



UCAT OPERATIONS AND MAINTENANCE STATE-FUNDED FACILITIES

HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE
STAFF: JILL L. CURRY

ISSUE BRIEF

SUMMARY

The Analyst recommends that the Subcommittee approve a one-time reduction of \$374,400 in FY 2018 for O & M funding that is currently in Dixie ATC’s base budget. This reduction reflects the expected timing (October 9, 2017, as provided by DFCM) of the completion of its Permanent Campus. The Analyst also recommends that the Subcommittee approve a one-time reduction of \$14,000 in FY 2018 for O&M funding for Ogden-Weber ATC’s Business Depot Ogden Bay 2 project which is in Ogden-Weber ATC’s base budget and it expected to be completed July 15, 2017.

OBJECTIVE

Funding of O & M for new and renovated facilities help to maintain the buildings and preserve the State’s capital investment on UCAT campuses.

DISCUSSION AND ANALYSIS

Several years ago, the Legislature approved a new policy for state-funded buildings, where the O & M for a new building would be funded at the time the building was approved. The O & M funding is appropriated, but is offset with one-time reductions until the building is completed and ready for occupancy. This policy brings the O & M costs to the attention of the Legislature as a cost of the building, not later as a cost that needs to be prioritized with other requests. This policy seems to be working to the benefit of both the Legislature and the campuses. (This policy only applies to state-funded buildings, so the O & M for non-state funded buildings still needs to go through the appropriations request process.)

UCAT New Facilities Operations and Maintenance

FY 2018 One-time Reduction

<u>Project</u>	<u>Expected Completion Date*</u>	<u>O & M Base Budget FY 2016</u>	<u>One-time FY 2017 Reduction</u>	<u>LFA FY 2018 Priority List Recomm.</u>
<i>Utah College of Applied Technology</i>				
Dixie ATC Permanent Campus	9-October-17	\$1,366,400	(\$1,366,400)	(\$374,400)
Ogden-Weber ATC Business Depot Ogden	15-July-17		(\$336,200)	(\$14,000)
Total		\$1,366,400	(\$1,702,600)	(\$388,400)

*Completion date provided by DFCM.