



HIGHER EDUCATION BASE BUDGET WEEK – BUDGET ADJUSTMENT OPTIONS

HIGHER EDUCATION
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ISSUE BRIEF

SUMMARY

For FY 2019, the Executive Appropriations Committee has not established a certain target percentage for Appropriations Subcommittees to reduce from base budgets. The instructions were, however, that budget increases should be funded after looking at reallocations from within existing budget allocations.

DISCUSSION AND ANALYSIS

Given the instructions, the Analyst looked for areas that could be reduced in order to recommend increases for Higher Education programs.

The Analyst again reviewed the USHE tuition waivers, as explained in the USHE Tuition Waivers Issue Brief and noted that in over the past four years, USHE institutions have increased the amount of tuition waived from \$81.0 million in FY 2014 to \$138.1 million in FY 2017. This represents an increase of \$57.1 million and 70.6 percent over a three year period. The \$138.1 million of tuition waived in FY 2017 represents a system average of 15 percent of gross tuition, but by institution, varies from 7.9 percent to 27.6 percent

The Analyst suggests that by limiting the tuition waived, approximately \$17.9 million of tuition could be collected, freeing up that revenue for other purposes. This figure represents a little less than two percent of the state tax funding for USHE and would impact the six institutions as shown below:

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>Average</u>	USHE Target \$17,872,200
University of Utah	\$13,360,200	\$19,791,883	\$22,710,508	\$26,496,014	18.16%	\$3,244,700
Utah State University	\$29,671,500	\$34,744,656	\$41,575,334	\$44,135,357	33.70%	\$6,022,900
Weber State University	\$9,556,600	\$11,855,110	\$13,164,218	\$13,618,536	10.86%	\$1,940,900
Southern Utah University	\$6,329,000	\$8,779,426	\$13,274,411	\$15,785,668	9.54%	\$1,705,600
Utah Valley University	\$12,448,799	\$16,209,171	\$20,437,757	\$21,999,264	15.75%	\$2,815,500
Snow College	\$1,303,122	\$2,136,493	\$2,278,656	\$2,327,447	1.79%	\$319,200
Dixie State University	\$4,363,753	\$6,673,680	\$7,342,227	\$8,912,768	6.01%	\$1,074,400
Salt Lake Community College	\$3,925,000	\$4,623,246	\$5,044,311	\$4,825,609	4.19%	\$748,900
Total	\$80,957,974	\$104,813,665	\$125,827,422	\$138,100,663	100.00%	\$17,872,100

In addition, the Analyst has also identified \$1.23 million from the following line items:

- \$1,000,000 from New Century Scholarships, reflecting the decrease in these scholarships (moving more to Regents’ Scholarships, which the Legislature has funded.)
- \$86,000 Student Support – Campus Compact – one FTE.
- \$143,700 Utah Academic Library Consortium, reflecting decreases in usage as reflected in their performance measures.

The Analyst recommends that the subcommittee consider \$15.8 million to address USHE workforce needs, as outlined:

- \$7,356,400 for Nursing Health, and Wellness;
- \$2,395,500 for Computer science and information technology;
- \$4,727,000 for Engineering, science, and aviation; and
- \$1,370,000 for Business, hospitality, and tourism.

For the Utah System of Technical Colleges (USTC), the Analyst recommends that adjustments could be made to the USTC Administration and individual college budgets. These represent a 2 percent reduction in General and Education Fund revenues appropriated to each individual campus and implementation of the adjustments would be left to the discretion of USTC leadership and campus presidents.

The possible adjustments are as follows:

Utah System of Technical Colleges	Proposed Adjustments
USTC Administration	(\$141,548)
Bridgerland Technical College	(\$266,586)
Davis Technical College	(\$304,226)
Dixie Technical College	(\$140,718)
Mountainland Technical College	(\$229,210)
Ogden-Weber Technical College	(\$304,628)
Southwest Technical College	(\$99,556)
Tooele Technical College	(\$80,760)
Uintah-Basin Technical College	(\$156,842)
Total:	(\$1,724,074)

The Analyst recommends that the subcommittee consider appropriating \$1.8 million to the USTC Board of Trustees to address program, equipment and student support requests.