

Draft—Awaiting Formal Approval  
**MINUTES OF THE  
HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE**  
Room 210 East Senate Building, State Capitol Complex  
February 8, 2016

**Members Present:** Sen. Stephen H. Urquhart, Co-Chair  
Rep. Keith Grover, Co-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

**Members Excused:** Rep. Jon E. Stanard, House Vice Chair

**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](http://www.le.utah.gov).

**1. Call to Order**

Co-Chair Grover called the meeting to order at 8:05

**2. USHE Report of 2015 General Session Legislative Intent Language [2016 Intent Language](#)**

Comm. Buhler reported on FY 2016 Intent Language by listed by each institution. [USHE Intent Language Report](#). He also mentioned the [Job Placement by CIP](#) report.

Comm. Buhler discussed the \$600 million in the contracts and grants report. [USHE - Contracts and Grants Report](#)

Rep. Draxler asked committee members to study these numbers and to look at this as a system to help hold the line for tier-one tuition increases. He asked this of most of the college presidents and heard various ways they have become more efficient. He asked if the tier-one tuition increase is automatic every year. Comm. Buhler explained that the tier-one increase is in

statute. The institutions do set the goal to have little or no tier-two increases. The tier-one increase last year was 2.5 percent.

Rep. Cox asked how often fees are used to cover building costs and how widespread this might be. He will address this issue with Comm. Buhler off-line.

### 3. USHE and UCAT Issue Briefs

#### a. Operations and Maintenance

- 1) **USHE** Mr. Pratt discussed the [USHE O&M](#) for buildings that have one-time reductions while the buildings are still being completed.
- 2) **UCAT** Ms. Curry discussed the [UCAT O & M](#) one-time reduction for O&M the FY 2017 budget for the building at DXATC.

#### b. USHE Reallocations Mr. Pratt discussed the [USHE Reallocations](#) as well as the reallocations shown below.

- 1) [U of U Reallocations](#)
- 2) [USU Reallocations](#)

#### c. Vehicle Expansion

- 1) Mr. Pratt explained the [USHE Vehicle Expansion](#) Issue Brief.
- 2) Ms. Curry explained the [UCAT Vehicle Expansion](#) Issue Brief.

### 4. Approval of minutes

**MOTION:** Rep. Owens moved to approve the minutes of the January 27, 2016 meeting. The motion passed unanimously with Sen. Urquhart, Rep. McCay, Rep. McIff and Rep. Wheatley absent for the vote.

### 5. USHE FY 2017 Budget Requests

**a. USHE Overview** Regents' Chair Dan Campbell discussed the 2016-17 [USHE Budget Request and Priorities](#). He explained the goal of increasing capacity to serve 50,000+ more students by 2025 and what the system would need to meet this goal. He discussed strategic objectives, affordable participation; timely completion; and innovative discovery.

Comm. Buhler listed the USHE budget priorities: 1) compensation; 2) [Access and Affordability](#); 3) [Market Demand Program Initiatives](#) (including graduate and undergraduate); 4) performance funding; and 5) statewide initiatives.

Rep. Cox asked if this was a wish list or merely a summary. Comm. Buhler said that it was both. They are asking for a nine percent increase or about \$76 million. He said about half of that request is for compensation increases and that the other priorities are ranked in order.

Sen. Stephenson asked for more information about completion rates. He also asked about the requirements for the Regents' Scholarship and if those requirements encourage students to finish

in four years. Comm. Buhler explained that the Regents' scholarship requires students to take 15 credits per semester for up to four semesters. They also encourage institutions to require 15 credit hours in order to maintain other scholarships. Comm. Buhler stated that students who are working while attending school may take longer, but some students stay on track by attending summer semester.

Sen. Stephenson mentioned that the new emphasis on stackable credentials, along with Sen. Millner's bill (SB 103), should allow students to have more earning potential than minimum wage jobs. This will put them in a better financial situation and allow them to complete their education earlier.

Comm. Buhler agreed that providing more incentives for stackable credentials is important. He said that if they earn a certificate or an associate degree, it helps their employability and earning power while they are in college and then if something happens and they cannot finish a bachelor's, they still have this credential. He will have to find out if these students can be tracked.

Sen. Stephenson commended Regent Campbell and Comm. Buhler for the remarkable job they have done in selecting such exemplary presidents. He has been especially pleased when the president is someone with Utah ties. Chair Campbell indicated that the selection of a president is their first responsibility. Rep. McIff indicated that there was a time when the presidents were imported from other states. He is also very appreciative when local talent can be identified to serve in these important positions.

Rep. Owens mentioned that he has a unique perspective as a high school counselor. He complemented the USHE system for reaching out to high schools and attracting and informing students of their options. It is critical that this is a continued effort.

**b. Utah State University (USU)** Neal Abercrombie, Director of Government Relations, USU introduced Mark McLellan, VP for Research & Dean of Graduate Studies. Mr. Abercrombie explained that market place demand was the impetus for a comprehensive review of graduate programs. He discussed accountability. Mr. McLellan discussed the stewardship of funds. He discussed the success of the graduate initiative. USU has appreciated the support from the Legislature. He discussed some strategic improvements USU has made. He reported on the success of one-time funding and their five-year plans. They are asking for a \$2.4 increase in graduate funding to keep the momentum going. He expressed the need to keep momentum going and the importance of more base support for graduate students. He discussed the new world class library.

**c. Southern Utah University (SUU)** Scott Wyatt, President, discussed the vision and goals of SUU. He said that Utah is the seventh most efficient state in the nation and reported on several SUU efficiencies. He explained the national recognition they have received on their project-based experience program. He mentioned the low student debt at SUU and their remarkable graduate school acceptance, employment and licensure rates. He discussed the inputs and outputs of the school. He reported on recent years' appropriations, tuition and fees, cost of instruction, and FTE's. He discussed funding levels, tuition revenue projections, and the

expected increase in enrollment. SUU has made a commitment not to have tier-two tuition increases for FY 2017. Pres. Wyatt is proud of the quality of classroom instruction and the dedicated faculty and staff. He discussed efficiencies and reallocations including water usage, fuel consumption; power usage; landscape and construction; student employment, and some organizational realignments. He mentioned their “shark tank” program.

Sen Vickers mentioned the success of SUU’s retention programs and some of their other significant unique approaches.

Rep. Moss said that her intern from SUU has been outstanding and that he is on the path to law school. Pres. Wyatt said he was very proud of the success of all of the SUU students.

Sen. Dabakis stated that Pres. Wyatt’s presentation was very impressive. He appreciated the tremendous work that has been done to become more efficient in many areas. He asked if SUU had done everything that could be done before quality of instruction would be impacted. He is very concerned with the trend of declining state support, and encouraged the Legislature to address this trend. Pres. Wyatt said that he was grateful for the support of the committee. He agreed that there would be a point when they had reached the limit of being efficient without it hurting students. He would welcome more discussion about this and said that the post-secondary students in the state deserve more.

Sen. Stevenson said that this is a trend across the nation with more and more of the responsibility for funding higher education on the back of students. He said that encouraging students to finish in four years will help this situation. Pres. Wyatt reported on their improving graduation rates and their better student to advisor ratio.

Rep. Coleman asked how committee members could get copies of these budget requests. Mr. Pratt indicated that the Board of Regents priorities is available on-line with the meeting materials. He will get copies of the other requests to committee members

**d. Utah Valley University (UVU)** Matthew Holland, President, UVU gave the [UVU Budget Presentation](#). He stated that UVU is beginning its 75<sup>th</sup> anniversary year. He discussed enrollment growth at UVU. He mentioned that UVU has the lowest square foot amount per FTE, which means they are extremely in need of more space. He discussed their aggressive utilization of alternative delivery spaces and the growth of e-learning courses. They have worked on efficient planning of old and new spaces. He reported on the tax funds spent per FTE student and thanked the committee for the profound help with the recent equity funding. He discussed the planning cycle; the prioritizing budget cycle; assessment and new efficiencies. They have rolled four offices into one, streamlined practices, have re-purposed 11 positions. He mentioned the increase in awards given to UVU. He explained their retention and completion efforts. He reported on UVU’s efforts to keep costs low for students and discussed their lower textbook initiatives.

Co-Chair Urquhart and Rep. McIff asked for clarification about some of these initiatives. Pres. Holland answered these questions.

Pres. Holland explained their FY 2017 budget request stating that compensation was the top priority. He mentioned the problem they have had with employee turnover. He discussed student access and affordability. He explained UVU's response to market demands.

Co-Chair Urquhart asked for more information about this. Pres. Holland discussed their close collaboration with Utah technology and the support from industry. He reported on UVU's performance funding metrics.

**e. Snow College** Gary Carlston, President, Snow College, focused his remarks on the budget request. They supported the five goals of the Board of Regents and discussed each category. He expressed appreciation for the Legislature as they have tried to help with compensation. He stated that they have lost critical faculty who have taken higher paying positions. He explained the success rate, graduation rate, and transfer rates.

Rep. Cox asked if they were losing teachers to BYU-Idaho. Pres. Carlston said that they had lost some faculty to other Utah institutions, but other faculty have gone out of state.

Pres. Carlston reported on Snow's use of performance-based funding. He discussed flexible course scheduling and increasing the number of core sections offered. He mentioned student support and retention, increased access to wellness and counseling services, and financial aid. He discussed the local market demand for two-year programs. He said that Snow had just achieved full accreditation for the nursing program. He explained the cooperative efforts of the composite manufacturing program. He mentioned some specific student successes.

Rep. McIff asked about Snow's proposal to attract qualified faculty and how Snow compares with salaries in the area. Pres. Carlston said that this was very challenging. He said they have organized a faculty and staff compensation committee who have identified additional compensation strategies and are developing a plan to fill holes in staff and faculty.

Rep. Owens asked about their enrollment status and the impact of the concurrent enrollment initiative. Pres. Carlston reported Snow now has 5100 students. They focus on the six-county region. They have focused on helping high school students transition to college by working on the International Baccalaureate program, the K-16 alliance, and the math initiative.

Rep. Owens stated that the new science building will be a great addition to the campus.

**f. Dixie State University (DSU)** Richard Williams, President, said that they have been a university for two years. He explained the emphasis on affordability and showed tuition and fees in comparison with national fees. He talked about the total cost of education to students including tuition, fees, books, room and board. He discussed financial aid options and the percentage of Pell-eligible students. Pres. Williams explained the eight-step strategic planning process and the great community support of this process. He discussed the six goals that came out of that plan. He delineated some of the efficiencies DSU has been working on and the priorities that have been developed. He mentioned the structured enrollment program and the success of other efforts made to increase retention and completion. They are working to broaden and enhance some academic programs as well as adding some graduate programs. He

said the partnership with University of Utah in the health care field has been invaluable.

Co-Chair Grover asked where faculty and staff who have taken positions elsewhere are going. Pres Williams indicated that most of these people are going out of state.

Rep McIff asked what the median salary was and if it differs by discipline. Pres. Williams will get this information to committee members.

Pres. Williams said they are enhancing student support for inclusion and equity and have several initiatives for minorities. They have been working to engage the southern Utah region by utilizing the expertise of many residents who volunteer. He mentioned the need for more student housing. He reported that they have utilized every possible avenue to save money, and are now in need of increased funding.

**g. Weber State University (WSU)** Charles Wight, President, introduced Brad Mortensen, Vice President for Institutional Advancement. Pres. Wight introduced the FY 2017 budget request for WSU. He said that Utah leads the nation in job growth. He emphasized that the state needs to invest in higher education in order to sustain economic prosperity;

He discussed the five budget priorities presented by the Board of Regents. He discussed seven specific requests regarding access and affordability. He mentioned the Wildcat Scholars program for first-generation economically disadvantaged students. He reported on the four areas of performance-based funding and success of the student resource center.

Rep. Coleman commented that it was a great idea for institutions to have a more pro-active approach to student orientation, financial literacy and course offerings. Pres Wight mentioned that this center has been a great resource for students to gain tutoring and individual attention. They have also helped students understand when and how to borrow money for their education.

**h. Salt Lake Community College (SLCC)** Deneece Huftalin, President, SLCC introduced Darren Marshall, Assistant Vice President of Budget Services. She explained the [SLCC Budget Presentation](#). She gave a brief report on how performance-based funding was used for FY 2015-2016. She then explained the FY 2017 budget requests, which are in alignment with the Board of Regents recommendations. She gave a comparison of faculty salaries. She discussed access and affordability and market-demand programs. She explained the PACE scholarship program. She talked about the "IT" boot camps they are offering and short-term intensive training. She discussed SLCC's performance based funding requests.

Rep. Cox asked which high schools SLCC works with. Pres. Huftalin answered that most of the schools they work with are in the Salt Lake School District. They are looking to increase coordination with Cottonwood and Kearns.

Sen. Stephenson admitted that at first he was somewhat skeptical about performance-based funding. He apologized to the chairs and has been very pleased with how performance-based funding has provided incentives for institutions to look for ways to improve. He asked for a distinction between the PACE scholarship program and the Regents' Scholarships. Pres.

Huftalin answered that the process involved to qualify for a Regents' Scholarship is very specific. The PACE scholarship is designed for students who would not qualify for the Regents' Scholarship. These scholarships are funded privately by business and industry specifically for students who don't see a financial path to college.

Sen. Stephenson would like to compare PACE, Regents' New Century, Dream Weber and the other institutions' scholarships during the interim. It would be helpful to have some analytics regarding their success. Pres. Huftalin mentioned the DegreeWorks software package. This program allows students to plan their education. She would be happy to discuss this off-line.

## **6. Utah Educational Savings Plan**

Ms. Lynne Ward, UESP Director discussed [UESP](#). She mentioned that receiving blankets with the UESP logo are given to all newborn babies in the state of Utah. She explained the success of this program and they are marketing to grandparents as well. She reported that the Utah plan is known nationwide. She explained the on-line gift program

**MOTION:** Sen. Urquhart moved to adjourn. The motion passed unanimously.

Co-Chair Grover adjourned the meeting at 10:55 a.m.

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Sen. Stephen H. Urquhart, Co-Chair

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Rep. Keith Grover, Co-Chair