



UTAH SYSTEM OF HIGHER EDUCATION REALLOCATION REQUESTS

HIGHER EDUCATION
STAFF: SEÁN FAHERTY

ISSUE BRIEF

SUMMARY

This issue brief describes several requests for reallocation of FY 2021 funding for Higher Education agencies. Institutions can transfer funds between programs within a line item, but they cannot transfer funds between line items without approval from the Legislature.

As this Committee requested during our May 2021 meeting, USHE has shared both their plans for implementation of the Legislature's 2.5% reductions adopted during the 5th Special Session. A description of how institutions will implement these reductions can be found below.

The 2 relevant motions adopted during the May 27th meeting are as follows:

"Sen. Vickers moved to recommend that the subcommittee recommend proportional reductions to higher education institutions and State Board of Higher Education administration proportional to their base state-fund appropriation for FY 2021 at the 2%, 5%, and 10% thresholds and that the institutions determine where best to implement reductions to maintain institutional priorities."

"Sen. Vickers moved to request the institutions to provide a report to EAC in the time frame as requested by the EAC. The institutions should also prepare a report to the subcommittee during the August 2020 subcommittee meeting and a final report during the 2021 General Session. The motion passed with a vote of 15 - 0 - 1."

The System has also made a request for additional reallocations related to the realignment of the Utah System of Higher Education due to the passage of S.B. 111 during the 2020 General Session.

It is important to note that none of these reallocations cost any money, they only move existing, budgeted funds.

You will be asked to consider these reallocations and vote on a motion at the end of this meeting for sharing with EAC to consider later this week for action by the full Legislature.

LEGISLATIVE ACTION

For this item, the Committee needs to do the following:

- Review the reallocations listed below;
- Adopt a motion recommending their inclusion in a future budget vehicle; and
- Present the recommendations to the Executive Appropriations Committee.

DISCUSSION AND ANALYSIS

Utah State University 2.5% Reduction Reallocation Requests:

Utah State University requests that the 2.5% Education and General line item reduction adopted by the Legislature be reallocated as shown below:

Education and General (QCA)	\$2,281,400
Veterinary Medicine (QCD)	(\$122,200)
Operations and Maintenance (QCE)	(\$439,600)
Prehistoric Museum (QCP)	(\$12,000)
Regional Campus Administration (QCK)	(\$149,800)
Uintah Basin Regional Campus (QCI)	(\$131,500)
Brigham City Regional Campus (QCO)	(\$29,300)
Tooele Regional Campus (QCU)	(\$71,900)
Blanding Regional Campus (QCQ)	(\$72,100)
Agriculture Experiment Center (QCF)	(\$357,900)
Water Research Laboratory (QCC)	(\$56,000)
Educationally Disadvantaged (Logan) (QCB)	(\$2,200)
Educationally Disadvantaged (Price) (QCM)	(\$2,600)
Cooperative Extension (QCG)	(\$428,400)
USU Eastern – Career and Technical Education (QCN)	(\$146,600)
Price Regional Campus (QCL)	(\$259,300)
Total:	\$0

University of Utah 2.5% Reduction Reallocation Requests:

The University of Utah requests that the 2.5% Education and General line item reduction adopted by the Legislature be reallocated as shown below:

Education and General (QBA)	\$3,381,800
Operations and Maintenance (QBI)	(\$1,784,500)
Educationally Disadvantaged (QBB)	(\$18,300)
School of Medicine (QBC)	(\$966,300)
Cancer Research (QBJ)	(\$201,600)
School of Dentistry (QBE)	(\$71,000)
Poison Control (QBN)	(\$73,700)
Seismograph Station (QBS)	(\$19,600)
Museum of Natural History (QBT)	(\$34,600)
State Arboretum (QBU)	(\$3,300)
Statewide TV Administration (QBH)	(\$69,200)
University Hospital (QBD)	(\$133,200)
Miner's Hospital (QBL)	(\$3,600)
<u>Center on Aging (QBP)</u>	<u>(\$2,900)</u>
Total:	\$0

Additional USHE Institution 2.5% Reduction Reallocation Requests:

The following institutions request that the 2.5% Education and General line item reduction adopted by the Legislature be reallocated as shown below:

Southern Utah University -

Education and General (QEA)	\$500,000
<u>Operations and Maintenance (QEE)</u>	<u>(\$500,000)</u>
Total	\$0

Utah Valley University -

Education and General (QJA)	\$265,000
<u>Operations and Maintenance (QJC)</u>	<u>(\$265,000)</u>
Total	\$0

USHE REALLOCATIONS

Davis Technical College –

Education and General (QLH)	\$100,000
<u>Equipment (QLT)</u>	<u>(\$100,000)</u>
Total	\$0

Utah System of Higher Education Commissioner’s Office 2.5% Reduction Reallocation Requests:

The Commissioner’s Office requests that the 2.5% Administration line item reduction adopted by the Legislature be reallocated as shown below:

USHE Administration (QAA)	\$1,556,300
Talent Development Incentive Loan Program (QAZ)	(\$981,800)
Math Competency (QHG)	(\$528,500)
<u>Utah Medical Education Council (QMA)</u>	<u>(\$46,000)</u>
Total	\$0

During the 2020 General Session, the Legislature passed Senate Bill 111, “Higher Education Amendments” which combined and reorganized the Systems and Boards of Higher and Technical Education. This reorganization included a restructuring of the budget to combine all line items and programs under a single entity.

As the System has worked on the transition in the months since the Session, they have identified some other budget structure change requests that can be found below:

Line Item/Program Name	Amount Reallocated
Engineering Initiative (QHF)	(\$5,000,000)
Economic Development (QAY)	\$5,000,000
Economic Development (QAY)	(\$1,800)
USHE Administration (QAA)	\$1,800
Math Competency (QAO)	(\$200)
Math Competency (QHG)	\$200
Education Excellence (QAU)	(\$2,700)
USHE Administration (QAA)	\$2,700
Articulation Support (QAJ)	(\$500)
USHE Administration (QAA)	\$500
Concurrent Enrollment (QAC)	(\$2,200)
USHE Administration (QAA)	\$2,200
Public Safety Officer Career Advancement Reimbursement (QAL)	(\$200,000)
Access Utah Promise Scholarship (QHA)	\$200,000
Minority Scholarships (QAT)	(\$36,200)
Access Utah Promise Scholarship (QHA)	\$36,200
Engineering Loan Repayment (QHC)	(\$38,400)
Access Utah Promise Scholarship (QHA)	\$38,400
Higher Education Technology Initiative (QHD)	(\$1,005,800)
Performance Funding (QHH)	\$1,005,800
USHE Administration (QAA)	(\$800,000)
Career and Technical Education Scholarships (QHB)	\$800,000
Total for All	\$0

USHE 2.5% Budget Reduction Detail

	Reduction Name	Line Item	Amount	Description
UU	Faculty and Staff Reductions	Education and General	\$ 1,700,000	Salary and Benefit Expenses: 12 Faculty FTE and 25 Staff FTE will be reduced. Several retirements have been processed and replacements will
UU	Employee Benefits for FTE Reductions	Education and General	\$ 644,284	Employee Benefits on the Faculty and Staff reductions above.
UU	Non-personnel Reductions	Education and General	\$ 2,317,724	Various non-personnel reductions from departments including travel, current expense, equipment, and IT expenses
UU	O&M Cost Reductions	Education and General	\$ 1,784,540	O&M Costs
UU	Carryforward Balances	Education and General	\$ 807,792	Using current carryforward balances: This is a short term solution until more strategic decisions about the cuts can be implemented.
UU	School of Medicine Hiring Freeze	School of Medicine	\$ 906,278	Delayed salary increases, delayed hiring of new positions, reduced travel and business meals and drawing on other funding sources and cash reserves.
UU	Cancer Research Hiring Deferment	Cancer Research	\$ 201,590	Deferred hiring of CTO Positions in HCI
UU	School of Dentistry Equipment	School of Dentistry	\$ 71,069	Equipment purchases delayed
UU	Poison Control Operating Costs	Poison Control	\$ 73,740	Reduce operating costs
UU	Seismograph Station Wages	Seismograph Station	\$ 19,645	Reduction to Hourly Wages
UU	Museum Equipment	Museum of Natural History	\$ 34,604	Delay equipment replacement and field work
UU	Arboretum Operating Expenses	State Arboretum	\$ 3,288	Reduce operating costs
UU	KUED Operating Expenses	KUED	\$ 69,193	Reduce operating costs
UU	Hospital Operating Expenses	University Hospital	\$ 133,191	Reduce operating costs
UU	Center Operating Expenses	Center for Aging	\$ 2,895	Reduce operating costs
UU	Occupational Health Operating Expenses	Occupational Health	\$ 25	Reduce operating costs
UU	Educationally Disadvantaged Reductions	Educationally Disadvantaged	\$ 18,342	Limit student hiring and other operating costs will be reduced.
		Total	\$8,788,200	
	Reduction Name	Line Item	Amount	Description
USU	Salaries	E&G	\$3,449,400	Reduce 40 to 45 FTE positions by eliminating certain vacant positions, utilizing incentive programs for voluntary separations and early retirements, and layoffs
USU	Operating	E&G/Ed. Dis.	\$400,000	Reduce budget for travel, equipment, tutors, supplies, etc. and leverage energy efficiency savings to reduce utility budgets
USU	Wages	E&G	\$200,000	Reduce budget for student employment, including graduate assistants
USU	Reduce Agriculture Research	Agricultural Experiment Station	\$361,300	Reduce Agricultural research projects funded by the Ag Experiment Station
USU	Reduce Extension Initiatives	Extension	\$434,700	Reduce initiatives funded by the USU Extension
USU	Reduce Research	Water Research Lab	\$56,000	Reduce projects fulfilling the mission of the Water Research Lab
USU	Eliminate positions	Technical Education	\$148,300	Reduce 2 FTE positions by eliminating vacant positions or utilizing incentive programs for voluntary separations and early retirements
USU	Salaries	Statewide Campuses	\$478,700	Reduce 6 FTE positions by eliminating certain vacant positions, utilizing incentive programs for voluntary separations and early retirements, and possible layoffs
USU	Operating	Statewide Campuses	\$200,000	Reduce budget for travel, equipment, tutors, supplies, etc. Reevaluate delivery of broadcast courses for potential consolidations or efficiencies
USU	Wages	Statewide Campuses	\$50,000	Reduce budget for student employment
		Total	\$5,778,400	
	Reduction Name	Line Item	Amount	Description
WSU	Staff Reductions	E&G	\$500,000	Target 10 staff positions to reduce in WSU's support programs (through vacancies and voluntary separations)
WSU	Faculty Reductions	E&G	\$600,000	Target 10 faculty positions to reduce in WSU's academic departments (through vacancies and voluntary separations)
WSU	University Benefits Budget	E&G	\$473,000	Reduce associated benefits from 20 FTE reduction
WSU	University Capital Budget	E&G	\$678,100	Reduction in University's central capital budget for institutionally financed capital improvements
WSU	Travel and Current Expense Budgets	E&G	\$200,000	Various non-personnel reductions from departments including travel, current expense, equipment, and IT expenses
		Total	\$2,451,100	
	Reduction Name	Line Item	Amount	Description
SUU	Elimination of Staff Positions when Vacancy Occurred	E&G	\$748,955	12 FTE staff positions in various departments have been permanently vacated following Administration review of ongoing priorities
SUU	Elimination of Faculty Positions when Vacancy Occurred	E&G	\$249,701	3 FTE faculty position in various departments have been permanently vacated following Administration review of ongoing priorities
SUU	Elimination of Jumpstart Program	E&G	\$150,984	Faculty supplemental pay and operating expenses
SUU	Elimination of Venture Program	E&G	\$55,960	0.5 FTE staff position and operating expenses
SUU	Elimination of Festival of Excellence	E&G	\$30,000	Operating expenses tied to annual event
		Total	\$1,235,600	
	Reduction Name	Line Item	Amount	Description
DSU	Reduce Operating and Travel Budgets	Education and General	\$250,000	Operating and travel budgets will be reduced campus-wide. Travel expenses have already been significantly curtailed due to COVID-19 restrictions. CARES funding is being utilized for COVID-19 mitigation efforts, while other operating expenses will be kept to a minimum until enrollment and state funding have stabilized
DSU	Targeted Personnel Reductions	Education and General	\$856,900	Full-time and part-time faculty and staff positions equating to approximately 15 FTE will be strategically identified for elimination. Reductions will be targeted to retain existing personnel and minimize the impact on campus capacity and services. The primary functions impacted by personnel reductions will be academic program support, student services, administrative support, and operation and maintenance of facilities
		Total	\$1,106,900	

USHE 2.5% Budget Reduction Detail

	Reduction Name	Line Item	Amount	Description
UVU	Reduce full-time faculty positions	Education and General	\$1,050,931	Eliminate full-time faculty positions (9 total) in College of Humanities & Social Science, College of Science, Woodbury School of Business, School of Education, and College of Engineering & Technology
UVU	Reduce full-time staff positions	Education and General	\$375,814	Eliminate full-time staff positions (4 total) in Academic Affairs, Institutional Advancement, and Digital Transformation
UVU	Reduce adjunct faculty positions	Education and General	\$280,980	Reduce adjunct faculty positions (8 FTE total) in College of Health & Public Service, Colleges of Humanities & Social Science, School of Education, and University College
UVU	Reduce hourly staff positions	Education and General	\$147,591	Reduce hourly staff positions in Finance & Business Services, Athletics, Human Resources, Budget Office, Institutional Research, Enrollment Management, Student Life, and College of Health & Public Service
UVU	Reduce current, travel, & capital	Education and General	\$1,097,284	Reduce current, travel, and capital budgets in Academic Affairs, Student Affairs, Finance & Administration, Digital Transformation, President's Office, Planning/Budget/HR, and University Relations
UVU	Reduce full-time staff positions	Education and General--O&M	\$187,700	Eliminate 3 full-time staff positions in Facilities
UVU	Reduce hourly staff positions	Education and General--O&M	\$77,300	Reduce hourly staff positions in Facilities
		Total	\$3,217,600	
	Reduction Name	Line Item	Amount	Description
Snow	Administrative Restructure	Education and General	\$307,100	Replaced two VP positions with Associate VP positions at a lower rate and used a current VP to fill a faculty/staff open position
Snow	Staff Restructure (5 positions)	Education and General	\$235,900	Removed 5 staff positions that were open and used available staff to fill needs in those areas
Snow	Faculty Restructure (2 Positions)	Education and General	\$187,800	Removed 2 faculty positions that were open and used available faculty and adjuncts to fill the needs. Also had to restructure offerings with limited faculty
Snow	Current Expense Reduction	Education and General	\$10,000	Sent out budget adjustments to departments and some were able to find ways to reduce their spending
		Total	\$740,800	
	Reduction Name	Line Item	Amount	Description
SLCC	Reduce Hourly and Adjunct Faculty Positions	Education and General	\$620,500	Reduction to hourly and adjunct faculty compensation budgets affecting 30 positions.
SLCC	Reduce Equipment Budget	Education and General	\$400,000	Reduction of base dollars for operational equipment and computers.
SLCC	Reduce Fuel and Power Budget	Education and General	\$300,000	SLCC reduced the fuel and power budget and managed this due to some efficiencies with warmer winters and use of solar power.
SLCC	Reduce College Benefits Budget	Education and General	\$543,600	Reduction of health insurance benefits budget.
SLCC	Reduce Institutional Funds	Education and General	\$839,300	Eliminated institutional funds held for salary equity adjustments as well as funds held as emergency reserves
		Total	\$2,703,400	
	Reduction Name	Line Item	Amount	Description
BTech	Faculty/Staff Changes-Natural Attrition and Retirement	Education and General	\$395,100	We have several full-time, benefits-eligible employees retiring and all of these positions will be backfilled or replaced with either hourly part-time employees or hourly full-time employees. Replacing important benefits-eligible positions with hourly employees is only a short-term strategy but it will buy some time for the economy to recover. These positions are faculty and staff positions spread across the College. These are not vacant positions but rather positions where the employees are voluntarily retiring in response to the budget reductions. Using hourly employees to fill important positions and functions at Bridgerland is not only a short-term solution for the College but it can also have long-term effects on the employees who are hired into these hourly positions. The College will also limit supplies, travel, and other current expense but will do so cautiously because deferring those expenditures is also a short-term strategy at best.
	Reduction Name	Line Item	Amount	Description
DTech	Equipment - Instructional	Education and General	\$100,000	Reduce Equipment from Equipment line item. This would constitute a reduction in instructional equipment budgets
DTech	Current Expense	Education and General	\$79,548	Reduce Current Expense budgets in various administrative and instructional budgets across the institution
DTech	Out-of-State Travel	Education and General	\$50,000	Reduce travel budgets related to accreditation and professional development for instructors and those in various administrative positions across the institution
DTech	Adjunct Faculty	Education and General	\$100,000	Significantly reduce adjunct Faculty positions across institution. Positions are from nearly all departments
DTech	Professional/Administrative employees	Education and General	\$106,099	Eliminate one (1) Professional employee position
DTech	Faculty	Education and General	\$51,453	Eliminate one half-time (0.50) Faculty position
		Total	\$487,100	
	Reduction Name	Line Item	Amount	Description
DXTech	instructor position	Education and General	\$103,468	Eliminate full-time salaried instructor position, cancel cohort
DXTech	instructor status	Education and General	\$11,096	Change instructor status from full-time salaried to part-time adjunct, no longer offer course for secondary students
DXTech	Reassign employee	Education and General	\$107,336	Upon retirement of instructional director, replace with reassigned employee rather than make new hire
		Total	\$221,900	
	Reduction Name	Line Item	Amount	Description
MTech	Reduce Training and Travel Budgets	Education and General	\$115,000	Reduction of training and College Budgets
MTech	Reduce Marketing Expenditures	Education and General	\$50,000	Reduction of marketing expenses
MTech	Reduction of Current and Capital Expense Budgets	Education and General	\$217,200	Reduction of current expense and capital expenditure budgets throughout the College
		Total	\$382,200	
	Reduction Name	Line Item	Amount	Description
OWTech	2.5% General Reduction (SB5001) OWTech	Education	\$438,500	5 FTE in a variety of departments were eliminated through early retirement and voluntary separation elections.

USHE 2.5% Budget Reduction Detail

	Reduction Name	Line Item	Amount	Description
SWTech	Payroll	Education and General	\$72,327	Employee moved to Northern Utah and we didn't rehire that position
SWTech	Equipment	Education and General	\$46,000	Deferred equipment purchases planned for FY 21
SWTech	Building Maintenance	Education and General	\$30,000	Deferred maintenance and facilities projects planned for FY 21
SWTech	Travel and Misc. Current Expenses	Education and General	\$8,573	Travel and Miscellaneous Current Expenses
		Total	\$156,900	
	Reduction Name	Line Item	Amount	Description
TTech	Equipment	Equipment	\$100,000	Postponement of purchasing lab equipment
TTech	Professional Development and Training	General	\$10,000	Reduction of faculty and staff training
TTech	Travel	General	\$15,900	Reduction of travel
		Total	\$125,900	
	Reduction Name	Line Item	Amount	Description
UBTech	Equipment	Education and General	\$100,000	Instructional Equipment
UBTech	1 Staff FTE Salary & Benefits	Education and General	\$63,420	Non faculty position
UBTech	Operating Expenses	Education and General	\$79,380	Reductions in Marketing, Professional Development, Travel and Contingency Budgets
		Total	\$242,800	
	Reduction Name	Line Item	Amount	Description
USHE	Talend Development Incentive Loan Reduction	Student Assistance - Talent Development Incentive Loan Program	\$981,800	A 39% reduction to the Talent Development Incentive Loan Program
USHE	Math Competency Reduction	Institutional and Student Support - Math Competency	\$528,500	A 55% reduction of the supplemental funding to institutions for projects that increase the student attainment of Quantitative Literacy (QL) Concurrent Enrollment
USHE	MEC reduced presentation	Medical Education Council	\$5,000	Reduce presentations of original research at national venues
USHE	MEC reduced employee Development	Medical Education Council	\$5,000	Reduce opportunities for employee development
USHE	MEC reduced resident funding	Medical Education Council	\$30,000	Reduce funding amounts per resident
USHE	MEC reduced office supplies	Medical Education Council	\$6,000	Reduce expenses for office supplies