work schedules.

Mr. Garriott said the Legislature has invested \$2.3 million in the Consortium over about five years and it has really made a big difference at all the institutions, especially the smaller schools. Rep. Arent applauded the wise use of funding and says it should be a model for other areas. Rep. Bryson asked how Nevada became a member of the Consortium. Dr. Peay said they asked to join because they didn't know how to cooperate in Nevada. It is advantageous to the system since it extends the resources and gives them a broader bargaining base for Internet resources.

Sen. Hillyard said a concern of former Sen. Nathan Tanner was the high price of publications that are mostly generated by other institutions. Dr. Peay said that Dr. Sarah Mahalik is currently working very hard with several national organizations to change those models and that Web access to publications is helping as well. Unbiased critical review is valuable to research, so they need to preserve the good parts of the publications. Their goal is to push predatory publishers out of this business and to demand that exploitation cease.

Rep. Bradshaw noted that the UALC was not given a funding increase last year. Dr. Michael Peterson, Associate Commissioner, said that library funding is in the core of the Regents' request and is a high priority.

MOTION: Rep. Siddoway moved to adjourn.

The motion passed unanimously.

Committee Co-Chair Bradshaw adjourned the meeting at 3:45 p.m.

Minutes were reported by Rolayne Day, Secretary.

Rep. Afton Bradshaw, Committee Co-Chair