1. Call to Order

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

2. Approval of Minutes

**MOTION:** Sen. Stephenson moved to approve the minutes of the January 29, 2016 meeting. The motion passed unanimously with Rep. McCay absent for the vote.

3. Accelerated Foreign Language Course (S.B. 152) Funding Request for $300,000

Sen. Stephenson explained this funding request. They are working on a program to ensure that children in dual-language immersion transition through high school. He explained these students take the AP Foreign Language test in ninth grade. They need to be able to take 3000 level concurrent enrollment courses in high school. Co-Chair Urquhart praised Sen. Stephenson for his tremendous work in this area.

Dr. Johanna Watzinger-Tharp, Professor, Senior Advisor and Dr. Fernando Rubio, Director, University of Utah Foreign Languages, discussed the success of the dual-immersion program and...
the need for on-going funding of $300,000. Sen. Stephenson said that research has shown dual-immersion students are outscoring their monolingual peers in all areas including math and science. Research has also shown the cortex portion of the brain is maturing more rapidly. The first cohort of students is now ready to take accelerated courses while in high school.

Sen. Vickers discussed the success of dual immersion at one of the elementary schools in Cedar City. He said it was amazing to walk into the classroom and see students intently engaged. There have been a few issues with implementation in his area, but the students are scoring higher on all the tests. It is a very successful program with incredible results.

3. Committee Discussion on FY 2017 Budget and FY 2016 Supplementals (if necessary)

Co-Chair Urquhart thanked committee members for their good work. He distributed a prioritization list developed by the chairs. He said that he and Rep. Grover had worked to try to merge the Senate and House priorities. Co-Chair Grover thanked the House members for their participation in the process. He felt that all members of the committee were well informed. He expressed his deep concern relative to the recent audit that UCAT funding go straight to the campuses rather than administration.

Co-Chair Urquhart mentioned that Utah is unique in having joint appropriation committees that involve the House and Senate. This provides a good opportunity to bring the two bodies together to make decisions regarding the budget. He welcomed committee members to make adjustments to the list that was distributed.

Sen. Stephenson questioned the fact that UCAT Custom Fit was not ranked. He felt that UCAT funding should be focused on the backlogs especially in CTE training. He asked if the campuses would have enough flexibility in their budgets to help alleviate waiting lists.

Co-Chair Urquhart mentioned there was funding for campus program expansion that could be used for CTE training. Sen. Stevenson asked if the custom fit program did not receive additional funding if it would put some programs at risk. He felt that this is a successful and popular program for employers and employees.

Pres. Brems reported this high priority request of $3.1 million would double the Custom Fit budget. Rep. Draxler wanted to ensure that the Custom Fit program would continue even if this request was not granted. Pres. Brems answered that the Custom Fit program would continue with or without the additional funding.

Co-Chair Urquhart reported that one difference in prioritization between the House and the Senate was for Sen. Millner’s S.B. 103. This was a high priority for the Senate but not the House. He asked Sen. Millner to explain this budget request. Sen. Millner answered that the focus of the bill was on high priority clusters where there is significant growth in job needs. They range from a composites certificate to engineering and software development degrees. It is an innovative approach to meet regional needs through stackable credentials. She expressed the critical need to keep talent within the state. The goal is to make sure students have clear pathways to go to work, but then also continue their education.
Co-Chair Urquhart mentioned that the Regents’ Scholarship amount was incorrect on the sheet, it should have been $8 million. He asked Comm. Buhler to explain this budget request. Comm. Buhler stated that recipients are aware that the amount of the scholarship is dependent on the funding from the legislature. The request for $8 million would allow for all of the scholarships to be funded at the maximum level. The maximum for the Exemplary Scholar is $1,250 a semester for up to four semesters. He discussed the requirements for this scholarship.

Sen. Dabakis thanked the chairs for their hard work and stated that the process was very inclusive. He expressed concern about the student athlete graduation improvement request and the funding that was given to USU last year. He felt there was not a good system in place for this funding. He would like to have a more fair and equitable process in place before the funding is appropriated.

Co-Chair Urquhart stated that the current situation with college athletics and graduation rates is a tragedy and the situation is getting out of hand. Last year there was money funded for USU. They had some conversations arising out of basketball scheduling. He stated that WSU was very engaged in those discussions and made a better case than the other institutions. He commented that WSU has a great athletic program with great students.

Sen. Vickers stated that he was aware of this particular issue. He has been made aware that SUU and WSU are working together to help the athletic programs at both schools.

Rep. Cox suggested that this item should be removed and replaced with another item not yet ranked, or at least moved to the bottom of the USHE list. Rep. McCay mentioned the scathing e-mails he received after his comments about the U of U athletic program. He recognizes that athletics are often the initial reason why a particular school is selected by a student but it should not be the primary focus. He felt strongly that it should not be a focus of this committee nor the Legislature. He wanted to affirm the role to maintain the entire integrity of the university.

Sen. Millner reported that this funding was started this last year and that USHE institutions do compete. It is important to make sure they are recruiting high-quality student athletes. It is important to treat all institutions in Division 1 fairly.

**MOTION:** Rep. Moss moved to place the Utah Poison Control Center request for $626,600 at the bottom of the USHE request list (which would be Item #16.)

Co-Chair Grover reminded committee members that the center does have other sources of revenue.


**MOTION:** Sen. Millner moved to place Items 8, 9 & 10 (DSU & UU Health Care Partnership Program, and the two Strategic Workforce Investments; Legislature & GOED - SB 103) up just below Performance Based Funding, making them items 5, 6, and 7 and to change the amount from $5 million to $2.5 million.
The motion passed unanimously.

**MOTION:** Sen. Stephenson moved to place the $8 million Regents’ Scholarship as #11 and the $300,000 Accelerated Foreign Language Course (SB 152) as #12.

Vice Chair Stanard asked if the Regents’ Scholarship has been funded with one-time money in the past. Comm. Buhler answered there is some on-going in the base. Over the last few years, it has largely been funded with one-time money even though it is a two-year scholarship.

Rep. Owens spoke in favor of the motion, but mentioned that most of the recipients of the scholarship often earn other private scholarships, and they do stack other scholarships together.

Sen. Millner asked for clarification on the motion asking if the Regents’ Scholarship was at #11, and the Foreign Language was #12. Sen. Stephens answered that was the correct order.

Rep. Cox asked if the two items should be switched because $8 million was such a large number. Sen. Stephenson responded that it is important to keep faith with these students who are doing everything asked of them. He said EAC will work with the amounts more specifically.

The motion passed unanimously.

**MOTION:** Rep. McIff moved to place the Student Athlete Graduation Improvement to the bottom of the USHE list, so it would become Item #18.

Sen. Vickers spoke against the motion. He stated that it was already far down on the list, and thinks it is in the appropriate place.

Rep. Draxler reserved the right to speak in favor of the motion, but first asked for clarification on the Utah Campus Compact. Sen. Millner explained the Utah Campus Compact involves all 12 institutions across the state. It is a partnership with private and public institutions. It focuses on civic engagement as part of the university experience. They need a small amount of money to provide coordination support. The institutions will match the money.

Rep. Draxler said that this would be at least as important as the athlete graduation, but commended the institutions, especially WSU and USU who are at the top of the NCAA.

Sen. Dabakis mentioned that he enjoyed watching WSU athletics. He is in support of the motion, but his vote doesn’t have anything against WSU. It is in response to not having a holistic strategic plan.

Co-Chair Grover spoke against the motion. He stated that both sides have very valid arguments. He felt the current prioritization is where it needs to be. He said that since USU got some funding last year, WSU and SUU could receive funding this year, and then there would only be one or two institutions left to consider for next year.

**MOTION:** Sen. Dabakis moved to place American Legion move between 11 & 12 for one time only funding for $50,000.

The committee discussed the placement, and also the advantages of having on-going funding instead of one-time funding. Sen. Stevenson reported that the EAC is very adept at moving items to one-time funding.

**AMENDED MOTION:** Sen. Dabakis amended his motion to place American Legion after Item #12 (Accelerated Foreign Language Classes), but to leave it as on-going funding.

The amended motion passed unanimously.

**MOTION:** Sen. Vickers moved to have verbal intent language from the committee that the student athlete graduation improvement funding is intended to be used for SUU and WSU.

Rep. Cox asked if “WSU/SUU” could be added to the list. Co-Chair Grover indicated that this might be more confusing for the EAC.

The motion passed unanimously.

Co-Chair Urquhart indicated that it makes sense to take UCAT Custom Fit off of the non-ranked items and place it in the prioritization list.

**MOTION:** Sen. Vickers moved to place UCAT Custom Fit at the bottom of the UCAT request list.

Sen. Stephenson and Sen. Millner supported the motion.

The motion passed unanimously.

**MOTION:** Rep. Stanard moved to adopt the prioritization list with all of the changes approved in the meeting incorporated.

The motion passed unanimously.

**MOTION:** Rep. Stanard moved to adopt the following intent language:

*The Legislature intends that the Utah College of Applied Technology determines and adopts a clear policy to ensure that reporting of student completions, certificates, and upgrades are uniform across all campuses when they are reported to the Legislature. The Legislature further intends that for the 2017 General Session, the Utah College of Applied*
Technology reports to the Higher Education Appropriations Subcommittee separate and segregated data for each of the following categories: (1) certificate-seeking students, (2) occupational upgrade students, (3) other postsecondary students, and (4) secondary students.

Vice Chair Stanard stated that this language directly addresses some of the concerns that surfaced from the recent audit. He mentioned that he has discussed this with Pres. Brems and UCAT leadership and they support this language. It ensures there is no lack of clarity.

The motion passed unanimously.

**MOTION:** Sen. Millner moved to adopt the following intent language:

The Legislature intends that the State Board of Regents, when allocating Performance Funding, utilize “awards per FTE student” as the output metric for institutional efficiency (53B-7-101(4)(b)(iv)) rather than “150 percent graduation rate for first-time, full-time students.” This change will be effective beginning July 1, 2016.

Sen. Stephenson supported the motion stating that it will help measure what should be measured and will address some of the concerns raised by the committee.

Rep. McIff asked why this intent language is necessary and the response of the commissioner’s office. Sen. Millner replied that she has been working with Comm. Buhler on this language. They have worked through both models, but would prefer to use this metric.

Co-Chair Urquhart mentioned the success of performance based funding. He stated that it was critical not to change the criteria of performance based funding. He felt that this change would not be adding criteria, but refining what is actually measured.

Sen. Stephenson wanted to make sure that this would not mean that all awards are lumped together. He wanted to ensure that awards would be disaggregated because that is critical in analyzing the data.

Sen. Millner answered that one of the reasons for using this measure is that it allows for better comparisons especially with regards to throughput. All of the pieces of the award are taken into account. She stated that this metric is used on a national level. They can list this as certificates and degrees. She is willing to work on this during the interim.

The motion passed unanimously.

**MOTION:** Rep. Stanard moved to accept the reallocations, Operations & Maintenance, and Vehicle authorizations as listed.

Rep. Cox wanted to clarify that none of the suggestions regarding tuition waivers were part of these reallocations. Co-Chair Urquhart stated that the committee did not take action on the tuition waiver recommendations, so all tuition waivers are still in place.
The motion passed unanimously.

Co-Chair Grover reported three members of the committee were retiring: Sen. Urquhart, Rep. Draxler and Rep. McIff. He stated they will be greatly missed.

Co-Chair Urquhart thanked the committee members for their diligence. He thanked Comm. Buhler, his staff, the USHE presidents, the UCAT campus presidents, and Pres. Brems. He mentioned that he had been in the legislature for 16 years. He has been grateful for the opportunity to work on higher education. He has been the Senate co-chair for six years and has thoroughly enjoyed working with his counterparts in the House. He felt like the committee has done some great work.

Sen. Millner said that it was a pleasure to work with all of these individuals in her different roles. It is wonderful to work with people who have the best intentions to do what is right for the citizens of Utah especially in higher education. Rep. Wheatley echoed the sentiments of Sen. Millner. He especially thanked Sen. Urquhart for his leadership and work on performance based funding and equity funding.

Rep. McIff said that it has been a privilege to see higher education from the standpoint of the chair of the Board of Trustees at SUU during its transition to a university. He then served on the Board of Regents and then in the Legislature. He is appreciative of Utah’s cohesive system including USHE and UCAT. He said it had been a remarkable experience.

Rep Draxler expressed his sincere thanks to everyone. He echoed the sentiments that Utah has a wonderful system, and that the system has improved significantly during his period on the committee due to the focus of the chairs. He also expressed well wishes to Rep. McIff and Sen. Urquhart, who was in the house when Rep. Draxler came into the legislature.

Vice Chair Stanard added his thank you and goodbye to Rep. Draxler and McIff and their friendship. He thanked Sen. Urquhart for his leadership and willingness to spend time with him during his first days at the Legislature. He has been a good example of being accessible and listening to constituents. He has done good work, and has been a fierce ally of higher education.

Sen. Stephenson said that these three individuals will be greatly missed. He recognized the great contribution they have made. He said that he has learned from Sen. Urquhart and that every time they have had a conflict they have been able to work it out.


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