

FY 2009 Budget Brief – HED – Utah State University

SUMMARY

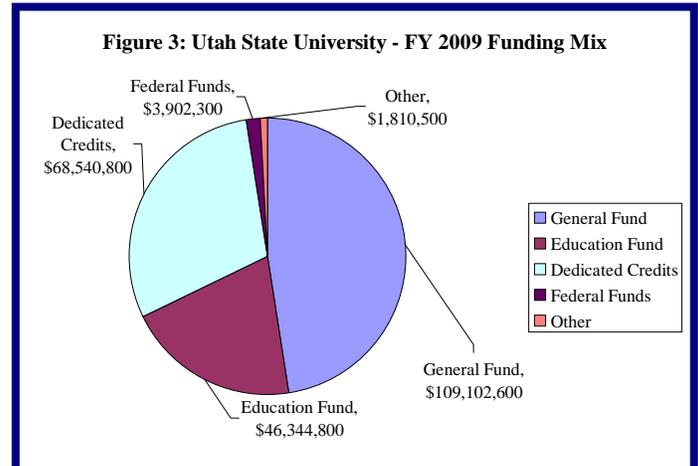
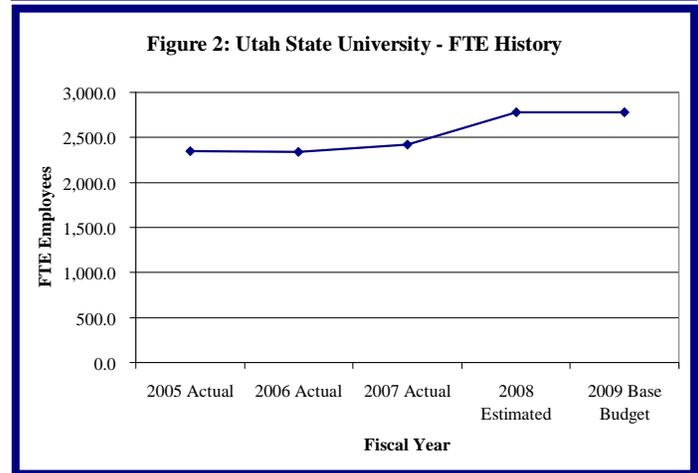
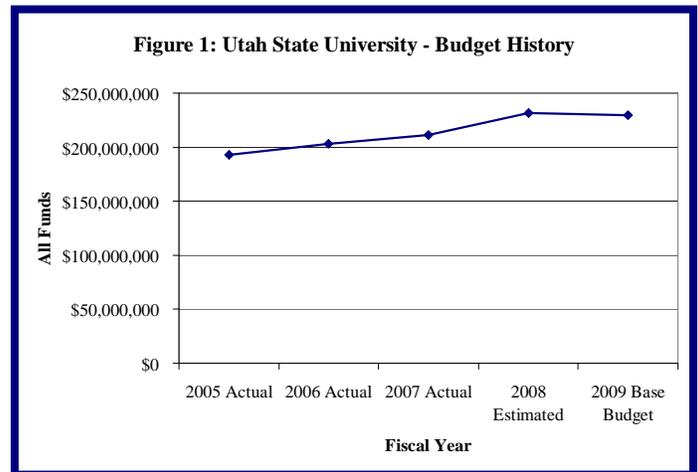
Utah State University (USU) serves as the State’s land grant university. Its mission is to provide undergraduate, graduate, professional and research curriculums in numerous fields of study, including agriculture, applied sciences, education, and natural resources. In addition, USU has a state-wide role 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 2007 enrollment at the University was 16,614 full-time equivalent (FTE) students.

ISSUES AND RECOMMENDATIONS

Base Budget: The total FY 2008 appropriated budget for Utah State University was \$228,463,200, with \$109,102,600 from the General Fund (offset by a one-time General Fund reduction of \$99,000,000) and \$147,057,300 from the Education Fund (including a one-time Education Fund appropriation of \$100,712,500). Using the FY 2008 ongoing appropriation as the beginning point for the FY 2009 base budget, with changes in the level of dedicated credits for unallocated 1st tier tuition and 2nd tier tuition collected in the amount of \$3,450,300 together with a reduction in the collections from land grant funds of \$500,000, the total FY 2009 Base Budget amount becomes \$229,701,000.

Higher Education Transfers: Included in the FY 2008 appropriation to the State Board of Regents, to be distributed to the institutions, was \$3,000,000 in ongoing funding and \$2,000,000 in one-time funding, for the Engineering Initiative. For Utah State University, the ongoing Engineering Initiative funding transfer from the State Board of Regents’ line item is \$1,150,000 and the one-time funding is \$700,000. The Analyst recommends placing the transfer of the \$1,150,000 ongoing appropriation to Utah State University for FY 2009 on its priority list. In addition, the Analyst recommends the Subcommittee also place a transfer of \$75,000 from USU’s Brigham City Continuing Education Center to USU’s Education and General line item to more accurately reflect operational costs on the priority list (see Issue Brief USHE – 12).

Operation and Maintenance of New Facilities: Utah State University had been making bond payments for the facility at the Tooele Regional Campus. During the 2006 General Session, the Legislature provided \$900,000 to finish paying off the bond. USU is requesting funding for O & M for that facility, but the Analyst suggests that



the funding no longer being used for the bond payments could be used for the O & M.

Initiatives: The Analyst recommends the following initiatives for the Subcommittee’s priority list: the Teacher Initiative (see Issue Brief USHE – 05), the Health Care Professions Initiative (see Issue Brief USHE – 06), and the Science and Technology Initiative (see Issue Brief USHE – 07). The distribution to Utah State University for these initiatives includes \$1,238,000 ongoing and \$140,000 one-time for the Teacher Initiative, \$672,500 for the Health Care Professions Initiative, and \$336,200 ongoing and \$840,600 one-time for the Science and Technology Initiative.

Educationally Disadvantaged: The Analyst recommends adding a total of \$1 million for the Educationally Disadvantaged line items at all nine of the USHE institutions to the priority list (see Issue Brief USHE – 08). The allocation for Utah State University of the total would be \$168,100.

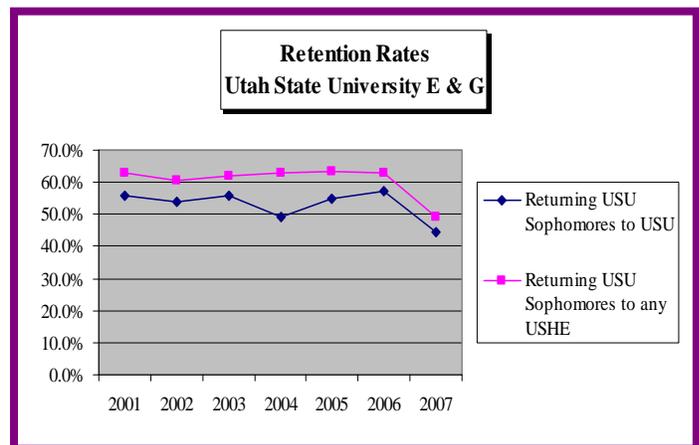
Emergency Management and Campus Security: The Analyst recommends adding a total of \$4 million in one-time funding to address security issues on the nine USHE campuses to the priority list (see Issue Brief USHE – 10). The allocation for the Utah State University for this proposal would be \$647,300.

Non-Lapsing Balances: In response to the growing levels of non-lapsing balances at the USHE institutions, the Analyst recommends placing \$20 million of these funds on the priority list as an offset to the state funding for one-time increases (see Issue Brief USHE – 13). The distribution among the institutions is based on the amount that institution’s non-lapsing balances are of the total \$83 million level. The corresponding amount for Utah State University is \$5,301,400.

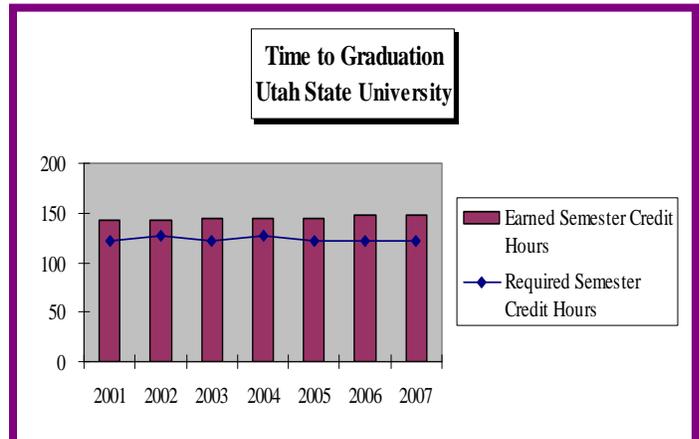
ACCOUNTABILITY DETAIL

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.

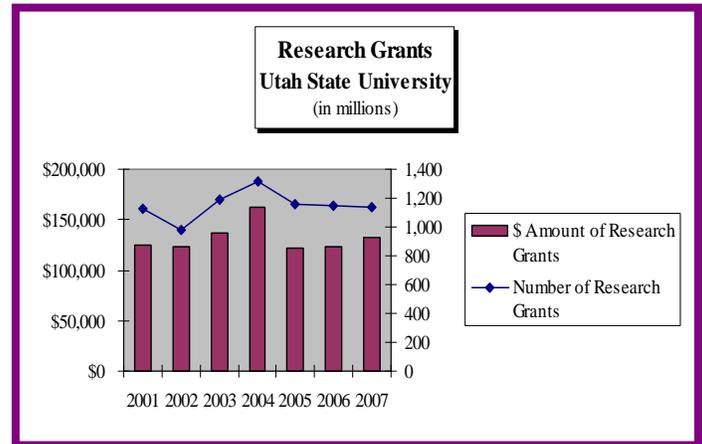
The Retention Rate figure shows the percentage of freshmen students returning to continue their education. This figure is impacted by the high number of young people who leave school for service or military reasons.



The average number of earned semester hours for graduates at Utah State University is 147. 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 11 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 2009 adjusted base budget in the amount of \$229,701,000, with \$109,102,600 from the General Fund, \$46,344,800 from the Education Fund, \$68,390,200 from Dedicated Credits, \$150,600 from Land Grant Management Funds, \$3,902,300 from Federal Funds, \$1,745,800 from the Mineral Lease Account, and \$64,700 from the restricted General Fund – Land Exchange Distribution 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 2008.

LEGISLATIVE ACTION

The Analyst recommends that the Subcommittee adopt a base budget for Utah State University in the amount of \$229,701,000. The allocation approved by the Executive Appropriations Committee is \$109,102,600 (General Fund) and \$46,344,800 (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

Utah State University						
Sources of Finance	FY 2007 Actual	FY 2008 Appropriated	Changes	FY 2008 Revised	Changes	FY 2009* Base Budget
General Fund	108,993,300	109,102,600	0	109,102,600	0	109,102,600
General Fund, One-time	0	(99,000,000)	0	(99,000,000)	99,000,000	0
Education Fund	31,959,500	46,344,800	0	46,344,800	0	46,344,800
Education Fund, One-time	1,170,800	100,712,500	0	100,712,500	(100,712,500)	0
Federal Funds	4,227,292	3,902,300	0	3,902,300	0	3,902,300
Dedicated Credits Revenue	58,459,889	64,939,900	3,450,300	68,390,200	0	68,390,200
Dedicated Credits - Land Grant	965,000	650,600	(500,000)	150,600	0	150,600
Federal Mineral Lease	2,742,853	1,745,800	0	1,745,800	0	1,745,800
GFR - Land Exchange Distribution Account	0	64,700	0	64,700	0	64,700
Transfers	1,725,511	0	0	0	0	0
Other Financing Sources	204,156	0	0	0	0	0
Beginning Nonlapsing	22,748,369	0	0	0	0	0
Closing Nonlapsing	(22,249,674)	0	0	0	0	0
Total	\$210,946,996	\$228,463,200	\$2,950,300	\$231,413,500	(\$1,712,500)	\$229,701,000
Line Items						
Education and General	153,107,906	173,572,200	(1,322,400)	172,249,800	(1,712,500)	170,537,300
Educationally Disadvantaged	261,539	251,200	0	251,200	0	251,200
Uintah Basin Continuing Education Center	5,098,487	7,266,000	(717,400)	6,548,600	0	6,548,600
Southeastern Continuing Education Center	2,023,996	1,321,600	(99,400)	1,222,200	0	1,222,200
Brigham City Continuing Education Center	9,475,155	5,624,100	3,359,000	8,983,100	0	8,983,100
Tooele Continuing Education Center	8,283,122	5,817,600	1,730,500	7,548,100	0	7,548,100
Water Research Laboratory	3,665,353	3,649,700	0	3,649,700	0	3,649,700
Agriculture Experiment Station	14,366,012	15,616,400	0	15,616,400	0	15,616,400
Cooperative Extension	14,665,426	15,344,400	0	15,344,400	0	15,344,400
Total	\$210,946,996	\$228,463,200	\$2,950,300	\$231,413,500	(\$1,712,500)	\$229,701,000
Categories of Expenditure						
Personal Services	169,639,184	194,296,600	4,625,800	198,922,400	0	198,922,400
In-State Travel	2,180,012	0	0	0	0	0
Current Expense	37,821,449	33,115,800	(624,700)	32,491,100	(947,300)	31,543,800
Capital Outlay	1,306,351	765,200	(765,200)	0	(765,200)	(765,200)
Other Charges/Pass Thru	0	285,600	(285,600)	0	0	0
Total	\$210,946,996	\$228,463,200	\$2,950,300	\$231,413,500	(\$1,712,500)	\$229,701,000
Other Data						
Budgeted FTE	2,418.3	2,579.5	200.9	2,780.4	0.0	2,780.4
Vehicles	665.0	633.0	32.0	665.0	0.0	665.0

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