

(Draft – Awaiting Formal Approval)
**MINUTES OF THE
HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE**
Zion Room, Holland Centennial Commons Building, Dixie State University
October 11, 2013

Members Present: Sen. Stephen H. Urquhart, Co-Chair
Rep. Spencer J. Cox, House Vice Chair
Sen. Patricia W. Jones
Sen. Howard A. Stephenson
Sen. Jerry W. Stevenson
Rep. Derek E. Brown
Rep. Don L. Ipson
Rep. Dana L. Layton
Rep. Maria H. Poulson

Members Excused: Rep. Keith Grover, Co-Chair
Sen. J. Stuart Adams
Sen. Aaron Osmond
Rep. Jack R. Draxler
Rep. Rebecca P. Edwards
Rep. Kay L. McIff
Rep. Dean Sanpei

Members Absent: Sen. John L. Valentine
Rep. Mark A. Wheatley

Staff Present: Mr. Spencer Pratt, Fiscal Manager
Ms. Angela Oh, Fiscal Analyst
Ms. Lorna Wells, Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.gov .

1. Call to Order

Co-Chair Urquhart called the meeting to order at 9:06 a.m. and welcomed everyone to Dixie State University. He reported that Rep. Spencer J. Cox had recently been named Lieutenant Governor and was awaiting confirmation, which will mean he would no longer be serving on the subcommittee. Co-Chair Urquhart explained the day's agenda.

2. UCAT – Update on Equity Issues

Robert O. Brems, President, Utah College of Applied Technology (UCAT)

Pres. Brems discussed the history of the UCAT system and gave an update on equity funding. He mentioned that this was a challenging task to determine how equitable funding might be applied for each campus. He reported that the proposal had been taken to the Board of Trustees after the last meeting. They will be requesting \$7.5 million in equity funding. He explained there are two criteria for this equity funding. Criteria #1 is based on current funding per capita in each service region. Criteria #2 is based on a percent of the population served by UCAT. He mentioned that when both criteria are added together, the Mountainland ATC (MATC) had the highest component with Davis ATC (DATC) second.

Sen. Jones asked how the Salt Lake area ATC compares to this data. She stated that equity funding for the ATC's should be analyzed at all campuses. Pres. Brems said that Salt Lake Community College (SLCC) is part of the Utah System of Higher Education (USHE) and equity funding is a component of SLCC.

Co-Chair Urquhart mentioned that USHE and UCAT are governed differently and that equity funding is addressed differently in the USHE system. He urged subcommittee members to come forward if they have suggestions for better comparisons between the two systems.

Rep. Brown asked if Salt Lake County was the only area that is not included in the data. Pres. Brems answered that it doesn't include Southeast Utah because Snow College serves that area. He reminded the subcommittee that in addition to Utah County, MATC serves Wasatch and Summit County.

Co-Chair Urquhart indicated that more data on equity funding will be heard during the legislative session from UCAT as well as the USHE institutions. He stated that FY 2014 will be a big year for Utah County. He asked the subcommittee members to make sure that the alignment is correct.

Sen. Stephenson asked for clarification on what is meant by equity funding. He does not want to budget money to institutions solely based on population data.

Co-Chair Urquhart stated that performance based funding is an eventual goal. Institutions cannot compete for this type of funding unless an equitable starting base is established. This equity funding would put each institution on equal footing.

Sen. Stephenson had concern about funding catch-up money without some performance measures. Co-Chair Urquhart told committee members that there would be an opportunity to discuss this in more detail during the upcoming legislative session.

Pres. Brems reported that it has been difficult to determine criteria for equity funding. They had to make some difficult decisions; all of the UCAT campus presidents were involved in the process. He said that each campus that is receiving equity funding will explain in great detail what they were able to accomplish with the equity funding. He gave some specific examples of needed programs that could be added to the MATC campus.

Sen. Stephenson asked why this is being called equity funding and not waiting list funding. He didn't want to fund institutions simply because they were efficient.

Co-Chair Urquhart stated that this could lead to very robust and meaningful conversations. He stated that there is a tremendous safeguard in having all of the campus presidents involved in these decisions. They will do what is required to protect and stand-up for their own campuses.

Sen. Jones would like to have a total picture of ATCs for the entire State. She mentioned that the ATC role that is part of SLCC would have a great impact on the State. This would also be true of other areas in the state that were not included in the UCAT report. She would like to see the total in the State and what the equity funding looks like for each institution.

Co-Chair Urquhart agreed that this data would be helpful. He requested that staff prepare this data for a future meeting.

Rep. Layton asked why there are different funding mechanisms in place for USHE and UCAT. She asked if USHE is based on FTE and UCAT is based on who they might serve.

Pres. Brems reported that the number one goal for UCAT is focused entirely on employers. This is not true of the USHE institutions.

Co-Chair Urquhart reported that they are very different systems. He mentioned that one of the major differences is tuition dollars which typically increase during lean budget years. He stated that when UCAT doesn't have tax payer money, they are not allowed to grow.

Pres. Brems concluded with the FY 2015 budget request that was presented to the Governor's Office. He mentioned that the last page of the handout was disaggregated data for each of the campuses regarding measurements at UCAT.

Sen. Stephenson appreciated the data and the report. He asked the chair if they could see waiting lists or employer needs that are not being met. He would rather have equity funding going to needs of employers rather than campuses and their needs.

Pres. Brems would like to bring this data to the subcommittee. Each campus will bring what programs are needed in their region. Co-Chair Urquhart mentioned that this would be a way to refine the current equity funding model.

Sen. Stephenson said he was aware of the fact that UCAT has dropped programs that were not yielding employment.

Rep. Poulson asked if there would be an opportunity to hear from Snow, SLCC, and the southeast quadrant and their perspective on this discussion. Co-Chair Urquhart answered that it is not part of today's agenda, but will be discussed in future meetings.

Sen. Stevenson stated that the numbers reflect very closely what is happening in the market place. There is a direct correlation between this equity funding and the number of jobs. He mentioned the fact that the USHE institutions are now correlating with the ATCs very well. This has had a great impact on both USHE and UCAT institutions.

3. Comparison of CTE costs for courses taught at USHE institutions and at UCAT campuses

Spencer Pratt, Fiscal Manager

Mr. Pratt mentioned that legislative performance audits were done in 1995 and 2009 which compared CTE costs at USHE institutions and UCAT campuses. Both of these audits found that in general, the cost of instruction at UCAT is lower than at USHE institutions. This report looked at six specific programs. In most cases ATCs provided instruction at a lower cost than USHE institutions. He explained some of the factors for the discrepancy including tuition received at USHE institutions. Generally, the compensation is greater at USHE institutions than at the ATCs, and teaching loads are less at USHE institutions than at ATCs. Mr. Pratt mentioned that a great deal of progress has been made towards cooperation between UCAT and USHE. There are many pathways that are provided between USHE and UCAT. Both entities have realized the great advantage of this cooperation.

Co-Chair Urquhart thanked staff for their great work.

Sen. Jones would like more explanation behind the data in context with other factors that might be involved in making these comparisons.

Co-Chair Urquhart stated that intuitively the data did feel correct. He mentioned that Comm. Buhler will give some of this explanation in his presentation. Co-Chair Urquhart stated that there is maturation in both systems. He expressed appreciation for the tremendous collaboration that is now taking place.

Comm. Buhler said that looking at some data between USHE and UCAT is like comparing apples to apples; but other data is comparing apples to oranges. There are some differences, which make it very difficult to compare. He commented that even within CTE, there are differences as well as similarities.

Sen. Stephenson said that student clock hours are represented in completions rather than just clock hours. Completion rates at UCAT institutions correlate to this and are a strength to the CTE system. He asked if USHE providers of CTE have completion rate data.

Rep. Ipson said that in addition to completion, job placement could be considered. He stated that UCAT's accrediting body looks at completion, licensure, and placement with very strict standards.

Comm. Buhler will look at this data for USHE institutions who are providing CTE training.

Rep. Ipson mentioned that regionally the partnership between USHE and UCAT has facilitated doing a better job determining which institution can better handle which programs as well as lessening the duplication of programs.

Co-Chair Urquhart commented on how well institutions are working with each other. They are looking at which system can most affordably meet the needs of the program involved. He stated that this includes a partnership with Public Education.

4. Update of New Century and Regents' Scholarships

David L. Buhler, Commissioner of Utah System of Higher Education

Comm. Buhler briefly explained the history of the New Century and Regents' scholarships. He reported that this program is doing exactly what the Legislature intended. He explained the 3.5 GPA requirement as well as the curriculum requirements. They have worked a great deal with high school counselors. He reported that there is continued growth in applications for both scholarship programs.

Rep. Poulson commented that this increased rigor has been very successful in changing the point of view of high school students and having them better prepared for college.

Comm. Buhler stated that part of the funding issue for these scholarships is that in the past they have been funded with one-time money.

Sen. Stephenson said that these scholarships are only available for universities within the State of Utah. He asked why the scholarship couldn't be granted if students qualify for one of the nation's top tier universities. He mentioned that the scholarship is granted when students attend the State's major private universities based on the assumption that there will be a return on the investment. The same logic could be applied for any non-state institution.

Comm. Buhler said that they could provide some data regarding how many students in Utah do go to out-of-state institutions.

Rep. Ipson expressed concern from a business standpoint to give students money to leave the state. The large private institutions are still in the state which brings resources into the state.

Sen. Jones mentioned that these scholarships are usually awarded to students whose parents are very engaged in their learning. She asked if there was socio-economic data on these scholarships.

Comm. Buhler stated that at the present time there is not socio-economic data, but they do have data delineated by high school which would give some indication. They have worked hard with counselors to encourage more students to qualify. He reported that the Utah Scholars program is federally funded through 2014. The Commissioner's Office is looking for ways to continue to support this program should additional federal funding be lost.

Rep. Poulson commented that students who don't have parental support might not be informed about these scholarships early enough to know what classes to take in junior high.

Comm. Buhler explained that the Board of Regents hosts a conference every year to train teachers and counselors. He said that each USHE institution is making major efforts to outreach to those who are socio-economically disadvantaged. He reported that in the State, 40 percent of those individuals who are under 18 years of age are minorities.

House Vice-Chair Cox assumed the chair.

5. Update of Complete College America efforts at USHE institutions

David L. Buhler, Commissioner of Utah System of Higher Education

Comm. Buhler reviewed the statewide support for Complete College America. He reviewed the five initiatives. Comm. Buhler discussed the strategies at several institutions to help more students be successful in developmental education, especially in developmental math.

Co-Chair Urquhart resumed the chair. He would like a report from Utah Valley University specifically about Math 1010 and Math 1050.

Comm. Buhler discussed the graduation map program and stackable and reverse credentials programs. He mentioned that this helps with completion. He explained the reverse credentials program.

Co-Chair Urquhart asked if it would be possible to make these retroactive for individuals who were possibly one or two classes short of a bachelor's degree, so that they could obtain an associate's degree.

Comm. Buhler stated that it would be very difficult to find these students. There has been some success. He said that the University of Utah is looking at a scholarship program to assist students who are very close to completion, but need financial help to obtain their degree. Comm. Buhler stated that he would bring updates on these strategies to this meeting. He mentioned that Complete College America was holding their national convention in Salt Lake City this year.

Sen. Stephenson stated that even though there is a graduation map, students can't always get into the required classes. He asked if there was data about this available.

Comm. Buhler stated that he isn't aware of specific data available other than waiting lists. They are working to improve this situation. The graduation maps help to identify this situation. He mentioned that many institutions are using equity funding to hire faculty particularly in these areas.

Rep. Ipson asked if the registration software could track how many students try to get in but can't.

Provost Chris Picard from Salt Lake Community College answered that the software does help them track registration on a daily basis. If all sections of a class are 90 percent full, they will try to add additional sections. They track demand through wait lists.

Sen. Stephenson asked if they add sections on the fly. He asked if classes are overfilled because a certain percentage students typically drop courses.

Provost Picard answered that they can add them on the fly when possible, but room constraints prevent overfilling the course too much. They will add sections in the second part of the term. They then look at that data to help plan for the following semester.

Vice President of Student Relations, Cameron Martin, from Utah Valley University mentioned that the early purge program has been very successful in managing enrollments and making sure that high-demand classes are full.

Rep. Layton asked if courses are scheduled in such a way so that scheduling conflicts will not arise as a student tries to complete courses according to the graduation map.

Comm. Buhler said that all of the institutions try to do this, but it is a very complex problem because of all of the variables involved.

Co-Chair Urquhart mentioned that Utah State University has provided incentives for each department to encourage summer enrollment.

Co-Chair Urquhart thanked the Commissioner for his great report. He is very pleased with the progress that is being made in these areas.

Comm. Buhler thanked the subcommittee for their leadership and support.

6. Graduate level courses – what courses are offered and how many students are involved?

Spencer Pratt, Fiscal Manager

Mr. Pratt reported on the data showing the past five years history of the number of graduate students at each institution broken down by resident and non-resident (headcount) and specific discipline.

Sen. Jones stated that it was very interesting that in the graduate sciences and engineering programs there were more out-of-state students.

Co-Chair Urquhart expressed concern about the governance structure of graduate Ph.D. programs. He asked if the major focus on undergraduate degrees is detrimental for the graduate students.

Comm. Buhler reported that the number of graduate students is increasing at each institution. He asked Pres. Pershing and Pres. Albrecht to report more on this during the session.

7. Utah Data Alliance – 1st Year Average Earning With and Without a Degree

David L. Buhler, Commissioner of Utah System of Higher Education

Comm. Buhler discussed the USHE's long history of publishing data. He discussed the annual data book and the USHE data warehouse. They are piloting with four school districts (Davis, Granite, Ogden and Provo) reporting how many students are going to college, which institutions they are attending, how many are requiring developmental education.

Comm. Buhler stated that the Utah State Office of Education received a federal grant and has taken the lead in the Utah Data Alliance (UDA). It is a partnership with the Utah State Office of Education, USHE, UCAT, UEN, the Utah Educational Policy Center, and the Department of Workforce Services.

He discussed some of the current initiatives and the great potential for this data. He discussed the data regarding wages. This has great potential for providing information. He discussed the first year wage information. He stated that the data does make some assumptions. These assumptions can create some limitations and problems with the data. He indicated that the fifth-year wages show that there is value in all levels of post-secondary education.

Co-Chair Urquhart stated that the data shows that in the long term the more education you have the higher your wage earnings. This information is very informative and should help students see that they should do what they can to continue in college until they have earned a certificate or degree

Sen. Stephenson said that the data should be more disaggregated so it would be more useful to individuals as they plan for college. He emphasized that it needed to be made more available to the public. He stated that the governance for obtaining this data should be outside the agencies involved. He mentioned that Utah Futures had to be shut down because of a data breach.

Comm. Buhler stated they are very much in favor of putting the data out for the public. He reported that the federal funding would be ending on June 30, 2014. The UDA has requested \$1.8 million in ongoing funding. The Board of Regents is asking for \$150,000 to continue their role as a partner in the UDA.

Pres. Brems stated there are some concerns about the data because of the assumptions mentioned. He reported that UCAT is also asking for \$150,000 to continue their role as a partner in the UDA.

8. Utah Academic Library Consortium

Daphne Selbert, Council Chair, Utah Academic Library Consortium (UALC)

Ms. Selbert discussed the Utah Academic Library Consortium. Ms. Selbert discussed the increased need for funding. She reported that the cost of subscribing to databases has increased significantly at the same time that student enrollment at USHE institutions has increased. The budget for the UALC has remained flat. This means that many database subscriptions had to be dropped.

Rep. Layton asked if the decrease in funding could be the reason why researchers are now only able to obtain abstracts rather than the entire article.

Ms. Selbert answered that it would be difficult to know what the cause of this would be without more specific details.

9. Concurrent Enrollment Update

Scott Wyatt, President Snow College and Ray Terry, Superintendent, Beaver School District

Pres. Wyatt and Superintendent Terry gave a brief explanation of their proposal regarding concurrent enrollment (CE). They mentioned that the course offerings for CE courses have been diminishing. Sen. Okerlund is preparing a bill that would allow Snow College to provide CE courses throughout the state for courses not available at local USHE institutions. They would work very closely with the local USHE institutions who would have the first right of refusal for teaching the course. At Snow, the priority would be for rural school districts that are not able to offer a variety of CE courses. Snow would take the responsibility through two academic advisors that would work directly with all of the high school students to make sure the pathway is productive. In the past, students have been hurt in the long run if they have too many CE classes that do not lead to the desired degree. Their goal would be to have students complete an associate degree while in high school. They will also have offerings for students who want to take more rigorous courses while in high school. Snow has put together a \$1.5 million request devoted to this program.

Sen. Stephenson said that this was a great vision for assisting students. He wanted to know if there is a way of including this in the data systems to inform students of this program.

Pres. Wyatt said that this will be a team effort. They would work directly with high school counselors to help each student know the best path for them.

Rep. Poulson asked if the reason the number of courses being offered was lower was due to the legislation that increased the price of CE classes. She also asked how this would work with the systems that are in place.

Pres. Wyatt said that the reason courses have decreased is not to do the increased cost. It has more to do with institutions no longer being able to offer classes. He stated that the systems that are now in place won't really change.

Co-Chair Urquhart expressed concern about the fiscal note. He wanted to make sure that there would still be a \$30 per credit hour charge, with some scholarships involved for those who could not afford this amount.

Rep. Ipson mentioned that there should be some investment and ownership from the student even if they are receiving subsidies.

10. Update on Building Block Follow-up Report

Angela Oh, Fiscal Analyst

Ms. Oh reported that every year the Fiscal Analyst Office produces a building block and fiscal note follow up report for the Executive Appropriations Committee (EAC). The report looks at items that were funded through a fiscal note or building block within the past couple of years. Each item includes a stop light (green, yellow, or red) for implementation status, budget accuracy, and performance. The first three pages of the report are the beginning of the full report presented to EAC earlier this year. The subsequent pages are specific items related to this subcommittee.

Ms. Oh explained that for all items during the past session that did not have performance data available, they gave them the benefit of the doubt and marked the performance as yellow since they may not have had time to develop performance measurements and accurately track them. Items that were two or more years old that did not have performance data received a red in the performance category. The only item in this report that received a red in performance was HB0057 from 2011, Joint Professional School of Veterinary Medicine. It was classified as red due to it being two years old at the time of publication without performance data. After publication, performance data was received from Utah State University, as noted on the last page of the report, therefore their performance stop light would be a green.

MOTION: Rep. Ipson moved to adjourn. The motion passed unanimously.

Co-Chair Urquhart adjourned the meeting at 12:00 p.m.

Following lunch, the subcommittee toured Dixie State University and Dixie Applied Technology College.