

# UTAH SYSTEM OF HIGHER EDUCATION

January 18, 2024

Higher Education Appropriations Subcommittee



UTAH  
SYSTEM OF  
HIGHER  
EDUCATION

# Utah Board of Higher Education

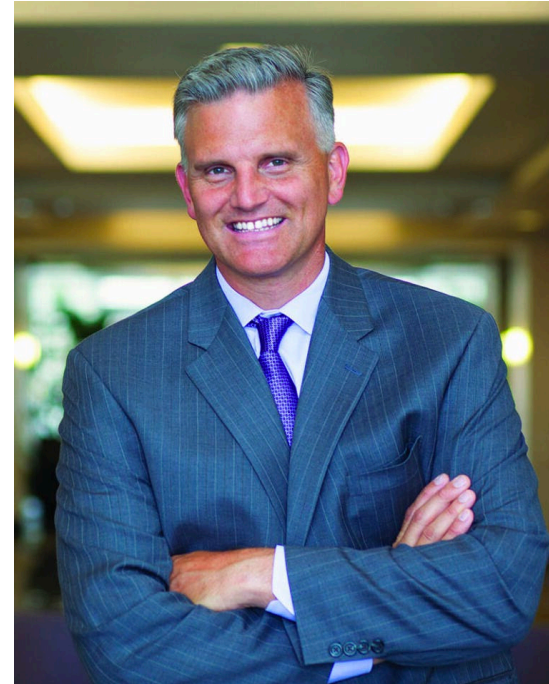


**Amanda Covington**  
*Chair*

Chief Corporate Affairs Officer,  
Larry H. Miller Company

Recently served as senior VP of  
communications and  
government relations for Vista  
Outdoor Inc.

Has more than 20 yrs. experience  
leading corporate  
communications and  
government relations strategies.



**Steve Neeleman**  
*Vice Chair*

Founder & Vice Chairman,  
HealthEquity

Serves as board member of HIP  
Utah, UT's high-risk insurance pool,  
on Council for Affordable Health  
Insurance HSA Working Group, and  
on America's Health Insurance  
Plans' HSA Leadership Council.

Co-author, *The Complete HSA  
Guidebook—How to Make Health  
Savings Accounts Work for You.*

# Utah Board of Higher Education



**Javier Chavez Jr.**  
*Executive Committee Member*

Founder, Cerveza  
Zólupez Beer Company

Practicing attorney & small business  
owner.

20+ yrs. experience in legal services,  
corporate, and start-up worlds.

Serves on the Board of Directors of  
Give Me a Chance, Inc., educating at-  
risk youth & disadvantaged women.



**Jon Cox**  
Principal, Utah Public Affairs

Former VP of gov. affairs at Rocky  
Mountain Power.

Previously served as a member of  
the Utah House of Representatives,  
Sanpete County Commission, and  
was a staff member for Utah Gov.  
Herbert and former U.S. Senator  
Bob Bennett.

# Utah Board of Higher Education



**Sharon Eubank**

Director of Humanitarian Services, The Church of Jesus Christ of Latter-day Saints

Portfolio includes:  
4,000 relief and development projects annually in 190 countries/territories, service platform JustServe, connecting volunteers locally, and oversight of the Perpetual Education Fund, administering low-cost education loans.



**Danny Ipson**

President/Principal, Ernie's Stores, Inc.

Owns and operates 8 store chain of convenience stores & truck stops.

Previously CFO, DATS Trucking, Inc.

Previously served on Sinclair Oil Executive Distributor Council, and currently Vice Chairman of board for Ambest, Inc., an independent truck stop cooperative.

# Utah Board of Higher Education



**Tina Larson**

President & COO,  
Recursion

20+ year veteran of the  
biopharmaceutical industry.

Previously held senior leadership  
roles at Genentech, Roche, &  
Achaogen.

Serves as board chair for  
antimicrobial company,  
Revagenix.



**Aaron Skonnard**

CEO, Pluralsight, Inc.

Co-founded Pluralsight in  
2004.

Founding Board member of  
Silicon Slopes.

Inducted into Utah Technology  
Council Hall of Fame in 2017;  
2016 CEO of the Year, Utah  
Business.

# Utah Board of Higher Education



**Rachel Prickett Passey**

Student Board Member

2nd year student at S.J. Quinney College of Law, University of Utah.

Studied economics and sociology and aspires to focus her career on educational policy.



**Cydni Tetro**

CEO

Founder and President of the Women Tech Council.

Previously founder and CEO of ForgeDX, a customer acceleration platform and 3DplusMe, a venture-backed, 3D printing personalization platform.

Recognized by EY as a Mountain West Entrepreneur of the Year.

# Highlights of Board and OCHE Action in 2023

- Convened and Engaged Institutional Presidents
  - Adopted Resolution on Freedom of Expression and Institutional Neutrality
  - Eliminated Application Fees and Advanced Simplified Admissions
  - Identified Bridge Funding to Continue Utah College Advising Corps
  - Developing RFPs for Shared Services in Employee Health Benefits and Tech College Payroll
  - Adopted Investment Policies and Budget for the Higher Education Student Success Endowment
  - Evaluated and Adopted System and Institution Performance Metrics and Goals
  - Adopted Operating and Capital Budget Request with Recognition of Revenue Environment
  - Prioritized External Requests for Appropriations
  - Adopted Tuition and Fee Guidance with Reemphasis on Internal Efficiencies and Alternative Funding Sources
  - Updated Metrics and Analysis for the Prosperity 2020 Initiative
  - Developing RFP to Survey Employers for Workforce Preparedness Assessment
  - Other Legislative Deliverables: ABP Project, Community College Study, Space Utilization Study, etc.
-

# Strategic Plan

Priority:	SYSTEM LEADERSHIP	ACCESS
<b>Board's Role:</b>	Develop, strengthen, and leverage an equitable, seamless, and articulated System of higher education built on a foundation of quality, excellence, and remarkable student outcomes.	Increase the college-going rate of high school graduates by 3% in 5 years.
<b>Goals:</b>	<ul style="list-style-type: none"> <li>• Provide strategic oversight for institutional roles, missions, and program offerings to fully incorporate all institutions within a single System.</li> <li>• Unify System policies, data, and measures.</li> <li>• Engage boards of trustees on delegated responsibilities.</li> <li>• Reevaluate presidential evaluation and R&amp;R processes.</li> <li>• Leverage Board policies and System leadership to close attainment gaps for each Utahn.</li> <li>• Implement shared services.</li> <li>• Strengthen and develop educational pathways to increase students' access to and completion of higher education aligned with Utah's workforce.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure high school students are meaningfully informed on scholarships, dual enrollment programming, financial aid, and higher education pathways.</li> <li>• Simplify institutional admissions processes.</li> <li>• Support institutions in helping students secure their basic needs.</li> </ul>



# Strategic Plan

Priority:	AFFORDABILITY	COMPLETION
<b>Board's Role:</b>	<p>Increase student ability to pay the cost of attendance.</p> <p>Ensure institutional cost of attendance remains within the standard of affordability year over year.</p>	<p>Increase timely completion of degrees and awards by 3% in 5 years.</p>
<b>Goals:</b>	<ul style="list-style-type: none"> <li>• Improve fiscal transparency and understanding.</li> <li>• Coordinate and optimize financial aid.</li> <li>• Increase completion of the Free Application for Federal Student Aid (FAFSA).</li> <li>• Ensure institutions maintain strong fiscal health and operational efficiency.</li> </ul>	<ul style="list-style-type: none"> <li>• Facilitate completion and transfer among institutions within the system.</li> <li>• Standardize awarding of credit for prior learning and ensure PLA aids in completion.</li> <li>• Ensure systemwide institutional supports for student mental health and campus safety.</li> <li>• Expand supportive entry-level education practices.</li> </ul>

# Strategic Plan

Priority:	WORKFORCE ALIGNMENT	RESEARCH
<b>Board's Role:</b>	<p>Increase the completion rate of graduates in high-demand, high-wage programs by 3% in 5 years.</p>	<p>Leverage the resources and the agenda of the Utah System of Higher Education to bolster Utah's communities, culture, and economy and position Utah as a leader in the global knowledge economy through research and discovery, scholarship and creativity, and technological innovation.</p>
<b>Goals:</b>	<ul style="list-style-type: none"> <li>Engage industry to align education with workforce demands that result in career placements.</li> <li>Initiate industry feedback loops with the Utah Board of Higher Education.</li> <li>Develop legislative priorities, policies, and funding requests for workforce development programs.</li> <li>Increase stakeholder collaboration to develop and promote workforce programs.</li> <li>Increase student participation in high-quality work-based learning.</li> </ul>	<ul style="list-style-type: none"> <li>Use policy to identify the expectations for research and scholarly activities within defined institutional roles and support the strengths and priorities of individual institutions.</li> <li>Establish expectations for student participation in research, scholarship, or applied technology at all 16 USHE institutions suitable to defined institutional roles.</li> <li>Promote the research agenda for the state system and leverage the scholarship generated by USHE institutions, consistent with their institutional roles, to help enhance communities, culture, quality of life, and economic development of the State of Utah.</li> <li>Increase public awareness and understanding of the state system's stewardship of resources and the impact of research produced by USHE institutions.</li> </ul>

# Summary of Proposed Strategic Plan Substantive Changes

- **ALL:** realign focus to match new Board governance structure and legislative priorities.
- **Access:** expand focus to include adult learners and part-time students, and improve data processes to support transition from high school to college.
- **Affordability:** prioritize cost-sharing opportunities and emphasize the role of timely completion and high-yield awards in maximizing financial benefits of higher education.

# Summary: Board and Institution Priorities

## Board's Strategic Plan Priorities

- System Leadership
- Access
- Affordability
- Completion
- Workforce Alignment
- Research

## Institutional Areas of Focus

- Promote the value of higher education
- Continue to refine performance and growth and capacity funding models
- Develop shared solutions to increase FAFSA completion and better coordinate financial aid
- Collaborate and work together across institutions as a system
- Advance sub-120 bachelor's degrees, shared services and affordable student housing
- Define and incentivize research needs
- Retain flexibility to meet regional workforce demands

# FINANCIAL OVERVIEW

UTAH SYSTEM OF HIGHER EDUCATION

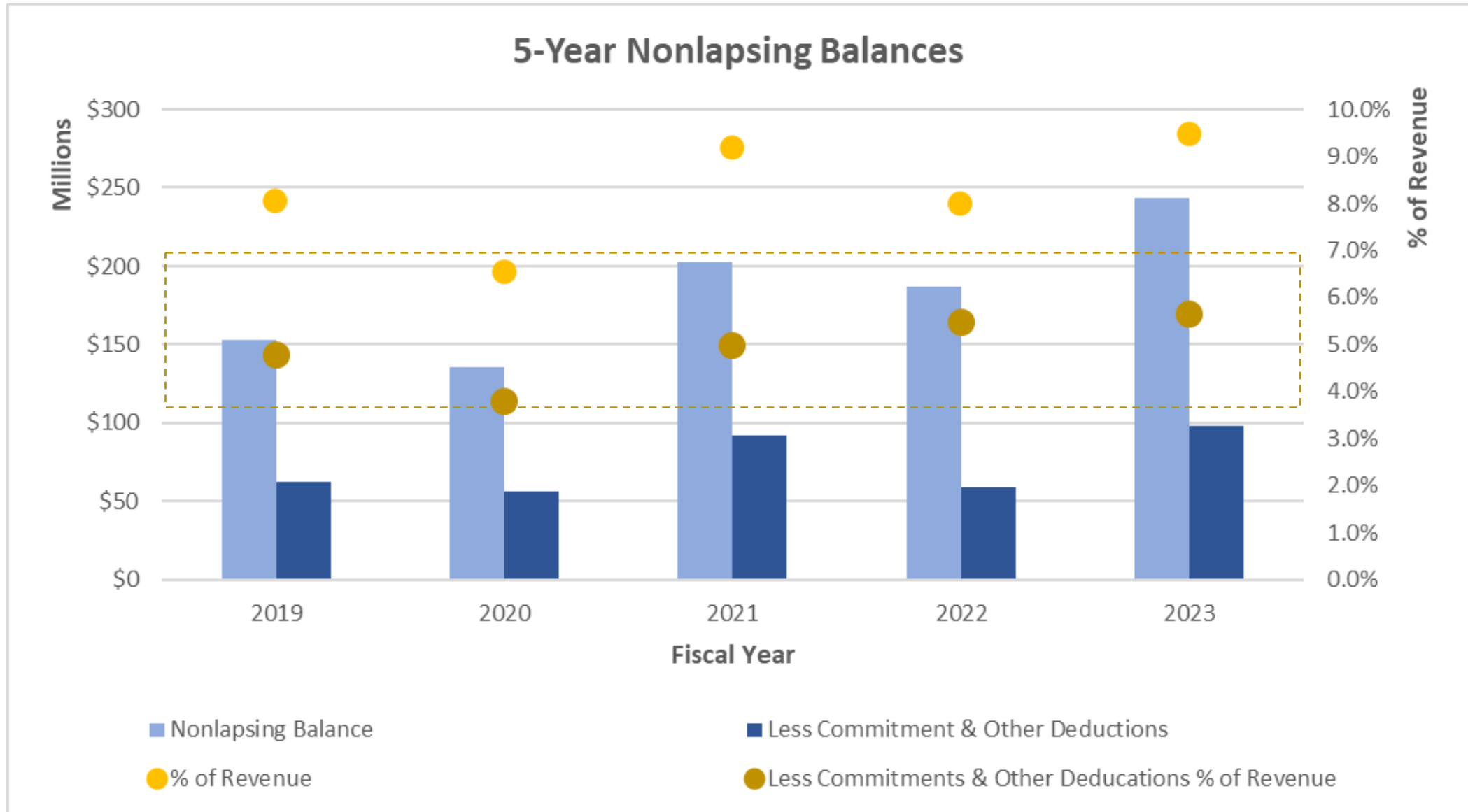
# Total System Revenues (w/out New Requests)

Source of Revenue	FY 2020	FY 2021	FY 2022	FY 2023
State Appropriations	\$1,304,290,373	\$1,407,126,828	\$1,519,458,847	\$1,718,007,364
Tuition and Fees	\$964,220,950	\$958,309,700	\$988,239,104	\$1,082,416,064
Grants and Contracts	\$1,114,757,652	\$1,641,977,883	\$1,578,706,433	\$1,504,487,546
Gifts, Grants, Contributions	\$241,531,314	\$267,497,164	\$326,197,452	\$352,816,897
Educational Activities	\$44,747,061	\$28,682,325	\$49,005,098	\$60,752,178
Auxiliary and Other	\$1,928,812,100	\$2,377,554,081	\$2,201,885,292	\$2,696,742,333
Patient Services	\$2,547,953,000	\$3,000,434,000	\$3,184,221,000	\$3,384,723,000
<i>Total</i>	<i>\$8,146,312,450</i>	<i>\$9,681,581,980</i>	<i>\$9,847,713,225</i>	<i>\$10,799,945,381</i>

# Total System Expenditures (w/out New Requests)

Expenditure Categories	FY 2020	FY 2021	FY 2022	FY 2023
Instruction	\$1,231,736,281	\$1,249,981,978	\$1,334,934,884	\$1,377,612,581
Research	\$649,361,318	\$687,952,796	\$713,905,816	\$802,348,405
Public Service	\$845,462,270	\$1,003,997,687	\$967,185,563	\$986,330,400
Academic Support	\$347,785,143	\$343,597,930	\$401,829,433	\$470,267,392
Student Services	\$252,004,330	\$237,579,949	\$277,832,426	\$316,493,864
Institutional Support	\$382,417,468	\$447,954,935	\$564,991,836	\$639,592,631
Scholarships	\$212,834,211	\$194,126,463	\$251,833,206	\$274,844,964
Auxiliary Enterprise	\$115,777,516	\$103,978,683	\$127,942,594	\$135,717,691
Hospitals	\$2,203,618,000	\$2,303,499,000	\$2,604,214,000	\$2,579,549,000
Independent Operations	\$729,038,563	\$878,026,113	\$1,147,600,297	\$1,184,587,678
Operations and Maintenance of Plant	\$271,449,199	\$249,364,997	\$291,056,594	\$324,469,887
Depreciation and Other	\$594,336,291	\$639,771,006	\$917,174,047	\$906,175,368
<i>Total</i>	<i>\$7,835,820,590</i>	<i>\$8,339,831,537</i>	<i>\$9,600,500,696</i>	<i>\$9,997,989,860</i>

# USHE System Non-Lapsing Balances

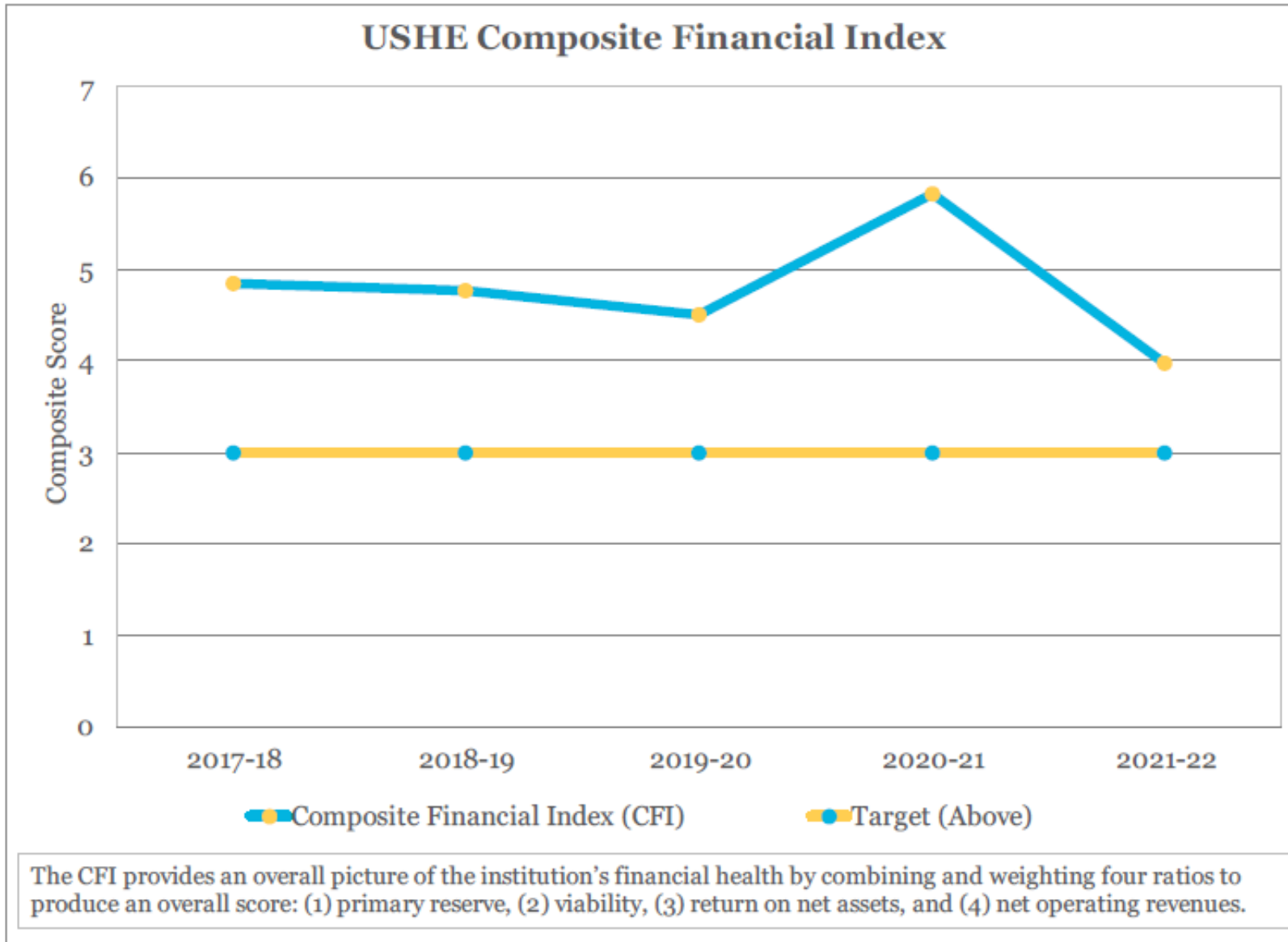




# USHE Financial Summary 2024 GS

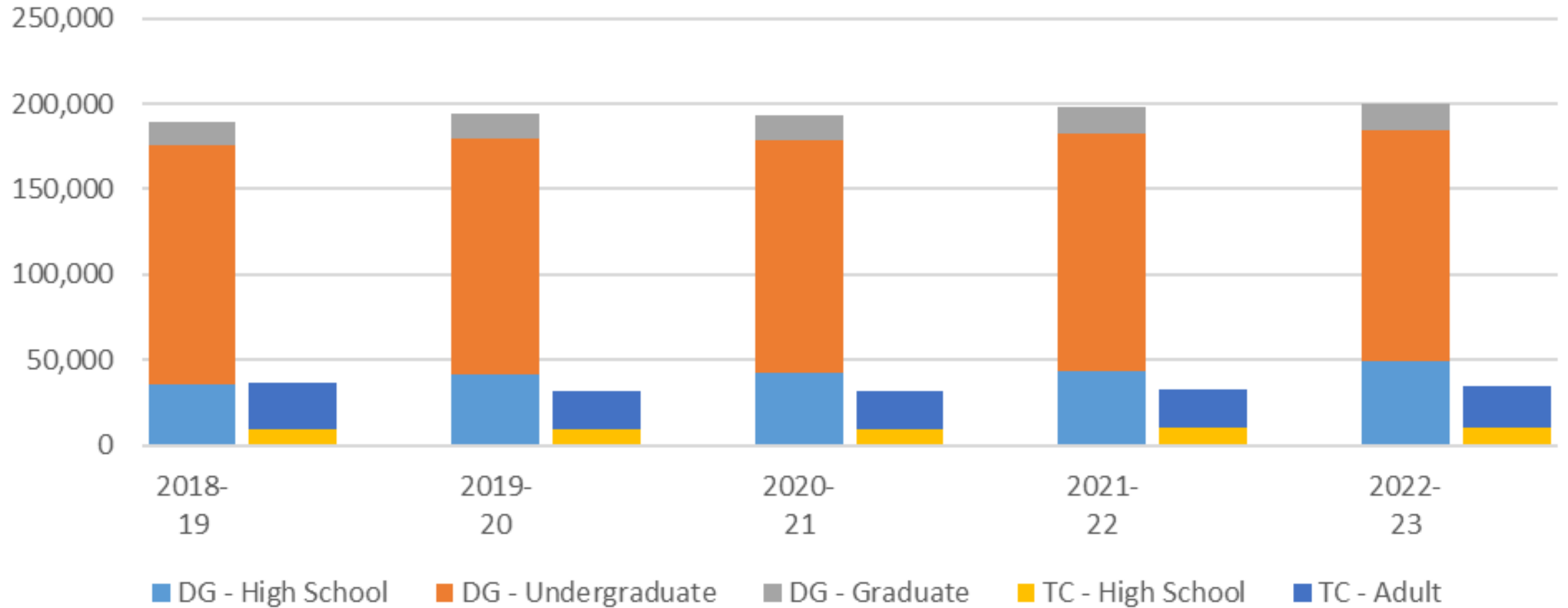
<b>Revenues/Other Additions</b>	<b>2022-23 Actual Appropriated</b>	<b>2022-23 Actual All Sources</b>	<b>Program Expenses</b>	<b>2022-23 Actual Appropriated</b>	<b>2022-23 Actual All Sources</b>
Tuition and Fees	\$ 997,221,859	\$ 1,082,416,064	Instruction	\$ 1,033,948,032	\$ 1,377,612,581
Operating Grants/ Contracts		1,124,739,731	Research	113,509,248	802,348,405
Sales/Services: Auxiliaries		332,540,803	Public Service	54,523,083	986,330,400
Sales/Service: Hospitals		3,384,723,000	Academic Support	303,027,425	470,267,392
Other Operating Revenue	6,161,051	2,127,906,961	Student Services	201,569,306	316,493,864
State/Federal Appropriations	1,550,438,665	1,577,026,452	Institutional Support	409,997,320	639,592,631
Federal/State Grants	18,306,700	379,747,815	Plant Operations	225,906,599	324,469,887
Gifts/Contributions		263,376,297	Depreciation		511,806,414
Investment Income		250,866,500	Scholarships/ Fellowships	25,241,227	274,844,964
Other Non-Operating	3,541,944	(18,949,816)	Auxiliary Enterprises		135,717,691
Capital Appropriations		141,184,484	Hospital Services		2,579,549,000
Capital Grants & Gifts		87,647,233	Independent Operations		1,184,587,678
Additions to Endowments		66,692,212	Other Expenses/ Deductions	225,256,108	364,491,807
Other Revenues	209,942,864	27,646	Interest/Non-Operating		29,877,147
<b>Total Revenues</b>	<b>\$2,785,613,083</b>	<b>\$10,799,945,381</b>	<b>Total Program Expenses</b>	<b>\$2,592,978,348</b>	<b>\$9,997,989,860</b>

# USHE Financial Summary 2024 GS



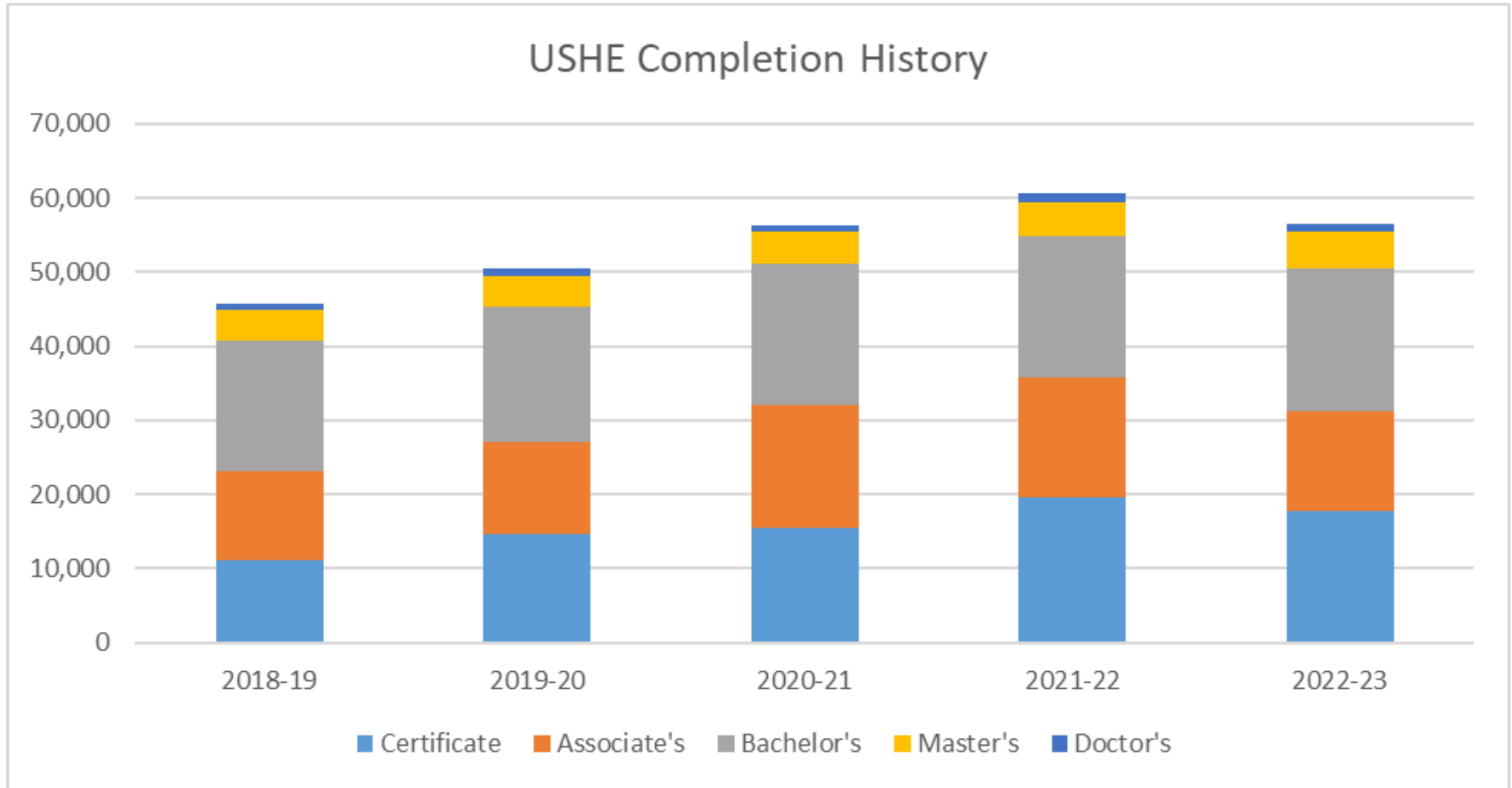
# Enrollment History: Headcount

USHE Enrollment History: Headcount\*

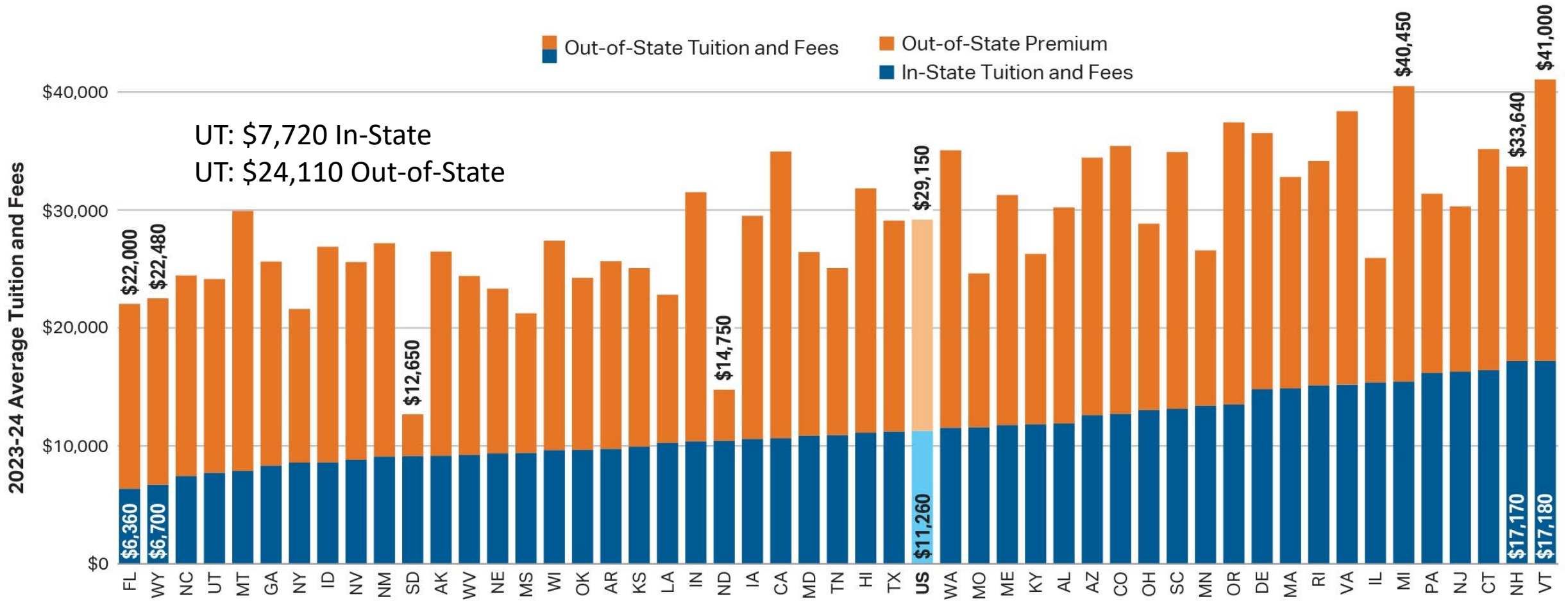


\*Fall end of term for degree-granting institutions

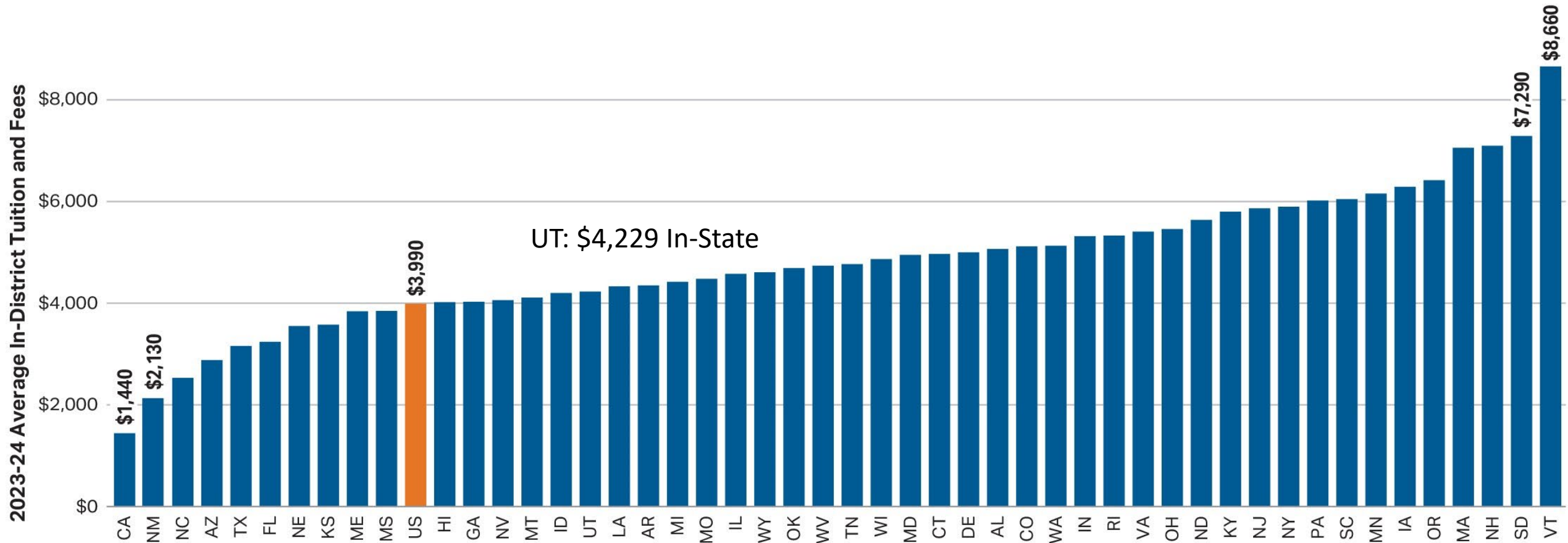
# Completion History



# National Average 2023-24 Tuition and Fees at Public Four-Year Institutions

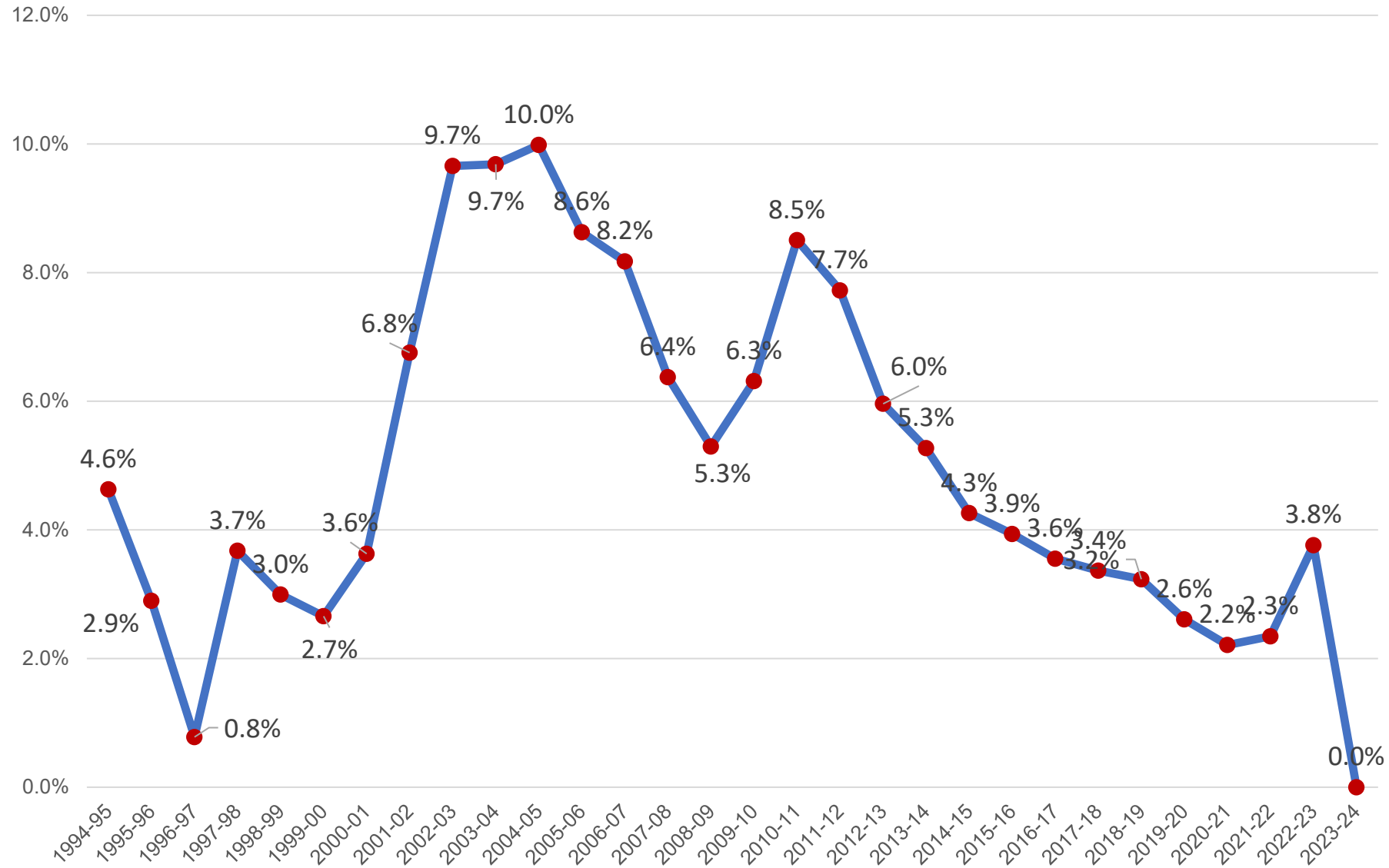


# National Average 2023-24 Tuition and Fees at Public Two-Year Institutions



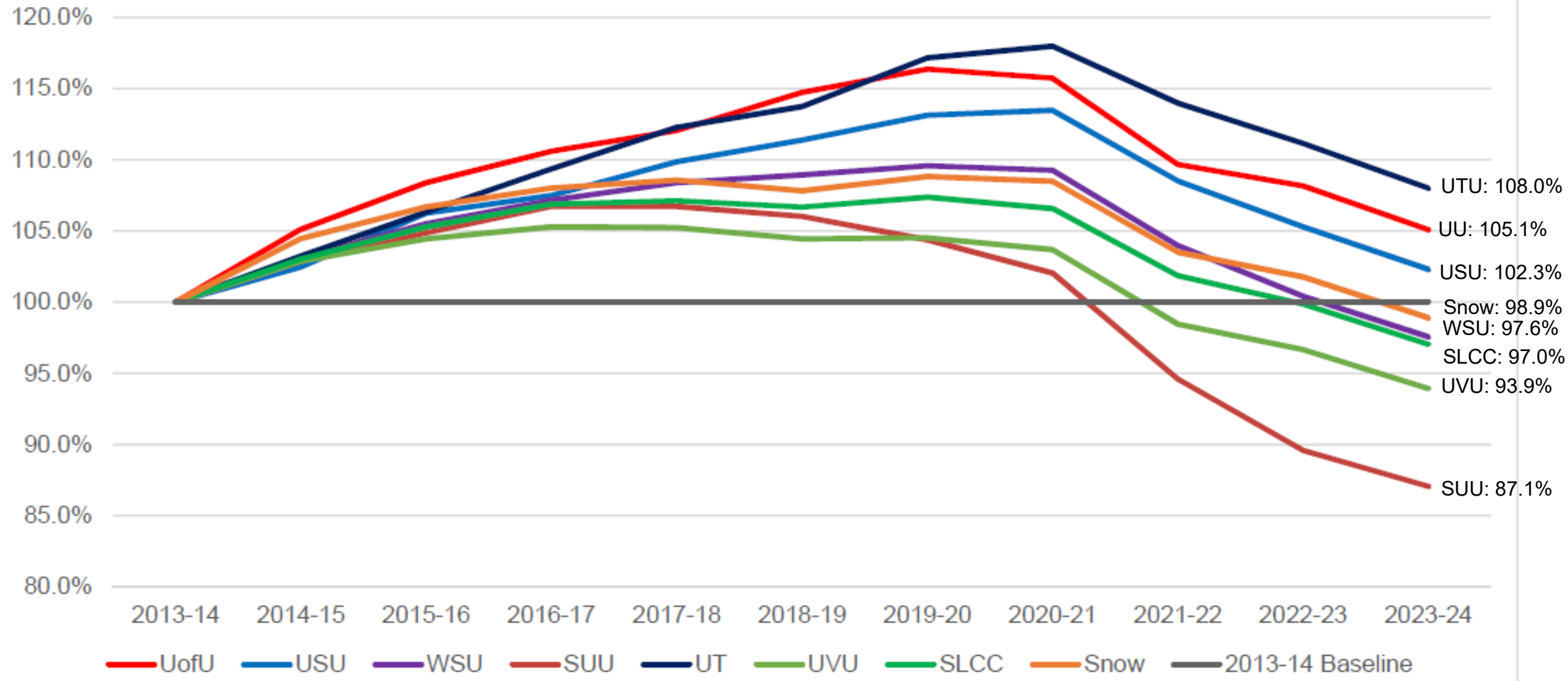
# Historical USHE Tuition and Fee Increases

USHE Annual Percent Increase in Tuition and Fees (weighted average)



Source: USHE 2023 Databook

## CPI Adjusted Cumulative Change in Full-Time Undergraduate Resident Tuition & Fees Indexed to 2013-14





# Degree-Granting Institution Match Requirement 2024 General Session (Gov Budget)

## Utah System of Higher Education

### 2024-25 Tuition Increase Estimates by Institution

	(a)	(b)		(c)		(d)		(e)	
	Net Tuition Revenue - FY24 R-1 Budget	2.9% Salary & Related Benefits		7.2% Health and 0.9% Dental Insurance		Internal Service Funds (Liability, Fuel Network, Motor Pool, Property, AG, State Travel, Auto, Cybersecurity)		2024-25 Total Changes	
	Amount	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change
University of Utah	\$406,766,380	\$4,803,900	1.18%	\$1,174,000	0.29%	\$1,795,700	0.44%	\$7,773,600	1.91%
Utah State University	168,364,000	2,005,000	1.19%	778,600	0.46%	291,400	0.17%	3,075,000	1.83%
Weber State University	82,081,814	1,053,600	1.28%	389,000	0.47%	108,100	0.13%	\$1,550,700	1.89%
Southern Utah University	66,583,000	697,100	1.05%	223,000	0.33%	108,480	0.16%	1,028,580	1.54%
Snow College	12,962,000	242,400	1.87%	109,500	0.84%	58,500	0.45%	\$410,400	3.17%
Utah Tech University	43,910,000	525,100	1.20%	232,200	0.53%	79,000	0.18%	836,300	1.90%
Utah Valley University	148,418,900	1,662,300	1.12%	675,700	0.46%	112,100	0.08%	\$2,450,100	1.65%
Salt Lake Community College	56,811,372	986,600	1.74%	315,300	0.55%	46,000	0.08%	1,347,900	2.37%
<b>Total</b>	<b>\$985,897,466</b>	<b>\$11,976,000</b>	<b>1.21%</b>	<b>\$3,897,300</b>	<b>0.40%</b>	<b>\$2,599,280</b>	<b>0.26%</b>	<b>\$18,472,580</b>	<b>1.87%</b>

# OPERATING BUDGET REQUEST

UTAH SYSTEM OF HIGHER EDUCATION

# FY 2024-25 Operating Budget Request

## 1. Compensation and mandatory increases on par with other state entities

## 2. Technical education institution priorities

- a. \$6,657,000 ongoing for technical college enrollment growth
- b. \$6,000,000 ongoing for performance funding

## 3. Degree-granting institution priorities

- a. \$24,000,000 ongoing for performance funding
- b. 2023 GS performance funding made ongoing to institutions

## 4. Systemwide priorities

- a. \$255,600 ongoing for an additional attorney general for technical colleges
  - b. \$1,500,000 one-time for an upgrade to the technical college Northstar enterprise system
  - c. \$1,238,000 ongoing O&M to support capital requests
  - d. \$2,750,000 one-time from Performance Funding Restricted Account balances to bridge loss of application fee revenue
-

# Technical College Enrollment Growth

## Adjusted Expenditure per FTE @ 90%

Institution Size & Course Level	Average
Tech Ed-Small	\$ 10,766
Tech Ed-Large	\$ 8,235

## Adjusted Baseline - FY 2022 Certificate Seeking, Occupational, & Secondary FTE

Course Level	USU-TE	Snow-TE	SLCC-TE	BTC	DTC	DXTC	MTC	OWTC	SWTC	TTC	UBTC
Technical Education	Baseline FTE Set at FY 2023 for DGI			1,330	1,695	515	1,677	1,454	364	339	548

## Fiscal Year 2023 Certificate Seeking, Occupational, & Secondary FTE

Course Level	USU-TE	Snow-TE	SLCC-TE	BTC	DTC	DXTC	MTC	OWTC	SWTC	TTC	UBTC
Technical Education	298	258	203	1,293	1,789	606	2,028	1,584	466	328	515

## Certificate Seeking, Occupational, & Secondary FTE Growth (25 Student Threshold, 10 Student Increments)

Course Level	USU-TE	Snow-TE	SLCC-TE	BTC	DTC	DXTC	MTC	OWTC	SWTC	TTC	UBTC
Technical Education	-	-	-	(30)	90	90	350	120	100	-	(30)

## Growth Funding

Course Level	USU-TE	Snow-TE	SLCC-TE	BTC	DTC	DXTC	MTC	OWTC	SWTC	TTC	UBTC
Growth Impact	\$ -	\$ -	\$ -	\$ (247,000)	\$ 741,000	\$ 969,000	\$ 2,882,000	\$ 988,000	\$ 1,077,000	\$ -	\$ (323,000)
Growth Cost Amount	\$ -	\$ -	\$ -	\$ -	\$ 741,000	\$ 969,000	\$ 2,882,000	\$ 988,000	\$ 1,077,000	\$ -	\$ -

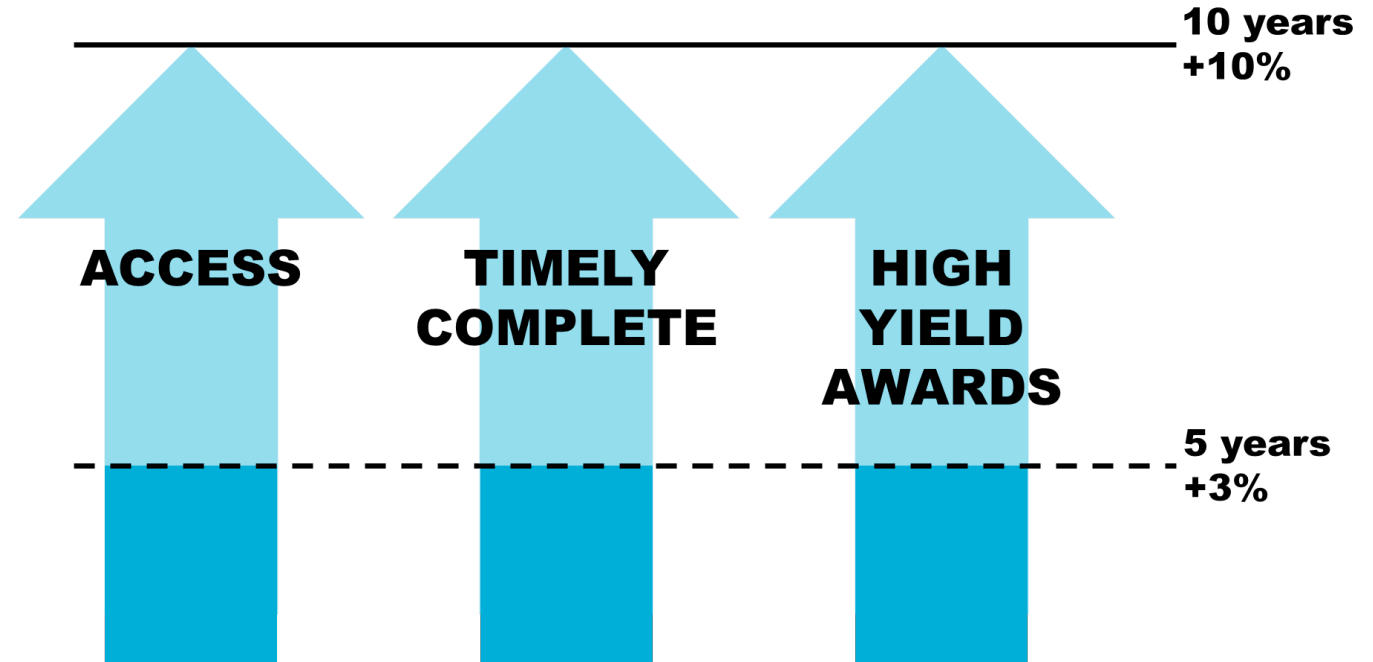
**Total: \$6,657,000**

# Performance Funding Approach

## 2024 General Session

UBHE budget request of \$30 million in new performance funding in FY 2025 would be distributed to degree-granting institutions and technical colleges based on their annual progress toward 5-year goals for access, timely completion, and high-yield awards.

Unearned funding is requested to be appropriated to the Performance Funding Restricted Account for future recovery within the five-year performance period.



# FY 2025 Degree-Granting Performance Funding Allocation at Request Level

Institution	2022-23 Annualized Budget FTE	% of Total	50% \$12,000,000	2023-24 Total State Funded Appropriations	% of Approps	50% \$12,000,000	Eligible Performance Funding Amount	% of Total
<b>UU</b>	32,436	26.14%	\$3,136,900	\$586,731,400	37.70%	\$4,523,500	\$7,660,400	31.92%
<b>USU</b>	20,406	16.45%	\$1,973,500	\$321,370,500	20.65%	\$2,477,700	\$4,451,200	18.55%
<b>WSU</b>	14,104	11.37%	\$1,364,000	\$150,344,100	9.66%	\$1,159,100	\$2,523,100	10.51%
<b>SUU</b>	10,342	8.33%	\$1,000,200	\$74,420,700	4.78%	\$573,800	\$1,574,000	6.56%
<b>SNOW</b>	3,732	3.01%	\$361,000	\$41,615,300	2.67%	\$320,800	\$681,800	2.84%
<b>UT</b>	7,866	6.34%	\$760,700	\$64,469,100	4.14%	\$497,000	\$1,257,700	5.24%
<b>UVU</b>	23,546	18.98%	\$2,277,200	\$188,583,700	12.12%	\$1,453,900	\$3,731,100	15.55%
<b>SLCC</b>	11,648	9.39%	\$1,126,500	\$128,953,900	8.28%	\$994,200	\$2,120,700	8.84%
<b>Total</b>	<b>124,080</b>	<b>100.0%</b>	<b>\$12,000,000</b>	<b>\$1,556,488,700</b>	<b>100.0%</b>	<b>\$12,000,000</b>	<b>\$24,000,000</b>	<b>100.0%</b>

# FY 2025 Technical College Performance Funding Allocation at Request Level

Institution	2022-23 Annualized Budget FTE	% of Total	50% \$3,000,000	2023-24 Total State Funded Appropriations	% of Approps	50% \$3,000,000	Eligible Performance Funding Amount	% of Total
BTC	779	12.35%	\$370,400	\$23,177,700	12.86%	\$385,700	\$756,100	12.60%
DTC	1,260	19.97%	\$599,000	\$27,458,200	15.23%	\$456,900	\$1,055,900	17.60%
DXTC	502	7.96%	\$238,800	\$20,230,900	11.22%	\$336,700	\$575,500	9.59%
MTC	1,327	21.04%	\$631,100	\$28,011,000	15.54%	\$466,100	\$1,097,200	18.29%
OWTC	1,044	16.55%	\$496,400	\$24,535,300	13.61%	\$408,300	\$904,700	15.08%
SLCC	203	3.21%	\$96,300	\$12,669,200	7.03%	\$210,800	\$307,100	5.12%
Snow	258	4.09%	\$122,600	\$5,279,600	2.93%	\$88,000	\$210,600	3.51%
SWTC	257	4.07%	\$122,200	\$9,214,300	5.11%	\$153,300	\$275,500	4.59%
TTC	206	3.26%	\$97,900	\$8,567,000	4.75%	\$142,600	\$240,500	4.01%
UBTC	176	2.79%	\$83,600	\$13,528,900	7.50%	\$225,100	\$308,700	5.15%
USU	298	4.72%	\$141,700	\$7,600,700	4.22%	\$126,500	\$268,200	4.47%
<b>Total</b>	<b>6,310</b>	<b>100.0%</b>	<b>\$3,000,000</b>	<b>\$180,272,800</b>	<b>100.0%</b>	<b>\$3,000,000</b>	<b>\$6,000,000</b>	<b>100.0%</b>

# 2022-23 Annual Performance Goals: Access (Systemwide Goal)

*% of Utah K-12 graduates enrolling in USHE institutions within three years of graduation*

2022 Base Year: 53.65%

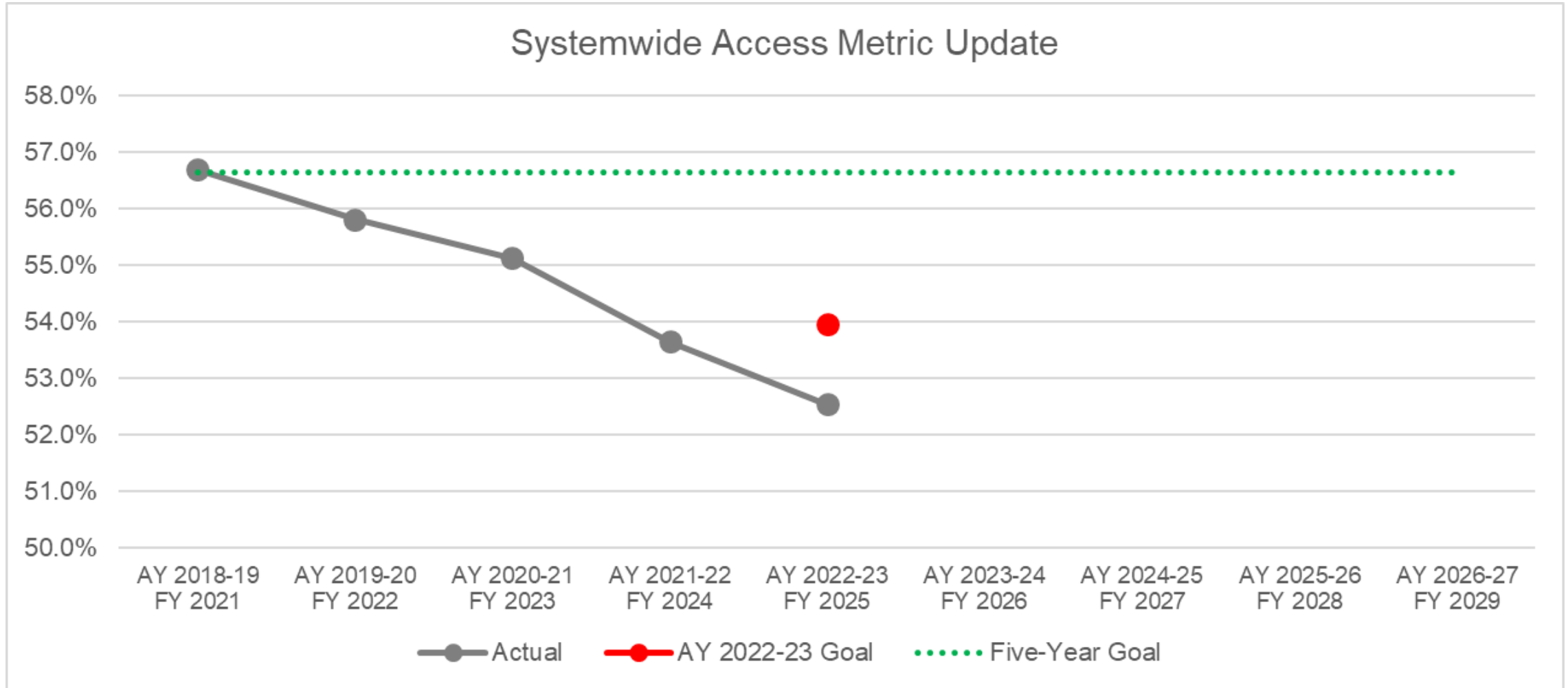
2023 Performance Goal Target: 53.95%

2023 Actual Performance: 52.54%

FY 2025 Request Amount Earned/(Set-aside): (\$10,000,000)



# 2022-2023 Annual Performance Goals: Access



# 2022-23 Annual Performance Goals: Access

Institution	2022 Base	2023 Performance Goal Target	2023 Performance Goal Increment	2023 Performance Actual	2023 Performance Actual Increment	% of 2023 Performance Funding Earned	FY 2025 Eligible Funding at \$30M Request	FY 2025 Funding Earned	FY 2025 Funding Set-Aside
Bridgerland Tech	0.63%			0.71%	0.08%		\$252,033	\$0	\$252,033
Davis Tech	1.08%			1.26%	0.19%		\$351,967	\$0	\$351,967
Dixie Tech	0.30%			0.40%	0.10%		\$191,833	\$0	\$191,833
Mountainland Tech	1.33%			2.21%	0.88%		\$365,733	\$0	\$365,733
Ogden-Weber Tech	0.88%			1.10%	0.22%		\$301,567	\$0	\$301,567
SLCC	9.43%			8.11%	-1.32%		\$809,267	\$0	\$809,267
Snow	3.00%			2.91%	-0.09%		\$297,467	\$0	\$297,467
Southwest Tech	0.15%			0.17%	0.02%		\$91,833	\$0	\$91,833
SUU	3.36%			3.64%	0.27%		\$524,667	\$0	\$524,667
Tooele Tech	0.21%			0.27%	0.06%		\$80,167	\$0	\$80,167
Uintah Basin Tech	0.12%			0.12%	0.00%		\$102,900	\$0	\$102,900
USU	7.65%			7.26%	-0.39%		\$1,573,133	\$0	\$1,573,133
UTU	3.97%			4.15%	0.17%		\$419,233	\$0	\$419,233
UU	5.82%			5.89%	0.08%		\$2,553,467	\$0	\$2,553,467
UVU	9.53%			8.43%	-1.09%		\$1,243,700	\$0	\$1,243,700
WSU	6.19%			5.90%	-0.30%		\$841,033	\$0	\$841,033
USHE TOTAL	53.65%	53.95%	0.30%	52.54%	-1.11%	0.00%	\$10,000,000	\$0	\$10,000,000

# 2022-23 Annual Performance Goals: Timely Completion

*% of student cohort who graduate within 1.5 times the normal completion cycle*

10 of 16 Institutions met or made progress toward goals

FY 2025 Request Amount Earned/(Set-aside): \$6,687,300/(\$3,312,700)

# 2022-23 Annual Performance Goals: Timely Completion

Institution	2022 Base	2023 Performance Goal Target	2023 Performance Goal Increment	2023 Performance Actual	2023 Performance Actual Increment	% of 2023 Performance Funding Earned	FY 2025 Eligible Funding at \$30M Request	FY 2025 Funding Earned	FY 2025 Funding Set-Aside
Bridgerland Tech	57.6%	58.2%	0.6%	60.1%	2.5%	100%	\$252,033	\$252,033	\$0
Davis Tech	50.4%	50.7%	0.3%	44.6%	-5.8%	0%	\$351,967	\$0	\$351,967
Dixie Tech	61.4%	61.8%	0.4%	69.3%	7.9%	100%	\$191,833	\$191,833	\$0
Mountainland Tech	68.3%	68.9%	0.6%	60.2%	-8.1%	0%	\$365,733	\$0	\$365,733
Ogden-Weber Tech	39.4%	40.0%	0.6%	42.9%	3.5%	100%	\$301,567	\$301,567	\$0
SLCC - Inst	40.0%	40.3%	0.3%	41.1%	1.1%	100%	\$809,267	\$809,267	\$0
SLCC - DG	39.6%			40.8%	1.2%				
SLCC - Tech	45.5%			48.1%	2.6%				
Snow - Inst	61.8%	62.6%	0.8%	62.6%	0.8%	100%	\$297,467	\$297,467	\$0
Snow - DG	63.2%			64.9%	1.7%				
Snow - Tech	12.6%			14.1%	1.5%				
Southwest Tech	76.2%	76.7%	0.5%	70.6%	-5.6%	0%	\$91,833	\$0	\$91,833
SUU	54.2%	54.8%	0.6%	57.9%	3.7%	100%	\$524,667	\$524,667	\$0
Tooele Tech	53.7%	54.2%	0.5%	42.9%	-10.8%	0%	\$80,167	\$0	\$80,167
Uintah Basin Tech	61.5%	63.5%	2.0%	79.1%	17.6%	100%	\$102,900	\$102,900	\$0
USU - Inst	55.8%	56.2%	0.4%	55.7%	-0.1%	0%	\$1,573,133	\$0	\$1,573,133
USU - Tech	26.9%			27.1%	0.2%				
UTU	39.2%	39.5%	0.3%	37.0%	-2.2%	0%	\$419,233	\$0	\$419,233
UU	65.5%	65.8%	0.3%	66.4%	0.9%	100%	\$2,553,467	\$2,553,467	\$0
UVU	38.5%	38.8%	0.3%	39.6%	1.1%	100%	\$1,243,700	\$1,243,700	\$0
WSU	38.7%	39.1%	0.4%	38.9%	0.2%	49%	\$841,033	\$410,389	\$430,644
USHE TOTAL	48.8%			48.8%	0.0%	66.9%	\$10,000,000	\$6,687,289	\$3,312,711

# 2022-23 Annual Performance Goals: High Yield Awards

*% of students graduating in fields that map to high-wage/high-demand jobs*

14 of 16 Institutions met or made progress toward goals

FY 2025 Request Amount Earned/(Set-aside): \$7,878,500/(\$2,121,500)

# 2022-23 Annual Performance Goals: High Yield Awards

Institution	2022 Base	2023 Performance Goal Target	2023 Performance Goal Increment	2023 Performance Actual	2023 Performance Actual Increment	% of 2023 Performance Funding Earned	FY 2025 Eligible Funding at \$30M Request	FY 2025 Funding Earned	FY 2025 Funding Set-Aside
Bridgerland Tech	49.2%	50.6%	1.4%	51.9%	2.7%	100%	\$252,033	\$252,033	\$0
Davis Tech	41.8%	42.6%	0.8%	44.4%	2.6%	100%	\$351,967	\$351,967	\$0
Dixie Tech	66.0%	67.4%	1.4%	67.5%	1.5%	100%	\$191,833	\$191,833	\$0
Mountainland Tech	29.6%	31.2%	1.6%	30.9%	1.3%	81.3%	\$365,733	\$297,158	\$68,575
Ogden-Weber Tech	48.5%	49.9%	1.4%	56.7%	8.2%	100%	\$301,567	\$301,567	\$0
SLCC - Inst	76.0%	76.1%	0.1%	74.3%	-1.7%	0%	\$809,267	\$0	\$809,267
SLCC - DG	75.4%			71.9%	-3.5%				
SLCC - Tech	77.3%			80.1%	2.8%				
Snow - Inst	63.0%	64.0%	1.0%	66.4%	3.4%	100%	\$297,467	\$297,467	\$0
Snow - DG	72.4%			73.9%	1.5%				
Snow - Tech	25.7%			42.1%	16.4%				
Southwest Tech	49.1%	49.8%	0.7%	54.5%	5.4%	100%	\$91,833	\$91,833	\$0
SUU	71.1%	71.8%	0.7%	72.4%	1.3%	100%	\$524,667	\$524,667	\$0
Tooele Tech	58.8%	59.8%	1.0%	67.6%	8.8%	100%	\$80,167	\$80,167	\$0
Uintah Basin Tech	55.5%	56.5%	1.0%	58.5%	3.0%	100%	\$102,900	\$102,900	\$0
USU - Inst	78.8%	79.1%	0.3%	80.1%	1.3%	100%	\$1,573,133	\$1,573,133	\$0
USU - DG	78.9%			80.3%	1.4%				
USU - Tech	75.9%			74.3%	-1.6%				
UTU	63.9%	64.6%	0.7%	65.1%	1.2%	100%	\$419,233	\$419,233	\$0
UU	81.6%	81.6%	0.0%	81.9%	0.3%	100%	\$2,553,467	\$2,553,467	\$0
UVU	76.1%	76.7%	0.6%	72.9%	-3.2%	0%	\$1,243,700	\$0	\$1,243,700
WSU	79.9%	80.3%	0.4%	81.3%	1.4%	100%	\$841,033	\$841,033	\$0
USHE TOTAL	71.2%			71.5%	0.3%	78.8%	\$10,000,000	\$7,878,458	\$2,121,542

# 2023 GS Degree-Granting Performance Funding Appropriations

In Academic Year 2021-2022, three institutions fell short of one or more performance target metrics under the previous performance funding model:

- University of Utah
  - -1.36% change in Awards per 100 FTE
- Utah State University
  - -0.67% change in Completion
  - -2.97% change in Market Demand
- Salt Lake Community College
  - -0.60% change in Completion

# 2023 GS Degree-Granting Performance Funding Appropriations

In the 2023 GS, \$35,000,000 of degree-granting institution performance funding was appropriated on a one-time basis with the below intent language (SB 3, Item 504):

*The Legislature intends that when drafting base budget bills for the 2024 General Session, the Legislative Fiscal Analyst shall reallocate ongoing Higher Education Performance Funding provided by New Fiscal Year Supplemental Appropriations Act (Senate Bill 2, 2023 General Session), Item 135, to individual institutions ongoing for FY 2025 based on the new performance funding model established in Utah Code Annotated title 53B Chapter 7 Part 7.*



# 2023 GS Degree-Granting Performance Funding Appropriations Request

Degree Granting 2023 GS Performance Funding Ongoing Allocation Proposal					
Institution	% of 2022 Performance Goal Met (Old Model)	FY 2024 Original Eligible Amount	Recommended FY 2025 Base Allocation Ongoing	Additional FY 2025 Base Allocation Ongoing Recommended on AY 2022-23 Performance	Remaining 2023 GS Performance Funding Set-Aside for Future Recovery
University of Utah	60%	\$10,138,000	\$6,082,800	\$2,703,467	\$1,351,733
Utah State University	60%	\$7,004,200	\$4,202,500	\$933,900	\$1,867,800
Weber State University	100%	\$3,571,400	\$3,571,400	\$0	\$0
Southern Utah University	100%	\$2,308,400	\$2,308,400	\$0	\$0
Utah Tech University	100%	\$1,928,100	\$1,928,100	\$0	\$0
Utah Valley University	100%	\$5,473,700	\$5,473,700	\$0	\$0
Snow College	100%	\$1,113,900	\$1,113,900	\$0	\$0
Salt Lake Community College	85%	\$3,462,300	\$2,943,000	\$173,100	\$346,200
<b>Total</b>	<b>78.9%</b>	<b>\$35,000,000</b>	<b>\$27,623,800</b>	<b>\$3,810,467</b>	<b>\$3,565,733</b>

# Systemwide Priorities

- \$255,600 ongoing for an additional attorney general for technical colleges
  - \$1,500,000 one-time for an upgrade to the technical college Northstar enterprise system
  - \$1,238,000 in ongoing O&M to support capital requests
  - \$2,750,000 one-time from Performance Funding Restricted Account balances to bridge loss of application fee revenue
-

# CAPITAL BUDGET REQUEST

UTAH SYSTEM OF HIGHER EDUCATION

# FY 2024-25 Capital Budget Recommendations

## *Degree-Granting Dedicated Projects*

<b>Institution</b>	<b>Capital Project</b>	<b>Amount</b>	<b>O&amp;M</b>
Utah State University	Administrative Services Addition	\$9,991,300	
	Dedicated Project Fund Allocation	-\$4,991,300	
	Institutional Funds	<u>-\$5,000,000</u>	
	<b>New Income Tax Fund Requested</b>	<b>\$0</b>	<b>-\$9,800</b>
Southern Utah University	Highway 56 Phoenix Plaza	\$4,635,000	
	Dedicated Project Fund Allocation	<u>-\$4,635,000</u>	
	<b>New Income Tax Fund Requested</b>	<b>\$0</b>	<b>\$162,600</b>

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# FY 2024-25 Capital Budget Recommendations

## *Degree-Granting Non-Dedicated Projects*

<b>Institution</b>	<b>Capital Project</b>	<b>Amount</b>	<b>O&amp;M</b>
Snow College	Social Science Classroom & Lab Building	\$41,950,700	
	Dedicated Project Fund Allocation	-\$21,791,200	
	Institutional Funds	<u>-\$735,000</u>	
	<b>New Income Tax Fund Requested</b>	<b>\$19,424,500</b>	<b>\$455,100</b>

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# Higher Education Capital Project Fund

## Higher Education Capital Project Fund Estimated Allocations and Fund Balances

Fund/Institution	FY 2024 Fund Balance <sup>1</sup>	FY 2024 Project Deficit <sup>2</sup>	Estimated FY 2025 Base Allocation (p)	Estimated FY 2025 Available for Projects (p)
Higher Education CPF				
University of Utah	\$260,600	\$0	\$20,432,100	\$20,692,700
Utah Valley University	\$16,147,100	\$0	\$16,147,100	\$32,294,200
Utah State University	\$0	-\$18,000	\$14,182,000	\$14,164,000
Southern Utah University	\$0	-\$804,900	\$11,695,100	\$10,890,200
Utah Tech University	\$11,043,400	\$0	\$11,043,400	\$22,086,800
Weber State University	\$2,804,500	\$0	\$11,136,900	\$13,941,400
Salt Lake Community College	\$134,900	\$0	\$9,166,600	\$9,301,500
Snow College	\$14,904,700	\$0	\$6,886,500	\$21,791,200

<sup>1</sup>FY 2024 Fund Balance reflects originally appropriated project amounts as a proxy for project costs less available capital project fund resources

<sup>2</sup>FY 2024 Project Deficit reflects amounts available for FY 2024 Projects less originally appropriated project amounts as proxy for project costs

# FY 2024-25 Capital Budget Request

## *Technical College Projects*

<b>Institution</b>	<b>Capital Project</b>	<b>Amount</b>	<b>O&amp;M</b>
Ogden-Weber Tech	Pathway Building	\$84,170,500	
	Dedicated Project Fund Allocation	<u>-\$19,310,300</u>	
	<b>New Income Tax Fund Requested</b>	<b>\$64,860,200</b>	<b>\$630,100</b>

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# Technical College Capital Project Fund

## Technical College Capital Project Fund Estimated Allocations and Fund Balances

<b>Fund/Institution</b>	<b>FY 2024 Fund Balance<sup>1</sup></b>	<b>FY 2024 Project Deficit<sup>2</sup></b>	<b>Estimated FY 2025 Base Allocation (p)</b>	<b>Estimated FY 2025 Available for Projects (p)</b>
Technical College CPF	\$0	\$0	\$19,310,300	\$19,310,300

<sup>1</sup>FY 2024 Fund Balance reflects originally appropriated project amounts as a proxy for project costs less available capital project fund resources

<sup>2</sup>FY 2024 Project Deficit reflects amounts available for FY 2024 Projects less originally appropriated project amounts as proxy for project costs



# FY 2024-25 Capital Budget Request

## *Landbank*

<b>Institution</b>	<b>Capital Project</b>	<b>Amount</b>	<b>O&amp;M</b>
Snow College	Nephi Property	<u>\$2,000,000</u>	
	<b>New Income Tax Fund Requested</b>	<b>\$2,000,000</b>	<b>\$0</b>

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# Senate Bill 102, 2019 General Session

- Senate Bill 102 from the 2019 General Session established the Higher Education Capital Projects Fund and Technical Colleges Capital Project Fund.
  - Created Dedicated and Non-Dedicated project types.
  - Dedicated projects are supported with appropriations to the capital projects funds.
    - \$100,689,700 ongoing in the base budget for degree-granting institutions.
    - \$19,310,300 ongoing in the base budget for technical colleges.
  - Non-Dedicated projects are supported with new ITF requests and limited based on real adjusted capital project fund appropriations.
  - Board practice has been to recommend use of capital projects funds to help offset new ITF requests for Non-Dedicated projects where possible.
-

# Higher Education Capital Projects Fund Dedicated Funding Allocation Formula

Enrollment  
(20 pts)

Projected Growth  
(15 pts)

Facility Age & Cond  
(20 pts)

Performance  
(15 pts)

Square Feet per FTE  
(15 pts)

Utilization  
(15 pts)

# Capital Facilities Request Prioritization Metrics

## Quantitative Needs Points (75 pts)

Industry/Economic Demand (25 pts)

Utilization (15 pts)

Space Need (15 pts)

Imminent Non-functionality (10 pts)

Cost Effectiveness (5 pts)

Alternative Funding Sources (5 pts)

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## Board Points (25 pts)

Access & Capacity

Affordability

Workforce

# IGG Appropriations Subcommittee Accountable Budget Process Recommendations

- Codify how land banks should be prioritized and requested by USHE.
  - Consider using dedicated project funds for landbank purchases.
  - Accelerate USHE deadline for reporting updated institution allocations for the Higher Education Capital Projects Fund appropriations from May 31 to February 15 each year.
-

# Space Utilization Study

- Consultant contracted through DFCM to visit campuses, evaluate data and make recommendations.
  - Final report expected in Spring of 2024.
  - Preliminary Findings
    - Technical Colleges would benefit from a simplified building definition taxonomy.
    - Degree-granting institutions reported some courses without corresponding rooms in the inventory data and some rooms with no scheduled courses.
    - Current metrics for Room Utilization Rate (RUR) and Station Occupancy Rate (SOR) could be blended into a single efficiency measure.
-

# IMPACTS OF HIGHER EDUCATION IN UTAH

UTAH SYSTEM OF HIGHER EDUCATION

# Impacts of Higher Education in Utah

- Reported Full-Time Equivalent Employees in 2022: **44,025**
  - 2.6% of total employed Utahns in 2022 (3.9% to 5.2% w/Select Multipliers)
  - 3.8% of total employed full-time Utahns in 2022 (6.7% to 7.5% w/Select Multipliers)
- Systemwide Expenditures in FY 2023: **~\$10 Billion**
  - Preliminarily estimated 3.5% of total statewide compensation in 2022 (5.7% to 6.5% w/Select Multipliers)
- Academic Year 2022-2023 Enrollment\*: **>234,000**
  - Equivalent to 6.8% of all Utahns (July 1, 2023 Utah Population Committee)
- Academic Year 2022-2023 Completions: **>56,000**
  - For comparison, Utah's entire labor force grew by 55,500 in CY 2022



# Impacts of Higher Education in Utah

- A 2019 study by the Kem C Gardner Policy Institute found that the University of Utah's economic contribution to the state of Utah accounted for 3.7% of GDP and 4.6% of state earnings.

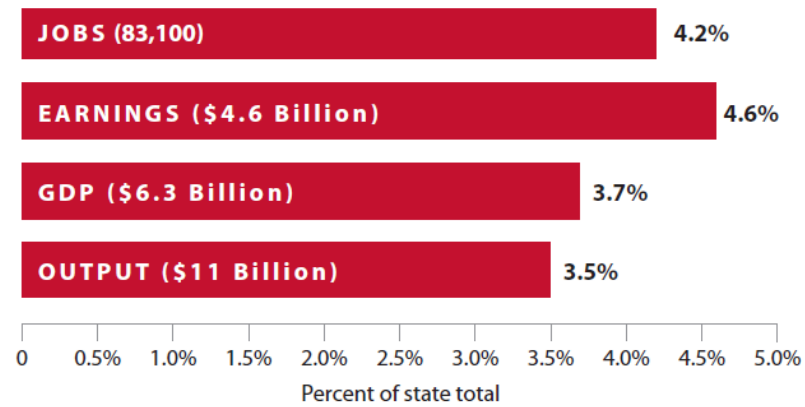
## Economic Contribution of the University of Utah

### Analysis in Brief

The University of Utah casts an immense economic and societal footprint over the entire state, making it one of Utah's largest and most important economic assets.

The University of Utah directly and indirectly supported 83,100 jobs, \$4.6 billion in earnings, and \$6.3 billion in GDP in the Utah economy in 2019, making it one of the largest economic assets in the state. The U's direct employment of 39,300 jobs makes the U the largest employer in the state. In addition, the U's 2019 education and patient care reach includes 32,994 students, 8,268 degrees and certificates, more than 550 buildings in 16 counties and 38 cities in Utah, and approximately two million patient visits. As an institution of higher learning, the U also imparts significant societal benefits. These contributions confer an immense economic and societal impact on Utah that can only come from the state's flagship university.

### University of Utah Economic Contribution, 2019

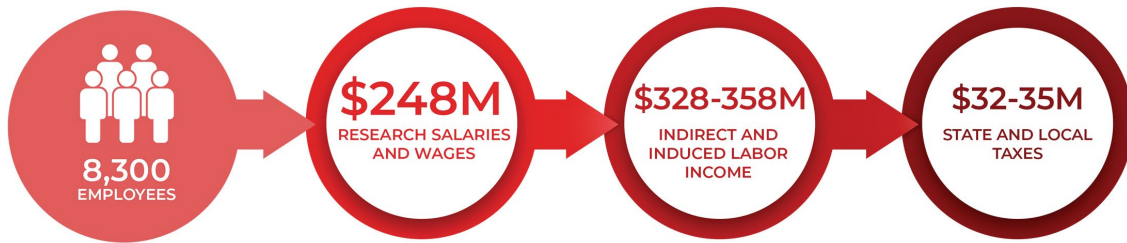


Source: Kem C. Gardner Policy Institute

# Impacts of Higher Education in Utah

- Utah's R1 Institution's secure > \$1 Billion in Research Funding and Awards, generating economic & fiscal returns.

## U RESEARCH IMPACTS ECONOMIC GROWTH



*-The Kem C. Gardner Policy Institute.  
State fiscal impacts consist of personal income and state sales  
Local fiscal impacts comprise sales taxes and property taxes*

<https://www.research.utah.edu/wp-content/uploads/sites/44/2023/12/Press-Release-sept-2023-copy.png>

## Research Facts

Utah State is a **Carnegie-recognized R1 institution** and was named **one of the best undergraduate research programs in the nation** by the Council for Undergraduate Research in 2021. From sustainability and climate studies to agriculture and business, USU research changes lives around the world.



<https://www.usu.edu/research-innovation/>

# Impacts of Higher Education in Utah

- Cicero Group survey and analysis of outcomes of educational attainment in Utah, 2023.

## EXECUTIVE SUMMARY | Outcomes at a Glance, Clustered by Education

		<b>Indicator</b> <i>A socially desirable life success outcome</i>	<b>Bachelor's or Postgrad Degree</b>	<b>Associate's or Trade Certificate</b>	<b>Some College</b>	<b>No High School, High School/GED</b>
<b>Category</b>	<b>Financial</b>	Median personal income	\$88,566	\$45,859	\$40,781	\$31,304
		Median household income	\$98,308	\$55,278	\$45,867	\$32,609
		Say they are financially stable (%)	70%	52%	40%	38%
		Say they can afford childcare (%)	67%	48%	33%	32%
		Have not used food stamps (%)	82%	70%	72%	59%
	<b>Career</b>	Total time unemployed since high school	<b>9.5 months</b>	<b>10.6 months</b>	<b>13.8 months</b>	<b>15.4 months</b>
		Are salaried, not hourly (%)	54%	20%	14%	8%
		Confident in future career success (%)	87%	74%	62%	63%
	<b>Civic</b>	Vote in state elections (%)	82%	68%	63%	42%
		Involved in their religious community (%)	57%	44%	35%	29%
		Volunteer in their community (%)	49%	23%	22%	28%
	<b>Life Satisfaction</b>	Average number of children	<b>1.73</b>	<b>1.92</b>	<b>1.68</b>	<b>1.42</b>
		Are married (%)	75%	63%	51%	38%
		Say they have a great marriage (%)	80%	71%	57%	57%
		Say they are happy with their life (%)	81%	72%	64%	61%
			Say they are healthy (%)	80%	62%	59%



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