

**MINUTES OF THE
HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE**

Room 210 East Senate Building, State Capitol Complex

January 29, 2016

Members Present: Sen. Stephen H. Urquhart, Co-Chair
Rep. Keith Grover, Co-Chair
Rep. Jon E. Stanard, House Vice Chair
Sen. Jim Dabakis
Sen. Ann Millner
Sen. Howard A. Stephenson
Sen. Jerry W. Stevenson
Sen. Evan J. Vickers
Rep. Kim Coleman
Rep. Fred C. Cox
Rep. Jack R. Draxler
Rep. Daniel McCay
Rep. Kay L. McIff
Rep. Carol Spackman Moss
Rep. Derrin Owens
Rep. Mark A. Wheatley

Staff Present: Mr. Spencer Pratt, Fiscal Manager
Ms. Jill Curry, 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.utah.gov.

1. Call to Order

Co-Chair Grover called the meeting to order at 8:34 a.m.

2. USHE Performance Measures

a. Degrees Mr. Pratt explained the graphs for each of the USHE institutions on the Issue Brief, [USHE Degrees](#). He discussed institutions who have had mission changes. The data also shows degrees by type and field of study. Sen. Stephenson asked about CTE certificates; specifically at SLCC. Mr. Pratt indicated that this information could be added. Rep. Coleman asked if this data would be presented with UCAT information. Co-Chair Urquhart asked SLCC to make this data part of the UCAT presentation.

b. Historical Enrollment Mr. Pratt explained the report, specifically increases and decreases in enrollment. [USHE Historical Enrollment](#) He said that 2015 showed a slight increase in enrollment.

c. Graduation Rates. Mr. Pratt explained this report. [USHE Graduation Rates](#) Vice Chair Stanard emphasized that this report specifically looks at first-time, full time students, which is only a small percentage of the students at each institution. Mr. Pratt said that this data

also only shows when a student graduates within 150 percent of the degree period for each institution. Co-Chair Urquhart asked if this data reflected transfer students. Mr. Pratt answered that it does not show transfer rates. He will prepare this information.

Co-Chair Urquhart asked Mr. Pratt and Comm. Buhler to look at the performance based funding standards in light of this data.

3. USHE Issue Briefs

a. Education and General Expenditures by Category. Mr. Pratt explained that the cost of instruction is the largest category for each institution. [USHE Education and General Expenditures by Category](#) He identified other categories where all the expenses occur. He explained each institution and then the summary for the system.

Sen. Stephenson asked for clarification about the 150 percent completion rates. Co-Chair Urquhart stated that this doesn't show part-time students, transfer students, or students who take a longer time to graduate. He asked Mr. Pratt to determine if there is a way to have data that includes more of these metrics. Ms. Denece Huftalin, President, Salt Lake Community College responded to this discussion. She mentioned the data only accounts for 27 percent of the total population at SLCC. She said that it did not include transfer students, part-time students, or students who took more than three years to complete. Sen. Stephenson asked for more data from SLCC.

Sen. Stephenson asked Sen. Millner about S.B. 103 Strategic Workforce Bill which she is sponsoring. Ms. Millner explained that [SB 103](#) establishes a process for investing strategically in workforce development through the development of stackable credentials.

Rep. Coleman stated that not having the clear picture adversely impacts the performance-based funding model for SLCC. Pres. Huftalin stated that it is difficult to find a metric that meets all of the needs of the USHE system. Co-Chair Urquhart explained the data is only a snapshot. Sen. Millner discussed the degrees per FTE measurement.

b. Direct and Full Instructional Costs per FTE Student Mr. Pratt discussed costs per FTE student. [Direct & Full Instructional Costs per FTE Student](#) He explained direct instructional costs and other the other categories that are factored into full instructional costs. Sen. Stephenson noticed there was more than a 250 percent increase in these costs over a ten-year period. He asked for clarification on this data. Co-Chair Urquhart asked institutions to suggest possible answers for this dramatic increase.

c. Performance Based Funding Mr. Pratt explained performance based funding started as one-time funding in 2013. [Performance-Based Funding](#) He said that on-going funding was appropriated in 2015. The bill required the Board of Regents to establish a performance-based funding model, which was approved last year.

Rep. Coleman asked about the reduction in remedial math courses shown as a standard on the performance based funding model. Co-Chair Urquhart indicated that she was looking at the

intent language which was used as the committee moved towards performance funding. He explained there were five new standards established by the Board of Regents in cooperation with the college presidents.

Co-Chair Urquhart stated that most of the new funding requests that were approved last year were for capital facilities. If there is any new money this year, the institutions would get this on a formula basis depending on their performance on these standards.

MOTION: Rep. Cox moved to approve the minutes of September 30, 2015. The motion passed unanimously with Sen. Stevenson and Rep. McIff absent for the vote.

4. USHE Base Budget Presentations

a. USHE Overview Comm. Buhler touched on some of the earlier questions and comments. He suggested that committee members look at the Board of Regents Data Book [Higher Ed Data Book](#) to find much of the data they had been requesting.

Comm. Buhler gave a overview of the USHE system. [USHE Overview](#) He discussed tuition costs and student debt in the USHE system. Sen. Dabakis asked if there is a national tendency to raise tuition because it is so easy to get student loans. Comm. Buhler mentioned there was quite a bit of controversy whether the ability to obtain student loans has impacted tuition. He stated that generally tuition has increased because of the decrease in state funding.

Rep. Draxler commented that Utah does have lower tuition rates, and lower student loan rates because more students work part-time and full time. He asked what would be required to have no increases in tuition. Co-Chair Urquhart stated that the USHE system is managed very well. He felt that accreditation of higher education is an old, expensive model; which is now at a pivot point. It is important to determine what the citizens of Utah need.

Comm. Buhler reported that one of the Board of Regents major concerns is to keep college as affordable and efficient as possible. He mentioned the tier-one part of the FY 2016 tuition increase of 3.5 percent was to cover compensation increases.

Comm. Buhler gave a brief overview of the eight USHE institutions. He discussed current and projected enrollment in the USHE system. He reported that USHE salaries for administration, professional and faculty are below the median. He touched on the state partnerships that add to college success. He discussed the Utah Scholars Initiative, concurrent enrollment, college application week, college-ready grants, and the Regents' Scholarship. He reported on the annual counselor conference and the USHE High School Feedback Report.

Comm. Buhler further delineated information that could be found in the data book. He discussed the 10-year strategic plan. He discussed efficiencies and re-prioritizing. He reported on certificates and programs that were added as well as those that were discontinued.

Rep. McIff asked the amount of funding that came from private donors and alumni support. Comm. Buhler stated that he would provide that information to committee members.

Sen. Stephenson asked Comm. Buhler to provide more information about the 26 programs that were discontinued and the 79 new certificate programs. Co-Chair Urquhart asked Comm. Buhler to provide that information to committee members.

Sen. Stephenson asked about the controversy regarding regents' scholarships that were denied because of some technicalities regarding deadlines. Comm. Buhler mentioned that deadlines are important. They are reviewing these cases individually. Rep. Coleman had heard that there were over 100 scholarships denied because of these technicalities. Comm. Buhler reported there were not that many under review. His office is revising the policy.

Rep. Owens wanted to make sure the public was aware of the tremendous savings to students by taking concurrent enrollment courses. When a high school student takes a concurrent enrollment course, they typically pay \$15 for a three-credit college course. He mentioned it would be helpful to track these students to see if they did complete a degree. Comm. Buhler stated that USHE doesn't fully recover the costs of these courses, but it is of great benefit to the students. He can send more information regarding this data.

Co-Chair Urquhart mentioned the great success of concurrent enrollment math courses. Comm. Buhler said the Regents' Scholarship requires four years of high school math. They also suggest that students take math their first year of college. [Regents' Scholarship Recipients by House and Senate Districts](#)

b. Weber State University. Charles Wight, President, gave an overview of WSU. He discussed recent accolades for the university. He reported on the enrollment growth and discussed the top ten degree programs. He mentioned the average starting salary for WSU graduates is \$48,800. He discussed tuition rates and faculty salaries. He explained the Dream Weber program. He said that WSU is a military-friendly school. He highlighted two students.

Pres. Wight said that one of the biggest challenges is the high percentage of students who attend part-time and are working their way through college. He discussed the fact that it often takes these students much longer than six years to graduate. He discussed some budget reallocations and budget priorities.

Rep. Wheatley asked if WSU had discontinued any programs, and about the average debt accrued by students. Pres. Wight reported the gerontology program was dropped last year. He didn't have the data on the average debt.

Sen. Stephenson was interested in the fact that 72 percent of their students did ultimately graduate, but this number doesn't always show up because of the six-year requirement. He thought there may be a better metric.

Pres. White mentioned the cultural change at WSU to focus on meeting the needs of employers in the community. This in turn meets the needs of graduates. Sen. Dabakis is very impressed with the Dream Weber program and volunteered to be an ambassador for this program.

Rep. Draxler asked what was being done to avoid a tier 2 tuition increase. Pres. White stated that WSU is very committed not to request tier 2 tuition increases.

c. Snow College Gary Carlston gave the [Snow College Presentation](#). He discussed budget efficiencies. He introduced Jacob Dettinger, Vice President of Finance and Administrative Services. He explained the mission of Snow College and growth in enrollment. He reported on several national and state recognitions. He thanked the committee for last year's performance funding and reported on the use of those funds. He mentioned that Snow's number one priority is student success including graduation, transfer, or finding employment.

Pres. Carlston discussed various sources of revenue for the college. He explained that salaries, wages and benefits comprise 66 percent of expenditures. He delineated many recent examples of efficiencies. He discussed the importance of affordability and participation. He explained the goal of having 60 percent of their students take 30 credits per year. He discussed some challenges and opportunities. He highlighted the success of two students from Snow College.

Rep. Draxler stated that Pres. Carlston had answered his question regarding keeping tuition low.

d. Salt Lake Community College Pres. Huftalin reported from Salt Lake Community College. She discussed the strategic plan for SLCC. She explained the new vision statement, new mission statement, and the new value statements. She reported on student demographics and efficiencies. They have reduced scheduling costs by consolidating low-enrollment costs. They have repurposed some positions and added to the SLCC infrastructure. She explained the "SLCC Promise" program which helps fill the gap from Pell eligibility. She said that annual program reviews assist with curriculum changes.

Pres. Huftalin mentioned the commitment to keeping college affordable and the strides they had made with open educational resources. She discussed the bridge into math program and competency based education. She reported that SLCC is a federal experimental learning site that allows these courses to qualify for financial funding.

Rep. Wheatley and Rep. McIff thanked Pres. Huftalin for her good work. Rep. Cox mentioned there was a great deal of interest in the new West Valley site.

Co-Chair Grover reminded committee members that Tuesday's meeting would start at 8:40 a.m.

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

Co-Chair Grover adjourned the meeting at 10:47 a.m.