

The background of the slide features a black and white photograph of graduates in caps and gowns. The image is partially obscured by a large, semi-transparent blue rectangle that contains the title and other text. The lighting in the photograph is bright, with a lens flare effect in the upper left corner.

Implementation of Senate Bill 102, *Higher Education Capital Facilities (2019)*

Higher Education Appropriations Subcommittee

August 20, 2019



UTAH
SYSTEM OF
HIGHER
EDUCATION



Senate Bill 102

Appropriates \$73 million of ongoing state funds to a restricted account for USHE institutions and gives the USHE Board of Regents the authority to allocate funds to institutions for capital projects based on six general statutory factors:

1. Enrollment
2. Performance Metrics
3. Projected Growth in Student Population
4. Existing Square Feet per Student FTE
5. Facility Age and Condition
6. Utilization of Facilities

Requires the Board to adopt a policy with the methodology and weighting for the metrics

https://ushe.edu/wp-content/uploads/pdf/agendas/20190801/TABH_2019-8-2.pdf

R742, Dedicated Capital Project Allocation Formula¹

R742-1. Purpose: To provide the methodology for how the Board of Regents will determine the amount of money to allocate to each institution for dedicated capital projects appropriated by the State legislature as required by statute including how the Board will measure each USHE institution's fulfillment of the statutory factors and the relative weight assigned to each factor.

R742-2. References

- 2.1. Utah Code §53B-7-706 (Performance Funding)
- 2.2. Utah Code §53B-22-201 (Capital Developments)
- 2.3. Policy and Procedures R701, Capital Facilities
- 2.4. Policy and Procedures R706, Capital Facilities Master Planning
- 2.5. Policy and Procedures R741, Nondedicated Capital Project Prioritization Process
- 2.6. Policy and Procedures R743, Process for Institutional Use of Dedicated Capital Project Funds
- 2.7. Policy and Procedures R751, Institutional Facilities Space Utilization

R742-3 Definitions

- 3.1. **Capital Development:** This policy adopts the definition established in Utah Code 63A-5-104(1)(a).
- 3.2. **Dedicated Project:** a capital development project for which state funds from an institution's formulaic allocation under Utah Code 53B-22-201 are requested or used.
- 3.3. **Higher Education Capital Projects Fund:** a capital projects restricted fund created by the state legislature to receive appropriations for USHE dedicated projects.

R742-4. Regent Allocation of Funds: Each year the Board shall determine the amount of funding each USHE institution shall receive for dedicated projects from the annual legislative appropriation to the Higher Education Capital Projects Fund.

1. Enrollment Measure

- Data: Fall FTE Budget-Related-Only Enrollment History (minus online and concurrent enrollment students).
- Measure: The most recent five-year average of Budget-Related full-time equivalent (FTE) students excluding online and concurrent enrollment FTE students.
- Point Allocation: Points are awarded proportionate to each institution's five-year average.
- Proposed Weight: 20 points

	UU	USU	UVU	SLCC	WSU	SUU	DSU	Snow	USHE Total
Fall 2015	24,569	16,666	15,455	11,510	10,004	5,160	5,050	3,160	91,574
Fall 2016	24,714	17,294	16,632	11,404	9,906	5,714	5,426	3,315	94,405
Fall 2017	25,434	17,260	17,195	10,740	9,694	5,875	5,736	3,327	95,261
Fall 2018	25,903	17,292	17,648	10,592	9,692	6,034	5,955	3,287	96,404
Fall 2019	26,171	17,275	18,010	10,212	9,610	6,493	5,918	3,159	96,848
5 yr Average	25,358	17,157	16,988	10,892	9,781	5,855	5,617	3,250	94,899
Points	5.34	3.62	3.58	2.30	2.06	1.23	1.18	0.68	20.00

2. Performance Measure

- Data: Performance funding detail by institution from the Performance Funding Model and Allocations
- Methodology: The sum-product of the percent of award in each performance category required by Utah Code 53B-7-706 and the weights given by the Board for the most recent performance funding allocation.
- Point Allocation: Points are awarded proportionate to each institution’s weighted performance.
- Proposed Weight: 15 points

	UofU	USU	WSU	SUU	UVU	SLCC	Snow	DSU	Rsrch	NonR
2018-19 Model									Wt.	Wt.
%Δ Completion	100%	100%	100%	100%	100%	100%	100%	100%	15%	15%
%Δ Pell-Eligible	100%	100%	100%	100%	100%	100%	100%	100%	10%	10%
%Δ Market Demand	100%	100%	100%	100%	100%	100%	0%	100%	25%	25%
%Δ Awards per FTE	100%	100%	100%	100%	100%	100%	100%	0%	40%	50%
%Δ Research	100%	100%							10%	
Wtd. Performance	1.00	1.00	1.00	1.00	1.00	1.00	0.75	0.50		
Points	2.07	2.07	2.07	2.07	2.07	2.07	1.55	1.03		

3. Projected Student Growth Measure

- Data: 1. 18-24 year-old population projections for 2016 and 2026 from the Kem C. Gardner County Population Projections; 2. Table 8, *Fall Semester (End of Term) Total Headcount Enrollment by County of Origin* in the USHE Data Book.
- Measure: the estimate of the number of 18-24 year-old students each USHE institution will accommodate based on ten-year population projections of Utah counties and the number of students from each Utah county currently enrolled in an institution.
- Point Allocation: Points are awarded proportionate to the total number of 18-24 year-old students each institution is projected to accommodate in the next ten years.
- Proposed Weight: 15 points

Fall 2018 County Enrollment	UVU	WSU	SLCC	UofU	USU	DSU	SUU	Snow	Total
2028 Projected Students	21,232	11,381	11,014	8,828	6,232	5,425	3,835	2,043	69,990
Points	4.55	2.44	2.36	1.89	1.34	1.16	0.82	0.44	15.00

4. Square Feet per Student FTE Measure

- Data: 1. Fall FTE Budget Related and Self-Support Enrollment adjusted for online and Concurrent Enrollment FTE. 2. Academic square feet for classrooms, teaching labs, and study/library space from the Fall space inventory plus square feet under construction (“pipeline” projects from CDP forms).
- Methodology: The current institutional space inventory for classrooms, teaching laboratories, and study/library space divided by the number of Budget-Related FTE excluding online and concurrent enrollment FTE students.
- Point Allocation: Points are awarded proportionate to the institutional square feet per FTE calculations relative to the institution with the most square feet per FTE in each of the three types of space.
- Proposed Weight: 15 points

Space Use	UVU	SUU	DSU	SLCC	UofU	USU	WSU	Snow
Adjusted 2018 End-of-Term FTE	18,010	6,493	5,918	10,212	26,171	17,275	9,610	3,159
Classroom (100) Inventory + Pipeline	222,312	78,392	102,975	408,095	408,095	327,848	222,857	74,191
Classroom ASF/FTE	12.3	12.1	17.4	15.6	15.6	19.0	23.2	23.5
Points	1.32	1.35	0.72	0.10	0.94	0.53	0.04	-
Teaching Lab (200) Inventory/Pipeline	444,504	130,911	100,956	408,232	408,232	457,235	297,568	182,755
Teaching Lab ASF/FTE	24.7	20.2	17.1	15.6	15.6	26.5	31.0	57.9
Points	0.73	0.83	0.90	0.31	0.93	0.69	0.59	-
Study/Library (400) Inventory/Pipeline	112,543	57,521	65,828	52,482	352,418	206,375	120,543	32,957
Study /Library ASF/FTE	6.2	8.9	11.1	5.1	13.5	11.9	12.5	10.4
Points	1.29	0.82	0.42	1.49	-	0.27	0.16	0.54
Total Points	3.34	3.01	2.04	1.91	1.87	1.50	0.79	0.54

5. Facility Age and Condition Measure

- Data: 1. Square feet, replacement value, constructed year, remodel year, auxiliary square feet, and building condition from the annual space inventory Building File submitted annually to the Commissioner’s Office as defined in submission file documentation. Data should tie to the Utah Division of Risk Management database for insured property.
- Methodology: The product of the square feet, average age (adjusted for major remodels), and average condition (scored from 1 to 5 with higher numbers representing better condition) of non-auxiliary institutionally-owned buildings valued over \$3.5 million as reported in the annual building inventory.
- Point Allocation: Points are awarded proportionate each institution’s calculated score.
- Proposed Weight: 20 points
- Additional Information: The Age and Condition measure is only partially calculated below as additional information on the condition of each institutional building valued over \$3.5 million is needed to complete the calculation

	UofU	USU	SLCC	UVU	WSU	SUU	Snow	DSU
Square Feet Non-Auxiliary over \$3.5m	8,986,665	6,664,568	2,036,387	2,253,376	1,824,393	1,017,005	836,361	700,083
Average Age Non-Auxiliary over \$3.5m	32.00	32.48	37.64	23.33	28.62	35.62	31.19	22.25
Average Condition	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Age and Condition Score	161.75	121.75	43.11	29.57	29.37	20.38	14.68	8.76
Points	7.53	5.67	2.01	1.38	1.37	0.95	0.68	0.41

6. Utilization Measure

- Data: Annual USHE Space Utilization Reports (due in December and presented in the January Regent meeting).
- Methodology: The classroom Room Utilization Rate (RUR) multiplied by the Seat Occupancy Rate (SOR) from the most recent utilization report for each USHE institution.
- Point Allocation: Points are awarded proportionate to each institution's utilization rate.
- Proposed Weight: 15 points

2017-2018 Utilization	SUU	UVU	SLCC	DSU	WSU	Snow	UofU	USU
Classroom RUR	36.6	40	28.7	26.9	28.5	23.1	25.7	23.6
Classroom SOR	77.6%	66.3%	66.1%	60.9%	56.0%	61.6%	53.9%	46.0%
Classroom Utilization (RUR*SOR)	28.4	26.5	19.0	16.4	16.0	14.2	13.9	10.9
Points	2.93	2.74	1.96	1.69	1.65	1.47	1.43	1.12

USHE SB 102 Formula

Point Categories	UofU	UVU	USU	SLCC	SUU	WSU	DSU	Snow	Wt
Enrollment	5.34	3.58	3.62	2.30	1.23	2.06	1.18	0.68	20
Performance Metrics	2.07	2.07	2.07	2.07	2.07	2.07	1.03	1.55	15
Student Growth	1.89	4.55	1.34	2.36	0.82	2.44	1.16	0.44	15
Square Feet per FTE	1.87	3.34	1.50	1.91	3.01	0.79	2.04	0.54	15
Age and Condition	7.53	1.38	5.67	2.01	0.95	1.37	0.41	0.68	20
Utilization	1.43	2.74	1.12	1.96	2.93	1.65	1.69	1.47	15
Funding Points	20.14	17.66	15.31	12.60	11.02	10.38	7.52	5.37	
\$73,000,000	\$14,701,000	\$12,892,000	\$11,178,000	\$9,197,000	\$8,042,000	\$7,578,000	\$5,492,000	\$3,920,000	

Next Steps

Statutory requirement met to establish a policy with measures and weights

Funds begin in FY 2021 at \$36.5 million then full funding in FY 2022

Further review and refinement of the policy (online student FTE, utilization, performance funding changes, and facility condition)

Establish a Regent policy (R743) governing the request of dedicated projects and subsequent Regent review and approval

