



UTAH SYSTEM OF HIGHER EDUCATION

HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE
STAFF: SPENCER PRATT

BUDGET BRIEF

SUMMARY

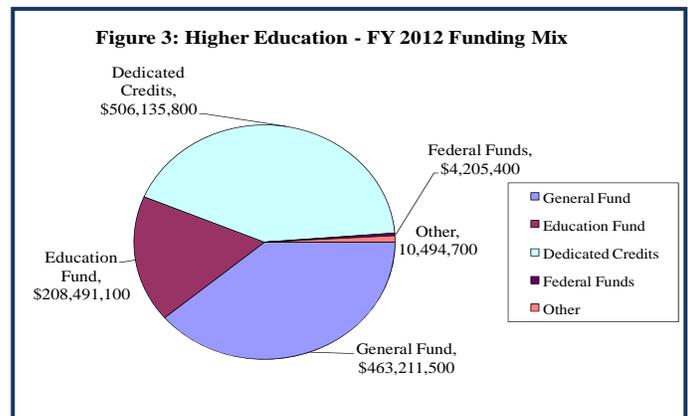
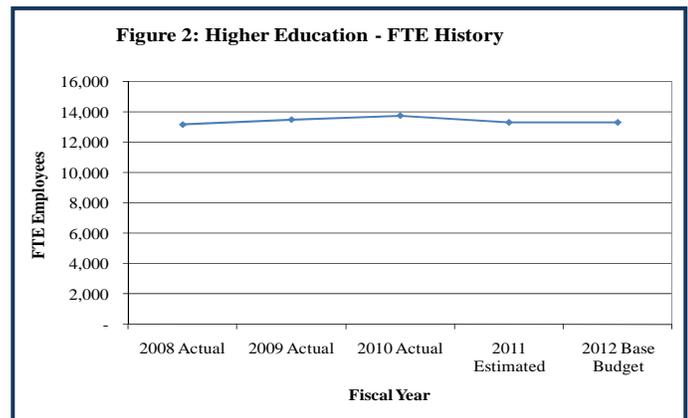
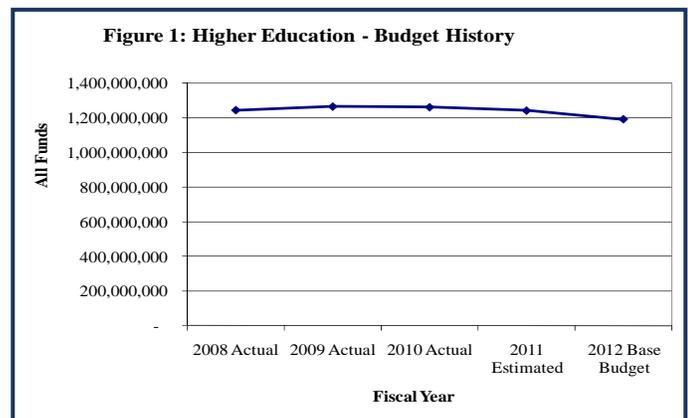
The Utah System of Higher Education (USHE) is comprised of eight traditional institutions of higher learning, the Utah College of Applied Technology, and the State Board of Regents. The eight institutions are governed by the Utah State Board of Regents, with the assistance of the local Boards of Trustees. With the passage of H.B. 15 during the 2009 General Session, the Utah College of Applied Technology is now governed by its own Board 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 career and technical education. The FY 2010 enrollment at the eight traditional USHE institutions was 114,105 full-time equivalent (FTE) students.

ISSUES AND RECOMMENDATIONS

Base Budget: The total FY 2011 appropriated budget for the Utah System of Higher Education was \$1,186,261,000, with \$498,076,800 from the General Fund (offset by a one-time reduction of \$23,546,400) and \$227,068,500 from the Education Fund (including a one-time appropriation of \$2,884,800), and \$19,837,800 in one-time funds from the federal stimulus money through the American Recovery and Reinvestment Act.

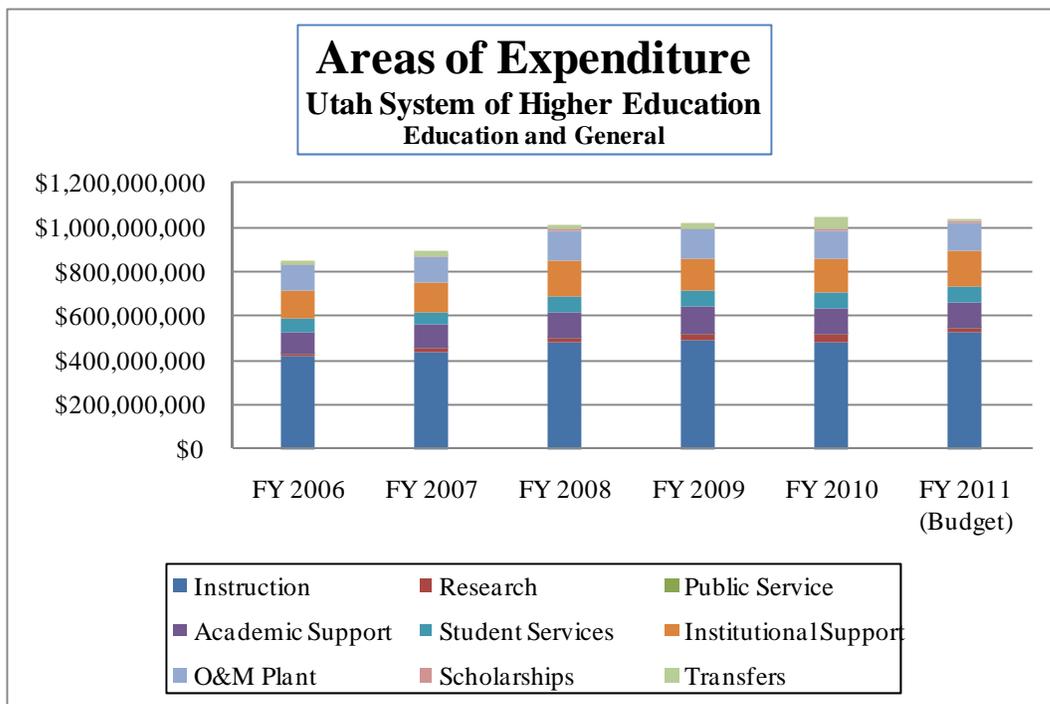
Using 93% of the FY 2011 ongoing state tax fund appropriation as the beginning point for the FY 2012 base budget, with changes in the level of dedicated credits in the amount of \$55,632,100, transfers of (\$329,300), and nonlapsing balances in the amount of \$708,800, the adjusted amount base becomes \$1,192,538,500.



ACCOUNTABILITY DETAIL

1. Each institution in the USHE except the Utah College of Applied Technology has a separate line item entitled Education and General (E&G) for appropriated funds with the following functions:
2. **Instruction** – All expenditures associated with instruction including academic, vocational and remedial education.
3. **Research** – All expenditures related to research and development.
4. **Public Service** – Funding for non-instructional services including the Cooperative Extension at Utah State University.
5. **Academic Support** – Support services to meet the primary mission of the institution such as libraries, museums, computer support and academic deans.
6. **Student Services** – Admissions and registration, counseling, financial aid, and career development, as well as the social aspect of college life such as student organizations and athletics.
7. **Institutional Support** – Expenditures associated with executive level activities such as the management of the institution, planning and programming, legal services, fiscal operations, administrative data processing, space management, and human resource management.
8. **Operation and Maintenance (O & M) of Facilities** – Operating expenses associated with the operation and maintenance of the physical plant including utilities and insurance.
9. **Scholarships and Fellowships** – Expenditures for scholarships and fellowships from restricted and unrestricted funds in the form of grants to students.

The following figure shows the distribution of the Education and General expenditures for FY 2006 through FY 2010 (Actual) and FY 2011 (Budget).



Additional performance indicators are shown in each institution’s budget brief.

BUDGET DETAIL

Base Budget: The table on the following page shows the budget history for the Utah System of Higher Education. To eliminate the structural imbalance and as directed by the Executive Appropriations Committee, the “FY 2012 Base Budget” column includes 93% of the FY 2011 ongoing General and Education Fund appropriations across the board. Targeted budget changes, reflecting policymaker decision direction, will likely replace the pro-rata reductions shown here.

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, the only intent language that affected the institutions within the Utah System of Higher Education is that which appears in all line items with ARRA appropriations. The language restricts the amount of ARRA funds expended to the amount appropriated.

LEGISLATIVE ACTION

The Analyst recommends that the Subcommittee adopt a FY 2012 base budget for the Utah System of Higher Education in the amount of \$1,192,538,500.

The Analyst recommends that the Subcommittee develop a prioritization list of items for additional funding for FY 2012 and FY 2011 (Supplemental).

BUDGET DETAIL TABLE

Higher Education						
Sources of Finance	FY 2010	FY 2011		FY 2011		FY 2012*
	Actual	Appropriated	Changes	Revised	Changes	Base Budget
General Fund	369,385,700	498,076,800	0	498,076,800	(34,865,300)	463,211,500
General Fund, One-time	67,517,300	(23,546,400)	0	(23,546,400)	23,546,400	0
Uniform School Fund	19,065,600	0	0	0	0	0
Uniform School Fund, One-time	0	0	0	0	0	0
Education Fund	298,913,900	224,183,700	0	224,183,700	(15,692,600)	208,491,100
Education Fund, One-time	(80,913,000)	2,884,800	0	2,884,800	(2,884,800)	0
Federal Funds	5,780,400	4,205,400	0	4,205,400	0	4,205,400
American Recovery and Reinvestment Act	79,368,400	19,837,800	0	19,837,800	(19,837,800)	0
Dedicated Credits Revenue	493,756,800	449,395,200	55,632,100	505,027,300	0	505,027,300
Dedicated Credits - Land Grant	1,386,400	1,108,500	0	1,108,500	0	1,108,500
Federal Mineral Lease	2,739,700	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	289,200	298,800	0	298,800	0	298,800
GFR - Tobacco Settlement	4,000,000	4,000,000	0	4,000,000	0	4,000,000
GFR - Workplace Safety	150,000	150,000	0	150,000	0	150,000
Trust and Agency Funds	175,100	0	0	0	0	0
Transfers	9,526,400	329,300	(329,300)	0	0	0
Transfers - Commission on Criminal and Juv	34,500	34,500	0	34,500	0	34,500
Beginning Nonlapsing	30,588,400	2,111,300	45,053,500	47,164,800	100	47,164,900
Closing Nonlapsing	(44,164,800)	(2,839,000)	(44,344,700)	(47,183,700)	(100)	(47,183,800)
Total	\$1,261,884,500	\$1,186,261,000	\$56,011,600	\$1,242,272,600	(\$49,734,100)	\$1,192,538,500
Agency						
University of Utah	426,827,900	401,229,100	15,494,800	416,723,900	(14,677,400)	402,046,500
Utah State University	236,123,700	247,804,600	7,303,900	255,108,500	(11,116,800)	243,991,700
Weber State University	113,321,800	111,182,400	5,720,000	116,902,400	(4,415,800)	112,486,600
Southern Utah University	56,344,100	53,359,900	4,631,600	57,991,500	(1,791,300)	56,200,200
Utah Valley University	136,878,200	128,118,200	13,023,000	141,141,200	(3,044,500)	138,096,700
Snow College	27,119,800	25,822,000	1,025,000	26,847,000	(1,350,100)	25,496,900
Dixie State College	38,872,200	29,965,200	3,317,800	33,283,000	(789,000)	32,494,000
College of Eastern Utah	20,891,100	0	0	0	0	0
Salt Lake Community College	118,451,800	107,189,200	5,069,400	112,258,600	(3,915,700)	108,342,900
State Board of Regents	30,812,500	27,649,400	(24,900)	27,624,500	(5,492,900)	22,131,600
Utah College of Applied Technology	56,241,400	53,941,000	451,000	54,392,000	(3,140,600)	51,251,400
Total	\$1,261,884,500	\$1,186,261,000	\$56,011,600	\$1,242,272,600	(\$49,734,100)	\$1,192,538,500
Categories of Expenditure						
Personnel Services	950,597,200	941,341,000	40,606,900	981,947,900	(48,013,400)	933,934,500
In-state Travel	9,055,800	5,159,900	109,900	5,269,800	0	5,269,800
Current Expense	218,450,400	201,482,700	13,005,600	214,488,300	3,486,100	217,974,400
Capital Outlay	14,967,700	8,170,300	(521,900)	7,648,400	(39,200)	7,609,200
Other Charges/Pass Thru	68,813,400	30,107,100	2,811,100	32,918,200	(5,167,600)	27,750,600
Total	\$1,261,884,500	\$1,186,261,000	\$56,011,600	\$1,242,272,600	(\$49,734,100)	\$1,192,538,500
Other Data						
Budgeted FTE	13,772.8	13,772.8	(451.8)	13,321.0	0.0	13,321.0
Vehicles	1,972.0	1,980.0	(8.0)	1,972.0	13.0	1,985.0

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