



Higher Education Appropriations Subcommittee

University of Utah

President Taylor Randall

January 30, 2024

Our Vision.

To improve the lives of all Utahns and to advance a new national higher education model for delivering societal impact.

Our Goal.

To become a top 10 public research university with unsurpassed societal impact.

Recent Recognition.

THE WALL STREET JOURNAL.

2024

#1 public in the West

#8 public in the U.S.

Source: WSJ / College Pulse 2024 Best Colleges

Important Moment.



Restoring national
confidence in
higher education

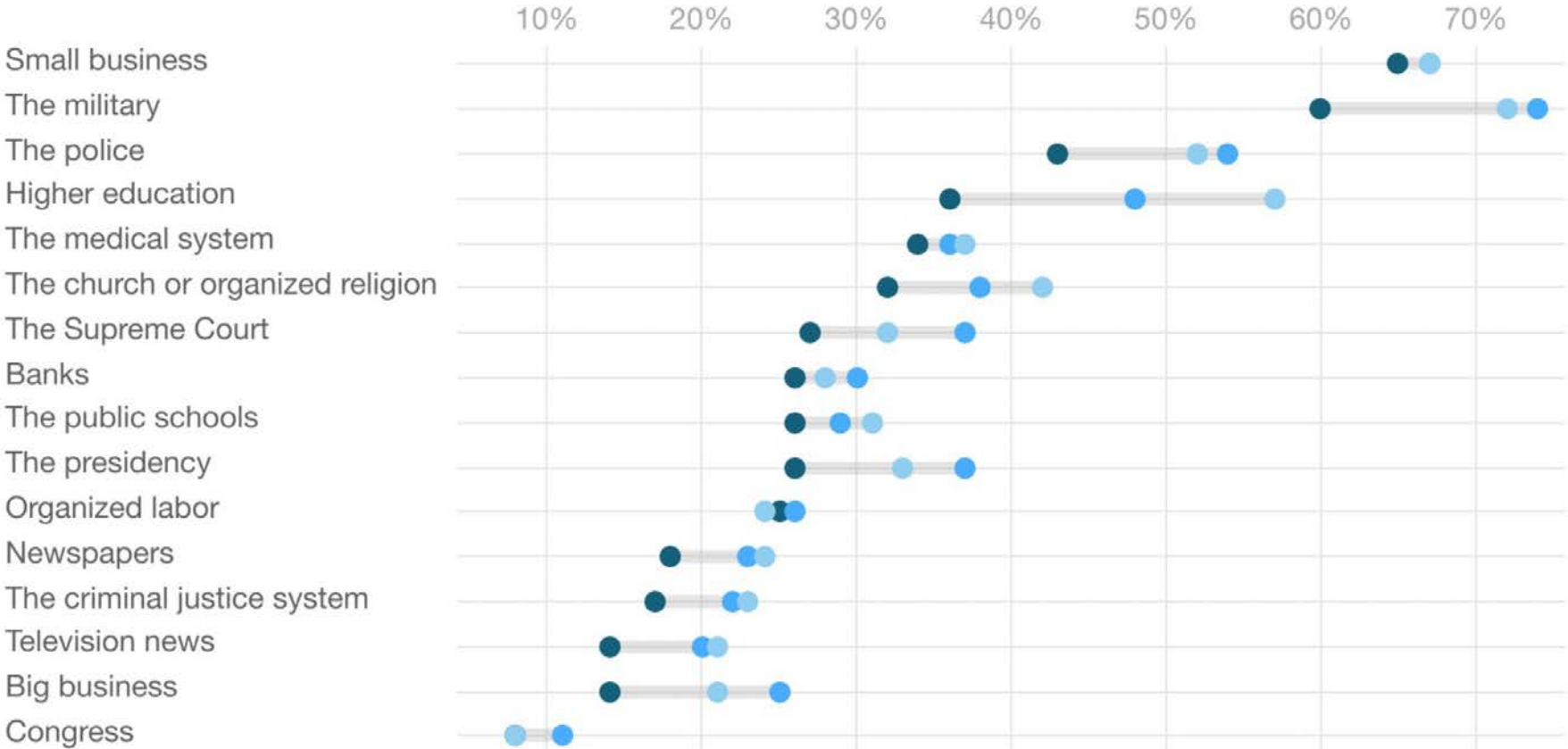


Addressing Utah's
evolving needs

Confidence.

GALLUP Confidence in institutions 2015 - 2023

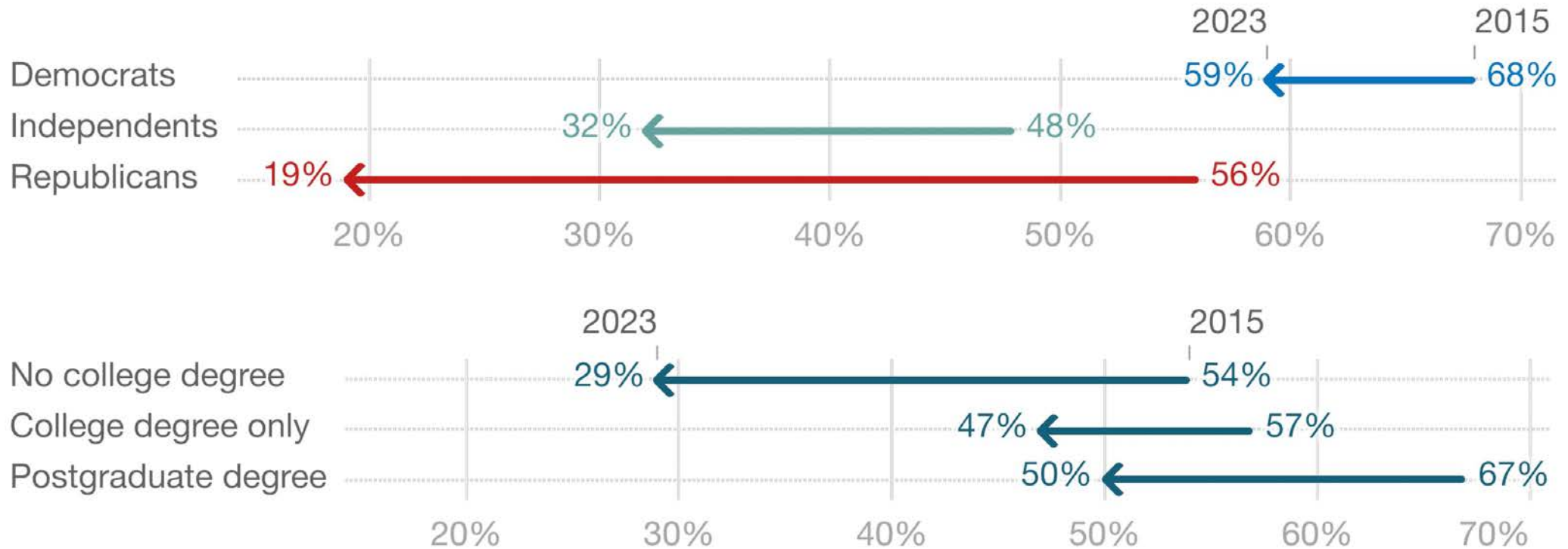
● 2023 ● 2018 ● 2015



Source: Gallup / Association of American Universities

Higher Education.

GALLUP % of Americans who have “a great deal” or “quite a lot” of confidence in **higher education**, change from 2015 to 2023.



Source: Gallup / Association of American Universities

A Changing State.

OLD UTAH		NEW UTAH
Small State Population rank 34th (1990, 2000, 2010)	➔	More Populous, Mid-Sized State Population rank 30th (2020)
Internal Growth (births) 34% of growth from migration (2000-2020)	➔	External Growth (migration, lower birth rate) 61% of growth from migration (2021 and 2022)
Less Multicultural 9.5% minority (1990)	➔	Multicultural 23.3% minority (2022) (<i>30+% in 2040</i>)
Younger 9.1% age 65+ (2010)	➔	Older 20.0% age 65+ (2050)
Strong Economy Utah job growth strong , but ebbs and flows	➔	Elite Economy Utah job growth consistently best in nation and top COVID outcomes

Source: Kem C. Gardner Policy Institute

What Drives Us.



1. INSPIRE

Grow access to **40,000** students, build pathways to success and great careers.



2. INNOVATE

Generate new discovery and **\$1 billion** in sponsored research.



3. SERVE

Commitment to impact the lives of all **3.5 million** Utahns.

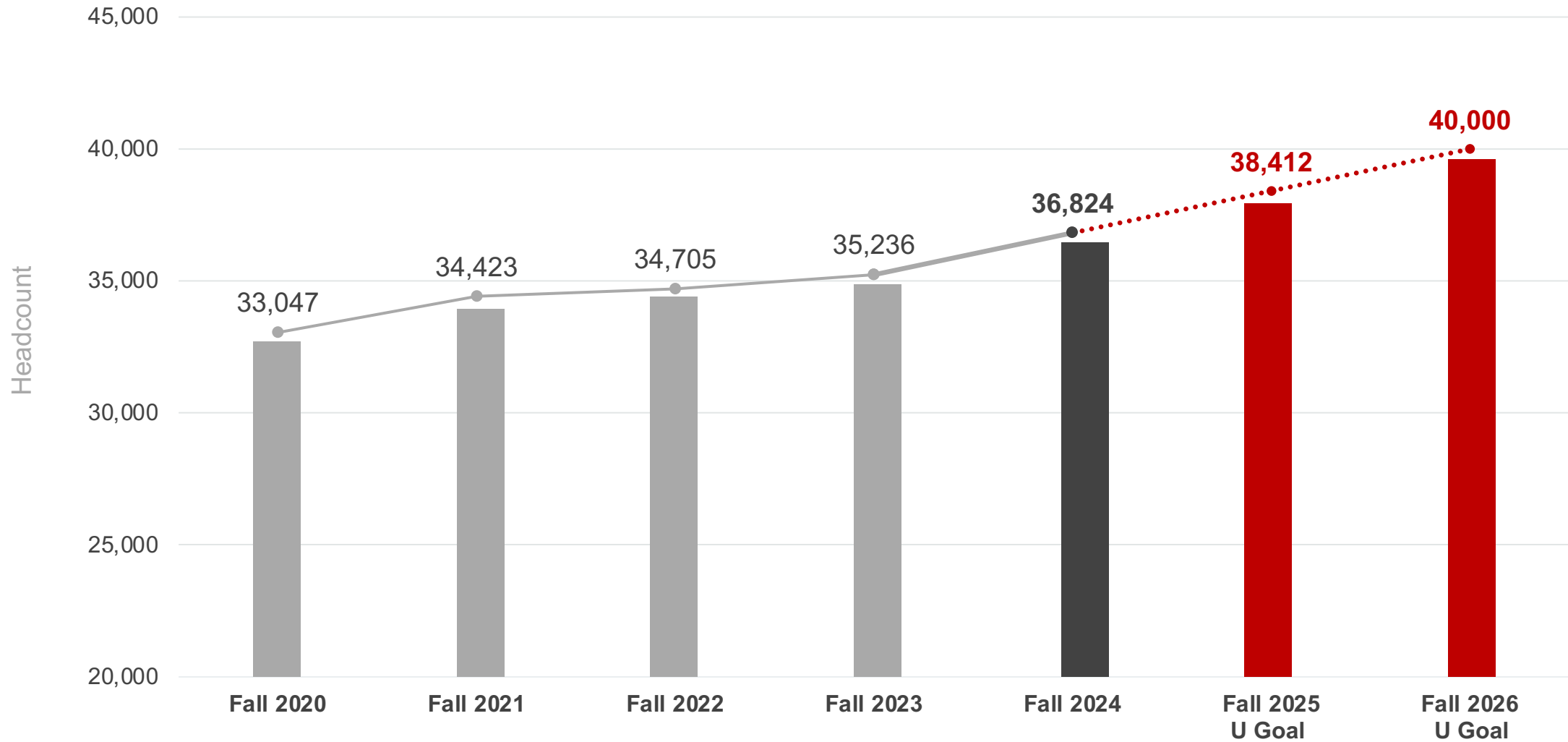


Financial Sustainability

INSPIRE.

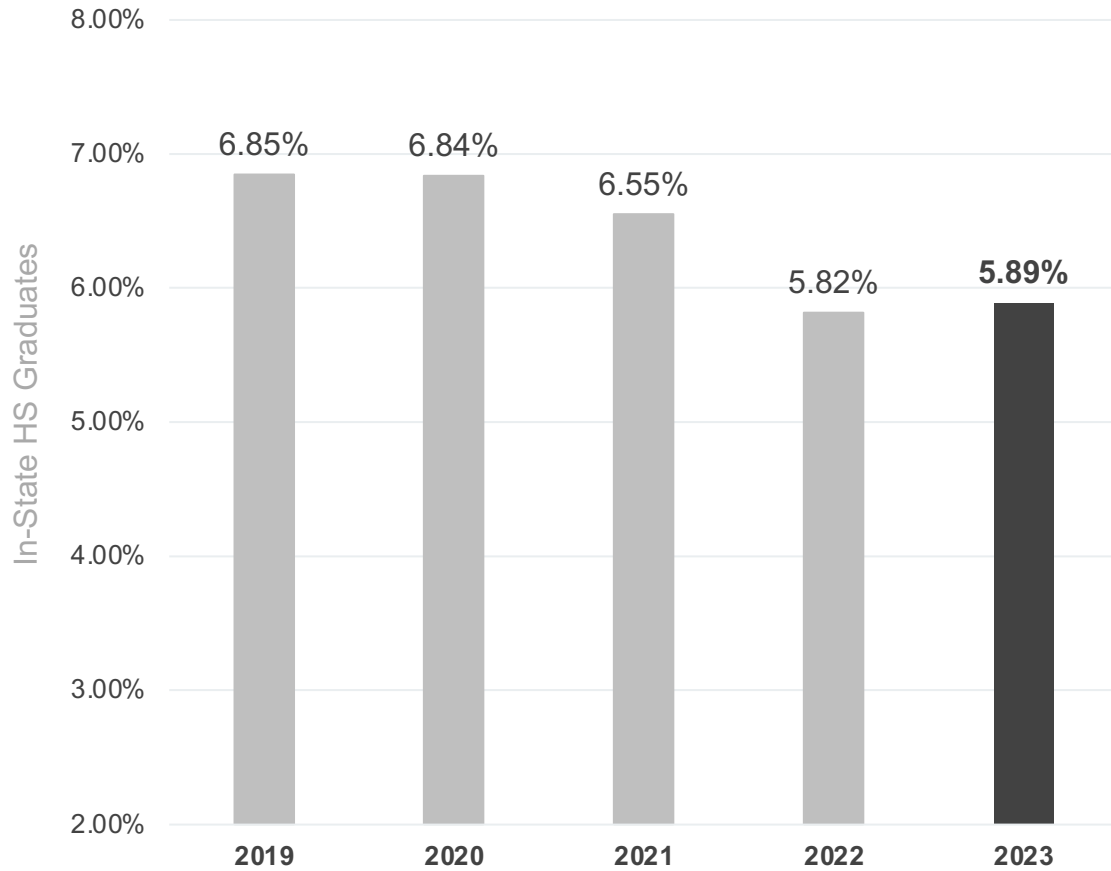


Enrollment.

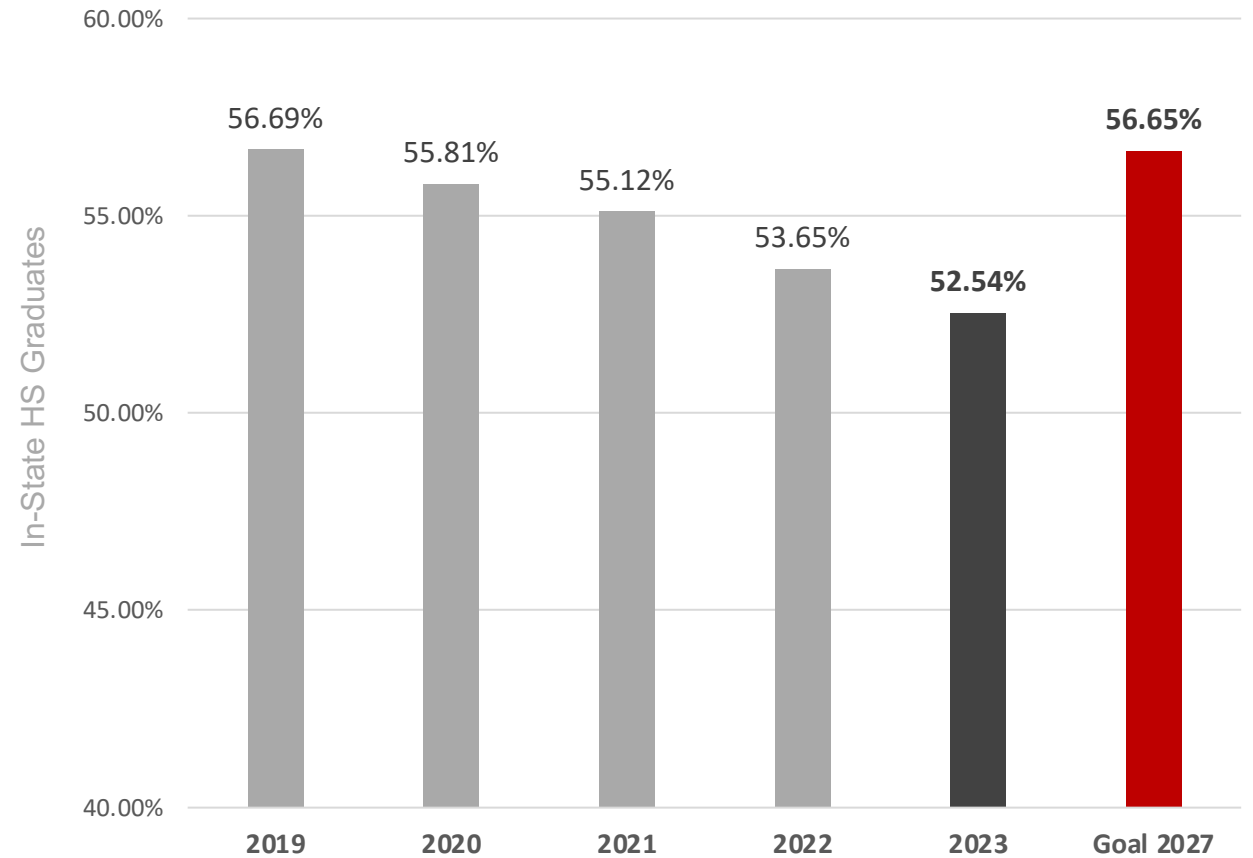


Access.

U Access Metric



USHE System Access Metric



Earn and Learn.

Creating opportunities for students to gain real-life experience is essential to their growth and development at the University of Utah and healthcare system.

FULL-TIME STUDENT PART-TIME JOB



- Specialized career coaching and workshops
- Opportunity for scholarships – especially for summer
- Leads to on-time graduation

FULL-TIME JOB PART-TIME STUDENT



- Tuition benefit
- Employer pays salary for some class time
- Takes a longer time to graduate, employed throughout

Unprecedented Partnerships.

Shared Problem:
shortage of qualified healthcare workers

- Utah currently has ~3,000 nursing job openings



Shared Solution:
unprecedented partnerships

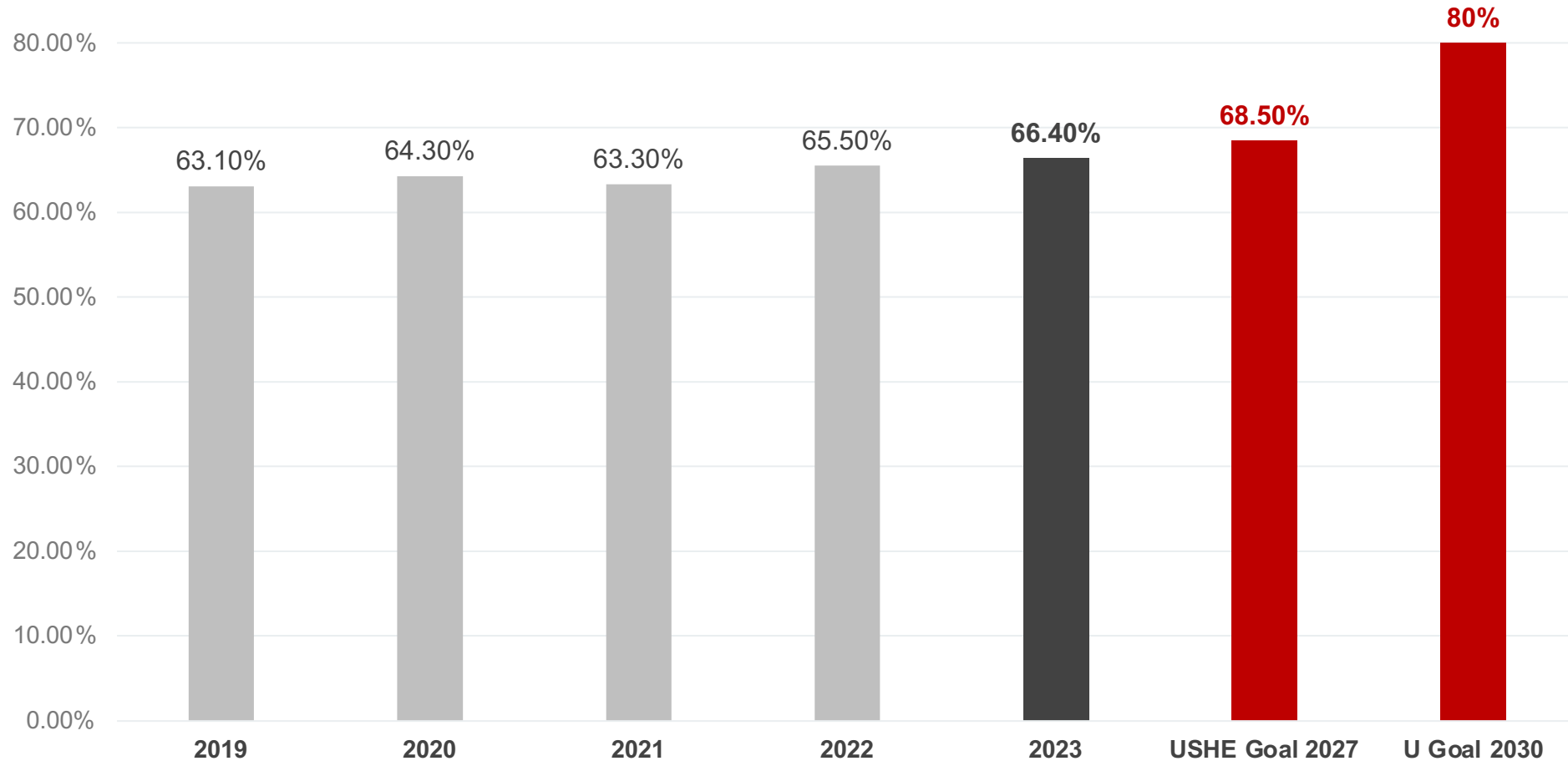
- Partnerships to address educational access



Model: learner-centric, personalized end-to-end navigation support that engages health industry, education, community, and policy-makers.



Completion at 6yrs.

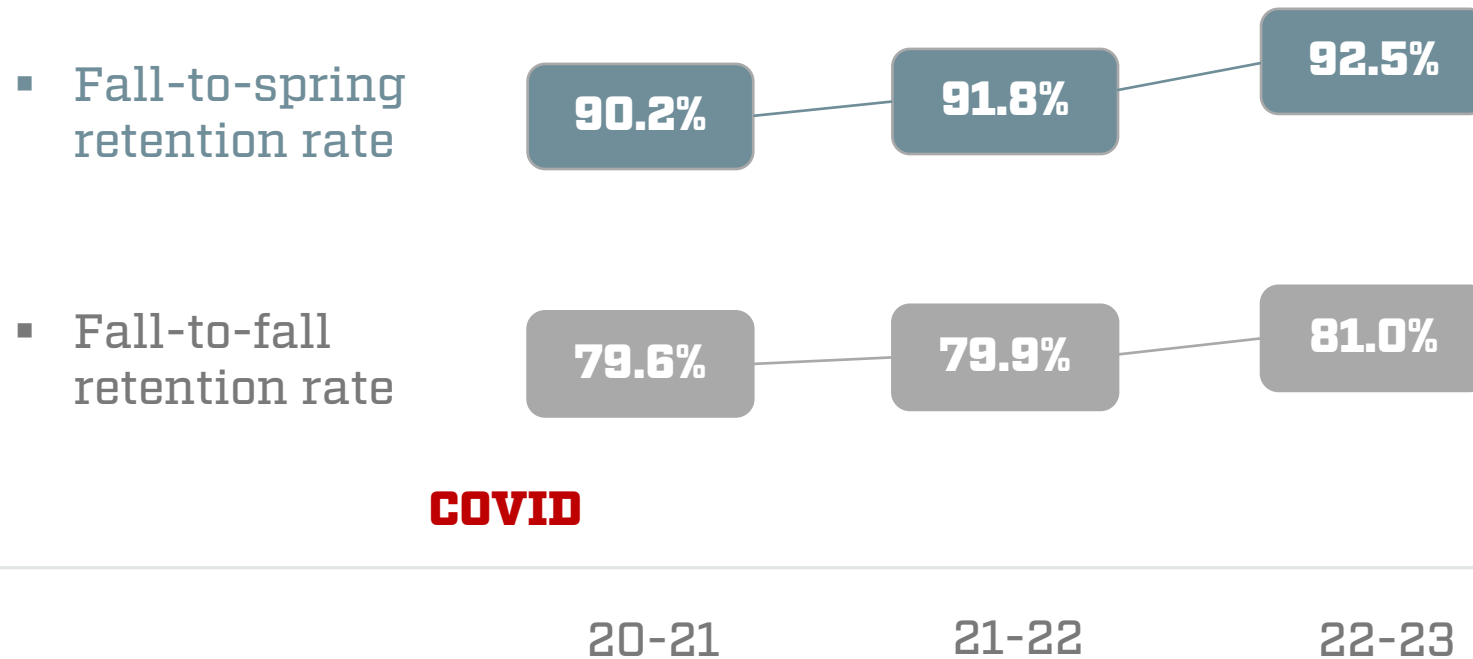


Navigate U.

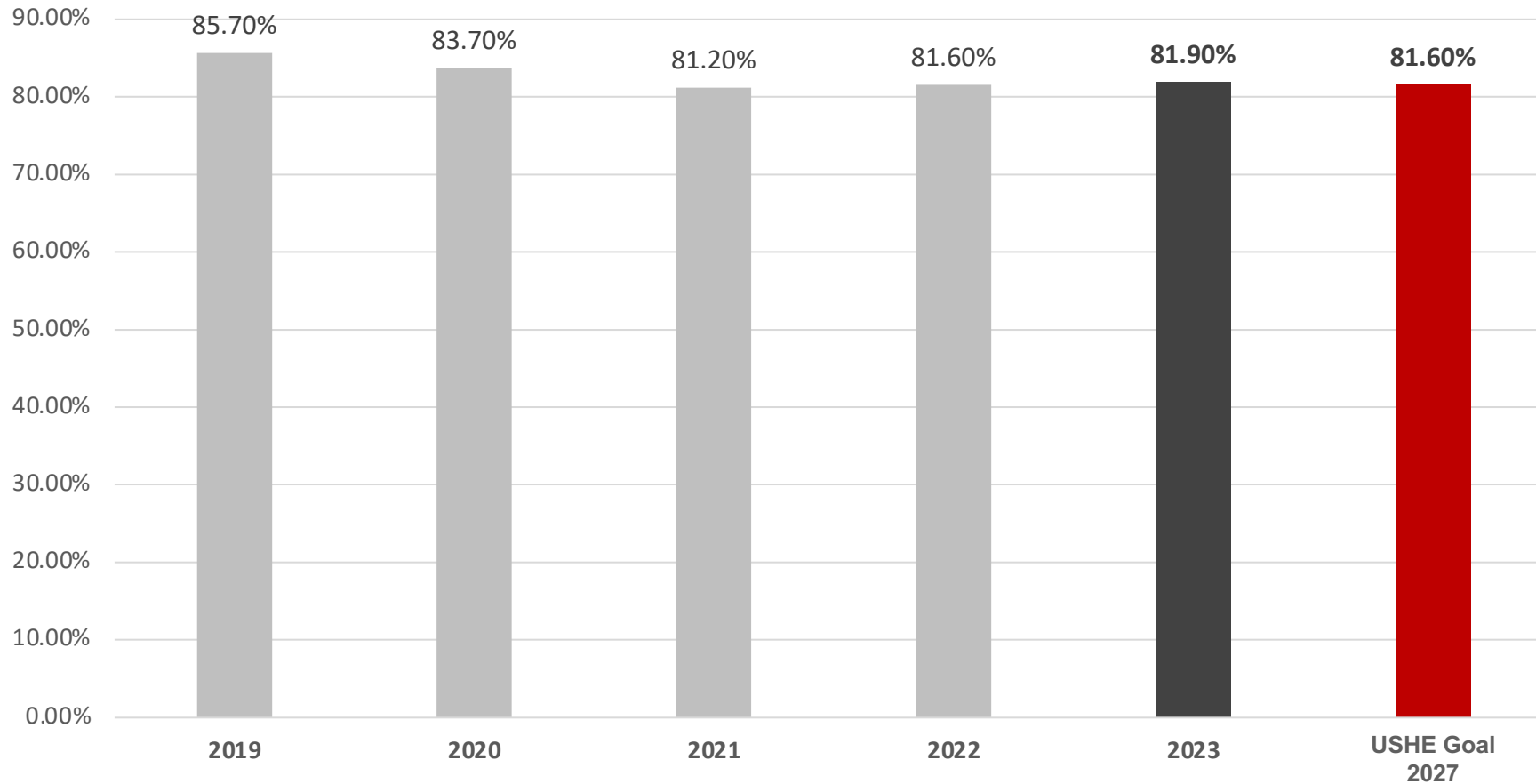


Navigate U Outcomes.

This is a high-level overview of all incoming new students, both first-time and new transfer who enter in the summer or fall term.



High Yield Jobs.



Career Services.

Unique Approach to Campus-wide
Career Coaching



1:1
Coaching



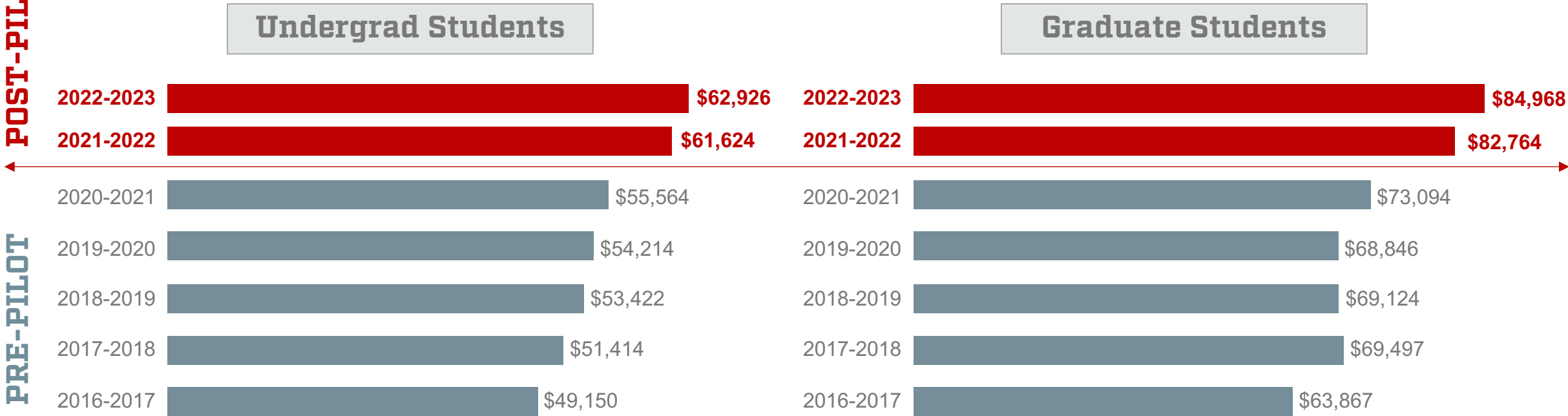
Community and
Corporate **Partnerships**

Career Services Pilot.

AVERAGE SALARIES

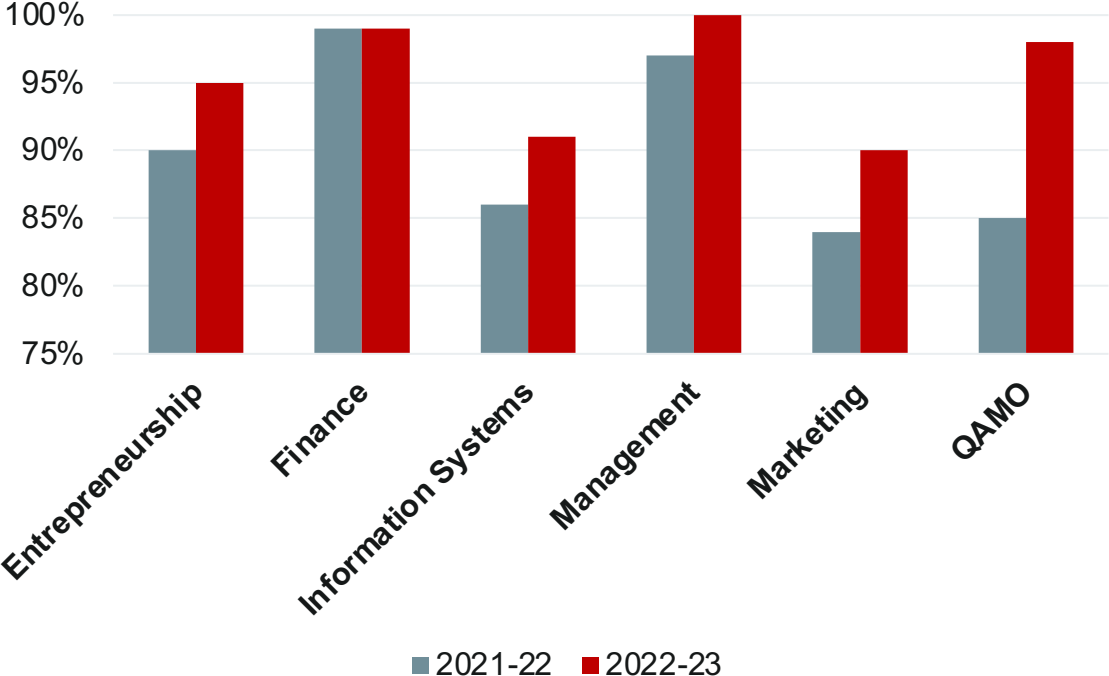
POST-PILOT

PRE-PILOT

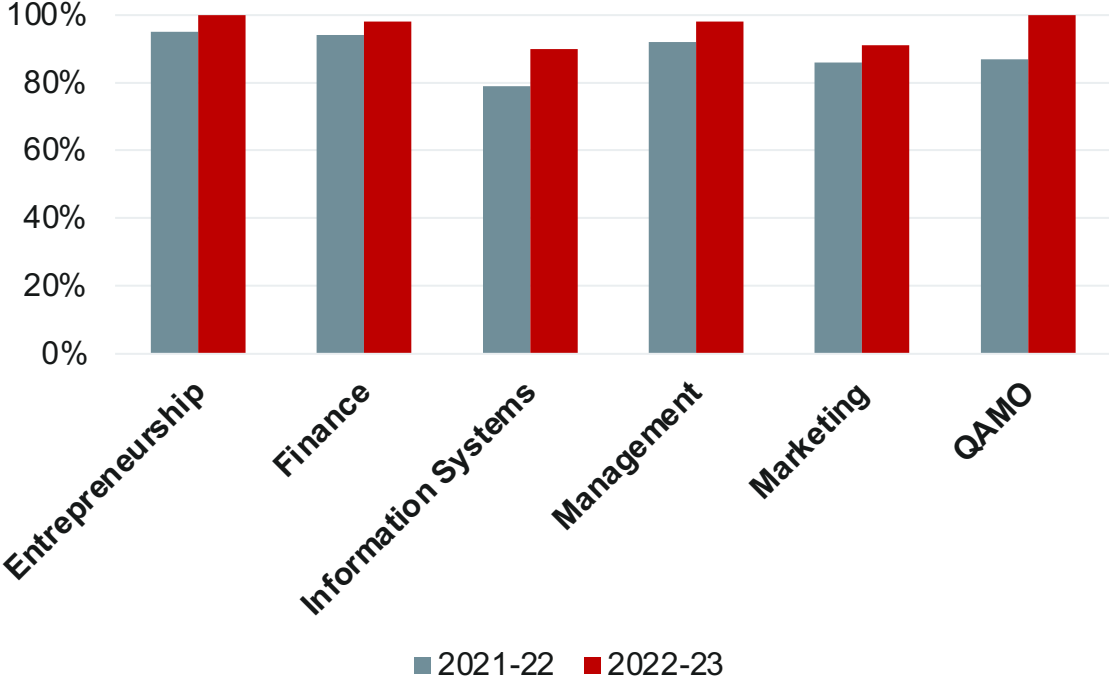


Career Services Pilot.

% UNDERGRADUATE PLACED RATE



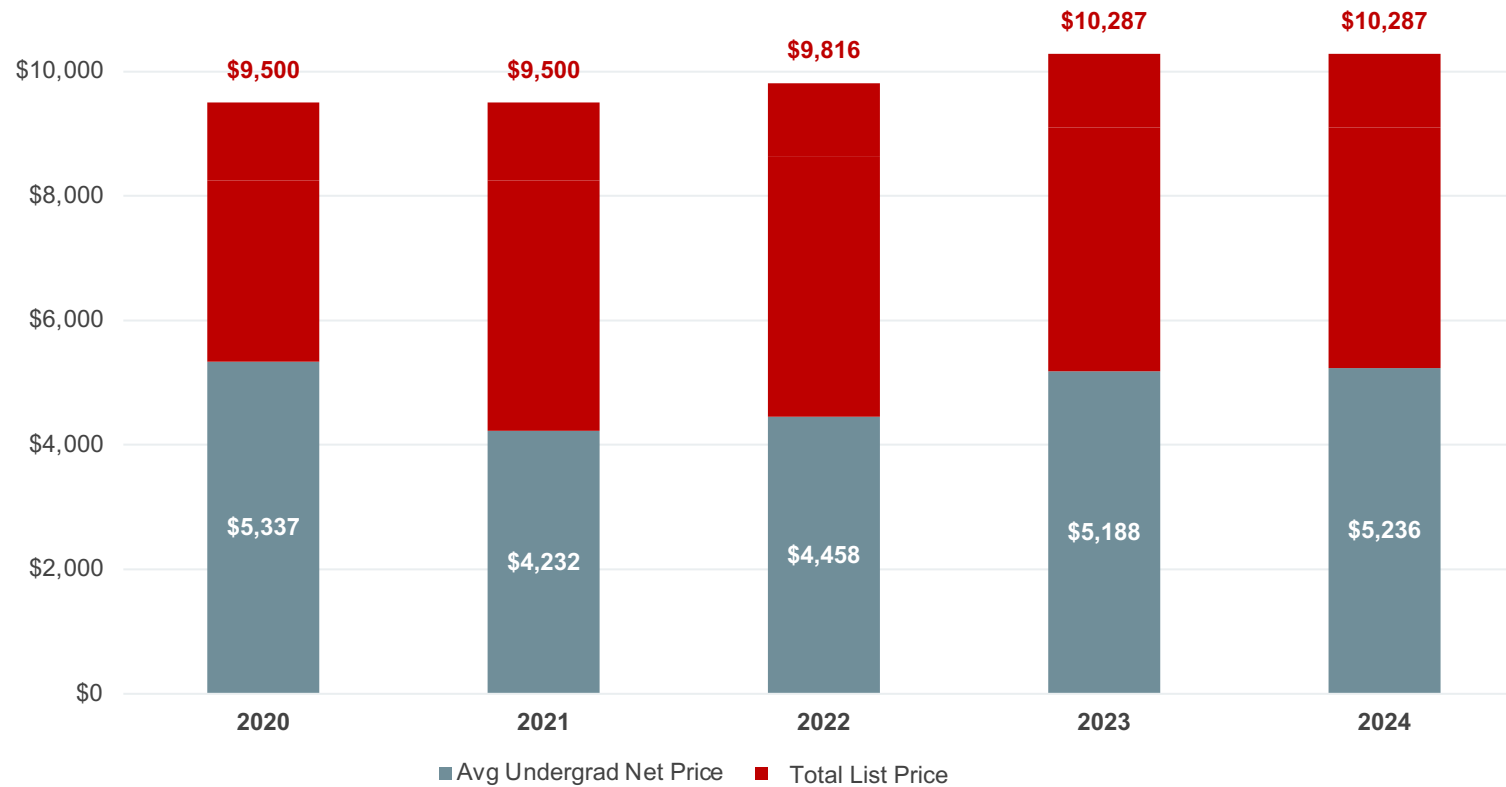
% UNDERGRADUATE KNOWLEDGE RATE



Quantitative Analysis of Markets and Organizations (QAMO)

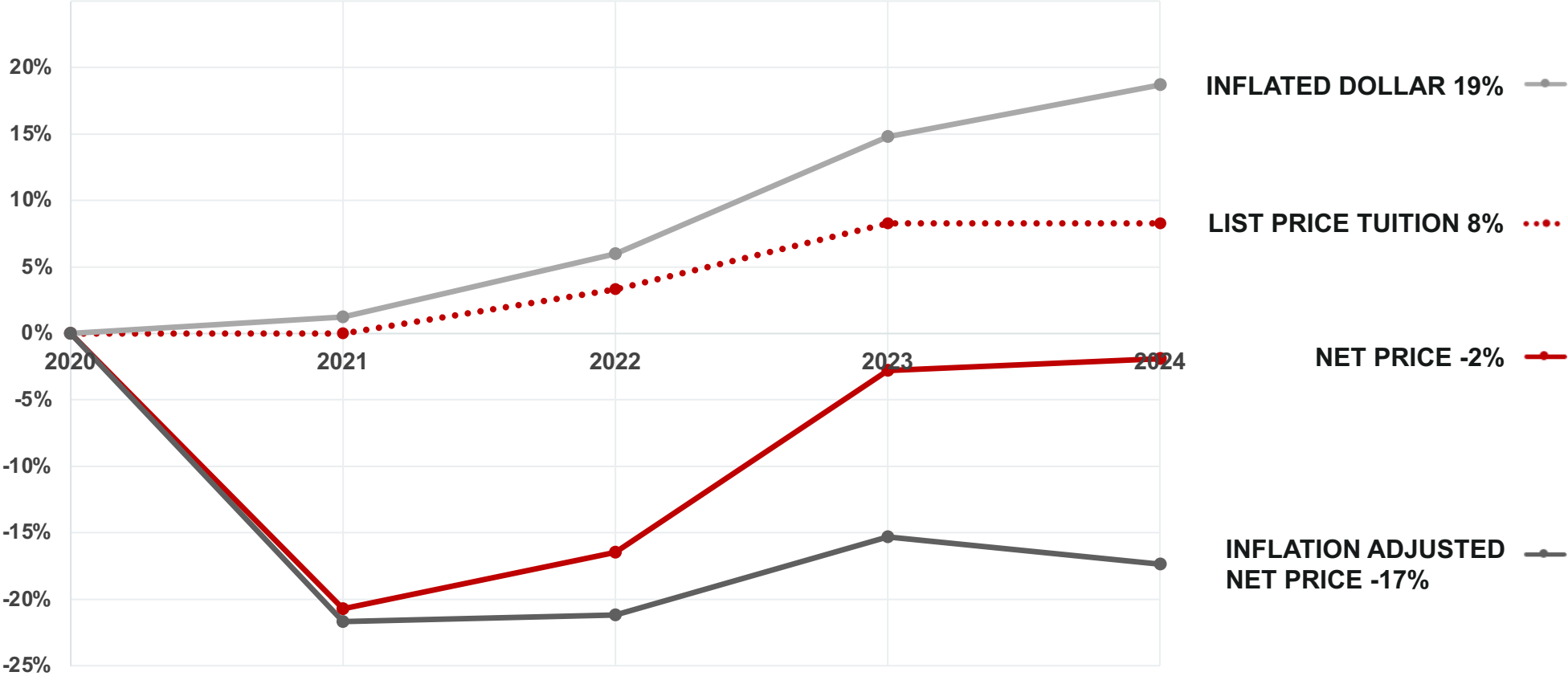
List & Net Costs.

5 Year Resident Tuition, Fees, and Net Price at the University of Utah



Costs Adjusted.

Inflation, Tuition and Net Tuition at University of Utah



Meeting the Need.

Financial Need
Median Utah Household Income

		HIGH NEED \$37k (Pell)	MEDIUM NEED \$95k	LOW NEED \$185k
High School GPA	3.85 +	-\$1,200	\$1,600	\$1,500
	3.50-3.84	-\$1,600	\$4,200	\$5,400
	<3.50	-\$800	\$6,400	\$6,900

Resident Fall 2021 Freshmen, figures include Fall and Spring terms.

Service Scholarship.

Goal 1: Support a generation of service-minded leaders, problem-solvers, and bridge-builders.

Goal 2: Help college students graduate on time and with less debt.

Goal 3: Address societal challenges through service-learning experiences.

Challenges: College students need experience, scholarships, and living support.

**Student Benefits: \$3,000 scholarship + \$2,000 wages/living allowance = \$5,000
PER SEMESTER**

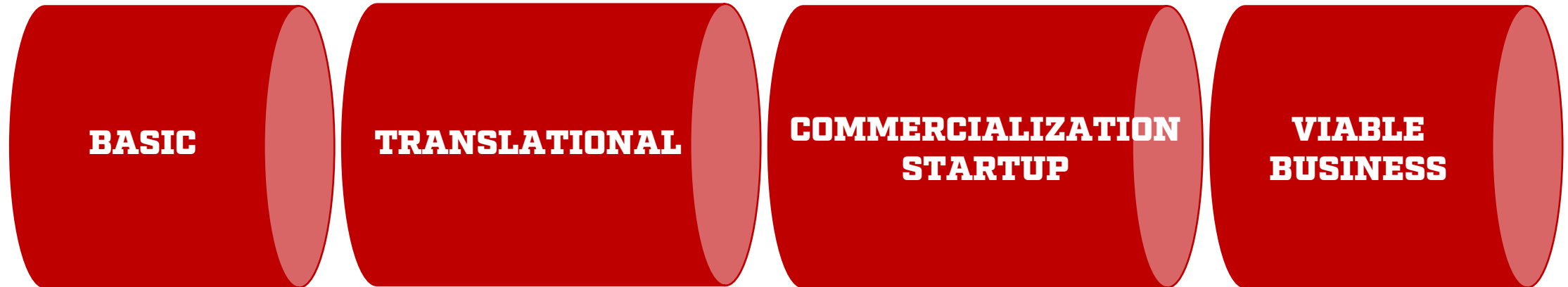
Eligible Partners: Non-profit organizations, government agencies, schools, small businesses.

Eligible Partner Benefits: 120 hours of services per student, per semester + stronger connections to higher education institutions.

INNOVATE.



Overhaul Innovation Pipeline.



ECONOMIC RESEARCH MULTIPLIER
3x to 5x



ECONOMIC STARTUP MULTIPLIER
10x to 20x



Source: University of Utah, Office of the Vice President for Research

SERVE.



We SERVE to improve connections.

#1. COLLABORATE

HCI – Utah County

Medical School Rural Emphasis

Utah Tech Programming

#2. INVEST IN COMMUNITIES

Herriman Campus

West Valley Campus

Rose Park Population Health Center

#3. OUTREACH

Service Corps / Hinckley

Bennion Center

University Neighborhood Partners

#4. RESEARCH

Great Salt Lake Strike Team

Energy Strike Team

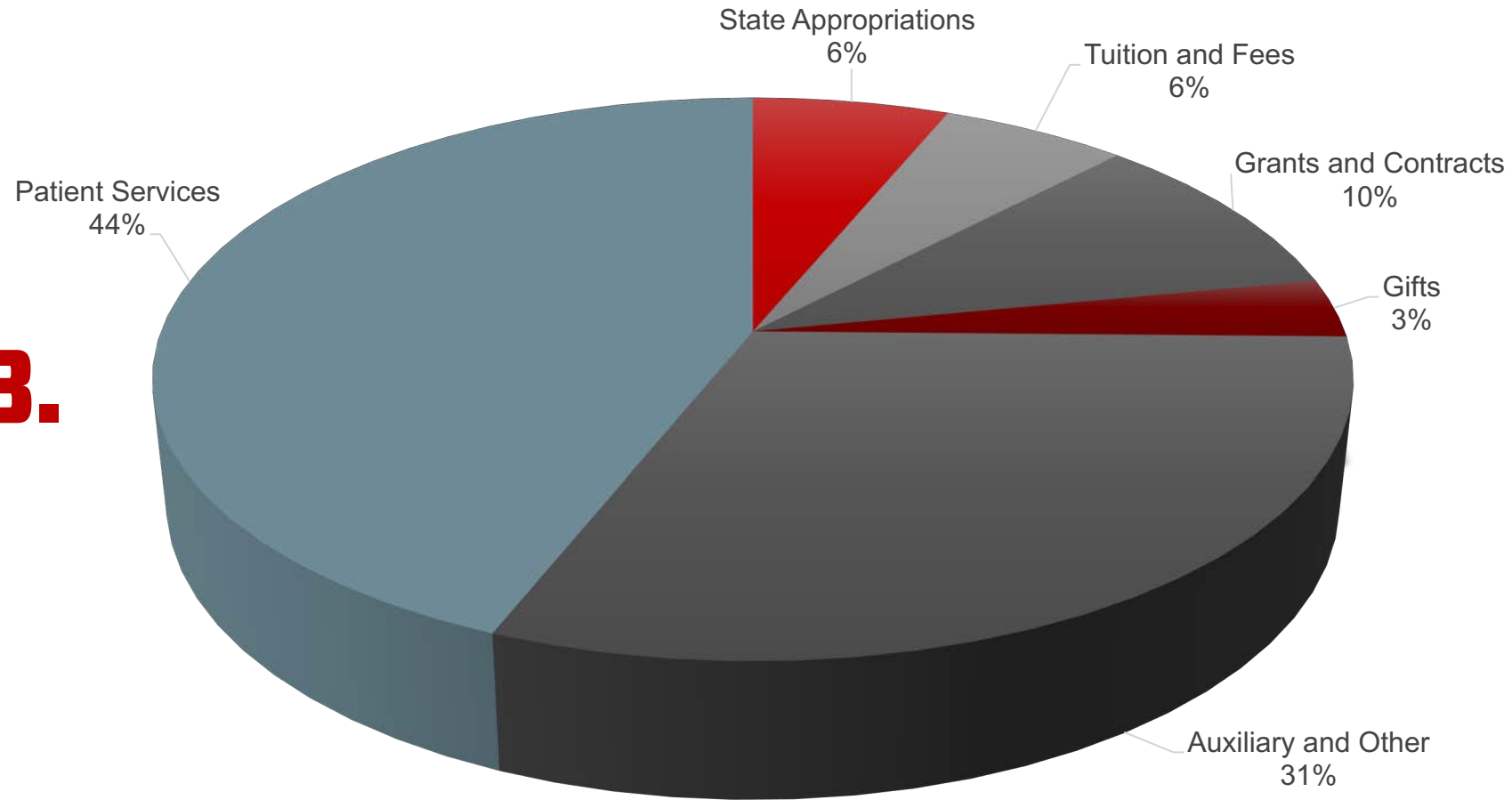
**Wilkes Center for
Climate Science & Policy**



FINANCIAL SUSTAINABILITY.

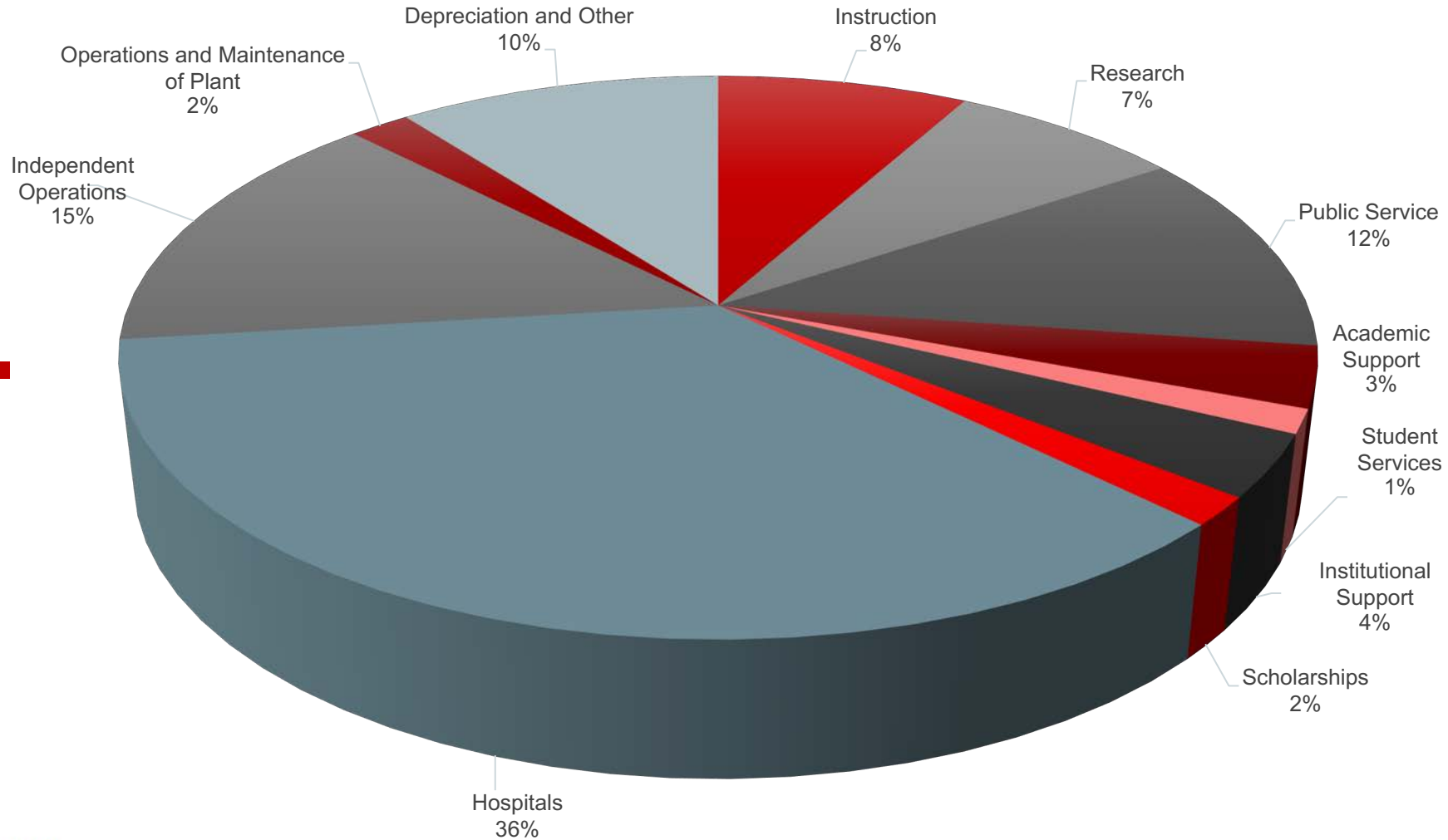
Total Revenues.

FY23.



Total Expenditures.

FY23.



Operational Excellence.

Areas of value creation

Academic enterprise

Sub-areas of focus

- Enrollment
- Retention
- Online programming
- Research and research commercialization

Operations

- Procurement
- Real estate and capital productivity
- Auxiliaries
- Advancement
- Administrative operations

Enablers

- Change management
- Capability building

To date, the U has identified opportunities that could deliver potential annual net operating impact of **>\$100M**

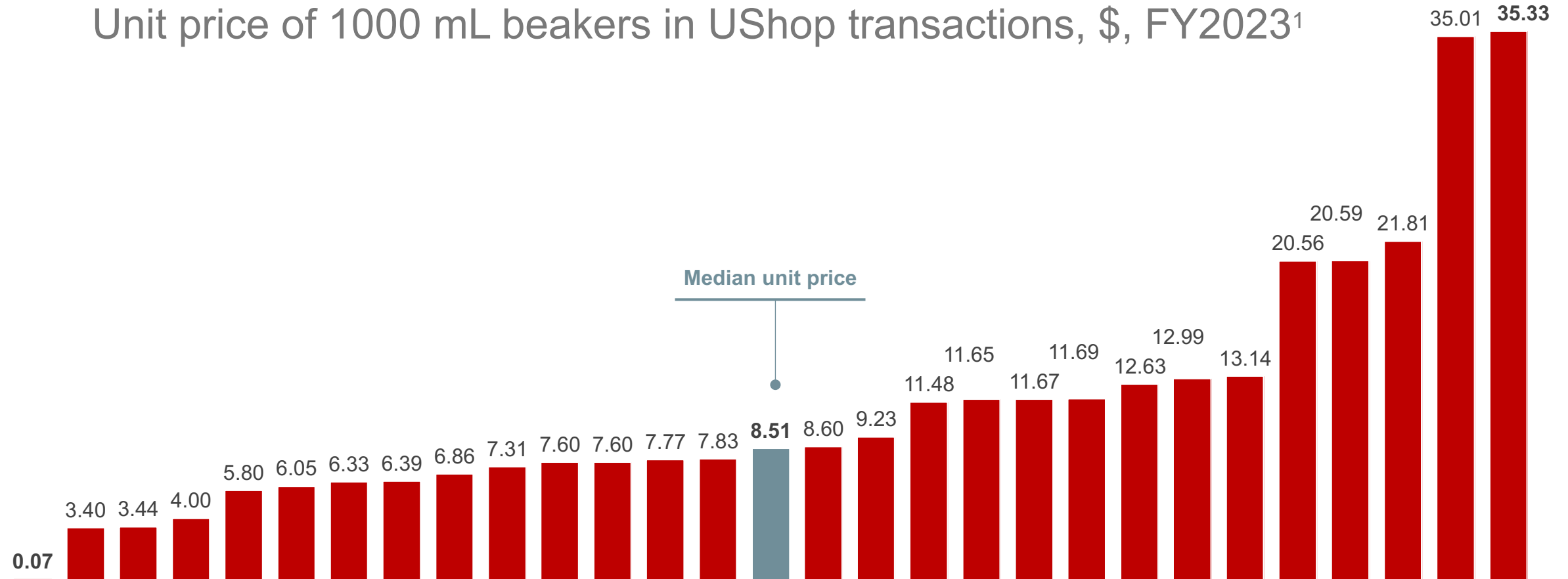
Operational Excellence.

Some potential **opportunities** include:

- 1** Continuing to **refine procurement processes** to improve purchasing practices.
- 2** Enhancing existing **policies and procedures**.
- 3** Continuing efforts to improve **service levels and delivery**.

Unit Cost For Beakers.

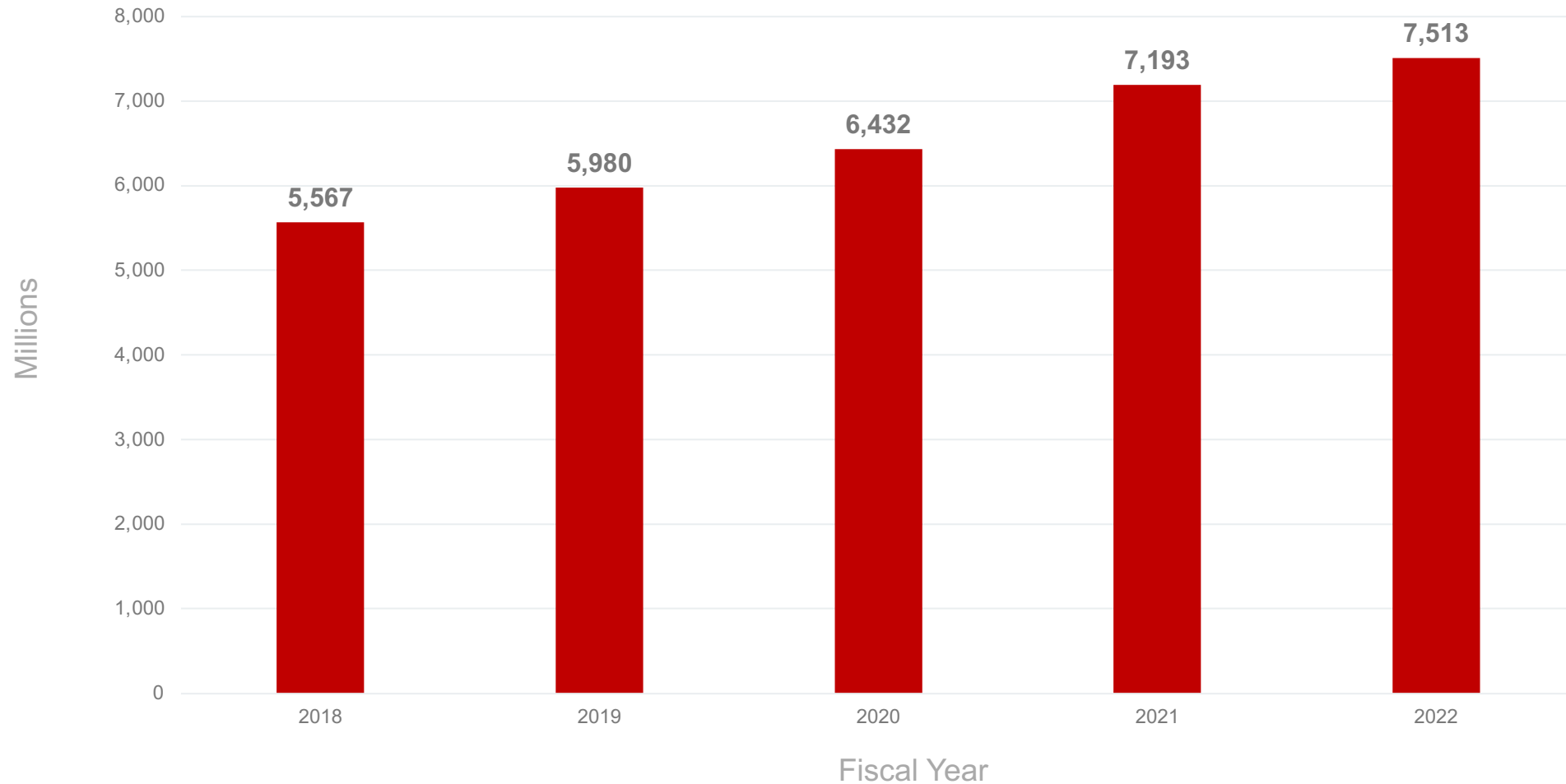
Unit price of 1000 mL beakers in UShop transactions, \$, FY2023¹



1. This analysis was limited to UShop transactions because the other U procurement databases do not track unit price of goods; the actual unit price may vary widely depending on volume.

Source: UShop invoice spend breakdown (as of 12/4/2023)

5 Year Net Position.



Source: Annual Financial Statements

Nonlapsing Balances.

Five Year Nonlapsing Balances State Appropriated Only (amounts in millions)

	2019	2020	2021	2022	2023
Non-Lapsing Balance	59	67	82	42	84
Reported Encumbrances	39	40	71	21	66
Revised Non-Lapsing	20	27	11	21	18

Funding Requests.

New State Fund Appropriations

	FY 2025	
FUNDED ITEMS	ONGOING	% OF BASE
Compensation*	\$18,704,300	3.2%
Performance	\$7,660,400	1.3%
Total	\$26,364,700	4.5%

*Request on par with state entities. Current amount based on GOPB budget of 2.9% salary, 7.2% health, and 0.9% dental. Tax portion only.

State Impact.

For every
\$1 billion of
direct economic
impact the
University of
Utah creates
\$2.5 billion
total impact.



Thank You.

Appendix.



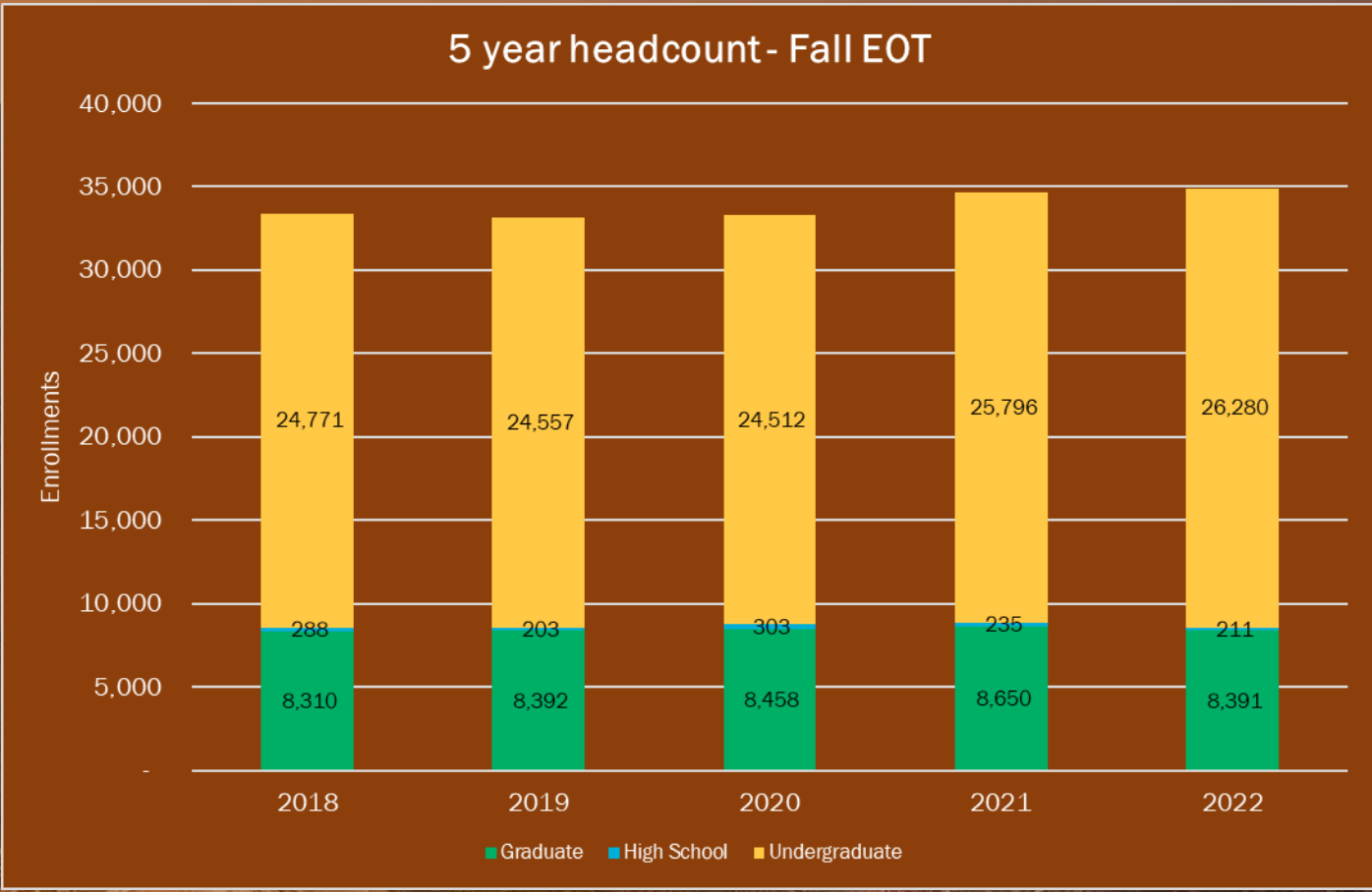
2024 Higher Education Appropriations Subcommittee Report

University of Utah

President Taylor R. Randall

January 30, 2024

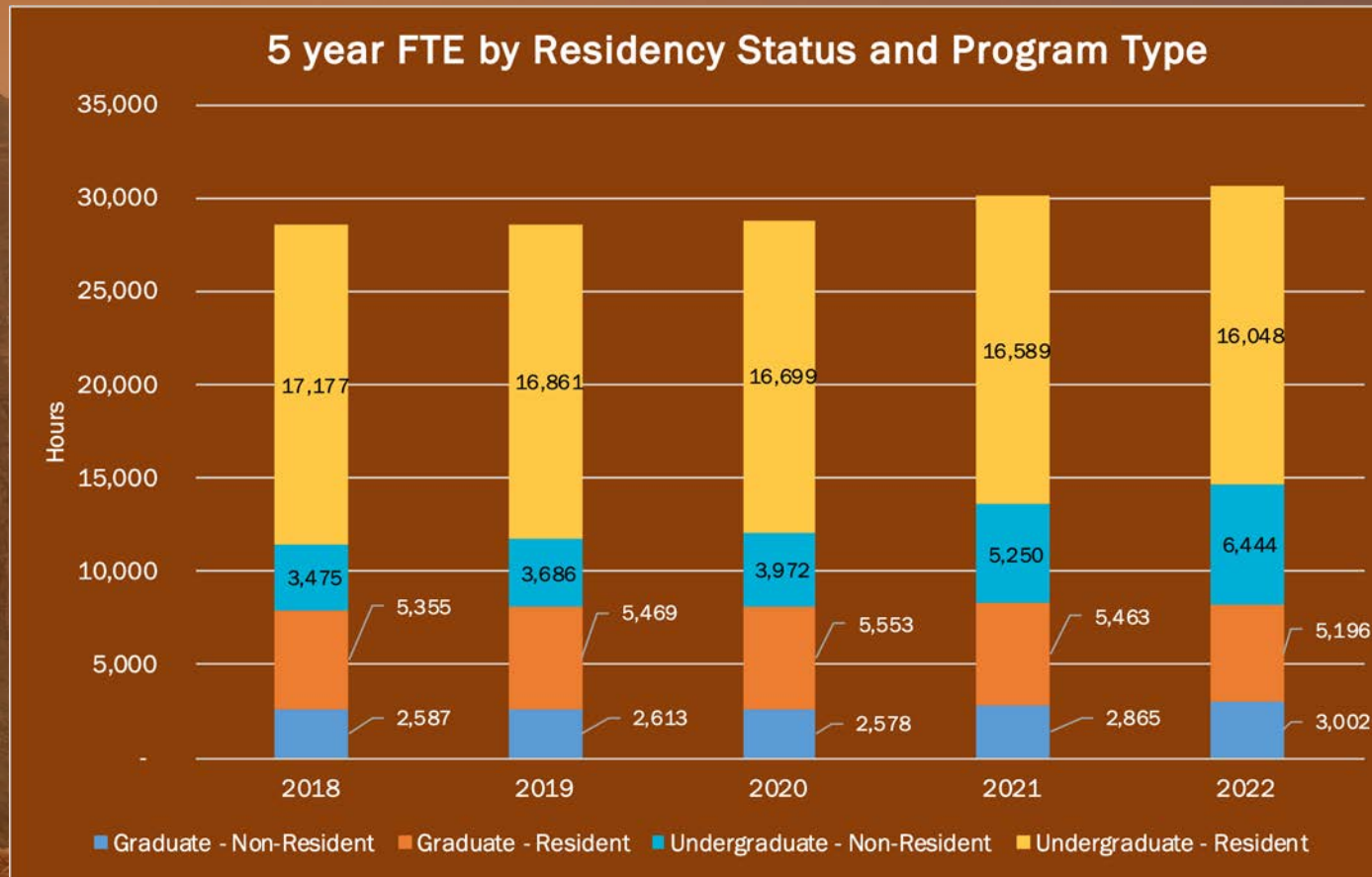
Enrollment History: HEADCOUNT



Source: OCHE Data Governance & Analytics



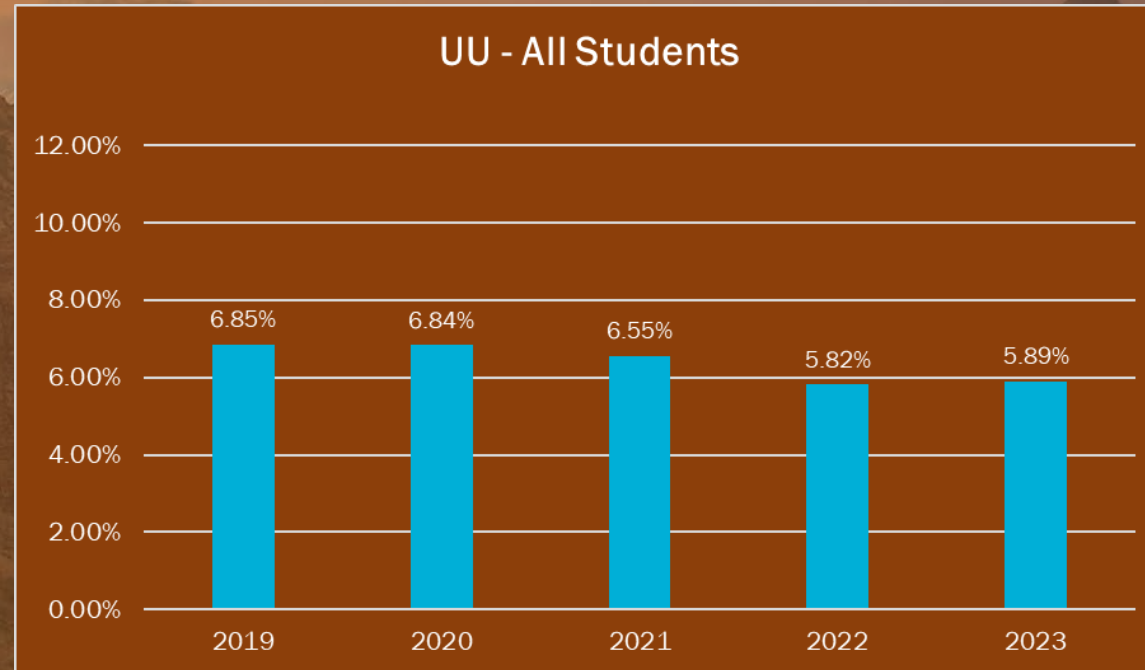
Enrollment History: FTE



Source: OCHE Data Governance & Analytics



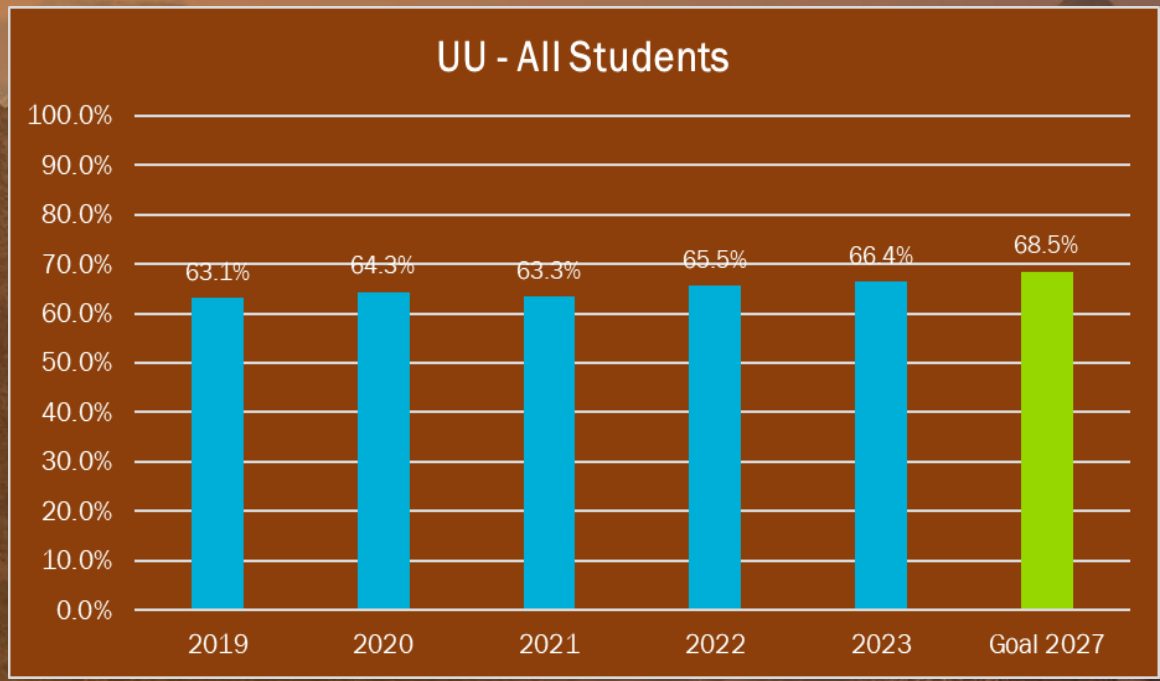
Statewide Attainment Goal: ACCESS



Source: OCHE Data Governance & Analytics



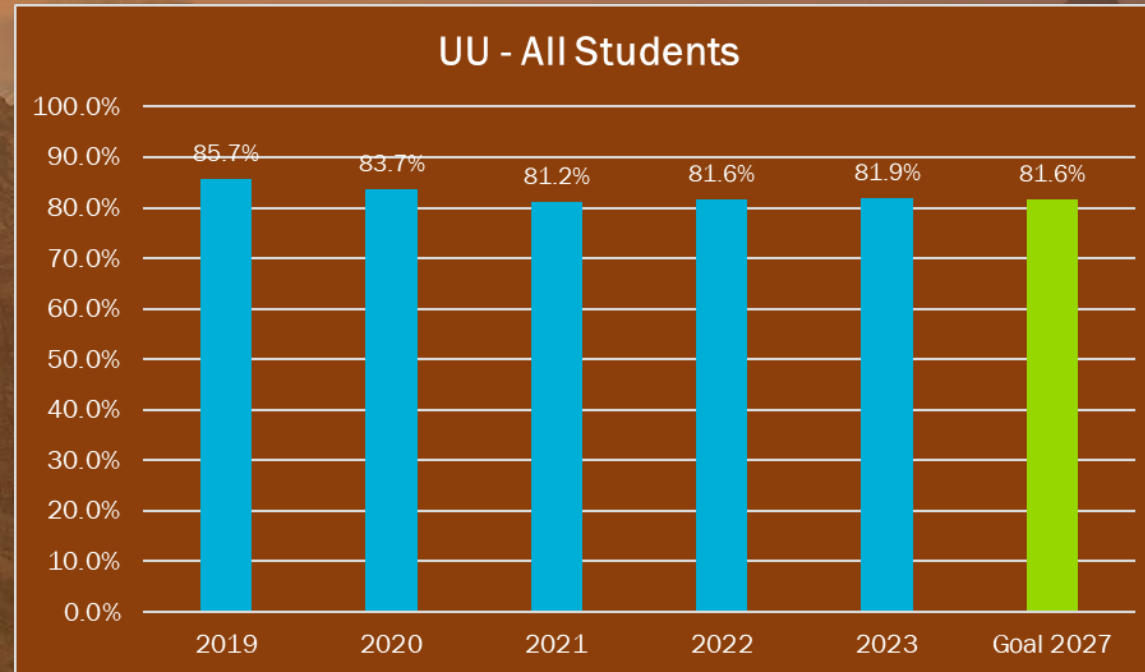
Statewide Attainment Goal: COMPLETION



Source: OCHE Data Governance & Analytics



Statewide Attainment Goal: HIGH YIELD



Source: OCHE Data Governance & Analytics



Job Placement

- The U's graduates have a median income of \$64,000, the highest among USHE schools and within the 67th percentile in the US.¹
- The U's non-resident graduates remaining in Utah one-year later has increased over the last 6 years from 42% among 2016 graduates to 53% among 2021 graduates.
- U.S. Census Bureau & Pew Research data show, all bachelor's degrees offered at the U including education, humanities and visual and performing arts, leads to a five-year post-graduate median salary that is considered middle-income in the state of Utah.

1. National Center for Education Statistics (2023): <https://nces.ed.gov/programs/coe/indicator/cba/annual-earnings>



Total Revenues (Without New Requests)

Source of Revenue	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
State Appropriations	\$395,848,000	\$378,979,000	\$408,157,000	\$416,519,000	\$479,552,000
Tuition and Fees	\$367,174,000	\$377,951,000	\$376,295,000	\$405,767,000	\$454,642,000
Grants and Contracts	\$518,448,000	\$573,880,000	\$757,554,000	\$707,488,000	\$754,588,000
Gifts	\$237,768,000	\$177,926,000	\$138,339,000	\$195,730,000	\$258,743,000
Auxiliary and Other	\$1,604,245,000	\$1,695,956,000	\$2,123,187,000	\$2,005,445,000	\$2,367,286,000
Patient Services	\$2,460,034,000	\$2,547,953,000	\$3,000,434,000	\$3,184,221,000	\$3,384,723,000
<i>Total</i>	<i>\$5,583,517,000</i>	<i>\$5,752,645,000</i>	<i>\$6,803,966,000</i>	<i>\$6,915,170,000</i>	<i>\$7,699,534,000</i>

Source: C-3 IPEDS

OCHE to assist with standardization; Brief subcommittee on how state appropriations contribute to the success of the institution. Discuss major revenue sources beyond state appropriations and tuition/fees.



Expenditures (Without New Requests)

Expenditure Categories	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Instruction	\$534,240,000	\$564,794,000	\$557,607,000	\$602,225,000	\$584,277,000
Research	\$413,716,000	\$426,320,000	\$456,419,000	\$471,955,000	\$542,574,000
Public Service	\$686,964,000	\$733,074,000	\$898,432,000	\$840,851,000	\$845,861,000
Academic Support	\$180,711,000	\$191,340,000	\$178,369,000	\$207,466,000	\$252,785,000
Student Services	\$82,074,000	\$80,539,000	\$67,383,000	\$84,372,000	\$99,173,000
Institutional Support	\$169,638,000	\$108,179,000	\$127,099,000	\$213,259,000	\$258,707,000
Scholarships	\$28,510,000	\$55,376,000	\$2,719,000	-\$8,746,000	\$118,506,000
Hospitals	\$1,981,789,000	\$2,121,611,000	\$2,197,469,000	\$2,439,570,000	\$2,579,549,000
Independent Operations	\$625,072,000	\$696,394,000	\$843,250,000	\$957,331,000	\$1,055,178,000
Operations and Maintenance of Plant	\$103,693,000	\$104,607,000	\$95,690,000	\$124,975,000	\$140,713,000
Depreciation and Other	\$298,910,000	\$229,510,000	\$572,725,000	\$658,735,000	\$751,660,000
<i>Total</i>	<i>\$5,105,317,000</i>	<i>\$5,311,744,000</i>	<i>\$5,997,162,000</i>	<i>\$6,591,993,000</i>	<i>\$7,228,983,000</i>

Source: C-3 IPEDS

OCHÉ to assist with standardization; Brief subcommittee on main expenditure categories and changes over time.



Net Position

Graph of 5-year change in net position



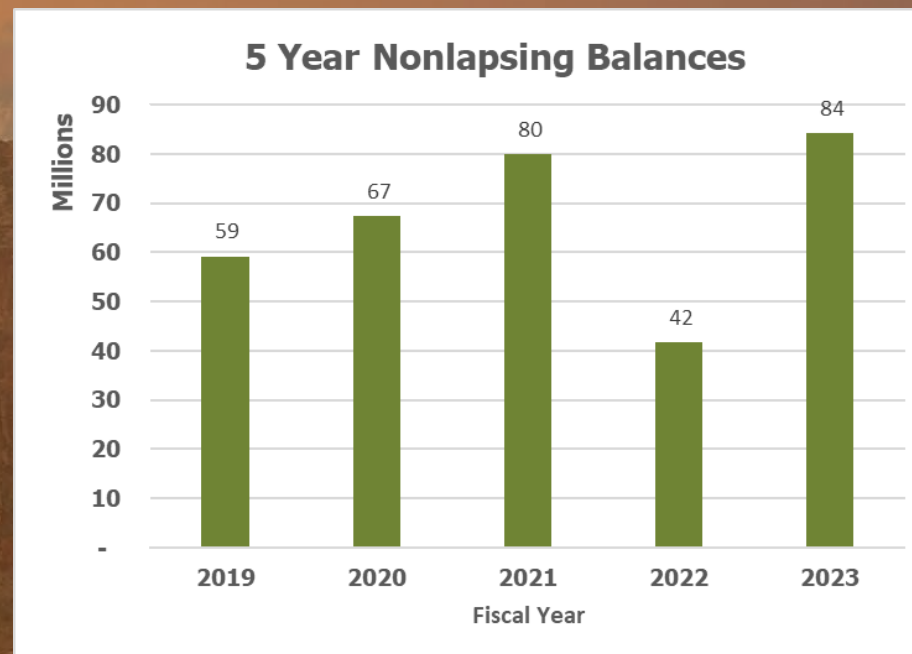
Source: Annual Financial Statements

Office of the Commissioner will provide standardized graph; discuss change in net position and contributing factors to change



Nonlapsing Balances

Graph of 5-year nonlapsing balances



Source: A-1 Actual

Office of the Commissioner will provide standardized graph; speak to purpose of nonlapsing balance, plans if it is being reserved for a specific project



Last Year General Session Appropriations

New State Fund Appropriations

Funded Items	FY 2023	FY 2024			
	Suppl.	One-time	Ongoing	Total	% of Base
Compensation	-	-	\$54,021,700	\$54,021,700	12.86%
Performance	\$7,365,700	-	-	\$7,365,700	1.75%
Internal Service Funds	-	-	\$2,721,000	\$2,721,000	0.65%
Operation & Maintenance	-	-	\$2,302,300	\$2,302,300	0.55%
Reallocations	-	-	\$2,295,000	\$2,295,000	0.55%
Foreign Language Ed. Amendments	-	-	\$778,900	\$778,900	0.19%
High School Based Clinic	-	-	\$750,000	\$750,000	0.18%

Source: LFA All Bills Crosswalk

OCHE to assist with standardization; add/delete rows as necessary. Brief subcommittee on how funds are being used, how much of year 1 funding anticipated to be spent in year, plans for any carry over and how they are consistent with intent of appropriation.



Last Year General Session Appropriations

New State Fund Appropriations

Funded Items	FY 2023	FY 2024			% of Base
	Suppl.	One-time	Ongoing	Total	
Center for Medical Cannabis Res.	-	-	\$650,000	\$650,000	0.15%
Law School Refugee Clinic	-	-	\$200,000	\$200,000	0.05%
Family Friendly Workplace Study	-	\$125,000	-	\$125,000	0.03%
Women Legislators of Utah History	\$100,000	-	-	\$100,000	0.02%
Operation & Maintenance	-\$473,400	-\$3,422,200	-	-\$3,895,600	-0.93%
Total	\$6,992,300	-\$3,297,200	\$63,718,900	\$67,718,900	16.05%

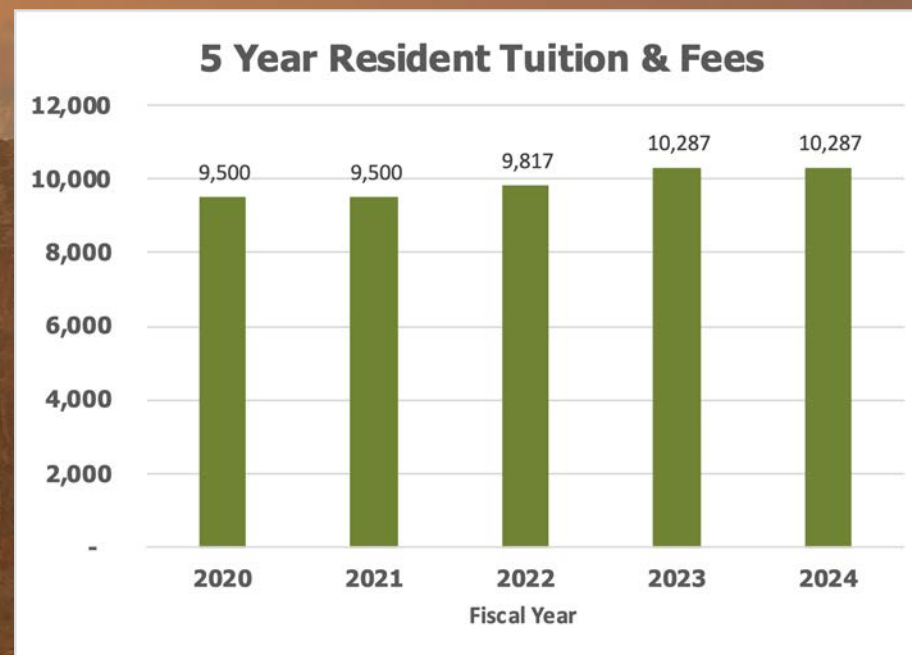
Source: LFA All Bills Crosswalk

OCHE to assist with standardization; add/delete rows as necessary. Brief subcommittee on how funds are being used, how much of year 1 funding anticipated to be spent in year, plans for any carry over and how they are consistent with intent of appropriation.



Tuition and Fees Overview

Graph of 5-year tuition and fees



Source: Data Book

Office of the Commissioner will provide standardized graph; speak to what the 22-23 increase funded (e.g. compensation match)



Tuition and Fees Overview

General Fees, Full-time Student

Fee Name	Description	2019-20	2020-21	2021-22	2022-23	2023-24	Avg. Annual Growth
Student Activity/Support	Orgs, Rec, Arts, Pub, Library etc.	\$302.06	\$297.36	\$148.06	\$148.06	\$148.06	-12.7%
Building Support/Bond	Building Support, Bonds	\$348.48	\$353.18	\$448.48	\$448.48	\$448.48	7.2%
Athletic	Events, Fitness center	\$165.38	\$165.38	\$165.38	\$165.38	\$165.38	0.0%
Health	Health, Wellness	\$70.96	\$70.96	\$70.96	\$70.96	\$70.96	0.0%
Technology	Computer Technology	\$238.90	\$238.90	\$238.90	\$238.90	\$238.90	0.0%
Transportation	Transit Pass, Shuttles	\$116.70	\$116.70	\$116.70	\$116.70	\$116.70	0.0%
Other	Sustainable Initiatives	\$5.00	\$5.00	-	-	-	-25.0%
	Total	\$1,247.48	\$1,247.48	\$1,188.48	\$1,188.48	\$1,188.48	-1.2%

Source: Data Book



Request for New Funding

New State Fund Appropriations

Funded Items	FY 2025	
	Ongoing	% of Base
Compensation*	\$18,704,300	3.2%
Performance (eligible)	\$7,660,400	1.3%
Total	\$26,364,700	4.5%

*Request on par with state entities. Current amount based on GOPB budget of 2.9% salary, 7.2% health, and 0.9% dental. Tax portion only.

Source: November 3rd Board meeting

OCHE to assist with standardization; add/delete rows as necessary. Brief subcommittee on how funds will be used.



Investments

FY 2022

Fund	Amount
Endowment	\$1,671,303,118
Foundation	\$348,296,752
Other	\$3,774,932,057
Total	\$5,794,531,928

Category	Percent
Cash Equivalent	23.42%
Government	49.22%
Stocks	0.84%
Corporate Bonds	1.07%
Pooled	11.04%
Other	14.42%
Total	100.00%

Source: Annual Money Management Report FY 2022





Utah State Legislature