



UTECH OPERATIONS AND MAINTENANCE STATE-FUNDED FACILITIES

HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE
STAFF: SEÁN C. FAHERTY

ISSUE BRIEF

SUMMARY

The Analyst recommends that the Committee take action to back out one-time reductions of \$160,300 in FY 2021 for O&M funding that is currently in the Davis Technical College and the Mountainland Technical College base budgets in the Base Bill before the Committee. 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 only applies to state-funded buildings, so the O&M for non-state funded buildings still needs to go through the appropriations request process.)

During the 2018 General Session, the Legislature approved 2 new buildings, one at Davis Technical College and one at Mountainland Technical College. Both of these buildings will open partway into FY 2021, so the Committee needs to vote to partially back out their full O&M value in FY 2021 as shown in the attached chart.

**UTECH New Facilities Operations and Maintenance
FY 2020 and FY 2021 One-time Adjustments**

	Expected Completion Date*	O & M Base Budget FY 2019	Original FY 2020 Reduction	LFA Add'l FY 2020 Recomm.	LFA FY 2021 Priority List Recomm.
<u>2018 General Session:</u>					
Davis Tech					
Allied Health Building	19-Aug-20	661,300	(661,300)		(90,000)
Mountainland					
Technology Trades Building	7-Aug-20	683,700	(683,700)		(70,300)
Total		1,345,000	(1,345,000)	0	(160,300)

* Completion dates provided by DFCM.