



USTC OPERATIONS AND MAINTENANCE STATE-FUNDED FACILITIES

HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE
STAFF: SEÁN C. FAHERTY

ISSUE BRIEF

SUMMARY

The Base Budget presented to the Committee includes one-time reductions in FY 2020 for O & M funding that is currently in the Davis Technical College and the Mountainland Technical College base budgets. These reductions reflect the expected timing of the completion of their Allied Health Building and Technology Trades Building projects.

OBJECTIVE

Funding of O & M for new and renovated facilities help to maintain the buildings and preserve the State’s capital investment on UTECH 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 colleges. (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.)

**UTECH New Facilities Operations and Maintenance
FY 2019 and FY 2020 One-time Adjustments**

	Expected Completion Date*	O & M Base Budget FY 2018	Original FY 2019 Reduction	LFA Add'l FY 2019 Recomm.	LFA FY 2020 Priority List Recomm.
Utech					
<u>2017 General Session:</u>					
UBTech					
Welding Technology	19-Jan-19	97,300			
<u>2018 General Session:</u>					
Davis Tech					
Allied Health Building	15-Jul-20	661,300	(661,300)		(661,300)
Mountainland					
Technology Trades Building	25-Jun-20	683,700	(683,700)		(683,700)
Total		1,442,300	(1,345,000)	0	(1,345,000)

* Completion dates provided by DFCM.