Fiscal Highlights

Access to High Quality Schools - Hector R. Zumaeta Santiago

During the 2016 General Session, the Utah State Legislature appropriated $11 Million for 3 years (total of $33 million) of TANF reserve from the Department of Workforce Services for Access to High Quality School Readiness Programs. This appropriation was made as part of Senate Bill 101.

High Quality School Readiness Programs are programs that target the reduction of Intergenerational Poverty through education funding. These programs provide Intergenerational Poverty scholarships to eligible students -- students who are experiencing intergenerational poverty, are 4 years of age or younger, and have not been matriculated in preschool to allow them to have access to High Quality Schools.

The State Board of Education performs Early Childhood Environmental Rating Scale Assessments, as well as school visits, to determine if a school is a High-Quality School. Once that determination is made, applications are sent to the families of eligible students who reside in that area. This has led to regions such as Salt Lake City and Cedar City having a large concentration of these programs and scholarships.

Preliminary evaluations have been recorded at the start of the school year (August) and the students will be re-evaluated at the end of the school year (June). These performance measures will be ready for presentation by the Fall of 2017.

These programs continue Utah's efforts at reducing intergenerational poverty, an initiative that has been highlighted across the country

An Evaluation of Tax Exceptions and Inducements - Andrea Wilko

Utah offers more than 170 exceptions to tax code and inducements to behavior change. They can be roughly divided into four categories: Tax Policy, Economic Efficiency, Public Goods, and Economic Development. Of the 170, about 111 are of unknown dollar value. Many of the 59 whose size can be measured in dollars lack clearly defined purposes and goals.

Yet, states across the nation trend towards greater accountability for tax exceptions. They strive for better information structured in a way that determines potential returns on investment. Doing so allows policymakers to measure effectiveness across multiple and varied incentives.

The Legislative Fiscal Analyst (LFA) developed a report and an accompanying interactive dashboard to create an inventory of Utah tax exceptions and inducements. In the report LFA recommends first steps that could facilitate a uniform analysis of all tax exceptions and inducements. Such an analysis would allow legislators to compare exceptions and inducements and determine which are the most effective. Similarly, it would allow policymakers to decide which exceptions are duplicative and which complement one another.

The recommendations of the report included the following:

1. Articulate clear purposes and goals for each tax exception/inducement.
2. Establish common definitions for key measures.
3. Set baselines and targets for each measure, and then collect observations.
4. Address data limitations that hamper evaluation.
5. Create a 3 to 5 year review cycle for those not currently reviewed.

6. Require a reporting of sales tax exemption or establish a methodology for estimating from economic data.
7. Modify UCA 59-1-403 to allow the Tax Commission to share small data sets with the Legislative Fiscal Analyst for exception and inducement evaluations.

In response to the report, the Revenue and Taxation Interim committee took initial steps to improve the process by approving a bill draft that would allow the Legislative Fiscal Analyst to work with the Tax Commission to develop methodologies and proposals to estimate the impact of sales tax exemptions. The report was also presented to the Economic Development and Workforce Services Interim Committee.

An Update on Internal Service Fund Rates - Sean C. Faherty

On November 15th, the Executive Appropriations Committee heard an update on internal service funds.

An internal service fund (ISF) agency is a state entity that provides goods or services to other government agencies on a cost-reimbursement basis. Each fiscal year ISF agencies propose new rates based on expected costs; the Legislature then makes funding decisions based on those proposals. The two types of ISF rates are those that are consumption or use based, such as vehicle/fleet management or information technology services and those that are determined actuarially such as property or liability insurance.

ISF agencies employ business practices to take advantage of economies of scale, to avoid duplication of effort, and to provide an accounting mechanism to identify costs of certain governmental services. There are two primary advantages to using internal service funds within government. First, ISFs charge customer agencies at rates set by the Legislature, and the price mechanism motivates customer agencies to find efficiencies to reduce expenses for ISF services so that operational budgets can be utilized elsewhere. Second, agencies can use federal and restricted funds to pay for ISF services rather than relying solely on General Fund and Education Fund appropriations.

The state's major ISFs are operated by the Department of Administrative Services (DAS), the Department of Human Resource Management (DHRM), and the Department of Technology Services (DTS). When making funding decisions during the 2016 General Session, the Legislature did not fund all impacts and agencies for these ISFs and they have had to work within their own budgets to manage those differences.

The combined impact of the proposed DAS, DHRM and DTS rates, if approved for the 2017 General Session would be $2.24 million ($1.35 million GF/EF), all from discretionary/consumption based rates.

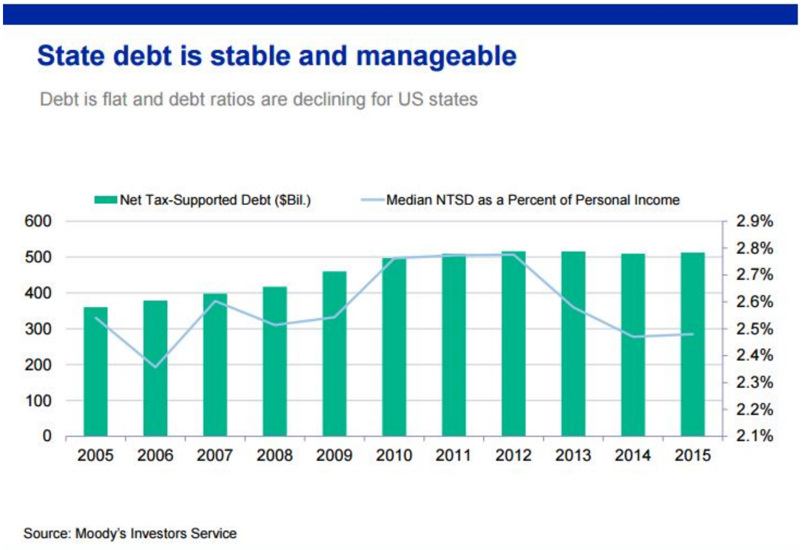
The Legislative Fiscal Analyst made the following three recommendations to the Executive Appropriation Committee (EAC):

1. Due to the differences between actuarially-based and consumption-based rates, LFA recommended that the EAC include actuarially-determined rate impacts in its discussion of major cost drivers each fall.
2. LFA also recommended that EAC refer all other ISF rate impacts to the appropriations subcommittee with jurisdiction over the ISF for review and new funding prioritization.
3. To support agencies that did not received ISF funding for Risk Management during the 2016 General Session, LFA recommended the Legislature consider providing $1.2 million ($0.7 million GF/EF) one-time in FY 2017 and $1.2 million ($0.7 million GF/EF) ongoing beginning in FY 2018 for Risk Management rate changes.

As the Holidays Begin, Let's Discuss Debt Affordability - Steven M. Allred

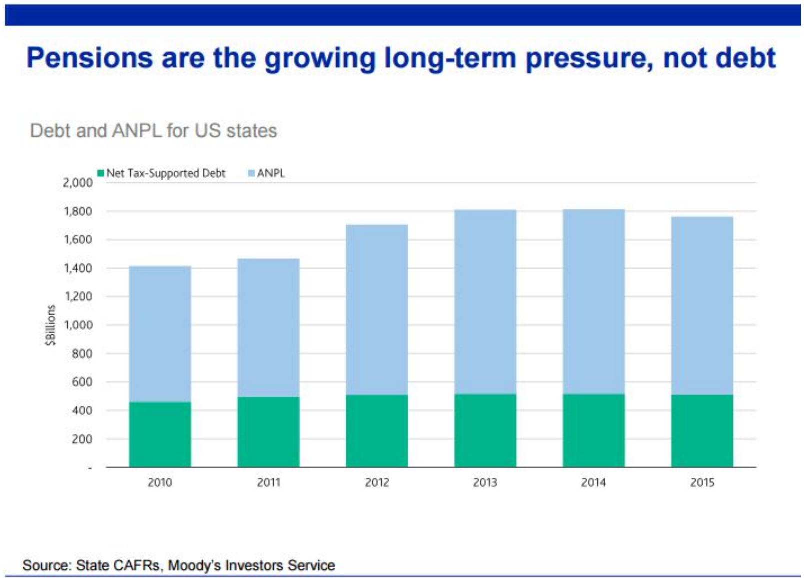
I recently had the opportunity to attend a National Conference of State Legislatures fiscal seminar for legislators and staff from across the country. I found the presentations to be interesting and informative. On several occasions Utah was recognized as being a fiscally well-managed state. One presenter, from UBS Financial Services, congratulated our state on having the best credit of any state in the nation. Another presenter, from Moody's Investor Service, reviewed states' debt and factors states should consider when analyzing debt affordability. I will highlight her presentation here.

A good debt affordability review should include more than just a state's current debt. It should also include all long-term liabilities (in particular pension and other post-employment benefit liabilities), current commitments (for example, Medicaid), and revenue projections. As shown in the chart below, on a national level state debt has stabilized in dollar value since 2010 and has declined as a percent of personal income since 2012.



Nationally in the past fifteen years we're spending less as a percentage of Gross Domestic Product (GDP) on infrastructure than in the previous thirty years. States have become averse to debt due to painful memories of the Great Recession and other commitments being incurred. During the last four years municipal bond rates have been historically low, yet states have not been borrowing to what Moody's believes is the need to maintain infrastructure. While the presenter didn't say this, it is also possible that well-managed states are using pay-as-you-go rather than borrowing in recent years.

Average net pension liability (not debt) is the largest pressure point on states' long-term liabilities:



Interestingly, Utah's net pension liability is lower than our net tax-supported debt. The Division of Finance recently provided the Executive Appropriations Committee with our FY 2016 long-term liabilities from the soon-to-be-released Comprehensive Annual Financial Report (CAFR). A copy of the table is shown below. Across three categories of state government activities, General Obligation Bond debt was $2.5 billion and net pension liability was $1.4 billion. Lease/revenue and revenue bond debt was $2.7 billion ($1.3 billion of which was student assistance revenue bonds), and total long-term liability summed to $8.5 billion.

Long-term Liabilities
(Expressed in Thousands)

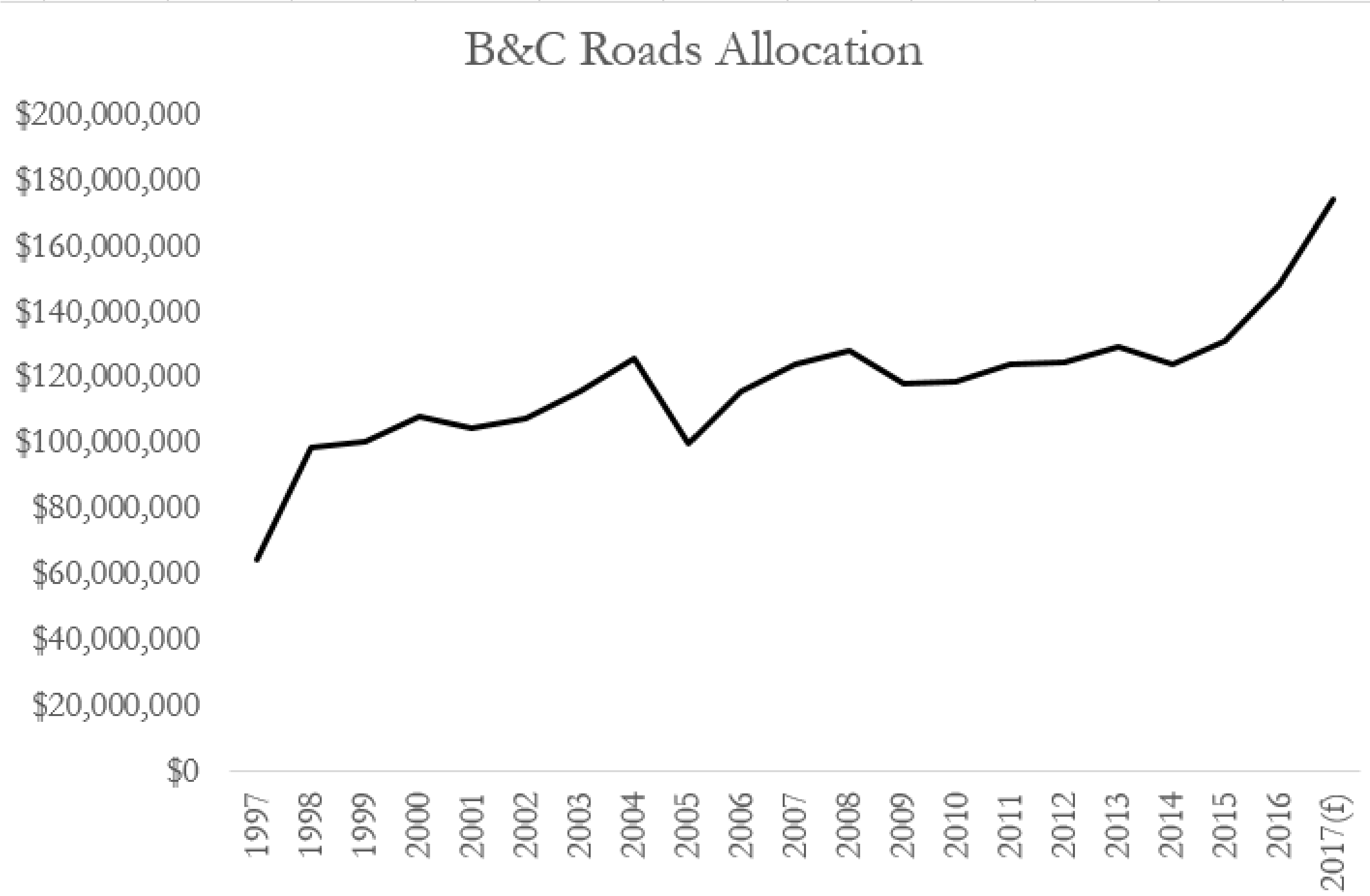
	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
General Obligation Bonds	$ 2,830,150	$ —	$ (331,255)	$ 2,498,895	$ 324,910
State Building Ownership Authority Lease Revenue Bonds	166,773	93,625	(17,422)	242,976	17,813
Net Unamortized Premiums	122,321	4,405	(33,899)	92,827	26,305
Capital Leases (Note 9)	20,287	5,100	(1,889)	23,498	1,864
Notes Payable	370	—	(31)	339	34
Compensated Absences (Note 1) **	185,792	86,398	(89,483)	182,707	89,800
Claims **	46,931	17,003	(15,842)	48,092	20,565
Pollution Remediation Obligation	5,086	2,296	(981)	6,401	570
Net OPEB Obligation (Note 18) **	4,126	1,110	(1,388)	3,848	—
Settlement Obligations	4,471	—	(4,106)	365	46
Net Pension Liability (Note 17) *	802,543	189,952	—	992,495	—
Total Governmental Long-term Liabilities	$ 4,188,850	$ 399,889	$ (496,296)	$ 4,092,443	$ 481,907
Business-type Activities					
Student Assistance Revenue Bonds	$ 1,509,543	$ —	$ (253,517)	$ 1,256,026	$ 246,498
State Building Ownership Authority Lease Revenue Bonds	73,207	4,525	(5,057)	72,675	5,237
Water Loan Recapitalization Revenue Bonds	46,940	—	(5,025)	41,915	5,235
Net Unamortized Premiums	8,696	230	(3,503)	5,423	1,566
Claims and Uninsured Liabilities	7,587	182,949	(184,810)	5,726	5,726
Notes Payable	1,152,207	—	(230,212)	921,995	921,995
Net Pension Liability (Note 17) *	13,320	4,525	—	17,845	—
Total Business-type Long-term Liabilities	$ 2,811,500	$ 192,229	$ (682,124)	$ 2,321,605	$ 1,186,257
Discrete Component Units					
Revenue Bonds	$ 984,043	$ 172,282	$ (91,724)	$ 1,064,601	$ 45,729
Net Unamortized Premiums / (Discounts)	13,161	4,130	(1,519)	15,772	596
Capital Leases/Contracts Payable (Notes 9 and 10)	165,328	89,099	(26,219)	228,208	30,485
Notes Payable	180,167	226	(58,060)	122,333	65,817
Claims	131,005	554,729	(547,942)	137,792	65,306
Leave/Termination Benefits (Note 1)	133,595	106,539	(97,443)	142,691	90,771
Capital Assets Held for Others	14,135	—	(405)	13,730	403
Net Pension Liability (Note 17) *	271,955	74,740	—	346,695	—
Total Discrete Component Long-term Liabilities	$ 1,893,389	$ 1,001,745	$ (823,312)	$ 2,071,822	$ 299,107

B&C Roads Funding May Reach $175 Million in 2017 - Thomas E. Young

The 4th Special Session of the 2016 Legislature addressed B and C Roads funding. Among the formula questions addressed were the growth rate applied to hold harmless counties, how the allocation from non-hold harmless entities to hold harmless entities is achieved, and in which fiscal years various allocations are made. In the discussion of B and C Roads funding, the two questions most often asked were what type of growth B and C Roads funding has had throughout the years and what type of an effect the gas tax increase has had on B and C Roads revenue. The following graphic has that look.

Overall, B and C Roads funding has grown from $65 million in 1997 to about $149 million in 2016. If current growth rates are indicative of where revenue to B and C Roads is going, revenue to B and C Roads may reach $175 million by the end of FY 2017.

On the question of the most recent tax increase: the trend in revenue before the gas tax increase was for B and C Roads funding to reach about $140 million in 2016 and $148 million in 2017. Taking the actual or estimated revenue for FY 2016 and FY 2017 and subtracting off what would have happened without the gas tax increase means the gas tax increase increased revenue to B and C Roads by about $9 million in 2016 and $27 million in 2017.



Comprehensive Study of Career and Technical Education in Utah - Jill L.Curry

House Bill 337, Career and Technical Education Comprehensive Study (2015 General Session), created the Career and Technical Education (CTE) Board within the Department of Workforce Services and tasked it with conducting a comprehensive study of CTE in Utah. This study is detailed in Utah statute 35A-5-403 and includes an inventory of all CTE programs in Utah, a description of CTE funding in the state, and an assessment of Utah business and industry needs for employees with skills taught in CTE classes.

There are three agencies offering CTE in Utah: the Utah State Board of Education (USBE), the Utah System of Higher Education (USHE), and the Utah College of Applied Technology (UCAT). The USBE is focused on K-12 education. Career and technical education is ancillary, but important to the general education of K-12 students. The USHE offers formal higher education with career and technical education opportunities at its colleges and universities. The primary purpose of the UCAT is to provide career and technical education.

The revenue apportioned for career and technical education and provided to the USBE, USHE, and UCAT varies, but overall has increased over time in all three agencies as seen in tables 1, 2, and 3 below. From 2011 to 2015, state appropriations for each agency have grown at a rate of 5.0 percent (USBE), 5.2 percent (USHE) and 8.2 percent (UCAT) annually. Tuition and fees have increased by an annual rate of growth of 10.6 percent for USHE and 6.1 percent for UCAT.

Table 1. Utah State Board of Education CTE Revenue, 2011-2015

Year	State Appropriations	Local Match	Total
2015	$68,764,547	$72,137,948	$140,902,495
2014	$65,528,338	$77,384,359	$142,912,697
2013	$63,615,592	$72,371,742	$135,987,334
2012	$60,762,635	$70,797,777	$131,560,412
2011	$59,303,692	$69,014,520	$128,318,212
Total	$317,974,804	$361,706,346	$679,681,150

Table 2. Utah System of Higher Education CTE Revenue, 2011-2015

Year	State Appropriations	Tuition	Total
2015	$89,824,308	$80,428,191	$170,252,499
2014	$76,791,221	$73,939,736	$150,730,957
2013	$73,429,125	$69,799,786	$143,228,911
2012	$78,715,690	$65,734,479	$144,450,169
2011	$73,435,799	$53,733,549	$127,169,348
Total	$392,196,143	$343,635,741	$735,831,884

Table 3. Utah College of Applied Technology CTE Revenue, 2011-2015

Year	State Appropriations	Tuition	Total
2015	$65,975,100	$7,504,300	$73,479,400
2014	$57,830,600	$7,376,100	$65,206,700
2013	$51,221,400	$6,763,000	$57,984,400
2012	$47,895,800	$6,390,400	$54,286,200
2011	$48,019,600	$5,921,400	$53,941,000
Total	$270,942,500	$33,955,200	$304,897,700

The comprehensive study also inventoried the programs offered by each of the agencies. The three CTE agencies offered a wide variety of programs to meet the varied educational and occupational interests of students with regard to both extent and area of specialization. Table 4 has the total number of unique CTE programs offered by each agency. Examples include commercial photography and robotics (USBE), ironworker technology and respiratory therapy (USHE), and machine tool technology and medical clinical assistant (UCAT). Programs across the CTE agencies offer different levels of education. All three agencies offer industry certifications and certificates and the USHE offers associate degrees in CTE-related fields.

Table 4. Unique CTE Programs by Agency, Fall 2016

Agency	Number of Unique Programs
USBE	56
USHE	166
UCAT	83

FY 2018 Capital Development Rankings - Brian Wikle

As defined by UCA 63A-5-104, "capital development" means 1) a remodeling, site, or utility project with a total cost of $3,500,000 or more; 2) a new facility with a construction costs of $500,000 or more; or 3) a purchase of real property where an appropriation is requested to fund the purchase.

The State Building Board (SBB) and Utah System of Higher Education (USHE) presented their rankings of capital development funding requests for FY 2018 at the October 2016 meeting of the Infrastructure and General Government Appropriations Subcommittee (see SBB Ranking and USHE Ranking). The following table shows SBB and USHE's prioritizations. As for requests for higher education buildings, the two bodies' prioritization orders are the same. Additionally, separate from higher education building requests both bodies prioritized a land bank request from Snow College.

FY 2018 Capital Development Prioritization

Agency	Project	Rank	
		SBB	USHE
University of Utah	The Medical Education & Discovery (MED) / Rehabilitation Hospital (MED Complex)	1	1
Dixie State University	Human Performance Center	2	2
Weber State University	Social Science Building Renovation	3	3
Department of Agriculture and Food	William Spry Agriculture Building Replacement	4	
Uintah Basin Applied Technology College	Welding Technology Building	5	
Utah School for the Deaf and the Blind	USDB Springville School	6	
Utah State University	Biological and Natural Resources Renovation	7	4
Utah Army National Guard	New Nephi Army Utility Extension and State Share 75 / 25 Split	8	
Utah Valley University	New Business Building	9	5
Mountainland Applied Technology College	Thanksgiving Point Campus Technology Trades Building	10	
Bridgerland Applied Technology College	Health Science and Technology Building	11	
Salt Lake Community College	Herriman Campus General Education Building	12	6
Department Of Human Services / Division of Juvenile Justice Services	Salt Lake Multi-Use Youth Center	13	
State Courts	Sixth District Courthouse Sanpete County Manti	14	
Davis Applied Technology College	Allied Health Building	15	
Department of Natural Resources-Parks	Willard Bay State Park North Lake Day Use Development	16	

Justice Reinvestment Initiative (JRI): Status Report - Gary R. Syphus

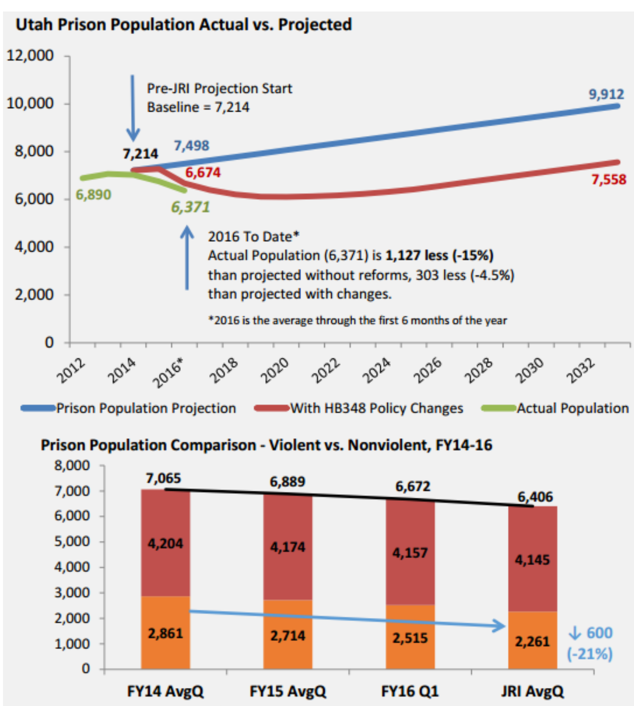
During the 2015 General Session, the Legislature passed House Bill 348 commonly referred to as the Justice Reinvestment Initiative (JRI), which aims to address recidivism in the adult correctional system. This change was in large part based on the review of Utah criminal justice data by Pew Charitable Trusts working with CCJJ and other state agencies. The Commission on Criminal and Juvenile Justice (CCJJ), who is directly overseeing JRI's implementation, recently gave a status report on the implementation of JRI to various committees including the Executive Offices and Criminal Justice Appropriations Subcommittee and the Executive Appropriations Committee. In addition to reforms, the Legislature initially appropriated about $14 million to implement the initiative. CCJJ reported on various aspects of implementation, success, deficiencies, and more. The full report can be found here.

As background, PEW and CCJJ's review found that there had been "an 18 percent increase in Utah's prison population in the past decade." CCJJ estimated that without action, the state would need to house an additional 2,700 inmates by 2034. CCJJ reported that "almost half (46%) of Utah's inmates who are released from state prisons return within three years." The total $14 million appropriation (of which about half, or $7 million of total funding was for grants to be passed through to counties to help carry out the initiative) was distributed as follows (further funding detail can be found here on pp. 7-8):

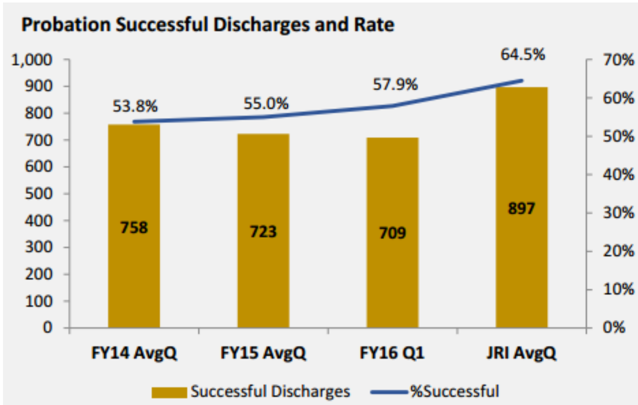
1. $6.0 million to the Department of Corrections,
2. $4.5 million to the Department of Human Services,
3. $2.8 million to CCJJ, and
4. $0.1 million to the Board of Pardons and Parole.

While there is much more information within the report, CCJJ reports that the key takeaways are that:

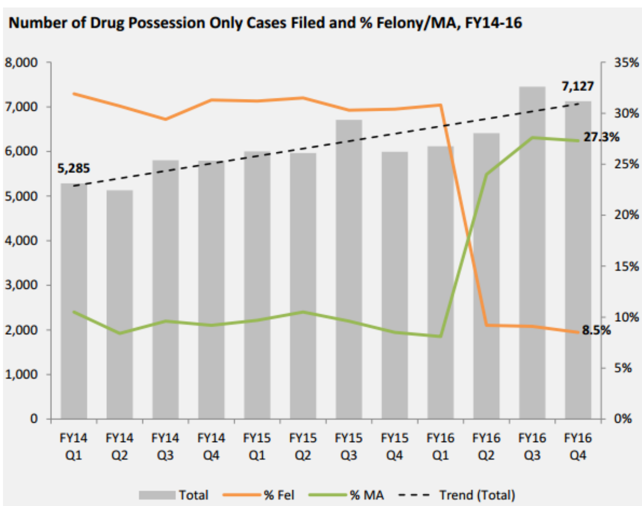
1. As designed, the overall prison population has continued to decrease and the number of nonviolent, low-level offenders being sent to prison has been reduced significantly. Here is the chart:



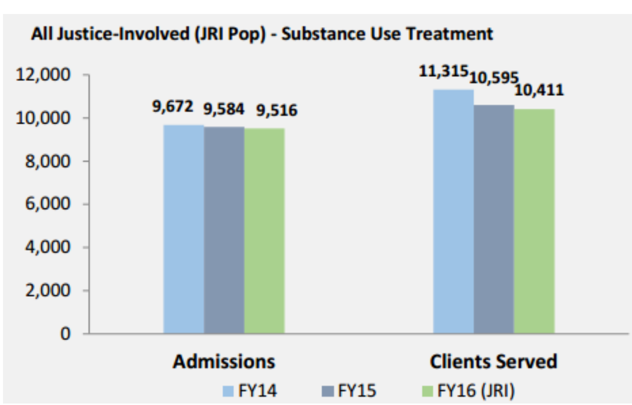
2. Probation-focused policies are progressing as expected, with fewer probation revocations, an increase in the number and rate of successful discharges, and slowed growth of the probation population overall. Here is the chart:



3. Reclassifying drug possession only penalties from a 3rd degree felony to a class A misdemeanor on the first or second offense has significantly reduced the overall percentage of felony drug offenses. Here is the chart:



4. Criminal history scoring revisions to the Sentencing Guidelines, re-calibrated to better reflect the seriousness of offenders, have resulted in fewer recommendations to prison for 3rd degree felonies.
5. Substance use treatment numbers pre-and post-reform remain fairly constant, with treatment for both substance use and mental health being an ongoing area in need of expansion. Here is the chart:



When asked about why fewer clients were served overall while additional state funding was appropriated for treatment, counties attributed it to a few factors. The main factors were (1) the JRI population is more costly to serve as their cases of substance abuse and mental health are typically more serious and thus more costly on average and (2) an outside factor of the federal government reducing a grant that serves some of this population and that net funding (state + federal) is lower than what it was prior to JRI. This factor combined with the fact that the estimated unmet treatment need was already about $16.4 million exacerbates the issues of lower funding available for treatment than was originally estimated. However the Legislature passed House Bill 437, "Health Care Revisions" in order to help fund much of this estimated unmet need that is conditional upon a federal waiver. It is noted that the federal government has not yet made a decision whether to approve the proposal and the Department of Health reported that they will likely not get a decision until April 2017 at the earliest.

Managing the $173 Million DCFS Budget - Clare Tobin Lence

At the October 2016 meeting of the Social Services Appropriations Subcommittee, LFA staff presented an issue brief titled "Managing the $173 Million DCFS Budget." Completed in collaboration with the Department of Human Services - Division of Child and Family Services (DCFS), the brief reviews the regionalized structure of DCFS and introduces new methodology to inform the appropriate distribution of resources.

DCFS has a statewide administrative office in Salt Lake City and operates five regional offices: Salt Lake, Northern, Southwestern, Western, and Eastern. Allocating resources effectively among the regions given unpredictable caseloads and service needs is one of the division's challenges.

The brief identified a methodology for assessing the level of staffing in each region by creating a measure of (1) maltreatment incidents, (2) direct court-ordered custody placements, and (3) children referred to DCFS from other sources, referred to as MCOs. Staff determined the number of full-time equivalent (FTE) employees per 1,000 MCOs and compared the five regions. The assessment showed that Salt Lake had the lowest staffing ratio and the Eastern region had the highest (see Table 3 on page 3).

Another measure highlighted in the brief used MCOs, the number of children under 18, and the number of children currently in foster care to create a composite needs assessment. Each region's need score was then compared to usage of the 12 most expensive services. This analysis identified which services were used notably more or less in each region, compared to what would be expected based on the need score; the results will allow DCFS to look further into what variances are warranted based on particular population needs and what funding or service usage could be more effectively employed in another region or service category (see Table 11 on page 8).

For more detail, see the full brief: http://le.utah.gov/interim/2016/pdf/00004098.pdf.

Student Enrollment Continues to Grow - Ben Leishman

A total of 644,476 students enrolled in Utah public schools this fall. This is an increase of 10,580 students, an increase of 1.67 percent. The total enrollment was approximately 851 students higher than originally projected last fall.

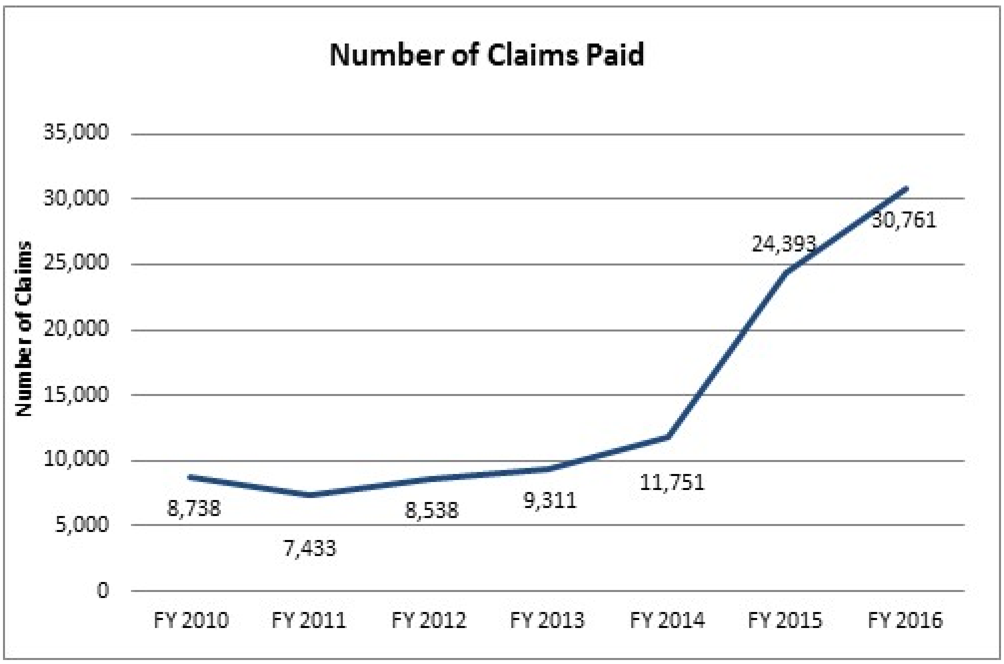
Over the past month, staff from the Fiscal Analyst Office have been working with staff from the Governor's Office and Utah State Board of Education to develop consensus student enrollment projections for fall 2017. This projection will be used to develop the FY 2018 budget. Student enrollment is projected to increase to a total of 654,565 students, an increase of 10,089 students or 1.57 percent.

We estimate that the total cost of this increased enrollment will be approximately $102.7 million, with $68.0 million coming from state funds and the remainder from local property tax revenue in the school districts.

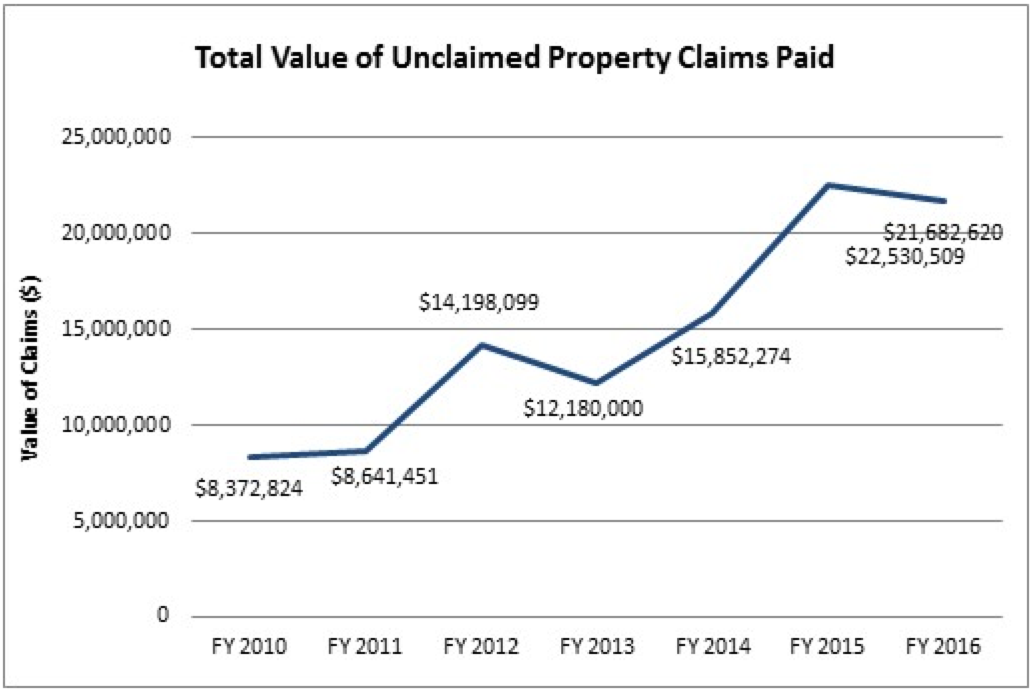
As with all estimates, there remains some risk that the projected enrollment numbers will be too low or the taxable value of property within the school districts is too high, both scenarios may increase the cost of enrollment growth to the state. We will continue to monitor the factors used to develop the various projections throughout the coming months and recommend adjustments as needed.

Unclaimed Property: A Pleasant Surprise - Alexander R. Wilson

The Utah State Office of the Treasurer has made significant progress over the last three years in redistributing funds from the Unclaimed Property Program. In fact, the number of claims paid since 2014 has nearly tripled. The following graph shows that before 2014 the number of claims paid has hovered around 10,000. However, in FY 2015 that number skyrocketed and has increased even more through FY 2016.



Interestingly, the value of the claims paid has also increased, but not as dramatically. The 12,000 claims in FY 2014 amounted to about $16 million, while the 31,000 claims in FY 2016 amounted to $22 million. In other terms, a 162% increase in claims only resulted in a 37% increase in value of claims. These results could be due to a number of reasons. One explanation is that the efforts of the Treasurer have reached many individuals with low value unclaimed property. Another explanation is that in previous years there could have been fluke extremely high value claims. This was to some degree confirmed by the Treasurer's Office when I was told that a few years ago there was a claim for $4 million and also one for $600,000.



The Office of the Treasurer attributes this success to many of their recent efforts. When I contacted the Office, I was informed about the paperwork intensive nature of this effort. Simply using modern imaging technology has increased the efficiency of the process resulting in more claims. After fixing the process efficiency, the Office has focused on rebranding the unclaimed property efforts. They created a new website and embarked on an education and outreach campaign. This outreach has utilized all forms of media. Specifically, the State Treasurer has appeared on various radio talk shows to explain unclaimed property. Also, there has been a strong focus on digital marketing and social media. Another effort is that of the Fast Track system. This system uses identifying information connected with the property to streamline the claim process. Finally, the Office has even coordinated with some local officials and legislators to communicate with individual constituents and return unclaimed property.

The Unclaimed Property Division is an aspect of State Government that should be understood by not only the citizens of Utah, but also those working for the state. Unclaimed property can be found at https://mycash.utah.gov/UP_Start.asp. It is easy to use and a very tangible means the state can use to give back to the citizens.

As a final note, after I learned of the division, I searched my name and the names of my immediate family. Our family had a little over $200 in unclaimed property. I guess it should matter that we had earned the money, but since it was so long ago, it felt free. I, like most citizens, was used to giving money to the government; getting something back was a pleasant surprise.

Updated Full Medicaid Expansion Cost Estimates - Russell T. Frandsen

Staff was asked to update full Medicaid expansion cost scenarios. This resulted in five changes to prior estimates as detailed below:

1. updated enrollment based on individuals with incomes from 100% to 138% of the federal poverty limit who would automatically be put on a full Medicaid expansion and are currently served via the federal healthcare exchange (increased costs)
2. later start date (decreased costs)

3. updated per member per month costs based on market and Medicaid experience (increased costs)
4. more woodwork realized, those who are already eligible for Medicaid who decide to sign up (decreased costs)
5. more savings from other state-funded programs (decreased costs)

Below is how the full Medicaid expansion scenario compares to prior estimates, such as the one in S.B. 77 from the 2016 General Session:

Medicaid Expansion Proposal[1]	FY 2021 ($ in millions)		Change	% Change
	2016 General Session	2016 Interim		
Clients[2]	109,000	127,000	18,000	17%
Match Required[3]	$64.4	$74.4	$10.0	16%
Other Reductions[4]	$15.0	$17.0	$2.0	13%
General Fund (GF)	$49.4	$57.4	$8.0	16%
Federal Funds (FF)	$576.0	$644.4	$68.4	12%
Woodwork	37,000	28,000	(9,000)	-24%
Woodwork (GF)	$27.8	$17.9	($9.9)	-36%
Woodwork (FF)	$65.7	$43.6	($22.1)	-34%
Total Clients	**146,000**	**155,000**	**9,000**	**6%**
Total General Fund	**$77.2**	**$75.3**	**($1.9)**	**-2%**
Total Federal Funds	**$641.7**	**$688.0**	**$46.3**	**7%**

Below is how the full expansion scenario under Healthy Utah compares to prior estimates, such as S.B. 164 from the 2015 General Session:

Healthy Utah Proposal[1]	FY 2021 ($ in millions)		Change	% Change
	2015 General Session[3]	2016 Interim		
Clients[2]	109,000	127,000	18,000	17%
Match Required[4]	$65.4	$88.8	$23.4	36%
Other Reductions[5]	$13.0	$17.0	$4.0	31%
General Fund (GF)	$52.4	$71.8	$19.4	37%
Federal Funds (FF)	$587.6	$783.5	$195.9	33%
Woodwork	37,000	28,000	(9,000)	-24%
Woodwork (GF)	$27.8	$17.9	($9.9)	-36%
Woodwork (FF)	$65.7	$43.6	($22.1)	-34%
Total Clients	**146,000**	**155,000**	**9,000**	**6%**
Total General Fund	**$80.2**	**$89.7**	**$9.5**	**12%**
Total Federal Funds	**$653.3**	**$827.1**	**$173.8**	**27%**

For more information please see the following link.

USHE Data Available, More to Come - Spencer C. Pratt

The Utah System of Higher Education collects and organizes a significant amount of data from each of the eight USHE institutions. This includes enrollments, completions, tuition, budgets, student financial aid, staffing, salary comparisons, and space inventories. This information is published annually in the USHE Data Book and is available on line at www. higheredutah.org.

The Commissioner's office is currently working on expanding the use of this data to provide a dashboard to show the fiscal health of each institution and the system as a whole. The first phase will focus on enrollment trends, revenue, expenditures, and financial ratios. Future phases will provide additional information on tuition and fees, student debt, faculty/staff levels and salaries, and facilities.

Several of the key metrics using the data, including benchmarks to demonstrate how the institutions are performing include the following:

Annualized Budget Related FTE	Annualized Budget Related Non Resident FTE
Retention of Full-time Students	% of Part-time Students
Average undergrad credit hours taken	Diversity of Student Body
Total Revenue per FTE	Total Expenditure per FTE
Tax Funds vs. Tuition	Total Expenses vs. Total Revenue
Tax Funds per FTE	Instructional Expenses per FTE
Academic Support per FTE	Student Services Support per FTE
Instructional Support per FTE	Personal Services vs Total Expenditures
Viability Ratio	Leverage Ratio
Primary Reserve	Return on Net Assets Ratio

This project is a work in progress; the Commissioner will report back to the State Board of Regents at their meeting in January 2017.